

# KANE'S BEVERAGE WEEK

The marketing, regulatory and financial news that matters . . . when it matters  
for bev/al executives and their advisers

Volume 82, No. 10

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March 19,

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## Stone Brewery Paid \$1.8 Million to Settle Tax Issues

Alcohol & Tobacco Tax & Trade Bureau accepted a \$1.8 million offer-in-compromise from Stone Brewing Co., Escondido, Calif.

TTB alleged Stone:

- ✓ Underpaid taxes, including misapplication of reduced tax rates, non-payment of excise taxes on inventory shortages, non-payment of excise taxes on unsubstantiated exports and certain other removals.
  - ✓ Failed to timely file excise returns and pay taxes due.
  - ✓ Failed to completely document exports.
  - ✓ Failed to timely submit Brewer's Report of Operations and submit accurate operational reports.
  - ✓ Failed to maintain sufficient bond coverage.
- The amount of liability being compromised was \$2.7 million.

## Willamette Valley Profit Soars 35% in 2020

Willamette Valley Vineyards reports net profit rose 35.2% to \$3.4 million as sales jumped 10.4% to \$27.3 million, or 46 cents a share, in 2020 from the year-earlier level.

Jim Bernau, founder/CEO of the winery said "Our team's sales success this year resulted from finding opportunities in the channels remaining open, selling directly to wine enthusiasts at home and to retail stores where consumers were allowed to shop. The employees were so effective at these strategies, we added employees in 2020 so no PPP funds were needed. Our team also implemented safety measures and new technology which resulted in no known cases of COVID being contracted in the workplace or tasting rooms. Our vineyard and winemaking staff produced one of our best vintages, in spite of these challenges and the forest fires. In our 38 years, I have never seen such remarkable performance by our managers, employees and organization as a whole."

## How Covid Changed Our Drinking Habits, According to Drizly

**Cocktails and slow sipping straight stuff have taken over.** Liquor stole top share on Drizly from longtime leader wine last Spring and hasn't looked back. Paired with sustained higher sales of mixers, bitters and other cocktail essentials, it's clear that the rise in at-home cocktail making is more entrenched habit, less fad.

**We've found new reasons to go bubbly.** After nosediving when the pandemic hit, sales of Champagne and other sparkling wines steadily came back and now exceed pre-pandemic levels.

**Tequila's growth is fundamental.** Already on the rise when the world changed, tequila stands apart in not booming then settling back like other segments, instead maintaining strong, steady growth throughout the year. It speaks to enduring good times in store for the Mexican export and a rise in straight and rocks consumption (i.e., more than Margaritas).

**We're still stocking up.** Basket sizes shot up on Drizly when lockdowns were first imposed, ballooning from \$50 to \$75 per order from February to March 2020. A year later, the average order has settled in at around \$60, driving sustained 17% higher register rings for retailers on the platform.

**Online gifting has finally come to alcohol.** After spiking by as much as 1,000% during the pandemic's early peak, sales growth on Drizly soon settled at 350% and has maintained at that level. A big driver was gifting, which grew to

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Subscriptions: \$799, 47 issues a year

ISSN: 0882-2573

19% of all orders during holiday 2020 after years of hardly hitting the radar.

## Demand for Low-, No-Alcohol Wines Driven by Reduced Calories, Responsibility

Lower alcohol and alcohol-free wines are often pushed together in the industry shorthand of “low and no,” but Lullie Halstead of **Wine Intelligence** suggests maybe these product should be thought of as separate.

To be sure, she says, the target consumer for these products looks quite similar – younger (LDA-35 years old) drinkers motivated by the desire to moderate alcohol consumption, stay in control, and keep a lid on their calorie intake.

But closer examination of the evidence reveals some nuanced differences between both the appeal of lower alcohol wine products versus the alcohol-free versions, and the nature and needs of target consumers.

More involved and frequent drinkers among younger consumers, typically within the segment Wine Intelligence refers to as Generation Treeters, seem more taken with the idea of lower alcohol wines. This group also tends to skew towards the higher end of the ‘younger’ spectrum – a typical consumer would be an educated Millennial in their 30s and more typically male. As always, the question of what constitutes ‘lower alcohol’ in their minds is moot: it could be a wine-based RTD offering 5% ABV or less, or a wine that has a naturally lower level of alcohol (such as Vinho Verde or some German Rieslings). Whatever the definition, their needs are more extrinsic – that is outwardly focused – wanting to be seen to be taking responsibility for moderating their alcohol consumption, particularly amongst their peer group, Halstead writes.

Contrast this with the typical attitude amongst the younger drinkers – LDA-30 year-olds – and members of the Wine Intelligence Portrait group known as Social Newbies. From our interview research around the subject, their motivations are more intrinsic – that is inwardly focused – and as well as being more aligned with the idea of avoiding alcohol altogether at certain occasions, their need state is dominated by control and reducing calorie intake.

Differences aside, two things remain true for both product groups: the lack of availability and concerns about taste of the product are holding back demand for lower and no alcohol wine demand in the US market, with considerable opportunities ahead for these wines, particularly with the younger cohorts of wine drinkers.

## How Brands Need to Innovate For Next Generation Drinkers

You can expect the next generation of drinkers to be more health-conscious and that means marketers will need to provide inherent health benefits and promote low-calorie and low-sugar options, according to a study by **T. Hasegawa USA**, a leading flavor and fragrance company.

But it's not just those in the 22-34 age range that want low-sugar products, the study finds: 33% of those 22-34 want low-sugar options, as do 34% of those in the 35-44 age range, 33% 45-54 and 33% of those over 55.

When it comes to superfoods as an ingredient, age makes a difference: 33% of those under 34 want them, but only 16% of those over 55. The balance is roughly split equally. Likewise, the heaviest interest in antioxidants is among those 22-35, while those 34-44 have the heaviest interest in organic ingredients. The under 35 crowd also shows the heaviest interest in low-alcohol products.

Coffee as an alcoholic beverage flavor tends to appeal more to younger males, the study finds, especially in dark spirits and beer. Espresso as a cocktail flavor has more than doubled on U.S. menus since 2015.

The study also finds that flavor is the key factor in drink selection followed by occasion. This is exemplified by the rise in “hard seltzer” products that rely heavily on innovative flavors.

Floral and herbal flavors are growing directionally as the latest favorite of younger Gen Z consumers, the study finds. These flavors have grown over 200% on U.S. menus from 2015-2019, and these ingredients offer a sophisticated, complex flavor.

## WSWA: Learn from Alcohol To Regulate Cannabis

**Wine & Spirits Wholesalers of America** (WSWA) released a model [federal regulatory framework](#) for adult-use cannabis rooted in the near-century of experience the industry has in transporting and regulating socially sensitive products.

“Americans have confidence in our regulated alcohol system and our experience can benefit lawmakers creating a U.S. adult-use cannabis market,” said WSWA CEO/President **Michelle Korsmo**. “WSWA members have successfully partnered with suppliers and distributed socially sensitive products to locally licensed retailers for the last century. The U.S. alcohol marketplace is the safest and most diverse in the world because of the smart and enforceable federal regulatory model that ensures product integrity, efficient tax collection and public safety.”

As the descheduling of adult-use cannabis becomes a reality in the U.S. Congress, WSWA’s framework is built on four principles that draw on long-established successful federal law governing the alcohol industry and provide a transparent and accountable system for adult-use cannabis production, testing, distribution *across state lines*, effective tax collection and public safety measures.

WSWA’s Principles for Federal Oversight of the Adult-Use Cannabis Supply Chain:

1. The Federal Permitting of Cannabis Producers, Importers, Testing Facilities and Distributors
2. The Approval and Regulation of Cannabis Products
3. The Efficient and Effective Collection of Federal Excise Tax; and
4. Effective Measures to Ensure Public Safety

Similar to the system of permits, product approval and taxation that has served the alcohol supply chain well through the last century, the [WSWA Principles for Federal Oversight of the Adult-Use Cannabis Supply Chain](#) does not seek to alter how states administer their adult-use programs, but rather is an additive system that allows for the

interoperability between states in a new national market-place.

The WSWA regulatory model supports and facilitates low barriers to business permitting, including for those who have prior, non-violent cannabis related offenses, to help level the playing field and provide opportunities for individuals and communities that have been victimized by the federal government's failed war on drugs. WSWA will continue to support the efforts of experts who advocate for other social equity measures to alleviate the damage done to these communities.

**NC to Renew Warehousing Contract, Boost Liquor Prices**

**North Carolina Alcoholic Beverage Control Commission** recommended a new 10-year contract for LB&B Associates to operate the state's warehouses. LB&B will get \$2.75 a case of liquor for handling warehouse operations, up from \$1.50 a case, effective Aug. 1. A separate bailment surcharge of \$1.15 a case remains unchanged.

"The resulting impact to the per-bottle price for consumers for a typical bottle of liquor is expected to be 20 cents," the ABC says in a statement. But one distiller told Carolina Journal he questioned the 83% increase.

The ABC's previous dealings with LB&B have been controversial, with the state auditor saying the ABC paid \$13.5 million more than necessary because of poor contract administration over the previous 10 years.

"Whatever they asked for, they got," State Auditor Beth Wood said. "Without any question, without any verification, without any consultation or proof or justification.

"And in some cases what they said was their reasoning was not true. In 2008 they asked for an increase the next year, and said it was due to price increases for their fuel," Wood said. "When we examined their fuel cost, it actually went down. Same thing in 2016. When we examined it, it had gone down.

"The power of this vendor and this contractor was just amazing to me that they had this much power and the commission didn't validate or verify anything."

**Citing 'Restrictive' Minnesota Liquor Laws, Tattersall to Open Plant in Wisconsin**

**Tattersall Distilling**, Minneapolis, said it would open a destination distillery and second production facility in River Falls, Wis.

"We've been on the hunt for a second location for over two years," said Jon Kreidler, Tattersall's founder and chief officer. "Because of Minnesota's restrictive liquor laws, to maintain our presence in Minneapolis, we were forced to look outside of the state's borders. To stay as close as possible, we landed on River Falls and couldn't be more excited."

Minnesota's liquor laws cap microdistilleries' production at 40,000 proof gallons if they have a cocktail room or want to sell directly to consumers. (Tattersall was on track to exceed the cap in 2019.) The law also limits daily on-site sales. A multiyear effort by the Minnesota Distillers Guild, which includes Tattersall, to change the laws has been unsuccessful.

The new 75,000-square-foot facility in River Falls, which will handle the bulk of Tattersall's production, will give the company room to grow both their capacity and brand. It is more than twice the size of the Minneapolis operation and, unlike Minnesota, Wisconsin has no production restrictions or limits on what they can sell to customers.

**SGWS Ventures Division Makes Equity Investment in ReserveBar**

**Southern Glazer's Wine & Spirits** (Southern Glazer's) said it made an equity investment in **ReserveBar**, a leading ecommerce platform for premium and luxury spirits in the U.S., connecting retailers with consumers. Terms weren't disclosed.

Led by Southern Glazer's Ventures, the deal expands Southern Glazer's digital marketing offerings to suppliers by providing an additional three-tier-compliant platform for marketing their brands to consumers.

ReserveBar also announces its Spirited Change initiative, a commitment to take actions to improve diversity and inclusion in the industry by expanding access to its platform and providing marketing assistance for minority- and women-owned suppliers, with the goal of raising consumer awareness of those brands and making it easier for consumers to find and shop for those brands.

The Spirited Change initiative will be led by **Jameel Spencer** as Executive Director. Mr. Spencer is an award-winning veteran brand builder, who has played pivotal business roles for Shaquille O'Neal, Sean "Diddy" Combs, Shawn "Jay-Z" Carter, Pharrell Williams, Justin Timberlake and Jessica Simpson over the last 25+ years.

"With ReserveBar, we are able to offer our supplier partners an exciting three-tier compliant, consumer-focused channel to market and sell their premium brands," said **David Chaplin**,

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Chief Growth Officer, Southern Glazer's Wine & Spirits. "We firmly believe that ReserveBar's innovative industry leadership in providing suppliers a content-to-commerce, premium branded, and experiential platform makes them the ideal partner. This venture with ReserveBar is not only well aligned with our new Fine Wine and Artisanal Spirits strategy, but also with our commitment to expand representation of minority- and women-owned wine and spirits brands in the industry. We look forward to helping our diverse base of suppliers leverage this platform to build their brands and reach an important and growing category of consumer."

## Hawaiian Rum Distiller Moves to Boost Output 300%

**Kō Hana Distillers** said it leased an additional 220 acres of farmland in Hale'iwa on O'ahu's North Shore, further expanding its heirloom Hawaiian sugarcane farming operation. The harvests from this new field, which can begin as soon as one year, will enable Kō Hana's rum production to reach 75,000 cases per year – more than 300% above today's level.

"For the past ten years, Kō Hana has stayed true to our guiding principles – being a good steward of the land and using the high-quality sugarcane of the earth's bounty to create the most delicious pure cane rum. The new field expansion allows us to share our island home and the love of what we grow and distill with the rest of the world," said **Jason Brand**, co-founder of Kō Hana Distillers.

A projected production of 75,000 cases per year will enable Kō Hana Distillers to exponentially increase its market share in the world of super premium spirits, and will allow the O'ahu-based company to export its single varietal, heirloom Hawaiian cane rums to more markets across the globe.

Kō Hana's new fields are leased in partnership with Kamehameha Schools, Hawai'i's largest private landowner representing over 365,000 acres, as part of a program to further develop Hawai'i's diversified agriculture industry. Most of the acreage will be planted with the heirloom sugarcane first brought by canoe to Hawai'i a millennium ago. Sugarcane varieties such as kalaoa, mahai'ula and hinahina have already been seeded into the new fields. Forty acres will be planted with cacao to help meet the demand for Kō Hana's award-winning rum infused with chocolate and honey, *Ko-koleka*.

Kō Hana differs from most rum distilleries in two main ways. First, Kō Hana uses only fresh sugarcane juice as the fermentable ingredient rather than molasses, the byproduct of table sugar manufacturing. Second, Kō Hana harvests one of 34 unique Hawaiian cane varieties at a time, allowing the consumer to experience the essence of each cane variety; learn its historical and cultural significance; and connect to the land and drink itself. While the new farm will increase production by more than 300%, Kō Hana's uncompromising and truly local approach to crafting its rum will remain the same.

Kō Hana Hawaiian Agricole Rum is available for purchase online and from retailers, bars and restaurants throughout Hawai'i and California. The premium spirit is served in some of the most notable restaurants and bars including Pa-

cific Cocktail Haven, Bar Leather Apron and The Atlas Bar at the Shangri-La Hotel, Singapore. Kō Hana Distillers Tasting Room is currently open on O'ahu.

## Duckhorn Debuts on Big Board

Trading in **Duckhorn Portfolio** got underway Thursday (3/11), with 20 million shares of the Napa Valley wine company being listed on the New York Stock Exchange at \$15 a share. It's the first major wine company to go public since the 1990s. After its first day of trading, Duckhorn closed at \$17.30. Its stock symbol is NAPA.

## Senate Confirms Katherine Tai as USTR

The confirmation was praised by the **Distilled Spirits Council of the U.S.**, which said it looks "forward to working with her to build back our key trading relationships, which will help restore important export markets and support American jobs.

The immediate and critical trade issue facing our industry is the urgent need to return to duty-free trade in distilled spirits between the U.S., EU and UK.

While there has been some important progress in de-escalating trade tensions and suspending certain tariffs on EU spirits, it is essential that American Whiskeys, including America's native spirits, Bourbon and Tennessee Whiskey, are not left behind.

The continued application by the EU and UK of a 25 percent tariff on American Whiskeys in response to the steel and aluminum dispute is having a devastating impact on our exports. Since the EU's tariffs were imposed, American Whiskey exports to the EU have declined by 37 percent and to the UK by 53 percent.

American Whiskey exports will nosedive even further with the scheduled doubling of the EU's tariff to 50 percent on June 1, which cannot be allowed to happen.

## Maryland County to Waive Fees For On-Premise Liquor Licenses

Baltimore County, Md., said it is waiving liquor license fees for 356 restaurants, 92 clubs and 149 taverns in the county. The waiver is conditioned upon the licensee following all Baltimore County's COVID-19 safety regulations.

"Our bars and restaurants add to the vibrancy of our communities, and it's in everyone's best interests to provide support so that they can weather this storm," County Executive John Olszewski said. "We will continue to look for ways to support our residents and key sectors of our economy as we recover from the pandemic and the recession it has caused."

## Phillips Family Rebrands Geyserville Winery As North Coast Wine Co.

The Phillips Family of Lodi, Calif., rebranded their Geyserville winery which they purchased in April of 2017. Now known as **North Coast Wine Co.**, it was created to forge a new path for the 6<sup>th</sup> generation growers of the Phillips Family. The family also announced the first wine brand under the North Coast Wine Company portfolio – **Outerbound Wines**, releasing April 1<sup>st</sup>, 2021.



"We are thrilled and honored to have the opportunity to spread our roots and venture into this amazing region," says **Melissa Phillips Stroud**, President of Sales and Marketing for North Coast Wine Company. "We know just how special this land is, and we take the roll of stewardship very seriously."

## RNDC to Rep Ghost Tequila Nationally

Boston-based **Ghost Tequila** signed a national distribution agreement with **Republic National Distributing Co.** The agreement opens Florida, Washington, Arizona, and Michigan (in addition to the current RNDC markets of Texas, California, Louisiana, and Colorado.) Further states will follow shortly, as well as additional control states outside of the Northeast where RNDC will serve as the brand's master broker. In 2021, Ghost will be in more than 30 U.S. states, as well as over a dozen international markets.

In 2020, the brand posted +75% sales growth in a year that witnessed tremendous challenges in the on-premise.

It will soon add two new bottle sizes, 50ml and 1.75 L.

"We're enormously proud of the phenomenal growth of this brand, thanks to the hard work and determination of everyone on our team, and our wholesale partners. And now it's time to turn the dial further, and for that I can't think of a better national distributor partner than RNDC, an organization that's strongly committed to supporting and building the brands in their portfolio," said Andrew Teubner, Ghost's Chief Operating Officer. "RNDC understands the immense potential of Ghost, and we're excited to work together with their teams to introduce new consumers and trade in their markets to our ultra-premium spicy spirit."

## Sparkling Ice Spiked Enters 20 Markets, Will Add 10 More in April

**Sparkling Ice Spiked**, an 80 calorie, full-flavored hard seltzer, said it is expanding into 20 new markets across the U.S. -- Chicago, Maine, New Hampshire, Vermont, Connecticut, Rhode Island, Nashville, Georgia, St. Louis, Austin, Hawaii, Nebraska, Arizona, Nevada, New Mexico, Oklahoma, Indiana, Ohio, Idaho, Florida.

It plans to add more 10 states to its distribution list in April and to have full national distribution in all 50 states by the end of the year

"We're thrilled with the feedback received so far with Sparkling Ice Spiked, and we're so grateful for the support from our distributor and retail partners as we expand into new regions," said CEO of Sparkling Ice Spiked, Chris Hall. "The brand's goal is to turn ordinary experiences into extraordinary moments that become lifelong memories. As we head into the warmer spring and summer months, we are inviting consumers across the country to enjoy Spiked as their drink of choice for everyday adventures."

## Kyla Hard Kombucha Enters Canned Cocktail Business

One of the founding brands of the premium hard kombucha category, **Kyla**, launches its Riviera Series, crafted and cultured cocktails that are available in a convenient, ready-to-drink and shelf-stable format. This innovative range features

a lively twist on classic cocktail culture with modern, multidimensional flavors, alongside gut-friendly probiotics. Spirited, sessionable and sparkling with surprising flavors, Riviera pairs perfectly with friends, juicy stories, and never-ending afternoons.

"The Riviera range embodies KYLA's trailblazing spirit, creative flair and obsession with great-tasting better-for-you drinks," says **Morgan Robbat**, Kyla president. "We're thrilled to bring this elevated canned cocktail to market. With artisanal additions like shiso leaves to a mojito and melding pomegranate and pomelo into a Tom Collins we invite our consumers to embark on a journey of flavors with us."

Kyla's Riviera Series represents the first canned cocktail with probiotics. Each 12 oz. single-can serving offers 150 calories, only 3 grams of sugar, 2 grams of carbs, and 7% alcohol. In addition, the full range is vegan and gluten-free. Riviera offers four distinct flavor profiles: Lemon Verbena Drop, Shiso Mint Mojito, Bergamot Blood Orange Fizz and Pom Pom Collins.

Each of the four Riviera flavors are sold in four-packs of 12 oz cans for \$10.99, or a variety pack of eight 12 oz. cans for \$19.99.

## Hard Kombucha Among Top Subcategories

Hard Kombucha was among Drizly's fastest-growing subcategories in February.

"This subcategory continues to land a spot on the fastest-growing subcategories year-over-year as distribution, consumer awareness and exploration of the category continues to grow month-over-month," says **Liz Paquette**, Drizly's head of consumer insights.

RTD cocktails have also been among the fastest-growing subcategories on Drizly for the past year, but in February, Mai Tai RTDs specifically experienced rapid growth. Among the top-selling Mai Tai RTDs on Drizly were SKUs from Cutwater and On the Rocks.

Within the wine category, Gewürztraminer experienced rapid year-over-year growth in February, driven by varietal wines from producers like Willm, Château Ste. Michelle, and Gundlach Bundschu.

Sales spiked for the big game on Sunday, February 7, with Drizly recording sales 38% higher than the average of the previous four Sundays. As it has [in previous years](#), beer share increased to 26 percent that Sunday (compared to 16 percent in February overall) while wine and beer both experienced share declines. Though White Claw has held the best-selling beer brand spot so far in 2021 — as it did last year — Bud Light overtook the hard seltzer brand to hold the No. 1 spot for the big game.

With Valentine's Day falling on a Sunday this year, sales spiked throughout the weekend. Valentine's Day itself saw the highest sales growth (20.8 percent higher than the previous four Sundays), but Friday and Saturday both experienced above-average sales compared to the previous four weeks (14.4% and 7.7 %, respectively).

While liquor held the largest share of sales, wine gained share over Valentine's Day weekend, holding 41% of share versus 39% during February overall. Champagne

and tequila were the winners among gift orders over Valentine's Day, comprising the top eight best-selling gifted SKUs over the weekend.

### White Claw Intros a Hard Seltzer Iced Tea

**White Claw Hard Seltzer Iced Tea** is crafted using a unique BrewPure® process, sustainably sourced brewed tea, and the finest flavors to deliver a wave of pure refreshment like no other.

Available nationwide, White Claw Hard Seltzer is gluten free, has just 100 calories and is 5% ABV. It comes in a 12-can variety pack with four popular tea flavors – Lemon, Raspberry, Mango and Peach

"Since its inception in 2016, White Claw has seen incredible growth, and we don't plan to stop anytime soon. Our consumers crave more flavor and more variety, and that's just what we're delivering with White Claw Hard Seltzer Iced Tea. You combine the leader in hard seltzer with the ever-growing tea trend, and you've got a winner," said **John Shea**, Chief Marketing Officer, **White Claw Hard Seltzer, North America**.

### Harpoon Brewery Doubles Ingredients for New IPA

**Harpoon Brewery** had some success with its Harpoon Reg. League brew, so it took the same hazy pale ale recipe, multiplied everything by two, and created a crushable hazy IPA, **Harpoon Big League IPA** (7.2% ABV).

"The response to the launch of Rec. League was bigger and better than we could have imagined, and it proved that there was a thirst for more options that offered full flavor without the heaviness of a most IPAs," said **Dan Kenary**, CEO and co-founder of Harpoon Brewery. "Following a year where people were more often at home, we knew we needed to give them a way to celebrate the small moments that turned into big wins, without feeling like they've overindulged. Big League is our answer to that."

The new beer comes as Americans are taking a stronger interest in their health and wellness amid the pandemic, without wanting to sacrifice their favorite foods and drinks, according to a new survey by Harpoon Brewery.

Top findings from the survey of 949 adults aged 21+ include:

- More than two-thirds (**68%**) of Americans are more focused on healthy eating and drinking habits now compared to a year ago
- **71%** of respondents say they consider eating and drinking items they enjoy – regardless of their nutritional value, in moderation – a form of wellness
- When describing their approach to wellness during the pandemic, **44%** of Millennials say they make better food and drink choices than they did before the pandemic, compared to 34% of Gen Xers
- **52%** of Millennials say that better-for-you ingredients impact their decision more now when selecting a craft beer compared to a year ago, while only a quarter (26%) of Gen Xers feels the same.

### Lux Row Distillers Debuts Blood Oath Pack 7

**Lux Row Distillers** launches **Blood Oath Pact 7** Kentucky Straight Bourbon Whiskey. Finished in Sauternes casks, Pact 7 is

the latest in a series of Kentucky straight bourbon whiskey blends created by Lux Row Master Distiller **John Rempe**. Available at retail starting mid-April, Blood Oath Pact 7 has a limited allocation of just over 17,000 cases at a suggested retail price of \$99.99 per bottle.

In a blend only known to Rempe, Blood Oath Pact 7 features a combination of three Kentucky straight bourbon whiskeys: a 14-year ryed bourbon, an 8-year ryed bourbon and an 8-year ryed bourbon finished in Sauternes casks. Sauternes is a sweet white wine from the small town of Sauternes in the Bordeaux region of France.

"Finishing in a Sauternes cask brings additional tasting notes and flavor to the bourbon," said Rempe. "In the case of Pact 7, expect a nose of caramel, oak and spice with flavor notes of apricots, honey and peaches. The balance of sweetness and spice is what sets this bourbon apart."

### Inis Tine Uisce Teoranta's Irish Whiskeies Available in 3 Control States

**Grace O'Malley Blended Irish Whiskey** is now available in Pennsylvania and Michigan and **Proclamation Whiskey** is available in Michigan and New Hampshire. **Inis Tine Uisce Teoranta**, Ireland's premium whiskey and spirits company, is the producer.

"It is very rare for an Irish spirits brand to gain traction in several control states within 12 months of launching in the market. Not only do we have a compelling story as the first Irish whiskey named after a woman, the legendary 16th Century Irish Pirate Queen, but our liquid is exceptional and speaks for itself," said **Stephen Cope**, Founder and Managing Director of Grace O'Malley Spirits.

With a flash sale happening this week in Pennsylvania, Grace O'Malley is available in over 110 stores throughout the state. In Michigan, Grace O' Malley Blended Irish Whiskey and Heather Infused Gin are available in addition to Proclamation Whiskey. Proclamation has also just landed in New Hampshire. Both brands boast the same Co. Mayo-based owner as Grace O'Malley, Inis Tine Uisce Teoranta and the same Master Blender, Paul Caris.

Suggested retail price(SRP) for Grace O'Malley Blended Irish Whiskey is \$36.99 and \$36.99 for the Heather Infused Irish Gin. The suggested retail price for Proclamation Blended Irish Whiskey is \$29.99.

### Pabst Blue Ribbon Intros 3 Hard Tea Flavors

**Pabst Blue Ribbon's** Hard Tea Variety Pack features four unique hard tea seltzers – pineapple-passionfruit, lemon, raspberry, and peach. Each variety case will include all four, natural flavors featured in a 12-pack of 12oz slim cans.

At 4% ABV, Pabst Blue Ribbon's Hard Tea is an original twist on a traditional seltzer, offering up more effervescence, bolder fruit profiles with only 100 calories and less than 4g of sugar in each can.

"We want to continue offering people fun, differentiated drinks that are shareable and surprising; drinks that make them say 'Woah, PBR did that?'. Our brand might be over 175 years old, but we're still young at heart and getting creative with how we range across the beverage category, as well as how we can bring some form of value to those that shop it, is something we're relentless about," said **Nick Reely**, VP - Marketing.

## Oskar Blues Intros Guava Rodeo Sour Ale

Oskar Blues Brewery debuts **Guava Rodeo Sour Ale** (6.0% ABV), brewed with guava and tangerine. A new addition to the Oskar Blues lineup of boundary-stomping craft beers, Guava Rodeo is now available nationwide in 6-packs of 12 oz. cans and on draft.

"We wanted to create a fruited sour but with an attitude and amplitude worthy of the style-crushing beers in the Oskar Blues Brewery lineup," said **Juice Drapeau**, head brewer. "Guava Rodeo tramples the craft beer style guides and smashes together tropical and tart in a major way."

Oskar Blues brewers developed the sour ale with the help of innovative yeast strains, which produce the lactic acid necessary for a punch of tartness. Copious amounts of pink guava and tangerine are then added to balance and enhance the refreshing zing with a sweet, fruity finish.

## Yuengling Extends Partnership With Philadelphia Phillies

Yuengling is once again rolling out the fan-favorite limited-edition Phillies Yuengling Lager cans emblazoned with the retro Phillies logo. Back by popular demand, these cans will be available on shelves in 12-pack cans and in 16-ounce cans starting the next few weeks.

Yuengling is also extending its partnership with Philadelphia Phillies' all-star pitcher and brand ambassador Aaron Nola (the first active MLB player to have a partnership with a beer brand). The partnership will include personal appearances with Aaron on behalf of America's Oldest Brewery, exclusive fan meet-and-greets, social media sweepstakes and giveaways, etc.

## Molson Coors Topo Chico Hard Seltzer Hits Shelves March 29

**Topo Chico Hard Seltzer** will be available in four flavors including Tangy Lemon Lime, Exotic Pineapple, Strawberry Guava and Tropical Mango, and will retail in four-flavor, 12-pack Variety Pack (Slim Can), two 24oz singles, and one 16oz single can.

It will be available in nine states -- Arizona, California, Colorado, Georgia, Florida, New Mexico, Oklahoma, Oregon, Texas --, and six metro areas including Boston, Chicago, New York City, Northern New Jersey, Seattle / Vancouver, Washington, and Washington D.C.

Launch of Topo Chico Hard Seltzer will be backed by strong paid and organic media support through a robust, social influencer plan and intercultural up-and-comers, as well as traditional earned media/PR.

## Mike's Hard Lemonade Seltzer Links with Fitness Brand

**Mike's Hard Lemonade Seltzer** entered a partnership with the world's leading endurance sports and wellness brand Spartan, becoming the official "Hard Seltzer of Spartan US."

Spartan combines 250 events across more than 40 countries with a digital content and community platform. Globally, it has 10 million members.

**What's in it for Mike's:** Mike's Hard Lemonade Seltzer will get to introduce itself to Spartan athletes through socially distanced activations with a beer garden feel at Spartan events across the country. Mike's will also receive integra-

tion on Spartan.com and on Spartan's social media channels. As an additional part of the partnership, one of Spartan's premier training coaches will take on a new fitness, sport, or wellness challenge each week in conjunction with an expert in that field. These challenges will be shared through a new online social media series in which Mike's Hard Lemonade Seltzer will receive branding within the show, as well as within promotion driving to each episode.

## Four Corners Brewing Launches Kombucha Seltzer

**Four Corners Brewing Co.** launched **BuchaLada**, a light, fizzy and fruity alcoholic kombucha that is packed with aLada flavor.

Available in three flavors, each 12 oz. can of BuchaLada has an alcohol by volume (ABV) of 4.5%, only 120 calories and is gluten free:

- **Raspberry Hibiscus** - refreshingly tart with a hibiscus floral aroma.
- **Ginger Prickly Pear** - mild sweetness balanced with an earthy spice of ginger flavor.
- **Grapefruit Sea Salt** - balanced fruity sweetness & acidity with a hint of sea salt.

"We've been planning and perfecting BuchaLada for several years and are excited to finally share it with everyone," said **George Esquivel**, co-founder of **Four Corners Brewing Co.** "People tell us they want more flavor vs. traditional seltzer but also want reasonable calories and ABV in a beverage. Buchalada delivers on all three through a balance of craft-brewed kombucha and bubbly, hard seltzer."

BuchaLada is intended to simply be fruity, fizzy and fun. "It's been a fun challenge to create such an innovative beverage," said BuchaLada Brewer, **Betsi Good**. "Kombucha can be polarizing to some people. Our goal was to make BuchaLada approachable and enjoyable for those who love kombucha, as well as for those who have been too skeptical to try it. As we do with beer, we're excited to turn people on to a whole new world of brews."

## Paulaner USA Launches 'Biergarten Sweepstakes' with \$600 Prize

To have a chance to win the \$600 and be able to turn their backyard into an official Paulaner Biergarten, consumers would use Instagram to find the official Biergarten trivia posts. Consumers who answer the Biergarten trivia question(s) in the comments correctly will be entered for a chance to win.

## Quarantine Clutter Worth Its Weight in Free Coors Light

What a clever promotion: As there's increased hope for a return to almost normal from the lockdowns of Covid, in two cities Coors Light is offering free cases of beer equal to the weight of "stuff" that people want to get rid of.

Here's how it works:

✓ Consumers go to The Battery in Atlanta, GA or Allegiant Stadium in Paradise, NV on Saturday March 20<sup>th</sup> from 1-5pm local time. Fill your trunk with anything you've amassed and want to purge.

✓ Coors Light weights unwanted stuff as you drop off the memories of being stuck at home.

✓ Trad in the weight equivalent of your pandemic purchases for rebates for up to two cases of Coors Light\*\*\*

✓ Consumers can feel good that their trash is someone else's treasure. Coors will donate to local charities in each city

"People bought a whole bunch of stuff to help them chill out throughout the pandemic. We've all bought more bread makers, ring lights and tie-dye kits than we know what to do with. And a year later, you don't need a bunch of stuff to chill," says **Marcelo Pascoa**, VP-Marketing at Molson Coors. "Spring is here, the March Hoops tournament is back. Whatever chill means to you, we want people to trade in unloved purchases for Coors Light. We'll weigh your smoothie blender or bicycle and give you its weight equivalent in cases of beer."

The Clutter For Coors campaign launches this week, with a new :15 TV and digital spot that connects the dots between pandemic-related clutter and one of the year's chilliest moments: the basketball finals. The spot will be airing live during the tournament, as well as online platforms like YouTube, Facebook, Instagram and Twitter. For more information, visit <http://bit.ly/CLtradeinrules>.

For donations of 1-10 lbs. offer valid only on ONE (1) 12-pack (max rebate of \$10.00) OR for donations of 10.1-20 lbs. offer valid only on ONE (1) 30-pack (max rebate of \$25.00) OR for donations of 20.1 lbs. or greater, offer valid only on TWO (2) 30-packs (max rebate of \$50.00) of Coors Light® (bottles or cans). Ends 3/27/21. Valid for residents of Georgia and Nevada only.

## Kendall-Jackson, La Crema to Be Poured During Kentucky Derby Week

When founder **Jess Jackson** started **Kendall-Jackson** in the early 1980s, he quickly became a pioneer in the California Chardonnay movement. His first vintage of the signature **Vintner's Reserve Chardonnay** was rich in style and it became the benchmark for this leading variety.

Kendall-Jackson has been the No. 1 selling Chardonnay in America since 1992 and La Crema's impact on the wine industry is equally significant by helping to establish prominence for the enviable winegrowing region of Russian River Valley.

More notable, La Crema played a fundamental role in propelling single-vineyard wines from cool-climate appellations and was an integral part of the Sonoma Coast's rise to winemaking fame as one of the first wineries to craft Chardonnay and Pinot Noir from this previously unfamiliar region.

"Our winemaking reputation is built on a vision that through a commitment to excellence, hard work, and integrity, you can accomplish great things," said **Barbara Banke**, Chairman and Proprietor of **Jackson Family Wines**, the family-owned wine company that founded Kendall-Jackson winery in 1982. "Not only do we embrace these ideals as the backbone of our 40-year wine business, but also our approach to Thoroughbred horse racing."

The Jackson family's endeavors in the elite horse racing world are lesser known. In 2005, Jackson ignited a life-long

dream in 2005, when he and Banke established Stonestreet Farm on premium farmland in the bluegrass hills of Lexington, Ky.

Since then, Stonestreet Farm has been named the leading North American commercial breeder of Thoroughbred yearlings nine times. Stonestreet has bred and raised the winners of 80 graded stakes including record-setting Gamine and champions Good Magic, Lady Aurelia, and My Miss Aurelia, and enjoyed racing the Hall of Fame inductees Curlin and Rachel Alexandra.

## Who & What —

### Winebow Names Wholesale Sales Boss For Washington State, to Move to New Site

Winebow promoted **Chris Luke** to VP-Wholesale Sales, Broad Market for the state of Washington. Underscoring Winebow's commitment to the Washington wine sector and to growing its wholesale business in the state, the company will also move to a new distribution center this summer, increasing warehouse capacity 50%.

Since 2015, Luke has served in this same capacity at Winebow in Georgia and will be relocating to Washington, where he will partner with **Paige Dean**, VP-Chain Retail, and **Andy Rothbaum**, VP-Portfolio Management, to lead Winebow's sales efforts in the state. Luke will report to **Arjun Dewan**, EVP-Broad Market Wholesale Sales.

The new Washington distribution center will be located south of Seattle in Kent and include sales and administrative offices.

\* \* \*

**Jack Daniel Distillery** promoted **Lexie Phillips** to Assistant Distiller, making her the first woman to serve in that capacity. She had been distillery lead operator.

### New Hugh Johnson Book -- On Gardening -- Due June 1

The author of *The World Atlas of Wine* and *Pocket Wine* will be publishing a collection of gardening essays, *Sitting in the Shade: A Decade of my Garden Diary*, June 1.

For many years Hugh Johnson has written a garden diary (initially as the editorial column of the *RHS Journal* and, since 2008, as a blog). Free to turn his attention to whatever is happening in the natural world at that time, or simply something that piques his interest, his subjects are as diverse as London's trees, the first crocus of spring, the joys of a greenhouse and what cyanide has to do with a robin's choice of berries. Month by month, Hugh's beautiful, evocative writing is filled with an eclectic mixture of topical, whimsical, and humorous anecdotes that will delight not only gardeners but anyone with an interest in nature in all its manifestations.

Continued Success,  
KANE'S BEVERAGE WEEK



JOEL WHITAKER, Editor