

NEW LOOK.  
SAME SUPERIOR TEQUILA.

# DRINK SELECT.



PLEASE ENJOY MILAGRO SELECT RESPONSIBLY.  
Milagro Tequila, 40% Alc./Vol. (80 Proof) ©2020 William Grant & Sons, Inc. New York, NY.

# MARKET WATCH

## BLUE CHIP BRANDS

TRACKING THE INDUSTRY'S  
LONGEST RUNNING  
SUCCESS STORIES



PLUS  
COGNAC UPDATE  
IMPORTED VODKA  
GERBER GROUP PROFILE  
MIXOLOGY: LIQUEURS



# ALBERTA® PREMIUM CASK STRENGTH RYE

## MULTI AWARD WINNER



MADE BY

*Alberta Distillers Limited*





DRINK SMART®

[www.albertadistillers.com](http://www.albertadistillers.com)

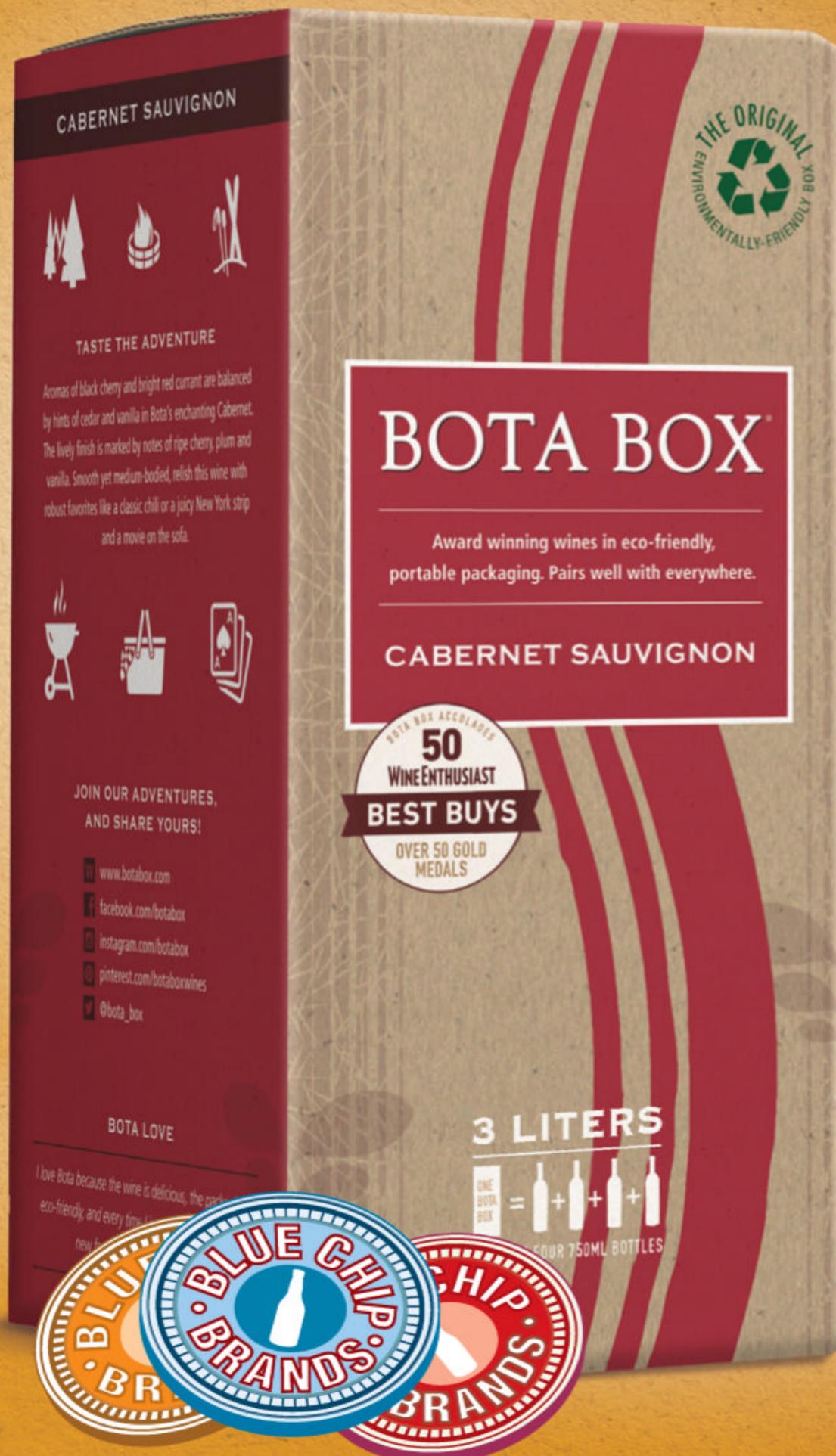
Alberta® Premium Cask Strength Rye Whisky 63.9% - 66% Alc./Vol..

© Alberta Distillers, Ltd., Chicago, IL.

All trademarks are the property of their respective owners.

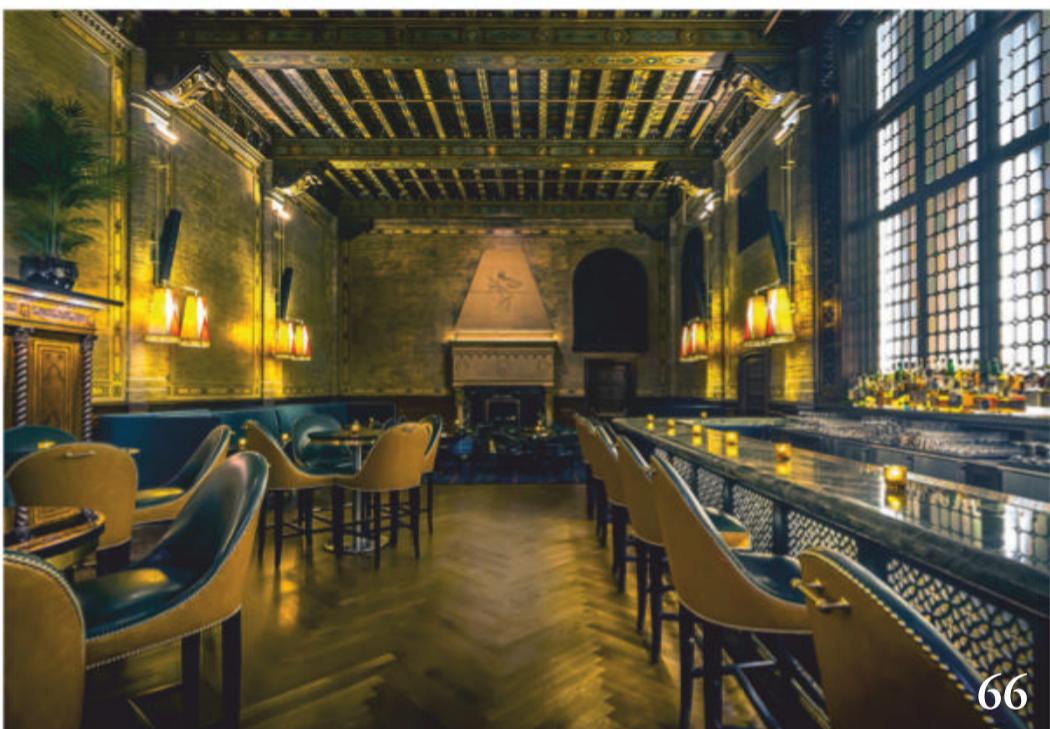
# THIS IS HOW WE BOTA

## 5 TIME WINNER BLUE CHIP BRAND AWARD





28



66



72

# mw

## MARKET WATCH

December 2020

On the cover:  
Blue Chip Brands  
Photo by johnnyscriv/Getty Images

PHOTOS BY (TOP LEFT) JOHNNSCRIV/GETTY IMAGES;  
(RIGHT) SONYA REVELL

## Features

### 28 Blue Chip Brands

MARKET WATCH honors wine and spirits brands with exceptional long-term growth.

### 66 Gerber Group

The high-end on-premise operator is still making waves after three decades.

### 72 Mega Wine & Spirits

This beverage alcohol chain operates 14 units in the Greater Miami area.



36



44



52



58

**mw****MARKET WATCH**

December 2020

## Drinks Features

### 36 Imported Vodka

Though domestic vodka has been on the rise, imports are not giving up.

### 44 Cognac

The category continues to capture consumer interest thanks to innovation.

### 52 Spanish Wine

The country is broadening its horizons, showcasing new regions and varietals.

### 58 Mixology: Liqueurs

Adding sweetness without heavy sugar, liqueurs are rising to the forefront at the bar.

PHOTO BY (TOP LEFT) COURTNEY GRANT WINSTON



—ESTD 1846—

Dewar's.

# MAKE IT PERSONAL

WRITE A MESSAGE. GET A LABEL. GIVE DEWAR'S.



Pick up a bottle of Dewar's and  
scan here to personalize your free label  
or head to [Dewars.com/us/en/MakeItPersonal](https://Dewars.com/us/en/MakeItPersonal)



# E&J Gallo Winery

would like to thank our partners for their continued support of our brands.





14



26



76

# mw

## MARKET WATCH

December 2020

### *Departments*

**9 Editorial**

**11 Through The Glass**

**14 Openings**

**16 New Products**

**26 Cocktail Hour**

Michael Rubel is developing cocktails to-go with Blue Blazer in Chicago.

**76 Sommelier Spotlight**

Dean Fuerth highlights sake and wine at Sushi Nakazawa's two locations.

**79 Bar Talk**

Restaurateurs are working to keep outdoor dining viable as winter settles in.

**80 Beer Buzz**

To jazz up beers, breweries recommend sugar and spices to decorate rims.

**83 News**

**87 On The Move**

**88 Parting Shot**

BROWN-FORMAN

150



BUILDING BLUE CHIP BRANDS SINCE 1870

Long term growth requires commitment.  
Thank you for your partnership!

LET'S CELEBRATE RESPONSIBLY.

©2020 Brown-Forman Corporation, Louisville, KY.

## Through Every Storm

**A**s we close out the year, our cover story features a subject that's very topical indeed—our "Blue Chip Brands" survey, which looks at the truly long-term players in the drinks business. We've been tracking our Blue Chips every year since 2002, and the list always offers some of the most important data we release. That's particularly true this year, as we seek perspective and look to the road ahead after all the difficulties we've encountered. The Blue Chips show the industry stars that are in it for the long haul. Some have been on the scene for just a couple of decades—but many others have much longer histories, having endured through wars, depressions, and other crises that threatened their very existence. They navigated through every storm, and are still here today, taking their places as stars of the industry. Their success puts our current situation into focus, and shows that the long game is what it's all about.

Speaking of endurance, this issue brings you up to speed on the Cognac category, which boasts some of the oldest, most historic brands in the business. But Cognac's success is a lot more than an ancient history lesson. In an industry where the buzz has been dominated by whiskies lately, Cognac arguably has been the market's most dynamic brown spirit in recent times, led by Hennessy, whose success is a long-running story. We also have an update on imported vodka, looking

at a category that continues to recalibrate its image with a focus on craft and quality.

Elsewhere in this issue, we look at Gerber Group, one of the most innovative and pioneering on-premise operators in the market. While it's taken blows from Covid-19, the company still looks ready to take on the world. And our Mixology feature focuses on liqueurs, where brands large and small are sprucing up cocktails and helping to create more business for everyone.

Enjoy the issue,



Marvin R. Shanken

# MARKET WATCH

MARKETWATCHMAG.COM • VOL. 39 NO. 10

Editor and Publisher **Marvin R. Shanken**

Editorial Director **Michael D. Moaba**

Executive Editor **David Fleming**

Senior Editor **Susannah Skiver Barton**

Associate Editor **Julia Higgins**

Copy Editor **Danielle Palecek Driscoll**

Editorial Assistant **Jessica Beebe**

Contributing Editors **Terri Allan, Kevin Barry, Amber Drea,**

**H. Lee Murphy, Laura Pelner, Jean Deitz Sexton, Carol Ward**

## RESEARCH

Director of Research **Juan Banaag**

Senior Market Research Manager **Natalia Razzo**

Market Research Analysts **Callie Eidler, Daria Saenko**

## ART & PRODUCTION

Art Director **John Thompson**

Photo Editor **Casey Oto**

Assistant Photo Editor **Karissa Maggio**

Imaging Associate **Eli Halpern, Lindsay Mitchell**

Pre-press Coordinator **David Boulanger**

Pre-press Assistant **Eric Cheung**

Vice President Production **Kevin Mulligan**

Associate Art Directors **Lisa Aurigemma, Todd Miller**

Designers **Henry Eng, Diana Witkowski**

Promotions Art Director **Lisa George**

I.T. Manager **Enrique Velez**

## ADVERTISING

Vice President, Advertising Director **Stephen Senatore**

Advertising Services/Production **Jenny Jaikaran**

Vice President Shanken Creative Group **Don Gatterdam**

## East Coast Advertising Headquarters

Telephone: (212) 684-4224

Fax: (212) 779-3334

## CIRCULATION

Circulation Director **Phylicia Bedoya**

Assistant Circulation Manager **Tina Ratwani**

For subscription questions, visit [questions.marketwatchmagazine.com](http://questions.marketwatchmagazine.com)

or email [customerservice@marketwatchmagazine.com](mailto:customerservice@marketwatchmagazine.com).

## M. Shanken Communications, Inc.

Chairman **Marvin R. Shanken**

Vice Chairman **Michael D. Moaba**

Executive Vice President **Laura Zandi**

Senior Advisor to the Chairman **Mel Mannion**

Senior VP Administration and Advertising Sales & Services **Constance McGilvray**

Senior VP Event Marketing **Lynn Rittenband**

Vice President Advertising **Miriam Morgenstern**

Chief Financial Officer **Steven Gordon**

Vice President Business Development **Jessica Shanken Reid**

Chief Technology Officer **Greg Shakar**

Executive Assistant to the Chairman **Sheena Dellanzo**



**mw**  
**THROUGH  
THE GLASS**



### **BevMo Acquired By GoPuff Delivery Service....**

Delivery startup GoPuff, recently valued at \$3.9 billion, has purchased West Coast retailer BevMo in a \$350 million acquisition. The move gives the company a presence in California and dramatically ups its profile in the booming beverage alcohol e-commerce sector. Founded by Drexel University college students Rafael Ilishayev and Yakir Gola in 2013, GoPuff is headquartered in Philadelphia and currently operates more than 200 micro-fulfillment centers servicing over 500 U.S. cities. It offers 24/7 delivery of everything from food and drink to cleaning supplies, home needs, and over the counter medications—as well as alcohol in select markets—for a flat \$1.95 fee.

GoPuff says the acquisition will see BevMo customers gain

“access to instant delivery of alcoholic beverages as well as everyday items across GoPuff’s rapidly expanding product inventory.” BevMo has 161 brick-and-mortar stores across California, Washington, and Oregon, and was previously backed by Towerbrook Capital Partners.

### **Bacardi Goes All In On Batched Cocktails....**

Bacardi Ltd has taken full control of London-based premium batched cocktail company Tails, after acquiring a minority stake in 2018. No financials were disclosed. Bacardi says the batched cocktails—which are made using Bacardi brands and pre-batched in bottles or on draft—have ample growth potential looking ahead, as they offer on-premise

accounts high-quality, pre-made mixed drinks at scale. “The hospitality industry is facing extraordinary challenges, but make no mistake, our brands are built in bars and the on-trade continues to be a priority for Bacardi,” said Bacardi CEO Mahesh Madhavan. The Tails range includes Classic and Berry Mojitos, both made with Bacardi rum; Passion Fruit and Espresso Martinis, both made with 42Below vodka; and the Garden Spritz, made with Bombay gin. Tails has expanded from its UK base into 10 other Western European markets, and Bacardi will continue to add to its footprint moving forward.

### **Aphria Enter U.S. With Sweetwater....**

Atlanta’s Sweetwater Brewing Co. has

agreed to be purchased by Canadian cannabis producer Aphria. The deal is valued at approximately \$300 million, \$250 million of which will be paid in cash and the remainder in Aphria stock; it’s set to close by the end of the year. Sweetwater’s leadership team will remain in place along with its 100-plus employees, with CEO Freddy Bensch reporting to Aphria CEO Irwin Simon. Sweetwater distributes to 27 states in the U.S. and its flagship 420 pale ale and Sweetwater 420 Fest event carry strong associations with cannabis. The deal also positions Aphria to quickly enter the U.S. market in the event of federal cannabis legalization. The combined company’s annual net revenue will total roughly \$500 million.

**mw**

*The Editors*

### **LeBron James And Partners Unveil Lobos 1707 Agave Spirits**

LeBron James never faced Michael Jordan on an NBA court, with Jordan retiring the year before James entered the league. But now the two superstars will go head to head in one of the hottest areas of the drinks market: upscale Tequila.

James is among the partners launching Lobos 1707, a range of Tequilas and mezcal aimed firmly at the high end of the market. Lobos 1707's CEO is Combs Enterprises veteran Dia Simms, and the founder and chief creative officer is actor and entrepreneur Diego Osorio. Each of Lobos 1707's Tequilas—including Joven (\$45 a 750-ml.), Reposado (\$55), and Extra Añejo (\$150) expressions—is finished in Pedro Ximénez Sherry barrels. The lineup also includes a 100% Espadín agave mezcal retailing at \$55.

The brand is rolling out initially to select retailers and restaurants in New York, Florida, and California, where it will take on Jordan's Cincoro brand among many others in the exploding ultra-premium Tequila segment. A national launch is slated for early next year. “When I first tried Lobos 1707, I told Diego it was the best Tequila I’ve ever had in my life,” James said. “People are going to fall in love with the story, but when they taste this unbelievable product they are going to want to dive in and be a part of our journey.”



NBA star LeBron James (right) has entered the ultra-premium Tequila market, partnering with Diego Osorio (left) and Dia Simms (center) on Lobos 1707.



OLD HEAVEN HILL SPRINGS DISTILLERY, INC.  
BARDSTOWN - NELSON COUNTY, KY.

# 85 Years of Lifting America's Spirit

The end of Prohibition sparked new interest in Kentucky Bourbon. In Bardstown in 1935, Ed Shapira and his brothers agreed to invest in a new distillery, and eventually bought it outright. They had no inventory, no warehousing, and no brand. Eighty-five years later, under the same independent, family ownership, Heaven Hill Distillery is satisfying consumer interest as the second largest holder of aging American Whiskey in the world.

**HEAVEN HILL®**  
**EST DISTILLERY 1935**



Founding Brothers





**Knife & Spoon**, located at the Ritz-Carlton Orlando Grande Lakes resort in Florida, features an extensive wine list offering 200 bottles and 30 glass pours.

dry and González Byass La Copa vermouths, and house-made truffle bitters, and Whisper Creek Wild Blossom and Radish brine. These join a handful of craft beers (\$8-\$15 a draft pour or bottle). Knife & Spoon has a welcoming lounge with a brass-clad turquoise stone bar, an exposed kitchen, large windows, and bright colors.



Pre-batched cocktails that guests can order for takeout are a highlight of Amigo by Nai in New York City.

## Orlando: Knife & Spoon Celebrates Land And Sea

Designed to showcase the bounty of Florida on both land and at sea, Knife & Spoon opened in The Ritz-Carlton Orlando Grande Lakes resort in October. The steak and seafood restaurant is led by chef John Tesar and marks his first project in Florida, joining his portfolio of Texas venues. Knife & Spoon offers steaks aged up to 240 days and a variety of seafood, from smoked sturgeon to oysters to king crab (entrées are \$27-\$250). These complement an extensive wine list curated by general manager Colin Burke that includes 30 glass pours (\$13-\$60) and more than 200 bottled selections (\$50-\$3,000 a 750-ml.). Along with more approachable wines like Eyrie Pinot Gris and Faust Cabernet Sauvignon, Knife & Spoon lists rarities like the 2016 Château Pétrus and the 2014 Harlan Estate Cabernet Sauvignon. A selection of updated classic and signature cocktails are also available, like the Maître'd Manhattan, mixing tallow-washed Smooth Ambler Contradiction Bourbon, Dolin



Specialty cocktails are a big attraction at Din Tai Fung Las Vegas, with Japanese beer also in the spotlight.

## NYC: East Village Taqueria Emphasizes Cocktails

New York City chef Ruben Rodriguez of Nai Tapas and Los Angeles restaurateur Juan "Billy" Acosta, co-owner of Carnitas El Momo, joined forces to open Amigo by Nai in Manhattan's East Village, in October. Beverage is at the forefront and Niko Hagerty leads the bar, offering traditional cocktails as well as pre-batched bottles for takeout (\$12-\$16). Highlights include the Rosemary's Baby, mixing Empress 1908 gin, Green Chartreuse, tonic, lime juice, house-made ginger syrup, and rosemary-infused honey, served in a smoked glass, and the Bare Necessities, made with Casamigos Blanco Tequila, house-made turmeric and Hungarian wax pepper syrup, maple syrup, mango purée, and lime juice. A selection of Spanish and Latin wines are also available (\$8-\$18 a glass; \$35-\$75 a 750-ml.), joining a handful of Mexican and boutique domestic beers (\$6-\$8 a bottle or can).

## Las Vegas: Resort-Casino Welcomes Taiwanese Concept

Popular Taiwanese venue Din Tai Fung, which specializes in xiao long bao dumplings and noodle dishes, opened its first Las Vegas location inside Aria Resort & Casino in October. Din Tai Fung Las Vegas offers the concept's signature Pear and Lychee Martini and specialty cocktails like a Hamilton Jamaican Pot Still black rum-based Spiced Boba Tea and a Mars Iwai Japanese whisky-based Old Fashioned (\$16). A handful of Japanese beers (\$9-\$10 a draft pour or bottle) and domestic wines (\$13-\$25 a glass; \$48-\$96 a 750-ml.) are also available. The new space boasts a 40-foot glass wall and has a cocktail bar located inside its open kitchen. Din Tai Fung Las Vegas joins 12 other locations in California, Oregon, and Washington, and more than 170 units worldwide.

Laura Pelner

## Las Vegas: New Resort-Casino Debuts With Myriad Restaurants And Bars

Located off The Strip in downtown Las Vegas' Fremont Street, the adults-only casino-resort Circa opened in October with a large roster of on-premise outlets. The hotel houses more than 700 rooms and what is reportedly the largest sports book in Sin City, along with five original restaurants and an additional four bars and lounges. Drinks spaces include the cocktail lounge Vegas Vickie's, the beer and flair-bartending haven Mega Bar, and the upbeat Circa Bar, which features dancing bartenders and several frozen drinks. Inspired by Metropolitan Asian food markets, restaurant 8 East serves contemporary fare (shared plates are \$6-\$28), as well as Japanese whisky flights (\$24-\$50 for three 1-ounce pours), sakes (\$14-\$68 a bottle or can), and a roster of biodynamic and sustainable wines (\$12 a glass; \$42-\$145 a 750-ml.). The venue also offers a variety of Asian-inspired cocktails, from a Roku gin-based Negroni to a Suntory Haku vodka-based Rosemary Smash to a Mekhong Thai spirit-based punch.

At Vegas Vickie's, the cocktail menu boasts more than 15 signature drinks, ranging from The Sundance—made with Skyy Infusions Blood Orange vodka, Alpine Preserve liqueur, Fever Tree Spiced Orange ginger ale, Liquid Alchemist apple spiced syrup, and lemon juice—to the Smokey Pear, blending Agave de Cortes Joven mezcal, St. George Spiced Pear liqueur, Angostura Aromatic bitters, and Demerara syrup (cocktails are \$13-\$19). A variety of beers and wines are also available.



*More than 15 signature cocktails are featured at Vegas Vickie's (pictured) in the casino-resort Circa, which houses five restaurants and four bars.*

## San Francisco: Venue Highlights Biodynamic Wines

The team behind celebrated Bay Area restaurants State Bird Provisions and The Progress unveiled their newest concept, The Anchovy Bar, in San Francisco's Fillmore district in October. The wine and seafood venue highlights its namesake fish—both the local variety and tinned anchovies from Spain and Italy (most food ranges from \$8-\$24). These complement a wine list that emphasizes biodynamic and sustainable labels from around the world, including roughly 20 glass pours (\$14-\$20) and 40 bottled selections (\$46-\$210 a 750-ml.). A variety of beers and ciders are also available (\$6-\$66 a draft pour, bottle, or can), joining a couple of aperitif cocktails (\$12). The Anchovy Bar opened with limited indoor seating because of the pandemic and an in-house retail space that sells beer, wine, tinned fish, and olive oils.



*Sustainable and biodynamic global wines make up the list at The Anchovy Bar in San Francisco.*

## Cincinnati: Grain-Based Concept Has Midwestern Flair

Named for an ancient wheat grain, the new restaurant Khora opened in downtown Cincinnati's Kinley Hotel in October. General manager Blair Bowman created Khora's drinks program, focusing on seasonal cocktails that pair well with the restaurant's food. The venue's opening drinks menu included a Rittenhouse rye-based offering mixed with cold brew coffee and a Lustau Solera Amontillado Sherry-based cocktail that also contains 3 Floyds Gumballhead wheat beer (cocktails are \$13). These join a selection of Midwestern beers (\$7 a bottle or can), from Cincinnati's MadTree Brewing to Milwaukee's Miller Brewing Co., and European and domestic wines (\$11-\$18 a glass; \$32-\$280 a 750-ml.).

**Laura Pelner**



*Cincinnati's Khora, named for an ancient grain, offers seasonal cocktails as well as Midwestern beer.*

**GlenDronach Port Wood**

Brown-Forman-owned GlenDronach single malt Scotch whisky has launched a new Port cask-finished expression. The 46% abv GlenDronach Port Wood (\$90 a 750-ml.) is first matured in Pedro Ximénez and Oloroso Sherry casks before its Port finishing. It's available nationwide as a permanent part of the GlenDronach lineup. For more information, visit Glendronachdistillery.com.

**Smirnoff Spicy Tamarind**

After an initial launch in Mexico, Diageo has expanded Smirnoff Spicy Tamarind across the U.S. The sweet and spicy 35% abv vodka (\$13 a 750-ml.) will be a permanent addition to the Smirnoff lineup in Texas, California, Arizona, Colorado, Illinois, and New Mexico, and a limited release in 14 other markets. For more information, visit Smirnoff.com.

**Partida Añejo Cristalino**

Partida Tequila, part of the Edrington Americas portfolio, is launching an Añejo Cristalino as the latest addition to its lineup. The Tequila (\$60 a 750-ml.) is distilled from Blue Weber agave that's cooked for 24 hours, then aged a minimum of 18 months in American white oak, medium-toast ex-Bourbon barrels before being filtered through activated carbon. The filtration removes most of the liquid's color but leaves aromas and flavor intact; the liquid

is then diluted with demineralized volcanic spring water to bring it to 40% abv. Partida Añejo Cristalino is available nationwide. For more information, visit Partidatequila.com.

**Russell's Reserve 2003**

Lawrenceburg, Kentucky's Wild Turkey Distillery, part of the Campari portfolio, has launched Russell's Reserve 2003, its newest limited-edition vintage release. The 44.75% abv Bourbon (\$250 a 750-ml.) matured for 16 years and is the last Wild Turkey whiskey barreled at 107 proof, rather than today's barrel entry proof of 115. Only 3,600 bottles of Russell's Reserve 2003 are available nationwide. For more information, visit Wildturkeybourbon.com.

**Hinch**

Chopin Imports has launched a selection of spirits from Ireland's Hinch Distillery in the U.S. The initial rollout includes three whiskeys at 43% abv: Hinch Small Batch whiskey (\$30 a 750-ml.), matured in Bourbon casks; Hinch 5-year-old Double Wood (\$40), matured in ex-Bourbon and new American oak casks; and Hinch 10-year-old Sherry Cask (\$55); as well as the 43% abv Ninth Wave gin (\$30.) The spirits are initially available in 11 states with national distribution, and an expanded lineup including single malt and pot still whiskies, to follow in February 2021. For more information, visit Hinchdistillery.com.

**Herradura Legend**

Brown-Forman is introducing a new permanent extension to its Herradura Tequila range. Herradura Legend (\$125 a 750-ml.) is an Añejo Tequila matured for 14 months in heavily charred, grooved, new American white oak barrels. The offering is initially available in select markets, including New York, New Jersey, Colorado, Oregon, California, Texas, Florida, Georgia, and North Carolina. For more information, visit Herradura.com.

**WhiskeySmith**

Colorado-based Old Elk has debuted WhiskeySmith Co., a line of flavored whiskies. The range is launching with three flavors at 30% abv: Chocolate, Banana, and Pineapple (all around \$30 a 750-ml.), aimed at home and on-premise mixology, and as a one-step home cocktail alternative. WhiskeySmith Co. is available nationwide. For more information, visit WhiskeySmithCo.com.

**Fundador Light**

González Byass USA is launching Fundador Light, a brandy-based spirit. The 28% abv offering (\$14 a 750-ml) is intended to appeal to consumers looking for a lighter option than traditional Spanish brandies. Fundador Light is debuting in California, Florida, Illinois, Nevada, Washington, New York, and Oregon. For more information, visit Gonzalezbyassusa.com.



**GLENDRONACH  
PORT WOOD**



**SMIRNOFF  
SPICY TAMARIND**



**PARTIDA AÑEJO  
CRISTALINO**



**RUSSELL'S  
RESERVE 2003**

# WHAT IS AVAXHOME?

# AVAXHOME -

the biggest Internet portal,  
providing you various content:  
brand new books, trending movies,  
fresh magazines, hot games,  
recent software, latest music releases.

Unlimited satisfaction one low price

Cheap constant access to piping hot media

Protect your downloadings from Big brother

Safer, than torrent-trackers

18 years of seamless operation and our users' satisfaction

All languages

Brand new content

One site



AvaxHome - Your End Place

We have everything for all of your needs. Just open <https://avxlive.icu>

**Volcán De Mi Tierra Reposado**

Moët Hennessy is extending its Volcán De Mi Tierra Tequila brand, made in partnership with the Gallardo family, with a Reposado expression. The 100% blue agave Tequila (\$55 a 750-ml.) is rested for 135 days in new casks made of American and European oak. It's rolling out in select states. For more information, visit Volcan.com.

**Drumshanbo Single Pot Still**

Palm Bay International is launching Drumshanbo Single Pot Still Irish whiskey in the U.S. Made by The Shed Distillery, the 43% abv newcomer (\$65 a 750-ml.) is triple-distilled from a blend of malted Irish barley, unmalted Irish barley, and Irish barra oats. It was aged five years in first-fill ex-Bourbon and ex-Oloroso Sherry casks and joins Gunpowder gin in the Drumshanbo range. Drumshanbo Single Pot Still is available nationwide. For more information, visit Thesheddistillery.com.

**Ron Carúpano**

Chopin Imports is bringing Venezuelan rum brand Ron Carúpano to the U.S. The portfolio includes the Añejo line—consisting of Ron Carúpano 6 (\$20 a 750-ml.), Ron Carúpano 12 (\$35), Ron Carúpano 18 (\$50), and Ron Carúpano 21 (\$60)—and the Prestige Collection, including Zafra (\$130), X.O. (\$300), and Legendario (\$500). The brand is rolling out in 12

states. For more information, visit Roncarupano.com.

**Nikka Taketsuru Pure Malt**

Nikka Whisky, handled by Hotaling & Co., is releasing a new version of its Taketsuru Pure Malt in the U.S. Named for Nikka founder Masataka Taketsuru, the 43% abv expression (\$80 a 750-ml.) is a blend of 100% malt whiskies showcasing the balance between liquid from Nikka's two distilleries in Yoichi and Miyagikyo, Japan. This reformulation of Taketsuru has strengthened the Yoichi side of the blend for increased smokiness, and also features a new label design. Nikka Taketsuru Pure Malt is available nationwide. For more information, visit Nikka.com.

**Wheel Horse Bourbon**

Boston, Massachusetts-based Latitude Beverage Co. has added a new Bourbon to its Wheel Horse Whiskey brand, following the launch of Wheel Horse rye earlier this year. The 50.5% abv Bourbon (\$28 a 750-ml.) is made at Green River Distilling Co. in Owensboro, Kentucky, from a mash of 70% corn, 21% rye, and 9% malted barley, and aged 2-4 years. Wheel Horse is available in California, Colorado, Connecticut, Delaware, Illinois, Kentucky, Maryland, Massachusetts, Minnesota, Missouri, New Jersey, New York, Rhode Island, and Tennessee. For more information, visit Wheelhorsewhiskey.com.

**Tommyrotter Napa Valley Heritage Cask**

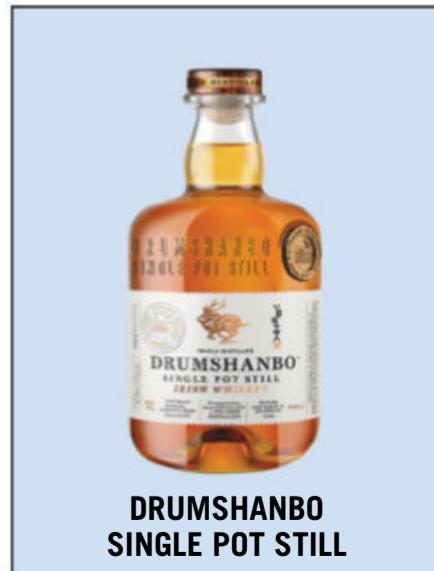
Palm Bay International and Buffalo, New York-based Tommyrotter Distillery have collaborated on Tommyrotter Napa Valley Heritage Cask Bourbon. The 47.5% abv four-grain Bourbon (\$50 a 750-ml.) is distilled from corn, wheat, rye, and malted barley and finished in Cabernet Sauvignon casks from Napa Valley for three months. A permanent addition to the Tommyrotter range, Napa Valley Heritage Cask is launching across New York, New Jersey, Massachusetts, and Pennsylvania. For more information, visit Tommyrotter.com.

**Puncher's Chance**

Wolf Spirit Distillery is launching a new Bourbon label, Puncher's Chance. The 45% abv Puncher's Chance (\$35 a 750-ml.) is a marriage of 4-, 5-, and 6-year-old Kentucky Straight Bourbons, and joins Blood x Sweat x Tears and Tom of Finland Organic vodkas in the Wolf Spirit portfolio. Puncher's Chance is launching in nine states, with expansion planned. For more information, visit Wolfspiritdistillery.com.

**Douglas & Todd Small Batch Bourbon Cream**

Minnesota-based Phillips Distilling Co. announced the release of Douglas & Todd Small Batch Bourbon Cream



liqueur. The spirit (\$35 a 750-ml.) is made from the company's Douglas & Todd Bourbon, aged a minimum of four years in new charred oak barrels, then blended with cream and vanilla bean flavors. It's available in select markets. For more information, visit Douglasandtodd.com.

### Ferrand Légendaire

*Maison Ferrand* has announced Ferrand Légendaire Cognac, a new luxury-priced annual release containing some of the oldest Cognacs in the house's library. The spirit (\$2,800 a 750-ml.) draws from reserves up to 100 years old, and the final blend is finished in a "zebra" barrel—a barrel with the staves gradually replaced as the Cognac matures, imparting new tannins without overwhelming the spirit. Ferrand Cognac Légendaire will be available in extremely limited quantities with only 500 bottles released each year in select markets. For more information, visit Maisonferrand.com.

### Dublin Liberties Irish Whiskey

*Quintessential Brands* is launching a selection of whiskies from the Dublin Liberties Distillery, in which it holds a majority stake in partnership with Stock Spirits. The Liberties Irish Whiskey range focuses on single malts and unique cask finishes and includes four offerings, all at 46% abv: the 5-year-old Oak Devil blended whiskey (\$50 a 750-ml.); 10-year-old Copper Alley (\$60); 13-year-old Murder Lane (\$90); and 16-year-old Keeper's

Coin (\$160). The whiskies are debuting in select markets. For more information, visit Thedld.com.

### Boulard 12-Barrel Collection

Boulard Calvados, imported by *Palm Bay International*, is launching a series of experimental eau-de-vie expressions. The Boulard 12-Barrel Collection includes the 44% abv VSOP Bourbon Cask Finish (\$57 a 750-ml.), the 40% abv VSOP Rye Cask Finish (\$59), and the upcoming VSOP Wheat Cask Finish, XO Double Barrel Finish, and XO Mizunara Cask Finish. The new spirits are available in select markets. For more information, visit Palmbay.com.

### PaQuí Tequila

Luxury Tequila brand PaQuí, founded by industry veteran John Chappell, has debuted its first offerings. The 100% agave brand includes Silvera (\$50 a 750-ml.), Reposado (\$60), and Añejo (\$70) expressions and is made by master Tequilero Gilberto Jasso in Jalisco, Mexico. PaQuí means "to be happy" in the Aztec language, and its bottle design is inspired by an Aztec pyramid. PaQuí is available in California, Florida, Georgia, New York, South Carolina, and Tennessee. For more information, visit Paquitequila.com.

### Svedka Vodka Soda

*Constellation Brands* has extended Svedka with a new range of canned Vodka

Soda cocktails. The new offerings (\$13 a 4-pack of 12-ounce cans; \$3 a single can) are made with real fruit juice and natural flavors and come in Strawberry Lemonade, Black Cherry Lime, and Mango Pineapple flavors, all at 8% abv. Svedka Vodka Soda is available nationwide. For more information, visit Svedka.com.

### Elenita Sparkling Mezcal

Elenita, a new brand of sparkling mezcal cocktails, is debuting across California. The 5% abv range (\$36 an 8-pack of 12-ounce cans) is distilled from 100% Espadín agave in Oaxaca and includes Cucumber Lime Basil and Pineapple Jalapeno offerings. Elenita is available in select markets. For more information, visit Drinkelenita.com.

### Rogue Ginger Lemon Whiskey Mule

Newport, Oregon-based *Rogue Ales & Spirits* is launching an addition to its line of canned cocktails. Rogue Ginger Lemon Whiskey Mule (\$15 a 4-pack of 12-ounce cans) is the first in the series to use whiskey as its base spirit, joining three vodka-based offerings and a Gin Fizz. It's at 7.5% abv and contains a blend of Rogue Spirits whiskey aged between 4 and 6 years along with ginger, lemon, simple syrup, and sparkling water. Rogue Ginger Lemon Whiskey Mule is available nationwide. For more information, visit Rogue.com.



FERRAND  
LÉGENDAIRE



DUBLIN LIBERTIES  
OAK DEVIL



BOULARD 12-BARREL COLLECTION  
VSOP RYE CASK FINISH



PAQUÍ SILVERA TEQUILA



# A PRIVATE CLUB

Three good friends, *Wine Spectator's* Marvin Shanken and *Related Companies'* Stephen Ross and Kenneth Himmel, began a journey over four years ago to create a one-of-a-kind private club in the heart of New York City, at Hudson Yards.

The vision was built around a theme of marrying world-class food, wine, whisky and art in a unique setting. Renowned architect and designer David Rockwell was selected and brilliantly executed the group's dream. A talented team of chefs and sommeliers was assembled around Executive Chef Eli Kaimeh, formerly of Per Se and Gramercy Tavern. In addition, a gallery was curated of rare 1890's Belle Époque posters, courtesy of The Wine Spectator Collection. The result speaks for itself!

WS New York opened with great excitement in November 2019 only to close in March 2020 due to COVID-19. The club attracted an eclectic group of enthusiastic members from New York City and around the globe.

This November, we reopened.

Our goal is to ensure the safest environment for dining anywhere. Period. For our members, we serve as an extension of their homes in terms of both comfort and security. Every possible protocol has been undertaken to achieve this.

Marvin, Steve and Ken invite you to learn more about WS New York.

For more information on membership contact:

Ryan Helkowski • [rhelkowski@wsnewyork.com](mailto:rhelkowski@wsnewyork.com) • 347.802.5503

*WS New York is Affiliated with Wine Spectator*

37 Hudson Yards | New York, New York  
[www.wsnewyork.com](http://www.wsnewyork.com)

>



#### The Club Room

Reserve for private use or attend WS Membership event programming in The Club Room, which boasts an open kitchen, limestone fireplace, cork paneling and Belle Époque poster art.



#### The Lounge

Works by Toulouse-Lautrec and Jacques Villon adorn The Lounge and the entrance to The Wine Spectator Cellar dining room.



#### The Cellar Room

An intimate private dining room for members to celebrate special occasions.



#### Champagne Bar & Lounge

Relax in the David Rockwell-designed lounge while enjoying fine wine and Champagne from the *Wine Spectator*-curated list.



#### Whisky Advocate Bar

Segued between two dining rooms and showcasing Alphonse Mucha art, the bar offers an uncommon collection of rare, aged and highly sought-after whiskies.



#### Chef's Dining Room

Just steps away from Thomas Heatherwick's landmark *The Vessel* at Hudson Yards, this charming room offers the tasteful cuisine of Chef Eli Kaimeh.

**Billionaire's Row**

*Billionaire's Row*, co-founded by Patrick Ductant and William Benson, has launched with its first offerings, a French brandy and a Champagne. *Billionaire's Row* Cuvée XO brandy (\$65 a 750-ml.) is a sweet and smooth spirit designed for neat sipping and cocktails. *Billionaire's Row* Brut Rosé Champagne (\$100) is made with Pinot Meunier and has notes of fresh fruit. Both beverages are available in 11 markets. For more information, visit [Billionairesrow.com](http://Billionairesrow.com).

**The Prisoner Napa Valley Cabernet Sauvignon and Carneros Chardonnay**

*Constellation Brands* is launching two new wines in its upscale California brand *The Prisoner*: a Napa Valley Cabernet Sauvignon and Carneros Chardonnay. The Cabernet (\$55 a 750-ml.) includes small amounts of Merlot, Syrah, Malbec, Petite Sirah, and Charbono, while the Chardonnay (\$40) has some Roussanne and Gewürztraminer in its blend. In addition to the standard 750-ml. format, the new entries will join the flagship *Prisoner* red blend in a three-bottle gift pack of 375-mls in time for the holidays. *The Prisoner* is available nationwide. For more information, visit [Theprisonerwinecompany.com](http://Theprisonerwinecompany.com).

**Kim Crawford Illuminate**

*Constellation* is also looking to expand the consumption occasions for its New

Zealand-based Kim Crawford wine brand with a new lower-calorie line of wines called Illuminate. The new range (\$18 a 750-ml.) initially will include Sauvignon Blanc and Rosé offerings, bottled at 7% abv and with 70 calories a glass. The wines use "spinning cone" technology to reduce the alcohol from a portion of the base wine without impacting its aromas or flavor profile, according to the company. Kim Crawford Illuminate is soft-launching in select markets this fall, ahead of a wider rollout next March. For more information, visit [Kimcrawfordwines.com](http://Kimcrawfordwines.com).

**Dough Wines**

California-based *Distinguished Vineyards & Wine Partners* has launched Dough Wines, a new brand that will support restaurant recovery, promote equality in the kitchen, and heighten food sustainability through a partnership with the James Beard Foundation. Dough Wines initially includes an Oregon Pinot Noir (\$22 a 750-ml.), North Coast Cabernet Sauvignon (\$22), North Coast Sauvignon Blanc (\$19), and a Chardonnay (\$19) from Monterey and Sonoma. Dough joins a number of brands in *Distinguished Vineyards'* portfolio, including Argyle Winery in Oregon's Willamette Valley, MacRostie Winery and Vineyards in Sonoma County, Markham Vineyards, and Textbook in Napa Valley, as well as Wither Hills in New Zealand. Dough Wines are avail-

able nationwide. For more information, visit [Doughwines.com](http://Doughwines.com).

**Zonin Prosecco Rosé**

*1821 Fine Wine and Spirits*, the U.S. subsidiary of Italy's Zonin, is introducing a Prosecco Rosé. Retailing in line with Zonin Prosecco DOC Cuveé 1821, the newcomer (\$16 a 750-ml.) is made according to the recently released regulations for Prosecco Rosé DOC, which stipulate that at least 85% of the blend be composed of Glera grapes, along with 10%-15% Pinot Noir fermented on the skins. The wine is a Charmat method vintage sparkler rested on the lees for at least 60 days. Zonin Prosecco Rosé is available nationwide. For more information, visit [Zoninprosecco.com](http://Zoninprosecco.com).

**North Coast Wine Co. Outerbound**

Lodi, California-based *Michael David Winery* has debuted North Coast Wine Co. and its first brand, Outerbound. The Geyserville-based winery was purchased from Silver Oak Cellars in 2017 in a deal that included a 32,000-square-foot production facility as well as 12 acres of vineyards, all planted to Cabernet Sauvignon. Outerbound will begin shipping in January and will include several offerings including Alexander Valley Cabernet Sauvignon (\$35 a 750-ml.) and Cabernet Sauvignon Reserve (\$60); North Coast Chardonnay (\$30); and Russian River



BILLIONAIRE'S ROW  
BRUT ROSÉ CHAMPAGNE



THE PRISONER NAPA VALLEY  
CABERNET SAUVIGNON



KIM CRAWFORD  
ILLUMINATE



DOUGH WINES  
CABERNET SAUVIGNON

Pinot Noir (\$39), among others. North Coast Wine Co. offerings are available in select markets. For more information, visit [Northcoastwine.com](http://Northcoastwine.com).

### Whitecliff Wines

New Zealand's Whitecliff Wines is debuting in the U.S., imported by California-based *Palmateer Wine Group*. The portfolio includes a Marlborough Sauvignon Blanc (\$16 a 750-ml.) and Pinot Noir (\$20). Whitecliff, which has more than 1,700 acres of vineyards in Marlborough, was founded in 1990 by the Mason brothers, who also own Sacred Hill winery. The wines are available in New York, California, Maryland, Florida, Texas, Illinois, Colorado, Connecticut, and Washington, D.C. For more information, visit [Whitecliffwine.com](http://Whitecliffwine.com).

### Le Grand Courtâge and Très Chic Rosé

Pacific Highway Wines is adding to its portfolio with Le Grand Courtâge, a French sparkling brand, as well as launching its second label, Très Chic Rosé. The rosé (\$17 a 750-ml.) is a blend of 70% Grenache and 30% Cinsault from the South of France and joins Blanc de Blancs (\$20 a 750-ml.; \$8 a 187-ml.) and Brut Rosé (\$20; \$8) offerings in the main Le Grand Courtâge lineup. The wines are available in select markets with national expansion planned. For more information, visit [Legrandcourtage.com](http://Legrandcourtage.com).

### Stoneleigh

*Delicato Family Wines* is launching the Stoneleigh brand in the U.S., bringing the company into the widely popular New Zealand Sauvignon Blanc category. Delicato has forged a long-term deal with Pernod Ricard to handle the brand in the U.S. and the Caribbean. Stoneleigh (\$19 a 750-ml.) is made from estate vineyards in Rapaura, in Marlborough's Wairau Valley and, according to the company, sold just under 800,000 9-liter cases globally in 2019. Stoneleigh will be launching in the U.S. in March 2021, available nationwide. For more information, visit [Stoneleigh.com](http://Stoneleigh.com).

### Alvaredos-Hobbs

*Paul Hobbs Wines*, which owns a diverse array of wineries spread across seven continents, has introduced its newest label. Made in partnership with sixth-generation Galician winemaker Antonio Lopez, the new brand—Alvaredos-Hobbs—will source its grapes from Ribeira Sacra and Galicia, Spain, and is launching with the 2018 D.O. Ribeira Sacra Godello (\$50 a 750-ml.). Next spring, a 2019 Mencia will join the portfolio. Alvaredos-Hobbs is available in select markets. For more information, visit [Alvaredoshobbs.com](http://Alvaredoshobbs.com).

### Lost Eden

Georgian wine brand Lost Eden, imported by MHW, has debuted in the U.S. The red blend (\$19 a 750-ml.) features

Georgia's signature Saperavi grape, with a portion of the wine made in traditional qvevri fermentation vessels. Lost Eden is led by 11<sup>th</sup>-generation winemaker Lado Uzunashvil, Georgian wine veteran Levan Gachechiladze, and entrepreneur Tariel Chichua. The wine is available in select markets. For more information, visit [Losteden.com](http://Losteden.com).

### 2016 Taylor Fladgate Late Bottled Vintage Port

The Fladgate Partnership, handled in the U.S. by *Kobrand Corp.*, has released the 2015 Taylor Fladgate Late Bottled Vintage (LBV) Port. The latest iteration of Fladgate LBV Port (\$25 a 750-ml.) is a blend of full-bodied red Ports produced in 2015 from grapes grown on both Fladgate's vineyards and other top properties in the Cima Corgo and Douro Superior areas. The new release is available nationwide. For more information, visit [Taylor.pt](http://Taylor.pt).

### Taylor Fladgate Very Old Tawny Port Kingsman Edition

*Kobrand* has also unveiled Taylor Fladgate Very Old Tawny Port Kingsman Edition. Debuting in tandem with 20<sup>th</sup> Century Studios' film "The King's Man," the bottling (\$3,800 a 750-ml.) includes rare wines with an average age of 90 years. It's presented in a bespoke crystal decanter and a luxury presentation box, of which 100 are available in select markets. For more information, visit [Taylor.pt](http://Taylor.pt).



WHITECLIFF  
SAUVIGNON BLANC



LE GRAND COURTÂGE  
BLANC DE BLANCS



STONELEIGH  
SAUVIGNON BLANC



ALVAREDOS-HOBBS RIBEIRA  
SACRA GODELLO

TRINCHERO  
*Family Estates*

# BLUE CHIP BRAND WINNERS



**Arizona SunRise Hard Seltzer**

Heineken USA has teamed up with Arizona Beverages to create Arizona SunRise hard seltzer. The 4.6% abv seltzers are packaged in variety 12-packs of 11.5-ounce cans and single 19.2-ounce cans (pricing varies by market). They come in four Arizona juice flavors—Lemon, Grapefruit, Mucho Mango, and Cherry Punch—and have 100 calories per 11.5-ounce serving. Arizona SunRise is launching nationally in early 2021. For more information, visit [Drinkarizona.com](http://Drinkarizona.com).

**Guinness Imperial Gingerbread Spiced Stout and Imperial Stout**

Diageo North America has added two new barrel-aged beers made at its Baltimore-based Guinness Open Gate Brewery—Gingerbread Imperial Spiced stout and an Imperial stout. The 11% abv Guinness Gingerbread Imperial Spiced stout (\$20 a 4-pack of 11.2-ounce bottles) is brewed with allspice, ginger, cinnamon, and nutmeg, while the 10.3% Imperial stout (\$20) has roasty flavors and a velvety mouthfeel. Both beers were matured in Kentucky Bourbon barrels, and are available nationwide. For more information, visit [Guinnessbrewerybaltimore.com](http://Guinnessbrewerybaltimore.com).

**Founders Moon Rambler IPA**

Founders Brewing Co. has announced a new winter seasonal release. The

6.4% abv Moon Rambler IPA (\$9 a 6-pack of 12-ounce cans; \$18 a 15-pack) is made with Azacca, Mosaic, and Cascade hops, as well as milk sugar, which adds sweet creaminess. A similar beer called Cow Jumped the Shark had previously been offered in Founders taprooms. Moon Rambler IPA is available nationwide through March 2021. For more information, visit [Foundersbrewing.com](http://Foundersbrewing.com).

**21<sup>st</sup> Amendment Hell or High Mango and Hell or High Pomegranate**

San Francisco, California-based 21<sup>st</sup> Amendment Brewery has added two new seasonal releases: Hell or High Mango for autumn, and Hello or High Pomegranate for winter. Both are 4.9% abv wheat beers (\$10 a 6-pack of 12-ounce cans) that incorporate their namesake fruits in a twist on the brewery's popular Hell or High Watermelon. The beers are available in 30 states. For more information, visit [21st-amendment.com](http://21st-amendment.com).

**Dos Equis Lime & Salt**

Heineken has also launched a new innovation for its Dos Equis Mexican beer brand. Dos Equis Lime & Salt is inspired by the drinking ritual of enjoying Dos Equis lager with a salt rim and slice of lime. The new beer (pricing varies by market; line-priced with Dos Equis lager) is available in single 24-ounce cans now, with 6-packs of 12-ounce cans

rolling out next spring. Dos Equis Lime & Salt is initially launching in Arizona, California, Florida, Louisiana, New Mexico, Oklahoma, and Texas, with expansion planned. For more information, visit [Dosequis.com](http://Dosequis.com).

**Schlafly Wintery Haze**

St. Louis-based brewer Schlafly Beer has launched Wintery Haze, its latest seasonal. The 6% abv ale (\$10 a 6-pack of 12-ounce cans) is brewed with malt, oats, wheat, and Idaho 7, Strata, and Sabro hops to create a beer with a thick, opaque haze. Wintery Haze is available in 14 states. For more information, visit [Schlafly.com](http://Schlafly.com).

**Full Sail Strong Current Series**

Hood River, Oregon-based Full Sail Brewing is launching the first installment in its new Strong Current Double IPA Series. The series consists of three seasonal releases (all \$10 a 4-pack of 16-ounce cans), including Fall 2020's Wreck the Halls, a hybrid of a double IPA and Winter Warmer brewed with Centennial hops that clocks in at 8.5% abv; Winter 2021's 8.5% abv Haze of the Gods Double IPA; and Summer 2021's 8.5% abv Lazy Summer Haze Double IPA, an unfiltered brew strong on berry and tropical fruit aroma. The Strong Current Series will be available in 24 states. For more information, visit [Fullsbailbrewing.com](http://Fullsbailbrewing.com).

*The Editors*



ARIZONA SUNRISE MUCHO MANGO HARD SELTZER



GUINNESS IMPERIAL GINGERBREAD SPICED STOUT



FOUNDERS MOON RAMBLER IPA



21<sup>ST</sup> AMENDMENT HELL OR HIGH MANGO

# Catered Cocktails

Michael Rubel lends his skills to Chicago-based cocktail service Blue Blazer

In June, following the lead of several other major U.S. cities, Chicago legalized the sale of to-go cocktails to help restaurants and bars stay afloat while their regular service remained suspended due to Covid-19. While this has certainly been a boon to many operators, designing and packaging takeout cocktails posed its own set of challenges. This is where Blue Blazer, a new Chicago-based craft cocktail service, aims to fill a need.

Founded by hospitality attorneys Brian Troglia, Josh Kaplan, and Joe Kreeger, Blue Blazer offers a portfolio of white-label bottled cocktails for Chicago restaurants and bars to offer for takeout and delivery. To manage the production of these ready-to-drink cocktails, the trio tapped local beverage consultant and bar owner Michael Rubel. "My role as beverage partner is to create recipes and procure spirits, while also managing production protocol and account sales," Rubel says.

Rubel's experience running and consulting for bars throughout Chicago makes him well-suited to this new role; in addition to owning the Latin-inspired cocktail bar Estereo, he previously opened and ran The Violet Hour and created the beverage program for Big Star. "Over the years my cocktail style has become much simpler," Rubel says. "At Estereo I specialize in



*Michael Rubel creates recipes for Blue Blazer craft cocktail service in Chicago as a response to Covid-19.*

unaged Latin American spirits like Pisco, cachaça, and mezcal and combine them with fresh fruits from local farmers. I've also long been obsessed with carbonation, not only as a technique, but ultimately as an ingredient that alters the flavor possibilities of a cocktail—Blue Blazer will be doing plenty of force-carbonated drinks."

Some of the cocktails in Blue Blazer's line are co-branded: Rubel's Mezcal #1—a carbonated drink featuring Vago Espadín Joel Barriga and Mal Bién Espadín mezcals, house-made agua de Jamaica, fresh lime juice, and simple syrup—is under the Estereo brand. Others are Blue Blazer originals, such as Rubel's Mai Tai, which blends Cañada Aguardiente de Caña and Uruapan Charanda rums, house-made orgeat syrup, fresh lime

juice, simple syrup, and an orange Curaçao custom-made for Blue Blazer by Letherbee Distillers. At press time, the initial lineup of 7-8 bottled cocktails was slated to launch in late fall.

"I had thought about doing bottled cocktails commercially for a long time, so meeting up with Brian, Joe, and Josh was pretty fortuitous," Rubel says. "It's fun to be part of a start-up and build something from nothing."

Sally Kral

PHOTO BY (TOP) TY WYFFELS; (BOTTOM LEFT) REILLY DREW; (BOTTOM RIGHT) MICHAEL RUBEL

## Michael Rubel's Recipes



### MEZCAL #1

#### INGREDIENTS:

1 ounce Vago Espadín Joel Barriga mezcal;  
½ ounce Mal Bién Espadín mezcal;  
1¼ ounce agua de Jamaica<sup>1</sup>;  
½ ounce fresh lime juice;  
½ simple syrup;  
Carbonation.

#### RECIPE:

Add mezcals, agua de Jamaica, lime, and simple syrup to a cornelius keg or brite tank and force-carbonate for 72 hours. Serve in a Collins glass over ice.



### MAI TAI

#### INGREDIENTS:

1 ounce Cañada Aguardiente de Caña rum;  
½ ounce Uruapan Charanda rum;  
¼ ounce Pierre Ferrand Dry Curaçao<sup>2</sup>;  
½ ounce orgeat syrup<sup>3</sup>;  
½ ounce fresh lime juice;  
¼ ounce simple syrup;  
Mint sprig.

#### RECIPE:

In an ice-filled cocktail shaker, combine rums, Curaçao, orgeat, lime, and simple syrup. Shake hard and strain into a rocks glass over fresh ice. Garnish with mint.

<sup>1</sup>Rinse and drain 3 cups whole hibiscus flowers. Combine flowers with 8 cups filtered water and 1 cup sugar in a pot over low to medium heat for 15 minutes, stirring to dissolve the sugar. Remove from heat and allow to steep for 2 hours. Strain and refrigerate.

<sup>2</sup>In the Blue Blazer recipe, a custom-made Curaçao from Letherbee Distillers is used. Pierre Ferrand Dry Curaçao as a suitable substitute.

<sup>3</sup>Toast 2 cups raw whole almonds over medium-high heat for 2 minutes per side to activate the oils on the skin. Crudely chop in a food processor—not to a powder but so that every almond is broken into a couple pieces. Add almonds, 1½ cups sugar, 1½ cups water, and ½ cup Ron Cartavio White rum to a saucepan and simmer over low heat, stirring regularly. Pull from heat before it starts to boil and let steep for 3 hours, then strain through a nut bag and refrigerate.

# *The Essence of Place, Expertly Crafted*



## J. LOHR VINEYARD SERIES

Jerry Lohr and his team helped pioneer the now world-class winegrowing regions of Monterey and Paso Robles. In 1998, Arroyo Vista Chardonnay and Hilltop Cabernet Sauvignon debuted as the first two wines of the J. Lohr Vineyard Series. Today, with a fresh look, they eloquently speak to our long experience in our home appellations.

**J. LOHR**  
VINEYARDS & WINES

@jlohrwines | [jlohr.com](http://jlohr.com)

© 2020 J. Lohr Vineyards & Wines



# Blue Chip Brands

*Impact Databank's longest-running brand success stories continue to shine*

BY SHANE ENGLISH, JULIA HIGGINS, AND DANNY SULLIVAN

**E**ach year, Impact Databank recognizes the drinks industry's best long-term performers with its "Blue Chip" Brands list. To earn honors, brands must show a run of at least ten consecutive years of volume growth, or average annual compound growth of at least 1% for malt beverages, 1.5% for wine, and 2% for spirits from 2009 through 2019, with positive growth in at least eight of those ten years. In addition, the brands must have maintained gross margins of at least \$25 million last year.

A total of 27 spirits brands earned Blue Chip honors, including five new winners joining the returning awardees. Whiskies, once again, are the largest general category, with 12 winners spread across Bourbon, Irish, Canadian, Scotch, and flavored segments. The Blue Chip whiskies range from some of the biggest brands in the U.S.—Jack Daniel's and Fireball, for example—to rising representatives from the ascendant super-premium tier, like Knob Creek and Woodford Reserve. Tequila is the second most represented category among the Blue Chip brands, with seven winners and two

luxury brands recognized. Domestic and imported vodkas, Cognac, rum, and gin all also appear on the roster.

The largest Blue Chip brand is Tito's vodka. At 8.77 million cases in 2019, Tito's was the second-largest spirits label in the U.S. overall last year, trailing only Smirnoff. Considering Tito's trajectory—an average growth rate of nearly 41% from 2009-2019—the brand is projected to surpass Smirnoff this year, ending the Diageo brand's 13-year run as top brand by volume. Tito's is also among the leaders by retail value, at \$1.74 billion.

Behind Tito's is Constellation Brands' Svedka, one of two imported vodkas to attain Blue Chip status. The Swedish brand reached 4.55 million cases last year and has averaged just over 5% annual growth over the last decade. In recent years, Constellation has backed the brand with a major advertising push and new flavor innovations.

Diageo's Ketel One also returned to the Blue Chip list, reaching 2.4 million cases and over half a billion dollars in retail sales. Ketel One has recently bolstered its market position with a series of low-calorie innovations, including canned cocktails. Rounding out the vodka winners is Sazerac's Platinum 7X, which reached 1.65 million cases last year and has added nearly 1.3 million cases since 2009.

Besides Tito's, the remaining four of the top five Blue Chip brands are whiskies. Diageo's Crown Royal is at nearly 7 million cases and a retail value of over \$2 billion, making it the most valuable Blue Chip brand by over \$200 million. The Canadian giant continues to find success with its core Deluxe whisky, and the brand's flavored releases have proven to be heavyweights all on their own. In addition to leading the way for imported whiskies with Crown, Diageo's Buchanan's blended Scotch brand also earned Blue Chip honors—the only Scotch whisky to do so.

Hot on Crown's heels is Brown-Forman's Jack Daniel's at 6.63 million cases. The Tennessee whiskey is the most valuable domestic Blue Chip brand at \$1.77 billion and, similar to Crown, has been boosted by its flavor portfolio in recent years. While Jack leads the way for Brown-Forman, the company's higher-end Woodford Reserve is also an Impact Blue Chip brand. Last year, Woodford Reserve reached 792,000 cases, capping a decade in which the brand averaged over 20% growth.

Jack's top American whiskey competitor, Jim Beam, sits at 5.73 million cases. While Jim Beam is the largest of Beam Suntory's brands to earn Blue Chip honors, Maker's Mark and Knob Creek also made the list. Both retail in the super-premium segment and have seen growth balloon as consumers trade up in the category. Maker's was at 1.9 million cases last year and has added 1 million cases since 2009. Knob Creek is the newest Beam Suntory whiskey to earn Blue Chip honors, at 508,000 cases for 2019. "Jim Beam was up by high single-digits last year, with Maker's Mark at low double-digits, and our small-batch

and super-premium Bourbons at very healthy double-digits," says Beam Suntory CEO Albert Baladi.

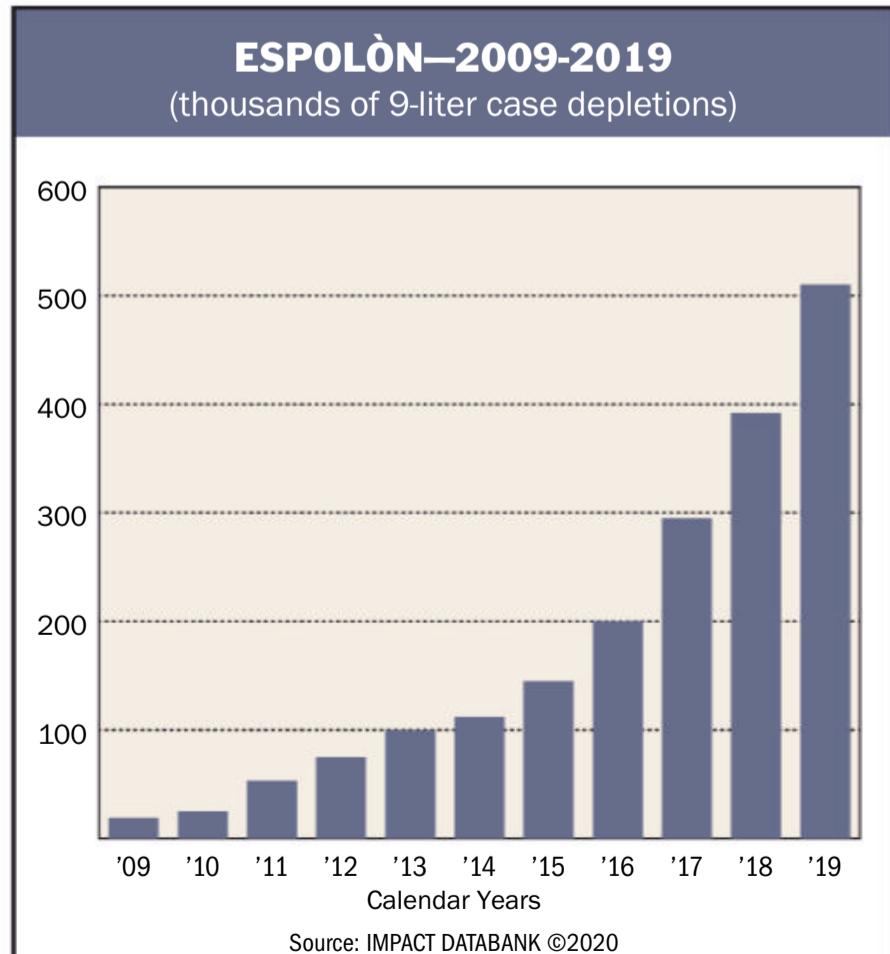
Among whiskies, Bourbon is the standout subcategory for Blue Chip brands. Diageo's Bulleit reached 1.43 million cases last year and has grown twentyfold since 2009. Campari's Wild Turkey grew to 1.15 million cases last year, capping a strong decade for the historic brand. Heaven Hill's Evan Williams is one of the most popular brands in the category's premium tier at almost 3 million cases. Pernod Ricard's Jameson carries the torch for Irish whiskey at 3.72 million cases and a retail value of \$1.14 billion. "We've continued to see strong growth of our base business, adding hundreds of thousands of cases per year in the U.S.," says Jameson brand director Matt Foley. "Growing market share in fast-growing markets like Texas and Florida will remain a priority for the brand."

The sole flavored whisky to earn Blue Chip honors on its own (as opposed to part of a larger family of whiskies) is Sazerac's Fireball. In terms

of growth, Fireball is, perhaps, the most impressive whisky of the last decade, rising from 50,000 cases in 2009 to 5.63 million cases in 2019 with just a single offering.

The leading Blue Chip Tequila is Bacardi's Patrón, at more than 2 million cases and over \$1.1 billion in retail value. "We're seeing a lot of traditionally Bourbon or whisk(e)y drinkers switch over to barrel-aged Tequila expressions," says Adrian Parker, global vice president of marketing. "There are also a lot of blanco Tequila drinkers who are now moving through the category toward more aged expressions."

Diageo's Don Julio, also in the luxury tier, likewise made the list at 920,000 cases. The brand has seen success throughout its



## 2019 BLUE CHIP SPIRITS BRANDS<sup>1</sup>

Brand	Marketer	Origin/Type	Depletions (thousands of 9-liter cases)		AACGR <sup>2</sup> 2009-2019	2019 Media <sup>3</sup> Advertising (millions)
			2009	2019		
Tito's	Fifth Generation	American Vodka	285	8,770	40.9%	\$10.8
Crown Royal <sup>4</sup>	Diageo North America	Canadian Whisky	4,115	6,886	5.3	40.3
Jack Daniel's <sup>5</sup>	Brown-Forman Beverages Worldwide	Tennessee Whiskey	4,700	6,631	3.5	31.7
Jim Beam <sup>6</sup>	Beam Suntory	Bourbon	3,115	5,729	6.3	57.3
Fireball	Sazerac Co.	Flavored Canadian Whisky	50	5,625	60.4	*
Svedka <sup>4</sup>	Constellation Brands	Imported Vodka	2,765	4,550	5.1	8.0
Hennessy	Moët Hennessy USA	Cognac	2,115	3,972	6.5	15.9
Jameson	Pernod Ricard USA	Irish Whiskey	815	3,723	16.4	6.2
Evan Williams <sup>4</sup>	Heaven Hill Brands	Bourbon	1,280	2,915	8.6	1.2
Ketel One <sup>4</sup>	Diageo North America	Imported Vodka	1,845	2,400	2.7	21.9
Malibu <sup>4</sup>	Pernod Ricard USA	Imported Rum	1,605	2,247	3.4	*
Patrón <sup>7</sup>	Bacardi USA	Tequila	1,680	2,162	2.6	16.2
Maker's Mark <sup>8</sup>	Beam Suntory	Bourbon	805	1,901	9.0	11.6
Platinum 7X	Sazerac Co.	American Vodka	385	1,645	15.6	*
Jose Cuervo Especial Silver	Proximo Spirits	Tequila	45	1,445	41.5	*
Bulleit	Diageo North America	Bourbon/Rye	70	1,430	35.2	2.3
1800	Proximo Spirits	Tequila	535	1,167	8.1	4.3
Bombay <sup>9</sup>	Bacardi USA	Imported Gin	791	1,161	3.9	0.2
Wild Turkey <sup>4</sup>	Campari America	Bourbon	680	1,150	5.4	1.4
Hornitos	Beam Suntory	Tequila	321	1,028	12.3	17.2
Rémy Martin	Rémy Cointreau USA	Cognac	560	984	5.8	5.1
Don Julio	Diageo North America	Tequila	170	920	18.4	1.0
Woodford Reserve <sup>10</sup>	Brown-Forman Beverages Worldwide	Bourbon	115	792	21.3	2.7
El Jimador	Brown-Forman Beverages Worldwide	Tequila	215	678	12.2	*
Buchanan's	Diageo North America	Scotch Whisky	160	550	13.1	1.8
Espolòn	Campari America	Tequila	19	510	39.0	0.2
Knob Creek	Beam Suntory	Bourbon	115	508	16.0	\$15.8
<b>Total Blue Chip Spirits</b>			<b>29,356</b>	<b>71,479</b>	<b>9.3%</b>	<b>\$272.9</b>

\* Less than \$50,000

<sup>1</sup> Criteria:

- (a) at least 500,000 9-liter case depletions
- (b) at least \$25 million gross margin
- (c) either:
  - (i) at least ten consecutive years of volume growth
  - (ii) AACGR of at least 2% from 2009 to 2019 and at least eight annual increases the past ten years

<sup>2</sup> Average annual compound growth rate

<sup>3</sup> Excludes production costs, merchandising, and promotions

<sup>4</sup> Includes flavors

<sup>5</sup> Includes Single Barrel, Winter Jack, Sinatra, No. 27 Gold, Rye, and flavors; excludes Country Cocktails and Gentleman Jack

<sup>6</sup> Includes Red Stag, Devil's Cut, Jacob's Ghost, and flavors

<sup>7</sup> Includes Roca, Extra Añejo, Gran Patrón, and Limited Edition

<sup>8</sup> Includes Maker's 46

<sup>9</sup> Includes Sapphire and Original

<sup>10</sup> Includes Double Oaked and Rye

Source: IMPACT DATABANK ©2020

portfolio with Don Julio Reposado (111,000 9-liter cases), Añejo (139,000 cases), and ultra-luxury release 1942 (97,000 cases), each individually earning Impact "Hot Prospect" honors. The four other 100% blue agave Blue Chip Tequilas are all more affordable, retailing in the premium and super-premium segments. The largest is Proximo Spirits' 1800 at 1.17 million cases, followed

closely by Beam Suntory's Hornitos at 1.03 million cases. Following them are Brown-Forman's El Jimador and Campari's Espolòn, both above 500,000 cases.

These brands show that consumers are reaching for Tequilas aimed at both cocktails and sipping. "We've shifted our strategy, in that we want to grow beyond shots and Margari-

tas," says El Jimador brand manager Chrissy Wallace. "We're now focusing on simple craft cocktails, with fresh juices, clean ingredients, and accessible garnishes."

The sole mixto Tequila to make the list was Proximo's Jose Cuervo Especial Silver. While mixto Tequilas have lost ground over the last few years, Cuervo Especial Silver has bucked the trend, averaging 41.5% growth each year from 2009-2019. The brand, at 1.45 million cases, has grown exponentially over the last decade, which it started at 45,000 cases.

Cognac is represented on the list by two brands, Hennessy and Rémy Martin. Hennessy is the second most valuable spirits brand in the market at retail, coming in at \$1.81 billion. The brand continues to perform well and is expected to easily cross the 4 million-case mark this year. Rémy Martin, a new Blue Chip brand, is closing in on 1 million cases in the U.S. and is worth just under half a billion dollars. Since 2009, the brand has added over 400,000 cases.

The final two brands—representing rum and gin—are standouts in categories that have yet to substantially benefit from the ongoing spirits boom. Pernod Ricard's Malibu is at 2.25 million cases and had an average growth rate of 3.4% for the past decade. Pernod has boosted Malibu with a series of flavors and RTD offerings that have kept the brand on the rise despite challenges in the wider rum category. The only Blue Chip gin for 2019 is Bacardi's Bombay. The gin giant is at 1.16 million cases—including both Original and Bombay Sapphire—and continues to carve out growth as super-premium gins begin to gain increased traction with consumers.

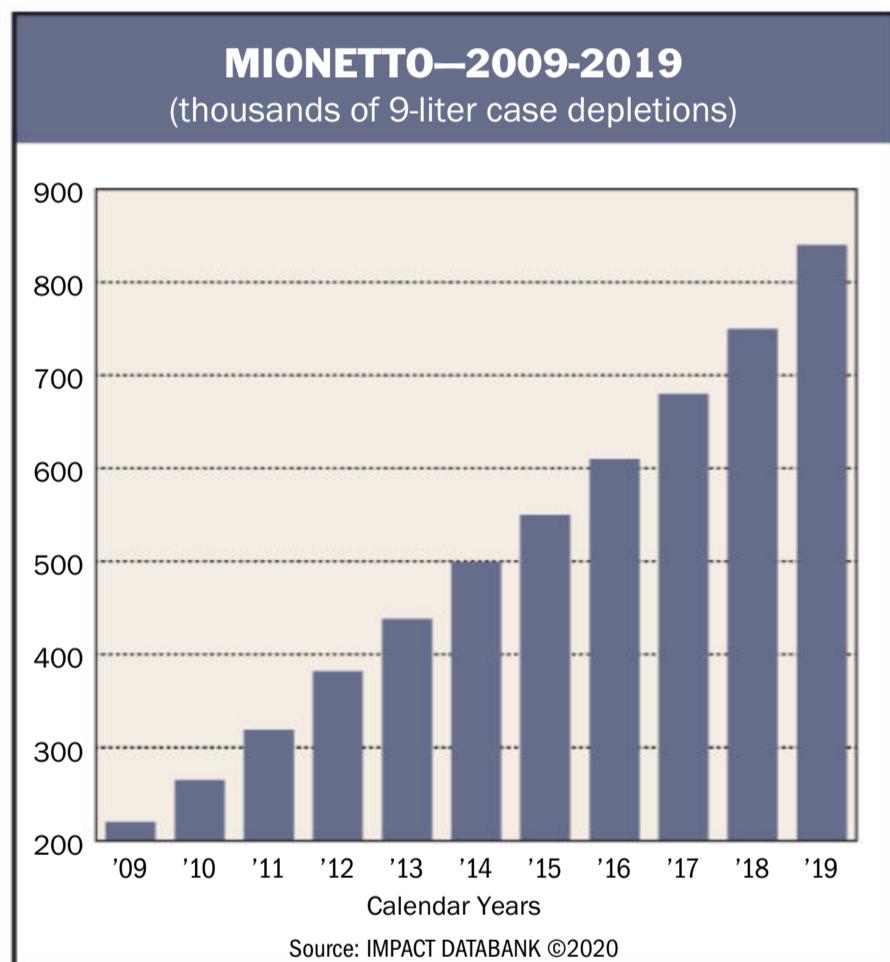
## Wine: Gallo Sets The Pace

As has been the trend, the Blue Chip wine list is dominated by California, along with a smattering of entrants from Italy, New Zealand, and France. E. & J. Gallo's California-based Barefoot Cellars is the No.-1 Blue Chip brand, having averaged remarkable annual growth of 11% over the past decade to reach 18.27 million cases in 2019, according to Impact Databank. The brand's sparkling wine extension, Barefoot Bubbly, also returns to the Blue Chip list this year, with depletions of 1.2 million cases in 2019. The Barefoot Bubbly range is retail-priced slightly higher than its still wine counterpart, coming in at around \$10 a 750-ml. Gallo has innovated extensively on the Barefoot brand in recent years, introducing single-serve packaging for more of its varietals and homing in on social media marketing with a variety of well-known influencers.

The three brands behind Barefoot on this year's Blue Chip list—Woodbridge, Bota Box, and Black Box—have also capitalized on alternative packaging as a means to steady growth. Owned by Constellation Brands, California label Woodbridge is available not just in 750-ml. bottles, but 375-ml. cans—which launched last year for its Cabernet Sauvignon—as well as 500-ml. TetraPaks for its Chardonnay, Pinot Grigio, Cabernet Sauvignon, and red blend offerings, also released last year. In addition to packaging innovation, Constellation has invested heavily in Woodbridge over the past year. The brand announced a multi-million dollar partnership with Major League Baseball this past March, under which it

became the league's official wine brand. In all, Woodbridge reached 9.58 million cases last year; in the past ten years, the brand has grown an average of 2.7% annually.

Black Box, which has posted an average annual compound growth rate of 19.5% over the last decade, hit 6.85 million cases last year. It's part of a slate of lower-priced brands Constellation is selling to Gallo, pending regulatory approval. Delicato's Bota Box, the No.-3 Blue Chip brand, has shown astounding growth in the last ten years, rising from 656,000 cases in 2009 to just over 8 million cases in 2019. The brand has been buoyed not just by a variety of different packaging sizes, but by new extensions as well. Last year saw the release of Nighthawk, a line of wines that are bolder and richer than the flagship range. Currently, the lineup includes a Bourbon Barrel Cabernet Sauvignon, Bold Cabernet Sauvignon, Lush Pinot Noir, Buttery Chardonnay, Rich red wine blend, and Vibrant Sauvignon Blanc, all available in 3-liter boxes, with some varietals available in 500-ml. TetraPaks as well. "With



Nighthawk, we want the wines to have bigger, bolder, more expressive styles, and packaging with a bit more personality," says Delicato vice president of brand marketing Kathy Pyrce. "And our research has shown that these wines are bringing many consumers into the wine category for the first time, helping to expand the overall category."

Elsewhere on the list, Gallo counts five other California brands in addition to Barefoot and its Bubbly offshoot, making it the most prolific Blue Chip wine company this year. The winery's Liberty Creek and Apothic brands both maintained double-digit growth over the course of a decade, with the former clocking an average annual compound growth rate of 27.3% to 4.62 million cases, and the latter averaging gains of a colossal 67.4% to 3.45 million cases, up from just 20,000 cases in 2009.

Like Bota Box Nighthawk, Apothic has been driven forward by its lineup of bold, luscious wines, successfully attracting a younger consumer set. Gallo also markets fellow returning Blue Chip still wine brands Winking Owl and Canyon Road, alongside California sparkler William Wycliff.

Bolder red wines have long bolstered Trinchero Family Estates' Ménage à Trois, which crossed the 3 million-case mark last year. Since 2009, the brand has grown an average of 8.1%, and more than doubled its depletions overall. Trinchero also markets Joel Gott, a returning Blue Chip that has grown to 1.1 million cases, from just 110,000 cases in 2009.

While a substantial number of premium California wines have cemented their place on the Blue Chip list, higher-end wines from the state have built up a greater presence in recent

years. From Deutsch Family Wine & Spirits is returning Blue Chip wine brand Josh Cellars, which has had an astronomical average annual compound growth rate of 91.8% in the ten years since 2009, the highest of any Blue Chip on this year's roster. Today, Josh stands at some 3.37 million cases in the U.S., up from just 5,000 cases a decade ago. While the brand offers its core lineup at around \$12 a 750-ml., its super-premium Reserve tier is priced at \$18-\$22 and includes a Paso Robles Cabernet Sauvignon and a Chardonnay from the North Coast, among other wines.

Also playing in the super-premium California segment is J. Lohr Estates, which like Josh offers a number of wines under the \$15 price point but also includes more premium entries, among them the top-performing Seven Oaks Cabernet Sauvi-

## 2019 BLUE CHIP WINE BRANDS<sup>1</sup>

Brand	Marketer	Origin/Type	Depletions (thousands of 9-liter cases)		AACGR <sup>2</sup> 2009-2019	2019 Media <sup>3</sup> Advertising (thousands)
			2009	2019		
Barefoot Cellars	E. & J. Gallo Winery	California Table	6,450	18,270	11.0%	\$179
Woodbridge	Constellation Brands	California Table	7,325	9,580	2.7	9,376
Bota Box	Delicato Family Wines	California Table	656	8,004	28.4	3,215
Black Box <sup>4</sup>	Constellation Brands	California Table	1,150	6,850	19.5	*
Liberty Creek	E. & J. Gallo Winery	California Table	415	4,625	27.3	*
Apothic	E. & J. Gallo Winery	California Table	20	3,450	67.4	123
Josh Cellars	Deutsch Family Wine & Spirits	California Table	5	3,372	91.8	397
Ménage à Trois	Trinchero Family Estates	California Table	1,374	3,000	8.1	*
Stella Rosa	Riboli Family Wine Estates	Italian Table	129	2,481	34.4	3,503
Winking Owl	E. & J. Gallo Winery	California Table	650	2,025	12.0	*
La Marca	E. & J. Gallo Winery	Italian Sparkling	5	1,770	79.8	273
J. Lohr Estates	J. Lohr Vineyards & Wines	California Table	885	1,631	6.3	44
Ruffino <sup>5</sup>	Constellation Brands	Italian Table/Sparkling	615	1,420	8.7	4,032
Kim Crawford	Constellation Brands	New Zealand Table	349	1,370	14.7	18,732
Meiomi	Constellation Brands	California Table	25	1,320	48.7	7,786
La Crema	Jackson Family Wines	California Table	654	1,304	7.1	13
Barefoot Bubbly	E. & J. Gallo Winery	California Sparkling	450	1,200	10.3	163
William Wycliff	E. & J. Gallo Winery	California Sparkling	350	1,190	13.0	*
Canyon Road	E. & J. Gallo Winery	California Table	405	1,155	11.0	*
Joel Gott	Trinchero Family Estates	California Table	110	1,100	25.9	154
Oyster Bay	Oyster Bay Wines USA	New Zealand Table	186	979	18.1	*
Mionetto	Freixenet Mionetto USA	Italian Sparkling	220	840	14.3	7
Decoy by Duckhorn	Duckhorn Wine Co.	California Table	15	838	49.5	*
Bartenura	Royal Wine Corp.	Italian Table	145	625	15.7	3,619
Veuve Clicquot	Moët Hennessy USA	Champagne	344	527	4.4	550
Gérard Bertrand	Gérard Bertrand USA	French Table	15	500	42.0	*
<b>Total Blue Chip Wine Brands</b>			<b>22,947</b>	<b>79,426</b>	<b>13.2%</b>	<b>\$52,166</b>

\* Less than \$500

<sup>1</sup> Criteria:

- (a) at least 500,000 9-liter case depletions
- (b) at least \$25 million gross margin
- (c) either:
  - (i) at least ten consecutive years of volume growth
  - (ii) AACGR of at least 1.5% from 2009 to 2019 and at least eight annual increases the past ten years

<sup>2</sup> Average annual compound growth rate

<sup>3</sup> Excludes production costs, merchandising, and promotions

<sup>4</sup> Sale pending to E. & J. Gallo Winery

<sup>5</sup> Includes Prosecco

Source: IMPACT DATABANK ©2020

gnon (\$17 a 750-ml.) and Falcon's Perch Pinot Noir (\$17). In all, the J. Lohr Estates tier has grown an average of 6.3% since 2009, hitting 1.63 million cases last year.

Meiomi, La Crema, and Decoy by Duckhorn round out the more upscale California-based Blue Chip brands. The former two labels have capitalized on Central and Northern California, with Meiomi focused on tri-appellated wines that retail at \$25. The brand recently added a Cabernet Sauvignon to its range. La Crema—a new addition to the list this year—features Sonoma County Chardonnay and Pinot Noir and Monterey Chardonnay (all around \$20 a 750-ml.), and has also added Oregon wines in recent years. Elsewhere, Decoy stands as Duckhorn Wine Co.'s entry-level offering, with Napa and Sonoma-sourced wines starting at \$25.

Italy, France, and New Zealand also fielded entries among this year's Blue Chip brands. The most prominent Italian brand, Stella Rosa, hails from Riboli Family Estates, and has posted prolific growth in recent years, with an average compound growth rate of 34.4% since 2009. The brand currently sits at 2.48 million cases in the U.S.; its extensive portfolio includes a number of fruit-flavored wines, as well as slightly more upscale expressions like Stella Rosa Black. Key to Stella Rosa's growth, according to winemaker and fourth-generation family member Anthony Riboli, has been robust consumer interaction via social media channels, among other initiatives. Also from Italy are Royal Wine Corp.'s Bartenura—up 15.7% annually in the ten years since 2009, and now at 625,000 cases—and Constellation's Ruffino, which has a stable including both still wine and Prosecco and sits at roughly 1.42 million cases. Also in Prosecco, Freixenet Mionetto USA markets Blue Chip winner Mionetto, which is drawing ever nearer to the 1 million-case mark.

New Zealand Sauvignon Blanc remains white hot, and has buoyed two 2019 Blue Chip brands: Kim Crawford and Oyster Bay. The former, a Constellation-owned label, reached 1.37 million cases last year, up from just 349,000 cases in 2009. Oyster Bay, meanwhile, is on the cusp of 1 million cases, having risen from 186,000 cases in the past decade.

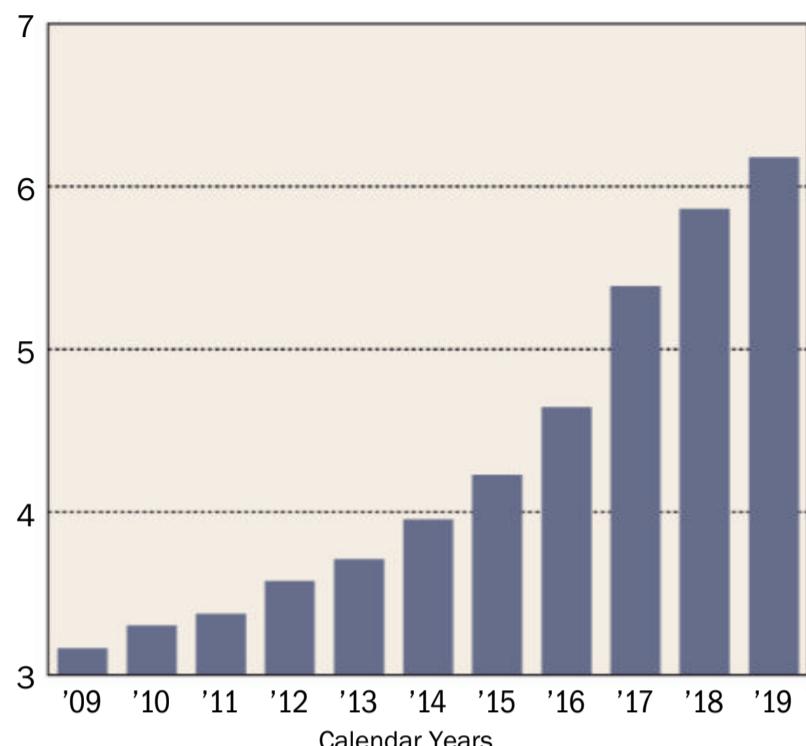
Two Blue Chip labels from France round out the 2019 wine lineup, both of them new additions. Moët Hennessy USA represents Veuve Clicquot, the only Champagne on the list. The brand surpassed half a million cases in recent years, with depletions now at 527,000 cases total. And Gérard Bertrand joins the list this year with his eponymous label, which hit 500,000 cases last year. Over the last decade, Bertrand has skyrocketed an average growth of 42%, introducing a new wave of consumers to the wines of Languedoc in Southwest France.

## Beer: Mexico, FMBs Take Center Stage

Impact's Blue Chip beer and flavored malt beverage (FMB) list represents heavy hitters from across the industry. Overall the 16 honorees depleted 475.3 million (2.25-gallon) cases in 2019 for a retail value totaling \$13.8 billion. Over the past decade, the Blue Chip beer and FMB brands have achieved an average annual compound growth rate of 10.9%; some standout labels among them have maintained figures above 20%.

## NEGRA MODELO—2009-2019

(millions of 2.25-gallon cases)



Source: IMPACT DATABANK ©2020

Only one label—Corona Light—dropped off the list this year. Leading the field is Anheuser-Busch InBev's (A-B InBev) Michelob Ultra, which reached 133 million cases in 2019. The brand generated nearly \$3.6 billion in retail sales, making it the second most valuable label on the list. Starting from a base of 42 million cases in 2009, Ultra achieved an average annual compound growth rate of 12.2% as consumers gravitated toward its health-conscious messaging and a low 95 calories per bottle.

Three other A-B InBev products received Blue Chip honors in addition to Michelob Ultra: Stella Artois, Bud Ice, and Bud Light Chelada. No.-3 ranked Stella matched Ultra's growth rate exactly over the past decade as it grew from 11.2 million cases to 35.5 million last year. Its retail total of \$1.3 billion makes it one of only three brands above the \$1 billion threshold, reflecting its super-premium status. Fourth-ranked Bud Ice reached 30 million cases last year and more than half a billion dollars at retail, giving A-B InBev three of the top four spots on the list. While Bud Light Chelada is much smaller at 5.9 million cases, it has averaged impressive 17.6% growth since 2009.

The hard seltzer boom is still too recent to factor into Blue Chip rankings, but several trailblazing FMBs are included as on the list. Boston Beer Co.'s Twisted Tea ranks first among them and No. 8 overall, growing from 3.2 million cases in 2009 to 16.6 million cases last year. Twisted Tea has since been joined by the high-flying Truly Hard Seltzer in Boston Beer's portfolio, but it also remains one of the company's stars with average annual compound growth of 17.8% over the past ten years.

Also honored among FMBs are Mike's Hard Lemonade offshoot Mike's Harder and Fifco USA's Seagram's Escapes. Mike's Harder doubled its volume over the last decade, growing from an even 5 million cases to 10.9 million last year on average annual compound growth of 8%. Seagram's Escapes,

## 2019 BLUE CHIP BEER AND FMB BRANDS<sup>1</sup>

Brand	Brewer/Importer	Origin/Segment	Depletions (millions of 2.25-gallon cases)		AACGR <sup>2</sup> 2009-2019	2019 Media <sup>3</sup> Advertising (millions)
			2009	2019		
Michelob Ultra	Anheuser-Busch InBev	Domestic Light	42.0	133.0	12.2%	\$120.9
Modelo Especial	Constellation Brands	Imported Premium	26.8	126.9	16.8	90.4
Stella Artois	Anheuser-Busch InBev	Imported Super-Premium	11.2	35.5	12.2	28.0
Bud Ice	Anheuser-Busch InBev	Domestic Premium	18.9	30.1	4.8	*
Blue Moon Belgian White Ale	Molson Coors Beverage Co.	Domestic Super-Premium	15.5	23.0	4.0	34.7
Dos Equis Lager	Heineken USA	Imported Premium	8.0	20.6	9.9	32.3
Coors Original	Molson Coors Beverage Co.	Domestic Premium	17.0	20.5	1.9	0.9
Twisted Tea	Boston Beer Co.	Flavored Malt Beverage	3.2	16.6	17.8	9.5
Pacifico	Constellation Brands	Imported Premium	1.6	14.9	24.9	21.0
Mike's Harder	Mike's Hard Beverage Co.	Flavored Malt Beverage	5.0	10.9	8.0	0.2
Seagram's Escapes	Fifco USA	Flavored Malt Beverage	2.4	9.2	14.7	0.6
Keystone Ice	Molson Coors Beverage Co.	Domestic Sub-Premium	7.3	8.0	1.0	*
Tecate Light	Heineken USA	Imported Light	0.6	7.1	28.6	12.5
Lagunitas IPA	Lagunitas Brewing Co. (Heineken)	Domestic Super-Premium	4.5	7.0	4.5	*
Negra Modelo	Constellation Brands	Imported Premium	3.2	6.2	6.9	23.3
Bud Light Chelada	Anheuser-Busch InBev	Domestic Super-Premium	1.2	5.9	17.6	0.9
<b>Total Blue Chip Beer/FMB Brands</b>			<b>168.4</b>	<b>475.3</b>	<b>10.9%</b>	<b>\$375.1</b>

\* Less than \$50,000

<sup>1</sup> Criteria:

- (a) at least 5 million 2.25-gallon cases in volume
- (b) at least \$25 million gross margin
- (c) either:
  - (i) at least ten consecutive years of volume growth
  - (ii) AACGR of at least 1% from 2009 to 2019 and at least eight annual increases the past ten years

<sup>2</sup> Average annual compound growth rate

<sup>3</sup> Excludes production costs, merchandising, and promotions

Source: IMPACT DATABANK ©2020

meanwhile, reached 9.2 million cases and a quarter-billion dollars in retail sales.

Constellation Brands' Mexican imports continue to pay dividends for the company, with three brands from south of the border achieving Blue Chip status. No. 2 overall was Modelo Especial, which tacked on almost exactly 100 million cases over ten years, reaching 126.9 million cases in 2019. With over \$4 billion in retail sales, Modelo Especial is the most valuable brand on this year's list. The much smaller Negra Modelo, a Munich Dunkel-style lager, reached 6.2 million cases on 6.9% average annual compound growth. "In 2019, we made our biggest-ever investment in marketing support behind Modelo," says Greg Gallagher, vice president of brand marketing for Casa Modelo, adding that since the campaign was unveiled, "we've seen an incredible 50% increase in general market drinkers."

Also from Constellation, Pacifico's fortunes have skyrocketed over the past decade, rising from 1.6 million cases to nearly 15 million. Its annual growth of 24.9% is second only to Tecate Light's rate of 28.6%. It similarly has received a major marketing push in recent years via its "Live Life Anchors Up" campaign, which senior director of brand marketing for

Pacifico Alex Schultz says "brought new consumers to Pacifico and helped increase distribution."

Molson Coors also fielded three worthy brands. The company's top brand was Blue Moon Belgian White ale, which has held steady despite the deluge of competition from craft brewers. At 23 million cases last year, Blue Moon's retail value of \$782.3 million is a reflection of consumers' continued loyalty to the brand. Coors Original broke 20 million cases following its rebranding last year. And Keystone Ice logged 8 million case depletions last year as well, generating \$120.6 million in retail sales. It's notable that Molson Coors' three honorees each draw from different price tiers, giving it one of the most diversified sets of Blue Chips.

Finally, from Heineken, Dos Equis lager, Tecate Light, and Lagunitas IPA appear on the list. Dos Equis topped 20 million cases last year, up from 8 million in 2009, amid the ground-swell of popularity for Mexican beer. Similarly, Tecate Light reached 7.1 million cases on 28.6% growth, the strongest average compound growth rate across all Blue Chips. Lagunitas, which Heineken acquired in 2017, depleted 7 million cases last year as one of the most popular craft beers in the U.S., generating \$257.2 million in retail sales.



Please Drink Responsibly.  
JOHNNIE WALKER BLACK LABEL Blended Scotch Whisky.  
40% Alc/Vol. Imported by Diageo, New York, NY.

GOOD TASTE  
DOESN'T

HAVE TO  
ACT LIKE IT



Keep Walking



Stolichnaya (cocktails pictured) is one of the leading names in the imported vodka segment, along with Svedka, Absolut, and Grey Goose.

# Imported Vodka

## FIGHTS BACK

Imported vodkas were once the darlings of the spirits world, but then saw their growth surge slowed by the emergence of craft-style domestic vodkas. While domestic vodka was up a modest 1.5% last year—depleting 55 million 9-liter cases—imported vodka slipped by about 1%, to around 23 million cases. The import sector in fact has been mostly on the decline since 2013, when it peaked at around 25 million cases.

Why have U.S. consumers moved to domestic vodkas? “There are just a lot of them out there,” says Martin de Dreuille, senior vice president for Grey Goose global. “In the last few years, I’ve seen an increased number of domestic vodkas coming to the market. But it’s not only apparent with vodka—it’s domestic spirit brands overall.” de Dreuille explains that U.S.-made spirits, including brown spirits, “make a lot of noise” in the marketplace, drawing in consumers with back-stories and familiar origins.

But the imported vodka space has been working to recapture the momentum, with moves in innovation, marketing,

Though the import sector has slipped amid an onslaught of domestic craft brands, its energy is high

BY JESSICA BEEBE

and premiumization. Svedka, Absolut, Grey Goose, and Stolichnaya are the leaders in this movement, followed by Ketel One, Effen, and Belvedere, among several others.

Ivan Hidalgo, senior brand director for Effen vodka at brand owner Beam Suntory,

has hope for the sector. “Vodka remains a dominant category across the spirits industry,” he says, explaining that consumers “rely heavily on brand image and various emotional factors to make a decision.” Hidalgo adds that imported vodkas can regain their traction if they look to trends and stay premium. “In a fast-changing spirits market and with the rise of quality domestic brands, imported vodkas must work hard to distinguish themselves while remaining relevant,” he says.

Jeff Mahony, CEO of Neft vodka, adds that the apparent waning of the imported vodka segment must be taken with a grain of salt. “While it’s of interest, it doesn’t quite paint the full picture of what’s happening in terms of growth and consumer trends in the market,” he says.

## Innovative Efforts

"Many imported vodka brands are innovating with new packaging, new bottle sizes, and RTDs," notes Chris Zaborowski, owner of Louisville, Kentucky's Westport Whiskey & Wine. One of the most creative import brands on the market in terms of packaging innovation is Russia's Neft, which launched in 2012. The vodka has a 750-ml. bottle (\$33), but also comes in a 100-ml. "double shot" size (\$9) as well as a 750-ml. Black, White, or Pride barrel (\$33) and a 1-liter Black or White barrel (\$40). The barrels are very portable, as well as heat-resistant, shatter-proof, and resealable. Holland-made Effen vodka is another brand opting for unique

One Botanical, an innovation that was first released in 2018. Ketel One Botanical (\$25 a 750-ml.)—named the MARKET WATCH LEADERS Best New Spirit in 2019—comes in Peach & Orange Blossom, Cucumber & Mint, and Grapefruit & Rose flavors. The low-abv line is geared toward health- and wellness-minded consumers, made with non-GMO grain, real botanicals, and natural fruit essences. Svedka recently innovated with a similar flavored product lineup, Pure Infusions. The offerings—Strawberry Guava, Ginger Lime, and Dragonfruit Melon (\$15 a 750-ml.; \$16 a 1-liter)—contain no sugar, fat, or carbs, and are only 70 calories a serving.



As imported vodka looks to recapture some of its magic, brands are differentiating in various ways. Poland-based Belvedere (Heritage 176 expression pictured left) is focusing on terroir, while Swedish stalwart Svedka (bottle display pictured right) is leaning into flavors.

packaging, with its sleek, minimalist-style bottles. "Our packaging allows us to stand out on the shelf from a sea of endless, standard bottle designs," notes Hidalgo.

Several brands are also tapping into the RTD trend. Among them is Sweden's Absolut, which depleted 3.4 million cases in 2019, down 4.3% from the previous year, according to Impact Databank. The brand launched its canned cocktail lineup this spring, offering Lime & Cucumber, Grapefruit & Rosemary, and Raspberry & Lemongrass Vodka Sodas in addition to a Grapefruit Paloma, Mango Mule, and Berry Vodkarita (\$13 a 4-pack of 355-ml. cans). And Sweden's Svedka, which depleted 4.6 million cases last year, up 3.9% from 2018, debuted its Vodka Soda RTD cocktails in October, available in Strawberry Lemonade, Black Cherry Lime, and Mango Pineapple flavors (\$13 a 4-pack of 12-ounce cans; \$3 a single can).

Diageo-owned Ketel One vodka—which depleted 2.4 million cases last year, up 4% from 2018—debuted its first RTD line, Ketel One Botanical Spritz (\$15 a 4-pack of 12-ounce cans; \$4 a single can), in August. The RTDs are made with Ketel



Neft, a Russian vodka brand launched in 2012, looks to its innovative packaging to stand out. The brand offers eye-catching barrels in addition to standard bottles to capture a range of consumers.



**Flavors remain popular for many imported vodkas, including Effen (top), which offers Blood Orange, Black Cherry, and other variants. Other brands are turning to alternative serves: Absolut has expanded into RTDs with its recent launch of Absolut Vodka Soda (above).**

Chief among the innovations for imported vodka brands is a new outlook on flavors. Absolut jumped on the bandwagon last summer with the launch of Absolut Juice; the lineup includes Strawberry, Apple, and Pear & Elderflower offerings (all \$25 a 750-ml.). “We launched Absolut Juice in response to growing consumer demand for naturally sweet and balanced flavored vodkas,” says Absolut brand director Reshma Dhati. “We’re constantly exploring new ways to offer and adapt to consumers’ evolving taste palates.” Effen too has been churning out flavored vodkas, among them Black Cherry, Blood Orange, and Green Apple (\$19).

“Flavored vodka lovers are seeking new, bold, and innovative flavor experiences,” says Jaymie Schoenberg, vice president of marketing for Svedka, which has likewise looked to flavor innovation. The brand has long been a leader in this space, ever since the launch of its Citron, Vanilla, and Clementine flavors in 2005, and it continues to innovate with new flavored expressions in colorful packaging; a recent addition was Blue Raspberry (\$13 a 750-ml.), which Schoenberg notes has “remained one of the top ten fastest-growing flavored vodkas in the category.” Svedka Rosé (\$13)—the

brand’s first vodka to have a clear bottle—launched last year.

Grey Goose has largely stayed the course however, maintaining its focus on quality and sourcing. “At this stage, we’ve had no changes in packaging or new flavors,” says de Dreuille. Grey Goose depleted 2.23 million cases last year, down slightly from the previous year, according to Impact Databank. De Dreuille adds that while the company has certainly observed the “dramatic growth” in RTDs, it hasn’t released any of its own as it stays more focused on occupying its premium positioning.

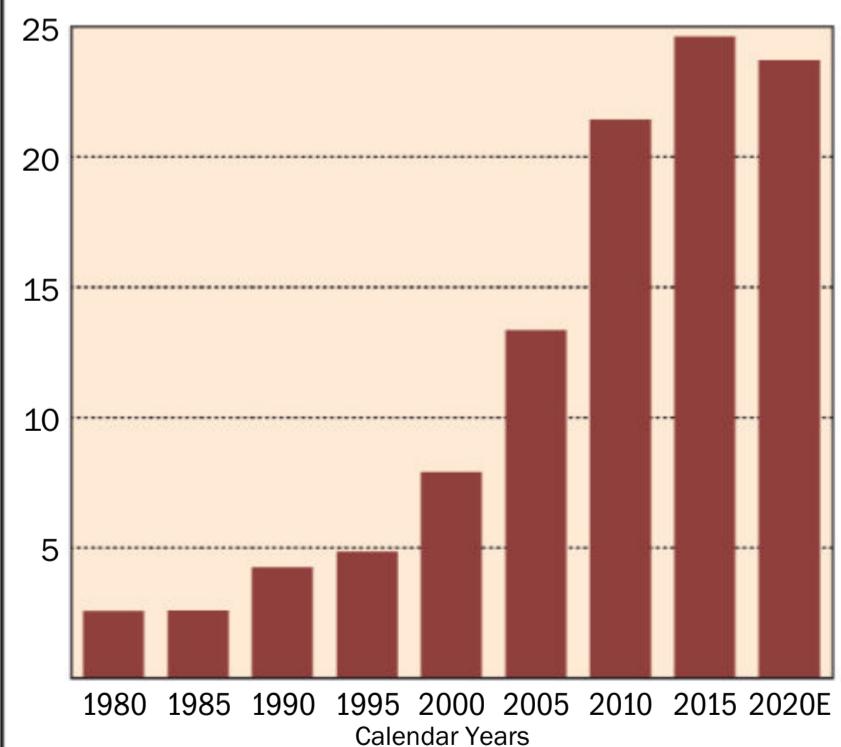
## Upscale Endurance

Indeed, some of the more trusted and recognized imported vodka brands are confident their upscale status will keep them afloat. “I see consumers looking for a premiumized experience,” says de Dreuille. “And if you look at the last six months, you’ll see the super-premium space has grown far faster than the premium and standard categories.” De Dreuille notes that Grey Goose, which sits firmly in the super-premium tier, has seen growth rates of 40% over the past six months.

Absolut has also remained a higher-end player. Its flagship product (\$29 a 750-ml.) is classified as premium, with a focus on its “one source” philosophy and emphasis on terroir. “It redefined the landscape when it was first introduced stateside in 1979,” says Dhati, adding that the spirit “revolutionized” mixology. In 2013, Absolut launched Elyx (\$45), a luxury product made in a vintage copper column still from 1921; the name is a combination of the English

## IMPORTED VODKA MARKET IN THE U.S.—1980-2020E

(millions of 9-liter case depletions)



Source: IMPACT DATABANK ©2020

## TOP 15 IMPORTED VODKA BRANDS IN THE U.S.<sup>1</sup>

(millions of 9-liter cases)

Rank	Brand	Importer	2005	2010	2015	2016	2017	2018	2019	Percent Change <sup>2</sup> 2018-2019
1	Svedka	Constellation Brands	0.64	3.27	4.20	4.32	4.40	4.38	4.55	3.9%
2	Absolut	Pernod Ricard USA	4.73	4.63	4.07	3.93	3.81	3.57	3.41	-4.3
3	Pinnacle	Beam Suntory	0.06	1.40	2.62	2.59	2.46	2.44	2.42	-0.7
4	Ketel One	Diageo North America	1.60	1.90	2.17	2.17	2.10	2.31	2.40	4.0
5	Grey Goose	Bacardi USA	2.08	2.96	2.65	2.71	2.18	2.26	2.23	-1.5
6	Stolichnaya	Stoli Group USA	1.99	1.80	1.67	1.72	1.75	1.80	1.85	2.9
7	Cîroc	Diageo North America	0.07	0.74	1.74	1.86	1.57	1.52	1.38	-9.0
8	Three Olives	Proximo Spirits	0.48	1.36	1.01	0.99	0.96	0.95	0.90	-4.5
9	Sobieski	Marie Brizard Wine & Spirits USA	-	0.77	0.78	0.77	0.78	0.75	0.70	-6.0
10	Exclusiv	Serge Imports	-	0.05	0.67	0.61	0.60	0.57	0.52	-8.0
11	Belvedere	Moët Hennessy USA	0.37	0.40	0.50	0.46	0.42	0.41	0.41	-0.5
12	Luksusowa	Deutsch Family Wine & Spirits	0.13	0.18	0.25	0.25	0.28	0.27	0.29	9.4
13	Fris	Pernod Ricard USA	0.13	0.36	0.23	0.22	0.22	0.23	0.23	2.0
14	Pearl	Sazerac Co.	0.02	0.12	0.28	0.27	0.25	0.24	0.22	-6.5
15	Effen	Beam Suntory	0.04	0.05	0.10	0.18	0.21	0.21	0.19	-9.7
<b>Total Top 15</b>			<b>12.30</b>	<b>19.98</b>	<b>22.94</b>	<b>23.05</b>	<b>21.96</b>	<b>21.88</b>	<b>21.71</b>	<b>-0.8</b>
Other Brands			1.05	1.45	1.67	1.62	1.60	1.58	1.52	-3.8
<b>Total Imported Vodka<sup>3</sup></b>			<b>13.35</b>	<b>21.43</b>	<b>24.61</b>	<b>24.67</b>	<b>23.57</b>	<b>23.46</b>	<b>23.23</b>	<b>-1.0%</b>

<sup>1</sup> Includes flavors

<sup>2</sup> Based on unrounded data

<sup>3</sup> Addition of columns may not agree due to rounding.

Source: IMPACT DATABANK ©2020

word elixir and the Swedish word lyx, which means luxury.

Poland's Belvedere vodka—which depleted 405,000 cases last year, according to Impact Databank—is also a longtime super-premium leader. Allison Varone, vice president of the brand, says that Belvedere is "appealing to consumers who are looking for an elevated experience and looking to trade up." Varone adds that today's consumers are hyper-aware of quality, mostly avoiding value brands. This certainly has aided Belvedere, which markets itself as a luxury brand. Its flagship Pure vodka retails at \$30 a 750-ml., while its terroir-driven Single Estate Rye offerings are \$40 and its Heritage 176 expression, released this fall, sells for \$35.

Despite the success some leading names have found in the premium space, many have had to compete heavily on price. "Imported vodka has lost the 'premium' upscale image, in my opinion," says Zaborowski of Westport Whiskey & Wine. "The whole idea of imports in the beginning was to be upscale, more authentic, and higher-quality." Zaborowski says those values were traded for chasing sales at chain businesses, which pushed



*Imported vodkas have long seen success at the off-premise channel. Retailers like Kentucky's Westport Whiskey & Wine (exterior pictured), however, note that they've lost momentum in the overall vodka category's image wars, as compared to domestic labels.*

prices down. "They gave up the ground they fought so hard to win," he says, adding that brands instead got caught up in trends, which diluted the core message of the category.

Jim Ruane, vice president of reserve vodkas at Diageo, thinks consumers are willing to pay more for select products in both the imported and domestic vodka spaces. "However,



Netherlands-based Ketel One vodka (distillery exterior top) has seen success in recent years thanks to doubling down on innovation with offerings like the health- and wellness-minded Ketel One Botanical line and its subsequent RTD offshoot, Vodka Spritz (above).

it's important to note that 'imported' doesn't necessarily mean 'better' in the eyes of today's consumers," he adds. "In recent years, people have shifted away from categorizing vodka in these terms." Ruane says that instead, today's vodka consumers select products based on the occasion and the quality.

## Getting The Message Out

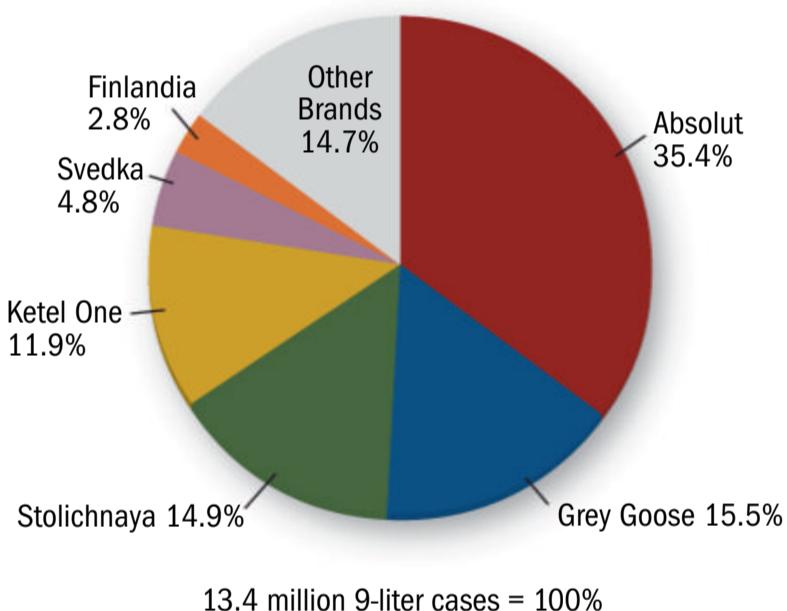
Imported vodka brands largely depend on social media campaigns to appeal to the coveted millennial consumer base. Svedka, for one, runs its "Bring Your Own Spirits" campaign,

which debuted in 2018 and now includes TV and digital platforms. A recent Ketel One creative campaign is called "Drink Marvelously," which Ruane says embodies the idea that "anyone and everyone above the legal drinking age can enjoy elevated drinking experiences." Ketel One also markets itself by partnering with celebrities like Billy Porter and brands like Goop and Chillhouse.

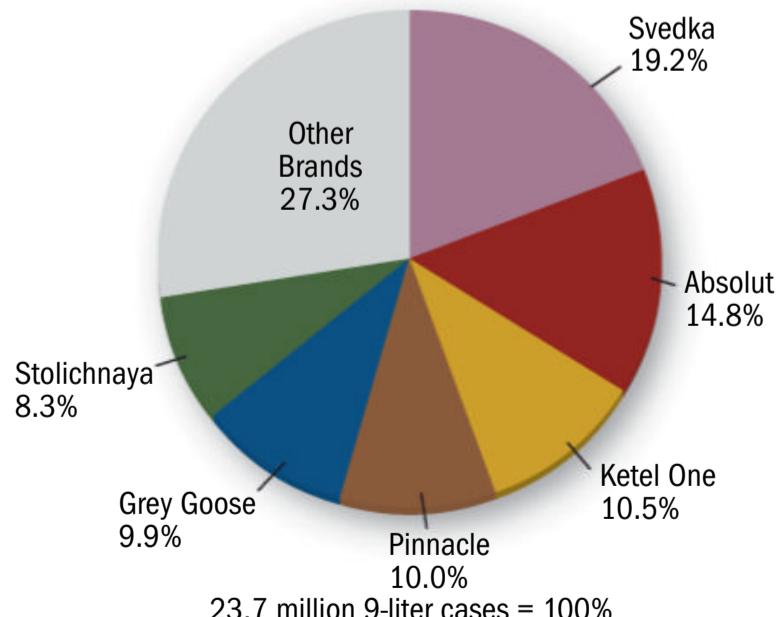
Absolut, meanwhile, has a "Responsibility" platform, which it uses to tackle the many conversations surrounding responsible drinking. The first version of this campaign was #SexResponsibly; Absolut also partners with RAINN, the nation's largest network devoted to helping people who have suffered sexual abuse. A recent iteration of the campaign was #VoteResponsibly, boasting the message "vote first, drink

### TOP SIX IMPORTED VODKA BRANDS IN THE U.S.—2005 vs. 2020E (share of depletions)

**2005**



**2020E**



Source: IMPACT DATABANK ©2020

## TOP EIGHT PREMIUM IMPORTED VODKA BRANDS IN THE U.S.<sup>1</sup>

(thousands of 9-liter case depletions)

Rank	Brand	Importer							Percent	
			2014	2015	2016	2017	2018	2019	AACGR <sup>2</sup>	Change <sup>3</sup>
'14-'19	'18-'19									
1	Svedka	Constellation Brands	4,080	4,200	4,320	4,400	4,380	4,550	2.2%	3.9%
2	Absolut	Pernod Ricard USA	4,134	4,068	3,928	3,808	3,566	3,415	-3.8	-4.3
3	Pinnacle	Beam Suntory	2,675	2,619	2,595	2,457	2,436	2,417	-2.0	-0.7
4	Ketel One	Diageo North America	2,179	2,174	2,175	2,100	2,306	2,400	1.9	4.0
5	Stolichnaya	Stoli Group USA	1,590	1,670	1,720	1,745	1,797	1,850	3.1	2.9
6	Three Olives	Proximo Spirits	1,175	1,010	985	955	945	903	-5.1	-4.5
7	Luksusowa	Deutsch Family Wine & Spirits	217	250	250	275	270	295	6.3	9.4
8	Russian Standard	Russian Standard	215	210	215	215	205	195	-1.9	-5.0
<b>Total Top Eight</b>			<b>16,265</b>	<b>16,202</b>	<b>16,187</b>	<b>15,954</b>	<b>15,905</b>	<b>16,024</b>	<b>-0.3</b>	<b>0.7</b>
Other Brands			1,025	1,034	943	946	921	892	-2.8	-3.2
<b>Total Premium<sup>4</sup></b>			<b>17,290</b>	<b>17,235</b>	<b>17,130</b>	<b>16,900</b>	<b>16,826</b>	<b>16,916</b>	<b>-0.4%</b>	<b>0.5%</b>

<sup>1</sup> \$10-\$25 a 750 ml.

<sup>2</sup> Average annual compound growth rate

<sup>3</sup> Based on unrounded data

<sup>4</sup> Addition of columns may not agree due to rounding.

Source: IMPACT DATABANK ©2020

## TOP FOUR SUPER-PREMIUM IMPORTED VODKA BRANDS IN THE U.S.<sup>1</sup>

(thousands of 9-liter cases)

Rank	Brand	Importer							Percent	
			2014	2015	2016	2017	2018	2019	AACGR <sup>2</sup>	Change <sup>3</sup>
'14-'19	'18-'19									
1	Grey Goose	Bacardi USA	2,773	2,652	2,708	2,178	2,262	2,227	-4.3%	-1.5%
2	Cîroc	Diageo North America	1,898	1,736	1,855	1,574	1,516	1,380	-6.2	-9.0
3	Belvedere	Moët Hennessy USA	469	495	456	417	407	405	-2.9	-0.5
4	Effen	Beam Suntory	57	102	177	209	214	194	27.6	-9.7
<b>Total Top Four</b>			<b>5,197</b>	<b>4,985</b>	<b>5,196</b>	<b>4,378</b>	<b>4,399</b>	<b>4,206</b>	<b>-4.1</b>	<b>-4.4</b>
Other Brands			878	885	914	898	910	849	-0.7	-6.7
<b>Total Super-Premium<sup>4</sup></b>			<b>6,075</b>	<b>5,870</b>	<b>6,110</b>	<b>5,275</b>	<b>5,310</b>	<b>5,055</b>	<b>-3.6%</b>	<b>-4.8%</b>

<sup>1</sup> At least \$25 a 750-ml.

<sup>2</sup> Average annual compound growth rate

<sup>3</sup> Based on unrounded data

<sup>4</sup> Addition of columns may not agree due to rounding.

Source: IMPACT DATABANK ©2020

second." More and more imported vodka brands are likewise turning an eye toward causes in their marketing efforts. Effen vodka recently leveraged its social media presence to connect consumers with organizations that support marginalized groups, including Outfest, a global LGBTQIA+ arts, media, and entertainment nonprofit. "It is a continued priority for Effen to increase awareness of these systematic social issues and engage consumers to embrace change," says Hidalgo.

Neft vodka works to educate consumers about sustainability while at the same time promoting its own environmentally friendly product. "From the sourcing of the grain to our protected water supply and our highly recyclable aluminum and tin packaging, we make every attempt to be planet-friendly without

compromising the uniquely smooth and balanced flavor profile of Neft," Mahony explains. As more and more U.S. consumers are becoming hyper-aware of how to shop sustainably, this image is indeed enticing.

Education remains integral to imported vodkas' marketing efforts, with brands offering cocktail recipes on their websites to help consumers understand how to best enjoy the products they're drinking. Many brands—via their websites, social media platforms, and bottle labels—also educate consumers about their histories and how their vodkas are made. Grey Goose, for instance, is constantly upping its focus on terroir, highlighting its unique production process; the vodka uses fresh spring water from an irrigated well near Cognac.

## TOP SIX IMPORTED VODKA BRAND MEDIA ADVERTISERS IN THE U.S.<sup>1</sup>

(millions of dollars)

Rank	Brand	Importer	2005	2010	2015	2016	2017	2018	2019	Percent Change <sup>2</sup> 2018-2019
1	Grey Goose	Bacardi USA	\$26.9	\$12.9	\$15.6	\$25.2	\$15.1	\$12.6	\$28.1	+
2	Ketel One	Diageo North America	17.9	10.1	8.2	3.4	2.8	13.3	21.9	64.2%
3	Svedka	Constellation Brands	0.7	6.8	1.7	0.7	0.6	3.3	8.0	+
4	Cîroc	Diageo North America	3.2	5.4	8.9	11.6	2.5	7.2	4.1	-42.5
5	Belvedere	Moët-Hennessy USA	3.7	10.9	5.2	0.2	0.3	0.3	2.6	+
6	Absolut	Pernod Ricard USA	18.6	23.7	13.0	10.7	10.6	7.7	1.8	-77.0
<b>Total Top Six<sup>3</sup></b>			<b>71.1</b>	<b>69.9</b>	<b>52.7</b>	<b>51.8</b>	<b>31.9</b>	<b>44.5</b>	<b>66.4</b>	<b>49.3</b>
Other Brands			33.2	27.5	20.0	11.0	5.7	14.3	0.9	-93.9
<b>Total Imported Vodka</b>			<b>104.3</b>	<b>97.4</b>	<b>72.7</b>	<b>62.8</b>	<b>37.6</b>	<b>58.8</b>	<b>67.3</b>	<b>14.5%</b>

<sup>1</sup> Includes flavors

<sup>2</sup> Based on unrounded data

<sup>3</sup> Addition of columns may not agree due to rounding.

Sources: Kantar Media and IMPACT DATABANK ©2020

Effen also educates its consumers on its filtration and distillation methods, as does Neft. “Neft’s water is filtered for 50 years beneath the Rhaetian Alps in Austria and uses only four distinct non-GMO rye grains,” says Mahony. “These ingredients are so pure that only three distillations are necessary to create the vodka.” These sorts of specifics appeal to the inquisitive mindsets of modern shoppers. “Today’s consumers are looking for that information, which might not have been the case ten years ago,” says de Dreuille. “But today, we know that they’re more aware, more educated, and very, very curious to know exactly what they’re consuming.”

### Future Forecast

Some retailers suggest that the future of the imported vodka category is bleak. “We don’t see strong demand, and we’ve eliminated several brands over the past couple of years,” says Zaborowski. He adds, though, that it’s not only imported vodka that’s in danger. “We’ve seen an overall decline of all vodka over the past five years,” he explains. “This category has become bloated.” The only real standout Zaborowski has noticed in the vodka space, of course, is the domestic Tito’s. Of Westport Wine & Whiskey’s 100 vodka SKUs, imported vodka accounts for 30 of them.

It’s a similar case at Jersey City, New Jersey’s Super Buy-Rite, where imported vodka accounts for less than half of the store’s 452 vodka SKUs. Owner and president



Rather than play into trends, Grey Goose (senior vice president Martin de Dreuille pictured) focuses on touting its distillation and production methods and educating consumers on how it's crafted.

Adithya Bathena notes that while imported vodka brands have innovated with RTDs, they might not have done so soon enough. “I fear they might be a little late to the party, because the hard seltzers have now become a massive category that they have to compete with,” he says. He adds that the entire vodka category is probably in trouble. “While it’s a versatile neutral spirit that mixes with almost anything, consumers aren’t necessarily looking for that right now,” he explains, noting that fewer and fewer drinkers are choosing to drink Red Bull Vodkas or Vodka Cranberries. “Instead, people are gravitating toward sipping brown spirits like Bourbons and Scotches.”

To achieve success, marketers say imported vodka brands must continue to set themselves apart while resolutely moving upscale. “We’ve found that the majority of people in the U.S. don’t think about the vodka category in terms of domestic versus imported,” says Diageo’s Ruane, adding that because imported vodka tends to be categorically pricier, “having clearly differentiated, premium offerings” is vital. Bathena suggests that some imported vodkas that have seen falling sales should play on their pasts to make gains in the future. “Maybe some brands could cycle through, and become nostalgic comeback brands, like PBR in the beer category,” he says. “Otherwise, they should keep innovating, and try to go upmarket by creating interesting products and teaching consumers about nuances in flavors, ingredients, or process.”



# RÉMY MARTIN®

TEAM UP FOR EXCELLENCE



HERE'S TO OUR COLLECTIVE SUCCESS.  
WE RAISE A GLASS TO THANK ALL OF OUR TRADE PARTNERS  
FOR OUR 2019 IMPACT BLUE CHIP BRAND AWARD.



# Cognac's *Next Chapter*

 A major star of the U.S. market's spirits revival of recent decades, Cognac is now poised for even greater things

**BY CAROL WARD**

Cognac's star continues to rise in the U.S. While stalwart brand Hennessy (above) has consistently increased its market share, newer brands like Bacardi's D'Ussé (opposite page) are growing at double-digit rates.



**R**o mark the tenth anniversary of the introduction of Conjure Cognac in the fall of 2019, business partners Gigi Olah and Kim Birkedal Hartmann launched Revanche Cognac. Conjure had the benefit of a celebrity backing from rapper and actor Chris “Ludacris” Bridges, an active partner.

Revanche (\$40 a 750-ml.), on the other hand, doesn’t carry much celebrity cachet, but it has made significant headway in part due to its unique blend of VS, VSOP, and XO Cognacs. “We launched the brand in October 2019, and we’re in 15 states and growing,” says Olah, who serves as CEO. “The category was really hot. We wanted to come out with something that was really innovative and make our mark in Cognac.”

While the launch of Revanche came before the Covid-19 pandemic, the brand utilized many of the tools that have become crucial during these times. “Instead of having a partner and blowing the brand up with a celebrity, I think the landscape has changed,” says Olah. “Now, we’re leveraging

social media—particularly with music platforms—to synergize the audience with music and spirit consumption, especially Cognac. In this day and time, and especially given what’s happened with Covid-19, there’s no distinction for being celebrity-driven. It’s really driven by the everyday consumer, and that’s where our target is.”

The U.S. market is ripe for Cognac innovation, and a slew of new brands have hit the shelves in recent years as demand continues to increase. Both Revanche and D’Ussé, a Bacardi-owned brand, are hot items at the three-unit Hokus Pokus Liquors chain in Louisiana, according to third-generation owner Gus Olah, who is Gigi’s brother. He says brands with age statements are trending, and consumers are interested in unique offerings. “I think the more ‘craft’ Cognac that appears in the marketplace, the more consumers will continue to expand their exploration of Cognac,” Gus Olah says.

At California’s K&L Wine Merchants, spirits buyer David Othenin-Girard also sees enthusiasm for smaller, more unique Cognac brands. “We focus almost exclusively on

small grower-producers because we don't find that there's much interest for big brand Cognac from our customers," he says. Among his interesting brands these days are Jacky Navarre Vieille Reserve (\$220 a 750ml), Dudognon (\$48-\$250), Ragnaud Sabourin (\$90-\$170), and Pierre Ferrand (\$45-\$70).

At MiniBar Hollywood, beverage director Jeremy Allen favors Comandon Cognac. "It's a hand-sell for us, but in a bar as intimate as ours, and with clientele as loyal as ours, everything can be a hand-sell," he says. Allen says Cognac maintains its luxury positioning, and many consumers who drink Cognac are about "conspicuous consumption" and want to "be seen spending money."

## Big Brand Leadership

While these brands and many others—a good number of which are relatively new to the U.S. market—have helped spur some excitement in the Cognac category, in reality they make up just a sliver of overall consumption. Total Cognac depletions reached just under 6.5 million cases in 2019, a 6.5% increase, according to Impact Databank. Nearly 97% of that total volume comes from the top six brands. In fact, top-ranked Hennessy alone makes up more than 60% of total Cognac consumption in the U.S.

Depletions of Hennessy increased by a robust 7.2% in 2019 to reach 3.97 million cases in 2019, outpacing the overall category growth. Giles Woodyer, senior vice president of Hennessy U.S., says the brand has shown remarkable resil-



*With Covid-19 forcing consumers to stay and drink at home, Courvoisier (French 75 cocktail pictured) has turned to virtual tastings and events to educate people about its offerings.*

ience in 2020, particularly with the VS label, despite the challenging circumstances. At MiniBar Hollywood, Hennessy is prevalent and popular. "The younger crowd is drinking Hennessy and Coke or Hennessy and Pineapple, while the cocktail crowd is drinking stiff and stirred Cognac creations, and the connoisseurs are always neat," Allen notes.

Rémy Martin, meanwhile, ranked second in 2019 but declined 2.9% to 951,000 case depletions, according to Impact Databank. Rémy Martin exited the lower-priced VS segment in 2016 and has since homed in on its VSOP (\$40 a 750-ml.), which accounts for the majority of volume at

## TOP SIX COGNAC BRANDS IN THE U.S.

(thousands of 9-liter cases)

Rank	Brand	Importer	2005	2010	2015	2016	2017	2018	2019	Percent Change <sup>1</sup> 2018-2019
1	Hennessy	Moët Hennessy USA	2,075	2,140	3,035	3,420	3,672	3,704	3,972	7.2%
2	Rémy Martin	Rémy Cointreau USA	660	560	775	846	913	979	951	-2.9
3	Courvoisier	Beam Suntory	470	385	442	470	489	533	585	9.8
4	D'Ussé	Bacardi USA	-	-	58	86	170	305	372	22.2
5	Martell	Pernod Ricard USA	200	77	99	105	135	212	233	10.0
6	Salignac	Beam Suntory	75	84	90	112	149	169	169	-0.1
<b>Total Top Six<sup>2</sup></b>			<b>3,480</b>	<b>3,246</b>	<b>4,501</b>	<b>5,038</b>	<b>5,528</b>	<b>5,901</b>	<b>6,283</b>	<b>6.5</b>
Total Cognac			3,640	3,405	4,670	5,229	5,728	6,103	6,497	6.5%

<sup>1</sup> Based on unrounded data

<sup>2</sup> Addition of columns may not agree due to rounding.

Source: IMPACT DATABANK ©2020



The fifth-largest Cognac brand in the U.S., Martell (Blue Swift pictured) saw growth of 10% last year, reaching 233,000 cases.

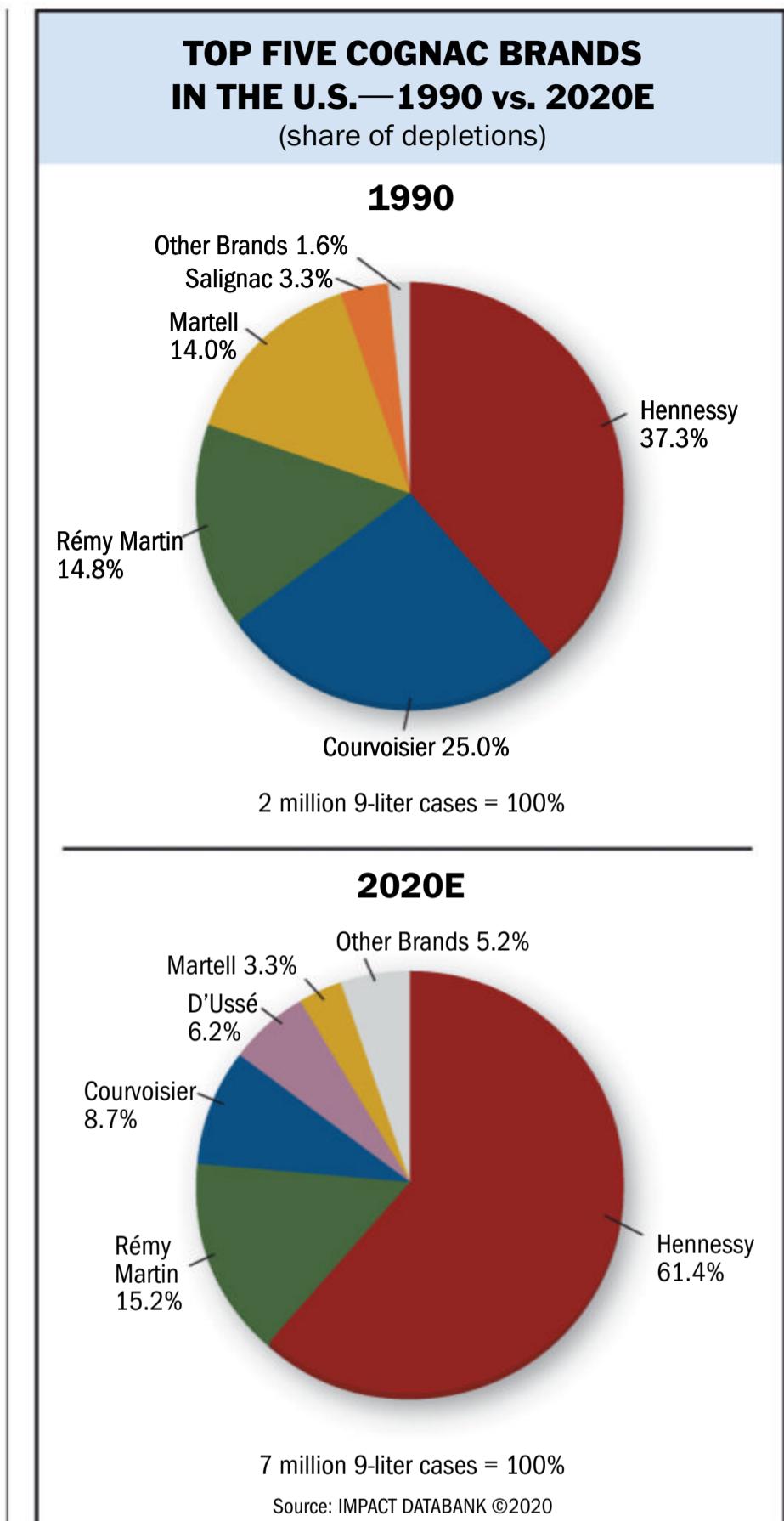
around 600,000 cases, as well as the 1738 Accord Royale (\$60) and XO (\$160).

Courvoisier had a stronger showing in 2019, with depletions rising 9.8% to 585,000 cases. This year is shaping up well, according to Jon Potter, managing director for Courvoisier at brand owner Beam Suntory, as U.S. consumers shifted purchasing to the off-premise. "While this has certainly been a challenging time for our on-premise partners, our consumers have more than made up for that by purchasing in the off-premise," Potter says. "We're seeing that spirits drinkers are making cocktails at home and choosing Courvoisier, as our liquid offers a beautiful Cognac style that lends well to cocktails or sipping neat."

Among the top six Cognac brands, D'Ussé was the most dynamic last year, jumping 22.2% to reach 372,000 cases. The brand is a relative newcomer to the category, launched in 2012 with the help of rapper Jay-Z. Jennifer Pisciotta, vice president of global marketing for acceleration brands at Bacardi, says the momentum from 2019 has picked up in 2020. "With the pandemic forcing people to stay home, the majority of the spirits industry has seen an increase in off-premise sales, and D'Ussé is no exception," Pisciotta says. "As a matter of fact, D'Ussé remains the fastest-growing brand within the Cognac category, and continues outpacing the category's growth."

Jessica Hochberg, senior brand manager at Martell Cognac, also notes the Covid-19 bump. "While we initially saw consumers move away from Cognac to other spirits like

PHOTO BY GIEVES ANDERSON



Tequila and whisk(e)y, that trend quickly reversed and the Cognac category has seen a strong resurgence, helping it consistently outpace the overall spirits category," she says. At No. 5 among top Cognac brands, Martell turned in a 10% gain to 233,000 cases in 2019, according to Impact Data-bank. Sixth-ranked Salignac, meanwhile, slipped 0.1% to 169,000 cases.

### The At-Home Movement

Cognac consumption has increased significantly in 2020, despite the fact that so much on-premise activity has been curtailed or shut down entirely due to the public health crisis. Much on-premise volume has shifted to the off-premise, and marketers say even stronger overall growth is in store this year.

Not surprisingly, many marketers are leveraging online options and social media as ways to maintain and enhance their consumer connections. “One way we’ve been staying connected virtually is by ramping up our social presence to focus on educating viewers about at-home mixability and increasing brand awareness,” says Bacardi’s Pisciotta. “For example, our global brand ambassador, Sullivan Doh, was regularly featured on Fat Joe’s IGTV series mixing cocktails during ‘D’Ussé Fridays,’ showcasing the great range of D’Ussé cocktails that can be made at home.”

Martell took a similar approach, starting with a suspension of all large sponsorships and gatherings, instead showing safe ways to enjoy the brand. “Martell has been innovative in finding ways to bring people together safely through dynamic virtual events, whether it be a virtual brunch, BBQ, or concert,” Hochberg says. “Martell has also increased investment in the e-commerce channel and retail tools to help our customers drive more sales. And we have continued to support our on-premise partners through our cocktails to go initiative.”

For Courvoisier, Beam Suntory pivoted to an educational approach. “To remain top-of-mind for our consumers, we focused on hosting Courvoisier virtual events and tastings where we immersed our attendees in the unique tasting notes and beauty of each expression within our portfolio,” says Potter. “While many know how to enjoy a glass of Courvoisier, we took this as an opportunity to educate consumers more on the versatility of the liquid and how Courvoisier VS and VSOP expres-



*Jumping on the innovation trend, Revanche was launched by the founders of Conjure Cognac in 2019.*

sions are great for making at-home cocktails. To do so, we leaned on our circle of influencers and multicultural specialists to host tastings, showcase cocktails, and help us stay connected to our consumer base via social media.”

Beyond social media and online engagement with consumers, marketers are also seeking to shore up support for their on-premise partners, even as that channel struggles to survive in the pandemic environment. Many bars and restaurants remain closed or at limited capacity, but there’s optimism that some sort of “normal” operations will resume next year.

Pisciotta says D’Ussé remains connected to the on-premise partners who helped build the brand. “We’ve been connecting with our stakeholders —bartenders, hospitality professionals, consumers, etc.—online as much as possible,” she says. “In a typical year, we spend a lot of time supporting the trade and hospitality industry face-to-face, but we’ve pivoted our efforts and have been able to closely support this sector of our business virtually.”

Hennessy sought to help manage the effects the crisis had on hospitality industry workers. “From early in the pandemic it became clear to us that the impact would be felt hard by the Black, Latinx, and Asian communities,” notes Woodyer. “As a brand that celebrates and champions cultural diversity, Hennessy was compelled to step into the gap by establishing a long-term fund to provide support today, tomorrow, and well into the future.”

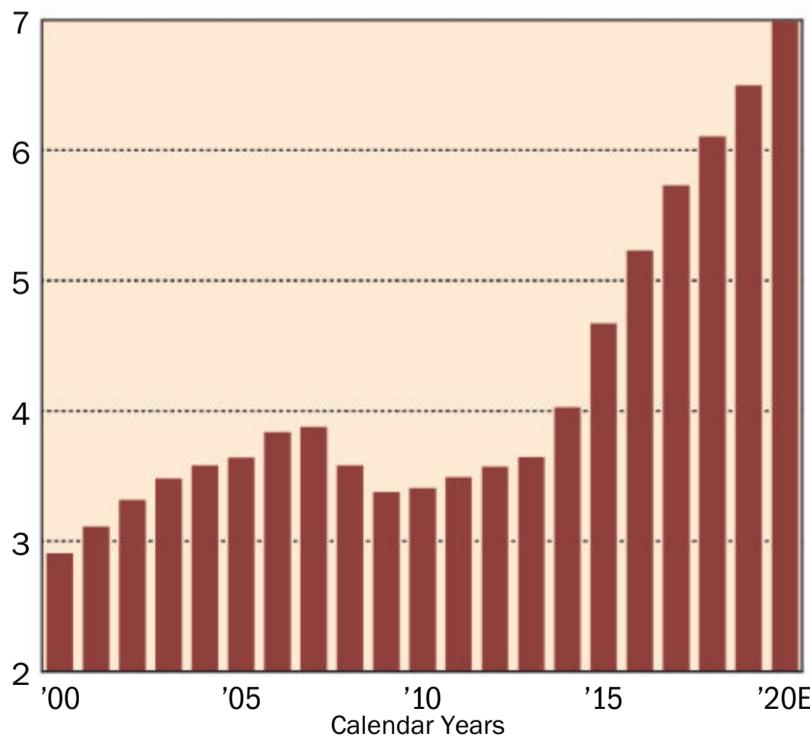
Hennessy’s “Unfinished Business” initiative helps small businesses with financial and human capital power through the challenges of the pandemic. Hennessy launched the program with an initial \$3 million fund, with plans for further replenishment, Woodyer says. The company also donated to “Another Round, Another Rally” to support bartenders and hospitality workers, among other causes.

Courvoisier is also addressing the Covid-19 crisis. “We’re cognizant that restaurants and bars are facing an uphill battle,” Potter says. “As a result, we are actively working on programs that support small businesses struggling with many new challenges. This programming will be a core piece of our activations during the fourth quarter and into 2021.”

Meanwhile, e-commerce and spirits delivery companies have seen a boost to their business, and marketers are eager to expand those relationships. “Our e-commerce business has accelerated, which is exciting for our business and the industry,” Potter notes. “With the assistance of delivery partners, we have been able to continue to meet the demand despite the upheaval the pandemic has caused.” Woodyer notes that as consumers are “increasingly purchasing spirits online,” retail partnerships have proven successful in engaging Hennessy’s core consumer base. “We continue to strengthen our product offerings in this channel, including a focus on customization,” Woodyer says.

## COGNAC CONSUMPTION IN THE U.S.—2000-2020E

(millions of 9-liter case depletions)



Source: IMPACT DATABANK ©2020



As with Bourbon and Tequila, the premiumization trend has captured Cognac. While Hennessy's (Château above; tasting room below) VS label remains its most popular, the brand is seeing consumers gravitate toward its higher-priced XO and VSOP Privilège expressions.



## The Next Step

Customization and continuing premiumization may be the next steps for the Cognac sector. The on-premise is historically where marketers have had the most success with ultra-premium offerings, but the pandemic has shifted more high-end consumption to the off-premise, at least for now. Equally as important, the precarious economic situation in the U.S. hasn't impacted enthusiasm for luxury Cognacs.

For Hennessy, VS continues to account for the lion's share of volume, but the brand is seeing enthusiasm for higher marques, Woodyer says. "The broader premiumization trend has sustained momentum for higher portfolio marques, including VSOP Privilège, which we have doubled over the past few years, and XO, where we have experienced gains from both trade-up and migration over from other categories."

Gigi Olah anticipates more luxury offerings from Revanche, including a possible XO label, or Gold or Platinum Cognacs, although no specific plans have been announced. In general, Cognac has seen little of the innovation that has marked other spirits categories, in part due to strict production rules in the region. But some in the industry think smaller brands are well-positioned for expansion. K&L's Othenin-Girard notes that with the pandemic, consumers are more engaged than ever. "I see a continued interest in craft Cognac, especially where additives are eschewed or at least used in a transparent positive way," he says. "Customers are becoming more savvy and are looking for authenticity and quality over image and luxury."

# THE FOUNDING FATHERS OF BOLD FLAVOR



Nielsen Combined Markets (AAC & Liquor) Domestic Brands with Federalist Varietals (Cabernet Sauvignon, Chardonnay, Zinfandel and Red Blends); \$15+1 \$ Sales > \$20MM fastest growing in distribution

© Terlato Wines 2020, Lake Bluff, IL 60044



• THE •  
**FEDERALIST**  
THIS IS AMERICAN CRAFT WINE™



FASTEST  
GROWING  
LUXURY WINE  
BRAND



# Spain's Bounty

*Spanish table wines have a promising future in the U.S., despite headwinds from tariffs and Covid-19*

BY JESSICA BEEBE

Spanish table wines have been experiencing relatively sustained growth over the past few decades, with the category exporting 4.32 million 9-liter cases to the U.S. last year, according to Impact Databank, down 5% from 2018. Spain was long overshadowed in the U.S. by import competitors like Italy and France, but that has changed in recent years as consumers have begun to discover the country's wines in earnest. That has continued into 2020, despite obstacles posed by tariffs and the Covid-19 pandemic.

The U.S. volume leaders in Spanish table wine are Campo Viejo, Marqués de Riscal, Marqués de Cáceres, Bodegas Muriel, and Familia Torres. Campo Viejo was up 7.6% last year, to 215,000 cases, while the others were up or down slightly from the previous year. "While Spanish wine is still small in the U.S., it does remain a dynamic category," says Campo Viejo brand manager Jill Prior. "More recently, Spanish wine is becoming something American consumers are exploring."

Miguel Torres Maczassek—fifth-generation Torres family member and general manager of Familia Torres, which joined the portfolio of importer Wilson Daniels in September—adds that tourism kept Spanish wine relevant in the U.S. until the pandemic. "Prior to Covid-19, American tourists in Spain have been increasing every year," he notes. "This has been a great platform to promote Spanish brands, and although it has temporarily stopped, we can see that this trend will continue in the future."

PHOTO BY JORDI ELIAS





Familia Torres (Labastida winery in Rioja pictured)—one of the leaders of the Spanish wine space—has its origins in Penedès, the oldest wine region in Catalonia. The company depleted 75,000 cases in the U.S. last year.



**Most Spanish wines on the market sell for less than \$20 a bottle at retail (Sparrow Wine & Liquor Co. shelves pictured), but as consumers continue to become more knowledgeable and appreciative of Spain's myriad wine regions, they're more willing to trade up.**

## Focus On Terroir

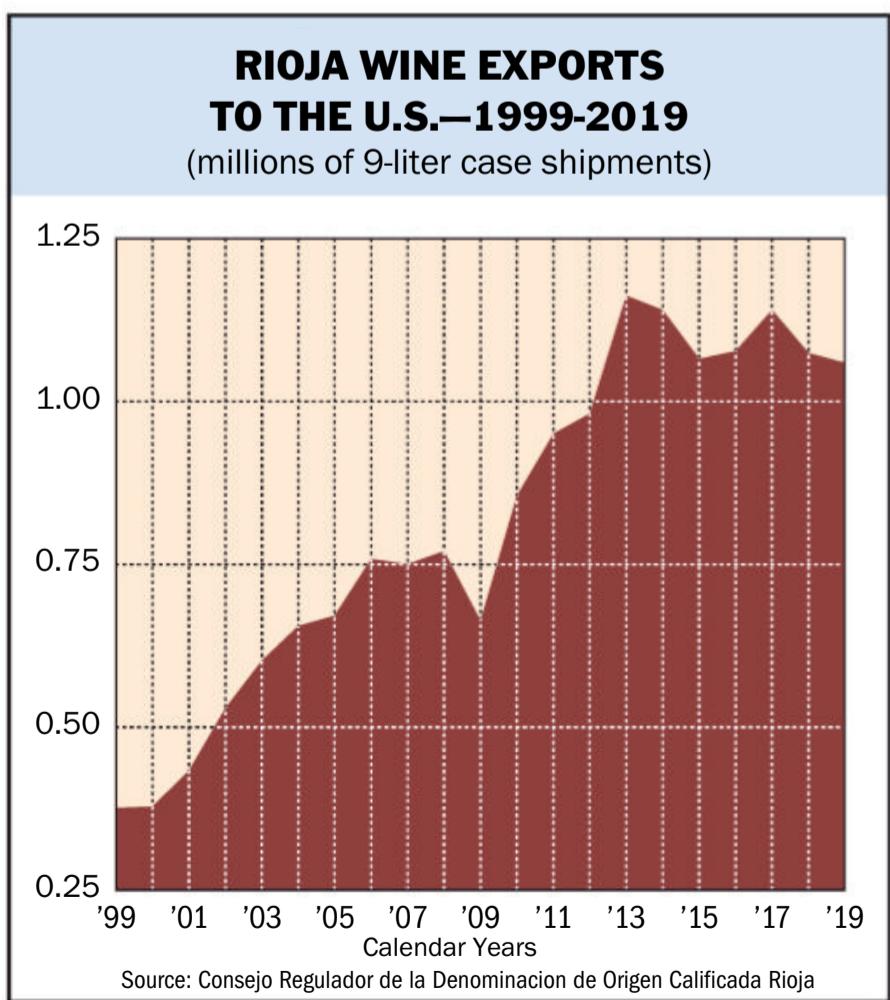
The Spanish wine category is driven more by place than by varietal. "They're terroir-driven," says Armando Luis, owner and president of Sparrow Wine & Liquor Co. in Hoboken, New Jersey, which offers about 200 Spanish wine SKUs. The star regions are Rioja, Priorat, Ribera del Duero, Galicia, and Castile and León. Each area's wines encompass a wide variety of grapes; overall, there are approximately 400 different grape

varietals grown across Spain, among them Tempranillo, Garnacha, Albariño, Carignan, Macabeo, Merlot, and Cabernet Sauvignon.

Rioja in north-central Spain has earned the top wine classification of Denominación de Origen Calificada (DOCa). Rioja winemakers usually blend the region's signature grape, Tempranillo, with four others, making for diverse wines that are often fruity and earthy. "In general terms, Rioja has been the leading force of Spanish wine in the U.S.," says Maczassek. "But in recent years, other names—like Priorat and Galicia—have come to stay." Familia Torres, which depleted 75,000 cases in the U.S. last year, according to Impact Databank, has its origins in Penedès, the oldest wine region in Catalonia, though over the years it has established vineyards in Rioja, Priorat, Ribera del Duero, Rueda, and Rias Baixas. One of the star Rioja wines in the Torres lineup is its Las Pisadas red (\$21 a 750-ml.).

Campo Viejo's core wines—Tempranillo (\$12 a 750-ml.), Reserva (\$16), and Garnacha (\$12)—are all sourced from Rioja. "What has made Spanish wine and Campo Viejo so interesting to consumers is the versatility of the grapes native to their region," says Prior. The brand does branch out from Rioja on occasion; its new Red Blend (\$12) is sourced from across a few different regions.

Priorat, which is in the province of Tarragona in southwest Catalonia, is the only other Spanish wine with a DOCa distinction. The area boasts multiple microclimates, though much of the land is characterized by its black slate and quartz soil, or licorella. "If you look at the soil, it looks just like rock," says Robin Baggett, vintner at Priorat-based Perinet Winery. "It's hard to believe anything can grow here." Priorat wines tend to be on the higher end of the price spectrum due to the lower supply of their grapes; the super-premium offerings across



## LEADING BOTTLED SPANISH TABLE WINE BRANDS IN THE U.S.<sup>1</sup>

(thousands of 9-liter case depletions)

Brand	Importer	2005	2010	2015	2016	2017	2018	2019	Percent Change <sup>2</sup> 2018-2019
Campo Viejo <sup>3</sup>	Pernod Ricard USA	33	96	105	145	173	200	215	7.6%
Marqués de Riscal	Shaw-Ross International Importers	110	110	141	172	174	176	178	1.1
Marqués de Cáceres	Vineyard Brands	189	157	165	149	144	144	139	-3.5
Bodegas Muriel	Quintessential Wines	-	-	120	91	90	85	88	3.5
Torres	Miguel Torres USA	45	45	71	77	82	80	75	-6.0
Honorío Vera	Blue Ventures	-	-	64	73	77	76	75	-0.8
CVNE	Europvin USA	-	-	48	56	60	63	69	9.5
Martín Códax	E. & J. Gallo Winery	-	50	75	65	60	55	55	-
<b>Total Leading Brands<sup>4</sup></b>		<b>377</b>	<b>458</b>	<b>789</b>	<b>829</b>	<b>860</b>	<b>878</b>	<b>894</b>	<b>1.8%</b>

<sup>1</sup> Still wine not over 14% abv; excludes bulk imports and sangria

<sup>2</sup> Based on unrounded data

<sup>3</sup> Excludes Cava

<sup>4</sup> Addition of columns may not agree due to rounding.

Source: IMPACT DATABANK ©2020

Perinet's labels range from \$75-\$140. The primary grape used in Priorat wine is Garnacha, though Carignan is also used. Often, the two are blended in a Bordeaux style.

Ribera del Duero, a DOP in Spain's northern plateau with a flat, rocky terrain, is one of the 11 "quality wine" regions within Castile and León. These wines, like Riojas, are made primarily from Tempranillo grapes; however, in this region, there's no blending with other grapes. More than 300 wineries belong to the Ribera del Duero DOP, including Bodegas Casajús, Vega Sicilia, and Dominio de Pingus.

While red wines dominate across Spain, white offerings are not uncommon. Macabeo is the main grape for white Rioja wines, and is often blended with others in the production of Cava. Albariño grapes, meanwhile, are grown in several regions including Galicia, which borders northwest Portugal's Vinho Verde region, an Albariño hot spot. At Sparrow, La Cana Albariño (\$17 a 750-ml.) is a top-seller in the Spanish table wine category, notable for its botanical aroma.

A newer entrant in Spanish white wine is Avaline White, which debuted in July. The 11.5% abv offering (\$25 a 750-ml.), which is produced by Can Rafols dels Caus in the Garraf subzone of the Penedès region, is a blend of Xarello, Macabeo, and Malvasía grapes, and is crisp and light. "There's an enormous wine culture in Spain, and people are curious and want to taste everything," notes Alexandra Manovel, export manager of Mas Oller winery for Can Rafols dels Caus. At press time, Avaline was preparing to release a sparkling Spanish offering.



**Campo Viejo** (winemaker Clara Canals pictured) was the top-selling Spanish wine in the U.S. in 2019, depleting 215,000 cases. While the Covid-19 pandemic has decimated the on-premise, the brand has experienced its largest growth period due to the off-premise surge.

### Maintaining Success

To increase sales in the U.S., many Spanish wine brands have looked to innovation and marketing. Rioja producers like Bodegas Muga, Bodegas Valdemar, and Bodegas Pinord have innovated by tapping into the rosé trend. Other Spanish brands are exploring alternative packaging: Avaline hopes to release single-serve as well as larger-format offerings next year.

Marketing is crucial for Spain to get a more solid footing in the U.S. Avaline White has done extremely well with this area, thanks to its partnership with actress Cameron Diaz, who co-founded the company with entrepreneur Katherine Power. "Cameron's voice has lent to us a very speedy engage-



Spanish wine-appellated Avaline White has seen success thanks to the celebrity status of co-founders Cameron Diaz and Katherine Power (pictured left). Perinet (barrel cave pictured right), meanwhile, has made gains in the off-premise as consumers stock their at-home bars.

ment," says Avaline CEO Abbott Wolfe. "We were able to reach tens of thousands of Instagram followers within a week." As Avaline targets a younger consumer base, its marketing is solely online. "Virtually everything we do is on social media," says Wolfe. "We're very strong on interacting with consumers and having dialogues."

Avaline White has also made gains by promoting itself to a health- and wellness-minded consumer base. The vegan-friendly offering is made from organic grapes and forgoes added sugars, concentrates, and colors. "The millennial wine consumer is definitely looking for a clean product,

and Avaline White is organic with minimal intervention," says Wolfe. Most Spanish wines abide by similar organic and natural standards, and should perhaps focus more on promoting these aspects to their respective consumer bases. On the sustainability front, Familia Torres boasts a decarbonization program and works—as most Spanish wineries do—to remain sustainable and environmentally friendly. In early 2019, the company partnered with Jackson Family Wines on the "International Wineries for Climate Action" initiative, which encourages wineries to reduce carbon emissions.

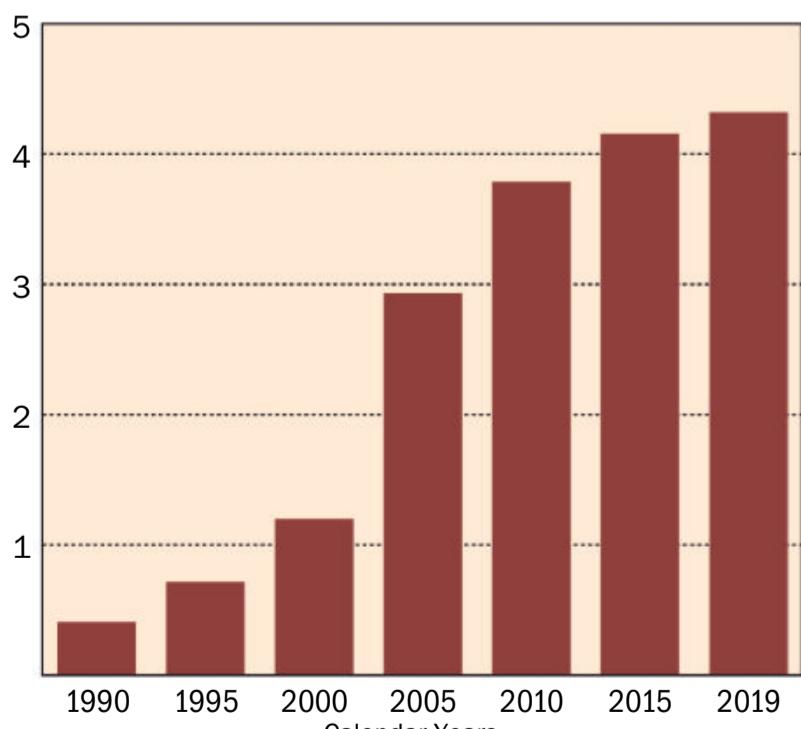
## Overcoming Obstacles

While Spanish table wines have seen increased popularity with U.S. consumers, they still face some obstacles. Last fall, importers, distributors, retailers, and restaurateurs had to scramble when a 25% tariff was slapped onto a number of European Union drinks imports in the U.S. market, owing to a long-running dispute over aircraft subsidies. At Sparrow Wine, Luis has indeed seen some price increases, though the retailer notes that most of the wineries behind his Spanish table wine offerings have decided not to pass the tariff to retailers.

Indeed, most of the bigger brands are absorbing the tariffs, including Campo Viejo—though Prior notes that as more and more consumers are gaining interest in Spanish wine, they may be willing to trade up. Perinet has likewise absorbed the tariffs and maintained pricing, though Baggett says the costs will have to be passed onto consumers if they persist.

Gregory Doody, president and CEO of Vineyard Brands—which has a broad international portfolio of fine wines that includes three offerings from Spain—discussed the situation with MARKET WATCH sister publication Shanken News Daily in August. "I'm not a fan of trade wars, as they never end well for anyone, and I'm particularly opposed to the tariffs on wines from France, Germany, and Spain," he said. "When the tariffs were first announced, our goal was to maintain as many of the

### BOTTLED SPANISH TABLE WINE EXPORTS TO THE U.S.—1990-2019 (millions of 9-liter case shipments)



Source: IMPACT DATABANK ©2020

placements we had worked so hard over so many years to obtain. We worked with our winery partners and distributor partners to adjust our pricing so that accounts would be impacted as little as possible.” Doody added that he finds it “particularly inappropriate” for the tariffs to continue amid the on-premise devastation from Covid-19.

Tariffs aside, this year Spanish wine brands also had to face the consequences of Covid-19, which shuttered restaurants and bars starting in March. While many states have slowly reopened their venues—largely at limited capacity and with restrictions—the threat of further lockdowns persists, and the temporary loss of business has been a small blow to the Spanish wine category. “The key to sales and growth of a brand is lips on a glass,” says Baggett of Perinet, which had to shutter its on-premise tasting room in March. “Covid really devastated the on-premise, but thankfully consumers were willing to look for wine elsewhere.”

Indeed, the blow from the on-premise loss has been offset, to varying degrees, by the sales surge in the off-premise. Campo Viejo, for one, experienced its largest growth period in U.S. history this year, according to Prior. Familia Torres and Perinet also saw sales increase significantly as consumers stocked up their at-home bar supplies. Luis of Sparrow notes that big Spanish brands are “dominating the sector” more than they normally do, accounting for about 6% of his wine sales. “They’re outperforming the rest of the wine too, by a significant margin in terms of profit,” he adds. He notes that as consumers shop during this stressful time, they “gravitate toward the brands they know.”

Familia Torres is one of those brands, and Maczassek notes that the winery is no stranger to hardships. “When our winery was bombed during the civil war in Spain, many customers in the U.S. helped us rebuild it by placing orders,” he says. The same has happened through the Covid-19 crisis. “There seems to be a sort of timeless, trusting relationship between the consumer and our wines,” he adds. “The U.S. isn’t just another market—there’s a connection there with my family that goes through history.”

## Looking Ahead

If consumers remain curious and continue to explore the world of imported wines, Spanish table wines will certainly see contin-



**Familia Torres (Waltraud cellar top; general manager Miguel Torres Maczassek above) is one of the familiar brand names consumers have turned to throughout the Covid-19 crisis as they drink at home.**

ued growth in the U.S. in the coming years. “Spain is such a diversified wine country,” Sparrow’s Luis says. “There’s a lot to be discovered that even consumers who are experienced with Spanish wine would be surprised to find.” But, Luis notes, more consumers must pay attention to the category.

In addition to innovating and marketing, Spanish wine brands may look to premiumization to make further gains in the future. The majority of Spanish table wines in the U.S. market retail at less than \$20 a bottle, with many priced below \$10. But now, as consumers become more knowledgeable about Spanish wine regions, they may be willing to pay up. Baggett of Perinet certainly hasn’t seen any resistance to the higher pricing of his winery’s Garnacha and Carignan offerings. “We’ve had no resistance to pricing, and we’ve grown each year since our debut in

2017, in both the DTC and wholesale channels,” Baggett notes, adding that 90% of the winery’s sales come from DTC.

Brands can also help themselves by focusing more on consumer education. “Spain has historically been one of the largest producers in the world, but it’s not as well-known as France or Italy or the U.S.,” says Baggett. “But people understand Bordeaux and Burgundy, so they’ll come to be familiar with Spanish regions.” Maczassek of Familia Torres hopes that the curious appetites of today’s consumers will continue to drive the Spanish wine category in the U.S. “There’s a new generation of wine consumers whose knowledge is growing every day,” he says. “This empowers Spanish winemakers to take risks and to start producing wines in new regions or with relatively unknown grape varieties.”

# Flavor Punch

*From historic brands to contemporary labels, liqueurs play an important role in cocktail creation*

BY SALLY KRAL



Cocktail trends go through cycles, with popularity for certain spirits and ingredients ebbing and flowing. This has certainly been the case with liqueurs. "Liqueurs came and went and came and went and now are back again," says Jeremy Allen, beverage director of MiniBar Hollywood in Los Angeles. "We bartenders eliminated anything with artificial or natural coloring from our programs for a minute, striving for all organic ingredients. During this time, a lot of people viewed liqueurs with disdain, thinking of them as just the sugary-syrupy stuff that hadn't been touched in years on the bottom shelves of dive bars." But Allen adds that this mindset has shifted as bartenders have rediscovered legacy brands. "There are some real quality liqueurs that have stood the test of time," he says. "If they made it through the last 15 years of

**FROM LEFT:** *The Better Luck Next Year* from Concord Hill in New York City; *The Regulator* from Café Rule in Hickory, North Carolina; and Concord Hill's Earhart feature liqueurs that add flavor and innovative twists in drinks.

the cocktail revolution, they're pretty much invincible."

Gina Buck, beverage director at Concord Hill in Brooklyn, New York, notes that bartenders seem to be using liqueurs more frequently these days. "I've seen more bars working with liqueurs as opposed to basing flavor profiles on house-made syrups," she says. "I think a big reason for this is that the shelf life of liqueurs is much longer than that of syrups, creating less waste."

Using liqueurs—ready-made and packed with flavor—also cuts down on prep time and the need for additional ingredients. "Liqueurs tend to be fortified with sugar, which takes a step out of the cocktail process and saves us time as we build our cocktails," notes Russell Greene, mixologist and tobacconist at Bar 1896 at the Castle Hot Springs resort in



Liqueurs remain popular with bartenders because they cut down on the need for extra ingredients in cocktails. At Bar 1896 in Arizona, Yellow Chartreuse is an ever-popular option in cocktails such as the Arugula Smash (pictured).

INTRODUCING

# SPICE THINGS UP



DO  
WHAT  
MOVES  
YOU

Arizona. “We don’t have any restrictions when we use liqueurs—they save time and bring a shelf-stable ingredient to your bar’s arsenal.”

With so many brands and flavor profiles to choose from, bartenders are learning just how useful liqueurs can be. “Many of us are searching for new, unique flavors, and liqueurs help to fill that void,” Greene says. “Lots of older brands have made a comeback on menus—it’s a great part of the cocktail world that was almost forgotten about. And now there are small distilleries making new liqueurs, so the options have never been better.”

### Classic And Consistent

At Minibar, Allen notes an appreciation for such storied liqueur brands as Giffard, Disaronno, Galliano, and Combier, because they offer a certain authenticity. “They’re not trying to be cool, they’re just being themselves: a little folk-y and from a place of tradition,” he says. “They’re solely aimed at providing enjoyment to humans—Combier was the town candy maker 200 years ago.”

Allen’s Amaretto Sour (\$14) features a split base of Disaronno amaretto liqueur and Wild Turkey 101 rye, plus lemon juice, egg white, and Angostura and Peychaud’s bitters. “A liqueur can be a nice way to add that last tiny twist that makes your version of a classic stand apart,” he adds. His This Old House (\$14) is a variation of the classic Rusty Nail, blending Drambuie Scotch whisky liqueur and Monkey Shoulder blended malt Scotch in a St. George Absinthe Verte-washed glass, while his New World Brandy Old Fashioned (\$14) mixes Bordiga Maraschino liqueur, Capurro Pisco, and Diplomático Reserva Exclusiva rum.

“Adding amaro to a Manhattan or a liqueur to an Old Fashioned can spruce it up, making it an exciting variation on guests’ favorite cocktails,” Concord Hill’s Buck says. At Petite León in Minneapolis, co-owner and bartender Travis Serbus offers the First We Take Manhattan (\$12), comprising St. Agrestis amaro, and equals parts J. Carver straight rye whiskey and Dolin Rouge sweet vermouth. “The drink is basically a Manhattan with the vermouth boosted up to an equal proportion and amaro added as a bittersing agent,” Serbus says. “St. Agrestis brings flavors of cinnamon, clove, allspice, mint, and sarsaparilla to the drink—this amaro just screams nostalgia to me, which is why I love it.”

Classic cocktails are always popular and liqueurs are a major ingredient in many of these drinks—the Sidecar, Negroni,

and Blood and Sand all feature liqueurs, to name just a few. At the Beacon Theatre’s Wonderbar in New York City, co-beverage director Lynnette Marrero’s The Constant Gardener (\$18) is her take on the classic liqueur-based Pimm’s Cup, blending Pimm’s No. 1 liqueur, CioCiaro amaro, blackberry-infused Saison Pale rum, house-made ginger syrup, and lemon juice. “This cocktail brings me back to visiting pubs on the East Side of London,” Marrero says. “Here we upgrade the original recipe by using a fruit-infused rum and bolstering the Pimm’s with complementary amaro.”

Grant Gedemer, food and beverage director for the Godfrey Hotel in Chicago, asserts that as classic builds and fresh ingredients continue to be the biggest trends in cocktails right now, sugary liqueurs like sour apple and peach schnapps are trending down in favor of more bitter, earthy, and herbal liqueurs. “Brands like Aperol, Campari, and Chartreuse are definitely popular right now,” he says. “They work well because you don’t need a lot of ingredients to make a well-balanced cocktail with them and people are favoring simpler recipes right now.”

Bar 1896’s Greene notes a preference for legacy brands Ramazzotti amaro and Yellow Chartreuse. “Ramazzotti is so well-rounded with fruit and spice, and it pairs perfectly with whiskies and fresh juices, while Chartreuse brings big herbs to drinks that would otherwise fall flat,” he says. The venue’s Arugula Smash (\$16), created by director of wine and service Sarah Gilbert, features Yellow Chartreuse, Hendrick’s gin, grapefruit and lemon juices, and fresh arugula and cilantro.

### Contemporary And Creative

While classic recipes and historic liqueurs will always have a place on bar menus, innumerable new liqueur brands have entered the market in the

last ten years or so, and bartenders continue to push the envelope with their unique creations. “I really like St-Germain elderflower liqueur—I know it’s so common now but it’s really useful in some of my most nuanced cocktails,” Wonderbar’s Marrero says. Her Clara Bow (\$20), which she created along with New York City mixologist Jim Kearns, features St-Germain, Four Roses Bourbon, house-made grenadine, fresh lemon juice, and mint. At Café Rule & Wine Bar in Hickory, North Carolina, assistant front-of-house manager and bartender Megan Campbell offers her drink The Regulator (\$10), which blends St.-Germain with Hendrick’s Midsummer Solstice gin, house-



*The sugar content of liqueurs allows bartenders to showcase sweet and bitter flavors, such as in the Grapefruit Spritz (pictured) at the IO Roof lounge in Chicago, which uses St-Germain liqueur alongside the bitter taste of grapefruit.*



Liqueurs often can spice up classic cocktails, as The House Spritz (left) from Concord Hill does with the Aperol Spritz and The Constant Gardener (right), from Wonderbar at the Beacon Theater in New York City, does with the classic Pimm's Cup cocktail.

made lavender syrup, lemon juice, muddled blackberries, and Fever-Tree Elderflower tonic water.

Marrero adds that Wonderbar's co-beverage director Jessica Gonzalez is a big fan of John D. Taylor's Velvet Falernum liqueur, which is a classic 19<sup>th</sup>-century liqueur that Gonzalez uses in her uniquely 21<sup>st</sup>-century cocktail builds—her Dolores del Rio (\$18) mixes the liqueur with Los Vecinos Del Campo mezcal, Barbadillo Amontillado Sherry, house-made ginger syrup, lime juice, and Angostura bitters. Also featuring a historic brand in a more modern way, Buck's drink The Earhart (\$15) at Concord Hill blends Giffard Crème de Violette

liqueur and Orgeat syrup, plus French lavender-infused Poland Select vodka and lemon juice.

"Luckily we're getting more and more nuanced liqueurs in the U.S., and I think we're going to continue seeing more creative ones coming out," Marrero adds. "I've seen inventive new liqueurs like Italicus Rosolio di Bergamotto, and the coffee liqueur sector has exploded with more options and a focus on the true coffee flavor. It's an exciting new space." At Concord Hill, bar manager Victor Bautista's Better Luck Next Year (\$14) features a new coffee liqueur brand, Mr. Black, as well as Ancho Reyes ancho chile liqueur, which was introduced

## Cocktail Recipes Featuring Liqueurs

### ARUGULA SMASH

By Sarah Gilbert

**Ingredients:**  
½ ounce Yellow Chartreuse liqueur;  
1½ ounces Hendrick's gin;  
2 ounces grapefruit juice;  
½ ounce lemon juice;  
5 cilantro sprigs;  
5-6 arugula leaves, plus more for garnish;  
Orange peel.

**Recipe:**  
In a cocktail shaker, muddle arugula and cilantro. Add liqueur, gin, juices, and ice. Shake and strain into an ice-filled rocks glass. Garnish with arugula and orange peel.

### THE CONSTANT GARDENER

By Lynnette Marrero

**Ingredients:**  
½ ounce Pimm's No. 1 liqueur;  
½ ounce CioCiaro amaro;  
1½ ounces blackberry-infused  
Saison Pale rum<sup>1</sup>;  
¾ ounce lemon juice;  
½ ounce ginger syrup<sup>2</sup>;  
Top soda water;  
Cucumber ribbon;  
Blackberry.

**Recipe:**  
In an ice-filled cocktail shaker, combine liqueur, amaro, rum, lemon juice, and ginger syrup. Shake and strain into an ice-filled Collins or highball glass. Top with soda water and stir to incorporate. Garnish with a skewered cucumber ribbon and blackberry.

### CAPPELLETTI SPRITZ

By Travis Serbus

**Ingredients:**  
1 ounce Cappelletti aperitif;  
½ ounce Lustau Amontillado Sherry;  
3 ounces Torre Oria Cava;  
Grapefruit peel (optional).

**Recipe:**  
In an ice-filled cocktail shaker, combine aperitif and Sherry. Shake and strain into an ice-filled wine glass. Top with Cava and, if desired, garnish with grapefruit peel.

<sup>1</sup>Gently muddle 1 pint blackberries in a pitcher. Add 750-ml. bottle of Saison Pale rum. Cover and let sit overnight. Strain.

<sup>2</sup>Blend 2 parts granulated sugar and 1 part ginger juice for 15 minutes in a blender or until sugar is dissolved.

a few years ago. The drink also includes banana-infused Elijah Craig Small Batch Bourbon, pineapple juice, maple syrup, and egg white.

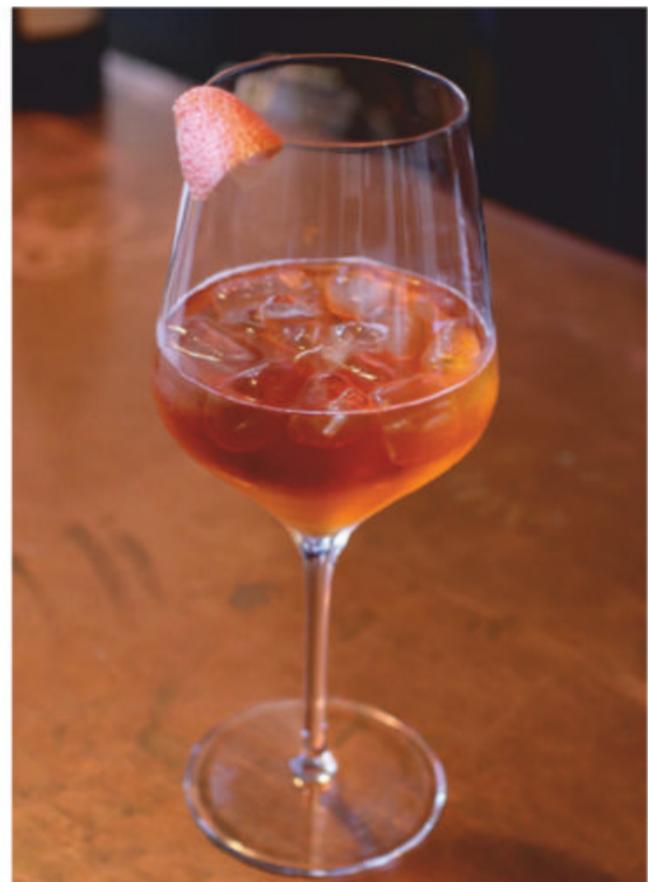
"Liqueurs have become much more versatile—today there are more fragrant and herbal liqueurs that top the list, which is a change from the fruity, tropical ones in the past," says Campbell of Café Rule & Wine Bar, adding that Domaine de Canton ginger liqueur is her favorite. "Ginger is one of my go-to ingredients when crafting new cocktails, and Domaine de Canton allows me to fuel my ginger obsession without overpowering the other flavors in the cocktail." Her Wright Stuff (\$12) comprises Domaine de Canton, Deep Eddy vodka, lemon juice, simple syrup, muddled blackberries and mint, and JCB No. 21 Brut Crémant de Bourgogne sparkling wine. Senior bartender Jessica Stafford's No Carrots Given (\$12) blends Domaine de Canton with Gordon's gin, house-made ginger syrup, lemon and carrot juices, and muddled basil.

## Bubbly And Balanced

Since many liqueurs have quite an intense, concentrated flavor and a fair amount of sweetness to them, bartenders most commonly use them in smaller quantities than other spirits to counterbalance that strong flavor and lighten up the whole cocktail. "Very few people like overly sweet drinks, so if you're working with liqueurs, be sure to check that the flavors and sweetness are well-balanced," advises Greene of Bar 1896. "Additionally, some liqueurs can have many flavors in one package. Adding too many ingredients to an already complex liqueur can lead to a muddy cocktail, in which the driving flavor concept can get lost." Keeping it simple, Greene's Desert Flower (\$16) mixes house-made lavender liqueur and Gruet Brut sparkling wine.

Featuring liqueurs in Spritz-style cocktails lightens them up even more, as the soda water and/or sparkling wine in these drinks help lengthen the other flavors. At the Godfrey Hotel's IO Rooftop Lounge, Gedemer's Grapefruit Spritzer (\$15) is a guest favorite: It blends St-Germain, Ketel One Botanical Grapefruit & Rose vodka, simple syrup, grapefruit and lemon juices, and Avissi Prosecco. "I try to balance things as much as possible when working with liqueurs," Gedemer says. "A Spritz is a good way to go because you can combine a liqueur such as St-Germain with something bitter like Campari or Aperol, and with the effervescence from a dry Champagne or Prosecco it can be very refreshing."

At Concord Hill, Bautista's House Spritz (\$14) features equal parts Giffard Crème de Pamplemousse Rose pink grapefruit liqueur and Aperol, plus Christophe Thorigny Brut Vouvray



*At Petite León in Minneapolis, the First We Take Manhattan (top left) uses St. Agrestis amaro as a bittering element, while the Cappelletti Spritz (above) highlights Cappelletti aperitif alongside Lustau Amontillado Sherry and Torre Oria Cava.*



sparkling wine. "We like working with Giffard liqueurs—there's so many varieties to choose from," Buck says. "But they can be sweet, so it's important to start with a small amount." Indeed, the sugar content—plus the lower proof—of liqueurs means you have to balance them differently than you would a different distilled spirit, Wonderbar's Marrero says. "Acidity—whether from citrus, Sherry, or other fortified wines—helps create that balance," she says. Gonzalez's Putting On The Spritz (\$12) comprises Averall Damson Plum gin

liqueur, Luxardo Maraschino liqueur, Dolin Dry vermouth, Conquilla Brut Cava, and soda water. At Petite León, Serbus' Cappelletti Spritz (\$12) features Cappelletti aperitif, Lustau Amontillado Sherry, and Torre Oria Cava.

"Softer citrus or non-citrus juices help to dilute and expand the concentrated liqueurs, to open them up instead of cover them up, while bubbles help lighten sweetness," Minibar's Allen says. His Paper Plane Spritz (\$14) blends Aperol, Lazzaroni amaro, lemon juice, and Sorelle Branca Prosecco, and his Wallbanger Mimosa (\$14) mixes Galliano L'Autentico sweet herbal liqueur, orange juice, and Sorelle Branca Prosecco. "A little liqueur goes a long way, so find something mild to highlight and accentuate it rather than overshadow and compete with it," Allen adds. "The flavors are already in there; you just have to let them come out."

★ CONGRATULATIONS TO ★



THE 36<sup>TH</sup> ANNUAL

MARKET WATCH  
**LEADERS**  
2020

---

THE PRESTIGIOUS ANNUAL AWARDS  
HONORING THE MOST PROGRESSIVE WINE & SPIRITS MERCHANTS IN NORTH AMERICA

---

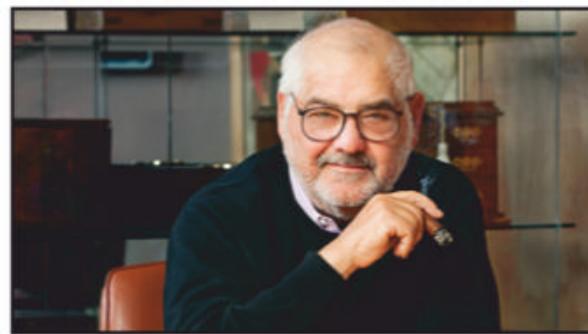
**[MWLeaders2020.com](http://MWLeaders2020.com)**

WHILE RETAILERS FACE UNPRECEDENTED CHALLENGES,  
MARKET WATCH LEADERS ARE ON THE FOREFRONT  
OF INNOVATION AND GROWTH. LISTEN TO THEIR STORIES AND  
★ CELEBRATE THEIR ACHIEVEMENTS.

# LEADERS AWARDS 2020

CELEBRATING THE “BEST OF THE BEST”  
IN AMERICAN WINE & SPIRITS RETAILING.

## VIDEO STATEMENT FROM THE PUBLISHER



**Marvin R. Shanken**  
Publisher, Market Watch  
New York, NY

### RETAILER OF THE YEAR



**Christian Navarro**  
President & Principal, Wally's Wine & Spirits  
Los Angeles, California

Christian Navarro excels in Los Angeles by providing a gateway to the good life, filling his venues with the best products and creating an upscale, accessible experience. Amid the chaos of the Covid-19 pandemic this year, Wally's Wine & Spirits thrived, adapting its hybrid retail-restaurant model to serve the community.

### 2020 LEADERS



**Jason Milburn**  
Director of Adult Beverages, The Kroger Co.  
Cincinnati, Ohio



**Jonathan S. Blue**  
Blue Equity (Liquor Barn, Party Mart, DEP's Fine  
Wine & Spirits)  
Louisville, Kentucky



**Peggy Perry**  
President, Willow Park Wines & Spirits  
Calgary, Alberta, Canada



**Tim Holden**  
Chairman, Pennsylvania Liquor Control Board  
Harrisburg, Pennsylvania

### LEADERS CHOICE AWARDS



**INDUSTRY EXECUTIVE OF THE YEAR**  
**Alan Dreeben**  
Partner, Republic National Distributing Co.



**Peter Granoff & Debbie Zachareas**  
Owners & Partners, Ferry Plaza Wine Merchant &  
Wine Bar, Mission Bay Wine & Cheese,  
Oxbow Cheese & Wine Merchant  
San Francisco and Napa, California

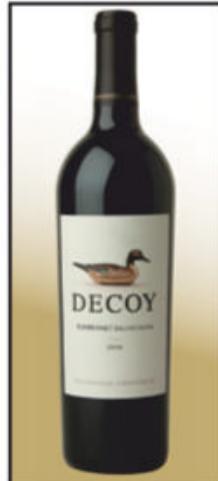


**Jeremy Noye**  
CEO, Morrell & Co.  
New York, New York

**SPIRITS BRAND  
OF THE YEAR**  
**Casamigos**  
Diageo



**WINE BRAND  
OF THE YEAR**  
**Decoy by  
Duckhorn**  
Duckhorn Wine Co.



**BEST NEW  
PRODUCT:  
SPIRITS**  
**Skrewball  
Peanut Butter  
Whiskey**  
Infinium Spirits



**BEST NEW  
PRODUCT:  
WINE**  
**The Palm By  
Whispering  
Angel**  
Moët Hennessy USA



# SPIRITED INNOVATORS

DESPITE THE CHALLENGES OF COVID-19, GERBER GROUP REMAINS AT THE FOREFRONT OF HIGH-STYLE DRINKING AND DINING

By Laura Pelner



Gerber Group has six total venues: four in New York City, including Mr. Purple (rooftop pictured), and one each in Washington, D.C. and Atlanta.



Beverage alcohol makes up more than 80% of business across Gerber's bars (The Campbell interior pictured), with classic cocktails leading the charge.

**S**cott Gerber never expected to become a trailblazer in the bar industry. The principal and CEO of New York City-based Gerber Group—one of the country's most prolific hotel bar operators—never even planned to open a bar. But today, 30 years after debuting his first venue, his company is often credited with launching the upscale hotel bar scene and is still considered an innovator in that segment of the on-premise. High-end hotel bars are ubiquitous thanks to Scott and his brother Rande—yet their foray into the industry began as merely a side project.

In the late 1980s and early '90s the Gerber brothers were working in commercial real estate. Hotel and nightlife entrepreneur Ian Schrager was one of their clients, and he asked them for help on a bar concept for a new hotel property. The Gerbers agreed to create the venue, and the rest became history. "We had full-time jobs, but we did it for fun," Scott recalls, adding that several more projects with Schrager followed. Still, it was a few years before Scott joined his brother to work in bar creation full time. In the nearly 30 years since then, Gerber Group has worked with some of the hotel industry's biggest names—including InterContinental, Starwood and W Hotels, and Hard Rock Hotels—to create many of the bar industry's most sought-after venues.

"We create bars and restaurants to complement hotels," Scott says. "We create places with our hotel partners to add

value to the property, to make people want to choose one hotel over another, given that rooms and rates are largely the same. The beverage component is huge." Gerber Group's annual revenue exceeded \$50 million before Covid-19, led overwhelmingly by beverage alcohol, which comprises more than 80% of the company's overall business in normal times. Rande left in 2013 to launch Casamigos Tequila with actor George Clooney, so Scott bought out his portion of Gerber Group and now leads the company on his own. That shift from dual leadership was a big evolution for Gerber Group and a turning point for Scott.

"All bars need to have great design and cocktails and food—that's a given," Scott says. "The differentiating factor for us is the level of service and accommodations we make for our guests. We're not trendy, but we're aware of trends. We don't want to be the coolest kid on the block, but we do want to be aware of what's happening so we can create places our guests want to come back to over and over again."

## All About Evolution

Gerber Group got its start in 1991, when the Gerber brothers created The Whiskey at The Paramount Hotel in New York City. The bar was quickly embraced by Manhattanites and spurned several additional units around the country. Today, only one remains—Whiskey Blue on the rooftop of the W Atlanta Buckhead hotel. Gerber Group's portfolio is



**Casamigos Tequila** is prominently featured across the Gerber portfolio, thanks to Rande Gerber's association with the brand. The Casamigos Margarita is a popular cocktail at the company's Washington, D.C. venue, 12 Stories (pictured), located atop the InterContinental Hotel.

vastly different today from its early days in the bar industry, and Scott credits the company's longevity over the last three decades to its growth and evolution, as well as its upscale-but-welcoming image. Hospitality was always at the forefront for the Gerbers, but Scott is more focused on it today than ever before. Having survived the exclusivity of the velvet rope years in the nightlife industry, Scott says today's top bars are all about having a warm and friendly environment for every guest.

"We've become more particular about the markets we go into and who we partner with," Scott says. "It comes down to the people who work with us and how hospitable they are to keep guests coming back. When people walk in, they should feel a level of service they've come to expect from a Gerber property, along with great cocktails and food. Our bars are places where people feel comfortable and the staff is friendly."

Except for Whiskey Blue in Atlanta and 12 Stories atop The InterContinental Hotel in Washington, D.C.'s Wharf district, Gerber Group's properties are all in New York City. The company's New York portfolio spans four venues, from the historic and restored The Campbell in Grand Central Terminal and the bar and eatery Irvington in the W New York Union Square to the rooftop bar Mr. Purple atop the Hotel Indigo and The Crown

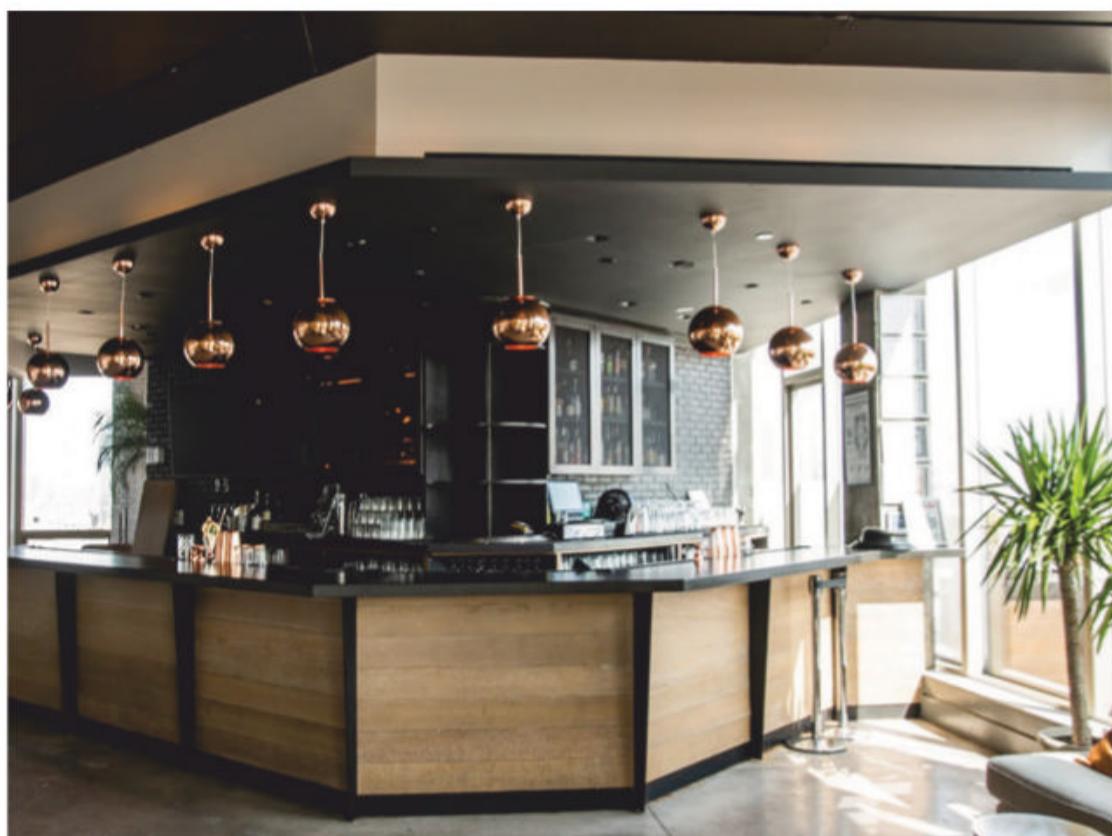


*With three decades of bar and restaurant experience behind him, Scott Gerber (pictured) ensures that Gerber Group stays focused on service.*

on the 21<sup>st</sup> floor of the Hotel 50 Bowery. Both Whiskey Blue and 12 Stories are open and following local Covid-based social distancing guidelines, while the New York venues have tighter pandemic restrictions. Mr. Purple, The Crown, and Irvington are offering outdoor seating when weather permits and have limited indoor accommodations, and The Campbell remains closed but hopes to reopen when a sense of normalcy resumes. Gerber Group had to close its private event space Taco Electrico in Manhattan's Union Square because of Covid-19 and has no plans to revive the concept, and the company also ended its partnership with the TWA Hotel at JFK Airport during the pandemic, cutting three bars in that hotel from its portfolio.

"We work with hotel companies that are complementary to us," Scott explains. "We make sure we're designing something complementary to the hotel too. We don't want it to look like a hotel bar, but it can't be the exact opposite either." The look and feel of Gerber Group bars is para-

mount, and the company puts a major emphasis on design, including lighting and sound elements, as well as seating arrangements. "The spaces have to be functional and operational so we can get drinks out quickly," Scott adds. "The design and beauty can't detract from the service, which is key for us."



While each Gerber venue has its own cocktail menu, certain staples such are found at multiple locations. At the Hotel 50 Bowery in New York City, newly renovated The Crown (left) offers the flagship GG Manhattan (right), along with a Casamigos-based Margarita.

## Bar-Focused

With the majority of Gerber Group's revenue coming from beverage alcohol, it's no surprise that creating and maintaining innovative bar programs is critical to the company's success. Most of Gerber Group's drinks sales come from spirits and cocktails, which comprised roughly three-quarters of total beverage revenue before Covid-19, followed by wine and beer. Classic cocktails get a lot of attention at Gerber bars, and each venue's menu has a classics section, as well as one dedicated to seasonal and creative house cocktails.

While offerings vary by concept and location, a few classic drinks remain consistent across all locations. The company's signature GG Manhattan is found on most menus and mixes Woodford Reserve Bourbon with Carpano Antica Formula sweet vermouth and Angostura Aromatic bitters. Meanwhile, Gerber's top-selling drink company-wide for the last two years has been its Old Fashioned, made with Old Forester Bourbon, Angostura Aromatic and Regans' No. 6 Orange bitters, and house-made Demerara syrup (the Old Fashioned is \$16 at Mr. Purple in New York City).

"Our guests get excited over our cocktail program," says Vincent Mauriello, Gerber Group's managing partner and director of operations, who focuses on beverage and food. "The beverage program is a huge portion of our business and our success. The classics are a lot of what we do right now, but we like to make sure we have a well-balanced menu that offers all different types of spirits."

Tequila cocktails are popular these days, and Casamigos gets major play

at all Gerber venues because of Rande's association with the brand. One of the company's recent hits is its Spicy Paloma (\$16) at Irvington Bar & Restaurant, made with Casamigos Blanco Tequila, Thai chile-infused Aperol aperitif, grapefruit juice, and grapefruit soda. Gerber Group also offers a variety of Margaritas made with Casamigos and lists the Phil's Prediction (\$15 at 12 Stories in Washington, D.C.), comprising Patrón Silver Tequila, Dolin Blanc vermouth, muddled cucumber, honey, and lime juice, at several venues.

Mauriello says lower-alcohol drinks are also in high demand, especially in the warmer months, and to that end he offers a range of Spritzes, which he expands for spring and summer. In addition, Scott notes that hard seltzers continue to rise, especially at the rooftop bars, and he anticipates that the category will continue to shine.

For wine, Gerber Group emphasizes glass pours, generally listing roughly 15 selections at each bar. Wines span whites, reds, and rosés, and the lists generally offer one label for each of several varietal types. Mr. Purple pours Castello di Gabbiano Promessa Pinot Grigio, Sonoma-Cutrer Russian River Chardonnay, Lyric by Etude Pinot Noir, Alamos Malbec, and Stag's Leap Cabernet Sauvignon (glass pours are \$13-\$25 at Mr. Purple). Beer programs vary by location and craft labels get a fair amount of attention.

Along with big names like Heineken, Stella Artois, Corona, and Budweiser, most of the venues offer a proprietary IPA, produced by Captain Lawrence Brewing Co. The bars generally have a handful of taps and also offer bottles and cans (beers are \$7-\$9 at The Crown in New York City).

## GERBER GROUP VENUES

### New York City

Mr. Purple, Hotel Indigo Lower East Side  
The Campbell, Grand Central Terminal  
Irvington, W Union Square  
The Crown, Hotel 50 Bowery

### Washington, D.C.

12 Stories

### Atlanta

Whiskey Blue, W Atlanta Buckhead



Located in the W New York in Union Square, bar and restaurant Irvington (bottled Moscow Mule left; interior right) offers Mediterranean-style dishes alongside a rotating selection of classic and modern cocktails and a wine list focusing on organic, natural, and biodynamic labels.

"We want to offer high quality wines by the glass because we have a pretty large by-the-glass program," Mauriello says. "We also have great relationships with a lot of local brewers. We emphasize bartender training and technique. A lot of our bars are amenities to hotel guests and they have to be comfortable throughout the day and into the evening. Some hotel guests spend more time in the bars and lounges than in their rooms."

While drinks are a big focus, many of Gerber Group's bars also have impressive food programs. The venues highlight shareable plates, from cheese and charcuterie to crudités and hummus. Heavier dishes like tuna tacos, meatball sliders, and

soft pretzels are also available at some venues (food ranges from \$8-\$28 at The Campbell). Irvington has a larger menu with full dinner options, including pizzas, rigatoni with lamb ragu, and a ribeye steak (entrées are \$21-\$38).

## Future Growth

Gerber Group had been averaging two to five new openings a year before Covid. The company took over three venues inside the Hotel 50 Bowery at the end of 2019 and is working to renovate and re-concept all of them. The first project, The Crown, has already undergone a remodel and a menu refresh. The company is also working on a new food and beverage concept for the Arlo Hotel in Midtown New York City, expected to open in spring 2021, and Scott says he may venture far afield on a hobby project soon, as he's looking into opening a brewpub next summer in Whitefish, Montana, where he has a vacation home.

"We don't have any formal hotel partnerships anymore so we can go where we feel we want to be," Scott says. "We always say we're in the B&F business, not F&B, because alcohol and spirits are very important to our business." The shutdowns related to Covid-19 hit Gerber Group hard, especially in New York City, where the company's venues were closed for several months. Eventually, the Manhattan bars reopened with outdoor seating, though Scott admits winter is going to be very difficult again. "We've been filling our seats outdoors, as weather permits, but this is not a sustainable business as we approach winter," he explains, adding that 25% capacity limits indoors, or even 50% capacity limits, do not allow enough seating to sustain the venues. "We've been fortunate to be able to bring back a majority of our team with the help of the stimulus package, but without more funding we will unfortunately have to lay some people off."

Going forward, Gerber Group executives are hopeful for the future. Mauriello says that Gerber's evolution from a bar company into a full-service hospitality and operations company has paved the way for a lot of future growth and different types of projects. "We helped pioneer the boutique hotel scene and changed the way people look at hotel bars," he says. "Twenty years ago, we had cozy lounges. Now we have large rooftops that accommodate 500 people. We've changed as the needs of our hotel partners have changed, and we've built brands that have staying power. Our venues are destinations for locals and hotel guests."

## GERBER GROUP AT A GLANCE

<b>Founded</b>	1991
<b>Key Executives</b>	Principal and CEO Scott Gerber; managing partner and director of operations Vincent Mauriello; managing partner and director of operations Oliver Kroll; managing partner and director of human resources Maria Ferrer
<b>Headquarters</b>	New York City
<b>Number of Units</b>	6 in Atlanta, New York City, and Washington, D.C.
<b>Annual Revenue</b>	More than \$50 million before Covid-19
<b>Sales Breakdown</b>	In pre-pandemic times, more than 80% of total revenue came from beverage alcohol. Spirits and cocktails comprised 76% of drinks sales, while wine made up 14%, and beer contributed 10%.
<b>Website</b>	Gerberbars.com
<b>Future Plans</b>	Gerber Group took over three properties in the Hotel 50 Bowery at the end of last year and is working on revamping those spaces. The group updated The Crown and also plans to open a new food and beverage concept in the Arlo Hotel in Midtown New York next year, as well as a brewpub in Whitefish, Montana.

KORBEL

MAKE IT *Gold*



PLEASE ENJOY RESPONSIBLY.



[korbel.com](http://korbel.com) | [responsibility.org](http://responsibility.org)

©2020 F. Korbel Bros., Guerneville, Sonoma County, CA. Producers of fine California méthode champenoise champagnes for 138 years. KORBEL is a registered trademark. All other trademarks and trade names are properties of their respective owners. All rights reserved.

# BUILDING BIG IN SOUTH FLORIDA

FROM ITS BASE IN GREATER MIAMI, MEGA WINE & SPIRITS HAS BEEN EXPANDING ITS PRESENCE ACROSS THE MARKET

BY TERRI ALLAN / PHOTOGRAPHS BY SONYA REVELL

**A**s one of the largest liquor store chains in the greater Miami market, Mega Wine & Spirits has been trying to keep pace with the area's growth. In the last six years, Mega has added nine stores, and is planning even more locations. It currently operates 14 units in South Florida—including one in Hialeah opened last year—with its reach extending from Coral Springs in Broward County down to Homestead, just north of the Florida Keys.

Mega was founded as Mega Discount Liquors in 2001. In 2014, the chain—then at five units—was purchased by Javier Macedo. Since then, Macedo—who is also the owner of Florida's Crown Wine & Spirits chain—and his team have expanded the business substantially. Mega's name has been changed in recent years to reflect its increased emphasis on wine.

"Our customer base is mostly Latin and most of our stores are located in Latin neighborhoods," says Manuel "Manny" Garcia, who's been with Mega since its inception and today serves as general manager. In addition to the Coral Springs location, a few of the stores are in more suburban neighborhoods like Weston and Pinecrest, where the clientele is a bit more diversified. The stores have been added through acquisitions of existing liquor stores and new licenses.

Mega's stores range in size from 1,000-4,000 square feet, but tend to average around 3,000 square feet. The Doral

location—at 4,000 square feet—has emerged as the chain's flagship due mainly to its size and a recent 2,000-square-foot expansion that included adding a wine and spirits lounge, which at press time was slated to debut this month. A few of the units are located in shopping malls anchored by the likes of Publix and Sedano's grocery stores, providing shoppers with a convenient option for spirits purchases. The stores generally have similar layouts, with wine and spirits in the front and beer and beverage coolers in the rear. Mega Wine & Spirits employs 90 workers across all locations.

## Spirits Destination

Spirits comprise a whopping 65% of Mega's sales, with wine at 15%, and beer and miscellaneous items each accounting for 10%. The stores offer about 2,500 spirits SKUs, priced from \$7 a 750-ml. bottle of Ron Valzola rum to \$14,000 for Old Rip Van Winkle 25-year-old Bourbon. According to Garcia, "brown spirits, driven by Bourbon, and Tequila are hot." Top-selling Bourbons at Mega include Woodford Reserve and Gentleman Jack (both \$30 a 750-ml.). Among Tequilas, Don Julio Blanco (\$43) is a top performer. In white spirits, Tito's (\$32 a 1.75-liter) is the hottest item. Overall, Buchanan's 12-year-old blended Scotch (\$30 a 750 ml.) is the top-selling spirits brand.

Private-barrel spirits have been well received, Garcia notes, and have included Bourbons, Tequilas, and rums.

# CELLAR



General manager Manny Garcia (pictured) began his career with Mega Wine & Spirits upon its inception in 2001, and has seen the chain through transitions, including its acquisition by Javier Macedo in 2014.



**Spirits are the bread and butter of the business at Mega Wine & Spirits, comprising roughly 65% of sales and totaling nearly 2,500 SKUs. Growth is being driven by brown spirits, particularly Bourbon—like Jack Daniel's (shelf pictured) and Woodford Reserve—and Tequila.**

Among the labels Mega has partnered with on single barrels are Jack Daniel's Single-Barrel Select Tennessee whiskey; Buffalo Trace, Woodford Reserve, and 1792 Bourbons; and Herradura Tequila. Overall, the chain is known for its prices and variety of spirits, Garcia says. "We're constantly bringing in new items and keeping up with the innovation—we try to be first in market with new products," he adds, pointing to the likes of the recently released Flor de Caña 30-year-old rum (\$1,300 a 750-ml.), of which Mega was an early merchant.

Mega stocks about 1,500 wine SKUs, priced between \$7 a 750 ml. of 2017 Santa Rita 120 Reserva Especial Cabernet Sauvignon to \$1,000 for the 2005 Château d'Yquem. According to Garcia, wines priced between \$10 and \$20 are most popular. The biggest trends for wine at the stores are red blends and California Cabernet Sauvignons, and as such, top-selling labels include the 2017 Q7 Reserva Chile red blend, priced at \$15 a bottle (or on special at two bottles for \$25) and the 2017 Franciscan Cabernet Sauvignon (\$22). Canned wines are also growing, with labels like Rosé All Day (\$11 a 4-pack of 250 ml. cans) showing strength. "Whites and rosés in cans are outperforming reds," Garcia notes. "South Florida is a good market for canned wines, with our beaches and boating."

But Mega is mostly known for its selection of California and South American wines, due to its Latin customer base. Q7—Mega's private-label wine for the past three years—is largely sourced from Chile and Argentina, as well as France and Italy. "Response has been good," Garcia says, noting that in addition to the red blend, the line includes a Prosecco and Pinot

Grigio. Demonstrating the chain's commitment to growing its wine sales, three of the stores feature temperature-controlled fine wine rooms, while the planned lounge at the Doral location will allow Mega, via a special permit, to serve wine and spirits on-premise. Jose Navarro serves as the chain's sommelier and oversees monthly staff training sessions.

Mega offers about 500 beer SKUs, generally starting at \$8 a 6-pack of Bud Light Platinum. Top-selling brews at the chain include Corona Extra (\$16 a 12-pack of 12-ounce cans or bottles) and Stella Artois (\$16 a 12-pack). "Among domestic beers, the only category growing is craft," Garcia says. Top-selling crafts include Florida's own Jai Alai IPA from Cigar City Brewing (\$12 a 6-pack) and Hop Gun IPA (\$11) from Funky Buddha Brewery. Hard seltzer, of course, is also a big growth area, driven by White Claw and Truly, both at \$10 a 6-pack. Miscellaneous items, meanwhile, include charcuterie, cheeses, crackers, sweets, and gift baskets.

## Beyond Brick & Mortar

With a major presence in the South Florida market, Mega Wine & Spirits is gearing up for expansion beyond brick and mortar. Already, the chain has partnered with Drizly, Thirstie and Uber Eats for on-demand delivery, while three of its stores (Doral, Pinecrest, and Weston) offer direct delivery to customers' homes. At press time, Mega was preparing to launch its online business, a channel where Garcia sees great potential.

The company takes a varied approach to marketing its stores, utilizing both traditional and contemporary platforms.



The chain recently rebranded as **Mega Wine & Spirits** (Doral, Florida unit top right) to highlight a new emphasis on wine, with top sellers usually from California (above right) and South America. Beer (above left) remains Mega's smallest category, at just 500 SKUs.

For example, Mega runs both television and radio commercials during the holidays, along with occasional in-home mailers. Monthly emails, meanwhile, are sent to thousands of customers, and social media keeps patrons informed of new product arrivals, specials, and upcoming events. A customer loyalty program is in the works, Garcia says.

In-store tastings and other events are offered every week at select stores. "They're usually organized around a theme,

such as Spanish wines, California wines, or whisk(e)y," Garcia explains. Some of the tastings incorporate food pairings, such as a recent taco truck and Tequila tasting at the Homestead location. In addition, two major tastings are hosted each year under an 80-by-40-foot tent in the Doral store parking, although those events weren't held this year due to the Covid-19 crisis. "We usually have 30-40 suppliers pouring wine and spirits, along with food tastings," says Garcia, noting that events will resume once it's safe to do so. Off-site, the chain has also hosted wine dinners at local restaurants and private events. And Mega looks to support community groups; the chain's recent "Autism Awareness Day," for example, contributed a percentage of purchases of select products to autism-focused charities in Venezuela.

Like other Florida liquor store operators, Garcia expresses concern that changes to the state's laws that would allow grocery stores to sell spirits could affect his business. "We'd be impacted by the convenience factor and would likely face increased competition for sales of major brands, like Tito's," he says. Still, grocery stores wouldn't be able to compete with Mega's "more personalized service," nor the immense variety his stores offer, Garcia argues.

While Mega Wine & Spirits has certainly made its mark on the metro Miami wine and spirits scene in a relatively short period of time, the chain isn't finished building its network of stores. At least one new store is planned for 2021, although Garcia declines to reveal the location. Beyond that, he adds, "We'd like to expand north. But for now, our focus is on the South Florida market."

MEGA WINE & SPIRITS AT A GLANCE	
<b>Founded</b>	2001
<b>Key Executives</b>	Owner Javier Macedo and general manager Manuel "Manny" Garcia
<b>Headquarters</b>	Miami
<b>Number of Stores</b>	14
<b>Annual Revenue</b>	Undisclosed
<b>Sales Breakdown</b>	65% spirits, 15% wine, 10% beer, and 10% miscellaneous items
<b>Website</b>	Megaliquors.com
<b>Future Plans</b>	At press time, Mega was planning to launch its e-commerce business. A 15th location is expected to open in 2021.

# Pairing Wine And Sushi

Dean Fuerth of Sushi Nakazawa searches the world for the best pairings

**A**t 33 years old, Dean Fuerth has survived more ups and downs in the restaurant business than a retired prizefighter. But restaurants and wine are his passions—which he pursues daily as beverage director at Bedford Hospitality Group, which operates Sushi Nakazawa in New York City and Washington, D.C.

Covid-19 forced the permanent closure of the group's historic Chumley's restaurant in New York City, famed for its speakeasy origins and literary patrons, and uneven restaurant regulations have made for a very tough 2020. Sushi Nakazawa in Washington, D.C. was able to open July 1 for indoor dining at 50% capacity, and in August the location had a record month. Business has been steady ever since, helping to sustain Bedford's operations.

In New York City, regulations forced Sushi Nakazawa to close on March 13. "We're on a quiet West Village street; a few outside tables wouldn't have worked," said Fuerth, explaining the decision not to offer outdoor dining when it became an option in July. Once the city eased regulations, the restaurant re-opened on September 30 for indoor dining at 25% capacity, installing glass dividers to socially distance parties at the sushi counter. The venue, which typically did 115-120 covers a night pre-pandemic, had sellout reservations a day after reopening. "Many of our regulars have come in to dine multiple times already, and the energy feels very positive," Fuerth notes.

As a veteran of the restaurant trade for a dozen years, Fuerth's resilience has helped his venues weather the pandemic. Starting in 2008 at Bella Blu Ristorante, Fuerth has worked his way up in the industry, from bus boy to sommelier to wine director. Among his stops were prestigious New York City restaurants like Commerce, Bouley Tribeca, Bar Boulud, and Betony, where he served as wine director. He joined Sushi Nakazawa in 2017. The Michelin-starred restaurant, which offers omakase dining, features a \$150 menu at the counter and a \$120 menu in the dining room. Pre-Covid, Sushi Nakazawa attracted a mix of Wall Street types, tourists, and fans of chef Daisuke Nakazawa, as well as NYU students who order off the a la carte menu in the lounge and have one glass of wine.



*As beverage director at Bedford Hospitality Group, Dean Fuerth runs its drinks programs in both New York City and Washington, D.C.*

## High-End Focus

A Manhattan native, Fuerth is based at the restaurant's West Village location and visits the D.C. property once a month. He oversees the beverage operation at both venues with strict attention to detail. "We do 90% of the gritty hard work behind the scenes—customers see the 10% part," says Fuerth. "I'm more oriented to the business side and running a successful organized program."

Sake and French wines dominate the 900-bottle wine list. Pairing with chef Nakazawa's 7-course omakase cuisine is a delicate dance between wines that will appeal to the restaurant's upmarket clientele and offerings that subtly complement the range of food flavors.

Fuerth offers a different 2-ounce sake pour for each course, and his staff will also suggest other wine pairings. Fuerth offers 133 sake selections, and has cultivated personal relationships with brewers, visiting Japan and securing access to very rare sake expressions. Choices range from \$55 a 500-ml. of Kizakura Junmai Daiginjo to \$14,000 a 500-ml. of Niizawa Absolute 0 Junmai Daiginjo.

Sake bestsellers are all from the Niigata prefecture. "It's notable as a region for producing the clean, dry styles that our guests tend to prefer," says Fuerth. Popular ones are Soto Junmai Daiginjo, (\$120 a 720-ml. bottle; \$25 a 5-ounce pour), Kubota Hekijyu Junmai Daiginjo (\$130 a 720-ml.), and Kirin Zan Junmai Ginjo

(\$150 a 720-ml.; \$35 a 5-ounce pour). The restaurant serves by-the-glass sake in traditional wine stemware. "Everything the guest touches should be luxurious—it adds to the high end experience," Fuerth adds.

Sake remains an intimidating proposition for customers, 90% of whom have little experience with the category, Fuerth says. "Our sommeliers spend time educating customers and asking what they like to drink so they feel safe in our hands," he explains. "You really have to be fluid in navigating between demographics, budgets, and backgrounds." Sushi Nakazawa sommeliers themselves have discovered that sake education is basically a self-taught process. While Fuerth and several of his sommeliers in New York City and D.C. hold a certification from the Court of Master Somme-



**At Sushi Nakazawa in New York City, Dean Fuerth artfully pairs different sakes (pictured) with chef Daisuke Nakazawa's 7-course meal. Fuerth works with 106 different sake vendors, with the restaurant's bestsellers coming from Japan's Niigata region.**

liers, he notes that “sake doesn’t really apply to the credentials. We learn on the job, by tasting and experience.”

For those patrons who are reluctant to try sake, Fuerth offers more than 800 wine selections, from \$55 a 750-ml. of the 2016 Quinta do Perdigão Encruzado to \$9,900 a 750-ml. of the 1966 Maison Leroy Grands-Echezeaux Grand Cru. France dominates, and Fuerth says he plans on adding more Champagne and Burgundy producers, as well as regional wines that are not typically considered for sushi pairings. Sushi Nakazawa’s New York City location offers 20 wines by the glass, from \$16 for the 2018 Ridge Vineyards Grenache Blanc to \$110 for the 2009 Château Calon-Ségur St-Estèphe. Bestselling bottles include Agrapart 7 Crus Brut Blanc de Blancs Champagne (\$130 a 750-ml.), the 2017 Lucien Crochet Le Chêne Marchand Sancerre (\$115), and the 2015 Domaine Charles Audoin Les Longeroies Marsannay (\$135).

The D.C. property offers 500 wine selections, focusing on France and California. About 35% of the list is sake, and luxury offerings are popular. “Before the pandemic, we were moving through a lot of Domaine de la Romanée-Conti and comparably priced bottles on a weekly basis,” Fuerth notes. “We are still selling bottles in that price range after reopening, but with less frequency than before.” The venue also offers a whisky program, entirely Japanese-focused. Selections range from Suntory Toki (\$15 a 2-ounce pour) and Akashi White

Oak (\$18), to rarer offerings like Mars Komagatake Yakushima (\$114) and the 1990 Wakatsuru Saburomaru 27-year-old (\$240). Both Sushi Nakazawa locations serve five Japanese beers, including Anbai from Hitachino Nest and the fruity hefeweizen from Ginga Kogen, as well as heavier beers like Kizakura IPA.

### Recovery Strategies

As the restaurants look to emerge from the pandemic, Fuerth says, “We’re spending very cautiously and not replenishing higher-end wines.” Both properties use Coravin to offer reserve-level wine and sake pours. “Business has been very encouraging thus far, but I’m aware that at any point, the state or city government could decide to close restaurants again with no notice,” Fuerth adds. “I’m fortunate to have a large and well-stocked cellar to draw from, so for now I have a great deal of flexibility in terms of keeping the list intact and our guests happy while running through standing inventory.”

The past year “has been the great equalizer” for the restaurant industry, says Fuerth. “It will take a lot of time and effort to put the pieces back together,” he adds. “The stakes are higher than ever, and there’s a slew of new operational challenges, but there’s a light at the end of the tunnel, and no more important time to prove we’re playing for keeps.”

Jean Deitz Sexton

# BARTENURA

BLUE CHIP  
BRANDS  
2018

**IMPACT**  
BLUE CHIP BRAND

SECOND  
CONSECUTIVE YEAR



## BLUE GETS BLUER



# Trying To Beat The Chill

Venues relying on outdoor seating to survive Covid-19 get creative in winter weather

**F**rom mandated shutdowns to indoor occupancy limits and social distancing restrictions, restaurants and bars have had to rethink every facet of their operations during Covid-19. The expansion of outdoor dining during the summer and fall months helped many companies claw back precious revenue and keep staff employed, but as winter settles in across much of the country, those opportunities are dwindling.

"We're fortunate that we have spacious outdoor sidewalk cafés at each of our restaurants," says Doug Dunlay, a co-owner of Chicago-based 4 Star Restaurant Group, which operates seven concepts in the Windy City. "The outdoor dining option is the only thing that's kept us in business and allowed us to keep most of our staff employed. When the weather puts a stop to our outdoor set up, we anticipate a revenue drop of 60%-70%." Dunlay adds that even as Chicago reopened indoor dining in limited capacity, many restaurant and bar patrons in the city said they felt more comfortable outside, which is concerning for the winter months. His 4 Star Restaurant Group has already spent money on tents, greenhouse-like domes, and outdoor heating units to extend patio dining as much as possible, but he admits this is a temporary solution and won't be viable throughout all of the winter months.

In addition, city regulations on heaters and tents are limiting the company's options. "Keeping tents open on the sides renders them useless when the temperature drops below 60 degrees," Dunlay says. "And just about every heater currently available is fueled by propane. We're trying to extend our outdoor dining as much as possible, but all of these efforts come with an additional cost that's difficult to justify."

Boston also has long, cold winters, and outdoor dining will be difficult to maintain there too. Ran Duan, founder and owner of Blossom Bar and Baldwin Bar, applied for winter occupancy extensions for his patio spaces in an effort to keep outdoor business going as long as possible. Duan received a patio heater permit and purchased 20 heaters for his venues, though he notes that the warming units were more expensive than expected because of a supply shortage. "Despite our efforts to provide eat-in and takeout options through the

winter, we anticipate having the slowest winter in our history," Duan says. "We'll lose 50% occupancy if we have to close the patio, which will translate to an equivalent loss of business. We're planning to increase marketing and adapt more takeout kits and to-go cocktails to make up for low revenue. I worry most about my staff and providing jobs. If the numbers don't work out, our last resort will be to hibernate for winter until patio season starts again."

To help guests stay warm, Duan is also looking at warm cocktails to set the mood outside. One of his more popular options is the Hot Buttered Banana Rum (\$14), made with Santa Teresa 1796 Solera and Plantation OFTD rums, Lustau Solera Reserva brandy, house-made brown butter banana paste, and hot water, topped with passion fruit foam. Warm drinks are also at the forefront for New York City's Kimoto Rooftop in Brooklyn. The venue added several new offerings this winter, including a St-Germain and Jameson Irish whiskey-based Hot Toddy

(\$14), a Noilly Prat-based Mulled Vermouth (\$14), and the Spiced Apple Tea (\$14), which blends Bombay Sapphire gin, Martini Bianco, lemon juice, and Eager Cloudy Pressed apple juice that's been simmered with orange blossom honey, green apple slices, cinnamon, clove, cardamom, and black tea.

"Since we're a rooftop lounge, outdoor dining has always been one of the key factors that attract guests to our space," says Kimoto founder and owner Andy Lee. "When New York City started to allow outdoor dining during Covid-19, we took the opportunity to reformat our seating to provide guests with a more private and intimate atmosphere by installing partitions. Our roof is covered, so we've been open year-round prior to Covid-19, but recent restrictions create additional complexities."

Lee says his bar has used outdoor heating lamps in years past and plans to do so again, though he worries about how all the uncertainties will play out as winter takes hold. "The ever-changing landscape makes operating during the winter more difficult," Lee adds. "We anticipate business will be slower, as it's historically been for most lounges and restaurants in this city, but we strive to provide our guests with the same elevated experience year-round."



*In Chicago, 4 Star Restaurant group is using tents (Perch restaurant pictured) and outdoor heaters to keep its outdoor dining season going as colder weather sets in.*

mw

Laura Pelner

# Dressed For The Holidays

Rimmed glasses and cans make beer fun and festive

**W**ith the holidays here, that can only mean one thing at Big Choice Brewing in Brighton, Colorado: the return of its Peppermint Stout winter seasonal, served in a pint glass with candy cane powder around the rim. The release of this garnished beer (\$7 a 16-ounce pour) drives customers to the Big Choice brewery and pizzeria, where it's exclusively available. "Some customers come out just for Peppermint Stout, as it's limited and the presentation is very festive," says co-owner Andrea Miller. The glass is also adorned with a peppermint patty.

Rimmed beer glasses have become popular in recent years for both on- and off-premise consumption. Katie Brown, founder and CEO of Lone River Beverage Co., the marketer of Ranch Water hard seltzer, says this practice was borrowed from cocktail culture. "Consumers want to dress their beers now, whether in a glass or in a can," Brown explains. "Rims help provide a texture to malt beverages, just as they do for spirits-based cocktails." Max Bakker, senior educator at Anheuser-Busch InBev's (A-B InBev) Brewers Collective, adds, "Sweet, sour, and salty rims are the most popular as they add secondary flavor additions to the beer and often amplify the brightness and carbonation." Among A-B InBev's craft brews, Mango Cart wheat ale from Golden Road Brewing is often served with a Tajín seasoning rim.

Big Choice's candy cane-rimmed Peppermint Stout has become so popular that even consumers who buy it by the growler crush their own candy canes and garnish glasses at home, Miller says. And other Christmas brews have emerged as the perfect base for the practice. Great Lakes Brewing's Christmas ale, for example, has long been served with some type of holiday-inspired rim in its home state of Ohio. Melt Bar & Grilled, with ten locations in the Buckeye State, has offered Christmas ale with a cinnamon-sugar rim (\$7 a 16-ounce pour) since its opening 14 years ago, according to owner Matt Fish. "The Great Lakes Christmas ale—with notes of cinnamon, ginger and cloves—lends itself to this type of garnish," he says, noting



*At Big Choice Brewing in Colorado, the winter seasonal Peppermint Stout (pictured) is decorated with a crushed candy cane rim.*

that most guests who order the brew request the sweetened rim.

Similarly, at Brewnuts, a donut shop with a full bar in Cleveland, Great Lakes Christmas ale in a rimmed glass (\$8 a 16-ounce pour) is a popular call during the holidays. "We switch up the rim recipe each year, but ingredients typically include cardamom, cloves, brown sugar, and cinnamon," says co-owner Shelley Pippin. "I've even used finely crushed ginger snaps." About 60% of the customers who order the brew request the rim, she adds.

Lone River's Brown says consumers who purchase Ranch Water—currently available at retail stores in Texas and Tennessee in cans—often garnish rims with fruit-based chamoy and Tajín seasonings. "It's been fun to see the organic trend dressing our cans," Brown says. "They're looking to add texture to the can, just as you do at a bar with a cocktail."

Decorative rims can help establish venues as unique beer destinations. "It's an added bonus," says Fish of the Great

Lakes Christmas ale garnish. "It helps set us apart from those who serve the beer without the rim." But he adds that the practice may not make sense for all accounts. "It's a little extra work so it may not be ideal for high-traffic sports bars or entertainment venues." Brewnuts' Pippin, meanwhile, cautions that some garnishes—such as the honey that she uses when preparing the Christmas ale glass—can get messy. "But with practice, proper presentation can be perfected," she says.

Big Choice's Miller encourages bar and restaurant operators to be creative with beer rims. "Don't be afraid," she says. "Thinking outside the box with practices such as the beer rim has helped to set us apart." Pippin advises retailers considering beer rims to know their audience. "If you cater to beer purists, some may balk," she says. "At Brewnuts we're known for doing creative things so our customers expect it." But offering too many could lead to overkill. "We've thought about decorating other beers, such as pumpkin brews in the fall," she explains. "But we've decided to limit it to just the Christmas ale so it's a one-off treat. Customers look forward to it."

**mw**

Terri Allan

# SCOTTISH SPIRIT MEETS KENTUCKY SOUL

≡ RICH CARAMEL ≡  
AND BAKED APPLE NOTES  
REFINED 14 YEARS



SKILLFULLY CRAFTED. ENJOY RESPONSIBLY. GLENFIDDICH SINGLE MALT SCOTCH WHISKY, 43% ALC./VOL. ©2020 IMPORTED BY WILLIAM GRANT & SONS, NEW YORK, NY.

# SAVOR THE GOOD LIFE



**JOIN THE RETAIL CLUB  
AND SAVE 50% OFF THE COVER PRICE  
WHEN YOU SELL THESE PUBLICATIONS!**

**50% WHOLESALE DISCOUNT OFF EACH ISSUE**

**FREE RETAIL LISTING AND ACTIVE LINK**

[WineSpectator.com](http://WineSpectator.com)

[CigarAficionado.com](http://CigarAficionado.com)

[WhiskyAdvocate.com](http://WhiskyAdvocate.com)

**FREE ADVANCE NEWSLETTER**

previewing upcoming issues' highly-rated cigars, wines & whiskies

**FREE PRINTED SHELF TALKERS**

**FREE CUSTOM-DESIGNED DISPLAY RACK**

**FREE SHIPPING AND HANDLING IN THE U.S.**

**FREE CUSTOMER SERVICE ASSISTANCE**

To place an order, call 800-344-0763 or email [retailsales@mshanken.com](mailto:retailsales@mshanken.com)

## On-Premise News

### Industry Vet Launches

**Remote Cocktail Hour Concept**  
Wilson Daniels veteran Alex Schreengost has launched Virtual With Us, a new interactive remote cocktail hour concept aimed at businesses and other large organizations. The company partners with sommeliers including Jennifer Foucher (formerly of Fiola), Joshua Lit (formerly of Gotham Bar & Grill), and Brian Long (Marea) to host happy hours for businesses' employees—many of whom continue to work remotely—with wines sourced from local retailers. In the future, Virtual With Us plans to also launch in-person events including exclusive corporate trips and pop-up dining experiences, among other offerings.

## Off-Premise News

### Drizly And Spec's Grow Partnership

E-commerce heavyweight Drizly and Texas retailer Spec's have expanded their partnership, adding online ordering and delivery at 34 more Spec's locations in the Lone Star State. This expansion adds 25 stores in Houston and nine in Austin, and brings the Drizly/Spec's partnership to 161 stores statewide. According to Drizly, online sales in Houston and Austin have spiked during the pandemic, up 620% and 350%, respectively, since March. This new expansion will bring roughly 570,000 new potential consumers into Drizly's reach.

## Supplier News—Spirits

### American Spirits Face New Tariffs In European Union

The European Union (E.U.) has expanded tariffs on American goods including several spirits categories. Twenty trade associations, including the Distilled Spirits Council of the United States (DISCUS) and Wine & Spirits Wholesalers of America

(WSWA), among others, have released a statement imploring the E.U. to abandon the escalation. While American whiskies are already under tariffs in the E.U., the new round of 25% levies includes rum, brandy, vodka, and vermouth.

In a statement, the trade groups wrote, "Hospitality businesses and our consumers, as well as producers, wholesalers, and importers of distilled spirits, wine, and beer are being slammed from both sides of the Atlantic in an aircraft dispute wholly unrelated to the drinks business." The groups added that the trade war has already stressed businesses facing existential threats from the Covid-19 pandemic and related shutdowns.

According to DISCUS, American whiskey exports to the E.U. (which includes the UK until it departs the E.U. customs union) have fallen 41%, costing producers more than \$300 million, since the E.U.'s 25% retaliatory tariff went into effect in June 2018.

### Hanyu Distillery To Be Rebuilt

Toa Shuzo Co. Ltd., owner of legendary Japanese whisky brand Hanyu—which rose to fame through the Ichiro's Malt Card Series, one of the most coveted whisky collections in the world—has announced plans to rebuild the distillery, which closed two decades ago. The company is aiming for a quick construction period and a February 2021 reopening, telling MARKET WATCH sister publication Whisky Advocate, "Hanyu distillery will be revived."

### Writers' Tears

#### Announces Packaging Refresh

Irish whiskey brand Writers' Tears is getting a packaging refresh across its full line. All six expressions of Writers' Tears now feature a cork and foil closure. The brand's tall, Victorian-style bottle now also features an embossed teardrop above the label and debossing on the Writers' Tears name on the glass base,

and the bottle is 2-mm wider and slightly heavier than before. The main labels have also been redesigned and feature additional writerly elements, like expression-specific "chapter numbers" denoting the order in which each release was originally created. Writers' Tears is produced by Carlow, Ireland-based Walsh Whiskey, which also produces whiskey line The Irishman. Writers' Tears is handled by Hotaling in the U.S.

### La Crosse Partners With Breakthru In Two States

Wisconsin-based La Crosse Distilling Company has partnered with Breakthru Beverage for distribution in Colorado and Minnesota. The company specializes in organic spirits and will take its Fieldnotes vodka (\$19 a 750-ml.), Fieldnotes gin (\$29), High Rye Light whiskey (\$29), and Downtown Toodeloo Rock and Rye whiskey (\$29) to these new markets. They have plans to debut their Straight Rye whiskey and brandy in early 2021. The geothermal-powered distillery recently celebrated its second anniversary and is on pace to deplete more than 5,000 cases this year.

### Blue Ridge Spirits To Market Loch Lomond In U.S.

Scotland's Loch Lomond Group has appointed Blue Ridge Spirits & Wine Marketing as its new U.S. sales and marketing agency, beginning January 1. The new partnership will give Blue Ridge responsibility for the Loch Lomond and Glen Scotia brands across the U.S., including Loch Lomond 12-year-old, Loch Lomond Original, Loch Lomond Open Golf Championship Special Editions, Loch Lomond 18-year-old, and the full Glen Scotia range, from non-age statement whiskies up to the brand's 25-year-old release. Loch Lomond's whiskies join Brockman's gin, Heering cherry liqueur, and Chocovine, among other brands, in the Blue Ridge portfolio. Loch Lomond previously had a U.S. partnership with Stoli Group.

## Disaronno Begins New Ad Campaign

Disaronno has launched a new global advertising campaign titled “The Endless Dolce Vita.” The campaign consists of a commercial that will air on U.S. TV through the end of the year and appear across Disaronno’s social media channels including Instagram, Facebook, and Snapchat. The 30-second spot is in black and white and was shot in Rome, juxtaposing classic Italian scenery with contemporary consumers. It will air on AMC, Bravo, Comedy Central, and FX, among numerous other channels. Disaronno was up 1.5% worldwide to 1.6 million cases last year, according to Impact Databank.

## Supplier News—Wine

### Gallo-Constellation Deal Inches Forward

Constellation Brands’ and E. & J. Gallo Winery’s proposed \$1 billion deal, shifting a number of brands from the former company to the latter, has taken another step forward. In November, Constellation announced that both companies have signed an FTC Agreement Containing Consent Order that, if accepted by the government, will allow the deal to close in the fiscal fourth quarter of 2021. The review process typically takes anywhere from 30-45 days.

The deal, in its current form, would shift a number of brands priced at or below \$11, including Clos du Bois, Black Box, and Mark West, among others, from Constellation to Gallo and contains a \$250 million earnout if performance goals are met within two years of the deal closing. In addition, Constellation announced that it expects two other substantial sales to finalize by the end of fiscal 2021 (which ends next February): its \$130 million sale of Nobile—also to E. & J. Gallo—and its \$255 million sale of Paul Masson Grande Amber Brandy to Sazerac.

### Court of Master Sommeliers To Restructure After Scandal

The chairman of the Court of Master Sommeliers-Americas (CMS-A) stepped down November 6, and the group announced plans for an overhaul, following its earlier suspension of seven male master sommeliers from all activities and the resignation of another. All stand accused of sexually harassing women who were pursuing certification with the group. Three additional master sommeliers were suspended that same day, and an independent investigator has been appointed to follow up on all allegations.

“We agree that a reformed CMS-A is the only path forward to ensuring the organization’s existence and integrity, and to better protect the people who look to be educated and earn the credentials for which we have all worked so hard,” wrote board vice chair Virginia Philip in a letter to all master sommeliers. Philip will oversee the transition, temporarily taking over from CMS-A chairman Devon Broglie, who resigned after numerous members of the sommelier community called for his departure and shortly before allegations of his own inappropriate behavior came to public light. She said she will oversee the transition and then step down at the end of her term. The group held a town hall with members on November 11 to discuss proposed reforms and a timeline for a new board election.

On November 8, following continued criticism, the Court publicly posted that the entire 15-member board would be up for election and resign as soon as new officers were voted in. The actions were sparked by a New York Times article detailing complaints about six of the men from 21 women who alleged that they had been groped, sent explicit texts, pressured for sex in exchange for professional favors, and even raped.

### Treasury Wine Estates’ Penfolds Demerger On Hold

Treasury Wine Estates (TWE) is pausing its previously announced plan to demerge its Penfolds business as it

sharpens its focus on restructuring in the U.S. and surfing tumultuous market conditions in China, where new tariffs are being threatened on Australian wines.

Treasury announced in April that Penfolds—which accounts for 10% of company volume and more than half of profits—could be spun into its own business to allow the rest of the TWE portfolio to accelerate its premiumization drive. CEO Tim Ford said the company continues to see value in that plan, but will not complete the demerger by the end of 2021 as previously floated. Instead it’s focusing on building momentum in the U.S., where it’s continuing “to explore the potential divestiture of selected brands and assets,” as it stated in August. Treasury’s Americas region saw sales slip 6% to A\$1.1 billion (A\$790 million) in the year through June, with EBITs down 37% to A\$147 million (\$105 million).

Ford said U.S. conditions improved in its fiscal first quarter ended in September, with total depletions up 5% and its focus brands up 31%. He added that the company’s Sterling winery saw “minor external damage to buildings and surrounds” from the recent California wildfires, and that TWE expects its California business to see “a reduced overall intake, particularly for the luxury tiers, driven both by the impact of the fires, related smoke taint, and lower overall yields.”

Meanwhile, TWE said it “has been advised that the China Alcoholic Drinks Association (CADA) has submitted a written request to the Chinese Ministry of Commerce (MOFCOM) that imports of Australian wine in containers of two liters or less into China be subject to retrospective tariffs.”

It’s unclear whether the Chinese government will accede to the request, but if enacted the tariffs could stunt Australian wine’s growth in its largest export market by far. Australia’s shipments to China advanced 4% to A\$1.17 billion (\$840 million) in the 12 months through September, according to Wine Australia. Ford said TWE has seen

"strong recovery in consumer demand for its brands" in China over the past few months following the disruption earlier in the year due to Covid-19.

### Ménage à Trois Launches First Television Ad

Ménage à Trois, part of the Trinchero Family Estates portfolio, has debuted its first-ever television advertising campaign. The new commercial highlights the brand's Red Blend, Silk, and Gold wines. The 30-second spot is now airing on the Bravo, Food Network, HGTV, TLC, and Lifetime networks, as well as on Roku streaming devices, slated for prime time, daytime, and weekend slots. Ménage à Trois has annual U.S. volume of approximately 3 million cases, according to Impact Databank.

### Winebow Donates To Wildfire Relief

Winebow is donating \$50,000 to support the wildfire relief efforts in Northern California. The donation will be divided between the Napa Valley Community Foundation and the Sonoma County Resilience Fund to help provide much-needed aid to residents in the region. Winebow operates as a distributor in 19 markets across the U.S., and represents more than 100 estates from Europe and the Southern Hemisphere through its Winebow Imports unit.

### Piper-Heidsieck Transitions To Folio Fine Wine Partners

Piper-Heidsieck, the third-largest Champagne brand in the U.S. by volume, has moved to the portfolio of Folio Fine Wine Partners, the California-based importer and marketer in which Piper owner EPI recently took a majority stake. Piper was previously handled in the U.S. by Terlato Wine Group, which had a successful run with the brand, growing depletions from 56,000 cases in 2017 to 80,000 cases last year, according to Impact Databank.

The Piper-Heidsieck portfolio includes Brut (\$45), Extra Dry (\$45) Sublime (\$50), Rosé Sauvage (\$60), and

2012 Vintage Brut (\$80). Wines in the limited-edition Rare portfolio include the Rare Brut (\$180) and Rare Rosé (\$450). The brand's marketing has included sponsorships as the official Champagne of the Academy Awards since 2015 and as the official sponsor of the Cannes Film Festival for two decades. Folio's range spans wine brands from California, Italy, France, Argentina, Portugal, Spain, Washington state, Austria and South Africa.

### Supplier News—Beer

#### Dixie Beer Becomes Faubourg Brewing Co.

New Orleans, Louisiana's oldest brewery, Dixie Beer, has changed its name, and is now operating as Faubourg Brewing Co. The name change follows discussions with community and industry leaders about the history of the word Dixie and is meant to signal that Faubourg's beers are brewed for everyone. The rebranding will be complete by early 2021 when Faubourg tap handles and packaging will be available in bars and on retail shelves. In addition, Faubourg will expand its Dixie Beer Museum to show the wide history of brewing in New Orleans.

### Cannabis News

#### Voters Approve Recreational Cannabis In Four States

Cannabis initiatives swept on election night last month, going five-for-five in states voting on the matter. New Jersey, Arizona, Montana, and South Dakota approved recreational cannabis legalization, and Mississippi voters overwhelmingly chose the more generous of the two medical programs under consideration.

With 62.6% of precincts reporting at press time, New Jersey's Public Question 1 had 66.9% approval and, with 85.3% reporting, Arizona's Prop. 207 was at 59.8%, a strong sign of changing public opinion on the topic. For comparison, both figures are higher than the percent-

age of 'yes' votes in either Washington or Oregon when they legalized in 2012 and 2014, respectively.

Beyond its borders, New Jersey is seen as a key domino to fall in the Northeast. By beating New York and Pennsylvania to the punch, the Garden State is in position to reap an out-of-state windfall from residents in New York City and Philadelphia. New York Governor Andrew Cuomo, who has pushed for legalization in his state the last two years, recently reiterated the draw of cannabis tax revenue, especially now that Covid-19 has pressured the Empire State's coffers. Pennsylvania Governor Tom Wolf has also begun speaking out in support of the issue. Likewise, Rhode Island is in the early stages of preparation to legalize because, according to governor Gina Raimondo, the state is being hemmed in by legal markets such as neighboring Massachusetts and will be forced to deal with the costs of recreational cannabis without the benefits unless it acts.

### CBD Brand Debuts Three New Formulations

Minneapolis-based CBD brand Soar is launching three new formulations to its lineup. The first of the additions, Harmony Held Wellness Tincture, combines CBD with MCT oil (medium-chain triglycerides), which is said to have a range of health benefits; a bottle containing 500 mg of CBD retails for \$35. The second, Energy Enhanced Peppermint combines 500 mg of CBD and 500 mg of CBG, or cannabigerol, a cannabinoid from which many other cannabinoids derive that has pain-reducing properties. The third is Sleep Secured Lemon Essence, which contains 500 mg of CBD and 150 mg of CBN, or cannabinol, another cannabinoid that works as a sleep aid. The latter two both retail for \$50.

**Verano Holdings Acquires Florida Medical Player AltMed**  
Chicago, Illinois-based Verano Holdings has struck a deal to acquire Alter-

# Discover Your New Favorite Whisky

Every issue features ratings and reviews you can rely on.



Visit the **NEW**  
[WhiskyAdvocate.com](http://WhiskyAdvocate.com)  
to subscribe.

native Medical Enterprises, a medical cannabis company generally referred to as AltMed. Founded in 2014, AltMed operates in Arizona and Florida as a cultivator, product manufacturer, and retailer with 300,000 square feet of cultivation space, the majority of which is in Florida, and 27 active retail locations. Verano is active in 12 states through its brands Encore, Avexia, and Verano, as well as through its Zen Leaf dispensaries. Terms of the deal were not disclosed.

The combined company will be led by Verano founder and CEO George Archos. "The combination of Verano and AltMed is expected to create one of the largest private cannabis companies with truly no redundancies in geography or operations," he said. "AltMed is an ideal partner to accelerate our shared vision to be one of the most innovative and profitable cannabis operators in the country." Michael Smullen, chairman, CEO, and co-founder of AltMed, will join the board of the combined company, which will also bring on Bill Petron of AltMed Arizona.

Once the deal closes, the company will continue to operate under the Verano name, boasting operations in 14 states, eight cultivation facilities, 44 active retail locations, and an additional 32 retail locations planned.

## Legal News

### Total Wine Lodges New Appeal In New York Expansion Bid

Maryland-based retail giant Total Wine & More won't back down in its quest to open a second store in the Empire State. Under the name MCT New York Fine Wine & Spirits, the owners of Total Wine filed an appeal at the Queens County Supreme Court this week in an effort to overturn the New York State Liquor Authority's

(SLA) June denial of its plan to open a megastore in Queens, New York.

MCT claims the SLA's rejection was an "abuse of discretion" because the state agency isn't empowered to protect the interests of existing stores or eliminate competition. About 350 liquor stores in the area vehemently oppose the proposal and deny the need for the store. MCT claims it would fill a consumer need and promote economic development. At press time, the court was scheduled to hold a virtual conference on the appeal Monday, November 23. Total Wine has more than 200 stores in 25 states, including one in Westbury on Long Island, but has so far been stymied in its attempts to further increase its New York footprint.

## In Memoriam

### Port Icon James Symington

Symington Family Estates announced the passing of Port industry icon James Symington, who helped shape the Port producer into one of the global category leaders. Born in Porto in 1934, he was part of the third generation of the Symington family to produce Port. Working as a taster and blender in his early years, Symington was responsible for making Dow's and Warre's 1966 and 1970 Vintage Ports as well as Graham's 1970, some of the most highly regarded Ports of the 20<sup>th</sup> century. In 1985, he launched San Francisco-based Premium Port Wines to import Symington's range to the U.S., and his friendships with Miguel Torres, Piero Antinori, and Robert Drouhin led to the Symington family becoming one of the founding members of the Primum Familiae Vini in 1992. Symington's son Rupert is CEO of Symington Family Estates today, and his grandson Hugh has been with Premium Port Wines since 2018.

**mw**  
The Editors

## ON THE MOVE

**mw**

Following the recent appointment of David Dearie as president and CEO, Woodinville, Washington-based Ste. Michelle Wine Estates has tapped **Stuart McNab** as chief supply officer, a newly created position. McNab, who will report directly to Dearie, will lead all winemaking, vineyard, and operations functions for the company. He previously served as chief supply officer for Treasury Wine Estates, and held similar leadership positions with Fosters Group and Southcorp Wines. Ste. Michelle has also appointed **Derika Legg** as vice president for the company's west region. Legg joins the company from D2 Consulting and On the Horizon Counseling, which she founded in 2016. In addition to her years at D2, Legg has experience in the beverage world, having served in senior executive roles at PepsiCo.

Beam Suntory has tapped **Victoria Russell** as the company's first chief diversity and inclusion officer, part of the senior leadership team. This move underscores the steps Beam Suntory is taking to shift its culture and prioritize diversity and inclusion. Russell joins Beam following a 14-year career at Papa John's International.

California's Wente Family Estates has announced new promotions within its sales and marketing team. **Tyson Overton**, who has been with the company since 2014 and was most recently executive vice president and chief sales officer, is now chief sales and marketing officer. **Aly Wente**, a fifth-generation family member who joined the company last year, is now director of marketing.

Southern Glazer's Wine & Spirits (SGWS) has named **John Landry** as executive vice president and general manager for Nevada. Since 2012, Landry has served as executive vice president and general manager of SGWS's Coastal Pacific Wine & Spirits division, based in Washington. Southern Glazer's has also promoted **Kim Scarpone** to senior vice president of spirits for Nevada. Scarpone previously led SGWS business in

Pennsylvania as executive vice president and general manager.

Geyserville, California-based Marietta Cellars has appointed **Brian Lynch** as vice president of sales and marketing. Lynch joins from Kermit Lynch Wine Merchant, where he was director of national sales; prior to that he served as national sales manager for SakeOne, as well as national sales manager and vice president of business relations and education for Wilson Daniels.

Dallas, Texas-based Oak & Eden has named **James Campbell** as senior vice president of sales and national accounts. Campbell joins Oak & Eden with nearly 30 years of industry experience, including time at E. & J. Gallo and Southern Glazer's Wine & Spirits, where he was most recently vice president of the Paramount Wine and Spirits unit.

Napa, California-based Grounded Wine Co. has added two new members to its sales force. The company has named **Mack Hoehner** as managing director and senior vice president of sales. Hoehner joins Grounded from Vintage Wine Estates and has more than 30 years of industry experience, including time with Gallo and as a southwest regional manager for several companies. In addition, **Catherine Jamison** will join the Grounded team and help manage chain sales and retail distribution. She joins the company with two decades of experience, most recently as director of sales and strategic retail at Young's Market Co.

Napa Valley's Groth Vineyards & Winery has promoted director of winegrowing **Cameron Parry** to winemaker emeritus, following the retirement of Michael Weis, who served the company for 26 years. Weis recruited Parry to the winery in 2014. Among Weis' contributions are the replanting of Groth's Reserve Vineyard, overseeing the rebuilding of Groth's winery, doubling barrel and fermentation capacity, and modernizing the facility to handle new blocks of grapes.

*Jessica Beebe*



**Stuart McNab**



**Victoria Russell**



**Tyson Overton**



**John Landry**



The courtyard of the Hospices de Beaune in Burgundy, seen in this photo from 1930. This is the venue for the wine world's oldest and most famous charity auction, which is held each year on the third Sunday in November.

The 160<sup>th</sup> Hospices de Beaune auction was scheduled to take place on November 15, but was postponed.

As we went to press, organizers were seeking to reschedule it.



## BUILDING A STRONG TOMORROW.

TOGETHER, WE'LL REACH NEW HEIGHTS AND CREATE  
MORE MOMENTS WORTH REACHING FOR.

Please enjoy our products responsibly. © 2020 Constellation Brands Inc., Victor, NY.

  
Constellation  
Brands

