



BERRY BROS & RUDD

WINE & SPIRIT MERCHANTS

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Berrys' Broking Exchange sees £11.5 million in fine wine change hands online **Volume of trade rises 13% as wine collectors and investors embrace online sales**

Berrys' Broking Exchange (BBX: www.bbr.com/bbx), created by 314 year old wine retailer Berry Bros. & Rudd to enable people to buy and sell fine wine from each other online, has seen sales volumes rise 13% in its second full year of trading. There were 91,668 bottles of fine wine bought and sold on the exchange between August 2011 and July 2012.

The value of sales has also grown, rising 2% in the past 12 months (compared to the same period in 2010/2011) as the value of trade BBX rose to £11.5 million.

The person-to-person fine wine trading platform, which launched in August 2010, now has over 4,500 customers trading wines. During the past 12 months, they traded over 9,000 cases of fine wine on the site.

BBX charges lower commission than auctions, enabling customers who hold wine "in bond" at the retailer's storage cellars to sell their collections to other enthusiasts and wine investors. Anyone (whether a Berrys' customer or not) can buy wines on BBX and customers can move wines into Berrys' bonded warehouses if they wish to trade on the platform. Once sold, wines can either be stored or delivered directly to its new owner.

Sales on BBX have surpassed even the experts' estimates. The service has attracted users buying and selling cases worth thousands of pounds. These have included a six bottle case of **Burgundy's finest** 1999 Romanée-Conti, Grand Cru, which sold for £55,000 and a 12 bottle case of 1990 Ch. Petrus, Pomerol, **from Bordeaux**, which in the end was snapped up for £36,000.

Max Lalondrelle, Fine Wine Purchasing Director at Berry Bros. & Rudd, said of the growth of BBX:

"Berrys' Broking Exchange has already attracted substantial interest from our customers – and from collectors and investors alike. We have around 27,000 customers who use our bonded warehouses and 4,500 of them have already started to use Berrys' Broking Exchange as a sales and buying platform, which is an excellent result in just two years.

"We always believed that fine wine collectors would welcome an alternative to the auction houses as a way of realising the value of their wines. We also believed that buyers would want to be able to

secure wines that rarely come up for sale in the retail environment but are held in our state-of-the-art cellars. The meeting of these two groups has meant we've created a thriving wine trade between our customers. The fact that the wines are stored in our warehouses has meant that customers have greater confidence buying and selling from each other."

There are further plans to expand the BBX business through the rest of 2012.

The BBX platform has created a “long tail” for fine wine trading. While the majority of sales are of the main “collectable” regions and producers, buyers and sellers have also been able to find a market for lesser-known wines from regions not traditionally part of the investment or collection market.

One of the great advantages of BBX is seeing stock from older vintages and regions that merchants traditionally would not have been able to provide and that investors are not able to buy elsewhere. These include 2002 and older Burgundies, top Rhone wines and mature wines from Italy and Spain.

Berrys’ has invested £3 million in a third wine storage warehouse to satisfy the demand from customers to keep their wines with the retailer. The opening of the Gemini warehouse in Autumn 2012 will mean that an additional 2 million bottles of wine will be stored by Berrys’ on behalf of its customers – taking total storage capacity to 8.3 million bottles (or 815,000 cases).

There are also plans to further develop the BBX offer, enabling sellers to list wines on which they would be willing to accept an offer from other users (in effect creating a bid function on the service). The team is also launching a mobile version of the site to ensure that, when particularly interesting sales are placed online, customers can make purchases “on the go”.

Max Lalondrelle, continues: *“The success of BBX has meant that we’ve had to review our storage and so we are investing to make sure that we can keep up with demand for the service. We’re also making sure that we’re innovating what we already have – ensuring that we’re leading the fine wine market in our use of technology, whilst also focussing on the quality of our service.”*

ENDS

Contact

For further information, more detailed statistics or recommendations on the wine to watch in 2012, please contact James Gordon-MacIntosh or Carl Steer at Hope&Glory PR

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About Berry Bros. & Rudd

Over 314 years ago, Berry Bros. & Rudd opened its shop at 3 St James’s Street, opposite St James’s Palace, where it still stands today. Members of the Berry and Rudd families continue to own and manage the family-run wine merchant, providing the closest link between those who make the wine and those who drink it.

Berrys has shops in Hong Kong and Basingstoke, as well as a business in Japan and duty free presence in Dubai. Berry’s range comprises over 3,000 wines and services include The Wine Club, The Cellar Plan, Fine & Rare Wine Advice, comprehensive Wine Tastings, Fine Dining and Wine School. The cellars and Pickering Place are available for corporate entertaining, cocktail parties and wine tastings.

A supplier to the Royal Family since the reign of King George III, historic customers have included Lord Byron, William Pitt the Younger and the Aga Khan.

Berrys’ award-winning website www.bbr.com is a one-stop shop online and includes expert advice from Berrys’ own wine advisors.

For further discussion on this and other topics with Berrys' experts please visit Berrys' Wine Blog.

To keep up-to-date with the latest wine news from Berrys as it happens, follow @berrybrostrudd on Twitter. It only takes a few seconds and it's free. Become a fan of Berrys on Facebook at www.facebook.com/berryswine.