

Welcome to our Christmas Newsletter!

Thank you to all our clients, suppliers, colleagues and friends for your support over the past year.

Our staff has increased with the appointment of a new viticulturist, there have been big changes in the winegrape and almond industries, and plenty of diverse work to keep our consultants busy.

The horticultural consulting business never stays the same for long. Although the wine industry is slowing down, we are now looking more at reviews of vineyard management and ways of coping with lower returns rather than new vineyard developments.

All of us at Scholefield Robinson in Adelaide and Mildura wish you a Merry Christmas and a healthy and prosperous 2006.

INDUSTRY COMMENT

Almonds vs Winegrapes

Almonds : Investor interest in almonds has increased greatly due to consumer demand related to the general understanding that "nuts are good for your health". This demand has grown as supply from California, the biggest producer, has been low over several seasons.

Almond prices have reached record levels and this has sparked increased plantings, mainly in the Sunraysia area of Victoria. California has also increased plantings and it is reported that over 50,000 extra acres have been planted this year.

Boom times always put extreme pressure on land, water, nursery stock, and management resources.



Winegrapes : The supply/demand situation with winegrapes has changed from undersupply only a few years ago, to a significant oversupply in 2005 and more to come in 2006 and beyond. Demand for Cabernet Sauvignon has dropped and many vineyards have been removed or topworked.

Chardonnay was in undersupply only a few years ago and contracts were being given in warm and cool areas. Now the market is saying "enough" and some Chardonnay vineyards that have only just started cropping are without a market for their grapes.

Projections about when supply and demand will be back in balance vary but it looks like hard times for several years yet.

MAJOR PROJECT WORK

Project Submissions

Charles Drew and Peter Scholefield prepared an analysis of issues regarding winegrape supply and the wine industry as a whole to assist SAFF to prepare their submission to the Senate Committee inquiry into the wine industry. The SAFF submission, which is wholly based on our paper, can be downloaded as Submission 3 from the following website address:

www.aph.gov.au/Senate/committee/rrat_ctte/wine/submissions/sublist.htm

Peter and Charles have also assisted the Australian Wine and Brandy Corporation in their annual winegrape production forecasting workshop.

Management Reviews

Carrying out due diligence reports and investment and property reviews is a major part of our work. This year, we have worked on projects in citrus, almonds, winegrapes, tablegrapes and stonefruit. Stuart Pettigrew, Garth Swinburn and Peter Scholefield have recently conducted due diligence on a large table grape business for a major investment group.

We have also been engaged to review a number of vineyards across the major grape growing regions of Australia this year for Challenger Wine Trust. Peter Scholefield, Prudence Honner, Mary Retallack and Ben Thomas will visit the properties in order to assess viticultural and management practices, as well as overall performance.

Almond Trial

Prue McMichael and Lucy Pumpa have continued their work with the almond leaf tatter project on the northern Adelaide Plains. Three extensive trials have been established and are regularly being monitored for the effects of different spray regimes and known pathogens. The leaf symptoms have appeared again this year; however, there have been encouraging results in one of the treatments within the trial. Further investigation of this treatment is now required.

Lucy presented some of the preliminary trial observations at the Almond Industry Conference held in Berri during November.

APVMA Selection Panel

In June Prue McMichael was appointed by Senator Richard Colbeck to Chair the Selection Panel for Directors of the Agricultural Pesticides and Veterinary Medicines Authority (APVMA). The Panel consisted of five members with experience in the agricultural and veterinary chemical industries and agriculture. Six Directors were appointed in August with the final Director to be appointed by the Minister in December. The selection process has been a challenging and interesting one that has involved several visits to Canberra over the last couple of months.

Winegrapes - Early Ripening Project

Scholefield Robinson Mildura (SRM) undertook a project for the Murray Valley Winegrowers Inc to investigate the proposition that early ripened grapes make better wine. We were requested to seek evidence on the topic using literature reviews and interviews with a range of industry people, as well as drawing on data gathered by SRM as part of our quality benchmarking group. Our investigations showed that there was very little documented evidence to support the claim, however a number of winemakers and scientists in the industry felt that fruit that had a more rapid phenological ripening period than fruit with delayed ripening, had better acid/sugar balance, better colour (in reds), and tannin structure.

Winegrapes - Nutrition Survey

A survey of local winegrape growers, researchers, fertiliser re-sellers, winery personnel, and consultants was conducted to source opinions and comments on winegrape nutrition issues that they considered to be important in the industry. Some of the more popular issues were soil and petiole/sap testing and standards, information on the timing of fertiliser inputs, ways to improve soil fertility and hard data on new 'fertiliser' or growth promoting products.

PBR - Table Grapes

There continues to be strong interest in the registration of new tablegrape varieties in Australia. Garth Swinburn is currently running 12 PBR trials with another half a dozen on the way through the system. The new varieties are a combination of imported varieties, largely from California, and crosses made within Australia by local breeders.

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SERVICES

Virus Testing

A large number of vineyards are still in the process of organising or contemplating grafting vines in order to change the varietal mix of their properties. Knowledge of the virus status of the existing vines, as well as any "bud wood" sourced for grafting, is essential. Vigilance before grafting can save a lot of heartache and money! For more details on virus testing and considerations that need to be made before grafting commences please contact us.

Expanded Petioles

Despite a downturn in the wine industry, demand for petiole analysis by Scholefield Robinson has hit record levels this spring. Part of this demand is related to the independent recommendations of Ben Thomas, but also due to grapegrowers wanting to only incur input costs like fertiliser when they are necessary.

EPA Wastewater Monitoring

EPA licences for wastewater disposal on land require regular sampling and analysis from the disposal sites. Amanda Schapel has spent a lot of time recently taking samples from winery, abattoir, and drainage disposal sites.

BUSINESS DEVELOPMENT

Thankyou

Development of the business aspects of our company are as critical as keeping up with the technical aspects of horticulture. We have a number of advisers who keep us on "the straight and narrow", namely Bill Ridge (consultant to the Board), Bob Foster (accountant), Richard Phillips (legal), and Noel Sturgeon (personnel adviser). Thanks to them all. Succession planning is a critical part of our business focus and Scholefield Robinson is very pleased that the younger consultants are taking more responsibility in the company.

PRESENTATIONS

SRHS Clare Seminar

Scholefield Robinson presented a seminar on "New Directions in Viticulture & Horticulture" at the Clare Country Club on 27th July. More than 40 growers/wine industry personnel attended the seminar, which highlighted our recently expanded service in the Mid-North area, and our capabilities in grape quality management strategies, plant nutrition, and litigation support and dispute resolution.

King Valley Vigneron's Seminar

Garth Swinburn felt at home presenting at the annual seminar in the Swinburne Pavilion, Whitfield, King Valley in early October. The presentations included topics of winegrape quality such as brix, tannins, colour, acids, phenolics, aromas and berry size. Garth presented the outcomes of the early ripening project completed in June.

Centre for NRM Seminar

Charles Drew gave a joint presentation on the Land Repair Fund for Australia, entitled "Private Sector Investment in Natural Resource Management - Reality or Not?" for the Centre for Natural Resource Management workshop/seminar in October. The other two presenters were Matthew Ferris from Econsearch and John Leake from the Institute for International Development (IID).

CRCV Talking Technology

In July, Garth Swinburn & Prudence Honner attended the CRCV Talking Technology "Objective Measurement of Grape and Wine Quality" seminar. Garth gave a presentation on "Delivering a Grape Quality Index in the Vineyard" based on his continuing quality benchmarking project involving a number of vineyards across the Riverland, Sunraysia and Swan Hill regions.

Vine Nutrition Workshops

Ben Thomas has been in demand by grapegrower groups in the Hunter Valley, McLaren Vale and Adelaide Hills presenting workshops on grapevine nutrition, fertilisers and soil and tissue monitoring. The number of grapegrowers attending was high.

PROFESSIONAL DEVELOPMENT

Pistachio Short Course/California Tour

Stuart Pettigrew attended the University of California's Pistachio Short Course in November. This course ran over three days with a series of presentations on all aspects of Pistachio production. It also included a full day field session where the 140 participants travelled to several orchards and viewed aspects of canopy management, from rootstocks recently budded in the field, right through to managing 25 year old trees for improving yield.



Mechanical hedging of pistachio trees is being trialled on several large orchards in California to reduce costs and combat labour shortages.

Whilst in California, Stuart visited John Edstrom who has been a visitor with us several times. Stuart also spent time with John Post, an Agricultural Adviser who has done a lot of work on high density olive plantings. This type of planting can reduce harvesting costs, as crops can be picked quickly and cleanly with a standard grape harvester.

It was a packed 6 days in California, but well worth the effort to see what is happening in such a large and dominant market for several of the crops Scholefield Robinson specialise in.

Organic Conference

The 15th International Federation of Organic Agriculture Movements (IFOAM) World Congress was held in Adelaide in September this year, and Stuart Pettigrew, Peter Scholefield and Mary Retallack attended. Speakers from more than 40 countries presented over 360 thought-provoking and challenging papers on topics ranging from global political instruments to promote Organic Agriculture, through to practical tools to be used at a small-scale farm level.

AIAST Function

Prue McMichael, Charles Drew and Ben Thomas attended an AIAST function which included an excellent presentation by Dr Peter Hayman of SARDI on climate change. The statistics and analyses he presented provided a convincing case that there is a trend of atmospheric temperatures warming, and outlined the likely consequences for South Australia. Their report can be downloaded from:

www.environment.sa.gov.au/sustainability/pdfs/csiro_report.pdf

PEOPLE

New Consultant

Scholefield Robinson welcomes Mary Retallack, our new Viticulture Consultant at the Adelaide office. Mary is a graduate of the University of Adelaide and University of South Australia. Previously Vineyard Manager at Mountadam Vineyards in Eden Valley, her past experience as Program Leader with the



CRC for Viticulture on their Research to Practice program, and her work with TAFE providing training in McLaren Vale, Langhorne Creek and the South East regions has given Mary a good understanding of the training requirements of the wine industry. She also has a specific interest in the environmental issues facing the viticultural industries.

Ben Robinson

Ben has slipped nicely into retirement mode but he has continued with a few small professional roles that compete with travel, university study, sailing, etc. He is part of a consultant team that brings together a range of scientific disciplines providing management support to the GWRDC project "Soil/Water Initiative Project". Ben was also recently appointed by Horticulture Australia Ltd as the Independent Chair of the Almond Industry Advisory Committee.

Susan Saris

Our Mildura office was sorry to see Susan Saris leave to work with Lower Murray Water in Mildura. Susan fitted in well with the Scholefield Robinson philosophy and we wish her well in the future.