

# **Barclays 18th Annual Global Consumer Staples Conference 2025 2025-09-02**

## **Presentation**

### **Lauren Lieberman**

Thanks, everyone, for being here. Really happy to have President and CEO, Bill Newlands; and Executive Vice President and CFO, Garth Hankinson of Constellation with us today. Bill and Garth, great to have you guys.

## **Question and Answer**

### **Lauren Lieberman**

A lot has and hasn't changed, let's call it, in the U.S. beer industry since we were last here together. And alongside that, company issued updated fiscal '26 guidance this morning, lowering your top and bottom line outlook for the year. You had some materials along with it, some slides. And in there, you highlighted ongoing U.S. consumer demand headwinds, especially impacting Hispanic consumers. Can you talk a bit about the puts and takes that drove these updates?

### **William Newlands**

So let's break it down a bit. As Lauren points out, we reissued guidance this morning. And many of the materials that we put out gives an overview of many of the things that we were talking about. What's very clear at the moment, Lauren, is there's a lot of concern at a consumer level, and that cuts multiple ways. If you think about the broader consumer, a lot of volatility. People are concerned about making ends meet, making – concerned about filling their basket. So it's a challenging time broadly.

If you think about 4,000 calorie jobs that we often like to talk about, those are down. Con-

struction is a great example. That's down year-on-year. Those things tend to be positive for the beer industry. That's especially true and even more true when you think about California. California's construction is down further. And then you think about the Hispanic consumer. The Hispanic consumer is very concerned at the moment. 80% are concerned about socioeconomic factors, 75% are concerned about their personal finances. It means that their shopping behavior has changed. There's less occasions, whether you look at on-premise or off-premise, any channel, their behavior is down versus what it had been in prior years. So it's a very challenging broad environment.

But what are we doing about that? And I think this is an important one to keep in focus. We have done 30,000 Shopper-First Shelf initiatives this year. Our distribution gains are up in the mid-single digits. Corona Sunbrew is the #1 new SKU in the beer business, and it has been the #6 share gainer in the beer business. We're continuing to invest. Modelo is the #1 share of voice in the category. Corona is the #3, and Pacifico is the #1 digital share of voice in the industry. So we're continuing to do the things that we think are critical for the long-term success of the business, and it's showing up. We have gained share this fiscal year in 49 of the 50 states. So we're continuing to win in a market. But admittedly, the market is a lot more challenging and a lot more volatile than it's been.

**Lauren Lieberman**

Okay.

**Garth Hankinson**

Yes. If I can just add in a little bit there, right? So as Bill said, it's a challenging consumer environment. And as a result, we had to change the guidance, as you referenced earlier, and I'll just kind of walk you through that guidance a little bit. Before I do that, I do have to make my typical legal disclaimer for this conference given the timing when it falls. Other than all of the information we updated through our press release and online today, we

can't speak specifically around our results for the quarter as we get into the breakout session after this. And all of the guidance updates are available on our website, which we uploaded this morning. But if we think about that change in guidance, we start with the enterprise top line, and we now have an outlook for growth to be down 4% to down 6% and for our beer business to be down 2% to down 4%. If we move further down the P&L, the impact is a bit more pronounced, it's the beer volume – the reduction in beer volume obviously has had an impact on overhead absorption and operational efficiencies.

Additionally, we have another tariff headwind that we – I'll get into here in a second. But as a result of those headwinds, our operating income expectations for the full year now are for an enterprise to be down 9% to 11% and for our beer business to be down 7% to 9%. Again, specific to our beer business, those volume declines are driving about 100 basis point headwind to our overall margin for our beer business. And then we are expecting a 60 basis point headwind related to new tariffs. And so what do I mean by new tariffs are – you'll recall that at the end of June, when we gave our guidance or provided our results for the first quarter, we had identified a \$20 million incremental headwind that was a result of tariffs going from 25% to 50%.

Over the last several weeks, we've been working with our can suppliers, and we've now determined we have another approximately \$20 million to \$25 million exposure, taking the total new tariff, if you will, to about 45 – roughly \$45 million or 60 basis points. So 160 basis points of margin impact from deleveraging, volume-related deleveraging and incremental tariffs. Just on the tariff front, I think it's important for us to note that if you think about that now on a full year basis, in the beer business alone, the impact of tariffs is about \$70 million if you take into account what we disclosed at the beginning of the year. And on our wine business, it's about \$20 million. So a total of \$90 million across the enterprise for the full fiscal year.

Now with those updates to our beer business and then with changes we've made to the corporate and interest expense as well as a change in our comparable tax rate, we're now expecting comparable EPS to be in the \$11.30 to \$11.60 range. I think it's important to note that we've not changed any of our capital allocation priorities or our commitment to return capital to shareholders through dividends and share repurchases. And on that last point, we've now through the first half of the fiscal year, returned approximately \$600 million to shareholders through share repurchases.

The last point I'd like to make is just that as we think about Q2, and we mentioned this in the press release, there will be about a 600 to 700 basis point differential between depletions and billings for the quarter as what we typically see happening in Q3 as distributors start to balance the year from the first half of the year to the second half of the year, that's going to happen earlier than it normally does and be a bit more pronounced just given the consumer dynamics that we've seen. So I think those are some of the key takeaways from the guidance we provided earlier today.

**Lauren Lieberman**

Okay. Great. In April, you guys had talked about expecting the medium term the beer category to get to a more normalized historical growth profile of kind of down 2% to flat for the industry. I guess, how confident are you in that view today? And I ask that in the context of the update to guidance, but also when we were seeing scanner data down 4.5% for the industry year-to-date, so softer than at this time last year. So just curious what that view on the long-term growth of the industry and the path to getting back to that rate.

**William Newlands**

Our view is that eventually that will happen. We look at lots and lots and lots of data to give ourselves comfort. And we see, for example, that Hispanic consumers actually have

increased their loyalty to our brands, even if they are buying less today. We are seeing an increase in loyalty to our brands with Gen Z, the 21- to 25-year-olds are a disproportionate amount of our business versus the category. So we are fairly comfortable being unable to predict exactly when, but we are fairly comfortable that as the socioeconomic environment gets back to something resembling normalcy, that you'll see a category that does the same.

### **Lauren Lieberman**

Okay. I guess maybe to hone in a little bit on the near term, again, to keep with this. Just when we spoke in July after results, early July, right, there was a high degree of conviction in sequential improvement and that happening pretty quickly actually. So for the guidance to be what it is now, and roughly speaking, if I account for typical pricing, in my mind, it feels like the first time that you've offered guidance for your beer business, it's very similar to what the category is doing, right, rather than gaining share. Just what changed so significantly from July to now? And also just notwithstanding your point, we're gaining share in 49 out of 50 states, right, 30,000 shelf resets, but your guidance is in line with the category effectively performance this year, which is very different.

### **William Newlands**

Well, if you look at the top 5 states for us that represent roughly 50% of the volume, you saw declining buy rates across all ZIP codes with additional challenge on those ZIP codes that were heavily Hispanic. So we've seen a denigration of the buy rates that we had expected over the nearer term. Now with that said, 3 of those states, Texas, New York, Florida, second quarter sequentially looks better than the prior. But it's been very, very hard to predict, and we're seeing a lot of volatility in the marketplace. But you've seen the consumer basket shrink. That's been a big factor. The percentage of alcohol in the basket hasn't changed any, which again gives us some comfort that as time goes on and consumer behavior hopefully returns to something normalcy that you'll see a return to

more normal category dynamics as well.

**Lauren Lieberman**

Okay. And I guess when we think about normal, there's also this element you guys have had an elegant way of articulating some of the political dynamics, frankly, that are impacting your core consumer base. I mean, is it reasonable to think that in the next several years with the administration as it stands today, right, and is currently elected in the office, I mean, don't we have to worry about that consumer base having constrained behavior for the next several years, not knowing what happens 3.5 years from now?

**William Newlands**

Well, it's very tough to predict how the consumer is going to behave. I think the thing that we're spending our time on is controlling the controllables. And that's execution, that's working in the marketplace and doing the shelf sets that we just talked about. It's winning distribution. It's continuing to invest in the category. I think it would be very important for all players in the category to continue to invest in the category to be prepared for whenever that occurs, that the consumer gets more comfortable that we're prepared to win in that environment. And that's where we're spending our time, controlling the controllables.

**Lauren Lieberman**

Okay. So just staying for a moment with the broad category, still debate or discussion on structural cyclical, right, outside of the Hispanic dynamics, which you've touched on already. I guess how do you actually assess the industry's broad response to how sluggish the market has been? Like what can companies do in this industry to sort of instill confidence in the viability of the beer — *indiscernible* — say alcohol.

**William Newlands**

Sure. Well, if you look at what's been sort of positive, you see Spirit RTDs have been

positive. You see things that are high flavor that have been relatively positive. You see non-alc is positive. It's why exactly why we've done Corona non-alc, which has done extraordinarily well. It's why Sunbrew is the #1 new SKU in the category and has done extremely well. So you're still seeing things that are catching the consumer's eye and are interesting to the consumer. Relative to this whole question of structural versus not, this is one that I really enjoy talking about.

The pundits love to talk, for example, about GLP-1. There are no facts to back that up. 50% of all GLP-1 users stopped using it within 3 months. There is some denigration of consumption of alcohol during that 3 months, but it's primarily AAB and Wine, interestingly enough, not beer. And after those 3 months, behavior goes right back to where it had been historically. So again, negligible to no impact that we can see on our business. Cannabis beverages have been on the uptick. But interestingly enough, those consumers that consume cannabis beverages actually index higher than the beer industry average. So that consumer doesn't seem to be ignoring beer as an example, while they're involved with it.

And the third is the whole Gen Z question, are they drinking less? As I alluded to earlier, our portfolio has done very well at bringing new, younger consumers into the category. We index 2x in that 21- to 25-year-old. So we are bringing new people into the category. So we really don't see this as a long-term structural thing. Although as Garth always points out to me time after time, we watch it very carefully because you never know whether that answer could change. But today, we don't see it as a structural issue.

### **Garth Hankinson**

And Laura, you asked what can the category do, right, which is – well, I'll tell you what we're doing to try to engage with consumers and keep consumers interested in the category, and that's we continue to invest behind our brands. You know that we've more or

less kept our marketing spend intact, particularly as you think about that as a percent of net sales. We think that, that's incredibly important to not only build our brand equity, but to build excitement in the category. We've honed that as a capability over the last several years. We have very sophisticated models that help us understand the efficacy of the spend that we have so that we can make sure that we're being both effective and efficient in our use of dollars and focus on those initiatives that have a high return on that.

Part of what that looks like is that we've continued to n Modelo as the #1 share of voice brand in the category. And Corona continues to be the #1 loved brand or a brand that I love and a brand that everybody likes. And we've seen good improvement in terms of things like unaided awareness for Modelo. We've seen intentions around Pacifico to be – to increase in literally every metric or almost every metric that we measure, we've seen an improvement in Victoria. So we think that it's critically important to continue to invest behind the brands, build that brand equity and build excitement in the category.

### **Lauren Lieberman**

Okay. Let's dig a little bit more into the medium-term growth outlook, if we can. So at the Investor Day in 2023, you talked about demographics contributing 20% to 30% of beer growth over the medium term. And in light of the nonstructural socioeconomic factors that are now embedded in your algorithm, should we think about that assumed demographic piece contribution being lower in the medium term?

### **William Newlands**

I don't think so in the medium term, Lauren. When you look at the growth of the Hispanic population in the United States, it's an annual 2% to 3% growth of legal drinking age consumers, which means there are more people who are going to be interested in our brands. It's a culture that is beer skewed, which works to our advantage. And we have



the strongest loyalty within that marketplace for our brands given the Mexican heritage of those brands. So we really believe in the medium term, that's going to continue to be a tailwind for us.

**Lauren Lieberman**

Okay. And then just talking about the Hispanic consumer, just curious what the latest from your latest omnibus survey. And how do trends you're seeing on Hispanic consumers compared to general population?

**William Newlands**

It's weaker. 80% are concerned about the socioeconomic factors, 75% are concerned about their personal finances. And what's that translated to is people are not going out. So you've seen a decrease in the on-premise arena. People are not having events in their homes. So the issue is not the desire for our brands or the desire for the category, but the occasions in which products are consumed are pretty radically down, and that's been the biggest challenge.

**Lauren Lieberman**

Okay. And then innovation in this growth algorithm, I know we talked a bit about Sunbrew, but was expected to be 20% to 40% of your growth. So how do you feel about the efficacy of the innovation pipeline? When you think about Sunbrew, is there more you can do or should be doing to even accelerate further?

**William Newlands**

Well, yes, there is. I mean innovation to us is a core competency that we feel is critically important to keeping interest in the category. You've touched on Sunbrew. I'll throw a few more facts about Sunbrew. Not only is it the #1 new SKU, but 60% of it's incremental to Corona. 2/3 of the people who have consumed Sunbrew have not bought consumer, have not bought Corona Extra in the last year. So you've got people who are coming new

into our brand and new into our category and the reaction to the liquid in the bottle has been superb. So the repeat purchase rates are very strong. So that's a perfect example of where you look at broader trends, high flavor, convenience, refreshment, all those things are important more broadly than just beer and Corona Sunbrew is a great example. But we also have talked a lot and we've talked with you about betterment. The same with non-alc. Non-alc has been a strong play for us as well under that Corona brand halo.

**Lauren Lieberman**

Yes. Corona NA is excellent.

**William Newlands**

We should have brought you a one.

**Lauren Lieberman**

You probably be the real winner, not today. So where do you stand on the rollout? I'm just curious about kind of ACV distribution and how – kind of maybe a little bit more of the marketing strategy on Corona NA. I don't know where or what you've measured the awareness of the brand. And also, as you're talking about that, I'd be curious how big you think NA beer share can be within the total industry or your portfolio you want to approach?

**William Newlands**

Well, let's start with the big picture. It's roughly 3% of the business today, which when you think about it, that's relatively small. But it was 1% 5 years ago. So it's tripled in the last 5 years. The question is sort of where can it go? We introduced originally a 6-pack bottle. That was it. It's way outperformed what we expected. And we now introduced a 12-pack can this year. Both of those SKUs are in the top 15 of all SKUs involved, and we continue to gain share with both of those businesses. They're up – the original SKU is up over 20% this year and is doing extremely well. And when you add in the additional SKU,

and we barely have spent any money against it. It's really benefited from the halo of what Corona Extra is.

And as Garth pointed out a couple of minutes ago, the fact that it's such a loved brand. But it also matches up with some of that consumer behavior. There's audience out there that's looking for betterment or they're looking to intersperse non-alc and alc over the course of an evening. And it's unlike what used to be, we won't say how long ago, where non-alc didn't taste very good, you'd be hard-pressed to tell the difference between a non-alc and a Corona Extra today, which I think speaks very well to those consumers who are looking for that experience.

### **Lauren Lieberman**

Yes. Okay. And I know that the NA and Sunbrew are helping build confidence in the Corona brand family and you spoke to them it's still a loved and like brand. But trends for Corona Extra have been pretty soft. So how much of that do you think is macro driven that this brand, in particular, has hit harder or more brand specific? And anything you're doing to reinvigorate the brand changes in marketing beyond these 2 innovations?

### **William Newlands**

Well, we've done a number of things. You've seen – we've – I'll call it, go back to the beach with our creative. I think you could argue we got a little carried away with celebrities for a period of time. And we have driven Corona Extra right back to the beach, which is – which was the essence of what it was all about. It was about the beach mentality and about the refreshment value related to the beach. And the current creative that we're running is some of the best we've ever had for the brand based on our testing. So – and it also provides a great halo. When you think about Corona Familiar, you mentioned Sunbrew, you mentioned nonalcoholic. The family of Corona is doing very well, especially given, as Garth pointed out a couple of minutes ago, it is still the best loved brand in the United

States. So we believe it's going to continue to be an important part. We're investing as we have. It's the #3 share of voice. We're putting more dollars against live sporting activity with this great new creative that we have. So Corona is going to continue to be an important part of the overall halo of brand Corona.

**Lauren Lieberman**

Okay. On Modelo, you've often used stronghold states like California and Nevada as a reference point for the growth runway, still go for the brand. I've done that work, too. Just what have been some of the more emerging or nontraditional markets where you've had some good momentum of late and kind of what has been driving that success?

**William Newlands**

You start to look at where we've seen some significant growth and there are places where you wouldn't expect it. North and South Dakota, North and South Carolina, Georgia, Arkansas, Oklahoma. These are places that arguably you wouldn't expect to be strongholds for Modelo. But when we suggested 500,000 points of distribution back at our Investor Day, part of the whole logic was we have a lot of runway outside of, say, California and Nevada, where we're very well distributed to broaden our reach. We're backing that up with some of what we're doing, things like putting emphasis on the SEC, football, as an example, a lot of live sports, very important in many of those communities that I just mentioned. And you're seeing it play out in terms of the growth profile for that brand. In some of those markets, you probably wouldn't have expected off the top of your head.

**Lauren Lieberman**

Yes. Okay. And then sticking with Modelo for a moment, the strategy of balancing the premium positioning and competitive pricing with Oro evolving and Corona Premier entering the mix now with more competitive pricing. How are you maintaining brand equity kind of competing more directly on price? The market has gotten more price competitive

in the premium tier. So protecting brand equity while still investing in price...

**Garth Hankinson**

I'll take the Oro, you take the brand equity.

**William Newlands**

Okay. You go first.

**Garth Hankinson**

Well, just on Oro, right? I mean, so first of all, you referenced the price change on Oro. And that was very much an intentional deliberate decision, a strategic decision, not necessarily just a tactical one to match a competitor's price point. We took a step back from the high-end light beer category and said, hey, let's do a deeper dive on that consumer and what makes that consumer tick. And the truth of the matter is the consumer that's buying light beer writ large, but also high-end light beer has very much a quantity and a price component to their value proposition. So you have to hit both of those sort of metrics for them. And if we looked at what our prior approach was is we kept both Oro and Premier sort of line priced with the rest of the portfolio. And if you think about the pricing ladders within the beer category and if sort of mainstream beer is at 100% index, our portfolio has always been priced at 155 index. And where we've seen brands be successful as a high-end light beer has been more in that 120 index. So we made the decision we want to take Oro first, and now we're doing it with Premier, down from that 155 to the 120, as I just referenced. We really believe that in the strength of those brands and the strength of the liquid, we get those brands in consumers' hands at the right price point, we can really take advantage of what is a big segment within the beer category. I mean it's – light beer is a very, very big segment. So we're excited about that. And we think that with the brand – with the pricing stratification that we can minimize any impact that the Modelo Oro price moves has on Modelo Especial or the Corona Premier has on Corona Extra. So

we feel good about the approach we've taken.

### **William Newlands**

The only thing I'd add to that relating to the equities, we measure our brand health constantly, as you would expect. And our brand health measures remain as strong as they have ever been, which is really important. That fundamentally goes back to the whole underlying thing we've been talking about the whole time. If you do not have strong brand health and strong brand equities, over time, that's a bad answer. And that's going to be detrimental to the category and detrimental to your business. We're very fortunate that, that remains very strong, and we have seen increasing loyalty, as I mentioned earlier, with both Hispanic consumers and Gen Z consumers. So we're very comfortable that as we continue to be the loud share of voice in the category and invest behind our brands, we're going to be positioned very well as the consumer comes back out of the current trough that they're in.

### **Lauren Lieberman**

Okay. And then just quickly on more up and comers in the portfolio. Pacifico has been pretty incremental, and that's continued, especially you compare to the typical cannibalization of the industry. Are there learnings from the Pacifico strategy that you can apply to Victoria as well?

### **William Newlands**

Yes, for sure. As you know, Pacifico is now the #2 beer in L.A. It's been amazing and sort of everywhere we take it, it does extremely well. And so big surprise, we're up nicely in double digits. Victoria is an interesting brand as well. It's doubled in size in the last 3 years, still relatively small even compared to Pacifico. But it skews heavily Hispanic. It's roughly 75% Hispanic, but it has really resonated with that consumer base. And part of what we have seen is we're going to do in the same way that we did way back when with

Modelo and the same way we have done with Pacifico, we'll be very judicious as to where we put the product, so it has a good chance to stay. The worst thing you can do with new products is put it somewhere where it's not going to sell. And we're very pleased that, that brand is not only developing with the Hispanic consumer, but it also skews somewhat younger. So again, it broadens our audience versus the overall portfolio quite nicely.

**Lauren Lieberman**

We ask one kind of wrap-up question on beer. Big change in the outlook today. You've incorporated what you spoke to the difference between shipments and depletions with distributors because it seems like that's a big part of the adjustment. Degree of confidence that what you've now factored into your outlook for this year, I know we can't next year, right, is this current malaise in the category, the current malaise in your consumer base, the inventory adjustment that needs to happen with distributors and that from here, at least over the next however many months we have left, you're feeling pretty confident in the adjusted outlook from here and assuming beer industry volumes continue to decline at a kind of like 4-ish percent rate for the balance of the year?

**William Newlands**

The short answer is we have not assumed any improvement in the current fiscal year.

**Lauren Lieberman**

Short answer to a long question.

**William Newlands**

Yes.

**Lauren Lieberman**

Which is fine. So just anything you're seeing in terms of substitution that people are using THC, whether it's gummies or beverages versus drinking beer, and that's one of the issues

to the category.

**William Newlands**

Yes. No, actually, if you look at consumers that consume THC, they actually over-index in beer consumption versus the sector, meaning beer sector average. So we haven't seen that, that's a big factor of people sort of trading around, if you will.

**Garth Hankinson**

I think a couple of other data points on that, Tim, we've seen – if you look at this over several years, household penetration for beverage alcohol has been very stable, right? So we know that households continue to purchase beverage alcohol. And if we look at the number of occasions, right, we're not seeing that that's relatively stable as well. We touched on earlier that within an occasion, there can be some deliberateness around maybe interspersing some non-alcohol with some alcohol. But in terms of the number of occasions in terms of household penetration, very, very stable.

**Lauren Lieberman**

Okay. I'm going to switch to Wine and Spirits now. So continue to make portfolio changes in Wine and Spirits, right, trimmed down the portfolio significantly now much more firmly in Premium plus. The industry, though has continued to really struggle with recruitment. Why do you think that is? And what do your retained Wine brands need to do differently to resonate better with consumers?

**William Newlands**

Well, let's start with how they're doing because it's always nice when you actually have some good news to talk about. Our wine business, the RemainCo portfolio has beaten the category for 6 straight months. And I realize we haven't been able to say that in a long time, so I figured I'd better say it since it's the case finally. It's taken us a long time to get the portfolio where we wanted it to be, which is up the price ladder where there's



much more opportunity. And you're seeing brands like Kim Crawford, which is now our biggest brand, continues for 8 straight years to be the #1 Sauvignon Blanc.

Ruffino is playing very well in Prosecco, which is a hot sector of the category. The Prisoner continues to be the #1 super premium red blend, and we've added cabernet into the mix. And we've got a lot of smaller brands like Harvey & Harriet and Meade bourbon that are both growing extraordinarily well and some limited supply products like Schrader or Sea Smoke that obviously demand is outstripping supply. The question that I think that you're getting at is how can you bring more people into the category. You have to create interest in the category. One of the challenge, many consumers come in at a lower price point. And I think that's a critically important thing that the industry needs to do is how do you create interest in the same way I've talked earlier about Corona Sunbrew leveraging flavor and interest and putting some juice with beer, which is what we saw consumers doing. That hasn't happened as much in the wine space. And I think it's going to be important to make that socially relevant going forward if you want some sections of the wine business to show some resilience.

### **Lauren Lieberman**

What about price pack architecture? I mean, is that.

### **William Newlands**

Yes, possibly. The TTV has just recently opened up some additional supply options. We've done a fair amount with [ 3.75 ]. It's a convenience size. Let's say, you and your significant other want 2 different things in an evening. Well, you can both have a [ 3.75 ] and it's very convenient. But that has been, I would say, less developed in Wine than some other sectors like Spirits or beer even.

### **Lauren Lieberman**

Okay. I have time, I think, for one more question. I want to talk about capital alloca-

tion. So right around your 3x leverage target, \$3.4 billion in buybacks remaining in the authorization, I should say. And you've made clear the regular role that you see buybacks playing in the medium-term algorithm. To what degree do you have an appetite for smaller strategic M&A at this point?

**William Newlands**

We've said pretty consistently for the last several years, that Garth and I have been answering these questions that we're focused on maintaining investment grade. We're going to return money to shareholders in dividends and share buybacks. We're going to invest behind our business to make sure that we are getting the absolute max that we can out of our business. It's sort of the last priority, which is smaller tuck-in M&A scenarios as they present themselves. We've done that with our venture arm, where we've had some smaller things that actually have come into the fold. I mentioned Harvey & Harriet and the Wine business. That started as a venture investment. So that's definitely not the focus of our attention. Our focus of our attention is the top 3 things, as we've said for the last several years.

**Garth Hankinson**

Okay. You said so well. I don't have anything to add, Phil.

**William Newlands**

Jeez, that's not like you.

**Lauren Lieberman**

Okay. You've got Harvey & Harriet, right here.

**William Newlands**

I don't want to ask who's Harriet, I'll just move on.

**Lauren Lieberman**

Okay. So that, we're going to go to breakout. But thank you so much for being here.  
Please join me in thanking Constellation.

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