

IV FESTIVAL OF SOUTH AFRICAN WINES IN MOSCOW

**Hotel Courtyard by Marriott (City Centre),
30 May 2013**



In 2012 Russia imported the whopping 32 million litres of South African wine! If one looks at the rolling year (YTD ending May 2013) the volume has already climbed to over 42 million litres, putting Russia firmly on the 3rd place among all export markets. However, over 95% of this volume has been delivered in bulk. Moreover, it has not been bottled as South African wine in the market, but was blended into production of local wines, mainly into “Russian Champagne” – extremely popular tipples on that market.



Export of bottled wine to Russia has actually experienced 3% decrease in 2012. This came as no surprise since the Russian distributor of the biggest producer of SA wines Distell went into bankruptcy at the end of last year. Prior to that distributor of another big SA producer – The Company of Wine People – has ceased its existence. Some other big SA wine producers have also been looking for ways to dramatically improve performance of their brands on the Russian market. The last couple of years were very traumatic for Russian importers and their numbers were almost halved by drastic measures implemented by the Russian government.



On this background South African wine estates and smaller companies are performing notably well. Last year the new entrants to the market included Paul Cluver, De Torren, De Trafford, Hamilton Russel, Rustenberg, Waterford and others. This year Bouchard Finlayson and Backsberg re-entered the market, while Linton Park, Lyngrove, Slent Farms (Ayama) and Diemersdal, to name a few, signed new deals. The trend of wider presence of wine estates and smaller companies on the Russian market was vividly demonstrated at the IV Festival of South African wines in Moscow.



The Festival was held at the same location as in the previous three years – the Courtyard by Marriott Hotel in the city centre. The venue is conveniently located and offers comfortable and effective

exhibition space and efficient service.

The main idea of the Festival is to popularize the SA wine brands among the Russian consumers and to increase the presence of our wines in the HoReCa channel. Every year we are trying to present the growing palette of South African wines available in the country. Successes of the previous Festivals have engraved the event into the wine calendar of the Russian capital and both exhibitors and visitors are rather enthusiastic about participation.

This year the major Russian importers, such as Marine Express, Fort, Eurowine, Whitehall, Luding and several others, actively participated in the event. Overall they represented over 30 brands and more than 150 different wines, including both the top of the range boutique cellars and big mass market brands.

The expositions of the Russian distributors were joined by several SA producers that did not have a distribution in Russia as yet, but came to the Festival to get acquaintance with numerous importers that attended and participated in the event. Glenelly Estate, Vondeling, Escapade Winery and Robinson & Sinclair were among them.

The previous events showed that it was not a problem for us to assemble a large crowd. Almost one thousand participants and visitors went through the doors of the Festival last year. This time we decided to pay more attention to the quality of our guests. The special filters were introduced in the registration process aimed at selecting predominantly professional audience to the Festival.

Over 650 people registered to attend the event and almost 500 actually came. Over 75% of visitors were directly involved in wine business. The majority was from wine wholesale and import businesses (22%), HoReCa sector (13%), wine retail (16%), wine education (8%), wine journalism (8%) and wine marketing (8%). The rest were the representatives of the government and the city administration, diplomats, business people and wine connoisseurs and collectors. There were also over 60 event organisers and exhibitors running the stands.

Relate bracelets that were distributed to all participants, organisers and many guests of the Festival were received with great interest and enthusiasm. This was another reason to reiterate the social responsibility of the SA wine industry and to talk about many initiatives that were implemented in South Africa in this regard lately.





The Festival was organised in close cooperation between the Wines of South Africa (WOSA) and the Department of Trade and Industry (the DTI) and was actively supported by the Embassy of RSA in Russia. Mr. Mandisi Mphahlele, the Ambassador, has opened the Festival with warm address to all participants and guests. WOSA Representative in Russia – Vladimir Gorodkov – presented a seminar on “The Latest News from SA Winelands”. Mr. Vusi Mveli and his colleagues from the Economic Section of the SA Embassy played instrumental role in preparing and running the event. The function of the technical organiser was performed by a Russian company ExpoGroup.



Overall the Festival was another successful and effective event which has surely served the purpose of increasing awareness of South African wines among important players and trend-setters on the Russian market. We are still expecting publications in printed media to come through, but initial response received from journalists was very positive. We also received numerous thanks and favourable feedback from the participants of the event. Hopefully, we will see positive effect on sales of our wines in that market. And we are already looking forward to the next Festival in 2014, which will mark the Festival's 5th anniversary!



To see media reports from the Festival click: <http://www.vsyasol.ru/v-moskve-proshel-festival-vin-yuzhnoj-afriki/2013/06/>
<http://winepages.ru/news/3925/>

click <http://sd.icelord.net/photos/2013/wine/>.

To view the full photo report from the Festival

