

With the growing success of the UK's viticulture scene, South East Farmer takes another look at how lucrative this sector can be for farmers seeking to diversify

# 2019 - A GOOD YEAR!

## Hectarage under vine



In 2017, **1m vines** were planted in UK, the highest number planted in a single year. This year a predicted **1.5-1.7m vines** will be planted.

Approximate. Includes plantings in 2017. Data supplied by WineGB/Wine Intelligence.

**Bordeaux, Napa Valley, Stellenbosch and Tuscany; all are recognised for producing quality wines with reputations established over centuries of consistent production. Is it now plausible to include Southern England alongside this illustrious list and, if so, should viticulture be an option for your land?**

Consider the current size of the UK wine sector. In 2015 Government statistics state there were 1839 hectares of productive vines, up from 722 only a decade before. Between 2016 and 2018 this increased by circa 575 hectares. The industry has more than tripled in size in just over 10 years and could, as new vines reach maturity, lead to annual production heading towards 10 million bottles. With the majority of UK produced wine consumed domestically this could lead to annual sales well over £100 million!

The reasons behind the growth are complex. A

changing, warmer climate; the romantic appeal of being a wine maker and perhaps even fashion, all play a part. But the key factor is that a relatively small number of large, well-funded organisations have invested for one simple reason; there are potentially significant financial returns for those able to create, sustain and sell a first-class product. The widely reported acquisition of a block of prime Kent farm land by a well-known Champagne house has added credibility to the claim that parts of southern England have the key resources available for the

## Number of commercial vineyards



production of very high-quality grapes and wine.

Established farmers, some with top fruit experience and other newcomers to land ownership have also fuelled the growth. But make no mistake, establishing a vineyard is an expensive and risky venture and its success will depend on many factors including:

### 1. TIMESCALE AND CASH FLOW

Vines can have a productive life of 20 years but do not reach maturity until year five. In the first two years there is virtually no income to offset the substantial establishment costs. Understanding the financial implications in advance is essential.

### 2. MANAGEMENT

Vines are management hungry, attention to detail is essential. Successful vineyards are run by those who have the time and commitment.

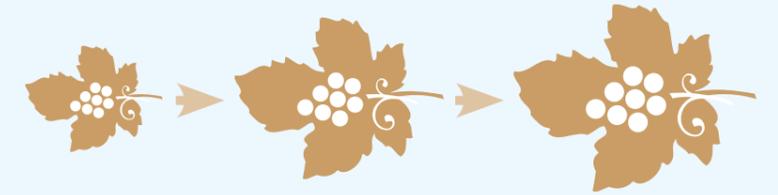
### 3. SITE

Vines are reasonably tolerant of soil type but a south facing aspect, elevation below 300 feet and protection from prevailing winds are necessary. Land should be free draining, this can be rectified with drainage systems.

### 4. GRAPE PRODUCER AND/OR WINEMAKER

Who will buy the grapes, is a long-term contract

Hectarage planted in Great Britain has **grown by 150%** in the last 10 years & **tripled** since 2000.



available? If the intention is to make wine who will do this and where?

### 5. LABOUR

Planting, pruning, harvesting and so on require a lot of labour. Is it available now and in future?

### 6. SCALE

Will the venture be big enough to employ a vineyard manager and staff able to undertake tasks such as spraying or will it be a smaller operation requiring the services of specialist contractors? Are these available?

### 7. GRAPE VARIETIES

Many vineyards have established classic sparkling varieties; Chardonnay, Pinot noir and Pinot meunier. Is there room in the market for more of these or should other varieties be chosen to satisfy

other production methods such as Charmat.

### 8. THE WIDER BUSINESS

Are there opportunities to incorporate the vineyard/winery into the existing business to take advantage of available resources such as labour and buildings. Could tourism be incorporated to aid sustainability?

### ONE FINAL THOUGHT

For those with clear vision, adequate funds and sufficient management time available, there will be exciting opportunities ahead. And although only part of the argument it is worth noting that vines planted in the year we leave the EU will reach maturity in 2024 and then by 2027, when direct subsidy payments end, could be producing a meaningful return more than enough to replace what has been lost!

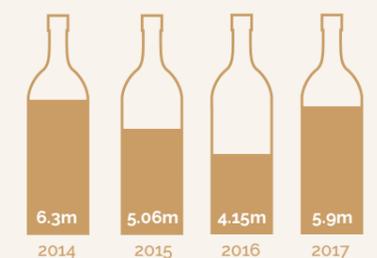


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## Annual production

BOTTLE EQUIVALENT



Based on data collected at post harvest each year - 2014, 2015 & 2016 supplied by Wine Standards Branch, Food Standards Agency, 2017 supplied by WineGB.



Wine production is predicted to reach some **40m bottles by 2040.**

Data supplied by WineGB/Wine Intelligence