Villa Maria

In 1961, at just 21 years of age, George leased five acres of land from his father in Mangere, Auckland and started off with just an acre of vines. He harvested his first grapes in 1962 and made his first wine under the name Villa Maria. In the early 1970s he started to employ staff and the company began to expand rapidly. Today, Villa Maria employs more than 250 permanent staff and exports wine to over 50 countries worldwide. The brand is recognized in the top 10 most admired wine brands of the world and is the most awarded wine company in New Zealand. The company is 100% ownership by the Fistonich family.

Villa Maria began exporting to China in 1999, establishing an early position in the market with the distributor Summergate (who still distribute Villa Maria wines to this day). The company continues to build its China presence and today ranks in the top 2 New Zealand wines imported in to China, and is the fastest growing of the top 5. In recent times Villa Maria has expanded the number of brands brought in to the market, with the addition of Vidal Estate and Esk Valley to the China portfolio, managed through new distributors.

**Main channels in China to customers**

- Distributors: Summergate, Ruby Red
- Retailers: Pudao, Sam’s Club, City Shop, City Super,
- E-commerce: YHD, JD.com, Fields China, Amazon.cn

Our challenges doing business in China have arisen from geographic distance to NZ, legal compliance concerns (mainly around staff employment), and access to accurate information and data. The PCNZ structure has helped address key elements of those challenges and created a broader, more robust base for ongoing growth, primarily through dedicated representatives on the ground in China.

Villa Maria is committed to growing our own sales, and leading the development of the New Zealand wine category in China. Our shorter terms goals revolve around category leadership. But mid-term Villa Maria and its sister brands are focused on building China in to a key global market and to expanding the varietal mix being exported. Such that China moves in to the top 5 global markets for the brand in the next 10 years.

**Challenges** – how has PCNZ helped overcome the market challenges?

Critical to future success in China has been the ability to employ staff separate to Villa Maria distributors. To do so legally and without high levels of compliance and cost has

**Brands available in China**

- Villa Maria
- Vidal
- Esk Valley (to be imported)

**Testimonial**

“PCNZ has enabled us to have dedicated staff on the ground in China, who are not wedded to the existing distributors selling our product. This has meant we can be confident in the separation of interests, but has also enabled those staff to expand our distributor base, adding customers and brands. All this has been made legally, logistically and financially possible under the collaborative ‘Service WOFE’ model that PCNZ enables. We firmly believe that the PCNZ structure fits our needs now and for the foreseeable future.”

Richard Thomas, PCNZ Director & COO Villa Maria Estate
been a thorn in the side of Villa Maria for some time. The establishment of PCNZ and the structure of the service WOFE has enabled Villa Maria to have staff dedicated to the success of our business and brands, yet not wedded to one or other distribution partner in market, and to do so without the high costs of administration and compliance faced if establishing a Villa Maria WOFE.

**Goals** – how has (is) PCNZ helping to achieve these goals?

PCNZ provides the separation needed to enable the dedicated PCNZ Villa Maria staff to more effectively manage distributor relationships, search out new business, feedback information to support and challenge head office decision making.

**Successes** – what successes have you had since joining PCNZ?

Villa Maria has been able to add two new distributors, for brands new to China, since the formation of PCNZ. This has been allied with the employment of two PCNZ Villa Maria dedicated staff members, able to build new relationships, as well as support, cajole and drive existing ones. Villa Maria alone has enjoyed circa 50% growth since the formation of PCNZ.