CRAFTED PROOF

SEGMENT REVIEW

High proof: the segment changes hands

High-proof tequila kept growing through a category decline. The growth moved from additive-free craft brands to the majors, the proof settled at 100, and the price came down. **A full read of the sub-segment, and the next twelve months.**

PUBLISHED	AUTHOR	SCOPE
SEPTEMBER 2026	DAVE WILEY	US TEQUILA · MAR 2023 – AUG 2026

Story, backed by proof.

SUMMARY

The reading

FINDING Nº 01

Growth held, and it changed hands. High-proof core tequila closed the 52 weeks to 29 August 2026 at $26.8M, up 5.3%, inside a tequila category down 4.3%. Additive-free brands built this segment and held 88% of it a year ago. They lost $1.35M net this year while conventional majors added $2.7M. The additive-free share is 78% for the year and 72% for the summer quarter.

FINDING Nº 02

100 proof is now the number. Items bottled at exactly 50% ABV grew 72% to $8.8M, a third of the segment. The 102-to-110 proof band fell 41%. Brands moved their flagships down to 100 and the majors entered there. Patrón's first 100-proof blanco sold $1.65M in its first 24 weeks.

FINDING Nº 03

Price and format moved down. Units grew 42% against 5% for dollars, and the average bottle fell from $66.63 to $49.42. The 375ml went from 3% to 8% of dollars and now carries one in four units. Ultra and luxury tiers fell from 71% to 55% of the segment's dollars.

FINDING Nº 04

Distribution still carries the growth, and the base is eroding. Average points of distribution grew 14% for the year and 32% in the summer quarter. Velocity fell 8% for the segment and 9% for items sold in both years. Launches are fewer and bigger: 30 in two years, with the median launch selling 20 times what the median launch of the prior period sold. The base case for the next 52 weeks is $29.7M, up 11%, and most of that is one launch annualizing.

72%

ADDITIVE-FREE SHARE OF HIGH-PROOF DOLLARS IN THE LAST 13 WEEKS. IT WAS 85% A YEAR EARLIER AND 91% AT THE PEAK.

SECTION Nº 01 · THE SEGMENT

Half a percent of tequila, growing while the category shrinks

High-proof core tequila is every item above 42% ABV in the four aging segments: white/silver, reposado, añejo and extra añejo. In the 52 weeks to 29 August 2026 it sold $26.8M at retail in the Nielsen off-premise universe, up

5.3% on the prior 52 weeks and up 76% on the 52 weeks before that. It is half a percent of a $5.4B category.

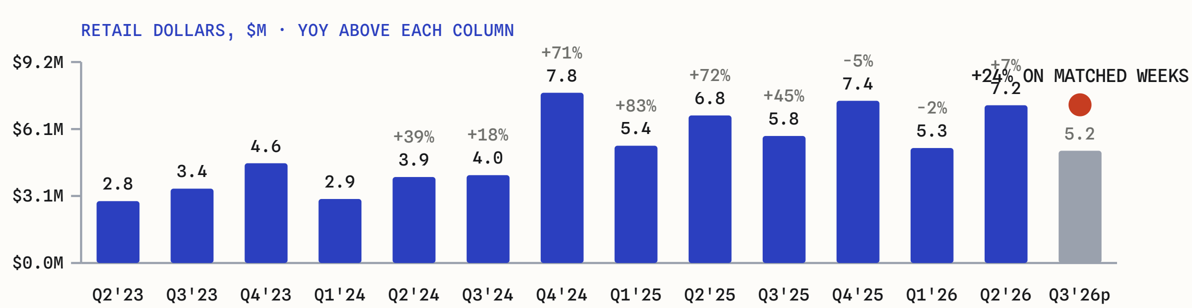
The category around it is shrinking. NIQ's own period aggregates put tequila at $5,404M for the same 52 weeks, down 4.3% in dollars with units up 4.5%. DISCUS reported tequila and mezcal supplier revenue down 4.1% to $6.4B in 2025 on volume down 0.3% (1). Circana had off-premise tequila dollars down 1.4% in the 52 weeks to 19 April 2026 with volume flat (2). Impact Databank counted 2025 as an all-time volume high near 32 million cases, with consumers migrating to the middle of the price range (3). More bottles, fewer dollars, and trading down: that is the category the segment sits in.

Additive-free tequila as a whole grew 21.8% in the same 52 weeks and holds 9.0% of category dollars. In 2024 and 2025 high proof was the fastest-growing corner of that movement. In 2026 the movement is growing faster than the segment it helped create, and Section 02 shows why.

FIG. 01 · HIGH-PROOF CORE TEQUILA DOLLARS BY QUARTER

Q2 2023 – Q3 2026

Growth stalled across the year boundary, then came back with one launch.



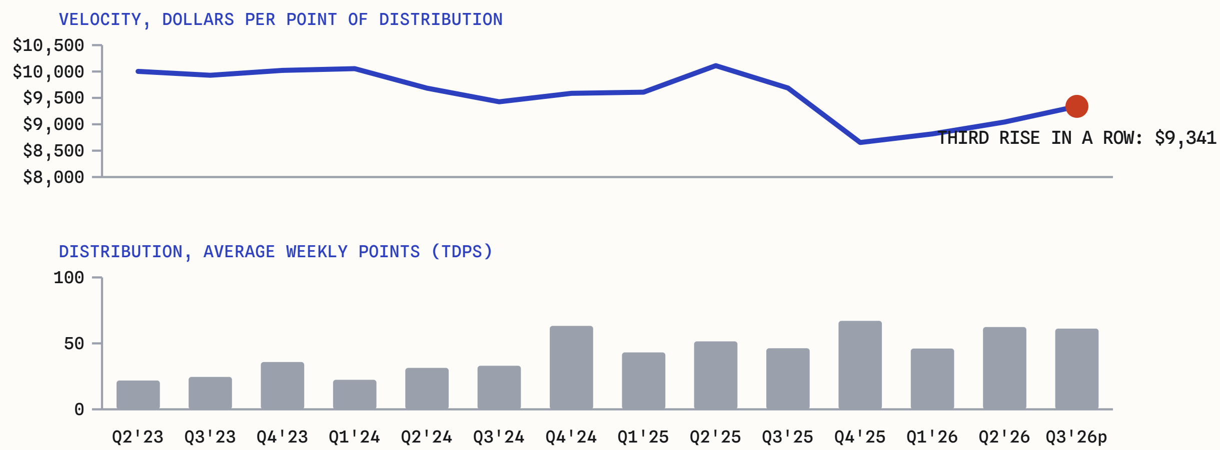
SOURCE: NIELSEN BYZZER OFF-PREMISE SCAN DATA, TOTAL US (FMCG + LIQUOR OPEN STATE + CONVENIENCE). Q3 2026 IS THE NINE WEEKS TO 29 AUG AND IS SHOWN IN STEEL; ITS CHANGE IS AGAINST THE MATCHED NINE WEEKS OF 2025. DATA BEGINS MARCH 2023, SO Q1 2023 IS OMITTED.

The quarterly ledger shows the turn. Growth ran hot through 2024, slowed through 2025, and went negative across the year boundary: Q4 2025 down 4.7%, Q1 2026 down 2.0%. Then it came back. Q2 2026 finished up 6.9% at $7.24M, and the first nine weeks of Q3 are up 23.9% on the matched weeks of 2025. August alone was up 32%.

Most of that summer is one launch. Patrón 100 shipped nationally in April and sold $1.08M in the 13 weeks to 29 August, on 9.4 average weekly points of distribution. Take it out and the summer quarter grew 1.7%.

FIG. 02 · VELOCITY AND DISTRIBUTION, QUARTERLY — Q2 2023 – Q3 2026

Distribution keeps widening. Velocity has climbed for three quarters and is still below last summer.



SOURCE: NIELSEN BYZZER OFF-PREMISE SCAN DATA, TOTAL US (FMCG + LIQUOR OPEN STATE + CONVENIENCE). VELOCITY = DOLLAR SALES DIVIDED BY TOTAL POINTS OF DISTRIBUTION. Q3 2026 IS THE NINE WEEKS TO 29 AUG.

Distribution and velocity still move in opposite directions. Average weekly points of distribution rose from 50.2 to 57.4 for the year, and from 46.3 to 61.2 between Q3 2025 and the first nine weeks of Q3 2026. Velocity, dollars per point of distribution, fell 7.9% for the year to $8,970. The quarterly series has climbed for three quarters in a row off the Q4 2025 low of $8,655: $8,817, then $9,043, then $9,341. On matched weeks it is still 4.3% below last summer.

WHY VELOCITY STILL DECIDES IT

Distribution won by a major's sales force arrives fast and gets reviewed on the same clock as everyone else's. A point of distribution that does not move goes back at the next reset. The segment's velocity has held above $8,600 for a year and is recovering because the new items sell as fast as the old ones (Section 05).

The risk sits in the base. Items on sale in both years lost 9% of their velocity and a fifth of their distribution (Section 02).

SECTION Nº 02 · WHERE THE DOLLARS WENT

A $1.4M net gain built on $9.8M of gains and $8.4M of losses

The segment's growth is small and its churn is large. Set every item's latest 52 weeks against its prior 52 and the net gain of $1.36M breaks into $9.77M gained and $8.41M lost.

FIG. 03 · THE YEAR'S DOLLAR FLOWS BY KIND OF ITEM

LATEST 52W AGAINST PRIOR 52W

Ninety-one items that sold less outweighed ten launches and forty-seven items that sold more.

SOURCE: NIELSEN BYZZER OFF-PREMISE SCAN DATA, TOTAL US (FMCG + LIQUOR OPEN STATE + CONVENIENCE), 52 WEEKS ENDING 29 AUG 2026 AGAINST THE PRIOR 52. AN ITEM IS ONE NIQ PRODUCT DESCRIPTION. RE-ENTERED = SOLD IN THE LATEST YEAR, NO SALE IN THE PRIOR YEAR, LAUNCH DATE BEFORE THE PRIOR YEAR.

Ninety-one items sold less and gave back $8.36M. Forty-seven sold more and added $6.25M. Ten items launched during the year added $3.32M. Nine items that left cost $0.05M, so the losses sit inside items that stayed on sale. A year earlier the same ledger showed 74 decliners giving back $2.03M against 20 launches adding $5.28M. The decline column quadrupled and the launch column halved.

THE TEN LARGEST GAINS, BY ITEM

ITEM	PROOF	PRIOR 52W	LATEST 52W	CHANGE
Lalo Blanco 2025 edition, 750ml (AF)	100	$0.00M	$2.94M	+$2.94M
Patrón 100, 750ml	100	$0.00M	$1.65M	+$1.65M
Tequila Ocho Reposado barrel proof (AF)	101	$0.12M	$1.04M	+$0.92M
1800 Reposado, 375ml	90	$0.00M	$0.68M	+$0.68M
G4 Añejo (AF)	86	$0.00M	$0.44M	+$0.44M
Suerte Reposado (AF)	88	$0.04M	$0.45M	+$0.41M
1800 Blanco, 375ml	100	$0.75M	$1.12M	+$0.37M
Fuenteseca Extra Añejo (AF)	88	$0.15M	$0.48M	+$0.33M
1800 Blanco, 375ml	90	$0.00M	$0.31M	+$0.31M
Siete Leguas Blanco, 700ml (AF)	94	$0.19M	$0.45M	+$0.25M

SOURCE: NIELSEN BYZZER OFF-PREMISE SCAN DATA, TOTAL US (FMCG + LIQUOR OPEN STATE + CONVENIENCE), 52 WEEKS ENDING 29 AUG 2026 AGAINST THE PRIOR 52. (AF) = ADDITIVE-FREE. PROOF FROM NIQ ITEM CODING. 1800'S TWO 375ML BLANCOS ARE SEPARATE ITEMS AT 100 AND 90 PROOF.

THE SIX LARGEST LOSSES, BY ITEM

ITEM	PROOF	PRIOR 52W	LATEST 52W	CHANGE
Fortaleza Blanco (AF)	92	$2.81M	$1.13M	-$1.69M
Lalo Blanco 2024 edition, 750ml (AF)	108	$2.05M	$0.43M	-$1.62M
Tequila Ocho Plata (AF)	101	$0.98M	$0.11M	-$0.87M
Cazcanes Reposado (AF)	100	$0.93M	$0.43M	-$0.51M
Mijenta Blanco (AF)	100	$0.52M	$0.09M	-$0.43M
Tequila Ocho Añejo (AF)	96	$0.84M	$0.50M	-$0.34M

SOURCE: NIELSEN BYZZER OFF-PREMISE SCAN DATA, TOTAL US (FMCG + LIQUOR OPEN STATE + CONVENIENCE), 52 WEEKS ENDING 29 AUG 2026 AGAINST THE PRIOR 52. (AF) = ADDITIVE-FREE.

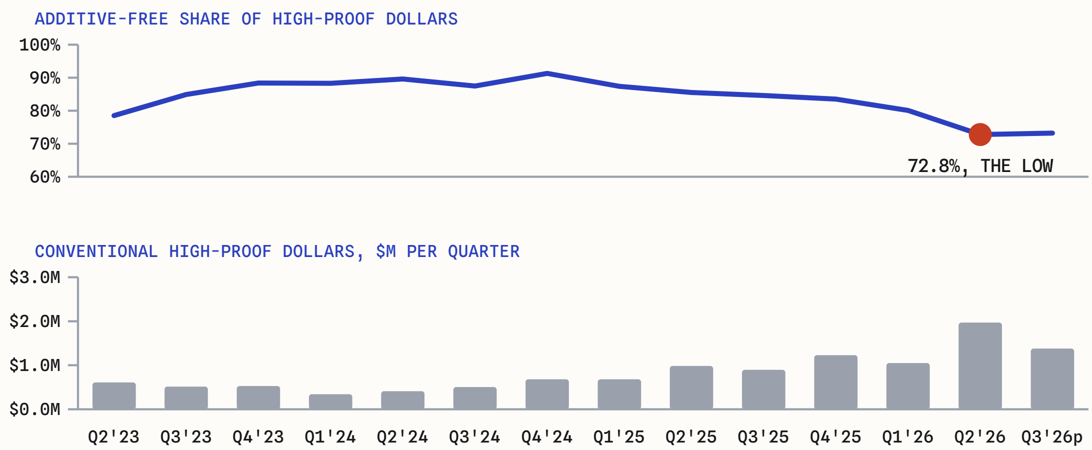
Three kinds of loss sit in that table. Allocation: Fortaleza's 92-proof blanco lost half its distribution, from 1.5 to 0.7 average weekly points, while its velocity stayed above $30,000, three times the segment. Edition turnover: Lalo's 2024 edition at 108 proof faded as the 2025 edition at 100 proof took its place, a net gain of $1.3M for the brand. Second-year fade: Ocho's 101-proof plata, Cazcanes' 100-proof reposado and Mijenta's 100-proof blanco each lost more than half their distribution in their second or third year.

Split the same flows by additive-free status and the story of the year appears. Additive-free items lost $7.71M through declines and won back $5.50M through growth and $0.67M through launches: a net loss of $1.35M. Conventional items lost $0.65M and gained $3.38M, of which $2.64M was launches: a net gain of $2.72M. All of the segment's net growth, and more, came from brands outside the additive-free set.

FIG. 04 · ADDITIVE-FREE SHARE OF THE SEGMENT, AND CONVENTIONAL DOLLARS

Q2 2023 – Q3 2026

The share fell in six of the last seven quarters while conventional dollars quadrupled.



SOURCE: NIELSEN BYZZER OFF-PREMISE SCAN DATA, TOTAL US (FMCG + LIQUOR OPEN STATE + CONVENIENCE). ADDITIVE-FREE PER THE JUNE 2026 CRAFT-LIST RECONCILIATION, APPLIED ACROSS HISTORY. Q3 2026 IS NINE WEEKS.

The additive-free share of the segment fell in six of the last seven quarters, from 91% in Q4 2024 to 73% in the summer of 2026. Conventional high-proof dollars went from about $0.5M a quarter in 2023 to $2.0M in Q2 2026.

Velocity tells the same story from the other side. The 48 items on sale for 40 or more weeks in both years lost 9% of their velocity and 20% of their distribution, and their dollars fell from $21.5M to $15.7M. Inside that group the additive-free items lost 12% of velocity while the conventional items gained 13%. Items new to the year sell at $9,396 per point, above the continuing base. The segment is replacing a slowing craft base with faster-selling items from bigger companies.

VELOCITY, SAME ITEMS AGAINST NEW ITEMS

GROUP	ITEMS	VEL. P52W	VEL. L52W	CHANGE	TDPS P52W	TDPS L52W
All high-proof items	178	$9,739	$8,969	-7.9%	50.2	57.4
On sale 40+ weeks in both years	48	$9,346	$8,502	-9.0%	44.2	35.4
of which additive-free	37	$9,273	$8,156	-12.0%	39.6	31.5
of which conventional	11	$9,962	$11,307	+13.5%	4.7	3.9
New to the latest year	17	n/a	$9,396			7.2

SOURCE: NIELSEN BYZZER OFF-PREMISE SCAN DATA, TOTAL US (FMCG + LIQUOR OPEN STATE + CONVENIENCE), 52 WEEKS ENDING 29 AUG 2026 AGAINST THE PRIOR 52. VELOCITY = DOLLARS DIVIDED BY TOTAL POINTS OF DISTRIBUTION OVER THE 52 WEEKS. THE ALL-ITEMS ROW COUNTS EVERY ITEM WITH A SALE IN EITHER YEAR.

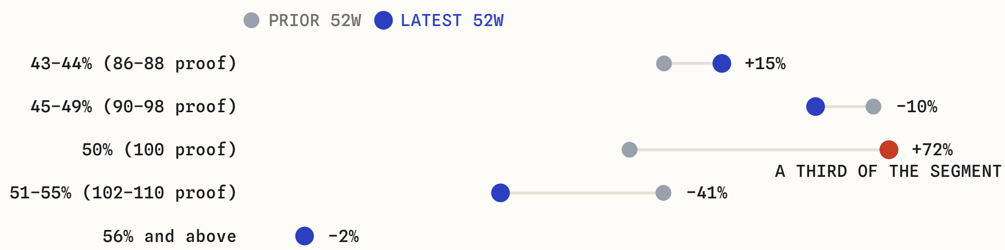
SECTION Nº 03 · THE PROOF POINT

100 proof becomes the standard

Group the segment by stated ABV and one band is doing all the work.

FIG. 05 · HIGH-PROOF DOLLARS BY PROOF BAND PRIOR 52W → LATEST 52W

Everything at exactly 100 proof grew. The band above it fell by two fifths.



SOURCE: NIELSEN BYZZER OFF-PREMISE SCAN DATA, TOTAL US (FMCG + LIQUOR OPEN STATE + CONVENIENCE), 52 WEEKS ENDING 29 AUG 2026 AGAINST THE PRIOR 52. STATED ABV FROM NIQ ITEM CODING. ITEMS WITH UNSTATED ABV ARE EXCLUDED.

Items at exactly 50% ABV, 100 proof, sold $8.8M, up 72% on the year and four times the level of two years ago. They are 33% of the segment, from 20% a year ago and 14% two years ago. Twenty-nine items from 13 brands sit there. Their velocity rose from $6,948 to $8,000 while their distribution grew 49%, and this is the only band where velocity and distribution rose together.

The band above it went the other way. Items at 51% to 55% fell 41% to $3.3M. Lalo's 108-proof 2024 edition, G4's 108 and Cazcanes' 108 all lost ground, and Lalo's 2025 edition came out at 100. The 45% to 49% band, which holds the 90-to-98-proof items, fell 10%: Fortaleza's 92 and Ocho's 96-proof añejo outweighed Herradura's 92 and 1800's 90-proof line. The 43% to 44% band grew 15% to $6.4M on aged items and stays 96% additive-free: Tears of Llorona at 86 proof, Fuenteseca, Suerte's reposado and G4's new añejo.

The reason 100 became the number is who arrived there. Patrón 100 launched in April at 50% ABV and $50, made entirely on tahona, and Bacardi aimed it at the on-premise (4). LALO's 2025 High Proof came out at 50% ABV, the brand's first distilled-to-proof release, at $74.99 across 41 states (5). 1800's high-proof blanco and reposado sit at 100 and 90 proof in a 375ml at about $16. Tequila Ocho's barrel-proof reposado is 101 proof at $84.99, 3,095 cases in two waves (6). Four of the six largest launches of the past two years landed within one proof point of 100.

SECTION Nº 04 · THE MIX

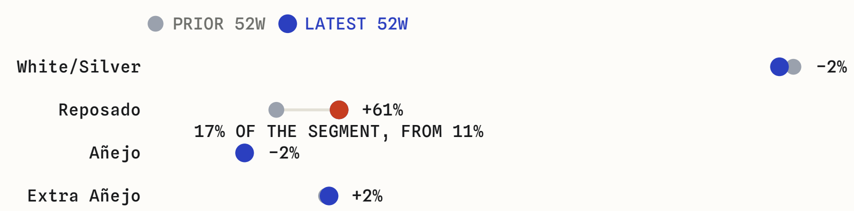
Reposado, the 375ml and the $49 bottle

Blanco built the segment and still holds six of every ten dollars, but its share fell from 65% to 61% and its dollars fell 2.2%. Reposado grew 61% to $4.45M and went from 11% to 17% of the segment. Añejo was flat at $1.9M, and extra añejo, which is mostly one brand, grew 2% to $4.2M.

FIG. 06 · HIGH-PROOF DOLLARS BY AGING SEGMENT

PRIOR 52W → LATEST 52W

Reposado is where the incremental dollars went.



SOURCE: NIELSEN BYZZER OFF-PREMISE SCAN DATA, TOTAL US (FMCG + LIQUOR OPEN STATE + CONVENIENCE), 52 WEEKS ENDING 29 AUG 2026 AGAINST THE PRIOR 52.

High-proof reposado is growing for the same reason reposado is the one core segment growing at all: reposado dollars in the category rose 2.1% while blanco fell 6.0% and añejo fell 11.3%. Five items carry the high-proof reposado gain: Ocho's barrel proof, 1800's 375ml, Suerte at 88 proof, Cambio at 92 and Lunazul at 90. Two of the five are conventional. Additive-free brands still hold 75% of high-proof reposado and 84% of high-proof añejo, against 74% of blanco.

Velocity moved with the mix. High-proof blanco velocity fell 13% to $7,475 as its distribution grew 13%. High-proof reposado velocity rose 14% to $9,263 on distribution up 39%. Reposado is the one segment where the new distribution sells faster than the old.

The bottle changed too. The 750ml is 73% of dollars, from 79%, and its dollars fell 1.5%. The 375ml went from $0.80M to $2.13M, from 3% to 8% of dollars and from 11% to 25% of units, on six items from two brands at an average $15.87. The 700ml, which is how Siete Leguas and Herradura ship their high-proof blancos, grew 72% to $0.94M. The 1L is $3.9M and almost all of it is one extra añejo.

HIGH-PROOF DOLLARS AND UNITS BY BOTTLE SIZE

SIZE	PRIOR 52W	LATEST 52W	CHANGE	SHARE OF $	SHARE OF UNITS	AVG PRICE	VELOCITY
750ml	$19.95M	$19.65M	-1.5%	73.4%	48.3%	$74.97	$8,547
1L	$3.99M	$3.86M	-3.1%	14.4%	3.0%	$236.77	$22,776
375ml	$0.80M	$2.13M	+167.8%	7.9%	24.8%	$15.87	$9,202
700ml	$0.55M	$0.94M	+71.8%	3.5%	3.2%	$53.72	$5,095
50ml	$0.14M	$0.20M	+43.3%	0.8%	20.6%	$1.80	$1,989

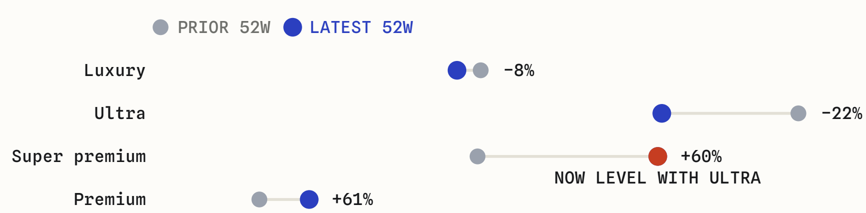
SOURCE: NIELSEN BYZZER OFF-PREMISE SCAN DATA, TOTAL US (FMCG + LIQUOR OPEN STATE + CONVENIENCE), 52 WEEKS ENDING 29 AUG 2026 AGAINST THE PRIOR 52. SHARES ARE OF THE LATEST 52 WEEKS. THE 1L IS ALMOST ENTIRELY ONE EXTRA AÑEJO AND ONE 120-PROOF BLANCO.

Put together, the average high-proof bottle fell from $66.63 to $49.42. Part of that is the 375ml, one in four units at $16. Part is where the majors priced: the average 750ml fell 6% to $74.97 as Patrón entered at $50 against the $75 to $100 the craft leaders charge. Ultra and luxury tiers fell from 71% of the segment to 55%. Super premium and premium rose from 29% to 45%.

FIG. 07 · HIGH-PROOF DOLLARS BY NIQ PRICE TIER

PRIOR 52W → LATEST 52W

The segment traded down a tier in one year.



SOURCE: NIELSEN BYZZER OFF-PREMISE SCAN DATA, TOTAL US (FMCG + LIQUOR OPEN STATE + CONVENIENCE), 52 WEEKS ENDING 29 AUG 2026 AGAINST THE PRIOR 52. PRICE TIER IS NIQ'S ITEM-LEVEL CODING.

Fewer launches, bigger launches, and a second-year slump

Innovation in the segment changed shape. The 18 months from March 2023 to August 2024 saw 34 high-proof launches from 21 brands, about 23 a year. The 24 months from September 2024 to August 2026 saw 30 from 22 brands, 15 a year, and 2026 has produced three through August: one major and two craft. The earlier cohort sold $1.09M in its collective first 26 weeks on sale. The recent cohort sold $7.28M.

LAUNCH COHORTS COMPARED ON THEIR FIRST 26 WEEKS ON SALE

MEASURE	MAR 2023 – AUG 2024	SEP 2024 – AUG 2026
Launches	34	30
Brands launching	21	22
Additive-free launches	27	19
First-26-week dollars, all launches	$1.09M	$7.28M
Median first-26-week dollars	$6.4K	$128K
Velocity in first 26 weeks	$7,300	$10,431
Avg weekly TDPs per launch, first 26 weeks	0.17	0.99
Launches over $250K in 26 weeks	1	8
Launches under $25K in 26 weeks	25	13
Still on sale in the last 8 weeks	53%	90%
Dollars in the latest 52 weeks	$2.19M	$10.53M

SOURCE: NIELSEN BYZZER OFF-PREMISE SCAN DATA, TOTAL US (FMCG + LIQUOR OPEN STATE + CONVENIENCE), 52 WEEKS ENDING 29 AUG 2026 AGAINST THE PRIOR 52. LAUNCH DATE IS NIQ'S CODED LAUNCH DATE, OR THE FIRST SCAN WEEK FOR ITEMS NIQ CODES AS PRE-EXISTING. THE EARLIER COHORT STARTS IN MARCH 2023 BECAUSE THE DATA DOES; A 26-WEEK WINDOW BEFORE THAT CANNOT BE OBSERVED. THREE RECENT LAUNCHES ARE TOO NEW FOR A 26-WEEK READ.

The median recent launch sold $128K in its first 26 weeks against $6.4K for the median earlier launch, 20 times as much. It carried 0.99 average weekly points of distribution against 0.17, 6 times the reach, and it sold 43% faster per point, $10,431 against $7,300. Nine in ten recent launches are still on sale. About half of the earlier ones are.

The outcomes are bimodal. Of the 27 recent launches with 26 weeks of history, 8 cleared $250K and 13 did not clear $25K. The 8 are Lalo's two editions, Patrón, Ocho's añejo and reposado, Cazcanes' reposado, 1800's reposado and Mijenta's reposado. The 13 are mostly craft items that never got past 0.1 points of distribution. Half of the recent cohort's first-26-week dollars sit at exactly 100 proof, 64% in blanco and 92% in the 750ml.

Rate of sale by age shows where the risk sits. Items under a year old sell at $9,586 per point, level with the pre-2022 base at $9,094 and on four times the distribution per item. Items one to two years old are the slowest group at $8,225. That is the second-year slump: the 2024 editions and 2024 launches whose distribution came from the launch push and whose velocity did not hold it. A year ago the newest items sold at $10,175 per point on half the distribution. New items now get twice the reach and sell 6% slower, which is what distribution-led launching looks like.

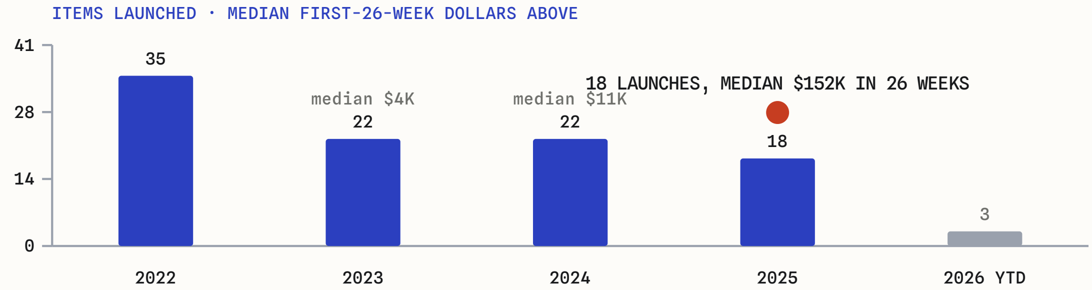
RATE OF SALE BY AGE OF ITEM, LATEST 52 WEEKS

AGE AT 29 AUG 2026	ITEMS	DOLLARS	SHARE	VELOCITY	AVG WEEKLY TDPS PER ITEM	AVG PRICE
Under 1 year	11	$6.25M	23.3%	$9,586	1.14	$48.13
1 to 2 years	18	$4.28M	16.0%	$8,225	0.56	$73.71
2 to 4 years	40	$5.05M	18.9%	$8,677	0.28	$38.03
Pre-2022	86	$11.20M	41.8%	$9,094	0.28	$50.66

SOURCE: NIELSEN BYZZER OFF-PREMISE SCAN DATA, TOTAL US (FMCG + LIQUOR OPEN STATE + CONVENIENCE), 52 WEEKS ENDING 29 AUG 2026 AGAINST THE PRIOR 52. ITEMS NIQ CODES WITH A 2021 LAUNCH DATE ARE PRE-EXISTING AND SIT IN PRE-2022. A YEAR EARLIER THE UNDER-1-YEAR GROUP WAS 20 ITEMS, $5.28M, $10,175 PER POINT ON 0.50 TDPS PER ITEM.

FIG. 08 · HIGH-PROOF LAUNCHES BY YEAR 2022 – AUG 2026

Half as many launches as 2022, and each one worth far more.



SOURCE: NIELSEN BYZZER OFF-PREMISE SCAN DATA, TOTAL US (FMCG + LIQUOR OPEN STATE + CONVENIENCE). MEDIANS COVER LAUNCHES THE DATA OBSERVES FOR A FULL 26 WEEKS, SO 2022 AND 2026 CARRY NONE. 2026 IS THROUGH 29 AUG AND IS SHOWN IN STEEL.

SECTION Nº 06 · EVERYDAY ITEMS AND DROPS

Sixty-one items carry 88% of the dollars

Classify every item by how many of the 52 weeks it sold. Sixty-one items sold in 45 or more weeks and carried $23.6M, 88% of the segment. Three items launched during the year and sold every week since, $1.9M. The other 91 items, 59% of the count, sold with gaps, sold for 13 weeks or less, or left during the year. Together they carried $1.3M, 4.9% of the dollars.

The in-and-out items sell hard when they are on sale: $14,623 per point, 65% above the everyday items. They are allocated: Fortaleza's reposado listings, Ocho's single-barrel añejos, Fuenteseca's vintages. They sell out and go dark. A year ago the same class carried 9.3% of dollars. It carries 3.6% now, because the supply got thinner and the everyday items grew around it.

ITEMS BY SELLING CADENCE, LATEST 52 WEEKS AND PRIOR 52 WEEKS

CADENCE	ITEMS	DOLLARS	SHARE	VELOCITY WHEN ON SALE	PRIOR YEAR SHARE
Everyday: sold 45+ of 52 weeks	61	$23.62M	88.2%	$8,855	81.6%
Launched in year, sold every week since	3	$1.86M	6.9%	$8,559	8.3%
In and out: gaps in a 14+ week life	66	$0.97M	3.6%	$14,623	9.3%
Drop: 13 weeks or less on sale	24	$0.23M	0.9%	$10,461	0.7%
Exited during the year	1	$0.10M	0.4%	$7,644	

SOURCE: NIELSEN BYZZER OFF-PREMISE SCAN DATA, TOTAL US (FMCG + LIQUOR OPEN STATE + CONVENIENCE), 52 WEEKS ENDING 29 AUG 2026 AGAINST THE PRIOR 52. A DROP IS AN ITEM WHOSE FIRST AND LAST SALE IN THE YEAR ARE 13 WEEKS OR LESS APART. IN AND OUT = A LONGER LIFE WITH SALES IN UNDER 80% OF ITS WEEKS.

The drop that matters is the annual edition. LALO sells its High Proof as a yearly release in limited quantities (5). At retail the 2025 edition sold 52 of 52 weeks and $2.94M, the largest item in the segment. The 2024 edition sold $2.05M in its year and $0.43M in the year after. Ocho's barrel-proof reposado shipped 3,095 cases in two waves and sold every week (6). A drop with a year of supply behind it behaves like an everyday item, and it resets the brand's number every twelve months. That is a planning fact for the retailer and a risk for the forecast: if the 2026 LALO edition does not ship, or ships smaller, the segment's largest item goes to zero.

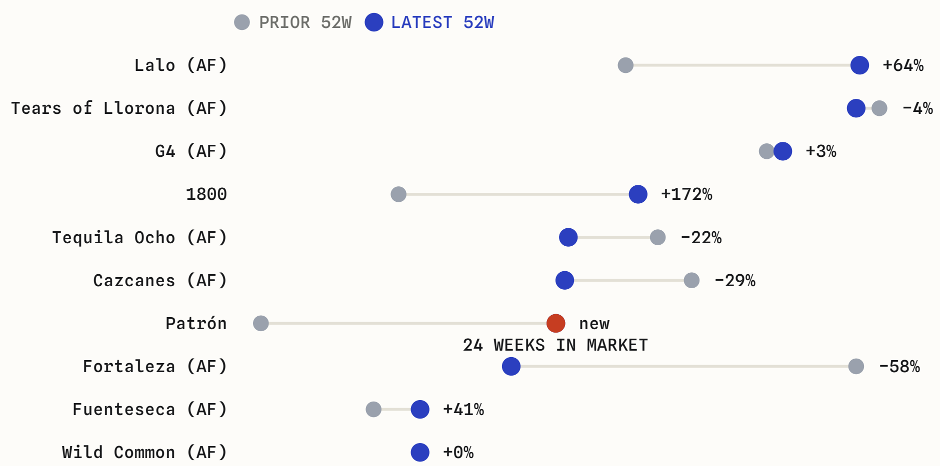
SECTION Nº 07 · THE COMPETITIVE SET

The majors take the volume, the craft leaders hold the price

FIG. 09 · HIGH-PROOF BRAND FRANCHISES

PRIOR 52W → LATEST 52W

Two majors moved into the top seven in a year.



SOURCE: NIELSEN BYZZER OFF-PREMISE SCAN DATA, TOTAL US (FMCG + LIQUOR OPEN STATE + CONVENIENCE), 52 WEEKS ENDING 29 AUG 2026 AGAINST THE PRIOR 52. BRAND FIGURES AGGREGATE QUALIFYING HIGH-PROOF ITEMS ONLY AND ARE NOT TOTAL BRAND SALES. (AF) = ADDITIVE-FREE.

Lalo is the largest high-proof franchise at $3.36M, up 64% on the edition change. Tears of Llorona is a $3.34M luxury business at a $282 average price in a 1L bottle, down 4%. G4 held at $2.93M, up 3%, on 8.8 average weekly points of distribution, the widest reach in the segment. Those three are close to half of the additive-free dollars.

The majors moved from a presence to a tier. 1800 grew 174% to $2.12M on 134,000 units of its 375ml line, the highest unit count of any brand, at an average $15.83. Patrón 100 sold $1.65M in 24 weeks and $1.08M in the last 13, and its distribution was still climbing at the end of August: 9.4 points in the summer quarter against 3.7 across its 24 weeks. Bacardi aimed it at the on-premise (4); the off-premise took it too. Herradura's 92-proof blanco in the 700ml, brought to 20 US states in January 2025 at $44.99 (7), grew 57% to

$0.39M in its second year. Lunazul's 90-proof reposado grew 27%. Conventional brands are 22% of the segment's dollars and 37% of its units.

The first movers are cycling. Fortaleza fell 58% to $1.41M with velocity above $31,000, an allocation story. Ocho fell 23% as its 101-proof plata faded. Cazcanes fell 29% and Mijenta 44%, both on distribution lost in the second year.

The risers are craft, mostly aged, and 86 to 94 proof. Fuenteseca grew 42% to $0.90M at $283 a bottle. Suerte's 88-proof reposado went from $0.13M to $0.51M. Siete Leguas' 94-proof blanco in the 700ml grew 132% to $0.45M. Cascahuin grew 24%. None of them sit at 100 proof and none sell below $50, which is the space the majors have left alone.

Concentration eased. The top five brands hold 50% of the segment, from 56% a year ago. Sixty-five brands sold a high-proof item this year, four more than last year.

SECTION Nº 08 · OUTLOOK

The next twelve months

The forecast below is built from six drivers, each with a stated assumption, rather than from a trend line. The latest 52 weeks are the base, and the scenarios cover the 52 weeks from September 2026 to August 2027.

SCENARIO DRIVERS, DOLLARS IN MILLIONS

DRIVER	LATEST 52W	BEAR	BASE	BULL
Patrón 100, annualizing an April launch	1.66	3.5	4.5	5.2
Lalo, annual edition	3.36	1.8	3.0	3.4
1800, 375ml line	2.12	1.6	2.0	2.4
Allocated craft: Fortaleza, Ocho, Cazcanes	4.85	3.4	4.1	4.6
Everything else on sale today	14.79	13.6	14.3	14.8
Launches not yet in market	0.00	0.8	1.8	2.8
Segment, next 52 weeks	26.78	24.7	29.7	33.2

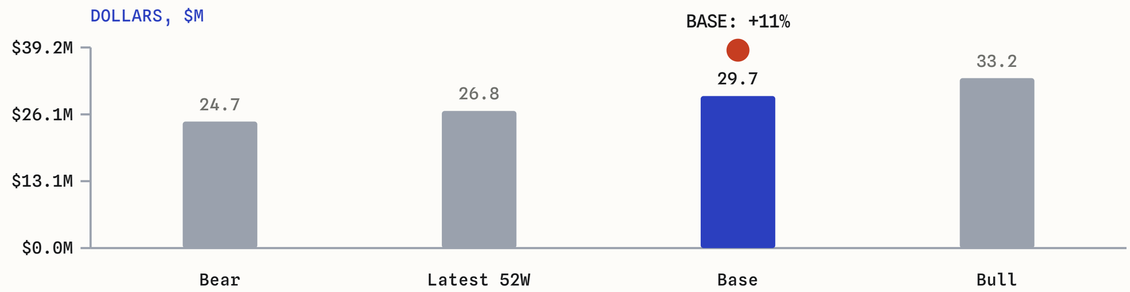
CRAFTED PROOF SCENARIOS. ILLUSTRATIVE PATHS WITH STATED ASSUMPTIONS, NOT MODEL OUTPUT. BASE OF EACH DRIVER FROM THE NIELSEN BYZZER EXTRACT.

Base. Patrón holds its August velocity, adds distribution into the holidays and plateaus in 2027 at $4.5M a year. A 2026 LALO edition ships this fall at the scale of the 2025 one. 1800 holds through Becle's distributor transition, which the company expected to disrupt the first half of 2026 (8). The allocated craft brands lose another 15%, the pace of their summer quarter. The rest of the segment slips 3%, in line with a category down 4%. New launches contribute $1.8M in their first year, below the $3.3M the last twelve months' launches delivered, because the launch count is falling.

Bear. Patrón plateaus at its summer distribution, the LALO edition is smaller or late, and the base erodes 8%. **Bull.** Patrón reaches $5.2M, a second major enters at 100 proof, and the base holds. Against the latest 52 weeks the three cases are −7.8%, +10.9% and +24.0%, weighted 25%, 50% and 25%.

FIG. 10 · THE NEXT 52 WEEKS, THREE SCENARIOS SEP 2026 – AUG 2027

The base case is a launch annualizing on top of a flat segment.



CRAFTED PROOF SCENARIOS AGAINST THE 52 WEEKS ENDING 29 AUG 2026.

Two things follow from the base case. The additive-free share of the segment falls below 70% during the first half of 2027, because the growth is conventional and the everyday craft base is flat at best. And calendar 2026 lands near $28M, for reasons Appendix A takes up.

How you will know it is wrong:

- **The Patrón test.** If Patrón 100 prints below $0.9M in any 13-week window before August 2027, the launch did not annualize and the base case is $2M too high.
- **The velocity test.** If quarterly segment velocity prints below $8,655, the Q4 2025 low, before the end of 2027, the base is eroding faster than new items can cover it and the bear case becomes the working assumption.
- **The edition test.** If no 2026 LALO High Proof is scanning by the end of November 2026, take $1.2M out of the base case.
- **The share test.** If the additive-free share is still above 75% for calendar 2027, the majors stalled and the craft base held. The segment then looks like 2025 again, with growth in the low single digits.

What to do about it

01

For additive-free brands: compete on rate of sale, because the proof claim is now shared

100 proof was a craft credential for three years. It is now a Patrón and 1800 credential too, at $50 and $16. A craft brand at $75 has to win on dollars per point of distribution and on the aged ladder, where additive-free items still hold 75% to 94% of the dollars and the majors have one item.

Track velocity by account and hold distribution only where it clears the segment's $9,000.

02

Price against $50, or play a different proof

Patrón set the reference price for a 100-proof blanco at $50. The Tequila Report's 2026 survey found 87% of consumers will not pay more than $55 for a blanco (9), and a Chicago retailer told Shanken that $45 to $60 is where tequila sells best (10). A craft 100-proof blanco at $75 needs a reason beyond the number on the label.

Reposado at 88 to 100 proof and añejo at 86 to 96 are where craft launches cleared $250K in their first 26 weeks this year.

03

Use the 375ml for trial

1800 proved the format: one in four high-proof units now sells in a 375ml, at $16, and it is a conventional-only format today. A craft brand that wants a first purchase from a $50 shopper has a format for it that no craft competitor is using.

04

Plan the edition like an everyday item

An annual edition with a year of supply sells 52 weeks and resets the brand's number. Set the ship date so the old edition's tail and the new edition's launch overlap by less than a quarter, and tell the buyer the date. A gap reads as a delisting.

05

Retailers: reset the set around 100 proof and reposado

Sixty-one everyday items carry 88% of the segment's dollars. The 91 in-and-out items and drops carry 5% and sell at $14,600 per point when they are in stock, so keep the allocation items and stop adding width in the 90-to-98-proof blanco band, where dollars fell 10%.

Weight the fourth quarter to Patrón, the LALO edition and the 375ml line, and hold conservative orders on any item whose velocity fell below $8,000 this year.

APPENDIX A · THE MARCH CALLS

What the March analysis said, and what happened

In March 2026 an earlier edition of this analysis published three full-year scenarios for 2026 and four checkable calls. A July edition graded them at five months and narrowed the range. Readers of this edition do not have those papers, so the record is restated here in full and graded through August.

THE MARCH 2026 CALLS, GRADED THROUGH 29 AUGUST 2026

CALL	WHAT MARCH SAID	WHAT HAPPENED	VERDICT
First-half comparisons	Modest or negative growth against the +93% and +81% base of H1 2025	Q1 -2.0%, Q2 +6.9%, H1 +3.0%	Correct
Velocity	Bear risk below $8,600; base case stabilizes near $9,000	Q4 2025 low $8,655; then $8,817, $9,043, $9,341	Correct, base case
Distribution	Expansion moderates from +40% a year toward +5% to +8%	+14% for the year; +32% in the summer quarter	Wrong; it sped up
Full year 2026	Base $26.7M, bear $24.7M, bull $30.5M, weighted 55 / 25 / 20	Tracking about $28M	Above base, below bull

MARCH SCENARIOS AS RESTATED IN THE JULY 2026 EDITION. ACTUALS FROM THE NIELSEN BYZZER EXTRACT THROUGH W/E 29 AUG 2026, ON THE CALENDAR-QUARTER BASIS THE MARCH SCENARIOS USED.

THE JULY 2026 ADDITIONS, GRADED

CALL	WHAT JULY SAID	WHAT HAPPENED	VERDICT
Range	Bull closed; realistic range narrowed to $25.5M to $27.5M	Tracking about $28M	Too narrow on the upside
Velocity floor	A quarterly print below $8,655 means the bear case	No quarter below $8,655 since	Holding
Co-option	Additive-free share below 70% during 2027 means the majors are winning	78% for the year, 72% for the summer	Ahead of schedule
Competitive read	Credentialed leaders keep compounding; the majors arrive; first movers cycle	Majors arrived; first movers cycled; of the leaders only Lalo and Fuenteseca compounded	Two of three

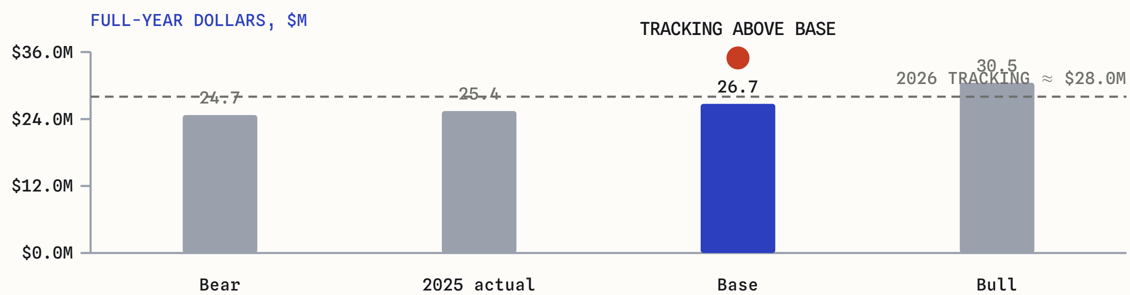
GRADED AGAINST THE SAME EXTRACT.

Calendar 2026 through 29 August stands at $17.66M on the quarterly basis the March scenarios used, up 8.3% on the matched 2025 weeks. The remaining 17 weeks of 2025 sold $9.12M. Flat for the rest of the year gives $26.8M; growth at the summer quarter's 24% gives $28.5M. Patrón alone adds roughly $1.4M to a period in which it had no sales, so the flat case is a floor. The likely landing is $27.5M to $28.5M: above the March base case, inside the March range, outside the July one.

FIG. A1 · THE MARCH SCENARIOS AGAINST WHERE 2026 IS TRACKING

MARCH 2026 CALL

The base case will be beaten and the bull case is out of reach.



SOURCE: NIELSEN BYZZER OFF-PREMISE SCAN DATA, TOTAL US (FMCG + LIQUOR OPEN STATE + CONVENIENCE). SCENARIOS AS PUBLISHED IN MARCH 2026. TRACKING = 2026 THROUGH 29 AUG PLUS THE REST OF 2025 GROWN AT 15%.

The March scenarios treated the segment as a craft niche whose growth slows as distribution digests. That held for the craft base, which is flat to down. It did not hold for the segment, because the largest super-premium tequila brand in the country launched into it in April at a price a third below the craft leaders. The method needed a fourth driver, entry by majors, and the forecast in Section 08 carries one.

One correction from the July edition stands. The March executive summary quoted a $27.4M base case while its scenario table showed $26.7M; $26.7M is the figure graded here.

Data appendix

TABLE B1. HIGH-PROOF CORE TEQUILA BY CALENDAR YEAR

YEAR	DOLLARS	UNITS (000)	VELOCITY $/TDP	AVG WEEKLY TDPS	ITEMS	BRANDS	AF SHARE	100-PROOF SHARE	AVG PRICE
2023	$11.42M	203.9	$9,975	26.6	129	55	84.8%	14.3%	$55.98
2024	$18.73M	283.9	$9,642	37.4	140	59	89.6%	18.2%	$65.95
2025	$25.43M	421.5	$9,447	51.8	152	63	85.1%	23.1%	$60.32
2026 YTD	$17.66M	379.2	$9,058	55.7	146	61	75.1%	33.7%	$46.58

2023 COVERS MARCH TO DECEMBER, SO ITS GROWTH RATE IS NOT COMPARABLE WITH FULL-YEAR RATES AND IS NOT QUOTED AS ONE. 2026 IS THROUGH W/E 29 AUG. ITEMS AND BRANDS COUNT THOSE WITH A UNIT SALE IN THE YEAR.

TABLE B5. WHO SITS AT 100 PROOF, LATEST 52 WEEKS

ITEM	DOLLARS	VELOCITY	AVG WEEKLY TDPS	PRIOR 52W
Lalo Blanco 2025 edition (AF)	$2.94M	$9,690	5.8	$0.00M
Patrón 100	$1.65M	$8,643	3.7	$0.01M
1800 Blanco, 375ml and 1L	$1.14M	$9,369	2.3	$0.78M
Tequila Ocho Reposado barrel proof (AF)	$1.04M	$13,805	1.4	$0.12M
Cazcanes Blanco (AF)	$0.56M	$5,167	2.1	$0.70M
Cazcanes Reposado (AF)	$0.43M	$7,906	1.0	$0.93M
Dulce Vida Blanco, 50ml and 750ml (AF)	$0.28M	$2,309	2.3	$0.27M
Wild Common Blanco (AF)	$0.17M	$6,275	0.5	$0.20M

SOURCE: NIELSEN BYZZER OFF-PREMISE SCAN DATA, TOTAL US (FMCG + LIQUOR OPEN STATE + CONVENIENCE), 52 WEEKS ENDING 29 AUG 2026 AGAINST THE PRIOR 52. BRAND LINES AT 50% ABV, GROUPED BY AGING SEGMENT. OCHO'S BARREL PROOF IS CODED 50% BY NIQ AND 50.5% BY THE PRODUCER.

TABLE B2. LATEST 52 WEEKS AGAINST THE PRIOR 52 WEEKS

MEASURE	L52W	P52W	CHANGE
Dollars	$26.78M	$25.42M	+5.3%
Units (000)	541.9	381.5	+42.0%
Average price per unit	$49.42	$66.63	-25.8%
Velocity, $/TDP	$8,970	$9,738	-7.9%
Average weekly TDPs	57.4	50.2	+14.3%
Items with a sale	155	147	+8
Brands with a sale	65	61	+4
Additive-free share of dollars	78.1%	87.6%	-9.5 pts
100-proof share of dollars	32.9%	20.1%	+12.8 pts
Matched weeks, 10 Jan to 29 Aug	$17.00M	$15.75M	+7.9%

L52W ENDS 29 AUG 2026; P52W ENDS 30 AUG 2025. MATCHED WEEKS RUN W/E 10 JAN TO 29 AUG 2026 AGAINST W/E 11 JAN TO 30 AUG 2025.

TABLE B4. HIGH-PROOF DOLLARS BY PROOF BAND

BAND	2 YRS AGO	P52W	L52W	CHANGE	SHARE	VELOCITY	ITEMS	AF SHARE
43-44%	$5.44M	$5.61M	$6.43M	+15%	24.0%	$15,643	39	95.6%
45-49%	$5.08M	$8.58M	$7.76M	-10%	29.0%	$8,217	58	74.5%
50%	$2.16M	$5.12M	$8.80M	+72%	32.9%	$8,000	29	68.3%
51-55%	$2.51M	$5.60M	$3.29M	-41%	12.3%	$6,305	27	90.5%
56%+	$0.07M	$0.52M	$0.51M	-2%	1.9%	$55,586	2	0%

SOURCE: NIELSEN BYZZER OFF-PREMISE SCAN DATA, TOTAL US (FMCG + LIQUOR OPEN STATE + CONVENIENCE), 52 WEEKS ENDING 29 AUG 2026 AGAINST THE PRIOR 52. SHARE, VELOCITY, ITEMS AND AF SHARE ARE THE LATEST 52 WEEKS.

TABLE B3. HIGH-PROOF BRAND FRANCHISES, TOP FIFTEEN BY LATEST 52 WEEKS

BRAND	2 YRS AGO	P52W	L52W	CHANGE	VELOCITY	AVG WEEKLY TDPS
Lalo (AF)	–	$2.05M	$3.36M	+64%	$10,013	6.5
Tears of Llorona (AF)	$2.97M	$3.47M	$3.34M	-4%	$21,265	3.0
G4 (AF)	$1.34M	$2.84M	$2.93M	+3%	$6,371	8.8
1800	$0.05M	$0.78M	$2.12M	+174%	$9,173	4.5
Tequila Ocho (AF)	$0.78M	$2.23M	$1.73M	-23%	$15,773	2.1
Cazcanes (AF)	$1.71M	$2.42M	$1.71M	-29%	$6,179	5.3
Patrón	$0.02M	$0.01M	$1.66M	new	$8,643	3.7
Fortaleza (AF)	$2.33M	$3.34M	$1.41M	-58%	$31,332	0.9
Fuenteseca (AF)	$0.53M	$0.64M	$0.90M	+42%	$21,646	0.8
Wild Common (AF)	$0.52M	$0.90M	$0.90M	0%	$6,791	2.5
Suerte (AF)	$0.16M	$0.13M	$0.51M	+291%	$16,701	0.6
Dos Artes	$0.07M	$0.51M	$0.51M	-1%	$55,660	0.2
Lunazul	$0.08M	$0.39M	$0.49M	+27%	$5,910	1.6
Mijenta (AF)	$0.00M	$0.82M	$0.46M	-44%	$7,344	1.2
Siete Leguas (AF)	–	$0.19M	$0.45M	+132%	$5,808	1.5

SOURCE: NIELSEN BYZZER OFF-PREMISE SCAN DATA, TOTAL US (FMCG + LIQUOR OPEN STATE + CONVENIENCE), 52 WEEKS ENDING 29 AUG 2026 AGAINST THE PRIOR 52. QUALIFYING HIGH-PROOF ITEMS ONLY. VELOCITY AND TDPS ARE THE LATEST 52 WEEKS.

METHODOLOGY

Nielsen Byzzer off-premise weekly scan extract, Total US (FMCG, Liquor Open State and Convenience), March 2023 through W/E 29 August 2026. High-proof core tequila is every item with stated ABV above 42% within the four core aging segments (White/Silver, Reposado, Añejo, Extra Añejo), with ABV parsed from NIQ item coding and unstated ABV excluded; an earlier category review used a screen above 44% ABV and reports smaller figures. Additive-free classification follows the June 2026 craft-list reconciliation, applied across history; Wild Common is additive-free and MADRE mezcal is excluded. Category totals come from NIQ's own period aggregates, because summing the weekly extract understates the prior year by about 1.4% as delisted items drop out; every high-proof figure comes from the weekly extract, where that effect is immaterial. Velocity is dollar sales divided by total points of distribution for the period; average weekly TDPs is total points divided by weeks. L52W is the 52 weeks ending 29 August 2026, P52W the 52 before it. Quarters use the calendar quarter of the week-ending date; Q3 2026 is the nine weeks to 29 August, compared with the matched nine weeks of 2025. Launch date is NIQ's coded launch date, or the first scan week for items NIQ codes as pre-existing that first scanned after June 2023; first-26-week measures use only launches the data observes in full. Brand figures aggregate qualifying high-proof items only. All dollar figures are retail scanner estimates. Scenarios are illustrative paths with stated assumptions rather than model output.

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(10) "Retailers See Tequila Picking Up Pace," Shanken News Daily, 8 May 2026.

Prior editions. This paper supersedes the March 2026 analysis of the same segment and its July 2026 mid-year scorecard; both are graded in Appendix A.

The proof is in the brand.