

MARKET WATCH



**TRINCHERO
FAMILY ESTATES**
FROM FAMILY VINTNER
TO MODERN WINEMAKER

PLUS
GIN'S REVIVAL
BLENDED MALTS
ROSÉ IN BLOOM
MIXOLOGY: VODKA

*****SCH 5-DIGIT 94559
#1000135474/6# 05/01/18 566274
PAUL WAGNER
BALZAC COMMS
1200 JEFFERSON ST
NAPA CA 94559-2415

P-19 P38



Jack Daniel's

While much of the American whiskey renaissance has centered on smaller, higher-end whiskies, the ongoing rise of Jack Daniel's shows that major players are also winning new consumers. Jack Daniel's has grown its U.S. volume for four straight years, crossing 5.2 million cases on a 1.1% advance last year, excluding flavor extensions. While the core Jack Daniel's Old No. 7 (around \$22 a 750-ml.) has added about 425,000 cases over the past four years, growth is also coming from elsewhere in the portfolio. Gentleman Jack (\$28) was up 7% to 387,000 cases last year, according to Impact Databank. A Tennessee Rye extension has also received a solid response since launching last fall. Flavored offshoots Tennessee Honey and Tennessee Fire are also growing, up 3.4% to 709,000 cases and 6.7% to 387,000 cases, respectively. "Around 40% of those who try Honey are trying Jack Daniel's for the first time, and half come into the franchise," says Jack Daniel's vice president and marketing director John Higgins. He adds that the market for flavored whiskies has stabilized, allowing Honey and Fire to better leverage the shot occasion. Jack Daniel's new partnership with the NBA has also created substantial exposure. With growth ongoing, Brown-Forman has been investing in capacity. In 2016, it unveiled a \$140 million expansion plan for its distillery in Lynchburg, Tennessee, which includes a revamped visitors center, two new warehouses, and larger bottling operations, among other upgrades.

Shane English



Vintage Point

After adding new brands to its lineup over the past year, California-based Vintage Point now has annual volume of around 350,000 cases. Vintage Point president David Biggar says the portfolio has been premiumizing lately, with a clear focus on wines priced at \$15 a 750-ml. and above. Most recently, Vintage Point added Dave Phinney's Grenache-focused Department 66 (around \$45) label; the winery is based in France's Roussillon region, where Phinney owns over 300 acres of vineyards. Also new to the portfolio is Cigar Box, which depleted around 50,000 cases last year. Originally sourced from Chile and Argentina, Cigar Box recently launched the Humidor California Cabernet Sauvignon (\$15). Biggar expects Cigar Box to approach 60,000 cases this year. Another recent addition is Oregon-sourced Julia's Dazzle (\$20), a rosé of Pinot Gris that depleted its 10,000-case production run in 2017. For 2018, supply has risen to 12,000 cases, and Biggar intends to expand distribution into select East Coast markets. Vintage Point's role as the chain channel marketer for Mionetto Prosecco also continues to pay off, driven by chains like Albertsons and Vons. "Mionetto was underdeveloped in the West, but that's changing," Biggar says. Mionetto reached 680,000 cases in the U.S. last year on 12% growth, according to Impact Databank. Looking ahead, Vintage Point will continue to add small- and mid-sized wineries. "We've identified some of these brands in their very early stages and provided a platform to compete," Biggar says.

Shane English



Luce Della Vite

Last year, Frescobaldi's Tuscany-based Luce della Vite unveiled a new state-of-the-art winery and named Stefano Ruini head winemaker. On January 1, the brand and its portfoliomates Ornellaia, Masseto, and Attems transitioned to New York-based importer Vintus, which sees Luce della Vite's second wine—Lucente (\$30 a 750-ml.)—as the brand's entry point in both the on- and off-premise. "Lucente has long been an on-premise, by-the-glass wine that acts as an introduction to the world of Luce, in terms of both price and overall style," says Vintus vice president and director of marketing Michael Gitter. A blend of 65% Merlot and 35% Sangiovese, Lucente is the Luce lineup's largest label, with around 8,000 cases imported to the U.S. annually. Imports of the flagship brand hover just under 1,000 cases, and Luce Brunello—made from 100% Sangiovese sourced from a single plot on the estate—represents less than 400 imported cases. Blending Sangiovese and Merlot is an important part of the Luce philosophy; before the brand's inception, Merlot was not widely used in Montalcino. Under founders Robert Mondavi and Vittorio Frescobaldi, old Merlot vines found at the estate were replanted in the 1990s, and the idea of Luce as a 50-50 split of Sangiovese and Merlot took off. Amid major changes over the years, Luce della Vite's original mission of showcasing the Montalcino region remains alive. "We're still making terroir-driven wine," says Ruini, who previously served as director of Pauillac's Château Haut-Bages Libéral for 13 years. **mw**

Julia Higgins