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Wine Cellar Management Tool, Version 3.1.0.

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Abstract

Version 3 of the Wine Cellar Management Tool incorporates six years of experience in using this spreadsheet-based application, which is designed to assist a wine owner in tracking the status of bottles being cellared. By keeping track of a wine's drinkability window, the tool provides the wine owner with the information needed to promote, open, or continue to store wines in a collection. Version 3 adds functionality and fixes bugs in the first two releases of this tool, also making it easier to use by allowing one to focus on a specific category of wine and improving decision support. Use of earlier versions of this tool has shown that if one is disciplined about recording the inflows and outflows to and from the cellar, there are a large number of cellar analytics that are interesting and informative, and that can be used to help guide cellar management decisions, such as what to consume or what to promote.

Keywords

Cornell, hotels, hospitality, tools, wine

Disciplines

Food and Beverage Management | Hospitality Administration and Management

Comments

Required Publisher Statement

Additional instructions on the use of this spreadsheet, please see the CHR Report entitled "Managing a Wine Cellar using a Spreadsheet", by Gary M. Thompson.

Replaces version 3, 02/2016.

Instructions for the Wine Cellar Management Tool, Version 3

by Gary M. Thompson

EXECUTIVE SUMMARY

Version 3 of the Wine Cellar Management Tool incorporates six years of experience in using this spreadsheet-based application, which is designed to assist a wine owner in tracking the status of bottles being cellared. By keeping track of a wine's drinkability window, the tool provides the wine owner with the information needed to promote, open, or continue to store wines in a collection. Version 3 adds functionality and fixes bugs in the first two releases of this tool, also making it easier to use by allowing one to focus on a specific category of wine and improving decision support. Use of earlier versions of this tool has shown that if one is disciplined about recording the inflows and outflows to and from the cellar, there are a large number of cellar analytics that are interesting and informative, and that can be used to help guide cellar management decisions, such as what to consume or what to promote.

Gary M. Thompson, Ph.D., is a professor of operations management in the School of Hotel Administration at Cornell University, where he teaches graduate and undergraduate courses in service operations management. Prior to joining Cornell in 1995, he spent eight years on the faculty of the David Eccles School of Business at the University of Utah. His current research focuses on restaurant revenue management, food and beverage forecasting in lodging operations, workforce staffing and scheduling decisions, wine cellars, scheduling conferences, and course scheduling in post-secondary and corporate training environments. His research has appeared in the *Cornell Hospitality Quarterly, Decision Sciences, Journal of Operations Management, Journal of Service Research, Management Science, Naval Research Logistics*, and *Operations Research*. He has consulted for several prominent hospitality companies and is the founder and president of Thoughtimus® Inc., a small software development firm focusing on scheduling products. From July 2003 through June 2006 he served as executive director of the school's Center for Hospitality Research

About Wine Cellar Management Tool, V3

The original version of the *Wine Cellar Management Tool* was released by The Center for Hospitality Research in May 2009. Version 2 of the tool, which contained a number of enhancements, followed in August 2010. The related 2009 *CHR Report,* "Managing a Wine Cellar Using a Spreadsheet 2.0," described how a spreadsheet can be used to help manage a wine cellar, either for individuals or for firms such as restaurants or bars. It showed that if one is disciplined about recording the inflows and outflows to and from the cellar, there are a large number of cellar analytics that are interesting and informative, and that can be used to help guide cellar management decisions, such as what to consume or what to promote. This document is not intended to replace the earlier CHR report, which demonstrated the spreadsheet's operation; rather it is intended to show the new features in Version 3.
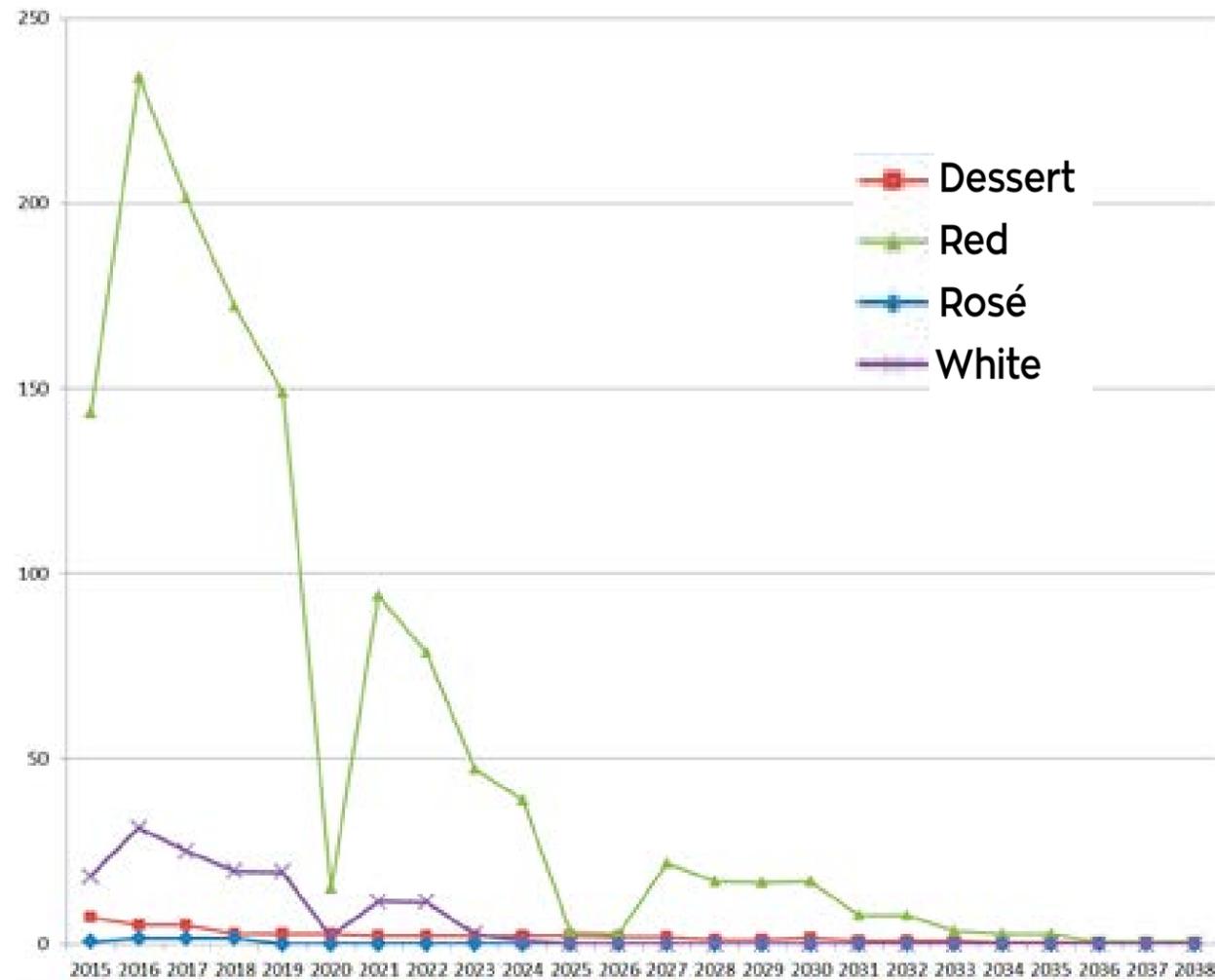
Instructions for the Wine Cellar Management Tool, Version 3

by Gary M. Thompson

This report provides information about the updates to the *Wine Cellar Management Tool*, which has been available from the Center for Hospitality Research since 2009. While commercial tools for managing a wine cellar are available, there are advantages to this management tool. First, it is free. Second, the cellar information is not stored on line, which reduces the risk of cyber theft of personal information. Third, its functionality is such that it can make cellar management notably easier and more effective. In the words of one long-time user of the tool, "…I love the product, and it revolutionizes the way I buy wine as I now purchase for a specific drinking window and in certain brackets." While the usefulness of the tool increases as the number of wines in the cellar grows, the tool can help even those who own small numbers of "special" wines, by ensuring those wines are consumed at, instead of after, their peak.

EXHIBIT 1

Estimated number of bottles available for consumption, by year, by wine color

EXHIBIT 2

Modified cellar history, part 1

EXHIBIT 3

Modified cellar history, part 2

My motivation for developing Version 3 was two-fold. First, there were some glitches in the earlier version, which, while not prohibiting the use of the tool, were potential annoyances. Second, and more important, it became clear that additional analytics were warranted. The focus in these instructions is showing the analysis components that are new in Version 3. The full list of new features and bug fixes in Version 3 are listed in the accompanying "Switchboard" worksheet of the tool.

Version 3 includes four new charts. The first of these, the bottles available by year by wine color, is shown on the "Btls Avl by Yr by Color" worksheet. Exhibit 1 shows a screenshot of this chart, in which the wine "colors" are user defined. This chart is based on the assumption that wines will be consumed evenly throughout their peak drinking window. This chart can help guide purchase decisions, with respect to the timing and length of the drink windows for wines being considered for purchase.

Given that six years have passed since the release of Version 2, the longer tracking history from the use of the tool over those six years made it clear that some of the charts in Version 2 could be improved. To that end, Version 3 reduced the size of the markers on the "Cellar History, Pt 1" worksheet, as shown in Exhibit 2; reduced the size of the lines and markers on the "Cellar History, Pt 2" worksheet, as shown in Exhibit 3; and reduced the size of the line and markers on the "Cellar History, Pt 3" worksheet, as shown in Exhibit 4 (see the next two pages). The "Cellar History, Pt 3" chart, illustrated in Exhibit 4, now

EXHIBIT 4

Modified cellar history, part 3
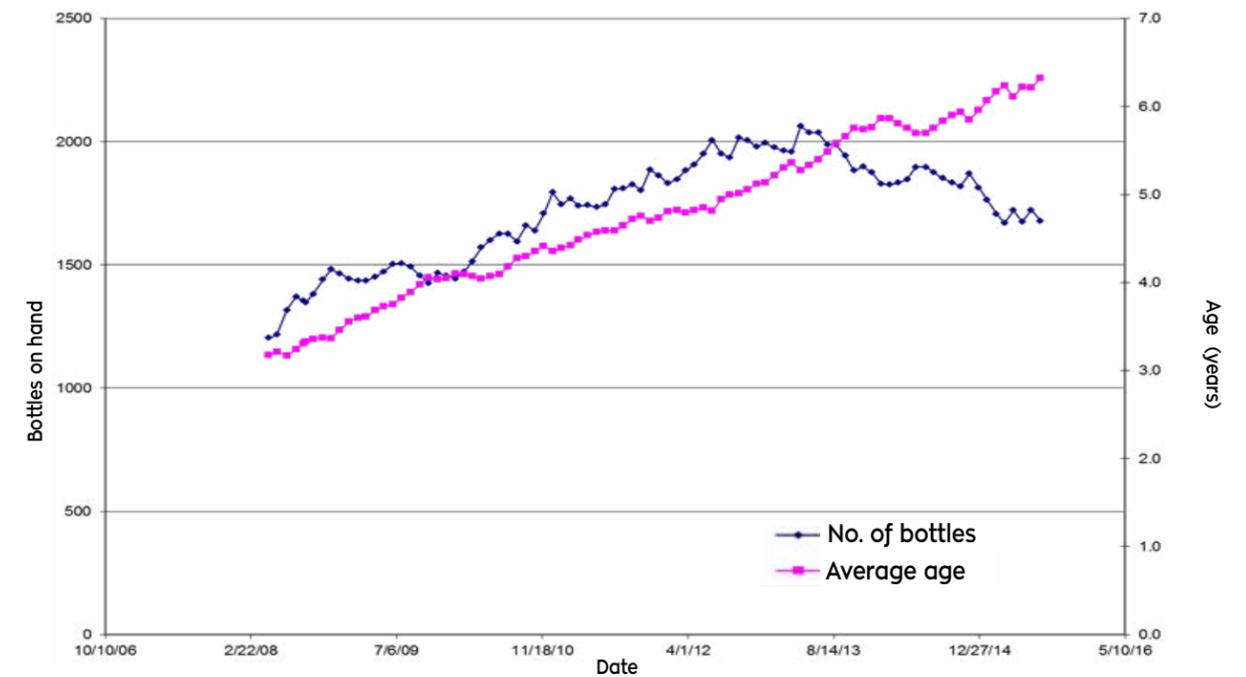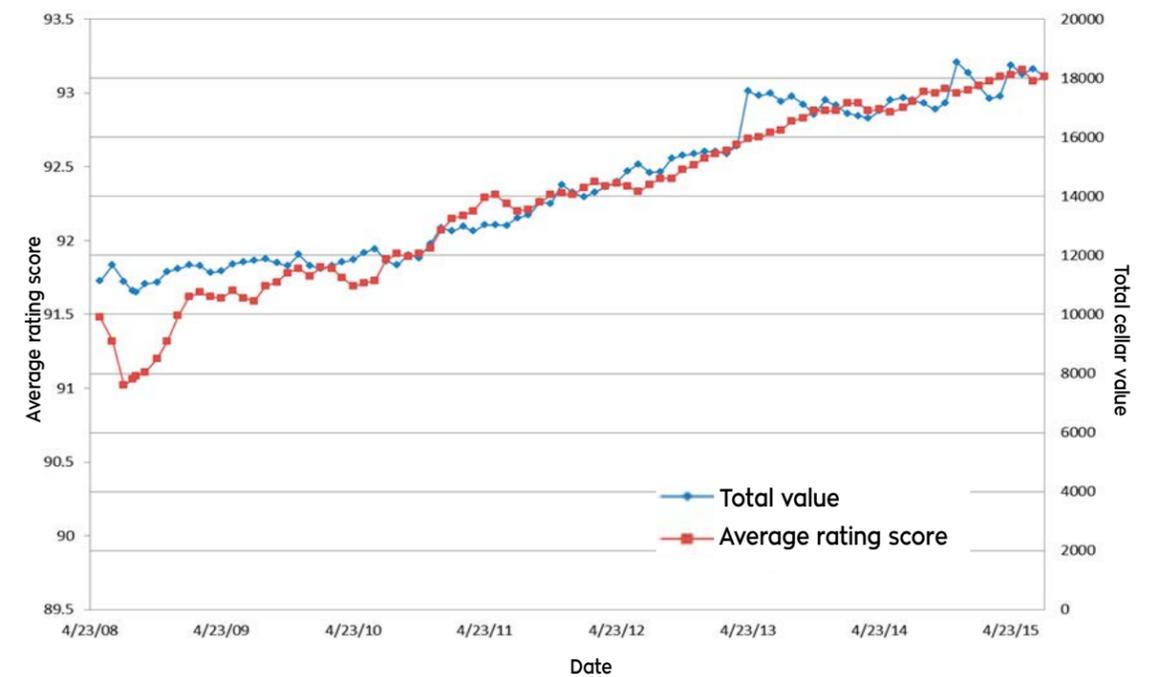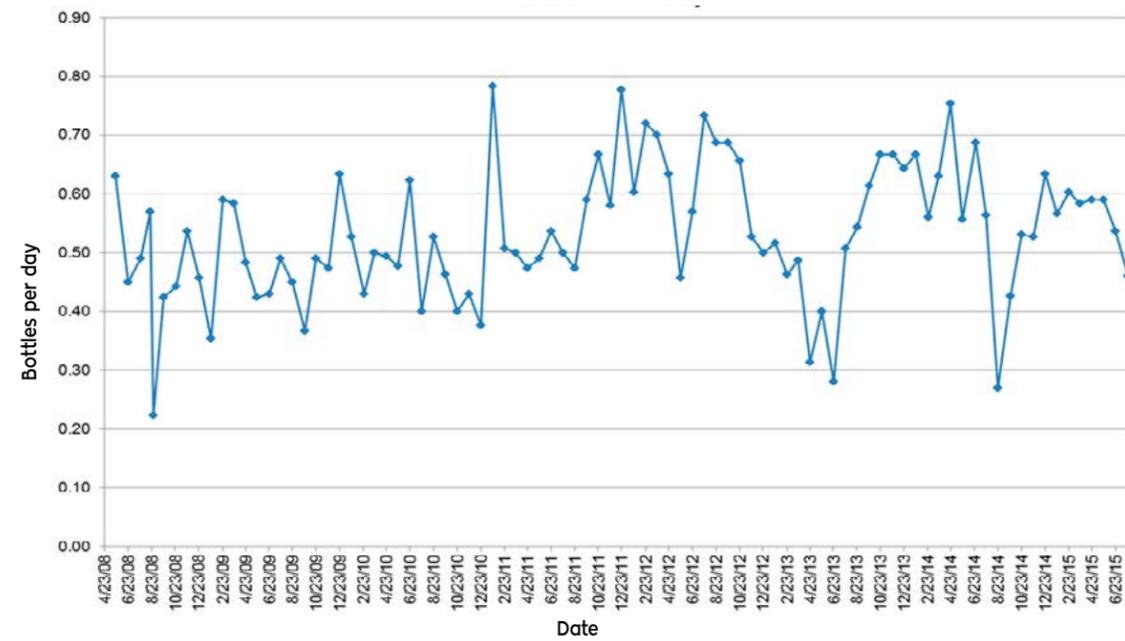

EXHIBIT 5
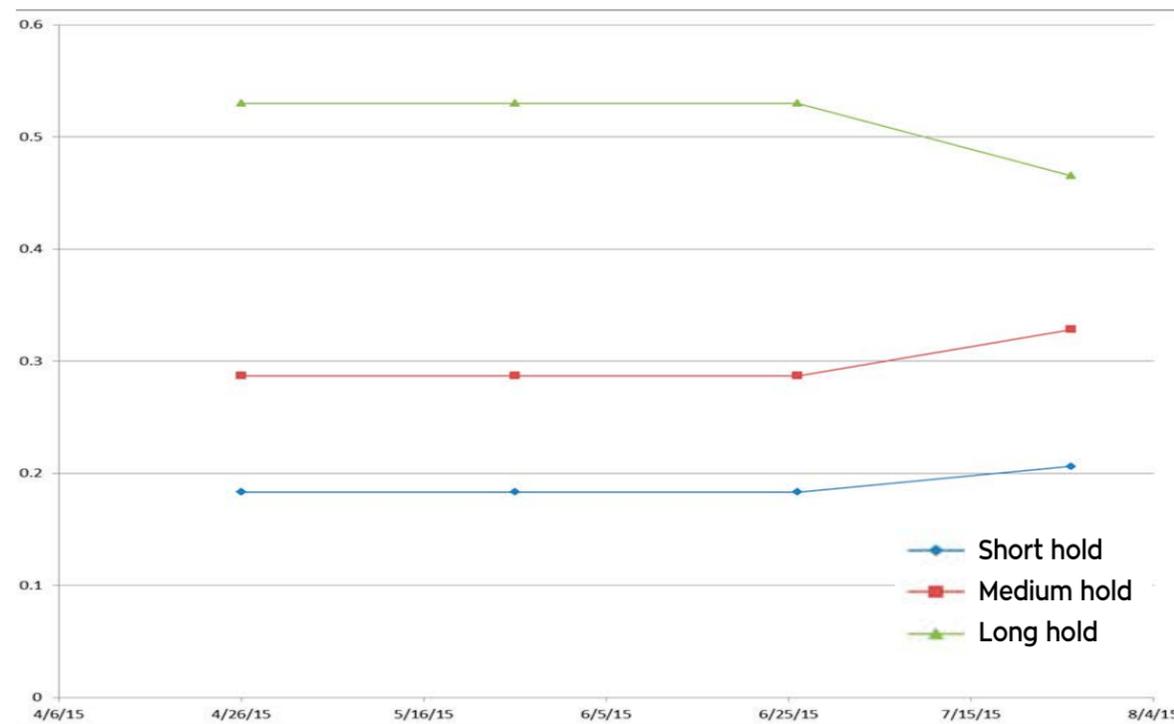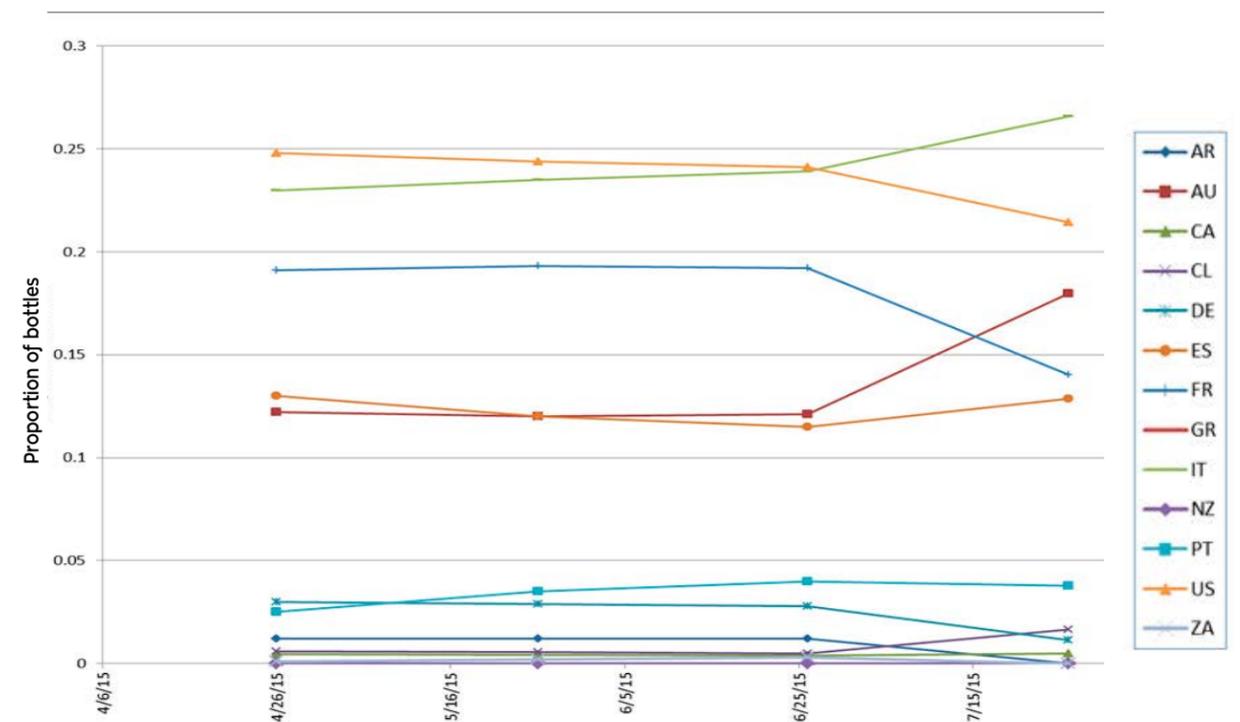
Cellar inventory composition, over time

EXHIBIT 6

Cellar composition by country, over time

also tracks the number of different wines in the cellar over time. This can be particularly useful for commercial cellars.

Version 3 has three new charts that track the status of the cellar over time, supplementing the three time-based charts in Version 2 that were updated in Version 3 (and shown in Exhibits 2, 3, and 4). The first of the three new time-based reports is the cellar inventory composition, which is found in the "Cellar History, Inv Comp" worksheet, as shown in Exhibit 5. This chart tracks the proportion of wine in the cellar falling in each of the short-hold, medium-hold, and long-hold categories. Short-hold wines are those that have their peak drinking window within the next three years, while medium-hold wines have peak drinking windows falling 3 to 6 years out, and windows for long-hold wines are more than 6 years out. This chart can yield insights into how the cellar composition has evolved over time.

The second of the new time-based charts is the cellar composition by country, which is found in the "Cellar History, Countries" worksheet. A screenshot of the chart, which displays the proportion of wine in the cellar by country of origin, is shown in Exhibit 6. Like the inventory composition chart, the country composition of the cellar will evolve over time, based on purchase and consumption decisions.

EXHIBIT 7

Cellar composition by special designations, over time
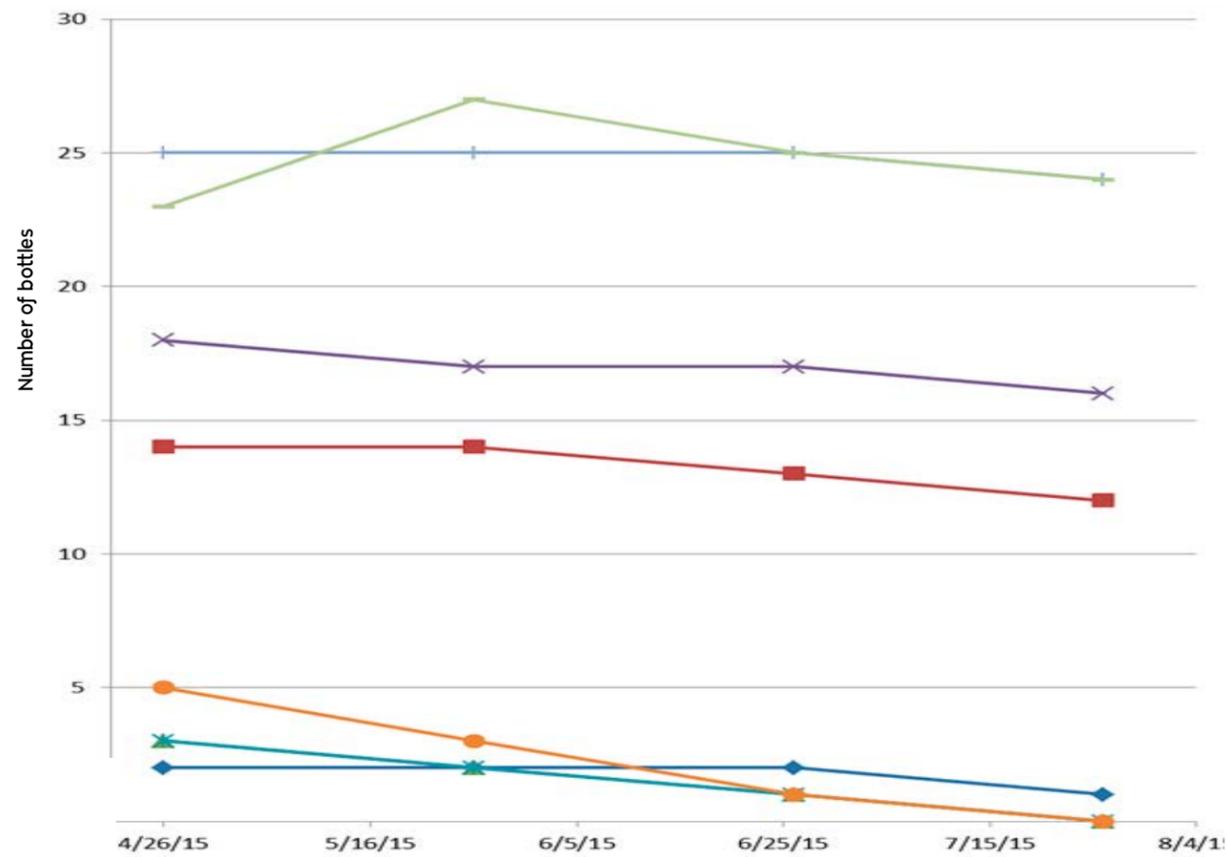
The cellar composition by special designation over time is the third of the new time-based charts, an example of which is shown in Exhibit 7. This chart offers a good way to see changes over time in the quantities of the wines falling in the user-defined special designation categories.

Legend
2001 Brunello
2004 Brunello
2005 Bordeaux
2005 Châteauneuf-du-Pape
2006 Brunello
2007 Châteauneuf-du-Pape
2010 Brunello
The Rocks of Milton-Freewater

EXHIBIT 8

Wines can be placed into two special designation categories

EXHIBIT 9

Wines can be flagged as "long-hold" on the "Wine Maintenance" form

EXHIBIT 10

New analysis options for corked wines in the "Wine Analyses" form

Version 3 allows wines to have two special designations, an example of which is illustrated in Exhibit 8. The example shows special designations based on a region and a producer. This provides notably more flexibility in tracking special wines, compared to Version 2. Exhibit 8 also illustrates a new purchase-specific field, the shipping method. Corked wines can be analyzed by shipping method, as described later.

Another new wine-specific field in Version 3 is the "Long-Hold" flag, as shown in Exhibit 9. As described below, inventory reports can be filtered based on the hold status of wines.

Version 3 expands on Version 2's analysis of corked wines. In version 2, selecting the corked wines option in the wine analyses form showed only the corked wines, without any filtering. Version 3 allows the corked wines to be categorized by closure, shipping method, varietal, vintage, vendor, and winery, as illustrated in Exhibit 10.