

Bloomberg

U.S. Passes France for First Time as World's Biggest Wine-Consuming Nation

By Ryan Flinn - Mar 15, 2011

The U.S. passed [France](#) as the world's largest wine-consuming nation for the first time, lifted by its bigger population and an interest in wine-and-cheese culture among young Americans.

Wine shipments to the U.S. climbed 2 percent to 329.7 million cases last year, according to Gomberg, Fredrikson & Associates, a wine-industry consulting firm in Woodside, California. That compares with 320.6 million for France.

While the French still eclipse Americans in per-capita consumption, the U.S. wine industry is benefiting from a domestic population of almost [311 million people](#) -- five times the size of [France's](#) -- and a surge of young people becoming interested in the drink. Marketers also are using social media to reach a new generation of consumers, said Jon Fredrikson, the firm's president.

"Wine is really gaining traction in the U.S. -- it's becoming an accepted part of everyday life," Fredrikson said in an interview. "That's a radical change over the past two decades."

The retail value of U.S. wine sales rose 4 percent to \$30 billion in 2010, according to Gomberg Fredrikson. [California's](#) output accounted for 61 percent of the volume. The state's worldwide wine shipments climbed 2 percent to 241.8 million cases.

Prime Target

"With the U.S. being the biggest, it means we're a target for everyone in America and around the world that produces wine," Fredrikson said. "Everyone wants to be here."

The history of wine in France stretches back thousands of years, fostered by prime growing conditions, the drink's role in the Catholic Church and its popularity among all different social classes. The French drank about 14 gallons on average in 2008, the latest year with [figures](#) available from the Wine Institute, a trade group in San Francisco. That compares with 2.6 gallons for Americans.

Chardonnay was the best-selling varietal in the U.S. last year, with \$2.03 billion in revenue,

according to Nielsen Co., followed by cabernet sauvignon with \$1.38 billion. Bottles priced at \$20 or more rose the most last year, gaining 11 percent over 2009, though the biggest category of wine sales was the \$3-to-\$5.99 range, Nielsen said.

Pinot Noir

The fastest-growing varietals were [pinot noir](#), riesling and sauvignon blanc, which all rose more than 9 percent, according to Nielsen. In terms of imports, wines from [Argentina](#) and [New Zealand](#) had the biggest gains, at more than 24 percent.

“If you look back 10 years ago, the on-ramp into the wine industry was white zinfandel. Now it’s really not so much that case,” said Dale Stratton, vice president of strategic insights for [Constellation Brands Inc. \(STZ\)](#), the world’s biggest maker of wine costing more than \$5 a bottle.

The [millennial generation](#) -- consumers in their 20s and 30s -- are reaching for more traditional varietals and pricier bottles, he said.

“There’s no question that the millennial consumer is participating in the category at a much greater level than previous generations,” Stratton said. “The consumer is very much bringing wine into more occasions, and they are participating in the wine category in a more frequent basis.”

To contact the reporter on this story: Ryan Flinn in [San Francisco](#) at rflinn@bloomberg.net

To contact the editor responsible for this story: Thomas Giles at tgiles5@bloomberg.net

©2011 BLOOMBERG L.P. ALL RIGHTS RESERVED.