

Subject: Oranewood Wines Newsletter - Volume 3, Issue 23– December 5th, 2008
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Introduction

We hope you had a wonderful Thanksgiving and wish you the very best for the Holiday season that is upon us.

Box Score

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New Restaurants

[Blackstone Country Club](#)
12026 West Lone Mountain Parkway
Peoria, AZ 85383
(623) 707-8700

[Copa Habana](#)
350 East Bell Road
Phoenix, AZ 85022
(602) 993-6800

[Sierra Bonita](#)
6933 North 7th Street
Phoenix, AZ 85014
(602) 264-0700

New Retail/Wine Bar Outlets

Jazzy's Wine Bar
219 North Cortez Street
Prescott, AZ 86301
(928)776-8886

Sedona Liquors
122 State Route 179
Sedona, AZ 86336
(928) 282-7997

New Sales People

Graham Bousfield is another of those people with a funny accent. His is funnier than mine – he started in England, spent time in Canada and then in South Africa, where he met his wife, Peggy. Their plan is to bring advanced marketing techniques that Graham has developed in audio and pharmaceutical sales to their customers' wine sales. We toast to their success in the Carefree and Cave Creek area.

Rambling

As I have mentioned in the past, we have felt that we have been in a recession since October 2007. Now the economists agree that it started in December 2007. OK, now we really know.

How is the recession affecting us? We continue to work on acquiring new customers and on placing new wines at existing ones. Because we are small we are better able offset loss of business this way. The big distributors don't have that luxury; they are fully penetrated into the market and rise and fall with it. Rumors are that their business is down 30%. We are down slightly.

How is the recession affecting our customers? Every summer our customers typically reduce their inventory. Now that summer is over some of our customers are doing just fine, others are not seeing business pick up. Some of the latter are cutting costs and, unfortunately, this means reductions in staff hours with the result that sales people are less available to help customers; and those that are available may be less than happy about their effective reduction in pay. For wines like ours that depend on being "hand sold" this is difficult. If there is no "hand" available, the consumer may choose something more comfortable.

How is the recession affecting consumers? A lot of people are going to the same places they always have and drinking what they always did. More of them, however, are being more conservative both in how much they will spend and on the brands they will buy. On the prices, wine that retails below \$20 is doing much better than wine above that point. Even better is wine in the \$12 to \$15 range. On brands, people are being less adventurous. They are picking brands that they know. Comfortable for consumers means a recognized brand, especially at a low price. We continue to do well with our wines that people are familiar with, even if the prices are high. We struggle to sell brands that are unknown, even at the lower prices.

On a different note, I passed a milestone (better than a kidney stone) this week. Those of you who have been reading our newsletter for two years or more will remember that I had a disease called polymyalgia rheumatica, which left me essentially crippled until it was diagnosed and then treated with the steroid prednisone. I took my last prednisone three days ago. There seem to be no remaining side effects from the disease or the steroids. I survived; we are delighted.

The Rambler rambles on...

From all of us at Orangewood Wines,

Richard (newsletter writer) and Laurie (editor)
Orangewood Wines