

Cider finds a place in the sun

Julie-anne Sprague

A little more than a year ago, former auditor Charlie Ostaszewski told his family he was leaving London to make apple cider with a NSW farmer.

The 29-year-old's family thought it was a strange career move. But the decision was based on sound research: cider sales doubled in Australia in the last quarter of last year, from a year earlier, even though they make up just 2 per cent of all alcohol sales.

In the UK, where cider is seen by many young people as a less bloating alternative to beer, the drink has about 13 per cent of the market.

There are 300 cider brands in the UK compared with 118 in Australia, up from 52 brands in 2010.

Beer sales slumped 4 per cent last year. Cider sales jumped 40 per cent to become the fastest-growing category in the alcohol market.

The race is on to gain a piece of the expanding market as consumers become more prepared to experiment with different kinds of food and drink.

"Twenty years ago you would probably be a beer drinker, a wine drinker or a spirits drinker," Lion brand director Jon Bradshaw said.

"Now the same consumer will drink different products depending on the occasion and will choose between a much broader range of brands. This allowed a trusted brand like Tooheys to break out of its traditional category and innovate in cider."

Lion's Tooheys 5 Seeds was launched in 2009. It is now the second biggest cider brand in Australia and has 12.4 per cent of the market.

Illustrating the fragmentation of the cider market is Heineken-owned Strongbow, the nation's biggest selling cider, which has about 40 per cent market share, about half of what it used to.

Carlton United Brewers' cider group marketing manager, Clive Coleman, said sales had grown at 10



Charlie Ostaszewski, left, and partner David Purcell with some of their apples.

Photo: LOUISE KENNERLEY

per cent a year for the past five years. This summer they jumped 50 per cent.

"It was like this past summer was a real tipping point for cider," Mr Coleman said.

"It's bang on trend. There is a big trend towards unisex drinking and there is a trend toward lighter, more refreshing drinks."

CUB, the domestic beer and cider arm of Foster's Group, plans to increase its marketing and advertising spending on cider by \$2 million next financial year. CUB owns the Mercury, Bulmers and Dirty Granny brands.

Cider sales at Australia's largest liquor retailer, Woolworths, have doubled to about \$2.5 million a week from a year ago.

Two years ago, the supermarket chain stocked about 10 cider brands

at its liquor stores. Now there are about 50.

Little World Beverages managing director Ross Sudano said cider was winning consumers from white wine and ready-to-drink spirits, in part

Cider sales at Australia's largest liquor retailer, Woolworths, have doubled to about \$2.5 million a week from a year ago.

because some drinkers wanted a lower alcohol content.

Last July, Mr Ostaszewski and Batlow apple grower David Purcell created Apple Thief, an upmarket cider made from Batlow apples.

The pair had an unlikely meeting,

Mr Ostaszewski got tired of auditing FTSE 100 companies at PwC. He quit his job. While holidaying in Thailand, he bumped into Mr Purcell. After returning to London, Mr Ostaszewski decided it would be a good idea to team up with an apple grower. Most ciders are made by brewers or winemakers.

"Dave goes out and hand-selects the varieties within Pink Lady to create the perfect product," Mr Ostaszewski said. "The quality is there because he is using the best varieties."

He said the pair had developed a cider that was crisp, natural and had an authentic apple flavour rather than the drier, yeastier versions that were on the market.

Over the next year they plan to produce about 2500 cases of Apple Thief a month.