

Wine Industry Metrics - Flash Resellers - May 2013

Wines Vines Analytics

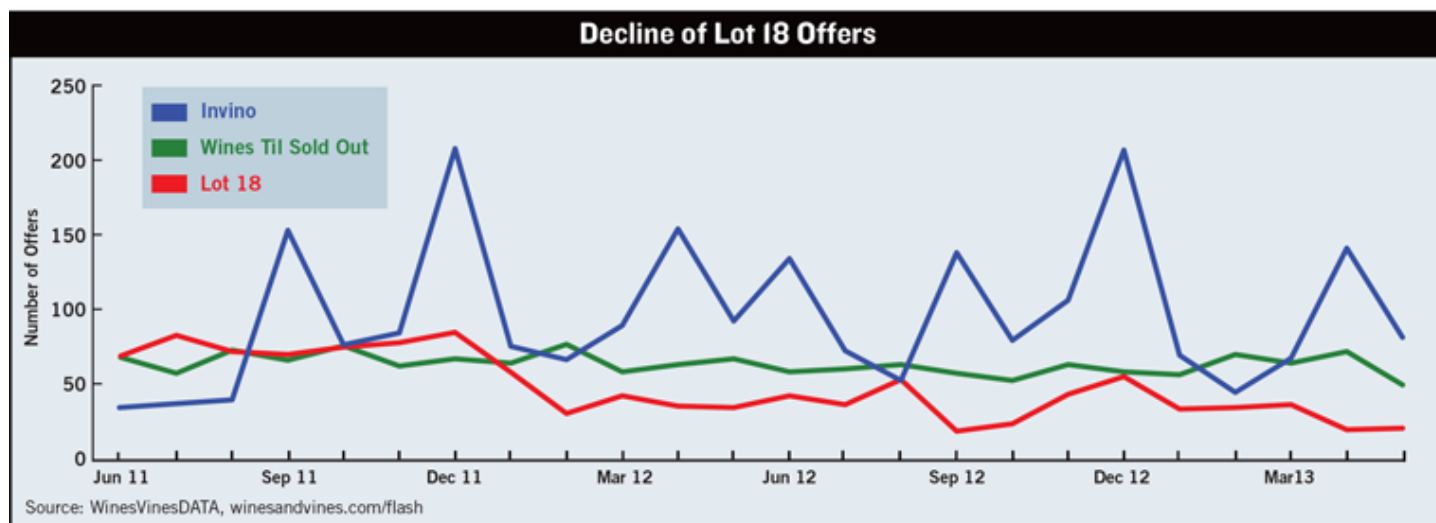
Drop in Domestic Flash Offers as Lot18 Changes Focus

Compared to May 2012, total domestic flash offers fell by 11%--the largest drop since WinesVinesDATA began tracking offers. Total offers in the past month came to 364, which is 44 less than the same period last year.

Flash Reseller Offers »	Month	12 Months
May 2013	364	5,276
May 2012	408	4,924

Changing Leaders of the Flash Pack

The number of total offers has been slipping since January, when New York-based Lot18 announced it would be transitioning away from flash sales to operate a wine club. Lot18 was once one of the top websites in the flash segment by total offers. In May 2011 the company had 70 offers, but in the past month it only had 20.



Invino had jumped to the front of the pack when *Wines & Vines* first included it in The Flash Report in October 2011. The website has since led the flash segment by offers, owing primarily to special offer events, which can send its offer total soaring. In December 2012, for example, Invino made 207 offers, which accounted for a little more than a third of that month's total offers by all flash sites.

FLASH SITES COMPARED FOR MAY				
Flash Reseller	No. of Domestic May Offers	Average Flash Price (750ml)	Average Discount	Pageviews* (000)
Cinderella Wine	4	\$22.41	35%	7
Invino	81	\$20.41	40%	89
Last Bottle Wines	15	\$51.07	44%	62
Last Call Wines	46	\$21.69	46%	53
Lot18	20	\$42.77	24%	174
The Wine Spies	25	\$23.81	27%	11
Wine Woot	35	\$16.12	46%	216
Wines Til Sold Out	49	\$20.36	53%	222
WineShopper	29	\$20.64	36%	151

Source: WinesVinesDATA, winesandvines.com/flash *Source: Compete.com, May 2013

FLASH DISCOUNTS FOR A SAMPLE OF ALTERNATIVE VARIETALS OFFERED IN MAY								
Discount	Winery/Brand	Winery State	Varietal/Type	Vintage	Winery Retail	Flash Price	Winery Size In Cases	Flash Site
22%	Bethel Heights Vineyard, Inc.	OR	Pinot Gris	2012	\$18.00	\$13.99	13,000	Good Juice Direct
33%	Bonny Doon Vineyard	CA	Nebbiolo	2007	\$37.50	\$25.00	20,000	Lot18
36%	Meadowcroft Wines	CA	Sangiovese	2012	\$28.00	\$17.99	25,000	Wine Spies
36%	Saddleback Cellars	CA	Pinot Blanc	2010	\$25.00	\$15.99	6,000	Invino
42%	Rock Wall Wine Co.	CA	Tannat	2010	\$34.33	\$20.00	10,000	Wine Woot
44%	Georgetown Divide	CA	Grenache	2009	\$17.75	\$10.00	2,000	Wine Woot
55%	Blockheadia Ringnosii	CA	Petite Sirah	2010	\$40.00	\$17.99	30,000	Wines Til Sold Out
44%	Wellington Vineyards	CA	Roussanne	2010	\$27.00	\$15.00	10,000	Wine Woot

Source: WinesVinesDATA

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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