

NZ GEOGRAPHICAL INDICATION (GI)

EXAMINATION CHECKSHEET

Application information (reg 7) and formalities

Box Reference Number			
1	GI Number: 1007	GI Name: CENTRAL OTAGO	
2	New Zealand GI correctly selected (cf foreign)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
3	Goods GI for	<input checked="" type="checkbox"/> Wine	<input type="checkbox"/> Spirit

4	GI correct?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Comment(s):	
5	Applicant/ Agent details correct	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Comment(s):	
6	Wine or spirit correctly stated	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Comment(s):	
7	Geographical co-ordinates relate to the place of geographical origin to which the GI relates	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Comment(s):	
8	Description of Conditions provided	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> NA	Comment(s):

Additional Information required before Acceptance (reg 8(1))

9	Explanation of characteristic essentially attributable to the GI	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Comment(s):
10	Evidence of characteristic essentially attributable to the GI	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Comment(s):

Examination

11	GI identical to registered GI (s10)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Comment(s):
12	GI identical to customary name of grape variety (s11)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Comment(s):
13	GI identical to common name for wine or spirit (s12)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Comment(s):
14	GI use or registration likely to be offensive (s13A)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Comment(s):
15	GI identical to trade mark for identical goods or services	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Comment(s):

	(s14)				
16	GI identical to trade mark for similar goods or services (s15)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Comment(s):	
17	GI similar to trade mark for identical goods or services (s16)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Comment(s):	
18	GI similar to trade mark for similar goods or services (s17)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Comment(s):	
19	Conditions of use Entered (s41)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> NA	Comment(s):

Reference Searches

20	Accepto searches saved to MAKO	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Comment(s):
21	Internet searches saved to MAKO	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Comment(s):

Evidence

22	Statutory declaration/ affidavit complies with s9 of Oaths and Declarations Act 1957 (for statutory declarations) or the High Court Rules (for affidavits)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Comment(s):
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Quality, reputation or other characteristic

The Applicant should explain and provide evidence of the quality, reputation or other characteristic of the wine or spirit that is attributable to the GI (**reg 8(1)**).

The explanation and evidence should show how the specific characteristic(s) of the wine and/or spirit are linked to features (whether natural or human) within the geographic area.

The below template includes headings that reflect the type of information that IPONZ typically expects to receive as part of an application (**reg 8(2)**).

History and background

The quality, reputation and other characteristics of wine or spirits from a particular area will often be linked to the founding and development of the area for wine or spirit production. Background may also include a description of the history relating to the word that indicates the area as a GI.

23	<p>Comment(s):</p> <p>The region has a total of 1932 hectares planted, with Pinot Noir comprising 77% of the total hectares planted. The average vineyard size is 9 hectares and the region has over 150 producers representing almost 20% of total production in New Zealand.</p> <p>The Central Otago region is comprised of growing areas that are geographically separated by rugged river valleys and gorges and mountains ranging from 1400 metres to 2000 metres. The region is centred around Cromwell basin which contains around 70% of the region's vineyards. The Gibbston area is located to the west on the north facing slopes of the dramatic Kawarau river gorge and accounts for a further 20%. To the south east, Alexandra basin is home to 7% of the region's plantings and to the north is Wanaka which has the distinction of being the growing area closest to the New Zealand Southern Alps.</p> <p>The region has a total of 1932 hectares planted (2015/16), with Pinot noir comprising approximately 77% of the total. Aromatics accounting for a further 17% and Chardonnay and Sauvignon blanc 5%. The average vineyard size is approximately nine hectares with this small size a function mainly of the varied topography of the region. While the total planted area represents around 5.4% of the total NZ planted area, the region has over 150 producers representing almost 20% of total production in New Zealand.</p> <p>Central Otago is the southern-most grape growing region in the world located at latitude 45 degrees, similar to both the Willamette Valley in Oregon in the USA and Bordeaux, Hermitage and Piedmont in the northern hemisphere although it is possibly cooler than these northern hemisphere regions because of the lack of a landmass between New Zealand and Antarctica.</p>
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Geographical features in the area

Geographical features may include general topography, elevation, natural features that provide shelter or that alter wind direction, ridges, valleys, plains, underground waterways and water tables, proximity to the coast or other bodies of water, slope, aspect and accessibility.

24	<p>Comment(s):</p> <p>Grapes are grown on mainly on free-draining gravels, silts and sands. There is variability in the soils, and low rainfall results in a high level of mineralization in the soil.</p> <p>Declarant highlights that the geographical features of the area have an effect on the sensory attributes of the wine</p> <div style="border: 1px solid black; padding: 10px; margin-top: 10px;"> <p>Central Otago is a massive block of schist (metamorphosed greywacke), part of the ancient 80 million year old Zealandia continent, whose surface was eroded over 60 million years ago and then uplifted in the last two million years. The uplift in Central Otago was not as dramatic as that which produced the Southern Alps, but it reactivated faults, producing the alternating ranges and basins that are found across the region.</p> <p>The warping and faulting formed a tilted, block-fault mountain range and basin system. The depressions have been partly filled with lake bed sediments and outwash schist and greywacke gravel deposits which in turn have been eroded by rivers into residual hills and terraces. Numerous fans occur at the base of mountains and terraces. In many places the hills have been coated with a veneer of loess, and the terraces and fans with fine alluvium and loess.</p> <p>In Central Otago, grapes are grown mainly on free-draining gravels, silts and sands. The variability in Central Otago soils especially between the schist-derived soils and the glacial and river-deposited silts, sands and gravels is worth noting.</p> <p>The soils are therefore free draining, even when they are heavy in texture. The low rainfall has kept leaching effects low, so there is a good level of mineral compounds present, but the low rainfall has kept plant growth sparse, which means the organic content of the soils tends to be low. The result is a soil low in vigour, but high in mineral richness.</p> </div>
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Soil composition in the area

Soil composition in the area may include the soil type or types (such as sandy, clay, silt or loamy soils), and the presence of particular rock (such as gravel, schist or slate). The characteristics of the soil such as its temperature, pH, drainage, salinity and nutrient/mineral profile may also be relevant.

25	<p>Comment(s):</p> <p>Soils have a good amount of loess which brings out the complexity in many varieties, and Pinot Noir and its relatives thrive on it.</p> <div data-bbox="320 768 1369 1064" style="border: 1px solid black; padding: 10px; margin: 10px 0;"> <p>Central Otago soils are all glacial derived with schist being the parent rock. Soils are generally light to deep loess interspersed with gravels. The soils are typically heavy in texture, have good minerality, there are scattered deposits of calcium carbonate, and they are generally low in organic matter. Due to the parent rock and gravels they are free draining. On most sites the soils result in low vigour.</p> <p>Loess is highly prized in every winegrowing region where it is found: it seems to bring out complexity in many varieties, but there is no question that Pinot Noir and its relatives thrive on it. While it is very fine and heavy, the Schist particles from which it is made are glass like, and do not readily form clays.</p> </div> <p>The soils of Central Otago contribute to the sensory characteristics of the wine.</p>
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Climate in the area

Applicants may like to include relevant climate data from the geographical area such as rainfall, temperature, prevailing winds and hours of sunshine. Ideally, such evidence should comprise or be supported by research data from a reputable institution.

26	<p>Comment(s):</p> <p>Significant temperature fluctuations on both a daily and seasonal basis, cold nights with very low rainfall and humidity levels. Very cold winters and hot summers. Long dry autumns extend the ripening periods for grapes, and this, in tandem with the summer heat, allows grapes within the GI to achieve high levels of ripeness whilst still retaining natural acids, giving the wines very good fruit intensity and balance. Pronounced shifts in temperature between warm days and clear, cold nights over the ripening period allow for the optimal accumulation of sugars while preserving natural acids, and are also responsible for enhancing varietal aromatics, flavour and where applicable, colour.</p>
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	<p>Declarant highlights the effect of the climate on the sensory attributes of the wines:</p> <p>The CENTRAL OTAGO GI's key features are its cool, semi-continental climate, significant temperature fluctuations on both a daily and seasonal basis, with numerous clear, cold nights plus very low rainfall and humidity. It is New Zealand's most inland wine region, and with vineyard altitudes ranging between 150m and 450m also the highest. At latitude 45° South, it is the country's (and therefore the world's) southernmost wine region.</p> <p>The southerly latitude and proximity to alpine mountain ranges makes the GI the country's coolest, with an overall GDD summation at the lower end of viable viticulture. CENTRAL OTAGO GI has very cold winters, with snowfalls common and short, albeit hot summers. The region regularly records both the country's highest and lowest annual temperatures. However, the GI also experiences relatively high sunshine hours and its long, dry autumns extend the ripening period for grapes. In tandem with the summer heat, this allows grapes within the GI to achieve high levels of ripeness whilst still retaining natural acids, giving the resulting wines very good fruit intensity and balance. Marked diurnal shifts in temperature, in particular between the warm days and clear cold nights over the ripening period, allow for optimal accumulation of sugars whilst preserving natural acids, and is also responsible for enhancing varietal aromatics, flavour and where applicable, colour.</p> <p>The GI experiences a dry, semi-alpine climate, its rainfall statistics essentially classifying it as an inland desert, which delivers producers a long relatively benign harvest season (free from the more typical rain events experienced throughout most other GIs in New Zealand). This allows for extended ripening with flavour development and tannin maturation as well as a wide range of styles in aromatic grape varieties. Extended day length during the summer due to Central Otago's latitude ensures maximum exposure to sunlight.</p> <p>Grapes can be left on the vines as late as May, depending on season, variety and desired style, and the very low humidity means disease pressure is minimal. While wind is not typically a significant year round feature of the GI, localised events can impact on some of the growing areas especially in the spring equinox.</p>
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Methods of producing wines and spirits

Human factors such as viticulture, winemaking or spirit-making practices may also be relevant. These factors are likely to be linked closely to natural factors such as steep, inaccessible terrain which can mean that less mechanisation is feasible. This in turn may mean that the wines or spirits from that area must be premium goods that are sold at a high price point in order to be profitable.

27

Comment(s):

Viticulture and winemaking particularly focussed on capturing the essence of place rather than personal style. Emphasis on hand-working in vineyards rather than a high level of automation. High percentage of organic growing in the region. Diversity of styles, individual expressions, artisanal rather than industrial approach to winemaking.

In 2016 the total tonnes of all varieties harvested was 9177 tonnes' slightly down on the average for the last three years of 9566 tonnes. In 2016, the area under production within the CENTRAL OTAGO GI from each variety were as follows:

Pinot noir	1484 ha	77.0%
Pinot gris	226 ha	11.7%
Riesling	86 ha	4.5%
Chardonnay	52 ha	2.7%
Sauvignon blanc	45 ha	2.3%
Other	40 ha	1.8%
Total	1932 ha	100%

Because of the emphasis on reflection of place, there has been an exciting shift towards reducing the levels of winemaking intervention throughout the region, with the object of wineries showcasing the natural flavours of the region rather than an attempt to manufacture a generic quality.

This has led to increasing diversity of style rather than a homogeneity of style, the common thread being the flavours of the land. A steady increase in the use of such artisan practice as whole bunch fermentation, indigenous yeasts and reduction of fining would be examples of such trends.

White wine production is becoming similarly diverse and the region as a whole seeks to celebrate that tendency to move from a simple and homogenous crop to a cacophony of individual expressions.

Viticulture and Winemaking

Central Otago has an approach to both viticulture and winemaking that is particularly focussed on capturing the essence of place rather than personal style. It is felt by the producers and winemakers that expressing the unique flavours of the region, and those of smaller growing areas of the region right down to individual vineyards and sites, is of critical importance.

This leads to an emphasis on hand working in vineyards rather than a high level of automation. The unique combinations of high levels of sunlight and ultraviolet light with low humidity, low rainfall and large diurnal shifts present challenges in viticulture which are very unusual in the world of grape-growing. The region has developed its own balance of practices to respond to these unique climatic conditions, with particular emphasis on canopy management regimes and soil management.

Quality

The qualities of a wine or spirit from a particular area may include its aroma, flavour profile, sweetness, acidity, tannin, fruit, colour, structure, body, texture and viscosity, alcohol by volume, cellaring potential, typicity, signature characteristics, and varieties.

28

Comment(s):

- The Declarant's evidence includes descriptions of the sensory attributes typically associated with wines from the Central Otago GI. However, as this information has been provided by a person other than the declarant (namely Master of Wine Emma Jenkins) and is essentially hearsay, I am placing a low weighting on this information (*pages 14-16*)
- That said information about quality attributes of the wines from the GI has also been provided elsewhere in the submitted evidence –See Boxes 25 and 26

Market Positioning of CENTRAL OTAGO GI Wines

Central Otago wines have always been positioned at the ultra-premium end of the price range reflecting both the traditional low yields and the high “hands on” nature of viticulture in the region. While an “ultra-premium” wine has no fixed definition, various writers have identified this to mean any wine that retails above a price point of US\$15 (NZ\$20). Using a sample of the 2014 pinot noir

vintage, individual prices drawn from a sample of 306 individual wines ranged from NZ\$19.99 to NZ\$378 with a median price of NZ\$40 per bottle. This is illustrated in the table below.⁸

Central Otago pinot noir - 2014 vintage



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Reputation

Where relevant, applicants should provide evidence that demonstrates the extent of the reputation of the wines or spirits from the relevant geographical area. This may include, for example:

- Evidence that wines or spirits are sold and/or promoted by reference to the GI.
- Statements from chambers of commerce and industry or other trade and professional associations that the wine or spirit has a reputation that is essentially attributable to its origin.
- Evidence that the GI influences consumer purchasing decisions.
- Evidence of tourism linked specifically to the wines or spirits from the relevant area, such as vineyard or distillery tours.
- Sales figures, export figures and/or market share (may be provided on a confidential basis).
- Marketing spend (may be provided on a confidential basis) and marketing activities such as advertising, tastings and other promotional events.
- References to the GI in books, articles, blogs, social media, websites and menus from restaurants and bars.
- Evidence of national and international awards won by wines and/or spirits from the relevant geographical area.

29	<p>Comment(s):</p> <div data-bbox="284 1487 1311 1711"> <p>Central Otago has built an international reputation over 30 years for the production of ultra-premium pinot noir in a pristine environment based in arguably New Zealand's premier tourist region.</p> <p>The factors that contribute to the specific characteristics of wines with the CENTRAL OTAGO GI also contribute to their reputation. These factors underpin the need to produce premium, distinctive wines and also provide a unique environment for their production.</p> </div>
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Use of the CENTRAL OTAGO GI

"Central Otago" has been used consistently and continuously on wines since the first commercial use in 1987 by Alan Brady of Gibbston Valley Wines. Attached as Appendix 5 is a photograph showing those first labels, as well as examples of other wine labels bearing the CENTRAL OTAGO GI.

The national wine industry association, New Zealand Winegrowers (NZW), has long recognised the CENTRAL OTAGO GI and reference to the GI has been included in many of NZW's publications which are publicly available and distributed nationally and internationally in hard and soft versions. These include the following examples:

- The NZW Annual Report: <https://www.nzwine.com/media/1214/nzw-annual-report-2016.pdf>;
- The NZW Vineyard Register Report: <https://www.nzwine.com/media/4221/2017-vineyard-register.pdf>;
- The www.nzwine.com website;
- NZW pamphlets and materials about the NZ wine industry and its regions, such as:
 - *Central Otago*: <https://www.nzwine.com/en/regions/central-otago/>
 - *A Land Like No Other*: <https://www.nzwine.com/media/6390/a-land-like-no-other.pdf>.
- The New Zealand wine regions map A0 size poster which is widely used including in association with all national and international promotional activities. This map also appears as the sixth panel in the *A Land Like No Other* pamphlet.

- Producers within the CENTRAL OTAGO GI also participate in international marketing events and incoming visitor programmes and events organised through NZW. These frequently feature regional overview tastings and education programmes including CENTRAL OTAGO GI wines as well as participation from producers within the GI. These combined activities have an enormous global reach, covering millions of consumers in NZ, Australia, Europe, North America and Asia. Data on the reach of these events is set out in the NZW 2016 Annual Report referenced above.

In 1981, the New Zealand Government requested that "Central Otago" be included as a viticultural region on the European Union's official list of "geographical ascriptions"⁹ to be used on New Zealand wines exported to that market.¹⁰

In 2013, the New Zealand Government included "Central Otago" on the list of New Zealand wine regions¹³ notified pursuant to Article 4(3)(e) of the World Wine Trade Group *Protocol to the 2007*

Ultra-premium market segments- page 13

Central Otago wines have always been positioned at the ultra-premium end of the price range reflecting both the traditional low yields and the high "hands on" nature of viticulture in the region. While an "ultra-premium" wine has no fixed definition, various writers have identified this to mean any wine that retails above a price point of US\$15 (NZ\$20). Using a sample of the 2014 pinot noir vintage, individual prices drawn from a sample of 306 individual wines ranged from NZ\$19.99 to NZ\$378 with a median price of NZ\$40 per bottle. This is illustrated in the table below.⁸



Labels showing use of the GI- Appendix 5

- Wine labels show use of Central Otago, as a GI: for example:





Reference to the GI

The Central Otago GI is identified in all the leading national and international wine reference works, and has been for many years as far back as 1988.

Awards and Acknowledgements

The GI has been the recipient of many awards for its wines, for examples, Central Otago wines have in 2003, 2010, 2012 and 2014 won the Champion Wine of the Show Award at the Air New Zealand Wine Awards.

A panel of leading viticulturists and winemakers nominated a list of "Fine Wines of New Zealand". Central Otago wines made the list in both 2016 and 2017

The Fine Wines of New Zealand Selection

New Zealand's 47 Finest Wines of 2016 include:	New Zealand's 60 Finest Wines of 2017 include:
4 Central Otago Pinot noirs	6 Central Otago Pinot noirs
3 Aromatics	4 Aromatics
2 Sparkling	1 Sparkling
1 Chardonnay	1 Chardonnay
TOTAL: 10	TOTAL: 12

Original statutory declaration : was deficient in terms of not providing revenue figures supporting the reputation

While the declarant states that over 9000 tonnes of varieties are harvested annually, no sales figures have been included in the evidence provided, and sales figures such as export revenues are required so the reputation of the region can be fully evaluated.

Supplementary evidence submitted enumerating sales volumes

Sales figures show substantial volumes sold under the GI (2015 vintage as example) with 1,645,358 litres sold (2,056,697.5 750ml bottles sold) at an average price in the major export markets of \$35 (USD), which supports the applicant's view that the GI has established a considerable reputation.

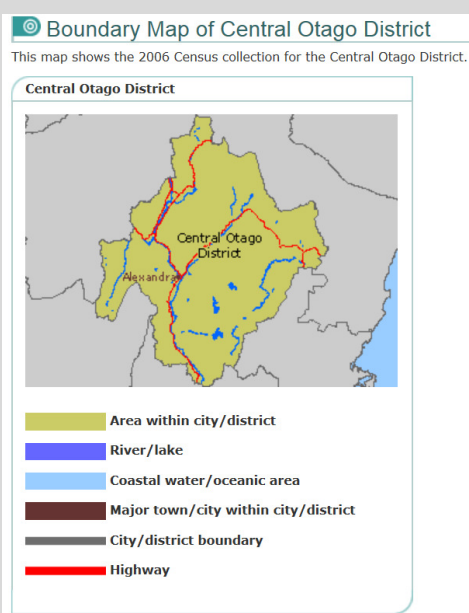
Other relevant information:

30

Comment(s):

We have conducted research into the scope of the Central Otago GI:

The boundary is in line with the Central Otago District boundary as shown on the Statistics New Zealand website (and set out below),



<http://www.stats.govt.nz/Census/2006CensusHomePage/Boundary/BoundaryMap.aspx?id=2000069&type=ta&ParentID=1000014>

The EU OMAR list for 2009 (on the case file) refers to the Central Otago GI as including both the Central Otago and Queenstown Lakes Districts.

Geographical Indication	Defined Area
North Canterbury	Waimakariri and Hurunui Districts
Waipara Valley	Winegrowing area in Hurunui District ⁱⁱ
Waitaki Valley	Winegrowing area in Waitaki and Waimate Districts
Central Otago	Central Otago and Queenstown Lakes Districts

<http://www.foodsafety.govt.nz/password-protected/omars/eun/wine/other/part-2.pdf>

31	Examiner is satisfied that the Applicant has provided sufficient explanation and evidence of: the quality, reputation or other characteristic of the wine or spirit that is essentially attributable to the GI See Box 29	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
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32	Recommend for Acceptance? See Box 29	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
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This Summary may not explicitly refer to every matter that has been considered by the Examiner