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## Rags to riches: The Casella Wines story



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*2000: A little known Australian winery. 2010: The fifth most powerful wine brand in the world. The rise of Casella Wines is one of the greatest success stories in the history of the wine industry. AsianCorrespondent.com spoke to MD John Casella to find out how it came to pass...*

Everyone loves a rags-to-riches story, and when it comes to the wine industry, there's none better than that of the Casella Wines family business.

The founders of Casella Wines, Filippo and Maria Casella, immigrated to Australia from Sicily in 1957 and began their winemaking careers at Yenda in the New South Wales Riverina region in 1969. Today, thanks largely to the runaway success of its [yellow tail] brand established in 2001, Casella Wines is largest family owned winery in Australia, and the fifth most powerful wine brand in the world.

The man behind that success is managing director John Casella (right), Filippo and Maria's son, who took over in the '90s after cutting his teeth in the business at a local winery. John came to the industry with generations of winemaking experience behind him, and a depth of knowledge that can only be gained from a background where wine is more than just a drink, it's a way of life.



"My parents had generations of winemaking experience behind them," says John. "In southern Italy and Sicily in the past, small landowners didn't sell grapes like they do here. Each landholder had his own way of producing wine. They usually had their own primitive press on the farm as well as an area to crush the grapes by foot. My grandparents had a vat where the wine was stored and wine merchants would come by once in a while to buy the wine and take it back to the mainland. But winemaking was in the family long before that. I've traced it back to 1820 but I think it goes back much longer."

Today Casella Wines remains a business with strong family values. John's brothers Joe and Marcello, and Joe's son Daniel, are all involved in the running of the business. For all three brothers wine and winemaking was a part of everyday life when they were growing up and the lessons they learned in those formative years have reaped very impressive rewards.



"I was always around the culture of wine drinking," says John. "Even when I was young, it was normal to sip wine at the table and I started to get an idea of what is a good wine and what is not. When my family started making wine commercially I got to see how it was done first hand. I saw how the wine was made, the work that went on in the vineyards and the process of going out and promoting and selling the wines. I got a fairly broad experience of the whole business growing up."

Casella Wines remained a modest, if moderately successful, family business through the '70s, '80s and '90s before the breakthrough came in 2001 with the release of the [yellow tail] brand. Known for its distinctive wallaby logo, affordable price and

consistent quality it became an overnight success, launching Casella Wines into the big time.

Casella's success took the industry by storm, but anyone looking for a secret formula or 'Eureka moment' behind it all will be disappointed. In fact, John Casella remains resolutely modest about the meteoric rise of [yellow tail], attributing much of its success to external influences.

"I could never have envisaged the success we've had," he says. "This is an industry that requires a lot of capital investment and is extremely competitive. It was not something you would have thought possible. We had a few things in our favour at the time. The exchange rate was very favourable at around 57 US cents to the Australian dollar. We also had the 2000 Olympic Games, which raised the profile of Australia in the eyes of the world. I think all these factors, as well as the fact that the American consumer has a familiarity and affinity with Australia, contributed to [yellow tail]'s success."

Of course the real secret of the brand's success lies in the consistent quality and affordability of the wine, though John does concede the distinctive label did play a part in kick-starting its popularity. The distinctive Yellow-footed Rock Wallaby image and logo made a strong and lasting impression on the American consumer. But how was the label born? And why those square brackets around the name? Again, John is quick to deflect the plaudits from himself.

"We bought the label from a company called Just Add Wine who were offering it to the industry here, so there was an element of luck with that," he says. "We thought the image captured the spirit of Australia very well. As for the square brackets, it came like that. It was at the height of the dotcom boom and gave a reflection of being modern and with the times. I think it still works though and the label would look bare without it."

"The label was part of [yellow tail]'s success but certainly not the only reason. A lot also comes down to the fact that Casella had an excellent supply that allowed us to follow through with additional wines of excellent quality while remaining affordable. We had momentum of product. I know other brands that have had early success, but because of that success the quality drops because of supply problems."

The fact that Casella has been able to consistently deliver such large quantities of quality wine is testament to its excellent relationship with its growers, all 600 of them. Even through the high yields of recent years Casella has consistently paid its growers above market price, says John. Sure, there's sound long-term business sense here, as Casella will be assured of continued supply when yields are not so good. However, what comes through even more strongly is the sense that Casella remains a family business with strong community links that likes to look after its own.

Going forward, Casella is eyeing a number of opportunities. It is always looking to improve its wines and develop even better ones, and a foray into other beverages could even be on the cards. However, more pressing are the massive potential opportunities in the Asian wine market. At present about 8 percent of Casella's wines are exported to Asia, with Japan, Hong Kong, Taiwan and Korea being the main markets.

"There is huge potential in Asia and China will become a big buyer in time. We are assessing the possibilities across Asia but there is a lot of competition. One of the biggest challenges is that Australia isn't seen as a traditional producer of wine compared to a country like France, so we have to build the reputation of Australian wine and not just Casella's wines. When we develop recognition and understanding in Asia of what Australian wines can offer in terms of quality and value for money then we can really build in the region."

If there's a consistent theme running through this rags-to-riches story, it is the importance of family and how, despite its massive success, Casella Wines remains a family business. And this is something that is unlikely to change anytime soon.

"It is very, very important to me that Casella Wines remains a family business," says John. "I worked for a local wine company for a number of years and relished the opportunity to work for myself. I'd love my children to have pleasure of working for themselves. There is a great satisfaction when the fruits of your successes come directly to you."



**To find out more about Casella Wines you can visit the website [here](#)**