



Interview, Part 2: Amy Hoopes, President, Wente Family Estates

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In the second part of our interview with Amy Hoopes, the Wente Family Estates president discusses trends in the rising direct-to-consumer segment, export markets, and how the emergence of cannabis as a new consumer category could impact the business moving forward.

SND: How is your direct-to-consumer business developing?

Hoopes: It's about 10%-15% of our revenue, which is around the average for a winery our size. It's important to have that on-property touch point where people can interact with the brand and its history. We have our tasting rooms, and also a winemakers' studio where people can come and blend their own wines. We see almost 350,000 visitors a year on-property, and over 20% of those are international visitors from around the world.

SND: How important are exports as a part of your business?

Hoopes: Exports are between 20%-25% of the total portfolio, and they're up 8% this year through October, so we have a strong position in that marketplace. There's been a lot of conversation around trade wars and the export situation in markets like China, but what we really focus on is promoting California wines in general. We have great depth and breadth of penetration in Canada, and Northern Europe has also been doing really well in recent years.

SND: How do you see the emergence of cannabis affecting Wente and the wine category overall?

Hoopes: There's research out there that says you'll see a 15% decrease in beverage alcohol sales when cannabis is legalized in a given market. But the greatest impact is on the lower end of the marketplace for wine and spirits, and also on beer. It's not easy to see a direct impact on our business. What I do know is that cannabis is interacting in consumers' purchasing decisions and will impact how people parcel out their dollars and their time moving forward. But exactly how it will all play out is yet to be seen.

