



## Canada

*New record in revenue  
for the fourth biggest export market for Bourgogne wines*



### Key figures for 2017 for Bourgogne wines sales to Canada

4<sup>th</sup> biggest market in terms of revenue

5<sup>th</sup> biggest market by volume

**Exports: 6.5 million bottles (up 6.9% on 2016) for 49.8 million euros (up 8.9% on 2016)**

by volume

- ▶ Still white wines: 64%
- ▶ Still red wines: 31%
- ▶ Crémant de Bourgogne: 5%

**Total for 12 months to end-March 2017. More than 70% of Bourgogne wines consumed in Canada are sold in Quebec.**

In 2017, Canada was the fourth biggest export market for Bourgogne wines in terms of revenue, behind the USA, the UK, and Japan, but ahead of Belgium, with 6% of total revenue.

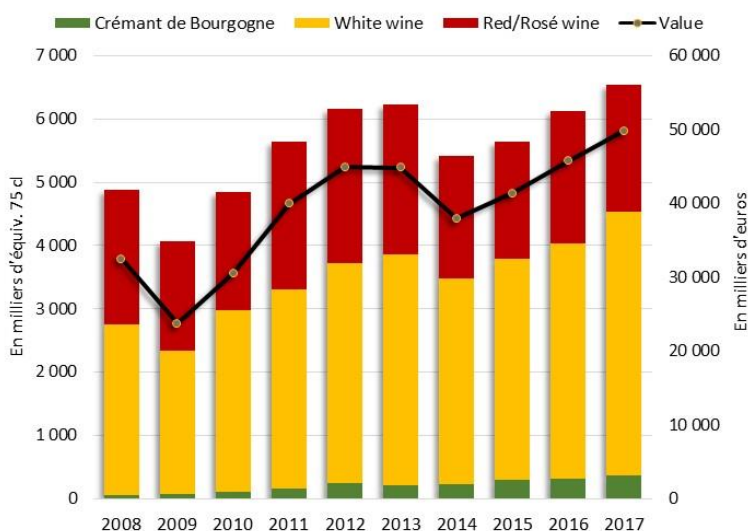
Canada accounted for 8% of export volumes for Bourgogne wines, making it the fifth biggest market by volume, just behind Belgium.

Consumption of Bourgogne wines has been growing in Canada, in line with overall wine consumption in the country. In the 10 years from 2008 to 2017, overall consumption rose 34% by volume and 53.5% in terms of revenue.

### Bourgogne wine sales continued to grow in 2017

**Bourgogne wines exports in Canada**

(source: Douane / BIVB)



Despite being impacted by the low availability of the 2016 vintage, Canada remained a key market for Bourgogne wines in 2017. The weakness of the euro to the Canadian dollar also helped Bourgogne wines gain market share, after a dip in 2014.

Exports of Bourgogne wines grew on two fronts in 2017:

- up 6.9% by volume
- up 8.9% in terms of revenue

Bourgogne white wines and Crémant de Bourgogne increased both in terms of volume and revenue, up respectively 12.6% and 13.5%. Red wines dipped slightly, down 4% by volume.

In the first quarter of 2018, **Bourgogne wines continued to grow by volume: Up 0.8%** (up 7% if the four Chablis appellations are removed, since they were significantly affected by low volumes). **Revenue was also up 5%** on the first quarter in 2017 (up 14% excluding Chablis wines).

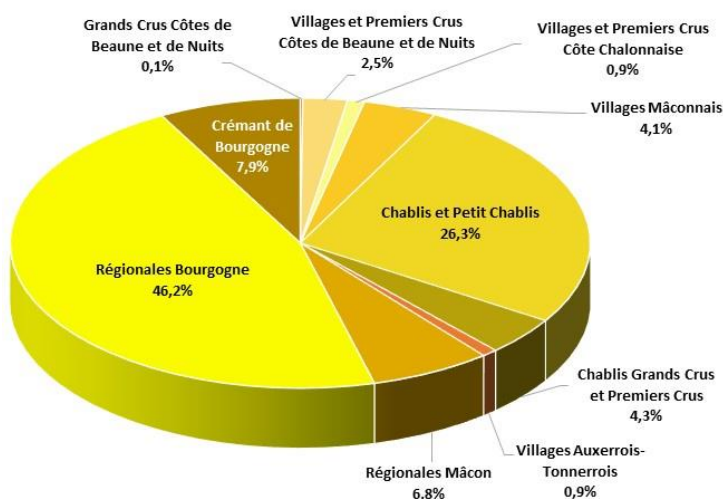
White wines of the *Régionale* Mâcon appellation (Mâcon, Mâcon Villages and Mâcon + name of village) showed strong performance, up 61% (compared to the first quarter of 2017), accounting for 12% of the volume of Bourgogne white wines exported, and up 59.4% in terms of revenue.

Among red wines, *Régionale* Bourgogne appellations also posted significant growth, up 37.7% on the first quarter of 2017, accounting for 80% of exports of Bourgogne red wines, and up 67.2% in terms of revenue.

Sales of Crémant de Bourgogne wines continued to grow strongly in this market, up 49.2% by volume and 27.4% in terms of revenue.

## Sales of *Régionale* appellations dominated the market for Bourgogne wines

### Exports of white wine and Crémant de Bourgogne to Canada (2017)



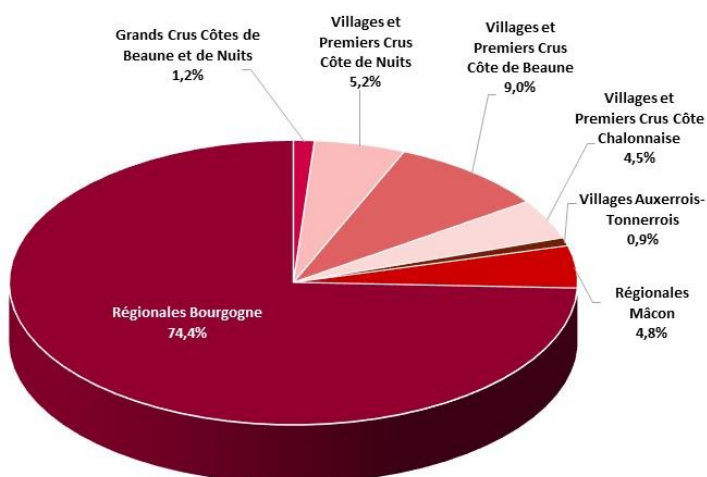
Bourgogne white wines remained by far the biggest export, accounting for 64% of total volume (up 12.3% on 2016).

*Régionale* Bourgogne white appellations accounted for 32% of the volumes of Bourgogne wines (21% of the revenue), closely followed by the AOCs of Chablis (21% of total volume and 23% of total revenue), and then *Régionale* Mâcon white wines (5% of volumes and 3% of revenues).

*Village* and *Village Premier Cru* white appellations from the Côte de Beaune and Côte de Nuits were up 4% by volume and 7.6% in terms of revenue. The Chablis and Petit Chablis

appellations sold an additional 165,800 bottles (up 16% by volume), for an additional 2.25 million euros, up 31.7% in terms of revenue.

### Exports of red wines to Canada (2017)



Exports of red wines slipped 4% by volume compared to 2016, but were up 1.8% in terms of revenue, accounting for 37% of total revenue from Bourgogne wines.

*Régionale* red appellations accounted for the large majority of red wine sales, with 23% of volumes (down 12.7% on 2016) of Bourgogne red wines and 17% of revenue (down 20.3%).

*Village* and *Village Premier Cru* wines of the Côte de Beaune (9% of the volumes of Bourgogne red wines) were up 33.2% by volume and up 39.3% in terms of revenue.

## Ontario and Quebec accounted for almost 70% of sales by volume to Canada

To the end of March 2016, wine consumption in Canada (all origins) was still growing, reaching 500 million liters (up 3% on the same period in 2014-2015). Red wines dominate the market (52% of total volume), ahead of white wines (36%), whose share was up 5% on 2014-2015. Sparkling and rosé wines accounted for the remainder.

Quebec and Ontario are the provinces which consume most wine, together accounting for 68% of total sales to Canada. Along with British Columbia and Alberta, this rises to 92% of sales.

**In Ontario, sales of Bourgogne wines recorded healthy growth in the 12 months to the end of March 2017: Up 5.9% by volume** (the equivalent of an additional 48,000 bottles), and up 5.8% in terms of revenue. This growth is paralleled by a slight phenomenon of concentration, the number of references sold by through the state monopoly system falling from 302 to 279.

Nonetheless, most Bourgogne AOCs were available in the province during the period April 2016 - March 2017, with the following breakdown:

- 21 references sold more than 10,000 bottles (compared to 22 in the 12 months to the end of March 2016)
- The 15 top-selling references account for nearly three-quarters of the volume of Bourgogne wine sales, for 60% of total revenue (eight *Régionale* Bourgogne AOCs, two *Régionale* Mâcon AOCs, two Chablis AOCs, one Crémant de Bourgogne, and one Pouilly-Fuissé).
- *Régionale* AOCs dominate sales of still Bourgogne wines, accounting for more than half of the overall volume sold from the region

**Quebec remained the leading destination for exports of Bourgogne wines to Canada**, accounting for at least 70% of Bourgogne wine sales in the country. In the 12 months to end-March 2017, the province's alcoholic beverage monopoly, the SAQ, sold 3.96 million bottles of Bourgogne wine.

This was up 3.2% by volume, and 4.5% in terms of revenue. Sales of Crémant de Bourgogne saw strong growth over the year, up 17.9% by volume and 23% in terms of revenue.

Bourgogne white wines followed the same trend, with sales up 7.9% by volume and 9.3% in terms of revenue. Red wines, however, experienced another dip, down 8.2% by volume and 5.2% in terms of revenue, in line with the overall trend of wine sales through the SAQ, where overall red wines sales from all origins were down 2.3% by volume.

The SAQ sold mainly white Bourgogne wines (65% of sales from the region, up 3 points). Red wines accounted for 28% of sales (down 5 points), and Crémant de Bourgogne wines 7% (up 2 points).

Total wine sales through the SAQ (excluding bars and restaurants) grew to end March 2017 (rolling 12 months) to the equivalent of 207.6 million 75cl bottles, up 0.7% on the same period a year earlier, for a total of 2.88 billion Canadian dollars (up 0.8%).

***Economic report produced by the Markets and Development department of the BIVB – May 2018***

*(Sources: Customs - BIVB - SAQ - LCBO [excluding CHR])*

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