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Crimson Wine Group reports 20% quarterly sales growth from the Raeburn acquisition

The company said direct-to-consumer sales fell 5% after wine clubs softened and visitors spent less in tasting rooms.

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Crimson Wine Group reported a 20% increase in second-quarter net sales, but nearly all of that growth came from the addition of Raeburn wines after the company's February acquisition, while its direct-to-consumer business continued to weaken.

In its quarterly report on Form 10-Q filed with the Securities and Exchange Commission on Aug. 6, the luxury wine company said net sales for the three months ended June 30 rose to $20.473 million from $17.001 million a year earlier. That was an increase of $3.472 million.

The main driver was wholesale. Sales through that channel climbed 38% to $13.567 million, up from $9.800 million in the same quarter of 2025. By contrast, direct-to-consumer sales fell 5% to $5.990 million from $6.305 million, a decline of $315,000.

The split between the two channels points to a different picture than the headline revenue gain suggests. Crimson said the increase in wholesale sales came primarily from adding Raeburn to its portfolio. Exports were comparable with the prior year, according to the filing, and the company's other brands showed little growth. That means the quarter's 20% increase did not reflect a broad-based rebound in underlying demand across the business.

The pressure was most visible in direct sales, an area that has become more important for many premium wineries because it usually carries higher margins than wholesale distribution. Crimson's filing indicated softer performance in wine clubs and tasting-room activity, along with lower average spending per visitor. Those trends weighed on results even as the company expanded its wholesale reach with the newly acquired Raeburn labels.

For the first six months of 2026, the same pattern held. Net sales rose 23% to $38.737 million. Wholesale sales increased by $8.128 million, or 46%, while direct-to-consumer sales fell by $737,000, or 6%. The figures cover luxury wine sales in the United States for the January-through-June period.

The results show how an acquisition can change the appearance of growth in a wine company at a time when parts of the premium market remain under pressure. In Crimson's case, wholesale volume benefited from bringing in a new brand family, but

that boost did not offset signs of weaker engagement in the company’s own consumer-facing channels. The decline in direct sales is notable because tasting rooms and wine clubs are often the places where wineries have more pricing power and a closer relationship with buyers.

Crimson did not provide case sales by channel in the filing, making it harder to separate changes in price from changes in volume. The company also did not offer enough detail to fully isolate how much of the quarter’s performance came from higher shipments, pricing actions or the contribution from Raeburn. That limits direct comparisons with last year and makes it difficult to judge the pace of organic growth.

The company’s own disclosure suggests the comparability issue is significant. Because Raeburn was acquired in February, the current year includes revenue that was not part of Crimson’s portfolio in the same period of 2025. Without that addition, the increase in wholesale sales would have been much smaller, given that exports were roughly flat and other labels barely moved.

The filing covers preliminary financial statements, which are subject to the normal limits of quarterly reporting. Even so, the second-quarter results make clear that Crimson’s revenue growth in the first half of 2026 came from acquisition-led expansion in wholesale distribution, while its direct business, including wine clubs and tasting-room spending, moved in the opposite direction.