

## 2011 IMPORTED WINE HOT BRANDS<sup>1,2</sup>

(thousands of nine-liter case depletions)

Brand	Importer	2008	2009	2010	2011E	Percent Change		
						'08-'09	'09-'10	'10-'11E
FishEye <sup>3</sup>	The Wine Group	1,200	1,400	1,600	1,900	16.7%	14.3%	18.8%
Verdi	Carriage House Imports Ltd.	825	950	1,065	1,185	15.2	12.1	11.3
Alamos	E&J Gallo Winery	-	75	345	595	+	+	72.5
ChocoVine	Clever Imports LLC	15	90	450	550	+	+	22.2
Santa Rita	Palm Bay International Inc.	355	370	430	505	4.2	16.2	17.4
Kim Crawford	Constellation	300	350	390	450	16.7	11.4	15.4
Relax Riesling	Schmitt Söhne Inc.	235	280	360	400	19.1	28.6	11.1
Sparkletini	Carriage House Imports Ltd.	205	270	325	370	31.7	20.4	13.8
Layer Cake <sup>3</sup>	Vintage Point	65	185	250	350	+	35.1	40.0
Mionetto	Mionetto USA	180	220	265	320	22.2	20.5	20.8
Oyster Bay	Oyster Bay Wines USA Inc.	155	190	245	300	22.6	28.9	22.4
La Vieille Ferme	Vineyard Brands Inc.	135	220	250	275	63.0%	13.6%	10.0%

### <sup>1</sup> Criteria:

Established brand with double-digit growth each year in 2009, 2010 and 2011

Established brand with at least 15% growth, 2010-2011

Special consideration – top ten brand with at least 5% growth in 2011 and at least 15% growth since 2008

Significant new product

### <sup>2</sup> Calendar 2011 minimum volume requirement = 250,000 cases

### <sup>3</sup> Predominantly imported, but also includes some varietals sourced from California

Source: IMPACT DATABANK ©2012

wine offering on the list, 14 Hands was up to 775,000 cases last year, compared to slightly more than 400,000 in 2010. Brand manager Dave Griffiths says that the brand's Hot to Trot Red Blend (\$10), which launched alongside a White Blend counterpart in 2010, has particularly helped drive 14 Hands' recent performance.

Finally, both Bogle Vineyards and Domaine Napa Wine Co. claimed a winner each, with Bogle and Coastal Vines, respectively. Longtime Hot Brand winner Bogle has demonstrated steady growth since 2001, despite being priced slightly above the mainstream \$10 range. Meanwhile, Coastal Vines is an on-premise label only that specializes in offering restaurants a wide range of classic varietals, including Chardonnay, Pinot Grigio, White Zinfandel, Petite Sirah, Pinot Noir, Cabernet Sauvignon and Merlot, as well as a sparkling wine. The brand increased volume 11.3 percent last year, hitting slightly under 300,000 cases.

## Imported Wines Contract

Like their domestic counterparts, this year's imported wine Hot Brands faced tougher competition, with the list shrinking down from 16 to just a dozen entries. Despite the disappearance of its cask wine brand Octavin, The Wine Group maintained its lead position with Australian offering FishEye (\$7 a 750-ml. bottle), which grew almost 19 percent, reaching 1.9 million cases and earning its seventh consecutive win. To keep pace with demand, The Wine Group purchased a 100,000-ton-capacity facility in Loxton, Australia, last August. The group intends to ramp up production on FishEye and portfoliomates Foxhorn and Little Roo.

E&J Gallo's Alamos (\$13 to \$20 a 750-ml. bottle), meanwhile, is the sole Argentine import on this year's roster, despite the steady growth Argentine wines have experienced in the U.S. market over the past few years. (Bottled wine exports from Argentina to the United States—the category's leading export market—advanced 2 percent by volume and 12 percent by value in 2011.) The brand, which only entered the market roughly three years ago, achieved the fastest growth of any imported wine Hot Brand, increasing by more than 72 percent in 2011 after more than quadrupling its volume the year prior. Produced by Bodegas Alamos in Argentina's Mendoza region, the core range features premium-priced Chardonnay, Torrontés, Malbec and Cabernet Sauvignon varietals in the U.S. market. Likewise, a single Chilean import, Palm Bay International's Santa Rita, graces the list, following the fall off of Shaw-Ross International's Gato Negro brand. The third-largest Chilean wine brand (excluding bulk) in the United States, Santa Rita grew 17.4 percent last year to surpass 500,000 cases.

Carriage House Imports Ltd.'s Verdi has certainly benefited from sparkling wine's strong growth trends, earning its ninth-consecutive Hot Brands win. The affordably priced Italian import was joined in the category by sister brand Sparkletini, which features Green Apple, Peach and Raspberry expressions. Meanwhile, Brooklyn, New York-based Mionetto USA's eponymous Italian Prosecco brand (\$11 a 750-ml. bottle) has been the category leader for the past half-decade. After increasing volume 20 percent in 2010, the brand had a repeat performance in 2011, growing to 320,000 cases.