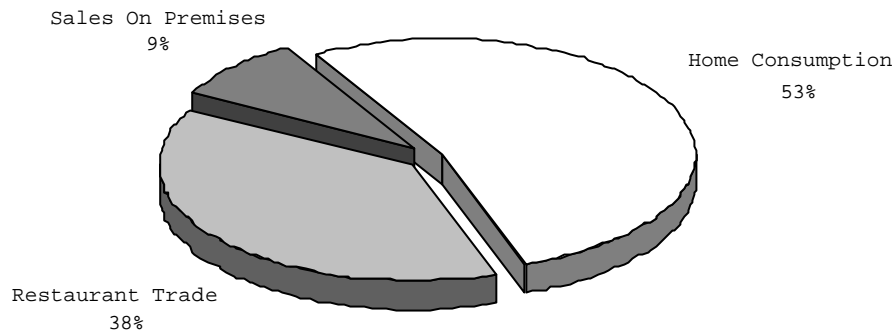


3. The Austrian Market

3.1 Marketing Segments



Source: Bacchus Study 1994

In the Bacchus Study, the share of the marketing segment is projected, based on domestic consumption, with the aid of Nielsen and GfK figures. It is important to note that no reliable data are available from the restaurant trade for calculating the absolute value of the hotel restaurant catering (horeca) marketing segment.

3.2 Domestic Consumption

3.2.1 Domestic Wine Consumption

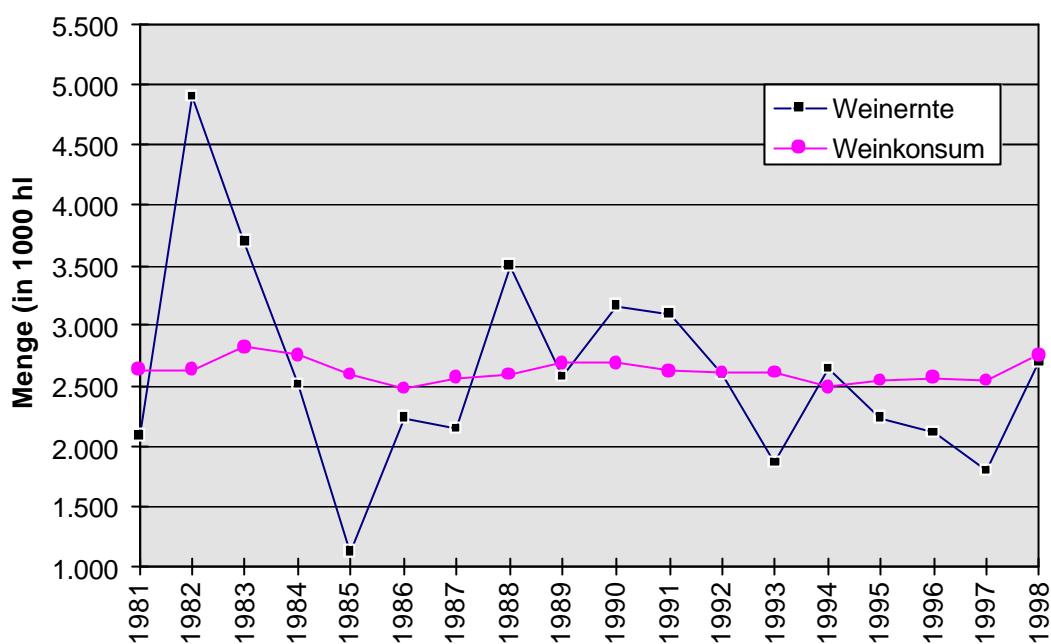
Consumption from 1981 to 1999

Year	Consump. in hl	Year	Consump. in hl	Year	Consump. in hl
1981	2,635,389	1987	2,565,621	1994	2,483,102
1982	2,631,575	1988	2,595,399	1995	2,544,524
1983	2,823,525	1989	2,681,468	1996	2,567,448
1984	2,750,855	1990	2,689,330	1997	2,545,000
1985	2,588,095	1991	2,619,000	1998	2,750,000
1986	2,476,437	1992	2,608,332	1999	no figure available

Source: OIV 2000

Over the last two decades, domestic wine consumption has remained essentially stable. Fluctuations have been more the cause of price and tax changes than a reflection of changes in consumer trends.

Weinernte und Weinkonsum 1981-1998 in Österreich



Source: OIV 1999

3.2.2 Domestic Consumption of Sparkling Wine

Year	Consumption in litres	Consumption in 0.75 l bottles
1999	18,545,000	24,726,667
1998	15,280,000	20,373,334
1997	16,525,000	22,033,333
1996	16,100,000	21,466,666
1995	14,405,556	19,207,406
1994	11,186,111	14,914,816
1993	13,674,998	18,233,333
1992	11,041,669	14,722,223
1991	18,629,170	24,838,890
1990	14,045,834	18,727,778

Source: Association of the Austrian Sparkling Wine Industry, 1998

In 1999 sparkling-wine consumption grew at an unexpectedly rapid pace because of the “millennium effect”.

3.2.3 Per-capita Alcohol Consumption

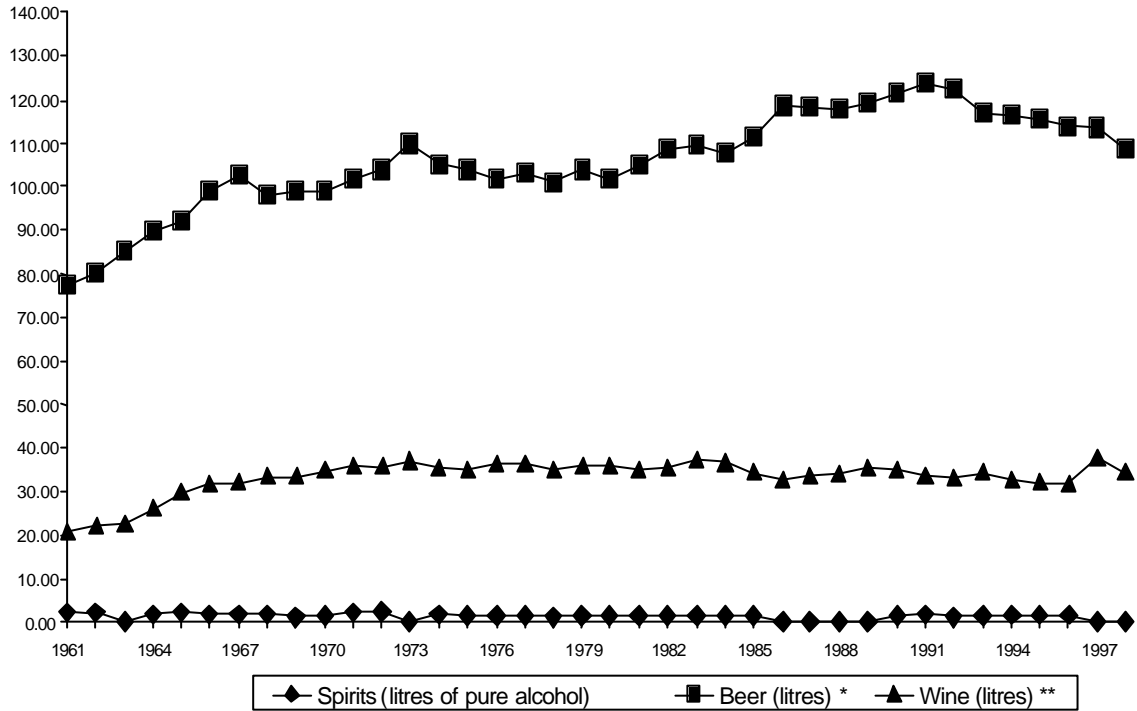
	Spirits (litres of pure alcohol)	Beer (litres) *	Wine (litres) **
1961	2.15	77.3	20.8
1962	2.30	80.2	22.1
1963	c. 2.3	85.2	22.5
1964	2.00	89.9	26.0
1965	2.20	92.1	29.8
1966	1.90	98.8	31.6
1967	1.84	102.6	31.9
1968	1.96	98.2	33.4
1969	1.20	99.0	33.5
1970	1.40	98.7	34.6
1971	2.28	101.8	35.9
1972	2.36	103.7	35.5
1973	c. 2.3	110.1	36.8
1974	1.96	105.4	35.4
1975	1.65	103.8	35.1
1976	1.70	102.0	36.3
1977	1.70	103.1	36.1
1978	1.37	100.9	35.0
1979	1.56	103.9	35.8
1980	1.59	101.9	35.8
1981	1.51	104.8	35.1
1982	1.52	108.5	35.3
1983	1.55	109.4	37.4
1984	1.48	107.7	36.4
1985	1.46	111.6	34.3
1986	c. 1.45	118.5	32.8
1987	c. 1.45	118.3	33.9
1988	c. 1.45	117.8	34.2
1989	c. 1.45	119.3	35.2
1990	1.51	121.3	35.0
1991	1.74	123.9	33.7
1992	1.26	122.2	33.1
1993	1.50	116.7	34.3
1994	1.40	116.6	32.8
1995	1.50	115.6	32.0
1996	1.50	114.0	31.5
1997	1.5 ***	113.3	37.8
1998	1.4 ***	108.6	34.3

* Figures include light and alcohol-free beer

** From 1 July to 30 June

*** Estimated figure

Source:
World Drink Trends 1999
OIV 2000

Chart: Beer, Wine and Spirit Consumption in Austria 1961-1998 in litres

Source: World Drink Trends 1999
and OIV 2000
Chart: ÖWM

5.3 Austria's Foreign Trade in Wine – The Most Important Markets

Volume and Value of Austrian Wine Exports in 1997, 1998 and 1999 (Calendar Year) and (I – V/2000)

Within the EU these ÖSTAT data are based purely on statistical reports by the “exporters” – the *Intrastat* reports. The registration requirements were changed in 1999. *Intrastat* reports now have to be made by exporters if their annual turnover equals or exceeds ATS 2.0 million (until the end of 1998: ATS 1.5 million). Small shipments and so-called car “boot” or “trunk” exports were not recorded, thus the statistics are not completely reliable. The threshold for the reporting varies from EU state to state. In Germany, for example, it has been raised from DM 200,000 to € 200,000. A comparison of import and export figures from the various EU states does not appear to be meaningful.

The figures for both 1998 and 1999 for the Netherlands, Italy, Denmark, for example, invite further analysis!

	1997 Value in ATS 1,000	1998 Value in ATS 1,000	1999 Value in ATS 1,000	I-V/2000 Value in ATS 1,000	1997 Volume in litres	1998 Volume in litres	1999 Volume in litres	I-V/2000 Volume in litres
Germany	227,500	306,300	352,000	140,308	10,389,500	15,890,000	19,097,100	9,221,530
Czech Republic	16,000	7,300	25,100	4,129	2,307,400	1,655,600	5,514,400	874,729
Great Britain	5,100	3,600	3,700	856	115,200	70,900	82,800	14,697
Switzerland	14,400	14,800	23,100	13,148	222,200	227,200	286,700	233,003
Sweden	16,000	9,100	9,900	3,035	827,600	450,900	368,300	109,887
Slovakia	100	200	1,900	2,281	5,200	5,200	310,300	502,764
Japan	9,400	13,200	10,500	2,508	181,300	235,200	171,600	32,024
Poland	9,000	4,700	5,500	985	1,103,600	459,100	447,400	71,060
USA	7,500	13,800	25,600	6,071	102,200	142,400	232,200	71,842
Belgium/Lux.	1,700	2,600	*3,700	*334	75,100	72,900	*91,900	*7,589
Netherlands	7,400	13,700	3,300	11,037	431,400	484,700	53,500 **	653,243 **
Norway	1,900	1,100	1,600	691	21,400	8,900	17,500	7,636
Russia	800,	500	300	30	27,500	17,700	5,300	300
Italy	2,700	10,800	18,600	3,038	144,800	567,300	118,900	61,419
France	1,500	1,200	1,200	368	39,800	22,900	18,200	3,512
Canada	2,600	2,900	5,900	1,094	48,500	59,100	200,100	17,470
Denmark	1,100	5,600	1,400	181	13,200	325,300 **	21,308	2,427
Hong Kong	1,500	900	600	414	35,900	11,600	9,000	5,763
Finland	400	800	1,200	257	19,600	8,500	15,400	1,351
Thailand	1,100	1,200	2,200	475	66,700	65,600	103,700	38,643
Taiwan	20,200	5,400	4,300	1,022	167,000	58,200	37,000	9,611
Hungary	1,500	500	1,200	61	228,400	21,000	78,500	495

Source: ÖSTAT, Aug. 2000

* The data apply only to Belgium; Luxembourg is recorded separately.

** The data were checked for accuracy by ÖSTAT.