



**Volume 18, No.32** (published by the Wine Gallery, Bozeman, MT) **August 22, 2018**

## **What's new in the Grapevine this week?**

- **Fun Facts about wine**
- **The state of the Wine Biz**
- **Customer Faves for Summer**

### **A few fun facts on wine**

Not a week goes by that I don't get an interesting fact, a quotation or a "rule of thumb" about wine. I keep many of them in a little file and pull them out now and again to put in the Grapevine. Here are a few odds and ends that I found to be pretty interesting:

- It is estimated that 30 million gallons of wine were lost in the 1906 San Francisco earthquake
- The word "ton" is derived from a "tun", or wine barrel. It gets its name from the French "tonnerre," or "thunder," from the sound the barrels made when rolled.
- The dye used to stamp the grade on meat is edible. It's made from grape skins
- Two hundred years ago Thomas Jefferson ran the White House with only eleven servants (Abigail Adams had needed 30!), brought up from Monticello. There were no more powdered wigs, much less ceremony. Washington and Adams, according to Republican critics, had kept up almost a royal court. Jefferson substituted Republican simplicity - to a point. He had a French chef, and French wines he personally selected. His salary was \$25,000 per year - a princely sum, but the expenses were also great. In 1801 Jefferson spent \$6500 for provisions and groceries, \$2700 for servants, \$500 for Meriwether Lewis's salary, and \$3,000 for wine."

(From *Undaunted Courage: Meriwether Lewis, Thomas Jefferson, and the Opening of the American West*, by Stephen E Ambrose)

- Wine has so many organic chemical compounds it is considered more complex than blood serum.
- Pinot Noir is all the rage these days and Merlot was the “hot” varietal in 1999, but in 1949, the “darling of the California wine industry” was Muscatel!
- Wine is fat free, gluten free, lactose free, cholesterol free, soy free, nut free and virtually sodium and protein free. Most dry wines are carb free as well.

## **The wine biz 2018**

We track our Wine Gallery sales to see what is going on in our market to try to stock the shelves with the wines people want. For the most part our sales follow the national trends. Here are the trends we see with a little back-up data from national surveys:

***The Five Most Popular Wine Varietals/Styles*** by revenue in 2017 remain the same as in 2016: 1) Chardonnay, 2) Cabernet Sauvignon, 3) Red blends, 4) Pinot Grigio/Gris, and 5) Pinot Noir (as reported by Nielsen 2018). This is expected to continue in 2018, but Chardonnay has fallen to .9% growth, with predictions that Cabernet Sauvignon could overtake it as most popular varietal in the next year or two.

***Fastest Growth Wine Categories*** continue to be Rose', Sparkling and Sauvignon Blanc – with Rose' in the lead with a 59% increase in value from the previous year! Top selling Rose' by country is France at 51% of the market, followed by the US at 37% and Italy at 5%. The largest Rose category by price point is the \$11 – \$15 bottle at 31% of the rose' category (Nielsen, 2018).

***Fastest Wine Growth by Country/Region*** is Oregon in first place, up over 15% in both volume and value. In 2017 Oregon overtook Washington State for second place in the number of wineries. Oregon is followed by France and New Zealand – both growing at double digits (Nielsen, 2018).

With respect to grape varieties, \$11 to \$14.95 Cabernet Sauvignon as well as \$15 to \$19.95 Chardonnay—in terms of red and white—predominate with respect to premium wine growth in the U.S. and at the Wine Gallery. Red blends continue to sell decently, providing winemakers latitude in their choice of grapes, and providing consumers with ease of purchase in that they can ignore comparing different specific varietals. Their sales will depend on the ability of producers to maintain consistency.

No report would be complete without a section on who is buying wine. We categorize our customers' buying trends based on age ranges of four generations—Millennials (age 22-38), Gen Xers (age 39-50), Boomers (age 51-68) and Matures (age 69+). The trends dynamically evolve based on income, as well as the predominant food/drink culture. While Millennials and Gen Xers now consume liquor and beer more frequently than wine, Boomers and Matures are more likely to have consumed wine in any given week. Yet within the past dozen years, both Millennials and Gen Xers have tended to increase their wine purchases each year, while for Boomer and Matures this trend is somewhat on the decline just due to attrition. The report predicts that Millennials will surpass Gen Xers to become the largest fine wine consuming generation by the year 2026. Of course, that figure is based on consumption not revenue.

Tiffany and I had a good conversation about our demographic age groups and we came to the same conclusion. While our current base is Boomers and Matures, one of the market rules that is consistent is no matter the cohort, the age where consumers spend the most in retail falls between 35 and 55. Gen X is that cohort today, but they are in second place in terms of consumption of fine wine. They have the willingness and capacity to buy, but they lack numbers compared with Boomers. Largely ignored by the retail wine press, Gen Xers entered the workforce at a good time economically, and with fewer college graduates competing for careers compared with the generations bracketing them, Gen Xers have had a comparatively easy time building wealth. Today, Gen X is at the top of income and spending. Their presence has been below the radar, but their consumption continues to increase. They are perfectly positioned to surpass Baby Boomers as the dominant cohort in fine wine consumption around 2021. With both capacity and willingness, Gen Xers will be a major focus for the wine industry.

## **Customer faves for summer**

You just read about the best-selling wine categories so let me get you up to date on what is doing well with Wine Gallery customers. I always say it is no trick to sell a bottle of wine, the proof in the pudding is what wines bring people back to the Wine Gallery. This isn't to say everyone likes the same thing but the following wines are the ones that people have loved this summer:

Summer is Rose' season and with a 58% uptick in sales for Rose' in the last year, it isn't surprising that the **Commanderie de Bargemon** Rose' is at the top of our summer sellers list. It has the three P's: pale, pink and from Provence. It offers classic aromas of wild strawberries and red currants, with a light, floral character and a crisp, bone-dry palate. At **\$16**, it seems to check all the boxes.

Another rose' in the top seller category is the **Villa Wolf Rose'** of Pinot Noir. While dry in style and subtle on the nose, this fruity fresh rosé offers loads of concentrated raspberry, melon and peach flavors. Light on its feet and imminently quaffable with just a hint of spritz, it's an irresistible warm-weather sip at an approachable price.--**\$13**

There is big demand for Chardonnay in the summer and this year the king of Chardonnay is the **Matchbook Old Head Chard**. It has generous, but not overt, flavors to make a great combination in this creamy, yummy and full-bodied wine. It has everything from toasty oak and lemon curd to mild marzipan nuances that interlace with good acidity for a balanced palate and a lingering finish. It got 92 points and Best Buy from Wine Enthusiast and only costs **\$12.50!**

I did mention that sparkling wine is gaining market share and my personal favorite (I drink it on my birthday) is the **Roederer Estate** from California. This newest edition got **93 points from both Wine Spectator and Wine Enthusiast** so it leads the pack for sparklers. It runs **\$27.50** claiming a great price/value ratio.

Red blends do well, especially during grilling season and the Wine Gallery has a couple of standouts for 2018. The **Tenshen Red** from California is built on the same varietal platform as the Prisoner but sells for about half the price. A lot of our customers have recognized this is a whopper of a wine for the price. Black cherry, oregano, eucalyptus and dried sage show on the nose. The palate packs a mix of herbal seasonings, including anise and spearmint, alongside black cherry and baked blueberry fruit. (**\$25.95**)

The other red blend that is doing well is the **Thurston-Wolfe JTW Blend**. A 50-50% blend of Cabernet and Zinfandel, it is a rare wine with dark fruit and oaky spice on a rich full-bodied finish. At **\$11.95**, it is the ideal camping and patio wine for summer. If you would like to order any of these wines, call us at 586-8828 or send an e-mail to [bozemanwinegallery@gmail.com](mailto:bozemanwinegallery@gmail.com)

