KDM Global Partners

News You Can Use - XXXX

New *Billie* Proprietary Label Wine Brand Finds Fast Sales Success



As a brand designed for its "Womankind" audience, *Billie* is committed to combating the Pink Tax. https://mybillie.com/.

Billie razors are priced at half the price of traditional razor brands and directly in line with mens' razor subscriptions. Billie is often surprised at how few women are even aware the Pink Tax exists.

So asking KDM Global Partners ("KDM") to create a Billiebranded wine brand would be an effective way to illustrate the

ridiculous and unfair price discrepancy on products marketed to women.

KDM helped Billie launch its *Chateau de Blue* wine brand last month. 'Sold exclusively online via KDM's *Direct-to-Consumer* platform and in Billie's own Web catalog environment. https://www.chateaudeblue.com/. And Chateau de Blue is really a blue wine – and claims to cost 13% less than its pink counterpart – as a way to mirror the Pink Tax.

And on the day *Chateau de Blue* launched online, *Billie* completely sold out of its entire wine inventory in just 8 hours!

Billie claims that not enough women know that they are overpaying for products marketed to them and it is endeavoring to eradicate the Pink Tax by raising awareness... hopefully to inspire action and change the course of history. In the meantime, many people are thoroughly enjoying a bottle of this wine.

More about launching a new Proprietary Label wine brand through KDM Global Partners: http://www.kdmglobalpartners.com/direct-to-consumer

Retail Wine Stores: Why *Own-Brand* Wines Are Increasingly Critical to Margin – and to Survival

Retailers are increasingly choosing to create and launch "own brand" private label wines for their stores. The trend is apparent for large, national chains as well as for local retail stores.

Principal reasons for the success of private label (PL) brands are:

1. Retailers earn higher profits on PL, which brands are designed especially for their

- stores.
- 2. PL wines are much better products *dollar-for-dollar* than comparably priced national brands.
- 3. PL wines cultivate customer loyalty and repeat business since these wines are *only* available at the brand owner's locations.
- 4. PL wines are compelling branding tools for the retail store, differentiating it from its retail competition.

Costco is #1 in gross wine sales throughout the United States and has continually increased its private label offerings under the *Kirkland* brand.

The growth and success of *Total Wine* should also be instructive. The chain offers regular significant discounts on the ubiquitous national brands (both wine and spirits) to get customers into the store. Then, nearly two-thirds of the chain's other SKU's are private label products, where *Total Wine* earns high margins. This formula has made the chain a huge success and enabled it to grow exponentially.



Big box and supermarket chains nationwide are now increasingly turning to private label wine brands in order to enhance profits and maintain customer loyalty. Even smaller retailers now realize that to ignore the opportunity of private label wine is to do so at its own market peril.

Stores are already fighting battles on so many frontsfrom losing customers to big box

chains and larger, regional wine retailers – to being squeezed on margins by the large national brands (and wholesalers) – to competing for sales with Web-based retailers.

Macy's recently launched its own line of California wines, a program created by KDM Global Partners. http://bit.ly/1LxsM65.

In addition to selling own-brand wines at all bricks-n-mortar locations, many retailers are setting up Web-based sales and fulfillment of their products in order to increase sales and exposure. For many KDM clients, the additional *Direct-to-Consumer* mechanism has untold benefits, especially for retailers with existing Web catalogues.

Bay Bros. Red Blend

-UPDATE-

The recently-launched **Bay Bros.** Red Blend is already a hit and being recognized as a category leader!

Winner of two (2) Silver Medals [American Wine Society Competition and Houston Rodeo International Wine Competition] as well as earning a 98 score.... this Red Blend is a great wine and is competing in a super popular retail category. http://bit.lv/2J87ai6

With a shelf price of \$8.99 in most markets, retail wine shops are discovering *Bay Bros.* is a *no-brainer* for their retail shelves in order to compete successfully in a very popular category nationally.

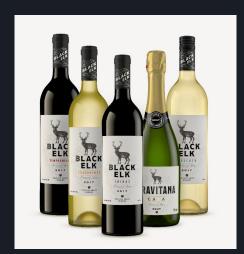
Only slightly sweet and easy-drinking. Pairs wonderfully with a wide variety of dishes....and is also a terrific celebratory wine! http://bit.ly/2p5v4oe

Bay Bros. is launching new wholesaler and chain relationships now. More info? www.Bay-Bros.com or lnfo@Bay-Bros.com.



Black Elk Wines / Update

Black Elk wines are produced in Spain and over-perform for the price for retail wine shoppes as well as on-premise. www.BlackElkWine.com.



Five (5) Award-winning **Black Elk** wines – Two Reds, Two Whites and a new Sparkling Wine (Cava): http://bit.ly/35esop3.

Read about Competition Awards, Point Scores and Major Retail Partners here: http://bit.lv/2p5x8fY.

And newly onboard: Select Pennsylvania PLCB stores!

More Info? http://www.blackelkwine.com/contact or speak directly: lnfo@BlackElkWine.com

Socially Conscious 'Minority Vines' Wine Promotes Lofty Values During Politically Strident Times

The American political landscape is a volatile, tribal environment for the past few years. Whether a Republican or a Democrat, all can agree that the USA has rarely been as polarized as it is now.

When Dr. Alan Wittgrove of San Diego approached KDM Global Partners ("KDM") last year with a noble idea to launch the *Minority Vines* brand of wine, which expresses hope that a wine brand can be emblematic of the cultural diversity of America and be a reason to *celebrate* each other – not be antagonists.

And thus, *Minority Vines* wine was born. <u>www.MinorityVines.com</u>. It is an amazing red wine blend, produced by KDM's winemakers ... only available online for purchase. Portions of the proceeds are earmarked for associated charities.

The *Minority Vines* brand statement is as follows: "We celebrate cultural diversity. This bold and unwavering commitment led us to cultivate a beautiful wine that proves that 'blended is better.' We toast those who enrich our nation's fabric with spirit and courage, today and since America's birth."

KDM has produced many new, proprietary label wine brands – for

large, national retail chains like Macy's, Marshall Fields and 7-Eleven, each with multi-state distribution and existing licensing. Other brands are for small brand owners with little-to-no prior licensing or even wine experience – but with a terrific idea that needs to be taken to market. They all have value. And KDM is great at making them happen: from the seed of an idea - to wonderful winemaking - to warehousing, eCommerce integration, sales/fulfillment, regulatory compliance and all remittances.

Learn more: www.KDMGlobalPartners.com - or - Info@KDMGlobalPartners.com



E-Commerce and the Rise of Premium Private Label Brands

Without a doubt, technology is the future for wine retailing.

Wine has always been a *consultative sale* in that wine buyers enjoy chatting with the retailer (and fellow consumers) when buying wine. Regardless of whether the consumer is a knowledgeable wine *aficionado* he/she covets information of all kinds.... and the successful retailer will provide it. What does the wine pair best with? Did you try it? What did you think? Did you try the other varietal instead?

Successful retailers know this and do their best to interact meaningfully with shoppers.



Question is, though.... How does this sales model dovetail with the burgeoning Web-based *Direct-to-Consumer* ("D-to-C") system, where people shop online for their wines but still want and info and *TLC*?

A recent report by Winery Direct ("WD") highlighting sales data from over 1,200 wineries in the US, Canada and Australia dug into transactional *D-to-C* data, mobile phone sales and also an analysis of wine club, tasting room and overall online sales.

Its fundamental conclusion: the greatest sales opportunity for D-to-C is eCommerce. The report stated that eCommerce produces an average D-to-C

order of \$282 and an average of 7 bottles per order. And since Web sites never close, retail shelves are available 24/7. Their survey claims wine clubs and Point-of-Sale account for 70% of the wine retail trade – split nearly even between them. But eCommerce represents only 10% of overall D-to-C sales – and that makes everyone optimistic over its huge growth potential.

This report claims that in the still-growing states of Texas, Virginia and New York wine markets tasting room POS comes in at about 60% of D-to-C sales. But in longstanding established wine regions, POS registers just over one-third of D-to-C sales. Their view is that this is a reflection of customer loyalty as visitors go home and buy online, often as wine club members.

Wines under \$30 per bottle sell more at POS than wines over \$100 per bottle, which still

do better via telephone sales or to wine club members. And online: sales remain fairly consistent at <u>all</u> retail price points.

Based upon this report, the tasting room as sales tool seems to be losing its luster over the past few years; its average order value today is \$110 and that includes the higher as well as the lower-priced products.

In its final analysis, WD believes eCommerce is the future for wine retailing, with the wine club as a great vehicle for online sales.

The Rise of Premium-Level Private Label Wines

In recent years, as any perceived stigma and stereotypes continue to dissipate and fade for store brands (private label brands), generally, the premium assortment of products in the retailer-branded portfolio continues to expand. Though discount retailers have historically focused on store brands, many have a renewed interest in name brands amid demand for "premiumization."



It is an exciting time now for all where private label wines is concerned. Watch them descend upon mainstream retail and surge in popularity as shelf mainstays.



Social Media Explained With Wine You I am drinking #wine | Like wine. | This is where | go wine tasting. | Watch me professional pinboard of taste wine | wine drinker. | Watch me professional wine drinker. | Watch me pro

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