Economic Environment

German industry warns ‘both sides underestimating’ Brexit talks

Both sides negotiating the UK’s withdrawal from the EU are underestimating the serious long-term effects, a senior figure from German industry has warned.

“So now when we have the UK going a different way from the EU, which regulations count? Will EU regulations still count in the UK, yes or no? Will there be different regulations, and how is this going to be handled? There is an enormous bureaucracy behind that and if the UK wants to build their own bureaucracy, it will be bad for all of us.”

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For something different

To all novice hunters and game park campers

I am always doing that which I cannot do, in order that I may learn how to do it. ~ Pablo Picasso

Global Trends - Wine Industry Key Elements

Amazon, Whole Foods, seismic shift American retail

The wine community’s response to the announcement that Amazon has made a bid for Whole Foods (WF) in the US is that it’s just one of those things – it’s hardly a seismic shift!

This is understandable thinking for any small winery that relies on tourism, mail order and perhaps a few local restaurant sales. But scaling up, medium and larger producers need to be aware of – and maybe even worried about – what is happening in the US supermarket landscape.
The deal is about busting the supply chain. Amazon is planning to reinvent the current business style and “create a new business model”. The obvious move is direct dealing with domestic suppliers, and the streamlining of all suppliers. Margins for those suppliers will be skinny. The massive disruption in inventory systems is this: Amazon will establish direct relationships with farmers, thus trimming the produce and meat distribution network. Cut the middleman out and you can offer faster delivery and a greater quantity of goods at a lower price.

The US wine trade is concerned, but at the moment not too sure what to be concerned about.

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