

## Canadians move in on South Africa

5 Aug 2004 by JR

Yes, Canada's dominant wine company Vincer is clearly really serious about becoming a global player. Its latest international acquisition, Western Wines, arguably the most dynamic wine distributor in Britain, is its biggest yet. Vincer paid £84 million and assumed £49 million in debt.

Vincer is by far the most important wine company in Canada with a host of brand such as Inniskillin, Jackson-Triggs and R H Phillips in California – as well as a heck of a lot of more dubious 'grape-based products'. Over recent years it has added Kim Crawford in New Zealand, Goundrey and Amberley Estate in Australia and Hogue Cellars in Washington state to its ranks. Western have dozens of brands of its own, many of them very attractive, but the jewel in Western Wines' crown is undoubtedly the leading South African export brand Kumala (which had reportedly attracted interest from others, including Constellation). The South African wine industry must be collectively kicking itself – or perhaps just looking up Ontario, or perhaps Vincer's official base Mississauga, on the map.

Western Wines is a private company, cleverly fattened up by hard work, skilful recruitment and a lot of hard work rather than acquisition. It is not even based anywhere near London, for heaven's sake, but in the wilds of Shropshire several hours north and west. Its public face within the UK is Mike Paul who was Southcorp's marketing man in Britain until he could stand it no longer. He has recently been instrumental in driving a more cohesive policy for the wine trade on social and fiscal issues.

Kumala has been a hugely successful brand within the UK and we can now expect to see it invading North America with increased ferocity. Let us hope that a substantial proportion of its increased success will eventually be reflected in the beautiful Cape landscape where so much investment, particularly in human resources, is needed.

Western currently have about eight per cent of the UK wine market and presumably we can expect to see Canadian wines featuring more strongly on British supermarket shelves.