

Three sixty, with Geoff Thorpe
Nursery Armageddon

To say that the New Zealand wine industry is in the midst of the “perfect storm” almost seems like an understatement. From my perspective, as a nurseryman, the past two years have been like no other – unless, perhaps, you count the tail end of the boom and bust cycle in the kiwifruit industry before it set itself on a more even footing.

Five years ago, when New Zealand Winegrowers was establishing the Grafted Grapevine Standard, more than 30 vine nurseries were interviewed to gauge acceptance. Six weeks ago, when our team was in Blenheim attending the Romeo Bragato Conference, it struck me: no other nurseries had reserved exhibitors’ space.

Back home, I did a quick phone around and discovered, to my dismay, that the number of nurseries still open for business and planning to graft this year could now be counted on one hand.

How come? Try to imagine, for a moment, what it would mean to your business if you faced a 90% reduction in sales. That is exactly what has happened to the NZ vine nursery industry between 2008 and 2010.

In 2009, nurseries chose to graft a significant percentage of production “on spec.” Given the global carnage of 2008/09, growers and wineries were understandably reluctant to place advance orders, but the serious nurseries hoped that modest demand would surface closer to planting time in 2010.

This has eventuated, but so has the dumping of surplus vines by many nurseries, as they cut losses or exit the industry – and that has certainly taken its toll on sales volumes and margins. Sounds familiar, huh?

So what does all this mean for you as growers? More nurseries will disappear and those of us still standing are unlikely to graft on spec in the future. Say goodbye to the days when you could jump on the phone or search the net and pick up what you wanted, at short notice and bargain basement prices, from any of a clutch of suppliers.

Please understand, I’m not making this prediction for self-serving reasons – simply to warn you that from now on, unless you order your grafted vines with your preferred nursery a year in advance of your planting schedule, you are likely to be SOL.

Fortunately, some of our customers have already come to this realisation. After taking a quick look around to check on scion/rootstock availability and price for delivery next year, they have come back to Riversun and signed up substantial spring grafting orders,



knowing that it’s the only way to guarantee the quantities and combinations they want.

This is particularly true for all of our Premium Import stock – indeed, 80% of what we’re grafting this season comprises the newer clones and varieties exclusive to Riversun. Interest in some of these is now so strong that orders are even flowing into grafting 2011, due to the limited availability of the scionwood.

After two years of plummeting production volumes and sales, we’re seeing this recent upswing in orders as an encouraging sign of better times to come – hopefully for us all!

Cheers,
Geoff