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Crimson Wine Group reported 20% higher quarterly sales after the Raeburn acquisition

Direct-to-consumer revenue fell 5%, suggesting the company’s growth came chiefly from the new brand rather than stronger demand

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

In a quarterly report filed with the Securities and Exchange Commission on Aug. 6, the Napa-based luxury wine producer said net sales for the three months ended June 30 reached $20.473 million, up from $17.001 million a year earlier. That was an increase of $3.472 million, or 20%, in the April-to-June period.

The strongest change came in wholesale. Sales through that channel rose to $13.567 million from $9.800 million, a gain of $3.767 million, or 38%. By contrast, direct-to-consumer sales fell to $5.990 million from $6.305 million, down $315,000, or 5%.

For the first six months of 2026, Crimson reported net sales of $38.737 million, up 23% from the same period last year. Wholesale sales increased by $8.128 million, or 46%, in the first half, while direct-to-consumer revenue declined by $737,000, or 6%.

The filing makes clear that the second-quarter gain did not come from a broad-based recovery across the company’s business. Crimson said the increase in wholesale revenue was driven mainly by the inclusion of Raeburn wines, which were not part of the prior-year period. Exports were roughly in line with 2025, and the company’s other brands posted little growth.

That matters because direct-to-consumer sales, which include wine club shipments, tasting room purchases and other sales made without a distributor, remain one of the most closely watched parts of the premium wine business in the United States. Those sales often carry higher margins and offer a clearer reading of consumer demand at the luxury end of the market. In Crimson’s case, that part of the business moved in the opposite direction from the headline revenue number.

The filing points to continued pressure in areas tied to visitor spending and club demand. While the company did not provide full case-volume detail by channel, the results indicate that weaker wine club performance, softer tasting room activity and lower average spending per visitor weighed on direct sales during the quarter. That trend stands out because it suggests the 20% top-line increase was acquisition-led

rather than organic.

Crimson’s portfolio includes luxury wine brands with a strong presence in California and the Pacific Northwest, and its performance is often read as a signal for the higher-priced domestic wine segment. The company’s latest report arrives as many wineries continue to navigate uneven demand, especially in channels that depend on tourism, club loyalty and discretionary spending. Wholesale can provide scale and broader distribution, but direct sales are usually more profitable and more sensitive to shifts in consumer behavior.

The Raeburn deal changed the year-over-year comparison in an important way. Because the brand was acquired in February, the 2026 periods include revenue that was not present in 2025. That makes it harder to separate how much of Crimson’s growth came from underlying demand and how much came from adding a new business. The company also does not provide enough detail to fully break out the impact of pricing versus volume.

That limitation is important for anyone trying to judge the health of the business beyond the headline figures. Without case sales by channel, it is not possible to determine from the filing alone whether consumers bought fewer bottles, traded down on price, or simply spent less per visit in tasting rooms. The interim nature of the financial statements adds another layer of caution, since quarterly figures can shift as the year progresses.

Even so, the direction of travel is clear in the latest numbers. Crimson’s wholesale business expanded rapidly in the second quarter because of the Raeburn acquisition, while its direct channel shrank in both the quarter and the first half. For a luxury wine company, that split is significant because it shows growth in reported revenue at the same time that some of the most valuable parts of the business remain under pressure.