



DONNAFUGATA

PRESS RELEASE

## *The Nero d'Avola phenomenon*

**Donnafugata's success on the market is due to investments made under the banner of Extreme Quality. Reds from Nero d'Avola grapes are riding high.**

Reds, above all, and of fine quality. For five years sales of whites and reds produced on the Contessa Entellina estate as well as the naturally sweet wines made on the island of Pantelleria have steadily increased. However, the expansion of sales of reds has been so substantial that it is possible to speak of a veritable "**Nero d'Avola phenomenon**". That situation is partly in line with the market trend but for the Sicilian wine producer it is an extraordinarily significant factor in orienting decisions and investments.

In respect to Extreme Quality—the project with which Donnafugata is pursuing ever more advanced objectives—the house has continued since 1999 to **invest** 20% of sales in improving the production processes in vineyard and winery.

The investments are substantial but necessary and they are amply repaid. In absolute terms, sales of Donnafugata whites grew by 48% in quantity and 80% in value between 1999 and 2003, while the quantity for red wines was 133% and the value, 285%.

A **boom for the reds**, therefore, in relative terms. Taking 100 as the sum of sales of white and red wines by Donnafugata in the last five years, reds increased their share from 29% to 39% in quantity and from 35% to 48% in value. That performance is further enhanced by the fact that, while the level of consumption nationwide of reds in comparison with whites registered a gain of 4.7%, the Sicilian producer's rate of growth was a remarkable +10%.

The data testify to the major leap forward in quality by red wines in Sicily and in particular to the attention that has been focused on **Nero d'Avola**, a variety that the market, wine lovers and the guidebooks have identified as the prince of the island's native grapes. The trend rewards red wines because of their pronounced personalities and their capacity to express the characteristics of the territory, from the agreeable Sedàra (100% Nero d'Avola) to the fruitiness of the Angheli (50% Nero d'Avola and 50% Merlot), the seductive strength of the Tancredi (70% Nero d'Avola and 30% Cabernet Sauvignon) and the elegance of Mille e una Notte (90% Nero d'Avola and 10% other native varieties).

In a scenario of decline in consumption and global economic slowdown that has prevailed in at least the last two years, Donnafugata turned in an excellent performance overall. In 1999, **sales** amounted to 5.5 million euros, while in 2003 the total rose to 13 million euros. The volume of sales has been growing by an average of 20% annually, which is far superior to the rate for the sector.

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