

The action is stirring up Stateside

J Herbert Silverman checks out the latest brand happenings in the Tequila arena and finds that it's the Margarita which is still blazing a trail for the Mexican spirit

'Ultra premium, 100% Agave Tequilas are priced on a par with Cognac'

With its plethora of new launches, brand extensions and ever-more clever marketing campaigns, Tequila has remained one of the world's great stalwart categories, particularly in that most innovative of markets, the US. Indeed with the news that Fortune Brands has acquired the once-Allied Domecq-owned Sauza – a hot brand Stateside – is sure to stir up the action still further this year.

Of course, it is still the Margarita that stands head and shoulders above the herd as one of the most requested Tequila cocktails. However as Tequila becomes more and more popular other cocktails are constantly being developed that are becoming increasingly popular.

Cocktails such as the Mesa Fresca, mixed at Mesa Grill in New York with grapefruit juice, or the Tequila Cosmo, a variation on the Cosmopolitan that puts vodka with tequila, are increasingly requested across the water, while Blanco and Reposado variations are also in favour.

And just to underline the sector's boom, Tequila was the fastest growing spirit in the US last year, up by 8.7%. "We're definitely seeing a renewed interest in tequila," said New York Mercadito Restaurant chef and owner, Patricio Sandoval. "Our customers are learning that our cocktails are tequila-based, including the Mojito, which is traditionally made with rum. When ordering Tequilas, customers usually specify brand and age, but it's now popular as a fine, elegant after-dinner sipping spirit, as it is a mixing agent."

The US is really where it's at. Partida Tequila for example, is expanding its distribution of its Estate's three brands – Blanco, Reposado and Anejo for sale in several US states including Arizona, California, Colorado, Connecticut, Florida, New Jersey, New York and Texas, mainly through the on-premise. Further US expansion is planned and will start in Mexico in 2006.

Staying in the US, Blavod Extreme Spirits also created Diamante Spirits LLC this year, to produce a new tequila, El Diamante del Cielo. One of the best known brands in Europe, Sierra Tequila, owned by Borco, is the continent leader in several markets, as well as further afield, including Thailand and Australia, while in its home base of Germany, it has a 75% market share.

Sierra Tequila relies heavily on a print campaign backed up by on and off-trade promotions such as collection shot glasses, (6 glasses, each with a different design) the Sierra party package (two bottles with six Sierra glasses) and the Sierra design glass as an on-pack.

McCormick Distilling says that its flagship product, Tequila Rose – a strawberry-flavoured cream liqueur and tequila – has benefited from a rejigging in the form of new packaging – a process that has taken more than two years in the creation.

"Tequila Rose continues to be one of our best-selling premium products," said McCormick Distilling vice president of marketing, Vic Morrison. "It's now the top-selling strawberry cream liqueur in Canada and throughout Europe.

"We thought it was time to upgrade the packaging to reflect better its popularity and quality." McCormick Distilling also has the fourth best-selling tequila in the US, in the form of Rio Grande Tequila.

As producers of XXX Siglo Treinta and Casa Noble, 123 Spirits is well-versed in tequila production and has developed a mid-price brand, XXX Tequila. "Ultra-premium, 100% Agave Tequilas are expensive, priced on a par with Cognac," said 123 Spirits president/CEO, David Ravindi, "while pouring brands are inexpensive and few possess any marketable attributes other than being cheap.

"XXX Siglo Treinta has struck the perfect bargain as a high quality, superior tasting tequila, with a modest price tag." The brand's key markets include its home of origin in the US, as well as the UK, Philippines, Thailand, Malaysia, Singapore, China and South Africa.

Cocktails remain a major plank of XXX's strategy with a push this year at the film, XXX2's premiere in the US and London, featuring the brand with pomegranate and orange juice.



Cocktails remain a major promotional plank for Tequila and the Margarita is easily the most popular. However as demand for Tequila continues apace, more and more cocktails are now on bar menus