

[export partners]

Portavin - Integrated Wine Services

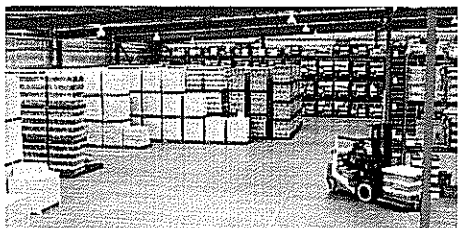
A conversation with Portavin's Managing Director, Tony Royal



Can you give me some background to the initiatives that your company has recently embarked on?

The whole philosophy behind Portavin, as the title of the business suggests, is that we are an integrated wine business – offering a fully integrated bottling and logistics service to our clients. Effectively we deliver a business model that takes bulk wine arriving into our bottling facilities all the way to market.

We identified about seven to eight years ago, because the business was originally set up on mobile bottling plants, that the wine industry's future and growth was centred in exports. In the last five years we have set up bottling facilities in Perth, Adelaide and Melbourne to take full advantage of being as close to the water as we possibly can. This is because the most expensive freight is the freight of finished goods and the cheapest freight is the freight of bulk wine. The whole rationale then is to give our exporters the lowest cost of goods.



What prompted the shift towards minimising your environmental impact?

This thinking has evolved and developed. You can only really fully go in that direction when you can see that there is demand for it. Within the last 18 months we have identified all of our inputs, whether they be power, water or the types of packaging we use, as they all contribute to the carbon footprint of the product that we're producing for our clients.

We've embarked on an initiative to review our inputs and to look at ways we can reduce the carbon footprint. Just on our lighting alone, we've been able to reduce the amount of power we use to run our lights 24 hours a day by 22-25%. That in turn has provided us with carbon credits. We are learning as we go, but we have already taken small steps within our production to find ways we can reduce our carbon footprint.

How will your clients be able to take advantage of these benefits?

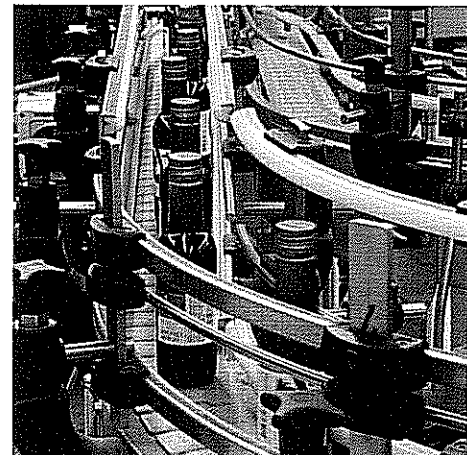
Using the power saving example, it is still only in formative stages, but once it's proven we will be taking these initiatives back to our clients and helping them to establish the same reduction in power with lighting in their wineries, in turn reducing the overall carbon footprint even further along the chain.

Also, for the last two years our Victorian business have been bottling in 187 PET bottles, which is a slightly different packaging option. We are exploring ways in which we can reduce the inputs.

In every business you listen to your customers, and some of our customers' buyers are the UK supermarkets and the larger chains in the US, and if you hear the same message coming back from more than two people, you know that there is something mounting. We know it's a future direction that more people are going to be adopting, just from listening to what our customers are saying.

Will this side of the industry need to be regulated?

I would hope that if we show the initiative and take the lead, it won't be necessary to go down the certification path, and hopefully should be self regulated. Almost all of it is really common sense. It shouldn't take regulation, it should be self-started.



What are your plans from here?

We have a strategic alliance with Kerry Logistics, which is owned by the Kouk Group, which is based in Hong Kong. They handle a lot of our international distribution and are a vital link as part of our service. What we'd like to do, in partnership with them, is to look at future bottling options in mainland China, replicating a Portavin business along the lines of our environmental initiatives, out of Kerry Logistics' facilities, which will be closer to our export markets. This is where we see the future direction for the company. ■



For more information