

The 2008 U.S. Drinks Conference Returns to London for a Successful Second Year

By Daina Paulin



William Slone, Beverage Media and Mike Ginley, Next Level



Industry speakers discuss market trends at the conference Q and A session



John McDonnell, chief operating officer at Patrón Spirits Company, spoke about brand development

Held at the Marriot Marble Arch on October 14th, the 2008 U.S. Drinks Conference welcomed a record number of delegates from across Europe as well as a diverse group of speakers and specialists. The aim of the conference was to provide European businesses with the information and expertise necessary to successfully establish their brands in the American market.

Supported by a strong base of sponsors including *Drinks Business*, *Just-Drinks* and *Beverage Media*, the 2008 Drinks Conference gathered a seasoned group of American executives as well as a panel of distributors, suppliers and legal experts to detail the opportunities and pitfalls of entering the American drinks market. Speakers detailed case studies of brands that have been successful in the American market as well as providing timely data on consumer trends and preferences. Despite the current economic challenges faced by the industry, the overall mood of the conference was positive. Mike Ginley of Next Level commented: "The economic crisis we're going through is certainly having an impact on the business, but the research results clearly demonstrated that the U.S. beverage alcohol industry is recession-resilient." Jeff Grindrod from the Brand Action

team echoed this optimism by sharing the results from a September poll revealing that although consumers may limit their spending while eating at restaurants, the last thing they tend to cut out from their meal is their cocktail, wine or beer, giving on-premise establishments hope that alcohol sales will remain stable.

Rudy Ruiz from Southern Wine & Spirits provided insight into "aligning expectations" between suppliers and distributors. Ruiz stressed the fact that suppliers needed to have a long-term, well thought out approach before entering the American market: "When presenting new brands to Southern, expect to come in with a three-year plan including a detailed one-year operating plan with realistic expectations on case volume. It is more worthwhile to consider launching in smaller markets, proving

your success with programming that demonstrates it's repeatable." According to Ruiz, suppliers need to understand their consumer, targeting them through appropriate marketing and packaging.

Organizer Steve Raye of Brand Action Team highlighted the importance of new online tools such as blogs and social media marketing for brand building. "It's a noble goal to get visitors to your brand website, but at the end of the day, it's more important to get your content out to where prospective customers already are spending their time... reading blogs, searching for recipes, reading comments on wines that other consumers have posted. Indeed, research shows that 65% of consumers read reviews online before purchasing a product."

Overall the conference was viewed as a success by its organizers and participants. "The feedback we've gotten from attendees was overwhelmingly positive with frequent comments on the level of insight provided," according to Raye. Following these positive reviews, Raye and fellow organizer John Beaudette, president MHW Ltd., plan to expand the conference's reach to Asia next year. ■