



Some quick thoughts – 19/12/06

Wine Investment Services has done some quick research and estimates on the direct sales wine market. Here are some interesting statistics:

The total size of the direct sales wine market is approximately 2.4 million cases per annum. This market includes wine clubs and societies, auctions and online retailing. Of that market, approximately 11% of case sales are made through auctions, online auctions and retailing – that's around 260,000 cases per annum. Wine Investment Services stores some 1.1 million bottles of wine or around 92,000 cases.

Based on the above statistics and estimates, if all the wines being stored by Wine Investment Services were to be sold, it would take all auction houses, online auction houses and online retailing stores over 4 months to sell the stock assuming that they sold nothing else other than the Wine Investment Services wines.

The point – online companies and auction houses can move your stock, but only very slowly. It is based on this analysis that Wine Investment Services seeks to sell wines in alternative markets where volumes are higher.

Also, Wine Investment Services is seeking to make other strategic acquisitions that will enable it to speed up the sales of investors wines. Watch this space for more ...