Wine Industry Metrics - Flash Resellers - August 2013

Wines Vines Analytics

Flash Offers Drop to 2011 Level

The 16% decrease in flash offers from last year continues a trend of declining offers that began in January but had abated somewhat in July. Wines Til Sold Out and Last Call Wines offered the most domestic wines in August with 59 and 58 offers respectively.

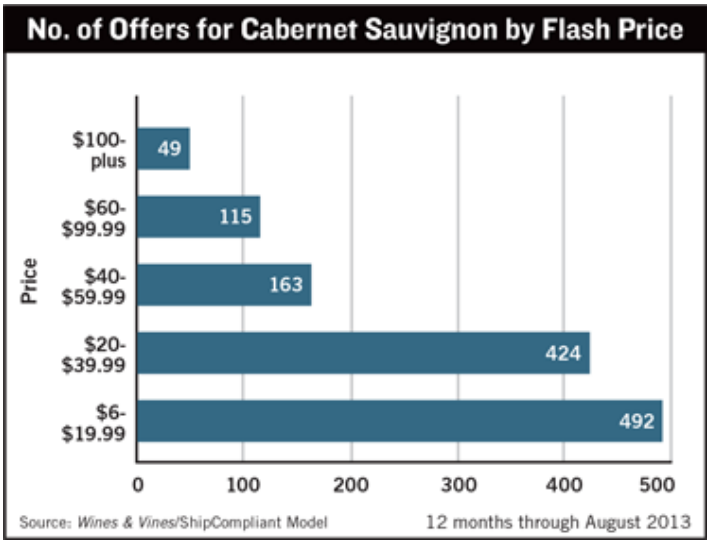
Flash Reseller Offers »	Month	12 Months
August 2013	366	5,088
August 2012	438	5,204

Most Offers for California Cabernet Less Than $40

Just as Cabernet Sauvignon is popular in the off-premise and direct-to-consumer segments, the varietal represents a quarter of all wines offered by flash websites in the past 12 months. Of the 5,088 total offers for domestic wines, 1,246 were for Cabernet Sauvignon and almost all (93%) of these wines were from wineries in California. Napa County wineries accounted for 60% of the California Cabernets and 25% were from Sonoma County. While Washington state wineries may be garnering a reputation for well-made Cabernets, flash sites only offered 39 Washington Cabernets in the past 12 months.

By winery retail price the offers were almost equally divided around the $50 mark. Flash sites offered 660 wines with a retail price of less than $49, and 580 with a retail price of $50 or more.

However, when looking at offers by flash price, 1,019, or 82%, of the Cabernet wines had a price of less than $50 and 492 were offered for less than $20 with an average price of $16. The average flash price in the $20 to $49 range was $33.



High priced Napa Valley Cabernets from such wineries as Far Niente Winery, Diamond Creek Vineyards and Heitz Wine Cellars accounted for nearly all of the 49 flash offers priced over $100. The most expensive flash offer recorded by Wines Vines Analytics in the past 12 months was by Invino for a bottle of 2007 Dana Estates Napa Valley Cabernet at 0% discount for $780.

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FLASH SITES COMPARED FOR AUGUST

Flash Reseller	No. of Domestic August Offers	Average Flash Price (750ml)	Average Discount	Pageviews* (000)
Cinderella Wine	16	$26.89	33%	>1
Invino	45	$23.31	39%	233
Last Bottle Wines	19	$30.08	43%	65
Last Call Wines	58	$21.69	43%	19
Lot18	31	$17.79	34%	274
The Wine Spies	32	$25.44	32%	10
Wine Woot	23	$16.10	41%	310
Wines Til Sold Out	59	$18.75	53%	271
WineShopper	28	$15.46	34%	96

Source: Wines Vines Analytics, winesandvines.com/flash *Source: Compete.com, Aug. 2013

FLASH DISCOUNTS FOR A SAMPLE OF CABERNET SAUVIGNON WINES OFFERED IN AUGUST

Discount	Winery/Brand	Winery State	Varietal/Type	Vintage	Winery Retail	Flash Price	Winery Size In Cases	Flash Site
13%	Shafer Vineyards	CA	Cabernet Sauvignon	2010	$76.00	$65.97	32,000	Wired For Wine
25%	Robert Hall Winery	CA	Cabernet Sauvignon	2010	$24.00	$17.99	70,000	Good Juice Direct
33%	Woodward Canyon Winery	WA	Cabernet Sauvignon	2010	$54.00	$35.97	15,000	Wired For Wine
51%	Fortino Winery Inc.	CA	Cabernet Sauvignon	2009	$80.00	$38.99	15,000	Wine Spies
52%	Murphy-Goode	CA	Cabernet Sauvignon	2010	$24.99	$11.99	225,000	Last Call Wines
56%	Martellotto Wine Productions	CA	Cabernet Sauvignon	2010	$45.00	$19.99	5,000	Lot18
56%	Michel-Schlumberger	CA	Cabernet Sauvignon	2010	$45.00	$19.99	10,000	Wines Til Sold Out
64%	Artesa Vineyards & Winery	CA	Cabernet Sauvignon	2010	$70.00	$24.99	80,000	Wines Til Sold Out

Source: Wines Vines Analytics

Flash Methodology

Wines Vines Analytics' research team captures flash offer details for hundreds of domestic wine offers each week. The team monitors offers presented through 17 flash reseller sites every day of the year. Each offer is reviewed and tied to the source winery, and the specific details are recorded in a database of flash offers.

When flash websites hold special events with a high number of offers, Wines Vines Analytics monitors the site closely, often capturing a new offer every few minutes. At the close of each month, the offers are reviewed for accuracy, and the findings are reported by *Wines & Vines'* editorial staff for the current month along with time-series comparisons of pricing, winery size and wine types.

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