Global Trends - Wine Industry Key Elements

Press Release: National Liquor Amendment Bill

Feedback from Public Consultations will Enhance Liquor Legislation

2017-01-23

The public consultations on the National Liquor Amendment Bill that the Department of Trade and Industry (the dti) conducted throughout the country late last year will enhance the country’s liquor legislation to the benefit of all South Africans. This is the view of the Acting Deputy Director-General of Consumer and Corporate Regulation at the dti, Mr MacDonald Netshitenzhe.

Netshitenzhe and his team are hard at work consolidating and analysing the feedback that they received from thousands of people during the thirty public consultative sessions that took place across the country.

"As the dti, we are happy with all the inputs that we obtained from members of the public on the bill. We value the inputs and ideas of all of the country’s citizens on matters that affect them directly, like the liquor bill. As a result, we hosted a minimum of three public consultative sessions in each of the nine provinces,” says Netshitenzhe.

He adds that the dti also held many sessions to solicit the views of various stakeholders. These included industry associations such as the South African Liquor Traders Association and the South African Liquor Brand Owners Association. Non-governmental and community-based organisations were also afforded an opportunity to express their views on the bill. the dti also hosted a National Liquor Indaba attended by all stakeholders, as part of the consultation process. More than 60 written submissions were also received.

"The initial impression we got from these wide and extensive consultations is that the bill has placed South Africans into two camps, namely members of the general public and businesspeople, divided along public interests and business interests,” he says.

He adds that the message from the general public was clear that the implementation of measures proposed in the bill was long overdue. The measures include the increasing of drinking minimum age limit to 21, prohibiting liquor trading within 500m radius in areas such as schools and places of worship and holding liquor suppliers and manufacturers liable for damages occurring as a result of consumption of liquor supplied to unlicensed traders.

"Government and legislators will have their work cut out to strike a balance between the interests
of the public and those of business which feels that the bill will have a negative impact on the industry. It is indisputable that alcohol is a common denominator in most of the country’s social ills, including the rising number of deaths caused by drunken driving. Therefore, something decisive needs to be done to achieve behavioural change that will lead to the eradication of the rampant alcohol abuse ravaging our country. That is what the bill seeks to achieve,” explains Netshitenzhe.

He says after the dti has integrated comments and inputs received during the public consultations and written submissions, the bill still has to undergo a long and rigorous process before it is finally signed into law by the country’s President.

Enquiries:
Sidwell Medupe-Departmental Spokesperson
Tel: (012) 394 1650
Mobile: 079 492 1774
E-mail: MSMedupe@thedti.gov.za
Issued by: The Department of Trade and Industry
Follow us on Twitter: @the_dti

How to improve the use of social media in the wine business?

It is true that social media has attracted an inordinate amount of people over the last two decades and currently, almost everyone is using at least one of its platforms. In large part, this is because interaction between each other, and the community, has always been a basic need for humans, referring to the very famous Maslow’s hierarchy of needs pyramid.

Companies that are using these tools efficiently are not advertising, but instead creating bonds between themselves and the consumer; thereby establishing loyalty. The customer isn’t considered as an asset anymore, but as a person to interact with and to satisfy. Bear in mind that social media is made to connect remotely between humans, and being “connected” means interacting with each other. Advertising is not an effective means to create a relationship with people, but rather a means to provide a straightforward message to the consumer without receiving direct feedback. 30% of consumers found advertising on social media annoying and only 25% are willing to pay attention to it, which proves that the use of social media is totally different from regular advertising campaigns.

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French wine industry angry at plans for bigger pregnancy health warnings on bottles

Grapes of wrath.

By David Chazan, Paris, The Telegraph, UK

24 January 2017

The creators of some of France’s finest wines are up in arms over a government plan to double the size of a warning on bottle labels advising pregnant women to avoid alcohol.

A quarter of French mothers-to-be continue to drink alcohol, according to the National Institute for Health and Medical Research, and the government says the warning needs to be larger to increase awareness of the dangers.

But furious winegrowers in Bordeaux say the move is unnecessary, complaining that they were not consulted. The warning consists of the silhouette of a pregnant woman holding a glass inside a red circle with a diagonal line through it. The government wants to enlarge it to a minimum of 1 centimetre instead of 0.5 cm as at present.
Hervé Grandeau, of the Bordeaux Wine Producers’ Federation, said producers recognised the risks during pregnancy, but this was a “half-baked measure” and a “misplaced attempt to salve the conscience” of the authorities.

Attitudes have traditionally been relaxed in France, where for some women the idea of nine months without any wine, cheese, coffee or cigarettes seems as alien as depriving themselves of baguettes, garlic or long summer holidays. Some say doctors even recommended a daily glass of red wine during pregnancy for their grandmothers.

Amandine Laporte, 32, who had a baby last year, said her 82-year-old grandmother told her it was “ridiculous” for her to forgo wine. “She couldn’t understand why I wasn’t drinking. She told me she never changed her habits when she was pregnant and no one told her wine wasn’t good for the baby.”

Warnings were introduced in 2007 after several mothers of babies diagnosed with foetal alcohol syndrome sued the government for failing to alert them to the dangers.

But Mr Grandeau said: “There has been no study of alcohol consumption by pregnant women since the warning came in. We don’t know if it works. Today it’s a larger warning, tomorrow they’ll want more colours and soon wine labels will be drowned in health warnings.”

Bernard Farges, who represents another Bordeaux winegrowers’ association, said producers feared the government would eventually impose “bottles similar to plain cigarette packets,” which have been introduced in France to combat smoking.

However, doctors are increasingly concerned about the risks. More than 8,000 babies are born each year in France with mental or physical health problems caused by their mothers’ consumption of alcohol.

“You can’t just blame the mothers,” said Dr Denis Lamblin, a paediatrician and head of an association that campaigns to make pregnant women more aware of the risks. “It’s society as a whole and drinks manufacturers whose advertising increasingly targets woman of childbearing age.”

Dr Lamblin said the current warning was not visible enough. “Producers do everything to camouflage it. Why are there photos of malformed foetuses on cigarette packets when the consequences of smoking during pregnancy are less dramatic than those of alcohol.”

One baby with alcohol-related problems is born every hour in France, he said. As well as causing miscarriages, alcohol has been linked with more than 400 medical disorders in children.