NGexhibitions

NGcom has, over the years, generated two divisions, **NGcombroker** dedicated to consultancy services in accessing markets in Southern Africa and Middle East, and **NGexhibitions** which represents exhibition organisers in various emerging areas selling spaces and services in the most interesting exhibitions of South Africa, Botswana, Zambia, Ghana, Vietnam, Indonesia, Myanmar, Malaysia, Singapore, China and Colombia.

NGexhibitions does not only sell exhibition space but also takes care of all the services required for successful individual and collective participations with an efficient all-inclusive package that includes the planning and realization of tailor-made exhibition stands all over the world.

With its main office in Bologna and branch offices in Johannesburg and Beirut, NG is particularly active in the Manufacturing Industry, Machine Tools and **Food & Beverage Technology** (processing & packaging) sectors.





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Focus on South African Wine and Olive Oil Industry











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Wamkelekile – The warmest welcome







SOUTH AFRICA – an introduction



Where is South Africa?

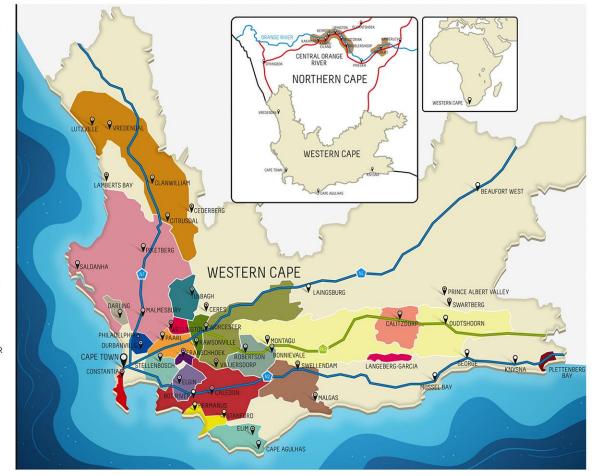


Where in the world?

WINEGROWING AREAS OF SOUTH AFRICA



Melcome to our world of discovery WWW.W0Sa.CO.Za







Looking back – our heritage



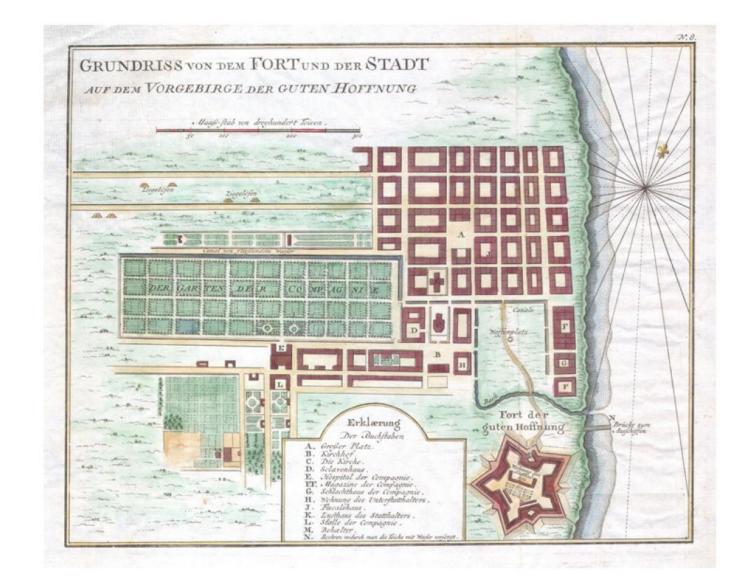
Over 350 years ago



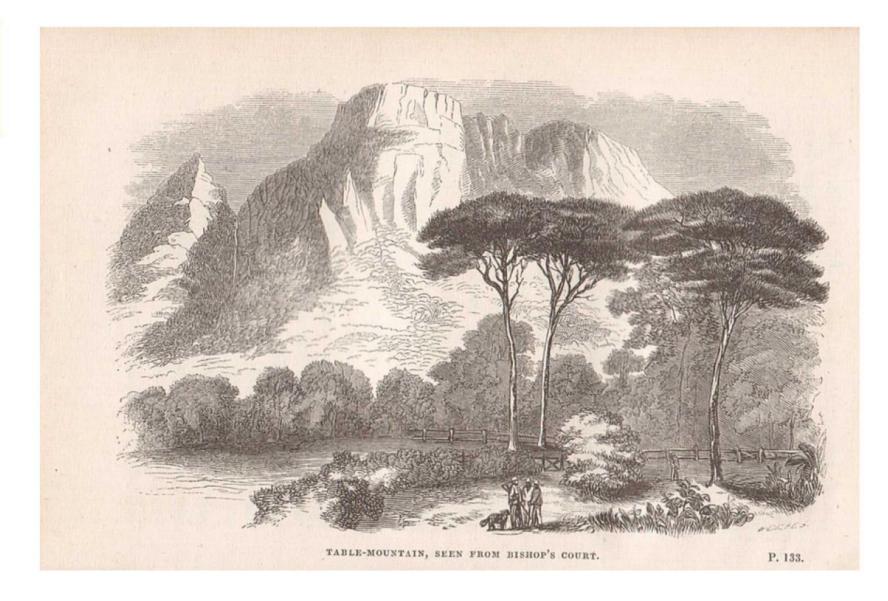
The beginning of winemaking excellence



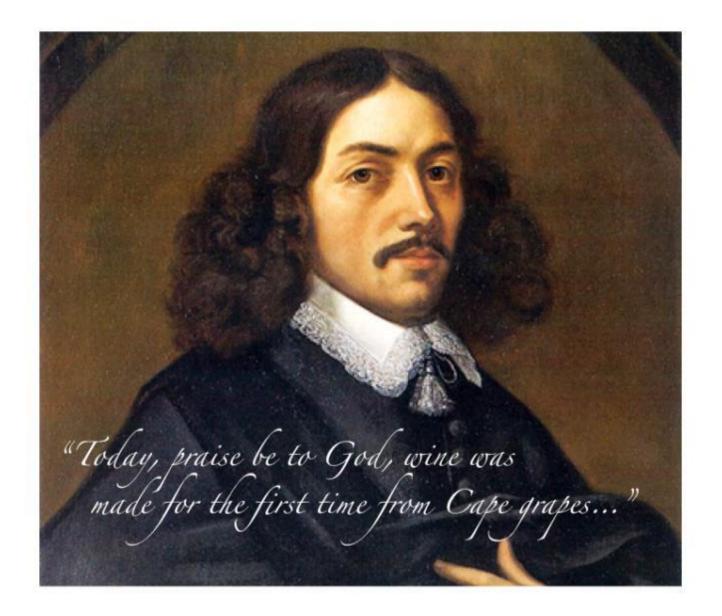
1652 – The Dutch East India Company established a refreshment station to provide for the ships en route to the spice trade in the East



1655 – Governor Jan van Riebeeck planted the first vines, imported from France, Spain and the Rhineland, in the Company Gardens



1658 – Van Riebeeck planted 1 000 vines on his farm, Boscheuvel, in what is today Bishops Court and Wynberg



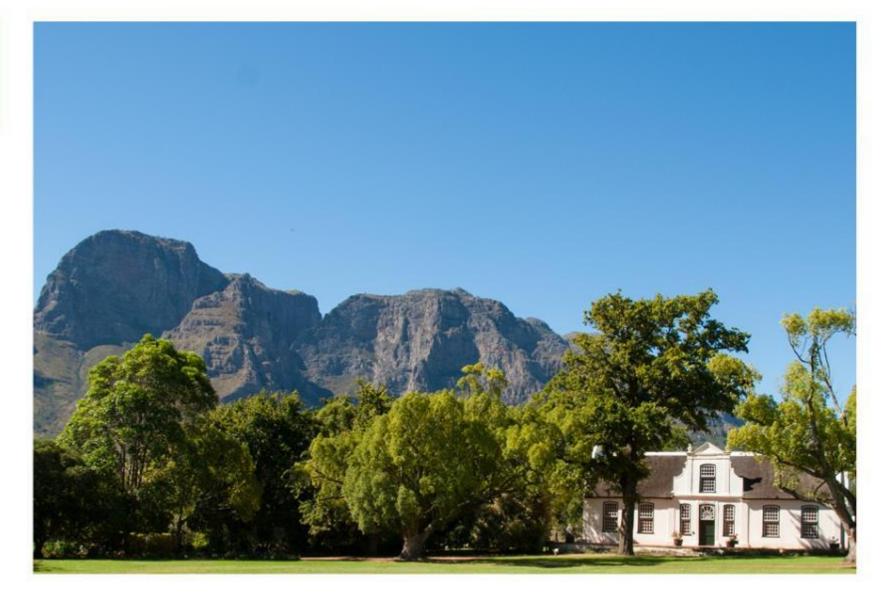
Jan van Riebeeck's famous diary entry of 2 February 1659



Groot Constantia



Rustenberg



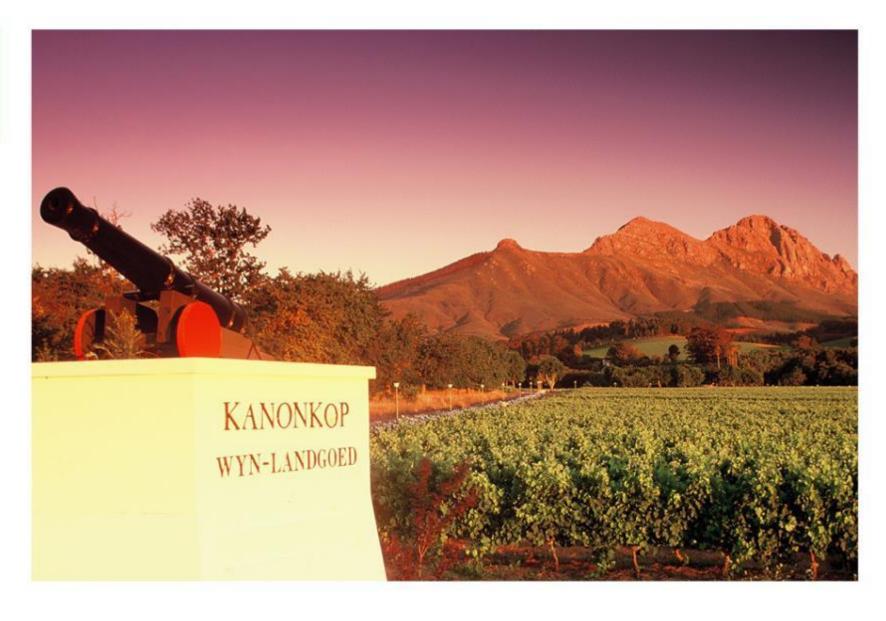
Boschendal



Vergelegen



Wine transported for trading



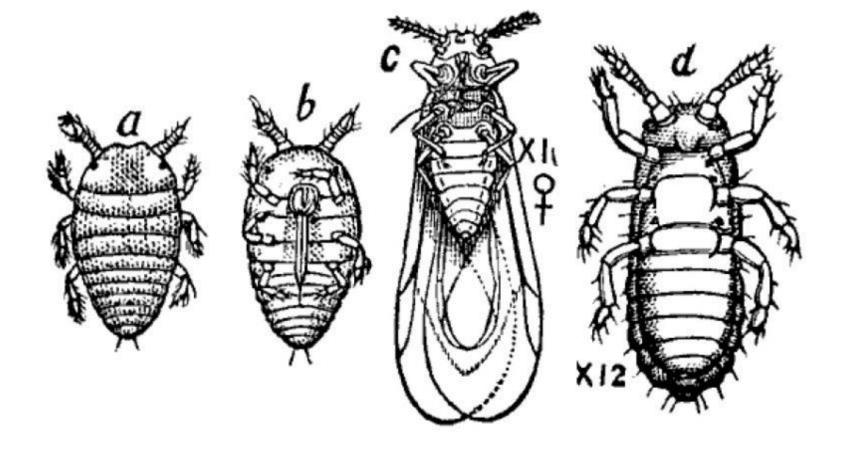
Kanonkop



1688 – French Huguenots



Mid-1700s – Our wine was famous in the courts of Europe





1918 – KWV



1990 – Nelson Mandela



1994 – The birth of a modern wine industry

"South African wines reflect the best of the old and the new."



Our natural environment



Oldest viticultural soils



Calcic



Duplex



Oxidic



Gleycic



Podzolic



Plinthic



Cumulic



Lithic

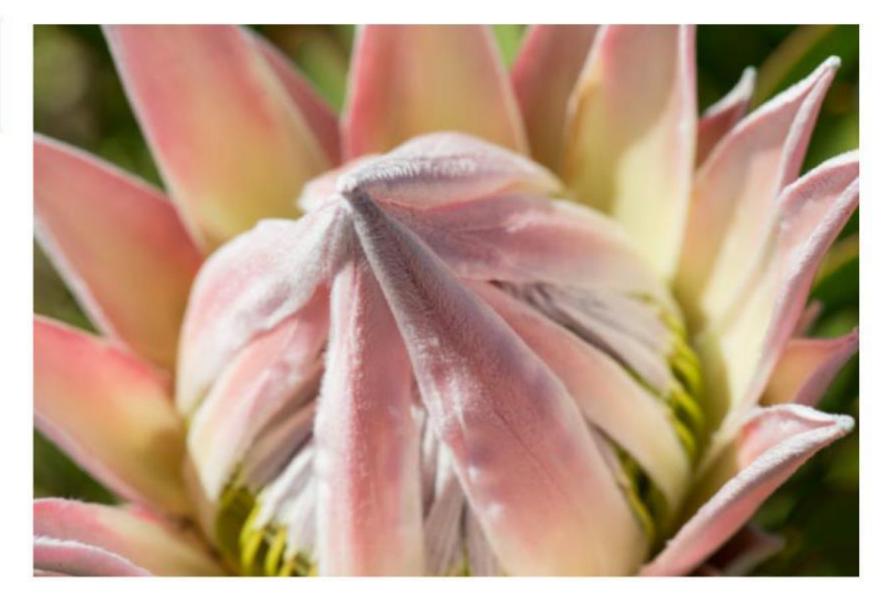
Grouping of soil forms



Two mighty oceans generate cooling fogs, mists and winds



Steep mountain ranges



More than 8 500 endemic plant species of which 1700 are threatened with extinction



A treasure trove of winemaking possibilities



Cabernet Franc Cabernet Sauvignon Carignan Cinsaut Gamay Grenache Malbec Merlot Mourvèdre Muscadel Nebbiolo Petit Verdot Pinot Noir Pinotage Ruby Cabernet Shiraz Tinta Barocca Touriga Nacional

Red-wine varieties



Bukettraube Crouchen Blanc Chardonnay Chenin Blanc Colombar Riesling Gewürztraminer Grenache Muscat d'Alexandrie Muscadel Nouvelle Palomino Pinot Gris Sauvignon Blanc Semillon Trebbiano Viognier

White-wine varieties



South Africa has the most Chenin Blanc plantings in the world 17 964 ha in 2015





Pinotage is unique to South Africa

Restructuring our vineyards

	2012	2015		
Hectares	100 097	98 597		
% white varieties	55.1	54.6		
% red varieties	44.9	45.4		

Wine Industry Overview

South Africa is the 8th largest producer of wine in the world. Export volumes have doubled in the past 10 years – from 208m litres in 2005 to over 400m litres in 2015.

According to a study, commissioned by the SA Wine Industry Information & Systems (SAWIS) and published in January 2015, some 300 000 people were employed both directly and indirectly in the wine industry in 2015, including farm labourers, those involved in packaging, retailing and wine tourism. The study also concluded that of the R36.1 billion gross domestic product (GDP) contributed by the wine industry to the regional economy, about R19.3 billion eventually would remain in the Western Cape to the benefit of its residents.

Growth in contribution to GDP has been in excess of 10% per annum, since 2003.





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In a recent survey conducted by PwC, across top executives of companies in the wine sector globally, 15% saw an improvement in the sector in SA in the next 2 years (Compared to 4% globally). Africa and Asia have replaced North America and the European Union as the two geographical areas that CEOs consider to be the most important for growth over the short to medium terms. With the local currency being under pressure against the US dollar, exports to North America were expected to remain important for growth.

Africa is becoming a key export market for SA wine producers. In a report published by Constantia packaging it is predicted that, by 2090, Africa's population will be larger than India and China. Africa also has the fastest rate of urbanisation and the fastest growing middle-class of any continent on the world. According to PwC, 62% of people living in Sub-Saharan Africa are 25 or younger. **This relatively young, and growing middle-class, population presents a key opportunity for wine makers.**





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Wine Produced (Million Gross Litres)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Wine	628.5	709.7	730.4	763.3	805.1	780.7	831.2	870.9	915.4	958.8
Rebate	82.9	82.1	101.5	86.6	71.4	39.6	34.2	62.3	42	53.6
Juice	64.6	73.2	65.2	72.5	34.7	51.2	40.2	40.1	58.7	35.1
Distilling wine	129.2	147.9	146.4	166.5	122.1	113.3	107.2	121.8	140.7	133.6

As can been seen from the above, there has been a significant increase since 2005 in the volume of wine produced in SA.



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Recent developments (*Information Sourced from WOSA - Wine of South Africa).

Given that the local demand for wine, red wine in particular, did not match the increased supply, the local industry was forced to enter the export market in a much more aggressive way than ever before. No wonder that export, as percentage of local production increased from 38.3% in 2003 to 57.4% in 2013. Despite fluctuations in the Rand exchange rate over this period, its general trend was downwards, helping to maintain export profitability.

The inflationary conditions coupled with pressure on disposable income have resulted in consumers trading down, obviously becoming much more price conscious. The South African wine consumer in general is regarded as more price conscious and less likely to venture into the higher priced products.

The production landscape in wine can be roughly divided into private cellars, producer cellars wholesalers and retailers, as follows:



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Private wine cellars: these tend to be smaller operations, with just under half of these cellars crushing less than 100 tonnes annually in 2013, and can generally be considered boutique winemakers. However, the number of private wine cellars has more than doubled from 218 in 1996 to 493 in 2013.

Producer cellars: Producer cellars consist of co-operatives and ex-cooperatives (co-operatives that have formalised their structure e.g. forming a shareholding company), these producers are generally large operators, with 34 of the 50 producer cellars consisting of operations with an ability to crush over 10 000 tons of grapes annually.

Wholesalers: Wholesalers can be sub-divided into export-only, general wholesalers and producer wholesalers. In general, wholesalers will buy wine in bulk from producers and private wine cellars and market, distribute or export the wine either in packaged or bulk form. A key distinction for a producer wholesaler is that this type of wholesaler will both produce their own wine and buy wine in from either producer cellars or private wine cellars. Producer wholesalers may also have a small number of their own vineyards. Producer wholesalers are also responsible for the bulk of exports.

Retailers: The final level of the wine distribution chain is the distributing/marketing agents and retail outlets from which consumers make purchases. Supermarkets handle between 35% and 39% of all off-trade wine consumption (by value) in South Africa, while discounters (such as Massmart and Metcash, which can also be referred to as "big box" stores) handle about 41%. On-consumption obviously is mainly found in restaurants, hotels, B&Bs etc., generally referred to as the hospitality trade. The remainder is done through bottle stores, specialists and direct sales (including cellar door sales).



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Welcome in the land of the best Olive Oil of the Southern Emisphere



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The South African olive industry comprises more than 120 olive producers, 90% of them based in the Western Cape because of its temperate, Mediterranean climate.

Italian immigrant, Ferdinando Costa, established the first groves in Paarl and commercial olive farming began **when Costa produced the first olive oil in 1936.**

The South African olive industry is but a sapling compared to its counterparts in the Mediterranean, where olives have been cultivated since antiquity.

The first Dutch governor of the Cape, Jan van Riebeeck, planted the first two cultivated olive trees at the Cape in 1661, but it took more than 200 years for olive farming in South Africa to become a viable commercial enterprise.

South Africa's native olive cultivar, the wild olive (*Olea africana***), is inedible, but at least 20 different imported olive cultivars are grown locally**. These range from popular oil-producing varieties like Leccino, Frantoio and Coratina, to Mission and Kalamata olives, which are preferred for table olive production.



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Within a few decades, South African olive oil has equaled, and in many instances exceeded in quality, the olive oil produced by nations like Spain, Greece and Italy, which are famed for their olive oils.

There are a number of reasons for this. The South African olive industry is completely unsubsidised. Local olive growers voluntarily self-regulate their industry and are motivated by passion as much as commercial necessity.

Also, olive oil's proven health benefits have escalated sales worldwide. South African olive groves remain small, however. Trees grow naturally with minimal intervention in spacious rows and olives are harvested at their peak as growers seek to express the terroir of their orchard. Many local boutique olive oil estates harvest their olive crops entirely by hand.

Anyone keen to try a South African olive oil should look out for the SA Olive seal. SA Olive is the organisation representing the interests of the South African olive industry. The seal guarantees the olive oil meets International Olive Council (IOC) standards for extra virgin olive oil, indicates the freshness of the oil by displaying the year of harvest, and guarantees that the olive oil is 100% South African.

In an international industry fraught with cheap, poorly blended and imitation oils that have been mis-labelled and even subjected to chemical manipulation, olive oil lovers will appreciate the good value-for-money, health properties, unique provenance and inimitable character of an authentic South African extra virgin olive oil.



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From http://www.southafrica.net

Olive Oil Production: Traditional vs Modern

by Olive Central

There is a certain romance attached to the notion of what an olive press should look like. Many people rightly associate olive oil production with classical Mediterranean provenance which immediately conjures up images of sunlit groves and traditional stone presses. There is a tendency to associate such classic methods with purity or quality, but this romantic idea often does not hold up in reality. Certainly, small batch producers located on rural farms often utilise the methods perfected by their grandfathers and deploy stone mills pulled by donkeys and manned by villagers.

There is no doubt that, directly off the press, stone pressed olives will produce some of the freshest olive oil you will ever taste. There is also no doubt that fears of 'over processing' or industrial corruption don't occur to many when considering these ancient production techniques.





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There are a few problems with romanticizing oil produced by traditional methods in a modern, global scale context. Simply, this method does not produce very good or lasting oil.

These grindstones are valid methods of producing olive oil, as they are successful in breaking up the fruit's pulp without damaging the pit or skin. They produce good quality pomace, and the lack of water reduces polyphenol runoff. However, these benefits only occur under ideal conditions.

These devices, especially the straw mats used within them, are difficult to clean which means oils often go rancid very quickly due to higher microbial remnant from each batch made. The paste they make is too frequently exposed to oxygen and light.

They require a large amount of manual labour and their production times are much longer from harvest to pressing. They are idealised in concept, but not exactly sanitary in practice.





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The degradation of olive oil is mainly due to this exposure to oxygen and light. Olives, once harvested, should be pressed within 24 hours as oxidization begins immediately upon harvesting. The modern method introduces a level of control out of reach of the traditional, and it is here **where modern machinery shines and is consistently able to produce oil of a superlative quality**. The introduction of <u>malaxation</u>, or slow churning, and <u>cold pressing</u> allows modern equipment to better aggregate oil collected from olives while preventing the olives from oxidising by keeping container temperature below 27 degrees Celsius.

Modern equipment certainly lacks the aesthetic and romantic appeal of traditional presses, but suffers few of the shortfalls of these methods. Machines do not allow you to see the process of production as centrifuges are hidden away behind stainless steel exteriors. However, the logic is simple: clean oil is good quality oil.

While oil quality is equally dependent on the quality of olives used and the time taken from harvesting to extraction, the extraction method and its level of sanitation are the factors that ensure good olives become good oil.





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These industrialised methods make vastly superior oil that is healthier and available to the consumer in larger quantities at lower prices. Their ease of sanitation and control benefits both the producer in terms of efficiency and the consumer in terms of quality assurance.

Olive oil is an industry, and as such it needs modern industrial processes to ensure its survival and cater for its massive audience. While the traditional stone mill still has a place as a culturally significant reminder of the humble origins of this now global trade, it simply cannot cater for any consumer demands besides that of nostalgia.

Sources https://en.wikipedia.org/wiki/Olive_oil_extraction#Advantages_and_disadvantages https://www.oliveoilsource.com/page/milling http://eccolacucina.com/2012/12/13/extra-virgin-olive-oil-modern-vs-traditional-techniques/



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WHEN IT COMES TO MARKETING, THINK OUT OF THE BOX ... OR BOTTLE.



NGexhibitions

In the Agri-food sector, the main exhibitions held in 2017 that we represent are:

- AB7 Africa's Big Seven Johannesburg South Africa June 25-27
- Agroexpo Bogotá Colombia July 13-23
- Inagritech Jakarta Indonesia August 25-27

(Please see our website: www.ngexhibitions.com)

 The Wine & Olive Oil Production Expo is held side by side with the Propak Cape, in a dedicated area of the same venue, the Cape Town International Convention Center (CTICC) from 24 – 26 October this year.





NGexhibitions

The organiser: Specialised Montgomery

Marketers value the excellent opportunity that trade shows provide for onsite sales, valuable sales leads and increased brand awareness. They also know the importance of selecting the right show and the right show organiser.

Specialised Exhibitions Montgomery is the largest trade shows organiser in Southern Africa - and is the marketer's first choice. The company has also expanded its footprint in Africa with shows in Botswana and Zambi, offering a wide portfolio of world-class shows across a broad spectrum of industries and deliver a good return on investment for exhibitors.

Specialised has built a proud heritage over the past 50 years, its experience and strong reputation brings confidence to the exhibitors. The Specialised brand is synonymous with innovation, integrity and professionalism, being a company that aspires to the highest possible service standards, with a focus on customer care.

Adding to its pedigree, Specialised Exhibitions Montgomery is wholly owned by the prestigious Montgomery Group, one of the most widely respected exhibition companies in the world with trade shows, consumer shows and specialist projects currently spanning Europe, the Middle East, Africa and Asia.

(please see: www.specialised.com)





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Research into the possibility of launching a wine growers and fruit manufacturing expo.

Here following three detailed interview of the meetings held with several wine farms, suppliers to the wine sector and the main wine association in South Africa.

PoreX SA (Supplier to the wine sector).

Main business activity: Supply machinery to assist in the filtration, separation and fermentation process of wine, spirits and fruit juices.

Industry overview: According to the MD of PoreX, Lionel, the industry has gone through much change in the past 10 years. Prices of wines have remained flat as global consumption has dropped. Most wine produced in SA is exported, with Europe being the largest export market. Over 100 m litres of wine is exported annually to the UK, which is the biggest importer of SA wines in Europe.

Many wine farmers have diversified recently and gone into Olive oil, spirit and fruit juice production.

Interest in the show? Not interested in Propak as they focus on supply chain up to the point of packaging. They became more interested when we went through the post-show report from the 2014 event and showed them the floorplan, with the list of companies who have already signed up to exhibit for the 2017 event. Many of our exhibitors compete with them, including: KHS and GEA. He was willing to look at exhibiting, especially if we launch a wine manufacturing component to the show.



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Nabygelen (Small, boutique farm).

Industry overview: They agree that prices have stabilised over the past 5 years and that many wine farms, such as themselves are trying to diversify into other products such as **olive oil** (which is what they have done). Part of the reason for this is that a lot of the equipment and machinery used in the production of wine, can also be used for producing Olive oil. Also, olive trees require little water and hot conditions to grow. This is ideal in SA, considering the current El Nino weather effect. Africa is growing market. They export quite a lot of wine to Kenya, Tanzania, Mozambique and Zambia.

What should the show cover? They thought there is a big opportunity to expand the show into the agricultural space. This could include: suppliers of fertilizers and chemicals, people who sell vines to the sector. Also the tractors and other industrial equipment for picking the grapes and for separation and filtration. Also Irrigation and pipes and pumps, Acids, Cooling systems, refrigeration and air conditioning.

He also thought that there is **big service industry** for the sector we should look at including. This would be companies that consult to the wine sector (**Viticulturists**), auditing firms, web design and marketing businesses.

To make it work, we definitely need to get greater participation from international companies. There is a lack of suppliers to the sector, especially on the glass side.

Interested in the show: Thinks it is a good idea for us to launch a wine manufacturing event.

Sources of information: He gave us a directory for Wine suppliers. Some companies we could consider approaching to exhibit at the show – Radu (Make barrels for storing wine in), Velo (Stainless steel tanks for storing the wine in and presses) and Columbit (Capsules/caps for the wine sector).



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KWV (Wine producer).

KWV are one of the largest wine, brandy and spirits producers in SA. They **own 6 different wine farms and employ 450 people.**

Industry Overview: one of the key issues in the sector is the lack of suppliers in certain segments of the wine making process. One of these is glass – as Consol has a monopoly on the local market. To make the show a real success we need to have suppliers from overseas countries. Most of the equipment and supplies they buy are from European countries.

Another key trend is **the move towards mechanisation**. There have been a number of problems in the labour market in the Western Cape and several strikes over the past three years. People are now looking for ways in which they can mechanise and automate each stage in the wine making process.

BEE will also have a major impact on the sector. 20% of the decision making process at KWV, when it comes to selecting suppliers, is based on the BEE scores of these companies.

Lastly, diversification was again brought up as a key trend in the sector. Many wine farms are now going into Olive oil production. Olive trees require little water and a hot climate (Which is ideal in SA, with the current El Nino weather pattern, resulting in high summer temperatures and low rainfall).



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What should the show cover?

Again, KWV felt that we should focus on getting more international companies to exhibit (Especially from Europe) who could help introduce innovation into the local market and provide wine producers with a greater range of options.

We should look to include a section on the exhibition floor, focusing on additives and on mixer spirit drinks – as this is a growing market.

Content will be key. Liked the idea of the seminar theatre on the floor. Suggested we get in touch with SASIEV (who focus on the use of chemicals in the wine making process). They would be able to contribute, in terms of speakers and topics for the theatre.

We should also **focus on the use of mechanisation** in the wine producing process and have presentations on what can be done to streamline the wine making process and reduce costs.

Sustainability is another key trend and an area we should focus on at the show. This is important for wine farmers as 1) It can assist in reducing costs (eg. more sustainable and lighter packaging options, re-use of farm equipment and chemicals, etc.) and 2) Helps in terms of more effective use and filtration of water (Again to assist in limiting the damage to the industry caused by consistently lower rainfall levels, from season to season).



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Vinpro (Wine producers association).

Vinpro is the largest wine producer's association in SA. They have over 4000 members and are a nonfor profit organisation.

The industry has been struggling with drought conditions. It is difficult to say that the whole industry is performing poorly. 30% of the industry is performing very well 30% is breaking even and the remaining farms are running at a loss.

Export of packaged wine products dropped by 22% last year, whereas bulk sales of wine dropped by only 1%. A lot of international markets are moving towards buying wine in bulk, and they expect this trend to continue, as 1) It is cheaper to bottle and label the wine locally and 2) Countries importing the wine can negotiate better rates for the wine if they buy it in bulk.

There is no specific segments of the market performing particularly well, or poorly. Some of the small producers, such as **Kanonkop Kadette**, are doing well, **as they have managed to contain their costs, have mechanised large parts of the wine making process** and market their brands effectively to the local market.

Adding to the above, a lot of the European countries subsidize local producers of wine. Unfortunately this is not the case in SA. Again, this makes it more difficult to compete with international wine producers, especially those from Europe. Demand from other African countries has definitely increased. Kenya has seen an annual increase in demand of 5% and Mozambique up to 14%, for example.



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Some of the top trends in the sector include:

- Sustainability is a big topic in the industry use of lightweight packaging, recycling/re-using byproducts of the wine making process.
- Mechanisation and use of technology in the wine making process i.e. use of drones for checking field and climate conditions, use of **software** to track soil conditions, etc.
- Water purification Western Cape got over 10% less rain this year (Compared to the same period in 2015). What is concerning is that we are coming to the end of the rainy season. With this in mind, a lot of farms are exploring wine purification and harvesting equipment as well as opportunities to re-use grey water.

Interested in the show?

Interested in the show and they do feel that there is a market for a well-organised event like this. They think the October dates for Propak Cape will work well. Apparently June-August are no good. Also harvesting season takes place between Feb-April, so farmers will not have time during these periods to attend an event like this.



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Diemersfontein (Wine farm)

Industry overview:

80% of their wine is distributed locally. Demand, locally is still quite high. There is also move in the industry towards more sustainable and lighter packaging. Also trying to mechanise the wine producing process. One of the areas where there has been a lot of development is in the software development – to assist in monitoring climate and soil conditions.

Interested in the show?

They are very interested in the show. Suggested we look at a networking lunch – to give wine farmers the opportunity to discuss current challenges and opportunities in the marketplace with other wine producers/Wine farm owners.

Maybe also look into giving makers of wine barrels the opportunity to do tastings of wine, fermented using different wine barrels.



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Erben Packaging

Supply bottles, screw caps and aluminium enclosures to the wine and spirits sectors.

Industry overview:

In line with the above comments, the industry is quite tough as wine producers struggle with increasing costs, lower margins and with a drop in consumption in wine from key European export markets.

What should we cover at the show?

Comment are in line with the other companies we saw during our trip. He added that we should consider expanding on the profile of the show to cover **machinery and other equipment for the craft brewery sector.** Apparently this side of their business has expanded drastically (as they design craft beer bottles and produce the caps). **Apparently there are 300 new craft beer breweries opening up on an annual basis.**

Interested in the show?

Definitely interested in the show and believes there is a market for this type of event (Especially if we include a craft beer supplier component to it). He was in two minds about signing up for Propak Cape 2017, but would consider it seriously if launched this additional profile to the show.



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WHEN IT COMES TO MARKETING, THINK OUT OF THE BOX ... OR BOTTLE.



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The Wine & Olive Oil Production Expo heads to Cape Town in 2017, propelling this innovative industry into the spotlight.

The Wine & Olive Oil Production Expo will be held alongside the highly regarded Propak Cape exhibition. South Africa is the eighth largest producer of wine in the world with export volumes having doubled in the past ten years. Cape Town is host to the heart of the acclaimed wine-making trade. Many wine farms have also diversified into olive oil production. It's a cost effective addition as some of the equipment and machinery used in the production of wine can also be used for producing olive oil.

The global and local exhibition industry remains robust and, as the industry grows, so do the excellent results achieved by exhibitors.

DATE: Tuesday, 24 October to Thursday, 26 October 2017

TIME: 9AM - 5PM

VENUE: Cape Town International Convention Centre, Cape Town, South Africa









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YOU SHOULD EXHIBIT IF YOU SUPPLY:

- Machinery used for separation, filtration and fermentation of wine
- Barrels, tanks & other containers
- Fertilisers & chemicals
- Vines & olive trees
- Water purification, irrigation, pipes and pumps
- Cooling systems, refrigeration and air-conditioning

WHO YOU WILL MEET:

- Manufacturers
- Food and Drink industrialists
- Oenologists
- Wine growers & producers
- Major wine and olive oil retailers and wholesalers
- Technologists
- Members of Co-operatives
- Importers & exporters

FIVE TOP REASONS TO EXHIBIT:

- Source new customers from over 6,000 visitors
- Gain industry exposure and build your brand
- Collect high quality sales leads
- Launch new products or services
- Network with existing & loyal customers

Brought to you by:





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2017 FLOORPLAN





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Thank you

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