

# The Wine Society

Annual General Meeting 2009

26 November 2009



Robert Whitton: Chairman

Daryl MacGraw: C.E.O

FY09 Summary

FY09 Financial Results

Our Strategy

First Quarter Trading Update

# FY09 Summary

- Challenging year but with many varied successes
- A very tough trading environment impacting business financially
- Maintained our commitment to Members
- Used opportunity to re-validate the strategy and established the foundations for growth

# Vision & Co-Operative Philosophy

*“Delivering the very best wine experience”*

## Philosophy:

- To make available a broad quality of wines and other beverages to members at the best possible prices
- To advance wine appreciation and knowledge
- To promote and support excellence in the wine industry
- To be the recognised independent authority on wine matters in Australia
- To further develop a viable business enterprise that supports these objectives in the interests of members



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# FY09 Financial Results

	<u>FY09</u>	<u>FY08</u>
Revenue	\$ 43.15 m	\$ 45.97 m
Operating Profit Pre Tax	\$ -1.03 m	\$ 0.92 m
Net Profit pre tax	\$ -0.59 m	\$ 0.92 m
Notional Surplus	\$ 2.93 m	\$ 4.78 m

# FY09 Non-Financial Results

- 5,170 new members (+8% on FY08)
- 15% of active members attended any one of the 136+ wine events held
- Cathedral Street settlement: Repaid \$ 2.0 m of debt
- Ongoing success of Society Label Wines

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# FY09 Key Achievements

- New CEO Appointment – Daryl MacGraw
- Re-aligned our organisation into Member and Customer ‘Lines of Business’
  - Re-focus on our Members and benefit proposition
  - Customer growth initiatives - profits to help support enhanced member benefits



- Young Wine Maker 2008
  - Ben Haines - Mitchelton

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# FY13 Strategic Intent

- **Members:** *Compelling wine member benefit proposition driving member growth & referral*
- **Customer / Non-Members:** *75% of returns are generated by non-member businesses to return back to members to improve member benefits*
- **Brand:** *Building brand equity, through product and businesses*
- **Culture:** *Passion and knowledge for wine, whilst being commercial and competitive*



# Brand Portfolio

## Business Brands:

### Members:



### Corporate:



### Non-Members:



## Product Brands:

### Wine:



### Beer:



### Other !

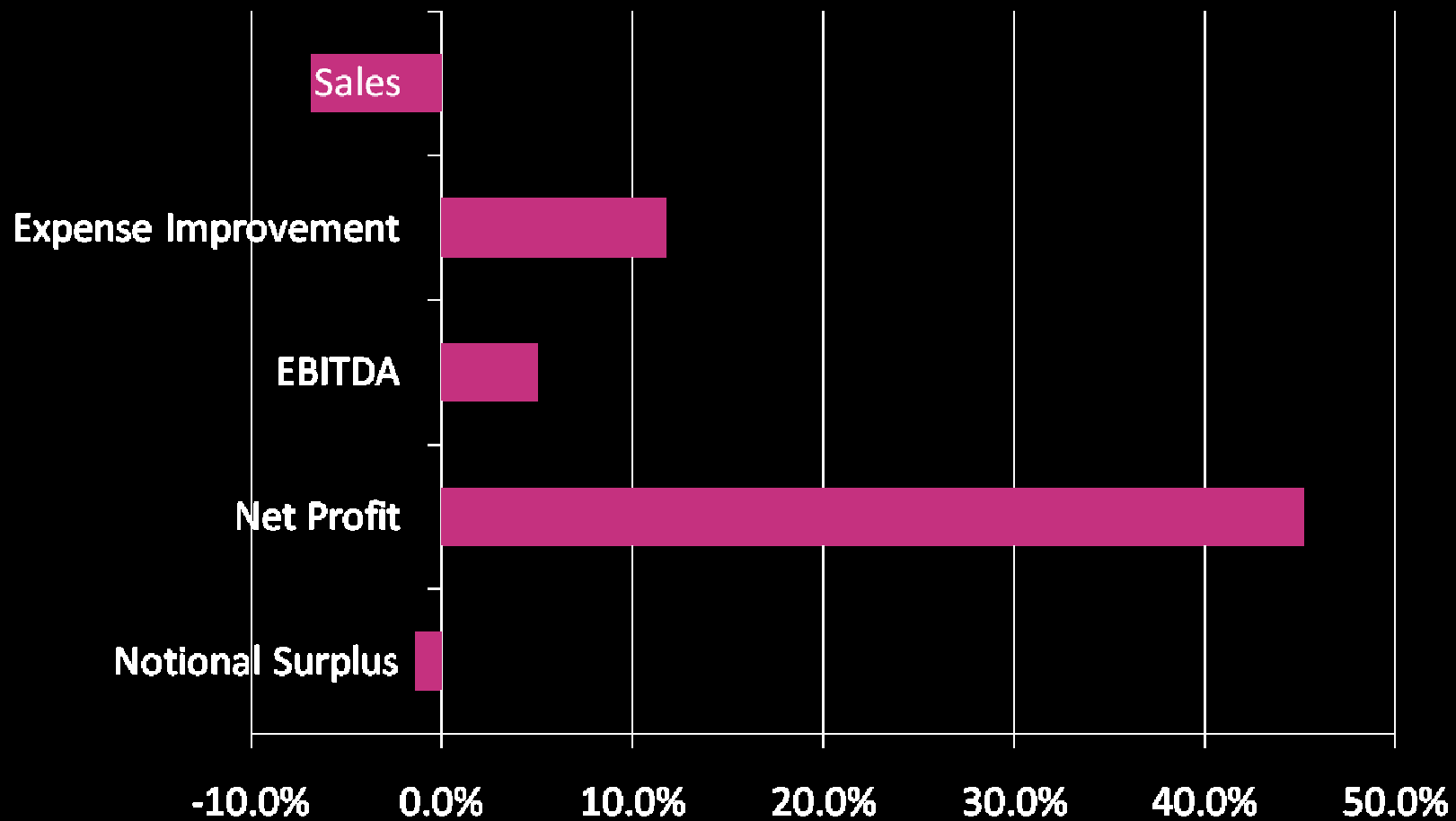
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# Q1 Comparative Performance: FY09 v FY08 (Pre GFC)



# Q1, FY10 Strategic Plan - Member

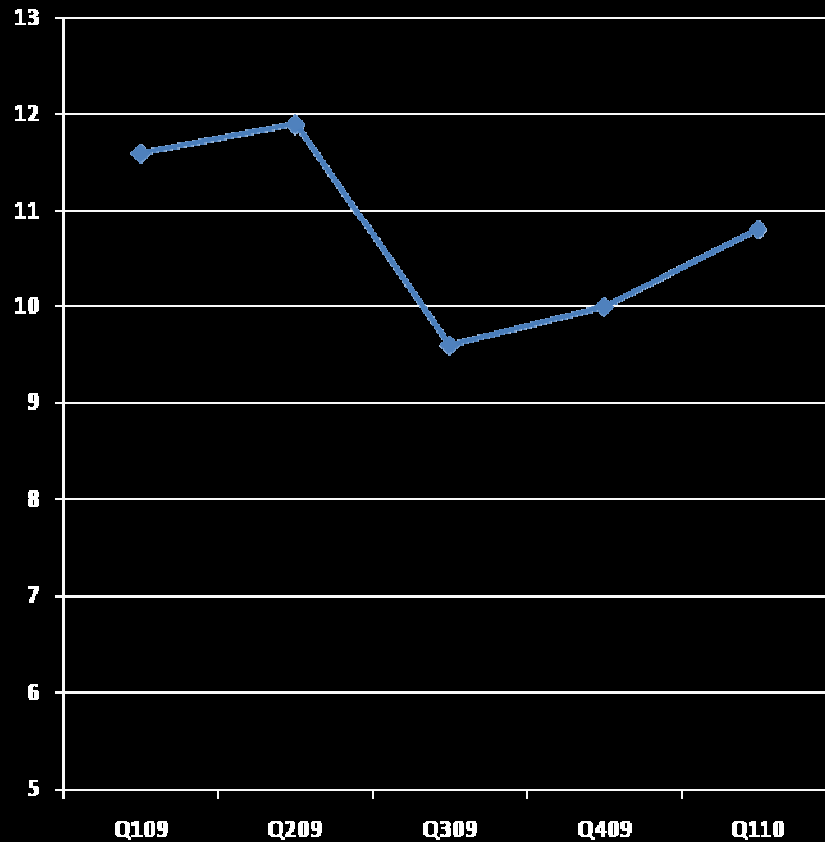
- Re-vamped Monthly Catalogue
- Undertaken 'Regular Tasting Dozen' Review
  - Fantastic feedback
- Increased focus on member events & education (acquisition focus)
- Sourced great new society label wines
- Member complaints so far.....0

# Q1, FY10 Strategic Plan - Customer

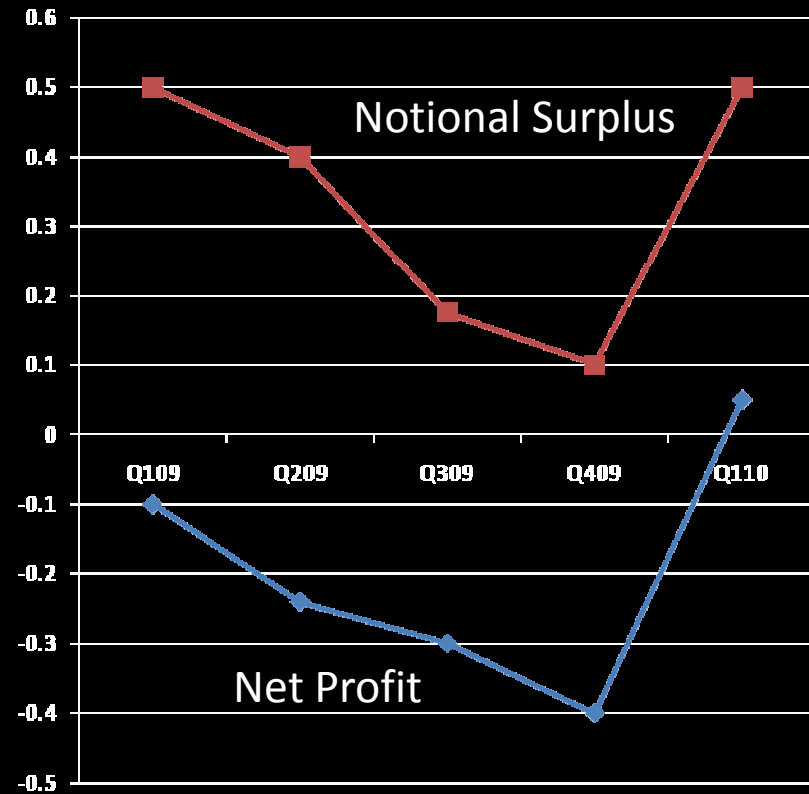
- Launched [www.societycellars.com.au](http://www.societycellars.com.au)
- Launched [www.societyauctions.com.au](http://www.societyauctions.com.au)
- Launched [John Boston Premium Lager](#)
- Commenced On-Premise Channel
- Re-launched 2 exclusive wine labels

# Quarterly Comparison

## Sales



## Profit



# In Conclusion

- FY09.... 'Our hangover'
- Used the opportunity to re-focus
- We are recovering well so far, in FY10
- Will continue to operate to the co-operative philosophy and for the benefit of our members

# Thank You...



# Questions ?

