

**Senate Economics Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
**Treasury Portfolio**  
Budget Estimates 2014  
3 June to 5 June 2014

**Department/ Agency:** ACCC

**Question:** BET 837

**Topic:** Wine retailing

**Reference:** Written – 12 June 2014

**Senator:** Xenophon

**Question:**

837. What market share of wine retailing is controlled by Woolworths and Coles (Wesfarmers)?

**Answer:**

837. The most recent public merger review conducted by the ACCC involving wine retailing was the proposed acquisition by Woolworths Limited of The Cellarmasters Group in 2011. Based on broad estimates provided to the ACCC by market participants, the combined share of Woolworths and Cellarmasters in the national retail packaged liquor market or retail bottled wine market was in the range of 28-43%.<sup>1</sup> The market share of Coles (Wesfarmers) appeared to be significantly smaller than Woolworths' at that time.

The ACCC notes more recent market shares published in external sources:

- Report prepared by Centaurus Partners in August 2013 for the Winemakers Federation of Australia estimates that the Coles and Woolworths groups combined distribute and sell up to 77% of all wine sold off premises in Australia.<sup>2</sup>
- In respect of packaged liquor retailing generally (including wine, beer, spirits and ready-to-drink mixers), market research company IBISWorld estimates that Woolworths has a 40% share and Wesfarmers 17.5%.<sup>3</sup>

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<sup>1</sup> ACCC Public Competition Assessment (<http://registers.accc.gov.au/content/index.phtml/itemId/984604>).

<sup>2</sup> Wine Industry Report: Export Report on the Profitability & Dynamics of the Australian Wine Industry (<http://www.wfa.org.au/assets/noticeboard/Expert-Review-Report.pdf>). Woolworths' share does not include Cellarmasters or Langtons.

<sup>3</sup> Industry Report G4123 - Liquor Retailing in Australia, June 2014 (<http://clients1.ibisworld.com.au/reports/au/industry/ataglance.aspx?entid=398>).