BIZCOMMUNITY

Distell launches new Libertas Vineyard and Estates wine company

Distell has launched Libertas Vineyards and Estates - a new stand-alone company with ownership of all the premium wine brands. Libertas Vineyards and Estates' managing director, Kay Nash says the move is a "significant shift" from Distell's previous approach where premium wines were managed as a division within the global company's multi-category portfolio.

Matthieu Joannon via Unsplash

"We have started the premiumisation journey at all levels in the business from fine wine skills to brands and brand experiences, portfolio structures, ways of working and new collaborations, and global routes to market. We believe our actions will speak louder than our words so its heads down and getting under the hood for a while," says Nash.

Nash believes the move out of Distell and the formation of an independent board of directors comprising industry leaders, will support real focus on the premium and fine wine category while being able to leverage the benefit of scale that Distell brings in critical parts of the value chain.

The portfolio of brands includes Alto, Nederburg, Durbanville Hills, Plaisir de Merle, Pongrácz, Fleur du Cap and Allesverloren and as well as the unique heritage assets of Chateau Libertas, Zonnebloem and the Tabernacle. The new business will also revitalise the iconic Oude Libertas site which will be their new chosen home for premium wine in Stellenbosch.

Revolutionising winemaking operations

The Libertas Vineyards and Estates team envisage the changes they are driving will revolutionise how the business operates and will contribute to making an impact on a global stage, for South African premium wines. "We are making bold decisions regarding how we operate and compete and Distell with their strong wine DNA, are championing the need for a new approach. There is recognition that the category is challenging and inherently complex and requires a specialist focus, different culture and entrepreneurial approach."

Cape Legends, established in 2004, and dismantled four years ago, brought successful focus to the business as a marketing and sales division of Distell's premium wines and as Nash says "with Nederburg in our portfolio as well as ownership of all our assets, we can bring back the focus and build an entrepreneurial culture so critical to success in the category."

The company will tackle the mammoth task in phases. The first priority in the short-term would be to critically review the large portfolio, says Nash. "We have eight brands and 40 sub-sub-brands operating in 88 markets globally across 22 grape varietals, and spanning 384 SKU's. The cost of this complexity is significant and it hinders our ability to focus and support winning propositions."

Redefining SA wine locally, globally

Nash said that as part of the journey they have started to consolidate the secondary production from four sites to a single site at Nederburg to ensure a more efficient supply chain. "We also understand the critical importance of our farms and partners in making beautiful wines and we want to actively participate in developing solutions and the up-skilling of our industry so we can build a sustainably successful premium wine industry."

New plans include redefining the Nederburg Auction as an important fine and rare wine platform for South African wines playing an important role in showcasing the top South African wines locally and globally. There are also plans to use the historic Oude Libertas site to build a distinctive destination for wine, innovation, learning and craft.

"The critically important and challenging mandate is to drive collaboration and powerful relationships locally to achieve global success for South African premium wines," concludes Nash.

For more, visit: https://www.bizcommunity.com