

BAKERS DON'T GROW WHEAT

Only a few years ago producing grapes and making wine was reserved to a few, non-conforming and often well healed eccentrics! But over the last decade there has been something of a revolution in the English wine sector. No longer is the ownership of a vineyard exclusive to those who mastered what, to some, appeared to be a dark art. Growing grapes, but not necessarily making wine, has become a mainstream activity. So what has changed?

Arguably it is simply that the English sector has achieved the critical mass needed to turn it from a part player into a serious industry. This is not so surprising; wine drinkers contribute more than £17 billion to the UK economy which is more than six times the total income agriculture receives from subsidy!

Why is this interesting? While not wishing to state the obvious, wine, unlike bread and milk, is a luxury item for which consumers are more than happy to pay a significant premium. Switching some land to grape production to capture a share of an industry worth billions is, on the face of it, quite appealing.

What are the key factors? Well for a start growing grapes is not so very different from growing wheat. Once the vineyard is established an annual routine develops which a good cereal producer would quickly recognise. In some ways managing vines is easier! Over a season vines must be pruned, de-budded, sprayed and then, hopefully, the grapes harvested. Effective vine management requires the eyes and feel of an experienced gardener applied on a much bigger scale. As with cereals attention to detail is crucial.

Of course there is more to it than this. Vines can be grown almost anywhere but to produce a good quality wine grape the location must tick certain boxes. Ideal sites are south facing, protected from the prevailing wind and less than 300 feet above sea level. And soil type? Vineyards in France are often established on poor, stony land and some argue that only chalk soils will do. Crucially the aforementioned have one thing in common, the land



owners getting involved in this potentially exciting sector? Often the answer is cost and commitment. Assuming the land is already owned, establishing a vineyard costs at least £10,000 per acre and there is probably another £15,000 per acre to invest before the vines reach maturity after five years. These are eye watering sums even with a base rate of 0.25%.

But is there a different way of looking at this? We have established that the English wine sector is maturing and there is growing demand for the excellent English wine some are producing. For the brave who are willing to commit the money and time then producing quality grapes for established high volume wine makers could provide a long term, sustainable opportunity. This ethos is not alien to farmers, many make long term investments into traditional sectors potentially more volatile and less profitable than this.

So, if the shocking early cash flow can be weathered perhaps the prospect of incorporating a crop for a growing domestic industry is worth serious thought. Happy New Year.

must be free draining. Vines do not like wet feet.

Most land can be made to drain reasonably freely and this is why some very good vineyards have been established on clay loam soils found in Southern England. It is relevant that the number of "ideal" sites available in the south of England is limited and this is why sites which do not at first appear suitable are successfully producing quality grapes.

So, if managing vines and producing grapes is not that difficult and some less than perfect sites can be made to work then what is stopping land

MATTHEW BERRYMAN
Partner, CLM

T: 07710 765323

E: matthew@c-l-m.co.uk
www.c-l-m.co.uk



- Basic Payment Scheme
- Farm and Estate Management
- Farm Business Consultancy
- Rent Reviews
- Countryside Stewardship
- Ecological Surveys



Call us on **01892 770339** or email info@c-l-m.co.uk
www.c-l-m.co.uk