



22 September 2019

Department of Foreign Affairs and Trade  
R.G. Casey Building  
John McEwan Crescent  
Barton ACT 0221

Dear Sir/Madam

**RE: Australia – European Union Fair Trade Agreement - Prosecco**

We make this submission on behalf of Artwine, which is our business.

While we have owned vineyards since 1997, we commenced commercial wine production under our own brand in 2011. We own vineyards in the Clare Valley and Adelaide Hills, and we operate a cellar door, which is open seven days a week, on our Adelaide Hills vineyard.

While we grow a number of 'traditional' grape varieties such as Pinot Noir, Merlot, Riesling and Grenache (all of which were already in existence when we purchased the properties) our passion is for the newer grape varieties which have been introduced to Australia over the last 20 years or so as, in our view, the wines which they produce are better suited to our climate and lifestyle than some varieties which were brought to Australia decades ago.

In that regard we now grow the following varieties which have been introduced to Australia more recently:

- Prosecco – planted on our Adelaide Hills vineyard in 2012 and 2017;
- Tempranillo – Planted on our Clare Valley vineyard in 2003;
- Viognier - Planted on our Clare Valley vineyard in 2003;
- Graciano - Planted on our Clare Valley vineyard in 2004 and 2012;
- Fiano - Planted on our Clare Valley vineyard in 2009 and 2012;
- Montepulciano - Planted on our Clare Valley vineyard in 2012; and
- Albarino - planted on our Adelaide Hills vineyard in 2016 and 2019.

We also make a Gruner Veltliner, the only variety where we purchase grapes.

In the eight years since we commenced commercial production under the Artwine label, we have won an amazing 20 trophies at regional, national and international levels – an amazing result given many wineries operate for many years without winning a single trophy. Most of ours have been for wines made from these 'newer varieties'. In 2018 we won three trophies including Wine of Show at the Australian Alternative Varieties Wine show; and another for 'Best Alternative White of the Year' from

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Winestate Magazine; and this year (with the wine show season only just beginning) we have won a trophy for our 2019 Fiano (in the 'all other white wines' category) at the Sydney Wine Show. We are an acknowledged leader in this market segment in Australia, certainly among smaller producers.

Hence, while this submission is primarily concerned with use of the terminology 'Prosecco, should the European Union (EU) be successful in its bid to stop use of the terminology, it is likely that the next steps will be to try blocking use of other grape varieties by Australian producers, not to mention numerous other food and dairy products. Certainly many of our wines are likely to be affected and need to be re-named.

### **Background/History of Prosecco**

According to Wikipedia, the first known mention of the name *Prosecco* is attributed to the Englishman [Fynes Moryson](#), although he used the spelling *Prosecho*. Moryson, visiting the north of Italy in 1593, notes: "***Histria (a region in north eastern Italy) is divided into Forum Julii, and Histria properly so called ... Here grows the wine Pucinum, now called Prosecho, much celebrated by Pliny***"

The Oxford Companion to Wine (edited by renowned wine authority, Jancis Robinson) states:

*"Prosecco, late ripening white grape variety native to Veneto region in north east Italy. It is responsible for a popular wine of the same name, sometimes called Prosecco di Conegliano Valdobbiadene, made west of the township of Conegliano near the Piave river. Prosecco wines exist in still, but mainly fizzy and sparkling versions. The production zone, in the province of Treviso but near the border with the alpine province of Belluno, is quite cool, and in the past the Prosecco grapes, harvested in late October or even early November, often stopped fermenting during the cold winters, leaving residual sugar and in many cases, some carbon dioxide in the wines when fermentation recommenced in the spring....."*

A full copy of the entry in the Oxford Companion to wine is included in Appendix A.

However, the point is that Prosecco is a grape variety, not a wine region and as such should not be protected as a GI. While a town named Prosecco exists in northern Italy, we understand that it is a considerable distance from where most Prosecco grapes are grown, and wine is produced.

The vines we ordered in 2012 and 2017 were referred to as Prosecco vines by prominent vine producer, Yalumba Nurseries.

Regions in Europe which have a GI that is trademarked tend to have a number of grape varieties which go into the wine. For example, Champagne is made from Pinot Noir, Pinot Meunier and Chardonnay, and sometimes small amounts of other varieties. There is no "Chardonnay" grape.

The Italians (and for that matter, the EU) cannot argue that there is no Prosecco grape. The Italians for many years called the variety Prosecco and changed the name to 'Glera' only recently, no doubt driven by the desire to create a geographical indications (GI) and in doing so, stop other countries calling their sparkling wine Prosecco.

### **Artwine's Production of Prosecco**

Our first Prosecco was made in 2016. We were certainly one of the first producers in the Adelaide Hills and, we believe, South Australia. So far as we know, we are still the only Wine Business in the Adelaide Hills, and possibly South Australia, which has a Prosecco on tasting and for sale at its Cellar Door.

We are, however, aware of a number of others now producing the grape Prosecco in this region and expect the number of brands selling it to increase somewhat in the short term.

In comparison to producers in the King Valley we are relatively small – currently producing just under 1,000 cases annually. That should double in 2020 as the vines we planted in 2017 begin to produce, and we expect to produce around 2,500 cases from 2021 forward.

All is sold domestically. The volumes we make of various varieties are insufficient to justify the major expense of diversifying into export markets.

However, Prosecco is a significant part of our business. We retail it at \$25 per bottle, and sell reasonable volumes to other licensed premises, particularly those in the surrounding tourism region.

Generally, this places us at a higher price point than many of the Proseccos made in Italy, as EU subsidies allow winemakers there to produce the product with a much lower cost structure than we can achieve. However, there are many consumers willing to pay extra for an Australian product, particularly if they have an expectation of quality based on their knowledge of the Australian producer's reputation.

Everyone knows the wine as 'Prosecco'. We as Australians tend to name our wines after the grape variety. When ordering in a bar or restaurant, most people simply say 'I'll have a glass of the Shiraz please' or 'I'll have a glass of your Pinot Gris please' rather than mentioning the name of the producer. That only happens when there is more than one wine on a list of a particular variety.

Should we become unable to use the name 'Prosecco', a significant marketing budget would need to be set aside by the Australian wine industry and Prosecco producers to re-educate consumers about a name change.

We only need to look at the situation of Savagnin to understand how difficult that can be. The variety was really gaining acceptance when it was called Albarino. However, when news broke that the Clone we had in Australia was really Savagnin, the public lost interest. Those who were already producing it struggled to sell what is essentially a very good variety if they labelled it Savagnin. Consequently, most have had to use a memorable name for the wine (e.g. Tscharke Wines calls its Savagnin 'Girl Talk' no doubt so that they don't need to mention the grape variety).

Should we be unable to call our wine 'Prosecco' (or for that matter our other wines Fiano, Montepulciano, Tempranillo, Graciano and Albarino) it would result in severe devaluation of our vineyards, about 75% of which are planted to varieties which could ultimately be affected if this restriction is allowed. We would need to rethink names for each variety and commence marketing them all over again at considerable expense, or possibly either grafting or replanting to other varieties what do not run the risk of being restricted by GIs that do not exist now but may in the future. Cost of that would, in itself, be hundreds of thousands of dollars, not even allowing for the loss of production for three years and needing to begin marketing new products.

Australia must not agree to any Free Trade Agreement which restricts us using the name of grape varieties in producing and marketing our wine.

Yours faithfully



Glen & Judy Kelly

## Prosecco

gation methods, see SEXUAL PROPAGATION and VEGETATIVE PROPAGATION. See also LAYERING.

B.G.C.

**Prosecco**, late ripening white grape variety native to the VENETO region in north east Italy. It is responsible for a popular wine of the same name, sometimes called Prosecco di Conegliano Valdobbiadene, made west of the township of Conegliano near the Piave river. Prosecco wines exist in still, but mainly fizzy and sparkling, versions. The production zone, in the province of Treviso but near the border with the alpine province of Belluno, is quite cool, and in the past the Prosecco grapes, harvested in late October or even early November, often stopped fermenting during the cold winters, leaving RESIDUAL SUGAR and, in many cases, some CARBON DIOXIDE in the wines when fermentation recommenced in the spring. Current production methods, involving the Charmat process of SPARKLING WINE-MAKING inducing a second fermentation in tank, are simply used to replicate the various types of wine that the grape and its zone produced on their own in the past. Of the 28 million bottles produced in an average year, approximately 1 million are of still wine, 7 million of FRIZZANTE or fizzy wine, and 20 million of SPUMANTE. All have the bitter finish which characterizes the grape variety. The subzone of Cartizze, even cooler than the rest of the zone, produces a spumante which, due to the traditionally high levels of residual sugar of the past, tends towards a medium dry style, with 25 g RESIDUAL SUGAR, and is known as Superiore di Cartizze. A total of about 7,000 ha/17,300 acres of Prosecco were planted in Italy in the early 1990s.

The variety is also known, to a very limited extent, in Argentina. D.T.

**protected viticulture**, a form of vine-growing where the vines are protected from climatological excesses to avoid stress. In a conventional agricultural sense this would involve protection from low temperatures using glass or plastic houses or cloches; such structures are rare in commercial wine grape vineyards because of the prohibitive costs although they can be seen in the cool climate of ENGLAND or even in parts of California to protect some Chardonnay vines from poor fruit set. Protected viticulture is more usual for TABLE GRAPES, as in northern Europe, Japan, and New Zealand.

Vines may also be protected from the wind by WINDBREAKS, and from frost by various techniques, and from drought by IRRIGATION. R.E.S.

**protective juice handling**, grape and must processing techniques with the aim of minimizing exposure to OXYGEN and therefore the risk of OXIDATION. This is regarded as especially important for white wines since, once grapes are crushed and juice liberated from the berry, the PHENOLICS react rapidly with oxygen to produce amber to dark-brown polymers (see POLYMERIZATION). Some ordinary wines are made encouraging this oxidation, the brown pigments being removed subsequently by FINING.

Most better-quality wines result from minimal oxygen exposure, saving the phenolics for later contribution to AROMA and BODY (although some ambitious wine-makers began experimenting with deliberate prefermentation oxidation of the must in the early 1990s). The relatively recent introduction of tank PRESSES has aided protective juice handling during the lengthy PRESSING operation enormously. Grapes for red wines are much less vulnerable to damage from oxygen since they contain much greater concentrations of TANNINS and PIGMENTS.

See also SKIN CONTACT.

A.D.W.

**protective wine-making**, wine-making philosophy founded on the need to minimize exposure to OXYGEN and concomitant risk of OXIDATION. It usually incorporates PROTECTIVE JUICE HANDLING. White wines are then fermented in closed top tanks to exclude oxygen as much as possible while allowing for the escape of CARBON DIOXIDE from fermentation. All subsequent operations are then conducted as much as possible in closed equipment and small amounts of SULPHUR DIOXIDE are added if exposure to oxygen occurs. Storage and processing at low temperatures favours the retention of some of the carbon dioxide, which has the effect of sweeping out any accidentally dissolved oxygen. Red wines, because of their greater PHENOLIC content, are much less sensitive to exposure to oxygen. Indeed, if they undergo BARREL MATURATION, some exposure to oxygen during TOPPING UP contributes to the wine's maturation. See AGEING.

A.D.W.

**proteins**, very large polymers of the 20 natural AMINO ACIDS. Proteins are essential to all living beings.

In grapes

Proteins may be water soluble and function as ENZYMES, or water insoluble and function as storage reserves (as in grape seeds and vine wood). While all functions are important, the enzymatic properties of proteins are the basis of all reactions within living systems. The most abundant enzyme on earth, nicknamed 'rubisco', catalyses the trapping of carbon dioxide during PHOTOSYNTHESIS in plants. B.G.C.

In wines

Proteins from the grape remain in solution in all white wines but in some (notably those vinified from MUSCAT, GEWÜRZTRAMINER, SAUVIGNON BLANC and SÉMILLON grapes), the concentration is often so high that the proteins coagulate to form an unsightly haze or cloud. Such haziness, which can be initiated when the wine is warmed, is irreversible. To avoid this happening after bottling, which renders the wine unstable, the heat-unstable proteins are removed by BENTONITE fining as part of normal wine-making STABILIZATION procedures. Recent research at the Australian Wine Research Institute in ADELAIDE has shown that the troublesome, heat-unstable proteins of white wines belong to a particular group from the grape known as pathogenesis-related or PR proteins. PR proteins are made by

the grape as part of its natural defence against fungal attack, although it appears that some PR proteins are present at background levels in fruit that is free of, and never suffers from, FUNGAL DISEASES. The unique properties of PR proteins—their stability to acid and their resistance to degradation by ENZYMES—means that fermentative processes of wine-making select for PR proteins as virtually the only proteins that survive. This knowledge should lead to the elimination of the threat of protein instability in wines.

The great concentration of PR proteins in the LEES as an insoluble complex, and haze formation is not a hazard in bottled red wines. Nevertheless, a protein instability problem, because which involves proteins, can still occur.

Waters, E. J., Shirley, N. J., and Williams, 'The role of PR proteins of wine and grape pathogens', *Journal of Agricultural and Food Chemistry* 44 (1996), 3-5.

**Provechon**, Spanish red grape variety from Aragon.

**Provence**, region with considerable wine production in the far south east of France (see FRANCE) whose associations with hedonism have perhaps focused attention on its relatively expensive rosé wines. The precise period during which rosé was introduced to the region is doubtful but it appears unlikely that the Greeks from Asia Minor, who first founded Massilia (Marseilles) in southern France and it is thought that for long the wine produced in southern Italy or Sicily was exported to southern France; however, that the Provincia of Ancien Régime produced its own wines under the influence of the Roman Empire (although it is not clear whether preceded Narbo, or Narbonne, in the region as a wine producer). See FRANCE for more details.

The region was much fought over under the influence of successive Saracens, Carolingians (see CHARLEMAGNE), the Holy Roman Empire, the counts of Provence, the Catalans, René of ANJOU, and the Savoys. For much of the 19th century, the wine industry in Provence was nearly killed by the phylloxera louse, but was given a new lease of life by the arrival of a railway link with the rest of Europe.

As a result of its rich cultural heritage, Provence enjoys a particularly distinct wine varieties which show various influences from Italy, notably Sardinia. More than 13 varieties are allowed in Provence, for example, including the native Cinsault, but declining CARIGNAN, CINSAUT, UGNI BLANC, and CLAIRETTE, but also TIBOUREN, the indigenous dark-berried variety (known in Provençal as Pécouli).