

**MARCH
2010**

Swedish Hill Winery

GOOSE WATCH WINERY

Penguin Bay Winery



Wine News You Can Use!

Beyond Wine in Grocery Stores: Enhancing Relationships for the Future



Last month I discussed some aspects of the wine in grocery store debate, and we have heard a number of comments in the past year that Finger Lakes wineries and stores need to work together more closely to build a better working relationship. As I pointed out last month in this newsletter, I believe that in most of NYS, availability is not the primary factor limiting sales of Finger Lakes wines, but rather a lack of consumer familiarity and recognition. In other words, we need to drive consumer preference to create greater demand. Dr. Brad Rickard, an Ag Economist at Cornell University, estimates that sales of NYS wines would increase by approximately 10% if wine was sold in grocery stores. While we can all debate whether or not this would really happen, it seems to me that sales of local wines could increase much more than 10% if we worked together to build greater demand and increased availability. Here are my thoughts of what stores can do to help us:

- 1) Recommend Finger Lakes wines more often. For example: Suggest a Finger Lakes Riesling over those from Germany, Alsace and Washington; a local blush wine instead of White Zin; local Concord, Catawba and Diamond based wines over Riunite and Lambrusco; local sparkling wines over French and Spanish, local dry white hybrid blends over Italian Pinot Grigio, local Cab Francs and Meritage blends over Bordeaux, etc.
- 2) Increase case stacks of Finger Lakes wines. These are most often dominated by large corporate brands. Increased visibility of Finger Lakes wines will create greater familiarity and sales.
- 3) Increase offerings in areas where selection is poor or practically non-existent. This is more the case in Eastern NY, NYC metro area and Long Island, but even many upstate stores could increase their local offerings.

(Continued "Beyond Wine in Grocery Stores"....)

Wineries will also have to do their part to support an increased effort by stores. We want to support stores by doing more in store tastings, providing updated information about the wines, providing POS materials, and maintaining a consistent supply of wines. We also want to know what else we can do to support you. Please give us this feedback and we will work with you in whatever way we can. Improving our relationship will help both of us sell more wine. In a nation that is increasingly becoming dominated by mega producers and mega retailers, it is important that both of us can maintain a significant niche in the market. **It is estimated that 85% of the wine retail space in this country is controlled/occupied by 10 wine companies. This is scary to producers like us, just as wine in grocery stores is scary to your future. Let's put together a plan that will help us prosper together—local producers and local retailers.** We look forward to hearing your comments and suggestions.

Featured Wine(s) of the Month: Swedish Hill Viking White and Viking Red

The Viking wines in our portfolio are rapidly establishing themselves as outstanding value dry wine blends. Available in both 750 ml and 1.5L bottles, both are multiple gold medal winners and are arguably some of the best wines for the money compared to anything on the shelf from anywhere. Viking White is a "Pinot Grigio styled" blend that is crisp and dry with great fruit aromas. Viking Red is "Shiraz-like" with its black peppery nose and nice cherry fruit flavors and just a bit of oak. Both are blends of vinifera and hybrid grape varieties that are sure to please those who are used to drinking more expensive wines. And both are on special



MARCH SPECIALS

Swedish Hill: Viking White and Red, Dooibe Blues and Dooibe's Jack Ass Red, All Blue Waters wines (Riesling, Chardonnay, Meritage and Cabernet)

Goose Watch: Pinot Grigio, Snow Goose, Red Fox

Penguin Bay: Riesling