



Four Tower Bridge 200 Barr Harbor Drive, Suite 400 W. Conshohocken, PA 19428
Box 501 3150 18th Street, Suite 550 San Francisco, CA 94110

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Contact: Blake Gray 415-558-1623

Retailers and bar and nightclub owners can profit in a down economy, but they need to make changes to keep people coming in the door, says wine industry expert **Jonathan Newman**.

"Surfing the Economic Waves for Value and Profit" is the title of **Newman's keynote speech** to the Nightclub & Bar East Coast Convention & Trade Show next week. In the speech, Newman plans to discuss how independent spirits and wine purveyors can stay strong even if the economy continues to struggle.

"People are still buying wine and spirits, but they're looking for value," says Newman. "They're willing to move away from familiar brands, but **they still want to feel like they're getting an affordable luxury**. It's a challenge for vendors, but also a great opportunity."

Newman, Chairman & CEO of Newman Wine & Spirits, was the 2003 Wine Enthusiast Man of the Year and was named a Top 5 Leader of the alcohol beverage industry by Marvin Shanken's Market Watch magazine.

Newman says the astonishing success of his business model is a "sign of the times." Newman Wine & Spirits has expanded from its offices in suburban Philadelphia and San Francisco into six states, has a retail network of more than 200 stores, works with producers ranging from industry giants like Jackson Family Wines to tiny boutique wineries, and is now moving into the on-premise market -- all achieved within the past 10 months.

"As the economy keeps presenting challenges, **it's less possible to do exactly what everybody has been doing for years and expect it to keep working**," Newman says. "The landscape is different. People have access to direct shipping, they have access to all kinds of information on the Internet. Customers are more savvy and they want to feel like they're getting good value, not just something cheap."

Newman says a variety of economic woes confront bars and retail stores alike: increased costs for goods, price competition from the Internet, and a wary buying public.

"Sometimes the first thing they start cutting into is profitability," Newman says. "That's understandable, because consumers are looking to save money now. But it's possible to offer your customers value and increase their satisfaction without sacrificing profitability."

Newman cited **3 things a wine or spirits buyer always needs to look for**:

- * Prestigious sourcing
- * Overdelivering on quality
- * Attractive gross profit margins

"New products have to have all three," Newman says. "If you're going to keep customers coming into your establishment regardless of the economy, they have to have the expectation that you're going to give them

something special, something of value.

"You have to make them feel like a million bucks when they're spending \$9.99. That's the key."

Newman's speech is the keynote of the three-day event in Atlantic City on Oct. 14.

About Newman Wine & Spirits: Launched in January 2008, Newman Wine & Spirits is revolutionizing the wine-buying process with its highly selective, value-oriented, wine-by-wine buying program. The company maintains a retail network of more than 200 stores in New Jersey, New York, Delaware, Maryland, D.C., Massachusetts and Virginia. For more information, please visit newmanwineandspirits.com