

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Discover U.S.! Promotion of U.S. Wines and Whiskeys

Report Categories:

Export Accomplishments - Events

Market Development Reports

Market Promotion/Competition

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Report Highlights:

On March 7, FAS Sofia, in cooperation with the U.S. Commercial Service Office and the American Chamber of Commerce in Bulgaria organized the first in its kind “Discover U.S.!” event held at the National Palace of Culture in Sofia. FAS organized the event’s evening segment focused on promoting U.S. wines and whiskeys. FAS invitees included an array of Bulgarian importers, purchasing managers for retail chains, F&B managers of hotels and restaurants, and government officials who were treated to products donated by Bulgarian importers of U.S. wines and U.S. whiskeys.

1. General Information:

Activity Name: **Discover U.S.! Promotion of U.S. Wines and Whiskeys**

Event Date: **March 7, 2013.**

City/Country: **Sofia, Bulgaria.**

2. Justification and purpose:

- The U.S. Embassy organized the two-part day-long event in partnership with the American Chamber of Commerce. The FAS office organized a promotional segment focused on U.S. Wines and Whiskies that was funded through contributions secured via the U.S. Embassy Public Affairs, American Chamber of Commerce, and local industry sponsors. Despite the lack of promotional resources, FAS Sofia seized the opportunity to organize and implement this promotional activity at no financial outlay for the office.
- In 2012 the Bulgarian wine market enjoyed steady growth in size, diversity, and quality of products demanded (111 percent growth as compared to 2011). The segment of the wine market experiencing the most dynamic growth was the high-end imported wine segment.
- The European Union's 27-member countries stand as the world's largest market for California wines, accounting for \$485 million in sales in 2012, up nearly two percent.
- Close to 20 percent of California's wine production is exported outside the United States. The Bulgarian market, through an active promotional campaign that focuses on new lifestyles of the younger population, is showing stable demand for imported wines. While several years ago imported wines were perceived as "expensive and/or not affordable" (above 6.0-7.0 Euro/bottle), these wines can be found at lower prices now at the retail level and are attracting attention as they are competing successfully with local wine products. In the Hotel, Restaurant, and Institutional (HRI) sector, imported wines are leading sales due to their high interest and competitive price.
- In 2012, U.S. whiskey exports to Bulgaria established a new record at more than **\$ 6 million**. For the year Bulgaria imported \$48 million worth of whiskeys from all sources.
- EU-27 is the world's largest import market of U.S. whiskey at \$520 million in total sales.
- U.S. distilled spirits enjoy solid market acceptance. However, existing challenges such as counterfeit and smuggled spirits in the market require continuous outreach to educate consumers and protect the market inroads made by U.S. suppliers in recent years. Promotion of genuine U.S. products to the general public and professional food service industry (restaurants, bars, hotels) also encourages legal purchases and support protection of intellectual rights. Bulgarian importers of distilled spirits cooperate very well with FAS Sofia and are supportive of FAS promotional efforts in country.

- The purpose of this event was to maintain consumer awareness of and to increase customer's knowledge about U.S. wines and genuine U.S. whiskey currently available or new to Bulgarian market. The main goals were to elevate the presence of U.S. wines and whiskey by stimulating the demand to increase sales in the very competitive Bulgarian wine and distilled spirits markets.

3. Market Constraints and Opportunities:

Constraints:

- Awareness of high quality and diversity of the U.S. wines and whiskey on the Bulgarian market remains moderate among commercial and private sector end-users.
- The Bulgarian wine and whiskey markets, while not very big, are extremely competitive. Bulgaria offers a wide variety of local high quality wines at very attractive prices. Other countries competing in the wine market include: Chile, Spain, France, South Africa, and Italy. For the spirits market, there is a huge choice of quality whiskeys imported from Scotland, Ireland, and Canada competing with U.S. brands.
- European competitors are actively engaged in the market with promotional efforts and activities.
- Limited purchasing power of the average Bulgarian customer.
- The price of the U.S. whiskeys (especially brands like Jack Daniel's, Jim Beam, and Maker's Mark) at the retail level is a little bit higher compared to other imported whiskeys.
- U.S. wines still have limited presence at the retail level.

Opportunities:

- Create positive perception and good image for the U.S. wine and whiskey by educating the buyers, retailers, and restaurant and hotel owners about their high quality and diversified tastes.
- Due to the past promotions organized by FAS Sofia importers are now well known and are able to develop important contacts with retailers, distributors, and traders in order to increase the sales of U.S. wine and whiskey.
- Generate widespread publicity with minimal cost to FAS.
- Create value by improving the image of U.S. wines and whiskeys by focusing on specific target groups (potential clients) and by pursuing long-term advertising effect on invited opinion leaders (experts, celebrities, politicians, etc).
- Enhance FAS' strong image as an advocate of U.S. agriculture in Bulgaria as well as a reliable resource to importers of U.S. agricultural products.

4. Expected Results and Desired Outcomes:

The event was amply attended by the targeted audiences (opinion leaders), including distributors, retailers, hotels and restaurants owners, specialized media, professionals, government officials, local celebrities and Embassy representatives. The event helped importers to develop and expand contact with new and current customers established through the promotions organized by FAS Sofia in the past three years, and to enhance their awareness of U.S. wines and whiskey currently present or new to the Bulgarian market.

5. Actual results and Outcomes:

- The day-long event was held in the National Palace of Culture in Sofia. The day segment consisted of an exhibition on travel and study in the U.S. from 9:30 a.m. to 6 p.m. followed by a reception featuring American food, wine, and whiskey. Representatives from FAS, USCS, and Consular Office operated an information booth during the day segment answering various questions related to visa services, travel, and trade opportunities. In the afternoon, expo attendees had the opportunity to attend several seminars. The FAS Marketing Assistant represented U.S. agriculture in the booth providing useful information about the FAS office activities, resources, ongoing trade promotion programs and opportunities.



FAS Marketing Assistant Alex Todorov at the Embassy booth



Ambassador Marcie Ries delivering opening remarks at the daytime event and ribbon cutting ceremony



Deputy Chief of Mission Bryan Dalton conducting a raffle and interacting with the audience

- The daytime event was broadly advertised through promotional banners located at key points in town, flyers, radio spots, information on the Embassy web and [Facebook page](#).



Discover U.S. expo billboard located in front of the National Palace of Culture



Additional banner placed along the Embassy street

- The evening event was by invitation only where more than 200 industry guests, government officials, TV celebrities, hotel and restaurant owners sampled California and Washington wines and fine bourbons donated by Jim Beam, Maker's Mark, and Four Roses including the Tennessee Whiskey Gentleman Jack.
- Ambassador Marcie Ries officially opened the evening event. In her speech she emphasized the importance to recognize bilateral ties beyond the political arena, including culinary ties, and that United States not only welcomes tourists and students from Bulgaria but also offers business opportunities. She provided information about the agricultural and food products trade between Bulgaria and the U.S. and peppered her comments with interesting historical and curious facts about the U.S. wine and whiskey industries.



Ambassador Ries and AmCham President delivering opening remarks

- The Ambassador personally met with each importer and with many of the guests discussing the challenges and opportunities for the U.S. in the Bulgarian wine and spirits market.



Ambassador Ries in conversation with the guests. Right: With the Chairman of the Bulgarian Banking Association

- Forty different U.S. wines representing more than ten wineries were presented at the promotion. This selection provided the guests exposure to a broad variety of U.S. red and white wines and their unique qualities.



Importer's table and guests enjoying the event

- Importers of the presented wines distributed brochures and handouts on their respective U.S. wines as well as provided staff sommeliers to explain the special characteristics of each wine to guests.
- Four different whiskey brands were presented for tasting – Jim Beam, Maker's Mark, Gentleman Jack, and Four Roses. This provided the guests an opportunity to taste and compare the wide variety of U.S. whiskeys.



- The wine importers reported increased consumers' interest and demand for U.S. wines between the current event and the one in 2012, and confirmed that market demand continues to grow steadily since the initial event in 2010. They estimate sales generated by this event will accumulate to \$40 – 50, 000 during the year.
- The FAS Marketing Assistant had productive conversations with several senior retail managers who exchanged views on the wine and whiskey market. The collective assessment was that the U.S. brands were most competitive in the high-end market segments.

- At the end of the promotion a raffle was held with wines and whiskies donated by the importers distributed as prizes. The live music also contributed to the overall relaxed and enjoyable atmosphere which made the event special and memorable.



Raffle winner and the music band

- Having in mind the growing interest for U.S. wine and whiskey, our partners expressed strong interest to stage this or similar events annually to develop a tradition to be expected by the target audience.

6. Recommendations/Follow –up evaluations:

FAS Sofia continues to maintain excellent contact with the importers and is supporting U.S. industry promotional efforts in country when possible. The good relations with the importers has enabled the FAS office to maintain an accurate pulse on the wine and distilled spirits market including current information about trends, and about border issues with U.S. products. The importers provided constructive feedback on the event, logistics challenges, and expressed high gratitude for the opportunity to promote U.S. products to such a broad audience in one setting.

The Embassy's front office expressed satisfaction with the outcome of the event, an opinion shared equally by the Embassy's Public Affairs and Commercial Sections.

Given the positive outcome and feedback, FAS Sofia would recommend that this or similar promotion expanded to include additional U.S. agricultural products be developed into a traditional annual event in order to sustain and further enhance public awareness of U.S. food and agricultural products available to Bulgarians.

7. Cost:

Activity Name: Discover U.S.! - Promotional activity

Code/FY: FY 2013

Cost: **\$ 0.00**

Source: The main financial contributors were the U.S. Embassy, American Chamber of Commerce, and commercial sponsors.

8. Wine importers and promoted wines:

[Cartel
info@cartelbg.com](mailto:info@cartelbg.com)

Joseph Phelps Winery:

Joseph Phelps Cabernet Sauvignon
Joseph Phelps Sauvignon Blanc
FogDog Chardonnay

Merryvale Winery:

Starmont Chardonnay
Starmont Merlot
Carneros Pinot Noir

[Global Vini
amr@amr.bg](mailto:amr@amr.bg)

Sunset Creek - Zinfandel
Sunset Creek – Cabernet Sauvignon
Sunset Creek – Chardonnay
Rocky Creek – Colombard Chardonnay
Rocky Creek – Ruby Cabernet
Rocky Creek - Zinfandel
Rocky Creek – Zinfandel Rose
Rocky Creek – Cabernet Sauvignon

[Bibendum
bibendum@bibendum.bg](mailto:bibendum@bibendum.bg)

Bonterra, California - Mendocino County

Bonterra Viognier 2007
Bonterra Chardonnay 2006
Bonterra Cabernet Sauvignon 2006
Bonterra Zinfandel 2007

Ste, Michelle Wine Estates

Columbia Crest, Washington
Columbia Crest H3 Merlot 0.75l 2009
Columbia Crest Walter Clore 0.75l 2006
Columbia Crest Walter Clore 0.75l 2007

Chateau Ste. Michelle, Washington

Chateau Ste. Michelle Riesling 2008
Chateau Ste. Michelle Chardonnay 2008
Chateau Ste. Michelle Cabernet Sauvignon 2006
Eroica Riesling 2010

Domaine Ste Michelle

Domaine Ste Michelle Brut Cuvee 0.75l

Northstar Winery

Northstar Merlot 0.75l 2007

Col Solare

Col Solare 0.75l 2006

Stag's Leap Winery, California

Artemis Cabernet Sauvignon 0.75l 2007

Cask 23 Cabernet Sauvignon 0.75l 2006

Karia Chardonnay 0.75l 2009

Winemarket

venelin.majlev@enorama.biz;

Hess Collection Mount Veeder

Mount Veeder Mountain Cuvée 2005

Hess Vineyard Designates

Hess Su'skol Chardonnay 2009

Hess Allomi Cabernet Sauvignon 2008

Artezin

Zinfandel 2009

Grand Circle Series

Grand Circle Chardonnay 2010

Grand Circle Cabernet Sauvignon 2009

Grand circle Zinfandel 2010

9. Whiskey importers and promoted brands:

[Maxxium Bulgaria](#)

miloslav.hugasyan@maxxium.bg



[Brown-Forman Bulgaria](#)

Dimitar_Georgiev@b-f.com



[Pernod Ricard Bulgaria](#)

Elena.Ilieva@pernod-ricard.com



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