



The Nielsen Company
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Media Alert

PREMIUM WINE CASKS SHOWING DOUBLE DIGIT GROWTH DESPITE ECONOMY, NIELSEN REPORTS

Premium Wine Casks Offer Savings Opportunities for Budget-Conscious Wine Consumers

Schaumburg, Ill., February 12, 2009: While overall U.S. wine growth rates show some signs of slowing down, 3 liter (3L) premium wine casks show double digit growth, according to The Nielsen Company. Despite the economy worsening in the last 13 weeks of 2008, premium wine casks grew at a rate of 32 percent¹.

- Overall, table wine, the dominant wine segment, grew at 4.4 percent on a dollar basis in 2008, compared to the 3L premium wine cask segment, which grew 31 percent². Table wine growth in the last 13 weeks of 2008 slowed somewhat to 2.8 percent. Total table wine sales represent \$9.6 billion, while 3L premium wine cask sales represent \$110 million³.
- Premium wine casks provide consumers with considerable savings opportunities. Equivalized to the average price of a 750ml bottle, premium wine casks are approximately 40 percent less expensive than the average table wine price (\$6.23 for table wine compared to \$3.78 for 3L premium wine cask).
- While 38 percent of U.S. households purchase wine during the year, less than one percent of households purchase 3L premium wine casks, indicating significant upward growth potential for wine manufacturers and retailers.
- The 3L premium wine cask segment is best developed among \$70k plus income households, and is very popular among male head of households.
- The majority (80 percent) of 3L premium wine casks are sold among the top four wine varietals: Chardonnay, Pinot Grigio, Cabernet and Merlot.
- Grocery stores drive the 3L premium wine cask sales, but all other channels, including liquor, convenience, drug stores and mass merchandisers, also see double digit growth in dollars and case volume.

"In today's economy, consumers are seeking value without necessarily compromising quality, and this contributes to the premium wine cask success," said Danny Brager, vice president, Beverage Alcohol, The Nielsen Company. "Consumers see premium wine casks as more value for their money, as it holds the equivalent of four standard wine bottles. In addition, the package stays fresher longer once opened, and offers added environmental benefits."

About The Nielsen Company

The Nielsen Company is a global information and media company with leading marketing and consumer information, television and other media measurement, online intelligence, mobile measurement, trade shows and business publications (Billboard, The Hollywood Reporter, Adweek). The privately held company is active in more than 100 countries, with headquarters in New York, USA. For more information, please visit, www.nielsen.com.

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¹ Based on total U.S. food, drug and major market liquor, last 13 weeks, 12/13/08

² Based on total U.S. food, drug and major market liquor, last 52 weeks, 12/13/08

³ Based on total U.S. food, drug and major market liquor, last 52 weeks, 12/13/08