Wine.Com Expands Into Connecticut

Leading Internet Retailer Acquires Local Fine Wine Retailer

SAN FRANCISCO, CA - 9/13/2007 - Wine.com, the #1 online wine store, announced today it is entering the Connecticut wine market with the acquisition of Chatham Spirits & Fine Wines of East Hampton, CT. Terms were not disclosed. Wine cannot be legally shipped into CT by out-of-state retailers, so the move enables Wine.com to ship wine to its online customers in CT from its new retail and warehouse location in East Hampton. The move makes Wine.com unique among its competitors who don't have a local facility in the state, which is the 17th largest state for wine consumption, according to Adams Wine Handbook, 2007.

The acquisition builds on Wine.com's national network of licensed retail centers, now operating in 10 states. Each center sources wine from in-state wholesalers and sells to in-state consumers. In some cases, a center is also legally permitted to sell and ship wine to other states. In all, Wine.com ships to 25 states plus the District of Columbia, which account for 75% of U.S. wine consumption, according to Adams Wine Handbook, 2007. Other online retailers and wine stores typically operate in only one state, making legal shipping to the majority of the country impossible.

"We've known the folks at Chatham for years, and they are great wine merchants and retail operators, with the attention to detail our customers demand," said Rich Bergsund, CEO of Wine.com. "Lea Coppola, previously of Chatham, will lead our Connecticut operation, running both the retail store and online fulfillment warehouse. We look forward to serving consumers and corporate gifting accounts in the state of Connecticut, and growing our business there over time."

"Of the top 17 wine consumption states, 12 can only be served with an in-state retail license and operation, sourcing from in-state wholesalers," said Mike Osborn, Wine.com Founder and VP of Merchandising. "Wine.com now operates in 10 out of 12, and no other online wine retailer operates in more than one. If they ship to more than one of the largest states, odds are they're doing it illegally, which will eventually catch up with them."

about wine.com

Wine.com is the nation's #1 online wine retailer, offering thousands of wines, wine gifts, gift baskets and monthly wine clubs. Wine.com's mission is to be the ultimate resource for the wine enthusiast, whether shopping for themselves or sending a gift. To this end, the company has been an innovator in providing online tools and content to make it easy and fun to discover and buy wine. Wine.com is the world's most visited wine web site, according to research conducted by comScore Media Metrix. For more information, visit http://www.wine.com.