

Food & Wine

Click. Twist. Drink

BEPPI CROSARIOL

From Wednesday's Globe and Mail
January 21, 2009

Sarah Thomson likes good wine. The amount of time it takes to shop for it in stores is another story. The Toronto mother of two young children says she typically puts in 12-hour days as publisher of Women's Post, a national magazine. Most evenings she gets home after 7, often later. Wine? She'd rather drink it than drive to get it.

"I don't have time to shop except during the day when I'm on the job," she tells me over the phone. So she depends on a set of online retailers for groceries and holiday gifts. For almost two years, Ms. Thomson has also been stocking her growing cellar with buys from the Internet.

To some Canadians, the concept of ordering alcohol from home - or work, as the case may be - seems tantamount to such no-nos as cod poaching and buying your way to the front of the hip-replacement line. But it's happening. And after years of baby steps by a few pioneering players, Web wine shopping appears to be reaching its age of majority.

"People don't know that you are legally allowed to buy wine online," says Daniel Bick, logistics manager and part-owner of WineOnline.ca, where Ms. Thomson finds her favourite Italian reds and South African pinotages. "But they're starting to see our name a little more."

WineOnline deals mainly in premium imported products not carried by the Liquor Control Board of Ontario (it also has a small operation in Nova Scotia). The bottles are shipped to customers by courier or post. In Ms. Thomson's case, they're received by her nanny, fulfilling the legal requirement that they be signed for by an adult.

WineOnline is just one of a growing number of computer-based wine retailers in Canada. The list includes private wine stores in Alberta and British Columbia, Ontario-wine specialist WineryToHome.com, Société des Alcools du Québec and individual winery websites such as NkmipCellars.com in British Columbia and LeClosJordanne.com in Ontario.

And now the 800-pound gorilla has waded into the scene. This past October, the Liquor Control Board of Ontario, the country's largest wine retailer, launched <http://www.VintagesShopOnline.com>, a new channel for rare, premium and offbeat products.

Apart from the convenience - typically taking one to three days and adding \$7 to \$10 to the price of an order - exclusivity appears to be the big draw for most shoppers. The vast majority of wines sold over the Web in Canada are unavailable in provincial liquor stores.

Though in most provinces liquor boards maintain a near-monopoly on alcohol retailing, private online sellers have been permitted to sprout up by acting essentially as winery agents - closing the sale, as it were, between customer and liquor board. The liquor board and government still get their cuts, with a small handling fee going to the online "retailer."

One drawback in the case of imported wines in Ontario: By law, if sold directly to consumers by an online agent, they must be sold by six- or 12-bottle case, depending on how the wine was packaged for import. Only the LCBO and domestic wineries can sell one or two bottles at a time.

For domestic wine producers, the Web has become an extension of the winery boutique, where small lots of premium inventory can be dispensed to keen customers more efficiently than by scattering a few hundred bottles across hundreds of provincial liquor stores.

WineryToHome, the pioneer of independent online wine sales in the country, helps sell some of that limited and rare domestic inventory. It sells more than 400 listings from more than 40 Ontario producers. "We just facilitate the sale," says Doug Towers, a former information technology executive who founded the site in 2003.

So why not just buy direct from a winery's website or the LCBO? Because, as Mr. Towers puts it, his company helps "separate the wheat from the chaff." Every product has been sampled and endorsed by two veteran critics, Tony Aspler and David Lawrason. The pair are paid a fee by WineryToHome to sift through hundreds of selections each year and write reviews for the site. "We're a trusted, independent source," Mr. Towers says. "We don't push the product from any one winery."

The most active part of the business is the Wine of the Month Club, a subscription service delivering two new bottles a month that Mr. Towers selects from the best ratings compiled by Mr. Aspler and Mr. Lawrason. "It's always the latest, always the best, always different," he says. Also available is a rotating selection of artisanal Canadian cheeses paired to the monthly wine selections.

On the government side of things, it's fair to say provincial liquor boards haven't been rushing headlong into cyberspace. Most, including the British Columbia Liquor Distribution Branch, have yet to do so. The SAQ in Quebec took the lead a while ago, but it's essentially a home-delivery service with offerings almost identical to those found in its stores.

Taking a more strategic approach, the LCBO's online-shopping site features mostly exotic rarities and niche products.

Tom Wilson, vice-president in charge of Vintages, says it's one way to more fairly - and efficiently - distribute small-lot products from a single location. With such products, there may be only a few hundred or few dozen cases of stock available. It's no use sending a case of \$42 aglianico from Campania to languish on the shelves of a store in Copper Cliff or Sturgeon Falls if there are no hard-core aglianico fans in those communities (not that I'm saying there aren't).

Personally, I find the selection of 480 wines inspired, with a range that stretches from niche-appeal reds such as Mastroberardino Radici Taurasi, an aglianico costing \$42, to Château Haut-Brion white, at \$795. The initial price target for the Vintages site was set at \$25-plus, but Mr. Wilson says that in view of the recession the new "sweet spot" is likely to be in the \$20-to-\$35 range as the selection grows.

A big difference between the Vintages venture and most other online initiatives is shipping; the order is trucked free to any one of the LCBO's approximately 600 stores. You save on the courier, but you don't get home delivery.

Besides keeping up with competition from WineryToHome and WineOnline, another motivation for Vintages wading into the online world was the under-35 market.

"We recognize that younger people are much more tech-savvy," Mr. Wilson says. "They aren't necessarily interested in [reading reviews in] publications. There's a broad group of people that we think Vintages has an opportunity to reach out to."

Now, if only I could buy that aglianico from my iPhone.