



TOM PERRY

MD, Rioja Wine Exporters' Association

Taking centre stage as keynote speaker at this year's Nederburg Auction is Tom Perry, managing director of the Rioja Wine Exporters' Association. Born in the U.S., Tom settled in Spain more than three decades ago and has never looked back. Deeply passionate about his adopted homeland, he has played a pivotal role in building the

international profile of the Rioja region and its wines. His innovative approach has gained him widespread respect in international circles, and South African producers can surely benefit from his broad experience and insight. Here we chat to the man himself about wine, work and women on the beach...

You are the managing director of the Rioja Wine Exporters' Association. Can you explain a little what your role involves?

The association was founded in 1968 and since that time we have been involved in three areas:

- a) Providing information to our members about what's happening in the wine trade in Spain and internationally;
- b) Lobbying local, regional, national and EU legislators to defend the interests of our members;
- c) Co-ordinating the international promotion of the Rioja wine district. This last role was assumed by the Rioja Regulatory Council in 2006 but we currently serve as mentor to the marketing and communications director of the council and are still very actively involved in Rioja's international PR.

You were born in the U.S. What prompted your move to Spain?

A friend from graduate school and I decided to spend the summer of 1971 in Europe so we each bought a one-way ticket to London with about \$US 300 in our pockets. I had vague plans to attend business school when I returned home. We first went to the running of the bulls in Pamplona in July, at about which time I met a woman on the beach in San Sebastian and I decided I wanted to stay in Spain for a while since I spoke the language. We were married in 1973 and, except for four years in the late 1980s when the winery I was working for sent me to the USA to start a company, we have lived in Spain ever since. We have no plans to live anywhere else but here.

What is it that makes the Rioja region so special?

The countryside is spectacular. The hills and valleys are a lot like the Western Cape, actually. The food is very good and the lifestyle, too. People spend a lot of time walking around, talking to one another and enjoying a glass of wine and a 'tapa' at the local bars. Oh, yes – and the wines are great!

Is it so important for Rioja to reach a new generation of drinkers, or does the Rioja regional brand sell itself from generation to generation?

It is vitally important for Rioja to reach a new generation of drinkers, as all old world producers have discovered in the UK when new world wines made their appearance. Education at all levels – to distributors, retailers, sommeliers, chefs, journalists and consumers – in our business is a never-ending job. It is the most important part of our promotional strategy.

What is the difference between 'old' and 'new' world wine drinkers?

I don't think you can make a sweeping generalisation. For me, the appeal of new world wines is their fruitiness and a little residual sugar, at least for the more popular brands. These wines seem to appeal to young consumers who have been brought up on foods full of flavour like pizza and burgers as well as candy and soft drinks. I think that people who prefer old world wines have been drinking wine longer, and enjoy their wine with a good meal, which brings out the elegance and nuances in the wine. Our research shows that the core Rioja drinker is over 50, whereas new world wine lovers are younger, in their 20s and 30s. For both the new and old world, it's risky to have such a well-defined consumer base. Everyone needs to try wine from everywhere.

Spanish legislation is described as 'stringent'. In what way does it restrict local producers?

Most quality wine producers in Europe belong to appellations of origin which are, simply stated, wineries and growers who have formed an association to defend their interests in the region; setting up rules governing grape varieties allowed; maximum yields permitted; funds to promote the image of the wine district and others. Rioja has been an appellation of origin since 1925 and the fact that the wineries and growers have been debating issues for over 80 years has created a mutual spirit of confidence in the validity of the rules set up. In Rioja, we feel that the rules, although restrictive, ultimately benefit everyone.

You are a member of the steering committee of the Bilbao-Rioja chapter of the Great Wine Capitals Global Network. Tell us a little

about the network.

The Great Wine Capitals Global Network was originated by the Bordeaux Chamber of Commerce in 1999 to promote winery tourism, education and research, and business between major cities located near well-known wine regions.

Current members are Bordeaux, Bilbao-Rioja, Florence, Porto, San Francisco-Napa Valley, Melbourne, Cape Town and Mendoza.

We have organised a winery tourism competition within each region, as well as an international competition that takes place at the annual general meeting every year, a website (www.greatwinecapitals.com) and an e-newsletter.

You are known in international circles for your innovative approach to building the reputation and visibility of Rioja wines. What have some of the challenges been?

As I mentioned before, Rioja is an appellation of origin. There are more than 500 wineries and almost 20 000 growers. The main challenges have been to make our international promotion valuable to everyone because all the 'members' of the appellation pay for them. This means that our activities all have a generic side where we talk about Rioja in general, as well as a branded side that interested wineries can participate in. This is not always easy taking into account that there are large, medium-sized and very small wineries in Rioja.

A major challenge in recent years has been to maintain Rioja's visibility and popularity as an old world wine region in the face of the surge of popularity of new world wines. We have been successful in showing the trade and consumers that there is a Rioja for everyone, whether they prefer an old or new world style.

And victories?

We have continuously promoted our wines internationally since the early 1970s and I feel that this constant effort has been one of the reasons why Rioja's reputation is solid today. We have also very strongly promoted the idea that Rioja has undergone a stylistic evolution to make it relevant to today's consumers without compromising the essence of Rioja.

With your knowledge of marketing and conversancy with the demands of major international markets, can you offer insights to South African producers?

The major South African wineries, because of their size and financial strength, have been successful at creating highly visible brands which have allowed them to gain market share in a relatively short period of time, something that Rioja has taken longer because of the size of our companies. For the smaller brands, the going is a lot harder due to consolidation of distribution at the wholesale and retail level and the absence of big marketing budgets. I think that the medium and small South African producers, just like their counterparts in Rioja, have to work hard at developing a niche for their brands with retailers, restaurants and consumers with the help of expert recommendations, word-of-mouth and the Internet. In our industry, consumers still perceive that small is better.

Our emerging market has latched onto whisky and brandy – both categories are on fire at the moment – especially the premium brands; any ideas on how we can introduce wine to this segment?

I'm really not that familiar with the South African consumer, so it's hard to make an informed judgment. I can say, however, that what has worked in other markets has been to associate wine with an attractive lifestyle, that includes good food and conviviality. Certainly the well-developed wine routes in the Cape can contribute to this feeling. There is something about sitting around a table with your friends enjoying good food and conversation with a glass of wine that other drinks categories haven't been able to capture.

I think that if one can determine the profile of the target consumer, then perhaps brands can be developed and promoted specifically to their tastes and interests.