



QUARTERLY PROGRESS SUMMARY: January – March 2015

Producing premium naturally produced lower alcohol, lower calorie New Zealand Wines “Lifestyle Wines”

Summary of progress during this quarter

- All projects related to the ‘Lifestyle Wines’ PGP programme are on track for the fourth-quarter reporting period.
- With Vintage 2015 nearing completion at the time of writing (late April), researchers are gathering a wealth of viticultural and winemaking data for the PGP programme.
 - Vineyard trials conducted over the 2014/15 growing season relate to irrigation regimes, nutrition, canopy management and late-harvest selections.
 - On the winemaking front, small and medium-scale trials have been established in tandem with the commercial and experimental wines produced by winery partners.
 - Some winemaking trials are using native yeast strains selected as showing potential to reduce alcohol in laboratory conditions.
- Preliminary market research has been conducted in New Zealand, Australia, the UK, Sweden, Canada and the US.
 - According to overseas retailers, the key drivers for this segment appear to be the retention of quality and flavour as comparable to full-strength wines as is possible.
 - In some markets, NZ-produced lower alcohol wines are already gaining shelf space and attracting consumer interest.
- Wine industry partners and MPI representatives attended a successful vineyard field day in Marlborough in mid-February.
 - Presentations covered canopy management and irrigation trials initiated for the 2014/2015 season, and supplementary information was subsequently made available to grantors.

Key highlights and achievements

- Key markets visited by Market Manager with key trade interviewed.
- All vineyard manipulations completed for the trials in Project 3.
- First Vineyard Field Day for the commercial partners (Grantors) was held on 17 February 2015 showing canopy and irrigation manipulations.
- Three popular articles accepted by New Zealand Winegrower Magazine.

Upcoming

Market Access

- Target market research and key customer assessments
- Initiate Consumer Research
- Enhance understanding of market opportunities and product positioning

Sensory Perception

- Develop a Conceptual Framework for low alcohol wines.
- First reports created about the characterisation of low alcohol wines.

Vineyard Manipulations

- Analysis of harvest results from vineyard manipulation trials.

Winery Manipulations

- Complete the processing of wine trials.
- Progress the evaluation of the performance of yeast selections to ferment grape juice sugars to compounds other than alcohol

Communications & Tech Transfer

- Continue monthly eNewsletter.
- Support the Lifestyle Wine portal on NZWine.com.
- Plan for October workshop.

Investment

Investment period	Industry contribution	MPI contribution	Total investment
During this Quarter	\$400,850	\$344,107	\$744,957
Programme To Date	\$1,140,689	\$1,086,842	\$2,227,531