

## SA winemakers must go direct to China

Valerina Changarathil

From: The Advertiser

September 29, 2010 2:26pm

LEADING wine expert and first Asian Master of Wine Jeannie Cho Lee says mid-low tier SA winemakers should take a more direct approach into the lucrative Chinese market instead of through Hong Kong.

Ms Cho Lee, who is in Adelaide as the judge of the Royal Wine Show, said there was plenty of room for growth in the Asian markets, but knowing where to position your products was key.

"You have to look at China as ten different markets at least. The Hong Kong strategy makes sense only if you have premium brands.

"If you are a mid-lower tier supplier, HK's not your market, go straight to China," she said.

Also, putting in plenty of effort in marketing and partnering with the right agent was key.

The Hong Kong-based South Korean wine educator and consultant is one of Asia's pre-eminent authorities on wine and regards SA-made shiraz as ``world-class".

After sales to top export destination UK slid during the financial crisis, South Australian winemakers have pinned their hopes on the growing Asian market, especially China which some analysts believe will be Australia's biggest customer by 2015.

China is a booming export market for Australian wine, worth \$140 million last year, according to the Australian Wine and Brandy Corporation show.

In July this year, the Agriculture Minister Michael O'Brien returned from a visit to China comfortable the Australian wine sector can move quickly from a position of over-supply to balance on the back of growing demand.

Jacob's Creek owner Pernod Ricard this year hosted its entire 600-strong Chinese workforce to experience Barossa Valley - the home of its most famous Australian drop.

Wine drinking is a socio-cultural phenomenon in Asia, and needed to be seen in that way and more orientation efforts were needed. Ms Cho Lee said.

After sipping close to 600 wines over four days, Ms Cho Lee will travel to the wine regions of Barossa and Coonawarra before launching her new book in Sydney, Asian Palate, which matches Asian cuisine in 10 cities with wines from all over the world.

The winners of the Royal Wine Show will be announced next Friday.