

WINE BRAND OF THE YEAR

DECOY BY DUCKHORN

Duckhorn Wine Co.'s entry-level label is edging toward 1 million cases

Napa Valley-based Duckhorn Wine Co. has a sprawling portfolio that includes some of the most renowned names in California wine, including such own-make brands as Duckhorn Vineyards and Goldeneye, as well as more recently acquired luxury labels like Kosta Browne and Calera. But the company's major volume driver, and the entry point for many Duckhorn consumers, is the Decoy by Duckhorn line.

Originally established in 1985, Decoy by Duckhorn launched with a red blend-exclusive lineup, aimed at making use of the company's surplus wine. In 2010, however, this business strategy shifted; the Decoy range was expanded, and more emphasis was placed on building the brand as a stand-alone label in its own right. Today, Decoy is led first and foremost by its Cabernet Sauvignon. "The Cabernet is really the anchor of the Decoy lineup, and it's far and away the No.-1 Cabernet in the \$15-and-up segment," says Duckhorn senior vice president



Duckhorn Wine Co.'s entry-level Decoy by Duckhorn is the major volume driver for the company, anchored by Cabernet Sauvignon.

and chief marketing and business development officer Carol Reber. "That's followed by the Pinot Noir and Chardonnay, which, altogether, are the three most significant wines in the lineup."

Merlot, Zinfandel, Sauvignon Blanc, rosé, and a Brut cuvée sparkler—which debuted this past spring—round out the Decoy range, all retail-priced at \$20-\$25 a 750-ml. The brand has snowballed significantly and swiftly since its initial refocus a decade ago; last year, it reached 830,500 cases on growth of 17%. "Decoy has been on quite a trajectory for the last eight to ten years, and the driver now is the same as the driver in the beginning—quality and the promise of quality," says Reber. "We built up a lot of trust with consumers and the trade through our luxury portfolio, and that trust enabled Decoy to take off."

In addition to the core lineup, more limited-release, slightly higher-end wines have also joined the Decoy lineup as of late, including the Decoy Napa Valley Limited Cabernet Sauvignon (\$30 a 750-ml.), Napa Valley Limited red wine (\$30), and Sonoma Coast Limited Pinot Noir (\$30). The limited wines are sourced from more specific sites, and feature longer barrel-aging periods; the Sonoma Coast Limited Pinot Noir, for example, was aged in 40% new French oak for ten months, as compared to the core Pinot Noir's eight months in 100% French oak.

The brand has long held a 70-30 split in the off- versus on-premise, though emphasis on building restaurant and bar accounts has grown recently, with broader distribution coming on stream over the last two years. Reber notes that by-the-glass pricing for the brand remains strong in many markets, which has consequently driven success in retail channels.

Because of its more attainable price point, Decoy has attracted a wide swath of consumers, pulling in millennials, Gen Xers, and Boomers alike. "Decoy is definitely for well-educated wine enthusiasts who will pay a bit more for a high-quality bottle of wine," says Reber. "They have been and continue to be our core consumers, and that group expands as younger generations climb up the life curve. There are Decoy consumers who are just coming into wine, where the price point is just a bit of a reach, as well as people who are looking for something that's more of a Tuesday night wine."

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