

Distillery modern Age



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Kevin Roberts Receives Arthur M. Wirtz Leadership Award



Wirtz Beverage Group has awarded Kevin Roberts, Vice President of the Wirtz Beverage Illinois Regal Division, the second annual Arthur M. Wirtz Leadership Award. Roberts was chosen among nominees from each of the company's five state affiliates. The award is given to one internal candidate each year in recognition of their outstanding leadership and performance achievements. Nominees were selected from Wirtz Beverage Group's 3,000 employees in Illinois, Minnesota, Nevada, Wisconsin and Iowa.

"Our success as a company is driven by the people who work each and every day to achieve great results and exceed expectations," said Rocky Wirtz, President of Wirtz Beverage Group, and whose grandfather Arthur is the award's namesake. "All of the nominees this year have proven their exemplary ability to bring leadership and innovation to our company."

Roberts was singled out as the winner for playing a key role in exceeding execution goals for the company's dedicated Diageo selling division in Illinois. Under Roberts' leadership, Wirtz Beverage Illinois was named Diageo's 2010 Spirits Distributor of the Year.

Other award nominees for the 2011 Arthur M. Wirtz Leadership Award included Jeff Satterburg (Director of Training, Wirtz Beverage Wisconsin), Ken Leslie (Controller, Wirtz Beverage Nevada) and Phyllis Otis (Financial Manager, Wirtz Beverage Minnesota).

CAP's 4th Annual Alcohol Law Symposium

The Center for Alcohol Policy's Fourth Annual Alcohol Law Symposium takes place September 11-13 in Chicago. This annual event brings together experts in the field of alcohol law including state regulators, attorneys general, educators and industry officials to discuss and debate current alcohol laws and challenges.



Pernod-Ricard on India

In an interview with Bloomberg in India, Pernod-Ricard CEO Pierre Pringuet said that India might rank among its top three markets in five years, along with the U.S. and China. India is currently Pernod Ricard's fifth-largest market.

"India's growth sounds very promising," Pringuet said. "With more disposable incomes, people will move from the consumption of basic items to branded goods."

India's economy may grow nine percent in the fiscal year starting in April, according to Finance Minister Pranab Mukherjee.

Last November, International Wine and Spirit Research said that India will be the world's second-largest market for alcoholic beverages in 2013, overtaking Russia. According to a January report by Deloitte Touche Tohmatsu, India may be the fifth-largest consumer market by 2025.

Asian consumers are buying lots of Scotch whisky and Cognac, and Pernod Ricard estimates it controls about half of the Chinese whisky market and 40 percent of the Cognac market. Vodka consumption in India may grow 12 percent between 2009 and 2015, according to International Wine and Spirit Research.

Exane BNP Paribas Equity Research: Cognac

"The outlook for Cognac players is bright," according to Exane BNP Paribas.

The French firm also wrote in its report: "Cognac is among our most preferred spirits industries as growing demand with limited supply presents an opportunity for healthy pricing."

Exane BNP Paribas believes profitability for Cognac is high for structural reasons.

"Cognac houses enjoy the benefits of a structurally advantaged position. Supply is limited and restricted, helping to avoid opportunistic competition from new entrants when markets are cyclically strong. In addition, grape suppliers are highly fragmented, while more than 80 percent of Cognac production is controlled by just four players. This allows Cognac houses to generate ROICs as high as 16 percent. Strong demand for higher quality Cognacs from Asia will continue to underpin this outlook."

Rémy Cointreau is the firm's top pick for investors.

"We estimate that Rémy Cointreau currently generates 85 percent of EBIT from Cognac (FY10/11e). Rémy

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Fred Tibbitts Associates Annual Spring New York City Dinner

Fred Tibbitts Associates held its annual spring dinner in New York City on March 1 at The Union League Club. Hotel and restaurant national account executives attended as well as press, educators and industry VIPs. At the dinner, Tibbitts announced the recipients of the 2011 FTA Hospitality Awards for Excellence. The awards will be presented at the Fall Awards Dinner in November.



L-R: Pam Inman, Executive Vice President & COO, American Hotel & Lodging Association; Brian Abel, Vice President of Food & Beverage, North America, Starwood Hotels & Resorts; Fred Tibbitts, Jr., President and CEO, Fred Tibbitts & Associates. Abel will be the recipient of the 2011 FTA Hospitality Award for Excellence as an Operator-North America. The Award and a scholarship in his name in the amount of \$5,000.00 for a student at the School of Hotel Administration at Cornell University will be presented on November 15 at the Union League Club in New York City at the annual FTA Fall Dinner. Photo by Andrei Jackamets

The recipients are:

North America Operator: Brian Abel, Vice President, Food & Beverage, North America, Starwood Hotels & Resorts

Asia Pacific Operator: Andreas Stalder, Vice President, Product & Brand Development, Hyatt International-Asia Pacific

Lifetime Excellence: Eric Long, General Manager, The Waldorf-Astoria

IT Innovator: MICROS Systems, Inc.

Humanitarian: Robert Thurman, President, Tibet House U.S. & Jey Tsong Khapa Professor of Indo-Tibetan Buddhist Studies, Columbia University

The 17th Annual Malt Advocate Whisky Awards

Distillery of the Year: Heaven Hill

Lifetime Achievement Award: Evan Cattanach (Classic Malts), Fritz Maytag (Anchor Distilling), Angelo Lucchesi (Jack Daniel's)

Top Ten New Whiskies: Buffalo Trace Experimental Collection, 1995 Vintage, "American Oak Chips Seasoned"; Compass Box Flaming Heart (10th anniversary bottling); Forty Creek Confederation Oak Reserve; George T. Stagg; GlenDronach Grandeur 31 Year Old; Glenfarclas 40 Year Old; Glenglassaugh 40 Year Old; The Glenlivet Cellar Collection 1973 vintage; Sazerac Rye 18 Year Old; William Larue Weller



Stephanie Valencia Takes Over Marquez de Valencia

Stephanie Valencia is the new owner of Marquez De Valencia tequila. Valencia has taken over from her father, Salvador Valencia, who established the company in 2005.



Marquez De Valencia, an artisanal 100 percent Blue Agave reposado, is aged for almost 12 months. It's currently sold only in California, but Valencia has plans to expand to other states. She's currently re-branding Marquez De Valencia with new labels. A 750-ml bottle sells for about \$59.99.

January Control State Results

During January, nine-liter spirits case sales in the Control States grew 1.2 percent compared to same month last year sales. Rolling 12-month volumes were up 2.3 percent against the 2.1 percent growth rate reported in December. Iowa, Idaho, Maine, Mississippi, Montana, New Hampshire, Utah, Washington, West Virginia and Wyoming reported growth rates at or exceeding their 12-month trends.

Control State shelf dollars grew at 1.7 percent during January while trending at 2.9 percent during the past 12 months. Iowa, Maine, Mississippi, Montana, New Hampshire, Ohio, Utah, West Virginia and Wyoming reported growth rates that exceeded their 12-month trends.

The effect of brand mix on value growth during January was 0.5 percent, down from December's 1.3 percent.

During January, Irish Whiskey, with 0.6 percent share of the Control States spirits

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Weekly Marketplace

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Exane BNP Paribas Equity Research: Cognac

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remains our preferred way to play Cognac; its infrastructure investment in Asia is now behind it, and we expect significant operating leverage as sales grow, mainly driven by Asian demand for high quality cognacs."

Pernod Ricard is also called a "potential investment vehicle" for Cognac with Pernod Ricard's "exposure to Cognac" at eight percent of group EBIT. Moët Hennessy (LVMH), the industry leader, is estimated by Exane BNP Paribas to generate the highest ROCE (16.2 percent) across all Cognac houses.



L-R: Mark Vaughn, Publisher of *Santé Magazine*; Fred Tibbitts, Jr., President and CEO of Fred Tibbitts & Associates; and Gregg Glaser, Publisher of *Modern Distillery Age* at the 2011 Fred Tibbitts & Associates Annual Spring Dinner in New York City on March 1.

Photo by Andrei Jackamets

Calendar of Events

April 15: 11th Annual WhiskyFest, Chicago, IL, www.maltadvocate.com

April 26-May 1: Miami Rum Renaissance Festival, Miami, FL, www.rumrenaissance.com

May 8-15: Coastal Uncorked Food, Wine & Spirits Festival, Myrtle Beach, S.C., www.coastaluncorked.com

May 12: Single Malt & Scotch Whisky Extravaganza, Denver, CO, www.singlemaltextravaganza.com

May 13-17: The Manhattan Cocktail Classic, New York, NY, www.manhattancocktailclassic.com

May 19-20: Atlanta Food & Wine (Plus Spirits) Festival, Atlanta, GA, atfoodandwinefestival.com

May 22-23: The International Wine, Spirits & Beer Event at the 2011 National Restaurant Association Restaurant, Hotel-Motel Show, Chicago, IL, www.restaurant.org/show

May 24-25: The Beverage Forum, New York, NY, www.beverageforum.com

June 20-24: NCSLA Annual Conference, Las Vegas, NV, www.ncsla.org

June 23: Whisky Cruise, Washington DC, www.whiskyguild.com/tasting_dc.html

June 25-26: 3rd Annual San Diego Spirits Festival, San Diego, CA, www.SanDiegoSpiritsFestival.com

June 28-29: The Bar & Wine Show, New York City, NY, www.newyorkbarshow.com

July 20-24: Tales of the Cocktail, New Orleans, LA, www.talesofthecocktail.com

Mid-July: Mid July: Spirits International Prestige (SIP) Awards, Los Angeles, CA, www.sipawards.com

September 14-18: Spirits of Mexico, San Diego, CA, www.polishedpalate.com

October 7: 5th Annual WhiskyFest, San Francisco, CA, www.maltadvocate.com

October 8-9: The Gourmet Experience, San Diego, CA, www.thegourmetexpo.com

October 14: Ultimate Blast 2011, New York, NY, www.ultimate-beverage.com

October 16-17: International Spirits Competition, New York, NY, www.nyispiritscompetition.com

November 1: 4th Annual WhiskyFest, New York City, NY, www.maltadvocate.com

November 16-20: San Diego Bay Wine & Food Festival (plus Spirits), San Diego, CA, www.worldofwineevents.com

