



# Oregon Wine Symposium

## On the Road to Success: Strengthening Execution In Wholesale Markets

PROGRAM  
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oregon  
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TRADE SHOW  
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Oregon  
Winegrowers  
ASSOCIATION EST. 1981



WINE  
MARKET  
COUNCIL

# **Aileen Sevier**

## **Marketing Director, Upper Left: Winebow**



### **20+ Years in the Wine Industry, All Tiers**

- Restaurant: Beverage Director - Legal Sea Foods
- Importer: Marketing Director - Terlato Wines, Global portfolio of Iconic family-owned wineries
- Winery: VP of Strategy & Marketing for Early Mountain - Virginia Winery
- Wholesale: Manages Winebow's Strategic National Focus on the Upper Left

*Currently in Stage 3 of the Master of Wine Program & completing research project on sub-AVA's in the Willamette Valley*

# **Kathy Byrd**

## **Managing Partner – Real Wine Alliance**



- 25+ years in the wine industry including 14 years as a national/regional supplier (Click Imports, King Estate, Coppola, Gundlach Bundschu) and 7 years in distributor management in the PNW (YMCO, Winebow) representing hundreds of global wineries.
- Founded Real Wine Alliance in 2018, a consultancy that supports wineries navigate the complex world of distribution. RWA has elevated dozens of wineries through short and long term projects tailored to their goals.
- Real Wine Alliance emphasizes winery storytelling, creating and executing sales & marketing strategies while collaborating with distributors & the trade.

**Creative consulting with wineries to bridge the gap between  
“making great wine” and “selling great wine.”**

# Bill Matthes

## National Sales Manager

### Lange Estate Winery and Vineyards



- Graduate of US Naval Academy & former submarine officer.
- **33+ Years in the Wine Industry** in all 3 tiers including 5 years as a distributor sales rep and manager, and nearly 27 years as a supplier with companies including Allied Domecq and Constellation
- Currently National Sales Manager - Lange Estate Winery & Vineyards since 2019

# **Colin Eddy**

## **Senior Vice President of Sales**

### **NW Wine Co.**



## **18+ Years in the Wine Industry, All Tiers**

- Restaurant: Fleming's Steakhouse
- Wholesale Distributor: RNDC Texas
- Winery: NW Wine Co. & (formerly) Penner-Ash Wine Cellars
- Court of Master Sommeliers Level 1 - WSET Advanced
- In Colin's spare time, he coaches his son's sports teams & watches his beloved Houston Astros from afar.

*Discussion Theme:*

**What are Best-In-Class  
Suppliers Doing or Bringing to  
the table to be successful?**

# **AUDIENCE POLL:**

**WHO'S LOOKING TO ENTER THE WHOLESALE DISTRIBUTION CHANNEL?**

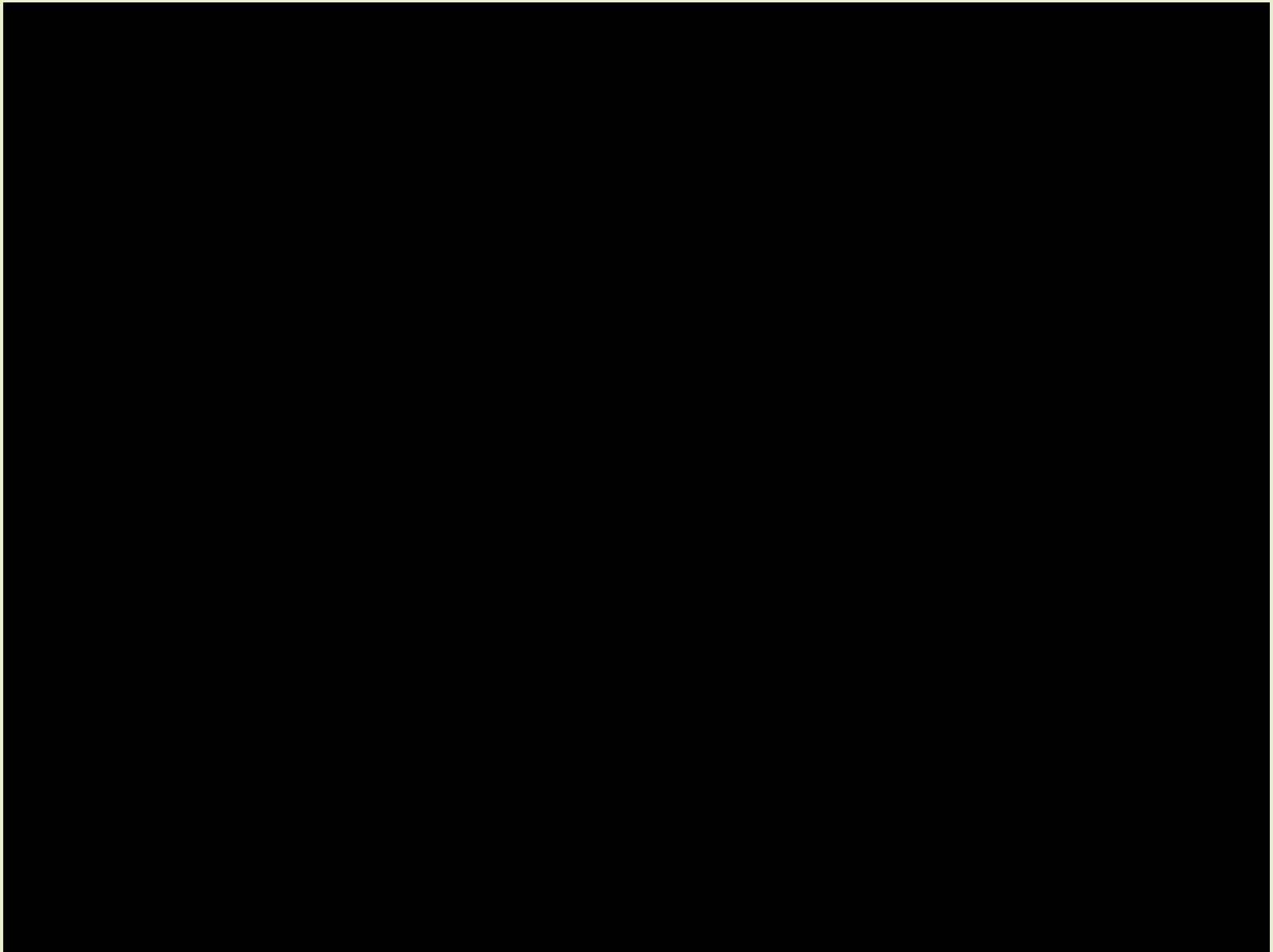
**VS**

**WHO'S LOOKING TO EXPAND THEIR WHOLESALE DISTRIBUTION?**

**VS**

**WHO'S LOOKING TO IMPROVE THEIR WHOLESALE DISTRIBUTION?**

# PREVIOUS OREGON WINE SYMPOSIUM WHOLESALE SESSIONS:



# PREVIOUS OREGON WINE SYMPOSIUM WHOLESALE SESSIONS:

Market Types Spreadsheet.xlsx

	A	B	C	D	E	F	G
1	STATE (Market)	One Price State	State Controlled	QTY Discounts	Channel Pricing	Price Posting	Franchise State
2	Alabama		only 16.5% above		YES		YES
3	Alaska						
4	Arizona			YES			
5	Arkansas				YES		YES
6	California			YES	YES		
7	Colorado			YES	YES		
8	Connecticut	YES				YES	YES
9	District of Columbia			YES	YES		
10	Delaware				YES	YES	YES
11	Florida			YES	YES		
12	Georgia			YES	YES		YES
13	Hawaii			YES	YES		
14	Idaho	YES	only 16.5% above				YES
15	Illinois			YES	YES		
16	Indiana				YES		YES
17	Iowa		only 25.25% above	YES	YES	YES	YES
18	Kansas	YES				YES	YES
19	Kentucky						
20	Louisiana						
21	Maine		only 20% above				
22	Maryland			YES			
23	Maryland (Montgomery Cty)	YES	only 22% above				
24	Massachusetts						
25	Michigan		only 25% above				
26	Minnesota						YES
27	Mississippi	YES	YES (3%+)				
28	Missouri	YES					
29	Montana		only 20% above				YES
30	Nebraska						
31	Nevada						YES
32	North Carolina						YES

## GLOSSARY OF WINE DISTRIBUTION TERMS

### Pricing Terms:

**FOB (Freight on Board)** – Technically a shipping term, used to indicate who is responsible for paying transportation charges. The FOB price indicates the price of the wine to the distributor at the pickup location, all further costs (aka "laid in costs" -transport, state excise tax, and warehousing) will be assumed by the distributor. Typically, though distributors will base their price on the wine with laid in costs. The FOB point is also the location where ownership of the merchandise transfers from seller to buyer. For example;

$$\$30/\text{FOB} \text{ or } \$360/\text{case} + \$7/\text{case handling} + \text{taxes} = \$367/\text{case} \times 33\% \text{ margin} = \$550.50/\text{case}$$

$$(\$45.87/\text{bottle}) \times \text{retailer margin of } 33\% = \$825.75/12 = \$68.81$$

**PO (Purchase Order)** – A order that is submitted by the distributor to a winery for a formal purchase of product. The order outlines the item, quantity and price, along with all details of the pickup. Wineries are expected to respond to the receipt of a PO with the confirmation of BOL and details of when the order will be ready for pickup as well as issuing the distributor an invoice for the order.

**BTG (By The Glass)** – Acronym used for the "by the glass" segment of an on-premise accounts wine program. In some markets, wineries and distributors can offer BTG pricing to restaurants to incentive volume sales that come with a high frequency placement. Typically BTG pricing is a substantial discount from a wine's normal wholesale price (i.e. A \$25 wholesale wine might be priced at \$15 wholesale if a restaurant agrees to pour it BTG (by the glass) with the goal of increasing the exposure and overall sales volume of the wine. In some cases, if the volume is high enough and BTG placements are made, distributors can be motivated to work on a slightly lower Gross Margin to keep the placement active. Many BTG programs are either supported on the winery side with SPAs or DAs, essentially the distributor sends a bill to the winery at the end

Distributor: Georgia Selections  
 State: Georgia  
 Transit Time: 2 weeks  
 Dist. Mgr/POC: John Smith III - jsmith@GeorgiaSelections - (678) 555-5555

Winery & Item Description	ADMIN & INVENTORY							INVENTORY (CS)	
	Vintage	Pack	Label UPC	Dist. SKU	Release Date	SRP	Press	Winery	Dist. Partner
TERROR STUDIOS, Chardonnay, Willamette Valley AVA	2019	12/750ml		Ex. TSCHWV19	3/1/2021	\$ 32	90 WS	400	21
TERROR STUDIOS, Pinot Noir Willamette Valley AVA	2019	12/750ml		Ex. TSCHWV19	3/1/2021	\$ 35	92 WE	750	21
TERROR STUDIOS, 'Single Vineyard' Pinot Noir, Eola-Amity AVA	2018	6/750ml		Ex. TSPNV18	3/1/2021	\$ 55	94 WS	120	10

Winery & Item Description	PRICING GRID		FOB \$		LAID IN \$		DIST. FINAL COST			DIST GM		FRONTLINE PRICING	
	Pack	Case	Case	Btl	Cost/case	LI CS\$	LI BTL \$	\$/btl	%	Case	Btl	Case	Btl
TERROR STUDIOS, Chardonnay, Willamette Valley AVA	12	\$ 540	\$ 45.00	\$ 45.00	\$ 8.00	\$ 548.00	\$ 45.67	\$ 19.33	30%	\$ 780	\$ 65.00		
TERROR STUDIOS, Pinot Noir Willamette Valley AVA	12	\$ 210	\$ 17.50	\$ 17.50	\$ 13.00	\$ 223.00	\$ 18.58	\$ 8.92	32%	\$ 330	\$ 27.50		
TERROR STUDIOS, 'Single Vineyard' Pinot Noir, Eola-Amity AVA	6	\$ 165	\$ 27.50	\$ 27.50	\$ 11.50	\$ 176.50	\$ 29.42	\$ 13.58	32%	\$ 258	\$ 43.00		

Winery & Item Description	FRONTLINE PRICING		3 CS PRICING				BTG PRICING				
	Case	Btl	Case	Btl	DIST GM%	DA	Case	Btl	DIST GM%	DA	
TERROR STUDIOS, Chardonnay, Willamette Valley AVA	\$ 276	\$ 23.00	99%	\$ 200	\$ 20.00	-157%	\$ 35.00	\$ 189	\$ 15.75	-158%	\$ 60.
TERROR STUDIOS, Pinot Noir Willamette Valley AVA	\$ 330	\$ 27.50	32%	\$ 264	\$ 22.00	29%	\$ 35.00	\$ 204	\$ 17.00	27%	\$ 75.
TERROR STUDIOS, 'Single Vineyard' Pinot Noir, Eola-Amity AVA	\$ 258	\$ 43.00	32%	\$ 210	\$ 35.00	29%	\$ 27.00	\$ 150	\$ 25.00	28%	\$ 68.



# Gaining New Distribution

# Finding the Right Partner

- Portfolio fit – complementary vs. specialization
- Goldilocks size
- Culture
  - Tenure
  - Knowledge
  - Relationships
- Business structure
  - On vs Off
  - Chain vs Independent
- Geographic Coverage
  - National/Regional Alignment



# Finding the Right Partner

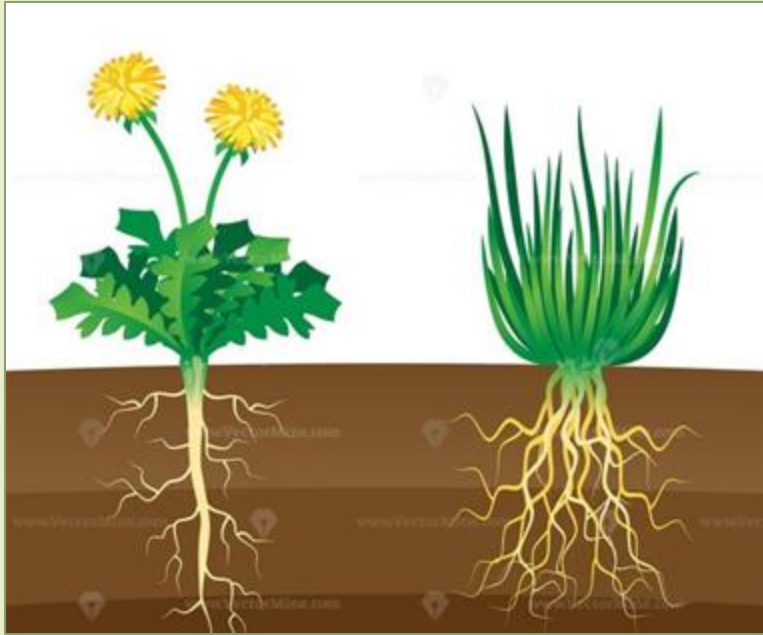
Who is expanding their portfolio??





**If you have Distribution &  
you're looking to  
Expand/Improve**

# Clear Strategy



Deep vs. Broad  
vs. Sales



Focus gets you more:

Incentives

Goal setting

Planning & execution



Wholesale Team: Portfolio

Portfolio

Markets

Channels



# Understanding Wholesale Priorities

The Obvious Stuff... Revenue, Placements, & Account Universe. But also...



INVENTORY



PROFITABILITY



PARTNERSHIP

# **Authentic Winery Storytelling**

# Winery Storytelling

- Distributors hear more stories from more wineries than any other audience.
- Your winery story needs to be personal – your story needs to be you and only you.
- Use the simple story arc: Beginning → middle → where we are now → where we're going (and why it matters).
- Share mistakes, the twists and turns in your journey, and what you learned along the way. “We thought it was going to be easy.”
- Revisit what made you take the leap —then keep updating the story as you evolve.
- Examples:



# Winery Storytelling

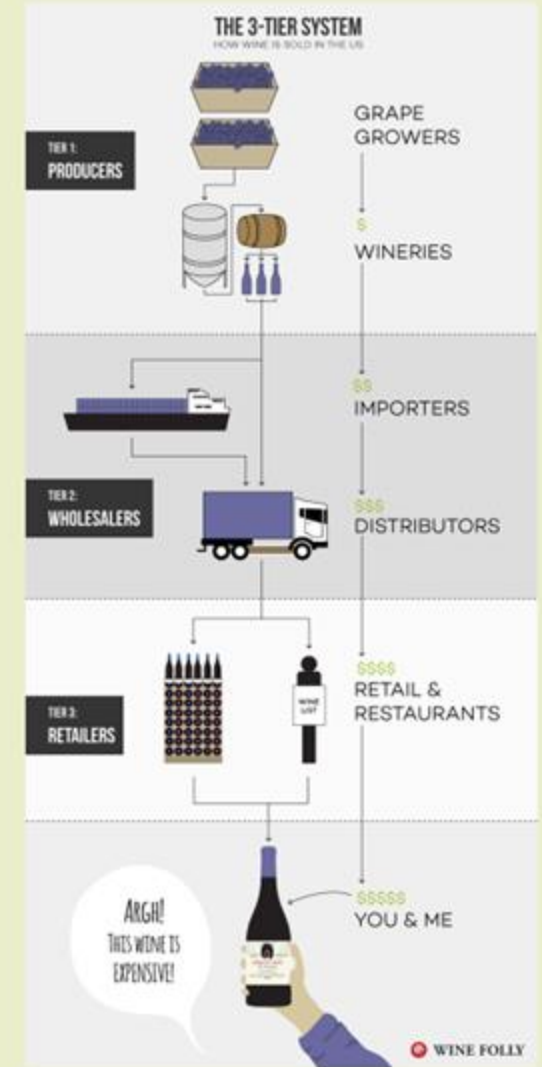
## What to Avoid, What to Embrace

### AVOID:

- A winery story that could represent many other wineries.
- Generic, “prestige” wine jargon without context.

### EMBRACE:

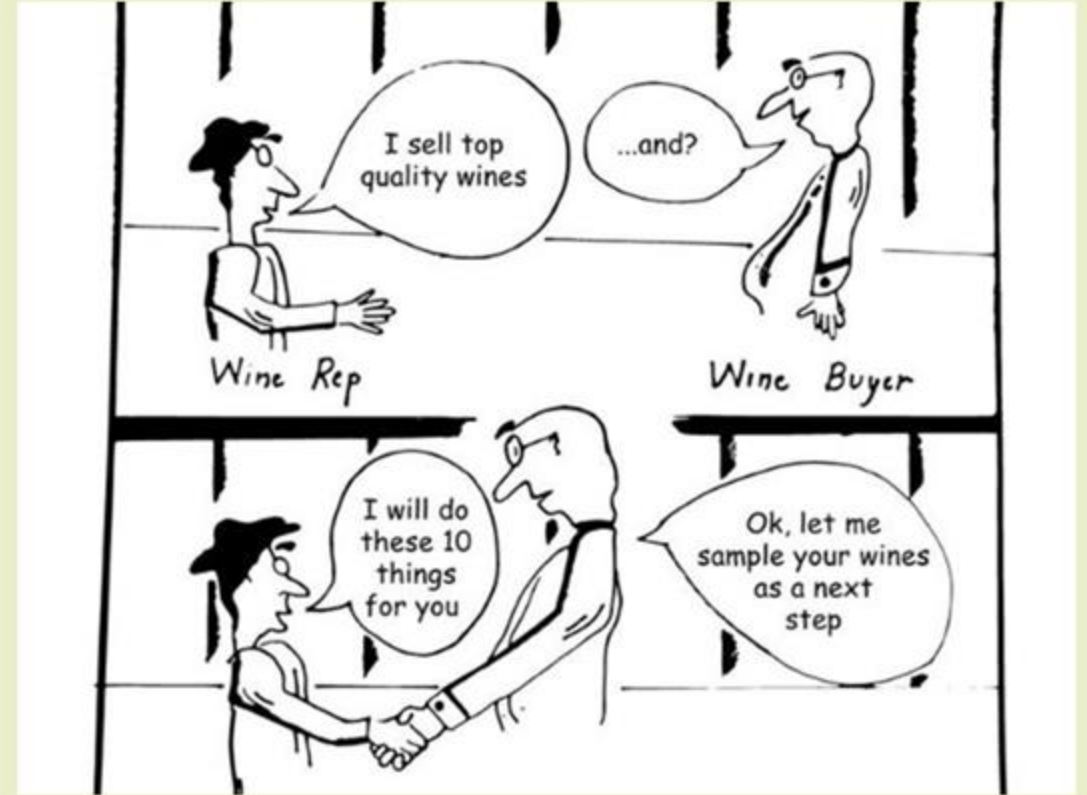
- A story with real people on an imperfect journey.
- A story that is concise, memorable, and repeatable – your messaging needs to resonate all the way to the consumer.
- Wine stories that fit into your winery journey and explain how they are relevant specifically?
- A story that is never finished, a story that is told frequently, and a story that continues to evolve.



# **Working the Market**

# Working the Market – Distributor Collaboration

- Priority #1 – creating distributor brand ambassadors for life!
- The wine you sell that day is icing on the cake.
- It's tough out there! Be focused, be positive, be collaborative, be supportive – word will spread!
- Follow up with the rep, management, and any accounts.



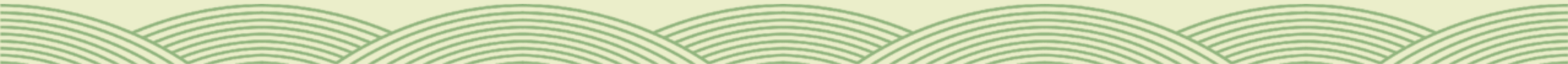
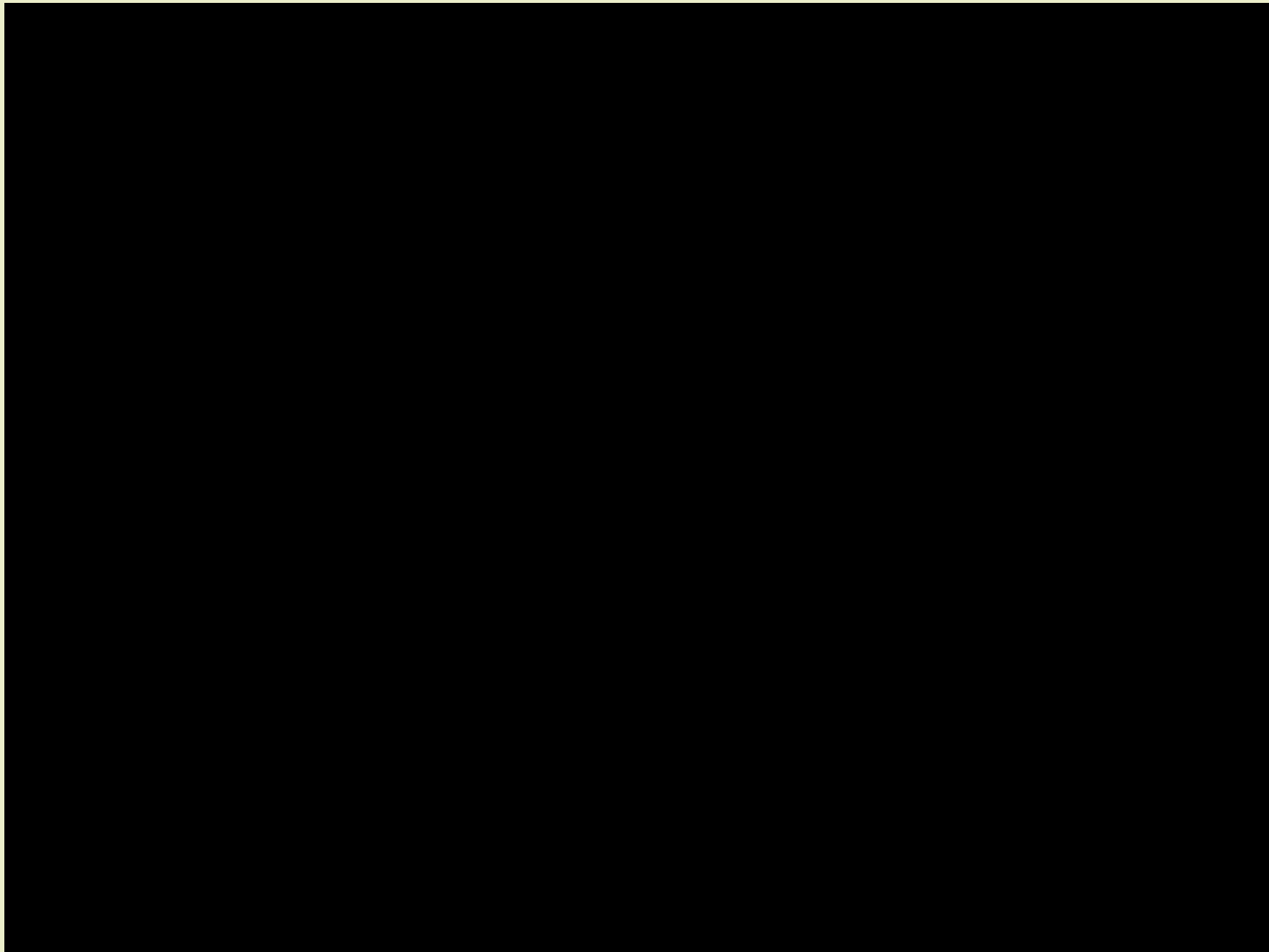
# Tools of the Trade

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## The Basics...

- Functional Trade Site with all current/recent tech sheets
- Sample Support
- Brand Standards – One Pagers, Wholesale Overviews
- Account level support: work withs, dinners, tastings





# Tools of the Trade

## The Bonus...

- Mobile Accessibility
- Excellent video content
- Engaging & consistent social media
- Swag



# Incentives

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- KISS
- 360 Programming
  - Samples
  - Leadership alignment
  - Sales consultant target
  - Account tools
  - Timing
- Reinforce Brand Identity



# Incentive Example: Fire Feast



# **Why Oregon is Well-Positioned for the times...**

# Why Oregon is Well-Positioned for the times

Fresh, vibrant wine style

Consumer Trends: Gen Z / Millennial Engagement

Green credentials - LIVE/Salmon Safe  
Safe/Sustainable packaging initiatives

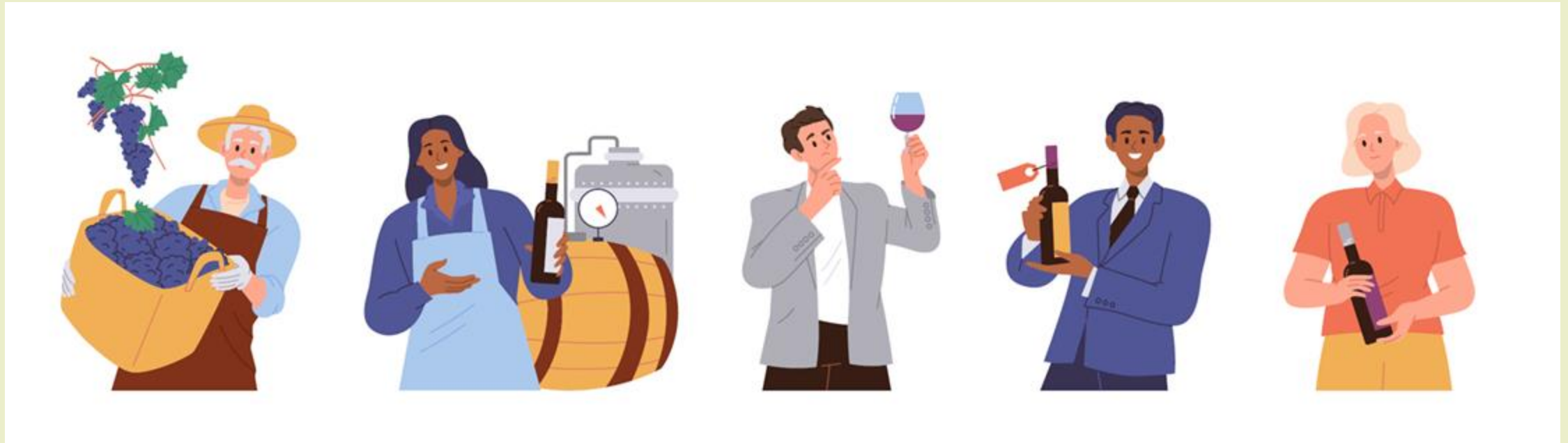
Cultural collaboration

Oregon's Data vs Total Domestic



# The Positive Angle to 2026 & Beyond

*“You can worry about it or you can go out and do something about it.”*





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