Launch plan 2019

Not like before – and yet just like before

The past year has been an eventful one, with unusually small harvests in many wine-producing countries, questions about the hops in organic beers, and threats of a trade war between the USA, EU and Asia. And we could go on...

It's been an eventful year at Systembolaget, too, albeit a less dramatic and more positive one. Big projects like tomorrow's online store, space management, and the product range model review are ever present features of our working day right now. And although our customers have never been as happy with what we do as they are right now, we are aiming to introduce new tools that will make things even better for everyone.

But not everything is new. There's a lot that is just like before. We are still looking for high-quality, sustainable and responsibly produced products from every corner of the world – and that work starts right here: in the Launch Plan.

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SYSTEM BOLAGET

Launch Plan, 2019

There’s a lot going on at Systembolaget right now. The work on reviewing and modifying our product range model is now entering its final stages, with answers being found to a number of issues. We will be providing additional information and giving you the opportunity to comment at the upcoming supplier meetings, but what is already clear is that we need more frequent launches of new products and that there is a disconnect between the fixed range and the exclusive assortment. A new type of temporary range would, therefore, seem likely.

The most commonly expressed concern by you, our suppliers, has concerned the breadth of the range. Some of the segments contain numerous items, but represent few countries of origin, so there is clearly room for improvement here. We are also particularly aware of the need for greater variation in the range carried by our smallest stores, so this will be a special focus area in the context of our improvement work.

The scale of the changes we ultimately make is not, as yet, clear, but changes there will be. We have consequently seen little point in investing too much time in compiling the usual package of Launch Plan texts – which is why the text section of the Plan is unusually sparse this year. Please note, in the absence this year of any of the information found in the previous launch plan texts, that the content of last year’s plan still applies.

All that remains after these exclusions is the summary of the previous year. One thing that is completely new, however, is a clearer review by the category managers of the underlying purpose of our launches. Feedback from a number of suppliers has shown us that you sometimes find it difficult to understand the background to our requests, so this review is our first attempt at further increasing transparency with regard to the way we work. If you have any suggestions for improvements, we’d love to hear from you, because the better we understand one another, the better we can interact with our customers.

Not everything is new, however. Sustainability continues to be important to us and, we are pleased to note, to many of our suppliers and producers, too. Last year, our President, Magdalena Gerger, together with representatives of the Swedish Spirits and Wine Suppliers’ Association (SVL) and the Swedish Brewers’ Association, signed a joint statement of intent regarding more ambitious climate goals. This is a welcome initiative and we were delighted to see the amount of support for this move from the industry as a whole.

Our climate-related ambitions will see us increasingly interested in lightweight glass bottles as part of our still wine-related requests for tender, while on the beer front, we will – for the first time in a very long time – be requesting a tender for beer in returnable glass bottles only. Two small but important steps towards increased sustainability.

The Category Managers, pp

Ulf Sjödin
MW

Group Manager, Product Range

Alcohol sales in Sweden

Systembolaget’s sales in 2017 totalled 482.9 million litres with a total retail value of SEK 36.4 billion. Volumes increased, year-on-year, by 0.8 per cent, while the value increased by 3.1 per cent. The retail value trend was on an exact par with the previous year, indicating a steady continuation in the premiumisation trend. Alcohol tax was increased at the beginning of the year, reinforcing the difference between the increases in volume and retail value, but it is nonetheless clear that customers have elected to go along with the cost increase when the tax was increased, rather than choosing cheaper alternatives.

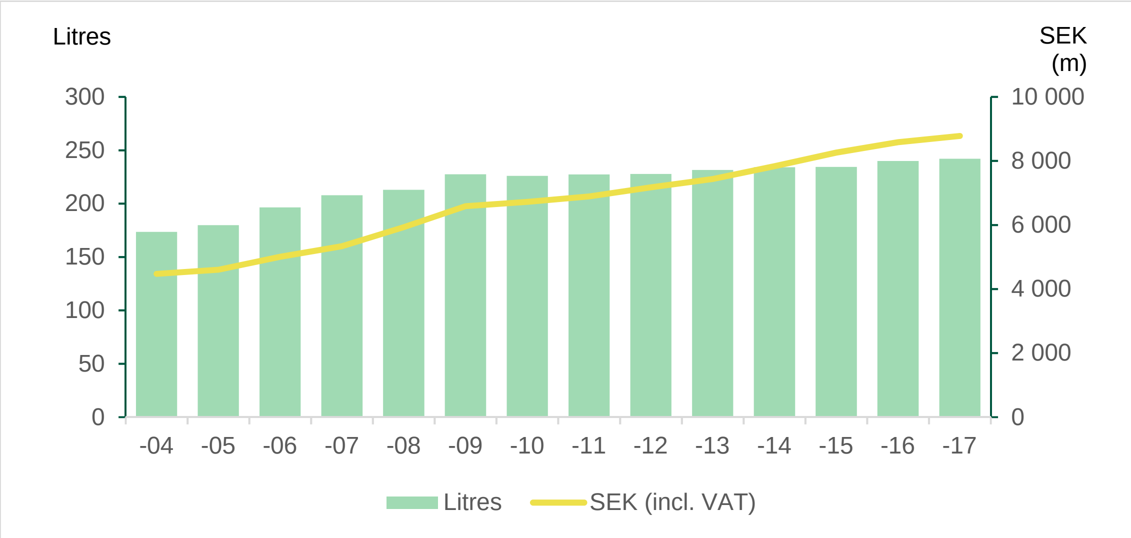
Systembolaget’s pricing model was adjusted during the year. This did not affect the total increase in retail value, but does explain why the difference between the increase in volume and retail value for wine was 3.4 percentage points, while the difference for beer was only 1.5 percentage points.

Cider and mixed drinks noted the biggest increase in volume at 7.3 per cent and it was here that the adjusted pricing model made the biggest difference, with the increase in retail value rising no higher than 3 per cent. Alcohol-free products volumes, which have reported the highest growth rate for a number of years now, declined by 1.7 per cent, while the retail value increased by 5.5 per cent, indicating a higher rate of premiumisation than in any other category group. Our customers are clearly willing to pay for quality, but we will need to review our price levels relative to the grocery trade on the items that are not sold exclusively by Systembolaget.

Sales of organic products increased by 8.8 per cent during the year, suggesting that the growth in sales is beginning to level off. Organic products accounted for 12.6 per cent to total sales by volume and 14.2 per cent by retail value during the year, which is the highest level ever achieved in the Swedish retail sector, where organic products account for 9.8 per cent of all food products sold, according to EkoWeb Sverige.

The situation faced in 2018 is a challenging one, with uncertainty regarding organic hops and serious meteorological problems in Europe in 2017. The forecast for the year ahead must, therefore, be a cautious one, particularly in the wine category group, where organic products accounted for a massive 21.8 per cent of sales volumes in 2017. The retail value of all category groups is on a par with volumes, so charging a higher price for organic drinks will continue to be difficult but will, on the other hand, give the customers a reason to make a different choice when they stand in front of our shelves.

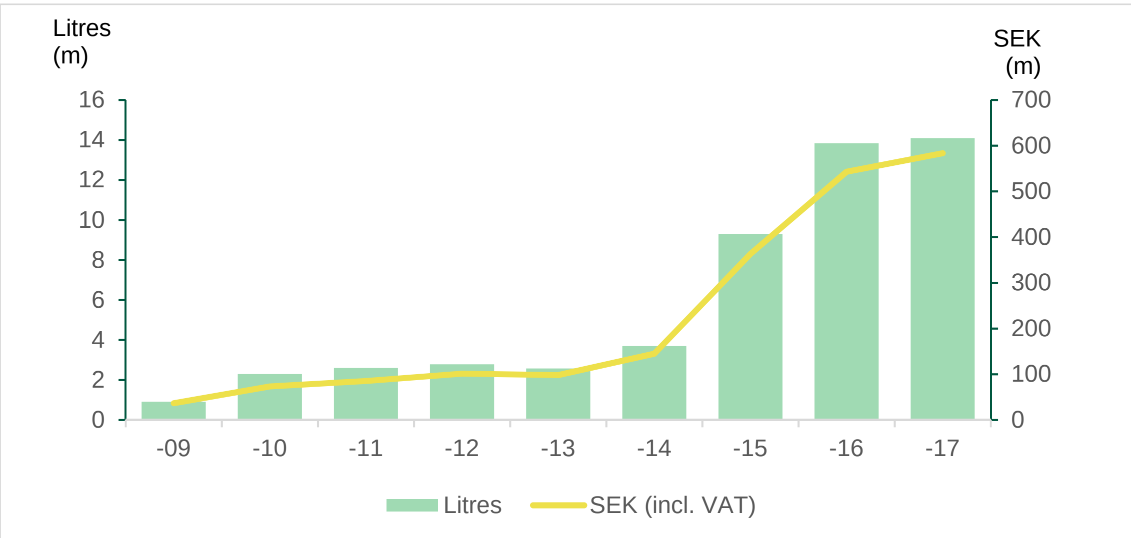
BEER



Sales of beer increased by 0.8 per cent to 242 million litres in 2017, corresponding to a 2.3 per cent increase in retail value to SEK 8.8 billion. The category group is experiencing an ongoing premiumisation trend, although part of the increase was due to the tax increase. The growth in specialist beers was slightly higher at 4.1 per cent, but the category now seems to have stabilised on a level around 8 per cent.

Sales of beers in the exclusive range totalled 967,000, corresponding to a year-on-year increase of 7 per cent. Sales from the local and small-scale beers range increased during the same period by 14 per cent to 2.47 million litres, and it is possible that small consignments purchased by customers with a special interest in beer accounted for some of this increase.

Organic beer



Sales of organic beer increased by 2 per cent during the year, rising to 14.1 million litres. Organic products accounted for 5.8 per cent of total beer sales, but the share is even higher within the specialist beers segment, accounting for a massive 11 per cent. It is clear that the increased interest in beer is going hand in hand with an increased interest in organic products, as is also apparent at the production stage in the supply chain, with more and more quality-orientated producers beginning to brew organic beers.

Lager beers

Lager beer	**Retail value** (SEK m incl. VAT)	**% change** (full year)	**Volume, litres** ('000)	**% change** (full year)
6101a LAGER CAN <= 355ML (<6.0%) < SEK 17	1 773.0	12.5%	52 022.1	10.7%
6101b LAGER CAN <= 355ML (<6.0%) >= SEK 17	42.6	3.1%	778.8	2.8%
6102 LAGER CAN > 355ML (<6.0%)	2 466.3	-1.3%	87 127.0	-2.1%
6103 LAGER EXTRA STRONG CAN (6.0%-..)	1 296.0	4.6%	37 641.1	2.7%
6104 DARK LAGER CAN	47.1	-2.7%	1 333.1	-3.7%
6201 LAGER BOTTLE <=355ML & <17/>355ML & <20 (<6.0%)	1 261.7	-4.3%	31 488.2	-4.9%
6202 LAGER BOTTLE <=355ML & >=17/>355ML & >=20 (<6.0%)	270.2	-8.4%	4 893.4	-9.5%
6203 LAGER EXTRA STRONG BOTTLE (6.0%-..)	89.9	-20.3%	2 239.4	-27.5%
6204 DARK LAGER BOTTLE	37.9	-1.2%	850.6	-1.9%
6401 OTHER LAGER	5.7	-9.7%	124.4	-13.2%
Total	**7 290.5**	**1.6%**	**218 498.0**	**0.5%**

Lager beers account for by far the largest share of beer sales at just over 90 per cent of the category group's sales. Sales in the lager category increased by 0.5 per cent with the biggest increase seen in lager beers in small cans. The pattern of the shift from large to small cans is, in other words, continuing in the same way as last year.

Sales of extra strong bottled beer have declined, as was the case in 2016, but the beer style itself has shown a small increase of 0.35 per cent, as sales of the can segment have increased. Dark lager is also experiencing a gentle decline in sales, but continues to be popular in northern Sweden.

Speciality beer

Speciality beer	**Retail value** (SEK m incl. VAT)	**% change** (full year)	**Volume, litres** ('000)	**% change** (full year)
6301 ALE BOTTLE (..-5.9%)	461.9	0.2%	7 586.5	1.2%
6303 ALE CAN (..-5.9%)	77.1	15.0%	1 202.9	8.6%
6304a PORTER/STOUT BOTTLE/CAN (..-5.9%)	48.4	4.3%	855.9	1.8%
6305 ALE EXTRA STRONG (6.0%-..)	429.1	9.6%	5 389.0	7.8%
6306 PORTER/STOUT EXTRA STRONG (6.0%-..)	53.1	19.8%	481.5	8.1%
6307 WHEAT BEER BOTTLE/CAN	103.0	8.3%	2 018.1	5.0%
6307a BEER BOTTLE 750ML >= SEK 49	39.6	1.1%	419.4	-1.6%
6307b SPONTANEOUSLY FERMENTED BEER	16.6	16.1%	170.2	6.8%
6308 OTHER BEER	70.8	6.4%	1 517.9	2.7%
6402 OTHER ALE/PORTER/STOUT	0.2	20.2%	3.7	3.5%
Total	**1 299.8**	**6.1%**	**19 645.2**	**4.1%**

Sales of speciality beer increased by 4.1 per cent to 19.6 million litres, indicating that the substantial increase in the number of customers particularly interested in beer has slowed. The category increased in retail value by 6.1 per cent and the modest difference between the increases in volume and retail value are an indication that the category is now approaching maturity. The increase is relatively evenly spread across the segment, with the only decline occurring in sales of beer in large bottles.

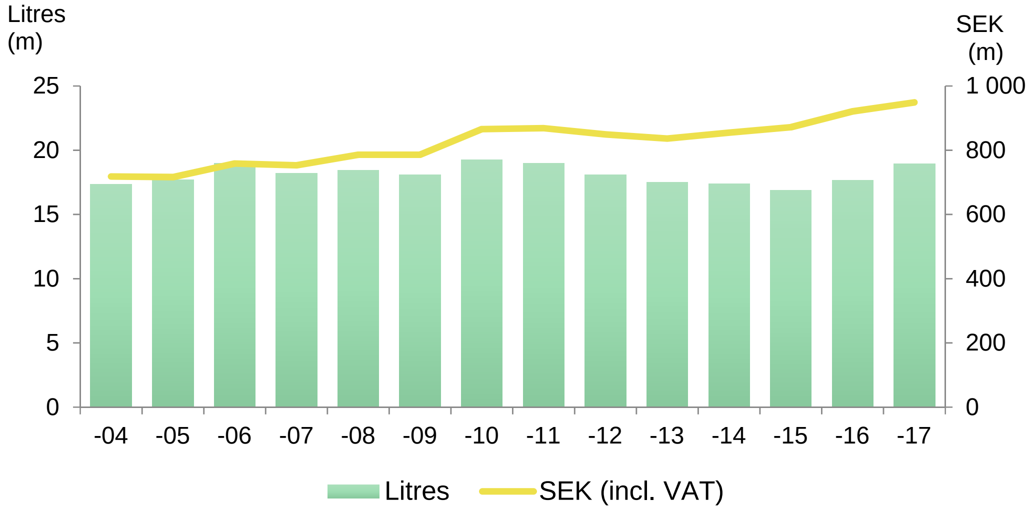
Sales of Swedish speciality beers increased by 16 per cent, accounting for almost 45 per cent of total sales, with a total of 8.8 million litres of Swedish speciality beers sold. Almost one fifth of Swedish speciality beer sales occurred in the local and small-scale range, where volumes increased during the year by almost the same percentage as Swedish speciality beers as a whole.

Seasonal beer

Seasonal beer	**Retail value** (SEK m incl. VAT)	**% change** (full year)	**Volume. litres** ('000)	**% change** (full year)
6501 EASTER BEER	18.1	-0.9%	347.4	-0.4%
6503 OKTOBERFEST BEER	26.4	11.1%	574.0	12.8%
6504 CHRISTMAS BEER LAGER	78.4	2.3%	1 868.5	-1.3%
6505 CHRISTMAS BEER SPECIALITY BEER	67.7	0.5%	985.7	-0.5%
Total	**190.6**	**2.5%**	**3 775.5**	**0.9%**

Sales of seasonal beer increased by 0.9 per cent to 3.8 million litres in 2017. October beer accounted for the entire increase, with slight decreases in sales seen across the rest of the entire seasonal segment.

CIDER AND MIXED DRINKS



Sales of cider and mixed drinks totalled 19 million litres, corresponding to a total retail value of SEK 949 million. Sales by volume increased, year-on-year, by 7.3 per cent (including the seasonal segment) while the retail value of sales increased by 3 per cent. The category group accounts for a total of 3.9 per cent of Systembolaget's total volume of sales and 2.6 per cent of the retail value.

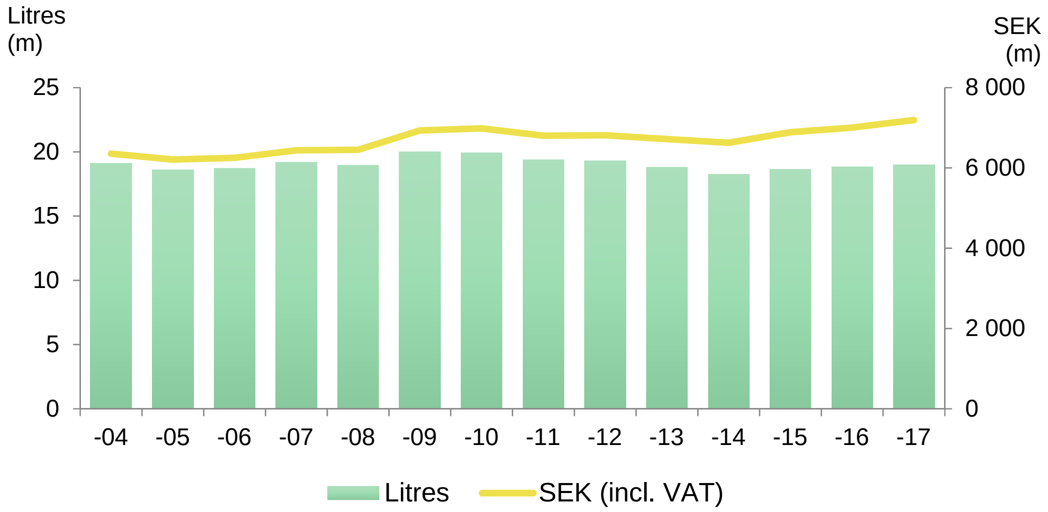
Cider and Mixed drinks	**Retail value** (SEK m incl. VAT)	**% change** (full year)	**Volume. litres** ('000)	**% change** (full year)
6601 DRY/MEDIUM DRY CIDER BOTTLE	59.9	-0.2%	1 124.0	4.0%
6601s DRY/MEDIUM DRY CIDER BOTTLE 750ML >= SEK 49	10.5	29.7%	146.0	27.6%
6602 DRY/MEDIUM DRY CIDER CAN	25.4	-8.7%	645.2	-2.9%
6603 MEDIUM SWEET/SWEET CIDER BOTTLE	85.5	-9.8%	1 749.4	-6.6%
6604 MEDIUM SWEET/SWEET CIDER CAN	324.2	3.6%	8 137.2	10.1%
6605 CIDER OTHER PACKAGING	0.8	-67.7%	9.1	-63.4%
6607 MIXED DRINKS	438.9	6.3%	7 073.6	9.0%
Total	**945.1**	**2.8%**	**18 884.5**	**7.1%**

The changes from last year are very unevenly spread across the segments. The biggest increase in sales was noted by dry cider in large bottles, but this is a very small segment that is sensitive to new launches and changes in mix plans. Sales of mixed drinks and of sweet cider in cans did, however, increase by 9 per cent and 10 per cent respectively, in contrast to last year's substantially smaller increases of 1 and 3 per cent, respectively.

The explanation probably lies, to some extent, with the adjustment to the pricing model that took place in March, when this category group's fixed surcharge was substantially reduced. This was also the reason why the sales by retail value increased to a lesser degree than sales by volume, which is otherwise contrary to the prevailing premiumisation trend.

Sales of organic products increased by 101.5 per cent during the year to 1.75 million litres, raising organic products' share to 9.3 per cent – the same level as organic products' total share of sales by the Swedish grocery trade.

SPIRITS



Spirits account for 3.9 per cent of Systembolaget's total sales by volume, but for 19.8 per cent of the total retail value. Sales in 2017 totalled 19 million litres, corresponding to a retail value of SEK 7.2 billion and a year-on-year increase of 0.7 per cent by volume and 2.6 per cent by value. This is the third year in succession that we have seen a small increase in spirits sales and there are many indicators to suggest that the increase is caused by the volumes entering Sweden through cross-border trade.

Identifying clear trends within the various categories is difficult as the individual segments within the categories differ so widely, but rum, gin and various types of shots can be summarised as the three biggest trends.

Sales of organic spirits are lagging well behind the general organic trend, accounting for 4.2 per cent of total sales. Sales grew by almost 20 per cent, however, in 2017, which is higher than the figures for both wine and beer.

Digestifs	**Retail value** (SEK m incl. VAT)	**% change** (full year)	**Volume. litres** ('000)	**% change** (full year)
5401 COGNAC	157.3	-1.6%	301.2	-4.0%
5402 COGNAC SMALL BOTTLES	36.7	4.9%	67.4	2.7%
5403 OTHER BRANDIES	24.9	-4.4%	69.3	-4.5%
5404 OTHER BRANDIES SMALL BOTTLES	17.4	1.7%	47.0	-3.2%
5405 CALVADOS	32.8	-5.4%	68.2	-7.4%
5406 GRAPPA/MARC	8.9	8.6%	16.5	2.8%
5407 DARK RUM	254.6	19.8%	509.2	18.2%
5408 DARK RUM SMALL BOTTLES	33.1	0.2%	82.5	-5.2%
5702 BITTERS	80.1	5.2%	175.8	0.8%
5705 OTHER SPIRITS, SEGMENT	5.9	-18.7%	10.8	4.8%
Total	**651.7**	**6.9%**	**1 347.9**	**4.3%**

Sales of digestifs increased by 4.3 per cent by volume and 6.9 per cent by retail value. The category accounts for 7.1 per cent of the total volume of spirits sold and 9.1 per cent of the retail value. As in previous years, the trend is being driven entirely by dark rum, sales of which increased by 14.3 per cent if the two segments are aggregated.

Sales of cognac fell by 2.6 per cent, followed by brandy and calvados, with sales of the latter falling by a massive 7.4 per cent. Some of these volumes have, in all probability, transferred to rum or malt whisky.

Drinks and cocktails

Drinks & Cocktails	**Retail value** (SEK m incl. VAT)	**% change** (full year)	**Volume. litres** ('000)	**% change** (full year)
5101 VODKA AND UNFLAVOURED NEUTRAL GRAIN SPIRITS	1 023.9	2.2%	3 433.3	0.7%
5102 VODKA AND UNFLAVOURED NEUTRAL GRAIN SPIRITS – SMALL BOTTLES	326.4	-2.7%	1 001.8	-5.6%
5103 FLAVOURED VODKA	75.9	-3.5%	203.5	-5.0%
5104 GIN	406.7	10.0%	1 175.7	6.4%
5105 GIN SMALL BOTTLES	83.3	4.4%	231.2	2.7%
5106 LIGHT RUM	76.1	5.8%	213.6	4.7%
5107 LIGHT RUM SMALL BOTTLES	21.8	6.2%	57.5	3.1%
5108 FLAVOURED RUM	173.4	2.5%	483.0	-0.2%
5109 TEQUILA	33.7	6.5%	78.8	4.3%
5701 ANISEED-FLAVOURED DRINKS	18.4	4.1%	43.6	0.4%
5703 READY-MIXED DRINKS	28.3	20.5%	156.9	18.6%
Total	**2 268.0**	**3.1%**	**7 079.0**	**1.0%**

Drinks and cocktails are the second largest category, with sales volumes of 7.1 million litres, corresponding to a retail value of SEK 2.3 billion. The category accounts for 37 per cent of all spirits sold by volume but only 32 per cent by value. Sales increased by 1 per cent, but it was gin and ready-mixed drinks that accounted for the main increase. Vodka and unflavoured neutral grain spirits which, at 4.4 million litres sold, account for the lion's share of the category, saw a 0.8 per cent decline in sales.

The increase in sales of gin by volume was slightly smaller than that seen last year, but was bigger in terms of value. Light rum has also continued to grow at more or less the same rate as last year, albeit with a slight shift to full bottles. Sales of tequila have also grown at more or less the same rate as last year, and in overall terms, the category's trend could be said to be following previously established patterns exactly.

Liqueurs

Liqueurs	**Retail value** (SEK m incl. VAT)	**% change** (full year)	**Volume. litres** ('000)	**% change** (full year)
5502a CHOCOLATE, COFFEE AND NUT LIQUEURS	42.8	8.5%	121.5	4.5%
5504a CREAM AND EGG LIQUEURS	129.6	-3.9%	459.6	-4.8%
5506a FRUIT AND BERRY LIQUEURS	171.4	6.6%	482.6	6.7%
5507 SWEDISH PUNSCH	38.0	-1.0%	118.0	-4.3%
5508 OTHER LIQUEURS	160.3	0.9%	420.8	-2.2%
5509 OTHER LIQUEURS SMALL BOTTLES	245.2	12.1%	608.5	15.6%
Total	**787.4**	**4.8%**	**2 211.0**	**3.7%**

Liqueur sales by volume increased by 3.7 per cent to 2.2 million litres in 2017, while the value of retail sales increased by 4.8 per cent to 787 million litres. The growth in both volume and retail value was, therefore, almost identical to that seen last year. Much of the growth occurred amongst the type of liqueurs primarily consumed as shots, and the category will consequently be re-segmented in 2018 to ensure breadth in a category that includes numerous different types and styles of products.

Distilled spirits

Distilled spirits	**Retail value** (SEK m incl. VAT)	**% change** (full year)	**Volume. litres** ('000)	**% change** (full year)
5601 AKVAVIT AND OTHER SPICED GRAIN SPIRITS	295.2	-1.4%	731.3	-3.2%
5602 AKVAVIT AND OTHER SPICED GRAIN SPIRITS SMALL BOTTLES	120.9	1.0%	290.0	-2.7%
Total	**416.0**	**-0.7%**	**1 021.3**	**-3.0%**

Distilled spirits is the smallest category within the category group and accounts for 5.4 per cent of sales by volume and 5.8 per cent by retail value. Sales of distilled spirits fell by 3 per cent to 1 million litres in 2017 in what was a larger fall than in the previous year but still in line with the long-term negative trend for the category. The temporary range for local and small-scale products accounts for a large share of the number of items, but only just over 1 per cent of sales which dominated, instead, by a small number of older brands.

Whisky/Whiskey

Whisky/whiskey	**Retail value** (SEK m incl. VAT)	**% change** (full year)	**Volume. litres** ('000)	**% change** (full year)
5201 BLENDED SCOTCH WHISKY	995.3	2.9%	2 815.1	2.3%
5202 BLENDED SCOTCH WHISKY SMALL BOTTLES	275.3	0.2%	718.7	-1.8%
5203 CANADIAN WHISKY	303.1	-8.8%	944.5	-11.4%
5204 CANADIAN WHISKY SMALL BOTTLES	96.3	-6.8%	270.7	-10.9%
5205 AMERICAN WHISKEY	112.0	8.6%	254.8	8.0%
5206 AMERICAN WHISKEY SMALL BOTTLES	28.3	6.3%	62.5	6.2%
5207 IRISH WHISKEY	260.0	3.2%	626.5	2.2%
5208 IRISH WHISKEY SMALL BOTTLES	73.0	3.8%	162.0	3.3%
5209 OTHER WHISKIES	20.6	-28.9%	26.9	-33.7%
5301 SCOTCH MALT WHISKY <= 18 YEARS OLD	674.4	2.5%	1 135.6	1.3%
5302 SCOTCH MALT WHISKY <= 18 YEARS OLD SMALL BOTTLES	45.0	0.5%	59.2	-1.1%
5303 SCOTCH MALT WHISKY > 18 YEARS OLD	26.2	-3.7%	11.1	-11.0%
5304 OTHER MALT WHISKIES	144.7	17.0%	202.2	15.6%
Totals	**3 054.3**	**1.4%**	**7 289.8**	**-0.5%**

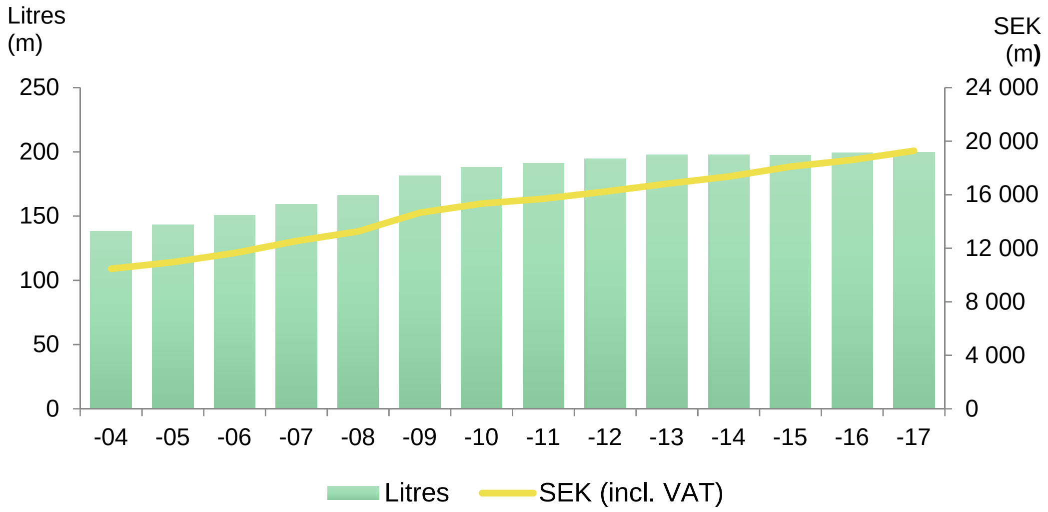
Whisky and whiskey are the biggest category within the spirits category group, and with sales of 7.3 million litres, account for 39 per cent of total spirits sales. The category reported a small fall in sales of 0.5 per cent in 2017.

Sales of Canadian whisky fell by 11 per cent, exceeding the overall decline in the category's sales by a wide margin. This substantial fall is not necessarily the result of a decline in interest in the country of origin, but rather a generally lower level of demand for low price items.

Sales of Irish and American whiskies increased by 2.3 per cent and 7.5 per cent, respectively. The trend for these countries of origin continues to follow that seen in previous years and there is nothing to suggest that whiskey with an "e" will not continue to develop positively.

Sales of malt whiskies increased by 2.8 per cent during the year and now account for 19 per cent of all whiskies sold by volume. Their share of the retail value is a massive 29 per cent because the average price per bottle is the highest in the category. Non-Scotch malt whiskies have reported the biggest growth, with Swedish malt whiskies taking an 86 per cent market share – a share that has increased during the year.

WINE



Wine sales increased by 0.2 per cent to 199.7 million litres, accounting for 41.3 per cent of Systembolaget's total sales by volume. The retail value of sales increased by 3.6 per cent to SEK 19.3 billion and wine consequently accounts for 53 per cent of the total retail value of sales. A tax increase during the year contributed to the premiumisation effect.

Wine sales have remained largely constant over the past four years and there is nothing to suggest that 2018 will see a break in this trend in either direction.

Wine packaging

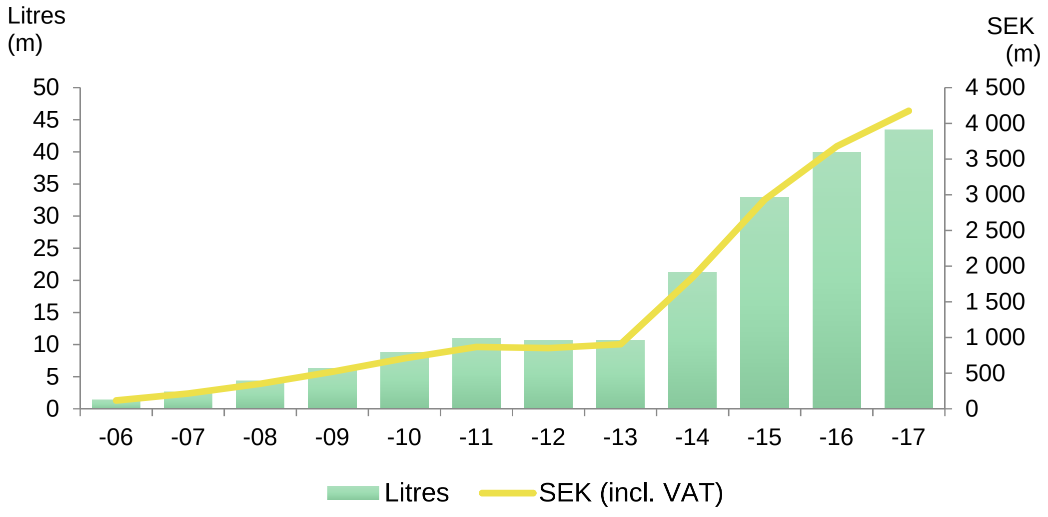
Wine (m litres)	2014	2015	2016	2017
Glass	79.0	79.5	81.8	83.2
Boxed	103.9	103.0	103.0	102.3
Cardboard	12.3	12.0	11.4	10.8
PET bottle	2.6	3.1	3.2	3.4
Other types of packaging	0.0	0.0	0.0	0.0

Boxed wine continues to dominate sales with a 51 per cent market share, but this share has fallen slightly since 2013. If still wines only are taken into account, however, the share has not declined, but has risen from 55.8 to 55.9 per cent.

Sales of wine in glass bottles increased slightly and now account for 42 per cent of sales by volume. Sales of wine in various types of cardboard packaging fell for the eighth year in succession, while sales of wine in PET bottles increased by almost 6 per cent.

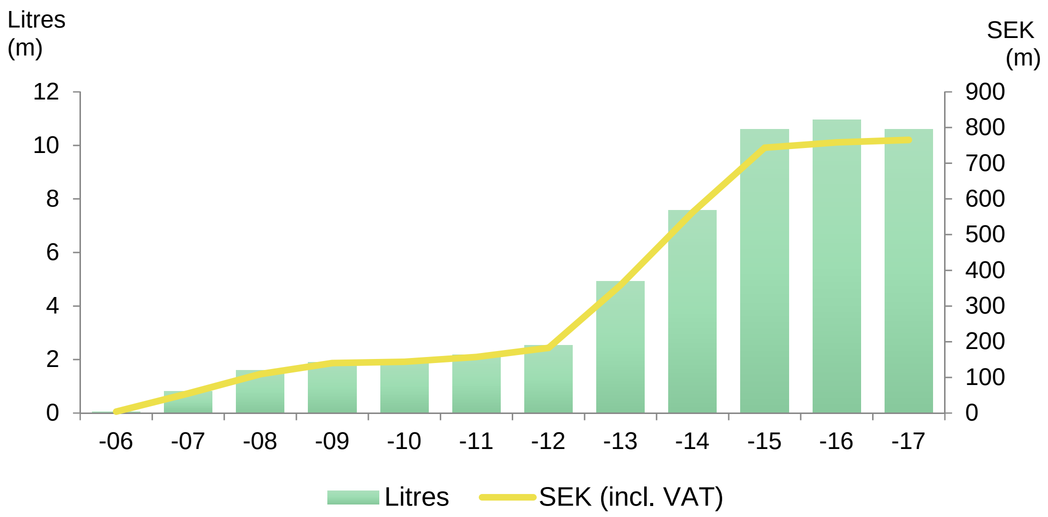
The trend in sales of wine in lighter weight glass bottles has not shown the positive development expected and the average bottle weight seems, instead, to have remained constant at around 490 grams per bottle. This is a high figure and we need to look at what can collectively do to reduce this figure in future.

Organic wine



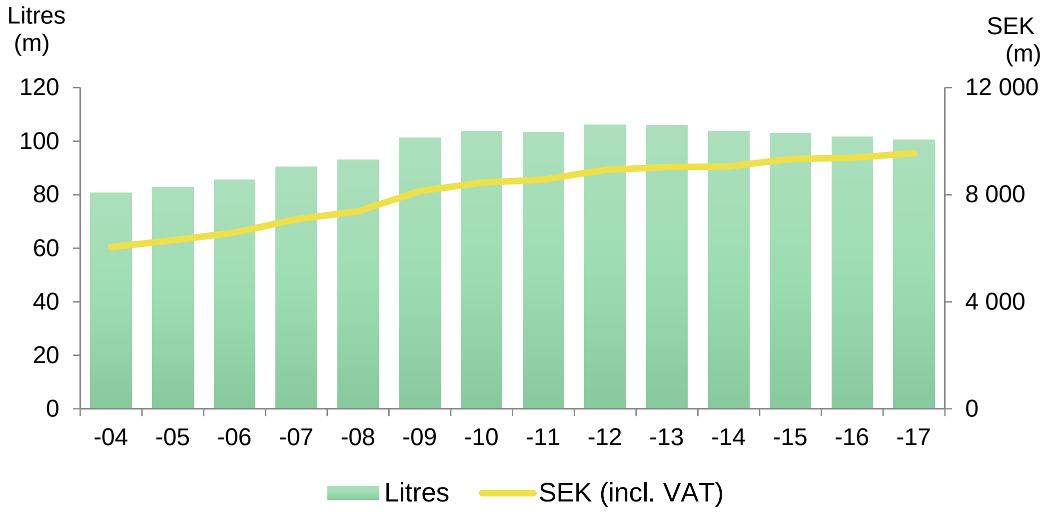
Sales of organic wine increased by 8.7 per cent to a 21.8 per cent market share during the year. The increase in retail sales value was even higher at 13.5 per cent, and the final share for the year were, therefore, effectively the same for retail value as for volume. The total volume of sales was 43.4 million litres at a retail value of SEK 4.2 billion, corresponding to 15 per cent of total organic sales of foodstuffs in Sweden which, according to EkoWeb, total SEK 28 billion.

Ethically certified wine



Sales of ethically certified wine fell by 3.2 per cent to 10.6 million litres in 2017. The decline of 4.6 per cent in sales from the three “at risk” countries of Chile, Argentina and South Africa, notwithstanding, ethically certified wines’ share of sales of wine from these countries increased by 1.4 percentage points. Ethically certified wines now account for 20.7 per cent of sales from “at risk” countries, but the scope still exists for increasing this market share, particularly for South Africa.

RED WINE



Red wine	**Retail value** (SEK m incl. VAT)	**% change** (full year)	**Volume. litres** ('000)	**% change** (full year)
2101 RED WINE (0–59)	197.7	4.6%	2 559.0	6.2%
2102 RED WINE (60–69)	310.2	0.3%	3 448.5	-2.5%
2103 RED WINE (70–79)	773.2	-3.2%	7 478.6	-5.5%
2104 RED WINE (80–89)	927.6	5.6%	7 944.7	3.2%
2105 RED WINE (90–99)	828.5	11.2%	6 381.9	7.7%
2106 RED WINE (100–119)	775.8	0.9%	5 264.8	-3.9%
2107 RED WINE (120–149)	453.7	7.9%	2 506.8	3.7%
2108 RED WINE (150–199)	352.8	-2.0%	1 507.3	-5.6%
2109a RED WINE (200–299)	272.2	2.6%	832.3	-2.2%
2109b RED WINE (300–499)	67.5	2.0%	138.3	-0.4%
2109c RED WINE (500-..)	39.5	11.7%	34.1	5.1%
2111 RED WINE LARGE BOTTLES	26.7	17.2%	165.2	15.5%
2112 RED WINE SMALL BOTTLES (SEK 0–186.6/L)	136.9	4.7%	1 053.2	1.7%
2113 RED WINE SMALL BOTTLES (SEK 186.7-/L)	30.3	15.8%	109.1	14.6%
2204 RED WINE NOT BOX OR BOTTLE >= 500ML	204.7	-3.4%	3 147.6	-7.1%

2205 RED WINE NOT BOX OR BOTTLE < 500ML	10.1	5.7%	98.8	1.6%
2301 RED WINE BOX > 2L (SEK 0-66.6/L)	1 397.7	4.0%	23 079.5	2.2%
2302 RED WINE BOX > 2L (SEK 66.7-99.9/L)	2 640.5	-2.3%	33 703.7	-4.6%
2303 RED WINE BOX > 2L (SEK 100-../L)	32.1	160.2%	312.3	146.7%
2311 RED WINE BOX 1.5-2L (SEK 0-99.9/L)	33.1	22.0%	429.5	5.4%
2312 RED WINE BOX 1.5-2L (SEK 100-/L)	40.6	-19.7%	355.8	-18.4%
Total	**9 551.3**	**1.9%**	**100 551.1**	**-1.1%**

Sales of red wine fell by 1.1 per cent by volume, but the retail value of these sales increased by 1.9 per cent to SEK 9.6 billion. As in the preceding two years, the box and tetra segments accounted for the decline. Sales of wine in bottles increased by 0.4 per cent, but there were fairly substantial variations between the different price segments.

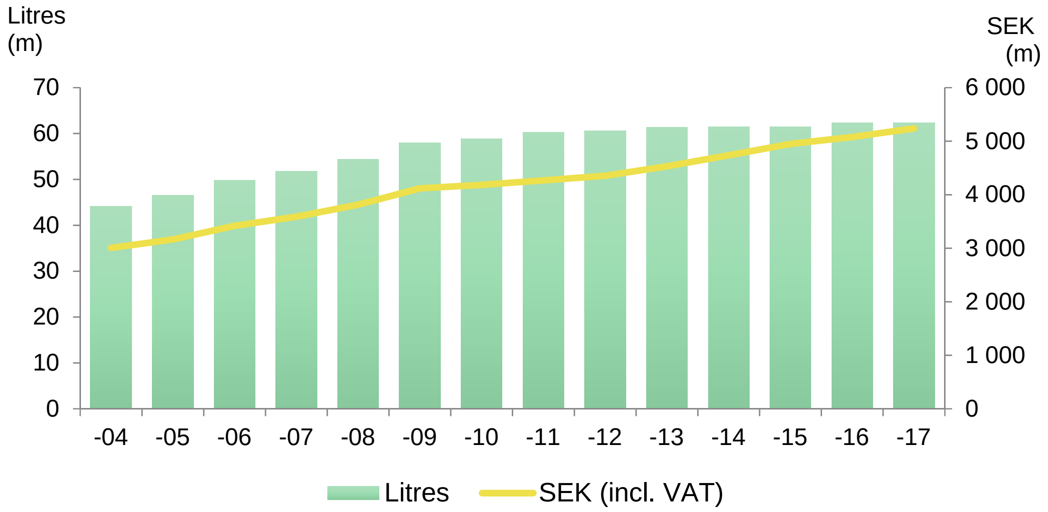
It is difficult to identify any particular trend between the pricing segments, other, possibly, than the fact that wines priced between SEK 80 and SEK 99 are showing stable growth, as are wines priced at SEK 500 and above. We are also seeing clear growth in the small bottles segment, and in particular amongst small bottles in higher price bands.

Sales of expensive 3 litre boxed wines increased strongly during the year, albeit from a very low level. Smaller boxes priced at SEK 100 or above, on the other hand, experienced the biggest decline seen in any segment. Polarisation, not premiumisation, would seem to be the case for the boxed wine segments.

Sales of wine in cardboard packaging continued to decline, and sales of the large tetra packs fell by 7.1 per cent during the year. This is an eco-friendly type of packaging that we would like to see more of, so we are constantly looking for suggestions of suitable countries of origin and varieties that we could request in our launch plan.

Sales of the exclusive assortment increased by 16 per cent to 622,000 litres during the year, indicating a steady increase in customers' interest in more expensive wines. Red wine accounted for the biggest growth of all in all exclusive assortment categories in 2017, achieving net sales of SEK 195 million, corresponding to an 18 per cent increase in retail value and an average price per bottle of SEK 235. Sales increased in all price bands, with sales of wines costing in excess of SEK 600 increasing by a massive 27 per cent.

WHITE WINE



White wine	**Retail value** (SEK m incl. VAT)	**% change** (full year)	**Volume. litres** ('000)	**% change** (full year)
3101 WHITE WINE (0–59)	113.3	-3.1%	1 451.0	-2.3%
3102 WHITE WINE (60–69)	276.9	-0.6%	3 082.0	-3.8%
3103 WHITE WINE (70–79)	479.2	8.5%	4 680.5	4.0%
3104 WHITE WINE (80–89)	433.0	0.6%	3 718.3	-3.5%
3105 WHITE WINE (90–99)	366.1	7.3%	2 816.7	4.1%
3106 WHITE WINE (100–119)	295.5	3.2%	1 993.0	-1.0%
3107 WHITE WINE (120–149)	217.4	3.0%	1 184.7	-2.7%
3108a WHITE WINE (150–199)	122.2	-2.5%	544.1	-7.4%
3108b WHITE WINE (200–399)	38.4	12.2%	113.2	5.5%
3108c WHITE WINE (400-..)	10.1	7.0%	12.8	-7.0%
3110 WHITE WINE LARGE BOTTLES	4.5	0.6%	34.8	-6.9%
3111 WHITE WINE SMALL BOTTLES (SEK 0-186.6/L)	77.1	2.8%	639.0	0.4%
3112 WHITE WINE SMALL BOTTLES (SEK 186.7-../L)	12.0	33.3%	54.3	25.7%
3205 WHITE WINE NOT BOX OR BOTTLE >= 500ML	363.7	-0.3%	5 705.3	-4.0%
3206 WHITE WINE NOT BOX OR BOTTLE < 500ML	23.7	6.1%	232.6	2.0%

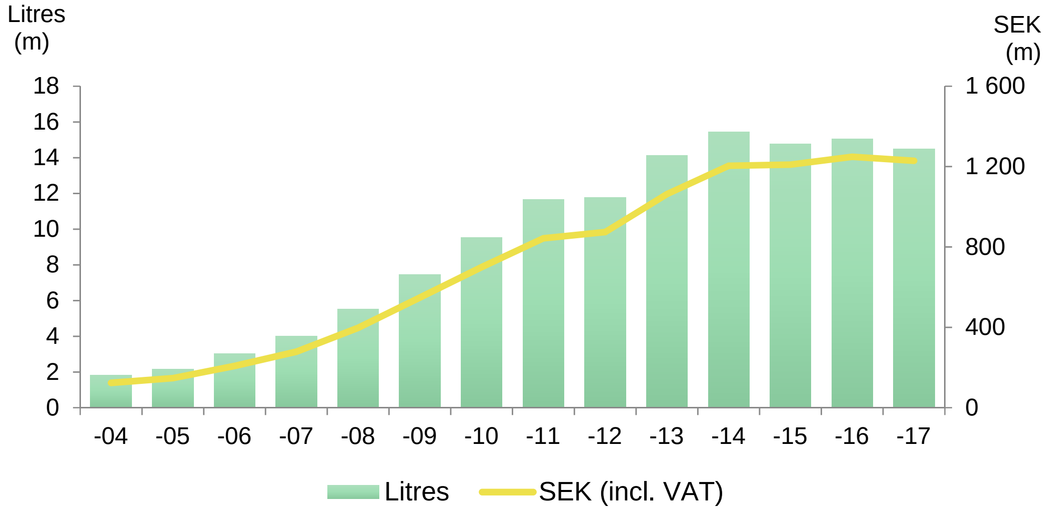
3301 WHITE WINE BOX > 2L (SEK 0-66.6/L)	1 384.0	7.1%	23 112.3	4.4%
3302 WHITE WINE BOX > 2L (SEK 66.7-99.9/L)	923.8	-1.0%	12 062.2	-4.8%
3311 WHITE WINE BOX 1.5-2L (SEK 0-99.9/L)	35.0	38.1%	452.0	18.0%
3312 WHITE WINE BOX 1.5-2L (SEK 100-../L)	64.2	-16.4%	471.7	-22.2%
Total	**5 239.9**	**3.2%**	**62 360.3**	**0.0%**

White wine sales fell by 17,000 litres during the year to 62.4 million litres. The difference corresponds to no more than half an hour's sales of white wine in our stores, so the change from last year is insignificant. The retail value of white wine sales increased, however, by 3.2 per cent to SEK 5.2 billion. White wine accounts for 31 per cent of wine sales and 13 per cent of the total volume of sales at Systembolaget.

Sales of boxed wines increased by 0.8 per cent and, as was the case last year, increased by a greater amount than the category as a whole. Boxed wines account for 58 per cent of all sales of white wine, with bottled wines accounting for only 33 per cent.

Sales of exclusive assortment of white wine increased by 14 per cent in 2017 to 216,000 litres. The retail value increase was higher than for red wine at 19 per cent, and the average price of SEK 205 does not differ very much from the average price of the exclusive assortment of red wine.

ROSÉ WINE

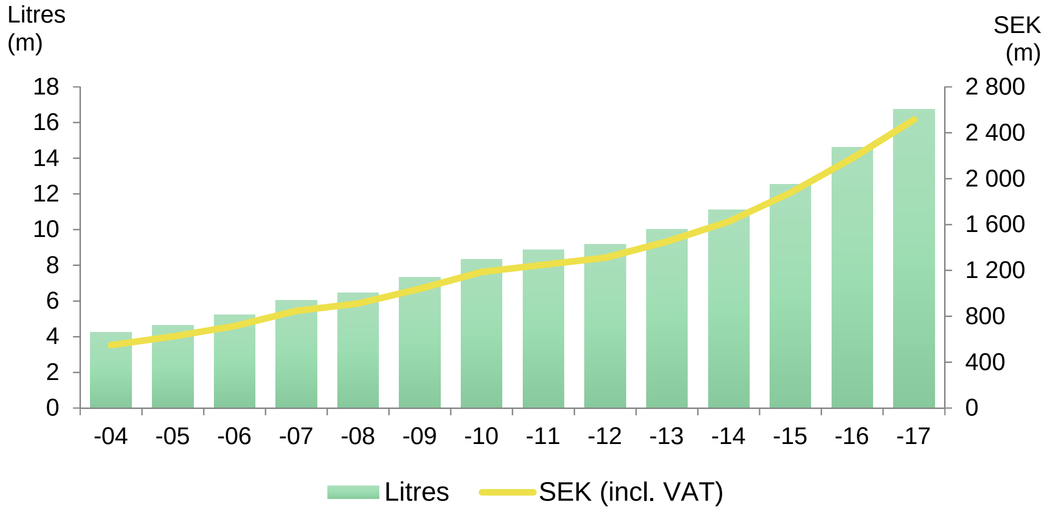


Rosé wine	**Retail value** (SEK m incl. VAT)	**% change** (full year)	**Volume. litres** (‘000)	**% change** (full year)
4102a ROSÉ WINE (0–79)	241.7	-7.0%	2 596.1	-9.4%
4102b ROSÉ WINE (80–99)	234.0	-1.1%	1 974.3	-4.8%
4102c ROSÉ WINE (100-..)	77.0	-5.6%	465.4	-10.7%
4103 ROSÉ WINE SMALL BOTTLES	19.5	-5.9%	160.2	-6.8%
4202 ROSÉ WINE NOT BOX OR BOTTLE	86.6	-3.6%	1 291.4	-8.6%
4211 ROSÉ WINE BOX > 2L (SEK 0-66.6/L)	275.1	12.3%	4 146.9	10.1%
4212 ROSÉ WINE BOX > 2L (SEK 66.7-../L)	271.0	-9.2%	3 557.9	-12.2%
4221 ROSÉ WINE BOX 1.5-2L	23.9	44.2%	304.6	56.7%
Total	**1 228.9**	**-1.6%**	**14 496.7**	**-3.7%**

Sales of rosé wine totalled 14.5 million litres, corresponding to a retail value of SEK 1.2 billion. Sales fell by volume and retail value by 3.7 per cent and 1.6 per cent, respectively. The relatively consistent sales of the last four years, in spite of variable summer weather, indicate that rosé has probably established itself at the level we are now seeing, and that we can expect the market share in the years ahead to continue to lie between 7 and 8 per cent of total wine sales.

Rosé wine and red wine are, as previously noted, communicating categories where sales of one decline when sales of the other increase. Fine summer weather boosts rosé sales and takes volumes from red wine. In pricing terms, rosé has a clearer premiumisation trend than other categories, and a more conservative trend than for red and white wines is particularly evident for the exclusive assortment.

SPARKLING WINE



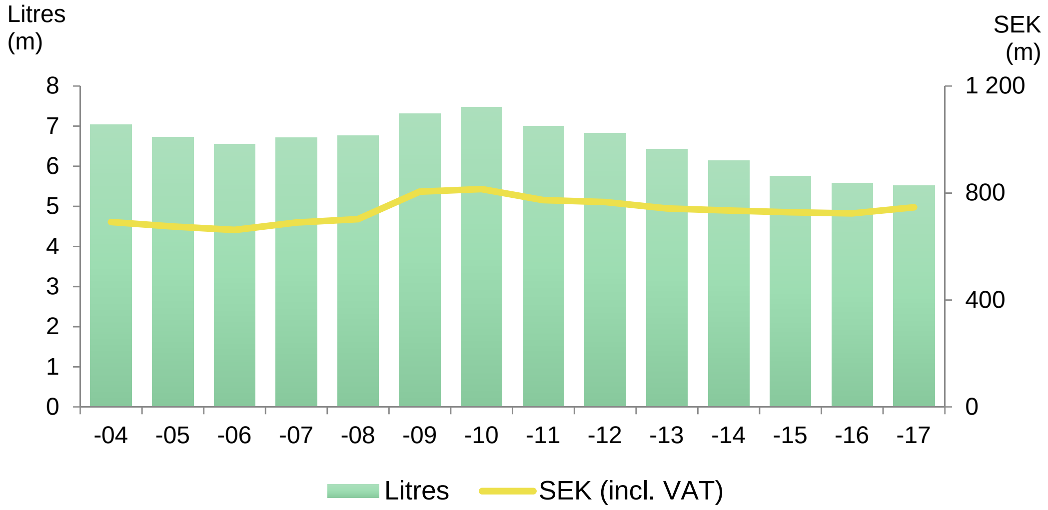
Sparkling wine	**Retail value** (SEK m incl. VAT)	**% change** (full year)	**Volume. litres** ('000)	**% change** (full year)
4301a CHAMPAGNE (0–299)	230.9	11.4%	770.8	10.9%
4302a CHAMPAGNE (300–499)	306.5	4.3%	590.1	1.5%
4303a CHAMPAGNE (500–999)	41.0	0.3%	52.9	-2.5%
4303b CHAMPAGNE (1000-..)	24.2	4.6%	12.5	5.1%
4304 CHAMPAGNE SMALL BOTTLES	67.0	1.4%	127.1	0.0%
4305 CHAMPAGNE LARGE BOTTLES	26.1	-2.9%	50.4	-3.5%
4306 CHAMPAGNE ROSÉ	26.5	-3.7%	51.2	-8.8%
4307 CHAMPAGNE ROSÉ SMALL BOTTLES	3.9	-15.7%	7.5	-19.2%
4403a SPARKLING WINE (0–79)	384.7	23.8%	4 006.9	18.3%
4403b SPARKLING WINE (80–119)	813.2	20.9%	6 394.0	16.5%
4403c SPARKLING WINE (120-..)	165.9	12.8%	925.4	7.6%
4404 SPARKLING WINE SMALL BOTTLES	95.8	22.6%	642.7	14.0%
4405 SPARKLING WINE LARGE BOTTLES	14.1	5.7%	88.4	-0.4%
4406 SWEET SPARKLING WINE	53.3	-10.7%	538.9	-15.0%
4407 SWEET SPARKLING WINE SMALL BOTTLES	9.9	1.7%	70.1	-3.4%
4408a SPARKLING ROSÉ WINE (0–79)	103.5	9.9%	1 167.1	5.0%
4408b SPARKLING ROSÉ WINE (80-..)	77.9	20.0%	543.0	21.1%
4409 SPARKLING ROSÉ WINE SMALL BOTTLES	7.0	18.0%	50.0	8.4%
4410 OTHER SPARKLING WINE	63.1	94.8%	665.6	103.7%
Total	**2 514.6**	**15.4%**	**16 754.8**	**14.7%**

The long-term, rising trend in sales of sparkling wine has continued, increasing by 14.7 per cent to 16.8 million litres. The growth in retail value continued to be modest, relative to volume, rising by 15.4 per cent, due to the biggest growth occurring in the relatively low-price segment. Sparkling wine now accounts for 8.4 per cent of all wine sold, and if sales of bottled wine only are taken into account, sparking wine accounts for almost one in every five bottles sold.

Most of the segments, with the exception of the sweet and rosé champagne ones, are showing growth and there are no indications of this growth levelling off in the immediate future.

Champagne sales increased by 4.7 per cent by volume during the year, corresponding to a slight levelling off from last year. Sales of Italian sparkling wines, however, continued to increase and accounted for just over 43 per cent of all sparkling wine sold.

APERITIFS AND DESSERT WINES

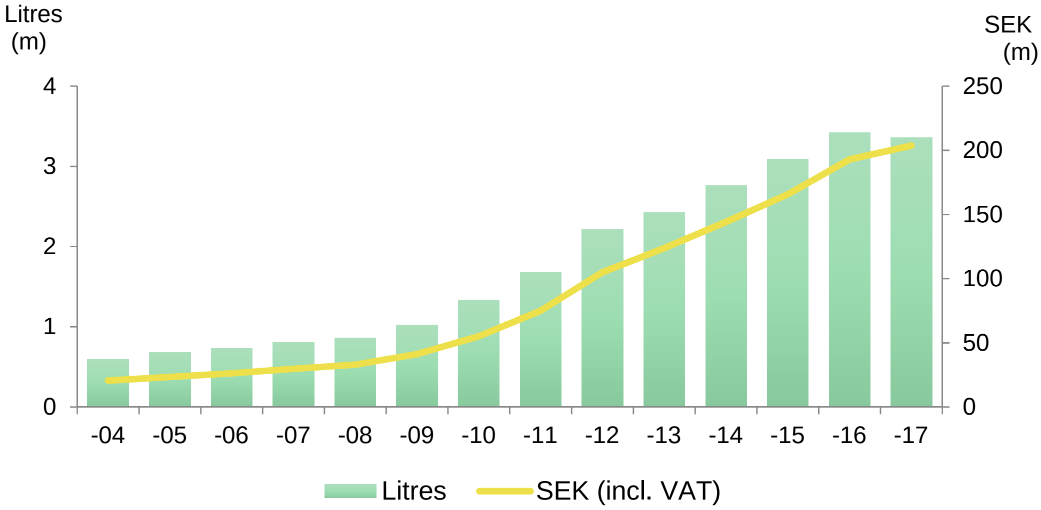


Aperitif and Dessert wines	**Retail value** (SEK m incl. VAT)	**% change** (full year)	**Volume. litres** ('000)	**% change** (full year)
4502a SHERRY/MONTILLA	21.6	2.4%	154.3	-1.5%
4504a EXTRA DRY VERMOUTH	27.5	-3.5%	183.0	-5.8%
4504b VERMOUTH	45.6	-6.0%	357.1	-6.3%
4506a APERITIFS	93.8	4.6%	519.5	-0.1%
4507 SAKE	4.7	11.1%	20.0	4.2%
4508 DRY FRUIT WINE	3.1	10.3%	17.0	6.3%
4509 OTHER WINE SEGMENT	21.2	147.3%	111.4	249.7%
4601 SWEET WHITE WINE	16.3	-3.2%	100.7	-7.3%
4602 SWEET WHITE WINE SMALL BOTTLES	18.8	-4.8%	69.0	-7.4%
4604a RED PORT	49.6	0.5%	253.5	-1.5%
4605 WHITE PORT	2.7	-2.2%	15.1	-2.2%
4607a SWEET SHERRY/MONTILLA	9.8	-3.6%	67.3	-5.5%
4609a MADEIRA	11.5	-4.2%	58.5	-8.4%
4611a AROMATISED WINE	61.5	7.4%	740.7	3.1%
4613a SWEET FRUIT WINE	25.6	2.9%	201.6	-6.3%
4615a OTHER DESSERT WINE	19.3	-4.8%	128.4	-10.0%
4710 MULLED WINE & OTHER CHRISTMAS DRINKS	311.7	2.6%	2 496.2	-3.1%
4720 MULLED WINE & OTHER CHRISTMAS DRINKS SMALL BOTTLES	2.6	-24.0%	17.5	-27.1%
Total	**746.8**	**3.2%**	**5 511.0**	**-1.4%**

Aperitifs and dessert wines are a very broad category that primarily encompasses a variety of fortified wines, but also includes aromatised wines, such as mulled wine. The segment is regarded as a service segment, which means that the launch level is relatively low, but that the range must be broad and include numerous items because the category includes so many unique flavour types.

Sales within the category as a whole fell by 1.4 per cent to 5.5 million litres. The majority of the segments within the category reported a fall in sales in 2017, with the only major segment to report growth being aromatised wine. The collective segment, Other wine, reported strong growth due to a number of blue drinks introduced via the Available-for-order range, but interest waned after the summer as quickly as it had arisen in the spring.

ALCOHOL-FREE



Alcohol-free	**Retail value** (SEK m incl. VAT)	**% change** (full year)	**Volume. litres** ('000)	**% change** (full year)
7101 ALCOHOL-FREE WINE	100.2	6.1%	1 191.0	-2.9%
7302 ALCOHOL-FREE CIDER & MIXED DRINKS	57.8	8.3%	1 385.0	1.0%
7402 "MUST" (UNFERMENTED SEASONAL SODAS)	19.4	-1.9%	306.6	-0.8%
7601 ALCOHOL-FREE OTHER	26.2	3.4%	479.0	-6.9%
Total	**203.6**	**5.5%**	**3 361.6**	**-1.7%**

Sales of alcohol-free drinks broke their long-standing positive sales trend in 2017, declining by 1.7 per cent to 3.4 million litres. The retail value of sales increased, however, by 5.5 per cent to SEK 204 million, which means that every store is actually, on average, selling alcohol-free products with an average value of SEK 0.5 million. One of the probable reasons for the decline in sales by volume is that the adjusted pricing model resulted in some price increases.

Sales of alcohol-free products account for only 0.7 per cent of sales by volume and 0.6 per cent of the retail value of sales at Systembolaget, but our efforts to offer alternatives to alcoholic beverages make this an incredibly important category for us, and we are constantly looking for new products that will increase the attractiveness of our range.

Red wine

Italy

40.2 million litres of red wine from Italy were sold in 2017, corresponding to a year-on-year increase of 1 per cent, but sales of Italian wines have fallen by 1 per cent by volume over the past 3 years. Italy is by far the biggest country of origin for red wine in terms of the number of items in the fixed range, and the launch plan's launch focus is, therefore, on the following two main areas:

Classic Italian regions where we currently lack an offering.

March 2019	2103 RED WINE (70–79)	Italy	Trentino, Lagrein or Teroldego
June 2019	2104 RED WINE (80–89)	Italy	Organic, Bardolino
March 2019	2108 RED WINE (150–199)	Italy	Vino Nobile di Montepulciano, SEK 179–199
June 2019	2303 RED WINE BOX > 2L (SEK 100-..L)	Italy	Langhe rosso, box 3000ml, innovation with tap at the top of the box

Narrower styles or regional origins that act as a temporary complement to the existing offering.

March 2019	2105 RED WINE (90–99)	Italy	Chianti, blend with red and white grapes
June 2019	2105 RED WINE (90–99)	Italy	Nerello Mascalese
June 2019	2107 RED WINE (120–149)	Italy	Etna Rosso

France

8.7 million litres of red wine from France were sold in 2017, marking France's climb up to third place in terms of volumes of red wine sold and corresponding to a year-on-year increase of 4 per cent. Sales of French red wines have increased by 6 per cent over the past 3 years, so last year would seem to indicate a slowing down in the growth trend. One factor that distinguishes sales of French red wines is how little of the sales by volume comprise boxed wines. We have taken the following observations into account in conjunction with the planned launches:

The soft and fruity flavour type is under-represented in the range as a whole, and the number of wines of this type in the French range has also declined.

March 2019	2105 RED WINE (90–99)	France	Beaujolais Village

There has been considerable customer demand in connection with the majority of launches of older French vintages. Two such will, therefore, be added in this plan.

March 2019	2106 RED WINE (100–119)	France	Côte du Rhône Villages with a village designation or cru, 2015 or earlier
March 2019	2108 RED WINE (150–199)	France	Bordeaux 2012 or older

Increasing availability in areas where our range currently includes a small offering, in lower price brackets. All three will receive widespread distribution.

June 2019	2102 RED WINE (60–69)	France	Vin de France
June 2019	2103 RED WINE (70–79)	France	Bordeaux
June 2019	2302 RED WINE BOX > 2L (SEK 66.7-99.9/L)	France	Organic, Syrah from Languedoc-Roussillon

Spain

Spain is the second largest country of origin, with 11.5 million litres sold in 2017, corresponding to a year-on-year increase of 8 per cent. Sales have increased by 2 per cent over the past 3 years, so the increase would seem to be accelerating. Our thoughts on the Spanish launches are as follows:

Addition of organic wines from a classic district and addition of a style we do not currently have.

March 2019	2104 RED WINE (80–89)	Spain	Organic, Rioja, without oak Tempranillo
June 2019	2108 RED WINE (150–199)	Spain	Rioja, Garnacha, with oak, max SEK 159

Narrower styles or regional origins that act as a temporary complement to the existing offering.

June 2019	2106 RED WINE (100–119)	Spain	Bierzo, Mencia with oak
June 2019	2107 RED WINE (120–149)	Spain	Mallorca

Traditional mature and spicy Spanish style, boxed, currently lacking in lower price bands. Will receive extensive distribution.

March 2019	2301 RED WINE BOX > 2L (SEK 0-66.6/L)	Spain	Valdepeñas, Tempranillo with oak, box 3000 ml

Australia

2017 saw yet another fall in volumes of Australian red wine sold, with volumes falling year-on-year by 9 per cent and by 2 per cent over the past 3 years. The volume sold totalled 8.1 million litres. This coincided with a pronounced increase in Australia’s wine exports, particularly to the Chinese market. Our approach, in order to revitalise the Australian offering, involves niche and classic regions in higher price bands.

We will, therefore, be launching two less common varieties from this country of origin, which will act as a temporary complement to the existing offering.

March 2019	2105 RED WINE (90–99)	Australia	Grenache
March 2019	2107 RED WINE (120–149)	Australia	Pinot noir, cool climate

We will be carrying out the following pair launch in order to fill gaps in the range from established and recognised regions and to add more premium wines in half bottles.

June 2019	2108 RED WINE (150–199)	Australia	Clare Valley, Shiraz, pair launch with half bottle
June 2019	2113 RED WINE SMALL BOTTLES (SEK 186.7-/L)	Australia	Clare Valley, Shiraz, 375ml, pair launch with full bottle

South Africa

Red wine from South Africa is continuing its substantial fall in terms of volumes sold, with sales dropping by 13 per cent, both year-on-year and over the last 3 years. The total volume sold in 2017 was 7.8 million litres. This is directly linked to the fact that South Africa no longer offers wines in the lowest price bands. Organic certification of wines has also not been a high priority amongst the producers, as there has been a greater focus on other sustainability issues, e.g. working conditions, in recent years. South Africa has consequently been unable to exploit the growing demand for organic wines. We have addressed both of these important strategic issues in this launch plan.

Offering ethically labelled wines is strategically important.

March 2019	2302 RED WINE BOX > 2L (SEK 66.7-99.9/L)	South Africa	Ethical

Offering organic wines – under-represented from this country of origin – is strategically important.

March 2019	2105 RED WINE (90–99)	South Africa	Organic, blend

Varieties from this country of origin lacking in this price band.

June 2019	2106 RED WINE (100–119)	South Africa	Shiraz

Chile

A total of 7.5 million litres of Chilean red wine were sold in 2017, corresponding to a year-on-year decrease of 6 per cent and of 3 per cent over 3 years. We will continue with our existing approach of launching wines in slightly higher price bands, with a focus on varieties.

Popular varieties lacking in these price bands from this country of origin.

March 2019	2103 RED WINE (70–79)	Chile	Syrah, sustainability certified
March 2019	2107 RED WINE (120–149)	Chile	Cabernet sauvignon, sustainability certified, SEK 140–149

Less common varieties from this country of origin that act as a temporary complement to the existing offering.

June 2019	2105 RED WINE (90–99)	Chile	Maule or Region del Sur, Carignan
March 2019	2106 RED WINE (100–119)	Chile	Grenache or blend with Grenache, SEK 110–119

USA

Sales have continued to increase by volume, increasing by 4 per cent, year-on-year, to 7.5 million litres. This corresponds to an increase of 5 per cent over the past 3 years.

Popular grape varietals missing from the price band/bottle size from this country of origin.

March 2019	2108 RED WINE (150–199)	USA	California/Washington Cabernet sauvignon, SEK 160–199, pair launch with half bottle
March 2019	2113 RED WINE SMALL BOTTLES (SEK 186.7-../L)	USA	California/Washington Cabernet sauvignon, SEK 89–105, 375ml, pair launch with full bottle
June 2019	2113 RED WINE SMALL BOTTLES (SEK 186.7-../L)	USA	Zinfandel, SEK 70–89, 375ml

Argentina

Sales of red wine continue to decline sharply by volume, falling by 24 per cent, year-on-year, to 2.7 million litres, corresponding to a decline over the past 3 years of 15 per cent. We will make two launches in this launch plan.

Offering ethically labelled wines, coupled with a popular grape variety missing from this country of origin, is strategically important.

June 2019	2104 RED WINE (80–89)	Argentina	Ethical, Merlot

Popular grape variety missing in this price bracket from this country of origin.

Mars 2019	2106 RED WINE (100–119)	Argentina	Shiraz with oak aging

Portugal

5.2 million litres of red wine from Portugal were sold in 2017, corresponding to a year-on-year increase of 1 per cent but of 8 per cent over the past 3 years, indicating a slowing in the rate of growth. This may be due, in part, to the fact that Portugal has been slow to react to the increasing demand for organic wine. In addition to looking for organic wines, we are also looking to fill the gaps for regions missing either from a particular segment or from the range as a whole.

Offering organic wines that are under-represented from this country of origin is strategically important.

March 2019	2105 RED WINE (90–99)	Portugal	Organic, Dão or blend with Touriga Naçional

Region missing in this price band from this country of origin.

June 2019	2106 RED WINE (100–119)	Portugal	Alentejo, blend

Region missing in boxed format.

June 2019	2302 RED WINE BOX > 2L (SEK 66.7-99.9/L)	Portugal	Douro, 2.25 or 3 litres

Other countries of origin for red wine

There will be two launches from less common countries of origin for red wine this time, in order to inject inspiration and knowledge into the range.

March 2019	2102 RED WINE (60–69)	Bulgaria	Syrah or Syrah blends
March 2019	2107 RED WINE (120–149)	Germany	Pinot noir, with oak

Gad Pettersson
Category Manager for red wine and sparkling wine

White wine

White wine sales continue to be consistent, showing a small amount of growth, and spread very evenly over the year. There is nothing to suggest that there is a specific season for white wine, although some products do experience a limited upturn during the summer months and over the Christmas and New Year period.

As with red wines, the growth in sales of old world white wines is continuing, although a pause in this trend is likely, given the very small harvest in many parts of Europe in 2017. We can see potential for many launches with the 2018 harvest, which will hopefully be better.

Argentina

Sales by volume fell by 21 per cent in 2017 to 232,000 litres.

Argentina has experienced a couple of difficult years of small harvests, and we have accordingly avoided asking for large volumes. It is, however, our hope that there is now sufficient wine to permit major launches. We can obtain sustainable wines from Argentina, as the percentage of ethically labelled and organic wines there is relatively high. We need to revitalise the range in the tetra packaging segment, and are, therefore, looking for an aromatic wine, possibly with some sweetness.

March 2019	3205 WHITE WINE NOT BOX OR BOTTLE >= 500ML	Argentina	Aromatic varieties, possibly some sweetness

South Africa

Continued downwards trend. Sales by volume fell by 10 per cent in 2017, but South Africa is still the biggest white wine country with a total volume of 10.9 million litres. South Africa’s continued decline in the volume segment notwithstanding, we have identified a trend towards the slightly more expensive segments. We assume that the water shortages in the country will mean that South Africa’s share of the volume wines segment will continue to decline in favour of quality wines. Interest in exclusive Sauvignon blanc from South Africa, for example, is increasing globally due to the proven very high quality of the wines. We are, therefore, looking for a Sauvignon blanc in a slightly higher price band and a cool climate style. We are also, as before, looking for a WIETA-labelled box Sauvignon blanc.

March 2019	3107 WHITE WINE (120–149)	South Africa	Sauvignon blanc
March 2019	3302 WHITE WINE BOX > 2L (SEK 66.7-99,9/L)	South Africa	WIETA, Sauvignon blanc

Italy

Sales of red wine from Italy have declined, but sales of white wine have continued to increase. Sales by volume increased by 13 per cent in 2017 to 8.48 million litres, confirming Italy's third place ranking in terms of volume of sales.
The global trend is still upwards for aromatic varieties and there has been a clear trend towards Pinot grigio in many markets, albeit not the Swedish one.
We are, therefore, looking for a Pinot grigio in the volume segment. We are also seeing customer interest in slightly more exclusive wines in higher price bands. Vermentino och Arneis are undeniably two of Italy's quality varieties, and Sardinia is one region of origin missing from the fixed range. We are, therefore, now looking for Vermentino in the Profile role and Arneis in the Cutting edge role.

June 2019	3102 WHITE WINE (60–69)	Italy	Pinot grigio
June 2019	3105 WHITE WINE (90–99)	Italy	Sardinia, Vermentino
June 2019	3107 WHITE WINE (120–149)	Italy	Arneis

Spain

As in many European countries, sales of both red and white wines from Spain have developed positively, with an increase for sales of white wines over the past three years of 13 per cent and an increase of 1 per cent in 2017 to 4.7 million litres.
Spain, which has experienced slow but stable growth in its white wines, can largely thank the local Verdejo and Albariño varieties, or spicy blends with Muscat, for the increase in sales. Rias Baixas and Rueda are, however, not the only areas for quality white wines.
There are numerous gaps on the white side for Spain. This time, we are looking for a few less well known varieties in the form of Garnacha Blanca from Somontano and a Treixadura from Galicia. In the volume role, we are looking for an aromatic blend in line with the trend towards aromatic wines. Clear growth is apparent in the cheaper box segment and we will, therefore, implement full distribution of what may, by all means, be an organic wine. We are also open to the possibility of pouch packaging but if this is the case, will require a stable, firm pouch that does not fold on the shelf.

June 2019	3104 WHITE WINE (80–89)	Spain	Somontano, Garnacha blanca, oak
June 2019	3301 WHITE WINE BOX > 2L (SEK 0-66.6/L)	Spain	Aromatic blend, possibly organic, box or pouch
March 2019	3106 WHITE WINE (100–119)	Spain	Treixadura

Australia

Sales of white wine from Australia have been relatively consistent, although they do vary slightly from one year to another. Sales by volume fell by 4 per cent in 2017 to 6.6 million litres. Australian organic wines are still relatively uncommon, despite the good conditions for their production, due largely to the weak interest from the domestic market. We do, however, see the potential for offering more organic wines, this time in the form of a Chardonnay, which the majority of consumers associated with white Australian wine. There are, however, several gaps, such as in the form of a cheaper Riesling. We can also see the potential for environmental protection in the form of an eco-friendly PET packaging.

March 2019	3103 WHITE WINE (70–79)	Australia	PET, Riesling
March 2019	3104 VITT VIN (80–89)	Australia	Organic, Chardonnay

Chile

Sales of Chilean white wines are continuing to increase – a trend stretching back several years now – and sales of Chilean white wines increased by 8 per cent in 2017 to 4.3 million litres.
For many, Chile means Sauvignon blanc, which is available in many different qualities and with different regions of origin, but there are some gaps that we can fill with other varieties. We are now looking for a slightly more expensive barrel fermented Chardonnay and for a Semillon or Semillon blend.

March 2019	3105 WHITE WINE (90–99)	Chile	Semillon or Semillon blend
March 2019	3107 WHITE WINE (120–149)	Chile	Barrel fermented Chardonnay

France

Sales of French white wines are also continuing to increase with sales in 2017 increasing by 7 per cent to a volume of 9.5 million litres, and the country is consequently increasingly catching up with South Africa in terms of volume. In terms of retail value, France has already overtaken South Africa.
Poor harvests forced us to cancel a request for tender for an organic boxed Pays d'Oc IGP. This request has now been revived in the form of a small box as we are seeing growth in the cheaper segment. We are also following up on the aromatic trend with a Muscat (also from Pays d'Oc IGP) and an eco-friendly PET packaging.
Alsace Grand Cru is a gap in the higher price band and one that we are now seeking to fill, this time in the form of a Riesling.

March 2019	3108a WHITE WINE (150–199)	France	Alsace Grand Cru, Riesling
June 2019	3103 WHITE WINE (70–79)	France	PET, Pays d'Oc IGP, Muscat blend
June 2019	3311 WHITE WINE BOX 1.5-2L (SEK 0–99.9/L)	France	Organic, IGP d'Oc, Chardonnay with oak

Greece

Greece enjoys a very small share of the white wine market with sales in 2017 totalling only just over 48,000 litres, in spite of positive reactions in the press and from customers. We have previously asked for Assyrtiko och Malagousia, but have now moved on to Moschofilero, which fits in well with the spicy trend.

June 2019	3106 WHITE WINE (100–119)	Greece	Moschofilero

New Zealand

Sales of white wines from New Zealand continue to increase, particularly in the slightly higher price bands and for Sauvignon blanc. Sales in 2017 increased by 6 per cent from what is still a relatively modest volume to 1.9 million litres.
We will be launching a slightly more expensive Chardonnay from Hawkes Bay in June, but see scope for a Chardonnay in the cheaper segment too, and are, therefore, looking for a Chardonnay in the SEK 100-119 segment.

March 2019	3106 WHITE WINE (100–119)	New Zealand	Chardonnay

Portugal

Portugal has experienced a relatively large decline in sales for a number of years now, particularly in the cheapest segments and in 2017, sales declined by 10 per cent to a volume of 444,000 litres. There is a clear trend in the UK towards seeing Portugal as a wine-producing country, but customers are not choosing port or madeira – they are going for both white and red wine. The wines in question are primarily quality wines, based on local varieties, rather than the big, well-known, international varieties. Fortunately, there is a wealth of different varieties yielding high-quality wines in Portugal. Alvarinho is well known and popular with consumers, but there are many other varieties missing from the range. The trendiest grape variety in Portugal right now is, without doubt, Arinto, and we are, therefore, looking for an Arinto in the volume role. Organic wine is, to date, not particularly big in Portugal and the range is missing a white wine of this kind. Minho is home to many different varieties in addition to Alvarinho and we are, therefore, looking to complement the range with an organic Loureiro wine.

June 2019	3103 WHITE WINE (70–79)	Portugal	Arinto
March 2019	3107 WHITE WINE (120–149)	Portugal	Organic, Loureiro, max SEK 129

Germany

We are continuing to see a shift from medium-dry wines towards drier varieties, with high-quality Riesling wines particularly popular. Sales of German wines stabilised in 2017, and totalled 6.6 million litres.

This time, we are consequently looking both for a VDP Riesling from Mosel in the higher price band, and a small, exclusive boxed Riesling. We have also noted that Sauvignon blanc is beginning to become increasingly common in Germany and that is something that is missing from our range. We are, therefore, looking for a Sauvignon blanc and will also take the opportunity to note that we are open to the possibility of an eco-friendly PET packaging.

June 2019	3103 WHITE WINE (70–79)	Germany	PET, Riesling and sauvignon blanc
June 2019	3107 WHITE WINE (120–149)	Germany	Mosel, Riesling, dry style, VDP producer or estate fruit, max. SEK 129.
June 2019	3312 WHITE WINE BOX 1.5-2L (SEK 100-../L)	Germany	Organic. 2-litre box, dry Riesling, max SEK 229

Hungary

Sales of Hungarian white wines have increased in recent years, growing in 2017 by 10 per cent to a total volume of just over 2 million litres.
Hungary is home to many local varieties with aromatic notes. These are a good fit with the aromatic trend and fill a gap in the range. Availability is good and we are, therefore, looking for a wine in the volume segment.

June 2019	3102 WHITE WINE (60–69)	Hungary	Aromatic varieties, not Sauvignon blanc

Austria

Austria, in common with New Zealand, has noted an increase in sales from a relatively low volume, and sales in 2017 increased by 7 per cent to a total of around 740,000 litres. Much of Austria's popularity comes from Grüner Veltliner and Riesling, but there are many other varieties and regions of origin that are currently missing from the range. Gemischter Satz is one such.

June 2019	3106 WHITE WINE (100–119)	Austria	Vienna, Gemischter Satz

USA

Sales by volume of white wines from the USA continue to decline, falling in 2017 by 6 per cent to a volume of 1.7 million litres. For many people, Australia and the USA both mean Chardonnay, and preferably, in a classic, oaked style. We lack breadth in the higher price bands and believe that a classic Californian Chardonnay could fill the gap.

March 2019	3108b WHITE WINE (200–399)	USA	Sub-regions of North och Central Coast, Chardonnay

New packaging

Our sustainability work is very important to us and we will, therefore, continue to look for eco-friendly packaging. We have noted that more and more producers are now offering wine in aluminium cans and will, therefore, be looking for a wine in an aluminium can (max. 375 ml) from several different countries of origin, namely the USA, New Zealand and Australia, as these countries currently have several suppliers who package in aluminium cans.

March 2019	3111 WHITE WINE SMALL BOTTLES (SEK 0-186.6/L)	New Zealand/ Australia/ USA	Aluminium can, Sauvignon blanc, Pinot gris, or other aromatic varieties.

Kosher

Our kosher wine range is extremely limited and we are, therefore, looking for a kosher wine in the Profile segment. We are open to several different countries of origin. The distribution will be limited.

June 2019	3106 WHITE WINE (100-119)	Various	Kosher

Johan Lund,
Category Manager for white wine, rosé wine, aperitif & dessert wine, and alcohol-free wines

Sparkling wine

The last few years have seen a very strong growth for sparkling wine in general. Sparkling rosé wine has now also begun to show steady growth, but has not been particularly prioritised in previous launch plans. 3 of the total of new sparkling wines to be launched in March and June will, therefore, be sparkling rosés in order to match the peak sales period which, unlike for the majority of other sparkling segments, falls not in December but in May/June.

Increasing demand for sparkling rosé wine, lack of half bottles.

March 2019	4408b SPARKLING ROSÉ WINE (80-..)	Spain	Cava, rosé, max SEK 119, pair launch with half bottle
March 2019	4409 SPARKLING ROSÉ WINE SMALL BOTTLES	Spain	Cava, rosé, max SEK 69, 375ml, pair launch with full bottle
June 2019	4408b SPARKLING ROSÉ WINE (80-..)	South Africa	Mèthode Cap Classique Brut, max SEK 129

Good availability of high-quality that is missing in the price band (white, dry sparkling).

March 2019	4403ba SPARKLING WINE (80-99)	France	Cremant de Loire AOP, SEK 90-99

Less well-known, classic region that is missing in the fixed range. Organic is strategically important.

June 2019	4406 SWEET SPARKING WINE	France	Organic, Clairette de Die, SEK 90–99

Gad Pettersson
Category Manager for red wine and sparkling wine

Rosé wine

Sales in this category declined in 2017. As is the case in some other categories, there is no sign of the clear premiumisation trend of recent years, and volumes are, in fact, now increasing slightly in the cheaper segments. France is still, by far, the market leader in this category, where its market share has increased, but other countries, such as Italy, have also noted both long and short-term growth.

France

Sales of French rosé wine increased by 6 per cent to 4.1 million litres.
Many of the Provençale labels from France are complemented with a couple of classic rosé areas that are missing in the fixed range. We have noted an interest in Sancerre as a temporary launch and are, therefore, looking to fill the gap in the SEK 100+ segment. Rosé from Bordeaux is another gap and we are, therefore, looking to complement the SEK 80-99 segment with a Bordeaux rosé.

June 2019	4102b ROSÉ WINE (80–99)	France	Bordeaux
June 2019	4102c ROSÉ WINE (100-..)	France	Sancerre

Italy

Sales of Italian rosé increased by 37 per cent to 800,000 litres, making it the 6th biggest rosé wine country.
Interest in Italian rosé is growing, but we lack rosés from Tuscany in the SEK 80-99 segment. We are also seeing an increased interest in smaller bottles and are, therefore, looking for a pair launch of Tuscan rosé wines.

June 2019	4102b ROSÉ WINE (80–99)	Italy	Tuscany, pair launched with half bottle
June 2019	4103 ROSÉ WINE SMALL BOTTLES	Italy	Tuscany, 375 ml, pair launch with full bottle

Chile

Sales of Chilean rosé declined in 2017, with a total of 2.1 million litres sold (-3 per cent). Chile is, after France and the USA, the largest country of origin for rosé and is one of the few countries with a national standard for sustainable production. We are seeing a clear shift from the more expensive boxes to the smaller, cheaper ones. We are also seeing an interest in Pinot noir as a rosé grape, and are consequently looking for a small box rosé made from Pinot noir that is sustainability certified.

June 2019	4221 ROSÉ WINE BOX 1.5-2L	Chile	Pinot noir or Pinot noir blend, sustainability certified

South Africa and Argentina

Sales of rosé wines from both of these countries fell in 2017, with South African rosé sales falling by 24 per cent to 1.45 million litres and Argentina's by 47 per cent to 242,000 litres.
Large volumes are still coming from South Africa, so it is important that the wine production is sustainable. We see a need for more wines with a sustainability label and we are consequently looking for a slightly more expensive box from South Africa with a WIETA label, while the cheaper box from Argentina should have an ethical label. Both have already been announced in order to ensure the right timing for harvests and tenders.

March 2019	4211 ROSÉ WINE BOX > 2L (SEK 0-66.6/L)	Argentina	Ethical
March 2019	4212 ROSÉ WINE BOX > 2L (SEK 66.7-../L)	South Africa	WIETA

USA and Portugal

USA is the second largest rosé country with a volume of 2.44 million litres (-10 per cent), while Portugal is ranked 9th with 308,000 litres (-7 per cent).
Both of these countries of origin have a long-standing presence in the rosé segment, but are represented there by very specific wines. For the USA, this means white Zinfandel, while for Portugal, it is the slightly sparking rosé wines. More classical style rosés have long been lacking, however, and we are consequently looking for a mid-price bracket rosé in a modern, dry, fresh style that differs from the USA's white Zinfandels, and for a modern style rosé from Portugal in the cheapest bottled segment. The latter may, by all means, include local varieties in the blend.

June 2019	4102a ROSÉ WINE (0–79)	Portugal	Modern style rosé
June 2019	4102b ROSÉ WINE (80–99)	USA	Modern, dry, fresh style

Australia

The volume of sales of rosé wines from Australia continues to decline, falling in 2017 by 23 per cent to 731,000 litres.
There are many countries of origin not represented in the 100+ segment. There is substantial interest in French wines, but there are many gaps in the segment. We are seeing an increasing interest in some high-quality wines from Australia, and are consequently looking for a premium rosé from Australia.

March 2019	4102c ROSÉ WINE (100-..)	Australia	Organic, premium rosé, SEK 100–119

Johan Lund,
Category Manager for white wine, rosé wine, aperitif & dessert wine, and alcohol-free wines

Aperitif & Dessert wine

Sales volumes have continued to fall in this category, with numbers declining in the vast majority of segments, although we are seeing some growth by fruit wines and, in particular, aromatised wines. The small volumes mean that the segments have limitations in terms of the number of positions and not only are there substantial differences in style between the different segments, but the different segments attract different consumer groups. We believe revitalisation is needed to enable us to offer a good breadth, because in many cases, we are dealing with trends where tastes and styles will come and go.

Aromatised wine

The aromatised wine segment is the only segment in the category to show growth, with sales increasing by 3 per cent to 741,000 litres.
We need to broaden the segment in terms both of tastes and styles, and are consequently looking for a rosé variant that differs, aromatically, from those currently present in the range. Clarity of taste, style, and presentation is important here. We are keen to receive suggestions for flavours that are also clearly displayed on the packaging, as this is important to the customers who buy these products.

June 2019	4611a AROMATISED WINE	Various	Organic, box 1500 ml, fruit flavoured, rosé

Sweet fruit wine

Sales of sweet fruit wine fell by just over 6 per cent in 2017 to a total volume of 202,000 litres. Sake sales have been increasing for some time now, albeit from a very low level. Flavoured variants that are more similar to the fruit wines in our range are proving popular. The target group is a more mature one with relatively sophisticated tastes. Yuzu has been a fashionable fruit for a number of years now and we can see the potential for combining the fruit trend with a more elegant style.

June 2019	4613a SWEET FRUIT WINE	Japan	Sake aromatised with yuzu

Other dessert wine

Sales of other dessert wines fell by 10 per cent to 128,000 litres.
The segment includes, in addition to the classic fortified wines, a wealth of exciting dessert wine areas that have not, to date, found space in the range. One of these is the Australian dessert wine area, Victoria. We are, therefore, looking for a classic liqueur Muscat, which is one of the best known and most unique Australian dessert wines, in order to create breadth in the range.

March 2019	4615a OTHER DESSERT WINE	Australia	Liqueur Muscat, 375 or 500 ml

Johan Lund,
Category Manager for white wine, rosé wine, aperitif & dessert wine, and alcohol-free wines

Spirits

Vodka and unflavoured neutral grain spirits with a lower alcohol content

Health is a megatrend, and it is here to stay. We are consequently seeing increasing customer demand for drinks with a lower alcohol content. This is particularly clear when it comes to liqueurs, for example, but we also see a need to offer a lower alcohol content alternative in what is our biggest spirits segment by volume, namely vodka and unflavoured neutral grain spirits. The brand is particularly important to the customers in this segment, so this launch will be via a customer panel.

June 2019	5101 VODKA AND UNFLAVOURED NEUTRAL GRAIN SPIRITS	International	Lower alcohol, 25–30%, 500–700 ml, customer panel

Rosé gin

Sales of gin are continuing to show strong growth in both the short and the long term, so we must continue renewing the range. Rosé gin has become very popular in a short space of time, primarily in Spain and the UK, and the largest amount of gin-related product development is currently taking place in the rosé sector. We are, therefore, looking for an additional rosé gin, this time via a customer panel, because the brand and bottle look are important to gin customers.

March 2019	5104 GIN	International	Rosé gin, 700ml, min 37.5%, max SEK 249, customer panel

White rum, PET pair launch

Sales of light rum are increasing (+4.7 per cent in 2017) and PET is a popular packaging type, so we are looking for a light rum in a PET container. We have not launched any products in the Light rum in small bottles segment since 2011, so this will be a pair launch with a large and a small bottle.

We have an unusual number of PET requests in this launch plan for both March and June and will consequently not be requiring PET for spirits in September and December 2019.

March 2019	5106 WHITE RUM	International	PET, pair launch, 700ml, 40%, max SEK 229.
March 2019	5107 WHITE RUM SMALL BOTTLES	International	PET pair launch, 350ml, 40%, max SEK 129

Mezcal

We are looking for a mezcal and we currently do not have one in the fixed range. This time, we are looking for a 500 ml bottle, rather than a 700 ml one, in order to ensure a more accessible pricing point.

June 2019	5109 TEQUILA	Mexico	Mezcal 500ml, min 40%, max SEK 349

Grappa di Prosecco

Grappa is a very small segment at the 16,000 litres sold are effectively sold exclusively in Stockholm and Skåne. Grappa is primarily purchased by wine customers, and we are consequently looking for a Grappa di Prosecco, as customer interest in prosecco continues to be substantial.

March 2019	5406 GRAPPA/MARC	Italy	Grappa di Prosecco, 500–700 ml

WHISKY/WHISKEY

American whiskey – Kentucky Straight Bourbon

We are continuing to see a growing interest in American whiskey, and the trend is clearest in our premium stores. We are accordingly broadening the range to include a Kentucky Straight Bourbon in those stores where the demand is greatest.

June 2019	5205 AMERICAN WHISKEY	International	Kentucky Straight Bourbon, max SEK 339

Irish whiskey PET pair launch

PET, as a packaging type, is popular with spirit customers, and is also an eco-friendlier type of packaging than single use glass. The volume segment of the range currently lacks an Irish whiskey in a PET bottle, and as we have also launched no Irish whiskey products in small bottles since 2012, or even earlier, we will be carrying out a pair launch of both a large and a small bottle.

We have an unusual number of PET requests in this launch plan for both March and June and will consequently not be requiring PET for spirits in September and December 2019.

June 2019	5207 IRISH WHISKEY	Ireland	PET, pair launch, 700ml, min 40%, max SEK 259
June 2019	5208 IRISH WHISKEY SMALL BOTTLES	Ireland	PET, pair launch, 350ml, min 40%, max SEK 139

Scotch malt whisky under 18 YO

We are seeing substantial interest in new Scotch malt whiskey products amongst our customers. We are, as a result, continuously revitalising the segment, primarily during the autumn months. In March and June, we are looking for an NAS in a lower price brand and a whisky from a region currently missing from the fixed range, namely Campbeltown, in a higher price band as the availability is small.

June 2019	5301a SCOTCH MALT WHISKY < 18 YEARS OLD	UK	700 ml, min 40%, max SEK 299
March 2019	5301a SCOTCH MALT WHISKY < 18 YEARS OLD	UK	Campbeltown, 700 ml, min 40%, max SEK 599

Scotch malt whisky, min. 18 YO

To ensure our supplies of older whisky as availability decreases, and because 18 YO has more in common with older whiskies than non-age-specific whiskies and whiskies up to 17 YO, we are, as previously announced, adapting the Scotch malt whisky segment. We are now topping up our offering with a Scotch malt whisky, min. 18 YO, because demand is substantial.

March 2019	5303a SCOTCH MALT WHISKY >= 18 YEARS OLD	UK	700ml, min 40%. max SEK 899r

OTHER

Ready-mixed drinks: Cosmopolitan

We are continuing to broaden our range of ready-mixed drinks, this time in the form of a Cosmopolitan, which is the third most Googled drink/cocktail (in Sweden), exceeded only by Mojito and Hollywood. We must assume, therefore, that there is considerable customer demand for this product.

March 2019	5703 READY-MIXED DRINKS	International	Cosmopolitan 500-700ml

Märta Kuylenstierna
Category Manager for spirits, beer and TSLS

Beer

BASIC

We will make the following launches in order to ensure that we have a good and up to date fixed range of beers in lower price bands, and of beers from the most common countries of origin and in the most common styles:

Lager, small can, max SEK 10.90

We are continuing to revitalise the range of lagers in lower price bands because it is important that we secure a current and value for money offering.

March 2019	6101a LAGER CAN <= 355ML (<6.0%) < SEK 17	SEK 10.90. 2 purchases, launch in March and June
June 2019	6101a LAGER CAN <= 355ML (<6.0%) < SEK 17	SEK 10.90. 2 purchases, will be tasted at the same time as March tender

Lager, large can, organic

In 2017, we sold approximately 87 million litres of lager in large cans, just over 2.6 million of which were organic beer. The volume may be considerable, but organic beer's share of the segment as a whole is only 3 per cent and we are consequently seeking two organic beers in large cans. The availability of organic hops is small, while organic malt is widely available, so this is also a good opportunity from a supply perspective to request a style that is not hops-dominated.

The brand is important to customers when choosing lagers in an international style, so we will be requesting these beers via a customer panel. We will buy in the first and second ranked beers.

March 2019	6102 LAGER CAN > 355ML (<6.0%)	Organic, customer panel, 2 purchases, launch in March and June
June 2019	6102 LAGER CAN > 355ML (<6.0%)	Organic, customer panel, 2 purchases, will be tasted at the same time as March tender

Lager, returnable bottle

Returnable bottles are one of the eco-friendliest types of packaging and we have not specifically requested returnable bottles for several years now, so we believe it is time to revitalise the offering with a launch.

March 2019	6201 LAGER BOTTLE <=355ML & <17/>355ML & <20 (<6.0%)	Sweden	Returnable bottle

Session-IPA or APA, can, max SEK 15.90

We are seeing a growing interest amongst customers in ale in lower price bands and as cheaper IPA alternatives are now available, we are keen to complement the offering with cheaper Session-IPAs or APAs. We will buy in the first and second choices.

March 2019	6303 ALE CAN (..-5.9%)	Session-IPA or APA, max SEK 15.90, 2 purchases, launch in March and June
June 2019	6303 ALE CAN (..-5.9%)	Session-IPA or APA, max SEK 15.90, 2 purchases, will be tasted at the same time as March tender

Gluten-free IPA

We now have nine gluten-free beers in the fixed range, ranging from pale later in an international style to Belgian pale ale. We are now looking for a gluten-free IPA, which continues to be a popular style, in order to offer a broad range of gluten-free beer.

The launch will receive a wide distribution as IPA is one of the few styles in demand nationwide.

March 2019	6305 ALE EXTRA STRONG (6.0%-..)		Gluten-free IPA

TRADITION

The following launches are designed to ensure that our range includes the more classic countries of origin and beer styles. These are revitalised at regular intervals.

Lager, large bottle, from Bayern, Germany

We want to broaden the offering with a classic bottle size from a classic country of origin for beer for those of our customers who want a traditional beer.

March 2019	6201 LAGER BOTTLE <=355ML & <17/>355ML & <20 (<6.0%)	Germany	50 cl, Bayern

Kellerbier from Germany

We are seeing a positive sales trend for Kellerbier and are consequently revitalising the range in the form of a Kellerbier from the beer style's country of origin, Germany.

June 2019	6202 LAGER BOTTLE <=355ML & >=17/>355ML & >=20 (<6.0%)	Germany	Kellerbier

Ale from the UK, Germany and Belgium

We are revitalising the offering with three ales from traditional countries of origin, namely Belgium, the UK, and Germany, in order to meet the demand for both classic styles and countries of origin. Please note that tendering both bottles and cans is acceptable in response to these requests for tender.

From Germany, we are looking for a Kölsch. We have made regular kölsch launches, as the beer styles our customers want can range from lager brews to speciality beers.

June 2019	6301 ALE BOTTLE (..-5.9%) OR 6303 ALE CAN (..-5.9%)	UK	
June 2019	6301 ALE BOTTLE (..-5.9%) OR 6303 ALE CAN (..-5.9%)		Kölsch
June 2019	6301 ALE BOTTLE (..-5.9%) OR 6303 ALE CAN (..-5.9%)	Belgium	

Trappist beer

Our Customer Services department receive numerous enquiries and requests for more trappist beers, as do our stores, so we will be launching an additional, trappiest beer in 2019. This time, we are looking for a light ale.

June 2019	6305 ALE EXTRA STRONG (6.0%-..)		Trappist beer, light

Wheat beer – hopfenweisse

We divide wheat beer into six different styles, and hopfenweisse is one style lacking in our fixed range.

March 2019	6307 WHEAT BEER BOTTLE/CAN	Germany, Austria	Hopfenweisse

TREND

We are revitalising the beer offering with new styles, countries and packaging types to ensure a contemporary offering.

Lager, small can – two customer panel requests

Sales in the lager in small cans segment (6101a) increased by 10.7%, or just over 5 million litres, in 2017. We are seeing a clear shift from both large cans and from bottles – a trend that we view positively in that our mandate entails a preference for smaller packaging, and because cans are more eco-friendly than single-use glass. Brand is important to the customers when choosing lagers in international styles, so we will be requesting these via customer panels. We will launch the customer panel's first and second place choices. The segment is dominated by beer from Sweden, so we are looking for tenders from other countries in order to broaden the offering.

March 2019	6101a LAGER CAN <= 355ML (<6,0%) < SEK 17	Italy, France, Germany	Customer panel, 2 purchases, launch in March and June
June 2019	6101a LAGER CAN <= 355ML (<6,0%) < SEK 17	Italy, France, Germany	Customer panel, 2 purchases, will be tasted at the same time as March tender

Unfiltered lager

We are looking for two unfiltered lagers in order to satisfy the current trend in lagers, where we are seeing a growing interest in flavourful and more "craft-style" lager. We will launch the first and second ranked beers in the trial.

March 2019	6201 LAGER BOTTLE <=355ML & <17/>355ML & <20 (<6.0%)	Sweden	Unfiltered, 2 purchases, launch in March and June
June 2019	6201 LAGER BOTTLE <=355ML & <17/>355ML & <20 (<6.0%)	Sweden	Unfiltered, 2 purchases, will be tasted at the same time as March tender

”Craft” from Sweden

We are seeing continued extensive interest in local and “craft” produced beers amongst our customers. Swedish breweries are increasingly starting to brew lager and to follow the trend from the USA of producing beer in cans. We welcome suggestions as to style.

March 2019	6303 ALE CAN (..-5.9%)	Sweden	Craft
June 2019	6202 LAGER BOTTLE <=355ML & >=17/>355ML & >=20 (<6.0%)	Sweden	Craft

Ale, large can, from the UK, Canada or USA

We are diversifying the offering within the ale extra strong segment by offering a can size currently under-represented in the range.

March 2019	6305 ALE EXTRA STRONG (6.0%-..)	USA, Canada, UK, Sweden	Can, 440–473 ml

Witbier from Japan

Japan is an interesting country of origin for our customers, and one whose food is popular too. We are consequently looking for a Japanese witbier.

March 2019	6307 WHEAT BEER BOTTLE/CAN	Japan	Witbier

Sharing bottle from Sverige, organic

Our “sharing bottles” segment lacks a Swedish beer and we are consequently looking for a beer with this country of origin and, at the same time, revitalising the organic “sharing bottle” offering.

June 2019	6307a BEER BOTTLE 750ML >= SEK 49	Sweden	Organic

Sour beer

We are seeing substantial customer interest in sour beer and are consequently launching two beers in this style: one sour beer with berries that will receive the broadest distribution and a lower maximum price. Maybe rosé-coloured.

We will also launch a sour beer with Swedish tastes that fits in with the local trend and the interest in aromatised beer. We welcome suggestions!

March 2019	6307c OTHER SOUR BEER	Sweden	Swedish tastes
June 2019	6307c OTHER SOUR BEER		Berries

Mixpack – single hop

Beer with a pronounced, single hop character is being brewed by many breweries and given the growing interest in beer, we believe that our customers may be interested in trying and comparing different types of hops. We are, therefore, looking for a single hop beer mixpack.

A text describing the various types of hop on the packaging would be good.

It is difficult for mixpacks to retain their place in the fixed range, so these should be viewed as temporary launches. We do not believe that the temporary nature of a mixpack will matter to our customers – the aim is to educate and inspire those who are interested in beer.

Mars 2019	6308 OTHER BEER	Mixpack single hop

Märta Kuylenstierna
Category Manager for spirits, beer and TSLS

Cider & Mixed drinks

Dry/medium-dry cider in bottles or cans

The drier cider segment is currently completely dominated by apples, with the exception of rosé cider. There is currently customer demand for a broader taste profile within the dry cider types without thereby moving too far away from existing types. In the USA, more producers are beginning to experiment with oak and hops in their cider, and in the light of the ongoing interest in whisky and “low hop” beer, we believe that barrel aged cider or cider flavoured with hops could complement the existing range.

June 2019	6601 DRY/MEDIUM-DRY CIDER BOTTLE or 6602 DRY/MEDIUM-DRY CIDER CAN	Europe and the USA	Barrel aged or with hop, 250-355 ml, max 5%, max SEK 22.90

Dry/medium-dry cider in cans

As in the bottled segment, the biggest taste is apple, but if we look at both dry and sweet cider, pear is the dominant taste. We currently have no pear cider in the drier canned segment, and are consequently requesting one. The product should be organically certified.

Sales of organic cider increased by 101.5 per cent in 2017 and account for approximately 9.3 per cent of sales. The doubling in sales of organic cider in 2017 was due to both launches and conversions. Customers are telling us that organic is an important parameter when choosing an item, but we also know that younger people are less likely to use the available for order range than other customer groups. It is important, therefore, that we have a relevant range on the shelf, which is why you will notice an increase in the number of organic ciders and mixed drinks in this year’s first Launch Plan.

June 2019	6602 DRY/MEDIUM-DRY CIDER CAN	International	Organic, pear, can 250-330 ml, max 4.5%, max SEK 14.90

Medium-sweet/sweet cider in bottles

Sustainability, craft, and local production are some of the prevailing trends we have identified and wish to satisfy. We will do this by launching an organic cider with an unfiltered appearance and with a pear flavour. Please note that the packaging may be a PET bottle.

March 2019	6603 MEDIUM-SWEET/SWEET CIDER BOTTLE	International	Organic, unfiltered appearance with pear flavour, transparent bottle or PET 275-330 ml, max 4.5%, max SEK 16.90

Medium-sweet/sweet cider, cans

The semi-sweet/sweet cider in cans segment currently lacks a more aromatic taste profile. We have received numerous suggestions for a “flowery and spicy” flavour combination that we know is already available in adjacent markets. We are keeping the launch relatively open in order to benefit from your expertise as suppliers with regard to the latest taste trends. We welcome suggestions for the “flowery and spicy” profile. This is a growing segment, so we will give this launch a broad distribution. The product must be organically certified.

March 2019	6604 MEDIUM-SWEET/SWEET CIDER CAN	International	Organic, spicy & flowery, can 250-330 ml, max 4.5%, max SEK 14.90

Mixed drinks

A great deal is happening in the mixed drinks segment, and with the majority of qualifiers entering the fixed range, our customers are showing there is a demand for the regular launch of new products in this segment. But what does the term, mixed drink, actually mean? Perceptions of the segment name vary and we are, therefore, reviewing the name and will come back to you with suggestions later in the year.

Mixed drinks is the segment with the greatest breadth of different items, whether in terms of price bands, flavour profiles, or customer groups. When the canned packaging was introduced, we noticed that an older customer group was showing an interest in our mixed drinks, and when the dark bottle with a spicy taste profile was launched, the main purchasers were men. The segment's different items appeal to different types of customer, but the drinking occasions are similar. We are seeking an organic mixed drink with a drink- or cocktail-inspired taste in order to retain the segment's breadth. We welcome suggestions as to potentially relevant drinks.

June 2019	6607 MIXED DRINKS	International	Organic, drink- or cocktail-inspired taste, bottle 275-330 ml, max 4.9%, max SEK 22.90

Emelie Westrup
Category Manager for Ciders & Mixed drinks

Alcohol-free

The sales trend for alcohol-free products turned around sharply in 2017 and after the previous positive trend, sales began to fall in the latter half of the year. One of the reasons may be that alcohol-free products are becoming increasingly common in grocery stores where the primary products sold are volume ones. The decline in sales by volume notwithstanding, we are still seeing an increase in the retail value of alcohol-free sales, indicating that customers are happy to buy slightly more exclusive products in our stores.

Our strategy is still to be innovative and to be a trailblazer in the development of the range. We envisage slightly more rotation than before, in that a number of good products are being launched on the market. We are keen to be on the cutting edge when it comes to product development, but new products, breadth and a complete range are also important. We will be reviewing existing listings and evaluating how they match our strategies for the alcohol-free range.

We will also continue with our seasonal launches that make greater use of campaign spaces in the stores to display the range in order to make a slightly bigger range available. There will consequently be more temporary launches and only a few fixed range launches.

We welcome suggestions for new products in all price bands, but we are not interested in products already available in grocery stores. The products should also be ones that replace existing alcoholic products in our range so we are, for example, not interested in sodas and similar products. We welcome suggestions on a rolling basis, but will be following the same launch times and dates as for the other launches.

Johan Lund,
Category Manager for white wine, rosé wine, aperitif & dessert wine, and alcohol-free wines

Categories and segments

Wine

RED WINE

Red wine bottle at least 50 cl

- Red wine (0–59)
- Red wine (60–69)
- Red wine (70–79)
- Red wine (80–89)
- Red wine (90–99)
- Red wine (100–119)
- Red wine (120–149)
- Red wine (150–199)
- Red wine (200–299)
- Red wine (300–499)
- Red wine (500–..)
- Red wine large bottles

Red wine carton at least 50 cl

- Red wine not box or bottle >= 500ml
- Red wine box >2l (0–66,6 SEK/l)
- Red wine box >2l (66,7–99,9 SEK/l)
- Red wine box >2l (100–..SEK/l)
- Red wine box 1.5–2l (0–99,9 SEK/l)
- Red wine box 1.5–2l (100–..SEK/l)

Red wine small packaging

- Red wine small bottles (0–186.6 SEK/l)
- Red wine small bottles (186.7–..SEK/l)
- Red wine not box or bottle < 500ml

WHITE WINE

White wine bottle at least 50 cl

- White wine (0–59)
- White wine (60–69)
- White wine (70–79)
- White wine (80–89)
- White wine (90–99)
- White wine (100–119)
- White wine (120–149)
- White wine (150–199)
- White wine (200–399)
- White wine (400–..)
- White wine large bottles

White wine carton at least 50 cl

- White wine not box or bottle >= 500ml
- White wine box >2l (0–66.6 SEK/l)
- White wine box >2l (66.7–99.9 SEK/l)
- White wine box >2l (100–..SEK/l)
- White wine box 1.5–2l (0–99.9 SEK/l)
- White wine box 1.5–2l (100–..SEK/l)

White wine small packaging

- White wine small bottles (0–186.6 SEK/l)
- White wine small bottles (186.7–..SEK/l)
- White wine not box or bottle < 500ml

ROSÉ WINE

Rosé wine bottle at least 50 cl

- Rosé wine (0–79)
- Rosé wine (80–99)
- Rosé wine (100–..)
- Rosé wine large bottles

Rosé wine carton at least 50 cl

- Rosé wine box >2l (0–66.6 SEK/l)
- Rosé wine box >2l (66.7–..SEK/l)
- Rosé wine box 1.5–2l
- Rosé wine not box or bottle

Rosé wine small packaging

- Rosé wine small bottles

SPARKLING WINE

Sparkling wine at least 50 cl

- Champagne (0–299)
- Champagne (300–499)
- Champagne (500–999)
- Champagne (1000–..)
- Champagne large bottles
- Sparkling wine (0–79)
- Sparkling wine (80–99)
- Sparkling wine (100-119)
- Sparkling wine (120–..)
- Sparkling wine large bottles
- Sweet sparkling wine
- Rosé Champagne
- Sparkling rosé (0–79)
- Sparkling rosé (80–..)
- Other sparkling wine

Sparkling wine small bottles

- Champagne small bottles
- Sparkling wine small bottles (0–186.6 SEK/l)
- Sparkling wine small bottles (186.7–..SEK/l)
- Sweet sparkling wine small bottles
- Rosé Champagne small bottles
- Sparkling rosé small bottles

APERITIF AND DESSERT

Aperitif

- Sherry/Montilla
- Extra dry Vermouth
- Vermouth
- Aperitif
- Sake
- Dry fruit wine
- Other wine, segment

Dessert

- Sweet white wine
- Sweet white wine small bottles
- Red port
- White port
- Sweet sherry/Montilla
- Madeira
- Aromatised wine
- Sweet fruit wine
- Other dessert wine

Mulled wine

- Mulled wine & other Christmas drinks
- Mulled wine & other Christmas drinks, small bottles

Beer, cider & mixed drinks

LAGER

Lager
- Lager can <=355 ml (<6.0%)<17 SEK
- Lager can <=355 ml(<6.0%)>=17 SEK
- Lager can > 355 ml(<6.0%)
- Lager extra strong can (6.0%–..)
- Lager btl <=355ml & <17/>355 ml & <20 (<6.0%)
- Lager btl <=355 ml & >=17/>355 ml & >=20 (<6.0%)
- Lager extra strong btl (6.0%–..)
- Other lager

Dark lager
- Dark lager can
- Dark lager bottle

SPECIALITY BEER

Ale
- Ale can (..–5.9%)
- Ale bottle (..–5.9%)
- Ale extra strong (6.0%–..)

Porter & stout
- Porter/stout bottle/can (..–5.9%)
- Porter/stout extra strong (6.0%–..)

Wheat beer
- Wheat beer bottle/can

Other beer
- Beer bottle 750 ml >= 49 SEK
- Spontaneous fermented beer
- Other sour beer
- Other beer
- Other ale/porter/stout

Seasonal beer
- Easter
- Oktoberfest
- Christmas beer, lager
- Christmas beer, speciality beer

CIDER & MIXED DRINKS

Dry cider
- Dry/medium-dry cider, bottle
- Dry/medium-dry cider, bottle 750 ml >= 49 SEK
- Dry/medium-dry cider can

Sweet cider & mixed drinks
- Medium-sweet/sweet cider bottle
- Medium-sweet/sweet cider can
- Mixed drinks
- Cider other packaging

Seasonal cider & mixed drinks
- Christmas cider & mixed drinks

Spirits

DRINKS & COCKTAILS

Vodka and other unflavoured neutral grain spirits
- Vodka & other unflavoured neutral grain spirits
- Vodka & other unflavoured neutral grain spirits small bottles

Flavoured vodka
- Flavoured vodka

Gin
- Gin
- Gin small bottles

White rum
- White rum
- White rum small bottles

Flavoured rum
- Flavoured rum

Tequila
- Tequila

Aniseed-flavoured drinks
- Aniseed-flavoured drinks

Ready-mixed drinks
- Ready-mixed drinks

WHISKY

Blended whisky
- Blended Scotch whisky
- Blended Scotch whisky small bottles
- Canadian whisky
- Canadian whisky small bottles
- American whiskey
- American whiskey small bottles
- Irish whiskey
- Irish whiskey small bottles
- Other whisky

Malt whisky
- Scotch malt whisky <= 18 years old
- Scotch malt whisky <= 18 years old small bottles
- Scotch malt whisky > 18 years old
- Other malt whisky

SEASONAL SPIRITS

Seasonal spirits
- Christmas spirits

DIGESTIF

Cognac
- Cognac
- Cognac small bottles

Brandy
- Other brandy
- Other brandy small bottles

Calvados
- Calvados

Grappa/marc
- Grappa/marc

Dark rum
- Dark rum
- Dark rum small bottles

Bitters
- Bitters

Other spirits
- Other spirits, segment

LIQUEUR

Chocolate, coffee & nut liqueur
- Chocolate, coffee & nut liqueur

Cream & egg liqueur
- Cream & egg liqueur

Fruit & berry liqueur
- Fruit & berry liqueur

Herb & digestif liqueur
- Herb & digestif liqueur

Swedish punsch
- Swedish punsch

Other liqueur
- Other liqueurs & shot liqueurs
- Other liqueurs & shot liqueurs small bottles

SCHNAPPS

Akvavit and other spiced grain spirits
- Akvavit and other spiced grain spirits
- Akvavit and other spiced grain spirits small bottles

Alcohol-free

Alcohol-free
- Alcohol-free wine
- Alcohol-free beer, cider & mixed drinks
- "Must" (Seasonal sodas)
- Alcohol-free, other

Launch plans and requests for tender

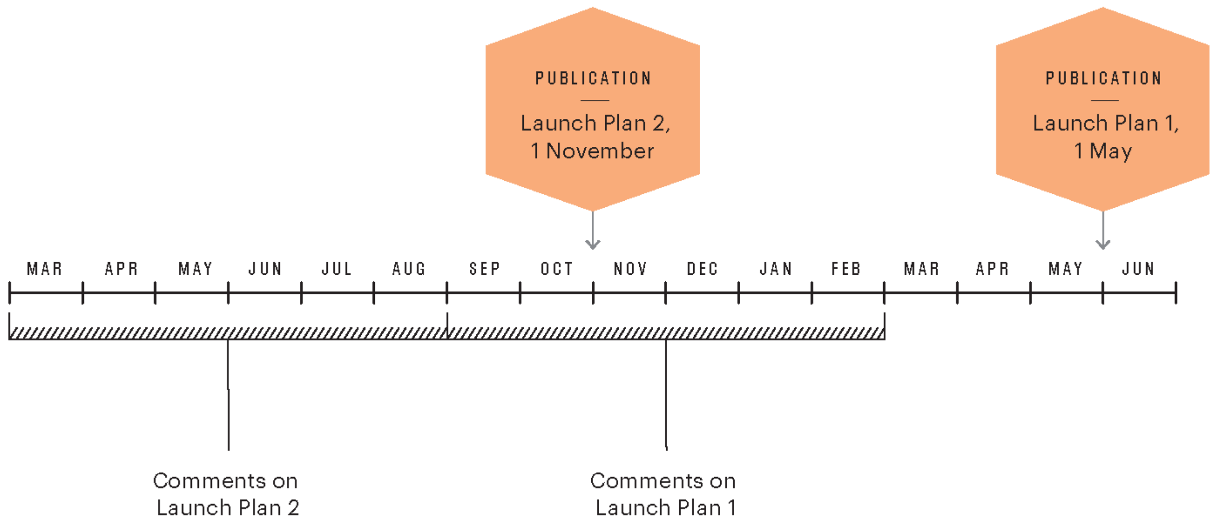
Systembolaget's Launch Plan describes the launches that we seek and why. The aim is to provide suppliers/producers with guidelines on impending requests for tender and to provide clear procurement work guidelines for the purchasing unit. The aim is also to inform suppliers and producers about how Systembolaget's purchasing process works in terms of range models, launch structures, and strategies.

The Purchasers draw up launch proposals based on the category action plans, in which availability and preconditions for the various areas of responsibility are linked to the categories' requirements. The respective Category Managers then draw up the Launch Plan in line with strategies adopted, customer requirements, and the Purchasers' launch proposals.

Demand is described in general terms in the plan, as the long-term planning horizon makes it difficult to be sure in precise detail about tastes, prices, grape varieties, size, etc.

The Category Managers are responsible for the Launch Plan and its content. We welcome comments from you, the suppliers, in response to the Launch Plan.

- Comments should be submitted to Category Managers if the comments relate to sales trends and customer insights.
- Comments should be submitted to Purchasers with regard to availability, quality, knowledge of countries or regions of origin, and producer insights.
- Comments on the Launch Plan can be submitted to Category Managers and Purchasers up to 2 months before the publication of the Launch Plan.

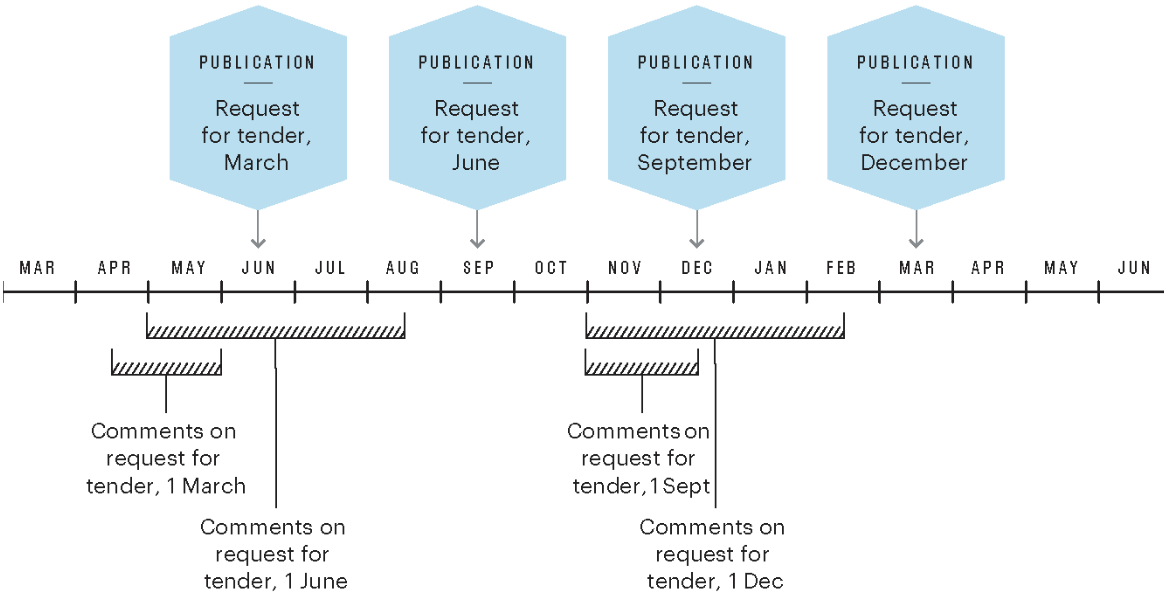


Timeline for Launch Plan comments.

The Purchasers are responsible for requests for tender within the framework of the Launch Plan. The requests for tender, when published, follow the Launch Plan but are more itemised. The requests for tender are published in the Supplier Portal ca. 8-9 months before each specific launch time.

You are also welcome to submit comments on the requests for tender.

- Please comment if you have something to say that might affect the structure of the request for tender.
- Please do not submit product samples randomly – please ask for permission before submitting any product samples.
- You are welcome to ask the Purchasers for feedback and explanations regarding any restrictions in the requests for tender.
- Comments on requests for tender can be submitted to the Purchasers up to 3 weeks before the requests for tender are published.



Timeline for request for tender comments.

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The Category Managers should be contacted in connection with enquiries relating to categories, segments, product range mix plans, and evaluation. See the Supplier portal for the latest category breakdown.

For general questions not related to an individual category, please contact the Category Managers at the following group email address: kategoriansvariga@systembolaget.se

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Questions relating to the Purchasers' areas of responsibility should be addressed to the Purchaser in question, while general issues relating to tenders, purchasing and launches are best addressed to the Assistant Purchaser in question.

See the Supplier portal for the latest breakdown of areas of responsibility.

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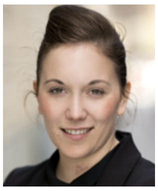

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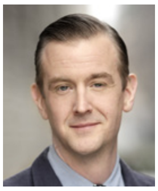

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