

# TRICKS OF THE (EXCHANGE) TRADE

ANTON PRETORIUS ASKED VINEX AFRICA REGIONAL MANAGER EMILE GENTIS HOW THE PROCESS WORKS.

“

VINEX, which was launched in 2016, has developed a live marketplace for trading in not only bulk and bottled wine, but also grapes. Industry professionals Denys Hornabrook and Andrew De Zolt and their global team have been hard at work digitising the sector and are starting to make serious inroads into the business-to-business global wine trading sector.



VINEX Africa regional manager  
Emile Gentis.

**WL: HOW DO PRODUCERS GET THEIR BULK OR BOTTLED WINES ONTO THE EXCHANGE?**

**EG:** It's easy. Step one is registration. As VINEX is a business-to-business tool that operates anonymously, all members require preapproval. This ensures that irrespective of whether you're a buyer or seller you can be confident that VINEX has done the behind-the-scenes work so you can be comfortable the party you're dealing with is legitimate. We now have approved members from 57 countries, most of whom are in buying markets. Once you've been approved then it's a straightforward process of listing available inventory by

following the prompts around cultivar, vintage, volume, price and technical specifications. Inventory can be listed using one of several trade methods either at a fixed or negotiable price, depending on the seller's commercial requirements.

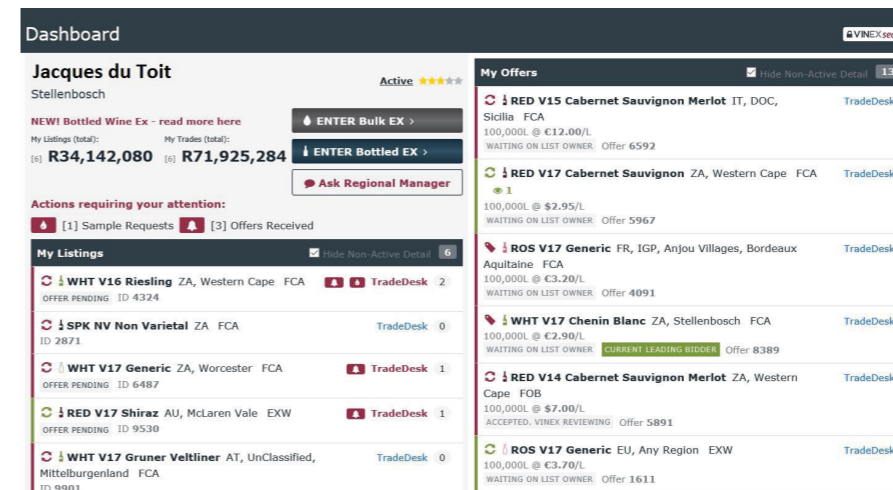
**WL: CAN A PRODUCER TARGET A SPECIFIC BUYER OR IS IT BROADER THAN THAT?**

**EG:** The VINEX Sub-Exchange enables producers to offer their wine to specific markets or even to a specific buyer. The supply was tight last year and we saw a lot of astute producers not wanting to offer their stock to an open market, but rather leveraging their supply to open new relationships with specific buyers. It's rifles vs shotguns - very targeted, discrete and powerful. It certainly works and has paid off for those who've used it.

**WL: WHEN LISTING A WINE HOW DO PRODUCERS KNOW WHERE CURRENT MARKET PRICING IS?**

**EG:** There are several sources, but most producers know what's going on. However we'd encourage anyone who's active in the sector to keep an eye on market price tables not only for South Africa, but for all nine producing countries. Pricing is available to all members as a function or research tool. It's a quick and easy way to get a feel for what's happening globally. It's not just

Launched in 2016, VINEX is a live marketplace for both bulk and bottled wine, and grapes.



VINEX's interface is not only extremely user friendly, but also offers complete anonymity with a vast network of buyers and sellers that are subjected to a rigorous preapproval process.

pricing we report on either. We publish original articles, member profiles and regional focus articles for both bulk and bottle wines, allowing our members to gain knowledge and perspective no matter where they are in the world, whether that be a winery in Robertson or a retailer in the UK.

**WL: HOW ELSE CAN PRODUCERS ENGAGE WITH BUYERS?**

**EG:** Producers can make offers to supply buying requirements. We have a significant number of buyers who list their requirements on the exchange. These are importers, retailers, bottling facilities and other wineries both in South Africa and abroad. Producers can filter by country to see the listings relevant to them and make offers to supply. Buyers can then request samples, accept the offer, counteroffer or decline. On accepting a producer's offer both parties have entered into a contract subject to the buyer's approval of a final sample.

**WL: HOW DOES THE BOTTLED WINE EXCHANGE DIFFER FROM BULK IN TERMS OF ITS INTERFACE?**

**EG:** Essentially the process of listing wine to sell or listing a buying requirement is the same. The key difference of course is around packaging specification. You can choose to use the default fields or go to town on detail including bottle type, closure, carton and even load front and back label images. We have two regional managers in China and four in Europe only focused on buyers and we have matched several buyers with suppliers of producer brands and private labels across a number of price points. For bottled wine producers who are looking to open up new markets or clear inventory, VINEX provides a cost-effective way of finding new customers.

**WL: TECHNOLOGY IS NOT FOR EVERYONE. HOW DO YOU DEAL WITH THAT?**

**EG:** We rely on our key learnings in other sectors. Right now we're focused on the progressives edge. These members have come to us from co-ops, privately owned wineries, global retailers and family-owned enterprises. There are now 14 of us around the world managing these key accounts and helping members to integrate VINEX into their business. My colleagues in Europe and China are working with me to offer South African inventory and I'm working with them to get offers from producers that match their customers' buying requirements. We have regional managers in the producer markets including South America, Australia, New Zealand, Spain, France, Italy and Eastern Europe, so we have most of the world covered.

**WL: YOU'VE JUST LAUNCHED THE GRAPE EXCHANGE. WHAT IS THE THINKING BEHIND IT?**

**EG:** It's a natural extension to the business and complementary to bulk and bottled exchanges. Grape growers can now offer their fruit and trade it through the VINEX marketplace. We think it will be a real game changer for growers with uncontracted fruit. Buyers can also list their buying requirements for grapes and get offers from growers who can meet their specifications. W