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Date: 7/2/2013

GAIN Report Number: BU1338

Bulgaria

Post: Sofia

U.S. Wine and Beef “Beyond Discovery“ Promotion in Sofia

Report Categories:

CSSF Activity Report

CSSF Activity Evaluation

Export Accomplishments - Events

Market Promotion/Competition

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Report Highlights:

FAS Sofia, in cooperation with five Bulgarian importers of U.S. wines and with the support the U.S. Meat Export Federation (USMEF), organized the fourth wine and beef promotion which attracted a strong cross section of Bulgaria’s business community. The newly appointed Minister of Agriculture and Food attended as a special guest to the event. The promotion, held at the U.S. Ambassador’s residence for the second time, was “branded” under the title “Beyond Discovery” in continuation of the last three successful “Taste and Discover” promotions.

1. General Information:

Activity Code and Name: U.S. Wine and Beef Tasting - Specific promotional activity

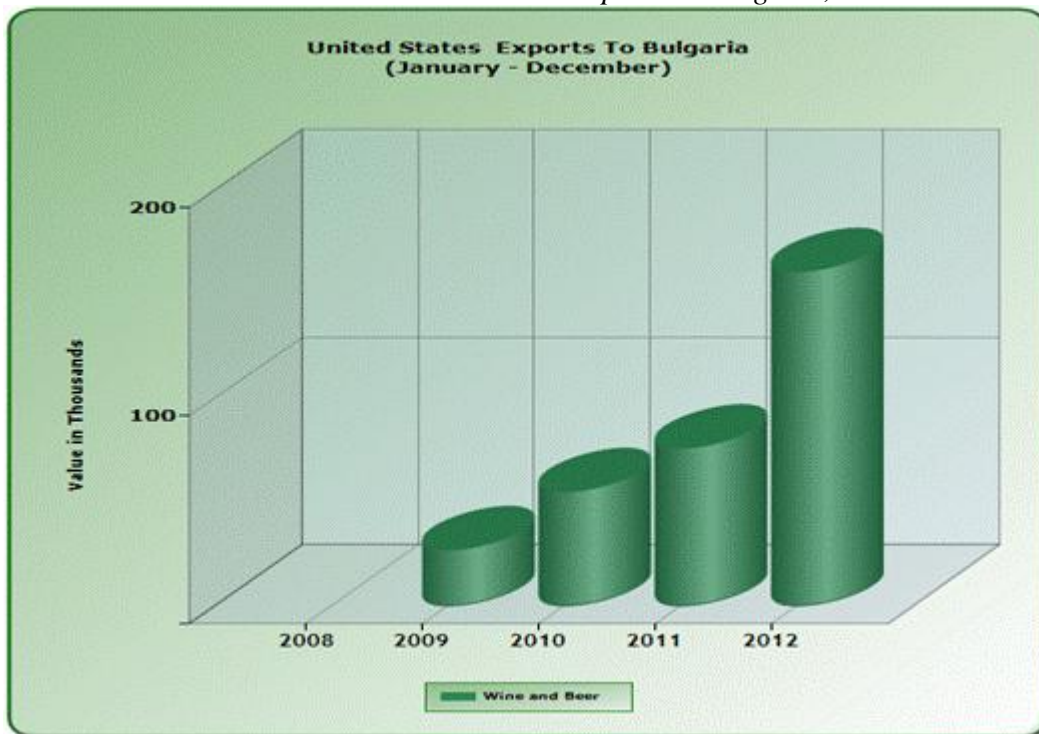
Beginning/Ending dates: June 13, 2013.

City/Country: Sofia, Bulgaria.

2. Justification and purpose:

- In 2012 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.
- In 2010 FAS Sofia organized the first wine promotion the export of U.S. wines to Bulgaria converted upward. From 2009 to 2010 the exports increased by 100 percent, 2010 to 2011 by 38 percent. In 2012 the export reached a record high level with 112 percent over 2011 and almost 500 percent increase compared to 2009.

Chart 1. U.S. Wine Exports to Bulgaria; Source: BICO



- The EU is the top export market for U.S. wines, valued at \$485 million in revenues. Other top export markets included: Canada, \$434 million; Hong Kong, \$115 million; Japan, \$111 million; and China, \$74 million. (Source: Wine Institute of California). Wine sales in the U.S. from all production sources—California, other U.S. states and foreign countries—increased 2% from the previous year to a new record of 360.1 million 9-liter cases with an estimated retail value of \$34.6 billion.

- U.S. Wine exports, 90 percent from California, reached \$1.43 billion in 2012, an increase of 2.6 percent over 2011, up 164 percent from \$541 million in 2001. Volume shipment reached 425 million liters.
- Close to 20 percent of California’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 \$10/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-27) is among the top export markets for U.S. beef.
- The importer of U.S. beef to Bulgaria has reported more than 30 percent increase in sales in calendar 2012 compared to the same period in 2011.

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.

3. 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, 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 three promotions and to enhance their awareness of high quality U.S. wines and beef currently present on the Bulgarian market.

4. Actual results and Outcomes:

- For the second time the event was held at the U.S. Ambassador’s residence in Sofia, after the very successful promotion at the residence in 2012 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.
- More than 120 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.



- The newly appointed Minister of Agriculture and Food Prof. Grekov was a special guest to the event. Other distinguished guests, such as the Director of the Executive Agency on Vine and Wine, the Executive Director of State Fund Agriculture, the Executive Director of the Bulgarian Food Safety Agency, the Chairman of the Bulgarian Vine and Wine Chamber, members of the European and Bulgarian Parliament, and Academic representatives also attended the promotion.



H.E. Ambassador Marcie Ries and the Minister of Agriculture and Food Prof. Grekov



1. (left to right) Deputy Executive Director of State Fund Agriculture, Director of Executive Agency on Vine and Wine), Minister of Agriculture; 2. Ambassador Ries welcoming the Executive Director of the National Grain Producers Association and the former DM of Agriculture

- In her opening remarks, Ambassador Ries expressed hope that now, after three 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 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 wine importers for their support to the event and for their efforts to expand the presence of U.S. wine on the Bulgarian market.



Ambassador Ries discussing U.S. wine quality with an importer (left) and with a guest (right)

- Over 50 different U.S. wines from more than 10 wineries were presented at the 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 giving presentation on 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.



Chef Petkov performing beef cooking and cutting demonstration



Agricultural Minister Grekov and other distinguished guests enjoying the beef demonstration

- The Ambassador and Chef Petkov also raised attention of the audience to 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 ([Bacchus](#), [Standard News](#), Regal, Food Processing Industry Magazine, BG Wine Magazine, Wine Roads Post, Economedia, Agrozona Magazine, etc.). All of them will publish articles to describe the high quality of the event and the promoted wines and beef. FAS Sofia will work with the Food Processing Industry Magazine to publish an extensive story about U.S. wines, beef, agricultural and export developments. The Ambassador was interviewed by one of the most popular radio stations Darik and the interview will be aired around July 4th. 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.

[Standard News](#) article excerpt: *“California or Washington - that was the question that lingered at the residence of the U.S. Ambassador Her Excellency Marcie B. Ries. Her house in Sofia opened doors to selected guests invited to taste some of the best wines in the world. For several years, they can be found on the local market, not only in specialty stores. The promotion of grape elixir in red, white or pink, was held for the fourth consecutive year by the Foreign Agricultural Service Department at the U.S. Embassy.*

For the first time, however, the mini-winery was garnished with a real American roast beef, expertly turned on the barbecue by the chef of several U.S. ambassadors in Bulgaria. “The beef is from Nebraska, from the heart of America,” said Obama’s herald in Sofia. Her Excellency added that the steaks are cooked in three different ways on the grill, but left the chef to explain exactly how.

“Beef in Bulgaria is difficult to process. If you want the best steak, you need serious training, because the breeds in Bulgaria are mostly raised for milking, while in the U.S. calves are kept exclusively for meat - outdoors in pastures where they are only grass fed. For the last 100 days they pass to a cereal diet” he explained. This way the meat becomes tender and the specific fat marble gives a unique taste. One of the recipes that the chef presented was to roast for 8 hours in a water bath temperature of 50 degrees marinated meat. “In Bulgaria, it’s a little hard to accept, but the steak is prepared the best, if not well-done, i.e. rare. Beef is safe - unlike pork,” assured the cook.

*The wine, however, was also in focus. Her Excellency preferred white to red fluid rival. Among the guests was the new Agriculture Minister Dimitar Grekov. “Some of you are bigger experts than me and can tell which wine is the best,” said Marcie Ries. **Undoubtedly, however, it was difficult to distinguish which wine is better among the best.***

- At the end of the event FAS Sofia’s staff handed certificates of appreciation signed by the Agricultural Attaché Michael Henney to the importers for their contribution and support for the organization of the promotion.



Ag Marketing Assistant Alex Todorov (left) 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 confirmed the statistics for increased consumers' interest and demand for U.S. wines after each event, and confirmed that market demand grew rapidly (by 500 percent) since the initial event in 2010 (see chart 1 above).
- 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" brochures, posters, and giveaway corkscrews. The USMEF supported the event by providing the meat, promotional brochures, and posters as well. FAS Sofia put the posters in elegant frames and displayed them at the event, as well as distributed brochures advertising and providing additional information about California wines and U.S. beef.



5. 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 this interest in U.S. food products.

6. Importers and presented wines:

Cartel

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

Joseph Phelps Vineyards

Merryvale Vineyards

Global Vini – Agency Mitev-Radulov

amr@amr.bg; www.globalvini.com

Sunset Creek

Rocky Creek

Bibendum

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

California State

Bonterra Organic

Stag's Leap

Washington State

Chateau Ste Michelle, Columbia Valley

Domaine Ste Michelle

Nortstar Winery, Columbia Valley

Columbia Crest, Columbia Valley

Enorama

venelin.majlev@enorama.biz ; <http://www.winemarket.bg>

Hess Collection Mount Veeder

Hess Vineyard Designates

Artezin

Domaine Boyar

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

Robert Mondavi
Echo Falls

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