



Tahbilk Estate

Business Snapshot - Tahbilk Estate

- Tahbilk Winery was established in 1860 by a group of Melbourne businessmen including John Bear whose family would assume ownership in 1876.
- In 1925 Reginald Purbrick purchased Tahbilk from the Bear family after it had been in decline for several decades and so began a family winemaking heritage that has spanned five generations of the Purbricks.
- Tahbilk Estate operates from a single 1200 hectare site located in the Nagambie Lakes region of Central Victoria. Grape varieties include shiraz, marsanne, and cabernet sauvignon with 168 hectares of the property under vines.
- Tahbilk employee numbers have grown from about 30 in the early 1970's to 80 at present with this number varying according to the growing and wine production cycle.
- Tahbilk is one of few wineries to have maintained its traditional winemaking methods over its 150 year history.
- Number of visitors to the Tahbilk Estate peaked in 2010 for the winery's 150th anniversary celebrations with an estimated 70,000 visitors. In 2012 visitors were estimated at 46,000 with spring and summer being the busiest times of the year for visits to the winery.
- Tahbilk wines are currently exported to United Kingdom, United States of America, Sweden, Canada and Asia. The export market makes up about 6 to 10% of total annual sales. The majority of sales, 65%, reach the domestic market, direct to customer, through the Tahbilk Wine Club.



Hayley Purbrick is the 5th generation of her family in the winemaking business. Hayley is the Tahbilk Wine Club Manager and the Carbon Balance Manager, her father, Alister, is Chief Executive Officer and Hayley's uncle, Allan, is a Tahbilk winemaker. Hayley's grandfather, John, worked in the business until recently. Hayley is passionate about Tahbilk's history, its contribution to Australian winemaking, Tahbilk's place in the local environment and its future.

Family

Hayley has worked in corporate business as well as her family's business. In comparing the two she pointed out that in a family business you can make decisions quickly. Also in a family business you can make changes almost immediately. As Hayley said:

“...a family business really allows a person to take bigger steps faster if they show that initiative and drive to do so. So I think that's been hugely beneficial for me in my growth”

From my conversation with Hayley, if I were asked to point to one of the defining features of Tahbilk I would suggest that it was the direction established by Eric Purbrick. Eric was the son of Reginald Purbrick who purchased Tahbilk in 1925. Eric was determined that Tahbilk would have its own unique style of wines. For example, he insisted on marketing his wines by their varietal names rather than using regional style names which were the common practice in those days. His vision for wine varieties, quality, winemaking technique and customer relationships has influenced all subsequent generations. As Hayley said of her great grandfather:

“I think he had a huge vision for what he wanted and that vision has not been changed as we've gone through the generations... his vision probably set the company up to what it is today.”

Moving back into the family business and taking up a management role has been a big learning curve for Hayley which has challenged her to develop her



leadership style, to manage the change process successfully and foster good customer relationships based on respect and an engaging customer experience every time.

When I asked Hayley about the advantages of growing up in a family business she said:

“I think being involved in something that has such a strong history you have a natural passion for it and it only grows when you start in the business. It's really challenged me as a person to grow a lot faster than I think I would have if I'd stayed in a job that was more structured.”



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Connection to place and tradition

All grapes used for Tahbilk Estate wines are grown on and sourced from the property. The Nagambie lakes region where Tahbilk is located enjoys unique soil and climatic conditions associated with the large areas of inland water in this region which make for a milder and more humid climate and slower ripening of the grapes.

Not only are the local climatic conditions unique - Tahbilk's connections go back to the early days of the colony of Victoria with Tahbilk being sited on the original overland stock route from Melbourne to Sydney. Tahbilk is also a major employer in the Nagambie region with many local families having some members who have worked on the property over the years. The winery itself with its historic buildings and its contemporary Tahbilk Café, the Estate grounds, the eco trails and surrounding wetlands are some of the major attractions for the emerging Nagambie Lakes tourist industry.

Tahbilk has established a point of difference in its products by maintaining their traditional open vat methodology, old vat fermentation and cellaring to the present day while other wine makers have moved to newer winemaking methods.

Maintaining business profitability in a competitive market

While senior management level at Tahbilk has always had access to good information on the efficiency of the business through measures such as; measuring quality of wines based on awards versus OH &S accidents, the profitability of different areas of the business, and risk management. Until recently the managers of the various units within the business weren't necessarily preparing the analysis for their unit. In the last 3 years this has changed with increased accountability and responsibility devolving to unit managers who have a closer involvement in the day to day running of the business. This change has helped Tahbilk to find more efficiencies and improvements.

Tahbilk has continued to grow through challenging times as demonstrated by the growth in the core workforce from around 30 in the early 1970's to 80 currently.

Another area of competitive advantage that Hayley spoke about was Tahbilk's strong and enduring connection with their customers. Hayley spoke about Eric and his dedication to the customer, to building up a relationship and keeping in touch with them. In 1991 John Purbrick (Eric's son) formalised the Tahbilk Wine Club which grew out of his father's practice of mailing out a handwritten newsletter with reviews of current wines. The Wine Club newsletter has grown with time but it is still posted out to Wine Club members. The Wine Club provides Tahbilk with an avenue to market its wines direct to the people that have an interest in the winery and the Purbrick family heritage. In the online marketplace Tahbilk's focus has been to keep up with the evolving technology so that they can give their customers convenience in buying online.

In reflecting on Eric's focus on customer relationships Hayley said:

"...he was very dedicated to the customer relationship and so that has always been a focus for us, is making sure that our customers are first and we're creating an experience that they want and that they need, and yes, it's always been about the customer and engaging with the customer."

Moving forward while staying true to the past

When our conversation moved on to talk about Tahbilk's future I was struck by the way that Hayley linked the winery's planning to its traditions. For instance when Hayley spoke about attracting younger generations of wine drinkers it was in connection with them being introduced to Tahbilk wines through older family members who make up the bulk of the Wine Club. When we spoke about their plans to attract more visitors to the winery Hayley spoke about the importance of the Tahbilk employees, both at the winery and at the café, in creating a pleasurable experience for visitors that they would enjoy each time they visited the estate, based on the Purbrick family's traditional approach to its customers. When Hayley spoke about the work that is being carried out now at Tahbilk Estate to regenerate the local environment she was not only focusing on preserving the environmental conditions that contribute to the meso climate for growing the grapes but also on the legacy for future generations of wine producers and wine consumers.



I asked Hayley about innovation at Tahbilk. Hayley nominated the customer experience that Tahbilk strives for with all its customers. It is the opportunity to provide a positive experience for the customer each time they meet face to face with members of the Purbrick family and Tahbilk staff.

“It’s something we work really hard on and while it’s been something that we’ve always done and was not particularly innovative for a period of time, now that so many people are walking away from the one on one customer experience it’s become something that’s quite unique for our business.”

Final word...

I asked Hayley to describe Tahbilk Estate for me in a nutshell. In her answer lies the core of this successful 5th generation family business and perhaps the best chance for its continued success.

“...our business comes down to three main things that we want people to feel when they interact with us; and that is authenticity that goes back to the family’s history, heritage and passion. Then timelessness.

So when they come here and they drink our wines they feel like they’re drinking a wine that Eric made back in 1925, so they feel like they’re experiencing something unique that’s timeless and when they come and visit us it’s like stepping back in time; and then the other element... for us is that environmental long term sustainability focus so ensuring that we have our vineyards here in the long term for future generations to be able to farm, so to me that’s what the business is about, is about maintaining authenticity, timelessness, and being green...”

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