

PERNOD RICARD USA

Video Release 28th May 2026 07:30 CEST

Conor McQuaid CEO Pernod Ricard North America

-START-

Hello everyone and thank you for joining me.

Over the past year, Pernod Ricard U.S.A. has been on a deliberate journey to strengthen our business in what has been a challenging and fast-changing market.

Our priority remains unchanged: closing the gap to market.

We have been clear eyed about the headwinds facing our category - from affordability pressures to shifting consumer behaviors - and we recognize that this market continues to evolve at pace.

Our strategy remains consistent, but we are getting sharper about how we turn insight into action, using data, AI, and technology to improve the speed of decision making.

Let me take you through how we see the U.S. market, what we've changed, and importantly how we are building momentum for the future.

Compared to last year, the U.S. market has softened, with bottled spirits excluding RTD year to date at around minus 5% in value, and we are seeing that affordability pressure has become the most persistent challenge.

Our view remains that current pressures on the U.S. market are primarily cyclical, but not exclusively so.

Economic moderation, inflation, and consumer apprehension are the dominant drivers of softness today. At the same time, we recognize that consumer behavior is evolving, and that health and wellness, moderation, GLP-1, and generational shifts are also having an impact on spirits consumption.

Consumers are not disengaging from spirits, but they are drinking differently.

Overall spirits consumption and household penetration remain broadly stable, and spirits continue to hold share against beer, supported in part by the growth of RTDs.

We are adapting to this context and addressing six key consumer insights.

We're bringing bold brand activation and recruitment to maintain spirits relevance; sharper RGM, affordability, and smaller formats to address economic pressure; RTDs and convenience formats to meet the search for ease and convenience; and experience led activation and cultural partnerships to satisfy a growing desire for connection.

Innovation continues to play a critical role in creating genuine new news and retail theatre, while wellness and moderation trends reinforce the importance of no and low alcohol options and appropriate formats.

Against this backdrop, we believe Pernod Ricard is well equipped with a premium, diversified portfolio and the execution capabilities to meet consumers where and how they want to drink today.

Now let's look at the Pernod Ricard picture across the U.S.

As I said at the top, our priority has not shifted, but we are adapting with greater speed and clarity for an evolving market.

We continue to focus on three critical areas:

- Sharper portfolio prioritization
- Stronger execution
- A more focused organization

Adapting these around a changing market at pace and with decisiveness is pivotal to our goal of closing the market gap.

Let's start with the portfolio.

We've been clear about the role each brand plays and where we lean in.

That means concentrating resources behind our Power and Explode brands.

Across our priority brands, we're responding to the clear set of consumer trends previously mentioned with focused execution.

The levers we're operating with include:

- Bold Activation to support relevance
- RGM Effectiveness to support economic pressure
- RTD's to support convenience
- Cultural Partnerships and on-premise focus to support desire for connection
- Scaled innovation to support new consumer needs and search for 'newness'
- And Small formats which we believe has a role across all these insights

Turning these insights into action at speed is central to how we're operating today — and Malibu Pink is a clear example of that.

Last year Malibu was under pressure; we analyzed the reasons for softness and identified clear areas for new innovation to target.

Pink transformed the shelf, the activation, and the conversation around the brand —bringing together cultural partnerships, fun flavor, and small formats to deliver affordable innovation and renewed relevance.

It's a good illustration of how we respond decisively to the trends shaping the category.

Beyond the products, we've also stepped up our approach to experiential activations to hit the connection insight. Leading with Jameson in particular, we're building on our partnership with the MLS and our new "It's What You Bring" campaign, ahead of a big summer of sports in the U.S.

Alongside this renewed portfolio focus, we've strengthened execution capability.

Over the past year, we've reset our route to market, strengthened our commercial leadership team, and upgraded key capabilities across RGM, on-premise, and brand advocacy.

The distributor landscape has evolved through a combination of expansion, consolidation and RNDC market changes, and we've adapted with speed and purpose.

We made targeted, capability-driven distributor adjustments with one objective: unlocking long-term, sustainable growth across our U.S. portfolio.

Structurally, we're now set up to move efficiently, with a clearer focus across Mainline brands, RTDs, and GEM incubation.

We now work with 10 wholesalers to place the right brands, with the right partners, in the right states.

Our execution in National & Regional chains – like Total Wine & More or Kroger - remains a strength, while on-premise execution is improving under new leadership, allowing us to capture value more effectively across channels.

Finally, we've further simplified the organization, clarified accountability, and empowered teams to move faster and execute better.

We're doing this by embedding data, AI, and technology directly into how work gets done — from everyday productivity, through tools like Copilot Chat, to targeted, rolespecific AI supporting Sales, Marketing, Operations, and HR.

The result is greater speed, sharper decision-making, and more focus on what matters most: closing the gap to market.

With that framework in mind, let me now focus on the portfolio, and particularly our six Power Brands, which represent around 70% of NNS and sit at the core of our U.S. growth ambition.

For each of these brands, we're deliberate about where we focus, based on the consumer opportunity, the brand proposition, and how we can win.

I'll start with Jameson which remains a cornerstone of our portfolio with an opportunity for growth through new audiences, a new portfolio line-up and by taking share from the NAW category.

The brand demonstrated its resilience despite a soft market with sell-out slightly ahead of its competitive set in Q3 and maintaining strong on-premise credentials.

A key driver of that momentum is how Jameson shows up where people want to connect.

We are doubling down on experience led and cultural moments — from the return of the industry favorite Bartender's Ball, to our MLS partnership and the new "It's What You Bring" soccer fandom campaign — helping us reach important voices in the on-premise as well as new, more diverse audiences to reinforce Jameson's role at the heart of social occasions.

At the same time, we have strengthened the full Jameson portfolio — from a deeper focus on Black Barrel to our latest innovation Triple Triple which provides affordable trade-up from the brand they love.

Turning to Absolut.

Absolut remains one of the most recognized spirits brands in the U.S., and over the past year, our focus has been on rebuilding momentum through innovation, brand activation, and a more focused RTD portfolio.

Absolut Tabasco is a major global innovation for the brand, tapping into flavor through the spice trend, and culinary culture. While it's still too early to assess, the brand saw an improvement in performance following the Q3 Tabasco launch compared to Q2.

Alongside experience-focused core brand activations and a new look RTD portfolio – highlighted by the launch of Absolut Refreshers - our priority is to execute with

consistency, strengthen Absolut's position across off and on-premise, and drive steady improvement versus the category.

Kahlúa remains the global leader in coffee liqueur, benefiting from the espresso martini— an occasion rooted in connection and cultural relevance — and continues to

outperform its competitive set through focused partnerships and experiential activation.

Through partnerships like Kahlúa Dunkin', fresh creative, and selective experiential activations such as Wicked, we are reinforcing the brand's relevance and expanding occasions. This disciplined approach supports our ambition for Kahlúa to continue leading and outperforming the cordials category.

Malibu is the number one flavored rum in the U.S., with strong relevance in lighter, social occasions and the highest household penetration of any brand in our portfolio.

The brand is gaining momentum as we head into the key summer period, with recent performance improving meaningfully and outperforming its competitive set in the latest quarter.

I've already gone through Malibu Pink in detail, but this momentum reflects a more focused approach — combining innovation like Malibu Pink, partnerships with Dole, and a summer-led experiential activation — to recruit new consumers through convenient formats while maintaining leadership in rum RTDs.

The Glenlivet remains the category leader for Single Malt - performing in line with the category - with more than twice the volume of its nearest competitor.

We are strengthening the Masterbrand campaign while using targeted annual innovation, like Jamaica Cask, to reignite interest and build both profitability and brand halo, particularly during important holiday gifting seasons and the on-premise.

Finally, Skrewball — the original peanut butter whiskey and category creator. We're seeing improved momentum and have eased its decline following issues with distributor handover and small size availability.

Our brand building is focused on increasing onpremise visibility and scaling trial through smaller formats, innovation, and cultural relevance. Including the reintroduction of the much sought after Skrewball cans and the launch of a new innovation – the American classic - Peanut Butter & Jelly.

Beyond our Power Brands, Código continues to build for the long-term growth within agave, with disciplined expansion, while Jefferson's is entering its next chapter with renewed brand focus, visual identity, packaging and Masterbrand campaign, combined with longer-term supply confidence.

RTDs remain the standout growth category in the U.S. While we remain underweight, our approach is disciplined, using RTDs as a recruitment engine into our bottled spirits and a core part of our convenience strategy alongside bolstering our smaller format offerings.

Across the portfolio, the common thread is focus, clarity, and consumer relevance.

Increasingly, that relevance is built not just through products and campaigns, but through experiences — moments where our brands connect with people in real life, through culture, sport, and celebration.

Let's take a look at how we've stepped up our activations.

- video

Turning briefly to performance.

While the market showed a modest improvement in Q3, bringing the year to date to minus 5%. The consumer backdrop remains challenging, with discretionary spending still under pressure from inflation and interest rates.

Against this environment, our performance also improved, moving from minus 7% in Q2 to minus 6% in Q3. Importantly, our gap to the market remained stable at around 2 points— marking a clear improvement versus last year.

Our key brands—Jameson, Absolut, Kahlúa, and The Glenlivet—are now performing at or ahead of our competitive set, reflecting stronger and more consistent execution.

We also saw tangible improvement in Malibu and Skrewball during the quarter, supported by innovation and expanded formats, which are helping to rebuild momentum.

These are encouraging trends, but we know there is more to do.

Our focus is on accelerating further in Q4 and the start of the next fiscal.

Looking ahead, the year is about execution, consistency, and acceleration.

Our focus remains on closing the gap to market. We'll do this through:

- Relentless execution behind Power Brands
- Continued innovation momentum
- Maximizing value across channels
- And embedding the organizational and route-to-market changes we've made.

We have moved the right resources into the right places, and we are confident in the path forward and the people delivering it.

So, in summary—we have a lot done, and more to do.

We are operating with greater focus, moving with more speed, and executing with more discipline.

And while the environment remains demanding, I am confident that Pernod Ricard U.S.A. is stronger, more agile, and positioned for sustainable growth.

Thank you.

-END-