



Wealthcreator Monday 1/02/2010

Page: 29
Section: General News
Region: National, AU
Circulation: 22237
Type: Magazines Business
Size: 411.37 sq.cms.



slice
slicemedia.com

press clip



DAVID MULHAM & MARK SILCOCKS AJA WINES

What started as an idea almost a decade came to fruition at the end of 2008 when the first bottles rolled off the Aja Wines production lines.

Co-founder Mark Silcocks said the concept was unique to the industry – a wine targeted specifically to accompany spicy Asian foods.

"My background is advertising so I am always looking at products and new products and ways of communicating them and I also love food and wine," he explained.

"I realised there was an opportunity to develop a wine to go with Asian food, because I love Asian food but no one ever knows what sort of wine to have. Guys tend to drink beer and girls also end up having to drink beer, which they don't really like too much.

"No one knows what to order, because wine is complicated enough but especially with Asian food. Often it is a compromise and a lot of Asian restaurants don't really have a comprehensive wine list. It is a bit of a black hole which I think comes from the heritage – Asia doesn't have a wine history."

With co-founder David Mulham, who has a background in the industry, the pair went through a process of product development.

"We did some good market research, which I think for a lot of people is a questionable decision because they come up with a lot of good ideas and they 'know' it is going to work," Mulham said. "We did some market testing and focus groups with a market research company looking at the packaging, what we were putting in the bottle and the price point,

for example. That was a really worthwhile investment."

The result: a wine that is already generating some buzz and is slowly picking up speed in the industry.

"We are a small player in a very large pond, so we are still finding ourselves in the market," Mulham continued. "Everyone who tries it and comes across it has a really positive response but there is a lot of wine out there in the marketplace and there are some big brands with big budgets to advertise.

"Ours is a business which is slowly progressing through word of mouth, which is working. I am happy with where we are now, but it is a very slow process."

Silcocks sees the evolution of the company as an education process for consumers who are not used to the slightly fruitier taste of the wine.

"A lot of people these days are drinking Sauvignon Blanc from New Zealand and that is quite an acidic wine," he said. "With Asian food what you need is something sweeter to counteract the spices and the acid [of traditional wines] doesn't really work. It is about educating the market that there is more to white wine than Sauvignon Blanc and with Asian foods you need something fruitier. We often do tastings with the food so people can see how it works instantly.

"The biggest challenge is selling something which changes the dynamics of an existing market. In every market there are early adopters and then there are the majority who wait and see. It is

slowly getting over that hurdle and convincing people that it is different, but it needs to be different to achieve what it is trying to do."

According to Mulham, in addition to education the start-up's other big challenge is organising distribution.

"It has been an exercise of the horse and the cart for us – do you establish the need or do you establish the distribution to create the need?" he explained. "We took the view that we wanted to create a market out there, which we have done through the channels that we have and being out on the road with sales reps or doing tastings.

"We are at the point now where we really want to get into a broader distribution model."

Mulham and Silcocks both believe the secret to the eventual success of Aja Wines will be driven by the planning behind the

company.

"You need to set some lofty goals," Mulham advised. "We set out a business model for five years with how many outlets we wanted to be in each month over the next five years. Being in your own business takes a lot of commitment. It's not just about hours, it is the mental commitment and the financial commitment. You have to set your sight on something and establish how long you can wait to see a return. If you make those judgements up front then you will not be in conflict with yourself working out whether or not you should still be doing it.

"Mark and I are poles apart. He was a captain in the army and a Pom and I am a surfie wine bum, so we are very different. It is not about compatibility in that regard, it is about wanting to achieve the same thing – we have a lot of fun in that regard." **W**

