



Evolution of the DtC Wine Market

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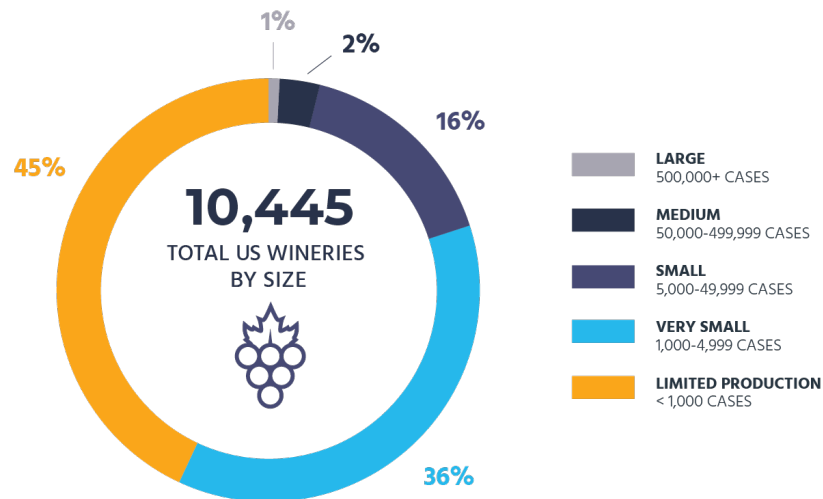


Wines Vines Analytics — *Wine Analytics Report*

- *Wines & Vines* magazine merged into *Wine Business Monthly*
- Wines Vines Analytics now handles all data services
- Launched *Wine Analytics Report* in January 2019, featuring the Wine Industry Metrics
- Key partners: Sovos ShipCompliant, Nielsen, Gomberg Fredrikson and bw166

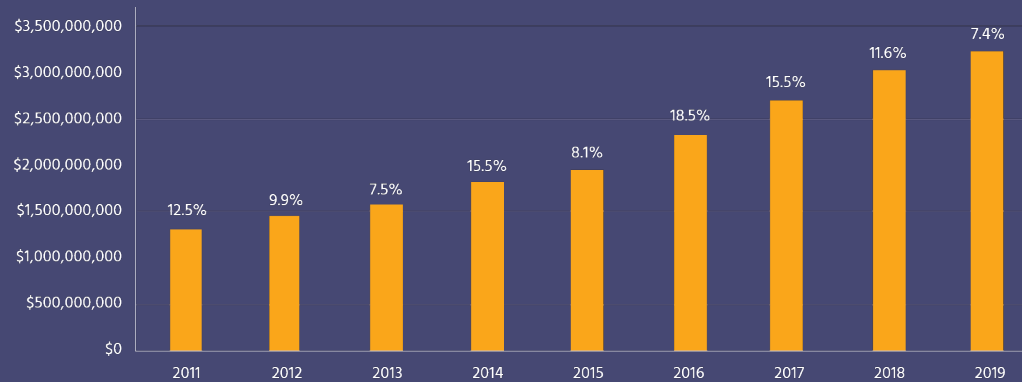


TOTAL US WINERIES BY SIZE 2019



SOVOS ShipCompliant

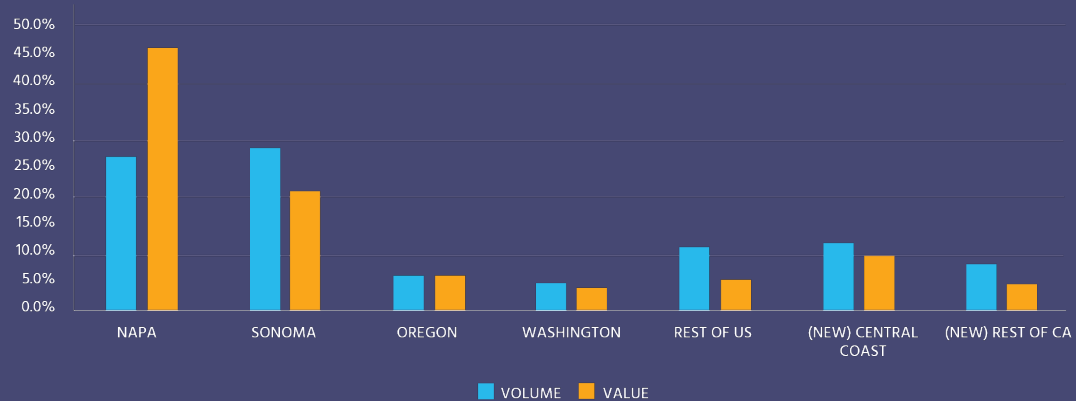
VALUE OF DTC SHIPPING CHANNEL



SOVOS ShipCompliant

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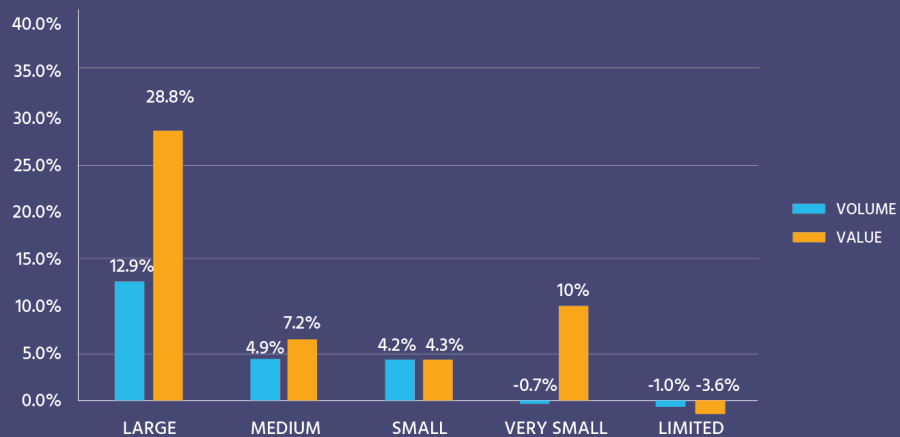
PERCENT OF TOTAL VOLUME & VALUE BY REGION



SOVOS ShipCompliant

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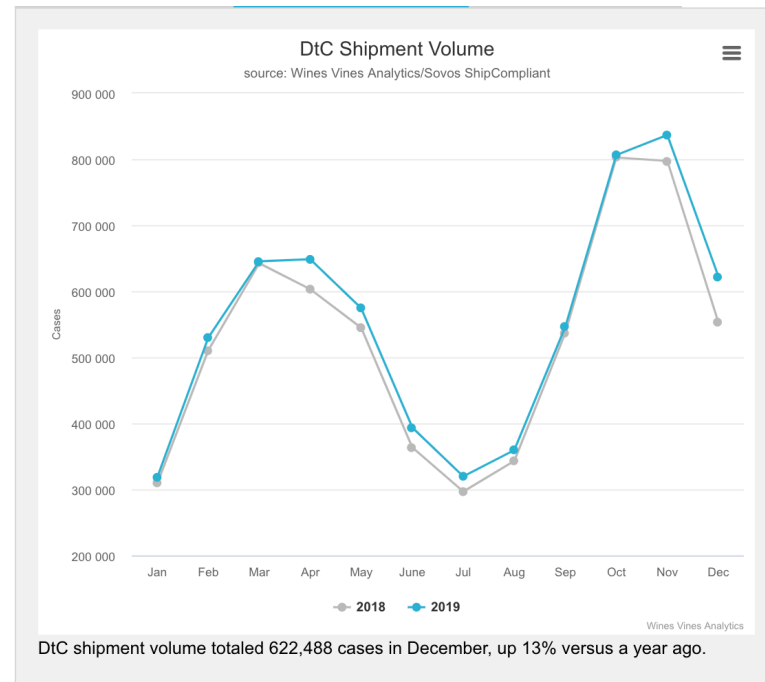
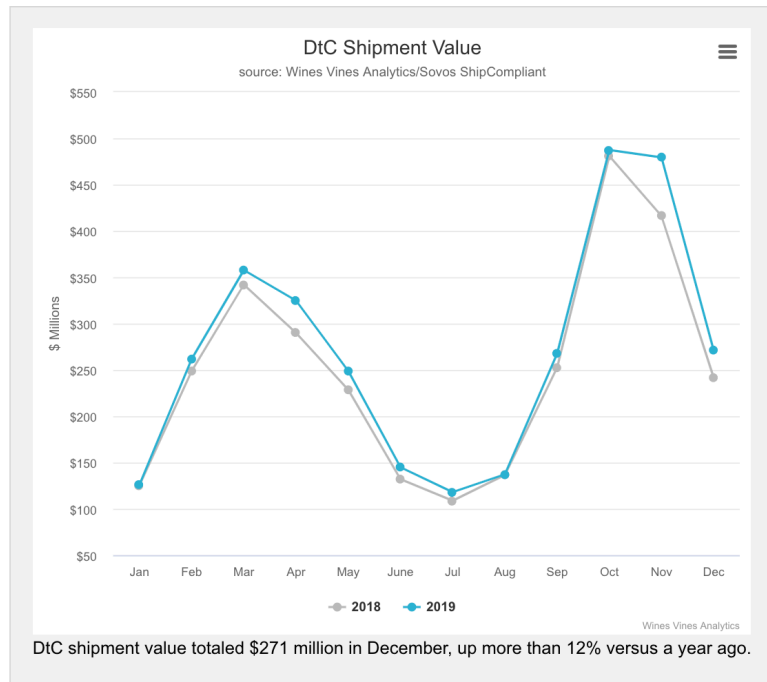
VALUE AND VOLUME CHANGE BY WINERY SIZE



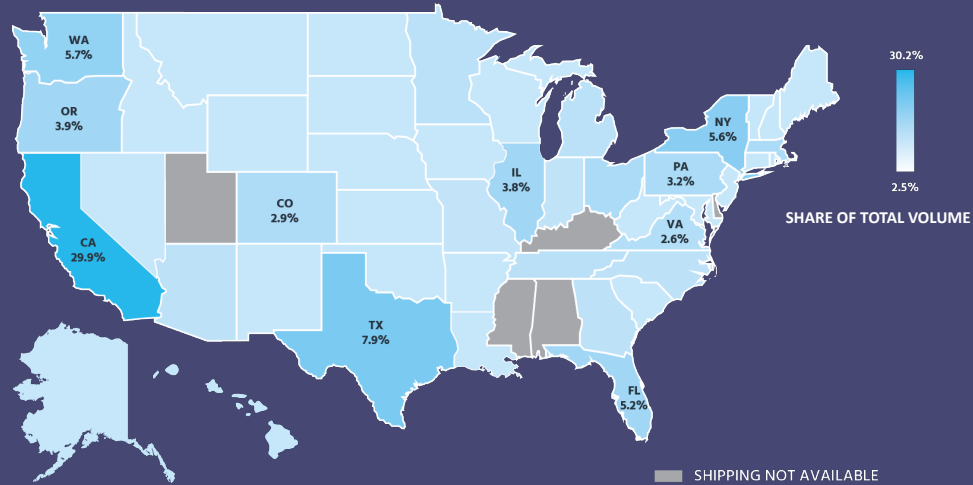
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Wine Industry Metrics: 2019 Ends on Strong Note



TOP SHIP-TO DESTINATIONS



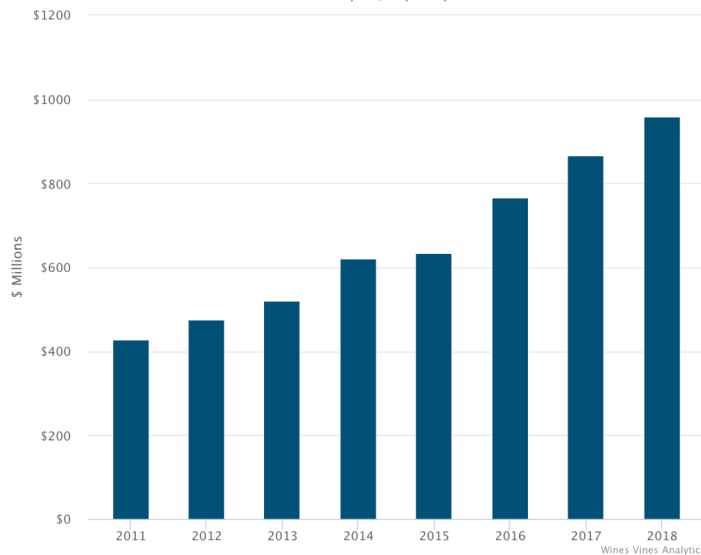
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Growth Over Time in Key Markets

Growth of DtC Shipment Value to California

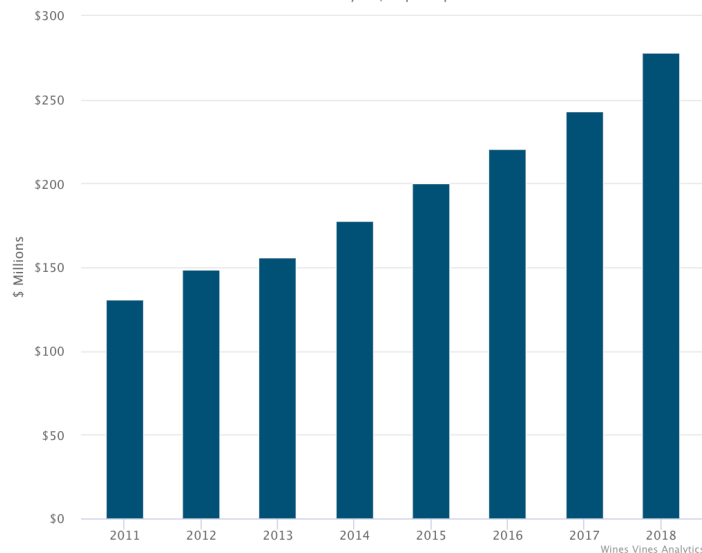
Source: Wines Vines Analytics/ShipCompliant model



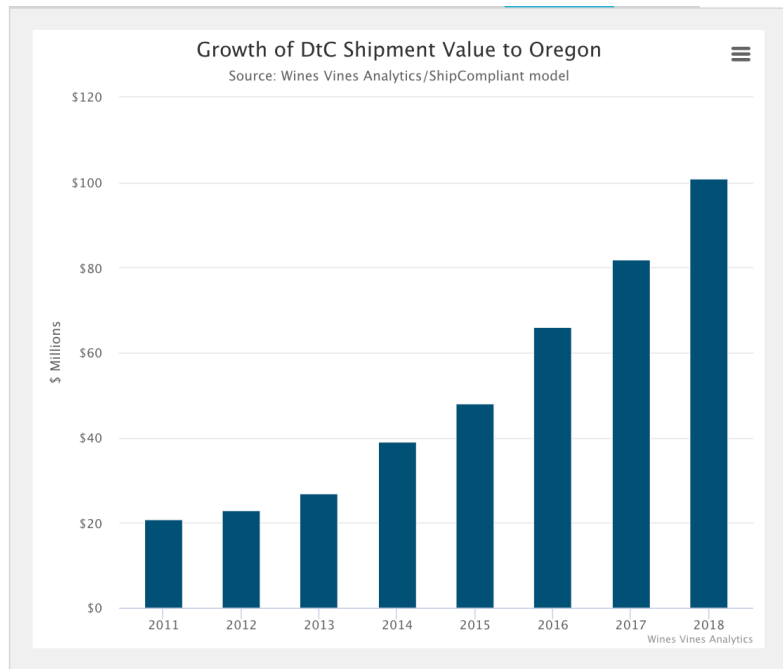
California both ships and receives the most wine by value and volume. Shipment data is the amount of wine shipped to consumers in key wine consuming states.

Growth of DtC Shipment Value to Texas

Source: Wines Vines Analytics/ShipCompliant model

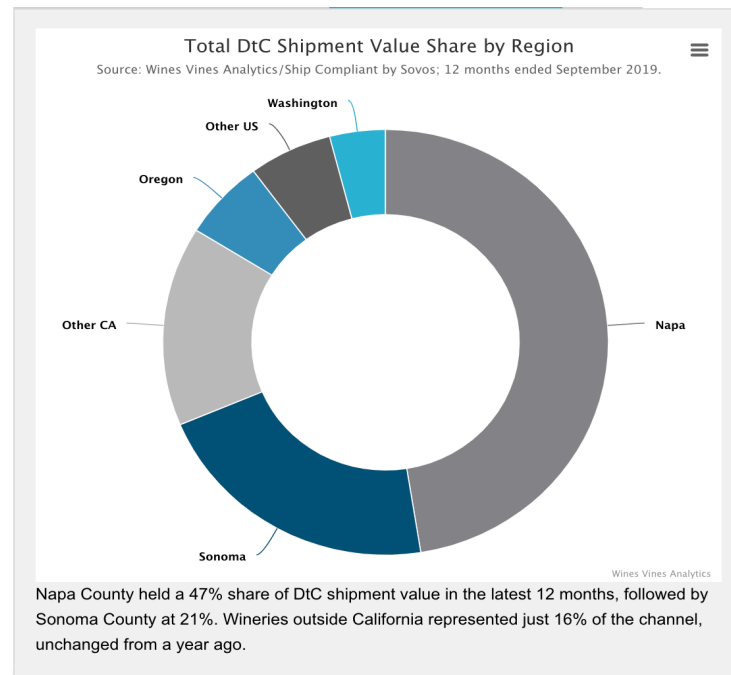
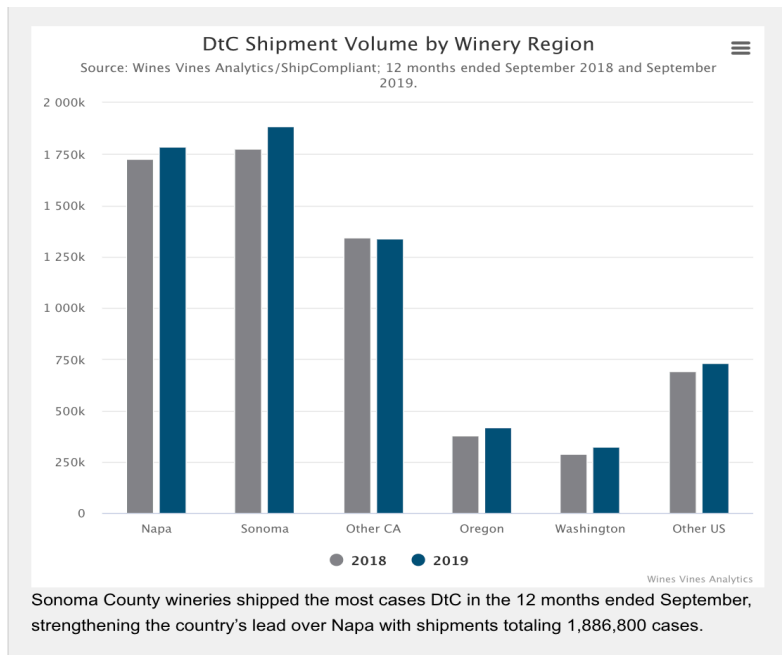


Oregon Shipping and Receiving

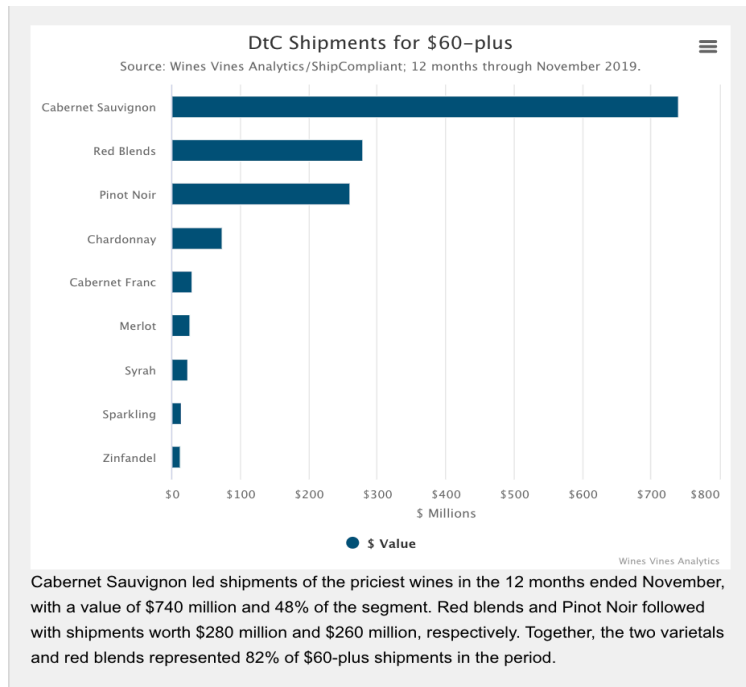


- Since 2010 shipments by Oregon wineries have quadrupled to more than \$200 million.
- Oregon is a top market too. Oregonians ship and receive the most wine, per capita, in U.S.

Sonoma Versus Napa



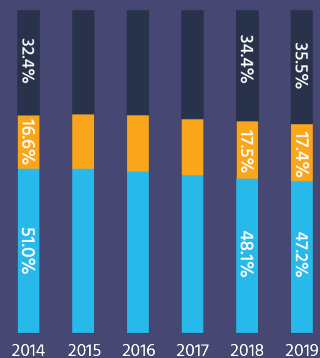
Multi-Segment Analysis



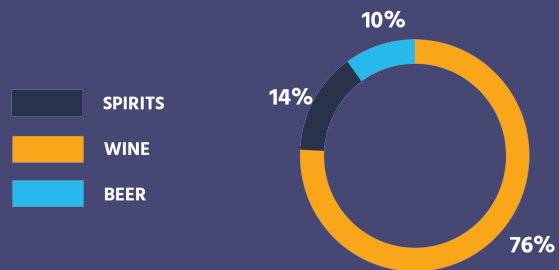
- New analysis looking at multiple parameters.
- Napa County saw most growth at \$100 plus and even wines priced more than \$200 saw 13% volume increase.
- Total of wines worth more than \$100 is \$762 million. More than all medium sized wineries combined.

E-COMMERCE VS OTHER RETAIL

BEV ALC SALES BY CATEGORY



2019 BEV ALC E-COMMERCE SALES BY CATEGORY



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Strongest Segment of the Wine Industry, but ...

- Slowing growth in DtC still much stronger than other segments.
- More competitive. Understand your competition within your cohort, pricing, packaging, messaging on the digital shelf and assess how other, larger wine companies may affect market in relation to your brand.
- Compelling story. What makes you unique. Being a quality producer from known region with popular varieties not good enough.
- Ensure seamless, one-click payment and leverage other tools to connect with and find new consumers.

Thank You

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