



Pre-Distribution Checklist

By The Wine Rep

Selling wines through a distributor is the route to market for most small to medium wineries. Distribution firms make money from being the middleman between the wine industry and the retail and hospitality industries, taking a margin as the wine flows through. They have a portfolio of wine brands from around the country and often the world – so how is your wine brand going to improve their portfolio?

Approaching distributors has become fairly competitive with far more wineries seeking distribution than distributors seeking new wine brands. To improve your chances of signing with a distributor you need to ensure your wines are as sellable and as ready for market as possible and that you have solid answers to the questions the distributor is bound to ask.

Having a great wine is not enough to gain distribution - although it certainly helps. The list of questions on the next page covers the key areas of your business that a distributor will be interested in. Answering 'no' to any question highlights an area of your business offer that needs to be looked at before you are fully prepared to approach a distributor.

The Checklist

1. Am I willing to let a distributor autonomously represent my brand for me?
2. Am I willing and able to support the distributor with time, money and product to help generate sales?
3. Have I identified my brand and listed its key competitive advantage assets?
4. Do I have a marketing strategy that is currently being actioned?
5. Do I have a complete range of wines ready for commercial sale?
6. Do I have the volumes of wines available for consistent, uninterrupted supply?
7. Will I be able to produce wines of consistent or improving quality vintage after vintage?
8. Have I priced my wines appropriately for their target market, having built in the distributor's margin?
9. Do I understand the Wine Equalisation Tax implications of selling to a distributor, many of whom are WET exempt?
10. Do I already have customers regularly purchasing direct from the winery, including retail outlets and restaurants?
11. Have I planned and costed the logistics of getting the wine to a distributor?
12. Is all packaging up to commercial standards, including bar codes?
13. Have I written down the sales goals I want to achieve from distribution over the short to medium term?
14. Do I realise that by simply signing with a distributor, consistent and growing sales are not guaranteed?
15. Do I fully understand that the distributor – winery relationship is more of a partnership, with both parties working together to generate sales?

For a more in-depth guide, including the Pre-Distribution Checklist with detailed descriptions, The Wine Rep has created:

A Guide for Wineries Seeking Distribution

- The key driving factors behind a distributor.
- The distributor's pricing requirements.
- The Pre-Distribution Checklist including detailed descriptions.
- Advice on how to choose a distributor that suits your business.
- Practical guidance on how to approach a distributor.

Other Articles from The Wine Rep:

- **A Guide to Creating Usable Marketing Material** – full details on the key pieces of marketing material that a winery should produce to support sales.
- **The Wine Trade Map and Pricing Guide** – descriptions of the various components in the wine trade and how they relate to each other, as well as a detailed guide on wine pricing in on and off premise venues.
- **The Trade Activity Guide** – how to action appropriate and successful activities in the trade to generate sales and build brand equity

Also download free, printable spreadsheets that cover on and off premise pricing and detailed discount levels.

TheWineRep.Com

Please note that this checklist is meant to prepare you for discussions with an Australian distributor. It covers the key business aspects that are often not entirely appreciated by a small wine producer. Each producer is different so not all the points listed are necessarily appropriate for your business.