

# Lobster Reef - 250mL Cans USA Launch 2020





# How to get a fair share of incremental wine category growth

Two key trends in US market: New Zealand wine and Canned wine

- Sauvignon Blanc, the majority of which is from New Zealand are showing significant and continuous growth. The varietal represents a simpler and more comfortable choice for American consumers. **Nielsen 2018**
- NZ Wine category has grown 9.2% in value and 9% in volume over the 52 week period ending May 2019. Average equivalent price per 750mL is US \$11.54 for the same time period. **Nielsen 2019**
- **Nielsen** started tracking canned wine in 2014 when it registered at \$10 million. A 73% jump in sales was reported between Oct. 2018 and Oct. 2019, totaling \$54million
- **Rich Bouwer, Pres. Of Free Flow Wines**, the leader in alternative wine packaging, predicts wine in cans will continue to grow and represent 10% of the overall wine market in 2025

- Canned wine market implications:

**Convenience**

*Carrying, Opening and Finishing*

**Sustainability**

*Consumers are willing to pay 15% more for sustainable packaging (McKinsey)*

**Visual Image / Branding**

*More flexibility of materials and colors*

**Portion Control & Variety**

*Especially important on premise in WBTG programs*

**Cost Efficiency**

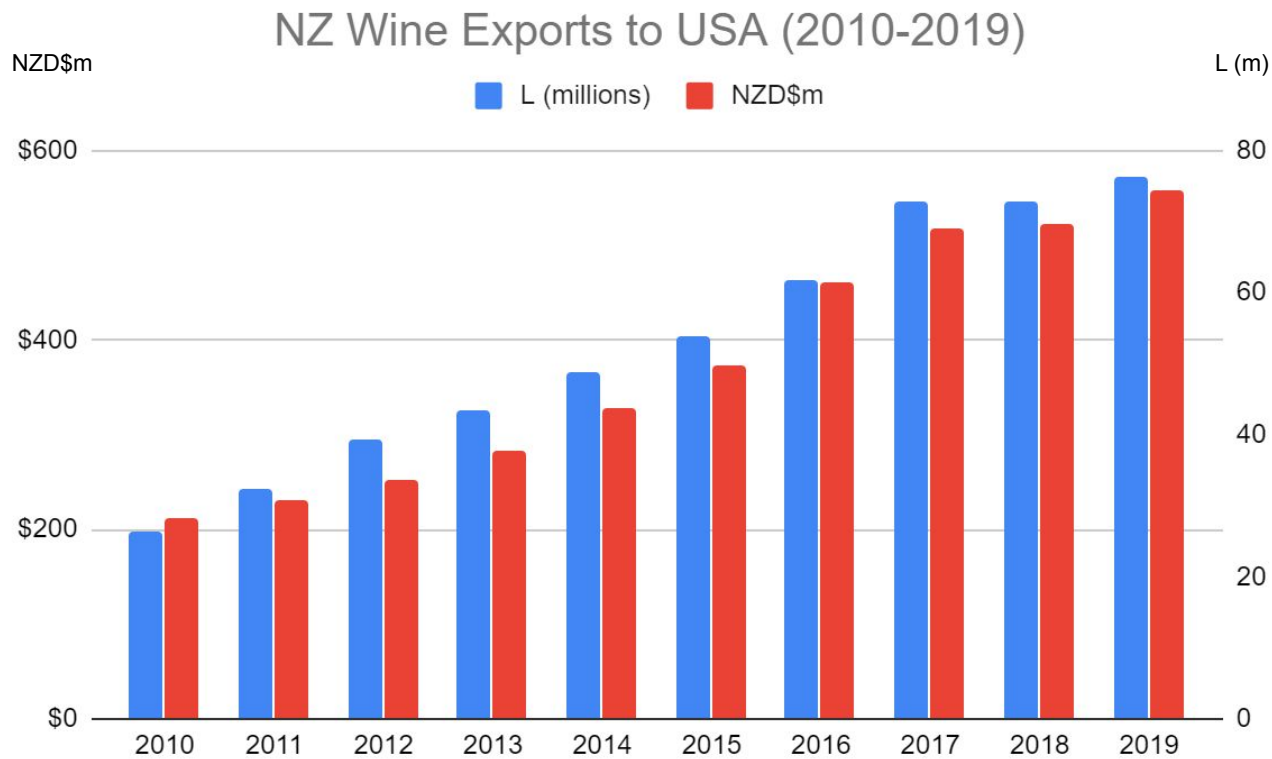
*Lighter weight, reduced breakage, efficient stacking*

**Lifestyle Fit**

*Convenience and occasion expansion trumps wine knowledge*



# New Zealand Wine exports to USA - YoY growth since 2010



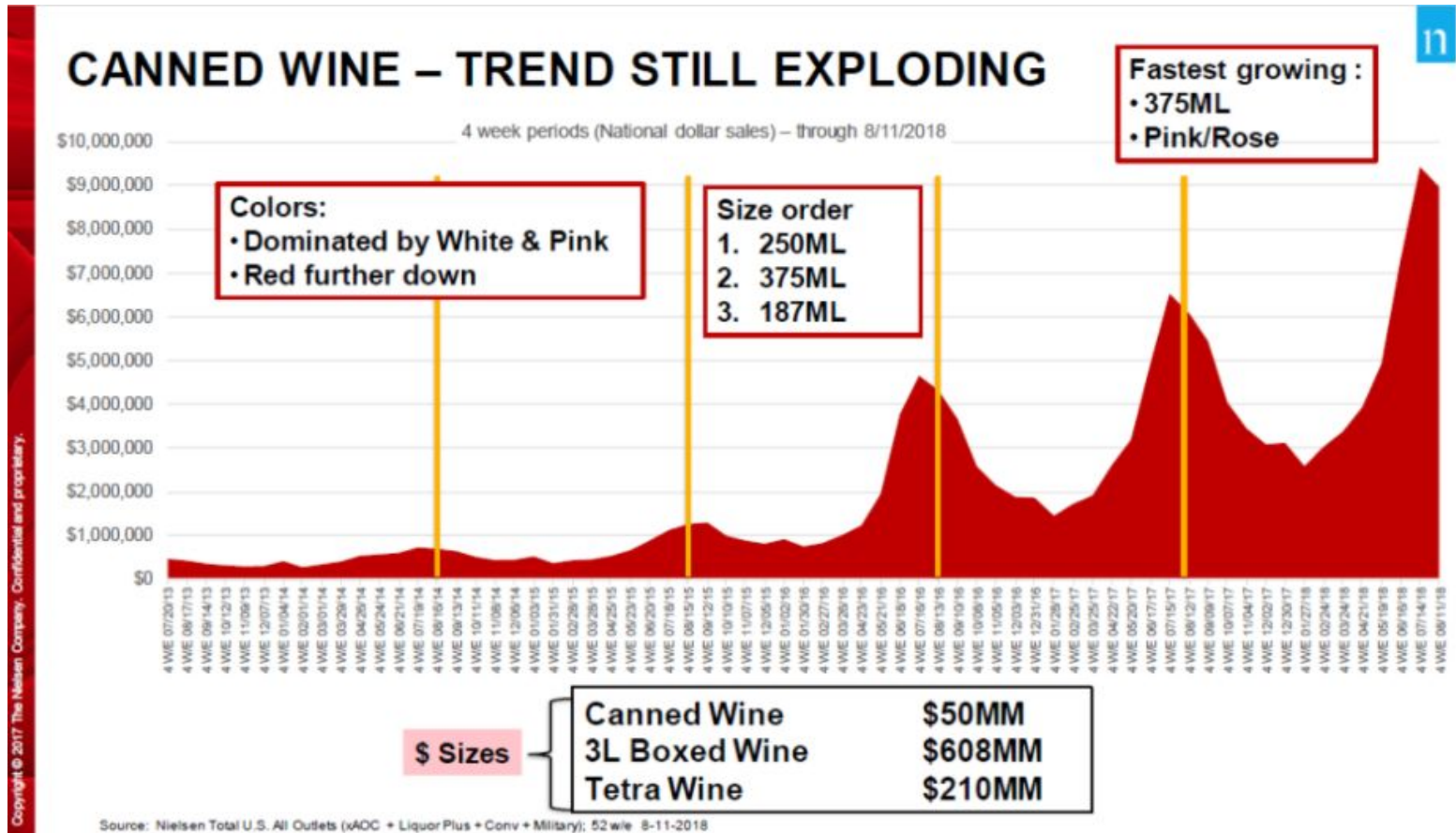
9-year CAGR\*  
 L (millions) 12.52%  
 NZD\$m 11.35%

\*Compound Annual Growth Rate

Source: New Zealand Winegrowers Inc Annual Report 2019



# Canned Wine growth in USA





# Lobster Reef Brand Story

Rock Lobster! As long as anyone in the area can remember, these brightly coloured crustaceans have made the Marlborough coastline home. The team at Lobster Reef thought their quirky nature perfectly reflected what Lobster Reef wines are all about.

The Lobster Reef winemaking team work closely with some of Marlborough's finest growers to ensure that only the very best fruit is selected for their wines. They pick their fruit at optimum ripeness, which is why their Sauvignon Blanc is smoother, gentler and less acidic than others.

When asked what food is the perfect match for their wines, not surprisingly, lobster is the number one choice. This wine is what reflects the premium regional style that has made Marlborough world famous.





# Lobster Reef Marlborough Sauvignon Blanc

*“Wonderfully crisp and fragrant Marlborough Sauvignon Blanc with an abundance of rich tropical fruit flavours. This Sauvignon Blanc is the perfect match to freshly caught seafood after diving in the Marlborough Sounds”*



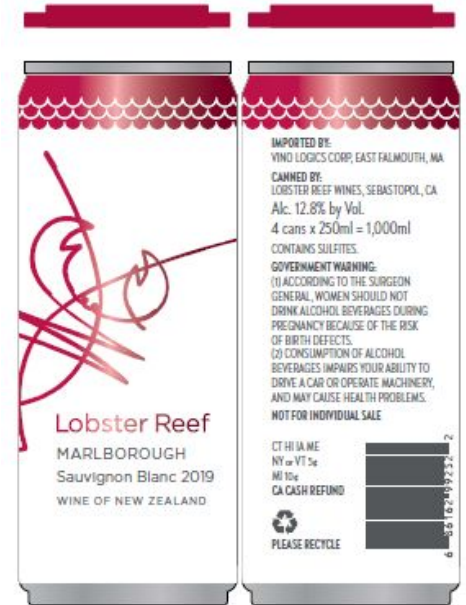
*Josh Hammond  
Winemaker, Lobster Reef*



# Lobster Reef 250mL can design



Top view of 4 pack



Side View Mockup



# Competitive Landscape



**E&J Gallo** reports Canned wine sales rose 43% from summer 2017 to summer 2019. Also quoted as saying “a wine bottle is a drag to many, as two thirds of all consumers shift their drinking across segments (wine/beer/spirits)...fits a new trend.”  
Gallo KUBE consumer beverage survey



**7-11** launched private label brand Roamer in Dec. 2018.



**Constellation** launched its first canned wine with Crafter’s Union and has (per Bill Newlands, CEO) since become the number one growth brand in canned wine and a top-five share gainer in the super premium price segment Oct. 3, 2019, Wine & Spirits Daily (WSD).