

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 —

Breakthru Beverage Group promoted **Chris Sperling** to the role of Executive Vice President, Breakthru Wisconsin. He previously served as VP, Sales – Elite Division for Breakthru South Carolina.

Balletto Vineyards hires **Jim Morris** as director of hospitality.

BrandMuscle promotes **Robert Olivares** to EVP-Beverage Alcohol. Olivares has served in innovation, vertical growth, and customer success roles since joining this integrated local marketing organization in 2021.

Echolands Winery, Walla Walla, Wash., hires **Jenna Bicknell** as director of hospitality. Among her first priorities, Bicknell will develop the customer experience at the new Echolands Mill Creek winery and visitor's center, scheduled to open to the public in 2024. She has worked in the Walla Walla hospitality and wine sector for 16 years.

Rodney Strong Wine Estates promotes Rachel Shelton-O'Brien to assistant winemaker. She had been enologist.

The Walls and Páŕxa wineries have hired **Sally Johnson Blum** as executive winemaker.

Viña Concha y Toro USA promotes **Eduardo Hidalgo** to Northeast Regional Manager. He joined the team in New York in 2021.

Guala Closures hires **Mauro Caneschi** as Chief Executive Officer succeeding **Gabriele Del Torchio**, currently Chairman and CEO, will remain as Chairman.

BrandMuscle promotes **Robert Olivares**, PhD, to EVP-beverage alcohol of this leader in integrated marketing.

Saronno to Buy Majority Stake in Sagamore Spirit

Illva Saronno Holding SpA, known for the popular Italian liqueur **Disaronno**, said it purchased a majority stake in Sagamore Spirit and plans to move its North American headquarters to Baltimore Peninsula in South Baltimore, where Sagamore's distillery is located. The company's North American headquarters is currently in Somerset, New Jersey. Terms weren't disclosed.

"As we look to expand Sagamore Spirit to new markets, we believe that relocating our North American headquarters will allow us to maintain the strong Maryland-based connection and invest in the local community that has empowered this brand to thrive," said **Robert Cullins**, executive vice president of **Disaronno International LLC**, the Italian company's U.S. subsidiary, in a statement.

Sagamore Spirit was founded by Under Armour founder **Kevin Plank** and minority owner **Bill McDermond** in 2013. The brand is part of **Sagamore Ventures**, Plank's private investment office.

"Growing Sagamore Spirit has been an incredibly rewarding experience with a team that has obsessed every detail across this holistically Maryland grain-to-glass whiskey business," Plank said in a statement. "I want to thank Illva Saronno Holding for their team's passion in understanding the specialness of our unique product and look forward to the outstanding horsepower they can add into its next chapter."

The sale comes just months after [Plank sold \\$100 million worth of Under Armour Inc. stock](#), saying he had to "close out a previous personal financing commitment."

Soracco 81-Acre Valley View Vineyard Is Sold for \$8.1 Million

The buyer is **C and F Co.**, whose manager/CDO is Mark Couchman.

The property is a former prune orchard and includes 69 acres of planted vineyards, a farmhouse, a barn and a staging area. The vineyard is planted in Chardonnay, Merlot, Zinfandel and Sauvignon Blanc.

Splash Beverage to Buy Western Son Vodka

Splash Beverage Group, Inc., said it executed a Letter of Intent to acquire **JEM Beverage Management Co.** owners of the **Western Son Vodka** brand. Terms of the transaction have not been disclosed as they are subject to reaching a definitive agreement.

Western Son Vodka, founded in 2011 is headquartered in Pilot Point, Texas, with a production and distribution campus spanning more than 150,000 square feet. Over the last 12 months Western Son Vodka has sold about 309,000 9-liter cases of vodka. Distilled 10 times and made with 100% American corn, the award-winning portfolio includes a Best-in-Class Original Vodka and is a four-time winner of Impact's Spirits Hot Brand Award.

Robert Nistico, Splash CEO, said, Western's distillery and the shipping campus will become a centralized production and distribution hub for Splash's existing brands, **Pulpoloco** and **SALT Tequila** in addition to any future acquisitions, creating logistics cost savings in favorable shipping lanes, reducing freight expense and ultimately increasing margins.

Carlos Guillem, President of Western Son Vodka, commented, "The agreement between Splash and Western Son represents an exciting opportunity for the brand

and the entire team. Our focus has been on creating and delivering the highest quality vodka to the market, and this represents a major step in our journey. The leadership, expertise, and capital that Splash Beverage can bring to the table, will allow Western Son to expand its reach to more consumers."

Molson Coors Ups Stake in ZOA Energy

Molson Coors Beverage Co. said it increased its investment in **ZOA Energy**, enabling ZOA to double its planned media budget for the coming year while continuing to grow its sales and distribution footprints. Molson Coors will also have a seat on Zoa's board of directors. The amount of the investment wasn't disclosed.

According to Crunchbase, which compiles private company data, Molson Coors is Zoa's second investor. The first was Juggernaut Capital Partners.

"This investment is another meaningful step for Molson Coors and our transformation into a total-beverage company," said Chief Commercial Officer **Michelle St. Jacques**. "ZOA is an incredible brand in a growing category, so we're fueling it with the right resources to scale and accelerate its results to become a bigger player in the energy space."

ZOA reported more than \$100 million in sales in 2022 and 138% year-over-year growth. A top-15 energy drink according to Circana, ZOA's lineup of eight flavors are made with all-natural ingredients and zero sugar; its ZOA+ pre-workout offering features four flavors. The energy drink has been buoyed by a colorful new visual identity that launched earlier this year – and programs featuring its co-founder, one of the world's biggest movie stars.

Catena's 45% Lighter Bottles Coming to U.S.

Catena said its **Catena Appellation Malbec** will be in a bottle that is just 380 grams, a 45% reduction from its previous 700 grams. "Lighter bottles have a lower carbon footprint and are better for the environment.," Catena said. The reduction means the bottle's average CO2 emissions before shipping by boat will be reduced 21%.

The Malbec will be sold on-premise in the U.S. through Winebow, and off-premise in Holland through Gall and Gall off-trade.

Catena Appellation High Mountain Vines Malbec and Cabernet Sauvignon will see the weight of their bottle reduced to 480 grams from 700,

The changes will result in a yearly reduction in glass of 1,200 metric tons, and the overall weight of Catena Family Wineries bottles will be 40% lower than in 2010.

Knowing that many people associate a heavier bottle with a better product, Catena said it will launch an education campaign for restaurant staff and consumers.

Beer Consumption Falls on NFL Opening Weekend; Miller Lite Up 31% on Sunday

Beer consumption was down 8.3% from a year earlier for the NFL Opening Weekend, **BeerBoard** reports. But **Miller Lite**, the Official Beer of the Dallas Cowboys, was

up an astounding 31% compared to Opening Day 2022.

The 8.3% overall decline follows two consecutive years of growth (+21% in 2022 and +19% in 2021). Opening Night itself didn't take as big a hit, easing only 3.3% compared to Opening Night in 2022.

America's most chosen style for the Opening Weekend was Light Lager. This year, **Michelob Ultra** clocked in as the top brand poured, gaining +0.83% share points (+6.7%). **Miller Lite** (#2) was the biggest gainer overall, gaining +3.7 share points (+43% percent share gain). **Coors Light** was the #3 brand poured and stayed relatively flat year over year. On Opening Night (Thursday), Miller Lite was the No. 1 brand poured (up from No. 4 in 2022) and clocking in at 13.3% share of overall draft. IPAs were up 7% on Opening Night, but flat overall for the weekend.

BeerBoard provides alcohol management technology, enabling retailers, distributors and suppliers to make fact-based decisions about their complete alcohol management. Its patented digital platform captures, analyzes, and reports real-time data related to alcohol performance, ordering, inventory and payments.

Wine Retailers Applaud Decision in Rhode Island Case

National Association of Wine Retailers commended the First Circuit Court of Appeals decision that found Rhode Island's ban on wine shipments from out-of-state wine retailers to be discriminatory, contrary to the earlier ruling of the lower District Court.

Moreover, the First Circuit Court of Appeals held simple assertions that a state must have concrete evidence' that the three-tier system and its requirement that retailers must have an in-state presence are necessary.

This is the third Court of Appeals, following the Seventh Circuit and Sixth Circuit, to insist that the constitutionality of states' discriminatory wine shipping laws must be determined based on evidence, not assertion or speculation as the states and wholesalers have tried to claim.

10,000 Grape Varieties. But Just 33 Occupy 50% of All Vineyard Space

Out of the 10,000 grape varieties existing worldwide, a mere 33 commandeer 50% of global vineyard space. Now a new wine brand and subscription club, **Vinalia**, seeks to introduce wine enthusiasts to the remaining 9,967 varieties that languish in obscurity.

"Vinalia stands as a beacon of diversity, collaborating with small-scale producers across the globe, from Uruguay to Romania. Our focus extends to women and minority winegrowers, emerging economies, and champions of sustainability and biodiversity. Through these partnerships, we're nurturing and preserving a tapestry of grapes and cultures that have long been overshadowed," the company says.

"We are steadfast in our belief that each pour encapsulates a tale yearning to be shared. Our ardor lies in revealing these narratives, from the rich history of Slovenian wine-making to the innovative spirit of Armenian vineyards," it

adds.

Bryce Wiatrak (Co-Founder and CEO) and **Mary Collineau** (Co-Founder and CMO), met at The University of Chicago Booth School of Business.

Today's consumers are driven less by bottle scores and more by what those bottles represent," says Collineau. "At Vinalia, we are devoted to preserving heritage, embracing ingenuity, and defying conventions, casting aside the notion that extraordinary vintages are solely confined to the usual suspects. As we share these hidden gems and their accompanying tales, our aspiration isn't just to ignite a spirit of adventure but also to empower individuals to continue their personal exploration of the rich and diverse world we live in."

Mahou & Fountain Brewing Back U.S. Challenger for America's Cup

Spanish brewer **Mahou Group**, its recently created U.S. division **Mahou USA** and its Michigan-based craft brand **Founders Brewing** announced their sponsorship of the U.S. challenger for the 37th America's Cup, New York Yacht Club American Magic.

Since acquiring Founders, Mahou Group has planned to introduce the Midwestern craft brewery to a global audience, and "the America's cup provides an ideal opportunity to reach a world wide audience."

The America's Cup is the pinnacle of sailing competition and the oldest international sporting trophy. The 37th edition takes place in Barcelona until October, and marks Founders' first foray into international sports competition, expanding on its existing agreements with the NHL's Detroit Red Wings, the NBA G-League's the Grand Rapids Gold, MiLB's West Michigan Whitecaps and University of Michigan Athletics.

Inclusive of the men's, women's and youth American Magic teams, the partnership will feature digital fan activations, exclusive content, customer-facing promotions, hospitality, pouring opportunities and American Magic-themed parades and watch parties.

The partnership is Founders' first venture into international sports competition. It presently has sponsorship agreements with the NHL's Detroit Red Wings, the NBA G-League's Grand Rapids Gold, MLB's West Michigan Whitecaps, and University of Michigan Athletics.

Redbreast Irish Whiskey Unveils Newest Release, Redbreast Tawny Port Edition

Redbreast Irish Whiskey, produced by Irish Distillers at the world-renowned Midleton Distillery in Cork, Ireland, officially introduced **Redbreast Tawny Port Cask Edition**, a limited-edition single pot still Irish whiskey finished in tawny port casks from Portugal's breath-taking Douro Valley.

Redbreast Tawny Port Cask Edition is bottled at 46% ABV and will be available in the USA for an SRP of \$99.99.

Avaline Launches a Pinot Noir

Avaline, an organic, transparent and vegan-friendly

wine brand is launching **Avaline Pinot Noir**, which it describes as a "light-bodied french wine offering notes of fresh-picked cherries and wild raspberries."

Pinot Noir is made to the Avaline standard: 100% organic grapes, zero grams of sugar per glass and no unwanted additives like concentrates, colors and sugars. Nutrition facts and ingredients are on the back of every bottle, answering consumers' demands for more transparency in their wine.

Avaline has grown to be the No. 2 organic wine brand in retail, and fastest growing in that segment. It now has more than 20,000 points of distribution and us shipping direct to consumers in 42 states as well as Washington, D.C. While the new product will be available for \$30 exclusively on Avaline [website](#).

NA Spirits Post Highest Sales Increase on Drizly in August

Wine proved popular on Drizly in August, driven by an uptick in summer red wine purchasing, as did coconut water, a rising accompaniment to beverage alcohol consumption.

Last month, non-alcoholic spirits experienced the highest year-over-year sales increase within the spirits category, underscoring the fact that consumers are seeking out NA options year-round. The top sellers in August were **Seedlip Grove 42**, **St. Agrestis Phony Negroni**, **Ritual Zero Proof Tequila Alternative**, **Seedlip Spice 94**, and **Kin Euphorics Lightwave**, Drizly said.

Once again, the California Common/Steam Beer category led growth in beer year-over-year as consumers continue to stock up **Anchor Steam**, following the news that **Anchor Brewing Co.** would close. Within the wine category, **Verdejo** varietal wines were the fastest growing year-

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over-year; the top seller was Gulp/Hablo La Mancha Verdejo, a producer that is better known for its orange wine.

Mom Water ranked as the beer brand with the highest year-over-year sales increase last month. Mom Water – a line of fruit-infused vodka waters without carbonation – was led by their Mom Squad Variety Pack, Karen Lemon Blueberry, and Sandy Coconut Mango.

Top Friulian producer **Livio Felluga** led year-over-year growth among wine brands last month. Among their red and white wines, their Pinot Grigio was the best seller. Within the spirits category, **Blackened American Whiskey** was the fastest-growing brand, further proving the power of celebrity whiskey brands – Blackened is a collaboration between Metallica and the late legendary craft distiller Dave Pickerell.

Drizly users were purchasing more wine in August, with wine share increasing nearly a full percentage point month-over-month (to 36% from 35%). Red wine was a key driver of this growth – seeing an uptick to 32% of wine share from 30% of wine share– echoing sentiments from Drizly's consumer report earlier this year, the respondents noted they would be reaching for more red wine this summer. Rosé, on the other hand, dropped a percentage point in share from July to August.

Among the fastest-growing categories month-over-month was an extras category: coconut water. This indicates that coconut water is becoming more popular among beverage alcohol consumers, either in cocktails or as a way of hydrating while drinking. Top sellers included **Vita Coco**, **Harmless Harvest** (which rose to No. 2 from No. 6 year-over-year), **Vita Coco Pressed**, **Foco**, and **Vita Coco with Pineapple**.

Beer, Wine Problems May Be Deeper Than Just Attracting Young Consumers

Have you noticed? Not only is beer consumption in the U.S. down, but so is wine consumption. And for wine, it's just not in the U.S. but globally. Some experts are talking about an "ocean of unsold wine" even before the 2023 harvest are in.

The problem: The industry is doing a poor job of appealing to young consumers, we're told, who are more attracted to hard seltzers, etc., than traditional wine and beer. Plus, young people are consuming large amounts of nonalcoholic wines.

Now there's concern that Ozempic, Wegovy and other new drugs for treating diabetes may change the bev/al marketing approach forever. That's because these new drugs act on the brain to reduce hunger and make a person feel full sooner. I know a couple of people recently diagnosed with diabetes who were put on Ozempic. Within a couple of weeks, they had lost 25 pounds or more. And they didn't feel hungry.

That's because the new drugs target a part of the brain that determines how much fat it wants the body to carry. That also happens to be the part that affects alcohol consumption.

What if, by taking Ozempic and losing weight, one also loses interest in alcohol? That's one of Ozempic's side effects – the patient loses the desire to drink alcohol. That's a problem, especially for bev/al marketers who have planted

their flag in the premiumization concept.

In August, The New York Times ran a story on the New York neighborhoods where Ozempic, Wegovy and similar drugs are most consumed. Guess what the Times found: The new class of medications used for diabetes and weight loss are concentrated in the city's wealthier, whiter and healthier neighborhoods. The East Side of Manhattan also happens where Ozempic, Wegovy and Mounjaro sales are the highest.

I have a bit of personal experience, not with Ozempic, Wegovy or Mounjaro, but with conTrave, which my doctor prescribed for obesity. Contrace isn't as powerful in weight loss as Ozempic, etc., and it is taken orally, not by injection.

I used to drink two or three glasses of wine or spirits a day. Since starting conTrave, I find myself drinking only one glass. If I have a second glass, most of it is dumped down the drain several hours later.

In my experience on conTrave, I have not lost the desire to drink at all. But I have lost the desire to have a second drink, much less a third.

Unlike many on Ozempic, I didn't lose weight quickly, and I have not found a complete loss of interest in a glass of wine or spirits. Nor, unlike people on Ozempic, have I felt dizzy or intoxicated when I've had a drink.

Scientists don't have a full explanation for the less-use-of-alcohol effect of Ozempic, Wedgovy or Monjauro, nor for the somewhat lesser effect on conTrave on alcohol consumption. But they are starting to study the question.

Bev/al marketers, we think, would be well advised to study the question also, and to model what would happen to sales if use of the chemicals became much more widespread than it is today. Meanwhile, marketers would be well advised to develop positive messages around low or no-alcohol versions of their products .

Glen Grant Intros Its Oldest Release

Glen Grant Single Malt Scotch Whisky introduces **Glen Grant Devotion**, an exquisite 70-year-old single malt whisky, the oldest release ever from the distillery, presented as a handcrafted sculptural masterpiece, many years in the making. Inspired by the remarkable reign of Her Majesty Queen Elizabeth II, this release is a tribute to 70 years of resolute service and a lifelong devotion to nature.

Sourced from a single French oak butt seasoned with oloroso sherry filled in 1953 at The Glen Grant distillery, Devotion was hand-selected for its lifetime of character achieved through exquisite maturation. The striking deep chestnut hues combine with a definitive floral aroma of intense barley sugar, ripe peach, giving way to honey sweetness, the distillery says. The palate is captivated with rich dried fruits, raisins, sultana, dry spice with just a hint of oak. Showcasing the excellence and unparalleled aging potential of The Glen Grant whiskies, the whisky is at a high strength of 55.5% abv.

With only seven beautiful, hand-blown decanters created, and each one-of-a-kind, The Glen Grant's Devotion is as rare as it is extraordinary.

All seven of the unique decanters are presented as a

mesmerising gem-shaped objet d'art, with seven facets celebrating each decade of exquisite maturation and of Her Majesty Queen Elizabeth II's reign. Each features a silver capsule, adorned with its own individually meaningful floral engraving as a celebration of her inspiring life. The jewel-like decanter is perfectly balanced within a striking wood sculpture handcrafted from a fallen elm tree discovered within the distillery gardens and features an intricate woven design of shapes and forms inspired by nature. The engraving on the sculpture's silver diameter pays homage to Her Majesty's favourite flower, the Lily of the Valley, and features the proud Thistle of Scotland.

To support the preservation of Scotland's native woodland, decanter Number One will be auctioned by Sotheby's in an online sale running from September 11th- 22nd September 2023 with 100% of the proceeds donated to the Royal Scottish Forestry Society, of which Her Majesty Queen Elizabeth II was the Patron.

Following the auction of decanter Number One the remaining six decanters will be made available for sale in select global markets in the United States and Asia with price available upon request, starting in October of 2023.

Kentucky Coffee Debuts New Line of RtD Hard Cold Brews with a Whiskey Kick

Kentucky Coffee, known for its signature coffee-flavored whiskey, expands into the ready-to-drink category with Hard Cold Brews, a mixed cocktail made with premium whiskey and cold brew. Hitting shelves nationwide this Fall, Kentucky Coffee will offer their line of Hard Cold Brews in 12oz cans at 5.9% ABV in three bold, delicious flavors: Black, Vanilla and Mocha.

Woodinville Toasted Applewood Staves Bourbon Goes National

"Every fall, we do a Harvest Release, and back in 2017, our release was our flagship Bourbon finished with Applewood Staves. Of all our releases, *Woodinville Straight Bourbon Whiskey Finished with Toasted Applewood Staves* has been one of our most popular – so, this year we're bringing back Nationally," says **Woodinville Whiskey** co-founder, **Brett Carlile**.

After the whiskey was fully mature, staves of toasted applewood were added. The finishing process adds depth and richness with aromas of apple and berry on the nose and palate on top of the traditional bourbon notes of rich caramel, dark chocolate and vanilla bean with a sweet lingering finish.

Woodinville Whiskey is a craft distillery founded by two best friends from the Woodinville area, Brett Carlile and Orlin Sorensen, under the mentorship of industry icon, the late David Pickerell. Woodinville is Washington's largest craft distillery, handcrafting its products from 100% locally sourced grains from the Omlin Family Farm in Quincy, Washington.

Blue Run Spirits Offers Reflection II Bourbon

Blue Run Spirits (Coors Spirits) unveiled Reflection

II Kentucky Straight Bourbon Whiskey, the follow up to the highly regarded Reflection I, which received a Platinum Medal at the respected SIP Awards International Spirits Competition. Reflection II is now available at retailers nationwide and at <http://www.bluerunspirits.com/shop>.

When launched in May 2022, Reflection I Bourbon quickly became a favorite in the whiskey community as one of Blue Run Spirits' most approachable products. With Reflection II, Whiskey Director **Shaylyn Gammon** is looking to continue that tradition while emphasizing a different layer of flavor notes than its predecessor. While Reflection I focused on the darker base notes like oak and caramel, Reflection II zeroes in on the brighter middle notes, including florals and sweetness.

"The Reflection Bourbon series is an intriguing blending project because we have an established baseline of approachability that will carry through to every release, but we will explore the different layers that make whiskey such an interesting spirit," said Gammon.

"For continuity, we included some Reflection I as the base, and then started painting with an entirely different brush. Reflection II will be as familiar as it is new to anyone who enjoyed the first product."

For Reflection II, the dominate mash bill features less rye than the original, but the proof is increased from 95 to 100. Reflection II also features older whiskey stocks than its predecessor, with Gammon seeking out barrels that clearly exhibited elevated mid-note flavors from Blue Run's more than 5,000-barrel inventory.

SRP: \$99.99 for a 750ml. For this release, Blue Run's signature butterfly medallion on the bottle has the same highly reflective sterling silver coating as on Reflection I, "another reminder for Blue Run fans to reflect on what brings them fulfillment and joy."

Foley Wine Boosts Proof, Relaunches Charles Goodnight Bourbon

Foley Family Wines said it is relaunching its **Charles Goodnight Bourbon**, increasing its proof to 115 (57.5 ABV) from 100. Foley has also updated the packaging to premiumize the brand and tie it directly to the Texas roots of its legendary cattle-driving namesake (who also invented the chuckwagon).

When it first appeared in 2017, Charles Goodnight was a 100-proof Kentucky Straight Bourbon Whiskey, Charles Goodnight reenters the market as a distinctive homage to its namesake and a bold Texas Straight Bourbon Whiskey that holds special appeal for beef lovers.

The new bottle was inspired by some of the earliest whiskeys in the U.S. – dating back to between 1763 and 1803. The bottle's simple elegance in brown glass and graceful shape is offset by the longhorn medallion and the barbed wire blown into the glass, making this Texas Bourbon distinguishable from a gentleman's whiskey from Kentucky.

Honoring Charles' legacy as a legendary Texas cattle driver and the inventor of the chuckwagon in the 1800s, the team created a high-rye whiskey with deep oak, rich dark fruit, and brown sugar flavors that pair perfectly with

steak. "I take great pride in the fact that my great, great uncle was legendary cattleman and Texan, Charles Goodnight," said **Bill Foley**, the founder of Foley Family Wines and a Texas native. "Pulling barrels from my commissioned private stock has given me inspiration to craft a true Texas whiskey that pairs as perfectly with a well-prepared steak as a bold Napa Cab does."

Charles Goodnight Texas Bourbon is a six-year-old, non-chill filtered whiskey clocking in at a robust 115 proof to capture the most flavor possible. A barrel-strength, high-rye bourbon with a mash bill of 60% Texas-grown yellow #2 corn, 36% unmalted rye and 4% barley, Charles Goodnight Texas Bourbon is triple distilled in a copper-lined Vendome pot still with no column still distillate. Pot stills impart more layers of complexity and a higher viscosity to the distillate than a common column still, creating a deeper flavor experience when the whiskey is extracted from the barrel.

This is a true Texas-distilled and aged whiskey, Foley says. The Lone Star state's severe climate ages whiskey well beyond the label's age statement, as the hot, dry temperatures in the rickhouse cause the liquid to rapidly expand into the #3 charred wood. This imparts much more of the barrel's deep oaky, caramel flavors that perfectly enhance a spicy, high-rye bourbon.

Coleangelo Creates Bev/al Trade Division

Coleangelo & Partners has been a significant integrated communications agency renowned for its innovative campaigns and industry expertise in wine and spirits.

Now it has launched a dedicated Trade Division to address the unique needs and challenges faced by wine, spirits, and beer brands in a dynamic market landscape with rapidly changing distribution models.

It will be led by Partner and COO **Felipe Gonzalez Gordon**. Before joining C&P, Felipe held director and president roles at **Gonzalez Byass USA** and The Spain-US Chamber of Commerce. His broad experience includes defining market strategy, building brand equity, and increasing sales, market share, volume and profitability for companies in the wine and spirits industry.

The Trade Division is will provide high ROI initiatives including in-store promotions and merchandising, educational workshops and tastings, staff training, trade incentives and communication, exclusive previews and launches, and route-to-market counseling.

James New President at Benchmark Wine

Benchmark Wine Group is pleased to announce that it has named a customer and client, Master Sommelier **Jay James**, as its next President. Jay brings nearly four decades of experience in all tiers of the fine and rare wine industry.

"We selected Jay based on his unique experience in service, distribution, production and retail in the top-end, wine rare wine space, said **David Parker**, owner/chairman of Benchmark. "We were very impressed with his broad background and dedication to the customer experience, knowledge of Benchmark's special place in the industry,

and energy. We feel he's the perfect fit for our company culture of outreach, service, inclusion, and access to the best products in the world for collectors, investors, top restaurants and other buyers."

As President, Jay will apply his wealth of knowledge in the industry to overseeing all of Benchmark's strategic development initiatives and daily operations.

On accepting the role, Jay James said: "I have been a customer and a client of Benchmark Wine Group for many years now, so I am well versed on their legendary track record with first-tier collectible collectable wines. I'm very excited to join their high energy, service-oriented team. Benchmark provides access to the world's most exceptional wines in a way no other company can" added Jay. "I'm looking forward to bringing my background to their operation and being a key part of their management."

After starting his career at the Ritz-Carlton, Atlanta and working at several other top restaurants in the city, Jay moved to distribution, handling key account sales for Atlanta Wholesale Wine. After earning the coveted Master Sommelier Diploma in 1997, Jay was selected as the opening Director of Wine for The Bellagio Resort in Las Vegas. To date, only 273 people worldwide to have earned the Master Sommalier Diploma.

He then joined the country's largest wine distributor Southern Wine & Spirits (now Southern Glazer's) in Nevada, where he became vp of their fine wine division. Jay has headed up sales and operations at three of the top collectable wine producers in Napa: Chappellet, Larkmead and Joseph Phelps Vineyards, and most recently led innovative wine and spirits distributor Springboard Wine Company.

He is a co-founder and Chairman Emeritus of the educational charity SommFoundation. Jay has been featured as a wine business expert within multiple national publications. He regularly speaks at top wine and food events internationally, and he teaches and examines for the Court of Master Sommeliers.

U.S. Consumers Trading Down In Price Points as They Shop

U.S. wine consumers are buying less and paying less. That's the conclusion of a Wine Market Council study investigating why this is happening and where they are going.

"In the past several months, we have seen \$20+ wine consumers trading down to the \$10 to \$19.99 category, and \$10-19.99 consumers trading down to wine that is priced less than \$10," stated **Jon Berg**, Thought Leadership VP at **NielsenIQ**.

Curtis Mann, MW, with Safeway/Albertson's agrees. "We have just started noticing this trend in the past few months," he said. "But we believe that \$15 - \$19.99 is the sweet spot in our stores. Now is not a good time to take large price increases in off-premise."

The consumers who are dropping out of regular (6+ times a year) wine purchasing skewed towards ages 35 to 44, with an income level of \$40,000 to \$70,000. This level of churn is not as noticeable in other age and income

groups. For example, purchasing of wine in general, and \$20+ wine in particular, continued to index high among older households with high incomes.

Where Are They Going?

So where are consumers going who are cutting back on wine purchases? In 2022-23, part of the decline resulted from wine consumers reducing purchases for home across most beverage alcohol categories. Some table wine losses traced to switching to other categories, led by craft beer and ready to drink (RTD) spirits. Sparkling wine also took some business from table wine, along with imported beer. On the other hand, many consumers are abandoning the hard seltzer category, with above \$10 being one of the beneficiaries.

"We think what happened to hard seltzers is that consumers learned they were primarily malt-based and not spirits based," reported Jon Berg. "Therefore, they switched to RTD spirits and wine, because they believed there was more transparency there."

The desire for authenticity and transparency in alcohol beverages was a theme that was also identified by **Curtis Mann, MW**. "Increasingly we see consumers who are interested in knowing more about the products they are consuming," he said. "This is especially the case with younger consumers who are interested in authenticity, transparency and sustainable/organic products."

Need for More Innovation in the Wine Industry

All the speakers provided some key takeaways and action items that the wine industry should consider. In addition to the need for increased authenticity and transparency (let consumers know the calories of your wine, ingredients, sustainable farming methods, etc.), the need for innovation also was mentioned.

"Consumers are switching alcohol and beverage categories faster than ever now," stated Curtis Mann. "It is important for wine brands to be innovative – to try to do something different to stand out."

Jon Berg added, "And be nimble enough to change direction."

Future Wine Market Council Research Studies

Phase 2 of this Category Shifting Study, will be an extensive survey of over 1000 wine consumers, designed to reveal on what occasions consumers are most likely to cut back wine drinking, what they are switching to and why. As with the first phase, members will have access to the complete report and data, along with a webinar on the findings. The report is expected to be complete in October 2023.

In addition, a new 2023-2024 Benchmark Segmentation Study will launch this month. This survey is conducted every two years on U.S. wine consumer buying habits, attitudes and trends with around 4500 consumers. Another ongoing research study this year is on High-End Wine Consumers who spend regularly \$20 or more for a bottle of wine. This new survey examines their attitudes, behaviors and motivations, and is especially great research for WMC members who sell wine DTC and at higher price points.

TWE Launches Luxury Lifestyle Blend

Treasury Wine Estates launched **Tapestry**, a new luxu-

ry lifestyle blend that brings together the unique textures and flavors of Paso Robles. The debut wine, **2021 Tapestry Paso Robles Red Blend** (SRP: \$24.99), is a blend of Cabernet Sauvignon, Syrah, and Petite Sirah, now available by the bottle and the glass nationally.

"As the luxury wine sector surged by 12% percent in the past year*, we recognized an opening to celebrate the distinctive terroir of California's fastest-growing wine region," said **Carl Evans**, chief marketing officer of **Treasury Americas**. "At the same time, our aim at Treasury Wine Estates is to resonate with a diverse array of wine enthusiasts, each bringing their own unique backgrounds, perspectives, and narratives. Tapestry weaves these objectives together beautifully."

Who's New at Kentucky Bourbon Hall of Fame

The **Kentucky Hall of Fame** inducted eight new honorees as it toasted "the lives, legacies and journeys of those who have forever changed our timeless craft and played a major role in building a stronger Kentucky for generations to come." They are:

- **Dr. Jerry O. Dalton**, retired Master Distiller, Jim Beam. A 22-year industry veteran, Dalton worked as a chemist for Barton Brands before moving to Jim Beam where he spent 12 years, finishing out his career as Master Distiller succeeding the legendary Booker Noe.
 - **The late Mrs. Dixie Sherman Demuth**, Owner, Dixie's Elbow Room. A bar owner in the 1950s, Demuth took her fight for women's rights to the Kentucky Court of Appeals, which overturned a 200-year-old law to allow women to serve and enjoy alcohol in a public bar.
 - **Greg Fischer**, former Mayor of Louisville, Ky. As a three-term mayor, Fischer is hailed for coining and promoting "Bourbonism," a burgeoning hospitality movement focused on Louisville's leading position in the Bourbon, tourism and local food scenes.
 - **Pete Kamer**, Owner, Distillery Engineering. After retiring from a 45-year industry career with Seagram's and Barton Distillery, Kamer started a leading consulting business that has helped launch dozens of distilling companies, including many Kentucky craft distilleries.
 - **Joseph J. Magliocco**, President & CEO, Michter's Distillery. Celebrating an industry career that spans 40 years, Magliocco resurrected the storied Michter's brand and brought it to Kentucky, helping to lead the Whiskey Row renaissance in downtown Louisville.
 - **Dean Watts**, Former Nelson County Judge-Executive. As the longest serving judge-executive in Nelson County history, Watts created a hospitable economic environment for the industry to flourish and welcomed several new distilleries during his 28 years in office.
 - **Chester 'Chet' Zoeller**, Author, Historian and Co-founder, Jefferson's Bourbon. After years of research, Zoeller wrote *Bourbon in Kentucky*, a comprehensive publication of his findings, cataloging nearly 1,000 distillers and brands across the Bluegrass State.
- Trey Zoeller**, Founder, Whiskey Maker & Chief Strategist,

Jefferson's Bourbon. Since founding Jefferson's Bourbon in 1997, Trey has developed dozens of award-winning Bourbon and rye expressions using unique blending and maturation techniques.

Candidates are nominated each year by the **Kentucky Distillers Association** and its member distilleries. A blue-ribbon committee – including all living recipients of the Parker Beam Lifetime Achievement Award – painstakingly reviews and selects applicants in three categories: Industry, Roll of Honor and Lifetime Achievement.

Flavor Key Strategy Beyond Beer Aisle: Molson Coors

Speaking at the **Molson Coors Beverage Co.**'s distributor conference, the company's chief commercial officer, **Michelle St. Jacques**, said flavor is the company's top priority beyond the beer aisle.

"We are winning in flavor," she said. "Molson Coors was the second-fastest major brewer in flavor, growing more share behind the strength of the **Simply Spiked** brand. In fact, **Simply Spiked Peach** was the No. 1 new product in Q2."

St. Jacques led a panel discussion about Molson Coors' beyond beer momentum and ambitions, touting the groundwork it's laid to find success in spirits, innovation, non-alcohol products and with partners, like **Coca-Cola Co.**

"We've been really proud of the success we've had with Coca-Cola, launching **Topo Chico Hard Seltzer** and **Simply Spiked**," said Chief Marketing Officer **Sofia Colucci**. "Our focus is to make sure we nurture these brands and continue to grow them."

Over the next year, Molson Coors plans to build on the momentum of Topo Chico Hard Seltzer and the Simply Spiked Brand with refreshed packaging, new campaigns and new flavors across both brands.

Molson Coors and Coca-Cola's next move is [Peace Hard Tea](#), a fruit-forward hard tea beverage inspired by Peace Tea, which is known for its vibrant flavors and free-spirited branding. The brand is launching and incubating its lineup of flavors in the southeast, where hard teas are popular among legal-age drinkers.

A non-carbonated, 5% alcohol-by-volume beverage, Peace Hard Tea is sold in convenience and retail stores in 24-ounce single cans in three flavors: More Peace More Lemon (lemon-flavored tea), Freedom of Peach (peach-flavored tea), and Really Really Razzzy (raspberry-flavored tea).

15% of U.S. Consumers Favor International Whiskey

Nearly 15% of U.S. consumers favor the International whiskey category.

That's according to CGA's **BeverageTrak**, which finds that the Whiskey category experienced a significant 16% uplift in Q4 of 2022 compared to the previous quarter. The Winter season in particular demonstrated robust growth, with Q1 of 2023 exhibiting an impressive 11% increase compared to Q3 of 2022.

This uplift outperformed the overall spirits market,

which witnessed a 9% velocity increment during Q1 compared to Q4, and a 7% increase compared to Q3 of 2022. Florida and New York showed the most substantial growth (31% and 26% respectively) between Q3 2022 and Q1 2023.

International whiskey's robust performance is attributable to increased sales within eating outlets, a preferred occasion for Scotch and Japanese whiskey drinkers, according to CGA's Client Director, **Andrew Hummel**. Japanese whiskey, in particular, is prominently selected during celebratory meals (59%), in food-centered business meetings (28%), and over meals involving children (18%).

Consumption patterns within the rest of the international whiskey category demonstrate relatively more homogeneity. Around 64% of Canadian, Irish, and Scotch whiskey drinkers choose to enjoy their drams during meals with friends, and nearly 50% during meals with family.

CGA's report indicates that the International Whiskey category presents a multitude of prospects for suppliers, operators, and brands to capitalize on.

"By incorporating current insights into their strategic planning, stakeholders can effectively harness the category's potential and achieve substantial gains in the dynamic American On Premise market," Hummel said. "Adapting swiftly and implementing optimal strategies will be crucial in seizing the opportunities that lie ahead in the upcoming months."

Prepared Cocktails Up 38.6% In U.S. On-Premise: CGA

The popularity of prepared cocktails, such as High Noon or prepared Martinis is on the rise with US consumers. Prepared cocktails, which benefit from the convenience of serve in a can or bottle, experienced respectable growth, driven by an increase in TDP and RoS (both +20% vs. YA), according to CGA by NIQ's exclusive On Premise Measurement (OPM) service

Prepared cocktails are much smaller compared to Hard Seltzer in the US On Premise, yet they are growing at a much faster rate (+38.6%) compared to Hard Seltzers (+2.3%) in the last year. Given the dollar difference, this indicates the headroom for the growth of prepared cocktails in the future.

Matthew Crompton, CGA by NIQ's Regional Director – Americas, said: "We continue to witness these disruptive categories reshaping the beverage market as consumer preferences evolve and new brands enter the market. It's exciting to see how the dynamics in this competitive market will unfold. Prepared Cocktails is a great example of how it's challenging other offers in this space, and suppliers need to keep these trends and insights at the forefront of their strategies to optimize and execute successfully."

To Your Continued Success,
KANE'S BEVERAGE WEEK



JOEL WHITAKER, Editor