



BACKGROUND


██████████ is a family-owned business based in the King Valley wine region. Initially the family grew tobacco when they first settled in the King Valley in the mid-1960s. The diversification to vines started in 1978 and in the mid 1980s the family began growing Italian grape varieties including Nebbiolo and Sangiovese – back then there were only two other commercial producers of these varieties in Australia.

██████████ now grow over sixteen different Italian grape varieties on three properties in the King Valley. These include Prosecco, Nebbiolo, Sangiovese, Pinot Grigio, Arneis, Trebbiano, Verduzzo, Brachetto, Teroldego, Nero D'Avola, Montepulciano, Verdicchio, Barbera, Moscato, Garganega, Canaiolo and Colorino. ██████████

██████████ The business has plans to grow this to ██████████ over the next 5-7 years. A significant proportion of this growth will spread across three varieties – Prosecco, Sangiovese and Pinot Grigio.

██████████ now incorporates a 5000 ton winery, over 150 ha under vine (all Italian grape varieties), a cellar door welcoming over 25,000 visitors annually, a cooking school offering hands on cooking classes, accommodation onsite, run wine and food experiences as packaged tourism product that are sold to International travel trade through our association with Ultimate Winery Experiences Australia, own and operate the Mountain View Hotel in Whitfield and have plans for two significant infrastructure investments including accommodation in Whitfield.

Sitting alongside packaged wine, ██████████ also produce a selection of produce items sold through cellar door with Prosecco as the feature ingredient including Raspberry and Prosecco jam and Rocky Prosecco Road – items used to help differentiate the brand from other producers and diversify revenue streams.



██████████ first commercial Prosecco release was over twelve years ago in 2011. ██████████ produced 1100 dozen across two brands in that first vintage and since then production has grown exponentially, currently it sits at 25% of our total annual case

production. Five Prosecco SKUs are produced, each at varying price points and style and aimed at different markets including prosecco in a can. [REDACTED]

To meet this growth in sales of our packaged product, [REDACTED] have contracted 380 tons of Prosecco fruit from King Valley grape growers for the 2024 vintage and on top of this are prepping another 10 Ha of our own land for Prosecco. [REDACTED]

[REDACTED] Our new investment in vineyard infrastructure is upward of [REDACTED], not to mention the recent purchase of land to expand our production of Prosecco.

[REDACTED] have recently been recognised by wine critic Huon Hooke in the Real Review Top Wineries of Australia as number 31 of over 400 rated. Specifically mentioned for the quality of Sangiovese and Nebbiolo wines the family produces. This recognises the expertise gained from over thirty years of growing and making Italian grape varieties in the King Valley.

Prosecco is the name of the grape variety.

[REDACTED] are objecting on the basis that Prosecco is the name of a grape variety. [REDACTED] vineyards were prepped for Prosecco vines in 2008 at that time all material was labelled as Prosecco, grafting material and vines obtained were officially labelled Prosecco.

Further to this, recently released research from Monash University and Macquarie University entitled 'The European Union's attempts to limit the use of the term 'Prosecco'' confirms the fact that Prosecco is a grape variety name. The report is a culmination of five years of research conducted by Professor of Law Mark Davison and the team at the Faculty of Law at Monash University and the Macquarie Law School, Macquarie University.

Backed by extensive evidence dating as far back as the 1700s, the report demonstrates the extensive historical proof of Prosecco being a grape variety and its broad international acceptance as such, including evidence from the Italian wine industry and the European Union (EU).

At no time prior to 2009 when the EU changed the name overnight from Prosecco to Glera was there any indication that Prosecco was not the name of the grape variety that we had begun to heavily invest in – in vineyard preparation, production and marketing.

[REDACTED] has been selling wine labelled with the Prosecco grape variety since 2011.

[REDACTED] are also objecting on the basis that the EU GI name is identical to, or may cause confusion with an unregistered trademark that has acquired the rights through use in good faith in Australia.

It would be confusing for our consumers if the name of the grape variety were to be changed. Costing time and money to re-educate, loss of sales would be devastating to the business at a time when we are trying to build reliance after bushfires, floods, pandemic, loss of Australia's number one export market and cost-of-living pressures impacting purchasing behaviour.

IMPACTS

The impact financially would be devastating to our business.

In the previous 18 months [REDACTED] have purchased 2 new vineyard sites in the Upper King Valley to meet business goals set out in our Five-year strategic plan. The majority of new vineyards on these sites will be Prosecco, and existing vines grafted to a selection of other Italian grape varieties including Pinot Grigio and Arneis.

[REDACTED]

The confidence to invest in the King Valley comes from the success of Prosecco – in wine sales, fruit prices and growth in tourism stemming from State government supported King Valley Prosecco Road campaigns that have been in market since 2010.

If [REDACTED] are not able to use the name Prosecco on wine labels and tourism campaigns, it will be financially debilitating for many reasons:

- There will be a significant drop in revenue as a result of a name change, consumers are familiar with Prosecco, they know and trust the name, they will seek out Prosecco, this will be at the detriment of Australian grown Prosecco if it's called something else. Any reduction in revenue for us of this Variety will significantly impact our investments in this product, both in the Vineyard and Winery, and jeopardise our businesses we operate and the people we employ.
- Costs associated with renaming and then rebranding the wines – Australian consumers understand, and purchase wines based on grape varietal and brand preferences. [REDACTED]
- Costs associated with rebuilding reputation and undoing perception of inferior wine quality that will come with a forced name change – having spent 30 years in building winemaking expertise and only recently being recognised for this in the Real Wine Review, having to start again to build reputation would be financially, physically and emotionally exhausting.
- Costs associated with supporting regional tourism rebranding for the King Valley as the home of Italian varieties in Australia and King Valley Prosecco Road – Pizzini spend over [REDACTED] on building awareness for the

brand and King Valley based on the differentiation that producing Prosecco and other Italian grape varieties provides, even greater funds would be required for rebranding and building awareness.

- Costs associated with the potential of regrafting vineyards to another variety as sales are adversely impacted – this would cost [REDACTED] in time and money in efforts to achieve our case production and profit goals.

Increases in marketing and vineyard costs will lead to a re-evaluation of infrastructure investments and directly impact [REDACTED] ability to provide exciting, innovative and differentiated tourism experiences and employment security for staff in regional Victoria.

The impact on the King Valley community will be long-term.

Prior to Prosecco the prices received for fruit coming from the King Valley were some of the lowest any region was experiencing. At a time when many local farmers were still reeling from the impacts of having to diversify from tobacco, bushfires in 2003, 2007 and 2020, along with difficulties associated with other natural disasters and COVID – 19, Prosecco has provided the King Valley community positivity and exciting opportunities.

[REDACTED] are proud to be able to pay local growers what they deserve for fruit and be able to impact the economy positively in this way. A change of name will directly lead to a reduction of fruit prices paid to local farmers.

The growth in tourism resulting from State Government funded and both Visit Victoria and Tourism Australia supported King Valley Prosecco Road campaigns, has helped the region gain further State Government investment in King Valley businesses and local roads, town infrastructure including connection to town sewage systems in Moyhu, bike and walking track investment and funds for marketing. In 2020 the Rural City of Wangaratta was given \$4.2 million dollars for investment along King Valley Prosecco Road, more specifically to the neglected towns of Whitfield and Cheshunt. Prior to Prosecco, gaining State Government funds to support the King Valley was near impossible.

[REDACTED] is very concerned about which grape variety would be next.

99% of [REDACTED] packaged wine production are Italian grape varieties. If the EUs demands are agreed to, it could set a very worrying precedent not just for Pizzini and the King Valley wine industry, but for all Australian grape growers and winemakers. Given the situation in France where currently growers are being forced to stop using the grape variety name Vermentino, this situation could easily follow to Australia. Pinot Grigio, Sangiovese, Nebbiolo, Montepulciano and Barbera could be next.

Each of these varieties provide the Australian wine industry with an opportunity to innovate, diversify and more confidently find new markets for, reducing their reliance on traditional varieties and single markets. The investment in Italian grape varieties

across all wine regions will help to reduce the impacts of the sudden loss of markets like China. If protection of Prosecco as an EU GI is agreed to, then other grape varieties will inevitably follow, it would cost us and the industry millions.

If other grape varieties were to change name, specifically for [REDACTED] [REDACTED] [REDACTED] in lost revenue, in marketing and rebranding not to mention the potential impact on reputation. Having just received the news of being in Australia's Top 52 wineries as published in the Good Weekend in April specifically for these grape varieties, the real cost could be immeasurable to revenue, tourism visitation and emotionally. A big concern for [REDACTED] is that with a forced name change, the consumer could perceive the wine to be inferior. This will impact the price of the wine, the prices paid to growers for fruit and potential tourism/visitation to cellar door.

In an industry where innovation in new product development is key to a business's longevity, the precedent set by allowing a grape variety name to be protected as a GI will impact the Australian wine industry's ability to continually innovate a long time into the future.