

## A ray of hope in Italy?

2 Mar 2010 by Angelo Gaja

*Angelo Gaja sends the following.*

Although 2009 was a black year for Italian exports overall, down 20% according to the official government statistics, for Italian *wine* it was an all-time record year with an increase in the overall volume of wine exported which was close to 10%, even if the value of the wine exported totalled -6% from the point of view of price. A success? Absolutely, even if there is little to cheer about because the results were achieved at the cost of painful sacrifices on the part of the cellars: a lowering of prices to the break-even point and, for those accustomed to sell only bottled wine, forced sales of surplus wine in bulk to the sole advantage of commercial bottlers who paid fire-sale prices. Not to speak of the price of the grapes during the 2009 harvest, purchased at drastically lowered prices.

The system managed to hold its own, however, indicating that this is a healthy sector of the Italian economy, one which has developed with many different compartments and components which work together for mutual benefit. It was a sector which was not compelled to resort to layoffs, did not need the assistance of government support programmes, and did not waste time with the usual pointless diatribes of home-grown polemicists: native grapes versus well known French varieties, territory versus less identifiable sources, new oak barrels versus older casks, international taste versus typical character. 2009 was certainly not a lark, the entrepreneurs of the sector were forced to double their efforts and tighten their belts but gained results which none of their European rivals, above all the French, could even come close to.

The prospects for the export of Italian wine in 2010 are rosy.

The weakening of the euro against other currencies will be of great assistance in non-European markets.

The objective of exporting at least an additional 2.5 million hectolitres of wine in the coming year is an entirely feasible objective for Italy.

Stocks of wine will inevitably decrease, at least partially due to lower production in the 2008 and 2009 vintages.

The support programmed by the EU and aimed at compensating producers for crop-thinning (the elimination of surplus grape bunches during the growing season, normally before the phase of the colour change of the grapes), if intelligently directed by the cooperative cellars of Italy's centre and south and correctly and carefully carried out by the associated growers, will contribute to maintaining lower levels of production and balancing supply and demand. And so there is a chance that Italy could arrive at the 2010 harvest this coming fall with some prospects of a remuneration - for those who either sell their grapes or convey them to cooperative cellars - which will at least balance the cost of their production.

Exports, which are of great benefit for the country, must become of obsessive importance for those producers of wine who intend to maintain their firms in healthy and competitive shape.