

Casella Family Brands Prosecco Objection

APRIL 20, 2023



CASELLA

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1. Impact Statement

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Barossa


ESTD 1893
BRAND'S LAIRA
COONAWARRA




BAILEYS
of GLENROWAN

Overview:

- Casella Family Brands (CFB) is the owner, producer and marketer of the world renowned [yellow tail] wine brand
- CFB has been producing and selling Prosecco variety wine under the [yellow tail] brand since 2017
- CFB has spent considerable time, resource and energy, advertising and promotional funds in promoting these products (Prosecco and Prosecco Rose) in the Australian market – via trade promotion, point of sale, social media, paid partnership (My Kitchen Rules television series), and events – see examples in this presentation
- A protected GI result would impact our company both commercially and from a brand perspective
- It is CFB's assertion that these products would no longer be viable if they could not be named Prosecco – if so they would likely require deletion which would have a detrimental impact on our company revenue and brand positioning in retail outlets

This submission and information is prepared by Casella Family Brands and supported by a letter from our solicitors Stanton and Stanton



Financial Analysis (confidential):

Casella Family Brands – Prosecco volume and revenue information:

Year	Volume (9LE)	Revenue	Revenue / 9LE
2017	1,809	\$ 142,760	\$ 78.92
2018	17,136	\$ 1,266,582	\$ 73.91
2019	20,277	\$ 1,519,382	\$ 74.93
2020	20,659	\$ 1,617,613	\$ 78.30
2021	19,018	\$ 1,476,098	\$ 77.62
2022	14,893	\$ 1,177,463	\$ 79.06

Implication:
CFB estimates this revenue would likely be lost (assuming products are deleted)
OR (at best) severely reduced if GI protection becomes a reality and renaming occurs to terminology not well understood by our consumers

Casella Family Brands – Other associated costs:

Production:

Current stock on hand value \$247,458
Dry Goods on hand value \$54,211
TOTAL \$301,669

Implication:
Dependent upon timings there would likely be a partial write down of dry goods or finished goods, plus production and logistics resources and cost to manage any changes

Marketing Spend:

Average \$100k / yr since 2017 (average)

Sustained marketing investment (over AUD 0.5m) since 2017 would have been lost, in financial terms plus significant internal resource cost (marketing and sales teams work)



2. Evidence of Use - Australia



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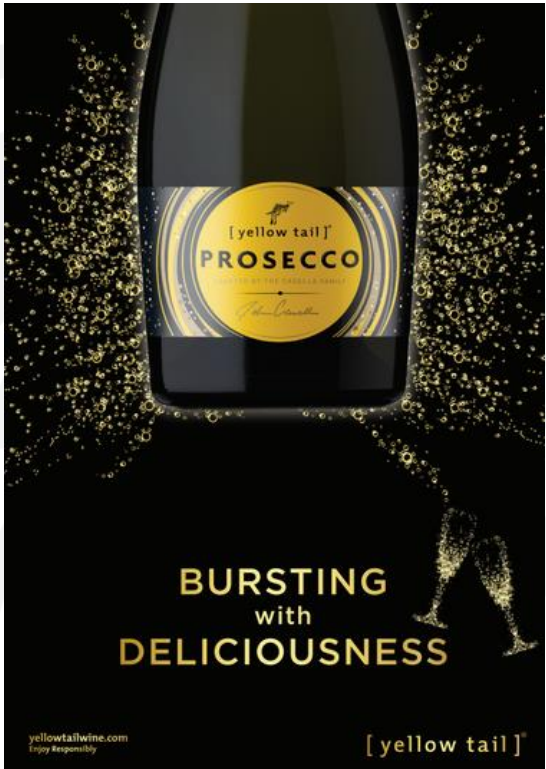



ESTD 1870
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[yellow tail] PROSECCO



Trade Material - Examples



2022/2023 key visual, sell sheets, and tasting notes used for Prosecco and Prosecco Rosé

Point of Sale - Examples



Go Pro-secco
Porta Dante Prosecco
Prosecco is, like, so not right now and the yellow-hued Porta Dante is an outstanding example. Fragrant and gently sparkling, it's perfect as an aperitif or paired with light bites.

La Marca Prosecco NV
The bottle is shapely and the wine inside is well crafted, too. Italy's La Marca is a great value, go-to sparkling with apple, honeysuckle and peach balancing some acidity.

Zonin Prosecco
Zonin sounds like a futuristic name from a sci-fi flick. This wine, though, is steeped in the Italian winemaker's near-200-year history. It's fruity, floral, aromatic and damn delicious.

Yellow Tail Prosecco
Who says you can't make great Italian sparkling Down Under? Italian-influenced, that is. It's fresh, light and made with the King and Alpine Valleys' finest grapes.

Blanc Reserve Release Limestone Coast Prosecco
We're spoilt for choice as here's another lively local. Blanc Reserve Prosecco boasts enticing aromas of green apples and pears, a crisp taste and a long, light, zesty finish.

Spinach and feta triangles with tzatziki
Preparation: 30 mins
Cooking: 35 mins (plus 10 mins cooling)
Makes 18

1 tbs olive oil
1 small red onion, finely diced
2 garlic cloves, crushed
1 tsp ground nutmeg
500g frozen chopped spinach, thawed.
Liquid squeezed out
120g feta cheese, crumbled
2 tbs finely chopped dill
Juice of 1 lemon plus extra wedges, to serve
18 sheets filo pastry
200g butter, melted
1 tbs sesame seeds
Tzatziki, to serve

1 Preheat oven to 180°C (160° fan-forced).
Line 2 large baking trays with baking paper.
2 Heat oil in a large non-stick frying pan over medium-high heat. Add onion and garlic. Cook for 3 to 4 minutes or until onion has softened. Add nutmeg and spinach. Cook for 2 to 3 minutes. Transfer mixture to a colander. Cool for 10 minutes.

Most outdoors in style
Take it outside with these super-simple tips for entertaining.

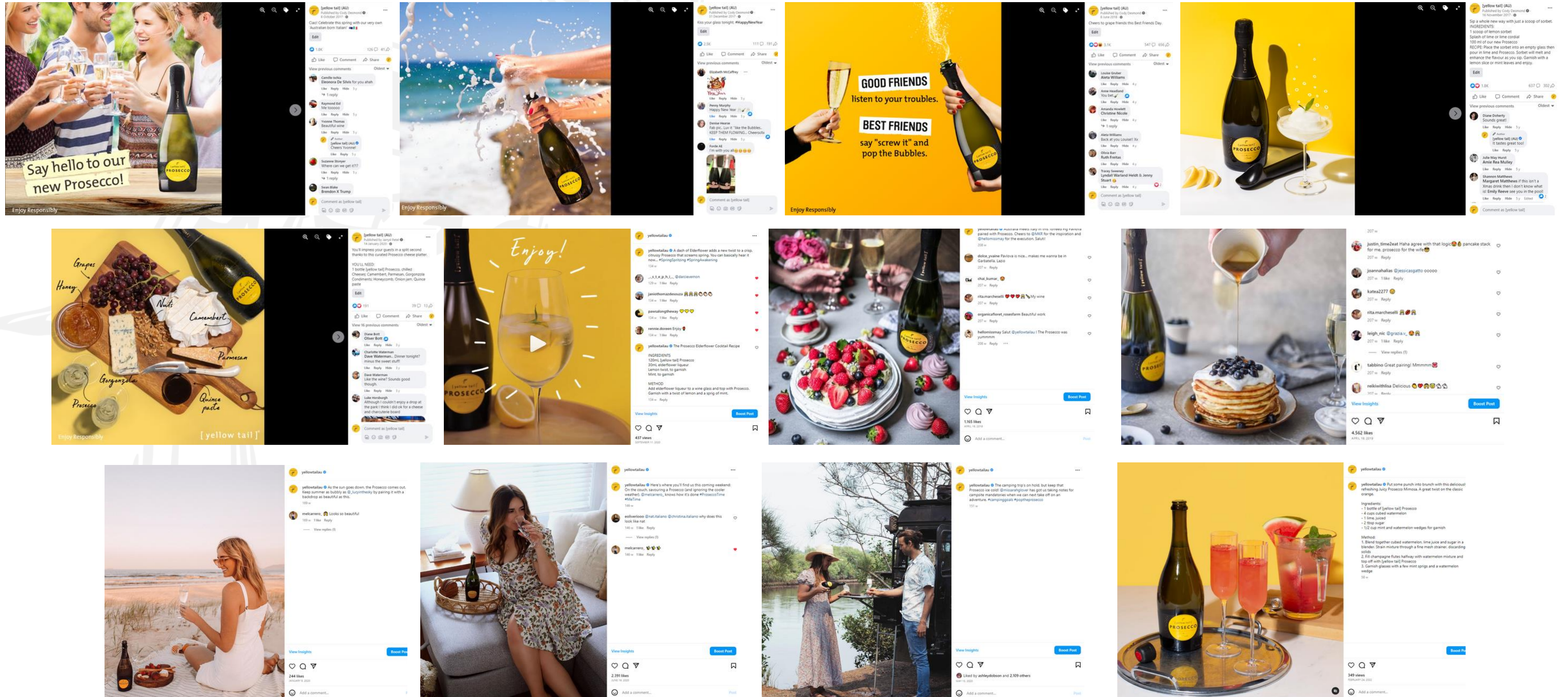
- **Fill up at the station**
Enamel buckets full of ice and drinks are cool. If you have the space, set up a bunch of these around the place to act as mini drink stations.
- **Just can't hold it any longer**
Your need room to move but make sure you don't skimp on drink and plate-setting surfaces, such as stools and small tables.
- **Let there be lights**
As the sun dips and the kids fly faster than a Hot Rod, keep the party going with multiple light sources. String lights are ace as is a fire pit. Just don't fall in.

Order your drinks at bws.com.au and pick them up in store with our one-hour pick-up service



2017/2018 point of sale and retailer catalogue magazine (BWS Australia).

Social Media - Examples



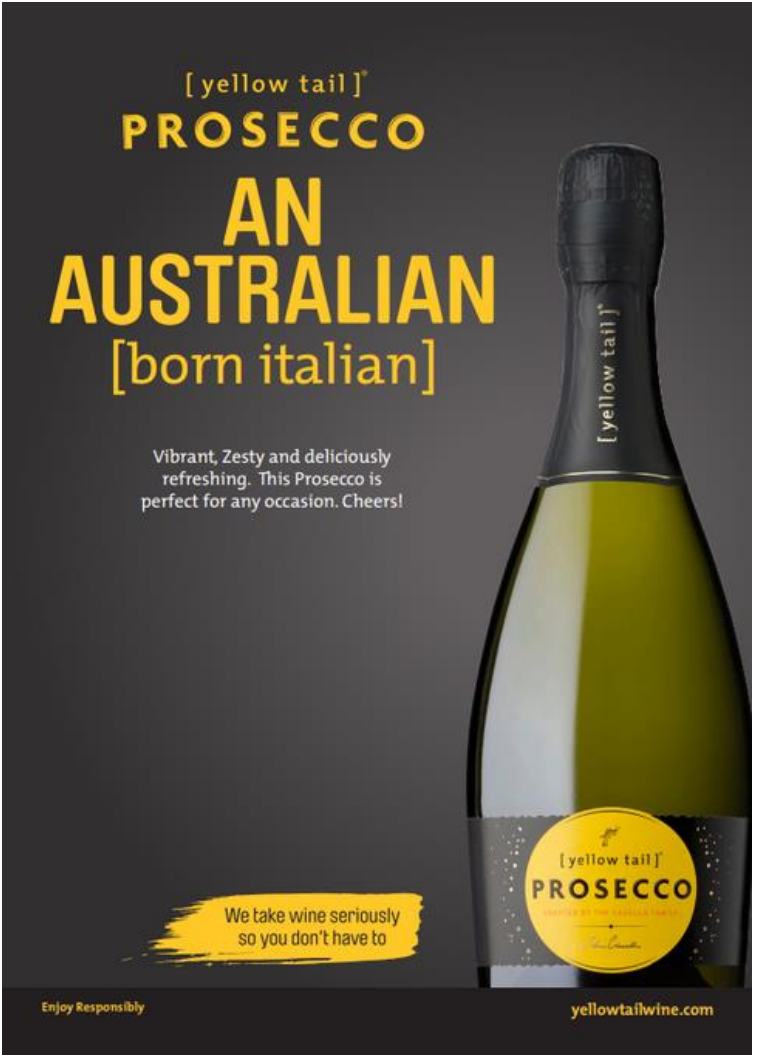
2017 to 2022 Facebook and Instagram activity examples.

Above the Line - Examples



2019 and 2020 above the line media placements for My Kitchen Rules (Australia).

Sponsorship/Event - Examples



2018 High Tea Event (Brisbane, Australia).

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