

8th edition of Vitaly US Tour, 1st Stage: Miami & Palm Beach

**PRICES OF ITALIAN WINES HOLDING STEADY
IN A GENERAL CONTEXT OF CONTRACTION**

**In this scenario, extraordinary performances have been seen
by Italian companies taking part in the Vitaly US Tour**

Consumption and trends on the US market. Despite a drop in US imports of bottled wines offset by an increase for bulk wine that rewards the so-called New World countries, with Australia in the lead, *Italian wine has seen the lowest setbacks in prices for bottled products compared to competitors*, confirming that the perception of the quality/price ratio of 'Enotria' labels by American consumers is still good even in times of recession.

Analysis of IWFI New York data, in short, evidences that the first seven months of 2009, as regards total US wine imports, saw an increase in quantity of 19.6% but a drop in value of almost 14 percentage points. This is certainly due to the current trend favouring lower priced wines among consumers but also and especially to an unusual increase in bulk wine that boosted quantities while reducing value: this is the case of Australia that in January-July 2009, compared to the same period in 2008, saw growth in its exports to the United States of 50% in quantity, up from 933 thousand to 1.4 million hectolitres (42.4% represented by bulk wine, up from 85,100 hectolitres to 593,770), yet generating a decrease of 1% at 324 million dollars compared to 327 in 2008; yet, especially, down from 317 millions (against 327 in the same period) for bottled products to 286 millions for the same type today.

This trend was also confirmed for Chile (317 thousand hectolitres of bulk wine exported in the first seven months of 2009 compared to 5,550 in 2008) and Argentina with 35% of exported hectolitres (333,930) represented by bulk wine.

The price per litre of bulk wine settled at 46 cents, while for bottled wine the average is 3.83 dollars/litre.

And it is precisely in the comparison of prices for bottled wines that Italy achieved - despite the generalised downturn - substantially steady prices.

While French wines, in short, achieved an average price in the period January-June 2008 of almost 11.5 dollars per bottle, the figure in 2009 dropped to 8.36 dollars; Italian wines fell back from 5.43 to 4.78 dollars, Australian from 3.50 to 2.32 dollars and Chilean from 3.29 to 1.99 dollars. The prices of Argentinean wines were substantially unchanged and even managed a few cents more than last year.

Overall, Italy in the first seven months of 2009 exported 1 million 168 thousand hectolitres to the USA (-8.1%) worth 560 million dollars (-19%); France lost 7% in quantity and 32% in value, although still respectively ranking as the first and second country exporting meal wines to the USA.

Moreover, Italy in the first seven months of 2009 bettered France for exports of sparkling wines with an increase compared to the same period in 2008 of 19% in quantity and 11.2% in value, totalling 73 thousand hectolitres worth 45.1 million dollars compared to 61,400 hectolitres and 40.6 million dollars in 2008, while France saw a drop in exports of 'bubbly' of 30.5% in quantity and 47.2% in value.

In this scenario, extraordinary performance by Italian companies involved in the Vinitaly US Tour were achieved; compared to the same period in 2008, increases in percentage sell out by distributors achieved positive double figures and are a success story about how to approach what is still one of the most interesting wine markets in the world, following an increase in consumption of 30% over the last decade and trends that will soon make the USA the top reference market.

Vinitaly US Tour Miami and Palm Beach 2010: For the 8th year, 3rd consecutive in Florida, **Vinitaly US Tour 2009** brings Italy's best wine and olive oil products to showcase in USA, on February 8, 9 and 10.

Vinitaly US Tour Miami & Palm Beach 2010 special events (guided wine tastings, wine makers' dinners, private tastings, press conferences, special promotions) will accompany **VINITALY US TOUR** on each stop.

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