



# Capitalizing on Design Innovation

Corey Beck, Francis Ford Coppola Winery



# Wines & Vines Packaging Conference

Corey Beck

Francis Ford Coppola Winery

August 16, 2017

**Capitalizing on Design Innovation: What Works, What  
Doesn't & How Innovative Packaging Sells Wine**



A portrait of Francis Ford Coppola standing in a vineyard. He is wearing a dark beret, glasses, a white beard, a blue shirt, a patterned scarf, and a purple jacket. A camera is hanging from his neck. The background shows rolling hills and vineyards under a cloudy sky.

# THE FAMILY COPPOLA™

CINEMA, WINE, FOOD, HIDEAWAYS & ADVENTURE

Winery Run by Artist  
& Visionary leads to  
Innovative Packaging

Francis  
Ford  
Coppola





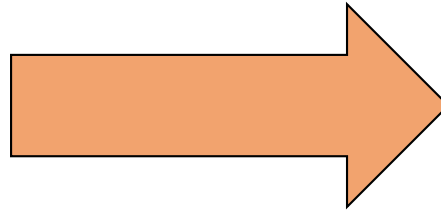
# Francis Coppola Diamond Collection





# Claret – The Flagship of the Diamond Collection

## Before and After Gold Net



*“The inspiration for the Diamond Collection was a bottle of 1906 Claret we found in the cellar of the Napa Valley property we purchased in 1975.” – Francis Ford Coppola*





# Diamond Collection Claret

- First Vintage 1995
- Netting started 2009
  - Growth rate from 2003 to 2009 – 4.5%
  - Growth rate from 2009 to 2015 – 16.0% (*after net*)
- FOB went from \$112 to \$120 in 2010
  - To cover CapEx and material costs, pricing increases translated to a \$1 higher shelf price. Despite the higher price, growth rate nearly quadrupled from 4.5% to 16.0%
- 150,000 cases 8 years ago
- Now 375,000 and #1 Cabernet Sauvignon sold in US in \$15-20 category
- Own two netting machines- cost \$250K per





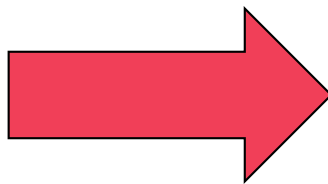
# Diamond Claret – Netting Process



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## The Introduction of Sofia Minis *Launched in 2004*

Sofia Blanc de Blancs in a 750 mL format, and  
in a smaller version for on-the-go convenience  
in the “Sofia Mini” can (187 mL)





# Why Sofia Mini?



- Vision from the owner to make wine more accessible
- Product launched in 2004 – Currently 45,000cs
  - Initial launch was 10,000 cs
- Need to find Bonded Winery that would put wine in a can
  - Varni Brothers in Modesto- 7up producer
- CO2 infused at filler bowl vs. secondary fermentation in tank
- Cans produced with double coating to prevent corrosion due to SO2
- Mini trade spend is \$14/case vs. \$18/case for all other products
  - Unique packaging design helps reduce trade spend



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# Sofia Mini Canning







# Sofia Mini Production Costs

- Cans- \$.13/can
- Can lids- \$.04/lid
- 4 pk box- \$.5/box
- 6 pk box- \$.75/box
- Straws- \$.02/each
- Canning \$2.25/case
- Secondary Handling \$5.42/case
  - Erecting cartons, attaching straws, hand sorting defects, palletizing.
- Total cost per case (9L) -\$15.26
- Gross Margin Mini 26%
- Gross Margin Sofia 750ml 23%



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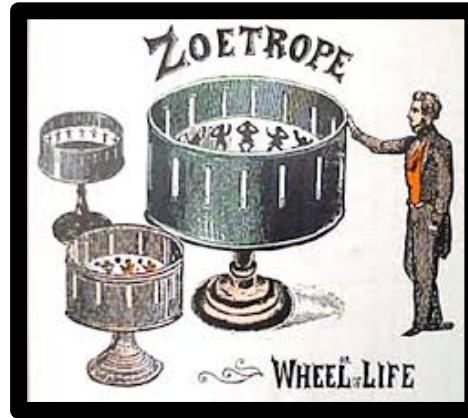
# Success of Sofia Blanc de Blancs Minis Leads to Launch of Sofia Brut Rosé and Brut Rosé Minis

*New Product-  
Launched in  
May 2017*

*Second  
Coppola  
Product in  
a Can*



# Director's Cut Series



*“Winemaking and filmmaking are two great art forms.”*  
*Francis Ford Coppola*

- Labeler from Australia
  - 100K
- Label cost is 4-5 times standard front and back
- Labeler operating at 85 bottles/min compared to 200/min
- Chardonnay and Pinot Noir are in Bordeaux bottles so original film strip would fit on bottle



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# Director's Cut Zoetrope Wrap-Around Labeling







# Director's Cut Label Application

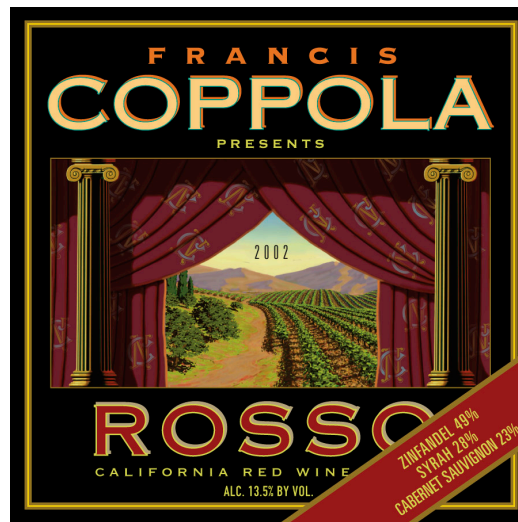






# Rosso & Bianco

*Innovation as Simple as Label Design*





# Encyclopedia – 2008

*Innovative Concept, Challenging Packaging  
Led to Brand's Demise*

**2008 Goal: Launch new brand to capture the young wine consumer, millennial audience**



**A new collection of imported wines for young, adventurous wine drinkers with a thirst for knowledge and love of discovery.**



# Encyclopedia - 2008

## *Packaging Design Challenges: Oversized Bottles, Screw-Cap Fit*

- Custom decanter-shaped bottle
  - Stand out on shelf
  - Resveratrol structure imprint
  - Reusable
- Largest wine screwcap in the land
  - Custom 40mm
  - Collection of wine-related quotes



*Packages that Didn't Work*







# Gia by Gia Coppola – 2014

*Packaging Design Challenges:  
Custom-Sized Bottles, Clear Glass*



- Custom mold with scallop shape
- Matte Paper
- Gold Foil
- Emboss and high-build on logo and varietal
- Gold screw-cap



# Reinventing Gia – 2018

*Redesigned Packaging  
Coming Soon*



- Traditional Packaging
- Hefty Glass Bottles
- Two Varietals
- Creative Labels in Development



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Coppola Partners with Technology Leader on  
Limited Edition Label Celebrating Film and Wine

technicolor



*“Even as a kid, I knew TECHNICOLOR offered the most beautiful movie color process. The Technicolor process, I learned, was similar to lithography whereby primary colors were actually printed on the clear celluloid. For me, Technicolor was the standard of color for all movies. Director’s Cut Technicolor wine celebrates artistry in film and wine, two of life’s greatest forms of entertainment.” – Francis Ford Coppola*

- Reflective Wrap-Around Label
- Commemorating Technicolor’s 100<sup>th</sup> Anniversary
- Launched September 2016



# Director's Great Movies

*Retro Movie Label Posters turn into  
Collector's Item Labels*

*"I originally met artist Laurent Durieux when he approached me about a Godfather movie poster he had created. I immediately saw the passion in his artwork and thought his posters would transform into great wine labels for my Director's wines. 'I've chosen several movies that I think are exceptional. I'm presenting them almost as a recommendation, with the wine being a collector's item.'" – Francis Ford Coppola*

- Jaws Chardonnay
- King Kong Cabernet
- Wizard of Oz Merlot
- Launched August 2016
- Godfather II label in production



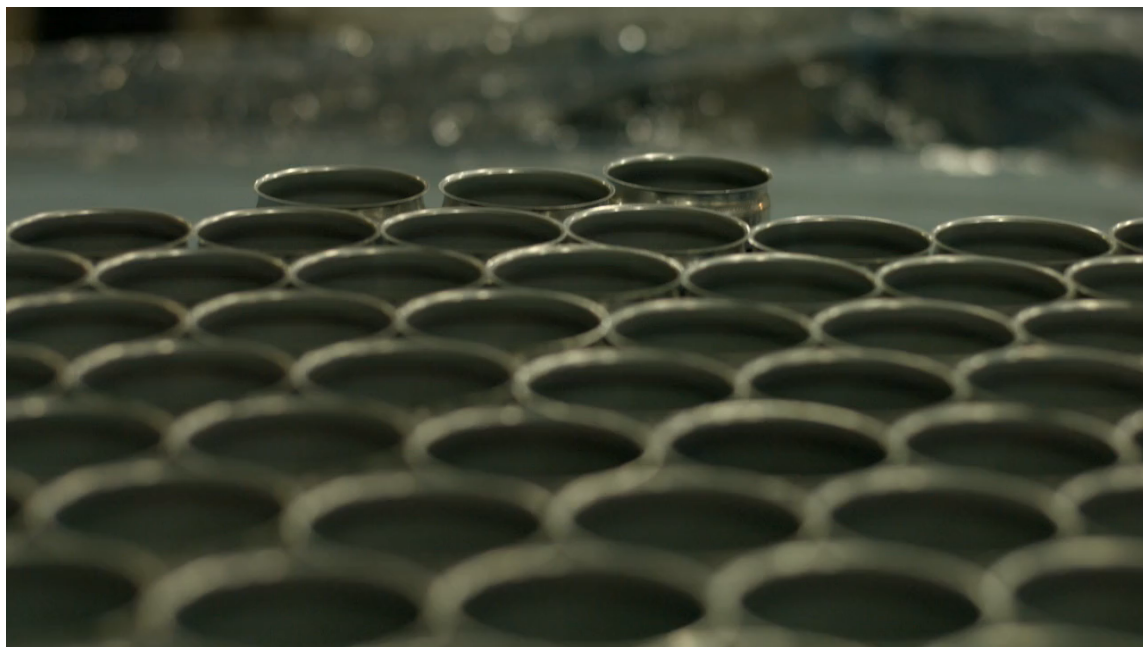




# DIAMOND COLLECTION WINES

In a CAN – *Launching August 2017*

*“You have to really be courageous about your instincts and your ideas. Otherwise you’ll just knuckle under and things that might have been memorable will be lost.” – Francis Ford Coppola*

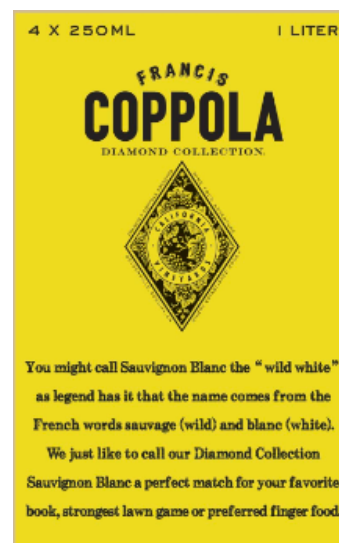
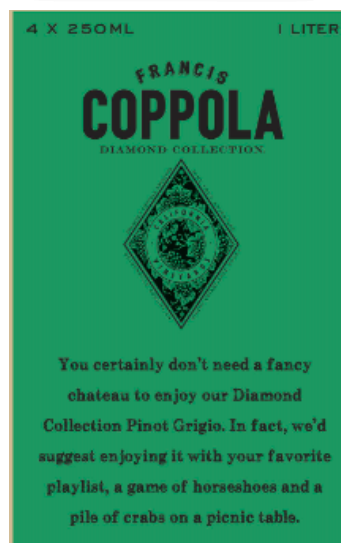


*The award winning Diamond Collection taste & quality you know & love – now easier than ever to take with you on all of life’s adventures.*



# Diamond Cans STUNNING & SMART PACKAGING

- Recognizably Diamond Collection
- Engaging back copy
- Product visible
- VARIETALS: Chardonnay, Sauvignon Blanc, Pinot Grigio
- FOOTPRINT: 4 pack x 250ml Cans
- CASE COUNT: 24 cans x case (6LE)
- FOB: \$108, SRP: \$25, Target price per can: \$5 - \$6





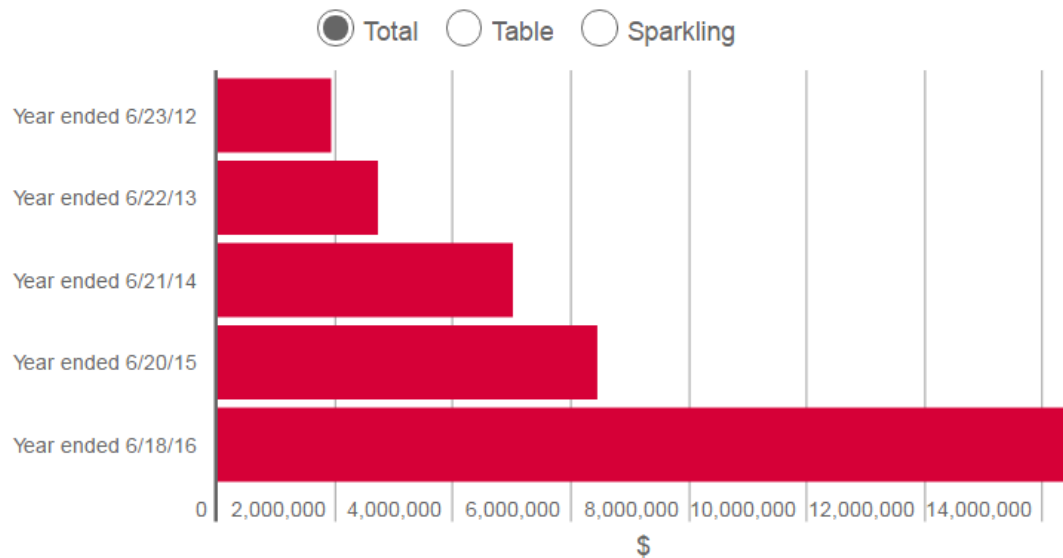


# Diamond Cans - WHY NOW?

## BY THE NUMBERS

n

### CANNED WINE SALES TRENDS



nielsen

Significant double digit+ growth for the last 5 years!

## ON CONSUMER & GROWTH

*“Millennials are the key demographic behind the explosion of wine in aluminum cans, which outpaced both 3-liter boxes and Tetra Paks in growth in 2015 by a wide margin, with 60 percent growth by value and 129 percent growth by volume.”*

Wine Spectator

## ON CONSUMER BENEFITS

- **Portable & Lightweight:** great option for the outdoors
- **Single serve** for individual consumption
- **Environmentally friendly,** recyclable packaging



# Great Women Spirits

*Coppola's Foray into the Spirits World  
with Fall 2017 Launch of Three Spirits*



Vodka

Potato  
premium  
vodka  
honoring the  
Polish patriot  
& lover of  
Napoleon

**Countess  
WALEWSKA**



Gin

An English-  
style gin  
paying  
homage to  
the woman  
considered to  
be the first  
computer  
programmer

**Ada  
LOVELACE**



Brandy

Five year old  
Brandy  
celebrating the  
brilliant 16th  
century Italian  
mathematician

**Maria  
Gaetana  
AGNESI**





**THANK YOU!**





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