

THE McWILLIAM STORY

PREAMBLE:

Time has seen to the demise of many of the great commercial families of Australia. There is a pattern, almost unvarying, which leads from small beginnings through vigorous expansion to eventual decline. A man starts in business sees it grow to strength with the help of his family, passes the business to the next generations who prosper and then to fuel expansion "go public". Then it is a matter of time before more and more of the family share holding is eroded or swamped by public share issues and next - the family firm disappears into the maw of some rapacious multi-national or local raider. There seems to be few exceptions to this process. Some examples of family businesses losing control during our era are David Jones, Anthony Hordens, Mark Foys, Arnotts, Grace Bros., Woolworths, Coles and Myers to name a few, even Griffith's local soft drink maker Websters after over 100 years has been taken over with the family losing control. Winemakers are no exception with Wynns, Penfolds, Lindemans, Seppelts and Orlando's plus others, losing control by going public and/or by take-overs.

The McWilliam clan has so far survived, for how much longer we don't know but we have been a vigorous family enterprise for over 111 years, outlasting most other Australian wine companies.

ORIGINS - THE GREAT GRANDFATHER:

Founder of the McWilliam family fortunes in Australia was my great grandfather Samuel McWilliam who migrated from Northern Ireland. Samuel was born on 15th April 1830, at RALOO near Larne in the county of Antrim Northern Ireland. He was the second son in a family of six sons and one daughter living on a mixed farm of 120 acres growing potatoes, corn, hay, pigs and cows, they prospered only by canny thrift Samuel at the age of 27 years and wanting a "good independent" way of living, migrated to Australia arriving in Melbourne on the 2nd November 1857 in a ship called the "Morning Light".

We presume that Samuel found his way across to Geelong, because many of his friends who migrated before him, found work and made their homes in that area.

We also speculate that Samuel during some social or church gathering met his future wife Martha Steele a girl aged 21 years, they married on 6th January 1863. On the day of the wedding bush fires were reported at Hamilton, several thousand people viewed the remains of Burke & Wills and prayers were offered in the church for the blessing of rain.

Up to the time of his marriage Samuel increased his knowledge of agriculture by working on farms in the Geelong area and saving as much as possible. After his marriage he made his way across to the Gippsland District where gold had been discovered and took up his first selection of 77 acres about 71/2 miles from Rosedale and 12 miles from Sale. By slowly adding to his original land he became one of the more successful farmers. By this time he was the father of four children - one son John James born 17th June 1868 was to become my grandfather.

In 1875 Samuel decided to sell out, take a good capital gain and move to the Riverina region of N.S.W. "the land of opportunity". At this time there was a certain amount of restlessness among the community particularly the farming people with capital acquired in one region seeking to venture with their experiences into other regions which appeared to offer greater opportunities, especially for growing families. Samuel was no exception.

What he did for the next 18 to 24 months we don't know, but it is believed he was either a tenant or share-farmer, but on August 8th 1877 he purchased 6 x 80 acre blocks (480 acres) in the parish of Corowa for one thousand five hundred and sixty pounds or £3/5/0 per acre. One of the 80 acre blocks we believe had vines already growing on it but, if not, it is recorded that Samuel planted vines in the spring of that year, so it is recorded history now that the McWilliam family involvement in the wine industry began in 1877 at Corowa on the Murray River in New South Wales.

Over the years Samuel became a very competent farmer and vigneron, the vineyard block becoming known as the Sunnyside vineyard where he grew grapes, processed them into wine and sold wine from the premises. He also carried out other agriculture pursuits.

The Corowa Pastoral Agriculture and Horticultural Society was established in 1876 (which was identical to our show societies today) and they held their first shows in February and August of 1878. On the 5th January 1878 Samuel was appointed one of the expert farmers to judge the Poultry, Dairy Produce and garden sections of the show, also at this February show he won first prize for the best double furrow plough exhibited in the class and at the August show he won second prize in section 10 class 4 for the "Best cow and calf at foot". He also became an elected committee man of the society holding the position for a number of years and a vice president in 1888.

It is of interest here to mention how inheriting some of your families' characteristics and traits tend to have a bearing in shaping your own life; the part played in show societies by my great grandfather was unknown to me until about seven years ago. But I have been deeply involved in our local show society for 32 years, being president for three years, and chairman of the trustees of the show ground for the last eight years, apparently being influenced by some gene passed down the line.

Samuel's wife Martha died in May 1889 aged 47 from Cancer after bearing nine children, Samuel retired to North Sydney a couple of years later taking with him his four daughters, three of them still of school age and leaving the property in control of his sons.

THE GRANDFATHER:

As I mentioned John James was born in 1868, he was schooled at Corowa, worked for his father Samuel and married Elizabeth Dewar a Scot descendant in 1890 at the age of 22 years.

In 1894 the second child was born to John James and Elizabeth, a son named Lawrence John Roy, the boy came to be called Jack and eventually became my father. In 1895 when Jack was only a few months old his father John James moved to Junee to establish an outlet for the family wines in a licensed shop in Broadway Street.

About 1902 the Markview Vineyard was planted about 1 mile south from Junee consisting of about 30 acres of vines of various varieties. By 1907 a shed housing a 2 ton hand operated press, open wooden vats and some 100 gallon casks was installed, the following year a five roomed house was built on the property which saved John James the trouble of a daily hike from town to farm. The winery grew slowly with additions of more modern and larger equipment even incorporating a horse powered stemmer, still later two wings were added to the cellar one of which ran for 120' into the hill, where a pot still of 132 gallon capacity was installed with bond facilities. (This pot still is on show at our Hanwood Museum.) Next came a crushing plant with engine driven stemmer, must pump and press. During the period of establishment five more children were born including Doug who is still at Yenda. Glen who still resides at Hanwood was the last born in Manly after John James left Junee.

About the time John James became firmly established at Junee, a public clamour had arisen for the harnessing of the waters of the Murrumbidgee for water conservation and irrigation which led to the appointment of a select committee of the N.S.W. Parliament to study a proposal for the damming of the Murrumbidgee River. On the favourable recommendation of the public works committee a contract was let for the construction of a massive dam a Barren Jack later to become known as Burrinjuck Dam. The building of this mighty dam was the beginning of the M.I.A. as we know it today.

John James kept a very sharp eye on the family finances which was to prove very useful in the Hanwood and M.I.A. venture later.

During early 1913 brochures were noticed in the Junee Post Office extolling the virtues of the new Murrumbidgee Irrigation Area, home went the pamphlets and a family discussion ensued, which had far reaching implications both for the irrigation area and the winemaking industry of Australia, to say nothing of the fortunes of the McWilliam family.

Young Jack (my father) was proving to have much the same characteristics of drive and dedication that led his father to branch out on his own from Corowa, besides that he was stubborn and head-strong to a degree that quite alarmed his father and mother. Much of the family discussion turned upon the question of "What are we to do with young Jack?" The answer provided by fate was to harness the enthusiasm of the 18 year old Jack with more work that he could handle, so in late June 1913 John James and young Jack set off for the new M.I.A., they left the train at Yanco and travelled by horse and cart to the new Mirrool area where they set out to inspect a number of farms for vine culture. The resident expert from the "Department of Agriculture" advised against planting vines as unsuitable for the area but failed to convince John James that top soil 6" to 10" deep would not support vines with irrigation. Two 50 acre blocks were selected at Hanwood one adjoining the other, Farm 130 where the winery is situated today was registered in Jack's name and Farm 133 in John James name. They wasted no time in getting together cuttings for the planned vineyards, during July and August 1913 they cut 40,000 vine cuttings back at Junee and had them planted in a nursery near the Farm 133 water wheel. There was no water available during early spring and the nursery rows of cuttings had to be watered by cart bringing the water from a nearby station dam, then on 9th October 1913 the first water was sent down and through the wheels. This was the beginning of the first vineyards in the M.I.A. It would be reasonable to assume that but for the knowledge, imagination and tenacity of John James McWilliam and his son Jack, the states greatest wine producing district may not have been in the M.I.A.

The original Hanwood Winery was built while the vines were coming into production and crushed the first grapes in 1917, the first crop in 1916 being transported by rail back to Junee for processing.

From then on through hard work long range thinking and thriftiness the McWilliam Empire grew strong and rapid.

Jack managed and developed the Hanwood Winery and Vineyards until his retirement in 1949 when Glen the youngest of the eight children took over the reins. It was during Glen's era that the winery was dramatically enlarged and modernised to become one of the most modern wineries in Australia. On Glen's retirement in 1981 the management of the Hanwood Branch passed on to myself and that is the position as it stands until my retirement on the 7th July 1988.

In 1920, 3 acres of land on the railway was purchased in Yenda to construct a winery. By this time Jack's younger brother Doug known as D.L. to distinguish him from the growing number of members of the clan had become an active partner and the Yenda Winery grew to be increasingly his concern. Doug built,

expanded and managed the winery until a few years ago, when he retired and passed the management to his only son Jim. Jim has now retired and his second son Greg is the Yenda Winery manager. Jim's first son Doug is the Production Director and a Director of the company.

The first positive McWilliam's move beyond the M.I.A. was made in 1932 when a half interest was acquired in the famous Mount Pleasant Vineyards and Winery, situated in the lower Hunter Valley then owned by the Maurice O'Shea family. For domestic reasons the O'Shea family later sold their half interest to McWilliams making Mount Pleasant Wines a 100% McWilliams subsidiary. As the resources of Mount Pleasant grew, the winery was expanded and new areas were acquired for additional grape planting. McWilliams interests in the Hunter Valley now comprise Mount Pleasant, Lovedale, Rosehill and Middle Creek Vineyards, totalling about 300 acres and a modern winery.

In 1943 the Beelbanger Co-operative Winery was purchased by McWilliams and under the management of my brother Keith has been considerably expanded and modernised now producing most of the companies' top dry reds as well as other types of wine. In 1986 Keith retired from active duty still retaining the position of Chairman of Directors but passing Beelbanger's management to his eldest son Brian.

A further significant expansionary move was made into the irrigated areas of the Murray River at Robinvale Victoria where land was purchased and a winery designed and built by Glen McWilliam in 1962. This winery was built to cater for the large quantities of 'McWilliam's famous Cream Sherry required in the growing market of the 1960's. It is now one of our largest wineries producing basically white wine under the control of Glen's second son Max.

With five wineries, provision had to be made for wine receival terminal cellars for bottling and distribution and for Head Office administration at a point adjacent to railway facilities from which wine could be piped from specially constructed rail tankers to a commodious depot for wholesale and retail distribution. A site for the establishment of a Sydney cellars and Head Office complex was acquired at the corner of Bulwara and Pyrmont Bridge Roads adjacent to the Darling Harbour railway goods yard from which wine could be speedily transferred to the cellars.

This was satisfactory until the growth of wine sales outstripped the Pyrmont complex and another bottling plant on rail at Chullora was built in 1977. This plant which has just gone through a major expansion programme to double its area, now bottles and packages the complete range of McWilliam's products including the coolers and bag in the box lines. The Pyrmont premises still remains McWilliam's Head Office.

Interstate branches were established in Melbourne and Brisbane with agencies taking care of Western Australia, South Australia, Tasmania and the Northern Territory.

During this early stage of development, wide scope advertising through mass circulation newspapers and periodicals combined with hoarding, neon signs. Hotel wine bar and bottle shop display had become a feature of aggressive market penetration to a point which McWilliam's Wines achieved much wider scale public recognition. Interstate branches were established in Melbourne and Brisbane with agencies taking care of Western Australia, South Australia, Tasmania and the Northern Territory.

The penetration of the Australian markets was the responsibility of Keith McWilliam, John James third son; he was domiciled in Sydney attending to all the marketing, promoting and sales of the rapidly growing company. It can be claimed that much of McWilliam's success was the work that Mr K.S. (as he became known) put into the business through marketing and promoting during the developing years.

It was in the early 1940's that the McWilliam family turned their attention to New Zealand. After much investigation and research the company purchased land at Te-Awanga in the Hawkes Bay area and planted their first vineyard. By 1952 a winery was built on the site of an old Quarry in Napier and processed McWilliam's first vintage. In 1961 McDonald's Wines N.Z. was merged with McWilliam's Wines N.Z. and continued to expand until there were 12 vineyards and a new modern winery built in 1982 at Napier.

The area of company vineyards were complemented by extensive areas grown by contract growers and in aggregate totalled over 1,500 acres, and an annual crush of 10,000 to 12,000 tonnes of grapes.

In the late 70's and early 80's insurmountable problems were seen arising in the N.Z. wine industry with over production, high Govt. taxation and very severe competition resulting in wine being sold at uneconomic levels.

So after lengthy discussions in August 1984 McWilliam's Wines N.Z. merged with Cooks N.Z. Co., another large N.Z. Wine Co., to become a public Company listed on the N.Z. stock exchange and known as Cooks McWilliam's. The combined company then moved to rationalisation of its assets and operations. McWilliam's then terminated their interests in New Zealand after approximately 40 years of involvement and withdrew back to Australia to concentrate on the Australian and export markets.

The McWilliam's Wine Empire today holds a unique position in the Australian Wine Industry, being completely owned, run and controlled by the family, wholesaling and retailing all types of wines including Champagne and Brandy with approximately 400 people on the payroll.

It is a historical fact that had it not been for John James McWilliam's far sighted initiative and boundless faith in the future of the M.I.A. and particularly the Mirrool portion for wine grape growing, there would have been no major wine industry here today. The M.I.A. the state of N.S.W. and Australia owe a lot to John James dream of a Vision Splendid born to fruition by his closely knit four generation successors.