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# Bulgaria

Post: Sofia

# U.S. Beef and Wine "Beyond Discovery "Promotion in Sofia

**Report Categories:** 

CSSF Activity Report

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## **Report Highlights:**

FAS Sofia, in cooperation with five Bulgarian importers of U.S. wines, one importer of U.S. beef and with the support the U.S. Meat Export Federation (USMEF) and The California Wine Institute, organized the fifth beef and wine promotion which attracted a strong cross section of Bulgaria's business and trade community. A Deputy Minister of Agriculture and Food, the Director of the Bulgarian Food Safety Agency attended as special guests to the event. The promotion, held at the U.S. Ambassador's residence for the second time, was "branded" under the already popular title "Beyond Discovery" in continuation of the previous three successful "Taste and Discover" promotions and last year's first edition of "Beyond Discovery" event.

#### **General Information:**

The EU was the top export market of U.S. wine, accounting for almost 40 percent of U.S. wine exports globally. In the HRI sector, imported wines and spirits are leading sales. They are in high demand and compete favorably with selected local products. Primary consumers are in 25-50 years age bracket, educated and urban.

The event would provide a platform to introduce U.S. suppliers to potential importers serving the HORECA sector, in the process educating potential multipliers on the large variety of higher-end U.S. products available on the market.

# 2. Purpose:

- In the past few years the wine market enjoyed steady growth in size, diversity, and quality of products demanded. The wine market sector seeing the most dynamic growth was the high-end imported wine segment.
- U.S. wine exports reached \$1.55 billion in winery revenues in 2013. The EU kept its top export market for U.S. wines, valued at \$617 million in revenues, up 31 percent compared to the previous year. Other top export markets included: Canada, \$454 million, up 12 percent; China, \$77 million, up 6 percent, Mexico \$22 million, up 21 percent, South Korea \$18 million, up 16 percent, etc.. Wine shipments to the U.S. from all production sources—California, other states and foreign producers—grew 3% to 375.2 million cases with an estimated retail value of \$36.3 billion. This represents 21 consecutive years of volume growth. (*Source:* Wine Institute of California)
- Over 20 percent of U.S.' wine production is exported to other countries. 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 \$15/bottle), these wines can be found at lower prices at the retail level now and are attracting attention as they are competing successfully with local wine products. In the Hotel, Restaurant and Institutional (HRI) sector, imported wines lead sales due to their high interest and competitive price.
- The high standards of U.S. beef are the result of extensive research in cattle breeding. Only a limited variety of breed are used to ensure consistent quality of cattle, whereas the European practice of using many different breeds results in highly variable quality.

• U.S. beef is a 100 percent quality product in full compliance with European Union standards. All beef exported to the European Union must originate from animals that have never been treated with growth promotants. Only beef produced from animals raised in accordance with the Non-Hormone Treated Cattle (NHTC) program\* can enter the E.U.

\* NHTC Program: This program has been in effect since 1999, when the E.U. and the U.S. agreed to take measures to facilitate the trade of non-hormone treated beef. Under this program, beef can only be shipped to the E.U. after the competent U.S. authorities provide certification of export quality in compliance with E.U. requirements and standards. Source: USMEF

• The European Union (EU-28) is among the top export markets for U.S. beef.

The purpose of the event was to increase consumer awareness of and to increase customer's knowledge about the high quality of the U.S. wines and beef currently available or new to Bulgarian market. The main goal was to elevate the presence and improve the image of U.S. wines and beef as well as to create new opportunities to expand their positions in the very competitive Bulgarian market.

# **Expected Results and Desired Outcomes:**

The event was amply attended by the targeted audiences (opinion leaders), including distributors, retailers, hotels and restaurants owners, specialized and mainstream media, professionals, high level government officials, and local celebrities. The event helped importers to develop and expand contact with new and current customers established through the previous four promotions and to enhance their awareness of high quality U.S. wines and beef currently present on the Bulgarian market.

## **Actual results and Outcomes:**

• For the third time the event was held at the U.S. Ambassador's residence in Sofia, after the very successful promotions at the residence in 2012 and 2013 and two memorable promotions at the Archaeological Museum in downtown Sofia in 2010 and 2011. The cozy and relaxed event helped create an atmosphere for the guests that enhanced the quality of the wines and beef presented. The venue helped to add image value to the promoted product as guests recognized the specialness of being invited to the Ambassador's residence.



Guests enjoying the relaxing and cozy atmosphere of the residence's backyard

 More than 130 industry guests, senior government officials, TV celebrities and journalists tasted California and Washington wines, several of which were introduced for the first time in the local market.





• Special guest to the event was the Deputy Minister of Agriculture Yavor Gechev. Other distinguished guests, such as the Deputy Minister of Economy and Energy (sector Tourism), the Executive Director of the Bulgarian Food Safety Agency, the Director of the Executive Agency on Vine and Wine, the Deputy Director of State Fund Agriculture, the Chairman of the Bulgarian Vine and Wine Chamber, members of the Parliament, and Academic representatives also attended the promotion.





1. Ambassador Marcie Ries giving opening re marks. Left to right: Alex Todorov, Ag Marketing Specialist; Michael Henney, Ag Attaché; Interpreter;



1. Executive Director of the Bulgarian Food Safety Agency (left) in conversation with local businessmen; 2. TV celebrities enjoying the wines



1. Director of Executive Agency on Vine (left) and Wine and Deputy Minister of Agriculture (right); 2. Ag Attaché Mike Henney (right) in conversation with major meat processor (left)

• In her opening remarks, Ambassador Ries expressed hope that now, after four previous promotions, the guests would have a chance to go beyond what they have experienced previously and would enjoy the fine American products from a new perspective and at the higher level.

- The Ambassador emphasized on the fact that today the U.S. is the fourth largest wine producing country in the world and that the top exports market is the European Union, which means that both countries share many common values, including an appreciation for fine wines.
- The Ambassador personally met with each importer and with most of the guests and discussed the challenges and opportunities on the Bulgarian market. In addition, in her opening remarks, she expressed appreciation to the U.S. beef and wine importers for their support to the event and for their efforts to expand the presence these products on the Bulgarian market.





Ambassador Ries discussing U.S. wine quality with a wine importer (left,) and characteristics of the Big Green Egg barbeque with the beef importer (right)

Over 35 different U.S. wines from more than 15 wineries were presented for tasting. This
selection provided the guests exposure to a broad variety of U.S. wines and their unique
qualities.









• The Ambassador's residence chef Stanislav Petkov made an interesting presentation and distinguished the high quality and unique characteristics of the U.S. beef. He emphasized on its competitive advantages before other types of meat on the local market and gave some details about the method of raising the cattle in the U.S.



Chef Petkov and the presented U.S. beef

• In addition Chef Petkov performed a memorable demonstration of beef cutting and suggested a few traditional American recipes to prepare the meat by preserving its unique taste and quality. After the demonstration the audience was given a chance to taste this culinary masterpiece. Several nicely framed U.S. beef posters and the USMEF logo were on display during the event.



Left: Distinguished guests enjoying the beef demonstration; Right: Ag Attaché handing a certificate of appreciation to Chef Petkov

• The Ambassador and Chef Petkov also presented to the audience the newly imported to Bulgaria but world famous multifunctional barbeque grill/oven/smoker <a href="Bug Green Egg">Bug Green Egg</a>. It is now becoming more popular in Bulgaria with its unique characteristics as the most versatile barbecue or outdoor cooking product on the market, with more capabilities than all other conventional cookers combined. The Chef also performed a demonstration of the proper use of the device for best results.





• In addition to that, the Ambassador and the Chef raised attention of the audience of several varieties of U.S. barbeque sauces, available on the local market. Samples of sauces were available for the audience to read the labels and taste.



• Respected media covered the event, including specialized magazines (<u>Standart</u> News, <u>Regal</u>, <u>The</u>

Experts, Presa Daily, Telegraph, Food Processing Industry Magazine, Agrozona Magazine, etc.). All of them will publish articles to describe the high quality of the event and the promoted wines and beef. This strong media coverage broadly advertised the positive image of the U.S. wine and beef, further building on the U.S. reputation for quality agricultural products.

• A blurb with additional information about the event was published on the **Embassy web site**.

Standard News article excerpt: "Sofia. California Love, Hotel California, California Dreamin', Californication ... Unforgettable musical masterpieces inevitably begin to dart almost chaotic in our minds amid the insight that if you do not go to California, it will come to you. This is what happened on Tuesday night at the residence of the U.S. Ambassador, Marcie B. Ries, where only selected were invited to the fifth consecutive annual promotion of American wines. And as always in combination with barbecue. This time it was beef from Nebraska. And certainly H.E. Ries was right to conclude that any such event is "more fun than the previous".

Selected guests, among which saw Nicky Kanchev, Uti Bachvarov Venelin Petkov and Veselin Marinov, and several deputy ministers, had the chance to taste wine potion from over fifteen world-famous wineries from the states of California and Washington. California wines definitely dominated this exhibition, although the envoy of Obama in our country did not fail to point out that the U.S. Northwest state, home of Nirvana, Jimi Hendrix, and Boeing also produce excellent wine.

The hosts made sure that all connoisseurs of red, white or rosé will be fully informed about California - the fertile land in the Western United States, for which is enough to mention that it produces 90 percent of the American wines with over 100 vineyards from at least 58,000 acres of plantations. Ambassador Ries noted that the United States is the fourth largest wine producer in the world and large part of the market for it is precisely Europe. "It is clear that we share certain values with the Bulgarians and especially our common love to good wine," joked the diplomat.

The elegant evening had one more focus in addition to the expected wine delight. In the yard of the residence, the personal Chef of Ambassador Ries, who's been creating amazing culinary temptations and masterpieces for at least five previous Ambassadors, had installed a futuristic looking barbecue, which presented famous Nebraska beef. "The Machine" is actually called Big Green Egg, which reveals its shape. Made of cast iron on the outside and covered with ceramics inside, developed by NASA, and probably using the same technology as the heat shield of the space shuttles. "The beef steak should be about an inch thick. At a temperature of 230 degrees, the barbecue is ready in four minutes" explained the skillful Chef. "The taste of the meat, really genuine, i.e. no spices, mid - rare, lies in the special diet of the animal before it gets to the grill. And it definitely must be imported from the U.S." he concluded.



Ambassador Ries in conversation with specialized media (left) and TV journalists (right)



1. Media and show business celebrities networking: Venelin Petkov, bTV News Director; Uti Bachvarov, TV Host; Vyara Ankova, Bulgarian National TV Director; 2. Veselin Marinov, Popular singer; Georgi Lyubenov, BNT Host

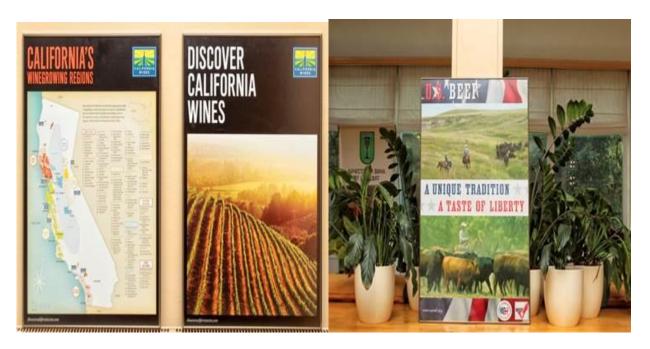
 At the end of the event the Agricultural Attaché Michael Henney handed certificates of appreciation to the importers for their contribution and support for the organization of the promotion.



Ag Attaché Mike Henney handing certificates of appreciation to the wine importers

- 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.
- The importers recognize the potential of the U.S. wines and beef within the competitive environment of the Bulgarian market.
- Having in mind the growing interest for U.S. wine and beef, our partners expressed strong interest to keep staging this event annually to develop a tradition to be expected by the target audience.
- The California Wine Institute supported the event with "Discover California Wine" image brochures, consumer leaflets and posters, giveaway wine openers, and recycled plastic bags. The USMEF supported the event by providing promotional corporate brochures, beef glossary, posters, and USMEF branded aprons and giveaway bags. FAS Sofia had the posters elegantly framed and displayed them at the event.

• FAS Sofia prepared a set of two individual giveaway bags for each guest. The wine bags contained a piece of the California Wine Institute brochures and leaflets advertising and providing additional information about California wines, wine opener, and brief information about the wine market. The beef bags contained a beef corporate brochure, beef glossary, and USMEF branded apron. The nice gesture was appreciated by the guests who felt especially touched by this special treatment.



# **Recommendations/Follow -up evaluations:**

FAS Sofia continues to maintain excellent contact with the importers and is making strong efforts to support them. The importers provided productive feedback about the event and expressed high gratitude for the opportunity to promote U.S. products and to present their existence on the local market to a broader audience.

Given the positive outcome and feedback, FAS Sofia would recommend that this promotion be developed into a traditional annual event in order to sustain and further enhance public awareness of thus interest in U.S. food products.

# Importers and presented wines:

### Cartel

info@cartelbg.com; http://www.cartelbg.com/

## **Joseph Phelps Vineyards:**

Joseph Phelps Cabernet Sauvignon Joseph Phelps Sauvignon Blanc

# FogDog Chardonnay

## **Merryvale Vineyards:**

Starmont Sauvignon Blanc Starmont Chardonnay Starmont Merlot

# Global Vini – Agency Mitev-Radulov

amr@amr.bg; www.globalvini.com

Sunset Creek - Zinfandel

Sunset Creek - Cabernet Sauvignon

Sunset Creek – Chardonnay

Rocky Creek - Zinfandel

Rocky Creek – Zinfandel Rose

### **Bibendum**

bibendum@bibendum.bg; http://www.bibendum.bg

## **California State**

Bonterra Chardonnay Organic, Mendocino County Bonterra Cabernet Sauvignon Organic, Mendocino County Bonterra Zinfandel Organic, Mendocino County Karia Chardonnay, Stag's Leap Artemis Cabernet Sauvignon, Stag's Leap, Napa Valley SLV Cabernet Sauvignon, Stag's Leap, Napa Valley Cask 23 Cabernet Sauvignon, Stag's Leap, Napa Valley

# **Washington State**

Eroica Riesling, Chateau Ste Michelle, Columbia Valley Domaine Ste Michelle Brut Cuvee Chateau Ste. Michelle Riesling, Columbia Valley H3 Merlot, Columbia Crest

Nortstar Merlot, Nortstar winery, Columbia Valley Col Solare Cabernet & Merlot & Cabernet Franc & Syrah, Columbia Valley

#### Avendi

http://www.avendi.bg

## **BLOSSOM HILL**

Blossom Hill Chardonnay 0.75

Blossom Hill Sauvignon Blanc 0.75 Blossom Hill Cabernet Sauvignon 0.75 Blossom Hill Pinot Grigio 0.75 Blossom Hill Zinfandel Rosé 0.75

# **Domaine Boyar**

Martin.Mihaylov@DomaineBoyar.com; www.domaineboyar.com

## **Geyser Peak**

Chardonnay 2012 0.75 Merlot 2012 0.75

# Robert Mondavi - Woodbridge

Chardonnay 2011 0.75 Cabernet Sauvignon 2009 0.75

### **Jack Rabbit**

Chardonnay 2012 0.75 White Zinfandel Rose 2012 0.75

### **Echo Falls**

White Zinfandel Spritz 2010 0.25

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