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INVENTiV

ORACLE NETSUITE

365WINE TRADE

by Western Computer
SipSource Analysts

About us

former SVP of Nielsen Beverage Alcohol Practice (20+ years)

long time insights leader (category/ consumer) E&J Gallo/Constellation
**Data Sources**

**Source Data**
- Distributors send data to VIP. Each company’s data rests in separate, confidential data warehouses.

**VIP**
- Each distributor's products are mapped to VIP's Item Catalog and outlet master.
- Data is then aggregated and aligned to standard groups (e.g., product classes, trade channel).

**SipSource iDIG**
- Aggregated data is published in VIP's iDIG platform for business insights.
Our Agenda

• Unprecedented Changes
  ➢ Spirits Growth – vs Wine
  ➢ Economic Conditions
  ➢ Premiumization
  ➢ Evolving Channel Marketplace

• What’s Ahead
WHO’S IN CHARGE? IT’S THE CONSUMER!!

1. Total Beverage
   - Growing cross category drinking/blurring of lines

2. Experience
   - Authenticity; Discovery; Entertainment

3. Flavors
   - Flavor seekers

4. Convenience
   - Shopping/buying
   - Right pack type/size

5. Wellness – for ‘me’ & ‘we’
   - Healthier choices/desire for transparency
   - Sustainability/CSR

6. Trading up
   - Drinking “better” – inflation impact?

7. Demographics
   - Gender
   - Age/Generation
   - Multi-cultural
2021 - AN ANOMALY YEAR, ESPECIALLY FOR THE ‘HIGH’ END

2021

• An outstanding year for higher end wines & spirits
• Restricted spending on ‘services’; but hyper spending on ‘stuff’
• Government monetary support to consumers & businesses
• High end wines/spirits purchased at store - not restaurant - prices

2022

• Much broader consumer spending options – including entertainment, sports, travel (in and out of country)
• Business related travel/spending not fully back yet
• Broader inflation squeeze on basics – food, gas, etc, along with rising interest rates squeezing consumer wallets

• Outstanding 2021 created very tough comps into 2022
• Year on year growth – at any level - is still VERY positive
SPIRITS LEAD, BUT GROWTH ABATING; WINE TRAILING; BEER IN THE MIDDLE

TOTAL U.S. – 3 TIER: ON + OFF PREMISE

Ex RTD’s:  +0.9%  -3.1%

12-Month Rolling % Change vs. LY
SPIRITS GROWTH vs WINE
SPIRITS SUSTAINED GROWTH – & GROWTH GAP vs WINE – IS UNPRECEDENTED

Spirits have a 51.6% share of volume, a gain of 740-basis points since 2017
RTD’s and TEQUILA LEAD THE WAY IN SPIRITS GROWTH

Volume Share of Total Spirits

Segment Trend vs. LY

September 2022 - 12-Month % Change vs. LY
PREMIXED COCKTAILS HAVE EXPLODED; TEQUILA VERY STRONG

Share Change Since December 2018 - September 2022
Rolling 12-Month
VODKA BASE DRIVES PREMIXED COCKTAILS TODAY, BUT TEQUILA BASED RTD’s POISED TO TAKE OFF!

<table>
<thead>
<tr>
<th>Alcohol Base</th>
<th>2022 YTD Share</th>
<th>Dollar % Change vs. Year Ago</th>
</tr>
</thead>
<tbody>
<tr>
<td>VODKA</td>
<td>59.0%</td>
<td>60.2%</td>
</tr>
<tr>
<td>TEQUILA</td>
<td>16.3%</td>
<td>43.4%</td>
</tr>
<tr>
<td>RUM</td>
<td>6.7%</td>
<td>65.5%</td>
</tr>
<tr>
<td>WHISKY</td>
<td>4.9%</td>
<td>67.5%</td>
</tr>
<tr>
<td>CANADIAN</td>
<td>4.4%</td>
<td>41.8%</td>
</tr>
<tr>
<td>MULTIPLE ALCOHOL</td>
<td>4.1%</td>
<td>67.1%</td>
</tr>
<tr>
<td>WHISKEY AMERICAN</td>
<td>3.3%</td>
<td>48.3%</td>
</tr>
<tr>
<td>GIN</td>
<td>0.5%</td>
<td>-4.6%</td>
</tr>
<tr>
<td>CORDIAL</td>
<td>0.5%</td>
<td>3.0%</td>
</tr>
<tr>
<td>GRAIN ALCOHOL</td>
<td>0.3%</td>
<td>17.4%</td>
</tr>
<tr>
<td>COGNAC</td>
<td>0.0%</td>
<td>-23.9%</td>
</tr>
</tbody>
</table>

Source: NielsenIQ. Scan Off Premise Channels; YTD 10/15/2022 vs. year ago
**RTD SPIRITS LESS CONCENTRATED THAN HARD SELTZERS**

**Annual $**: Hard Seltzers: just >$4 B / RTD Spirits: just >$1 B

<table>
<thead>
<tr>
<th>Dollar Share – Top 10/20 Brands</th>
<th>Hard Seltzers</th>
<th>RTD Spirits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top 10</td>
<td>93.6%</td>
<td>72.3%</td>
</tr>
<tr>
<td>Top 20</td>
<td>97.0%</td>
<td>82.9%</td>
</tr>
</tbody>
</table>

**Top 20 Brand ownership**

- Gallo/H. Noon (36%): 1
- Big Spirit companies (18%): 9
- Beer companies (18%): 5
- Smaller companies (12%): 5

Total 20 brands (83%) 20

Source: NielsenIQ Scan Off Premise Channels; 13 weeks ending Oct 8, 2022 (Annual $ Size through Oct 8, 2022)
PROSECCO HAS ACHIEVED SUSTAINED GROWTH WHILE SAUVIGNON BLANC RETURNED TO GROWTH

September 2022 12-Month Rolling % Change vs. LY
LOWER PRICE TIERS ARE DRIVING THE LOSSES IN WINE

September 2022 12-Month Rolling % Change vs. LY

Volume Share of Table Wine

<table>
<thead>
<tr>
<th>Price Tier</th>
<th>Volume Share</th>
<th>Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;$4.50</td>
<td>-9.8%</td>
<td></td>
</tr>
<tr>
<td>$4.50-$7.99</td>
<td>-8.8%</td>
<td></td>
</tr>
<tr>
<td>$8.00-$10.99</td>
<td>-10.3%</td>
<td></td>
</tr>
<tr>
<td>$11.00-$14.99</td>
<td>-3.5%</td>
<td></td>
</tr>
<tr>
<td>$15.00-$24.99</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$25.00-$49.99</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$50.00+</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Share  Trend

-9.2%  -7.2%  +6.5%
RTD CANS DRIVING SPIRITS GROWTH; WHAT IS GOING TO DRIVE MEANINGFUL GROWTH FOR WINE?

Volume Share of Table Wine

<table>
<thead>
<tr>
<th>GLASS</th>
<th>PET</th>
<th>CAN</th>
<th>OTHER</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.3%</td>
<td>0.9%</td>
<td>3.0%</td>
<td></td>
</tr>
</tbody>
</table>

Segment Trend vs. LY

- Share
- Trend

-6.7%  -5.6%  -8.6%  -4.7%  -7.4%  -14.5%

September 2022 12-Month Rolling % Change vs. LY
WHAT’S AHEAD FOR SPIRITS/WINE?
ECONOMIC CONDITIONS
OVERALL INFLATION REMAINS HIGH; BEV AL LESS SO – EMPLOYMENT STILL STILL SOLID

<table>
<thead>
<tr>
<th>Inflationary pressures</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Inflation:</td>
<td>+8.2%</td>
</tr>
<tr>
<td>Food:</td>
<td>+11.2%</td>
</tr>
<tr>
<td>Housing:</td>
<td>+6.6%</td>
</tr>
<tr>
<td>Gasoline:</td>
<td>+18.2%</td>
</tr>
</tbody>
</table>

**Bev Al Inflation**

- Total Bev Al: +4.1%
- In Home: +2.9%
- Out of Home: +5.8%

**Employment**

Unemployment Rate

3.7%

U.S. payroll gains

261,000

**Rising gas prices**

+11% YAGO

$3.77 Avg ($5.52 in CA)

**Rising interest rates**

7.32%

**GDP (Q3 2022)**

+2.6%

**Household debt**

$16 trillion +8%

US Bureau of Labor Statistics (Sept 2022); Commerce Department
WITHIN BEV ALC, BEER PRICING LEADS THE WAY, BUT STILL LOWER COMPARED TO OVERALL INFLATION (DRIVEN BY GAS & FOOD)

Inflation Rates by category (2022 by month)

Source: Bureau of Labor Statistics

<table>
<thead>
<tr>
<th>Category</th>
<th>Sept 2022 At Home</th>
<th>Sept 2022 Away from Home</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food</td>
<td>13.0%</td>
<td>8.5%</td>
</tr>
<tr>
<td>Alcohol</td>
<td>2.9%</td>
<td>5.8%</td>
</tr>
</tbody>
</table>

Nielsen +4%
PRICE INCREASES LARGER AT HIGHER PRICE TIERS FOR BOTH SPIRITS AND WINE

Source: Off Premise Channels (Top 1,000 Items); Equiv 750 ml price; 4 weeks ending Oct 8, 2022 vs Yr Ago

<table>
<thead>
<tr>
<th>Total Spirits</th>
<th>&lt;$10</th>
<th>$10-$20</th>
<th>$20-$50</th>
<th>$50+</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.6%</td>
<td>1.5%</td>
<td>2.3%</td>
<td>3.3%</td>
<td>4.5%</td>
</tr>
</tbody>
</table>

Source: Nielsen Measured Off Premise Channels (Top 1,500 Items); Equiv 750 ml price; 13 weeks ending Oct 8, 2022 vs Yr Ago

<table>
<thead>
<tr>
<th>Total Table</th>
<th>&lt;$10</th>
<th>$10-$20</th>
<th>$20-$50</th>
<th>$50+</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.9%</td>
<td>3.2%</td>
<td>1.9%</td>
<td>3.1%</td>
<td>4.8%</td>
</tr>
</tbody>
</table>
BEER PRICE INCREASES CONTRIBUTING TO ITS LEADING DOLLAR GAINS; RTD SPIRITS A DE-PREMIUMIZATION FACTOR

Category Pct Change vs Year Ago – Latest 26 weeks
Total U.S.: Nielsen Measured Off Premise

<table>
<thead>
<tr>
<th>Category (incl RTD's)</th>
<th>Volume</th>
<th>Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beer</td>
<td>-2.2%</td>
<td>+5.2%</td>
</tr>
<tr>
<td>Wine</td>
<td>-4.6%</td>
<td>+2.7%</td>
</tr>
<tr>
<td>Spirits (incl RTD's)</td>
<td>4.4%</td>
<td>-2.8%</td>
</tr>
<tr>
<td>Spirits (excl RTD's)</td>
<td>-3.2%</td>
<td>+2.0%</td>
</tr>
</tbody>
</table>

Source: NielsenIQ Scan Off-Premise Channels; 26 week period ending Oct 8, 2022
Category Growth Rates
NielsenIQ Measured Off Premise Channels - Dollars

- Wine - $
- Beer - $
- Spirits - $

BEER & SPIRITS TOGETHER LEAD CATEGORY DOLLAR GROWTH

Source: Nielsen Measured Off Premise Channels - Period ending Oct 8, 2022 - total U.S. (Dollars)
Category Price Mix
(Dollar % change less Volume % change)
NielsenIQ Measured Off Premise Channels - Dollars

BEER PRICE MIX GAP THE LARGEST; SPIRIT RTD’s IMPACT IS LARGE

Source: Nielsen Measured Off Premise Channels - Period ending Oct 8, 2022 - total U.S. (Dollars)
WHAT’S AHEAD FOR ECONOMIC CONDITIONS?
PREMIUMIZATION
SPIRITS OVER $25.00 SHARE INCREASES FOR HOLIDAYS

<table>
<thead>
<tr>
<th>Month</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sep 21</td>
<td>23.7%</td>
</tr>
<tr>
<td>Dec 21</td>
<td>26.2%</td>
</tr>
<tr>
<td>Mar 22</td>
<td>24.5%</td>
</tr>
<tr>
<td>Jun 22</td>
<td>24.5%</td>
</tr>
<tr>
<td>Sep 22</td>
<td>23.7%</td>
</tr>
</tbody>
</table>

Spirits Over $25

3-Month Share of Total Spirits
### Table Wine Consumer Premiumizes During Holidays

<table>
<thead>
<tr>
<th>Month</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sep 21</td>
<td>11.4%</td>
</tr>
<tr>
<td>Dec 21</td>
<td>13.6%</td>
</tr>
<tr>
<td>Mar 22</td>
<td>12.1%</td>
</tr>
<tr>
<td>Jun 22</td>
<td>12.4%</td>
</tr>
<tr>
<td>Sep 22</td>
<td>12.3%</td>
</tr>
</tbody>
</table>

#### 3-Month Share of Table Wine

**Table Wine Over $15**

- **Sep 21**: 11.4%
- **Dec 21**: 13.6%
- **Mar 22**: 12.1%
- **Jun 22**: 12.4%
- **Sep 22**: 12.3%
HIGHER END PRICE TIER GROWTH DECELERATED SHARPLY, AGAINST HUGE COMPS OF YEAR AGO, AND STILL OUT-PERFORMING THE LOWER END

Table Wine Growth – by Price Tier

Spirits (ex RTD) Growth – by Price Tier

YTD thru September 2022 (pricing based upon equiv retail 750 ml / On + Off Premise 3 Tier combined)
STRONG YTD GROWTH ON OVER $25.00 SEGMENTS

September 2022 Over $25.00 Only 9-Month YTD
### SPIRIT* CATEGORIES/PRICE TIERS GAINING & LOSING MOST SHARE

* Excl RTD’s

<table>
<thead>
<tr>
<th>Share Chg</th>
<th>Segment</th>
<th>Price Tier</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Tequila</td>
<td>$25-$49.99</td>
</tr>
<tr>
<td>2</td>
<td>Vodka</td>
<td>$17-$24.99</td>
</tr>
<tr>
<td>3</td>
<td>Tequila</td>
<td>$50-$99.99</td>
</tr>
<tr>
<td>4</td>
<td>Tequila</td>
<td>$17-$24.99</td>
</tr>
<tr>
<td>5</td>
<td>US Whiskey</td>
<td>$25-$49.99</td>
</tr>
<tr>
<td>6</td>
<td>Irish Whiskey</td>
<td>$25-$49.99</td>
</tr>
<tr>
<td>7</td>
<td>Cordials</td>
<td>$25-$49.99</td>
</tr>
<tr>
<td>8</td>
<td>Tequila</td>
<td>&lt;$10</td>
</tr>
<tr>
<td>9</td>
<td>Scotch</td>
<td>$25-$49.99</td>
</tr>
<tr>
<td>10</td>
<td>Cordials</td>
<td>&lt;$10</td>
</tr>
<tr>
<td>11</td>
<td>Vodka</td>
<td>$25-$49.99</td>
</tr>
<tr>
<td>12</td>
<td>US Whiskey</td>
<td>$50-$99.99</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Share Chg</th>
<th>Segment</th>
<th>Price Tier</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Vodka</td>
<td>&lt;$10</td>
</tr>
<tr>
<td>2</td>
<td>Brdy/Cognac</td>
<td>$25-$49.99</td>
</tr>
<tr>
<td>3</td>
<td>Vodka</td>
<td>$10-$16.99</td>
</tr>
<tr>
<td>4</td>
<td>Brdy/Cognac</td>
<td>$10-$16.99</td>
</tr>
<tr>
<td>5</td>
<td>C’nd Whisky</td>
<td>$25-$49.99</td>
</tr>
<tr>
<td>6</td>
<td>Cordials</td>
<td>$17-$24.99</td>
</tr>
<tr>
<td>7</td>
<td>Rum</td>
<td>$10-$16.99</td>
</tr>
<tr>
<td>8</td>
<td>C’nd Whisky</td>
<td>&lt;$10</td>
</tr>
<tr>
<td>9</td>
<td>US Whiskey</td>
<td>$17-$24.99</td>
</tr>
<tr>
<td>10</td>
<td>US Whiskey</td>
<td>$10-$16.99</td>
</tr>
<tr>
<td>11</td>
<td>Gin</td>
<td>$10-$16.99</td>
</tr>
<tr>
<td>12</td>
<td>Cordials</td>
<td>$10-$16.99</td>
</tr>
</tbody>
</table>

**Price Tiers**
- <$10
- $10-$16.99
- $17-$24.99
- $25-$49.99
- $50-$99.99
- $100+

12 months to Sept 2022 vs Sept 2021 (Volume Share)
OVER $15.00 WINE SEGMENTS SHOWING STRONG GROWTH, WILL SPARKLING BREAK OUT FOR THE HOLIDAY?

Volume Share of Table Wine

CAB SAUVIGNON: 6.9%
PINOT NOIR: 8.3%
CHARDONNAY: 8.7%
RED BLENDS: 11.4%
SPARKLING-OTHER: -7.8%
CHAMPAGNE: 2.8%
SAUV BLANC: 6.5%
ROSE: 12.8%
PINOT GRIGIO: 4.6%
MERLOT: -10%

Segment Trend vs. LY

September 2022 Over $25.00 Only 9-Month YTD
Volume Contribution by Price Tier to Each Category (3 Tier)

- **Beer (ex FMB/HS/Cider)**
- **Table Wine**
- **Spirits (ex RTD's)**

**Low End**
- Budget: 21%
- <$8: 22%
- Dom Premium: 37%
- <$10: 22%
- Middle: 30%
- $8-$15: 57%
- High End: 42%
- Above Premium: 13%
- $10-$25: 53%
- $15+: 25%
WHAT’S AHEAD FOR PREMIUMIZATION?
Evolving Channel Marketplace
COVID RECOVERY HAD PROVIDED TAILWINDS TO ON-PREMISE, BUT ITS TRENDS ARE NORMALIZING; WHEN/WILL OFF PREMISE TURN POSITIVE?

**Percent Change vs. Year Ago (Volume)**
IS BROADER INFLATION IMPACTING A FULL ON PREMISE RECOVERY?

On Premise CSI (Channel Shifting Index)* thru Sept 2022

Wine
Spirits

*On Premise share indexed to its 12 mos ending Feb 2020 share (volume)
### Categories Most Favorably Impacted by On Premise Recovery

<table>
<thead>
<tr>
<th>On Premise % of Volume (20%+)</th>
<th>20-25%</th>
<th>25-30%</th>
<th>30-35%</th>
<th>35-40%</th>
<th>&gt;40%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rum</td>
<td>Gin</td>
<td>Tequila Irish Whiskey</td>
<td>Cordials/Liqueurs</td>
<td>Mezcal</td>
<td></td>
</tr>
<tr>
<td>Red (Other*) White (Other*)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$15-$25</td>
<td></td>
<td></td>
<td></td>
<td>$25+</td>
<td></td>
</tr>
<tr>
<td>France</td>
<td>Argentina</td>
<td>S Africa</td>
<td>Champagne</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vermouth</td>
<td>Prosecco U.S. Sparkling</td>
<td>Sherry</td>
<td></td>
<td>Cava Sake</td>
<td></td>
</tr>
<tr>
<td>*excludes top varietals</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

6 mos ending September 2022 (Volume)
RELATIVE TO SPIRITS OVERALL ON PREMISE, RTD COCKTAILS ARE MUCH MORE DEVELOPED WITHIN THE RECREATION, OTHER* & BAR CHANNEL

Spirits (Total) vs RTD Cocktails – Importance by On Premise Trade Channel

On Premise = 100%

6 mos ending September 2022 (Volume)

*Including Concessionaire, Tasting Rooms, Factory/Office
Active on-premise accounts have decreased 24,079 during COVID
NOT ONLY FEWER OUTLETS, FEWER HOURS OPEN

6.4 fewer hours per week

*85 to 78.6 Highest cutback in ‘independents; less so in large chains
ON PREMISE SHIFTING VS YEAR AGO FAVORING RECREATION, LODGING, TRANSPORTATION, & OTHER

On Premise (=100%) Trade Channel Share (wine + spirits)

6 mos Year Ago  Current 6 mos

52.3%  49.3%  
26.0%  25.7%  
10.9%  11.4%  
6.7%  7.8%  
3.4%  4.6%  
0.7%  1.1%  
0.1%  0.1%  

Dining  Bar & Nightclub  Recreation  Lodging  Other On Premise  Transportation  Military On Premise

*6 mos ending September (volume)

*Including Concessionaire Tasting Rooms Factory/Office
LONGER TERM OFF-PREMISE DRUG & MASS MERCH LOSSES; GROCERY & C-STORE GAINS

OFF PREMISE = 100% (Q3 2022 vs Q3 2019)

<table>
<thead>
<tr>
<th>WINE</th>
<th>Share</th>
<th>Pt Chg</th>
<th>SPIRITS</th>
<th>Share</th>
<th>Pt Chg</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grocery</td>
<td>42.5</td>
<td>+1.1</td>
<td>Liquor</td>
<td>63.4</td>
<td>-0.2</td>
</tr>
<tr>
<td>Liquor</td>
<td>28.8</td>
<td>+0.7</td>
<td>Grocery</td>
<td>17.1</td>
<td>+0.7</td>
</tr>
<tr>
<td>Mass Merch</td>
<td>10.6</td>
<td>-1.5</td>
<td>Convenience</td>
<td>7.6</td>
<td>+2.1</td>
</tr>
<tr>
<td>Club</td>
<td>8.1</td>
<td>--</td>
<td>Club</td>
<td>5.3</td>
<td>-0.6</td>
</tr>
<tr>
<td>Convenience</td>
<td>5.6</td>
<td>+0.9</td>
<td>Mass Merch</td>
<td>4.4</td>
<td>-0.2</td>
</tr>
<tr>
<td>Drug</td>
<td>3.4</td>
<td>-1.3</td>
<td>Drug</td>
<td>2.1</td>
<td>-1.8</td>
</tr>
</tbody>
</table>

RTD COCKTAILS

- Best Developed along with
- + Fastest Growing channels:
  - Grocery
  - Convenience

Q3 2022 compared to Q3 2019 (Volume)
PACIFIC AND NORTHEAST NOW DRIVING ON-PREMISE GROWTH

Segment Trend vs. LY

**Spirits**
- Pacific: 28.5%
- Mountain: 16.8%
- West North Central: 5.6%
- East North Central: 0.5%
- South Central: 0.5%
- South Atlantic: 6.9%
- Northeast: 27.4%

**Wine**
- Pacific: 19.1%
- Mountain: 12.4%
- West North Central: 4.4%
- East North Central: 12.6%
- South Central: 10.5%
- South Atlantic: 8.1%
- Northeast: 14.4%

**September 2022 9-Month YTD % Change vs. LY**
DtC WINE SHIPMENTS - 2021

8.5 million Number of 9L cases sold;
+1.4% vs 2020; 2MM more cases than 2019

$4.2 billion Dollar value
+13.3% vs 2020; +$1 billion more than 2019
25 states grew volume vs 2020; 23 did not

$41.16 avg price paid per bottle
+$4.33 vs 2020

YTD 2022 (thru Sept)

Dollars: +0.3%/Volume: -9.3%

<table>
<thead>
<tr>
<th>YTD 2022 to September</th>
<th>Dollar percent chg vs Yr Ago</th>
<th>Share of Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;$50</td>
<td>-12%</td>
<td>41%</td>
</tr>
<tr>
<td>$50-$99.99</td>
<td>-1%</td>
<td>29%</td>
</tr>
<tr>
<td>$100+</td>
<td>+25%</td>
<td>30%</td>
</tr>
</tbody>
</table>

$42.31 (+$4 vs Yr Ago)
COVID GIVES WAY TO INFLATION AND SUPPLY ISSUES

% Of Respondents

Wine Opinions Trade Panel by Wine Market Council
WHAT’S AHEAD FOR THE EVOLVING CHANNEL MARKETPLACE?
WHAT'S AHEAD FOR THE HOLIDAYS?

NRF Predicts Healthy Holiday Sales as Consumers Navigate Economic Headwinds

Source: August-October 2022 (2,200 U.S. adults per survey)
SOME CLOSING THOUGHTS
Some closing thoughts

• Tougher growth rates for Spirits over next 6-9 mos given comps
• Continuing/growing interest of Social Moderation / H&W from both ends of Age spectrum
• Premiumization alive – but at what pace?
• RTD Spirits still in ‘growth’ phase in 2023
• The shelf will evolve to reflect consumer trends (though often lagging)
• Consider who is best keeping pace with younger LDA’s, and the changing ‘face’ of America
• Continued Bev Alc ‘blurriness’ around three C’s - Consumers, Categories, Competitors
THANK YOU

Danny Brager  
bragerdanny@gmail.com

Dale Stratton  
strattondb@gmail.com