



## Sales Comparison of Wine Brands by Closure Type (Year ending 2/5/11)

What a difference a year makes.

It has been one full year since the Cork Quality Council began tracking sales by closure type for the Top 100 Domestic Premium Wine Brands. The comparison between February of 2011 and the previous year shows a dramatic increase in case sales and revenue from cork finished brands compared to brands featuring alternative closures.

Total case sales of the Top 100 Brands for the year ending February 5, 2011 show a modest 0.8% increase over last year. Significantly, the mix of business has tilted in favor of cork finished brands which post increased sales by 13.8% compared to a decline of 13.1% for those brands finished with alternative closures.

Annual Case Sales	Feb. 5, 2011	Feb. 6, 2010	Change
Top 100 Brands	14,965,540	14,850,843	0.8%
Cork Closures	8,700,354	7,643,722	13.8%
Alternative Closures	6,265,186	7,207,121	-13.1%

A similar pattern of robust growth for cork finished brands and languishing performance for alternative closures is seen in sales revenue.

Annual Revenue (000)	Feb. 5, 2011	Feb. 6, 2010	Change
Top 100 Brands	\$1,800,639	\$1,763,581	2.1%
Cork Closures	\$1,100,284	\$982,682	12.0%
Alternative Closures	\$700,355	\$780,899	-10.3%

### Trend Analysis

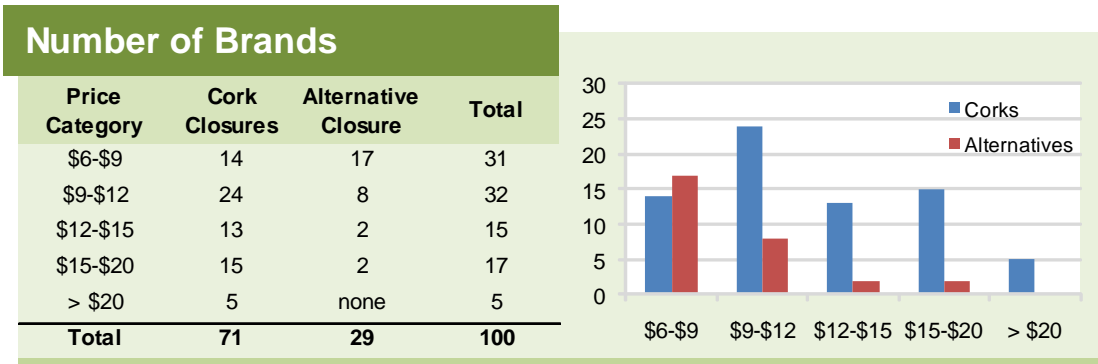
Current sales trends show that Top 100 Brands finished with cork closures exhibit an 8.1% increase in case sales over the same period year ago. Sales for brands featuring alternative closures show a 1% volume increase. The cork finished brands enjoyed a pricing advantage of \$1.32 per bottle over brands finished with alternative closures.

Sales Performance Last 12 Weeks	Cork Brands	Alternatives	Difference
Volume Growth over Last Year	8.1%	1.0%	7.1%
Price per Bottle	\$10.55	\$9.23	\$1.32

*Sales Figures for Feb 5 2010, are taken from reports published last year and do not include changes in closure assignments made since then.*

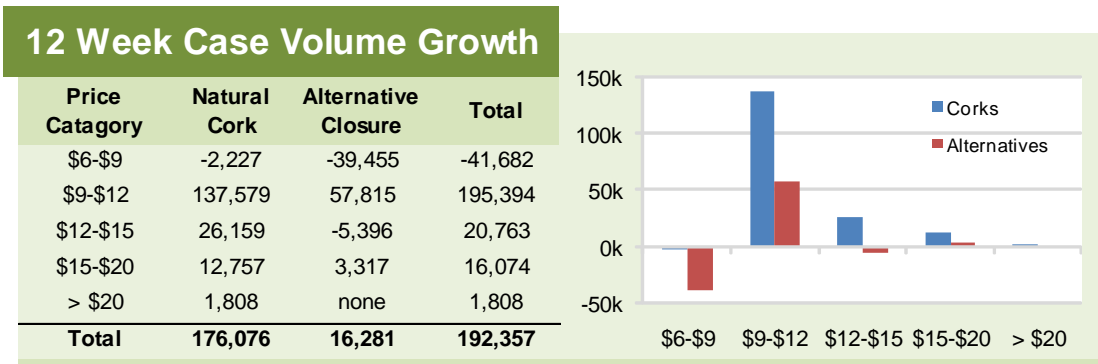
## Sales by Price Category

When sales activity is examined by price, it becomes clear that the growth seen by premium wines during the past 12 weeks occur in the price categories over \$9.00. Pricing categories of \$6-\$9, \$9-\$12, \$12-\$15, \$15-\$20 and >\$20 were used to measure the distribution of closure types. Cork was relatively evenly distributed, while more than half of the brands with alternative closures were in the \$6-\$9 group.



Based on Nielsen Premium Wine Scan - 750ml Bottles for Brands with Avg Price over \$6.00 -12 week Period ending 2/05/11

The comparison of sales results over the 12 week period show cork finished brands gained 176,076 cases from last year. The greatest increase occurred in the \$9-\$12 category where cork brands registered an increase over 137K cases. Total brands with alternative closures increased by 16,281 cases. The weakest price point is the \$6-\$9 category, where volume fell by more than 40K cases.



Based on Nielsen Premium Wine Scan - 750ml Bottles for Brands with Avg Price over \$6.00 -12 week Period ending 2/05/11

Data for this update is provided from wine sales reported by A.C. Nielsen during the 12-week period ending February 5, 2011. This study is focused on premium domestic table wine, which for this purpose, is defined as wines packaged in 750ml bottles priced at \$6 and up. Nielsen data reflects retail pricing net of discounts, so this comparison does not necessarily translate to revenue received by the winery. Scanned data comes primarily from supermarkets and does not reflect on-premise sales or movement from independent wine shops.

Results indicate that the number of top brands using cork closures is growing, and that brands finished with cork have enjoyed more robust sales growth than brands finished with alternative closures.

*The Cork Quality Council is a non-profit group organized to improve quality assurance programs for its membership. The group is comprised of Amorim Cork America, Cork Supply USA, Ganau America, Juvenal Direct, Lafitte Cork & Capsule, M.A.Silva Corks USA, Portocork and Scott Laboratories.*