



Wine
Australia

US Market Entry Program

Overview

July 2021 - June 2022

US Market Entry Program

FY 2022 Program Overview

USA Market Entry is a **results-oriented program** designed to educate wineries about the **realities of the US market** (compliance, marketing, pricing, sales, PR, logistics etc.) as well as provide clients with tools, guidance and curated customer meetings. The program objective is to aid Australian wineries in **developing partnerships with like-minded customers** that best meet your unique goals and objectives.

Market Entry members receive **market knowledge** and **strategic guidance** in dealing with importers, distributors, key customers and media.



The US market by the numbers

US population

323 million

Australia population

25 million

US domestic wineries¹

10,472

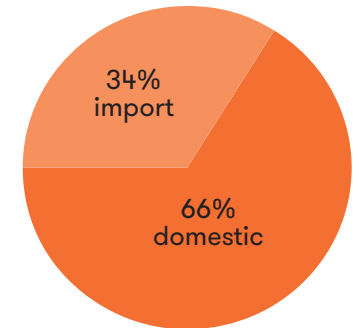
US 2019 per capita wine consumption

1.67 L

Australia 2019 per capita wine consumption

3.69 L

US wine sales by origin



2019 total shipments (9L cases)⁴

409.1 million

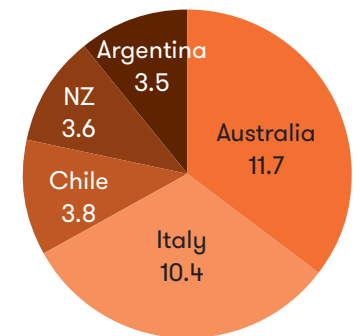
up 1.1% from LY

2020 projections and beyond

+2.0% projected in 2020
-0.3% projected by 2025

2019 US wine imports by country⁵

9L cases (millions)



1. Wines Vines Analytics 2020 • 2. bw166, Gomberg-Fredrickson 2020 • 3. Wine Institute, DOC, BW166/Gomberg, Fredrikson & Associates estimates. • 4. bw166 • 5. Nielsen 2019

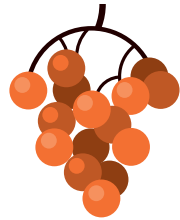
The opportunity is enormous!

But it's necessary to invest time and budget



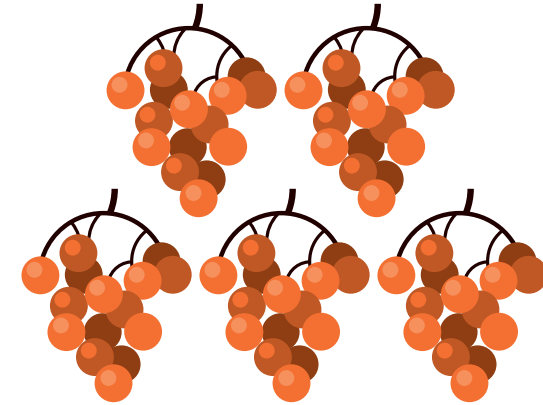
Supplier and distributor consolidation

Securing an importer is far from a 'given'



1,800 Wineries

1995



10,472 Wineries

2020



3,000 Distributors

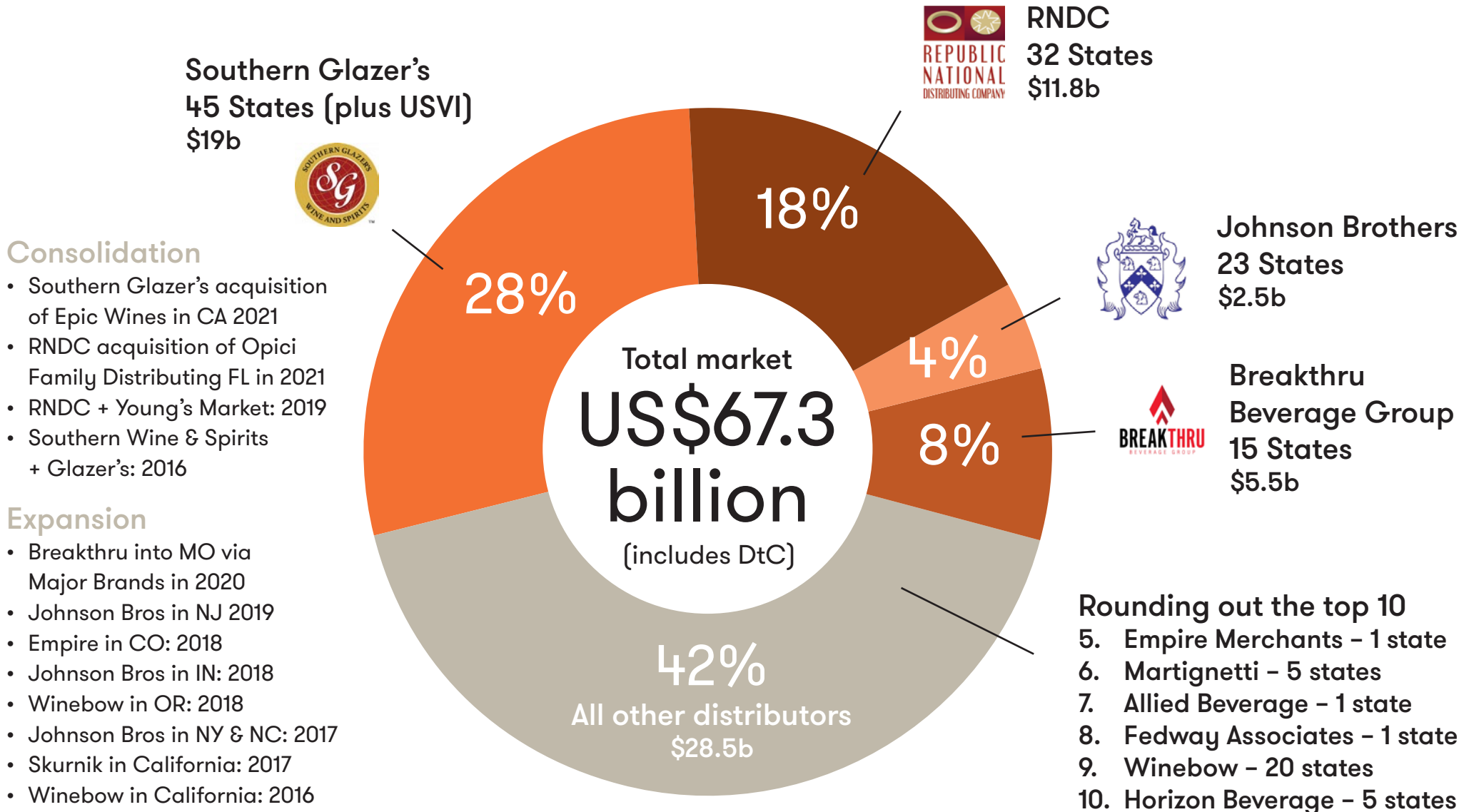


935 Distributors*

may maintain multiple locations within a state

Distributor consolidation

Top 4 Distributors control well over 50% of the market



The time is now

- Wine Australia is working with wineries on the following strategic pillars:
 - **Emphasis on regionality**
 - **Focus on value vs. sheer volume**
 - **Market support and assistance to grow US market presence**
- Tell Australia's wine diversity story through the Australian Wine Discovered educational platform
- Communicate with global importers through Wine Australia's 'Connect' program
- The new 'sweet spot' for Australian wine is +\$A10/litre FOB
- 3-month MAT Aussie wine exports to the USA priced \$A10+/litre +48% in value
- Since 2014, Australian wine exports +\$10/litre FOB to the US have grown by 60% in volume and 47% in value



How to win

Understand the market, **position** your brand based on **passion** and find **like-minded** partners.

Supplier consolidation has led to homogenisation of brands and a **lack of authenticity** in the market.

To **win**, you must...

- Have a unique story
- Deliver value
- Show flexibility with customers throughout the value chain
- Take an *active role* in the market
- Be willing to invest



US Market Entry Program deliverables

Program goals



Break down the complexities of the US market



Find long-term partnerships

How:

- Deliver a customised business plan based upon your unique market goals
- Create marketing tools and materials for use with US-based customers
- Bring wine into the US market for samples and third party reviews
- Send wines to US-based importers and distributors based upon customer interest
- Encourage importer participation with fast-start dollars in the market
- Support wineries with in-person importer meetings in various US cities, subject to COVID restrictions
- Arrange and participate in importer meetings via video conferencing, as well as aid in negotiations
- Reduced rates with a US-based law firm who are experts in wine laws and trademark issues

Program cost:

- \$A12,500 +GST

Testimonials

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Fullglass has spent close to 20 years assisting Australian wineries wishing to access the USA as an export destination. It's no secret, the USA wine market is complex, but can be full of opportunity if you are working within right networks. The Market Entry Program certainly added some additional opportunities (that I may not have been able to provide) to the wineries I worked with during the program. Wine Australia consistently presented any leads from importers, distributors or retailers with professionalism and a good understanding as to whether the brands would be the right strategic fit for both parties.

Simon West
www.fullglass.com.au

Heartland was lucky enough to engage in Wine Australia's USA Market Entry Program for 2020.

Despite the challenges of our time we were able to find a new partner in the USA with the help of the Wine Australia team.

The support with matchmaking, setting up meetings and follow up with importers and distributors was instrumental in our success.

Thank you Wine Australia.

Nick Keukenmeester
Heartland Winery

The size and complexity of the USA market appeared daunting for a family-owned boutique Australian producer, and we were never quite sure where to start. Wine Australia's USA market entry program has made it possible for Tellurian to consider expanding to the USA.

The research by Wine Australia meant we had productive meetings in key markets with interested importers and distributors who had been well briefed and provided with all the background information about our brand and our offer. It was like speed dating where the couple had already researched their prospective partner before meeting!!

Despite the challenges of 2020, we shipped our first order to the US late in the year, and our importer is already preparing for the second shipment.

Daniel Hopkins, Tellurian
Heathcote

Greenock Estate Wines had the opportunity to enter the Market Entry Program with Wine Australia.

We found this a very worthwhile exercise, a fantastic experience to be involved in, with help and guidance at every turn to enable us to become successful in entering the wine market in the US. The Wine Australia team offered assistance with label approval and documentation, which was invaluable as a new company into the market with labelling laws and legal obligations, ensuring all was correct for approval by FDA. Follow-up on distributors for financial security and protection for our company.

Wine Australia was available to answer all our concerns and to assist in a professional, timely manner. The Market Entry team serve as great ambassadors for Australian wine.

Erica Babbage
Greenock Estate Wines

When we decided it was time to add an Australian producer to our portfolio, we were blown away by the number of quality wines and wineries. It was daunting to say the least. Wine Australia's Market Entry Program allowed us to focus our search only on wineries that fitted the criteria we were looking for, and the slick operations made it a pleasant and efficient experience. Highly recommended.

Bryce Gillespie
Marquee Selections (USA)

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Signups for the upcoming program are ongoing...

New program starts 1 July 2021

For more information, contact Damon Musha in our Napa office:

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