

12 May 09

## World's most powerful wine and spirits brands soar above pack

The world's leading wine and spirits brands have grown in value over the past 12 months as consumers search for the safety of respected brands.

Intangible Business, a brand valuation consultancy, released its annual league table of the world's most powerful wine and spirits brands overnight, with Smirnoff coming out on top. The Power 100, now in its fourth year, was compiled from analysis of over 10,000 brands. It combines each brand's financial contribution with consumer brand strength analysis from a panel of experts.

Smirnoff retained its title as the most powerful spirits brand in the world in 2009, following strong annual growth. Johnnie Walker is close at number two and Bacardi enters in third place.

Six Australian brands figured in the top 100, all from the wine sector, Yellowtail led the way in 35th spot followed by Jacobs Creek (46), Lindemans (63), Wolf Blass (75), Banrock Station (89) and Penfolds (90).

The biggest brand owners - Diageo, Pernod Ricard and Bacardi Martini - enhanced their dominance of the industry through further consolidation and by attracting more consumers to their category leading brands. The majority of the highest climbers in 2009 came from the leading brands with Smirnoff increasing its value most (7%), followed by Martini and Johnnie Walker (both 6%). Scotland extended its lead as the most powerful country of origin in 2009, up five per cent following a strong year for Scotch whisky. The second most powerful country of origin, USA, is threatened by a resurgence amongst French brands.

"The past year has seen huge changes in the world economy, but the drinks industry has proved resilient," Stuart Whitwell, Joint MD of Intangible Business, noted. "Big brands have benefited the most. The top 10 increased in value by 8%; every brand in it increased in value; its rank order remains unchanged; and it accounts for 44% of value in the top 100."

"Smirnoff epitomises the trend for big brands," he added. "Its premium positioning, skilled management, category leadership, global distribution, versatility and carefully crafted brand extensions contribute to Smirnoff's impressive growth."

Mr Whitwell believes that the economic climate could present golden opportunities for firms with spare cash to bolster their portfolios. "This consumer drive to safety is set to continue as the industry continues to consolidate. The impact of the recession may also become more apparent creating opportunities for second tier and cash-rich companies to bolster their portfolios. As ever, the motivation for purchase will be the brands, driving both volume and value," he concluded.

This year's top 10:

1. Smirnoff
2. Johnnie Walker
3. Bacardi
4. Martini
5. Hennessy
6. Absolut
7. Jack Daniels
8. Chivas Regal
9. Baileys
10. Ballantines