

W.J. Deutsch & Sons

Georges Duboeuf PR Agency Brief and Request for Proposal

W.J. Deutsch & Sons is conducting a search for a Public Relations (PR) agency with capabilities in strategic planning, program development and execution to handle the PR activities on the Georges Duboeuf brands: Beaujolais Nouveau, Georges Duboeuf Base (Beaujolais-Villages – 100% Gamay-, Crus - 100% Gamay, Macon Villages – 100% Chardonnay- and Pouilly Fuissé – 100% Chardonnay), and possibly HobNob Vineyards. The agency must be able to work on both large (national) and small (regional or local) programs which are high quality and cost effective. The WJD retainer fee is in the range of \$300K–\$320K. The approximate breakdown by brand has traditionally been: Beaujolais Nouveau and Base at an intensive level of work, HobNob at a moderate level of work.

Please note the information provided in this RFP is confidential. Please share only with those directly involved in the presentation of your response. Please do not discuss with the press.

Overview

About W.J. Deutsch & Sons, Ltd.

W.J. Deutsch & Sons, Ltd. was founded in 1981 by Chairman Bill Deutsch to market quality wines produced by prestigious families from major wine regions of the world. In 2009 Deutsch announced the expansion of the award-winning company to include a separate Spirits Division, W.J. Deutsch Spirits LLC. Deutsch's wines and spirits are sold to the trade with well-planned marketing support and are offered to U.S. consumers at fair market prices. Today the company is renowned for its brand-building prowess and its ability to meet the needs of the modern consumer. Bill's son Peter Deutsch is CEO; thus two generations of the Deutsch family work side by side in their continuous quest to build strong brands and relationships throughout the wine and spirit industry.

The W.J. Deutsch & Sons portfolio includes award-winning wines from Australia: [yellow tail], [yellow tail] Reserve, [yellow tail] Bubbles; California: Girard Winery, Windsor Sonoma, Sonoma Coast Vineyards, Josh Cellars, Joseph Carr, Flirt; Kunde Estate; France: André Lurton, Georges Duboeuf, Hob Nob Vineyards, Patch Block, Pierre Sparr, Sauvion et Fils, Vidal Fleury; Italy: Barone Fini, Castello di Monastero, Coldisole, Poggio alle Sughere, Lionello Marchesi, Villa Pozzi; New Zealand: The Crossings, NineWalks; Portugal: Quinta Do Vale Meao; Spain: Mar De Frades (Rias Baixas), Cruz de Alba (Ribera del Duero), Ramon Bilbao Vinos y Vinedos (Rioja), and Volteo (Castilla); Chile: Llai Llai; Argentina: Ruta 22, and award-winning spirits from Landy Cognac (France), Luksusowa Vodka (Poland), The Original MOONSHINE (USA), Adult Chocolate Milk (USA), LICOR 43 (SPAIN) and Villa Massa (Italy).

A brief note on beverage alcohol route-to-market: due to legalities, no beverage alcohol manufacturer or importer in the USA is allowed to sell directly to retailers (grocery stores, liquor stores, restaurants, etc). Therefore, we sell to a 3rd party distributor, who in turn sells to the stores. We have a network of 3rd party distributors all over the country – some distributors service many states, some service only part of one state. They are a key constituency for us, and play an important role in the success of marketing initiatives. They also serve as “feet on the street” to supplement our own sales force. **What does this mean for an agency? You are developing a Public Relations plan primarily with the end consumer in mind, but important consideration must also be given to the trade network (retailers & distributors).**

About Les Vins Georges Duboeuf

With an annual production of more than 30 million bottles, Georges Duboeuf is an international phenomenon. Controlling more than 20% of the Beaujolais region’s production, Georges Duboeuf put

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this appellation on the map long ago. His wines known for their quality, value and consistency are distributed in more than 120 countries, and his company, Les Vins Georges Duboeuf, had total sales of more than 60 million Euros in 2011 75% of which have been generated by foreign markets. Georges Duboeuf is the best selling Beaujolais brand in the U.S. W.J. Deutsch & Sons is the exclusive U.S. importer for Les Vins Georges Duboeuf.

Born on April 14, 1933, in Chaintré (France), Georges was raised on a small farm where his family worked a few acres of vines in Pouilly-Fuissé for four centuries. His passion for winemaking was born at a young age, when he started working in the family vineyards and learned winemaking from his uncle and brother.

After a short stint in Paris to study physical education, he went back to his roots at 18 years old and began delivering the family wine on his bicycle to neighboring restaurants. Some of his early customers were chefs like Paul Bocuse and Pierre Troisgros, who appreciated the quality of Duboeuf's wines and became some of the first ambassadors for his wines. Duboeuf expanded the business and started bottling the wines of other vigneron. In 1957 he formed a group of 45 producers, and later went on to become his own négociant in 1964, founding *Les Vins Georges Duboeuf*. Today the company works with more than 20 wine co-ops and 400 growers in the region. From the beginning of his career, he has always valued relationships with restaurateurs, producers, winemakers and importers. He now oversees the company with his son, Franck.

"Beaujolais is about capturing the quintessence of Gamay, of the terroir and always the stamp of the vigneron. There's no good négociant without a good vigneron," says Duboeuf.

Georges Duboeuf's love affair with Beaujolais is no secret. When asked about his success, he modestly replies "maybe a flair for marketing, perhaps an ability to communicate a passion for the product." A self-made entrepreneur, he has been acclaimed by the industry for his innovative concepts and for popularizing Beaujolais Nouveau across the globe, the arrival of which is celebrated every third Thursday of November. The celebration of the Georges Duboeuf Beaujolais Villages is the single largest event around the globe; the primary driver of the selection of the agency will be to identify the ability to take Beaujolais Nouveau within the US to the next level.

Agency Deliverables

Participating agencies will be requested to submit the following:

Initial Selection Process:

- Complete Questionnaire.
- General Company Profile and Capabilities Presentation (Maximum 10 ppt slides. Slides beyond 10 will not be considered, this is out of respect to you so to limit amount of work you invest in this RFP.)

Upon notification that they have passed through to the final round:

1. Provide contact information for three clients, current or former, and a list of current clients.
2. Develop a first round recommendation for an FY 13 PR plan with appropriate messaging, content, timeline, along with detailed budget. Formal brief will be communicated by WJD team prior to deliverable. This presentation will also have slides' limitation.

Scope of Brand Support

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Intensive (2)
Beaujolais Nouveau
Base

Moderate (1)
HobNob

Scope of Work

Public Relations Deliverables

- Annual PR plan with social media integration
- Program development and implementation
- Development and production of all program elements
- Creation and production of all collateral materials
- Social media activation and maintenance
- Overall process management/documentation
 - Ongoing, regular status meetings; Contact reports; Timelines
- All press relations with consumer and trade outlets (print, online, broadcast)
 - Pitching calendar for the year
 - Day to day press interaction (request for samples, pitch, write/ send press releases)
 - Set up and prepare press interviews for supplier or WJD executives

Collateral Material

Include but not limited to:

- Press Kits
- Tasting Notes
- Tasting Booklet
- Tasting Mats
- Save the Date/ Invitation
- Press Releases
- Bio
- Run of Show
- Speaking notes

Accounting

- Monthly budget recap with required back-up

Ideal Results

Qualitative Description:

We need a PR plan that combines efficiency and impact. It needs to drive positive coverage of Georges Duboeuf brands in targeted national and local media and cultivate loyalty through trial of wines among media, trade, and opinion leaders. It needs to engage targeted consumers (through intensive media coverage) to positively impact sales.

The messaging used in the press outreach must be integrated with the brand messaging in place at the time of the program. It should tie back to and further enhance the brands' marketing efforts. It also needs to be relevant to both the consumer target and the strategic objectives.

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Quantitative Description:

Demonstrate superior value versus past years. The PR plan should evolve each year to take advantage of the changing retail and media landscape, competitive initiatives and changing consumption behaviors. We expect that the PR agency will help us achieve best-in-class in our press outreach and public relations initiatives.

Budget / Measurement/Timing

FY13 Budget: \$300K - \$320K retainer and administrative costs, \$500K for program development and implementation (0% markup). Budget allocation per brand to be disclosed in brief to agencies selected for final round.

How will we measure success?

- Generate over 200 million media impressions that build awareness of Georges Duboeuf Beaujolais Nouveau in targeted media outlets throughout the remainder of FY 12 (March 2012) (based on CPM of \$4.00/thousand media impressions)
 - Approved multipliers:

Magazine x 3.3

Print x 2.5

Broadcast - no multiplier

On line - unique visitors per day/10

- Ensure core messages are communicated through resulting coverage

Primary message in 95% of articles

Secondary message in 75%

Tertiary message in 50%

- W.J. Deutsch Sales force and Marketing team feedback will be a measure of success. WJD Sales must have a high degree of excitement and confidence that the PR programs developed and presented locally will help them win the battle at retail. The WJD Marketing team must have a positive evaluation of work quality, efficiency of creative development and work style.

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Timetable

February 13	Please confirm, by close of business, your receipt of this Brief and Questionnaire to Elizabeth Trizano (elizabeth.trizano@wjdeutsch.com) and Catherine Cutier (catherine.cutier@wjdeutsch.com)
February 15	Confirm, by close of business, your intent to participate in this review; reply to <u>both</u> Elizabeth Trizano (elizabeth.trizano@wjdeutsch.com) and Catherine Cutier(catherine.cutier@wjdeutsch.com) <i>No materials are due at this time.</i>
February 27	Completed Questionnaire and other requested materials due by NOON.
March 1 - March 2	The Selection Committee will meet with a Short List of Agencies selected from those submitting a response for Credentials Visits. Please hold your calendar open for these Visits. (These visits will be at W.J. Deutsch headquarters in White Plains, NY).
March 5	3-4 Finalist Agencies selected and notified. Details of FY13 PR plan/spending forwarded to the Finalist Agencies.
March 12	Agency Briefing Day for Finalists – Briefing and Q&A sessions with the PR team via conference calls. Please hold this date on your calendar.
March 23	Finalists PR agencies to send their recommendation via email to <u>both</u> Elizabeth Trizano (elizabeth.trizano@wjdeutsch.com) and Catherine Cutier(catherine.cutier@wjdeutsch.com)
March 26	PR agencies present their recommendation. Presentations will be held at W.J. Deutsch offices in White Plains, NY. Please note and hold the date in your calendar.
March 26-March 29	Follow-up questions and clarifications with finalists.
March 30	Final Decision

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Public Relations Agency Questionnaire

Please keep your answers short and succinct. Please do not alter the format of the form below. This will provide us with mutual time savings.

Name of Agency		Years in Business	
Owner(s)		Number of Employees	
Annual Agency Billings		Number of Clients	
Largest Client Size		Average Client Size	
Industry Awards received			
Relative Importance of W.J. Deutsch within Portfolio			
Target Profit Margin (after Direct People Costs and OH)			
Past and Present Alcohol Beverage Category Experience			
What makes the Alcohol Beverage Category unique vs. other categories?			
How will your agency deal with those unique characteristics to give WJ Deutsch an edge?			
If you are currently handling wine client, how would you resolve the conflict of interest?			
How will you describe the response time in your agency?			
Do you have the in-house capability to provide WJD with research/insights on the media, the consumers and the trade?			
How do you ensure that you can continually provide your clients with top-notch public relations activities to keep them top of mind of the key influencers while driving increasing positive media coverage?			
How do you maximize your chance to have a journalist read your press release and write about your product?			

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It is important that candidate agencies understand what W.J. Deutsch desires from a PR agency:

- **Exceptional well-established and close relations with key editors** in print, broadcast and online media to secure qualitative and quantitative media coverage in national, regional and local press outlets.
- **Superb event management expertise** (development, planning and execution)
- A team of **curious, smart, passionate, innovative, meticulous, creative PR experts** with an **“I can do it”** attitude.
- **A long-term partnership.** This includes wine category exclusivity, open to French wine category exclusivity should you have substantial existing wine clients.

What makes you believe that you will outperform other PR agencies in providing these services to WJ Deutsch?	
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PR Agency Selection Criteria

Please provide brief responses – First a YES or a NO, then no more than 3 sentences to elaborate each response.

Criteria	Agency Response
Experience	
Beer, wine or spirits experience (not required but highly desirable).	
Access to consumer research information (MRI, Simmons, Spectra, Scarborough, etc.)	
Access to in-house Alcohol Beverage legal counsel	
Experience working with family run, privately held companies (highly desirable).	
Demonstrated success in driving volume growth for a product over the last 2 - 3 years	
Packaged goods experience and discipline (highly desirable).	
Experience working with iconic brands (highly desirable).	
Retail experience/savvy (highly desirable) — ideally experience working with both distributor and retail trade-driven businesses.	
Experience working with small-budget clients that are fiscally constrained and skill at leveraging these small budgets while keeping us a top priority	

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Experience bidding out production to various vendors and adding client-preferred vendors	
Experience handling all aspect of a program from developing the concept to training the bar staff	
Demonstrated experience developing/executing PR programs integrated over a range of media (including advertising, interactive, guerilla, pr, in-store, events, social media, etc.). Strong, sophisticated planning	
Ability to anticipate media inquiries	
Ability to deliver qualitative and quantitative media coverage	
Other Criteria	
Regulatory Responsibility: Have you had any legal issue or fines in the past that went to court or settled for \$20,000 or more?	
Strategic Strength/Understanding of the key drivers of the business	
Brand Planning Expertise with a long-range vision and perspective	
Stability of team contact	
Quick response time toward client’s inquiries	
Integrated Marketing Approach	
A Business-building Mindset: Understanding of the greater Vision. Passion for the business and for helping WJD brands to meet their business goal	
Experienced management, with commitment at both the senior and operating levels, without getting bogged down by internal agency bureaucracy.	

Case Study Section:

You may use Power Point for these case studies.

Case Study 1: Share a case study where you were able to get a client of our size a PR plan that grew the business.	
Case Study 2: Share a case study that demonstrates your expertise developing a PR program in the	

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bev/alc industry, i.e., experience with events, national and local press outreach, partnership with other brands, spokesperson, social media component, etc.	
(Optional)Case Study 3: Your choice	

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