



CRYSTAL Wine Program

PROJECT OVERVIEW



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The CRYSTAL story

A highlight of 2010 was the business development association between the Bounty Management Group Inc. / Bounty Cellars Winery and the Sparkling Hill Resort and Wellness Centre. The Bounty role has been to assist in integrating the Austrian-owned resort into the Okanagan and British Columbia communities, licensing issues, business development and promotion. Central to all this has been advising about the increasingly-respected Okanagan wine industry, in a fashion that is fair to all quality producers.



A Marketing and Revenue Opportunity

In discussions with Hans-Peter Mayr, Sparkling Hill Chief Executive Officer, it became obvious that house brand wines should be created for the resort, but the vision quickly grew from there. Associated with one of the most respected brands in the world - Swarovski - it seemed a prerequisite to create something truly special and unique. Everything about the wine had to exude quality: the name, the packaging and the wines themselves. It also became apparent that if considerable effort and expense were invested in labels, artwork and wine production that an opportunity existed to market the wines outside the resort property. An innovative process to develop a brand that could assist in the promotion of Sparkling Hill while also becoming an additional revenue stream.

The Brand

The first area of focus was the name - CRYSTAL – was a natural choice. How can a wine label emulate the magnificence of Sparkling Hill Resort and the Swarovski relationship? A designer was commissioned who achieved a replica of a large crystal identical in shape to the grand entrance facade of Sparkling Hill Resort. It was obvious that nothing could say "Swarovski" like Swarovski itself. Swarovski headquarters in Wattens, Austria created and produced three small crystal elements that would be applied to every bottle. The finished product exuded elegance and class while achieving a level of wine packaging that has never been seen in the market.



The Wines

The long-term vision for the CRYSTAL brand became a series of wines with diversity as a hallmark, in price, varietals, blends and the geographic sources of grapes. The goal would be to source the very best for each label from the Okanagan, Washington State, Oregon, California, South America or elsewhere - **"an international line of products for an international destination."**

The text on both of the founding wine labels tells the story best:

CRYSTAL

Artistry * Precision * Excellence

The CRYSTAL Collection of Fine Wines is a tribute to Swarovski Crystal and the five-star Sparkling Hill Resort in British Columbia's pre-eminent wine-growing region, the Okanagan Valley. Just as Swarovski's magnificent creations energize the Resort, the wines aspire to be worthy of the association.

2008 Gewürtztraminer

Gewürtztraminer, a grape variety with 1,000 years of history beginning in the South Tyrol of Austria and Northern Italy, recognizes the resort's distinguished ownership but also honours the earliest days of Okanagan winemaking, when the best vineyards won top awards for their German-style wines, rich in fruit and moderately sweet.

The 2008 CRYSTAL Gewürtztraminer bursts from the glass with an exceptional floral bouquet. The pink grapefruit flavours dance on the palate, followed by a refreshing balanced finish.

2006 Cabernet Sauvignon/Merlot

The Cabernet Sauvignon of this exceptional blend, aged in American oak, has been meticulously nurtured for almost five years. Combined with Bounty Cellars increasingly renowned Merlot of the Pacific Northwest, the result is a mature and satisfying fruit forward red wine, packed with black raspberry notes and hints of smooth mint and cocoa.

The Launch and Promotion

The plan was a "soft launch" for resort staff, guests and selected retailers in Alberta and British Columbia in late 2010, followed by a major reception for the hospitality industry, the wine press and selected VIPs in Vancouver in early 2011. Initial sales were so buoyant that the first bottling would be exhausted before the date of the Vancouver event.



Sparkling Hill Release – December 2010

It was successfully demonstrated how the wines, featured by retailers and discussed throughout the community, could enhance recognition for the resort. Neck tags were designed promoting a contest for free stays and services, with entries adding names to a growing database of prospective customers, for both sales and social media.

Return on Investment

Not only have the promotional aspects of the CRYSTAL brand already justified the investment, without even "going public" via media, advertising and marketing, it became a profitable project from day one.

The first bottling has achieved a 10 percent ROI for the resort. The second - much larger - bottling is projected to achieve a 17 percent ROI.* **- based on highest distribution and commission rates. Profitability should be greater than 17%.**