

KANE'S BEVERAGE WEEK

*The marketing, regulatory and financial news that matters . . . when it matters
for bev/al executives and their advisers*

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Who & What —

Total Wine Co-Founder Seeks Senate Seat

David Trone, currently a Maryland Congressman and a co-founder of **Total Wine & More** announced he will seek the Senate seat to be vacated by longtime Sen. Ben Cardin.

He said all contestants for the seat "will be running as super progressive. The difference is going to be who can get stuff done and who can keep this seat Democrat?" Maryland is overwhelmingly Democratic, which means whoever wins the primary is almost certain to win the general election.

Trone spent more than \$12 million of his personal fortune to hold onto his seat in Western Maryland last year. In the past, he has shrugged off accusations about "buying" a seat in Congress. How much is he willing to spend to win (or buy, if you prefer) a seat in the Senate? He said he will use a lot of resources to get his message out.

When he's accused to buying a seat in Congress, he has a quick rejoinder: Because he can self-fund a campaign, he doesn't have to take money from political action committees or lobbyists.

Zeponi & Co. hires **Sarah Hohenberger** as VP. Most recently she was an associate director at UB Investment Bank in their consumer products and retail group.

Kristian Jelm joins **Vine Connections** as associate director of sales. Previously, she was with Young's Market Co./RNDC and Wente Family Estates.

Sue Ghest-Kehoe joins **Gil Family Estates** as U.S. vp-marketing after 10 years with Blue Ventures Wine .Marketing.

Spirits United Slams New York Times Video Urging Tax Increase on Bev/Al to Curb Excessive Drinking

The Opinion Video by the New York Times is a very slick piece of antialcohol advocacy that asserts that raising alcohol taxes can "drastically cut the number of deaths on U.S. roads, spare many from fatal disease, reduce violence and even unwanted pregnancies."

Spirits United, the grassroots advocacy program developed by the **Distilled Spirits Council of the U.S.**, assailed the video and said it used data from 1911 — that's 110 years ago. Spirits United urged advocates to vote "no" in the opinion poll embedded in the video. The poll asks whether the viewer thinks raising alcohol taxes is a good idea. When we checked shortly before going to press, 72% of responses were in favor of raising taxes on alcohol, and 28% were opposed.

And **Chris Swonger**, DISCUS president, sent a letter to the Times. "The spirits industry unequivocally opposes alcohol abuse, however, raising taxes to reduce abuse is misguided," he wrote "An effective strategy, supported by science and the CDC, is screening and intervention for problem drinkers, which has long been supported by the spirits industry and healthcare organizations."

A Slick Video

The video is a slick piece of opinion journalism in our opinion. By that, we mean not only is it technically well presented but it construes facts in a misleading way.

For instance, a reasonable viewer might assume the claim that "alcohol has killed far more people than cocaine, meth, prescription opioids and heroin," refers to the total of the five drugs. But no, that's on an individual basis. Add the four together and the four drugs have resulted in more than 70,000 deaths a year vs. 50,000 from alcohol.

"We all agree fentanyl is causing a national crisis," the video intones as it shows fentanyl by itself killing about 57,000 people a year, "so why don't we say the same about excessive drinking?" (Add together fentanyl and the other drugs and deaths from illegal drugs totals about 127,500 a year, more than twice the number from alcohol.)

"Excessive drinking costs the nation \$249 billion a year," the Times Opinion Video says as it moves to deplore the fact that cocktails-to-go are permanent in New York.

The government, it notes, has tried various approaches to curbing excessive drinking, from raising the drinking age to 21 to Prohibition. None has made a lasting dent in the alcohol problem, it says. But one thing will, the video says: "raising taxes on alcohol makes people drink less."

"When we drink less," liver disease, violence "and even sexually transmitted infections" all go down. It cited Maryland, which in 2011 increased the alcohol sales tax and raw serious car crashes fell 6%; "in Alaska, a small tax increase led to an 11% drop in deaths caused by alcohol-related disease."

Alcohol taxes are fair, it asserts, saying "if you don't drink you don't pay, and people who drink more pay more.." New Mexico, which holds the title for the highest alcohol death rate in the U.S., hasn't increased its tax in three decades, it says. Oregon last raised its beer tax in 1977, and Wyoming hasn't raised its beer tax "since F.D.R. was in the White House."

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In its alert, Spirits United notes that research shows alcohol abusers aren't deterred by higher taxes, and says alcohol taxes are hospitality taxes. It also says that distilled spirits are already one of the highest taxed consumer products, with 53% of the price of a typical bottle of spirits going to taxes and fees, the prevalence of underage and binge drinking has been on decline since 2010, an Illinois study showed higher taxes resulted in consumers switching to cheaper products, not reducing consumption,

Analysis: Beating the Drum For Higher Bev/Al Taxes

This is the latest in a series of articles in the Times and other media which are simply beating the drum for increased alcohol taxes. Left unanswered, Congress and the President can find alcohol a tempting target. That's why the last increase in bev/al taxes was passed — during the anti-tax Reagan Administration.

This video ran on May 4. On Jan. 13, the Times ran a story headlined, "Even a Little Alcohol Can Harm Your Health."

In a story on Feb. 14, the Times reported that "people who binge-drink may benefit from taking a dose of naltrexone before consuming alcohol, a finding that may be welcomed now that alcohol-related deaths have surpassed 140,000 a year."

The good news in the Times story is the concept that taking naltrexone before drinking may reduce alcohol consumption. The bad news is the phrase "now that alcohol-related death has surpassed 140,000 a year."

You can expect more videos like the Times Opinion Video because communication experts know video is more effective in shaping attitudes than print and can be shared on social media.

Molson Coors Sales Up 5.9%, Net Falls 52%

Molson Coors Beverage Co. reports sales increased 5.9% in the first quarter to \$2.35 billion. Net income was \$72.5 million, or 33 cents a share, a 52% drop from 151.5 million, or 70 cents a share.

The company nearly doubled its bottom line on an adjusted basis and grew revenue across both its Americas and EMEA & APAC business units. Molson Coors' results were buoyed by the strength of its core and above-premium brands and strong pricing across its global markets.

Gavin Hattersley, Molson Coors' president and CEO, said the first-quarter results reflect the company's continued progress and demonstrate the strength of the company's foundation.

"Our iconic core brands remain healthy, and our premiumization strategy is working as we see continued momentum across our newest brands in above-premium beer and beyond," he said.

Coors Light and **Miller Lite**, Molson Coors' core brands in the U.S., grew revenue by double digits in the first quarter, while Molson Canadian and Coors Light turned in sales gains in Canada. The company's business in Europe and Asia, meanwhile, grew 7.6%, fueled by premiumization, including the continued strength of **Madri Ex-**

ceptional, which now ranks as the No. 8-best-selling brand in the U.K.

While Hattersley praised Molson Coors' results, he cautioned that the first-quarter growth rate should not be applied to the entirety of 2023, noting a few one-time benefits from lapping pandemic-related restrictions in some countries and strong pricing in January and February. He also said continued economic uncertainty and the global consumer outlook could affect future results.

In the U.S., Coors Light and Miller Lite each grew revenue by double digits in the first quarter and held total industry dollar share. Miller Lite ranked as a top-10 growth brand, per Circana data. Hattersley said both brands benefited from Molson Coors' first national Super Bowl ad campaign in 30 years, growing displays leading up to the game, and Coors Light was a top-three brand for all display activity in February "due to the strength of our plans and execution."

Molson Coors' brands turned in a successful first quarter elsewhere, as well. In Canada, Coors Light and Molson Canadian each posted growth. And in the U.K., Carling remains the nation's No. 1 beer by volume.

Above premium beer wins

Molson Coors' efforts to premiumize its portfolio continue to pay off, Hattersley says. In the U.K., Madri Exceptional continued to grow sales and share. The popular world lager is now bigger than Budweiser in the U.K. and recently passed Stella Artois in the on-trade to become the nation's No. 6 beer in that channel.

Hattersley said Molson Coors' portfolio of hard seltzers, flavored alcohol beverages, spirits-based beverages and non-alc beverages again grew in the quarter.

Those results were led by Simply Spiked Lemonade, which now ranks as a top-10 FMB brand as measured by Circana, and a top-five industry growth brand. The brand, which ended 2022 as the No. 2 new item in U.S. total beer, also launched in Canada in February and rolled out Simply Spiked Peach in the U.S. in March.

Topo Chico Hard Seltzer grew brand volume in March, and Molson Coors released its RTD cocktail line, Topo Chico Spirited, last month. Hattersley also pointed to another innovation coming from its relationship with The Coca-Cola Company: the coming launch of Peace Hard Tea in September.

Pernod Ricard: Our Dealings with Russia Break No Rules or Embargoes

Pernod Ricard has acknowledged shipping some product to Russia. But in doing so, it said, it violated no rules or embargoes.

"In fully complying with all international sanctions we significantly reduced the number and quantity of brands imported to a level that enabled us to protect our local teams, their livelihoods, and the welfare of their families," Pernod Ricard said, adding: "This also meant reducing the quantities being sold to avoid 'intentional bankruptcy', which is a criminal offence in Russia and represents a significant risk for our employees. In doing everything we can to manage the situation, the reality of exiting Russia is both complex and extremely challenging."

Pernod said that "from the very beginning we have utterly condemned the invasion of Ukraine by Russia. "We have stood and stand firmly with the people of Ukraine, contributing to the UNHCR and provided assistance to our 60 local team members, including direct financial assistance, psychological support, accommodation for some employees and their families, in neighbouring countries and employment outside Ukraine for those who required it," Pernod said.

Pernod also indicated that some of its competitors were also shipping into Russia and were in fact violating the rules. At least one publication confirmed that statement.

Underground Cellar Files for Liquidation Under Bankruptcy Act

The notice was posted on its website. The company, which had offered to store up to 500 bottles for free in its "secure Napa Valley cellar" and to ship 12-bottle cases for free attributed the closure to "recent market headwinds, and an inability to secure follow-on financing or an acquisition in what has become an increasingly challenging capital market."

Here's a deal: Pay \$25 for a bottle of wine and you just might get a bottle valued at \$100 or more. That was the pitch Underground Cellar made. It also promised to store 500 bottles of wine purchased from the company for "in our secure Napa Valley cellar (your personal CloudCellar" for free, then ship your wine at any time. "Cases (12 bottles) always ship FREE," was the offer still displayed on the company's website.

It's unclear whether customers who purchased and paid for wine, and then left it with Underground Cellar for storage will be able to recover their wine.

Bud Light Drivers, Sales Reps, Distributors Assailed Over Dylan Mulvaney Brewhaha

Drivers delivering Bud Light along with sales representative and independent distributors have faced angry people on the streets, in bars and in stores in the wake of a promotion involving a transgender influencer, **Michel Doukeris**, CEO, **Anheuser-Busch InBev** told *The Wall Street Journal*.

He described the front-line workers as "the fabric of our business" and said ABI would be paid a \$500 bonus to each of those workers.

Bud Light's U.S. sales fell 21% from a year earlier, according to Bump Williams Consulting. Who benefited from the controversy that began when Dylan Mulvaney displayed a personalized Bud Light on her Instagram feed. Who benefitted from that sales drop? **Molson Coors Beverages** which saw sales of **Coors Light** and **Miller Light** each jump about 21%.

Sales of other A-B brands also declined. But on a global basis, the controversy had only about a 1% impact on sales.

Bud Light and Disney: Is There a Message?

If there's one lesson executives should take away from the controversies involving **Bud Light** and **Walt Disney**

Co., it's this: Companies should avoid getting into a public fight over any issue that does not directly involve the sale of its products.

Bud Light sales are plunging because a mid-level marketing executive had sent a can of Bud Light to a transgender influencer. The custom-made can had the influencer's picture on it.

That was a trendy move the marketer surely felt would promote Bud Light. Unfortunately, a sizeable part of Bud Light's customer base viewed it as promoting the transgender movement — and they view transgender as being inherently immoral. So they decided to boycott the beer — a message that was quickly spread through social media.

Apparently **Anheuser-Busch InBev's** senior management has gotten the message; they now say their marketing should focus on beer, entertainment and sports. That's not only safe, but also the way A-B built itself into America's largest brewer and A-B brands became the most popular beers in the U.S.

A Big Mess

Walt Disney Co. is in an even bigger mess. While the Dylan Mulvaney controversy simply alienated a sizable portion of Bud Light's customer base, Disney now finds itself having picked a fight with Florida Gov. Ron DeSantis, who not only occupies a bully pulpit but also can make life miserable for Disney. Step 1 has been to convert Disney's special improvement district that effectively let it govern itself into a governmental body DeSantis controls.

While Disney may choose to fight in the courts and perhaps with press releases, DeSantis can fight not only in the courts (with the legal bill paid by Florida taxpayers), and with press releases, and with public speeches, but also with the full power of Florida's government behind him. Every politician needs an enemy, and for the Florida Governor and Republican presidential hopeful, Disney is now that

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oratorical enemy. This is a losing position for Disney. It's also a self-inflicted wound.

A Stupid Tit-for-Tat

We think it's also a stupid tit-for-tat by DeSantis. He's taking on the largest single-site employer in his state, an employer which has said it will spend more than \$17 billion and create more than 13,000 addition jobs over the next 10 years. Disney CEO Bob Iger is correct when he says those investments will create thousands of other indirect jobs and attract more people to the state and generate more taxes.

When Iger said DeSantis is antibusiness, we think he has a case. Will Disney pause its investments while DeSantis is governor? Will other CEOs think twice about moving to Florida? Might business groups cancel conventions in the state?

Remember how the Disney-DeSantis feud began: DeSantis said Covid-19 shots were not required anywhere in Florida. Disney publicly said it was requiring all on-site employees at Walt Disney World to get them anyway.

Then a few month later, some Disney employees pressured a weak CEO to have the company take a public position against the "Parental Rights in Education" bill, a measure which political progressives promptly labeled the "Don't Say Gay" bill.

On the very day that DeSantis signed the bill into law, Disney issued a statement that it should be struck down in the courts and that the company would suspend all political contributions in the State of Florida.

Since then it has been open warfare between Disney and DeSantis, who seems to be willing to "cut off his nose" to punish Disney, such as his musing about perhaps building a prison right next to Walt Disney World.

Navigating Dangerous Waters

So, what can a company do safely on questions of public importance — whether the question is an LBTGQ issue, a climate change issue, or something else?

First, let the lobbyists handle it. If you believe a bill will be bad for business or for your employees, have your lobbyists address the issue with lawmakers, including Governors. Get invited to testify before lawmakers on how a measure might affect your company or your employees.

Ignore those employees and others who say you should take a principled stand on a moral basis. Remember it's not your company, it's not your employees company, it's your shareholders company.

Whatever you do, don't get into a fight with a man who possess a bully pulpit.

Second, remember "actions speak louder than words."

The bev/al industry has applied that principle when it comes to alcohol abuse and drunk driving. When anti-alcohol activists demand action, the industry can point to how much money it pours into responsible drinking messages, how it supports research into ways that prevent someone who has had too much to drink from being able to drive a car.

Likewise, as Anheuser-Busch has upgraded its plants it has publicized how the upgrades help reduce global warming by reducing CO2. When a worker at the Molson Coors brewery in Golden, Colo., developed a work process that resulted in the plant no longer sending its waste to a landfill, the company publicized what the worker had done,

the benefits for the environment and, importantly, the benefits for the company's bottom line.

Third, remember "self praise stinks," so let others publicize your good works such as being a "best employer" for women, for LGBTQ+ people, to seniors, or your actions to protect the environment. The endorsement by outsiders will carry far more weight with the media, your employees and your shareholders than some statement issued by your CEO. Take every opportunity to win such endorsements, entering every competition you can.

Spirit of Gallo Buys Fishers Island Lemonade

Spirit of Gallo said it will acquire **Fishers Island Lemonade**, a female-founded beverage brand. Terms weren't disclosed. A trailblazer in the ready-to-drink (RTD) category, Fishers Island Lemonade was one of the first premium craft cocktails to be packaged in a can. Terms weren't disclosed.

Fishers Island Lemonade (9% ABV) is positioned as a leader in the premium RTD category with its one-of-a-kind, full-flavor taste profile of barrel-aged whiskey and premium vodka; its four-pack is offered at \$15.99.

Founder **Bronya Shillo** grew up in Bloomfield, Connecticut and spent summers on Fishers Island, New York where her family owned and operated The Pequot Inn, the only bar on the island, where she began to work as soon as she was old enough. Frequenting by locals and visitors alike, The Pequot Inn is known for its signature "FIL" cocktail that was hand crafted in 15-liter batches prior to busy summer weekends. Due to the drink's popularity, it would sell out regularly at the bar which would cause bartenders to step away to make more. During her time there as a manager, Bronya began to focus on the idea of canning the cocktail, which would not only allow her to serve her customers quicker but also bring the delicious taste of Fishers Island to a wider audience. After two years of research and development, Bronya launched Fishers Island Lemonade on Memorial Day 2014, pioneering the canned cocktail category which is one of the leading contributors to the success of the RTD category today along with High Noon from Spirit of Gallo.

"In the ready-to-drink category, consumers are trading up to spirits-based cocktails and demanding more full-flavored, higher ABV products, reflecting the overall trend of spirits premiumization in the United States," said **Britt West**, Senior Vice President and General Manager of Spirit of Gallo. "Having known Bronya for over a decade, I have watched her bring Fishers Island Lemonade from a concept all the way to its success as one of the highest-quality and best tasting canned cocktails in the market.

"Spirit of Gallo is so honored that she has entrusted us with her visionary idea, and we are galvanized to work with her as she remains on board to guide the brand and serve as its official spokesperson. Together, we will highlight the unique sense and taste of island life to more consumers across the country."

"When I launched Fishers Island Lemonade nearly a decade ago, I never could have imagined the overwhelming love and support we received that allowed us to grow the

brand from a single cocktail into a family of full-flavor spiked lemonade craft cocktails in a can," said Fishers Island Lemonade Founder Bronya Shillo. "Spirit of Gallo has a proven record of innovation and success in the RTD category and there is no other organization I would trust to take Fishers Island Lemonade to the next level. I am ecstatic for this opportunity to support and further grow the Fishers Island Lemonade brand."

Today, the Fishers Island Lemonade family also includes Fishers Island Half and Half (7% ABV) and Fishers Island Pink Flamingo (7% ABV), line priced with an SRP of \$15.99 for a four-pack along with variety 8-pack offerings. Most recently, the Fishers Island Family earned Platinum, Double Gold and the Consumer's Choice Award at the 2022 SIP Awards, and Gold at the 2023 San Francisco Spirits Awa

Broc Cellars Acquires Fox Hill Vineyard

The purchase makes Broc, based in Berkeley, Calif., one of the few independent wineries to own its own land. Terms weren't disclosed.

Esther Mobley, of the *San Francisco Chronicle*, says Broc isn't the only small-but-established winemaker to buy a notable vineyard in recent years. Stewart Cellars bought Montecillo Vineyard in Sonoma, its first estate, last year. In 2021 Pax Mahle, of Pax Wines, and Baron Ziegler, of Marine Layer Wines, together bought the Halcon Vineyard in Mendocino County.

Wash. Gov. Signs Cocktails-to-Go Bill

Washington State Gov. Jay Inslee signed a bill making permanent the right of restaurants and bars to sell beer, wine and approved mixed drinks with a food purchase. Mixed drinks must be in sealed containers, appropriately labeled and placed in the trunk or non-passenger compartments of a vehicle. The new law takes effect July 1.

Adam Smith, DISCUS vp-state government relations, applauded the move. "There is no doubt cocktails to-go provided much-needed support for businesses during the pandemic, and now bars and restaurants can count on this critical revenue stream permanently. Plus, adult consumers will continue to enjoy their favorite cocktails with their takeout orders. We thank the Washington Legislature and Governor Inslee for codifying this consumer- and business-friendly measure into law."

Penna. Bill Allows Low-Al Spirits RtD Cocktail Sales at State Stores, Other Retailers

Distilled Spirits Council said it "welcomed" introduction of the bill in the Pennsylvania Senate.

"In Pennsylvania, beer- and wine-based RTDs can be sold in nearly 11,000 locations, including grocery and convenience stores," said Sen. **Mike Regan**. "Meanwhile, spirits RTDs with the same or lower amounts of alcohol can only be sold in about 600 locations. My bill helps level the playing field for these comparable products, providing economic opportunity to thousands of Pennsylvania businesses and increasing consumer convenience."

Expanding access to spirits RTDs in Pennsylvania will help small businesses, including the more than 117 craft distilleries in the state as well as the many grocery and convenience stores that will sell their products. By applying the 18% liquor tax to RTDs containing up to 12.5% alcohol and expanding access to these products, the state could gain between \$153.3 and \$184.5 million in new revenue over the course of three years.

Despite growing consumer demand for spirits RTDs, a DISCUS survey found that nearly two-thirds (62%) of craft spirits distillers say they are not producing spirits RTD products due to market barriers.

"As a small producer in Pennsylvania, we've been hesitant to enter into the ready-to-drink market simply because we know we will be at a 10,000-store disadvantage even though these products have the same alcohol content as beer and wine RTDs," said **Herman C. Mihalich**, founder and

distiller at **Dad's Hat Rye Whiskey**. "What's worse, is our consumers want these products, but because of the unfair market structure, we can't meet that consumer demand. We are being left out of the fastest growing spirits category, and that stifles innovation as well as consumer choice."

Bill Making Cocktails-to-Go Permanent Clears Michigan House

The Michigan House passed and sent to the state Senate a bill that would make cocktails to go permanent.

Currently, cocktails to-go are set to expire on January 1, 2026. The bill removes the sunset date and allows on-premise licensees, including distillers, to sell cocktails to-go in a sealed container for carryout. On-premise retail licensees may deliver using employees or third-party agents, while manufacturers may only deliver using employees.

TTB Accepts Crave Mead Settlement Offer

Alcohol & Tobacco Tax & Trade Bureau said it accepted a \$1189.07 compromise offer from **Crave Mead LLC**, a bonded winery in Blackstone, Mass., to settle a \$5,945.33 failure to pay taxes charge. TTB said it accepted the offer after Crave Mead submitted financial documentation establishing doubt as to collectability of the \$5,943.33 tax bill.

Researchers Make Major Breakthrough In Understanding Chemistry of Smoke in Wine

Oregon State University researchers have discovered a new class of compounds that contributes to the ashy or smoky flavors in wine made with grapes exposed to wildfire smoke.

This development is significant for winemakers who have struggled to combat the impact of smoke on grapes at a time when climate change is leading to an increase in the number and severity of wildfires, the researchers said.

"These findings provide new avenues for research to understand and prevent smoke taint in grapes," said **Elizabet Tomasi**, an associate professor of enology at Ore-

gon State. "They also will help provide tools for the grape and wine industries to quickly make decisions about whether to harvest grapes or make wine following a smoke event."

The findings, made in conjunction with researchers at Washington State University, were just published in the journal *Food Chemistry Advances*. Tomasino also discussed the findings in June at the American Society for Enology and Viticulture national conference in San Diego.

Wildfires are a significant threat to wineries because persistent exposure to smoke compromises the quality and value of wine grapes and adversely affects wines. That threat is particularly pronounced on the West Coast of the United States, where California, Oregon and Washington are three of the nation's top four wine-producing states.

Using smoke tainted grapes to make wine can affect the aroma and flavor of the wine. The changes in flavor and aroma have traditionally been attributed to a class of compounds known as volatile phenols. However, volatile phenols weren't considered good predictors of smoke taint issues, Tomasino said. For example, wines with high levels of these compounds often didn't taste smoke tainted, and wines with low levels could taste smoke tainted, she said.

This led Tomasino and her team to search for other compounds that could be causing smoke taint in wine.

Last year, Tomasino and Jenna Fryer, a doctoral student in Tomasino's lab, published a paper that outlined a new standard for tasting the smoky/ashy component of smoke taint in wine. As part of that work, they discovered the new class of sulfur-containing compounds, thiophenols. Thiophenols are not normally found in wines and alcoholic beverages. They are found in meat and fish, and past sensory research has used the terms meaty and burnt to describe them.

To better understand what impact thiophenols might have on wine, Cole Cerrato, an Oregon State researcher who works closely with Tomasino, set up an experiment at the university's vineyard. Cerrato and others in the lab built a greenhouse-like structure, placed it over a row of grapes and exposed the grapes to smoke. They harvested those grapes and made wine with them.

The wines the researchers made were sent to Tom Collins, an assistant professor at Washington State's Wine Science Center. He confirmed that thiophenols were found in the wines that had been exposed to smoke in Oregon State's vineyard, and that the thiophenols were not found in control samples that had no smoke exposure.

During sensory analysis in Tomasino's lab, the wines exposed to smoke in Oregon State's vineyard – which has both thiophenols and volatile phenols in them – were described as ashy and smoky.

"To date, volatile phenol concentrations and frequent tasting of potentially impacted wines are the only predictors winemakers can use to determine the level of smoke they might have in their wines," Tomasino said. "The discovery of thiophenols provides a new chemical marker for smoke taint that could provide a reliable way to identify smoke taint and ways to potentially eliminate it during the wine-making process."

Kobrand Adds Buglioni to Portfolio

Kobrand Corp. said it was named the exclusive U.S. importer for Buglioni wines. It will be responsible for all sales and marketing activities in the U.S.

"The wines from Buglioni are perfect additions to our portfolio of outstanding producers from around the world and in particular Italy, where we have standard-bearers in each of the classic regions," said **Robert T. DeRoose**, Kobrand president/CEO. "Buglioni has quickly established itself as one of the most prominent, pioneering producers in Valpolicella."

Kobrand is now importing four Buglioni wines: "*Il Lussurioso*" Amarone Classico (SRP \$67); "*Il Bugiardo*" Valpolicella Ripasso (SRP \$35); "*(I'M)Perfetto*" Valpolicella Classico (SRP \$25); and "*Musa*" Lugana (SRP \$24).

Starward Debuts a Ginger Beer

Starward Australian Whisky launched Ginger Beer Cask #7, a distinctive single malt whisky that is described as "punchy, packed with flavor", and available for the first time to U.S. consumers via a ballot system.

Starting today, whisky fans can enter the ballot to reserve their spot for one of Starward's most popular cask finishes. Ginger Beer Cask #7 represents the latest labor of love from the Starward Innovative Projects Program, an initiative led by Starward's Head of Distilling, **Sam Slaney**, that allows the brand to experiment with their whiskies to create flavor-forward and unique expressions.

For the past seven years, Ginger Beer Cask has developed a cult following in Australia, quickly selling out of its limited run each year. With Starward being embraced globally and lauded by the world's most prestigious spirits competitions, Starward Founder **David Vitale** felt it was high time to invite even more whisky fans into the fold, and show them what New World whisky-making is all about. SRP: \$100.

Tequila Komos Intros Añejo Reserva

Añejo Reserva is the latest addition to the Tequila Komos's highest-rated tequila collection.

The Añejo Reserva expression is aged for a minimum of 12 months in specially chosen barrels including French oak white wine, American bourbon, and sherry casks, and is then masterfully blended. The final touch is to aerate the tequila to make the mouthfeel softer and smoother, while adding a richness and roundness.

Komos Añejo Reserva is presented in an elegant white ceramic bottle, which evokes the beauty of the Mediterranean and is designed to be upcycled.

"Komos continues to be guided by our dedication to craftsmanship and our innovative combination of winemaking techniques with the art of traditional tequila-making," said co-CEO & co-Founder **Richard Betts**. "We're proud to release this rich new expression – the result of the unique approach we took in the selection process of barrels and sherry casks. Añejo Reserva reaffirms our core belief that good living and good tequila are truly the perfect way to lean into any occasion."

"As the importer of the brand, we at Spirit of Gallo felt

it was imperative to enter into a strategic partnership with Tequila Komos given their track record of excellence in craftsmanship and innovation," said **Britt West**, SVP & GM, **Spirit of Gallo**. "Añejo Reserva is the latest example of that thoughtfulness and attention to detail and I am thrilled to bring this to consumers and for them to experience this incredible addition to the award-winning portfolio." SRP: \$169.99.

Harpoon Intros 2 New Lagers

Harpoon Brewery, Boston, released two new lager beers, American Flyer Light and American Flyer Lager. SRP: \$13.99-\$14.99.

The brewery said \$1 of each case sold will support military families and those of fallen or disabled service members and first responders. American Flyer Light is a light lager (42% ABV) that benefits Folds of Honor. American Flyer Lager is a golden lager and benefits Fisher House Foundation.

American Flyer Lager is a bright, crisp and full-flavored golden lager at 5% ABV. Fisher House Foundation will benefit from \$1 from each case equivalent from American Flyer Lager to help support the foundation's efforts to provide temporary free lodging for families of patients receiving medical care at major military and VA medical centers across the country. American Flyer Lager will be available in 12-pack 12oz cans.

Crystal Springs of Napa Valley Comment Period Extended by TTB

Alcohol & Tobacco Tax & Trade Bureau extended until June 30 the opportunity for people to comment on the proposed establishment of the 4,000-acre "Crystal Springs of Napa Valley" American Viticultural Area. The original deadline for submission of comments was May 1.

Flybird Cocktails Extends Line

Flybird Fiesta Shots (SRP: \$13.99) are, a new single-serve format from **Flybird Cocktails** sold in packs of four. Made in Mexico from 100% Blue Weber Agave wine and all-natural fruit flavors, the premium freezer-friendly shots are packaged in 2-ounce reusable double shot glasses and contain 20% ABV.

Available in four unique flavors including: Lime & Roasted Jalapeño, Passion Fruit & Tajín, Piña & Papaya, and Strawberry & Guava, Flybird Fiesta Shots make history as the first-ever agave wine-based product to be packaged and marketed in a shot-based format.

"As the ready-to-serve wine-based cocktail category evolves, we aim to be at the forefront of innovation. Flybird Fiesta Shots are a great example of the next evolution of our 120-year-old family company," said **Donny Sebastiani**, Proprietor, **Don Sebastiani & Sons**. "Flybird is all about bringing happy hour home. For parties, favors, tailgates, and beyond, Flybird Fiesta Shots offers a delicious new fiesta-friendly shot format to share and enjoy an authentic Flybird experience."

With sales up 42% in the last 13 weeks*, Flybird continues to win over consumers with its flagship Baja Lime and Strawberry Margaritas, as well as with new and innovative product entries like Flybird Fiesta Shots and Flybird Spicy

Tamarind Mangonada, which launched in last year. Most recently, Flybird was recognized as an Impact Hot Prospect Award recipient for the second year running, an industry honor that recognizes up-and-coming brands poised to become household names in the years ahead.

Breakthru, Deutsch Renew 5-Year Pact

Breakthru Beverage Group and **Deutsch Family Wine & Spirits** said they have signed an agreement on a new five-year partnership, continuing their strong collaboration to support Deutsch's fast-growing portfolio. The agreement maintains Breakthru's current, long-term representation of Deutsch Family in the Pennsylvania, Delaware, Maryland, Montgomery County, Md., Virginia and Washington, D.C. markets, where Breakthru said it will continue to leverage their best-in-class capabilities and sales teams to deliver for their partners.

"Breakthru has consistently delivered results that meet and exceed the commitments they've made," said **Peter Deutsch**, CEO, **Deutsch Family Wine & Spirits**. "For these reasons and many more, including our shared values and histories as family-led businesses, extending our relationship with Breakthru was an easy decision."

Don Q Releases 5th New Flavored Rum

Destilería Serrallés Inc., the producer of Don Q, Puerto Rico's number-one rum, announced the release of **Don Q Naranja**, an exceptional flavored rum, aged in American White Oak barrels for up to 18 months with natural orange essence and flavor.

Made with the finest aged rums and all-natural flavors, Don Q Naranja (MSRP \$14.99; 750 ml) is the fifth expression of the brand's flavor portfolio, joining *Don Q Coco*, *Don Q Piña*, *Don Q Limón* and *Don Q Pasión*. The flavor portfolio is inspired by the fresh, tropical fruits from Puerto Rico.

Naranja's bright citrus notes and alluring sweetness make it ideal for virtually any cocktail requiring a hint of orange with the tropical, premium taste of Don Q Rum. Mix Naranja with fresh juices or other citrus-focused liqueurs for a refreshing highball or low-ABV cocktail, including a Don Q Orange Spritz or the Don Q Mule.

"We've been creating exceptional, dynamic rums for nearly 160 years, and Don Q Naranja is a vibrant example of how we craft our aged rums and infuse with all natural ingredients to create an unparalleled flavored expression," says **Silvia Santiago**, *Maestra Ronera*. "Our Don Q Naranja adds even more freshness and tropical notes to our already versatile and popular flavored rums portfolio. This is a perfect summer sipper," says Master Blender **Liza Cordero**.

Destilería Serrallés is one of America's oldest family-owned businesses with a rum making tradition that spans six generations and nearly 160 years. Don Q Naranja is part of the brand's award-winning portfolio of flavored rums.

Tabor Hill Adds Lake Michigan Shore AVA Brut Rose to Portfolio

Tabor Hill Winery said it is adding a Lake Michigan Shore AVA Brut Rosé to its portfolio. The company said this Brut Rosé perfectly balances fruit-forward flavors with deli-

cate bubbles making it the ideal sipper for any occasion, big or small. Sporting a beautiful shade of pale salmon, the color alone alludes to the flavors of strawberry and raspberry characteristic of a traditional Provençal Rosé.

Their Lake Michigan Shore Brut Rosé is available at all Tabor Hill locations as well as on their online shop. It is also available in select retailers across Michigan, Indiana, Illinois, Wisconsin, Ohio, and Kentucky.

Becraft and Ward Exit 375 Park Ave. Spirits, Form Own Consultancy

Laura Becraft and **Lauren Ward** have broken from **375 Park Avenue Spirits** to launch **Brazen Imports & Consulting**, a new firm focused on helping brands grow their business in the highly competitive beverage alcohol space.

Until recently, Becraft was Commercial Operations Director at 375 Park Avenue Spirits, a division of **Sazerac Co.**, after spending more than two decades in high-profile sales and leadership roles at Southern Glazer's Wine & Spirits, Patrón Spirits Co., and a wine and spirits marketing agency. Ward was also previously at 375 Park Avenue Spirits, in a Vice President role leading national accounts, control states, and the company's extensive single barrel program.

"Our goal at Brazen Imports & Consulting is to support, empower, and fuel brands to develop their growth strategy, and to do that successfully, those companies need aggressive route-to-market playbooks, they need an experienced team that understands sales, marketing, and the complex regulatory environment for beverage alcohol, and they need skilled industry leaders to navigate logistics and distributor relationships," says Becraft. "Bold brands need 'Brazen' professionals in their corner."

Absolut to Launch Vodka-Cranberry Cocktail in Partnership with Ocean Spray

Absolut Vodka and **Ocean Spray** are partnering to introduce the **Absolut and Ocean Spray Vodka-Cranberry Range**, a new Ready-to-Drink line with Ocean Spray building on the brands' successful marketing partnership in the U.S., will be on retail shelves in early 2024.

The range will include a variety 8-Pack of four sparkling combinations, two 4-Packs and Single Cans.

"Ocean Spray's cranberry heritage is bringing real juice credentials to the spirits category," said **Monisha Dabek**, Chief Commercial Officer & General Manager, USA, at Ocean Spray. "We're excited to bring to life a longstanding consumer favorite pour, Vodka + Cran, and are incredibly excited to collaborate with the **Absolut** and **Pernod Ricard USA** teams to delight consumers into the future."

"Absolut Vodka and Ocean Spray Cranberry Juice have long been enjoyed together at bars and in homes across the country," said **Natalie Accari**, VP-RTD & Convenience North America, Pernod Ricard USA. "We are very excited to be bringing this beloved classic cocktail to our consumers in a convenient new format."

The brands have been working together on integrated programming, co-packaging, innovation, and new offerings that will start rolling out in exciting ways this summer for their likeminded consumers.

Aristocrat Group Said to Begin Talks to Acquire Merica Bourbon

Aristocrat Group, Houston, Tex., said it has entered into talks to acquire **Merica Bourbon**, a national brand currently distributed nationally, including sales in Walmart stores. The talks are part of Aristocrat's plans to add a large portfolio of beer and distilled spirits.

3 DFW Entrepreneurs Debut La Pulga Tequila

The brand was founded by **Sarah Castillo**, a well-known and respected DFW restaurateur (Taco Heads, Tinies Mexican Cuisine, Sidesaddle Saloon); **Andrew De La Torre**, a club owner and the operator of Pequeño Mexico; and **Stephen Slaughter**, a local entrepreneur and real estate developer.

Joining the La Pulga team as the company's Head of Spirits is **Ale Ochoa**, who was formerly a Whiskey Scientist and Master Blender at **Firestone & Robertson Distilling Co.** (TX Whiskey).

La Pulga Tequila Blanco (\$44.99) and La Pulga Tequila Reposado (\$54.99) are being distributed by Republic National Distributing Co. La Pulga is packaged in an eye-catching and easy-to-pour bottle, sealed with a premium cork stopper and adorned with a keepsake La Pulga medallion. The bottle labels feature "alebrijes" – Mexican folk art images that depict "El Bronco" on La Pulga Blanco, and "El Toro" on the Reposado.

According to the global drinks analytics company IWSR, Texas is the second-largest state in the US (behind California) for tequila sales, with volume that outpaces the total tequila consumption in every international market outside Mexico and the US. Tequila volume in Texas, led by high-quality ultra-premium brands like La Pulga, grew by +22% in 2021.

DISCUS Hires VP-State Public Policy

Distilled Spirits Council of the United States (DISCUS) hired **Amy Whited** as vp-state public policy. She will be based in Austin and oversee government relations activities in Texas, Alabama, North Carolina, Oklahoma, Tennessee and Florida. Whited most recently served as the director for planning and operations at UCB, a leading global biopharmaceutical manufacturer.

To Your Continued Success,
KANE'S BEVERAGE WEEK



JOEL WHITAKER, Editor