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Big Help for Tiny Wineries

Packaging suppliers advise how smaller customers can find savings

By Jane Firstenfeld



This Sara Nelson design project got small-winery client Kolibri Vineyards “a lot of bang for the buck.” Labels were printed on a metallic stock to create the illusion of foil without the expense; a stock cutting die from Trysk Print Solution’s library was used; fronts and backs are the same size; the labels for every varietal are the same size; and stock capsules in a variety of available colors were used.

Of more than 10,000 North American wineries currently reported by WinesVinesData, more than 8,000 are categorized as “very small” (fewer than 5,000 cases produced annually). About half of those have what’s termed “limited production” (fewer than 1,000 cases).

KEY POINTS

Even the largest suppliers make efforts to help small wineries produce excellent packages at affordable prices.

Forecast your needs and plan in advance to take advantage of discounts.

Try to remain flexible with your packaging decisions. Expensive foils or custom capsules are not necessary for an elegant look. Savvy designers can make stock items look top-shelf.

Take advice from the design pros you engage: They know what will work for you and your budget.

Many of these tiny wineries produce multiple varieties or brands, and although they may not enjoy the services of distributors under the three-tier system, they still want the benefits of standout packaging for direct-to-consumer sales: attractive, memorable packages that will bring customers back for more.

When we contacted some major packaging suppliers, we learned they make special efforts to accommodate these wineries and their goals, with services and products to help the clients economize on costs and maximize results. When you're not large-scale, you may have limited

your packaging decisions to equally small businesses. That's great if you are well-served by your suppliers, not so much if you are investing too much time and money on your packaging.

Suppliers eager to work with you

G3 of Modesto, Calif., is a massive company with international reach, but according to its vice president of sales, Mihailo Panovich, G3 serves winery customers of all sizes and in recent years has made significant investments in partnerships and equipment to meet growing demand by small and midsize wineries.

In-stock items are available for online order, including a bag or a case of oak chips, screw-caps by the case and Petainer kegs "by the layer": 20 20-liter kegs or a dozen 30-liter one-way kegs for on-premise by-the-glass service. The minimum order for custom DIAM corks is 1,000 stoppers; there's no minimum for large-format DIAMs.

Recently, G3 acquired long-established Tapp Label in St. Helena, Calif., with its digital printing abilities, which expands printing capabilities for small wineries.

Waterloo Packaging in Waterloo, N.Y., is another major supplier and serves more than 750 small wineries. Located in the Finger Lakes wine region, it claims a unique perspective on the needs of small producers and their day-to-day needs, including reduced pricing along its pre-

defined fast shipping routes, according to sales and marketing project leader Bobbi Stebbins.

"Sometimes smaller wineries are less prepared to forecast their needs and may need last-minute supplies when bottling,"

Stebbins noted. With a comprehensive inventory and its own fleet of trucks, Waterloo can provide short-notice deliveries for small producers, who need lesser quantities of bottles and may lack storage space for large pallets of glass.

With the ability to repack on site, Waterloo can provide smaller producers with different bottles without purchasing an entire pallet; most styles are available in minimum quantities of as little as a single case, Stebbins said. Stock case boxes can be labeled in-house with the winery logo and basic artwork, providing significant savings to custom boxes.

Waterloo provides ready-to-fill printed and shrink-sleeved bottles in as little as one pallet of glass, saving time, labor cost and waste involved with paper labeling for smaller producers. Shrink-sleeving can transform an inexpensive bottle with rich color at lower cost, enabling a single bottle style to be used for more than one variety or brand. "We frequently allow closures to ride along for free with glass purchases," Stebbins said. Using a "one-stop" shop for all packaging saves both time and money, she noted.

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Plants in France and Mexico

More than a century old, Saverglass manufactures glass bottles for the wine industry, with plants in France and a new one under construction near Guadalajara, Mexico. According to sales executive Jyll Vidal, it's the only glass manufacturer that sells directly to wineries of all sizes. The average size of a repack order is 750 cases.

Warehouses in Fairfield, Calif., Auburn, Wash., Covington, Ky., and soon in San Antonio, Texas, provide quick turnaround, and specialty bottles are available to smaller wineries with a minimum order of one pallet (approximately 1,100 bottles). Custom-printed cases are available for minimum orders of 500 cases. Saverglass maintains strong partnerships with local corrugate specialists for enhanced flexibility and rapid response time, or Saverglass will repack bottles in customer-supplied boxes.

Large-format bottles are another specialty; Saverglass can manufacture custom wine bottles in quantities as few as 2,000 cases, which reduces mold fees and enables small wineries to personalize their bottles.

"Glass and carton pricing can be held to a minimum by choosing less bottle shapes and decorating the glass or using the label and capsule to differentiate the varieties," Vidal pointed out.



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Ultra-violet printed glass bottles from Waterloo Container, which serves 750 small wineries.

Bottle distributors

Smaller wineries are so profuse that contacting them directly can be time-consuming, and glass is no longer their solo option for bottles.

“Amcor Rigid Plastics sells stock bottles (187 ml and 750 ml) through distributors including TricorBraun, Berlin and Waterloo to service small producers. We also connect winemakers with our network of third-party fillers,” said Emily Work, senior marketing manager. “Our research shows small wineries are exploring alternative packaging and PET bottles are among those.” Amcor exhibits at trade shows and attends other industry events to help educate the market about the benefits of PET bottles.

“The shift for wineries to sell direct to consumer has opened new pathways for plastic bottles,” Work added. PET bottles allow wineries to save significantly on costs tied to secondary packaging and shipping, since they are lighter and less fragile.

Glass bottles typically weigh between two and five pounds

when filled; plastic, around 1.2 pounds filled. The difference contributes to savings of 20-40 percent via standard ground shipping.

PET bottles have a lower carbon footprint than glass because less energy is used to produce and recycle the bottles, Work said. Plastic is also more widely accepted at local recycling centers.

Overstock inventory

All American Containers-West Coast in Windsor, Calif., maintains a no-minimum-order policy. Billing itself as “a versatile company,” All American strives to be a one-stop shop to service smaller wineries with glass, corks, capsules and printed cases, according to Stephanie Ramczyk, business development. The company reaches out through smaller trade associations, “but the best way is simply word-of-mouth,” she said.

The company often helps to focus smaller buyers on current special deals on overstock inventory. “Sometimes we may have a particular item that has changed item numbers, or changed the factory which we purchase it from.

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Amcor Rigid Plastics sells PET bottles through distributors.

The glass is still fully within spec and good glass, but we are trying to manage our own internals, so we may direct these customers to help us by offering them a particular item number, and it may be at a small discount. We also attempt to pair up deliveries in order to minimize the freight charges for these customers,” Ramczyk said.

Her recommendations for additional savings: “Be open to using slightly different molds for different varietals, based on what specials we have going on. If there are no specials that fit the bill, go the opposite way and purchase in as large a quantity as possible of one particular bottle and then differentiate with another change like the color of the capsule. Talk to us about what the aim is, so that we can best guide to the cost-effective options.”

Based in Napa, Calif., Global Packaging has international scope but serves smaller wineries, mainly with high-design bottles and pewter labels, according to president Erica Harrop. “They find us through word-of-mouth, as there are few well-supplied and service-oriented glass suppliers who will spend time with these people,” she said.

To minimize costs, Global tries to work with wineries to project annual needs and take them into account. It has designed a full line of bottles, Elegant Light Line, with high-end-

looking bottles for premium and higher-level wines. The winery benefits because these all use consistent-sized, larger capsules, with well-marked, larger label areas that transcend the traditional Bordeaux/Burgundy bottle shapes.

Make a plan but stay flexible

Designers see and vet packaging decisions from their inception. “Small wineries, particularly start-ups, are up against the same dynamic as established wineries,” said Jim Moon. “They need to attract attention on the same shelf as the big guys. That is the playing field: Consumers make the call. Small wineries often will try to minimize their inevitable package design costs.”

After they spend so much money to establish their wineries, some start-up vintners experience sticker shock from the additional costs of packaging design. But from the consumer point of view, it all comes down to the package. “If it fails to motivate them at the point of purchase, all the vintner’s production costs were for naught,” Moon said.

Kennewick, Wash., designer Sara Nelson put her head together with Scott Haggerty and Rob Griswold of Seattle-area’s Trysk Print Solutions to assemble a tip list for small wineries.

Beautiful packaging is a necessity, not a luxury, they emphasized. It’s the public face of any winery, the only visual representation of

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the quality of wine in the bottle and often the only thing a prospective new consumer will know about it.

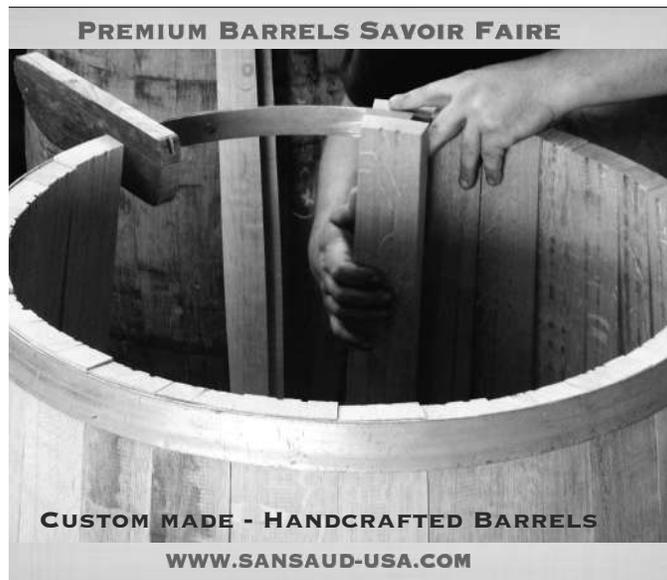
Here are their tips for keeping costs down without compromising labels:

- Choose stock cutting dies. A printer will have these in its inventory if it's a wine label specialist. Using standard stock dies instead of custom can save hundreds of dollars.
- Use high-quality paper stocks. At small quantities, these do not add significantly to the overall label cost, but they add very obvious, visible elegance and sophistication.
- Keep the number of special finishes to a minimum. Perhaps start with a metallic paper and add inks, rather than paying for foil stamping. It's inexpensive, yet provides the desired look. As budget allows, add luxurious finishes on future print runs.
- Make sure that labels are designed to share the same tooling: the same cutting dies, foil dies, etc. This means significant cost savings at the printer. Front and back labels that are the same size also add to efficiency. You can still change colors and design, as long as the tooling remains the same.
- The bulk of printing cost is in setup. Print as many labels as you can use at one time. You get the best cost per label this way. Consider printing all labels for the entire year at the

COORDINATE, COMMUNICATE FROM DAY ONE

Each of the cited suppliers stressed advance planning and communications as their most important advice for smaller producers.

- **G3:** "We would advise that a customer engages G3 in the early stage of product development to help plan out their cost-effective packaging design and bottling requirement."
- **Waterloo:** Overall value (not price) is the most important factor. Look for value-added services such as on-site expertise, freight, quality management and personalized customer service when you need to make every dime count.
- **Saverglass:** Choose your bottle first and choose a shape you love. All other elements of your package will need to be sized to your bottle specifications. Be creative and do not go cheap on packaging. It is the vessel that will propel your brand to success.
- **Ancor:** Small wine makers focused on direct to consumer and growth tied to expanding offerings for "on-the-go" consumers have an opportunity to expand their business and enter new markets with plastic bottles. PET bottles are a great alternative to traditional glass packaging for wines. The lightweight, shatterproof package enables consumers to enjoy wine in new places and occasions.
- **All American:** Order in advance. Don't wait for the last minute. Communicate and be flexible.
- **Global:** Look for a supplier with abundant selection. Don't feel your needs are too unimportant to ask for the best service. Be prepared with information for your supplier. "We need to know right away your dates for bottling, preferably three or more months out," said president Erica Harrop. "Let us know the retail price of the wine, so we can fit the best options. Be flexible with colors and shapes."



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same time, even if you won't be bottling for months.

- Spend what's necessary to have a nice cork. It doesn't have to be absolute top of the line, but it must be nice. Colorful synthetic corks diminish a wine's perceived value, in the eyes of these pros.
- Small wineries typically don't have enough volume to make a custom capsule economical, but they can buy attractive stock capsules. Color options are limited, so design the label

to harmonize with a readily available color such as gold, silver, red, burgundy, black, green or navy. The capsule color should match the artwork as much as possible, so that the finished package looks intentional.

- Once the labels are done, make sure they are applied to the bottles uniformly and without wrinkles. "We don't recommend attempting hand application," Haggerty said. He suggested investing in good-quality rotary labeling equipment and prefers

Great Engineering's equipment for its durability.

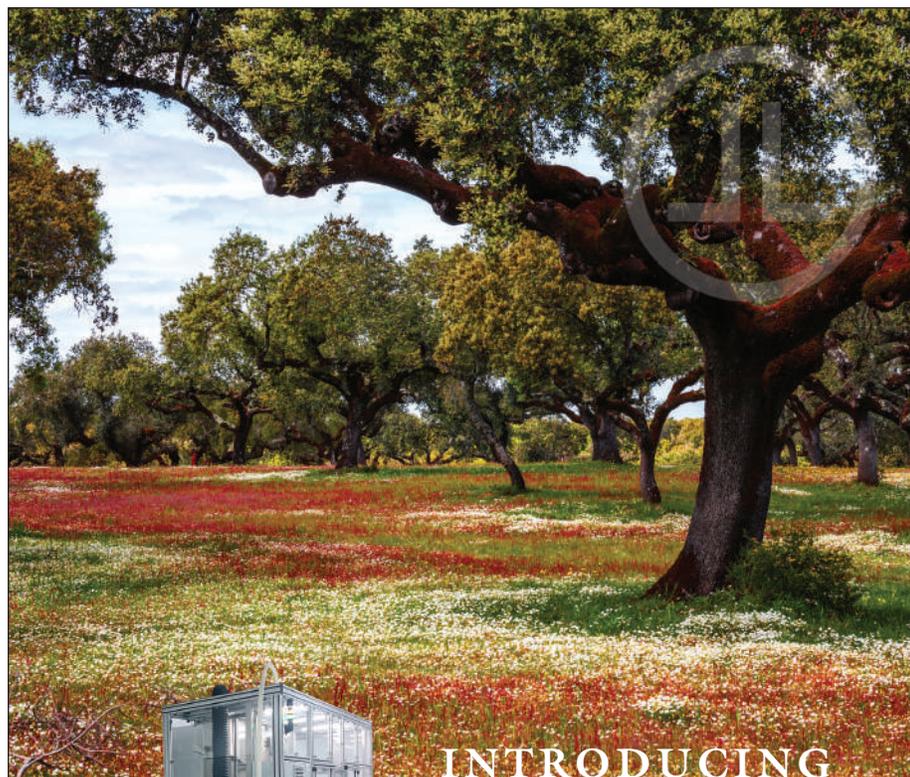
Flashy is not necessary

Nick Azevedo, marketing analyst for Affinity Creative in Mare Island, Calif., offered more advice. "Most smaller wineries think that they need flashy packaging or an extremely extensive campaign to maximize the value of their brand. From a creative perspective, the perceived value lies within the quality of the design, not the quantity of colors, foils and special printing techniques.

Monochromatic techniques, attractive type and craft-based substrates are highly coveted within the creative community. Smaller wineries can maximize these methods and not only reduce production costs, but also stand out from some of the larger name brands," he said.

Azevedo noted some mistakes to avoid: "Lead time on completing the packaging process gets even more complicated with smaller case production. One of the biggest mistakes that can be avoided during this process is something that most probably don't consider, so leave the packaging logistics to the experts. If a winery wants to avoid this lengthy lead time, avoid the vendor pitfall and proactively partner with an agency that understands the front and back ends of packaging logistics."

As all our suppliers advised, plan ahead for lead time and production. Don't get stuck at bottling without all the elements in place. 🚫



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