

Wine Industry Metrics - Flash Resellers - December 2012

Wines Vines Analytics

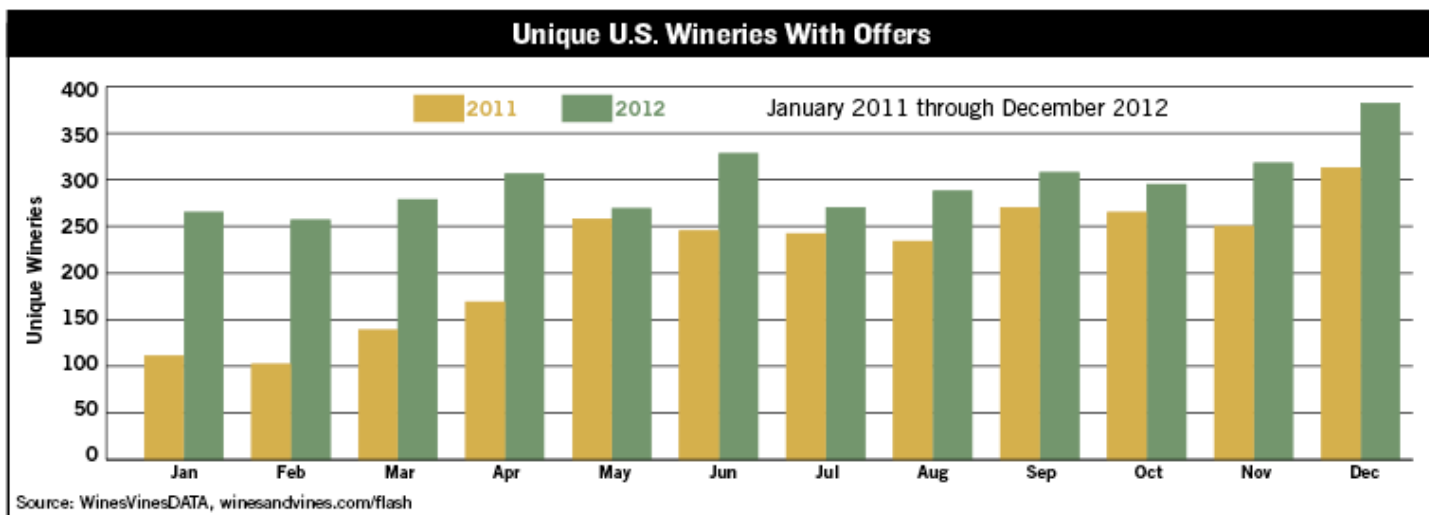
Wineries Continue to Enter Flash Market

Nearly four times as many wineries had wines offered through flash sites in December 2012 than in January 2011. The 382 unique, U.S. wineries with offers in December 2012 represented the highest monthly total since WinesVinesDATA first started tracking flash offers. Flash sites have continued to stay popular with wineries looking to clear out inventory quickly as well as take advantage of the sites' email lists of prospective customers.

Flash Reseller Offers »	Month	12 Months
December 2012	573	5,402
December 2011	547	3,990

FLASH SITES COMPARED FOR DECEMBER				
Flash Reseller	No. of Domestic December Offers	Average Flash Price (750ml)	Average Discount	Pageviews* (000)
CellarThief	4	\$22.49	45%	NA
Cinderella Wine	7	\$31.30	39%	16
Invino	207	\$27.40	40%	275
Last Bottle Wines	7	\$32.36	48%	24
Last Call Wines	84	\$32.97	38%	53
Lot18	55	\$32.04	28%	300
The Wine Spies	25	\$25.97	30%	38
Wine Woot	55	\$20.62	39%	745
Wines Til Sold Out	58	\$21.15	52%	351
WineShopper	25	\$16.05	40%	160

Source: WinesVinesDATA, winesandvines.com/flash *Source: Compete.com, Dec. 2012



FLASH DISCOUNTS FOR A SAMPLE OF CABERNET SAUVIGNON OFFERED IN DECEMBER

Discount	Winery/Brand	Region/Vineyard	State	Varietal	Vintage	Winery Retail	Flash Price	Winery Size In Cases	Flash Site
24%	Amavi Cellars	Washington	WA	Cabernet Sauv.	2009	\$26.33	\$20.00	8,600	Lot18
33%	Heitz Wine Cellars	Napa Valley	CA	Cabernet Sauv.	2005	\$224.99	\$149.99	40,000	Last Call Wines
33%	Dunham Cellars	Columbia Valley	WA	Cabernet Sauv.	2009	\$59.99	\$39.99	15,000	Last Call Wines
41%	Arroba Winery	Sonoma	CA	Cabernet Sauv.	2009	\$45.00	\$26.49	15,000	Wine Spies
44%	Force of Nature	Central Coast	CA	Cabernet Sauv.	2009	\$30.00	\$16.95	1,000	Prince of Wine
48%	Atlas Peak	Napa Valley	CA	Cabernet Sauv.	2007	\$95.75	\$50.00	250,000	Wine Woot
58%	Thumbprint Cellars	Alexander Valley	CA	Cabernet Sauv.	2010	\$45.00	\$18.99	4,000	Wines Til Sold Out
67%	Michel-Schlumberger	Dry Creek Valley	CA	Cabernet Sauv.	2009	\$75.00	\$24.99	10,000	Wines Til Sold Out

Source: WinesVinesDATA

In other flash news, Lot 18 announced it would lay off 25 employees and is shifting from being just a flash site to operating a wine club. A spokesman for the company said Lot 18's current customers would continue to receive the same selection of wines, and the club would complement its flash offers. Lot 18 had once led the flash market by offers but has since slipped behind Invino and Wines Til Sold Out.

Cellar Angels announced a flat fee of \$10 for all ground shipping, regardless of the size of wine order. Salon.com and The Wine Spies announced a partnership for an online wine store that will offer a wine picked by The Wine Spies every day.

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.

WINES & VINES

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