



# Albuquerque INDEPENDENT

JOHN AND CAROL ZONSKI HAVE MADE JUBILATION WINE & SPIRITS  
A MARKET LEADER IN NEW MEXICO

BY ANGEL ANTIN • PHOTOGRAPHY BY JEN JUDGE

Albuquerque, New Mexico, is an hour's drive from the glitz of Santa Fe. Defined by its Hispanic heritage and Route 66 lore, the metro area is home to more than 900,000 people. In Nob Hill, an eclectic neighborhood of independent businesses near the University of New Mexico, Jubilation Wine & Spirits sprawls over a triangular block across from a barber, a dry cleaner and a florist. The building is adobe, in keeping with the city's zoning laws, and the Sandia Mountains are visible from its parking lot.

Owners John Zonski and Carol Rivera Zonski greet customers by name. Shoppers are a mix of city professionals, workers from the University of New Mexico Hospital and employees of the U.S. Department of Energy's nearby nuclear research lab. In a market led by grocery, pharmacy and big-box chains, the Zonskis differentiate Jubilation by concentrating on boutique products and personal service. Carol grew up working part-time in the store, which her late father, Henry Rivera, opened in 1958 in Albuquerque's historic Old Town under the name Old Town Liquor Shoppe. John—formerly employed by the city of Albuquerque in public health—joined the business full-time in 1976, and Carol moved to full-time hours in 1982.



Carol Rivera Zonski and John Zonski have beaten the odds in the tough Albuquerque market, building Jubilation Wine & Spirits into a thriving single-unit business.



There are eight other retailers licensed to sell beverage alcohol within a one-mile radius of Jubilation, so the Zonskis compete by focusing on their strengths: vast selection, unique products gained through decades-long relationships with wholesalers, and exclusive spirits and beers developed in partnership with producers. It's challenging to thrive as a single-unit independent store in Albuquerque. For their company's longevity in a competitive market and their dedication to the beverage alcohol business, John Zonski and Carol Rivera Zonski have been named 2016 MARKET WATCH LEADERS.

## Playing To Their Strengths

"Even back in the 1970s, our emphasis on wine made us different from the chain stores, which focused on spirits and sold them as a loss leader," John says. "By the end of the decade, wine was growing in popularity with women, so we continued to emphasize it." During that time, Carol put out

Personal service is our priority. We can't always beat the chains on price, but we can beat them on service." The store's annual revenue tops \$5 million.

## Sharp Strategy

The Zonskis have tightened their focus in response to chain retailers' aggressive pricing. The market has become more competitive with the opening of two new locations of Total Wine & More in 2013. "We took a hit when Total Wine arrived, but we're back on track now," John says. Carol adds, "Total Wine's entry made things challenging for independent retailers, and several stores closed."

The same year that Total Wine entered the market, Jubilation launched its wine club program. Customers pay \$30 a month (\$40 in December and the same month as Easter) for two to three bottles of wine and come to the store to pick them up. "We wanted to introduce our customers to unfamiliar regions and varietals they'd normally walk right past," John says. In addition, wine club members receive a 12-percent discount on all wine purchases, the same as the store's case discount. Half-cases are discounted at 7 percent. "The customers trust us, so we have to choose wines that over-deliver," Carol notes.

New Mexico introduced Sunday sales in 1997, and John, Carol and Tasha work every day alongside 13 part-time employees. Jubilation measures about 6,250 square feet, with over 4,550 square feet dedicated to retail space. It feels like a treasure trove, with product displays everywhere. Shelf talkers with the New Mexico flag highlight dozens of local products, including case stacks of sparkling wine from Albuquerque's Gruet Winery. The Gruet Blanc de Noirs (\$16 a 750-ml. bottle) is the brand's top-seller at Jubilation.

The store hosts tastings and events to engage and educate customers—about twice a month for wine, once a month for spirits and two to three times a month for beer. Additional events take place at Nob Hill restaurants. In the last couple of years, Jubilation has bolstered its connection to on-premise establishments by cohosting events, sharing single-barrel spirits and displaying store signage that notes where customers can taste products on-premise. The company uses Facebook, Twitter and an email list of 2,500 subscribers to promote the events, as well as buying radio and television spots. John, Carol and Tasha also make themselves available to TV crews taping segments on their industry.

Location is important for Jubilation. The store's proximity to Albuquerque International Sunport makes it a first stop for many tourists. The airport also serves Santa Fe, where flights have been cut back. Jubilation's digital billboard,



*Spirits comprise a quarter of overall sales, and American and Scotch whiskies are thriving. Jubilation regularly features exclusive bottlings of Tequilas and whiskies.*

flowers and answered female shoppers' questions to make them feel at ease. The couple moved the store to Nob Hill and updated the name in 1988. Their daughter, Tasha Zonski-Armijo, who serves as general manager, also grew up working part-time in the store and joined full-time in 2004.

"Working together brings us a lot of satisfaction, and we know how to compromise," John says. "Carol is a problem-solver, and she's great at dealing with customers. Tasha is a third-generation retailer, and she brings her knowledge of technology to the business." Carol says John also relates well to customers and is a walking catalog of product knowledge. "We greet every customer and explain our products," John explains. "Carol's dad did the same thing.

located outside the building, is visible from several thoroughfares, and the Zonskis program it to promote events, sales and unique products. Because there are no department stores in Nob Hill, Jubilation does a brisk business in Riedel glassware and decanters, as well as cocktail shakers and other accessories. “Nob Hill residents love to support local businesses, and they’re very loyal,” Carol says.

## Wine Focus

The store boasts 10,000 wine SKUs, from the 2012 De La Cruz New Mexico Syrah (\$6 a 750-ml. bottle) to the 2008 Vérité La Muse Sonoma County red blend (\$500). Wine comprises 30 percent of overall sales, and domestic red blends dominate in volume. Top-selling wines include the 2013 Tie-Dye North Coast red blend (\$18 a 750-ml. bottle) and the 2014 Josh Cellars Cabernet Sauvignon (\$15). The 2013 M. Chapoutier Les Vignes de Bila-Haut Côtes de Roussillon red blend (\$17) and the 2015 Bieler Père et Fils rosé (\$13) also do well.

International wines are organized by country, then varietal, while domestic wines are organized by varietal. The store’s high-end wines are displayed in a climate-controlled, walk-in cellar with custom wood shelving and a mural of the Sandias. Some regulars head straight to this area for wines like the 2006 Louis Roederer Cristal Champagne (\$270 a 750-ml. bottle), the 2012 Opus One (\$254) and the 2012 Turley Napa Valley Hayne Vineyard Petite Sirah (\$85). Zonski-Armijo creates eye-catching wine displays around the store, including wines with ratings of 90 points or above, selections from the store’s wine club and under-\$20 value buys.

### KEY FACTS: JUBILATION WINE & SPIRITS

#### Names of Leaders:

John Zonski and Carol Rivera Zonski

#### Titles: Owners

#### Founded: 1958

#### Number of Stores: One

#### Location: Albuquerque, New Mexico

#### Annual Revenue: More than \$5 million

#### Sales Breakdown:

30-percent wine, 25-percent spirits, 25-percent beer, and 20-percent other items, such as mixers and glassware

#### Number of Employees: 16

#### Website: Jubilationwines.com

#### Future Plans:

The Zonskis will continue to grow the business in its current location and focus on unique products and personal service.



*Jubilation (exterior pictured above) offers 3,000 beer SKUs, including exclusive collaborations with local brewers. The Zonskis and their daughter, Tasha (top), manage operations.*

Jubilation specializes in Spanish, Argentine, French and Portuguese wines, as well as top-shelf California reds. The store carries 85 Spanish wines, ranging from the 2014 Viña Borgia Garnacha (\$10 a 750-ml. bottle) to the 2012 El Nido Jumilla (\$151). “Our customers are familiar with Rioja, but now they’re discovering Ribera del Duero, Priorat and other winegrowing regions in Spain,” Carol says. “Importers like Jorge Ordoñez and Eric Solomon have done a lot to build that consumer awareness.” Argentine wines are thriving as well, and Jubilation features 40 SKUs in the segment, including the 2014 Alamos Selección Mendoza Malbec (\$19) and the 2009 Gauchezco Oro Mendoza Malbec (\$43). The store also offers about 40 Portuguese wines, which are gaining traction. The 2015 Gazela Vinho Verde (\$9.50) is the top-seller, and the 2012 Periquita Reserva (\$19) also does well. “Our customers are embracing Portuguese wine,” Carol says. “We tell them if they enjoy Spanish wine, they’ll like Portuguese too.”

Another Spanish wine is also thriving: Sherry has made a comeback in the last 18 months, and Jubilation now has a range of 28 SKUs. Lustau is the top-selling brand, with seven offerings ranging from the Fino Jarana (\$23 a 750-ml. bottle) to the East India Solera Sherry (\$34). Sake has also taken off in the last year, spurred by a special in-store tasting, and Jubilation has doubled its range to 35 selections. Sales of Joto Daiginjo (\$47 a 720-ml. bottle) and Old Mountain Yamahai Jikomi (\$30) do well.



## Spirits And Beer

American and single malt Scotch whiskies lead spirits sales—which account for 25 percent of overall revenue—and overtook Tequila in volume a few years ago. The store carries 3,500 spirits SKUs, from Martin Miller's gin (\$1.17 a 50-ml. bottle) to The Balvenie 30-year-old single malt Scotch (\$910 a 750-ml. bottle). The top-selling spirit is the locally-made Taos Lightning Straight rye whiskey (\$34), a Jubilation exclusive single-barrel selection. Local spirits are hugely

Driven by the on-premise cocktail culture, sales of Italian bitter liqueurs are also strong. Campari aperitif (\$17 a 750-ml. bottle) is Jubilation's second top-selling spirit. And although they were a hand-sell at first, the store's six Japanese whiskies have caught on, including Akashi blended whisky (\$45) and Mars Shinshu Iwai Tradition blended whisky (\$53).

Jubilation offers 3,000 beer SKUs, from Hofbräu Original Munich lager (\$3 a 500-ml. bottle) to Marble Brewery's Tesla American wild ale (\$23 a 22-ounce bottle)—one of

the store's exclusive offerings, aged in a reused spirits barrel. Local craft labels dominate beer sales, including top sellers Elevated IPA from La Cumbre Brewing Co. (\$10 a four-pack of 16-ounce cans) and Marble Brewery IPA (\$9 a six-pack of 12-ounce cans). Single bottles, bombers and ciders chill behind seven cooler doors, while six-packs and cases of imported and major domestic brands are stacked in a wall-length open cooler. Japanese beers have gained traction in the last year, with Hideji Brewery's Kuri Kuro Dark Chestnut ale (\$5.50 an 11.2-ounce bottle) and Kiuchi Brewery's Hitachino Nest Barrel Edition XH sour ale (\$6) proving popular. John says that when the store announces new and limited-edition brews on Twitter, beer enthusiasts show up within 10 minutes ready to buy.

## Community Leadership

Just as Jubilation is an Albuquerque institution, John and Carol are pillars of the community. Carol serves as president of the Archbishop's School Fund, which offers tuition assistance to students at 17 Catholic schools. For 38 years, Jubilation has donated wine to the group's annual dinner for 800 guests. It also supplies wine to the annual dinner of the Children's Cancer Fund of New Mexico, which provides programs and services for children receiving treatment at the University of New Mexico Hospital's Pediatric Oncology unit. Throughout the year, Jubilation makes in-kind donations to several school and church auctions—usually magnums of hard-to-find wines.

Carol says the store will continue to engage customers through social media and cooperate with other Nob Hill businesses. Earlier this year, John and Carol joined with other independent retailers to form the New Mexico Grocers' Liquor Cooperative. The group aims to increase its shared buying power by placing larger orders, thus leveling the playing field for independent stores. The Zonskis plan to grow the business in its current location rather than opening more stores. "We're in this for the long haul," John says. **mw**

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*With 10,000 wine SKUs covering all price points, Jubilation does a brisk business in domestic red blends, as well as Spanish, Argentine, Portuguese and French labels.*

popular, and earlier this year Jubilation hosted a free tasting of products made by members of the New Mexico Distillers Guild. "The number of craft distilleries in New Mexico has soared," Carol says. "The state has an easy licensing process for distilleries and breweries, and they've done well since the recession."

The store does a brisk business in exclusive spirits. "Our single barrel program is huge, and it gives us an edge over the chains," John says. Recent offerings included Patrón Reposado Tequila (\$50 a 750-ml. bottle), Santa Fe Colkegan single malt whiskey (\$50) and Old Forester Bourbon (\$40). The store uses the empty barrels from its bottlings to age exclusive beers made by Albuquerque's Marble Brewery before repurposing them for spirits displays.

John says single malt Scotch whisky is on fire, and unique bottlings are increasingly hard to get. Jubilation often receives New Mexico's entire allocation of a rare Scotch—sometimes just six bottles. While smoky Scotches from Islay resonate with millennial consumers, John notes that Highlands and Lowlands Scotches appeal to baby boomers. Laphroaig Original Cask Strength 10-year-old (\$70 a 750-ml. bottle) and The Macallan 12-year-old (\$69) both sell well.