

Brazil Appeals to Exoticism to Sell Its Wine in the US and Europe

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When it exported 48,000 bottles in 2003, the winery Miolo was already thinking big in terms of foreign sales. Little did it know that it would get so far in only five years. In the first half of 2007, more than 233,000 bottles were sold - the company expects to close the year at 560,000.

To have an idea, the export volume for the first half of this year is 256.8% greater than recorded in the same period of 2006.

Miolo, which has even changed its name due to the foreign market (it is now called Miolo Wine Group), ranks among the largest exporters of Brazilian wine.

The group from the southernmost Brazilian state of Rio Grande do Sul sells to 20 different countries. In 2006, revenues from foreign sales totaled US\$ 649,000, or 7% of total revenues. In that first, far-gone year of 2003, exports only accounted to 1%.

Morgana Miolo, foreign relations manager at the company, attributes a significant share of that success to a project outlined back in 2002. "We elaborated a thorough strategic plan," she says. "We invested in quality, grapevines, industrial premises, and we hired the renowned French oenologist Michel Roland."

The partnership with the Frenchman continues to yield good fruit - and wines. The Quinta do Seival and the Cuvée Giuseppe were two of the first products elaborated based on Roland's advisory.

Another step of the plan came true over the last few years, as the company established partnerships with Brazilian and foreign wineries, such as the Chilean Via Wine and the Spanish Osborne, aiming not only at exchanging knowledge in winemaking, but also at new sales channels.

The company strategy was added to a desire of the winemaking sector as a whole: to export. Since Brazilian wine was - and still is - unknown abroad, a group of producers joined the Brazilian Export and Investment Promotion Agency (Apex) in 2002 and created the label Wines From Brazil. Nowadays, 20 wineries - all from the state of Rio Grande do Sul - are part of the project.

To help sell the drink on traditional markets, Wines From Brazil bets on the "exotic" image of Brazilian wine. The idea is to win the wine appreciator who is always after something new. Miolo answers to 67% of Wines From Brazil exports.

The United States is the main market for Miolo. "We are present in 30 states in the United States," commemorates Morgana. But countries like England, Germany and the Czech Republic are also among the markets presenting greatest growth in company sales.

The two wines most exported by the group are Reserva Merlot and Oveja Negra Tempranillo/Touriga.

The effort for export is intense. It includes promotion in sector magazines, like the American Wine Spectator, invitations to foreign journalists to visit the Miolo projects (in the south of Brazil and also in the São Francisco River Valley, in the Northeast) and, of course, sampling and participation in foreign fairs.

Apart from winning market in several countries, this strategy also ends up attracting a very demanding public: Brazilians. Still weary about the quality of Brazilian wine, Brazilians continue preferring the imported product. "The consumption of wines in Brazil is approximately 75% imported and 25% national," stated Morgana.

But this has been changing - mainly after the victories of Brazilian wine on the foreign market. "Brazilian wines have already won many gold medals in important competitions abroad, where the sampling is done unaware of the product, with the jury not knowing the origin of the wine," recalls Morgana. "And there are important personalities in the wine world recommending Brazilian wines, among them Jancis Robinson, from England."

Contact

Miolo Wine Group

Site: www.miolo.com.br

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