

# FINAL APPROVED

## Wholesale News

### April 2010 – Wine

This column is based on data for over 11,000 independent stores 5,000 of which are symbol stores.

RANK		WINE	MAT 52 WEEKS		
TY	LY		LY	TY	% CHANGE
1	1	BLOSSOM HILL			10.8%
2	3	ECHO FALLS			34.3%
3	4	JACOBS CREEK			7.2%
4	5	HARDYS			36.9%
5	2	GALLO			-17.2%
6	7	LINDEMANS			25.4%
7	9	KUMALA			27.0%
8	6	STOWELLS			-22.6%
9	8	BUCKFAST			-1.1%
10	11	JP CHENET			47.3%
		<b>CATEGORY TOTAL</b>	<b>£194,809,965</b>	<b>£211,100,190</b>	<b>8.4%</b>

The Wine category continues to perform well with 8.4% growth in the 52 weeks to 12th March 2010, comparing favourably with the independent sector as a whole (6.7%).

In the current economic climate, as consumers look to reduce trips to the supermarket and to save money by entertaining and dining at home rather than in the pubs and restaurants, there is a big opportunity for independents in the wine sector.

Sales in this category are still very much driven by promotional offers, as demonstrated by the appearance of products that are designed specifically to fit in with certain promotional mechanics in the top selling SKUs.

As expected, Rosé has performed extremely well with 12.1% growth in sales, and Pinot Grigio continues to be popular. Red wine has also grown ahead of the category, currently up 9.9%, whilst White wine is slightly behind at +7.9%.

Despite the pressure on consumers' purses in the current economic climate, it is interesting to see that Champagne and Sparkling wine are in growth (+6.9% and +9.1% respectively).

US wine continues to dominate the market, while France has suffered a significant decline in sales. Chilean wine is also performing well, with significant growth in the last 52 weeks.

Own label is suffering at the hand of heavy discounting by brands and is currently in double digit decline.

Blossom Hill remains the largest brand (other than own label) and has grown ahead of the category.

Wholesalers need to be bear in mind that independent stores will be looking to stock a wide range of products in this category. Following the 2010 Budget and a 1% increase in duty on

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wine, it is now more crucial than ever to watch trends in this category and respond quickly and effectively to keep sales buoyant.

ENDS