

OREGON WINE



PORTLAND

SYMPOSIUM

Wine Industry M&A Trends *Past, Present and Future*

Kevin O'Brien, Principal

PROGRAM
PRODUCER



OREGON
WINE
BOARD

TRADE SHOW
PRODUCER



OREGON
WINEGROWERS
ASSOCIATION



ZEPPONI
& Company®

Zepponi & Company Oregon Transactions

Acrobat

DUCK POND



Roserock Vineyard



WILLAKENZIE ESTATE



Gran Moraine Vineyard

penner-ash
WINE CELLARS

Vista Hills
VINEYARD & WINERY

Zena Crown Vineyard

Presentation Overview

- 1. Drivers of Wine M&A Activity**
- 2. Oregon Wine Industry M&A - Past**
- 3. Oregon Wine Industry M&A - Present**
- 4. Oregon Wine Industry M&A - Future**

Drivers of Wine M&A Activity – Consolidation

Top 5 Control ~50%



Top 4 Control >60%



Drivers of Wine M&A Activity – Premiumization

DOMESTIC WINES

< \$12/BOTTLE

> \$12/BOTTLE

+9.5%

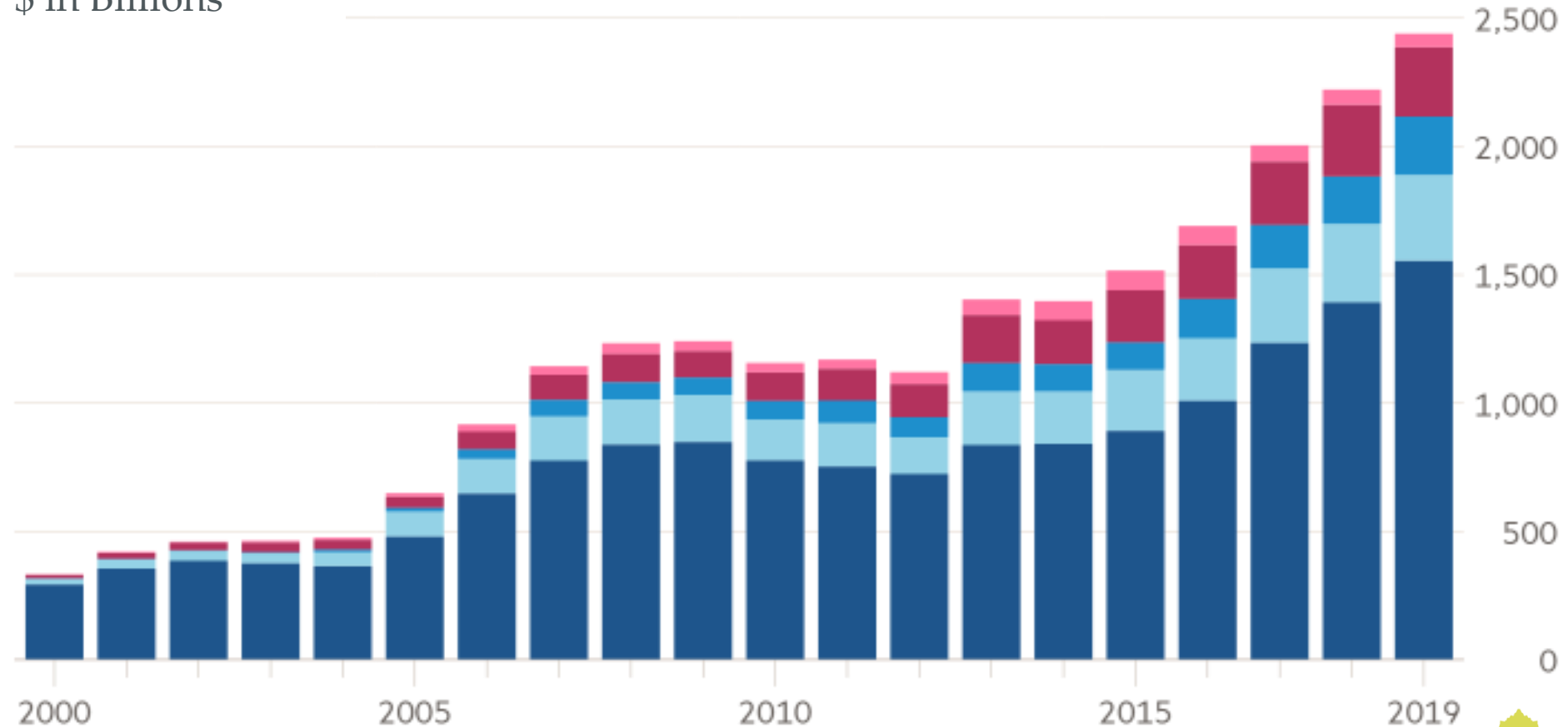
-5.5%

+47.0%

Drivers of Wine M&A Activity – “Dry Powder”

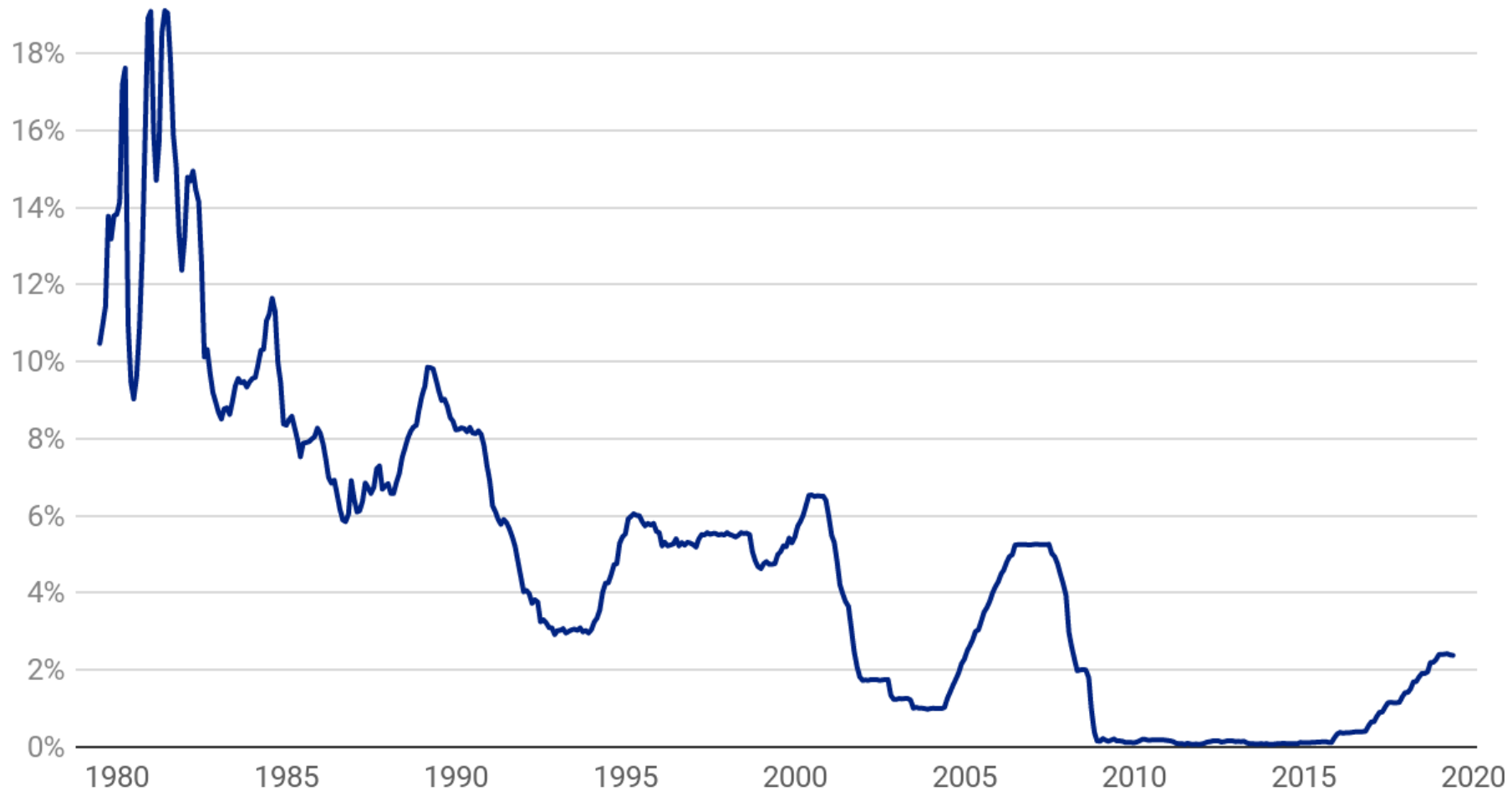
■ Leveraged buyouts ■ Real estate ■ Infrastructure ■ Private debt ■ Natural resources

\$ in Billions



Source: Preqin

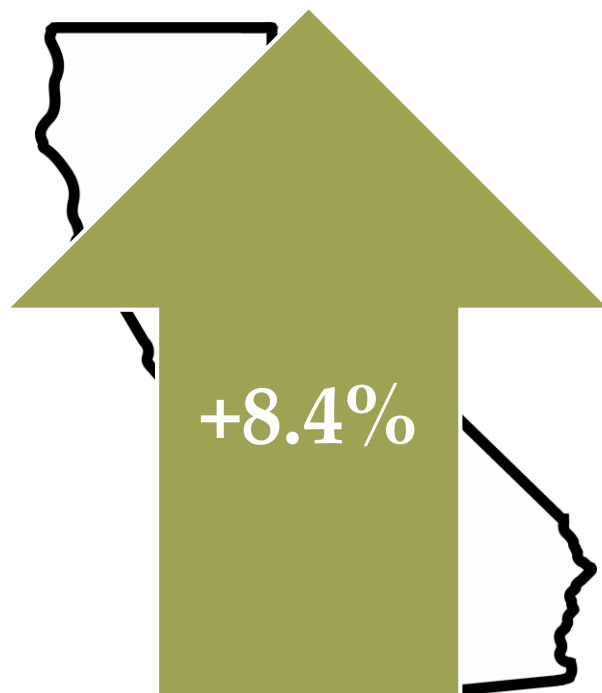
Drivers of Wine M&A Activity – Cheap Debt



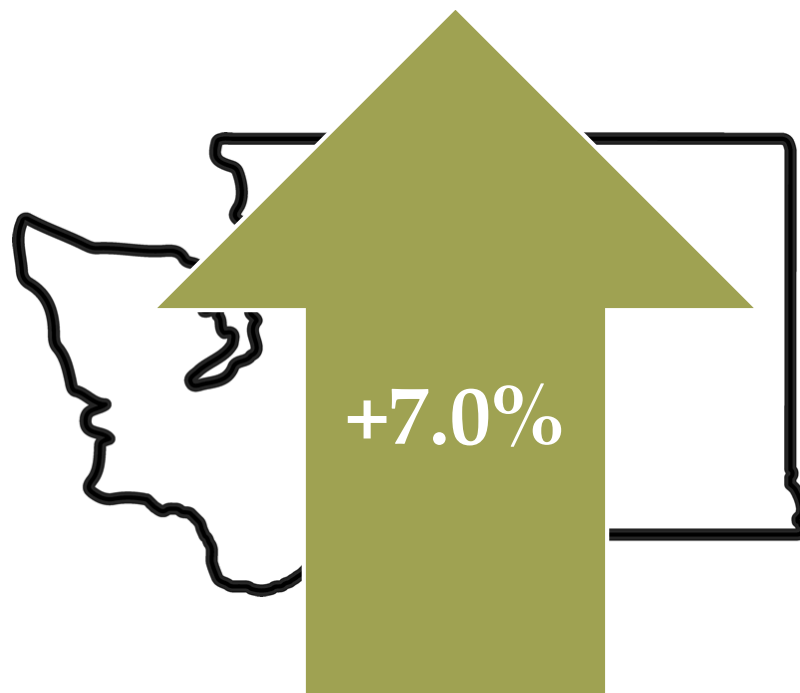
Source: Board of Governors of the Federal Reserve System

Oregon Wine Industry M&A – Past

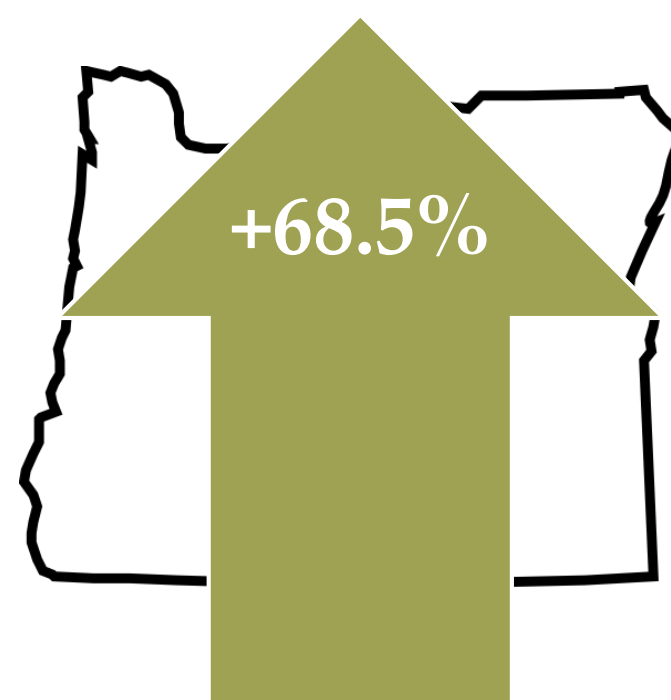
CALIFORNIA



WASHINGTON



OREGON



Oregon Wine Industry M&A – Past

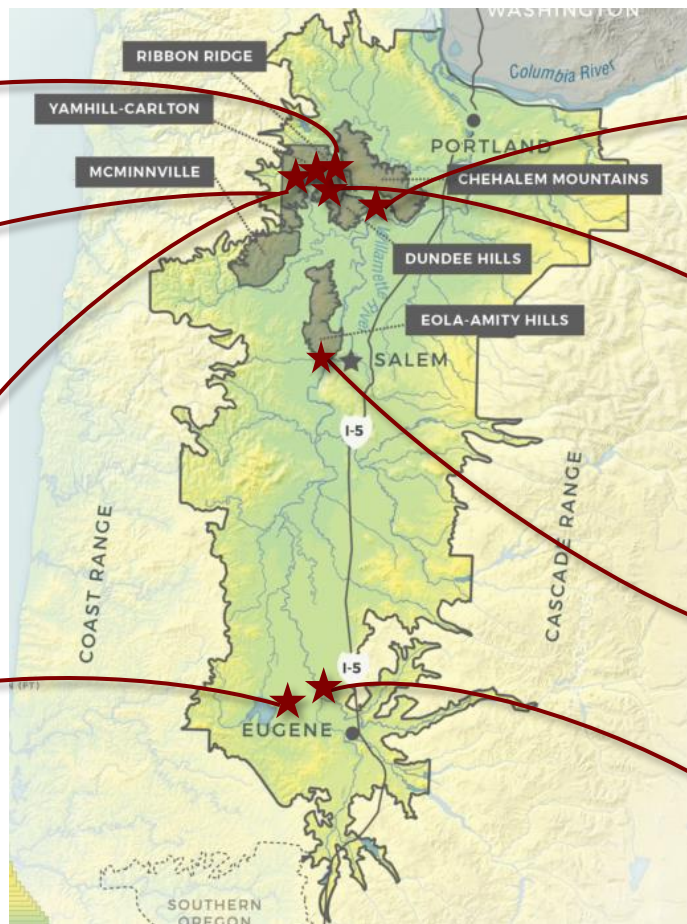
Jackson
FAMILY WINES

SILVER OAK

MAISONS & DOMAINES
HENRIOT



FOLEY FAMILY WINES



Ste Michelle
WINE ESTATES

THE FAMILY
COPPOLA™

VWE

VINTAGE WINE ESTATES

H U N E E U S

 ZEPPONI
& Company®

 OREGON WINE
SYMPOSIUM
PORTLAND

Oregon Wine Industry M&A – Present



E&J Gallo Winery



Constellation
Brands



THE WINE GROUP



~50%
MARKET
SHARE

Oregon Wine Industry M&A – Future

Geographic
Diversification

White Space

Prime Assets

2021?

Thank you!

Kevin O'Brien, Principal

kevin@zepponi.com