

## The Evolution of Premium Canned Wine

How a growing number of boutique, sustainably-minded wine producers are carving an upscale niche in the canned category



From left to right: Libanzi (photo courtesy of Libanzi), Underwood (photo by Jules Davis), and Alloy (photo courtesy of Alloy)

Canned wine isn't just found on grocery store shelves and at outdoor festivals these days. Fine wine producers are taking the category seriously today, and an increasing amount of high-end juice is making its way into cans, creating a luxury niche in the fast-growing format.

"From a hospitality standpoint, finding a way to create premium wines that were immediately accessible seemed like a no-brainer," says Thomas Pastuszek, the wine director at New York City's NoMad, who created Vinny in 2018, with the goal of creating a high-quality wine in a can. He contracts with small farms in New York State to create a sparkling white and a sparkling rosé, which retail at \$20 for a four-pack (250-milliliter)—and of course, the cans are part of the James Beard Award-winning bar program at NoMad Bar.

For years, canned wine was seen as a cheap alternative offering convenience in an attractive package, but recently, it appears that the same perception evolution that occurred in the screw-cap market is happening with canned wine.



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"I have long been a naysayer for canned wine, because I think about how I like to consume fine wine," says Rob McMillan, the founder of the Silicon Valley Bank's Wine Division, who authors the bank's annual [State of the Wine Industry](#) report. "But ignoring cans as a segment means ignoring an on-ramp for younger consumers. The smaller servings also make it possible for all consumers to try better wines for a lower price."

The category's popularity is undeniable: according to Nielsen, off-premise sales of canned wine in 2019 grew 79.2 percent for the 52-week period ending December 28, 2019. In comparison, during the same period, overall wine sales from off-premise outlets increased just 1.4 percent year-over-year.

As premium wine increasingly joins the canned wine category, retailers and restaurants are figuring out how to position canned wine to leverage its potential.

### Quality—Increasingly—Matters

The Francis Ford Coppola Winery first popularized the can with the debut of the Sofia Blanc de Blancs in 2004, but the major spike in new entrants is more recent: The number of winemakers canning wine grew 180 percent (from 125 to 350) between June 2018 and June 2019, according to Harrisburg, Pennsylvania-based wine-in-a-can research firm, [WIC Research](#).

The market is dominated by a few big brands—Precept Wine's House Wine, Union Wine Co.—and bigger players like E&J Gallo, The Wine Group, and Constellation are now aggressively in the game. Even beer behemoths are capitalizing on the category's success; AB InBev snapped up Babe Wine from Josh "The Fat Jewish" Ostrovsky last year, later partnering with the NFL as its first "Official Wine Sponsor."

However, WIC's partner and co-founder Dr. Robert L. Williams Jr. predicts that the luxury end of the market will also continue to grow. "Good wine in a can is good wine, and the opposite is true as well," says Williams. "More premium wines will continue to get canned as the market grows and competition increases," he adds.

Early on, two producers saw the growing importance of quality wine inside the can: [Union Wine Co.](#)'s Underwood label from Oregon, and [Alloy Wine Works](#) from Paso Robles, which debuted in 2013 and 2014 respectively. Each aimed to deliver craft quality in unpretentious packaging, and together, they helped drive the category's growth 125 percent from \$6.4 million to \$14.5 million between 2015 and 2016 alone.

Union Wine went from an initial 500-case production run to current annual sales of about 400,000 cases. Meanwhile, Alloy's founder Andrew Jones, who sold the company to [Vintage Wine Estates](#) last year, but remains on board, reports that his production line is currently 20 times what it was when he launched.

"It was about meeting people where they wanted to be," says Jones, who also helms single-vineyard project [Field Recordings](#). "They wanted top-quality, terroir-driven grapes, treated the same way they would be for the bottle, but in a smaller, endlessly recyclable package that could be consumed anywhere."



Andrew Jones. Photo courtesy of Alloy

A 375-milliliter can of Underwood or Alloy's varietal wines typically retails for about \$6 to \$7, and a four-pack of 187-milliliter Sofia cans retails for \$20. But what about wine that sells for \$25 a can?

In 2015, [SANS Wine Co.](#) began sourcing organically farmed wine grapes from the Napa Valley and putting them in a can.

"We started with a white, a red, and a rosé, but we saw a place for premium varietal wines on the market," co-founder Gina Schober explains. "Our cans are vintage-dated and sourced from a single vineyard. No one else was specifying AVAs, vintages, and vineyards, but we knew there was a market for that."

While the original base-level offerings retail for an above-average \$10 per can, SANS now produces a \$12 Carbonic Carignan, \$15 dry Riesling, and a \$25 Cabernet Sauvignon. Since launching, they've doubled their growth every year; now they produce 5,000 24-can cases annually.

"Our philosophy is to treat the grapes as we would if they were going in the bottle," co-founder Jake Stover says. "Our interaction with them is minimal. We don't use spray, we dry farm, and we stopped using sulfites in five of the seven wines."

Also filling the organic canned wine void, [Winesellers Ltd.](#) started canning their [Tiamo](#) brand in 2017 and have been seeing double digit growth ever since.

Canned wine's inherent outdoor-friendly convenience has driven other producers to add them to their offerings. Sean Larkin, the founder of premium, hand-farmed wine producer [Larkin Wines](#) in Napa Valley, was inspired by the no-glass policy at the beach; he now offers white, red, and rosé cans (\$144 for a 12-pack).

In South Africa, U.S. expats Charles Brain and Walker Brown launched [Lubanzi Wines](#) in both bottles and cans. They launched in 26 states and Canada last year, and hope to continue to grow their distribution; a four-pack of their Chenin Blanc or Red Blend retails for \$30.

"As wine lovers and adventure seekers who feel deeply connected to the land and people of South Africa, creating a line of cans just made sense because we like to enjoy wine in the wild, on the go," says Brown. "Cans just feel more relevant to the way people live their lives."

Even established fine wine importers and distributors are recognizing cans value and potential.

"I did not think canned wine could be serious, terroir-driven, or varietally true," says Arjun Dewan, the executive vice president at New York-based importer and distributor [Winebow](#). Dewan changed his mind in 2017 when Winebow began working with [Bridge Lane Wine](#), the second label of Lieb Cellars in Long Island, which specializes in both bottles and alternative formats. Bridge Lane's four-pack of 375-milliliter cans sells for \$34 and deliver dry, distinctive wines made from sustainably farmed vineyards.

The Winebow team launched their own line of premium canned rosé wine, [Amble + Chase](#), in 2018, which retails for about \$5 a can. In March, Winebow also became the New York distributor for Union Wine Co.'s Underwood, which now represents six of the top 15 SKUs in Winebow's Oregon super premium category—including wine in bottle.

#### Producers Master the Can Learning Curve

When the Family Coppola first launched canned wine in 2002, the technology of canning sparkling wine was difficult to manage. "Because no one else was doing it here, it took us two years to perfect the science of preparing wine for the can," says winemaker Tondi Bolkan. "Because there's no oxygen exchange, you have to be thoughtful about what varieties you select and how the wine is treated before canning."

WIC Research's Williams attributes the stratospheric growth of canned wine in part to improvements in canning technology, as well as subtle shifts in consumer desires.

"Cans have gone through the same evolution as screw caps," Williams says. "For some people, it will always be a cork or nothing, but the canning technology and working knowledge of what works and doesn't for cans has progressed enough to make cans a net positive for wine itself."

It took some early trial and error to understand how different wines and different acid levels react to the liners in cans, and producers have since adapted for more consistent results. Today, according to a blind taste test conducted by WIC last year, the difference in taste between canned and bottled wine is negligible.

Rich Bouwer, the CEO of [Free Flow Wines](#) in Sonoma, California, a leading provider of alternative wine packaging, agrees that its winemakers' approach to cans, not the technology itself, that has shifted and resulted in better quality.

"Issue one is with the handling of cans," says Bouwer. "Cans can't be stacked as high as bottles, because they'll get crushed, and they have to be moved around more carefully, so there has been a learning curve."

Issue two, he says, is understanding that cans are airtight environments, unlike bottles with cork closures. Even more so than screw-caps, there is no transfer of oxygen. Bouwer says that the best way for producers to prevent unexpected quality issues caused by reactions between a can and the wine that may exacerbate over time is to put cans through an aging test.

"Every new producer we work with has to have their cans tested by [Ball](#)," he says. "They'll red flag any chemical composition issues and test the shelf life."

### Tapping Health and Sustainability

An increasing awareness of sustainability and wellness among consumers may bolster the positioning of premium canned wine in the marketplace. Organic farming and energy conservation are integral to the philosophy behind canned wine brand [Archer Roose](#), founded in 2015, as does the aluminum package.

"A single-serve can eliminate the bottle left unfinished at the end of the night," says Marian Leitner, the founder of Archer Roose. "All of our cans are made from recycled aluminum, a material that can be recycled and reused indefinitely. Our cans are back on shelves within 60 days of being recycled." The [global recycling rate](#) for glass is only around 26.5 percent, while the global recycling rate for cans is 69 percent.

Brett Vankoski, the co-founder and wine director of [Latitude Beverage Co.](#), which has a line of premium canned wines dubbed [Lila](#), also sees a real desire for healthier alternatives in the beverage industry. "As an industry we need to find ways to address how smaller formats like cans, especially ones with premium juice, can be a healthier alternative," says Vankoski.

It's cans' ability to fit in with current consumption trends, as well as their improved quality, believes McMillan, that means they are here to stay: "Cans are not a fad, they are the future."

*Kathleen Willcox is a journalist who writes about food, wine, beer, and popular culture; her work has appeared in VinePair, Edible Capital District, Bust magazine, and Gastronomica, and on United Stations Radio Networks, among other venues. She recently coauthored, with Tessa Edick, "Hudson Valley Wine: A History of Taste & Terroir." She lives in Saratoga Springs, New York.*