



WINE & SPIRITS

In a dynamic market such as the Wine & Spirits industry, knowing how market factors affect inventory and machinery and equipment values, intellectual property, and risk are crucial to success. With decades of experience, we are able to identify market trends, accurately value inventory, and guide our clients through the ever-changing Wine & Spirits industry environment.

Premiumization, a trend whereby luxury items become more accessible to consumers while retaining an aura of exclusivity, continues to drive the U.S. alcoholic beverage market. Consumers are willing to spend more for higher-quality products including those from craft producers and brands.

The millennial generation is heavily influencing the U.S. Wine & Spirits industry, as the youngest of the demographic is now of legal drinking age and the demographic as a whole approximates 73 million and represents the largest adult population. Millennials seek quality over quantity, crave unique flavor profiles, and want to enjoy the story and experience with their drinks.

Consumers show continued interest in luxury-priced wines, as well as rosé and sparkling varieties. Brown spirits, primarily whiskey, bourbon, and tequila, are fueling the spirits segment, while beer companies are looking toward non-alcoholic or low-alcohol brews to boost sales.

B. RILEY ADVISORY SERVICES

When valuing Wine & Spirits industry assets, our team will look at factors such as sales trends, gross margin, release dates, barrel age, weeks of supply, market prices, and industry trends.

We will perform inspections of production facilities and warehouses and inspect machinery and equipment to check for wear, along with reviewing maintenance records and rental history to verify whether equipment has been properly maintained and upgraded throughout its lifecycle.

We will even determine additional value for intangibles such as brand names, licenses, trademarks, customer lists, and domain names.

B. Riley Advisory Services maintains contacts within the Wine & Spirits industry that we utilize for insight and perspective. Our hands-on approach is guided by our extensive experience in the Wine & Spirits industry including our appraisal of the following types of companies:

- Numerous wineries throughout California's North and Central Coasts and the Pacific Northwest producing medium- and high-end wines from estate-grown and sourced fruit sold under well-known proprietary labels

TYPICAL INVENTORY

- Case Goods [Wine and Spirits]
- Bulk Wine
- Bulk Spirits and Barrel Aged Products
- Dry Goods [Corks, Capsules, and Packaging]

TYPICAL M&E

- Presses
- Distillation Equipment
- Fermentation Equipment
- Tanks
- Bottling Equipment

Each month, B. Riley Advisory Services provides you an in-depth industry analysis on relevant trends and market variables shaping transactions.



To view more, visit
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- Well-known distillers of whiskey and bourbon that are bottled under super-premium brands and also sold to other spirits producers and distillers
- Local distillers of aged craft bourbon, rye, and gin
- Producers of spirits including branded whiskey, rum, gin, vodka, brandy, tequila, and liqueur
- One of the largest distributors of wine and spirits in the U.S. with revenues of over \$1.5 billion and servicing liquor stores, grocery stores, restaurants, and bars, as well as casinos and reservations
- One of the largest specialty retailers of alcoholic beverages in the West that offers more than 3,000 types of wine, 1,500 types of spirits, and 1,200 types of beer
- Importers and distributors of wine and spirits sourced from throughout the world
- An importer, rectifier, and bottler of spirits including vodka, tequila, cordials, rum, and brandy, among others

B. Riley Advisory Services has also liquidated a number of companies within the sector including Billington Imports, LLC and Havens Wine Cellars.

B. Riley Advisory Services understands the complexities of the Wine & Spirits industry and their effect on inventory and machinery and equipment valuations.

WHERE WE'VE MADE WINNING PARTNERSHIPS

