

“Commitment to 100% Homebred Grape”, “Unique Cultivation Method”, and
“Contribution to the Community: Community-bases Business concept”

Tsuno Winery
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<Preface: Tsuno Winery>

Tsuno Town is located just between Nobeoka city and Miyazaki city in the central area of Miyazaki prefecture facing Hyuganada seashore, with a population under 13,000. The main industry is agriculture, mostly vegetables, fruits and animal industry. The Osuzu Mountain of the Kyushu mountain land towers over the area. In the summer the villagers send their prayers to the gods for a good harvest, enlivening the Hyuga-Ichinomiya Shrine. Tsuno town is a typical rural town like any other in Kyushu.

Tsuno winery started operation in 1996 in this town. Grape making in Tsuno town started just after World War II, and today Tsuno town yields the largest production amount in all of Miyazaki Prefecture. Making most of the warm climate, the town produces Campbell Early grapes shipped especially to Hokkaido with the brand name of “Osuzu grapes”. However, the cost of Campbell Early grapes plunges past the midsummer festival. Tsuno Winery grew from the attempt to add value to these Campbell Early grapes by producing wine.

<Profile: Tsuno Winery>

Tsuno winery is a so called “third-sector method” winery, i.e. a joint public-private venture established in 1994, with capital investment from Tsuno town municipal, Osuzu agricultural cooperative, and local companies. Wine production and sales started in 1996 when the wine making license was obtained. It is a small company with a capital of 97 million yen, 8 staff, an annual production of approx. 220 thousands bottles and sales of approx. 260 million yen (of which 240 million yen was for wine sales) (figures of 2006).

Grapes used for the wine is all locally produced. In 2006, the winery purchased approx. 200 tons of grapes, of which 130 tons of Campbell Early and 50 tons of Muscat Berry A were purchased from local grape producers through Osuzu agricultural cooperative. Almost all of the wine produced using the two grapes come on the market as a new brand of wine. The remaining 20 tons are for specific wines such as the Chardonnay. The latter type of grapes are bought from Makiuchi agriculture productive cooperation (hereinafter abbreviated as Makiuchi productive cooperation). Makiuchi productive cooperation is a farming cooperation established to provide specific grapes to Tsuno Wine for these special brands.

<Commitment to 100% Homebred Grape>

When the winery opened in 1996, 35,000 bottles of young wine made at the winery sold out within a month. Importing grapes from abroad was considered in order to produce more wine, however the management chose to uphold their “commitment to 100% homebred Osuzu grape” even though it was a painful business decision. The concept of ‘local production for local consumption’ is nothing special these days, but at the time few people understood it. A local TV station even reported the episode as a lack of government responsibility with their inability to provide the wine.

We believe that wine should essentially be locally made. Wine should be provided domestically by national brands. Through our wine, we wish to express our unique culture and mind.

We believe that by using only homebred grape, we have strengthened our bond with the local grape producers, and most of all have managed to obtain the trust of the consumers.

<Unique Cultivation System>

Tsuno Town is not suited for grape cultivation. Villagers first started grape cultivation as a cash crop, since the topsoil of their land was slight and not suited for rice paddies. Rainfall exceeds 3,000mm/year and typhoons are common. In 2004, Makiuchi productive cooperation’s red brand grape was completely destroyed by a typhoon.

Under these conditions, we saw the light in grape cultivation through improvement of the soil.

The vineyards of Makiuchi productive cooperation are of volcanic ash soil called “Kuroboku”. The land is very poor. Generally it is said that grape grows well in poor land, but the traditional method of grape cultivation did not fare well for the specific grapes for wine. Further, the annual rainfall exceeding 3,000mm at its worst destroyed the young trees before they matured. It was then that we met Mr. Susumu Miwa, the leader of the local study group on organic farming. He advised us to analyze the soil, leading us to discover the very little amount of mineral in the soil. Mr. Miwa’s group was also struggling with the “Kuroboku” soil in Tsuno Town. One answer to the problem was to improve the soil.

We aggressively use compost. We put in compost and make aggregate soil that is a suitable environment for grape root hair to grow, leading to the healthy growth of vines and grapes. As a result, healthy vines increased, allowing us to reduce the use of pesticides. For example, we no longer spray Bordeaux mixture as a preventive chemical against downy mildew.

Mr. Miwa’s study group continued to collaborate with various outside groups, and Makiuchi productive cooperation’s vineyard turned into their experiment field. Eventually the municipality set eyes on their technique and established a compost plant within the winery grounds. They collected the town’s wet refuse, starting regenerative agriculture. They even managed to contract with major supermarkets for vegetable sales made using their compost.

<Contributing to the Community: Concept of Community-based Business>

We believe Tsuno Wine's mission is to contribute to the local community. Tsuno wine has had direct economic effect on Tsuno Town through procurement of grapes, sales of local products, and donation to Tsuno Town. The total in the ten years since its establishment has reached 890 million yen.

Besides these direct economic effects, as mentioned before, our winery has actively cooperated with the regenerative agriculture policy of Tsuno Town, contributing to boosting the image of the town's agricultural products. We also play a major role in communicating with the outside world.

In July 2004, we have started selling "plum wine". There are districts called Todorō and Tatenō in the mountain side of Tsuno Town. They used to produce Japanese oranges but later switched to plum cultivation. We experimentally produced wine using these plums, and discovered that plum is suited to be brewed with its high contents of acid. With the good acceptance of the trial wine, we started mass production in 2004, and although there is much room for improvement, we believe the 'plum wine' to hold a significant part in our future sales.

There is a concept called 'Community-based Business'. There are many interpretations, but we understand it to be a business fully engaged in utilizing potential resources of the community, both human and material.

Tsuno Wine has been practicing such community-based business. The town is rich in resources, and from that standpoint, we see the town as a gold mine. We aim to treasure this concept of a community-based business.

<Label for Sparkling Wine – the thought that went into it>

The market for domestic wine in Japan is tough. The numbers for product taxation amount shows that domestic wine held 50% in 1992 but decreased drastically in the following 10 years to 39% in 2002. The numbers indicate that domestic wine is being cleared off the shelves of liquor shops. We stand at a time when our significance is being questioned. Tsuno Wine is no exception. We have not found the answer yet, but we believe the survival of a small rural winery such as ours rests in pursuing concepts such as 'Commitment to 100% Homebred Grape,' 'Unique Cultivation System,' 'Contribution to the community: Concept of Community-based Business'.

In 2003, we have started production of Campbell Early sparkling wine. I would like to conclude my presentation by sharing with you how our passion has been embodied in the labeling of this product.

With the hope of one's dream becoming everybody's dream, we have put down the phrase "A Dream Shared by All" on this label. Almost 50 years ago, one old man called Hyakuji Nagatomo started growing grapes despite the unkind word of others: "see the fool planting trees in the rice field." Yet this grape cultivation spread across Tsuno Town, passed onto our fathers, and eventually they managed to make their dream of building a winery come true. It is our wish to weave a new tale from this winery, and to spread our dream to share with the community.