

COMMERCE

Treasury Wine Estates to acquire Daou Vineyards

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The parent company of luxury wine brand Penfolds is pushing its portfolio toward the land of luxury with its latest purchase. Image credit: Treasury Wine Estates

By LUXURY DAILY NEWS SERVICE

Australian winemaking conglomerate Treasury Wine Estates is doubling down amid the world's largest luxury wine market.

The company has acquired California-based Daou Vineyards for an upfront consideration of \$900 million. Announced Oct. 30, the purchase of a promising brand is set to strengthen and accelerate Treasury Wine Estate's presence in the United States.

"The U.S. is the world's largest wine market and we're beyond thrilled to add Daou to our portfolio, cementing our position as a global luxury wine leader," said Tim Ford, CEO of Treasury Wine Estates, in a statement.

"This is a transformative acquisition that will accelerate the growth of our luxury portfolio globally and paves the way for new luxury consumer experiences," Mr. Ford said. "Daou is an award-winning luxury wine business with an outstanding track record for growth and we have grand plans for Daou to become the next brand with the international scale and luxury credentials of Penfolds.

"With Daou, we will be well-positioned to connect with a new generation of wine lovers, combining tradition with innovation, culture-led experiences, and global distribution."

New horizons

The announcement sees Treasury Wine Estates, owner of luxury wine brand Penfolds, pushing further into the high-end food and beverage landscape.

The new buy brings the Daou brand, its 400 acres of vineyards, four boutique wineries and the Mountain Estate and hospitality site into the fold of the Australian conglomerate.

Seeking to expand in America, the parent company will need to ride out an ongoing market downturn for luxury spirits sales ([see story](#)).



Retailing for \$825, Daou Vineyards celebrated the 10th anniversary of a flagship wine with the Soul of a Lion Anniversary Collection. Image credit: Daou

Collections such as Patrimony Cabernet Sauvignon and Soul of a Lion are among the company's vintage offers. Daou Vineyards' cofounders and brothers Georges and Daniel Daou will remain highly involved in the company's operations.

"The last frontier has always been international, and as part of the Treasury Wine Estates portfolio, we have unlocked the potential to be amongst the highest-end wines for consumers to enjoy globally," said Georges and Daniel Daou, in a joint statement.

"In Treasury Wine Estates, we have found a partner that not only understands the value of our brand and the premium assets we have cultivated but also the importance of ensuring that we maintain a relentless focus on quality and craftsmanship as we step into our future," the brothers said. "Both companies are change leaders and by joining forces, we will continue to boldly disrupt the industry and bring the very best in wine and luxury experiences to consumers around the world."

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