

# North Bay Business Journal

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## Wine packaging shifts to thrift in cost, resources

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**NORTH BAY** – Economics and environmental sensitivity are driving wine packaging design and supply in 2009.

Two primary interests among package design firm CF Napa's clients this year have been repositioning existing brands for more prominence in their historical market position and reworking brands to enter a new price point, particularly the hot under-\$10-a-bottle segment, according to Dave Schuemann, owner and creative director.

"It used to be that brands in that price point had to be bright and colorful and fun," he said. "There is a move to be more and more conservative."

"Shelf impact" is still important, but some owners of brands designed to be "zany and fun" are now wanting the packaging to be redesigned to look more serious, sophisticated and of higher value.

"We're hearing from distributors that consumers are looking for value and are concerned about getting lesser quality," Mr. Schuemann said. Related to maintaining value at lower prices is the emergence of more dual- and triple-appellation brands, he said. "It is a natural outcome of wineries wanting more flexibility in sourcing," Mr. Schuemann said.

Some larger companies with vineyard sources in different winegrowing regions are looking for flexibility when grape prices rise to maintain brand quality in certain price ranges.

CF Napa has been working with the Napa-based Diageo Chateau & Estate Wines division on packaging for the Jade Mountain brand, which notes on the label the percentage of grapes from two or three North and Central Coast counties.

Environmental-mindedness in the industry is helping wineries cut costs, according to Paul Tinknell of Healdsburg-based design firm Tinknell & Tinknell. "As damaging as the recession has been for the wine industry, it has made the industry look at being more environmentally friendly in winemaking and in packaging," he said.

Even before the economy started slowing

last year, the wine industry was shifting toward lighter-weight bottles, PET plastic bottles, cartons such as the TetraPak and new takes on the bag-in-box such as the minibarrel. It is a reverse of the design trend toward heavier bottles intended to convey quality. Now there's a push to reduce energy use for production and transportation of packaging as part of a global battle against climate change.

For long-term storage of wine, there's been a movement toward lighter-weight glass bottles, with increasing availability for high-end wines. Bottle distributor Demptos Glass earlier this year brought to market the 868-gram Strada line made in Mexico.

In May, France-based Saverglass released the 600-gram-or-less ecoDesign line, which maintain classic shapes and strength in key points such as the shoulder and bottom while reducing weight from traditional luxury bottles by one-third, according to Jean Pierre Giovanni, the new president and chief executive officer. The company will be bringing out more design options as customers call for more distinctive designs.

Factory capacity expanded late last year to lower costs via job grouping efficiency, and the decoration division at the factory is transitioning to more environmentally friendly materials.

"We've been working for 18 months to come up with less heavy metal in decoration for spirits and wine bottles," he said.

As part of the same shift toward the greening the business, packaging vendors were being urged to find more recyclable packaging, according to Mr. Tinknell. His firm was involved with custom winemaker Fior di Sole of Napa in the incorporation of the totally recyclable Nova Twist plastic screw cap by EnVino onto its under \$25-a-bottle Ca'Momi brand launched in January.

Nova Twist costs more than stoppers such as the 2+2 technical corks but less than Alcan's Stelvin long-skirted aluminum cap. It looks different from other capped wines, and it doesn't have metal left behind on the bottle after open-



CF Napa design for Jade Mountain

ing that would be cut off the bottle for recycling, according to Jimmy Smith, national sales and marketing director.

Yet the natural cork business has been touting its total recyclability as a pushback against the rise in use of screw caps and other closures. But with the slump in the economy, cork distributors say they have been facing inventory-management challenges as their winery customers seek less-expensive stoppers or push back bottling schedules.

"Some wineries are looking for cost savings and perhaps downgrading to a lower level of cork," said Neil Foster of M.A. Silva Corks USA in Santa Rosa. "Some wineries have benefited from the economy and want to use a significantly larger number of corks."

Yet wineries increasingly want to know that a cork bargain won't mean a "corked" bottle, according to the distributors. The recent push by the Cork Quality Council of North Coast natural-cork distributors to dramatically lower the detectable threshold of the mold compound TCA, which is commonly associated with taint, is providing documentation to help support sales, Mr. Foster said.