

News Briefs for November 3, 2011

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•Monterey, California-based Lockwood Vineyard has joined the portfolio of Boisset Family Estates. Boisset will be in charge of marketing and selling the 75,000-case brand in the U.S. market, but Lockwood founding partners Paul Toeppen, Phil Johnson and Butch Lindley will remain owners of the estate. Lockwood's wines include a Sauvignon Blanc, Chardonnay, Pinot Noir, Merlot, Syrah, Cabernet Sauvignon and Malbec and a limited-edition Partners' Reserve Red (ranging from \$10 for the varietals up through \$45 at the Reserve end). The brand brings the Monterey appellation to a Boisset portfolio that's been adding to its renowned French holdings (including Bouchard Aine & Fils and Mommessin among many others) with an expanding California portfolio, including the purchases of Napa's Raymond Vineyards in 2009 and Buena Vista Carneros this past April.

•Washington budget director Marty Brown has recommended that the state government reject two private-sector bids for its state-owned liquor distribution center in Seattle, according to local reports. The two private-sector bids are from private equity-backed Washington Beverage Co. and Washington State Beverage Logistics, which reportedly is represented by Southern Wine & Spirits senior vice president Bobby Burg. Under the bid proposals, the Seattle distribution site would be leased to a private-sector operator while the state retained control of ordering, pricing and spirits sales. The idea is being seen as a revenue-raising alternative to the Costco-backed privatization plan Initiative-1183, which faces a statewide referendum next Tuesday. Brown has concluded that neither bid would result in "net positive financial benefit to the state or local government or meet the best interest of the state."

•In an effort to boost revenues for the ailing U.S. Postal Service, a bipartisan group of senators introduced a reform plan on Wednesday that would allow postal workers to deliver wine and beer. The plan would let the Postal Service handle packages sent by licensed wine and beer makers, allowing them to compete with companies like UPS and FedEx in beverage alcohol shipping. Under the plan, consumer-to-consumer alcohol shipments wouldn't be allowed, and the Postal Service would implement regulations to ensure that packages are only being sent to LDA consumers with a valid ID. The idea was proposed as an alternative to ending Saturday mail, a cost-cutting measure the Postal Service has been considering in the wake of an \$8 billion loss last year.

•MillerCoors has unveiled a package revamp for its Miller Genuine Draft (MGD) brand, set to launch nationally on- and off-premise later this month. The new black-label packaging is designed to create international, urban appeal. MGD will make the change by January. MillerCoors has invested in the repackaging and repositioning of several other brands, including Miller Lite—which will feature a redesigned can next summer—and MGD 64, which will be rebranded as Miller 64.

•DineEquity Inc.—parent company of casual dining chains Applebee's Neighborhood Grill & Bar and IHOP—reported declining same-store sales in the third quarter ended September 30, due primarily to lower guest traffic. Same-restaurant sales at Applebee's fell 0.3%, marking the chain's first decline in the past five quarters. Despite the declines, DineEquity's profit was up, growing to \$16.5 million, compared to \$14.3 million a year earlier. In an effort to restore sales growth, DineEquity is currently in the midst of a refranchising and revitalization plan. The company has sold more than 200 Applebee's restaurants since acquiring the chain in 2007, making the brand 95% franchised.

•Allen Bernstein of Morton's Restaurant Group died on November 1 at North Shore University Hospital in Manhasset, New York. He was 65. Bernstein served as chairman and CEO of Morton's from 1989 to 2006, during which time he expanded Morton's The Steakhouse (formerly Morton's of Chicago) from nine local units to 69 locations worldwide, putting Morton's on the map as a leader in the high-end chain restaurant segment.