



WINNING AT HOME

ROB SANDS



WINNING AT HOME

**Unity in the Ontario wine industry
is vital to our success**

Focusing on what we do best

Keeping a global perspective



PARTNERSHIP IS VITAL TO SUCCESS

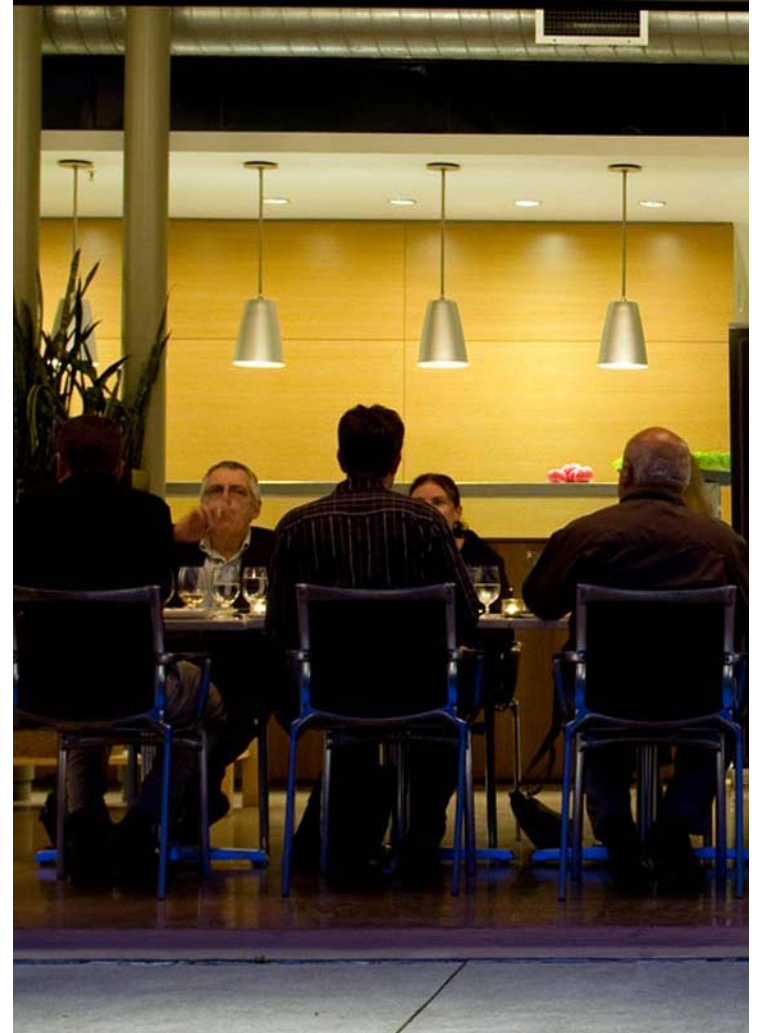
One shared vision to create a healthy and growing Ontario wine industry.

Working together we can:

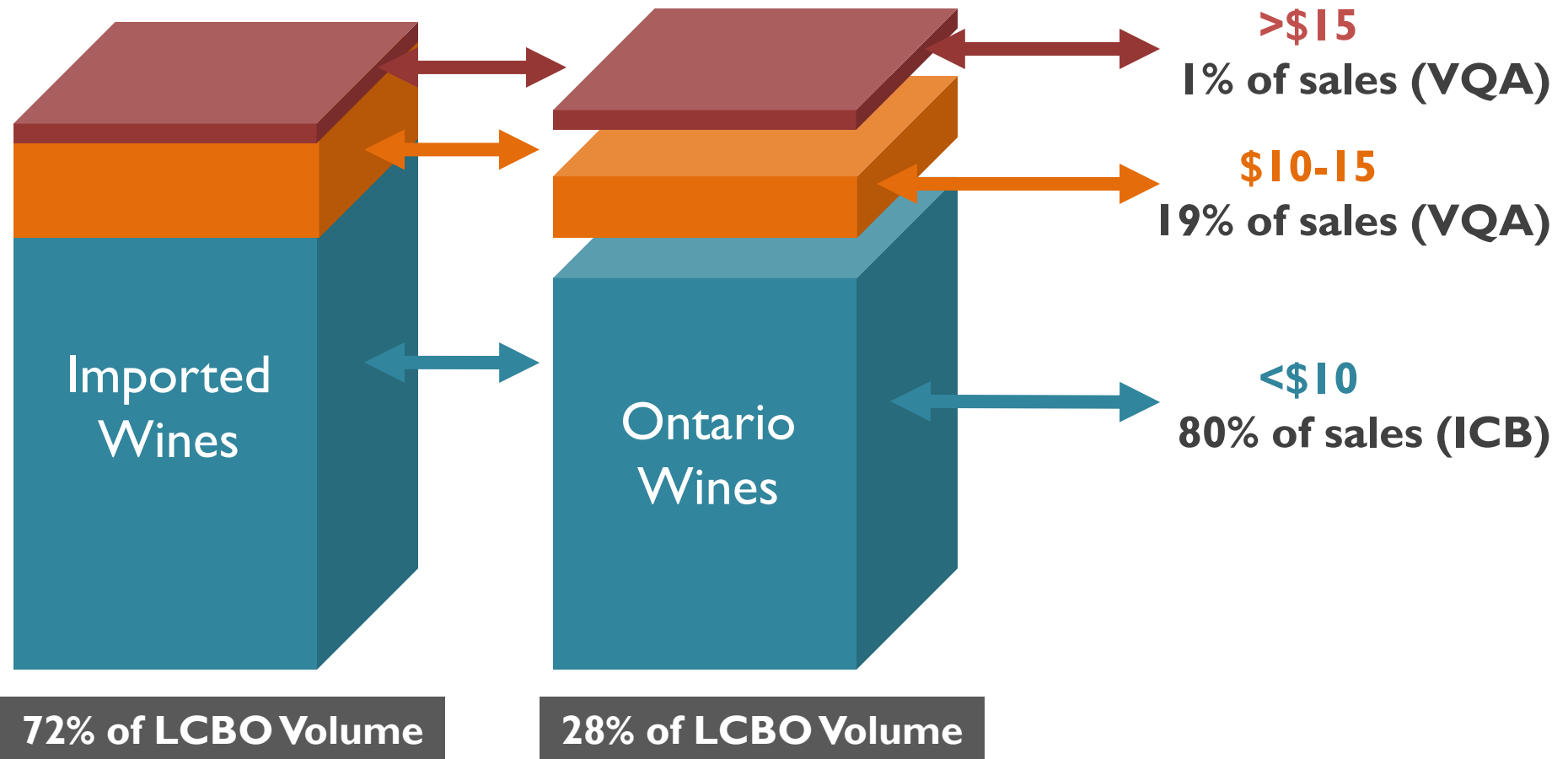
- Shape policy
 - Promote our region
 - Share best practices
 - Rise together
-

There is a place for wineries of all sizes in our industry.

Diversity is good.



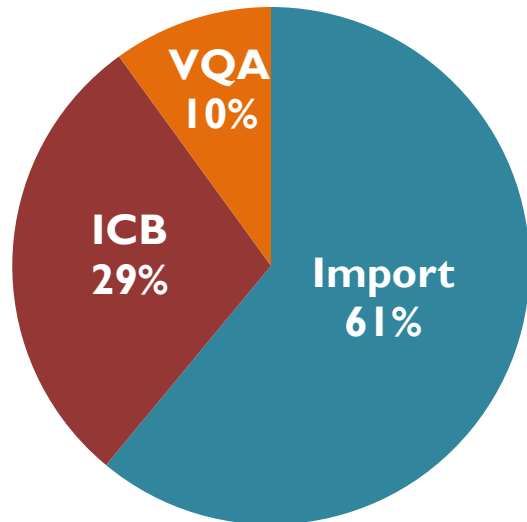
TO GROW THE INDUSTRY NEEDS A DIVERSE GROUP OF PRODUCERS



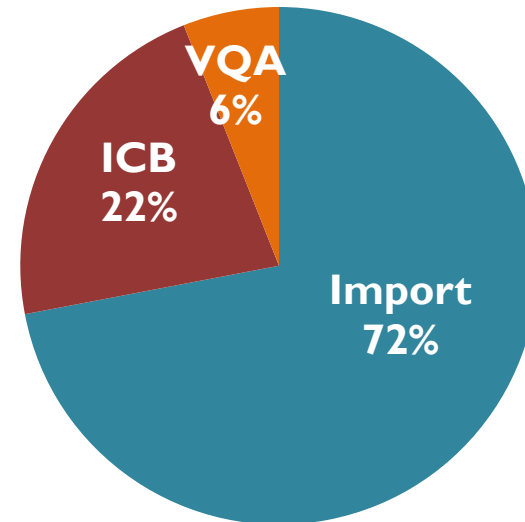
Source: Winery and Grower Alliance of Ontario

COMPETING WITH REGIONS AROUND THE WORLD

Total Market Share by Volume - 2010/2011*



LCBO/Vintages Market Share - 2010/2011



* On-site and off-site Winery Retail Stores and Direct Delivery increase Ontario market share



Source: Winery and Grower Alliance of Ontario



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Our Advantages

- Highest margins
- Lowest distribution cost
- Home-field advantage

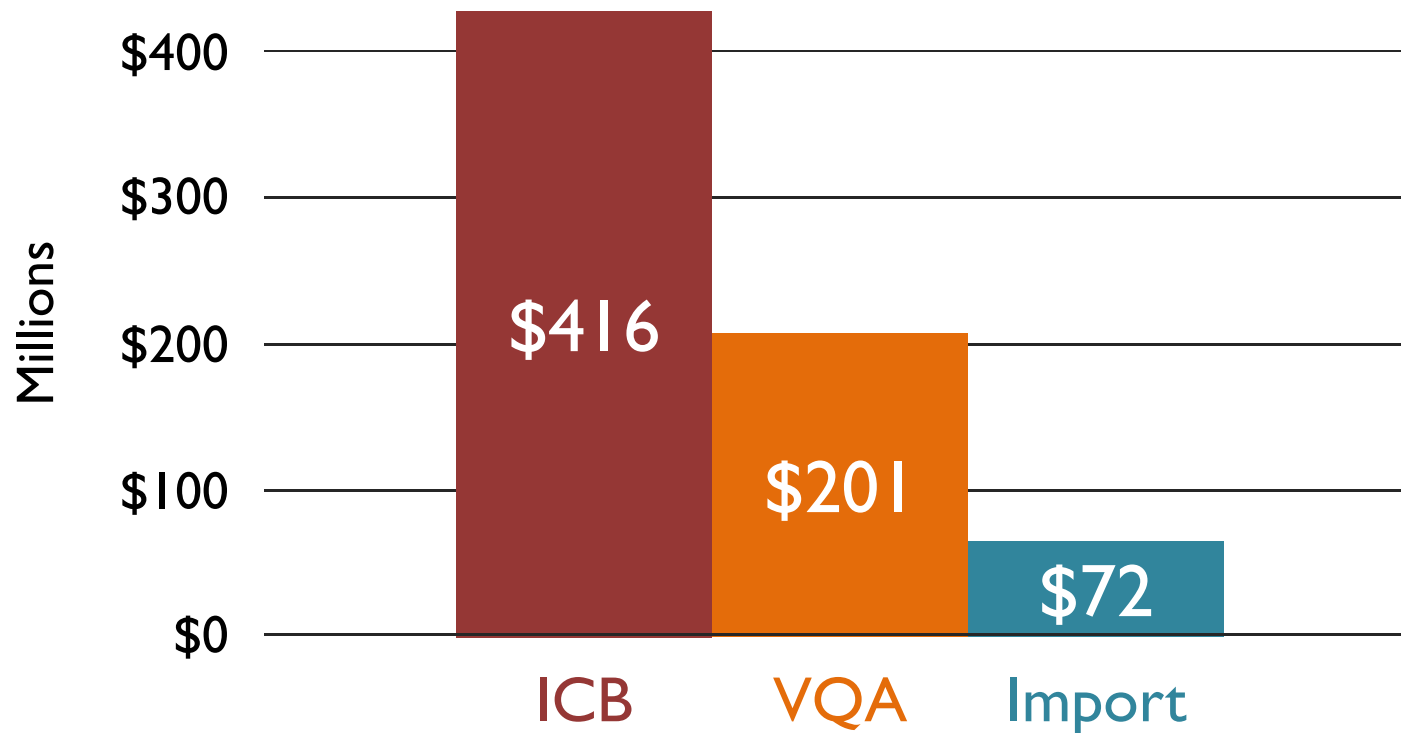
Focusing on what we do best

- Icewine
- Cool Climate Wines



ONTARIO WINE CONTRIBUTES FAR MORE TO ONTARIO'S ECONOMY THAN IMPORTED WINE

2010-2011



Source: Winery and Grower Alliance of Ontario



LESSONS FROM OTHER REGIONS

- Keeping supply and demand in balance

- Maintain margins

- Taxation cannot be a business-inhibiting proposition

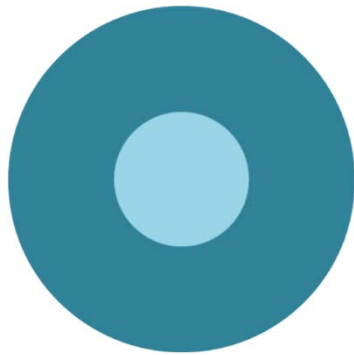
- Providing consumers with a value proposition at all price points



GROWING AROUND THE WORLD: RECOGNIZING OPPORTUNITIES

United Kingdom

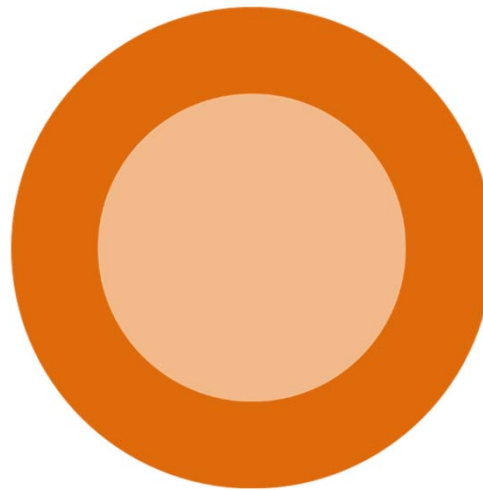
1995: 91 mn 9L



2010: 153 mn 9L
(>1.5X)

United States

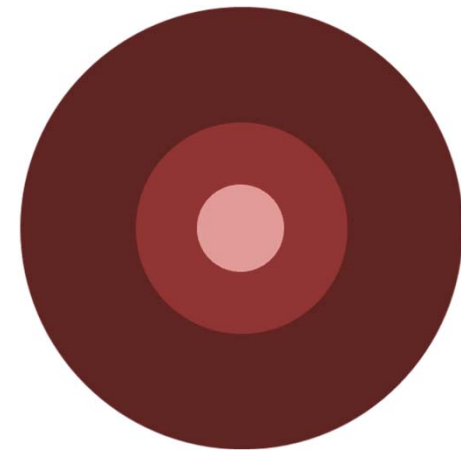
1995: 197 mn 9L



2010: 307 mn 9L
(>1.5X)

China

2005: 50 mn 9L



2010: 95 mn 9L
Proj. 2015: 249 mn 9L
(5X in 10 years)



Sources: Adams Handbook 2011 and 1996 for US, UK, Canada, IWSR for China



Winning at Home

UNITY IS VITAL TO OUR SUCCESS

FOCUS ON WHAT WE DO BEST

KEEP GLOBAL PERSPECTIVE

