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Subject: Global Brand Development

We (BRL Hardy) have various strategies to improve our global branding whilst expanding our quality and services to the global wine market. This platform consists of developing strong brand recognition, a targeted customer base, and strategic acquisitions. With Australian wine exports to reach 400 million in 2010, I suspect that we will have profitable opportunities to enter the United States and United Kingdom wine markets. The factors driving the export wine industry includes coordination and development within the following business sectors:

- **Marketing and Promotion-** develop and strengthen brand name and increase customer awareness, build customer loyalty, encourage repeat business.
- **Distribution/Acquisitions-** opportunity to gain access to new markets.
- **Brand Awareness-** strong customer connection between brand and taste.
- **Cultural Loyalty-** local wineries experience high levels of customer and cultural loyalty.
- **Mergers/Partnerships-** for access to new markets, partnerships and mergers are common.
- **Competition-** in taste, retail space, distribution, quality wines, value wines, and customer's loyalty.

We have a large market potential in providing quality wines that are extremely competitive on price. We must provide customers with selection in quality wines to attract and retain customers. We face specific inter-company communication challenges and conflict from the UK division. Our mere structure of communication and brand development is inefficient at best. And, a potential challenge since each division operates under a different branding and customer taste requirements. We need to develop communication between regional divisions to control product branding. We must introduce our brand equity by challenging on product offerings and quality wines. Furthermore, we need to interlock our core competencies with the export wine market. Essentially, we need to develop an interrelated brand and market entry strategy for the United Kingdom and the United States.

From this analysis, we can make the following moves:

- A. Create a series of regional brands that may cross into different markets.
- B. Give control to each division for product and brand development for their markets.
- C. Create measures for corporate to dictate and control global brand development.
- D. Stay focused on our core competencies and enter separate markets after tested analysis of product potential.
- E. Transfer employees to headquarters to reduce communication barriers. Bestiality

One of our strengths is size and knowledge in providing superior quality in wines. We also experience significant control over Australian wines at specific price points; however, our geographic distance creates operational issues. In my view, we need to continue to capture existing and new market segments. Focus on development of regional brands with control and development by regional staff. Furthermore, we need to develop a communication process to maintain the overall corporate strategy. Our brand quality is distinct advantage in my opinion. Our uniquely large platform, I feel, allows us to attract and maintain customer loyalty to our superior quality. I also believe that this platform's flexibility allows us to expand geographically to capture further market segments in Europe and the Americas. Eventually, I feel that our price pointed brands will be available in various retail stores in UK and the U.S. We should introduce regionally tested brands at specific price points to capture customers' unique cost and taste attributes. At the same time introduce our trademark global brands that will not compete with regional brands. This recommendation will allow corporate headquarters to introduce new global brands as well as give regional operations control of specific market demands. All in all, BRL Hardy needs to provide regional autonomy for product and brand development that does not compete with global brands price or taste. Furthermore, corporate headquarters needs to maintain control of the number of brands competing at a given time. Therefore, BRL Hardy needs to allow regional operations a certain number of new brands to capture local market segments that do not interfere with a global brands taste, price, or packaging. Plus, also require regional divisions to always market and distribute global brands. Ultimately, BRL Hardy is segregated geographically and has brands competing with each other on price. In addition, organizational communication may best be combated through local market autonomy as well as the implementation of our corporate strategies and global brand expansion.

Please email me your thoughts, ideas, and remarks.

James E. Salter