

Solar energy, bamboo and books

DGB, South Africa's rising wine star, is taking an unconventional approach to the future.



DGB's Boschendal Estate in the Drakenstein Valley

DGB Pty Ltd is South Africa's largest independent wine and spirit producer and distributor. Based in the heart of the picturesque Western Cape wine region, the company exports its sun-crafted wines to more than 70 countries all over the world. DGB's wine business is made up of a number of leading wineries and produces flagship brands such as Boschendal, Bellingham, Douglas Green, Brampton and Franschoek Cellar amongst others. Meininger's Wine Business International spoke to Tim Hutchinson, the DGB Group Executive Chairman, about his entrepreneurial approach to leading this dynamic player into the immediate future and beyond.

While DGB traces its roots back to 1685, when winemaking began at the Boschendal and Bellingham farms in the Cape Winelands,

"DGB has long had its eye fixed firmly on the future," says Tim. "In fact, we were already doing things a little differently in the 1940s, when we pioneered the wholesale sales model for wine in Paarl." He continues, "So while we acknowledge the invaluable work of our predecessors and the gravitas that our rich heritage affords us, wine has become so much more than simply what lies inside the bottle." Tim explains that he believes that "good wine captures the flavour of the land and the energy and spirit of the people who are involved in making it. Brands that ultimately tell stories. Which is why at DGB, we don't feel it's enough simply to produce wine. We believe that good varieties are shaped by our interaction with the terroir and the people too."

It is clearly an approach that is setting the South African benchmark when it comes

to a fresh take on winemaking, and DGB's focus on careful viticulture practices and focus on sustainable, quality brands is a case in point.

A LEADER IN RENEWABLE ENERGY

South Africa is a major tourist destination for a number of good reasons, from its animals to its spectacular landscapes. But a key reason is also its abundance of sunshine. "At DGB, we saw an opportunity to use this sunshine and convert it into a major energy- and cost-saving opportunity," says Tim, referring to the solar panels that DGB is installing at their Wellington facility. Scheduled to be completed in March 2016, the system will take the company's largest production plant off-grid.



Tim Hutchinson, Group CEO, DGB

It's a major project: the 800 kWp solar installation is the single largest rooftop solar photovoltaic facility in South Africa. The plant will be made up almost 2600 solar panels built across four different roofs, covering an area of over 6200m². The results will be impressive: "With the implementation of solar power, we are expecting to save around 12,655 tonnes of CO₂ per annum from being emitted into the atmosphere," says Tim.

It is anticipated that the plant will produce an average of 160,000 kWh in the sunny months of January and December – the equivalent of powering 160 houses – and an average of 50,000 kWh in the winter months of June and July. As well as saving carbon, the move will enable DGB's largest production facility to get off the unstable government-supplied power grid, which in turn will reduce electricity costs, stabilise production and improve marketability. The solar panels will also generate income for the company by selling excess electricity generated to the Drakenstein Municipality.

"The project is in line with our sustainable objectives to reduce and mitigate our impact on the environment," says Tim. There are also plans for similar projects at DGB's Boschendal and Franschoek facilities.

THE PEOPLE OF AFRICA

DGB is focused on other aspects of sustainability as well. "One can't conscientiously operate in South Africa and ignore her people," Tim says. "As much as

OUR FLAGSHIP WINES

DGB produces some of South Africa's most remarkable wines, including:



A traditional farm lifestyle is at the heart of Boschendal. Founded in 1685, it's one of the oldest farms in South Africa and is set in the Drakenstein Valley, surrounded by dramatic mountain landscapes. Renowned for the quality of its grapes, the Boschendal label encompasses a full portfolio of wines, from fine Chardonnay to limited-production, cool climate wines, through to Cap Classique, South Africa's finest sparkling wine.

Bellingham. Bellingham's history dates to 1693, when the land

was granted to one of the original French Huguenot families that settled in the Franschhoek Valley of the Cape winelands. The estate has since produced wines under the hand of many talented proprietors, but none so dynamic and respected as Bernard Podlashuk, regarded as the great patriarch and founder of the Bellingham wine brand of today. Bellingham's Bernard Series of wines honours the memory of the man known fondly as Pod, who is responsible for many South African 'firsts' in wine, including the first dry white blend, the first Rosé and the first Shiraz single-variety released in the Cape.

AWARDING BODY	AWARD	WINE
Platter's	John Platter 5 Star Wines	Boschendal Reserve Chardonnay
		Boschendal CJR Shiraz
		Bellingham The Bernard Series Basket Press Syrah
Robert Parker's Wine Advocate	90 Points	Bellingham The Bernard Series Whole Bunch Roussanne
		Boschendal CJR Shiraz
		Bellingham The Bernard Series Old Vine Chenin Blanc
Decanter World Wine Awards	International Trophy for Best Single Varietal over £10.00 International Trophy for best Red Rhone Varietal under £15.00	Bellingham The Bernard Series Bush Vine Pinotage
		Boschendal Reserve Syrah
International Wine and Spirit Competition	Gold	Franschhoek Cellar Vineyards Shiraz
		Boschendal 1685 Sauvignon Blanc

we are spoilt in terms of ideal winegrowing conditions, we are a country of complicated social challenges too." Tim is referring to the numerous social initiatives the company has in place, one of which sees DGB partner with a farming community in the

neighbouring town of Wellington. For every bottle of wine sold, a contribution is made to the community for the social upliftment of the farm workers. Tim adds, "DGB also employs workers from the local community in all our facilities in various roles."

GREEN AWARD

DGB are the winners of the Drinks Business International Award for supply chain and logistics 2011 for our Extensive glass light-weighting project.

LIGHTWEIGHT GLASS

DGB will lightweight 10m bottles per year for a 30% reduction in carbon emissions with a savings of 120 kg of carbon for every 1,000 bottles. Recycling plays a big part in our social footprint, with items like glass, cardboard and paper being recycled.

ECO-FRIENDLY

DGB's Eco Intelligent enviro pouch, which has a carbon footprint of 80% less than glass and takes up 90% less space in a landfill, was recognised with a Drinks Business wine innovation award.

DGB are founding members of the Wine Industry Ethical Trade Association (WIETA) of South Africa that ensures all health & safety legal and HR minimum standards for workers are protected through the entire supply chain.

NATIONAL/ INTERNATIONAL GREEN AWARDS

WINNER IN 2011 DRINKS BUSINESS GREEN AWARDS

Supply Chain & Logistics Category for light weighting of packaging initiative

MORE AWARDS FOR GLASS WEIGHT REDUCTION

Goldpack: Gold Medal Award & Trophy for 370-g Export bottle Goldpack: Gold Medal & Trophy for 'Best Glass on Show'.

WINNER IN 2012 DRINKS BUSINESS GREEN AWARDS

Ethical Award Category for the Bamboo carbon offset program.

SUSTAINABLE WINES

DGB complies with the sustainable vineyard and cellar practice standards set out by South Africa's integrated production of wine scheme, which is guaranteed by the sustainable seal on all its bottles.

The initiatives don't stop there. Another takes the form of a brand new Mercedes-Benz Axor truck fitted with a 15m trailer that's full of books. "This unlikely library is filled with a treasure trove of education material," says Tim. Inside are some 5,000 brand new books, specially selected for school children between Grades 1 and 5 (ages 6 to 11), along with 20 computers offering full Internet access, thanks to the on-board satellite router. "Currently, the Mobile Library follows a route through the wineland areas of Rawsonville, Goudini and Worcester, stopping for a full day at each of the nine primary schools identified as needing access to books and learning aides," explains Tim. The project also employs a full-time librarian who is on hand to assist the learners at every stop.

More than 1,200 Primary School children in the Western Cape winelands have – for the first time ever – been given access to broad-based reading material, as well as Internet access.

VINES AND BAMBOO

Tim smiles. "People often laugh when I tell them about our bamboo project," he says. "They say, 'We've heard of wines described as having wood shaving or tobacco notes, but bamboo? What's that got to do with wine?'"

The DGB bamboo community project not only off-sets the company's carbon emissions, but also creates one of the most effective sources of renewable energy and job opportunities for previously disadvantaged communities. Tim explains, "Bamboo is the fastest growing grass on earth and the carbon neutralising effect of the bamboo plant can be 35% more potent than most trees, making a rapid impact." More than that, bamboo has substantial and versatile commercial value with innumerable uses and exceptional community enrichment and job creation potential.

Working with numerous partners, and gaining the endorsement of royal family co-ordinator Prince SM Zulu on behalf of Zulu King Goodwill Zwelithini, 120 bamboo plants were planted at two rural schools in Ulundi, located in the KwaZulu-Natal





province. “The real value of the venture will be fully appreciated in three to four years’ time when the plants can be harvested and used to experiment with tangible commercial uses,” Tim explains. “We are optimistic that this small pilot project will reap big rewards and eventually lead to a viable and successful bamboo plantation.”

THE TASTE OF TOURISM

In addition to his many big-picture plans for the future, Tim hasn’t forgotten about the most important aspect of his business: DGB wines and the people who love them. He picks up the thread, “We continually invest, improve and find ways to better the experience visitors enjoy at our wineries and wine studios. When they are back in their homes, we want them to sip their wine and remember the fabulous



day they enjoyed in the South African sunshine.” DGB has clearly got the recipe right when it comes to visitor satisfaction. In 2004, their Boschendal Estate, situated at the gateway to the Franschhoek Valley, was named ‘South African Winery of the Year’ at the International Wine and Spirit Challenge in London. Since then, it’s been further renovated and upgraded in 2015 to further enhance the Boschendal iconic experience for her thousands of annual visitors.

A LEADING SOUTH AFRICAN BEVERAGES COMPANY

While sunshine and award-winning wines are a considerable part of DGB’s success, nothing would be possible without sales and strong business relationships founded in trust, respect and expertise.

In 2013 Massmart, the Walmart subsidiary, named DGB a Top 10 South African supplier in a field of 500 contenders. In 2014, The Beach House, South Africa’s best-selling wine in the USA, celebrated its second consecutive year on Impact magazine’s Hot Prospects List. And Boschendal Wines was recently crowned the top selling premium South African wine in the United Kingdom, having experienced double-digit growth in terms of annual sales values.*

Not only that, but DGB’s wines are regular winners of top international wine awards around the globe, most recently achieving double gold for their Boschendal 1685 Sauvignon Blanc.

“It’s simple, yet simultaneously complex,” Tim says. “Our success is all about how we position, price and distribute our brands, supported by a hands-on approach and consistency in terms of quality, service and promotions.” He is also quick to add though that this success did not come overnight. “It is part of a 10-year plan and is based on reviewing and overhauling the complete brand architecture on an ongoing basis. This includes re-engineering the packaging, upgrading of wine styles with a trusted and committed winemaking team and reinvesting in vineyards where necessary.”

In short, it’s safe to say that DGB is a player to watch. Not only in the South African wine industry, but in the global wine industry too. And, if you you’re up for the challenge, Tim has extended a welcome invitation to his beloved home country. It’s a bright and energetic place that fits this Executive Chairman’s equally dynamic personality to a T.



The Bamboo Project

EXPERIENCE DGB FOR YOURSELF

Now that you know something about the company, why not learn more about the wines? The international sales team has more than 15 executives based in the world’s major markets. Between us we have 13 nationalities and 15 languages, so we can communicate the way you want to.

To meet your local representative or to sample the wines, drop Greg Guy, international director, a line at gregg@dgb.co.za

Better still, why not pay us a visit? Not only will you be welcome, but there’s no better place to enjoy the fine wines of DGB than in the beautiful surrounds of South Africa itself.

www.dgb.co.za