THE DEVELOPMENT
OF VITICULTURE AND WINEMAKING
IN MARLBOROUGH.

A thesis
submitted in partial fulfilment
of the requirements for the Degree
of
Master of Arts in Geography
in the
University of Canterbury
by
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University of Canterbury
1990
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ABSTRACT.

A recent historical geography examining the development and evolution of a winegrowing region of New Zealand. The development of Marlborough as the nation's major viticultural location has been one of the most important developments of New Zealand's continued growth as a wine producer.

The major emphasis of this study is on the wine companies who got involved in Marlborough and have built wineries in the region. The scale of each operation and the many different reasons for each individual or companies involvement were examined and discussed. An important area of this study has been the principle reasons leading to Montana Wines deciding to plant vineyards in Marlborough in 1973. A major finding has been that there has been considerable over-emphasis on the physical characteristics of the Marlborough region and a neglect of the other "human factors" the major one being the availability of land and the price of land in explaining the region's development as a wine producer.

The development of Marlborough has occurred over four stages. These are: a) The initial action by one company which pioneers a new landuse; b) If successful further development occurs by both small and large producers; c) International interest and participation; and d) end of first phase of development. Marlborough has yet to reach full maturity, because there is still some experimentation occurring with different vine varieties.
ACKNOWLEDGEMENT.

Now that my odyssey is completed there a large number of people who deserve some credit for keeping me on target and on the rails. First and foremost thanks to my Supervisor, Dr Peter Perry, who cheerfully read and commented on each chapter draft and kept my enthusiasm up. Thanks also to Dr Eric Pawson who when I first suggested studying this topic said "what a great idea, do it". Thanks, cheers and beers to the other occupant of office 204, the fearless flyfisherman Zane Mirfin, whose jokes, stories and exploits have kept me laughing for the past year. Zane it's been a good year thanks for sharing the good and the bad and the ugly (what was her name again?)

This thesis would not have been completed without the help of the winemakers of Marlborough, most of whom took time out to speak with me about their involvement in Marlborough's development as a wine region. These individuals were: Kevin Judd; Glen Thomas and Peter Vavasour; David Pearce; Steve Voysey; Jane Hunter; Alan Hogan; Alan McCorkindale; and last but by no means least Almuth Lorenz and Jeremy Cooper. Sadly I am unable to thank the elusive Mr Le Brun, who I never seemed to get hold of, but the person working behind the counter of the wineshop supplied me with the information I required.

Other people in Blenheim who were invaluable include the staff of the Marlborough Express, especially the wine writer Mr. Henk Hilhorst, who took some time out to chat
to me about the development of the Marlborough wine industry. Also the several people who I spoke to at the Regional Council deserve some thanks for explaining to me the spray regulations regarding vineyards and other agriculture. Thanks to Rebecca Craig, a person who I was fortunate enough to meet in the archives of the Marlborough Express.

Thanks to the New Zealand Geographical Society (Canterbury Branch) for the finance which enabled me to get to Auckland in May. I am grateful to Prof. Warren Moran of the Department of Geography, University of Auckland, who took time out to see me both times I visited Auckland. I would also like to thank Mr Frank Yukich, who I was unable to meet because he was unwell during the time I visited Auckland but was able to provide me with much photocopied information on the formative years of Marlborough's development. Thanks also to Wayne Thomas who was most obliging in giving up some of his time to speak to me at short notice about his research and involvement in the development of Montana's Marlborough vineyards. Finally, Dr David Jackson of Lincoln University, provided me with some interesting insights on climate and vines.

My family, Mum, Dad, Vanessa and Jo all deserve medals for putting up with me through the highs and lows of the past year, thanks for putting up with me. My grandmother, Eileen Langridge helped immensely by offering to photocopy this epic and saved me a large amount of time and anguish. Thanks Nana. Some of the credit for
photographs in this thesis must go to Ian Falconer who deserves a beer or three! Thanks also to the management, staff, and customers at the Ferrymead Tavern, the work gave me the money to complete this task and first whetted my appetite for New Zealand wines. Extra special thanks go to Krissie Morris who has cheerfully listened to my rantings and ravings for the past six months, and still talks to me!

The wonderful wines of Marlborough have kept me sane and smiling throughout the past year. In particular Cloudy Bay Sauvignon Blanc 1989, Vavasour Fume Blanc 1989, Te Whare Ra Riesling Botrytis 1989, Hunter's Sauvignon Blanc 1989, and Grove Mill Landsdowne Chardonnay 1989, and all the other wines I sampled during "research" and "fieldwork".

Finally very very special thanks to Ester Van Der Sande for being just a phone call away. You are a very dear and special friend Est, thanks for being there and making me laugh and the support. Thanks to everybody else who has had some involvement in the construction of this thesis who I have not mentioned, sorry but I'm running out of room. I have finally done it, an era and odyssey has ended and a new one beckons.....
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Ian Falconer: Plates: 3.3, 4.1, 4.2, 5.1, 5.2, 6.1, 6.2,
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THE MARLBOROUGH WINE TRAIL

A - CELLIER LE BRUN
TERRACE ROAD, RENWICK
Tel: 28-559
Hours open: Summer 9.30am-5.00pm, Mon-Sat.
Winter 10.00am-4.30pm, Mon-Sat.

B - CLOUDY BAY WINERY
JACKSONS ROAD, BLENHEIM
Tel: 28-914
Hours open: 10.00am-4.30pm, Mon-Sat.

C - STONELEIGH VINEYARD
JACKSONS ROAD, RD3, BLENHEIM

D - GROVE MILL WINE COMPANY
1 DODSON STREET, BLENHEIM
Tel: 89-199
Open Monday - Saturday 10.00 - 5.00pm. Cafe open daily.
Restaurant Dining.

E - HUNTER’S WINES (NZ) LTD
RAPAURA ROAD, BLENHEIM
Tel: 28-489 or 28-457.
Winetour hours open: 9.00am - 4.30pm, Mon-Sat.

F - MERLEN WINES LTD.
RAPAURA ROAD, BLENHEIM
Tel: 29-151
Hours open: 9.00am-5.00pm, Mon-Sat.

G - TE WHATR RA WINES
ANGLESEA STREET, RENWICK
Tel: 28-581
Hours open: 9.00am-5.00pm, Mon-Sat.
(Subject to availability of wines)

H - VAYASOUR WINES
REDWOOD PASS RD, DASHWOOD
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(Enquiries and Winetours by appointment)

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**The Internationally Acclaimed MARLBOROUGH Winemakers**

**Cellier Le Brun**

Uniqueness and quality combine in making Cellier Le Brun at Renwick a must to visit in Marlborough. A smaller winery established by champion Daniel Le Brun earlier this decade, it features a number of unique characteristics. 

Underground cellars, concrete vats, and specialty equipment put it in a class of its own. The finished product too stands high above others in the Taste of Wine competition. Using only traditional methods of his native Champagne province, Daniel Le Brun produces a classic blend methode chauvignon, a method unique to the region, and a full-bodied blanc de blancs, and a still chardonnay.

Visit the winery and try them for yourself. On the main Nelson-Blenheim highway just out of the Renwick township, Cellier Le Brun is open for tours and wine tastings from Monday to Saturday, 10am to 5pm.

**CLOUDY BAY**

In 1983 Cape Mentelle Vineyards established a subsidiary in New Zealand and acquired land near Blenheim on which the Cloudy Bay winery was constructed. Cape Mentelle was one of the pioneers in the Margaret River area of Western Australia and selected the Marlborough region as the best location to establish a second winery with the objective of producing a limited quantity of premium quality wines which truly reflect the unique and distinctive character of grapes grown in New Zealand's cooler less southerly latitude.

To complement the high-quality fruit grown in the district, Cloudy Bay has built one of New Zealand's most modern and efficient wine making facilities equipped with the most advanced and efficient technology available.

**BLENHEIM**

Blenheim's first boutique winery is situated in the historic old malt house built by HENRY DODSON in 1859. Recognised as a unique winery building which has been carefully restored, the barrel hall cellar and magnificent tasting room with intimate and formal bar are testimony to sympathetic rejuvenation. This modern winery is well positioned and a notable quality small winemaker. 

A selection of white and red wine varieties will be progressively released from late 1989. When you visit make sure you stop and enjoy the superb food the GROVE MILL restaurant provides daily.

'A TASTE OF MARLBOROUGH IN THE HEART OF BLenheim.'

**HUNTERS**

Hunters Wines is a small, independent family-owned winery, with a big international reputation. Since producing their first vintage in 1981, Hunter's Wines have received world awards for their outstanding quality of wines.

**MERLEN WINES**

MERLEN, source of the award winning wines of German born winemaker Alfred Lorenz, is to be found just 1.5km from the Renwick end of Rapaura Road, only 15km from Blenheim. MERLEN wines are available only from the winery by mail order and we take care to keep stocks of late vintage wines for visitors.

MERLEN, during the autumn, also offers delicious German style wine bar lunches in the peaceful setting of the vineyard. 

MERLEN, combines Alfred's considerable skills with Marlborough's best fruit to produce wines truly reflecting the region's pre-eminence in quality wine production.

MERLEN, source of the magic.

**STONELEIGH VINEYARD**

The Stoneleigh Vineyard is located on the northern side of the Awatere Valley in the Rapaura District of Marlborough. Named Stoneleigh because of the rich and stony nature of the land was selected by the early settlers, who struggled to establish grazing pastures in such a harsh environment. These conditions however, are known to favour grape growing for they also exist in other renowned vineyard areas where some of the great wines are produced.

The Marlborough Cellars Ltd Winery established on the corner of Jackson's and Rapaura roads for the 1987 harvest, will have facilities open to the public in December 1989.

**Te Whare Ra Wines**

Te Whare Ra wines, owned and operated by Joyce and Allen Hopan, is Marlborough's smallest winery. A boutique in the truest sense of the word. Emphasis is placed on the production of quality, high-flavour profile wines and personal customer service. This limited range of special wines are limitedly available in the cellar door or at the cellar door and graced with style from the east and frendly white and red table wines to luscious dessert wines. If winey available, waives are welcome to be added to mail order list; please leave name and address in letter box.

**MONTANA**

Montana Wines is Marlborough's oldest winemaker. The Marlborough Winery is the largest and one of the world's most acclaimed Sauvignon Blanc. Conferences are available, Monday to Saturday, from 10am to 4pm, and the Wine Shop is open from 8am to 5pm Monday to Saturday.

The Montana range of international competition premium varietal wines . . . at the Montana Riverlands Winery, on the Main Highway just South of Blenheim . . . a must for every visitor.

**VAVASOUR**

Vavasour Winery is the first winery and vineyard to be established in the Awatere Valley, 20 km south of Blenheim. Planted in 1986 the vineyard yielded its first crop in 1990.

The dry, warm climate and fertile soils are ideal for viticulture. Varieties planted include Chardonnay, Sauvignon, Pinot Noir, Sauvignon Blanc and Chardonnay.

Vavasour Winery is unique in Marlborough in that we will specialise in red wine production, The protected river terrain provides a micro-climate allowing the grapes to fully ripen.
CHAPTER ONE.

INTRODUCTION

The development of the wine industry in New Zealand has been a slow progression from cultivation of hybrid dual-purpose grapes, suitable for both winemaking and eating, into a large scale industry based upon the production of fine table wines for both domestic and export consumption. As part of this development there have been considerable changes in the location of viticulture and winemaking in New Zealand. There has been a movement south into the regions of Hawkes Bay, Poverty Bay and Marlborough and a decline in the importance of the Northland and Auckland regions.

Before 1890 there was little wine made in New Zealand. The period 1890 to 1905 was the first time any real interest in New Zealand's potential as a wine producer appeared. In 1895, the government of the time brought Romeo Bragato to New Zealand from Australia to investigate the possibilities of viticultural development in New Zealand. This occurred because the New Zealand government was keen to find new types of agricultural farming suited to New Zealand's climate and physical conditions. Bragato's report, which was delivered to the government, was very favourable and he believed that much of New Zealand was suitable for viticulture. He enthused over the potential of Central Otago and Nelson as wine regions. Sadly his advice was ignored for seventy years. Before
1970 there were no wine grapes grown in the South Island for commercial winemaking purposes yet, now in 1990, the Marlborough region has the largest area in New Zealand under the grape vine.

The Marlborough region is located on the Northern tip of the East Coast of the South Island of New Zealand. The location of the winegrowing industry is confined to the Wairau Plains and is centred around the township of Blenheim. The major forms of agriculture in the region have been pastoral farming with sheep being the principal type of livestock being carried. The horticultural development of the Marlborough region, predominantly the Wairau Plains has only been a recent occurrence.

The initial development of Marlborough as a major viticultural region was the major development which occurred in the wine industry during the 1970s. This thesis will examine the development of Marlborough as a wine region from when vines were first planted by Montana Wines Limited in 1973, and will explain and discuss the development of viticulture and winemaking in Marlborough since 1973. The New Zealand wine industry has developed and expanded greatly as a whole since 1960, but the development of Marlborough has been particularly spectacular. In two decades the region has gone from having no form of commercial viticulture to having the largest area in New Zealand under the vine. The following graph demonstrates the growth of Marlborough compared to other regions clearly.
Figure 1: Line graphs showing regional area in grape vines, 1975 and 1990.

(Source: WINZ 1989 Survey, P 25)

The development of the wine industry in Marlborough has occurred in four stages. The first stage lasted from 1973 to 1978 during which Montana Wines Limited went into Marlborough and planted out large areas of the Wairau Plains in vinifera grapes, for example Cabernet Sauvignon and Riesling Sylvaner, and also built the Riverlands winery. The second stage between 1979 and 1984 saw the expansion of planting in Marlborough as other large companies, Penfolds Wines for example, moved into Marlborough, and several small wine producers became established, for example Te Whare Ra and Hunter's wines. Following this expansion, we enter the third stage from 1985 to 1988 when overseas companies began showing an interest in the wines being produced in the region and
began establishing vineyards and wineries there, the first of which was Cape Mentelle Wines from Western Australia. Finally since 1988 Marlborough has been the principal wine region in New Zealand, with the largest area in the country under the grape vine. This does not mean that Marlborough has reached maturity as a wine region. Rather it has reached the end of the first stage of its development in the wider order of things. Specifically it is now known that some varieties of grapes ripen well in Marlborough and produce excellent wines, for example Sauvignon blanc and Riesling, so the challenge may be for Marlborough winemakers now to concentrate on these varieties while continuing to develop other products, which have a potential as yet unrealised, for example sparkling wines and red grape varieties such as Pinot noir.

The economic factors of viticulture, for example the price and availability of land, the cost of transporting the grapes and wines to market are important, yet the significance of these factors has often been downplayed in the development and changes in location in viticulture in New Zealand. Moran(1980, 241) discussing land use diversification argues that "Among the most persistent and potentially dangerous myths concerning the location of horticultural production are the extravagant claims made for the influence of the physical environment." He states that: "lack of substantive evidence on alternative more complex, and all-encompassing explanations, makes resort to physical causation intuitively appealing." (Moran,1980,
To further demonstrate these points Moran uses a diagram to explain the four elements in the establishment of horticulture in a region. Although this diagram was designed for kiwifruit orchards in the Bay of Plenty it adapts well to viticulture and especially to the development of Marlborough as a wine region.

**Figure 1.2.** The four elements in the establishment of a specialized horticultural region.


Possibly one of the most intriguing aspects of the Marlborough wine industry is that the initial development was not made by a local person or company but by the largest wine producer in New Zealand. This is not what would normally be expected with the development of a new agricultural landuse. Usually a person who pioneers a new form of landuse in a new place does so on a small scale rather than running the risk of failure if attempting the
new development on a large scale right from the outset. That Montana Wines did not just plant ten hectares of land under grapes as an experiment before deciding to plant on a large scale is an unusual situation and worthy of investigation. It suggests that the research carried out by Montana was seen to be reliable enough for the company to plant on a large scale in Marlborough from the beginning. This bold stance by Montana, though it was not without risks and failures, suggests that the type of research carried out by the company should be examined and evaluated. It may explain why Marlborough was ignored for so long by wine companies as a likely viticultural region.

The location of the wineries and vineyards in Marlborough shows that the majority of the development so far has occurred in the Wairau Valley, although the location of the Vavasour vineyard and winery in the Awatere Valley may be a pointer towards the future with the possibility of further development in this region once the outcome of several harvests and vintages of Vavasour wines are known. At this stage it looks promising.

The ripening of the grapes is the major factor in successful viticulture, and to ripen grapes adequately there has to be enough heat over the summer period. The warm, sunny summer climate together with a cool dry autumn which Marlborough has means that most grape varieties tend to reach a good standard of ripeness. The next chapter in this thesis will therefore examine the physical environment of Marlborough with the aim of establishing just how suitable the environment of Marlborough is for
viticulture and winemaking. Following this the next four chapters will examine the four stages of development which have occurred during the evolution of Marlborough as a wine region. Chapter seven will conclude this thesis with a summary of the main points and reasons for the development of Marlborough's wine industry.

Sources: a note.

There is considerable literature on the New Zealand wine scene, however the majority of these works tend to be books written for the wine connoisseur rather than an academic researcher. However this not to say that these books are bad, because several are very good. The best is *The Wines and Vineyards of New Zealand*, written by Michael Cooper, a very informative and well put together book which in itself could be called a geography of wine in New Zealand. Indeed the initial stimulus for this thesis came from reading *The Wines and Vineyards of New Zealand*. There is a considerable amount of academic literature written on the viticultural side of the industry, that is the cultivating of the vine which has come from scientists employed at the government research stations at Te Kauwhata and Rakaura, near Auckland. During the 1980s Dr Richard Smart had several papers published in journals on the topic of vine trellising and pruning vines to enhance ripeness and fruit quality. On other topics, the University of Auckland has examined viticulture on the outskirts of a city and landuse changes as well as other geographically related matters. The bulk of information for this study has come from the *Marlborough Express*, and
every edition of that newspaper from 1973 to the present
day was read in an effort to gain as much information on
the development of the wine industry in Marlborough and
the issues and events which have occurred alongside that
development. Interviews with most of the winemakers and
other people who are involved or were involved in the
Marlborough wine industry also occurred. Of the nine wine
companies only one winemaker could not be contacted or
interviewed, although some information on the history and
reasons for that particular company's location in
Marlborough was gained from speaking to the person who was
operating the wine shop on one occasion during the
research period.
CHAPTER TWO

THE MARLBOROUGH PHYSICAL ENVIRONMENT AND VITICULTURE

The physical geography of viticulture is very complex, with several factors influencing where grapes can be grown. The two main physical variables are climate and soils. Of the two factors climate is the most important. The vine is found in two belts which encircle the globe. These two belts are located between thirty degrees and fifty degrees north in latitude and between thirty and forty seven degrees south approximately. Marlborough's latitude of 41.6 degrees south explain why Marlborough is seen by some persons involved in the wine industry as being marginal for viticulture. However in recent years viticulture has developed in parts of the Canterbury Plains and also further south in Central Otago. These recent moves further south suggest that the once held belief that Marlborough was marginal for viticulture is untrue.

Viticulture and Climate

According to all of the literature on the geography of wine, cool climates produce the best quality wines, but the reason why this is so is not yet understood (Jackson and Schuster, 1985,P 5). Jackson and Schuster(1987,P 5) suggest that low Autumn temperatures are of special significance. Because in warm climates grape ripening
occurs early, when the weather is still warm or hot. These hot conditions cause rapid development of sugars, rapid loss of acids, and very high pHs which lead to unbalanced juices with regard to sugar, acid and pH, as the grape appears to have had insufficient time to accumulate those chemical compounds which add distinction to the wine. A cool autumn slows down development, better juice balances can be achieved, and more aroma and flavour constituents are accumulated (Jackson and Schuster, 1987, P 5).

Most of the literature written about the location of the world's winemaking regions, especially the prestigious ones, tend to justify the success of viticulture, by resorting to physical explanations, while neglecting other factors, such as land availability and price. The quote from Moran in the preceding chapter (Page 5) suggests that human factors appear to be just as important as physical ones. Climate has however been singled out by most authors as the most important feature governing where grapevines can and cannot be grown.

Temperature has been called "the critical factor" in the location of viticulture. The vine, during the growing season, must receive a certain amount of energy from the sun in order to complete its fruiting cycle (De Blij,1984,P 85). To ripen grapes vines must be located in a place where the temperature is warm enough to allow fruit ripening to occur. The major indicator which has been used to show heat and temperature units during the
growing season, for a particular location, is heat summation or degree days. This formula was created in the 1930s by Amerine and Winkler, who were looking for a scale which would indicate the location of the best areas of California for grape growing and quality winemaking (Winkler et al, 1974).

Heat summation measures the amount of heat received during the growing season, over and above the minimum required for active growth. The degree day is measured by counting the number of degrees that an average daily temperature rises above a given base temperature on a certain day. In the case of viticulture the base temperature is ten degrees Celsius, because at temperatures below ten degrees Celsius the vine does not ripen its fruit. Therefore if the mean temperature for a day is nineteen degrees Celsius and the base temperature is ten degrees Celsius, then the heat summation for that day would be nine degrees. Therefore if the mean temperature for the month of December was nineteen degrees Celsius, the heat summation for that month would be 279 degree days (9 degrees per day × 31 days for the month). To calculate the heat summation figure for the growing season the monthly degree day figures are added together to give one figure, for example 1250 degree days for the growing season.

Amerine and Winkler developed a group of five regional classifications for California using heat summation and degree days. The different climate
classifications for each region are: region 1: below 1370 degree days; region 2: 1371 to 1660 degree days; region 3: 1661 to 1940 degree days; region 4: 1941 to 2220 degree days; region 5: heat summation above 2221 degree days. Of the five classifications, region one is relevant to this study. Region one climates accumulate up to about 1370 degree days during the growing season. The lower limit appears to be 900 degree days but it is possible to ripen grapes to an adequate level below this figure depending on the site of the vineyard.

Climate and Marlborough

Region one climates are characterized by moderately cool weather under which ripening proceeds slowly. Some areas which fit the region one classification are: Bordeaux, Burgundy, Champagne, the Rhine and the Moselle, which produce some of the world's finest table wines (Cooper, 1988, P 58). The major wine regions of New Zealand also possess region one climates.

However, using heat summation and degree days as indicators for where grapes can be grown in New Zealand is unreliable. The predominant reason for this is the maritime influences which dominate New Zealand's climate. All of New Zealand lies unprotected by distance from the cooling southern airmasses that also touch the south coasts of Australia. These airmasses bring marked contrasts between moist, cloudy, windward and drier, sunnier, leeward exposures. The oceanic effect, in addition, is to make New Zealand weather rather
inconsistent and unpredictable (de Blij, 1985, P 222). The reason why heat summation is unreliable for New Zealand is that climatically New Zealand does not suffer the extremes in temperature which some of the prestigious wine regions of Europe suffer, which are related to the continental airmass effect. This has led Dr David Jackson of Lincoln University to formulate a new index for calculating an area's grape ripening potential, the Latitude Temperature Index (LTI).

Jackson argues that the conventional heat summation method has put too much emphasis on summer temperatures, and that New Zealand's position in the low latitudes, relative to northern hemisphere wine districts, gives it a longer growing season which compensates for its cooler summer temperatures (Cooper, 1988, P 58). A region's LTI is calculated by the following formula: 

\[ LTI = MTWM(60 - \text{latitude}) \]

where MTWM is the mean temperature of the warmest month. In an effort to test the validity of LTI Jackson and Cherry divided grape cultivars into four groups based on their abilities to ripen grapes in progressively warmer districts. The LTI groupings were: Region A below LTI195, Region B LTI195 to 275, Region C LTI275 to 370, and Region D LTI370 and above (Jackson and Cherry, 1988, P 20). Marlborough has an LTI of 328 which places it in cultivar group C according to Jackson's classifications, where cultivar group C includes grapes grown in climates such as the Bordeaux district of France. The key cultivars are Cabernet Sauvignon and related
Cabernet Franc, Merlot, and Malbec, plus Sauvignon blanc and Semillion. Also grapes from the cooler cultivar regions grow and ripen in group C, for example, Riesling, Pinot noir, Chardonnay and Gewurztraminer.

Marlborough's location in group C and the varieties which are classed as key cultivars is interesting, because it would appear that red varieties are more suited to the Marlborough region than most people realize. Either that or LTI is too general. It would appear that the LTI formula although more reliable than heat summation is still not precise and does generalize what varieties can be grown in each cultivar group. However the debate over which varieties are most suited to Marlborough and on whether the region can ripen red grape varieties is on-going. It may be a matter of what techniques are being used in the vineyards or by wineries as to why Marlborough red wines are often unmemorable rather than the region being "too cool", but this is often a factor which is ignored.

Professor Becker of Germany has suggested that German growers looking for suitable areas to grow Riesling grapes, should consider the following climatic factors:
1) mean temperature of the warmest month should be above 17.5 degrees.
2) At least 1250 hours of bright sunshine are needed during the growing season.
3) The average annual rainfall should be less than 900mm
4) Degree days should lie between 1000 degrees Celsius
and 1250 degrees Celsius for Riesling grapes.

The climatic data for Blenheim shows that the temperature criteria is exceeded, with 17.8 degrees being the mean temperature of the warmest month. Sunshine hours of 1600 during the growing season suggest that the compatibility of Marlborough is better than we would expect. The heat summation figure of 1302 degree days lies above the figures outlined by Becker and the average annual rainfall of Blenheim is 738 mm which is below the 900 mm maximum set out by Becker (Marris, 1978, P 2). Therefore in terms of Becker's criteria, Blenheim and the greater area of the Wairau plains appears to be perfectly suited to viticulture.

Plate 2.1: A typical Marlborough day?

However, these figures should be treated with some caution because this is only the criteria for one grape
variety, Riesling. This is an interesting point because the grape which appears to produce the best wine in Marlborough is Riesling, and this can be backed up by the number of award winning wines which have been made from this particular variety in Marlborough.

Other varieties need different conditions, for example Cabernet Sauvignon tends to need more heat with which to ripen the berries to an acceptable level. Marlborough has been perceived as being a region where white grapes do well but red varieties do not because the climate is not hot enough to ripen the grapes. The figures shown on the following graph of grape types cultivated in Marlborough tend to back up this assertion.

Figure 2.2: Grape varieties grown in the Marlborough region (1990). (Source: WINZ Vineyard survey, 1989, P 14)
There have been some good red wines produced, but these are very few in proportion to the success with white varietals, which has led to the belief that red grape varieties are not as well suited to Marlborough's physical environment. This perception appears to be changing with Vavasour wines locating the Awatere valley with the aim of producing Bordeaux style reds. This last point emphasizes the importance of vineyard site selection. It appears that more and more winemakers and viticulturalists are looking at finding sites which have the correct physical attributes to ripen specific grape varieties better than other locations on the Wairau Plains.

There are other climatic considerations which can have some impact on viticulture and on the viticultural potential of a region. These minor climatic considerations are; freedom from early and late season frosts, wind, hail, and humidity. Marlborough is relatively free from early frosts but, the late spring frost could be a problem.

Table 2.1: Average number of days in ten years with likelihood of a screen frost.

<table>
<thead>
<tr>
<th>Month</th>
<th>Blenheim Aerodrome</th>
</tr>
</thead>
<tbody>
<tr>
<td>October</td>
<td>9</td>
</tr>
<tr>
<td>November</td>
<td>1</td>
</tr>
<tr>
<td>December</td>
<td></td>
</tr>
<tr>
<td>January</td>
<td></td>
</tr>
<tr>
<td>February</td>
<td>1</td>
</tr>
<tr>
<td>March</td>
<td>1</td>
</tr>
<tr>
<td>April</td>
<td>2</td>
</tr>
</tbody>
</table>

(Source: Marris, 1978, P 6)
Table 2.1 shows that Marlborough can expect one screen frost each year during the month of October, although there will be variation between years. The danger with spring frosts is that should the temperature fall below -0.6 degrees then the new shoots and flower clusters of the vine may be killed (Marris, 1978, P 7). There is also a minor problem with autumn frosts, with frosts occurring during the month of April causing problems. Late autumn screen frosts if they are severe enough can kill leaves and prevent further fruit ripening but as table 2.1 demonstrates these are very rare.

The Wairau Valley is exposed to high winds on occasions. The frequency and strength of wind can dictate the style and strength of the vine trellis (Marris, 1978, P 10). However provided some form of tree shelter is planted, wind is not deemed to be too much of a problem. Likewise humidity is believed to be an unimportant factor in Marlborough. This is related to the lower summer temperatures Marlborough has in contrast to regions in the North Island, the two principle ones being Auckland and Poverty Bay. Marlborough it would appear is ideally suited to viticulture where climate is the major indicator.

Soils and Marlborough

The vineyards of Marlborough are located on the expansive alluvial plains formed over many centuries by deposits from the Wairau river, and many of the fields are
strewn with quite large stones. These help to store solar energy during the day and release it during the night to temper the cold, warming the vineyard. The soils are of medium fertility and vigour is not the problem it can be in the more fertile viticultural regions of New Zealand for example, Poverty Bay. The vine is a plant which appears to do best on soils which are classified as poor and many of the world's greatest viticultural regions are located in areas where the soil is so poor that viticulture is the only economically viable agricultural activity.

Plate 2.2: The stony soils of the Wairau Plains.

Not all of Marlborough's various soil types are good for viticulture; the preferred sites are moderately fertile, with friable top soils overlying deep layers of free draining shingle (Cooper, 1988, P 220). These shallow soils promote a moderately vigorous growth of the vines.
This can be shown through an examination of the yields of *vitis vinifera* grapes in several regions of New Zealand. Poverty Bay vineyards average grape yields of seventeen and a half tonnes, while Marlborough has an average yield of seven to ten tonnes of grapes per hectare (Cooper, 1988, p. 122).

A study in the 1960s by Rankine, Fornachon, Boehm and Cellier, which examined the influence of grape variety, climate and soil on the chemical composition of the fruit and on the composition and quality of table wines, found that the influence of soil on wine quality was minimal although soils did have some influence on the amounts of certain constituents in the grapes and wine. Basically wine from the same varieties grown on different soils in the same area could not be differentiated in replicated taste tests. Rankine concludes that the soil depth drainage and waterholding capacity appear to be more important than composition per se (Rankine, 1971, p. 48).

This last point is a valid one because some of the later planted vineyards in Marlborough are located on river stones with little or no soil around, yet the vines flourish and produce high quality fruit. There appears to be an inverse relationship between the quality of fruit and the fertility of the soil, but it is difficult to prove. Vines growing on very fertile soils produce high yields of grapes, but the fruit quality is low or average, whereas vines grown on less fertile soils tend to have lower yields but the fruit produced is of a high quality.
The vine appears to produce better fruit in soils which are harshest. Rankine found that the year of vintage strongly influenced the tartic acid/malic acid ratio, and also other constituents (Rankine et al., 1971, p. 48).

The year of vintage in this case indicates the year to year variability in climate conditions; therefore a warmer or cooler year can affect the ripeness of the grapes and the quality of the wines produced. Marlborough has been described by one winemaker as having a benevolent winemaking climate. What is being suggested here is that Marlborough has a climate which allows grapes to ripen to good levels each year due to the consistently warm and sunny temperatures which the region receives during the growing season. However, it has to be remembered that just because a region produces ripe grapes due to favourable climate conditions does not necessarily mean that good wines will be made. The handling of the fruit by the winemaker is critical. The fermentation process and time a wine may spend in oak are important, with it being possible to produce wines of a poor quality. The opposite can also apply to a poor year.

In speaking to the winemakers in Marlborough, most expressed the view that the climate and soils of the region were the main reasons for their location in the province. One winemaker talked of the region having a consistent climate unlike other winemaking regions of New Zealand which have one or two good years each decade, this winemaker believed that Marlborough has never had a bad
year, every year it is possible to ripen grapes to good levels and produce good wines. Therefore Marlborough's physical characteristics are very good for viticulture. The fact still remains that Marlborough's success as a viticultural region did not occur until recently.

Romeo Bragato and Marlborough.

Many wine writers have argued that the South Island of New Zealand is too cold for viticulture, yet Romeo Bragato in his publications on the potential of New Zealand for viticulture felt that the South Island had just as much potential for development as the North Island. It is also interesting to note that many recent books on New Zealand wine state that Romeo Bragato enthused over the potential of Marlborough as a viticultural region, yet in neither of his two publications, is there mention of Marlborough. Bragato only mentions the potential of the Moutere Hills section of Nelson; there is no mention of the Wairau Plains or Marlborough. It would appear that the idea that Bragato favoured Marlborough has been invented by many writers looking for a means of explanation for the development of Marlborough. It would also appear that once one wine writer makes this point everyone else agrees without actually reading Bragato's writing to check it's validity.

It is also possible that because Romeo Bragato was ignored by the wine industry on several matters, the most famous being his discovery of phylloxera in New Zealand, that several writers have used this point to suggest that
Romeo Bragato discovered everything and was ignored on all counts. This is incorrect. Romeo Bragato did not mention any possibility that Marlborough had potential as a winegrowing region. Yet many of New Zealand's leading wine writers today have stated in books on the history of New Zealand wine that he did.

Summary.

This chapter has examined and discussed what physical factors are necessary to permit viticulture. Marlborough has all of the necessary physical attributes to ripen grapes to very good levels. It would appear from this chapter that the initial interest in developing viticulture and winemaking in Marlborough may have been related to other factors for example, land availability and price, rather than a belief that Marlborough has the best physical conditions for grapegrowing. The popular literature on viticulture has always tended to use physical explanations as the main explanation for the location of viticulture and winemaking. This may be fine for the famous wine regions of Europe where grapegrowing has been a tradition for centuries, but the recent development of the New Zealand wine industry would appear to be related to other factors than just the suitability of a region's physical climate.
CHAPTER THREE

IN THE BEGINNING....

The previous chapter established that the Marlborough region's physical characteristics are suitable for the cultivation of the vine. All of the recent literature on the origins of the Marlborough wine industry starts at 1973 and speaks of Montana Wines Limited being the first company to make wine in Marlborough. However, it appears that the origins of the Marlborough wine industry go back to the turn of the century when Freeth and Company were making one thousand litres of grape wine annually, probably from the hybrid grape variety Albany Surprise, at Mount Pleasant, near where the Picton Golf Course is located today. Freeth was known to have enthused about the potential of the Marlborough Sounds for viticulture, perhaps because of the possibility of finding a favourable microclimate in the area (Scott, 1966, P 44). There is little information about this venture, even in local history books, but apparently Freeth continued to make wine until the outbreak of World War Two. This appears to have been the only attempt to make wine in the region before 1973, although it is likely that people were growing vines in their gardens and some may have possibly made some wines with them, but there is little evidence of this.

This chapter will examine the events of the 1960s, which led to an increase in the production and consumption
of table wines, to explain the reasons why the major wine companies began to look for new regions to grow grapes. An examination of the period between 1973 and 1978 follows during which Montana Wines Ltd planted eight hundred acres of vineyards in the region and built the largest winery in New Zealand at Riverlands on the southern outskirts of Blenheim.


The development of the New Zealand wine industry occurred quickly from 1950. The first impetus for this development occurred in 1955 when parliament reduced the minimum quantities of wine that could be sold by winemakers and wine resellers, from two gallons to a quart for table wines and a half gallon for fortified wines (Cooper, 1984, P 24). This enabled winemakers and shops to sell bottles of wine to customers rather than by "casks". The cask during this time was not the cardboard and plastic container which we call a cask today but it was a wooden vessel with a capacity of over two gallons because under the liquor laws that was the minimum purchase. The Winemaking Industry Committee was set up in 1956 to investigate all aspects of the manufacture and sale of wine. This occurred because the major breweries had succeeded in preventing the spread of wine reseller's licences, on the grounds that such outlets were unnecessary when New Zealand wine could already be bought from hotels. However the committee recommended that the existence of other forms of licence should not affect the
spread of wineshops and that wine resellers licences should be more freely available. The outcome of this recommendation was a doubling in the number of wine shops in New Zealand by 1965 (Cooper, 1988, P 39).

The major rise in the consumption of New Zealand wine occurred in the 1960s. Before this time the consumption of wine in public places was severely restricted by the types of liquor licences which were available, and this restricted the consumption of wines in particular places, for example restaurants. For example Hotels closed at six o'clock and hotel dining rooms were open usually for one hour after this, to enable the hotel to make some extra money through another hour of drinking. Therefore they were usually closed by seven o'clock which hardly gave diners the chance to consume and enjoy a bottle of wine with their meal.

From 1960 there was a trend towards liberalization of the licensing laws, for example restaurants were licensed in 1960, and taverns in 1961. Theatres, airports, and cabarets became licensed between 1969 and 1971. The creation of a permit system making it legal to consume wine in unlicensed restaurants through the Bring Your Own (BYO) licence occurred in 1976 (Cooper, 1984, P 41). These new legislative changes offered a whole new avenue for wine sales and the consumption of New Zealand wine increased dramatically. Restrictive import tariffs on imported wines accentuated this development. Today New Zealanders each drink thirteen litres of New Zealand wine annually, in 1960 the figure was below three litres, and
the increased availability of wine has been a major contributor to this rise in consumption.

The change in legislation increasing the availability of wine to the consumer, has led to a change in the type of wine being consumed. In 1962, table wines held a twelve percent share of the wine market and fortified wines had eighty eight percent of the market (Cooper, 1988, P 42). Today the figure stands at eighty seven percent for table wines and fortified wines occupy only thirteen percent of the market (WINZ Yearbook, 1989, P 39). This change in consumer taste can be demonstrated by the type of vines which were grown in the 1960s compared to now. Thirty years ago less than one third of the vines planted in the country were classical grape varieties, that is Cabernet Sauvignon, Riesling, Chardonnay, and so forth, the most common varieties were hybrid vines, for example Albany Surprise, Baco 22 and so forth, which were heavy cropping but produced poor quality wines (Cooper, 1988, P 43). In 1990 the classic varieties account for ninety eight percent of all vines planted in New Zealand and the hybrid varieties make up the remaining two percent (WINZ, 1989, P 4). The following table demonstrates these changes by showing the twelve most planted varieties in New Zealand in 1970 and 1990.

**TABLE 3.1.** Comparison between the Twelve most planted grape varieties. 1970 and 1990.

<table>
<thead>
<tr>
<th>1970</th>
<th>Area (Ha)</th>
<th>1990</th>
<th>Area (Ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Palomino</td>
<td>208</td>
<td>Muller Thurgau</td>
<td>1305</td>
</tr>
<tr>
<td>Baco 22A</td>
<td>189</td>
<td>Chardonnay</td>
<td>689</td>
</tr>
<tr>
<td>Riesling Sylvaner</td>
<td>166</td>
<td>Sauvignon Blanc</td>
<td>427</td>
</tr>
<tr>
<td>Chasselas</td>
<td>111</td>
<td>Cabernet Sauvignon</td>
<td>396</td>
</tr>
</tbody>
</table>
Seibel 5455  95  Riesling  282
Albany Surprise  69  Muscat Dr Hogg  225
Seibel 5437  56  Chenin blanc  208
Pinotage  55  Pinot Noir  178
Cabernet Sauvignon  30  Gewurztraminer  176
Gamay Gloriod  30  Semillon  147
Seibel 4643  28  Palomino  137
Chardonnay  27  Muscats  103

The most interesting point is the demise of the hybrid varieties, for example Baco 22A and Albany Surprise, and the introduction of more classical varieties, for example Pinot Noir and Sauvignon Blanc. The decline in plantings of Palomino, which in 1970 was the most widely planted variety and the rise in importance of the classical varieties demonstrates a considerable change in the palate of the New Zealand wine drinker. Palomino is used to make Sherry and Port style fortified wines, and until the 1960s fortified wines were the most popular wines on the market. This has changed considerably with the dominance of the classical vinifera varieties and consumers preferring the fruity, slightly sweet white table wines made from such varieties as Muller Thurgau.

Along with a change in palate there was a shift south in the axis of grapegrowing; away from Auckland and its surrounding area and into Poverty Bay and Hawkes Bay. The major reason for this shift was that wine companies required more land to plant vineyards on. With Auckland city continuing to grow, land close to existing vineyards surrounding Auckland was both expensive and under threat from urban growth. The development and growth of these new areas could not have occurred without a change in technology which would enable costs to be cut
dramatically. This new method was introduced in the 1960s.

Traditionally wineries had grown all of their own grape requirements. Viticulture and winemaking were an integral part of each winery's activities. This pattern altered in the 1960s because several new companies were seeking to avoid the heavy capital expenditure required to establish new vineyards, and also several well established wine companies wished to replant their vineyards and follow the market trend by planting vinifera varieties to produce table wines. To save costs the wine companies persuaded farmers to plant their surplus hectares of land under grapes. The wine companies provided vines, viticultural assistance, help with finance in return for guaranteed access to the fruit of the new vineyards. Whereas, an average winery in 1960 bought in four percent of its annual grape requirements, today contract growers produce and sell in excess of three quarters of the country's grape crop (Cooper, 1988, P 41).

Another technological development which went along with contract growing was the advent of the mechanical grape harvester. The mechanical harvester enabled wine companies to harvest extensive vineyard acreages in a relatively short time and at a low cost. A major advantage with mechanical harvesting was that the harvesters could be operating during the harvest around the clock, which meant the length of the harvest was reduced. The mechanical harvester was only able to be used on relatively flat or gently sloping land so wine
companies began searching for areas of extensive plains where viticulture would be possible. The first region used for this purpose was Poverty Bay by Corbans, Montana and McWilliams.

To enable wine companies to expand and change their resources to meet the changing market required structural changes. Overseas capital and expertise enabled the New Zealand wine industry to expand very rapidly. The first overseas wine company to enter the New Zealand wine industry was McWilliams of Australia which established a winery and vineyards in the Hawkes Bay between 1947 and 1950 (Cooper, 1984, P 26). In 1961 McWilliams joined forces with McDonalds at Taradale to form what then became the largest winemaking group in the country. Penfolds of Australia entered the New Zealand industry in 1963 when Penfolds (NZ) Wine Ltd was established, because the company decided that the establishment of vineyards and a winery in New Zealand would best serve their interests in the local market. Other international companies which got involved in the New Zealand wine industry during this period were Gilbey's who were involved with Nobilo's and Seppelt's from Australia became involved with Vidal's. However the greatest impact of foreign capital on the New Zealand wine industry has been that of Montana Wines Ltd (Cooper, 1988, P 40).

The Growth of Montana Wines Limited.

The story of Montana Wines is essentially the story of a Dalmatian immigrant, Ivan Yukich, and his two sons.
Mate and Frank. Arriving in New Zealand in 1934, Ivan Yukich brought with him a family tradition of winemaking which dates back 300 years. Ivan Yukich purchased land in the Waitakere Ranges and began establishing a vineyard. The first Yukich wines were offered for sale in 1944. Ivan Yukich's two sons were involved in the development of the family property: Mate the viticulturalist, and Frank the winemaker and salesman. Frank in particular was fired with a vision of the potential of the New Zealand wine industry. Frank and Mate established Montana Wines Limited in 1960.

It took Montana just over ten years to reach its place at the top of the New Zealand wine industry. Montana's success was due to meticulous but imaginative planning, intensive propagation of classical vinifera grapes, application of the most modern vineyard and winemaking techniques, and aggressive marketing. Frank Yukich foresaw the demand for better quality wine, and plunged into the planting of vinifera grapes on a scale unheard of previously in the country. Also the company began acquiring wine reseller's licences which enabled more certain distribution, that is, the establishment of thirty Montana Wineshops around the country. Through having it's own wineshops Montana was able to use very aggressive marketing methods to sell the wines. So what was being established was both an increase in production and in outlets. The growth in total production for Montana Wines went from 3000 gallons in 1961, to 1 500 000 gallons in 1973, which demonstrates just how successful
the marketing methods were.

The international wine and spirit corporation Seagrams bought into Montana Wines in the early 1970s and enabled Montana to expand even further. Seagrams bought a forty percent share of Montana. The reason why was similar to Montana's reasons for expanding the vineyard area in New Zealand, demand for wines. During the 1960s, the total consumption of wine in the United States rose by 278 percent. Consumer affluence, and a heightened awareness of the availability of premium quality table wines had led to wine's increased popularity as a partner with meals and for entertaining. The increasing popularity of wines in the U.S. had continued into the early 1970s creating a demand beyond the capacity of the domestic industry to fulfil. Demand for imported varietal table wines had soared, and the heavy rise in the price of European wines caused wine importers to look elsewhere for sources of quality table wines. A Montana booklet produced for the blessing of the first vineyards in Marlborough in August 1973 states that; "Seagrams will provide the assurance of a stable, expanding overseas market, as well as viticultural and winemaking expertise. While Montana will supply Seagrams with wines which can be exported to the U.S."

The injection of overseas capital into Montana would enable the company to expand even further and enable Seagrams to gain access to New Zealand wines to import into the United States.

There were also other factors, for example New
Zealand vineyards were only producing sixty to seventy percent of the juice required to make the volume of wine being produced. There was a substantial adulteration of wines with water and other substances, such as fruit wines and flavourings. Heavy planting of vineyards was required to make up the juice shortfall (Wayne Thomas, Personal Communication). This is an important point because up until 1970 New Zealand wines did not have a reputation for good quality, and this was due to both the varieties of vines in the vineyards and the often suspect winemaking practices used. This problem was not addressed until the 1980s when the Government made several amendments to the Food and Drug regulations (Cooper, 1984, P 29).

Frank Yukich was farsighted enough, according to the literature, to see this occurring and set about increasing the amount of acreage under the vine to give the consumer a quality product. Yukich was also a visionary who set out to dominate the industry and was hugely successful. To demonstrate the type of vision Frank Yukich had, in a 1982 interview, he predicted that in ten years time the New Zealand wine industry would be producing around eighty million litres of wine for a domestic market consuming over twenty litres per head, more than double the consumption of the time (Saunders, 1982, P 10). Now almost ten years on consumption is twelve litres per head and annual production is approximately forty five million litres, so it would appear that Yukich was over-confident in his visions. However the type of predictions he was making led him to pursue the development of viticulture in
New Zealand the way he did, that is through extensive planting of vinifera variety grapes.

Montana's search for new vineyard land.

When Seagrams acquired forty percent of Montana, Montana set about a vineyard expansion programme. Professor Berg from Davis, California, a consultant for Seagrams, visited New Zealand for a week and toured the North Island wine regions looking for land for Montana. The company wanted land in Poverty Bay, Bay of Plenty or Hawkes Bay to plant more vineyards. There was land available but it was too expensive. There also appears to have been a reluctance of farmers in these regions to sell their land to a company, perhaps because the owners were making a good living through agriculture (Wayne Thomas, Personal Communication). Wayne Thomas, a DSIR research scientist, suggested to Frank Yukich that perhaps Montana should be looking further south, and mentioned Marlborough as a possibility for planting. Wayne Thomas was asked to prepare a report for Montana examining the suitability of Marlborough with viticulture.

The type of research Wayne Thomas did involved the examination of climate and soil data for the region and comparison of the figures with the requirements for viticulture. Thomas found that Marlborough was hot enough to ripen grapes to good levels, and that the soils were free draining and infertile which meant that vine vigour would not be a problem. In several books on New Zealand wine there have been comments which imply that
"Marlborough was the first wine region in New Zealand to be planted as the result of proper scientific evaluation". Wayne Thomas did scientifically evaluate Marlborough with regard to heat and growing conditions for viticulture, but it was more of evaluating whether Marlborough was hot enough to grow vines rather than to find the optimum location to plant vineyards, otherwise Montana would have spent far more time on the research phase of Marlborough's development than the company did. The research was done as a means of explaining to the other members of Montana's board of directors that Marlborough was a good location to plant vines in rather than for more scientific purposes. If that had been the case there would have been trial vineyards planted of a mixture of grape varieties instead of the extensive planting which took place.

It is worth noting that Thomas also investigated the Awatere Valley to the south and concluded that the Awatere was too exposed and windy for viticulture. Now in 1990, many people in the industry feel that Vavasour wines location in the Awatere may be the missing link in the production of fine red wines in Marlborough, but this will be discussed further later. The report which Thomas presented to Frank Yukich was highly favourable, and apparently Yukich acted immediately. He and Wayne Thomas went back to Marlborough and a land agent showed them around some eight thousand hectares of potential vineyard land. Wayne Thomas recommended that the company purchase land in the Rapaura section of the Wairau Plains which was very stony, but Yukich went for land close to the Southern
Hills because he felt that the very stony soils would be hard on the machinery needed to turn the land into vineyards. Also Yukich coming from Auckland went for land which looked similar to what he was used to.

Apparently Frank Yukich paid the initial deposit on the 1600 hectares of land which he and Thomas had selected in Marlborough out of his own pocket, and when he informed the Montana Board of Directors that he had found the land for the new vineyards, his plan was rejected because the original brief was for land in the North Island. They also argued that the research done by Wayne Thomas was inconclusive, and that the region was unproven as a winegrowing region. This underlines the corporate decision making process and Frank Yukich, it could be argued was a maverick, in that he acted on an impulse. It appears that he bought the land before telling the Board of Directors.

Thomas, who was in California at the time studying under Berg, showed his report on Marlborough's potential to Berg and Lider, who both agreed with his conclusions about the physical suitability of Marlborough as a wine region. A letter was sent to the Montana Board of Directors from Lider and Berg validating Wayne Thomas's verdict and the board changed it's mind and gave Yukich the go ahead to plant in Marlborough (Wayne Thomas, Personal Communication).
PLATE 3.1. The Soils in the region where Montana first planted.

PLATE 3.2. The soils in the Rapaura district.
It is interesting to note that neither Berg nor Lider saw the land in Marlborough until 1974, after the vineyards had already been planted. There are some references in several books on New Zealand wine suggesting that Berg and Lider did the research for Montana in 1973, but in an interview with Wayn$ Thomas he explained that Berg and Lider did not visit Marlborough until 1974 after the planting had started. Planting began at Montana's Marlborough vineyard number one, now known as the Brancott Estate, on August 11th, 1973.

Viticulture and Land Availability.

One of the major reasons for Montana developing vineyards in Marlborough was land availability, the company was able to buy its total land requirements in one block. The reason why Montana was able to purchase such a large amount of land, 1600 hectares, was related to a natural phenomenon, drought. Marlborough in 1973 was going through one of the worst droughts the region had ever experienced. The severity of the drought was fully documented in the Marlborough Express, with articles appearing daily discussing the problems farmers were having. At one stage government assistance was called for, and plans were made to attempt to seed rain clouds. A protest by several Marlborough farmers involved the dumping of lumps of turf on the Minister of Agriculture's desk (Marlborough Express, 6.6.73, P 1). So the opportunity to sell their farms to a large company at reasonable prices would have been very tempting. It is
interesting to note that some of the farmers who were approached in May by the land agent who Montana were dealing with were reluctant to sell. This was mainly due to family connections, the family having owned the property for several generations and so forth, but with a severe drought and financial problems the offers by Montana would have been difficult to refuse. The other interesting point was that the majority of the opposition came from farmers. The President of the Marlborough branch of Federated Farmers, Mr F. Murray states that Federated Farmers is opposed to the proposed vineyard development firstly because of the spray restrictions, which meant that aerial applied hormone sprays could not be applied to land located within a five kilometre radius of a vineyard, and secondly because of "Corporate Farming ousting the family farm from the plains" (Marlborough Express, 14.7.73, P 6). This denotes the typical attitude of a conservative farmer, resistant to change. However Mr Murray also had to concede that the land bought had been purchased at a "fantastic price".

The majority of concern was about corporate buying of farms. There appears to have been a belief that corporate buying would take over the whole Wairau plains, with no room for the individual. However at the next Council meeting in Blenheim one of the Councillors stated that "for years we've been saying why doesn't someone grow grapes in Marlborough, and when someone finally decides to, we're up in arms" (Marlborough Express, 28.7.73, P 6). Also in the beginning Montana did not want
to establish contract vineyards. Interestingly no reason or explanation why is given. However a year later Montana changed its mind and announced that contracts would be let for grapes in Marlborough. This change of tack occurred because the Land Acquisition court prevented Montana from buying more land. The reason for this decision appears to have been because of a concern that corporate agriculture was not acceptable on the scale Montana wanted. Or put in another way, the Court wanted all of the farmers in Marlborough to have the opportunity to enter the grapegrowing industry.

The sites of the vineyards in the region are: West of the RNZAF base at Woodbourne, up the Waihopai Valley, Fairhall, Omaka Valley, and Brancott along New Ronwick Road. The smooth flats and gentle slopes were ideal for the maximum use of mechanical aids in planting, cultivating, and harvesting which again made Marlborough attractive to Montana because the company was able to plant extensively in a location where labour costs could be kept to a minimum.

The price of the land was a critical factor because the price paid in Marlborough was between $232 and $600 per acre, which equate to between $90 and $240 per hectare. This was considerably lower than the land prices in Hawkes Bay and Poverty Bay which were at that time about $4000 per acre, about $1600 per hectare (Wayne Thomas Personal Communication). Again this was related to the buoyancy of the local rural economy. It does appear that the price paid for the land was extremely important
in Montana's decision to purchase land in Marlborough. The land agent negotiating the deal for Montana is quoted in the newspaper stating that "government evaluations don't come into it, the North Island group want the land as cheaply as they can get it" (Marlborough Express, 5.6.73, P 1). However the earlier comment by the President of the Marlborough branch of Federated Farmers that the land was bought at "a fantastic price" suggests that even though Montana got the land cheap it was not too cheap. Once the professors at California had validated Wayne Thomas's report on the physical suitability of the region for viticulture the company's decision to buy land and plant in Marlborough would have been price motivate. The land available in Marlborough was far cheaper than the equivalent land in the North Island viticultural regions so the company would save a considerable amount of money by planting in Marlborough, even though there was no infrastructure or support service for viticulture in Marlborough.

The Marlborough Express throughout late 1973 ran a series of articles on the progress of the vineyard development. The company initially planned to plant over 2000 acres (800 hectares) of land under grapes, although a much smaller area was eventually planted. Many of the articles express the view that the physical factors of Marlborough were highly suitable for viticulture and only mention in passing the other important factors, land availability and prices when really these latter two factors are going to be the most important factors in
influencing whether or not a new landuse was to be established. There is also little discussion about the problems which occurred during the establishment of the vineyards.

This is surprising when the failure rate for the first year cuttings was between 60 and 70 percent. The major reason for the high failure rate was that Montana's viticultural staff believed that Marlborough's climate was wet enough over the summer to not require irrigation. There are several articles in the Marlborough Express where the Company spokesperson states that "irrigation was not contemplated as the Marlborough rainfall was in the desired range" (Marlborough Express, 15/8/73, P 1). This comment was correct when discussing mature plants, but the vine cuttings require more water to get established and as the root system develops the plant requires less water. Wayne Thomas also expressed the view that the Montana venture was a "calculated gamble", because even though the research suggested that viticulture was likely to succeed in the region, there was an element of risk in the venture because of the large scale of the plantings.

Montana did not just plant out ten acres under grapes to see how well they performed, rather the company planted five hundred acres in vines. This demonstrates the confidence the company had in the research done by Wayne Thomas and the subsequent endorsement of it by the Californian Professors of the physical suitability of Marlborough as a vineyard area. It is debatable whether the research done by Thomas and the subsequent fiasco over
whether his research was right or not was necessary. Even though the region had not had commercial viticulture practised in it, the quoted comment from the councillor mentioned earlier about the belief that the region was suitable for the cultivation of the vine, tends to add weight to this argument that the role of other factors, particularly the availability of suitable land and the price, are more important than the physical climate of the region or the type of soils it has. This is something which Moran (1980) discusses in depth with regard to kiwifruit cultivation in the Bay of Plenty, where he argues that the role of land availability and other factors are more important in explaining the location of particular horticultural practices than physical factors (Moran, 1980, P 241). It would appear that viticulture is no different to other forms of horticulture and that Moran's comments can easily be adapted to viticulture and the reasons for establishing it in a new region.

Grape varieties planted in Marlborough by Montana.

When we look at the varieties which were planted we can also see that Montana took a gamble on the type of wines consumers wanted. The grape varieties which were planted were Muller Thurgau, Cabernet Sauvignon, Sauvignon Blanc, Gewurztraminer, Riesling, Pinotage, and Pinot Noir. Muller Thurgau and Cabernet Sauvignon were each planted out over seventy hectares for each variety, and the rest were in thirty hectare lots (Wayne Thomas, Personal Communication). Some of the varieties planted adapted
well to the growing conditions of Marlborough and produced wines of good quality right from the start, the main example being Sauvignon Blanc while other varieties did not adapt well, an example being Gewurztraminer. The case of Sauvignon Blanc in Marlborough is a good example of what can occur when everything involved in both the viticulture and winemaking sides of the industry goes right. The first commercial wines made from this variety appeared in 1974, when Matua Valley wines produced a Sauvignon Blanc wine made from fruit grown in Kumeu, north of Auckland (Hubscher, 1988, p. 184). The decision by Montana to plant an area of vineyard in this variety to see what it would do, emphasizes the experimental nature of the Marlborough plantings. Also Sauvignon Blanc was a relative unknown in the New Zealand market place, and this was related to the predominance of hybrid vines planted. With the growth in consumption of table wines, more and more classical vinifera varieties were planted. Montana appear to have taken a gamble that the winebuying public would buy the wine even if they had never heard of the variety before.

This also demonstrates how successful Montana were with marketing the Sauvignon Blanc wines which they later produced in Marlborough. Although Sauvignon Blanc is a major vine of the Loire region of France, most wine drinkers would have purchased a French wine made of that variety before it was planted in New Zealand. This last point demonstrates the relative youth of the New Zealand table wine industry, and the poor quality of New Zealand
made wines before the late 1960s, and also the public's perception of it. It is also interesting to note that apparently no Chardonnay was planted in the initial plantings, yet if we examine the latest vineyard statistics we can see that Chardonnay is the third most planted variety planted in the region. The reasons for are not known, it could have just been an indicator of the taste and market for New Zealand wine.

**Opposition to viticulture in Marlborough.**

The majority of opposition to the establishment of the Wairau Valley vineyards was from established farmers in the region. Some opposition from farmers and councillors has been documented in the *Marlborough Express*. Farmer opposition occurred because of problems in using oil based hormone sprays near vineyards. The spraying regulations state that these particular sprays cannot be used within a ten mile radius of vines during the growing season (October to March) (Townsend, 1976, P 67). This problem was not solved until 1978 when the Regional Authority changed the zoning for the region and made viticulture a predominant landuse on the Wairau Plains, south of the Wairau River. Until this occurred all vineyard plantings had to be given planning consent, and the debate which occurred over this issue will be discussed further in the next chapter. In the initial stages of development the Minister of Lands was involved in the negotiations because he had to give consent to the aggregation of the nine farms Montana had purchased, a
regular occurrence when several farms were being joined together into one large farm. There was also government involvement because the land was to be owned by a company which was part foreign owned. Nine farmers objected unsuccessfully to the Montana bid for water rights. (Marlborough Express, 11/9/74, P-8). One of the objections came from the Marlborough County Council who were concerned that one of the water rights Montana was applying for could have an adverse affect on the existing domestic wells, but after some debate Montana was granted all of the water rights the company had applied for. There were also two letters to the editor in opposition to the Montana venture in the Express, but from most of the evidence the public appeared to be behind the Vineyard development.

The acreage planned by Montana was one thousand hectares, and it is interesting to note that this was never planted. The major one being a decline in the world wine market. Montana had planned the venture with Seagrams in Marlborough so that a large part of the production from the one thousand hectare vineyard would be made into wine for export consumption. But with a drop in the price of Californian wine the incentive for Montana to develop an export operation disappeared. However, during the 1970s the New Zealand market for wine was still expanding which meant that the initial plantings by Montana of three hundred hectares was going to be used fully.
The Riverlands Winery.

The plan for the development of the Marlborough vineyards also involved the construction of a large winery in the region. This is an important point, because the company could have planted the vineyards in the region and then have trucked the fruit to a winery in the North Island to save costs. The company had also planned to develop a brandy still but this never occurred because the government changed its stance on licensing stills. There was also supposed to have been a bottling plant built at Riverlands but this never eventuate because the volume of wine being produced at the winery was less than was initially planned. This is related to the point mentioned earlier in this chapter about producing wines for export.

The location of the winery caused considerable debate because the winery was located beside an industrial estate at Riverlands. The owners of the land company which had developed the industrial estate, Cloudy Bay Developments, objected to the location of the winery beside the industrial estate. It was felt that the winery could have some detrimental impact on the growth and development of the industrial estate. It would appear that the developers of the industrial estate wanted the winery located in the estate, but the winery too large to be able to be sited within the industrial estate. The developers of the estate objected to Montana seeking approval to construct a winery beside the industrial estate out of what could be termed "sour grapes". In the planning meeting, which Montana won, the Montana lawyers
argued that Montana would have liked to have located within the industrial estate but the winery needed more land. The industrial estate developers would have had to purchase more land to enable the winery to be incorporated within the industrial estate. Also the location of the winery beside to industrial estate would have some form of spin-off effect on the estate (Marlborough Express, 22.10.74. P 11).

The first ripe grapes were harvested in March 1976 and were trucked to the Montana winery at Gisbourne for vinting. In 1977 the first harvest of grapes in commercial quantities was vinted at the newly opened Riverlands winery in Blenheim. The winery was, and still is, the largest winery built in New Zealand. It has the capacity to process up to six hundred tonnes of grapes per day during the harvest, and has the storage capacity to hold thirty million litres of wine in it's storage tanks. Because the majority of Montana's domestic market lies in the upper North Island the wine is transported north by rail to Auckland and bottled at Montana's bottling hall in Tamaki, rather than in Blenheim.
PLATE 3.4: Montana's Riverlands winery.

Summary.

This chapter has discussed a number of factors which led to Montana Wines Limited making the decision to plant vineyards in Marlborough. This chapter has outlined the arguments and debate which the establishment of vineyards on the Wairau Plains caused in the region and examined the reasons which led to several Marlborough farmers selling their land to Montana. It appears that the state of the Marlborough rural economy and the presence of one of the most severe droughts the region had seen led to farmers making the decision to sell their land. Originally Montana wanted to purchase all of the land requirements and not let out contracts but it appears that the conventional wisdom of the time, made this impossible,
although now it seems that the fears of corporate farming taking over New Zealand agriculture were unfounded. With vineyards planted the rest of the New Zealand wine industry waited to see if the Montana Marlborough venture would be successful.
CHAPTER FOUR

1977 to 1983: THE BUILDING YEARS.

Chapter three discussed the growth of the New Zealand wine industry during the 1960s and outlined the reasons for Montana Wines's decision to plant vineyards and build a winery in Marlborough. The first stage of Marlborough's development as a viticultural region began in 1973 and ended in 1977 with the first commercial harvest of grapes from the Marlborough vineyards. The second phase of development began in June 1977 and ended in 1982. This next phase of Marlborough's development sees several of the other major players in the New Zealand wine industry plant vineyards in the region, and also sees the establishment of several small operations such as Te Whare Ra and Hunters Wines. The gamble which Montana took in 1973 could be seen to be validated by the further expansion of the region's vineyard area by several other large companies.

Landuse Planning Regulation Changes.

The first of the other large wine companies to plant in Marlborough was Penfolds (NZ) Wines Limited, which began planting contract vineyards in the region in 1978. The major reason for Penfolds gaining contracts in Marlborough was the influence of Frank Yukich on the Penfolds management. In mid 1977 Frank Yukich the former Montana wines managing director and the man who
masterminded the Montana movement into Marlborough, parted company with Montana because of what he saw as a lack of vision in the management of the company. Late in 1977, through his contact with Castel Wines and Spirits Limited, Frank Yukich brought a controlling share of Penfolds (NZ) Wines Limited. In January of 1978, Frank Yukich was in Marlborough looking for contract grape growers for Penfolds. In an article in the Marlborough Express (9.1.78.P1) Yukich explains his plans for the region with Penfolds, he plans a winery in the region and a large area under contract vineyards. However before this could occur, several major changes in local land use planning had to occur.

Viticulture was not a predominant land use in Marlborough. It was a conditional land use. This meant that all proposed vineyards had to get council planning approval before planting could commence. This was a local problem, because in other regions, for example Poverty Bay, viticulture was a predominant land use which meant that vineyard establishment did not require planning hearings. Throughout 1978 several vineyard proposals were put forward, but local government had the power to reject these proposals. This was a serious deterrent to farmers wishing to diversify and grow grapes. An example of the planning procedure, was the rejection of a proposal to plant a vineyard in Koromiko, north of Blenheim. The main objector to this development was the Marlborough Catchment Board soil conservation committee, because the "vineyard proposal ran contrary to everything the board was trying
to do in the area" (Marlborough Express, 2.5.78, P 3). The
catchment board was establishing plantations of forest in
the Koromiko area because in its opinion, the
establishment of forest was the only means of controlling
the severe soil erosion occurring, and a vineyard with the
restrictions it would place on aerial spraying with oil
based herbicides would create problems with the management
plan for the area.

The debate over whether viticulture should be made a
predominant landuse for the Wairau Plains occurred over
autumn of 1978. It was fully covered in the Marlborough
Express. Even the Member of Parliament for Marlborough
was involved in the debate. He appears to have been in
favour of making viticulture a predominant landuse because
of the opportunities diversification held for agriculture
in the region, and also for the employment opportunities
which a large wine industry located in the region would
bring. The issue reached boiling point when a proposal to
establish a twenty five hectare vineyard in the Rapaura
district was rejected.

This proposal was rejected because it was the first
vineyard planting proposal outside of the Fairhall area,
where all of Montana's initial planting took place. The
first vineyard plantings were on the south side of the
Wairau Plains but the Rapaura vineyard was to be
established on the opposite side of the Plains where crop
and pastoral farming were the predominant landuses. The
majority of the objections were due to the vineyard
development restricting other forms of agriculture already
established in the area. A quote in the Marlborough Express sums up the attitude of most of the objectors, "viticulture should stay out of a cropping area" (Marlborough Express, 4.8.78, P 3). This could be regarded as resistance to a new landuse by conservative farmers. However not all of the vineyard proposals put forward were rejected. For example, two vineyards located near the Montana vineyards were permitted. These vineyards were on land which Montana had subdivided from its initial purchase and which was to be developed into contract vineyards. They appear to have been given planning permission because of their location beside the Montana plantings. But any vineyards planned for the Wairau Plains which were not in the same area as the Montana Estates were rejected because of the potential for spray damage and other impacts viticulture might have on the agriculture already established in the region.

Those arguing for the reclassification of viticulture as a predominant landuse, were concerned that if viticulture was going to continue to be restricted and kept as a conditional landuse then Montana might decide to remove its energies and resources from the region and plant elsewhere. An interesting side argument developed over the type of herbicides being used by farmers and local bodies in their weed control programmes. A Montana spokesperson suggested that in terms of public safety viticulture should be encouraged, since the aerial weed-killer 245-T was being used on the Plains. This argument occurred at a time when people were becoming concerned
about the potential effects of spray-drift by this herbicide on the health of people living near where 245-T was being sprayed. The argument was that the oil based herbicides which were being used did not only have the potential to damage vineyards but also the health of the regions' human population as well (Marlborough Express, 12.8.78, P 1).

In August 1978, the Marlborough County Council held a planning hearing for vineyard proposals and restrictions of viticulture. In the debate preceding the meeting most people believed that viticulture would stay a conditional landuse on most of the Wairau Plains except for the Brancott and Fairhall areas where Montana had established it's vineyards (Marlborough Express, 8.8.78, P 14). The outcome of the hearing was that the council went the opposite way and planned to allow anyone to grow grapes south of the Wairau river. It was also noted that the spray regulations should be struck off because several councillors believed that the regulations were outdated. There is no specific explanation given as to why the council changed its mind and the landuse regulations. Even the submissions and proposal documents which may have given some indication are not available in 1990. To this day none of the documents have been sorted or collated, so it can only be surmised that the council saw more to gain from changing its landuse policies than it would lose. It is possible that by making viticulture a predominant landuse the local council foresaw the possibility of increased revenue through rates and other forms of revenue
through the likelihood that with viticulture being a predominant landuse some form of subdivision of properties may occur.

The official announcement that viticulture was a predominant landuse happened in February of 1979. Viticulture became a predominant landuse on the Wairau Plains, south of the Wairau River. This applied to vineyard blocks of more than one acre. This change in policy was important because it enabled vineyard development to continue in the region. Following this announcement vineyard planting occurred at a quickening rate. Penfolds was the first wine company to take advantage of this relaxation of planning laws and had one hundred and fifty hectares of vineyards planted in 1979, with plans to expand the vineyard acreage up to about six hundred hectares by 1984.

The Movement of Other Large Producers into Marlborough.

In December 1979 the multinational, Rothmans, brought two farms in the Rapaura area totalling two hundred and sixty hectares. This was the first involvement of Corbans Wines Limited in Marlborough, because at the time of the land purchase in the region, Rothmans held the controlling shares in Corbans. Corbans also purchased a large block of land in June 1980. The company purchased four farms, one farm of one hundred hectares, one farm which was sixty hectares, and two farms which were fifty hectares in size. A winery was also planned for the site in 1982.
The reasons for Penfolds and Corbans moving into Marlborough were similar. Penfolds, which was under the control of Frank Yukich, began developing contract vineyards in the region because Yukich was responsible for Montana's move into Marlborough. Yukich moved Penfolds into the region because in his view Marlborough was the best place to grow grapes in New Zealand.

The location of the Penfolds and Corbans plantings present an interesting contrast to the location of Montana's vineyard plantings. Both Corbans and Penfolds planted further away from the Southern Hills on the very stony soils in the Rapaura district. Wayne Thomas, Penfolds viticulturalist at this time, had formerly worked for Montana in the planning of the Marlborough vineyards in 1973. In chapter three it was mentioned that Thomas had recommended to the Montana board of directors that they should plant on the stony land in the Rapaura district and not on the more fertile soils at the foot of the Wither Hills. But the Montana board had rejected his advice and planted near the Hills. In 1973 Montana could have purchased the stony land in Rapaura for as little as $11 per hectare, because the stony nature of the land meant it was not good for many forms of agriculture. Before Corbans and Penfolds planted in the area much of this land was used as secondary grazing land because there was thought to be very little use for it. In 1979 it was costing Penfolds over two thousand dollars per acre for the same land. This says something about the land market, but more importantly, in the case of the development of
Marlborough as a wine region, about the accepted commercial wisdom of viticulture in New Zealand and how it had changed over five years. Most companies and growers wanted to plant on the stoniest free draining soils possible, to get the best fruit quality, something which was discussed in chapter two.

Corbans began planting in Marlborough because it was believed that Marlborough had the right physical ingredients to be a premium viticultural region. The success of Montana's first two vintages from Marlborough would also have played a significant part in influencing where other large wine companies decided to plant; if the Montana venture had failed no other company would have thought about planting in Marlborough. This explains the six year period between Montana's initial planting and Corbans's decision to plant. Penfolds is different because of the involvement of Frank Yukich, but the problems with planning would not have deterred Corbans. The main explanation why Corbans took so long to plant in the Marlborough region seems to be that the company waited to see how successful Montana were. Once the first two vintages of Montana Marlborough wines were produced and Corbans had seen the success Montana had then they began to plant in the region.

The varieties the two newcomers planted were: Penfolds/Chardonnay; Riesling; Sauvignon Blanc; Riesling Sylvaner; Chenin blanc; Muscat Canelli; and Cabernet Sauvignon, while for Corbans/Müller Thurgau; Riesling; Sauvignon Blanc; Chardonnay; Gewurztraminer; and Cabernet
Sauvignon. Apart from Chardonnay which Montana did not plant in 1973, all of these varieties were what Montana was growing at its vineyards. Another interesting point is that neither Penfolds nor Corbans planted Pinot Noir or Pinotage two red varieties which Montana was experimenting with. The probable reason for this is due to Corbans and Penfolds planting varieties which were more market orientated than Montana. This was because Montana pioneered viticulture in Marlborough and being first to plant in the region had to plant many different varieties in trial blocks to see how they fared. Corbans and Penfolds, planting five years after Montana were able to plant the varieties which Montana had succeeded with initially, and forget about the "experimental varieties". This explains why the two red varieties were not planted.

The First Small Producers.

The first small producer to plant in the region was Alan and Joyce Hogan who planted their vineyard in 1979. The first Te Whare Ra (House of the Sun) wines were made in 1982. The Hogan's reason for moving to Marlborough and getting involved in the wine industry were far different from those which have been explained earlier which apply to the large national wine companies like Montana and Penfolds. The major reason for Te Whare Ra wines being located in Marlborough is that the owners believed the region to be a "nice place" to live in. Alan Hogan had worked in the wine industry in Australia and New Zealand and decided to look for a place in New Zealand to plant a
vineyard and build a winery. Marlborough was chosen more for the region being a good place to bring up a family than for its potential as a viticultural region.

The Te Whare Ra winery is the smallest on the Wairau Plains producing between two and three thousand cases of wine annually. The Hogan’s initially purchased a thirty hectare farm, but subdivided off ten hectares. The land was originally a lucerne farm but now four hectares is planted under the vine. Te Whare Ra also source grapes from two contract vineyards, each about one acre in size, demonstrating the significance of the contract grower even to the smallest producer in the region. Te Whare Ra produces a range of white and red varietal table wines, the different types being; Chardonnay, Riesling, Gewurztraminer, Semillon, Sauvignon Blanc, Flora, and Cabernet Sauvignon. The variety Flora is an oddity, with Te Whare Ra being the only company in Marlborough which produces a wine from this variety. This may be due to the small output from the company enabling it to produce wines from unusual varieties which would be uneconomic for larger companies to produce. The company used to produce a Pinot Noir, but the owner removed these vines because the wines which had been produced were light and thin. This highlights how temperamental this particular grape variety is, and also highlights some of the problems which occur through poor clonal varieties. Because now in 1990 many Marlborough winemakers are trying to make Pinot noir wine because it is perceived that the region has the right physical recipe to make good Burgundy style wines.
Another point is that Alan Hogan is not a qualified winemaker, that is he does not have a diploma or degree in winemaking, and has described himself as a "self made bootstraps winemaker, wary of textbook principles" (Cooper, 1988). That Alan Hogan is able to do what he does says something about the physical conditions in the region. It could be said that Marlborough has a very forgiving winemaking climate which enables people with an interest and enthusiasm in wine and winemaking, but no formal training, to make a living and produce wines of very good quality, something which many of the other wine regions of New Zealand do not have.

The autumn climate of warm days and cool dry nights enables the Hogan's to produce a style of wine which very few other winemaking concerns have bothered producing until recently. These are the luscious dessert wines which are influenced by the "noble rot" Botrytis cinerea. The fungus transforms the bunches, not only their appearance, but also the balance of their juices. The botrytis, which forms a fluffy covering over the berries, thrusts tiny filaments through the grape skins and feeds on the interior. Through dehydration the grape sugars and extractives become highly concentrated, making them perfect for sweet wine (Cooper, 1988, P 84). The reason why Te Whare Ra began making botrytis infected dessert wines was because the owner saw heavily botrytised grapes left on the vines of a company vineyard and he thought it would be possible to do something with them. The company made several experimental wines in 1983 and 1984 and produced a
commercial release of a botrytis bunch wine in 1985. Each year since then Te Whare Ra has produced a botrytis influenced wine. In particularly good years several different wines have been produced. These wines are very expensive to produce because the juice content is considerably lower than in ripe grapes which are not affected by botrytis, for example Hogan sometimes recovers less than thirty percent of the original juice content from very heavily botrytised berries. The large companies involved in the Marlborough region would not be prepared to take the risk of leaving the grapes on the vines for a long time with the added risk of frost damage.

In 1979, the Hunters vineyard was planted in Rapaura. The area planted was sixteen hectares. Originally this was a contract vineyard for Penfolds, but in 1982 the decision was made to build a winery. The winery was originally planned to be located in Belfast, on the outskirts north of Christchurch, but local government planning resistance meant the winery was built in Blenheim beside the vineyard. The original plan to build on the outskirts of Christchurch was based on the proximity of a large population nearby. With the resistance he encountered in Canterbury, Hunter chose to build his winery in Marlborough beside his vineyard. Ernie Hunter was also encouraged by the progressive outlook of the Marlborough County Council which was encouraging the development of the wine industry.

Ernie Hunter's involvement in the Marlborough Wine Industry was the first by an entrepreneurial minded
individual. It could be said that Hunter was the first person to see the tourist and marketing potential of the region. The winery complex incorporated a restaurant and was promoted as "Hunter's wine village. He was also the driving force behind the decision to erect a sign on State Highway one showing "the Marlborough Wine Trail" and also in the development of the annual Marlborough Wine and Food Festival which occurs in February.

Hunter was a skillful marketer and saw the potential of bringing North Island people across Cook Strait for a wine weekend, where the visitors to the region were taken around the region's wineries and vineyards and accommodated in motels (Marlborough Express, 10.12.82, P19). Ernie Hunter was a salesman, and as such he was just as influential as Frank Yukich in that he saw the region's potential and was determined to see it realised. This was not without failure or near failure, because at one stage, Hunter was forced to sell the vineyard and lease the restaurant because of financial problems. But Hunter's greatest impact was on the whole New Zealand wine industry. He was one of the first winemakers to attempt to market and sell his wines overseas. The wine which put New Zealand wine, and more particularly, Marlborough on the map as a major wine area was Sauvignon Blanc. In 1986 at the Sunday Times Wine Club Festival, Hunters 1985 Fume Blanc was voted the most popular wine in the show. The wine also won a gold medal in London, one of the first major successes of Marlborough grown wines.
PLATE 4.1: Gates to Stoneleigh Vineyard.

PLATE 4.2: Sign advertising the Marlborough wine trail.
Up until 1980 most companies had been looking at Marlborough as a region to produce still table wines of good quality, but a Frenchman, Daniel Le Brun, found the region had the potential to produce exceptional bottle fermented sparkling wines. Le Brun, who comes from a French Champagne family, first visited New Zealand in 1975 on a holiday. However a recession in France and Europe changed his mind, as also did the very tight restrictions placed on the size of individual landholdings in Champagne. This led him to decide to return to New Zealand and establish a vineyard and winery here (Cooper, 1988). Although he was planning to establish a vineyard in New Zealand he initially went to work for a private wine company in Auckland. In 1976 he went to Australia to look at prospects there, but he returned to New Zealand fifteen months later and basing himself in Rotorua, began searching the country for the ideal location to plant his vineyard. His decision to plant in Marlborough was based on the similarity between Marlborough's climate and that of Epernay (Marlborough Express, 21.10.80). Cellier Le Brun specialize in the production of bottle fermented sparkling wines made in the traditional champagne style.

The process involves a primary fermentation of the base wine in tanks, following which the wine is bottled ready for the secondary fermentation. At the end of the secondary fermentation, lasting six weeks to several months, the yeast cells decompose. The bottles are now
stacked on their sides, with the yeast sediment staying in contact with the wine, for a maturation period of two to three years. The bottles are laid head first on riddling racks and the yeast gradually settles on the cork of the bottle. Disgorgement follows where the bottle neck is frozen solid to allow the cork and sediment plug to be removed without the loss of too much wine. Finally the wine is topped up and corked (Cooper, 1988, P 117).

The vineyard Le Brun planted, of fourteen hectares, emphasizes the specialist nature of champagne (Methode champenoise) production. The vineyard has six hectares of Chardonnay, five hectares of Pinot noir, and three hectares of Pinot Meunier, the three varieties used in the production of French champagnes in the Champagne region of France. Everything was done in exactly the same way as things are done in Champagne, for example the vines are planted in close fashion as the are in Champagne, and the ripe grapes are hand harvested.
PLATE 4.3: The Le Brun Winery.

PLATE 4.4: The Le Brun Vineyard: note close planting.
Summary.

The period 1978 to 1983 saw the continued expansion of Marlborough as a wine region. The region evolved from being a an experimental new location into a proven winegrowing area. In this period it could be argued that the experimentation now involved trying to produce several different styles of wine using different production methods, for example bottle fermented sparkling wines and botrytis infected dessert wines. Marlborough was a proven grape ripening region, ripening some varieties to previously unheard of sugar levels, and several small producers had established vineyards and wineries in the area. It is interesting to note that all three smaller concerns were there for different reasons. The Hogan's established Te Whare Ra in the region because it was a "nice place to live in". Daniel Le Brun however, perceived Marlborough as being the "best place" in New Zealand, with the closest physical climate to the Champagne region of France, in making his decision to plant in Marlborough. Ernie Hunter established Hunter's wines primarily as a contract vineyard, later deciding to erect a winery. It could therefore be argued that Hunter established his concern for entrepreneurial reasons. Initially the vineyard was planted because contract grapegrowing was a lucrative business, and later the owner decided to get involved in the winemaking side of the business.

The points raised in this chapter suggest that Marlborough had not yet reached maturity as a wine region
because of the continued experimentation which several of the companies were involved in. Just because the region ripened grapes well did not mean that good quality wines could be made. Rather the period examined in this chapter highlights the youthfulness of the Marlborough wine industry with producers beginning to unravel the region's winemaking and viticultural potential, and attempting to produce several different styles of wine. Marlborough had become known for several wines which had been successful right from the start, these two wines were Sauvignon Blanc and Riesling, with some other varieties not proving to be as successful, the red varieties Cabernet Sauvignon and Pinot Noir being the two main examples. The disappointing wines produced from the red varieties led to the belief that Marlborough was not warm enough to ripen red varieties, and encouraged the myth that Marlborough was only a white wine grape region with the success of Sauvignon blanc and Riesling. But not all white varieties were successful: it appears that several unmemorable wines were made from the Chardonnay grape in the early eighties which led to the belief that Marlborough could not grow good Chardonnay. These perceptions and the continued belief in them will be examined in full later on, but it is sufficient to state the origins of these myths lie in the period 1978 to 1983, when several other wine companies, as well as Montana were just getting established and coming to grips with the characteristics of Marlborough grown fruit.
CHAPTER FIVE

1983 to 1987: RESTRUCTURING and GROWTH.

The development and growth of the Marlborough wine industry continued during the early 1980s. In 1980 the Wine Industry Development plan was implemented after a government sponsored Industrial Development Commission assessment of the wine industry. This had occurred during the late 1970s as part of the government policy of economic restructuring (Cooper, 1988, P 45). Continued planting and declining consumption during the early 1980s led to increasing speculation from the industry that there would be a wine glut. 1983 was the first year the industry had problems with selling all its wine stocks. The harvest of that year, 67 849 tonnes, was the largest crush ever. The added impact of increases in government taxation had increased the price of New Zealand wine to a point where consumption was stagnant.

The First Signs of Trouble.

The first indications of problems in Marlborough occurred in September 1983, when an article in the Marlborough Express was titled "Grape Surplus Concerns". The concern was that the static population and restricted discretionary purchasing power would hold sales and consumption at the level of two previous years (Marlborough Express, 12.9.83, P 2). An article written in December of 1983 with the headline "Grape growers,
investors face financial trouble" demonstrates that concerns about the fortunes of the local industry were increasing. This was an article discussing the conclusions of the Hartevelt Report. The Hartevelt Report was prepared by a committee of officials appointed by the government to investigate the implications of the wine industry's apparent grape surplus in 1983 (Read, 1988, P 70). According to the newspaper article, the Hartevelt report predicted gloom for Marlborough's fledging wine industry (Marlborough Express, 13.12.83, P 1). Gloom was predicted for Marlborough growers because many of the vineyards were established on soils of low fertility which limited the alternative types of agriculture farmers or growers could pursue, if the grape market did collapse. There appears to have been a belief that because viticulture was a new type of agriculture in the region and still relatively young, that in any crises or difficulties the wine companies which had planted in Marlborough would remove Marlborough's vines first, rather than vines from the more established wine regions north in Hawkes Bay and Poverty Bay. When this was coupled with the costs of planting in Marlborough which it would take another decade to recover, it is easy to see why many people saw only doom and gloom for the Marlborough wine industry.

However to remove all of the vines from Marlborough would have been a costly exercise and would not have helped the stability of the New Zealand wine industry. It would appear more likely that the large companies which
had invested in Marlborough would continue investing in Marlborough at the expense of older more established regions, the major one being Auckland. This can be demonstrated by the Montana Riverlands winery which was built from equipment which was taken from Montana's Auckland winery when it was dismantled, in other words, the redeployment of the company's resources elsewhere. The belief that Marlborough would be the first region to suffer appears to have been unfounded and believed only by people who had a North Island interest in the New Zealand wine industry. The idea appears to have been nothing more than speculation from a group of government appointed officials who had a limited understanding of the wine industry and its workings. The unfortunate aspect of this belief was that it was printed in newspapers and many people involved in the wine industry appear to have believed what they read. Some restructuring did occur in Marlborough but when compared to what occurred in the other major wine regions it was minimal.

**Vineyard Area Reductions in Marlborough.**

The first company to reduce the amount of planting it had in Marlborough was Penfolds. In September 1984, it was announced that Penfolds would be reducing the size of the company's contract plantings by one hundred hectares, at that time Penfolds had between five and six hundred hectares of land under contract. The company assured growers that only one hundred hectares of vines would be removed, and that of the land earmarked to be taken out of
production, the majority was low yielding varieties and experimental varieties which were not performing well. Basically Penfolds were adjusting to the changing market conditions (Marlborough Express, 12.9.84, P 3).

A year later Corbans wines announced that the company wished to remove eighty hectares of vines, which was approximately half of the company's plantings in Marlborough. Corbans' decision to remove vines planted in the region was due to the problem of an over-supply of grapes and an overproduction of wines. The varieties Corbans removed were Muller Thurgau, Chenin Blanc, and Riesling; the first two varieties being bulk wine producing grapes, and the latter being a variety which was going through a period of consumer unpopularity (Marlborough Express, 20.12.85, P 1).

It appears that of the three large companies involved in the Marlborough region only two; Penfolds and Corbans, removed any vines. Montana removed very little, if any of the vines the company had planted in the region. It could be argued that this shows the company's commitment to Marlborough and the faith the company had in Marlborough being the best location in New Zealand for premium cool climate viticulture. Montana's vineyards in Marlborough had been established over a decade and the company also had a winery in the region, which suggests that the costs of the movement into Marlborough had been recovered by 1985 when the industry began to have problems. Because the vineyards were over a decade old they were reasonably well established and the company would have already found out
what grape varieties perform and what do not. Peter Masfen, the Chairman of Corporate Investments Limited, who bought control of Montana in 1985, discussed the vine pull in an interview in the Marlborough Express. He believed that Montana did not have any problems because the company's vineyards and services in Marlborough were already well established, whereas the other two companies which had moved into Marlborough, Corbans and Penfolds were still expanding and growing. Basically Montana already had it's market share and niche and the others it would appear did not (Marlborough Express, 17.9.86.P 21). To understand this requires some discussion and explanation of what occurred during the vine pull, at the national scale as well as the regional scale.

The Restructuring of 1986.

The stability of the wine industry relies on the ability of sales outlets to sell the wine to the consumer. What has occurred is that the liquor legislation in New Zealand until 1990 has limited the number of outlets around the country which can sell liquor and this has had an indirect effect on the amount of liquor, especially wine, which can be sold. In chapter three it was argued that the development of the "modern New Zealand wine industry" was due in a large part to a relaxation of the liquor licensing laws, especially the licensing of restaurants and taverns, which increased both the demand for and the consumption of New Zealand wine. In the early 1980s due to the New Zealand, and the global economy
experiencing a recession, the wine industry, like most primary production based industries went through a recession.

The government did not help the industry by increasing the sales taxes on alcoholic beverages, which led to a dramatic increase in the price of New Zealand wines.


<table>
<thead>
<tr>
<th>Year</th>
<th>Table Wine (per litre)</th>
<th>+%</th>
<th>Fortified Wine</th>
<th>+%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1981</td>
<td>$.50</td>
<td></td>
<td>$.60</td>
<td></td>
</tr>
<tr>
<td>1982</td>
<td>$.67</td>
<td>+34%</td>
<td>$1.06</td>
<td>+76%</td>
</tr>
<tr>
<td>1983</td>
<td>$.72</td>
<td>+8%</td>
<td>$1.40</td>
<td>+32%</td>
</tr>
<tr>
<td>1984</td>
<td>$1.32</td>
<td>+83%</td>
<td>$2.16</td>
<td>+54%</td>
</tr>
</tbody>
</table>
1985  GST of 10% introduced and sales tax becomes excise.


This was occurring during a time when the government was supposed to be providing the wine industry with a "stable and predictable environment" within which to achieve the potential recognized by the Industrial Development Commission (IDC). Consumer resistance to the price rises associated with the increase on sales tax on wine led to annual consumption figures stagnating rather than continuing to increase. The impact of two large harvests in the early 1980s led to wine companies having large amounts of unsold wine in their possession. To combat this problem several of the larger companies cut the prices of their wines, which led to a price war in 1985 and brought several companies close to bankruptcy.

Cooks/McWilliams, according to Read (1988) played a prominent role in the price war because of the company's decision to enter the bulk wine market in the mid 1970s.
The company had been founded in the 1960s to specialize in fine table wines, but in its vigorous pursuit of the cheap quaffing wine market it arranged purchase contracts with grapegrowers beyond its needs (Cooper, 1988, P 47). By 1983, when it was clear that the decision to enter the bulk wine market was a mistake, the company had several options to solve the problems. Firstly, they could uproot the company's own vineyards, but these were planted in the classical vinifera varieties, for example Cabernet Sauvignon and Chardonnay. Secondly, to extract the contract vineyards meant that Cooks would have to buy out the existing contract, and because many of the contracts were long term arrangements, that is for ten or more years, this would have been an expensive option. The final option, and ultimately the one Cooks wines took, was to restructure. Cooks New Zealand Wines Company restructured by halving its grape intake in 1984 and merging with McWilliams Wines Limited (Cooper, 1988,P 178). These changes were to enable the company to increase its market share. However this appears to have failed because according to Cooper(1988) the enlarged company produced losses of $4.3 million in 1985, and almost $3 million in 1986, before the Corbans takeover in 1987. The important point to note here is that Cooks did not have any involvement in Marlborough so this helps to explain why Marlborough was not as greatly affected by the vine pull as it could have been. However Penfolds wines had a similar problem to Cooks and unlike Cooks Penfolds did have a large amount of vineyard area in Marlborough.
The impact of the restructuring and price war led to government intervention with the vine extraction scheme being announced on December 16th 1985. Government intervention occurred because several medium sized companies faced bankruptcy due to the impact of the price war. This would have had a major impact on contract grape growers who may not have been able to sell their grape crop and would have added to the difficulties the whole rural sector was enduring in the mid 1980s. The scheme offered growers a subsidy of $6175 per hectare of vines removed. Growers had to apply for the subsidy and the closing date for applications was January 17th 1986. The vines had to be removed by the end of February 1986 (Read, 1988, P 77).

**FIGURE 5.1:** Regional vineyard Area Removed during the Vine Pull.
The Impact of the Vine Pull on Marlborough.

The South Island lost 209.79 hectares of vines. The majority of which were removed from Marlborough. An article in the Marlborough Express in December 1985 expressed the view that Marlborough could lose over twenty percent of the vineyard plantings in the region. The reason for this view was again because the plantings in the region were recent, and because of the cost of transporting the harvested grapes and bulk wines north to wineries and bottling plants. Moreover the yield per hectare was lower in Marlborough than in most of the North Island viticultural regions which meant that production costs per hectare were also slightly higher than in the North Island regions. However the initial fears were unfounded because Marlborough lost only ten percent of the regions vineyard area.

![Graph showing the distribution of grape varieties removed from Marlborough.]

**FIGURE 5.2:** Grape varieties removed from Marlborough.
In total 189 hectares of vines were removed and the two varieties which were most extracted were Gewurztraminer and Riesling, two varieties which were going through a period of unpopularity with consumers in the mid 1980s. These two varieties were unpopular for a number of reasons. Gewurztraminer did not grow well in Marlborough. It was thought of by several growers as being temperamental and difficult to get good yields from. While Riesling was unpopular with consumers because it is a variety which needs to be cellared for three to five years before the wine is mature. However it is interesting to note that Riesling is one of the varieties which is believed to be well suited to Marlborough's physical environment but if the wines are not selling the company or grower may have no option but remove the vines. The grapes used to produce quaffing wines, Muller Thurgau and Chenin Blanc, are third and fourth on the list, and follow national trends. These varieties were more likely to be removed because they were the lowest priced grapes when compared to other more prestigious varieties like Chardonnay. The removal of Sauvignon Blanc, Chardonnay and Semillon in Marlborough demonstrates possibly the removal of poor clones of these varieties and also the possibility that they were planted in bad locations and the varieties did not perform well.

When we compare what was removed in Marlborough with what the national trend was there are some interesting differences.
TABLE 5.3. Vinepull scheme patterns nationally by variety.

<table>
<thead>
<tr>
<th>Variety</th>
<th>Vine area extracted (hectares)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Muller Thurgau</td>
<td>507.22</td>
</tr>
<tr>
<td>Palomino</td>
<td>136.65</td>
</tr>
<tr>
<td>Gewurztraminer</td>
<td>109.03</td>
</tr>
<tr>
<td>Chenin Blanc</td>
<td>98.26</td>
</tr>
<tr>
<td>Riesling</td>
<td>96.68</td>
</tr>
<tr>
<td>Muscats</td>
<td>56.94</td>
</tr>
<tr>
<td>Chasselas</td>
<td>53.29</td>
</tr>
<tr>
<td>Chardonnay</td>
<td>50.43</td>
</tr>
<tr>
<td>Sauvignon Blanc</td>
<td>36.70</td>
</tr>
<tr>
<td>Grey Riesling</td>
<td>25.47</td>
</tr>
<tr>
<td>Breidecker</td>
<td>17.14</td>
</tr>
<tr>
<td>Semillon</td>
<td>15.00</td>
</tr>
<tr>
<td>Cabernet Sauvignon</td>
<td>62.27</td>
</tr>
<tr>
<td>Pinot Noir</td>
<td>18.69</td>
</tr>
<tr>
<td>Gamay</td>
<td>16.26</td>
</tr>
<tr>
<td>Pinotage</td>
<td>28.92</td>
</tr>
<tr>
<td>All Hybrids</td>
<td>71.46</td>
</tr>
<tr>
<td>Other</td>
<td>71.44</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1471.85</strong></td>
</tr>
</tbody>
</table>

(source, Read, 1988, P 82).

According to Read (1988) the major reason for the low amount of vines extracted from the South Island was because the South Island vineyards were the most attuned to the demands of the market (Read, 1988, P 110). The youth of the New Zealand table wine industry appears to have been a major factor in the need to restructure. Determining market shares, product performance and consumption trends are all issues that are looked at when an industry is developing (Read, 1988, P 92). Read continues on to state that:

Determining which regions grow grapes economically what varieties do best in each region, which clones and rootstocks are best for New Zealand’s particular physical characteristics are all determined by a series of empirical trials. (Read, 1988, P 92)

This requires some experimentation through planting a large amount of different grape varieties and seeing which varieties do well and which do not. This explains
why Gewurztraminer was the variety which had the largest amount of area removed in Marlborough. It appears that most viticulturalists and growers had decided that due to the varieties poor performance in the region that it was the prime contender for removal.

The South Island vineyards were also the most recently planted in the country, and many had only been producing crops for three to five years suggesting that rather than being more market attuned, the young age of the vines meant that growers did not actually know yet what varieties were going to perform and what were not. Which would explain the low amount of vine removals in Marlborough and the differences in what varieties were removed in Marlborough in comparison to the rest of New Zealand. The statistics which Read uses to show who was paid to remove vines, that is whether it was companies, contract growers or just private growers, reveal another explanation.
FIGURE 5.3: Pie graphs showing the distribution of payments among growers and companies.

(source: Read, 1988, P 168)

As figure 5.3 demonstrates most of the government funding went to growers with contracts with wine companies rather than to the companies themselves. This was due to most company vineyards being planted in the premium varieties, for example Chardonnay and Cabernet Sauvignon, and the contract vineyards being planted in the bulk producing varieties, for example Chenin Blanc and Muller Thurgau. The reasoning for this is simple by concentrating on the premium varieties in their own vineyards, wine companies were making sure that the flagship varieties were well looked after, while the bulk producing varieties were bought in from contract growers. Because it was the bulk varieties it did not matter what condition the grapes were in at harvest time as much as the premium varieties. The
question of cost is also important because it was likely that the costs to the wine company were less to buy in contract grown bulk producing grapes when compared to the prices which the premium varieties could fetch on the open grape market.

The low incidence of Muller Thurgau and Chenin Blanc removals in Marlborough suggest that the plantings in Marlborough were aimed at the quality market rather than the quaffing market, where the quality market is wine sales in bottles and the quaffing market is defined as being wine sold in casks, at present the market is seventy five percent quaffing and twenty five percent quality. The two regions hardest hit in the vine pull, Poverty Bay and Hawkes Bay, being established as vine growing regions some time before Marlborough appear to have had a large section of vineyards planted in Muller Thurgau and other bulk wine grapes removed. These were varieties which produced high yields of grapes but were used to produce cheap quaffing wines. Whereas in Marlborough, where the yields were lower than in the North Island, to make viticulture viable growers and wine companies had to plant the premium varieties, for example Chardonnay and Cabernet Sauvignon. Although these varieties have low yields the prices paid per tonne are considerably higher than for the bulk varieties, such as Muller Thurgau. At this time Marlborough's potential as a wine growing region was only beginning to be realised, due to the relative youth of the region's wine industry, so it was unlikely that growers or companies would remove too much from their vineyards when
they were not really sure what varieties were best suited to the regions growing conditions. Had the vinepull occurred now in 1990 the outcome and statistics could have been markedly different.

International Interest in Marlborough.

A renewed development which occurred during the mid 1980s was the involvement of international companies in Marlborough. The first companies to look at Marlborough with regard to planting grapes or purchasing grapes were Australian but in the later 1980s there has been some interest shown by companies from other parts of the globe. The first Australian wine producer to enter the Marlborough wine industry was Cape Mentelle wines, a small company based in the Margaret River region of Western Australia. Cape Mentelle wines was formed in 1976 by David and Mark Hohnen and the company had since then gained a reputation as a producer of top quality red wines. In the early 1980s David Hohnen was looking for another area in which to plant vines and produce top quality white wines which would match the company's red wines.

After a visit from a group of New Zealand winemakers to Western Australia, Hohnen decided that New Zealand was the country where he should plant and Marlborough the region because the wines which impressed him most were made from Marlborough fruit, especially Sauvignon Blanc. Cape Mentelle purchased twenty hectares of land and a winery was built.
PLATE 5.1: The Cape Mentelle Winery and Vineyard. Marlborough was chosen because of its high sunshine hours, low rainfall, well drained soils and cool climate, which means that when the grapes are harvested they tend to have a high sugar content.

The Cape Mentelle operation was named Cloudy Bay and the first wine, a Sauvignon Blanc, was produced in 1985. The first three vintages involved the company using fruit supplied by Corbans until the company's own vineyards began to bear fruit, and in return Corbans had use of the Cloudy Bay winery to make their Marlborough wines, until the Marlborough Cellars winery was built in 1989. The Cloudy Bay operation is different to the other winemaking concerns in Marlborough because the majority of the annual production is exported. In the mid 1980s over seventy
percent of the wine produced was exported to Australia. With the growth of the export market to the United Kingdom, these figures appear to be seventy percent in Australia, twenty percent in the UK, and the remainder in New Zealand (NBR Weekly Magazine, 3.8.90,P 28). As the company's production has increased so the number of markets the wine is exported to increases. Cape Mentelle planted in Marlborough because the company believed that the quality of the white wines produced in the region was superior to those produced elsewhere in Australia and New Zealand. The dominance of export markets sets the operation apart from the other wine concerns located in Marlborough.

Another Australian company purchased wine from Marlborough in 1986. Hardys Wines Limited purchased twenty thousand litres of Sauvignon blanc wine from a Marlborough producer, and the wine was blended with Australian wine to produce what could be termed an "ANZAC wine". The wine is a blend of fifty three percent Australian and forty seven percent New Zealand wine (Christchurch Press, 30.4.86,P 47). Although just over half of the wine is Australian, to call it a product of Australia is misleading, conversely to call the wine a Marlborough wine is also incorrect. The wine is a "blend" of wines from two countries and although the wine is fermented and bottled in Australia and so probably qualifies as a "product of Australia" calling the wine an ANZAC wine or a product of Australia/New Zealand would be far more appropriate. With the recent international
success of Marlborough wines the number of companies, both national and international, wishing to purchase fruit from Marlborough has increased. The possibility of blends of Marlborough fruit and poorer quality fruit from other places being blended into one wine and being called Marlborough wine has also increased.

The major concern is the possible damage to the name of Marlborough as a quality wine region through the blending of a small portion of Marlborough wine with wine from another region of New Zealand or another country. The unfortunate aspect of this problem is that there is nothing in the labelling laws which states that a wine must be from one place, or that the amounts of wine from each region which are blended together are to be shown on the wine label. At present this does not have to be done, although under the laws protecting the consumer from misleading advertising and labelling it could be possible to argue that the labelling of a wine as a product of one country when it also contains wine from another country is misleading. There is no easy answer to this problem, but it would appear that if producers wish to continue to do this then perhaps a new method of labelling should apply.

The Impact of International Interest on Marlborough.

The involvement in Marlborough of international wine companies has been beneficial to the development of the Marlborough wine industry. But of the two methods of international involvement in the wine industry the Cape Mentelle method is by far more desirable than the Hardy's
method of buying bulk wine and shipping it to Australia for finishing and bottling. The reason being that the Hardys method is little more than exploitation of Marlborough whereas the Cape Mentelle method is not. Several people spoken to in the course of this research talked about the Marlborough wine industry being "buoyant" and how it was very difficult to find a Marlborough grower who was "poor". This is usually explained by the high prices Marlborough growers get for harvested fruit. The system usually used in New Zealand with regard to setting prices for contract grown fruit is a per tonne figure weighted on the sugar content of the grapes (brix). Marlborough, due to the nature of the grape growing climate, appears to be able to ripen many grape varieties to higher sugar contents than many of the North Island wine regions. Because of this the minimum brix level for Marlborough is set higher than for a grower in Poverty Bay. For example the price of $100 per tonne for Muller Thurgau grapes in Poverty Bay may be for grapes with a minimum brix level of 16. Growers in Marlborough receive the same payment for grapes with a brix level of 19 at harvest. The increased involvement of Australian companies buying grapes on the New Zealand wine market has had an impact on the prices received for ripe grapes. It appears that many Australian producers offer higher prices for top quality fruit than their New Zealand counterparts which has increased the price of the grapes which are used to produce premium wines, for example Chardonnay and Sauvignon blanc. This is good for the grape grower but
not too good for New Zealand companies who are competing with the Australian to purchase grapes.

There are rumours that some Australian producers offer prices which are twice what New Zealand wine companies offer. Whether this is correct or not is debatable because all of the people spoken to about this were unwilling to comment or name prices. However, it appears that one Australian producer was offering to purchase Pinot Noir grapes from Marlborough growers for $650 a tonne while New Zealand wine companies were only willing to pay $300 to $400 a tonne, so it would appear that there is some truth in Australian producers paying higher prices for grapes than their New Zealand counterparts. The downside of this is that the prices New Zealand companies pay for fruit is higher and the increased costs are carried on to the consumer. There is also concern that Marlborough is just the "Flavour of the Month" for international markets and that someone will discover a new place which produces a great wine and the international companies will move away from Marlborough and plant there.

This topic will be discussed further in the next chapter, but it is sufficient to suggest that most of the international companies involved have made some form of investment in the region, whether buying land and establishing vineyards or as in the Cape Mentelle situation, establishing a subsidiary company and constructing a winery.
Several New Small Producers.

Two new companies entered the Marlborough wine industry in 1986. The first was the Grove Mill wine company which gained permission to establish a winery and restaurant in the former Coker and Mills ice cream factory. Grove Mill is a private company which was formed by a group of investor growers who decided to build a winery rather than extract their vines during the restructuring of early 1986. The company planned to use both shareholders' grapes and grapes purchased from other growers. The decision of a group of growers to band together and form a company is interesting because most of the other winemaking concerns in the region have involved people establishing vineyards and wineries as either medium sized concerns by one person, for example Hunters wines, or by a large national company, for example Montana wines Limited. Grove Mill is different because here is a group of growers who decided to form a company possibly after their grape contracts to the large companies operating in the region, were either terminated or reduced instead of removing their vines. The location of the winery and the character of it is also unique. The winery is located in Blenheim just off the main highway North to Picton and is an old ice cream factory which has been gutted and rebuilt as a winery, and incorporates a restaurant and wine bar. Plate 5.2 shows the architecture of the building and it clearly shows the unique style of the building when compared to the pictures of the other wineries shown in this thesis. This is the first
"boutique style" winery in Marlborough, that is the concept of Grove Mill is quality not quantity and the setting of the winery and restaurant in an old building gives the boutique aims of the company added weight.

PLATE 5.2: The Grove Mill Winery and Restaurant.

The other development was the first planting of vines in the Awatere Valley which began in September 1986. The vineyard planting of thirteen hectares was completed in November of that year. The vineyard was established by Vavasour wines, a partnership between Peter Vavasour, an
Awatere farmer, and Richard Bowling, a viticulturalist. The reason behind the decision to plant in the Awatere was that Peter Vavasour, a farmer, perceived the climate in the Awatere to be warmer and drier than that of the Wairau valley further north. The company is concentrating on the production of red wines, which is unusual because until recently, Marlborough has had a reputation as being a producer of top quality white wines, with red wines being considered unripe and thin. The belief that the Awatere is warmer and drier than the Wairau Valley is the principal reason behind the decision to concentrate on producing fine red wines, which many commentators argue the Wairau Valley is too cool to ripen properly.

The Vavasour vineyard is planted in Sauvignon Blanc, Chardonnay, and all of the principal red varieties, Cabernet Sauvignon, Cabernet Franc, Merlot, Malbec, and Pinot Noir.

PLATE 5.3: The Vavasour winery. (Note car as scale).
PLATE 5.4: The Vavasour Vineyard. Note location on terraces

The location of the vineyard emphasizes the importance of site selection. The Awatere is known to be prone to high northwesterly winds, something which Wayne Thomas noted when he did the research into the suitability of Marlborough for viticulture. To counter this problem, the vineyard is located on two river terraces which shelter the vineyard from Northwest winds. The closeness of the vineyard to the sea reduces the risk of frosts.

The final development of the period 1983 to 1987 was the establishment of Merlen wines. Almuth Lorenz, the former winemaker for Hunters, established her own label and planned to build a winery. Lorenz, a German and a graduate from the Geisenheim Institute, bought five
hectares of Rapaura land with the help of several local investors and planted a vineyard. The land which was purchased was formerly a vineyard which had been extracted during the vinepull. The posts and wires were in place but there were no vines. The vineyard was replanted in Gewurztraminer, Chardonnay, Riesling, and other classical white grape varieties. The winery produces an annual production of below four thousand cases of wine. The decision to establish her own label was made because of a disagreement with Ernie Hunter, and a desire to fashion her own wines under her own label. The winery at present crushes around sixty tonnes of fruit but has the capacity to crush one hundred tonnes, and came be can be extended further and could crush a tonnage of two hundred tonnes.

Myth Creation: Marlborough is too cool to make good reds.

The belief that Marlborough is too cool to produce excellent red wines is a myth which has been created through wine critics who have tasted many Marlborough reds which are "thin and green", with "herbaceous and unripe flavours". The odd thing about these type of comments is that until 1986 there was only one company producing large amounts of red wine from Marlborough, and that was Montana. The Montana reds have in poor years had some undesirable qualities but on the whole they have been good acceptable quality wines. Because of the extensive nature of the company vineyards all of the fruit is machine harvested which means that fruit of varying ripeness is
harvested at the same time. Montana cannot afford to take the risk of leaving the grapes hanging on the vines for a week or two longer to ripen further because of the large amount of area the company has under vine. Leaving the grapes on the vines longer increases the risk of frost damage which could ruin the whole grape crop. The production of red wines in Marlborough has only really started recently, and the discussion about myths will be discussed in detail in the next chapter.

Summary

The period 1983 to 1987 saw Marlborough continue to develop as a wine region. It also saw the restructuring of the New Zealand wine industry and saw Marlborough's emergence as one of the major wine regions in the country. This period also saw the entry of Marlborough onto the international wine stage as several international companies invested in the future of the region, through the establishment of vineyards and wineries, and of vineyard planting further away from the Wairau Valley, with blocks being established in valleys off the Wairau Valley, for example the Whaihopi Valley and further south in the Awatere Valley. The success of Marlborough and continued growth of the region was related to the success of the wines the region produced on the international stage. Hunters' led the way with gold medal success in London and New York Wine Shows, and the impact the Cloudy Bay Sauvignon Blanc had on the wine world when it was released in 1985 ensured the continued development
of the Marlborough wine industry, and gave the New Zealand wine industry a much needed boost during a low time. The success of Marlborough white wines, specifically Sauvignon Blanc and Riesling, and the reputedly disappointing red wines being produced in Marlborough, led to several myths becoming established about which varieties Marlborough was good at producing and what it was not good at producing, the major one of which is that "Marlborough cannot make good red wines". This is a topic which will be explored further in the next chapter.
CHAPTER SIX

1988 and Beyond: MARLBOROUGH'S MATURITY?

The recent history of Marlborough's development as a wine region has been one of continued growth and expansion. By 1989 Marlborough had the third largest vineyard acreage in the country, with about one thousand hectares of vines. The two largest viticultural regions were Poverty Bay and Hawkes Bay, with one thousand four hundred hectares and one thousand three hundred hectares respectively. However now, in 1990, Marlborough has the largest area under the vine.

![Graph showing vineyard acreage](image)

**FIGURE 6.1:** New Zealand Regional Vine Area (1989 to 1991). By 1991 the vineyard acreage of Marlborough will soar to almost one thousand eight hundred hectares. Over the
space of four years the vineyard area in Marlborough has almost doubled in response to several recent developments in the New Zealand wine industry. During the late 1980s Marlborough's role in the New Zealand wine industry has changed and these developments have led to Marlborough becoming more important as a viticultural area.

In February 1988, Cyclone Bola devastated the Poverty Bay vineyards and also had a detrimental effect on the Auckland and Hawkes Bay vineyards. In the Poverty Bay region vineyards were buried under silt from flooded rivers. The grape varieties most affected were Muller Thurgau, Chardonnay, and Gewurztraminer, because these varieties were almost fully ripe and ready for harvesting. Cyclone Bola did not affect Marlborough; but the outcome of the 1988 vintage was that there was a shortage of grapes. The shortage of grapes had started in 1986 after the government sponsored vinepull. The removal of a quarter of the country's vineyard area seemed like a good way to solve the wine industry's problems, but the two years following the vinepull were wet and poor vintages, which explains the low yields in 1987 and 1988 in figure 6.2. The impact of Cyclone Bola on the major North Island wine regions in 1988 did not help matters.

North Island Companies show interest in Marlborough.

During the late 1980s a large number of North Island companies began to invest in Marlborough, either by developing contract vineyards, or through purchasing a percentage of their grape requirements from Marlborough. Some of these companies were: Nobilo vintners, Selaks, Delegats, Villa Maria, Collards, Babich and Matua Valley. All of these companies are Auckland based and most, with the exception of Matua Valley, have been a part of the New Zealand wine industry for over half a century. These companies have moved into Marlborough for economic reasons. The growth of Auckland city has seen land prices rise dramatically. This has meant that Auckland based companies have been unable to purchase land near their
existing vineyards and so have had to look further afield for vineyard land. With the two poor vintages in North Island regions, and the effect of Cyclone Bola, many North Island companies have invested in Marlborough. Also many of these companies are medium sized companies and were hit hard during the vinepull: they may also suffer through the effects of CER and other related economic policies. Many of these companies are looking to develop export markets in the United Kingdom and the recent international interest in Marlborough grown wines, specifically Sauvignon Blanc and Chardonnay, has led to these companies developing vineyards in the Marlborough region.

A major contract vineyard in Marlborough, Matador Estate, is a sixty hectare vineyard first planted in 1987 in the Rapaura district for Selaks and Nobilos, two Auckland based companies. The Selaks section of the vineyard is planted predominantly in Sauvignon Blanc, Semillon, and Chardonnay. At present thirty percent of Selaks production is sourced from Marlborough, this figure will increase to almost ninety percent in five years time (Marlborough Express, 19.6.90, P 17). The three varieties which Selaks are concentrating on in the Matador planting appear to be the three varieties which most other North Island companies are sourcing from Marlborough.
The International Success of Marlborough wines.

The success of Marlborough wines on the international stage has vindicated the Montana move into Marlborough in 1973. The success of viticulture in Marlborough has increased the international profile of New Zealand wines. However, it would be foolish to state that the success of Marlborough has been the sole reason for the success of New Zealand wines in these competitions. There have been other factors which working together have led to the increase in quality of New Zealand wine for example, the replacing of New Zealand vineyards with vinifera varieties, such as Chardonnay and Cabernet Sauvignon, in place of the hybrid varieties. The development of new viticultural practices for example,
trellising and leaf removal have led to substantial increases in fruit quality. Also the large number of formally qualified winemakers now involved in the industry has meant there are people in the industry with the training and expertise to get the best out of the fruit and improve the quality of the final product. It could however be argued that this was dependent on planting in regions which provided winemakers with top quality fruit. (However as chapter two mentions, it is possible to have top quality, fully ripened grapes and still produce ordinary wines and vice versa).

Increased International Participation and Investment.

Viticultural development in Marlborough has had a major impact on the development of the New Zealand wine industry. However the role of the regions plantings can only be fully measured and understood in the context of the other factors which play a part in the development of a wine industry. The considerable international success of New Zealand wines have had has added another dimension to the development of the Marlborough wine industry. This new dimension is the participation of international wine companies in the New Zealand wine industry, predominantly in the Marlborough region. The beginnings of this phenomenon have already been discussed in the preceding chapter with the development of Cape Mentelle wines's Cloudy Bay facility, and discussion of Hardy's ANZAC wine. These two developments occurred in the mid 1980s, and by
the late 1980s several other international companies had become involved in the Marlborough wine industry.

In 1990: Deutz; Veuve Clicquot; Andrew Garrett; Yalumba; Wolf Blass; and Domaine Chandon all have some interest and form of investment in the Marlborough region. There are several joint ventures between New Zealand based companies and international companies which has seen the international wine world enter the New Zealand wine industry.

The two largest wine producers in Marlborough and indeed in New Zealand, Montana/Penfolds and Corbans/Cooks/McWilliams, are both involved in joint ventures with international wine companies. Montana with the French champagne house Deutz and Corbans with the Australian producer Wolf Blass. The Montana–Deutz venture involves Montana producing a top quality "methode champenoise" wine with assistance from Deutz. There is some debate over where the finished wine will be sold. Don Hewitson in his book The Glory of Champagne states that "The wine, made from Chardonnay and Pinot noir, will be made in relatively small quantities, 120 000 bottles a year, and sold only on the home market." (Hewitson, 1990, P 157). Conversely articles in the Marlborough Express state a contradictory point of view, stating that the wine will be sold on the international market, more specifically the Pacific rim nations, for example Asia and Australia.

The Montana Deutz venture involves Montana growing
the grapes and making the wine and involvement from Deutz on an advisory basis, that is the blending of the base wines and the techniques used in making premium sparkling wines. Montana have extended the Riverlands winery, adding a room which contains a Cocquard press, the traditional press used in the Champagne region of France, to be used in pressing the grapes. Another interesting point is that the grapes are hand harvested rather than mechanically harvested. The wine, because it is aimed at the premium quality bracket, will have its grapes harvested by hand because hand harvesting offers better selection of fruit. In Champagne the grapes are hand harvested so Montana in keeping with the traditional methods and procedures are attempting to produce a French style sparkling wine. The French are involved because Montana wanted advice and assistance on the making of the wine rather than for finance to expand as was the case with the earlier venture with Seagrams in the 1970s.

The notion that the wine is being made solely for the New Zealand market makes the deal odd, because of the limited size of the New Zealand market. One would expect the wine or some of it to be sold on the international market. The deal is also different to the other "new world" champagne ventures which are in existence, in that the international company does not own the company making the wine or own land in New Zealand. Instead the French are assisting the New Zealand company in the making of the wine and lending their name to it, it will be called Deutz
Marlborough Cuvee, but it would appear that is about as far as the French involvement goes.

What has occurred during the 1980s is many French champagne houses have bought land in New World wine producing regions to produce méthode champenoise wines. This has been due to the rising global demand for champagne style sparkling wines. The French Champagne houses are unable to satisfy global demand for premium sparkling wine from their own vineyards, because of the limited size of the Champagne region. Also the appellation laws of the Champagne region forbid the importation of grapes or wine from other regions of France to enable an increase in production. This has meant that they have moved into other nations, for example Moet and Chandon's Domaine Chandon venture in the United States enables the company to obtain a much larger market share than it could have ever achieved with only champagne (Hewitson, 1990, p150). The Deutz involvement in New Zealand is not like this. Montana asked for Deutz's assistance because the French know how to produce the best bottle fermented sparkling wines. However the recent increases in the price in French Champagne, for example Moet et Chandon Brut Imperial Cuvee non vintage has increased $10 dollars on the New Zealand market and now retails for between $55 and $60 suggest that Deutz may have known something when it got involved with Montana.

The recent price increases for French Champagne have occurred because the price agreements between grape
growers and the Champagne houses no longer apply. Under the appellation laws Champagne is a finite area. This means that the companies are not allowed to import grapes from other parts of France to blend with the base wine. The growers in Champagne have usually had the maximum prices which the Champagne houses are willing to pay for grapes set through an agreement. This has recently changed and it has been decided that the grapes for the wines will be bought on an open market rather than have prices set at a particular maximum level. The impact of this has been the rapid increase in the price of Champagne to the consumer. However, in New Zealand this is unlikely to upset Montana, nor bother Deutz in France because although no one has stated anything to the contrary, it can be assumed that Deutz will be making some money from the Deutz Montana wine because the wine carries a Deutz label on it. Therefore the Deutz Marlborough Cuvee which is retailing at $25 and if one believes the critics is as good as real French Champagne the Montana venture has occurred at the correct time. It is also possible that other Champagne houses may look at investing in Marlborough but this is looking further into the future.

Corbans wines are also involved in a joint venture with an overseas wine company. Corbans gained planning approval to build a winery in the Rapaura part of the Wairau Plains in 1982, but the problems the wine industry suffered in the mid 1980s meant that the winery construction was delayed until 1989. When Corbans decided
to build the winery they teamed up with Wolf Blass wines of Australia and built Marlborough Cellars. The winery was completed in time for the 1989 vintage and has the capacity to crush two thousand tonnes of fruit, which makes it a small "boutique sized" operation when compared to the Montana Riverlands winery. The winery produces all of Corbans Stoneleigh and Private Bin wines, which were formerly made at the Cloudy Bay winery or the fruit transported to Corbans's North Island wineries and vinted there.

PLATE 6.2: The Marlborough Cellars Sign.
Plate 6.3: The Marlborough Cellars Winery and Vineyard.

The Marlborough Cellars operation also produces a Sauvignon blanc for Wolf Blass, and will crush Pinot noir and Chardonnay grapes which Wolf Blass will use as base wine for méthode champenoise production. In both cases bulk wine is made and transported elsewhere for finishing and bottling, to Auckland in the case of the Corbans wines and Australia for the Wolf Blass wine. Wolf Blass got involved in Marlborough because the company wanted to produce a top quality Sauvignon blanc wine, so in the words of the company founder "we came to the place which produces the world's best Sauvignon blanc". Initially this wine will be sold on the New Zealand market but it
would appear highly probable that as production increases a large amount of the wine will be heading back across the Tasman and staying there. Interestingly Wolf Blass market a wine under the company's Eaglehawk label which is made from wine from Australia and New Zealand, what were called in Chapter five ANZAC wines. This is only the second known ANZAC wine but it is possible that there are others or could be others coming onto the market in the next year or two and the very vague labelling regulations which are in place now need to be changed. The major reason being so that the consumer knows what they are buying.

International Companies alone.

As well as Cape Mentelle and Wolf Blass, Andrew Garrett wines of McLaren Vale Australia has eighty hectares of contract vineyards in Marlborough (Marlborough Express, 16.12.88.P 3). Andrew Garrett first bought Marlborough grapes in 1985 when he purchased Pinot Noir for sparkling wines. This is a variety in which most international companies are not interested. So far most international wine companies are interested in Marlborough's reputation for Sauvignon Blanc and Chardonnay wines. Andrew Garrett's interest in Pinot Noir demonstrates that Marlborough has potential in other varieties as well as Sauvignon blanc and Chardonnay. Andrew Garrett in an interview in the Marlborough Express believed that he would be crushing two thousand tonnes of grapes in his own winery in Marlborough by 1992/93, and
shows the commitment he has to the region (Marlborough Express, 16.8.88, P 16).

The French Connection.

The most recent international involvement in Marlborough was the announcement that Cape Mentelle wines had been purchased by the French Champagne producer Veuve Clicquot. Cape Mentelle, who are an Australian company but have the New Zealand subsidiary company producing wine under the Cloudy Bay label, have been looking for a new investor, which would enable the company to increase the production from both it's Western Australia winery and the Blenheim winery. The French have taken a major shareholding in Cape Mentelle and this will enable the company to expand further. The involvement of Veuve Clicquot also gives Cape Mentelle access to the marketing networks of the French and one could argue that this will enable Cape Mentelle wines to reach new markets sooner because the parent company already has marketing structures established in certain countries where Cape Mentelle wines have not been seen yet. The most obvious and important example is the United States.

The most intriguing aspect of the venture is that it involves the production of still wines and not the production of sparkling wines. Usually when a Champagne producer moves into a New World location it is to make sparkling wines, ala Montana Deutz and the various Domaine Chandon operations located around the world, but this is
clearly not the case with Veuve Clicquot and Cape Mentelle. It appears that Veuve Clicquot, which is part of the luxury goods corporation Louis Vuitton Moët Hennessy group, want to use the Cape Mentelle still wines as an accompaniment to the sparkling wines which they produce. It could be argued that a company involved in a luxury goods corporation has increased its base by purchasing another company which produces a luxury good. Also Veuve Clicquot own one hundred hectares of vineyards in Marlborough and this land was bought before the Cape Mentelle deal was announced. Which suggests that Veuve Clicquot may have been thinking about producing a new world sparkling wine based on Marlborough fruit, but the Cape Mentelle venture occurred and perhaps this option was shelved. At present the aim of the deal is to produce still wines but this may change in the future.

The international dimension which has been added to the Marlborough wine industry demonstrates how much the international world of wine is shrinking. However Australian companies buying Marlborough grapes and transporting bulk wine and grapes across the Tasman for finishing and bottling again raise the question of just what is New Zealand wine and what is not, a point which was discussed in chapter 5. At present the grapes bought by Andrew Garrett and others are crushed by existing wine companies. For example Hunters' wines made wine for Domaine Chandon of Australia in 1990. But there may come a time when no existing wineries in Marlborough will be
able to process fruit for other companies who do not have a winery in the region. It is a possibility that someone may establish a co-operative winery which could crush and make wines for the multitude of national and international companies involved in the Marlborough region. The involvement of international companies in the New Zealand wine industry is not restricted solely to Marlborough, for example Mildara wines of Australia has a controlling share of Morton Estate, located in the Bay of Plenty.

There is also the possibility of an Appellation Controlee scheme for Marlborough. Already one New Zealand wine region has a system in place. This is Martinborough. It is very likely that other wine regions may follow suit. The problems which a series of regulations on where wines can be transported for bottling, what varieties can be used, and even where ripe grapes can be trucked to, could create in Marlborough are potentially quite large. Especially for Australian companies which transport bulk wine to Australia for finishing and bottling. New Zealand companies could also face some problems, for example Montana bottles all of its wine in Auckland at one plant. If regulations stated that all wine made in Marlborough had to be finished and bottled in Marlborough it could create huge logistical problems. Admittedly for the Marlborough region having a large bottling plant located in the province may mean more jobs for the local population and help the regional economy but would it? If international companies decided to go elsewhere for grapes
what would the Marlborough growers who have planted contract vineyards for these companies do? Who would they sell their grapes to at a time when fears are again being voiced over the possibility of overproduction.

Overplanting and Overproduction?

The international interest in Marlborough has led to increased planting in the region, and has led to the possibility of overplanting. This is a problem which the vineyard extraction scheme discussed in the previous chapter attempted to redress. The problem is not just limited to Marlborough but the whole New Zealand wine industry has grown enormously over the past three years and questions are again being asked about where the wine will go.

![Bar chart showing vineyard area from 1988 to 1991](chart.png)

**FIGURE 6.3.** Total New Zealand Vine Area 1989 to 1991.
Marlborough has seen staggering growth in the last two years and the vineyard area has increased by six hundred hectares.

**FIGURE 6.4.** The ten most planted varieties in Marlborough 1989 and 1991.

<table>
<thead>
<tr>
<th>1989</th>
<th>1991</th>
</tr>
</thead>
<tbody>
<tr>
<td>Variety</td>
<td>Area (hectares)</td>
</tr>
<tr>
<td>Muller Thurgau</td>
<td>378.2</td>
</tr>
<tr>
<td>Chardonnay</td>
<td>149.0</td>
</tr>
<tr>
<td>Sauvignon blanc</td>
<td>143.9</td>
</tr>
<tr>
<td>Riesling</td>
<td>127.8</td>
</tr>
<tr>
<td>Cabernet Sauvignon</td>
<td>111.3</td>
</tr>
<tr>
<td>Semillon</td>
<td>36.0</td>
</tr>
<tr>
<td>Pinot noir</td>
<td>32.3</td>
</tr>
<tr>
<td>Pinotage</td>
<td>31.2</td>
</tr>
<tr>
<td>Gewurztraminer</td>
<td>25.7</td>
</tr>
<tr>
<td>Muscats</td>
<td>19.9</td>
</tr>
</tbody>
</table>

(source, WINZ, 1990, P 14)

Apart from Merlot entering the 1991 list on figure 6.4 there has been very little change in the order of varieties, but the area planted has increased dramatically. The increases in area for both Chardonnay and Sauvignon Blanc which sees the vineyard area for each variety doubling between 1989 and 1990 is related to the international success of Marlborough Sauvignon Blanc and Chardonnay, and with both New Zealand and overseas companies investing in vineyard land during the late 1980s the major varieties they have been concentrating on are Sauvignon Blanc and Chardonnay. Also for the grower the price for these two varieties, especially Chardonnay is very high which is an obvious incentive to increase the planted area. The increase in planted area of Sauvignon Blanc will mean an increase in production of Sauvignon Blanc wine of around one hundred and twenty thousand
litres by 1991 (Judd, 1990, p. 47). Marlborough will have in 1991 56% of the national acreage planted in Sauvignon Blanc which demonstrates just how successful the variety grows in the region. This gives a lot of weight to the belief that Marlborough produces "the world's best" Sauvignon Blanc.

However, the consequences of this dramatic increase in planting will be drastic if domestic consumption does not increase with the increase in production.

![Graph showing production and sales of New Zealand wine from 1981 to 1989.](image)

**FIGURE 6.5.** New Zealand wine, Consumption and Production 1981 to 1989.

In early 1990 the Marlborough Express published a series of advertisements sponsored by the MAF telling growers not to plant any more vines. The attitude in the region at present is that even though international interest in the whole New Zealand wine industry has led to an increase in export sales of New Zealand wines, the type of increase...
needed in export sales to prevent a surplus of wine will not occur overnight. This can be demonstrated by figure 6.6.

![Graph showing wine exports from 1981 to 1989](image)


The problems which are occurring now are similar to the problems which occurred during the mid 1980s and the vine extraction scheme. At that time the vine pull was judged a success because it had solved the problem in the short term. What occurred after the vinepull was that many growers have replanted the areas from which they were paid to remove vines. Hybrid and less popular varieties were removed and replaced with varieties which were better yielding and more market attuned. The vine extraction agreement did not have any clause stating that growers could not replant vineyards which had been extracted. This was an error and it would appear that many growers
used the money they were paid to remove vines to replant new grape varieties. This makes the New Zealand vine pull different to the Australian vine pull which also occurred in the mid 1980s. In the Australian example growers were not allowed to replant areas where vines had been removed for five years, which means that growers had to use the land in a new way, that is in some other form of agriculture or horticulture. This meant that the type of problems which occurred after the New Zealand vine pull did not arise. The period after the New Zealand vine pull saw the prices for grapes increase and grape growers showed a good return on their investment through the industry having two poor vintages in succession. This was at a time when most other agriculture was experiencing considerable difficulty. The result was that many Marlborough and Hawkes Bay farmers planted vines and these are now starting to bear fruit (The Press, 16.9.90, 12).

The problem with the recent increases in vine area is that it has occurred straight after the vine pull and the associated crisis of the mid 1980s. Many of the people involved in the industry still recall the difficulties of the mid 1980s and believe that the industry is about to go through another period of depression. However, several new factors which are present now, and which were absent in the mid 1980s may mean that the industry does not go through problems. The involvement of international companies, and especially Australian wine producers who are buying grapes from New
Zealand, especially Marlborough, offers one avenue for sales of grapes and bulk wine. Indeed it could be argued that the international interest in New Zealand wines, has been the major reason for the continued planting of vineyards throughout New Zealand.

There are some critics who argue that international involvement in the New Zealand wine industry has led to this latest increase in planting as Australian companies have sought to buy New Zealand grapes and have offered higher prices for them than New Zealand companies. The impact of this has been that New Zealand producers have had to pay more for contract and uncontracted fruit and the outcome of this has been that the increased prices have been carried on to the consumer through price increases. Growers have been earning a good income from viticulture and many are increasing their plantings as a result of the higher prices which are being paid for harvested fruit.

A problem may occur if the international companies find another area somewhere in the world which produces better Sauvignon Blanc and move away from New Zealand, and particularly Marlborough, and the Marlborough wine industry collapses. However the level of investment in Marlborough by international companies tends to suggest that this will not occur. The unpredictability of the New Zealand maritime climate means that is very rare for all of the New Zealand wine regions have an outstanding vintage in the same year, rather Marlborough might have a
good year, while Poverty Bay and Hawkes Bay have poor years. This actually occurred in the two years following the vine pull. 1987 and 1988 were poor years in the North Island and tonnages were down, leading to a shortage of grapes. 1989 was a perfect year for the whole country. In 1990 Marlborough suffered a frost in mid April which will reduce the tonnage of the 1990 harvest, and Poverty Bay had a wet year meaning that the harvest was lower than expected.

**Montana involvement in Hawkes Bay.**

The movement of Montana into the Hawkes Bay region in 1989 through buying one fifth of the vineyard area in the region led many wine industry people to express the view that Marlborough had failed to live up to the expectations that Montana had placed on it. However the winery purchased in the Hawkes Bay, the McDonalds winery at Taradale is only a small operation and geared to producing small quantities of wine. In contrast the Riverlands winery in Marlborough is the largest winery in New Zealand and is able to produce huge volumes of wine, this has meant that producing small batches of reserve wines is difficult, although not impossible. This would be easier to do this in a smaller boutique type winery which is what the McDonalds winery in the Hawkes Bay is. Also by having large vineyard acreages in Poverty Bay, Hawkes Bay and Marlborough the company is insured against a poor vintage in any one or two of the regions.
Marlborough Has Failed!

Many critics have used these purchases to suggest that Marlborough has "failed" and to demonstrate that Marlborough cannot grow good Cabernet Sauvignon and Chardonnay. Perhaps Cabernet Sauvignon does better in Hawkes Bay, but considering the relative youth of the wine industry in Marlborough and that many companies have only just started to produce Cabernet Sauvignon wines, it would seem that these comments are unfounded and ill conceived. Also Marlborough Chardonnay has won much acclaim and many awards in international wine competitions. While some commentators see the potential of Chardonnay in the region, other New Zealand wine writers still believe that Marlborough does not make good wines from this variety. The amount of success Montana has had with Marlborough produced wines, tends to refute the argument that Marlborough has "failed"; more likely Marlborough has succeeded beyond Montana's wildest expectations in that the company has two other wines which appear to do particularly well in the Marlborough region, these being Riesling and Sauvignon Blanc which gives the company a far wider product base than some of its competitors. The Deutz Marlborough Cuvee project supports this perspective. To suggest that Marlborough has failed is folly because of the success Montana has had with Marlborough grown wines. The Veuve Clicquot Cape Mentelle venture will be producing Sauvignon Blanc and Chardonnay in Marlborough, and most of
this wine will be sold to export markets, rather than New Zealand.

Planned Developments in the Near Future for Marlborough.

There are several more wineries planned in the Marlborough region. Highfield Estate, has just been completed while two others Forrest Estate and a recently announced venture, the Belsham/Taylor winery, are planned for the next two years. This will see the region having eleven wineries. It is possible that several other growers may decide to enter the winemaking side of the industry. For example the Highfield Estate winery is owned by the Walsh family who were one of the first contract growers in the region. Having profited from almost two decades of grapegrowing, the owner decided to build a winery, and make wines. There are other contract growers in the region who are possibly thinking about doing the same thing. This is not a Marlborough only phenomenon, for example, C.J Pask wines in the Hawkes Bay and Limeburners Bay Wines in Auckland, are two other examples of grapegrowers who have decided to enter the winemaking side of the industry after growing vines for some time.

Phylloxera.

A more serious problem facing the Marlborough region's viticultural industry is the recent outbreaks of the vine aphid phylloxera. First discovered in
Marlborough in 1984 in a vineyard planted near the Montana Riverlands winery in the Dillon's point area of the region (Topo Map Grid reference: 665 925), the recent outbreak in the Dillon's Point area again, has led to a research team examining all of the region's vineyards to see just how established the aphid is in the region. It appears that there is a higher incidence of the aphid in the region than originally thought, and this could become a major problem because many of the vines planted in the region are on ungrafted roots.

The history of phylloxera in New Zealand goes back to last century when Romeo Bragato first positively identified phylloxera in vineyards around Auckland. Since 1890 as New Zealand's wine industry has developed and moved into new locations so too has phylloxera. For example the aphid was first discovered in Hawkes Bay in 1900 and in Poverty Bay in 1975 (Buchanan, 1982, 8).

The quarantine regulations New Zealand has with regard to phylloxera and other vine diseases, is that vine material, in particular nursery material, can be taken out of an infected area provided it has been treated to the satisfaction of an authorized inspector. This has usually involved the dipping of vine cuttings into a solution of lindane, oil and water. The interesting point is that all of the plant material for Marlborough has been sourced from North Island viticultural regions and according to Buchanan "given the pressures of the enormous demand for planting material caused by the rapid expansion of New
Zealand's viticultural industry, it would not be surprising if some nursery procedures were inadequately supervised or executed" (Buchanan, 1982, 9). Therefore it is highly probable that phylloxera was transported to Marlborough in cuttings grown in infected areas in the north. There is also a possibility that phylloxera may have been in the region before the development of the wine industry. It may have been transported down by a person living in Marlborough who brought a vine or cutting of a vine into the region from elsewhere which was infected with phylloxera.

The problem with Marlborough and phylloxera is that a large majority of the vines planted in the region are on their original rootstocks: they are not grafted onto American rootstocks. Grafting vines onto American rootstocks is the only way of removing the threat of phylloxera because the aphid does not affect the American rootstocks. Some vineyards have already been replanted and it would appear that many more vineyards will be replanted on American rootstocks to remove the threat of phylloxera. This comes at a time when many growers have invested heavily in developing and planting vineyards in the region. The threat of phylloxera may mean that many growers are faced with the task of replanting their vineyards on phylloxera resistant rootstocks.

One Marlborough producer has mentioned replanting on grafted vines in a 1990 newsletter, but there are some producers who are incredibly blase about the possible
impact of a heavy outbreak of phylloxera in the region. Comments like, "oh the soils in the region are too stony for the aphid and even if it does get established in the region we'll be all right because there are no vineyards planted near us" are not acceptable and give an indication of a certain naivete in the region with regard to the potential impact of phylloxera. Indeed comments like the "soils are too stony" would appear folly when we consider the impact phylloxera had on the French wine industry in the 1870s. In George Ordish's book *The Great Wine Blight* the impact of phylloxera on the French wine industry is documented fully and it would appear that even areas of Bordeaux and Champagne located on very stony soils were not immune to the aphid. It would appear that the only means of preventing a major disaster with regard to phylloxera would be to replant vineyards on grafted rootstocks. Restriction on cleaning down machinery and vine material from infected vineyards will at best only delay the possibility of a major phylloxera outbreak.

**The World's Best Sauvignon Blanc?**

The belief that Marlborough grows the "best Sauvignon blanc in the world" has not helped in attempts to dispel the myth that Marlborough cannot grow anything else, particularly red grape varieties like Cabernet Sauvignon. The reason for the myth is related to the strong flavours which Marlborough Sauvignon blanc has, these flavours were described by one winemaker interviewed
as being the flavours of unripe fruit. However Marlborough Sauvignon blanc usually has high sugar levels, usually higher than what is achieved in the North Island wine regions, so it would appear that the fruit is ripe. But because the flavours are those which some writers and critics call characteristics of unripe fruit, it has been assumed that Marlborough cannot grow any other varieties because they cannot be ripened adequately. This is rubbish! These judgements are based on the subjective opinions of a select few, the wine writer. The myths about Marlborough wines are argued on the strength of taste testing, and just how accurate this method is, is debatable.

The question of taste and what white or red wines should taste like is an interesting one to ponder. Many New Zealand red wine drinkers have been exposed to a lot of Australian red wines, which according to most critics are "rich flavoursome, full bodied wines", compared to these wines most New Zealand red wines appear "thin and watery". But if New Zealand red wine is compared to the red wines of the Bordeaux region of France, which appears to be climatically similar to the Hawkes Bay region, the wines appear similar, being "elegant and medium bodied", if one is to take the critical opinion as fact. It could be conversely argued that the differing growing conditions of Australia produce red wines which taste entirely different to many of the classic French Bordeaux Clarets, which are grown in a region which has a cool climate. It
is also interesting to note that many Australian wine producers are planting grapes in the coastal parts of South Australia and Victoria, in what are termed "cool climates". What does this mean for Marlborough and New Zealand as a whole? Probably not much, but two New Zealand red wines won the top trophies at two Australian wine competitions, one was a claret made from Hawkes Bay fruit, while the other wine was a Merlot Cabernet wine made from Marlborough fruit. It is possible that many of Marlborough's critics will state that this was just one wine of many, but it does dispel the myth about Marlborough not being warm enough to make good red wines.

FIGURE 6.7: General model showing the factors which affect wine quality. (source: Moran, 1980 unpublished)
Figure 6.7 shows that there are a number of factors which all interlinked which have a major impact on the quality of wine. One of the major problems which has occurred is that many people involved in the wine industry, this means both wine writers and winemakers, have tended to believe that good wine is produced through locating in a suitable location with a suitable climate. However there is a large degree of ignorance shown towards the other factors, grape production, quantity and quality of must, and vinification and maturation and the effects they have on the final product. This narrow mindedness explains to a large degree the attitude and comments which can be found in many wine columns. Examples include; "Marlborough is too cool to ripen red grape varieties", "The cool climate responsible for Marlborough's attractively brash Sauvignon Blanc is also responsible for its rather bony Chardonnay and pretty, but light, red wines"; "the majority of Marlborough's Cabernet Sauvignons have been too light and too leafy...". These comments can be found in any books on New Zealand wine. The sad fact is that there is no
explanation as to why these comments occur, although it appears that many people have tended to focus on the environment-wine quality relationship and miss the point entirely by not giving thought to the other factors which influence the quality of the final product.

The interesting aspect of this discussion is that there are several winemakers in Marlborough who believe that red wines are the future of Marlborough not white wines and not Sauvignon Blanc. The many comments received during the fieldwork for this study about which varieties have the most potential for the future makes interesting reading. Cabernet Sauvignon, Merlot, Cabernet Franc, and Pinot Noir are all believed by over half of the winemakers involved in the Marlborough wine industry to be the varieties with the most potential for the future.

Are these winemakers deluding themselves and pursuing "the impossible dream"? It would appear to the critics that they are, but the winemakers of Marlborough would know more about growing conditions and fruit ripening in Marlborough than the so called "wine experts" who write newspaper columns and whose only knowledge or means of test is taste. Perhaps the winemakers know and understand something which the wine critics do not know, that is the variety of factors which influence the final quality of the finished product. Too often comments are made which have been either unfounded or uninformed. The truth is that the production of red wines in Marlborough is still in the formative stages. Many
producers have produced red wines just to fill out the product range rather than for other reasons. Now there are several producers who openly aspire to produce excellent red wines and have gone to considerable trouble to plant vineyards in good locations and have bought in the equipment necessary to achieve their aims. Examples include Vavasour wines and Grove Mill, with Vavasour in particular being located in the Awatere Valley because the company wants to produce a top quality claret. Whether this ambition will be realised will take time and it is unfortunate that many industry observers have forgotten this fact.

Summary,

This chapter has examined and discussed the continued growth of Marlborough since the restructuring phase of the mid 1980s. The most important aspect of this period has been the added international dimension where many international wine companies are investing in the region by purchasing vineyards or through buying grapes and grape juice to ferment abroad. This has not been a New Zealand wide phenomenon but has been largely confined to the Marlborough region. The international interest in Marlborough has seen the prices paid for Marlborough grown fruit increase and also the price of suitable vineyard land on the Wairau Plains has also increased.

The involvement of North Island based wine companies in Marlborough has added to the impacts of international
interest in the region. The rapid development of the viticultural industry in Marlborough over the past three years has seen the amount of vineyard acreage double. These increases have occurred almost overnight and have seen Marlborough overtake Poverty Bay and Hawkes Bay as the most planted vineyard region in New Zealand. The rapid development of Marlborough has led to several unfortunate myths being created over which varieties are best suited to the region. It would appear that at present there are only two varieties which are known to produce wines of excellent quality. These are Sauvignon Blanc and Riesling. The other white varieties are only just beginning to demonstrate that there is considerable potential for them in Marlborough. The major variety being Chardonnay, which has only just started to give a glimpse of its potential during the past four years. The same can be said about Marlborough red wines, at present the experimentation continues but several of the 1988 and 1989 red wines produced from Marlborough fruit give an indication that the best is yet to come.
CHAPTER SEVEN

IN CONCLUSION

The development of Marlborough as one of New Zealand's major wine regions has been one of the most visible features in the recent development of the New Zealand wine industry. The international success of Marlborough wines has focussed the attention of the whole international wine world on to New Zealand. The benefits of this have not just been for Marlborough but rather for the whole New Zealand wine industry. The discussion throughout much of this thesis has focussed on Marlborough in itself and has tended to set Marlborough apart from the rest of the New Zealand wine industry. This was a matter of definition, but there are certain factors and characteristics of the Marlborough wine industry and its development that set Marlborough apart from the other regions involved in the wine industry.

Firstly the nature of the initial development of Marlborough is different. It was not started by a person or company located in the Marlborough province. Instead the largest wine producer in New Zealand, an Auckland based company with overseas backing decided to expand production of table wines for the export market. The company searched the existing wine regions of the North Island before deciding to develop vineyards and a winery in Marlborough. Therefore it can be argued that while Montana did not set out to pioneer a new viticultural
region yet economic factors and land availability meant they had to do so in order to expand production. The major factor was that Marlborough had the amount of land the company wanted to purchase available and at the right price.

Secondly the belief that Marlborough was "scientifically evaluated" is untrue. Some research was done, but it could be validly argued that the company (or more accurately Company Manager) had already decided to establish vineyards in Marlborough, but the research on Marlborough's physical suitability for viticulture was necessary to gain approval from the company's board of directors. The amount of research and methods of evaluation add weight too this argument. For Montana to have fully scientifically evaluated Marlborough would have required trial plantings and possibly five years of trials before commercial planting started. This did not happen and so it can be surmised that once the Professors from Davis, California validated Wayne Thomas's report that Montana would begin commercial planting. It was already well known before Montana Wines planted in Marlborough that the region regularly recorded the highest sunshine hours in New Zealand, with sunshine and heat during the growing season being the two main methods of evaluating whether a region is hot enough to ripen grapes.

Thirdly the suitability of Marlborough for viticulture has created a large amount of debate over which grape varieties are most suited to Marlborough. The wisdom of wine critics and those who are supposedly "in
the know" is that white wine varieties like Sauvignon blanc and Riesling are the two best ripening, with Chardonnay ripening well for bottle fermented sparkling wines. Of the red varieties only Pinot noir is thought to have any promise and only for sparkling wines. Other red varieties, Cabernet Sauvignon, Merlot, and others are believed to not ripen well enough. Yet many wine makers enthuse over the potential of red varieties and regard red wines as the wines of the future rather than white varieties. The major reason for the creation of this myth about red wines is the opinions of the critics and those in "the know" rather than scientific evaluation. Interestingly enough, the two American scientists who visited Marlborough in 1974 both had differing points of view about which varieties would be bested suited to Marlborough's physical conditions. One believed that white wines would excel in the region while the red wines would be ordinary while the other felt that red wines would excel in Marlborough. This clearly demonstrates that even the "experts" did not know how the vines would perform in the region even though the heat summation index and amount of sunshine hours indicated that the vines would grow in Marlborough. There was no indication of how well or what type of wines the grapes would produce.

Fourthly, it has been argued by many commentators that Marlborough has reached maturity as a wine region. The comments just made and some of the events which have occurred recently in Marlborough, and even in the whole New Zealand wine industry tend to refute this statement.
The wine industry in Marlborough has only been going for two decades and growers are still experimenting with new and different varieties, for example Morio Muskat and Cabernet Franc. Also new vineyards are continuing to be established and planted; and new wineries are being built. It would appear that Marlborough is only just beginning to show its potential.

Fifthly the involvement of international wine companies in Marlborough, whether through ownership of a vineyard or winery, or through a joint venture with a New Zealand or Marlborough based firm, makes Marlborough unique in the New Zealand wine industry. This does not mean that there is international involvement only in Marlborough but the scale and level of overseas involvement is considerably higher than elsewhere in New Zealand. This is because of the success of one Marlborough grown variety, Sauvignon Blanc. In the Marlborough growing environment it appears to have developed distinctive flavours which are very rarely found in Sauvignon Blanc wines made elsewhere in New Zealand and overseas. The distinctiveness of this variety when grown in Marlborough makes it very marketable on international markets and the development of New Zealand's export trade in wine has developed largely from this.

The international involvement in Marlborough is not a new phenomenon because the international wine and spirit merchants Seagrams bought into Montana in 1972 and that enabled Montana to develop the vineyards and build a winery in Marlborough. There is also a host of other
Australian wine companies purchasing grapes from Marlborough growers which are then processed and fermented in Marlborough before being shipped to Australia for finishing and blending. This movement of wine and grapes out of Marlborough is not just limited to the international involvement in Marlborough. There is also an increasing amount of bulk wine and grapes being transported from Marlborough to other regions where companies located in that region produce the wine, for example Selaks and Nobilo's in Auckland and Giesen's of Canterbury. This inter-regional movement of grapes and wine as well as international movement of wine leaves serious questions about what implications an Appellation Contrôlée system for Marlborough would have. If a system were created which had similar features to the French system then all types of problems could occur for overseas and national wine companies purchasing wine and grapes from Marlborough growers and producers. This is a question which is still unanswered, possibly because the people in the wine industry do not want to think about it.

There is also the possibility of another location in the world producing a top quality Sauvignon Blanc either better or more cheaply or even distinctively. The international companies could leave and Marlborough could collapse. The argument that Marlborough is merely "flavour of the month" with the international wine world is extremely important because there could be a time in the near future when Marlborough's star begins to fade, this is a concern shared by a number of people involved in
the Marlborough wine industry. If this did happen then many new growers, that is growers who have planted in the last three years, could be hit hard by falling prices. The issue of uncontracted vineyards is an important issue: the demand may not keep growing and it may begin to flatten out. Then what occurs? It is highly unlikely that the government will bail out the industry again, which suggests that many people involved in Marlborough could get their fingers burnt. This is an issue to which there is no real answer other than to hope that wine companies and growers continue to experiment with varieties and techniques to keep Marlborough wines ahead of the rest.

Sixthly the companies with wineries in Marlborough show a wide diversity and range in their size and reasons for location in Marlborough. Montana are alone at the top of the scale with the Riverlands winery which has the capacity to crush fifteen thousand tonnes of fruit: the smallest Te Whare Ra usually crushes thirty to forty tonnes of fruit annually. Montana located in Marlborough for economic reasons but the reasons for other companies or individuals being involved in Marlborough are very diverse. Some have located there because they perceive the region to be the "best place" to plant and grow vines, while others are in Marlborough because it is a "nice place" in terms of climate and amenities and possibly the quality of life. This means that the individual's reasons for being involved in a particular industry in a particular place are not the same as another individuals.
There is then no one explanation as to why Marlborough has developed and expanded in the way it has. Rather there are a whole host of factors which when taken together explain the development of the whole. Economic explanations alone are not sufficient to explain Marlborough's development. They can explain Montana's initial interest in looking at Marlborough as a potential location for a vineyard planting and winery. But there are several other factors the major one being the physical explanation, although the importance of this factor is secondary to land price and availability, because it was assumed that although Marlborough was warm enough to ripen grapes yet there was uncertainty as to how ripe the grapes would be and of what quality. Even the grape variety which has put Marlborough on the international wine map, Sauvignon Blanc, was a happy accident rather than a planned move. Montana planted several varieties on a trial basis and Sauvignon Blanc was one of these varieties which was trialled and happened to adapt well to the Marlborough environment. The eclectic nature of Marlborough's development gives plenty of scope for further research on the Marlborough region and its wine industry. For example the biogeography of the region with regard to a comparison between the growing conditions and climates of particular vineyards in the Wairau Valley and in the Awatere; The contract viticulture scene and the vineyard farming side of the region has only been discussed in a minimum of detail. Further scope is there for a study similar to Townsend's to use some of his ideas
and see whether they hold true for Marlborough growers as he found they did for growers in Auckland, Waikato, Poverty Bay and Hawkes Bay. Because of the international dimension which the Marlborough wine industry has, a different set of factors and ideas may emerge in a study of farmers reasons for entering viticulture. This study has focussed more on wine companies and winemakers and their reasons for being involved in the region since a wine company started it all eighteen years ago.
CHAPTER EIGHT

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Graduate writing thesis on wine

A young Christchurch man may soon know more about the wine industry in Marlborough than anyone living in this province.

Brendon Norris, a 20-year-old Canterbury University graduate, already has a BA degree in geography under his belt.

Now he is halfway through a two-year masters degree and working towards a thesis on the development of viticulture and wine making in Marlborough.

He spent a week in Marlborough in the middle of last month talking to people in the industry and this week has buried himself in the library doing research.

He's been combing back issues of the newspaper to get all the facts on what's been happening in the wine industry from its earliest days in Marlborough through to the present day.

The research, which has taken Mr Norris back to mid-1973 when Montana first moved into Marlborough, has been going well and has boosted Mr Norris's existing interest in the wine industry.

At right: Brendon Norris, budding wine industry expert, working his way through files of old papers at The Express this morning.