

On-Premise Report:

Wholesalers Support In-house Education

Growing U.S. interest in the global wine market is driving the trend behind in-house wine educators whose programs can lead to increased sales.

Liza B. Zimmerman

Liza B. Zimmerman is a San Francisco-based wine writer and consultant. She also served as managing editor of *Market Watch*, associate editor of *Supermarket News* and associate editor of *Wine Enthusiast*.



WHEN I HEADED up sales and marketing for an importer, **Vinum Wine Importing and Distributing LLC** in Seattle, I represented a great, and fairly obscure, portfolio of Portuguese wines. One of my responsibilities was to shop around the brands for distribution in other markets. Sometimes the wholesalers would bring their top salespeople to the meet and greet tastings. Half the time I was concerned that they probably couldn't pronounce Meritage correctly, much less the names of obscure Portuguese grapes.

Times are changing, and many national and smaller fine wine wholesalers are trying to alleviate concerns about their potential lack of fine wine knowledge by hiring full-time staff educators who train, teach and trail the sales staff until they can (hopefully) recite all the regions of Burgundy backwards. The educators also often work directly with top on- and off-premise accounts to create value-added events and dinners and speak at them.

Most of the educators have wine sales experience, often considered a must for communicating well with the sales force. "Having experience in the field helps garner the respect of the sales rep," said New York City-based **David Perry**, director of education and training for **Empire Merchants**. The drinks distributor operates in New York

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Geoff Labitzke, MW and VP, imports manager and director of education, Young's Market Company



Southern Wine and Spirits facilitator Judy Donahoe trained the wait-staff at Bittersweet Bistro (pictured) in Aptos, California. This is one of many restaurants that Donahoe provides training to throughout Northern California.



Judy Donahoe pours wine during a training at Kincaid's in Oakland.

and is part of the **Charmer Sunbelt Group**, which is active in 16 states and Washington, D.C.

"Experience selling is critical," confirmed **Geoff Labitzke**, a Master of Wine and vice president, imports manager and director of education at the San Francisco-based **Young's Market Company**, which operates in 10 states. "Sales pays for education, and one can never forget that. If you just present an academic view without talking about how to sell it, the sales reps will tune out."

Many of these in-house educators have fancy wine degrees, such as the Master Sommelier (MS) or Certified Wine Educator. Labitzke noted that those degrees are helpful but not always necessary. "The MW and MS credentials certainly help build relationships and credibility, but I feel that the educator position can be done without that level of education," he said.

Some educators believe the academic background and status of a credentialed educator are worth the price tag. "If a company can afford to hire a Master Sommelier or a Master of Wine, they have almost immediate cachet,"

noted **Peter Neptune**, senior vice president of corporate training and wine education at the Benicia, California-based **The Henry Wine Group**, which operates in five states. Neptune is also a Master Sommelier.

Despite whatever degrees wine educators might have earned, the exact impact they have on the bottom line is something they shy away from quantifying. However, few of them doubt that by "educating our people and making them feel more comfortable, they will help them sell more wine," said **Southern Wine & Spirits' (SWS) Judy Donahoe**, who goes by the title of facilitator and is based in the company's Union City, California office. SWS is the country's largest wholesaler with a presence in 28 states.

Even if the numbers aren't on the table, it's fairly certain that in-house wine educators give sales staff and top accounts added insight from which most wholesalers will benefit. Producers are likely to maximize their sales potential by understanding how they operate and supporting their academic formats and activities in the field.

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COVERING ALL BASES

Most wine educators split their time between the office, the in-house classroom and the field. They also often generate their own written teaching and training materials. Donahoe calls her responsibilities “multidimensional.” The bottom line, she said, is “about enhancing the guest experience,” an end-goal that clearly involves the sales staff and the account being serviced.

At The Henry Wine Group, Neptune is as focused on creating educational material and teaching as he is on spending most of his time in the field. “I am responsible for creating a curriculum that covers every area of the world and implementing the training of it,” he said. He gives his sales staff regular quizzes and a yearly exam. He said that the coursework is almost equivalent to the Wine & Spirits Education Trust Diploma level (the third year of the rigorous precursor to the Master of Wine from the London-based **Wine & Spirit Education Trust**). He has also created a comprehensive

CD, the academic contents of which are on all employees’ computers.

At Empire, Perry uses what he calls “a two-pronged approach,” incorporating sales skill development and product knowledge training. Empire focuses on technology training and has purchased laptop computers for every sales representative. Perry’s training materials cover three levels of wine education, which are classified as Apprentice, Journeyman and Master. Each 10- to 14-session course includes three hours of PowerPoint and group exercises as well as training and homework.

Republic National Distributing Company (RNDC), which operates in 20 states and Washington, D.C., centralized its training almost five years ago. The education program is now run by an in-house board of education, according to **Peter Madden**, corporate vice president of wine who is based in the company’s Atlanta office. RNDC also has three levels of education, and the last two include beer and spirits. All employees have to complete the first level, and managers must finish the second. If in-house sales representatives score more than 90 points, they can apply to be accepted in the Master’s program, which is the most advanced. Madden added that the company incentivizes their salaries if sales staff pass the Master’s program.

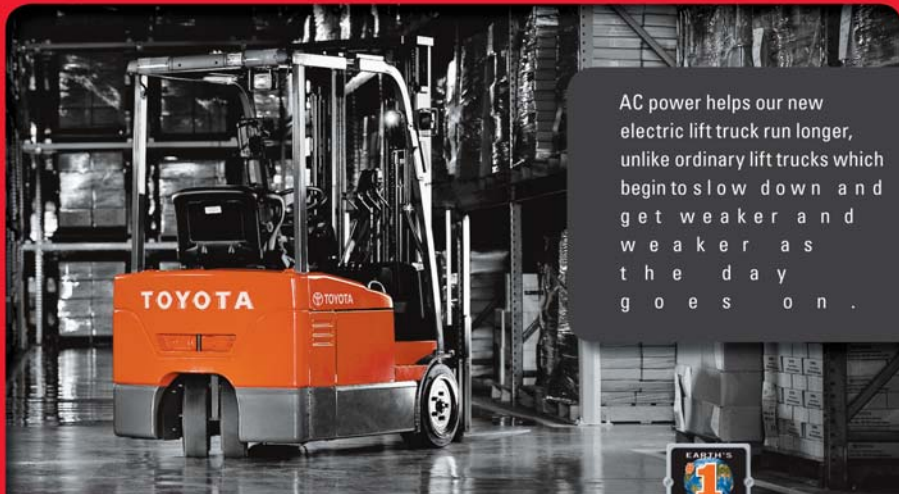
At Young’s, sales staff go through 18 formal hours of wine and spirits training, according to Labitzke. Afterwards they must take an exam. The rest of the educational program is more informal, he noted.

IN THE FIELD

At SWS, Donahoe spends much of her time “working with accounts and doing training.” Her focus is “restaurants and restaurant training, helping the wait staff be more comfortable with guests.” She gives presentations on how to open a bottle of wine and other general topics of wine service.

Sometimes the services these wine educators provide is as much wine entertainment as it is education. “If it’s a young staff, I will bring a bag of candy and a deck of cards,” said Donahoe. She added it can be a “very fun, interactive and empowering type of class.”

During her staff training, she will compare and contrast wine and review



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definitions of various wine terms. "I want them to understand how to sell the product and have fun with it." More advanced classes delve into blind wine tasting and structure. Whatever the level of the class, Donohue stresses that "I am here to help you make more money."

Henry's Neptune also spends two to three days a week in the field and believes his company might have been the first to have hired an in-house educator (following in the footsteps of many suppliers). He added that when

fermentation to retailers and sommeliers," noted Labitzke.

"We need to bring more to the customer than in the past," said Bill Saul, the Dallas-based vice president of strategic account education and development at **The Glazer's Family of Companies**, which operates in 12 states. He developed a training program called **Glazer's Beverage University**, which can track users' time spent studying the online course material. As a result, he said, they "have more accountability and tracking and a

"In-house wine educators give sales staff and top accounts added insight from which most wholesalers will benefit."

he works with sales representatives, he is "really there to observe their sales process and critique it."

RNDC focuses almost exclusively on in-house training. "We train our people and our people train our customers," explained Madden. And, at Young's, Labitzke said he spends half his time in the office, often fielding questions from the company's sales representatives, and the remainder in the field.

WHY THE NEED?

There was a day when the on- and off-premise buyers intimately knew all the wines they purchased, but with the global wine market exploding that is far from the case now. "We have seen an exponential growth in the sheer volume and variety of wine brought into the United States," said Neptune.

This is one of the main forces driving the trend of in-house education.

"As consumers are drinking higher quality products in smaller quantities, it is very important that we wholesalers are clearly able to convey points of dif-

ferentiation to retailers and sommeliers," noted Labitzke. The company just also launched its "Wines of the World" program in the first quarter of 2008, a seven-part program that addresses the world's major wine growing areas, according to Saul. Even Glazer's merchandisers and stockers go through these programs with the hope that they will soon be able to more swiftly move into sales territories.

"We see education play a major role in reducing turnover," Saul said, adding that "the more educated they are the quicker they get comfortable with [wine] and [settle] into their territories."

While none of the educators was forthcoming in imagining how their presence affected a wholesaler's bottom line, the likelihood is great—particularly since they have set the current standard. So it might well be sage for producers to get on board and be supportive of their wholesalers' current wine education program if they hope to stay competitive in this market. **wbm**

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