

MAJOR Mildura Beverage producer Neqtar Australia yesterday announced the purchase of the Salisbury Winery at Irymple for \$22 million.

Company Managing Director David Stevenson said the former Evans and Tate winery would be consolidated with its Merbein-based Roberts Estate Wines to become Neqtar Wines Pty Ltd -- to be operated from the Campbell Avenue, Irymple site.

The Neqtar Group also owns SdS Beverages which was formed in November 2005 from a management buyout of the Irymple Group..

Neqtar is a wine and beverage company incorporating HwCg Wine and Beverages UK and SDS Wine and Beverages Australia, it has a turnover of about \$150 million.

Mr Stevenson said: "This is the culmination of over eight months work for the Neqtar team and is a very satisfying outcome.

"The acquisition puts Neqtar Wines in the top 10 wineries by crush in Australia, with the Irymple facility proposed to crush 40,000 tonnes in 2007.

"The acquisition is strategic for us in many respects as our domestic and international wine sales continue to grow and our focus on the opportunities afforded to us by our alliance with the UK retail trade.

"The larger Neqtar Group now represents 17 countries and sells over three million cases of wine into the United Kingdom."

Mr Stevenson said substantial capital expenditure had been allocated to improve and upgrade the facility to ensure low cost of production and consistent quality wines will be produced at the facility.

"It is planned that much of the Roberts Estate Wines facilities currently located at Merbein will be relocated to the Irymple site over time."

Mr Stevenson has announced that David Thompson has been appointed Managing Director for Neqtar Wines to take up his post late next month.

Mr Stevenson said he was "particularly pleased" that major redundancies had been avoided in the acquisition and it would be business as usual for the staff. He said while there was considerable talk about the wine industry and its short term issues he was confident the future would be bright for those wineries capable of weathering the tough times.

"We are highly export orientated and while the markets are returning lower margins, in most major markets volumes are still growing.

"We believe this acquisition is good for local growers and demonstrates our commitment to the industry."

Neqtar Australia has two divisions which produce and supply wine and beverages.

Through Roberts Estates Wines, Neqtar Australia produces and supplies brands and own label wines to the domestic market and UK and Europe.

Its vegetable processing, juice concentrates and pastes division supplies global beverage manufacturers with unique, patented vegetable and fruit juice products.

In its submission to the EES inquiry in Mildura recently, the company spoke of its rapid expansion in the carrot juice market in Japan.

Neqtar Australia is the largest exporter of vegetable concentrates in the southern hemisphere.

It is a major blender of citrus juices in Australia for multinational companies and a supply partner to leading breakfast cereal companies.

Neqtar has a strong research and development team with recognised success at bringing innovative products to the market, especially within the health conscious beverage market.

Roberts Estates Wines has a 12,000 tonne capacity winery and a storage capacity of 10 million litres and Salisbury Wines currently has a 30,000 tonne capacity.

Neqtar Australia provides quality vegetable and citrus concentrates to international customers with significant growth opportunities for vegetable juices and ready-to-drink juice mixes.

Customers comprise major food and beverage producers and marketers in Australia, Canada, Singapore and Japan

In March this year, HwCg, part of the Neqtar group of companies, won sole distribution of the Evans and Tate Wine Group products in the United Kingdom..