THE ANDRÉ L SIMON LECTURE 2019

Presented by Bob Campbell MW

on Sunday 10th March

in the Stamford Plaza Hotel, Auckland, New Zealand

"Development of New Zealand Wine Industry 1954, when the Auckland branch was formed, to present day"

THEN (1954)

In 1957 New Zealand produced 2.7 million litres of wine, 85% of which was fortified – today production is more than 100 times that volume. Back then it was difficult to enjoy wine with a restaurant meal. Michael Cooper said 'The custom was to smuggle in a bottle and hide it under the table. Some restaurants took the wine away and decanted it into soft-drink bottles in case of a police raid.' I recall enjoying a 15-year-old Penfolds St Henri Claret in coffee mugs! The breweries had control over wine sales and the hotel restaurants, to keep their liquor license, were obliged to serve food, but the restaurants had to be closed by 8 o'clock, and many closed as early as 6pm - these were dark times. I can remember I worked for a brief time in a wine bar in London doing my Overseas Experience (OE) when a very elegant English gentlemen customer and I began chatting away, and he asked me if I was a New Zealander and I said yes. I asked 'Have you been to New Zealand?' and he said, 'Oh yes, only once. Not a happy experience actually.' He then explained he was on the way to Australia, and had a stopover in Christchurch, and he had asked for an early morning call so he could meet his flight. That morning he was awake, he clearly remembered the door opening (there wasn't a knock) and the maid came in with a cup of tea, putting it heavily on the side table, spilling half of its contents into the saucer. Her first words to him were 'Do you take sugar?' to which he replied 'No' - 'Don't stir it then,' she said and walked out. [laughter] I said, that's about right, yeah that's the New Zealand I know and love!

Hybrid grapes were the rule back then. We had Palomino for ports and sherries plus hybrid grapes, which had a foxy, feral character. Vinifera, which is 100% of the plantings now, was virtually non-existent then, thanks to the prohibition movement and phylloxera, although an illegal water addition was common, other adulteration was 'suspected', but everyone routinely used water. They reason is they picked the grapes early giving high acid, and you couldn't reduce the levels, so you broke it down with water. So that was one way of deacidifying the wine, and it also turned water into wine, [laughter] which was not only slightly more palatable but highly profitable - that was another rationale for the process. I think it was a major boost

to the industry when, I think it was about 1983, that they determined how to test to see whether water had been added and made it seriously illegal. Over cropped vines were planted in high yielding sites and just through that it kept the quality down significantly.

I tasted my first wine in 1954 as it happens. As a family we lived out in Cockle Bay and once every 2 or 3 months my parents would load the kids in the car and make the journey across to Huapai to visit Nobilo's and buy a number of half flagons of sherry to last them for the next two or three months. Old Mrs Nobilo used to give all my brothers, sisters and I a small glass of cream sherry. We actually didn't like the taste of it very much, but it was so exciting to have something that obviously horrified my mum, but that was my first taste of wine. Later on I joined Nobilo's as Company Secretary, and one of my first jobs was to scrap their flor sherry programme, which clearly was never going to make any money. So the upside of it was I managed to get a cask of sherry, in fact the best one I could find, for my father, so that he elevated the quality of sherry drinking days at that time. So this is a fairly gloomy picture, but there was light at the end of the gloomy tunnel, on 8th February 1954 the New Zealand Herald reported, "Today may go down as a gastronomic landmark for at 7h30 tonight a little group of wine enthusiasts will inaugurate a Wine and Food Society in New Zealand dedicated to the cause of better eating and drinking", and here we are - pat yourselves on the back!

NOW (2019)

Now let's move to 2019. I have a better awareness of what's happening now than I did when I was 7 years old in 1954. Today we've got 697 wineries and about the same number of grape growers, 38,000 hectares of production vineyard in New Zealand and our current tally for exports is about $1.7 billion. The budget for next year is to take it up to $2 billion, so that's a sizeable contribution to the economy, and wine is now this country's 5th most exported commodity.

The top five grapes varieties are – number one is Sauvignon Blanc, that represents 73% of the tonnes crushed in 2018; Pinot Noir is number two, 9% and rising; then we've got Chardonnay at 6.5% so dropped back a little bit there, and then Pinot Gris with surprising growth actually at 5.5% and finally Merlot at 2.5%, then a whole bunch of others below that, but this is the really exciting stuff for 2019.

The Six Nations Wine Challenge is my favourite wine competition of the year. I judge in a show in New Zealand, one in Australia, and one in the UK every year and sometimes one in China, but my favourite is the Six Nations Wine Challenge and we've got six judges, who are also selectors, and we choose wines from the top 100 wines from our respective countries, which is by invitation only, then we

assemble those wines in Sydney and judge like with like. So we put the Chardonnay's together, the sparkling wines together etc. We've been going 16 years now and there are six countries who take part - New Zealand, Australia, South Africa, we've got Chile, the US and Canada. Let me get the stats right, the first nine years Australia won the whole thing every year (so pat yourselves on the back Australians), New Zealand was a close second. But now for the last 6 years, the Kiwis are having a go, and New Zealand has won it, and that's really exciting. There are varieties that you would not think that we would be able to compete strongly in against the competition, varieties such as Shiraz, or Syrah as we call it. We have now won that class I think it's 9 times out of 16, which is great, particularly when you think that Australia has got 35,000 hectares of Syrah, I think, the US has got about 25,000 hectares and South Africa 15,000 hectares and New Zealand has only got 400. So, from a very small amount of wine, we do extremely well, and we do well across the board, so it's very exciting. Every year I just come away with that little swollen chest feeling, so proud of the ongoing growth and quality of New Zealand wine too.

We have many other international successes that have helped put us in the international wine spotlight. One of my favourites, which took place a couple of years ago, is that of the Kumeu River Chardonnay, which is much loved by Stephen Browett of Farr Vintners in the UK. He put together a blind tasting for the great and the good of wine critics. He had four flights, and in each flight there was one Kumeu River wine, of differing vintages, and another four or five white Burgundy's (so Chardonnay as well). Kumeu River came first in three of those flights, and first equal and fourth, and that's a fantastic result, it really is. I find it very very exciting. I haven't checked the figures lately but for a long time we have boasted the highest average bottle price in the UK and the US, whether we've still got that I'm not sure. Another exciting statistic is that 40% of the Australian white wine market, which is significant, was mostly filled by Marlborough Sauvignon. For a long time, once import restrictions were lifted back in the 80's, Australian red wines particularly flooded New Zealand, so it's nice to sort of get our own back!

29% of visitors to New Zealand visit a winery – that's fantastic. The Wine Trail is very much alive and kicking, and the quality grows every year. You know I'll taste a bunch of Pinot Noir and think, wow this is fantastic, this is as good as it's going to get, we surely must be plateauing, and then the following year they seem to just get better and better.

SOME OF THE KEY DRIVERS

So, what are the key drivers for this obvious transformation from 1954 to 2019? First one is my own observation, I think jet aircraft are responsible for a lot of our

growth in quality wine making, by that I mean the ready access to the UK, so that kids like mine could do their OE. Some stayed in the UK and other countries, but most of us returned and we returned having discovered wine, which we didn't have back in the early 50's. There was not a thriving wine culture in New Zealand, far from it, so that was brought back by a lot of the kids doing their OE.

I'm just going to give a couple of quick names, obviously there are many many people that deserve to be recognised for this wonderful growth in quantity and quality. The first is Frank Berrysmith who was at the government research station at Te Kauwhata. He's an Australian, and he was there from 1949, and he observed that New Zealand wines were just not being left to ripen fully on the vine, that they were getting harvested to early. So the flavours and the sugars weren't there, so everything needed chaptalizing (sugar addition). He also imported varieties, we had some dreadful grape varieties then, like Gewurtztraminer, Durif, Gamay Noir, Grenache, Malbec, Melon, Semillon, Sylvaner, Sauvignon Blanc and new kinds of Cabernet Franc, Cabernet Sauvignon, Chardonnay, Chenin Blanc, Pinot Gris, Riesling and Pinot Noir. So that really increased the health and diversity of New Zealand wine - Frank Berrysmith deserves recognition for that.

There's another fellow who also worked at Te Kauwhata research station, Denis Kasza, who is widely called the unsung hero of New Zealand wine. He studied plant physiology in Budapest and winemaking at Montpellier. He worked at the Te Kauwhata research station for a number of years before joining McWilliams as general manager and winemaker, and he once again continued that drive to get riper grapes and better grape varieties. His three favourites that he championed were Chardonnay, Muller-Thurgau and Cabernet Sauvignon, and Muller-Thurgau really did transform the New Zealand wine scene because before Muller-Thurgau came along most of the wines were pretty high acid, low flavour hybrids that just didn't cut the mustard, and suddenly people got something that they could drink. So beer drinkers had a sip of mum's wine and decided 'this is not bad actually, I think I'll have another glass of that', and away it went.

Dr Richard Smart, he's an Australian living in the UK now, was the viticultural scientist at Ruakura in 1981, and he made a huge difference promoting vine training and leaf management. It doesn't sound that critical, but really it was a very pivotal point of New Zealand viticulture when we started to get that right. Richard explained, 'You know when light hits a grape leaf, only 10% of light will go through the grape leaf, and if you've got three leaves in a row you're only getting 1% in the inner canopy, so photosynthesis becomes very inefficient and the plant performs poorly and you get high levels of a chemical called methoxypyrazene which doesn't do anything for wine quality. Richard also had a novel way of telling

viticulturalists to decide whether their canopy was too dense –'if you get someone to take their clothes off and stand on the other side of the canopy, if you can't tell what sex they are when you look through the canopy, it's too dense, you've got some work to do thinning out the leaves.' And so in those days when this was revealed, if you did see naked people frolicking in the vineyards, it was nothing untoward. If you looked carefully you'd find a white coat at the end of the row, they were just plant scientists doing their job! [laughing] Thought I'd throw that in for what it's worth!

In 1983 winemakers agreed to a law requiring all wine to be at least 95% grape juice, and before that, believe me, a significant percentage of it wasn't grape juice. This law put the end to the 'great white snake'. You know I recall going into wineries during vintage and there would be the big white hose in the crusher pouring water in and turning water into wine literally, and that did nothing for quality. Just stopping the adulteration through water was a giant leap forward.

Marlborough, just that word Marlborough, I mean Marlborough is the engine room that drives the New Zealand wine industry, it's huge, it's bigger than Ben-Hur and getting bigger all the time. Some people are concerned, and we probably should be, that we are getting to dependent on Marlborough Sauvignon Blanc. We need some lieutenants to come through, we've got Pinot Noir and possibly Pinot Gris and I'd like to think Chardonnay could do some damage, but certainly Marlborough Sauvignon is bigger than Ben-Hur, as I say.

In 1973 the first vines went in. I was a young accountant working for Montana in those days, and I was on the spot when we planted those first vines and I was very much involved in the financing of them. It was a very covert operation - with the help of Montana and a lot of cash injection from Seagram's, who just bought a big share in the company, they had the wherewithal to buy quite a lot of land and start a new wine region in Marlborough. At the time the people said you couldn't grow grapes on the South Island, that they would all die of frost or drought. But they did the science and decided it was viable, and then they had to covertly go down and take options on large farms, and I think they finally purchased 1200 hectares at a price of $1121 a hectare, which is cheap. I think today to buy a hectare of vineyard land with say Sauvignon Blanc on it in Marlborough is now around quarter of a million dollars, so a little bit of capital gain made there. Six weeks after their purchase they planted 265 hectares including Sauvignon Blanc. That was on a scale that was unimaginable in those days, all of that, it just happened so fast. Unfortunately they then had the worst drought that the area had experienced ever on record and most of those vines died because they didn't have any irrigation. They bounced back and put up irrigation and eventually got the whole thing underway,

and it was a revelation. I can clearly remember those first Sauvignon Blanc wines that were produced by Montana, they were just extraordinary in their day. If we'd have gone back in a time machine and tasted them again we would probably be less impressed, but at the time they were fantastic, and Sauvignon suddenly put us on the world wine map. There was a saying in those days that exporting wine, or exporting Marlborough Sauvignon, was about as hard as just watching the phone and waiting for it to ring!

BENCHMARK WINES

There are some benchmark wines that have made their mark on the New Zealand wine industry. McWilliams Cresta Doré, who remembers Cresta Doré? That seriously dates me anyway, but Christopher Fielden, a British journalist had a wonderful line 'It's smells of nothing, it tastes of nothing, it must be Cresta Doré.' But that was actually high praise, because the white wines of the day were made by hybrid grapes that had this really feral, foxy character and McWilliams managed to eradicate that, while I presume using hybrid grapes. So that was quite a job for them to actually produce a wine that actually tasted of nothing, that was good.

This other one falls under the 'I wish I had thought of that' category - a British journalist, after touring New Zealand for a couple of weeks summarised his thoughts in The Herald with the opening line, 'New Zealand has no snakes or poisonous insects but it does however have Velluto Rosso', which was a sweet red wine made by Corbans, and so, that's not a benchmark wine - I just threw that in! [laughter]

McWilliams early Chardonnays and Cabernet Sauvignons were fantastic, they were a revelation at the time. I was a young wine enthusiast, and wine in those days would cost about $1 a bottle, but these wines were three times the price, about $3 a bottle and you couldn't get them. You had to know someone who had them as they were all on allocation and rationed to serious enthusiasts. So I never really did get very much of them, but fortunately was able to taste them from time to time.

In 1975 I was working for Nick Nobilo, and the company at the time made their first Muller-Thurgau. I clearly remember this was a pretty important time. We had a lot of the Muller-Thurgau vines planted, but what Nick was trying to do was to sweeten the wine not with sugar, but with back blended Muller-Thurgau grape juice - it's a well used technique in Germany. But you had to be very careful when you added the sugar to the wine that had fermented, as it lead to some stray yeast cells floating around and the ferment could start again and your efforts would be lost, because that sugar would just ferment to alcohol. I can remember, Nick said the only way we could succeed was to have everything completely sterile, so all of the

winery was scrubbed, re-scrubbed and sterilised to the nth degree. You couldn't go in the winery unless you had sterilised gum boots and a sterilised lab coat and so on, so it was a very, very rigorous process to keep the winery clean, so everyone was completely dog tired before the vintage had begun. The big moment came when we pumped the juice, the grape juice into the Muller-Thurgau, Nick said we could taste the first wine, and we went up a catwalk to the top of this big stainless steel tank, and lifted the lid up, to take a sample, and there floating on top was a scrubbing brush. I caught Nick's limp body before he hit the floor - no I didn't. [laughter] The scrubbing brush was totally sterile so the wine was fine, and it really made a difference. It put Nobilo's on the map at that time, and was one of those wines that really led the way in terms of other wine development.

Briefly, 1982 St Helena Pinot Noir was the first Pinot Noir of note produced in New Zealand, down in Canterbury, by Danny Schuster. So that sort of opened the door and showed winemakers what could be done. Early Martinborough Pinot Noir's by Mr Pinot, Larry McKenna, I think took the variety to another level and that really started to get serious, and encouraged others to get serious with Pinot.

New Zealand's most iconic wine, in my view, is Te Mata Coleraine, and that was first produced in 1982, and that really just led the way. No one had any idea that New Zealand could make serious Bordeaux style blended reds until Coleraine came along, and I recently tried two verticals of Coleraine, it's a remarkable wine.

The first Sauvignon Blanc made by Ross and Bill Spence in Matua Valley was in a tin shed in Swanson in the early 70's. I can recall taking and tasting a barrel sample, in this very humble winery and being suitably impressed.

WINE WRITERS We should acknowledge the efforts of the first wine writers Jock Graham and Michael Brett who were columnists in The New Zealand Herald and Auckland Star respectively. They pioneered wine journalism in the 1970's, so really inspired me, but then inspired many many others as well. Actually, for the record, I wrote the first article on New Zealand wine to be published overseas in Decanter magazine in 1977. The magazine's Aussie editor Tony Lord had no idea New Zealand made wine so he was very keen to be first with the news.

NEW ZEALAND WINEGROWERS and it's first CEO, Terry Dunleavy and the present CEO, Philip Gregan deserve some sort of medal. That organisation has kept New Zealand wine on the straight and narrow and successfully lobbied government, made major contribution to wine exports by a series of skilful and often low budget promotions. They are, and I get a lot of feedback on this, the envy of winemakers in many countries. It's a very very well oiled machine and very very effective.

EXPORT GROWTH has been a critical driver for the success of the wine industry. I was there at the beginning when I headed an export office for Corbans in Los Angeles in 1979. It was a tough market in those days, so I tried to get a bit of volume through supermarkets, and I can remember coming up with a list of the six largest supermarkets in groups in southern California and then just ringing them all up every month, for the next two and half years I was there. I would go and visit the buyers, knocked one off pretty quickly, and quite a prestigious one, and that gave us a bit of credibility. So others fell after that. But after two and half years I had a week to go before I was going back home from California, and I had sold to all except one, which was the Boy's Market. I had become very friendly with the buyer, but he hadn't given me an order and so I said to him I was going back home a broken man, because I didn't get an order from him. He gave me an order for a couple of pallets of wine, but we never got paid because they went broke a week later so – that's the highs and lows of exporting.

The man who made the largest contribution I think to New Zealand's image on the world's stage is probably Australian, David Hohnen, founder of Cloudy Bay from Western Australia. As a UK importer of New Zealand wine said at the time, 'Before Cloudy Bay arrived New Zealand wines were regarded as being too expensive. Now they are not.' So that certainly was a turning point for the value of New Zealand wine.

THE 1986 GRAPE PULL - we had an over production that forced two wineries Delegat's and Villa Maria into receivership. They both traded out of receivership, and are success stories, but it left many others teetering on the brink, it was a quite a scary time. The government offered to pay a per tonne price for up to 25% of the national vineyard if it were up-rooted, and it was a marvellous move because marginal varieties and marginal vineyards disappeared overnight and sprung up in other areas, more suitable areas, and with more suitable grape varieties. So that really, just in a year, dramatically improved the health of New Zealand wines.

SCREW CAPS - I've got to put screw caps in here as a major driver of New Zealand wine because I'm quite a fan of screw caps. Perhaps not everybody in the room is. But when I asked Michael Brajkovich MW of Kumeu River about that success with the French Burgundy's, 'Were your surprised when you heard the news?' He said 'No, because we've got screw caps.' And I earnestly believe that the longer it takes our competitors to move from cork to screw caps, the wider the door is going to be open, because wines really do age better under screw cap. Screw caps were contentious when they arrived in 2001, but now everyone just gets on and uses them as closure of choice.

Another driver I think is **embracing our New Zealandness**, that's dropping European terms and exploring the characters that make New Zealand wine different and special and have been an important development. It's a sort of vinous coming of age and we've come a long way in that regard. In the beginning when we started getting serious about table wines we would use terms such as burgundy, port, sherry etc., all those European terms, but no longer.

One of the reasons I think that Marlborough Sauvignon has been so successful is because it's different to other Sauvignon Blanc styles, and it's also very good. Mrs Sauvignon shopper can go into a supermarket and choose a bottle with Marlborough Sauvignon on the label and she's got a pretty good idea of what's she's going to get, and most of the time the bottle meets her expectations.

And finally, **the big driver** I think behind such a spectacular expansion is the consumer. You can make the best wine in the world, but if no one is prepared to pay more than it costs you to make it you won't remain in business for very long. So to all of you who've enjoyed New Zealand wines for many years, I'd like to say thank you for having faith in Kiwi wines, and I hope you've enjoyed the ride as much as I have.

Thank you