

KANE'S BEVERAGE WEEK

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

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Delta Variant Not Deterring On-Premise Visits: CGA

Consumers are continuing to visit bars and restaurants as much, if not more, as they did over the past few months, according to CGA research. That's true for three-quarters of all consumers.

Overall, just 15% of consumers say they are visiting the On Premise less and that it is due to the Delta variant of COVID-19, highlighting that the majority aren't significantly changing On Premise visitation.

Two thirds agree they are comfortable visiting bars and restaurants, with 59% stating they are still visiting the On Premise as normal, but keeping an eye on COVID-19 infection rates.

Choosing to stay at home rather than visit the On Premise is led by cost and comfort, with COVID a factor for 1 in 3. This is driven by older consumers, with the biggest concern coming from the over 55s.

COVID-19 is a bigger factor for staying at home in certain states, with Californians the most likely to state it, while it doesn't appear in the top 5 factors for Floridians.

Some 67% of consumers have visited the On Premise for food led occasions in the past 2 weeks and 37% have visited for drink led occasions.

There is a positive outlook on future visitation as almost 7 in 10 consumers are planning to visit the On Premise in the next 2 weeks for food led occasions, and 2 in 5 for drink led occasions.

Consumers' frequency of visiting the On Premise has remained consistent across the past 3 months, with a slight increase of consumers visiting 3 times or more.

45% state they visit the On Premise instead of staying at home "for a treat", followed by almost 2 in 5 visiting to have "food cooked by other people" and a third mentioning they do it as they "enjoy the atmosphere".

Just over half say their drink preference changes when drinking in the On Premise compared with drinking at home.

Almost 3 in 5 (58%) of consumers are planning to celebrate Labor Day at home, with 15% planning to visit in bars and/or restaurants.

- Consumers who are vaccinated are typically more cautious than non-vaccinated On Premise visitors. Almost 3 in 10 non-vaccinated consumers said no restriction changes are needed compared to 11% of those vaccinated.
- Two in three On Premise visitors are comfortable to visit venues that only offer indoor seating, rising to 4 in 5 if outdoor seating is available.
- When looking at how people want to be served in venues, almost 3 in 5 are completely comfortable/comfortable with interacting with waiting/ bar staff in the same way as pre COVID-19.
- Almost half (47%) see social distancing as a factor that would make them feel comfortable in the On Premise if Delta variant cases of COVID-19 continue to increase. Indeed, only half said they are comfortable with guests not having to wear a mask while away from their seat/ table).
- 56% of consumers would be more likely to visit the On Premise if everyone had to show proof of a negative COVID-19 test or proof of COVID-19 vaccination. Such measures are especially favorable with consumers who have already been vaccinated.

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Almost 2 in 3 consumers who have not been vaccinated said they would not be persuaded to get the vaccine, even if they needed to show proof of negative COVID-19 tests or prove they were fully vaccinated to visit bars and/or restaurants.

Matthew Crompton, CGA Client Solutions Director, Americas, said "There has been a lot of debate surrounding the impact of the Delta variant of COVID-19 upon On Premise visitation and spend, but our consumer research indicates that overall visitation to bars and restaurants remains in line with what we have seen over the past few months, and consumers expect to visit the channel similarly over the next two weeks. Nearly 4 in 5 US consumers are visiting bars and restaurants more often or the same amount as usual, with just 15% stating they are visiting the On Premise less due to concerns about the Delta variant – although this varies significantly by state and across different age groups. When a market faces challenges as dynamic and variable as this one, then data-driven clarity is absolutely essential in order to build the most effective tactics possible."

Whiskey Demand Seen Rising at 6% Pace From 2021 Through 2031

Demand for whiskey is set to rise at a consistent CAGR of 6% during the assessment period of 2021 and 2031. The market will top the valuation of US\$ 60 Bn by 2021-end.

That's according to market research firm Fact.MR in a new just-released analysis.

Sales of whiskey will gain traction due to the increasing consumption worldwide. Perceived health benefits of whiskey have made it a preferred drink among those aiming at weight management. Whiskey has no fat and minimum sodium content, which have made it a preferred alcohol for consumption among people with weight issues or obesity.

Prevalence of obesity across developed nations including the U.S., Canada, and the U.K. is high. This also has led to increased consumption of whiskey which contains no fat. According to the report, consumers are expected to show greater inclination towards high-premium brands, given the rising disposable income.

For instance, demand for Irish Whiskey and Single Malt Scotch is expected to witness high growth during the forecast period. As per the survey, revenues of Irish whiskey and single malt scotch will grow at 19% and 13.5%, topping a valuation of US\$ 664 million and US\$ 732 million, respectively.

Among other key takeaways:

- In terms of grain type, blended whiskey is expected to dominate the market, exhibiting growth at healthy CAGR of 6% through 2031.
- Demand for super premium whiskey will continue to rise, holding over 2/5th of market share
- Sales of premium whiskey set to rise at over 7.5% CAGR during the forecast period
- The U.S. is expected to be the most lucrative market, capturing a market share of over 30% of the global revenue

- India's whiskey market is anticipated to exhibit positive growth at nearly 5% CAGR over the coming years

Pernod Ricard Grew 9.7% Organically in Year

Pernod Ricard reports organic sales growth of 9.7% last year, but said adverse foreign exchange owing to U.S. Dollar and emerging market currency depreciation cut reported sales gain to 4.6%. Sales in the Americas were up 14% with broad growth in the U.S., Canada and South America. Sales in Asia-REst of World were up 11% and those in Europe gained 4%.

Strategic international brands were up 11% and strategic local brands gained 7%.

The company's reported net profit exploded, rising to 1.3 billion euros from 329 million euros. It did not calculate a per-share result. Organically, profit advance 18.3%. Looking at profit from recurring operations, the company said profit rose 7% to \$3.9 billion from 2.26 billion euros a year earlier.

B-F Net Sales Jump 20% in Quarter; Profit Falls 41% Due to Capital Gain on Portfolio

Brown-Forman Corp. reports net profit fell 41% to \$192 million, or 40 cents a share, as sales advanced 20% to \$906 million. The lower profit reflected the year-earlier \$192 million gain on the sale of the Canadian Mist, Early Times and Collingswood brands.

There was strong growth across all geographic clusters and in travel retail, the company said, with the Jack Daniel's Family of Brands gaining 20%, premium bourbon sales soaring 35% closely followed by a 32% surge in the tequila portfolio. Advertising soared 46%.

The Jack Daniel's growth was propelled by **Jack Daniel's Tennessee Whiskey** which benefited from higher volumes globally and favorable channel mix in the U.S. related to the on-premise reopening. **Jack Daniel's Tennessee Apple's** net sales growth was fueled by the ongoing international launch.

Justin Vineyards & Winery Acquires Napa Valley's Lewis Cellars

Lewis Cellars will remain under the leadership and guidance of **Randy Lewis** and **Dennis Bell**, while benefiting from the established marketing, strategy, and sales teams behind Justin, Landmark, and JNSQ. Terms weren't disclosed.

"We are excited to join forces with the Justin team," said Randy Lewis, co-founder of Lewis Cellars. "As we approach our 30-year anniversary, we've had the pleasure of perfecting our wines for decades. With the additional resources and industry expertise available through this partnership, we can really show the world the excellence we've bottled."

Established in 1992 by Randy and Debbie Lewis as a small family winery, Lewis Cellars produces luxury Cabernet Sauvignon, Merlot, Syrah, Chardonnay, and Sauvignon Blanc.

International Wine Associates (IWA) served as the exclusive advisors to and represented Lewis Cellars in this

transaction.

Breakthru Beverage Names Tom Bené To Succeed Greg Baird as CEO

Breakthru Beverage Group appointed Tom Bené as President and CEO, effective Oct. 4, 2021.

Most recently, Tom was President/CEO of the National Restaurant Association. Previously, he served as Chairman, President and CEO of Sysco Corporation, the global leader in foodservice distribution. Before that, he was president of PepsiCo's foodservice business.

While leading Sysco, Tom oversaw international expansion and numerous acquisitions, primarily of family-owned businesses, adding significant revenue to the top line. During Tom's tenure, the company grew sales to more than \$60B across a variety of countries. Prior to joining Sysco in 2013, Tom spent 23 years at PepsiCo, serving in senior leadership roles

W. Rockwell Wirtz, Co-Chairman of the Board of Managers, stated, "Tom brings invaluable expertise in distribution strategy and supplier and customer partnerships. We are confident that he will advance Breakthru's position as an industry leader as we implement our growth strategy and continue to transform our business."

To ensure a smooth transition, President and CEO Greg Baird, who is retiring, will serve as an advisor to the company supporting Tom's transition through the end of the year.

NBWA Beer Purchasers' Index Sees FMB/Seltzer Plunge in August

National Beer Wholesalers Association's (NBWA) Beer Purchasers' Index (BPI) for August overall index of 74 matches the August 2020 reading of 74. But, the components that make up that aggregate reading are very different. Most importantly is the dramatic change in the FMB/seltzer BPI reading that took a 34-point dip, falling from 92 in August 2020 to 58 in August 2021.

The "at-risk" inventory measures are still below 50, signaling continued supply constraints in the distribution industry for end-of-summer sales. One exception is the FMB/seltzer category, which is expanding with an index reading of 58 for August 2021. Note, the FMB/seltzer segment will continue to expand and grow given it has an above 50 reading. Additionally, the lower index relative to August 2020 implies that more distributors are reporting they are now settling into "about the same" amount of product as last year. In other words, the segment's momentum has slowed down significantly. Other insights:

- The index for **imports** continued into expansion territory for a reading of 66 in August 2021, well above the 60 reading from August 2020.
- The **craft** index posted a reading of 59 for August 2021 compared to a reading of 54 in August 2020. This is the fifth monthly reading at or above 50 for craft.
- The **premium lights** index posted a reading of 57 for August 2021, well below the August 2020 reading of 70. Premium lights continue to post index readings above the 50 mark in 2021.
- The **regular domestic beer** segment index posted a reading of 41 for August 2021, which is now significantly below

the August 2020 reading of 53.

- The **below premium** segment weighed in at 37, taking another significant hit year-over-year from last August's reading of 56.
- The **FMB/seltzer** segment continues to see significant declines this summer. This segment took another big hit, falling 34 points from 92 in August 2020 to 58 in August 2021. This reading of 58 is much closer to 2016 and 2017 results for FMB segment. A reading of 58 indicates the category is still growing, but it is down substantially from readings earlier this year.

Finally, the **cider** segment remains below 50 with a reading of 43 in August 2021 compared to 40 in August 2020

TTB Accepts \$130,000 to Settle Charges Against Minhas Micro Distillery

The charges included failing to timely file federal excise tax returns, failure to pay timely federal excise tax, failure to properly account for distilled spirits and wine removed from bonded premises, and a number of other administrative violations.

Adults Want Alcohol-to-Go to Be Permanent

Most adults in states that allow alcohol beverages with takeout and delivery orders would like to see it continued on a permanent basis.

That's the conclusion of a survey incorporated in the National Restaurant Association's midyear report. The study calls alcohol-to-go a "key lifeline" during the pandemic. Operators who sold alcohol-to-go (ATG) were able to augment off-premises sales. Most states were quick to allow beer, wine and even liquor to go, but off-premise mixed cocktails were a mixed bag legislatively, the study

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notes.

At the high point, 39 states allowed cocktails-to-go in some way. Fourteen have extended how long they'll be permitted (decision is pending in several states), and 17 jurisdictions (16 states and D.C.) have made cocktails-to-go permanent.

Other key findings from the NRA report:

- Food and beverage sales in the restaurant and foodservice industry are projected to total \$789 billion in 2021, up 19.7% from 2020.
- Despite a steady trend of job creation in the first half of the year, eating and drinking places are still nearly 1 million jobs, or 8%, below pre-pandemic employment levels and the restaurants and accommodations sector have one of the highest levels of unfilled job openings of any industry.
- As of June 2021, 39 states and the District of Columbia had reopened to 100% indoor dining capacity; 11 states and Puerto Rico are open at varying capacities ranging from 50% to 80%.
- Six in 10 adults have changed their restaurant use due to the rise in the delta variant.

July marked the seventh consecutive month of staffing growth, translating to a net increase of 1.3 million jobs in the first half of 2021. Despite these increases, eating and drinking places remain nearly 1 million jobs or 8% below pre-pandemic employment levels. Operators also continue to grapple with higher input costs, with wholesale food prices increasing at their fastest rate in seven years.

- 75% of restaurant operators reported that recruiting employees was their top challenge as of June 2021 – the highest level ever recorded.
- The fullservice segment was down 626,000 jobs, or 11% below pre-pandemic employment levels; the limited-service segment was down 175,000 jobs or 4% in the same period.
- Menu prices have increased nearly 4% through June 2021.

Technology, Outdoor Dining, and Alcohol To-Go Are Here to Stay

The pandemic catalyzed many changes in the restaurant industry including the rapid consumer adoption of technology for online ordering, electronic payment, and order pickup. Consumers want to see restaurants continue incorporating technology and are keen to continue using outdoor dining. In 31 jurisdictions, thanks to approved legislation, consumers will be able to continue ordering alcoholic beverages with their takeout.

- 52% of adults would like to see restaurants incorporate more technology to make ordering and payment easier.
- 84% of adults say they favor allowing restaurants to set up tables on sidewalks, parking lots or streets permanently.
- A majority of adults in states that allow alcoholic beverages with takeout and delivery orders would like to see it continue on a permanent basis.

The Threat of Delta

A National Restaurant Association survey, conducted Aug. 13-15, found that the delta variant of COVID-19 threatens to reverse the gains made in the first six months of the year.

- 6 in 10 adults changed their restaurant use due to the rise in the delta variant.
- 19% of adults said they completely stopped going out to restaurants.
- 37% of adults said they ordered delivery or takeout instead of dining in a restaurant.
- 32% of adults said that if asked to wear a mask and/or show proof of vaccination to dine indoors again, they would be less likely to dine in a restaurant.

"The trends from the first half of the year are promising, but a lot of uncertainty remains in regard to the delta variant, consumer confidence, and ongoing labor challenges," said **Hudson Riehle**, NRA's SVP-Research. "We expect restaurant pent-up demand will remain high in the coming months. However, in this state of flux, maintaining the availability of on-site dining with few capacity restrictions will be critical to keeping the overall sales momentum going forward, especially for fullservice."

Bright Cellars Closes \$11.2 Million Funding

Bright Cellars, which uses a rapid, data-driven research and development cycle to prove out new wines, said it closed on \$11.2 million in Series B funding, led by **Cleveland Avenue** with participation from existing investors **Revolution Ventures** and **Northwestern Mutual**.

Proceeds will allow the company to advance their data platform, further personalized education, expand their portfolio of winning wines, and scale operations.

Bright Cellars members receive a personalized selection of wines based on an introductory quiz as part of their monthly experience, along with information on each match and a serialized introductory-to-expert level wine education. They then rate their selections to power an algorithm that improves their future matches.

The result, the company says, is "is proving out new successful wines in an industry that has struggled to attract a modern consumer. Top-rated wines for different segments of Bright Cellars members are frequently unique in the market and highlight how the wine industry has failed to understand its consumer."

Speakeasy Scores \$2 Million Funding

Speakeasy Co., a technology company and e-commerce platform for the wine & spirits industry, announced a \$2 million dollar seed round led by **Trog Hawley Capital LLC** with participation from other notable investors, including Revolution's Rise of the Rest Seed Fund. Proceeds will be used for general corporate purposes.

Since January 2020, Speakeasy Co. has scaled from roughly 40 to over 280 brands on the platform as of August 2021, helping partners survive the pandemic. With the top brand selling hundreds of thousands per month, e-commerce is now a differentiator to thrive in the new digital world. Speakeasy Co. partners include many emerging brands and major suppliers, spanning ready-to-drink beverages, wine, beer, spirits as well as Tesla Tequila.

Izo Spirits Raising Capital Through Crowdfunding

Izo Spirits, producers of a full line of Mexican spirits,

is seeking to raise \$1.07 million of additional capital through [StartEngine](#), the largest equity crowdfunding platform in the U.S. When we checked last night, Izo had raised \$140,812. The company has a minimum goal of \$10,000.

The company says its revenue has grown to \$143,000 last year from \$30,000 in 2019. During the first five months of 2021, the company says, its sales and account have "more than doubled all of 2020." Izo currently produces 100,000 bottles and year and expects to double that amount.

Distribution already includes California, including select Southern California Costco locations, Arizona, Nevada, Illinois, New York, New Jersey, Delaware and Pennsylvania and will soon expand to Georgia, Minnesota and Montana. Next week the company will ship its first 10 pallets to Costco stores in Mexico.

New Spirits Brand, Bahnbröcker

A new spirits brand, [Bahnbröcker](#), based in New Braunfels, Tex., will enter the marketplace with **Slow River Blend**, the first-ever Hefeweizen-style whiskey. Slow River Blend will be available in bars, restaurants and liquor stores throughout Texas and for **nationwide shipping** starting Sept. 15, 2021.

The company calls Slow River Blend "an unpretentious, easy drinking whiskey with a smooth finish." Bahnbröcker, derived from 'trailblazer' in German, is a nod to the company's hometown of New Braunfels and to the spirit of ingenuity found in the early pioneers of Texas. Slow River Blend is handcrafted from Texas and Midwestern wheat macerated with lemon peel and clove. The notes of lemon, clove, caramel and vanilla are reminiscent of a Hefeweizen-style beer. SRP: \$37.99.

Castle & Key to Sponsor Bourbon Stakes

Castle & Key Distillery, a popular Central Kentucky distillery destination, will sponsor the \$200,000 Bourbon (G2), a Breeders' Cup "Win & You're In" event to be held Sunday, Oct. 10 as part of Fall Stars Weekend at Keeneland.

The Castle & Key Bourbon, a 1 1/16-mile turf race for 2-year-olds, will award the winner a berth in the \$1 million Breeders' Cup Juvenile Turf (G1) Nov. 5 at Del Mar.

"The distillery is close to my heart for obvious reasons," said Keeneland President and CEO Shannon Arvin, whose husband is Castle & Key Founding Partner and Owner Will Arvin. "We appreciate Castle & Key's support of our racing program and are excited to build new experiences for our fans who enjoy great racing and a great cocktail."

As U.S. Marks National Bourbon Month, DISCUS Calls for End to Retaliatory Tariffs

September is National Bourbon Heritage Month, and **Distilled Spirits Council of the U.S.** marked the occasion, noting that consumer interest in the category has soared in recent years. In 2020, more than 28 million 9-liter cases of American Whiskey were sold in the United States, generating over \$4.3 billion in revenue for distillers.

But while the domestic market for the category has

experienced significant growth, the export market has been severely impacted by an unrelated trade dispute over steel and aluminum between the U.S. and the EU and UK. While progress has been made in other trade disputes impacting distilled spirits on both sides of the Atlantic, American Whiskeys, including Bourbon, now remain the only spirits category with tariffs still in place, putting America's native spirit at a competitive disadvantage in the EU and UK.

"Since the imposition of retaliatory tariffs in 2018, American Whiskey exports to the UK have decreased 52% and to the EU by 32%," said **Chris Swonger**, DISCUS president/CEO. "We are hopeful this tariff issue will be resolved by the end of the year, so that adult consumers in two of our largest export markets can continue to enjoy one of our country's greatest exports. Especially during Bourbon Heritage Month, we need toasts - not tariffs!"

Diageo Launches Online Tool To Change Attitudes on Drunk Driving

Diageo North America launches a new online virtual learning experience that starkly conveys to users the effects of alcohol and driving, as well as the stigma and consequences that result from making the decision to drive while impaired.

[Wrong Side of the Road](#) presents a series of videos where three impaired drivers share their impactful real-life stories – including someone who crashed on his way to work the morning after a night of drinking, an individual who drove impaired in an effort to look for his brother who he believed to be in trouble, and a father who crashed into a wall driving to a high school football game.

The interactive tool allows participants to ask the real impaired drivers increasingly raw questions about their decisions and consequences such as "Did you feel pressure to drive?", "What was going through your head?" and "How did your family react?" through what feels like a live conversation, but are, in fact, pre-recorded responses. At the end of the experience, participants are shown a summary of learnings and directed to other online resources that can offer additional information and support.

"We believe that a single crash caused by impaired driving is one too many. As a leading beverage alcohol company, it is our responsibility to create prevention tools to help save lives," said **Ana Fitzgibbons**, Director, Diageo in Society.

"With this new anti-impaired driving experience and program, we continue to invest and innovate in our approach to further educate people and create awareness, while stigmatizing the irresponsible behavior. This initiative is a component of Diageo's global effort to change the attitudes of five million people by 2030 when they think about drinking and driving."

North America is the company's second market to roll out the tool, after Diageo launched it in the United Kingdom in May 2021. Diageo plans to expand the tool's roll out to additional markets including Ireland, Italy, Greece, Spain, South Africa, India, Nigeria, Mexico, Colombia and Dominican Republic over the next 12 months, with users in each market able to select from a series of real impaired driver

incidents based in their own country or region, in their local language. Diageo North America is also exploring partnerships with various organizations to expand the reach of the learning experience.

"The consequences of impaired driving are far-reaching and all too often extend well beyond ramifications for the offender. Early estimates indicate impaired driving fatalities have increased sharply in the past year due to many factors – mental health concerns, a false sense of security due to less populated roads, speeding, and impaired driving. As Labor Day weekend approaches, we remind Americans to not only engage with Diageo's new program, but to drink responsibly, plan ahead for a safe ride home if they choose to drink, and to never drive impaired. Not only could you ruin your own life, but you could also take the lives of others," said Chris Swonger, president and CEO, Distilled Spirits Council of the United States and Responsibility.org.

A Tip of the Hat to Troegs Independent Brewing for a Nice Piece of Email Marketing

Email remains perhaps the most effective way to connect with customers, studies show — better than Facebook, better than Twitter, better than, well, just about anything.

But most craft brewers emails are simply ads slapped into an email format with little, if any, hint of the human behind them. And is it the personal connection as much as the liquid that leads us to patronize a local craft brewer (or distiller).

So it was a delight to open up an email from [Troegs Independent Brewing](#) that began, "Now that all the heavy rain here in Hershey has disappeared, it got us daydreaming about our bright and refreshing Sunshine Pilsber. . ."

A bit further down, another item began:

"We teamed up with [Unique Snacks](#) to bring you beer-and-pretzel pairings perfect for sharing with friends and family this fall. "We're Pennsylvania natives," says our founding brother John Troegner. "That's a big part of our identity. So it's natural for us to partner with another family-owned Pennsylvania maker. Both of us geek out on taking ingredients and making something delicious, and those two things happen to taste great together." Start with [Perpetual IPA](#) and Original Splits for a crispy, crunchy and citrusy combination, and see where your taste buds take you from there!"

It certainly is true that anything you can do to keep your name in front of your customer is good. But it's also worth remembering that it is so much better to make those emails a person-to-person connection simply a cold grocery-store type pitch of what's on sale (or tap) this week.

How This Year is Different for Grape Growers

In most years, says [Associated Grape Growers](#), the smart thing for a grape grower is to take purchase offers early in the year. But this year is different. "There has been no lapse in demand from the time that buyers started buying, following last harvest. This is one of those years where change is evident. Regardless of the level of strength in the market during the first few months of the year, it has strengthened since then. The (California) costal market have been relatively weaker than the interior region mar-

kets, but both are stronger today than they were at any time during during this past year."

Any grower who held out for higher prices, particularly in the interior regions, most likely benefitted from that action. Almost all varieties are coming in lighter than expected, he says. He expects demand to be bolstered further.

Coastal Grape Growers Can Use 50% Less Water During Drought, Not Hurt Quality

California grape growers in coastal areas can use less water during times of drought and cut irrigation levels without affecting crop yields or quality, according to a new [study](#) out of the [University of California, Davis](#).

The findings, published in the journal *Frontiers in Plant Science*, show that vineyards can use 50% of the irrigation water normally used by grape crops without compromising flavor, color and sugar content.

It sheds new light on how vineyards can mitigate drought effects at a time when California is experiencing a severe water shortage and facing more extreme weather brought on by climate change, according to lead author [Kaan Kurtural](#), professor of viticulture and enology and an extension specialist at UC Davis.

"It is a significant finding," Kurtural said. "We don't necessarily have to increase the amount of water supplied to grape vines."

Kurtural and others from his lab studied irrigation and cabernet sauvignon grape quality at a research vineyard in Napa Valley over two growing seasons, a rainy one in 2019 and a hyper-arid one in 2020.

They focused on crop evapotranspiration, which was the amount of water lost to the atmosphere from the vineyard system based on canopy size. The weekly tests used irrigation to replace 25%, 50% and 100% of what had been lost by the crop to evapotranspiration.

Researchers found that replacing 50% of the water was the most beneficial in maintaining the grape's flavor profile and yield. The level of symbiotic arbuscular mycorrhizal fungi, which help grapevines overcome stresses such as water deficits, was also not compromised. And the water used to dilute nitrogen application was also reduced, making the process more environmentally friendly.

The water footprint for growing grapes also decreased. For both the 25% and 50% replacement levels, water use efficiency increased between 18.6% and 29.2% in the 2019 growing season and by 29.2% and 42.9% in the following dry year.

While focused on cabernet sauvignon, most red grapes will respond similarly, he said.

"In the end, drought is not coming for wine," Kurtural said. "There doesn't need to be a tremendous amount of water for grapes. If you over irrigate in times like these, you're just going to ruin quality for little gain."

How Frescobaldi Deals with Climate Change

This past summer was "quite hot," [Frescobaldi](#) said, resulting in younger vineyards requiring emergency irrigation. That wasn't a problem, the Italian vintner said, since

"it is now Frescobaldi's standard practice to install irrigation when planting new vineyards to cope with weather extremes, which are now an expected phenomenon due to climate change.

Johnnie Walker Visitor Center Opens

Diageo's Johnnie Walker Princes Street, an eight-floor new visitor experience opened Friday (9/2) in the heart of Edinburgh, Scotland's capital city.

Four and a half years in the making, Johnnie Walker Princes Street is the centerpiece of Diageo's £185million pound investment in Scotch whisky tourism in Scotland – the largest single investment program of its kind ever seen in Scotch whisky tourism.

The 71,500 sq ft, it takes the concept of personalization to a scale never before seen in a global drinks visitor experience.

Visitors on the Johnnie Walker Journey of Flavour tour will have their personal flavour preferences mapped with drinks tailored to their palate.

With more than 800 flavor combinations available in the innovative dispensation systems, one person could visit Johnnie Walker Princes Street every day for more than two years and not have the same experience twice.

Over 150 diverse and talented new employees, speaking 23 languages between them, will bring to life the 200-year story.

The cellar has become a true whisky treasury with some of the most unique whisky casks in the world gently maturing and waiting to be sampled by guests.

The building – formerly a traditional department store for almost 100 years – will contain a state-of-the-art experiential retail space where shoppers can select from rare and exclusive whiskies, fill their own bottles and have them personalised.

Johnnie Walker Princes Street opens its doors with a Green Tourism Gold Award – the highest sustainability accolade for a visitor attraction. The building includes roof terrace planters to provide herbs for garnishes and infusions for drinks, a sedum roof covering and bird boxes to encourage biodiversity.

Johnnie Walker Princes Street is crowned by two world-class rooftop bars and a terrace with breath-taking views of the Edinburgh skyline, including the Explorers' Bothy whisky bar stocked with 150 different whiskies, and the 1820 cocktail bar where drinks are paired with a carefully curated menu sourced from, and representing in culinary form, the four corners of Scotland.

Natural Light Intros a Strawberry Lemonade Flavored Vodka

It's a 30% ABV, 96 calories, 6 grams of carbs and no protein.

"The interests and taste preferences of consumers are constantly changing. They are not always going to eat and drink the same thing all the time, and they like to explore new flavors," **Daniel Blake**, group vp-marketing for Budweiser & Value at **Anheuser-Busch**, says, adding the product helps Anheuser-Busch "expand its portfolio to meet evolving con-

sumer preferences and drinking occasions."

Natural Light was introduced in 1977 as Anheuser-Busch's first reduced-calorie light beer. It is currently the sixth best-selling beer in America, according to the company.

"As we look to meet the evolving needs and tastes of our fans, we will continue to push the envelope with product innovations," Blake said. "With each innovation we get closer to our long-term strategic goal of becoming the preferred alcohol beverage brand for young LDAs (legal drinking age adults), not just the preferred beer brand for them."

DISCUS Adds Dragon Spirits Marketing To Spirits United Sponsor List

Distilled Spirits Council of the U.S. (DISCUS) said [Dragon Spirits Marketing](#), a top-of-the-line brand activation staffing and education platform, is joining [Spirits United](#) as a partner member, growing the platform's reach and influence on issues important to the spirits industry.

"As brand representatives for many of our favorite spirits products, Dragon Spirits Marketing is a perfect fit for Spirits United," said **Chris Swonger**, president & CEO of DISCUS and **Responsibility.org**. "Its 'Dragons' promote products across the country, and now, with their help, we can spread the word about the most pressing issues facing spirits producers, retailers and consumers. We are excited to partner with Dragon Spirits Marketing and look forward to growing our collective voice."

"We are honored to partner with DISCUS through Spirits United, especially considering our company was initially founded eight years ago to introduce new American distilleries to consumers all over the United States," said **Lamar Romero, CEO and co-founder of Dragon Spirits Marketing**. "In fact, we now contract more than 3,200 "Dragon" Brand Ambassadors in 27 states, brand activating thousands of events monthly for burgeoning beer, wine, liquor and CPG brands. However, distilled spirits have always carried a special place in our hearts, and we are excited to support all the great spirits brands that make up our industry by engaging policymakers and influencing legislation to create more opportunities for our distilled spirits friends and family!"

DISCUS Annual Convo to Focus on Changes In Marketplace, Cannabis, Rise of Rare Spirits

In addition to thought-provoking content (see below) the Oct. 6-8 event at the Fairmont Austin will also feature a trade show with a focus on supply chain companies, sustainability and innovations.

In a nod to the continuing ability of Covid to disrupt the best-laid plans, registration also includes a virtual option as well as "inability to attend insurance" which will refund 100% of registration fees.

Among the sessions:

- ✓ The rapidly changing marketplace for distilled spirits and new routes to market that were ushered in as a result of the pandemic
- ✓ A CEO panel on how to position distilled spirits for the future
- ✓ Launch of a new "Luxury Brand Index"

- ✓ Promoting sustainability up and down the spirits supply chain
 - ✓ Cannabis and how this emerging market will impact the beverage alcohol industry
 - ✓ The rapid rise of rare spirits
- Registration and more details are at discus.org.

Oldest Single-Malt Scotch Gets a Decanter

If you can get to Sotheby's New York early this month you'll be able to see the crystal decanter **Gordon & MacPhail** is introducing to hold what it is calling the oldest single-malt scotch ever bottled, **Generations 80-Years –Old from Glinlivet Distillery**.

Only 250 70cl decanters have been created. Decanter #1 is being auctioned by Sotheby's in Hong Kong on 7 October 2021 with a framed cask end from the original cask and a lithograph of the original concept drawings signed by Sir David Adjaye., OBE.

Auction proceeds (minus costs) are being donated to a local Scottish charity, Trees for Life, whose mission is to rewild the Caledonian forest.

The decanter and oak pavilion will also be exhibited at Sotheby's London and Hong Kong galleries.

The whisky laid down in 1940, just months after the United Kingdom declared war on Nazi Germany in response to Hitler's invasion of Poland.

The jewel-like decanter designed by Sir David Adjaye OBE to hold the liquid contains lenses to provide focus on the richly colored liquid. A generous volume of crystal balances both heft and delicacy, and provides a beguiling, tactile presence.

"The gentle combination of liquid, weight and form invokes a sense of care, responsibility and slowness. As you pour, a sense of time fades and all that is understood is the preciousness of each drop," adds Adjaye.

Woodford Reserve Cocktail Mixers Debut in Williams Sonoma Stores

The new co-branded cocktail mixers are a result of a partnership between Woodford Reserve, the world's No.1 selling super-premium American whiskey and Williams Sonoma, the design-led and sustainable home retailer.

The Old Fashioned, Whiskey Sour and Mint Julep cocktail mixers are now available at Williams Sonoma stores across the U.S., online at www.williams-sonoma.com and at the Woodford Reserve Distillery in Versailles, Ky., for \$18.95 per 16 fl. oz. bottle.

Additionally, Woodford Reserve and Williams Sonoma will be leading [virtual online cocktail classes](#) on September 15th and 29th where consumers will learn how to make the signature cocktails and hear about the history of bourbon from Assistant Master Distiller Elizabeth McCall.

Cathead Distillery Doubles Time in Barrel for Old Soul

Cathead Distillery, the first legal distillery in the state of Mississippi and a 2020 James Beard semi-finalist for Outstanding Spirits Producer, released its 2021 Small Batch Old Soul Bourbon, a high rye whiskey coming in at 90 proof.

The 2021 release is aged even longer than its Old Soul

predecessors (over four years vs. the previous 2-year-old spirit.).The new rendition offers a unique mix of tasting notes, including toffee, dried fruits, fresh leather, cocoa, and undertones of banana nut muffins.

With just 88 barrels produced, Cathead's Old Soul features a hand-selected precise blend of whiskeys distilled in Mississippi and Indiana—with each barrel reviewed by nose and palate. Aged onsite at the Jackson, Miss., distillery, the strong Southern heat and humidity offer an ideal environment for maturation, allowing Old Soul to produce older flavor notes throughout its maturation.

SRP: \$44.95. The new bottle is available for pre-order with nationwide shipping via shop.catheaddistillery.com as well as retailers in Alabama, Arkansas, Florida, Georgia, Louisiana, Massachusetts, Michigan, Mississippi, North Carolina, Ohio, South Carolina, Tennessee, and Texas.

"Adding rare and unique bourbons to our whiskey portfolio continues to be a major focus for us," said Cathead Co-Founder Richard Patrick. "With a nod to bourbon traditions of the past and future whiskeys to come, we're thrilled to share this high-rye Old Soul rendition with Cathead loyalists and whiskey fans, alike."

Monaco Cocktails Expands Distribution, Places Variety Pack in 270 Sam's Club Stores

The expanded retail availability with Sam's Club brings consumers the convenience of Monaco's on-trend, canned cocktails in an affordable 12-pack variety format. Including three cans of each flavor, the new pack in Sam's Club features Monaco's most popular varieties, Sun Crush, Lime Crush, Citrus Rush, Blue Crush.

"As we rapidly grow our retail footprint, we are excited to introduce a new variety 12-pack to nearly 300 Sam's Club stores and increase access for our best-selling RTD flavors to consumers across the U.S.," said **Don Deubler**, CEO of Atomic Brands

The new Monaco Cocktails 12-pack is exclusively available for \$22.98 at select Sam's Club stores across the U.S. Distribution is focused in Florida, California, Illinois, Michigan and Ohio. Monaco Cocktails also retails at convenience stores nationwide for \$2.50-2.99 per 12 oz. can.

Who & What —

HIRED: Melissa Shea and Hristo Zisovski as the management team for the New York Metro area. Shea joins from E&J Gallo, where she was a Senior Luxury Portfolio Consultant for the New York Metro Area. Zisovski joins from Altramarea Group. . . .

Aimee Baker as director of luxury winemaking at Trinchero Family Estates. She joins from Opus One' where she was associate winemaker.

Continued Success,
KANE'S BEVERAGE WEEK



JOEL WHITAKER, Editor