



Wine Industry Metrics - Flash Resellers - October 2013

Wines Vines Analytics

Flash Offers at Same Level as 2012

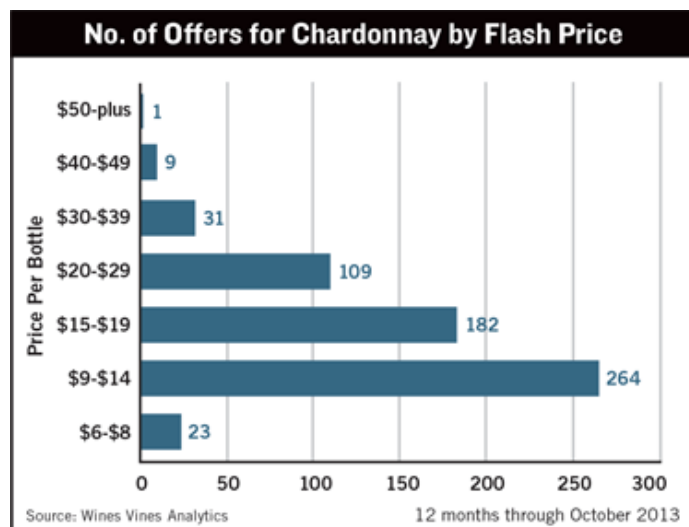
Flash offers for domestic wines in October stayed at the same level as October 2012. Last Call Wines, which offers one wine until it's sold out, led the flash segment with 102 offers. The average retail price for wines offered in October was \$47, and the average flash price was \$32, for an average discount of 32%.

Flash Reseller Offers >>	Month	12 Months
October 2013	447	5,180
October 2012	440	5,290

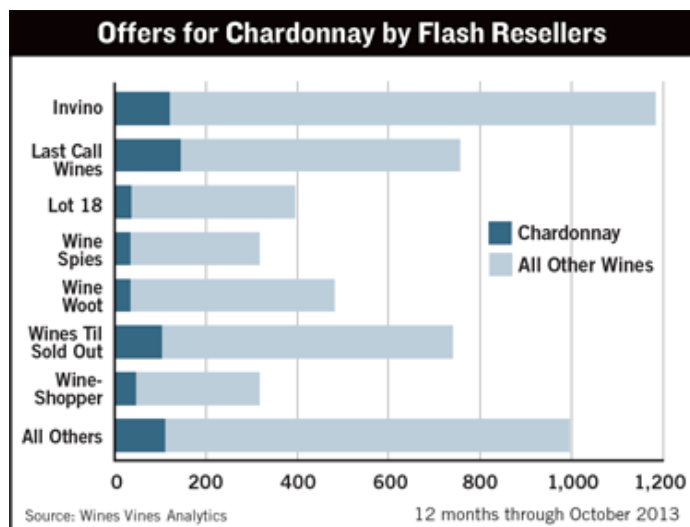



Chardonnay in the Flash Segment

Chardonnay represents 12% of the flash offers for U.S. wines in the past 12 months. While it's the most popular variety in the off-premise channel, Chardonnay alternates with red blends as the third and fourth most-offered wine by flash resellers. While prices for red blends can vary dramatically because of offers for high-end Napa Valley blends, Chardonnay flash prices typically fall between \$9 and \$19.99. More than 70%, or 446, of the 619 Chardonnays offered in the past 12 months, were in this price range. The average price of all Chardonnay was \$31, and the average flash price was \$18.



At the high end, more than 100 offers came in the \$20-\$29.99 range, meaning 89% of the Chardonnay wines sold through flash sites are offered for less than \$30. And the most expensive Chardonnays don't have flash prices higher than \$50, with the one notable exception being an offer by Last Bottle Wines for a bottle of 2002 San Luis Obispo Chardonnay from [Sine Qua Non](#) with a retail price of \$350 and a flash price of \$178.



Nine out of every 10 bottles of the domestic Chardonnay offered by flash sites in the past 12 months were from California, with Napa and Sonoma counties accounting for about two-thirds of the total bottles. Last Call Wines’s 143 offers for Chardonnay was the most by a major reseller.

New Flash Website

In other flash news, the new website [Underground Cellar](#) launched in September. The website offers a unique model in which customers have the chance to essentially win an upgrade to their wine order. The company offers three wines of varying quality but with a base offer price. For example, a recent offer for Sonoma County Pinot Noir featured [Keller Estate](#) (average wine retail price \$44, according to Wines Vines Analytics), [Martinelli Winery](#) (\$50) and [Kistler Vineyards](#) (\$80). The offer price was \$22, and the buyer was most likely to receive a wine by Keller but had a chance of receiving a 1999 Kistler. In October, Underground Cellar made four domestic wine offers.

FLASH SITES COMPARED FOR OCTOBER				
Flash Reseller	No. of Domestic October Offers	Average Flash Price (750ml)	Average Discount	Pageviews* (000)
Cinderella Wine	12	\$43.18	32%	5
Invino	64	\$23.94	39%	78
Last Bottle Wines	19	\$30.12	44%	114
Last Call Wines	102	\$22.38	46%	74
Lot18	34	\$19.91	33%	172
Wine Spies	28	\$28.91	33%	<1
Wine Woot	30	\$20.01	39%	325
Wines Til Sold Out	53	\$21.89	53%	456
WineShopper	31	\$16.13	33%	75

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

FLASH DISCOUNTS FOR A SAMPLE OF CHARDONNAYS OFFERED IN OCTOBER								
Discount	Winery/Brand	Region/Vineyard	Winery State	Vintage	Winery Retail	Flash Price	Winery Size In Cases	Flash Site
20%	Miner Family Winery	Napa Valley	CA	2009	\$56.00	\$44.99	30,000	Good Juice Direct
29%	Iron Horse Vineyards	Russian River Valley	CA	2011	\$28.00	\$19.99	30,000	WineShopper
33%	Chateau Ste. Michelle	Indian Wells	WA	2011	\$18.00	\$11.99	1,500,000	WineShopper
40%	Olabisi Wines	Carneros	CA	2010	\$40.00	\$23.99	1,000	Wine Spies
48%	Au Bon Climat	Santa Maria Valley	CA	2010	\$59.99	\$30.99	50,000	Last Call Wines
50%	Foppoli Wines	Russian River Valley	CA	2010	\$50.00	\$24.99	500	Wine Spies
53%	Keller Estate	Sonoma	CA	2010	\$32.00	\$14.99	10,000	Wines Til Sold Out
58%	Alderbrook Winery	Russian River Valley	CA	2011	\$39.99	\$16.99	20,000	Last Call Wines

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