INDUSTRY REPORT 2022-2023

Credit: Rathfinny Wine Estate

WINEGB

WINES OF GREAT BRITAIN

WineGB Trade Survey Results

Introduction

Accurate data is important in any industry, especially one that is growing as quickly as ours. This year WineGB created the most comprehensive data set our industry has ever seen. WineGB's broad membership means that our new Industry Survey collected data covering over 90% of English and Welsh wine production. With some welcome new inputs from Wine Standards, we now have the most accurate picture of our industry to date.

This data enables us to identify new opportunities and risks, and see the emerging trends that could drive the industry forward into new territories, ultimately increasing value and choice for wine consumers.

Consumers are demanding more locally produced, environmentally friendly products, something that English and Welsh wines are in a unique position to deliver. Our Sustainable Wines of Great Britain (SWGB) Scheme now has 19 fully certified members, and we are about to unveil the results of a review that will put sustainability at the heart of all our members' activities.

Perhaps this is why we are seeing an increase in the number of modern disease-resistant varieties (often called PiWis), as producers are looking for a reliable crop and lower intervention viticulture – important features in the face of climate change. This highlights a need for more research in viticulture and winemaking to make the most of these exciting new varieties.

Viticulture is the UK's fastest growing agricultural sector*, and we can now say that it employs around 2,300 FTE workers, with a predicted 50% growth by 2025, and a further 8,300 employed in seasonal/part time work. It's a fascinating snapshot of our increasing economic impact, and with wine tourism becoming an important source of value to our producers and their local areas, our contribution to the wider economy is set to grow with us.
It is often said that these are exciting times for English and Welsh wine and this year is no exception. This data provides a new level of insight, gives us a baseline for future reports, and enables us to make evidence-based decisions for the benefit of our members and our industry.

Ned Awty
Interim CEO, WineGB

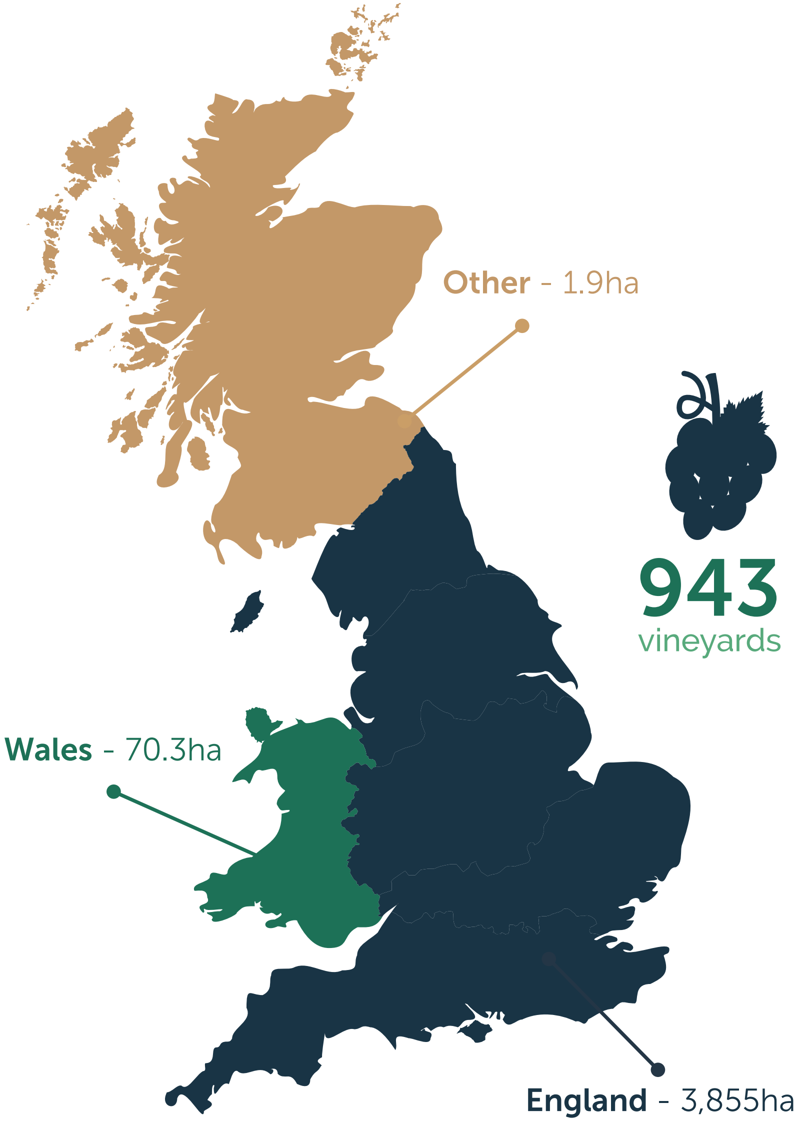
Contents

Sources

- WineGB Industry Survey: 155 responses capturing 91% of wine production in Britain.
- Wine Standards: official data on wine production; number of vineyards and wineries; varietal, planting and total hectarage.

* Based on consistent growth since 2008 (https://www.gov.uk/government/statistics/agricultural-land-use-in-england/agricultural-land-use-in-england-at-1-june-2022)

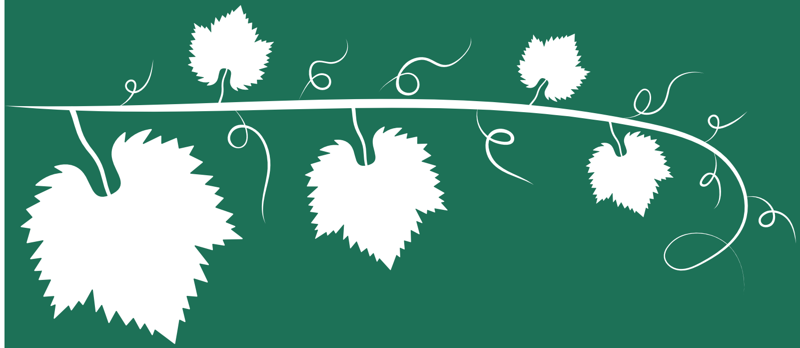
Vineyards & Wineries



943 vineyards

209 wineries

Hectarage & Plantings



3,928ha* under vine in Britain

UP 74% in five years

Active vineyards (commercial vineyards in active production) now total 3,230ha and account for 82% of total hectarage. The average yield from these active vineyards is 4.8 tonnes per hectare. A further 600ha is still to come into commercial production (i.e., the vines have recently been planted) and are counted as non-productive. The remaining hectarage comes from hobby (non-commercial) and abandoned vineyards.

1980s	1990s	2000s	2010s	2020s
210ha	150ha	683ha	2,200ha	923ha

Source: Wine Standards

* This figure does not include plantings for 2023. Estimated plantings for 2023 are 1.75m vines, equivalent to 400ha.

Planting in Detail

Most Planted Counties

England

County	(ha)
Kent (26% of total plantings)	1,033
West Sussex (15% of total plantings)	570
East Sussex (13% of total plantings)	493
Hampshire (10% of total plantings)	380
Essex (8% of total plantings)	325
Surrey (3% of total plantings)	127
Gloucestershire (2% of total plantings)	95
Devon (2% of total plantings)	92
Dorset (2% of total plantings)	90
Suffolk (2% of total plantings)	65

Wales

County	(ha)
Monmouth (0.6% of total plantings)	22
Carmarthenshire (0.3% of total plantings)	11
Vale of Glamorgan (0.2% of total plantings)	9
Powys (0.2% of total plantings)	8
Gwynedd (0.2% of total plantings)	7
Ceredigion (0.2% of total plantings)	6
Denbighshire (0.1% of total plantings)	2
Pembrokeshire (0.1% of total plantings)	2
Anglesey (0.04% of total plantings)	1.5
Conwy (0.03% of total plantings)	1.2

Most Planted Grape Varieties

Top ten variety	(ha)
Chardonnay (31% of total plantings)	1,228
Pinot Noir (29% of total plantings)	1,141
Pinot Meunier (9% of total plantings)	343
Bacchus (8% of total plantings)	298
Seyval Blanc (3% of total plantings)	122
Solaris	95
Reichensteiner	72
Pinot Noir Précoce	66
Rondo	61
Pinot Gris	58

Chardonnay, Pinot Noir and Pinot Meunier account for around 70% of total plantings. Hybrids, including PiWis, now make up 10% of all plantings. New entrants to the GB wine industry account for 55% of new plantings.

In the top 10 most planted counties, Gloucestershire has climbed one spot from last year's report and now sits ahead of Devon. However, half of new plantings are now taking place outside of the top 10 counties. In 2022, there were an additional 40ha planted in Kent, 23ha in Essex, 20ha in Hertfordshire, 19ha in Herefordshire, 18ha in Dorset and an additional 6ha planted in West Sussex, Norfolk, Worcestershire, East Yorkshire, and Northamptonshire.

Source: Wine Standards

Planting in Detail

Regional Plantings

Most planted varieties:

East

(Bedfordshire, Cambridgeshire, Essex, Hertfordshire, Norfolk, and Suffolk)

Variety	(ha)
Pinot Noir	145
Bacchus	99
Chardonnay	92
Pinot Meunier	26
Pinot Blanc	16

Thames & Chilterns

(Berkshire, Buckinghamshire, and Oxfordshire)

Variety	(ha)
Pinot Noir	33
Chardonnay	32
Pinot Meunier	9
Bacchus	9
Ortega	3

Midlands & North

(Cheshire, Cumbria, Derbyshire, East Yorkshire, Lancashire, Leicestershire, Lincolnshire, Northamptonshire, Nottinghamshire, North Yorkshire, Rutland, Shropshire, Souwth Yorkshire, Staffordshire, Warwickshire, West Midlands, West Yorkshire, and Scotland)

Variety	(ha)
Solaris	25
Seyval Blanc	21
Pinot Noir	19
Rondo	17
Bacchus	10

South East

(East Sussex, Kent, London, Surrey, and West Sussex)

Variety	(ha)
Chardonnay	811
Pinot Noir	724
Pinot Meunier	231
Bacchus	137
Solaris	42

Wales

(All counties in Wales)

Variety	(ha)
Pinot Noir	11
Seyval Blanc	11
Chardonnay	11
Solaris	7
Rondo	6

Wessex

(Dorset, Hampshire, Isle of Wight, and Wiltshire)

Variety	(ha)
Chardonnay	163
Pinot Noir	115
Pinot Meunier	50
Bacchus	11
Seyval Blanc	6

West

(Cornwall, Devon, Gloucestershire, Herefordshire, Isles of Scilly, Somerset, and Worcestershire)

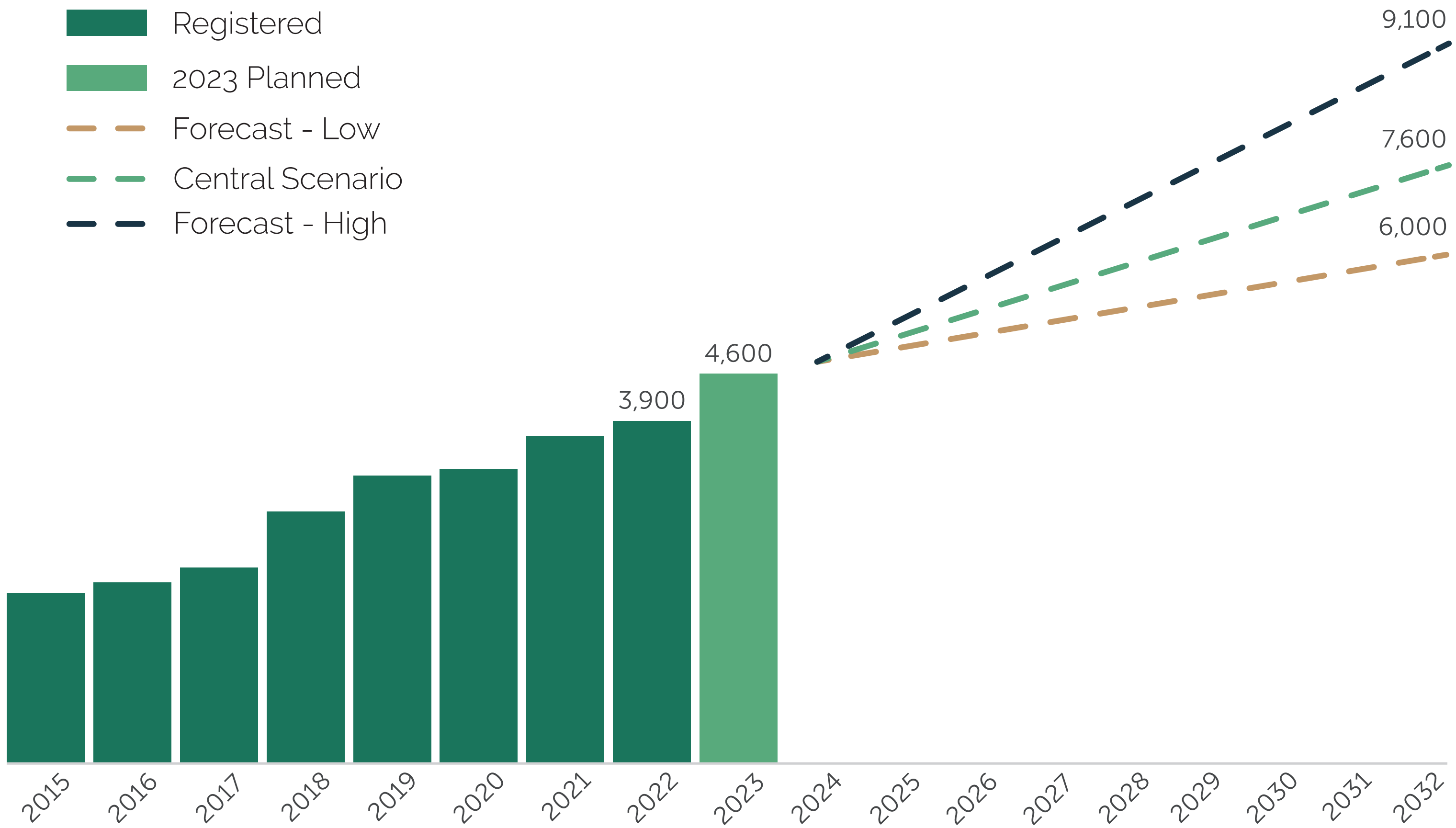
Variety	(ha)
Pinot Noir	103
Chardonnay	63
Seyval Blanc	43
Bacchus	32
Pinor Meunier	29

Source: Wine Standards - All figures rounded up to the nearest whole number

While Pinot Noir features in the top 5 most planted varieties in all seven regions, there is more variation in plantings of Chardonnay and Pinot Meunier. In the Midlands and North of England, Chardonnay and Pinot Meunier do not feature in the top 5 list, yet in the South East and Wessex they come first and third respectively. Popular Vitis vinifera crossing Bacchus is listed in the top 5 for all English regions, with significant plantings in the East and South East. Seyval Blanc, a hybrid variety, shows more regional variation in planting, with a significant presence in the West, Midlands, and North of England, and in Wales.

Fun facts: There is Cabernet Franc planted in North Yorkshire and Nottinghamshire; Cabernet Sauvignon in Herefordshire and Devon; Chenin Blanc in Kent and Carmarthenshire; and Merlot in Powys, East Sussex and Cornwall. Kent has the most Albariño, Suffolk is the hotspot for Riesling, while East Sussex is home to the highest number of Gewurztraminer vines. There are now over 17ha of Sauvignon Blanc planted in the UK, 8ha of PiWi grape Divico, and 4ha of Gamay.

Planting Growth Projections



Vine planting is projected to reach 7,600ha by 2032.

This is in line with an estimated 400ha per year being planted in 2023 and 2024, and 325ha per year from 2025 which tallies with the 2016 to 2022 annual average.

This is the central forecast projection. The high forecast projection would see planting increase to 9,100ha by 2023 (based on annual planting of 500ha per year from 2025, similar to levels seen in 2019), while for the low forecast, planting would increase to 6,000ha (based on annual planting of 150ha per year from 2025, similar to levels seen from 2010 to 2015).

Source: Figures cited are WineGB estimates based on historical Wine Standards data and figures obtained from the WineGB Industry Survey.

Production in Detail

Volume Production

	Bottles (m)	Sparkling	Still
2017	5.3	68%	32%
2018	13.1	69%	31%
2019	10.5	72%	28%
2020	8.8	64%	36%
2021	9.0	68%	32%
2022	12.2	68%	32%

Production figures from Wine Standards for 2022 represent a 36% year-on-year increase, driven by an increase in hectarage in active production and 20% increase in yields following the poor weather in 2021.

8.3m bottles of sparkling wine and 3.9m bottles of still wine were produced in 2022.

Production Breakdown (2022)

Sparkling (Method)	
Traditional Method	**93%**
Charmat/Tank Method	**3%**
Carbonation	**3%**
Other	**<0.5%**

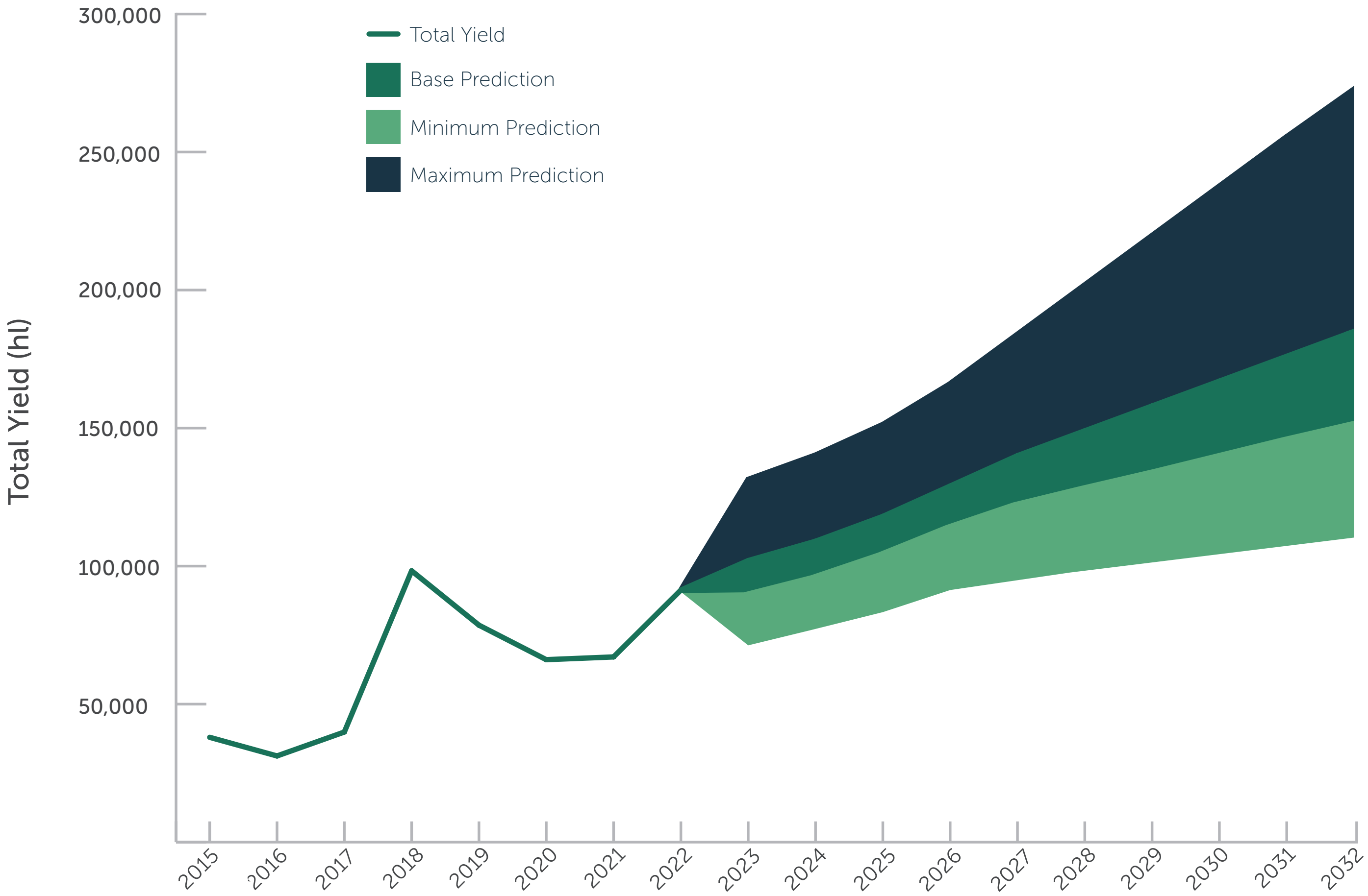
Sparkling (Style)	
White	**78%**
Rosé	**22%**

Still (Style)	
White	**62%**
Rosé	**21%**
Red	**16%**
Other	**1%**

12.2m bottles is equivalent to 91,323hl. 62% of the wine produced was made from vines/grapes owned by the winery, the highest percentage ever recorded, according to Wine Standards. The remaining volume was produced using grapes bought under contract.

Source: Wine Standards & WineGB Industry Survey

Production Growth Projections



Source: Figures cited are WineGB estimates based on historical Wine Standards data and figures obtained from the WineGB Industry Survey.

Year	Total Yield (hl)	Production Bottles (m)
2015	**37,977**	**5.1**
2016	**31,116**	**4.1**
2017	**39,891**	**5.3**
2018	**98,289**	**13.1**
2019	**78,606**	**10.5**
2020	**66,107**	**8.8**
2021	**67,097**	**9.0**
2022	**91,323**	**12.2**
2023	*102,00*	*13.6*
2024	*109,00*	*14.5*
2025	*118,000*	*15.7*
2026	*129,000*	*17.2*
2027	*140,000*	*18.7*
2028	*149,000*	*19.9*
2029	*158,000*	*21.1*
2030	*167,000*	*22.3*
2031	*176,000*	*23.5*
2032	*185,000*	*24.7*

GB wine production is projected to reach between 25m and 29m bottles by 2032.

This is the mid-range forecast projection based on the central vineyard growth scenario multiplied by the 10-year average yield.

Those vineyards that have already been planted up to 2022 have the potential to produce 20m bottles a year by 2028. 600ha of vines are yet to come into production.

The UK's marginal climate continues to provide vintage variation, however average yield per hectare is on an upward trend. Since 2010 the 10-year average has increased from 20 to 28hl/active ha. Given that 60% of all planting has taken place since 2015, there is potential for yields to increase further as vineyards mature and vine yields naturally rise.

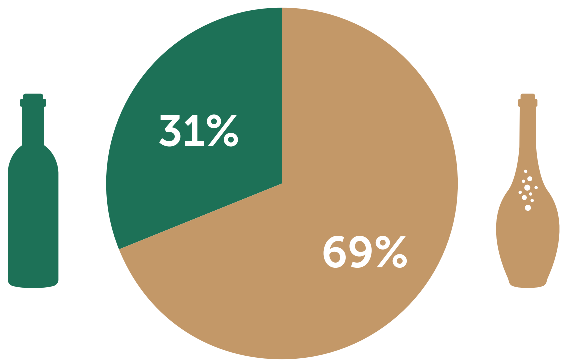
Sales & Distribution

Sales by volume

2022 – 8m bottles

Sales distribution by style

5.6m sparkling (69%)
2.4m still (31%)



Distribution channels

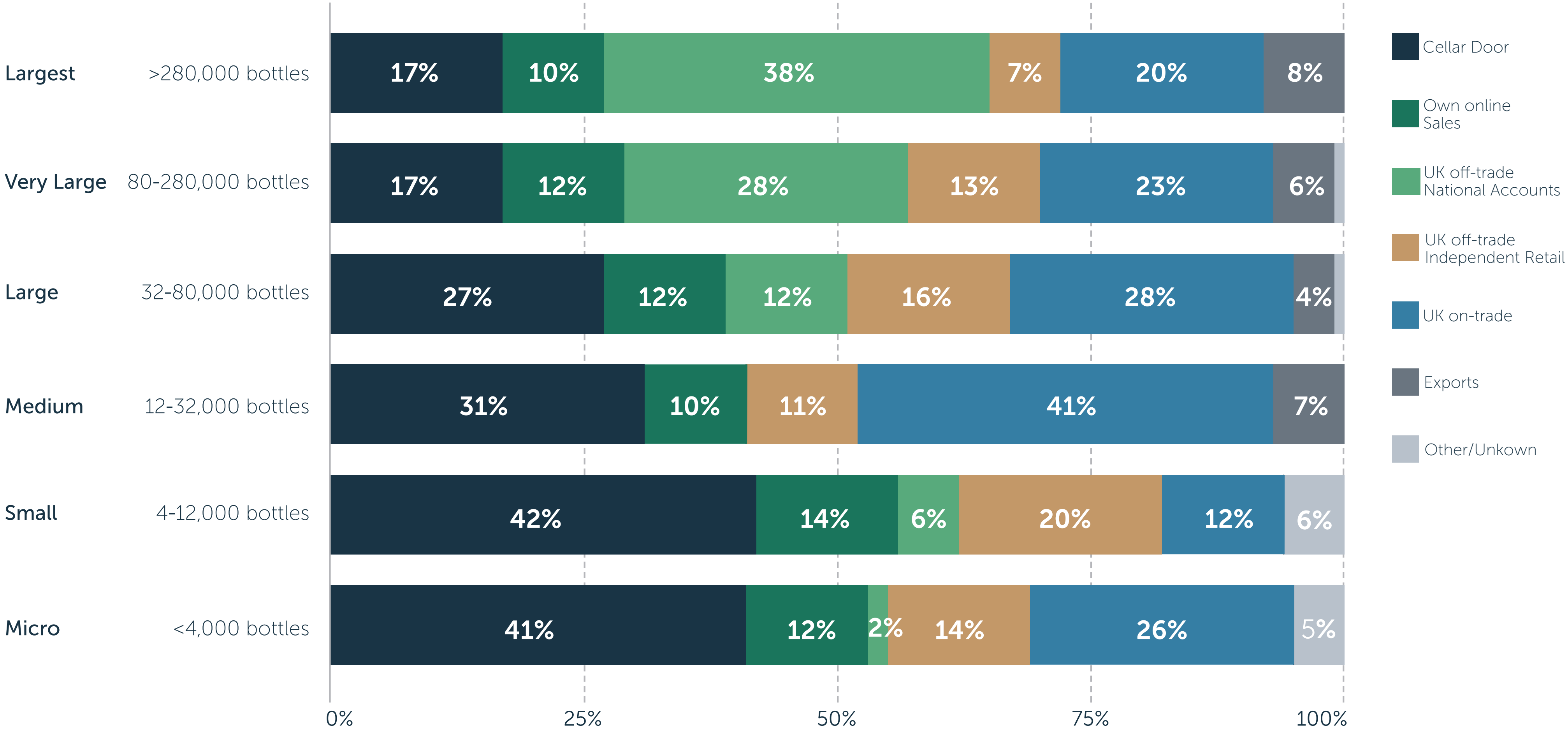
Cellar door: direct-to-consumer	19%
Winery/vineyard website sales: direct-to-consumer	11%
UK on-trade (including sales via wholesalers)	22%
UK off-trade (national accounts)	31%
UK off-trade (independent retail)	10%
Export	7%

- This year's WineGB Industry Survey captured 91% of the total production (124 producers and growers), making it our most reliable and robust survey to date.
- The biggest 25 producers account for 83% of total sales.
- Direct-to-consumer sales total 30%, while the off-trade represents a 41% share.
- As the effects of Covid-19 wear off, purchasing habits have changed. This can be seen in the reduction of direct-to-consumer sales and growth in on- and off-trade accounts. Exports have risen to 7% of total sales, and with a record nine producers exhibiting on the WineGB ProWein stand in 2023, this looks set to continue.

Source: WineGB Industry Survey

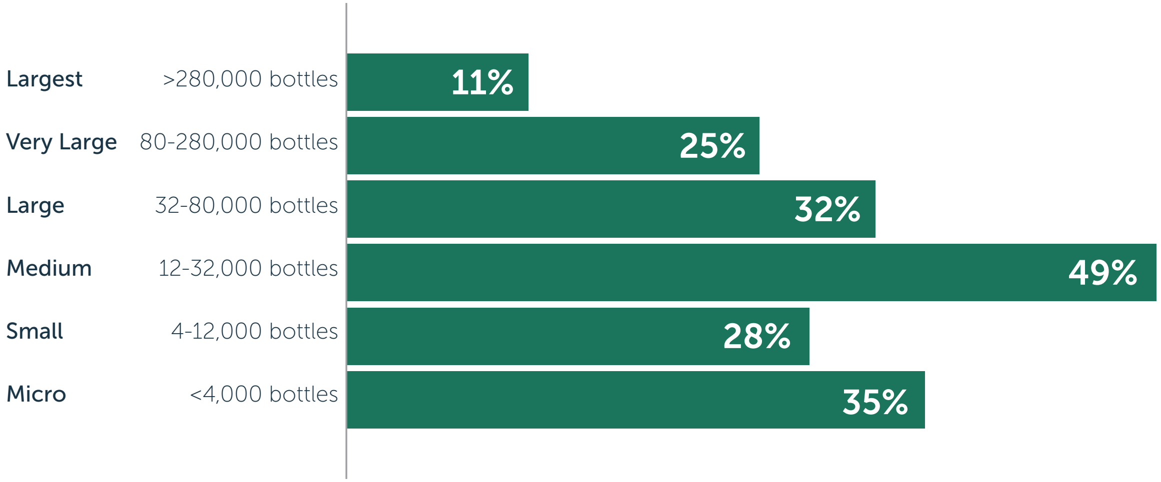
Sales & Distribution

This is a new piece of data that shows the considerable variation in distribution channel according to producer size. The UK on- and off-trade remain the key markets for those that produce over 80,000 bottles, while cellar door sales are most significant for micro and small producers, making up to 12,000 bottles a year.

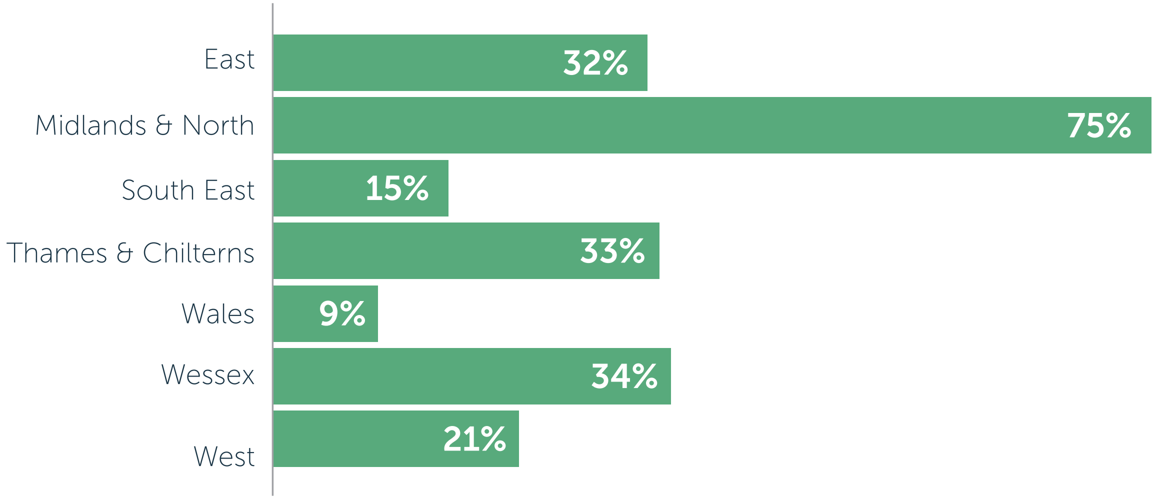


Wine Tourism

Tourist income as % of total revenue - by size



Tourism income % - by WineGB region



Income from wine tourism* averages at 24% of total revenue. Small to medium producers (up to 32,000 bottle production) are more reliant on direct-to-consumer sales and a physical sales presence (cellar door, café, events), particularly producers located in the Midlands and North of England.

Over 80% of producers offering wine tourism already have a cellar door presence and do tours and tastings. Only a third currently offer other tourism services (café, accommodation, events, etc) but many are planning to implement next year.

Based on figures from the WineGB Tourism Survey, conducted earlier this year, 2022 visitor numbers to GB vineyards and wineries rose 17% compared to 2021. However, the growth was uneven: 67% of survey respondents saw growth, others remained static. Half of those surveyed are expecting a greater than 20% increase in their visitor numbers over the next five years.

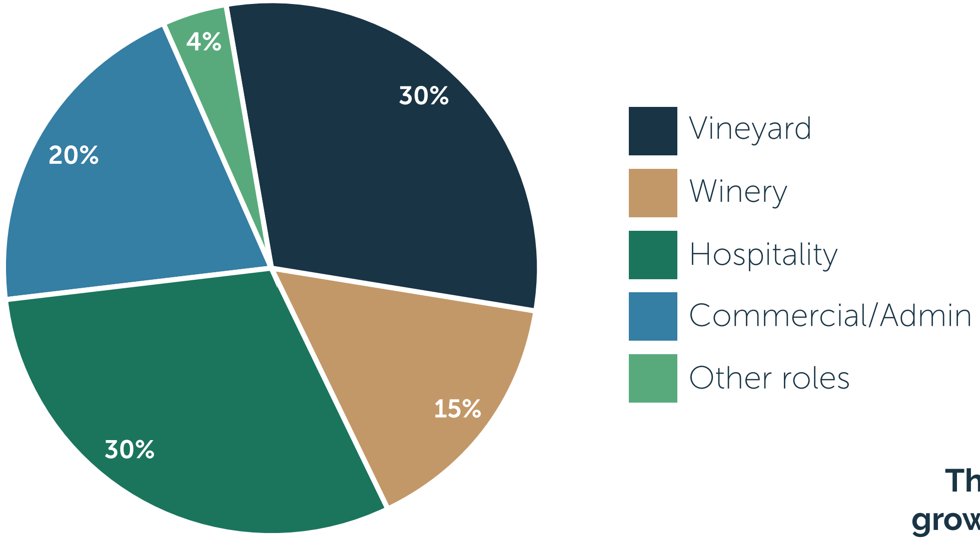
- Highest increases in the Midlands & North, Wessex and South East
- Inbound currently accounts for <10% of all visitors

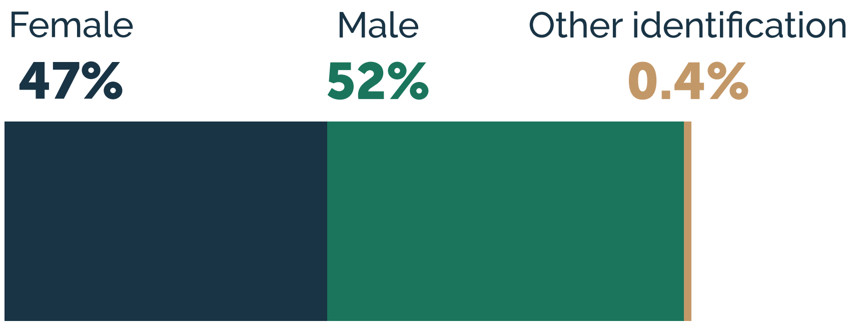
Source: WineGB Industry Survey and WineGB Tourism Survey.

*Wine tourism income defined as: tour & tasting ticket sales; cellar door sales including merchandise; food and drink, accommodation, on-site events.

Employment

There are around 2,300 FTEs working in the GB wine industry.





A further 8,300 people employed in part time/seasonal work.

Source: WineGB Industry Survey

There is a 50% growth rate in full-time equivalent positions forecast by 2025.

Sustainability

A total of 19 WineGB members and 625ha of vines are now fully certified through our rigorous Sustainable Wines of Great Britain Scheme, demonstrating that UK wine is at the forefront of sustainable wine production. These producers are among our most celebrated and show that sustainable wine production in the UK and high quality go hand-in-hand.

The certifies vineyards and wineries are:

Albury Vineyard
Bolney Wine Estate
Camel Valley
Chapel Down
Dillions Estates
Easing Hill Vineyard
Gusbourne Estate
Henners Vineyard
Hush Health Estate / Balfour
Nyetimber
Ridgeview Wine Estate
Simpsons Wine Estate
Squerryes
Terlingham Vineyard
The Winery at Hundred Hills
Three Choirs Vineyard
We Are The Uncommon
Woodchester Valley Vineyard
Yotes Court Vineyard

Source: WineGB Industry Survey and Sustainable Wines of Great Britain