

PRESS RELEASE

18.02.2010

RG 2010

FEDERATION DES EXPORTATEURS DE VINS ET SPIRITUEUX DE FRANCE

7 RUE DE MADRID - 75008 PARIS - ☎: 01.45.22.75.73 - E-MAIL: <u>CONTACT@FEVS.COM</u>

WINE AND SPIRITS EXPORTS DROP SHARPLY IN 2009

In 2009, France's WINE and SPIRIT exports totalled <u>7.74 billion €uro</u>, making it the country's third largest export industry, behind aeronautics and chemicals / perfume. While this figure is equivalent to exporting 132 *Airbus* aircraft, it nevertheless represents **a drop of 16.9%** on 2008 sales.

According to the FEVS (French Federation of Wines and Spirits Exporters), after a long period of growth, French wine and spirit exports fell sharply in the first half of 2009, continuing the downward trend that began in late 2008. This is a direct consequence of the slowdown in the global economy, which led to a decrease in worldwide demand over much of 2009. The main consequences were:

⇒ A 14.7% decrease in sales of all STILL WINE varieties to 3.72 billion €uro. Sales volumes dropped 7.2% to 122 million cases of still wine.

Regional statistics:

BORDEAUX: **1 295** million euro (-23.2%) BURGUNDY: **480** million euro (-22.5%) BEAUJOLAIS: **109** million euro (-16.2%) CÔTES DU RHÔNE: **254** million euro (-5%) VAL DE LOIRE: **194** million euro (-9.3%)

LANGUEDOC ROUSSILLON: 124 million euro (-3.3%)

ALSACE: 91 million euro (-7.7%)

VIN DE PAYS / IGP (Protected Geographical Indication): **565** million euro (-2.1%)

VSIG (wine with no geographical indication): 398 million euro (+0.3%)

 \Rightarrow A significant 27.9% drop in CHAMPAGNE earnings to 1.6 billion euro, despite rally in sales towards the end of the year .

⇒ An appreciable drop in SPIRIT exports. Earnings fell to 2.25 billion euro (-11.9%), while sales volumes fell 8.6%. This result was caused by weak COGNAC exports (earnings fell 15.6%), despite a rally in sales in the last quarter.

In response to these results, **FEVS President CLAUDE DE JOUVENCEL**, said: "the drop in international trade in 2009 has obviously had an impact on export-focused industries like ours." *In particular, he underlined:*

- Massive destocking in the first half of the year.
- A decrease in worldwide demand and a shift towards lower-priced wine which impacted 2009 export earnings. The United States and Europe were especially affected and with Russia experiencing serious difficulties, emerging markets were unable to compensate.
- Although exports dropped significantly in 2009 to **6.5 billion euro**, <u>wine and spirits were still the third-largest contributor to France's balance of trade</u>.

De Jouvencel continued, "2009 ended on a much more positive note, with sales picking up in November and December. However, doubts concerning the economic recovery mean that the outlook for 2010 remains uncertain. We are therefore taking a cautious approach to our projections for the coming year. We're no longer at a complete stop, but moving ahead carefully."

WINES (cases 9L)	VOLUME (case of 12 bottles)		VALUE (€uros)	
SPIRITS (cases 8,4 L ; 40% vol)	12 months 09	Chge. 09/08	12 months 09	Chge 09/08
TOTAL WINES	136 073 933	-8,2%	5 472 852 000	-18,8%
dont : Champagne	8 869 222	-21,8%	1 598 276 000	-27,9%
Other Sparkling	5 237 344	-3,4%	152 455 000	-1,0%
AOC still wines	53 122 011	-11,9%	2 741 518 000	-18,8%
V dPays/PGI	36 138 367	-5,2%	565 417 000	-2,1%
Wine without GI	32 295 622	-0,8%	397 552 000	+0,3%
VERMOUTHS / WINE BASED APERITIFS	1 367 000	-7,2%	21 343 000	-9,9%
TOTAL SPIRITS	45 395 179	-8,6%	2 245 015 000	-11,9%
dont : Cognac	10 594 881	-14,0%	1 393 361 000	-15,6%
Armagnac	149 732	-26,4%	14 969 000	-23,7%
Calvados	242 917	-6,1%	15 381 000	-6,7%
Liquors	4 510 625	-8,3%	297 193 000	-9,3%
Vodka	11 206 786	+12,8%	237 908 000	+13,7%
Others wine based spirits / brandies	9 790 417	-19,9%	122 201 000	-19,2%

Sources : Customs /F.E.V.S.