

Written by founding shareholder Neil Charles Jones

In the second half of the 1990's...the Marlborough wine industry was just beginning to take off, but few companies had the necessary capital to actively participate in all stages of the winemaking process. This prompted a high level plan to provide process infrastructure to a cash-strapped industry.

A large area of undeveloped land was purchased in the Riverlands industrial area. This area was chosen to provide ongoing certainty of development potential (ie no land use resource consents required), with the use of collectively owned waste treatment systems, water supplies etc expected to keep costs to a manageable minimum.

An original blueprint envisaged the establishment up of a collection of wine-making facilities...all connected by pipeline to two 'collective' facilities, being the high-capital input areas of 'grape-receival/crushing/pressing' and 'bottling'.

The idea was presented to the nascent wine industry, and was greeted with a very high degree of scepticism!

The one part of the plan however which was warmly welcomed was the proposal for the first contract bottling plant in Marlborough. NZW set up the Marlborough Bottling Company (now Wineworks Marlborough) and the company opened its doors in 1999, with 120,000 cases of wine being bottled during its first year of operation.

New Zealand Wineries were however still keen to see the prior "grand plan" realised, and after much discussion...New Zealand Wineries' first winery was constructed ready for the 2000 Vintage. The 'large' 600 Tonne winery facility was located immediately adjacent to the bottling plant (then in Manchester Street) and was built as a turn-key leasehold facility for Marlborough Valley Cellars. The facility worked well and MVC's shareholders (namely Kim Crawford Wines, St Clair and Cairnbrae) bravely requested that plans be drawn up for increasing the size of the facility by 150%! They confirmed that – between the three wine companies – that a 1,500 tonne facility would be as big as they would ever need!

That anticipated limit did not of course last long...and the original site quickly grew to accommodate over 10,000 Tonnes! Kim Crawford Wines was sold to Vincor in Canada (in turn later on-sold to Constellation) and their own growth plans saw them wanting 100% access to the winery, resulting in their purchasing the facility in 2003. Contemporaneously, St Clair moved out and New Zealand Wineries provided design and project management services for their own new winery on Liverpool Street.

By this time, the original model was a proven and desirable model for a growing number of wine companies who were keen to expend precious capital resources on vineyard and market development rather than on processing infrastructure.

At that time...Marlborough Bottling Company was also growing very quickly....and the company made the decision to re-locate to its current site, which offered considerably more expansion space! At that time, New Zealand Wineries sold its shares in the bottling operation, to focus on building a new winery facility immediately adjacent to the new bottling company site.

From a green field site in July 2003, three 'individual' 2,000 tonne wineries were built and ready for Vintage 2004! Clients included Mud House Wines, Jackson Estate and South Pacific Cellars

(comprising shareholders Lake Chalice, Waipara Hills and New Zealand Vineyard Estates...the latter being New Zealand wineries' own vineyard operation).

Each 'winery' was furnished with a range of small tanks to provide the required boutique service for smaller wine companies. Despite huge growth since that original vintage, New Zealand wineries continues to provide a specialised 'small tank' service unmatched in Marlborough.

In 2006, New Zealand Wineries and its now large sister company New Zealand Vineyard Estates, with over 1,000 acres of productive vineyards spread between Marlborough, Waipara and Central Otago) opted to 'close the loop' and enter the branded wine business. NZW 'merged' with Waipara Hills and with Canterbury House in Waipara and bought Mud House Wines, which resulted in the formation of the Mud House Wine Group.

Essentially we had bought 50% of our 'client' wine companies.....thus commenced the effective switch from facility provider to contract processor, a switch which concluded with the departure of South Pacific Cellars in February 2014.

During 2013, the Mud House Wine Group entered into discussions with Accolade Wines of Australia which resulted in the sale to Accolade of all our vineyards and branded wine operations.

New Zealand Wineries is now very singularly focused on providing the very best wine-making service to our broad range of valued customers.