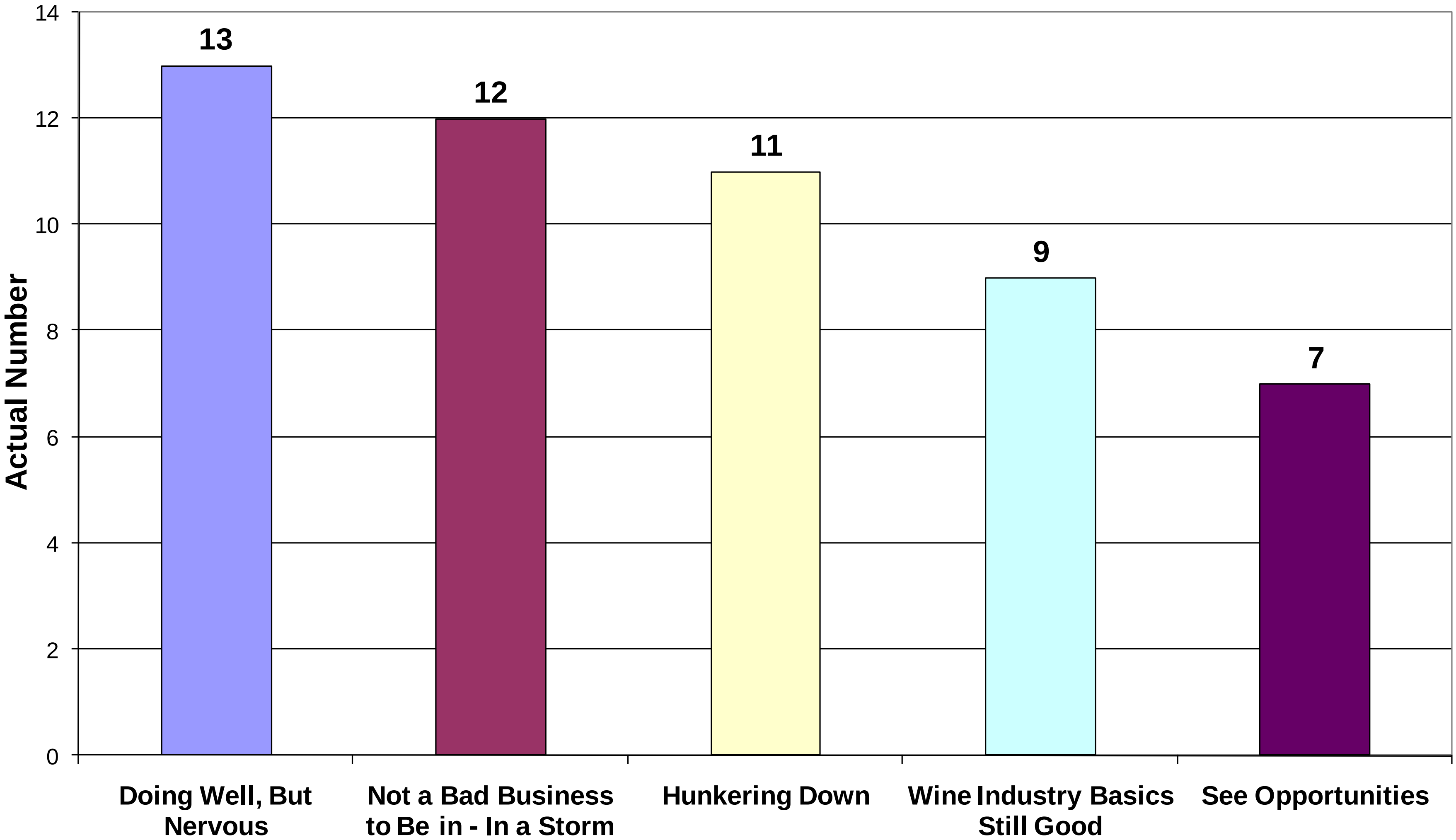
WINE INDUSTRY SYMPOSIUM

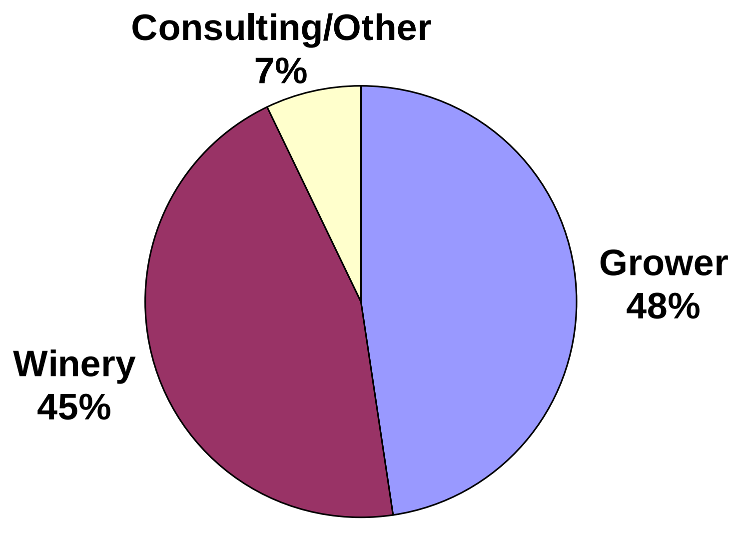
2009 Vineyard Economics Seminar Survey

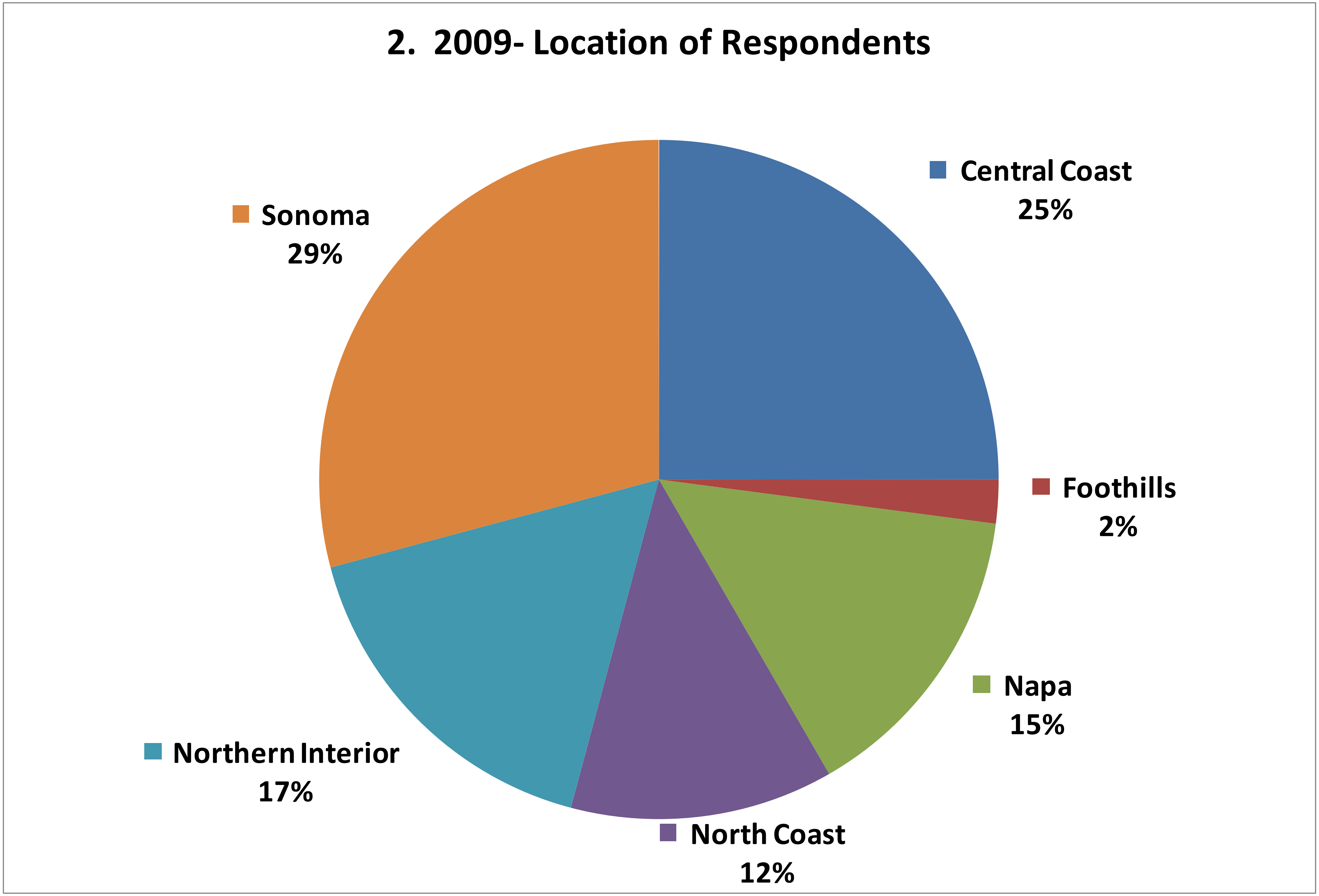
Available on our website in color www.winesymposium.com

13. 2009 VE- Top Five Descriptions of How Business is Doing in 2009



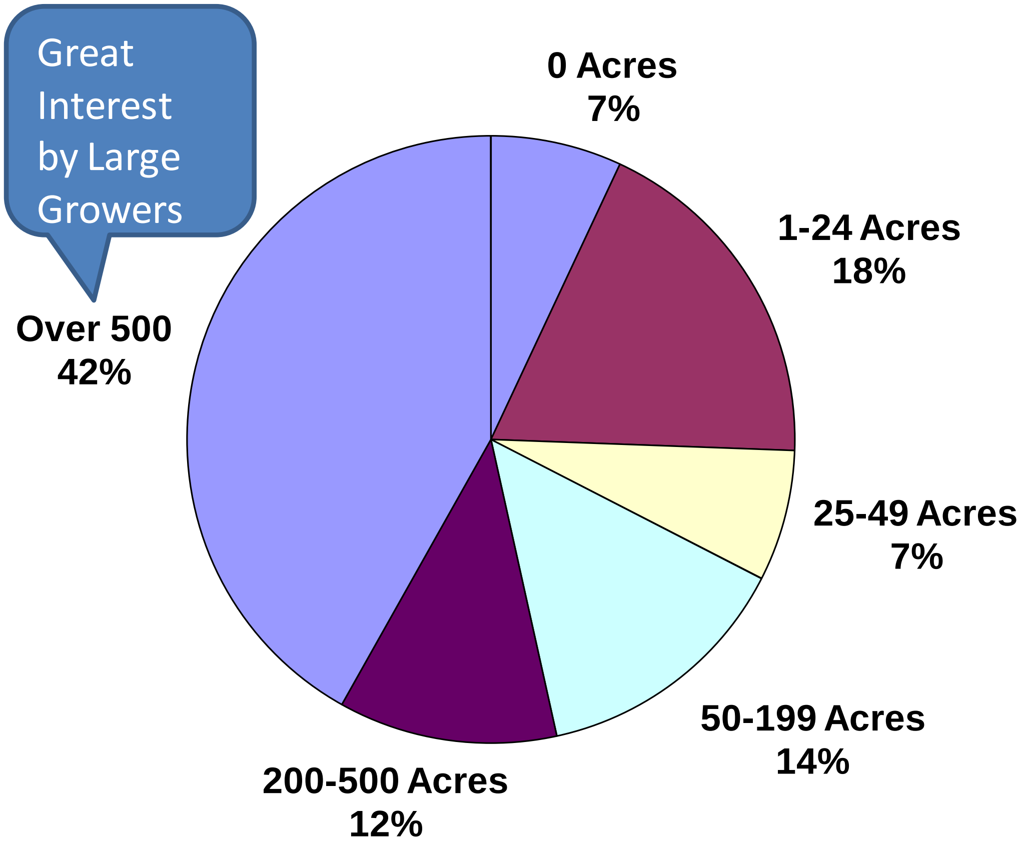
2009 Vineyard Economics Respondent Types
45 total



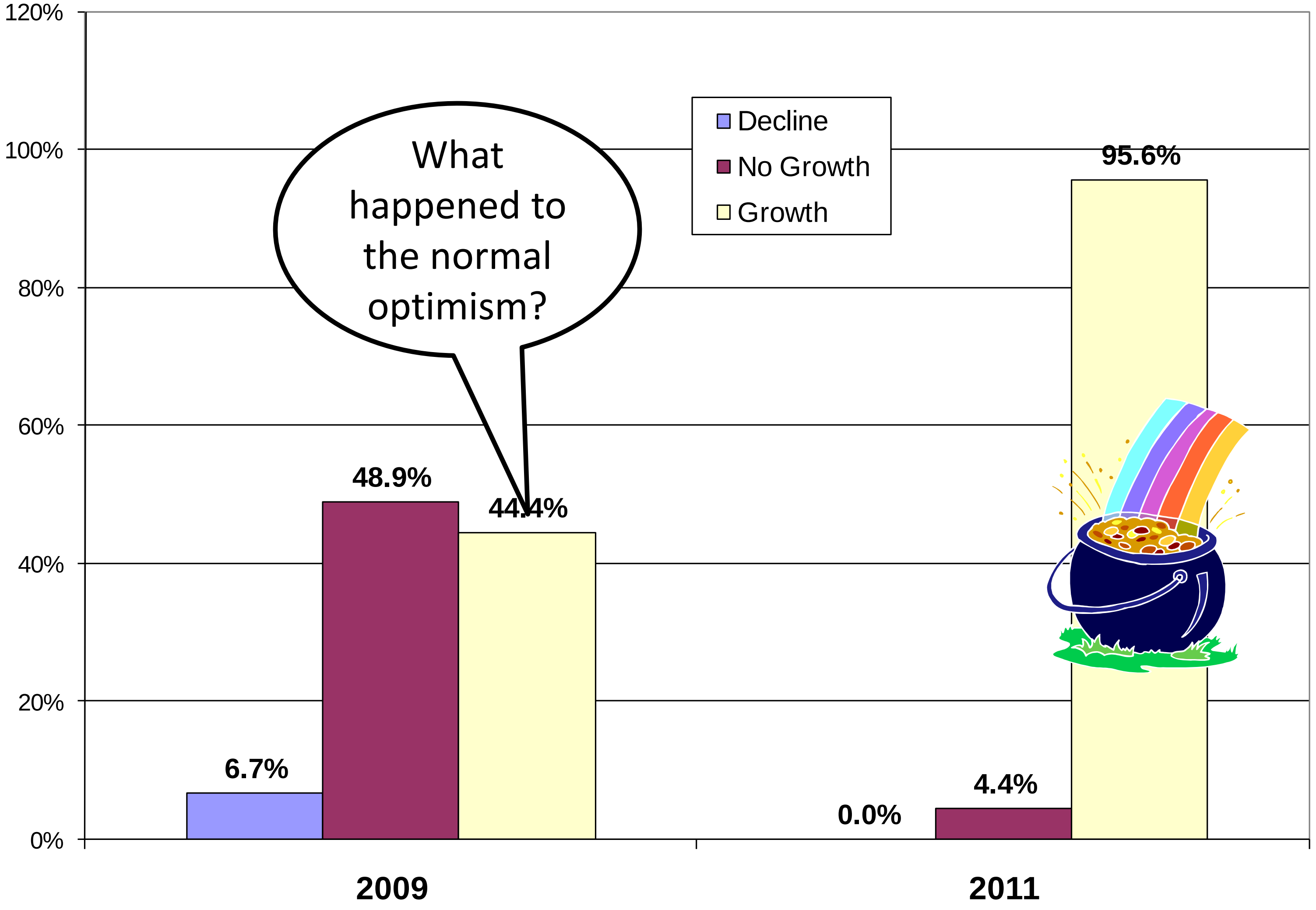


2. 2009- Location of Respondents
Central Coast
25%
Foothills
2%
Napa
15%
North Coast
12%
Northern Interior
17%
Sonoma
29%

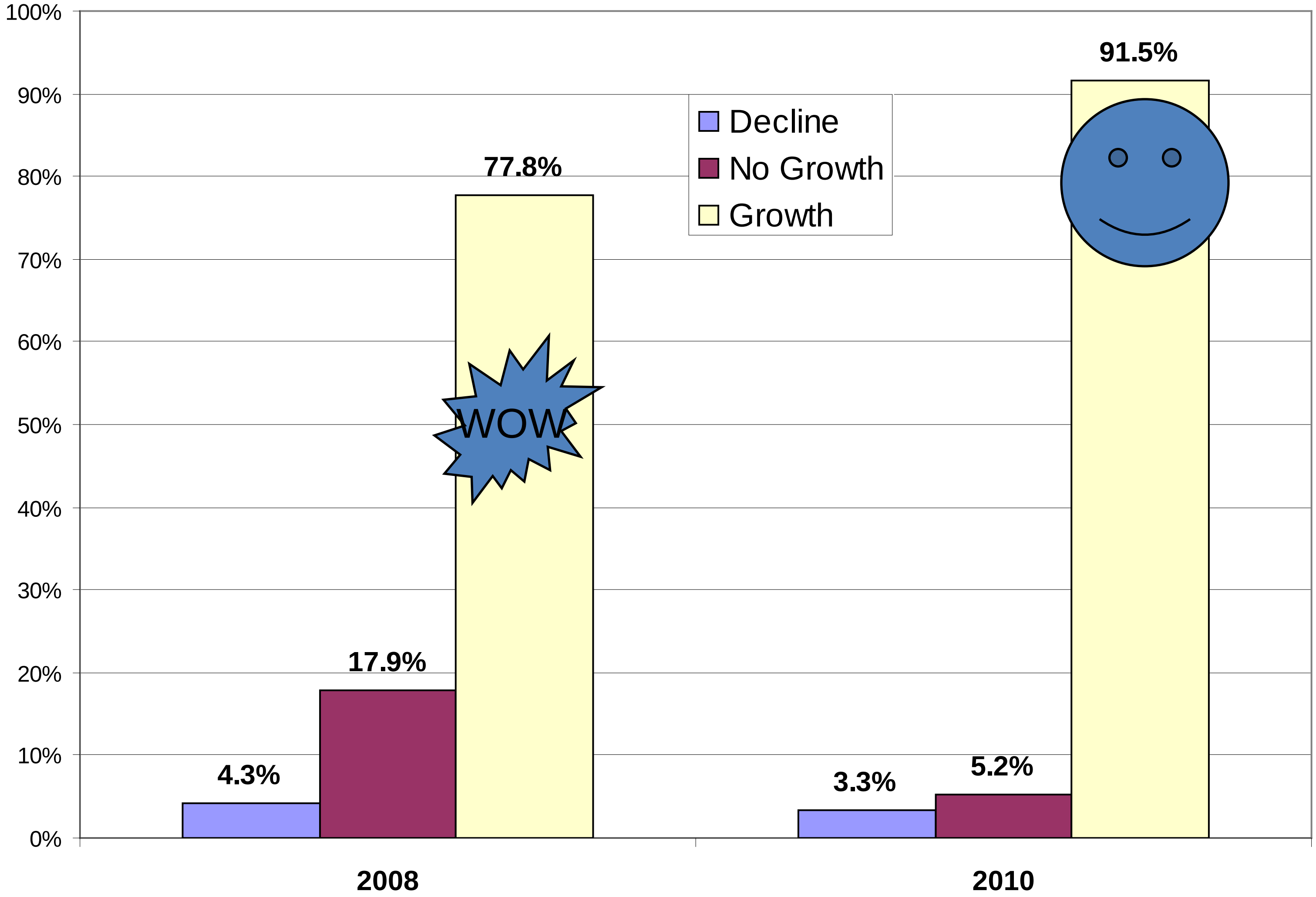
3. 2009 VE- Acres Owned by Respondents



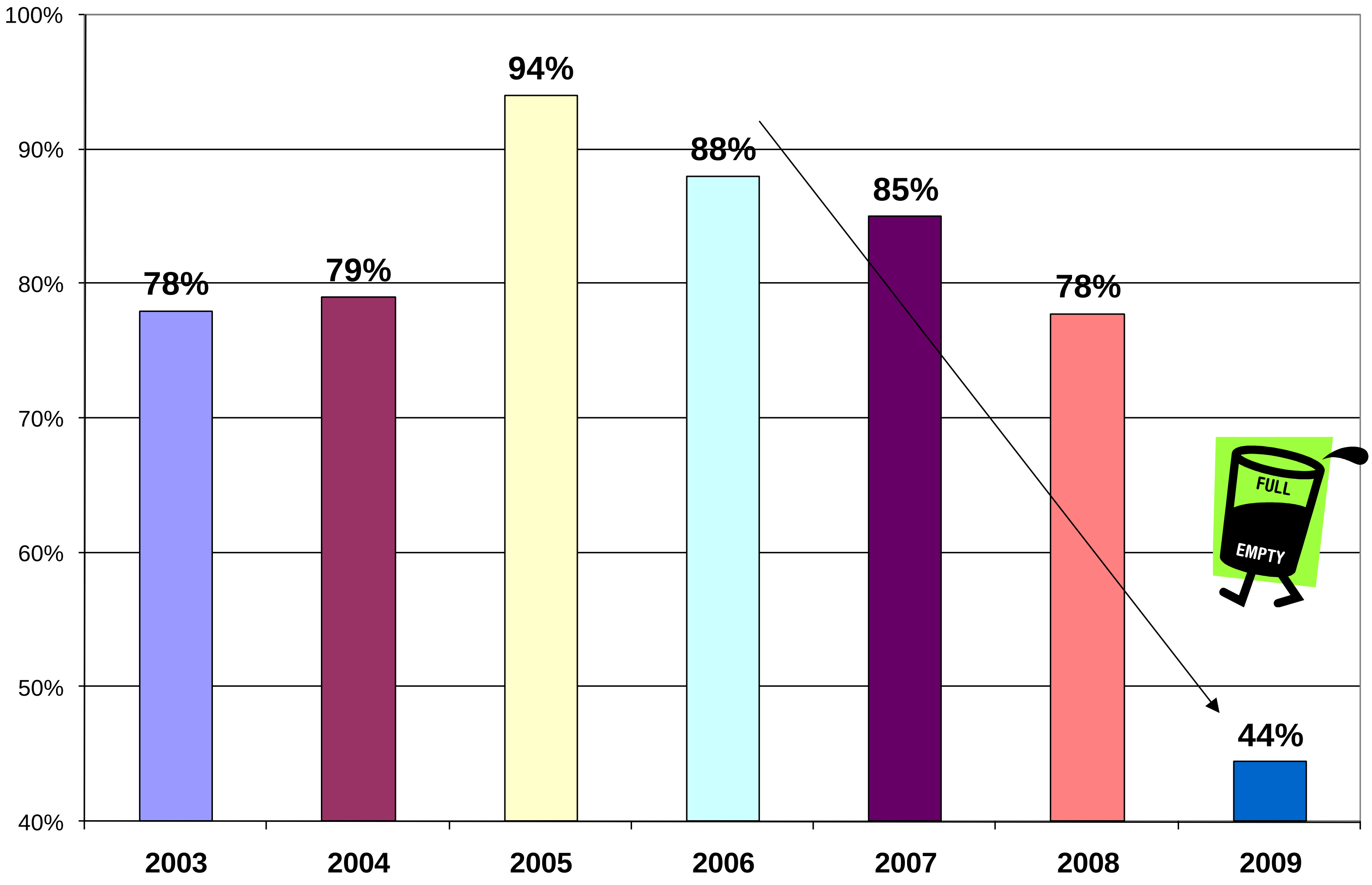
4. 2009 VE Opinions About <u>Growth of Wine Sales</u>



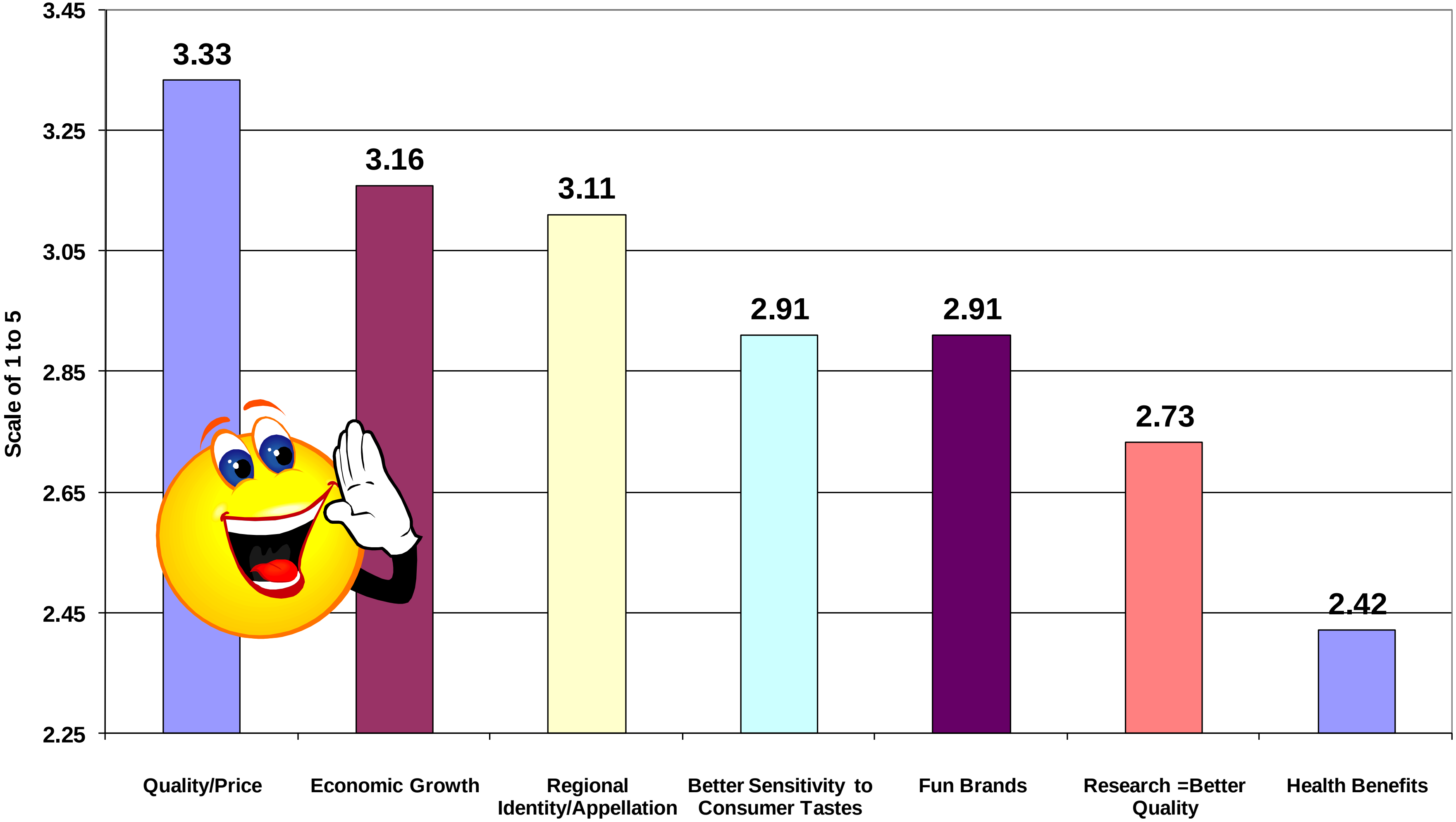
5. 2008 Opinion About Growth of Wine Sales Relative to 2007



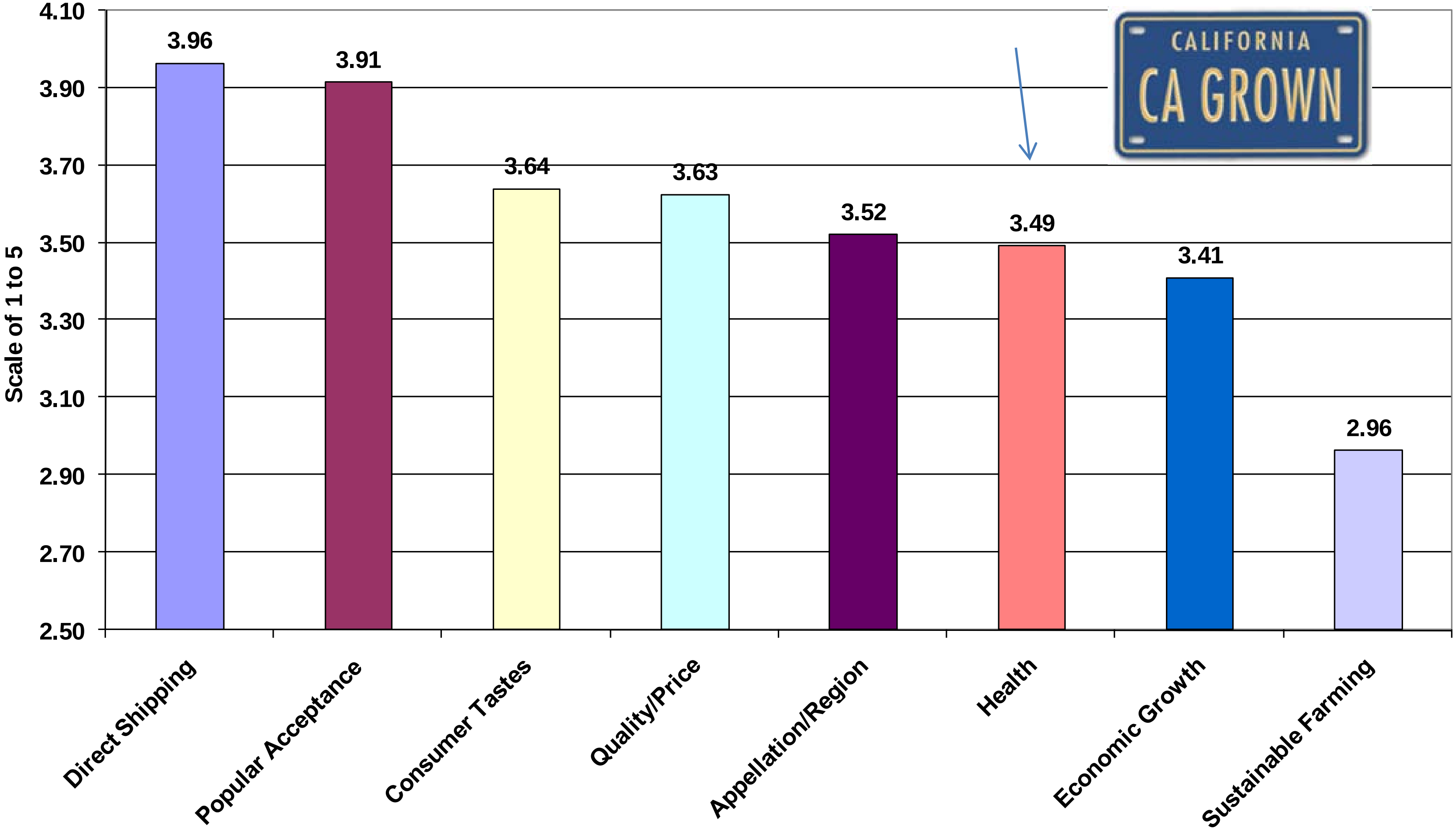
4. 2009 VE- Six Years of Opinions About the Percent of Respondents Thinking Growth of Wine Sales Would be Positive



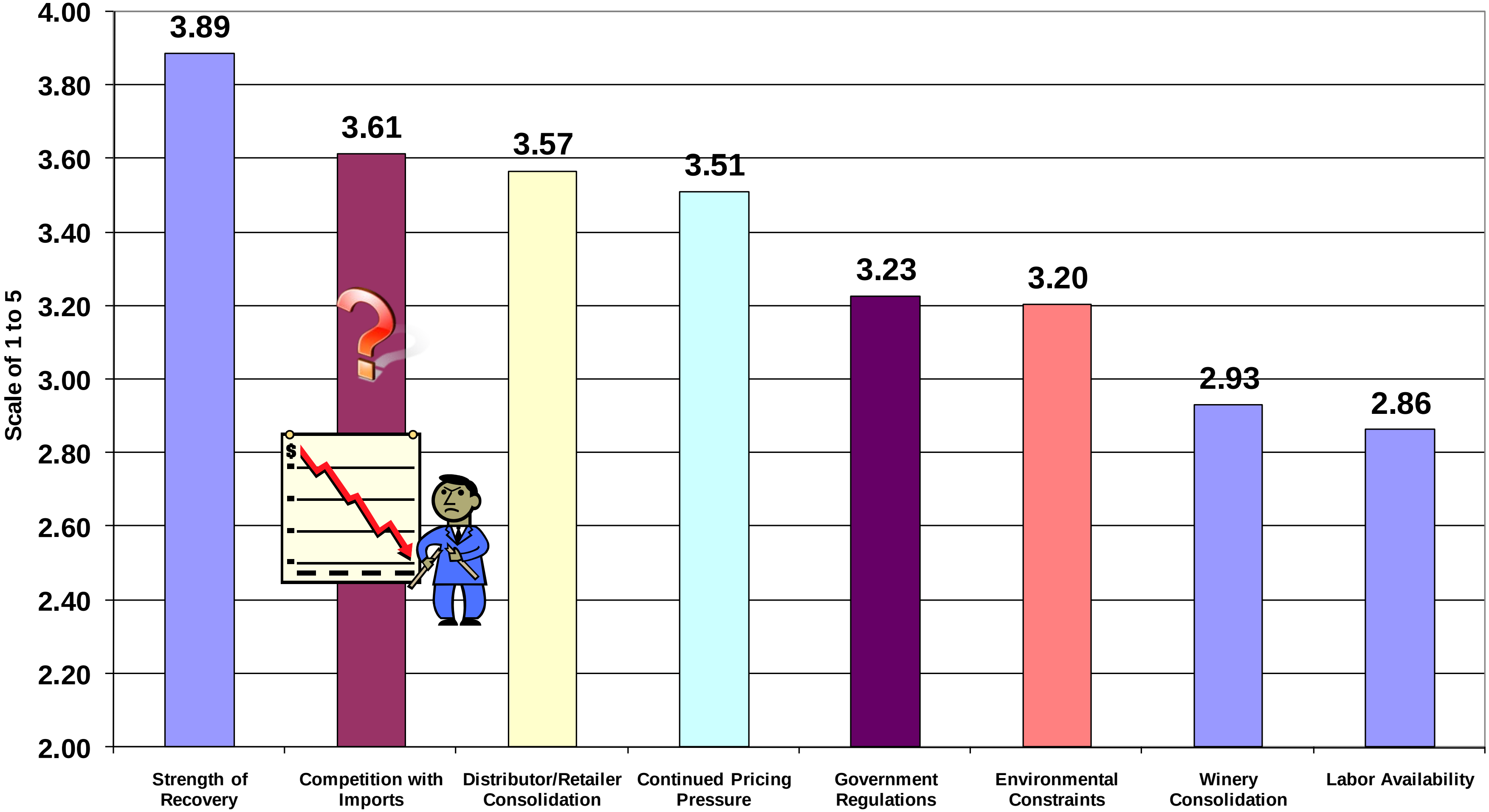
5. 2009- VE Which Factors Will have a Positive Impact on Wine Sales Over Next Three Years



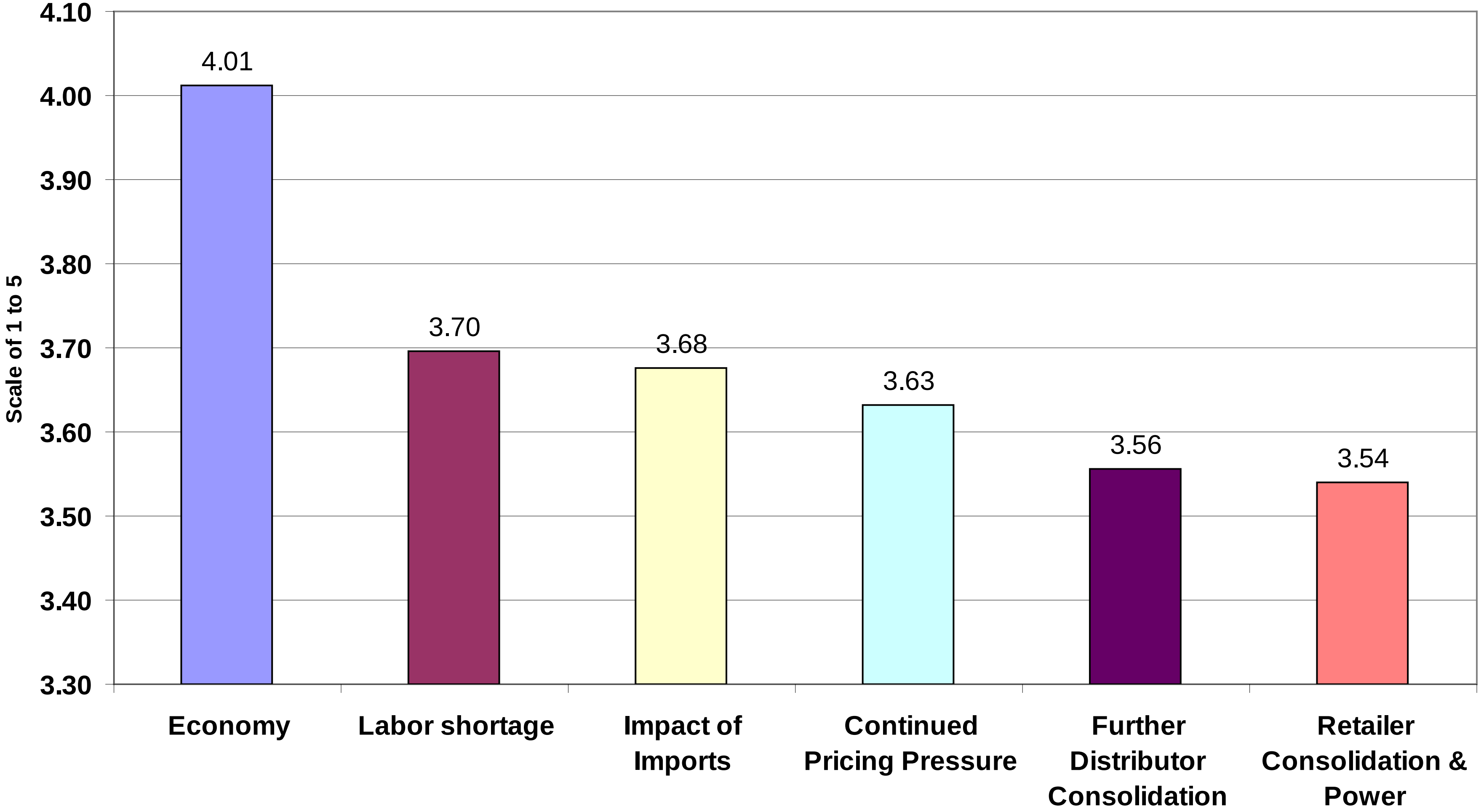
6. 2008 What California Respondents Think Will Impact the Wine Industry Positively Over the Next Three Years



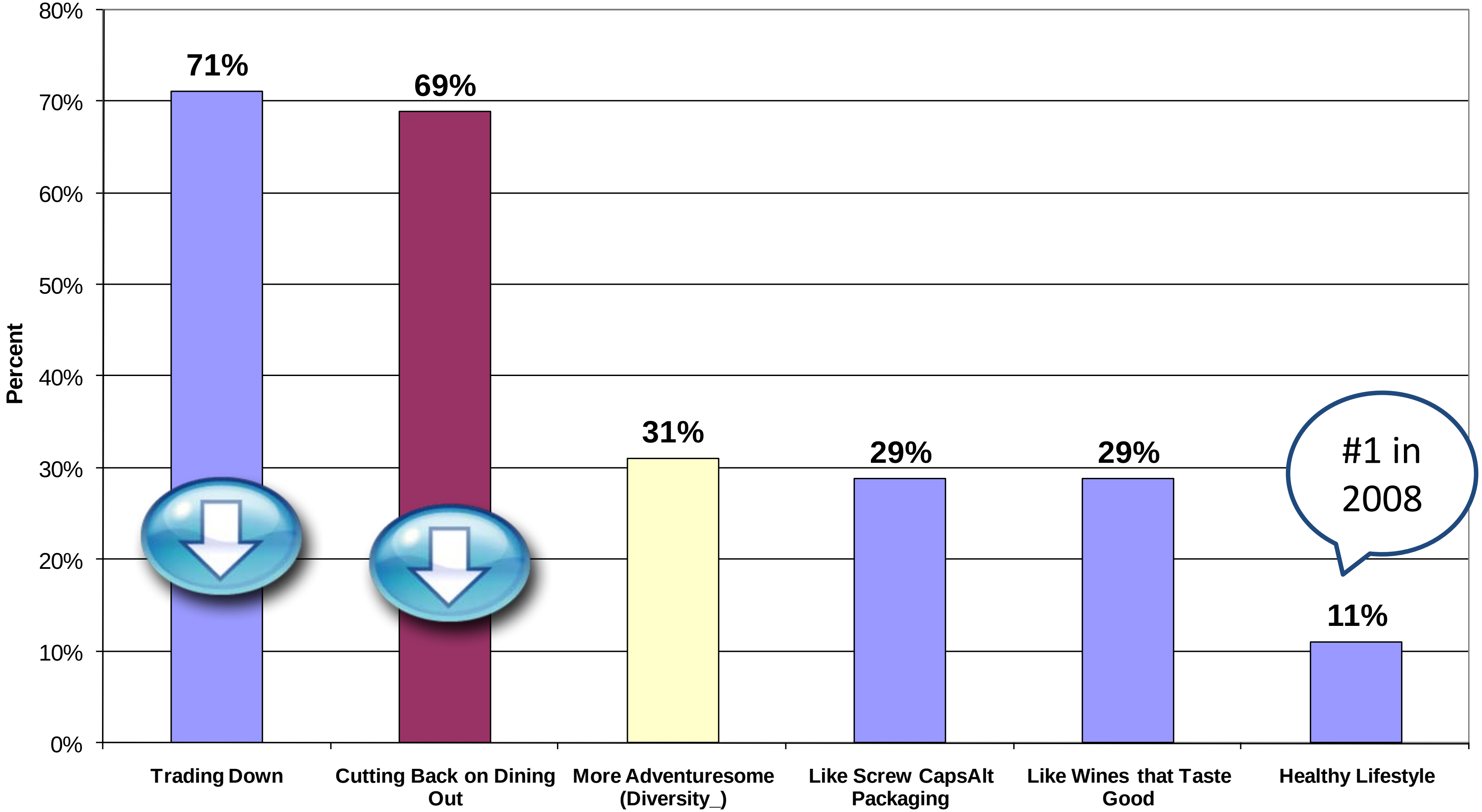
6. 2009- VE Possible Constraints to Wine Industry Growth and Profitability Over Next Three Years



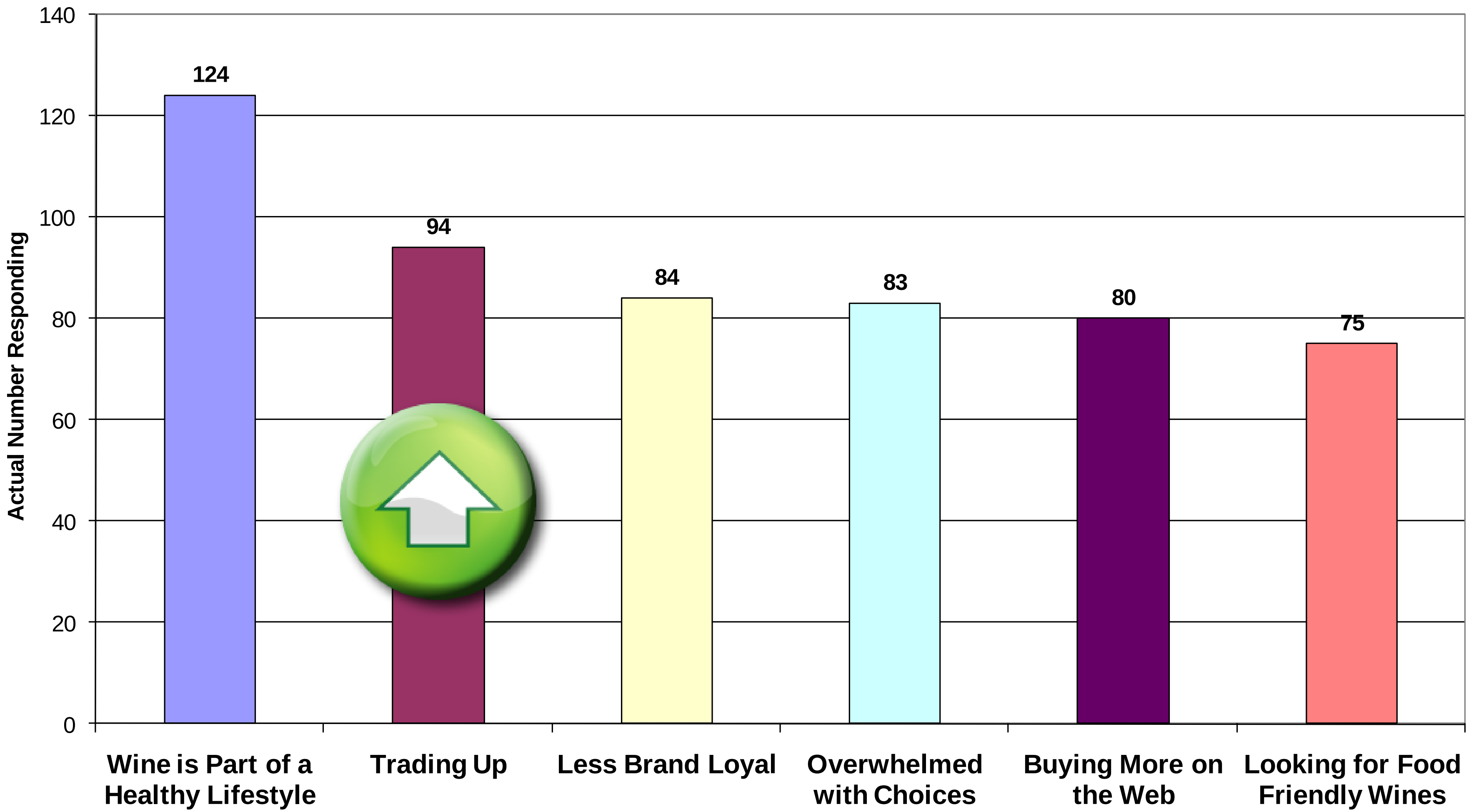
7. 2008 Possible Constraints to Wine Industry Growth and Profitability Over Next Three Years



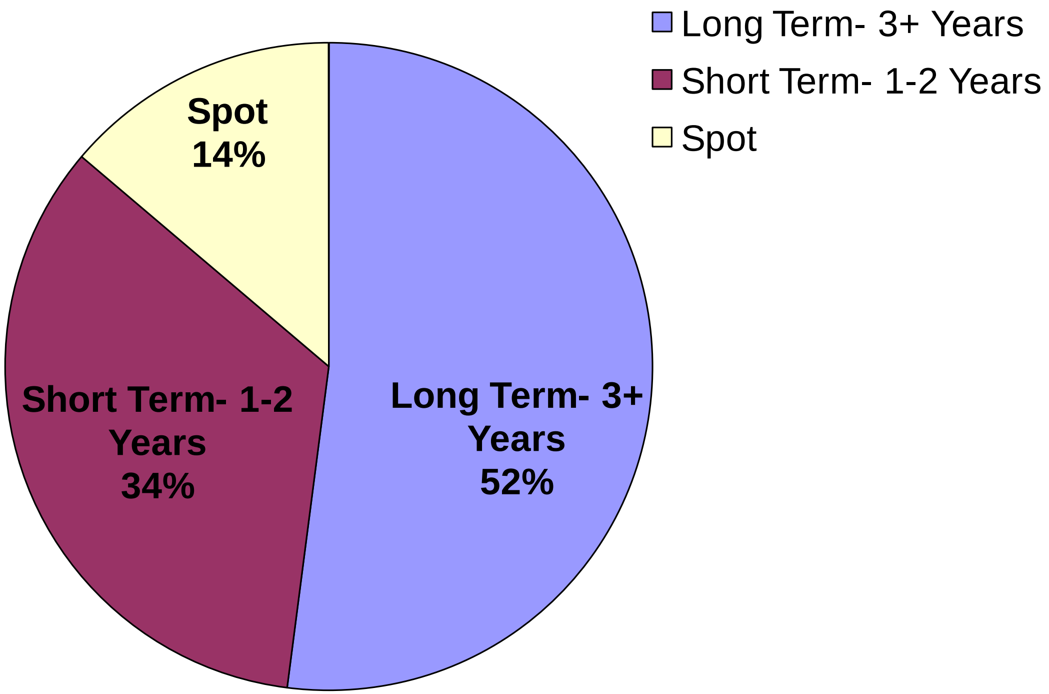
7. 2009-VE- How Consumers Have Changed Over the Past Two Years

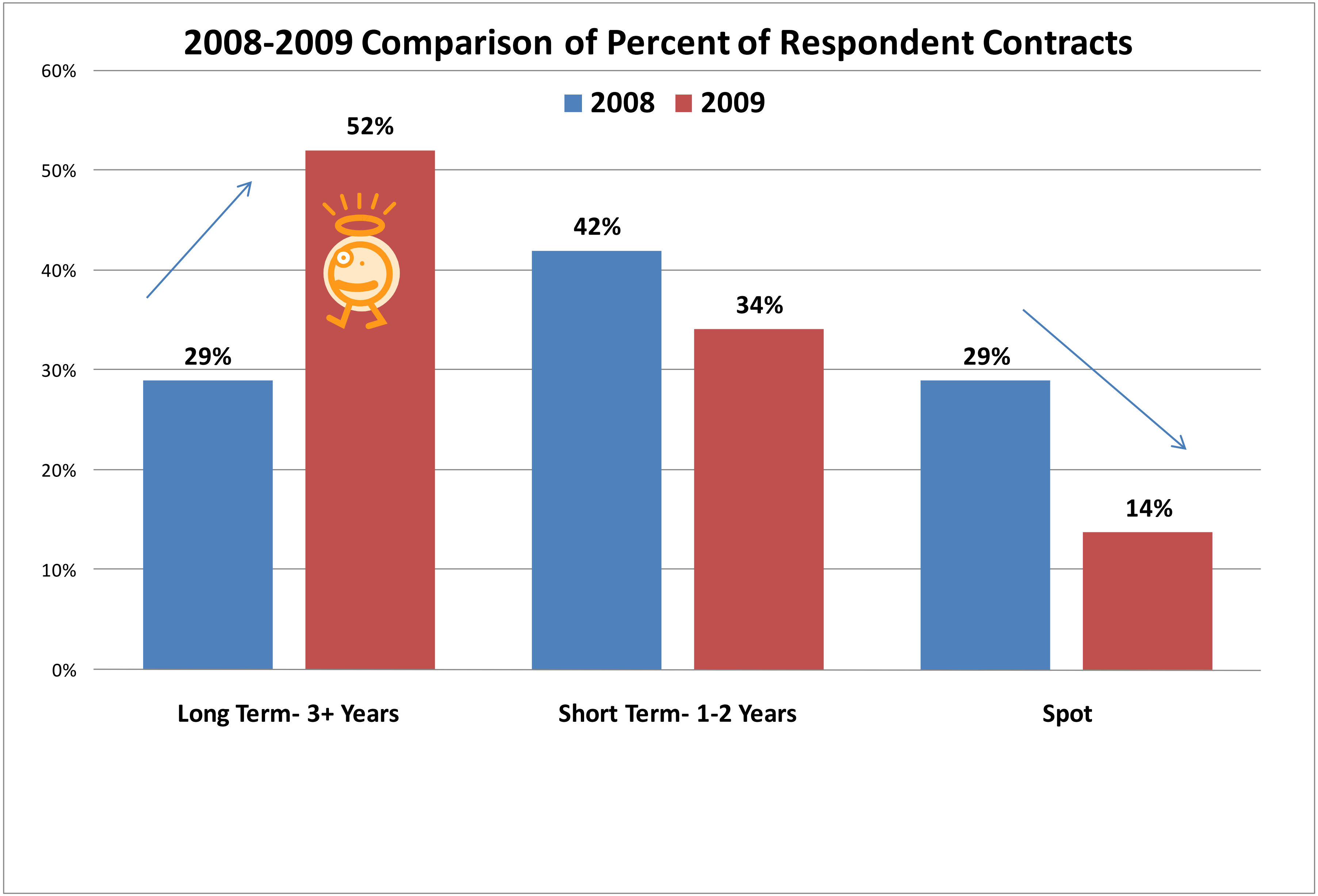


8. 2008- How Consumers Have Changed Over the Past Two Years: Consumers are or think of:



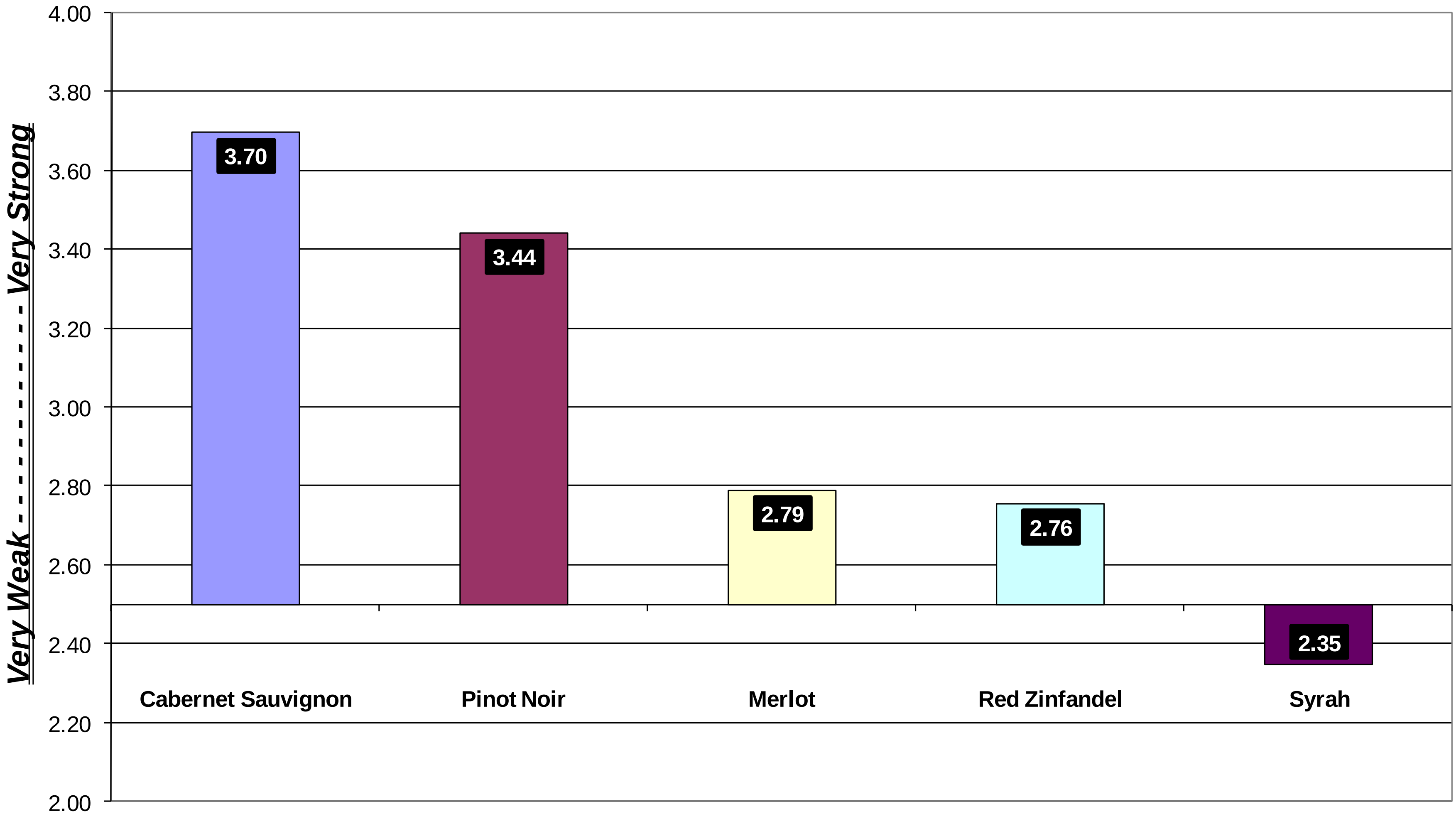
8. 2009 VE- Types of Respondent Contracts



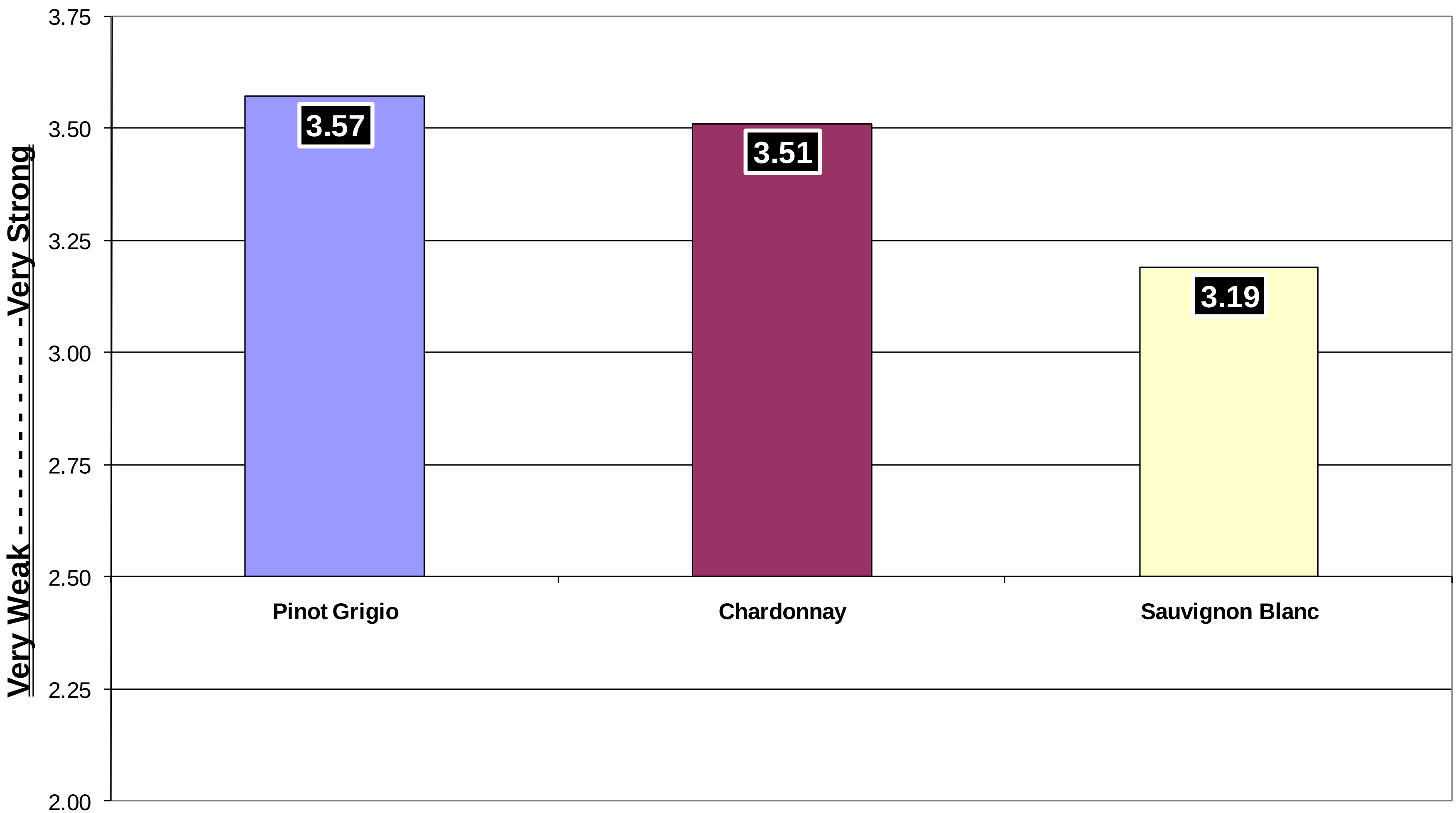


2008-2009 Comparison of Percent of Respondent Contracts
2008
2009
60%
50%
40%
30%
20%
10%
0%
52%
29%
42%
34%
29%
14%
Long Term- 3+ Years
Short Term- 1-2 Years
Spot

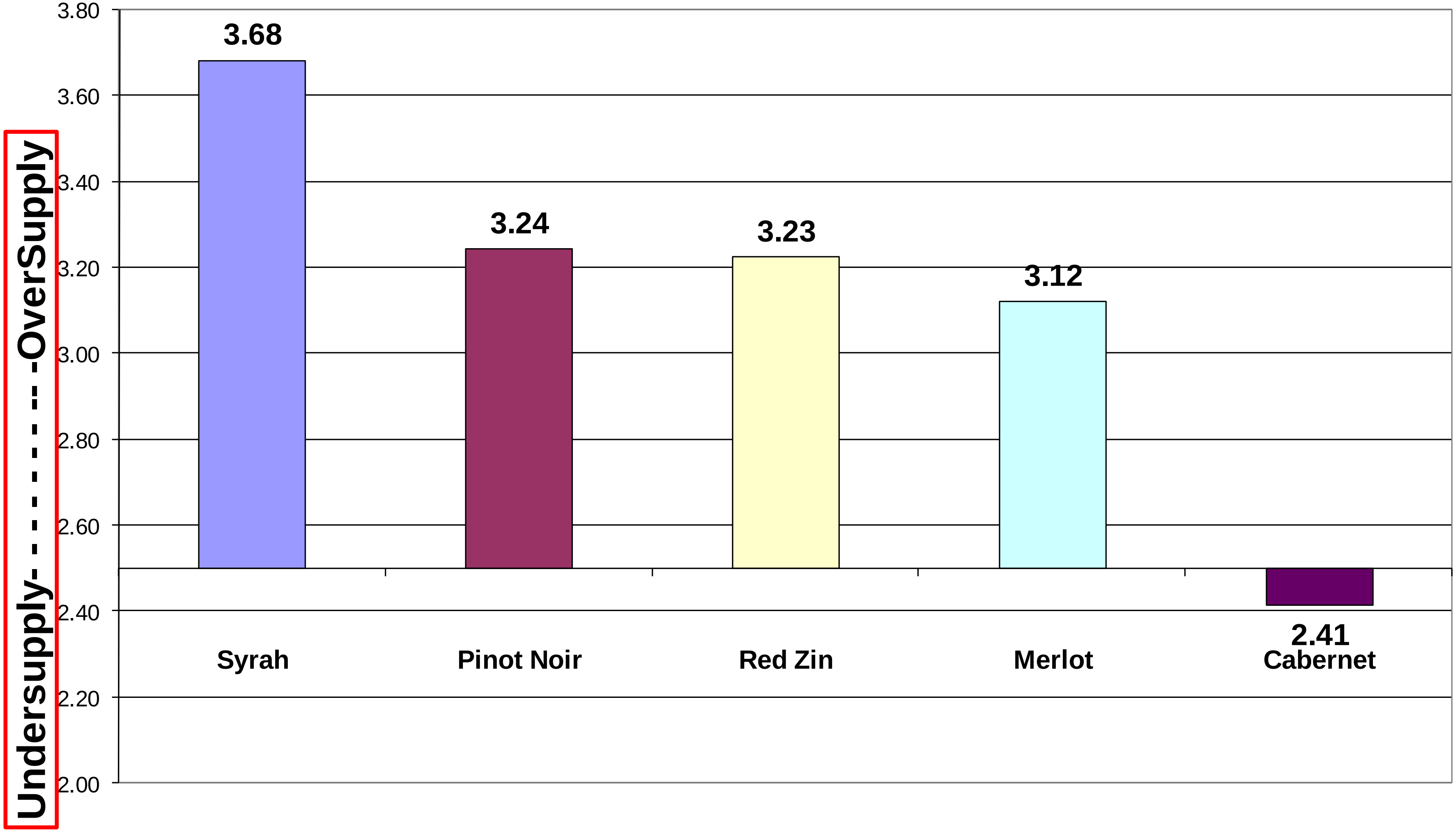
9. 2009-VE What Respondents Think About the Growth of Red Grape Sales Over Next Three Years: (Scale of 1 to 5)



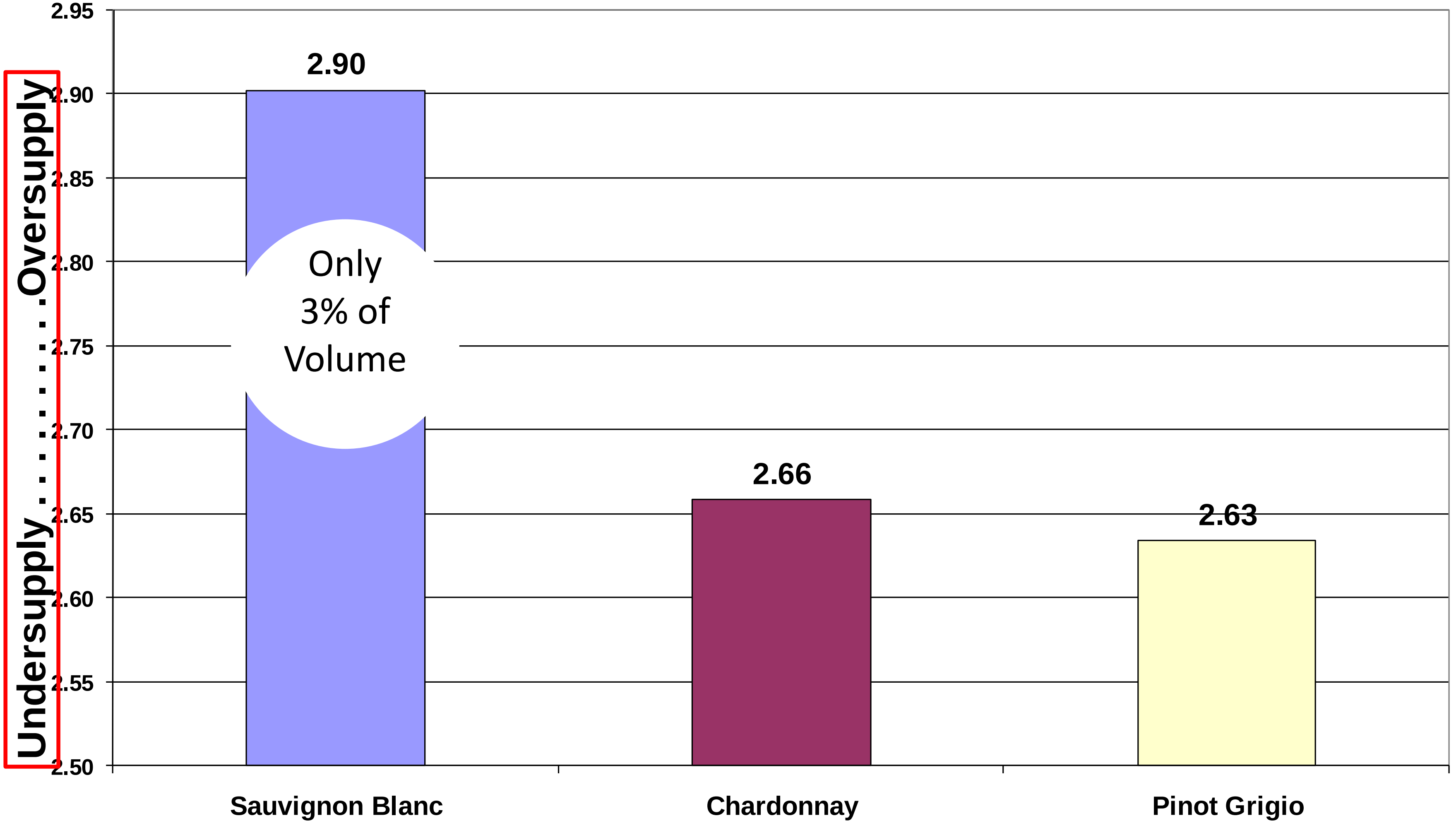
9. 2009 VE- What Respondents Think about the of Growth of White Grape Sales Over Next Three Years (Scale of 1 to 5)



10. VE 2009. What Respondents Think About the **Supply of Red Grapes** Over the Next Three Years



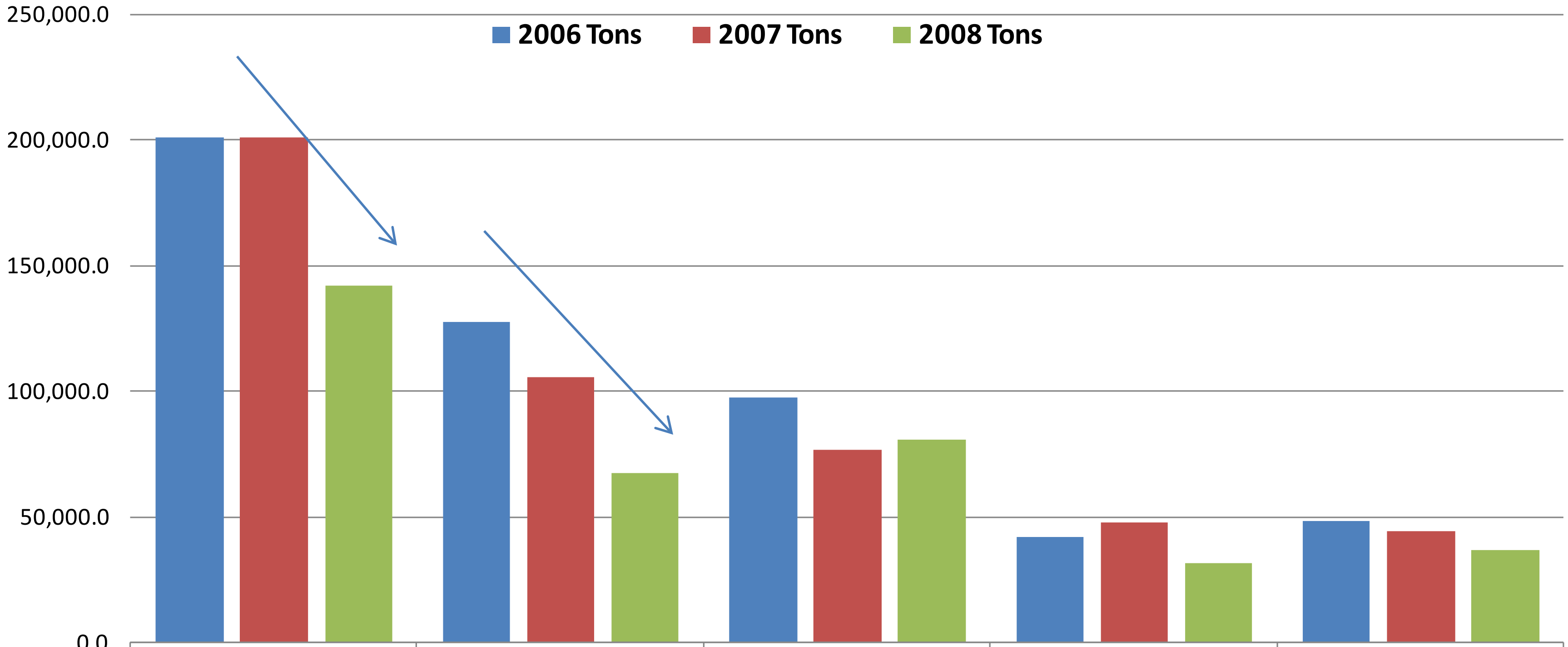
10. VE 2009 What Respondents Think About the Supply of White Grapes over the Next Three years



Coastal Districts 1-8

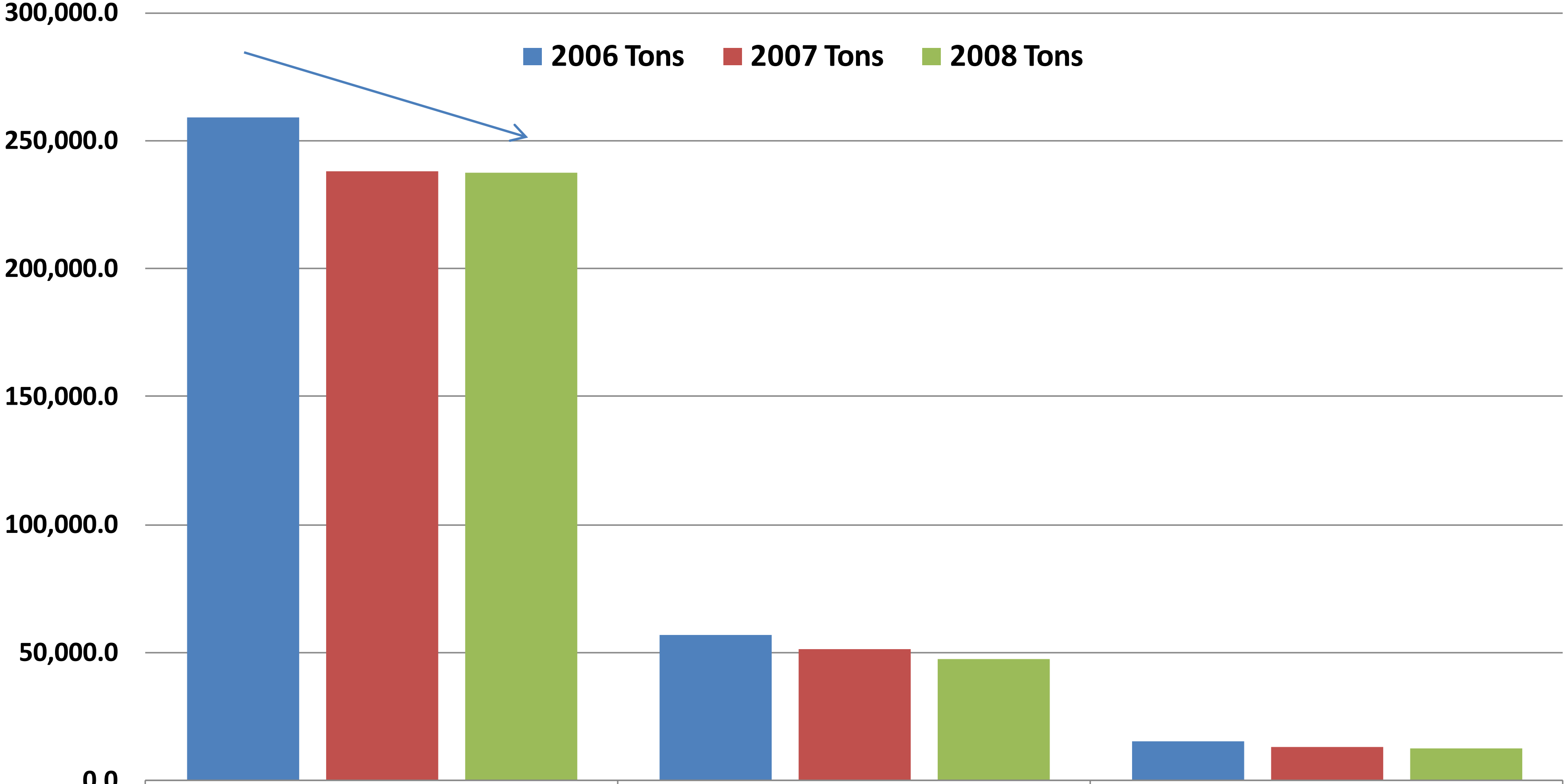
1. Mendocino County
2. Lake County
3. Sonoma & Marin Counties
4. Napa County
5. Solarno County
6. Alameda, Contra Costa, Santa Clara, San Francisco, San Mateo & Santa Cruz
7. Monterey & San Benito Counties
8. San Luis Obispo, Santa Barbara & Ventura Counties

Change in Tons of Red Grapes for Coastal Areas from 2006 to 2008(CASS Districts 1-8)



	Cabernet Sauvignon	Merlot	Pinot Noir	Syrah	Zinfandel
2006 Tons	200,667.1	127,443.9	97,372.7	41,748.6	48,006.2
2007 Tons	200,587.4	105,395.0	76,502.9	47,197.9	44,023.1
2008 Tons	141634.8	67303	80540.6	31117.8	36377.1

Change in Tons for White Grapes in Coastal Areas from 2006 to 2008 (CASS Districts 1-8)

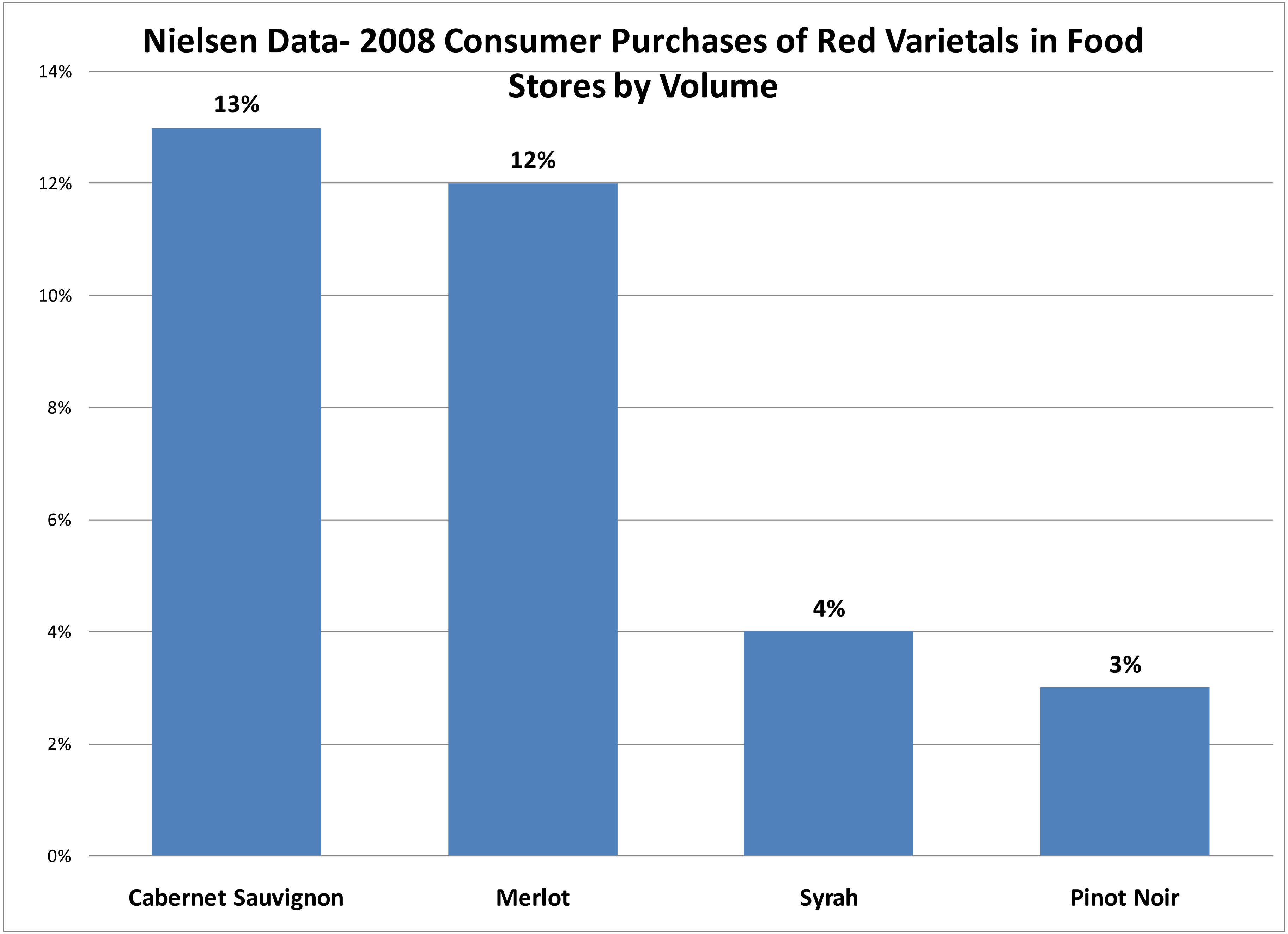


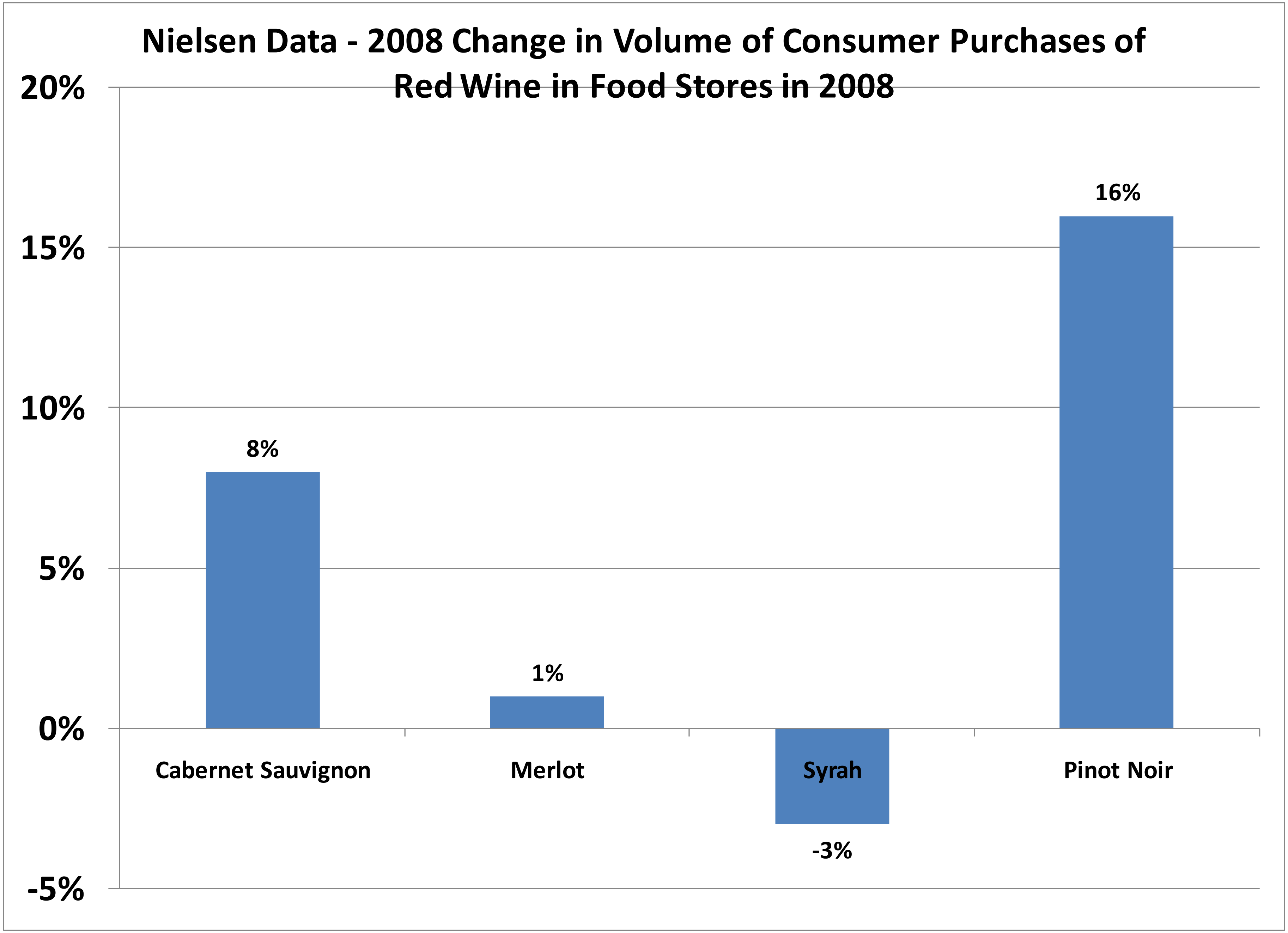
	Chardonnay	Sauvignon Blanc	Pinot Grigio
2006 Tons	259,143.1	56,348.9	14,989.7
2007 Tons	238,163.4	50,783.2	12,706.3
2008 Tons	237,116	47,161.20	12,216.30

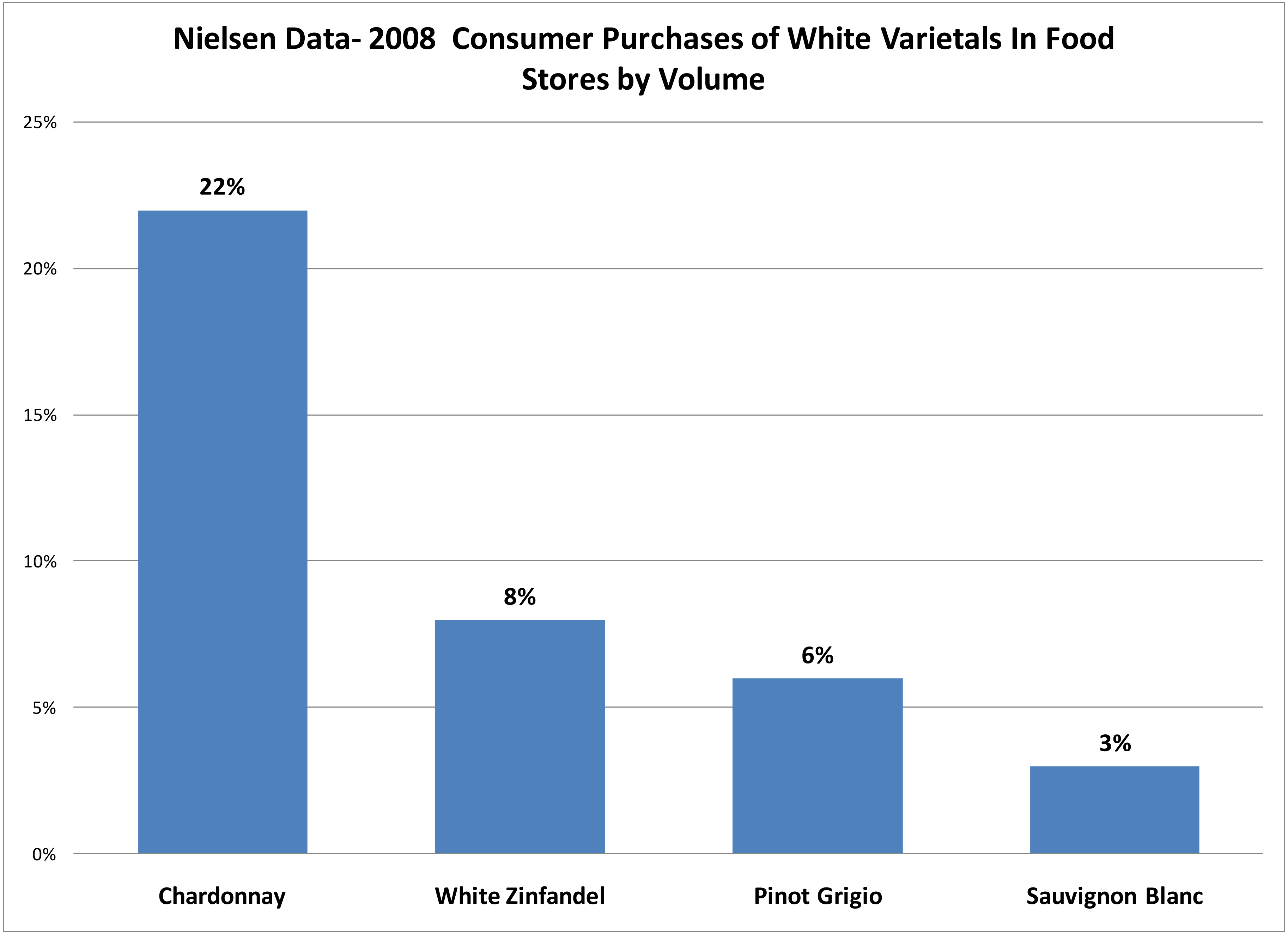
Table Wine : Varietal

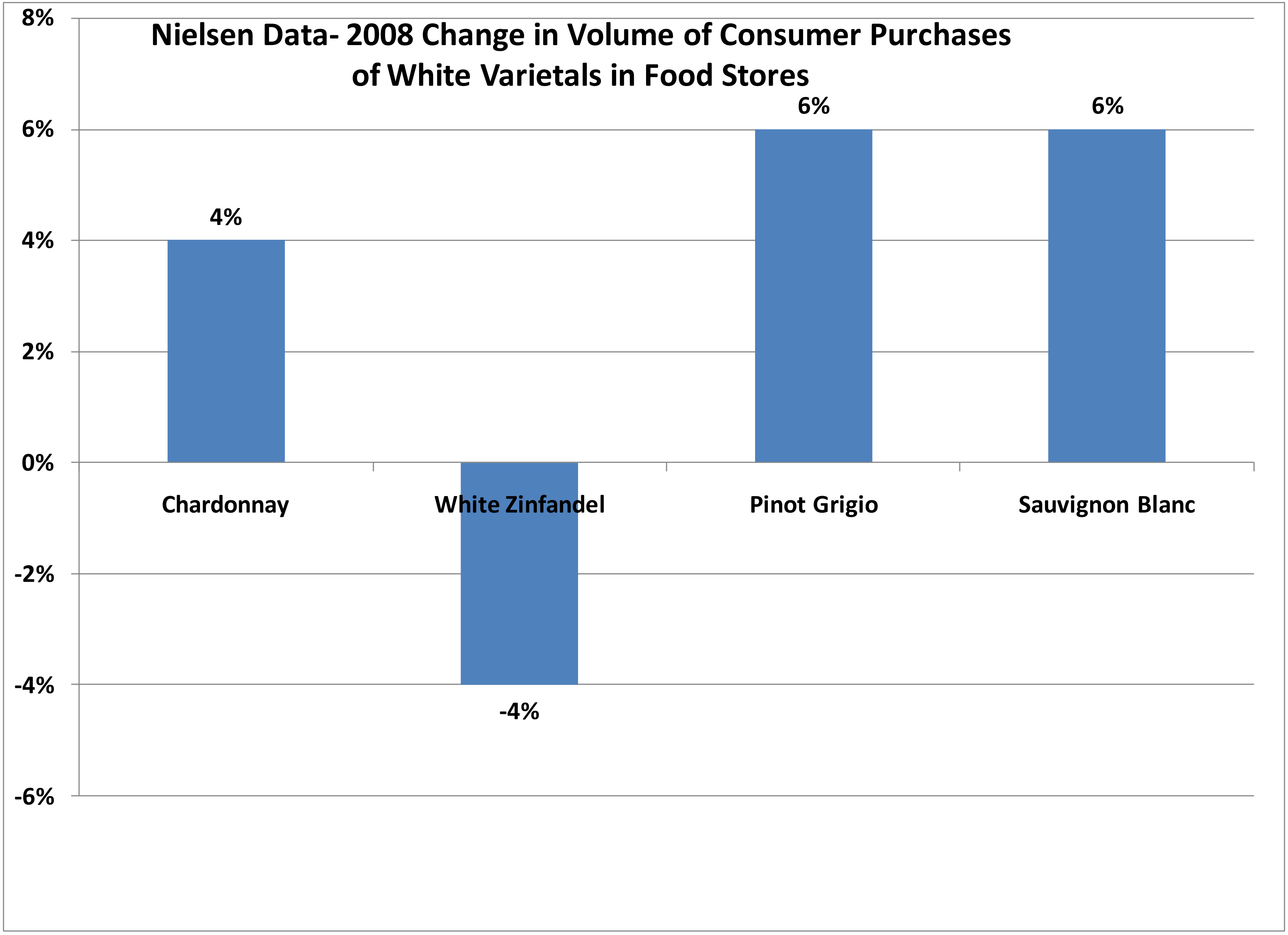
Lat 52 $ Share	Dollar % Change	YAG 52	Lat 52	Lat 26	Lat 13	Lat 13 Vol % Chg
21.9	Chardonnay	+3.6	+4.0	+4.2	+4.0	+5.5
14.6	Cab Sauv	+9.7	+7.5	+7.1	+6.9	+9.4
10.9	Merlot	+0.4	+0.8	+0.6	+0.8	+3.5
8.0	P. Grigio/Gris	+12.9	+8.9	+7.8	+7.8	+7.4
5.4	P. Noir	+20.0	+11.3	+10.0	+8.3	+9.2
4.6	White Zin	-1.0	+2.7	+2.8	+3.0	-0.4
4.1	Sauv/Fume Blan	+12.1	+10.5	+10.8	+11.4	+7.2
3.4	Syrah/Shiraz	-0.2	-5.3	-6.3	-6.0	-4.9
2.4	Riesling	+20.6	+9.9	+8.9	+10.3	+9.0
2.2	Zinfandel	+10.7	+2.8	+3.5	+2.1	+2.3
1.7	Chianti	+4.6	+0.1	-0.6	-0.8	-5.0

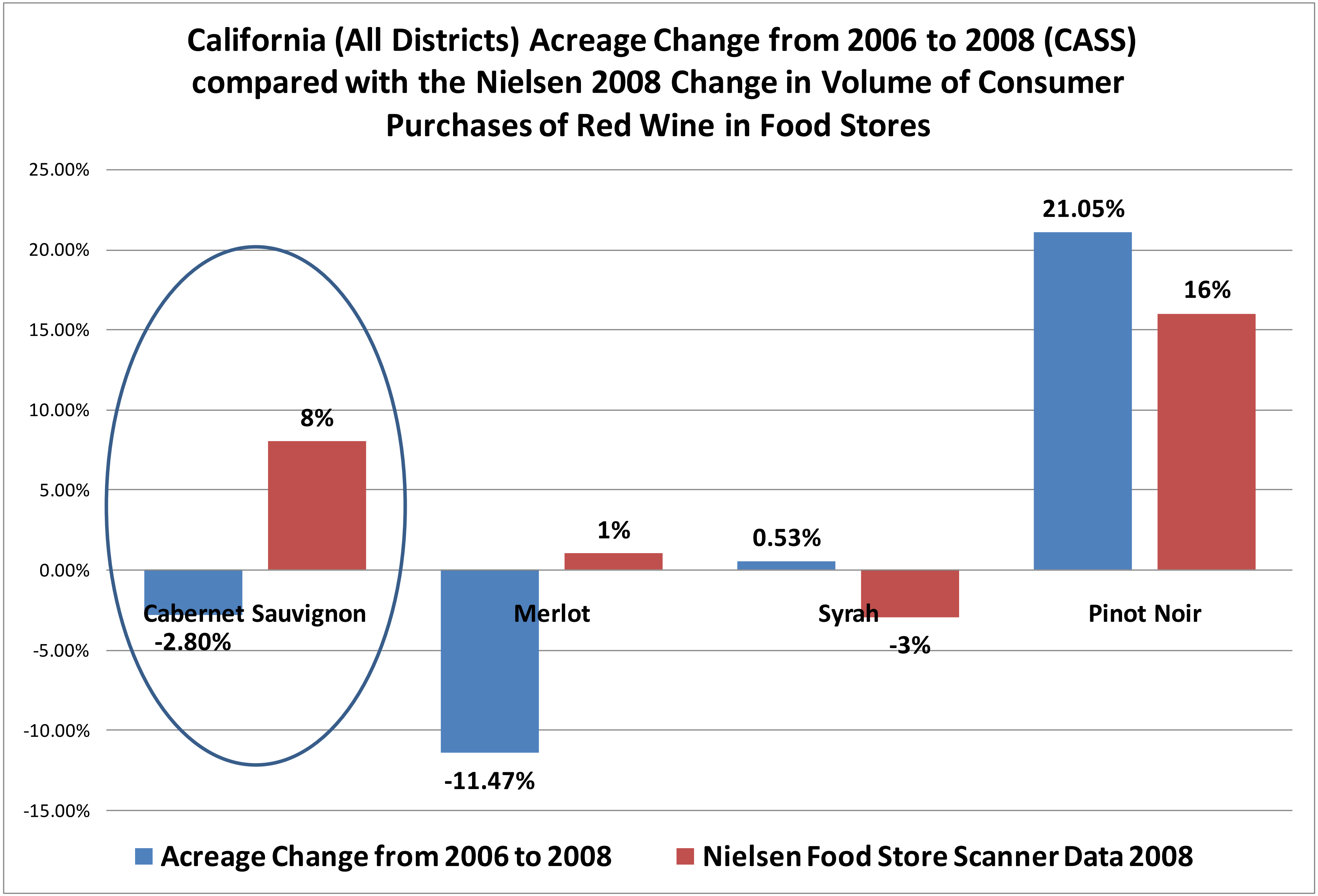
Source:
Nielsen Total U.S. Food/Drug/Liquor Plus; thru 05-02-09


Nielsen Data- 2008 Consumer Purchases of Red Varietals in Food Stores by Volume
14%
12%
10%
8%
6%
4%
2%
0%
13%
12%
4%
3%
Cabernet Sauvignon
Merlot
Syrah
Pinot Noir


Nielsen Data - 2008 Change in Volume of Consumer Purchases of Red Wine in Food Stores in 2008
20%
15%
10%
5%
0%
-5%
8%
1%
-3%
16%
Cabernet Sauvignon
Merlot
Syrah
Pinot Noir


Nielsen Data- 2008 Consumer Purchases of White Varietals In Food Stores by Volume
25%
20%
15%
10%
5%
0%
22%
8%
6%
3%
Chardonnay
White Zinfandel
Pinot Grigio
Sauvignon Blanc


Nielsen Data- 2008 Change in Volume of Consumer Purchases of White Varietals in Food Stores
8%
6%
4%
2%
0%
-2%
-4%
-6%
4%
-4%
6%
6%
Chardonnay
White Zinfandel
Pinot Grigio
Sauvignon Blanc


California (All Districts) Acreage Change from 2006 to 2008 (CASS) compared with the Nielsen 2008 Change in Volume of Consumer Purchases of Red Wine in Food Stores
25.00%
20.00%
15.00%
10.00%
5.00%
0.00%
-5.00%
-10.00%
-15.00%
21.05%
16%
8%
1%
0.53%
-2.80%
-3%
-11.47%
Cabernet Sauvignon
Merlot
Syrah
Pinot Noir
Acreage Change from 2006 to 2008
Nielsen Food Store Scanner Data 2008

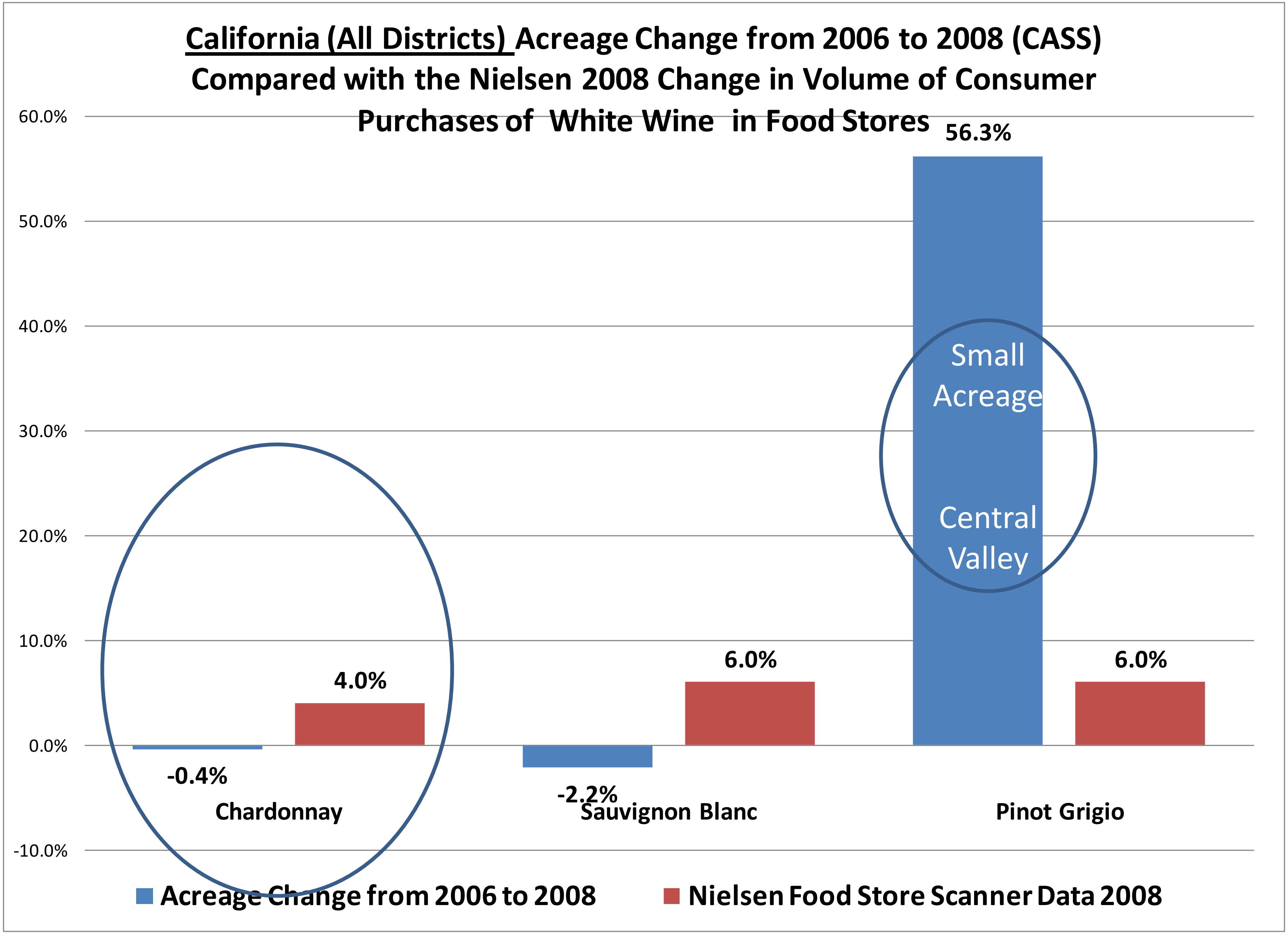

California (All Districts) Acreage Change from 2006 to 2008 (CASS) Compared with the Nielsen 2008 Change in Volume of Consumer Purchases of White Wine in Food Stores
60.0%
50.0%
40.0%
30.0%
20.0%
10.0%
0.0%
-10.0%
56.3%
Small Acreage
Central Valley
4.0%
6.0%
6.0%
-0.4%
-2.2%
Chardonnay
Sauvignon Blanc
Pinot Grigio
Acreage Change from 2006 to 2008
Nielsen Food Store Scanner Data 2008

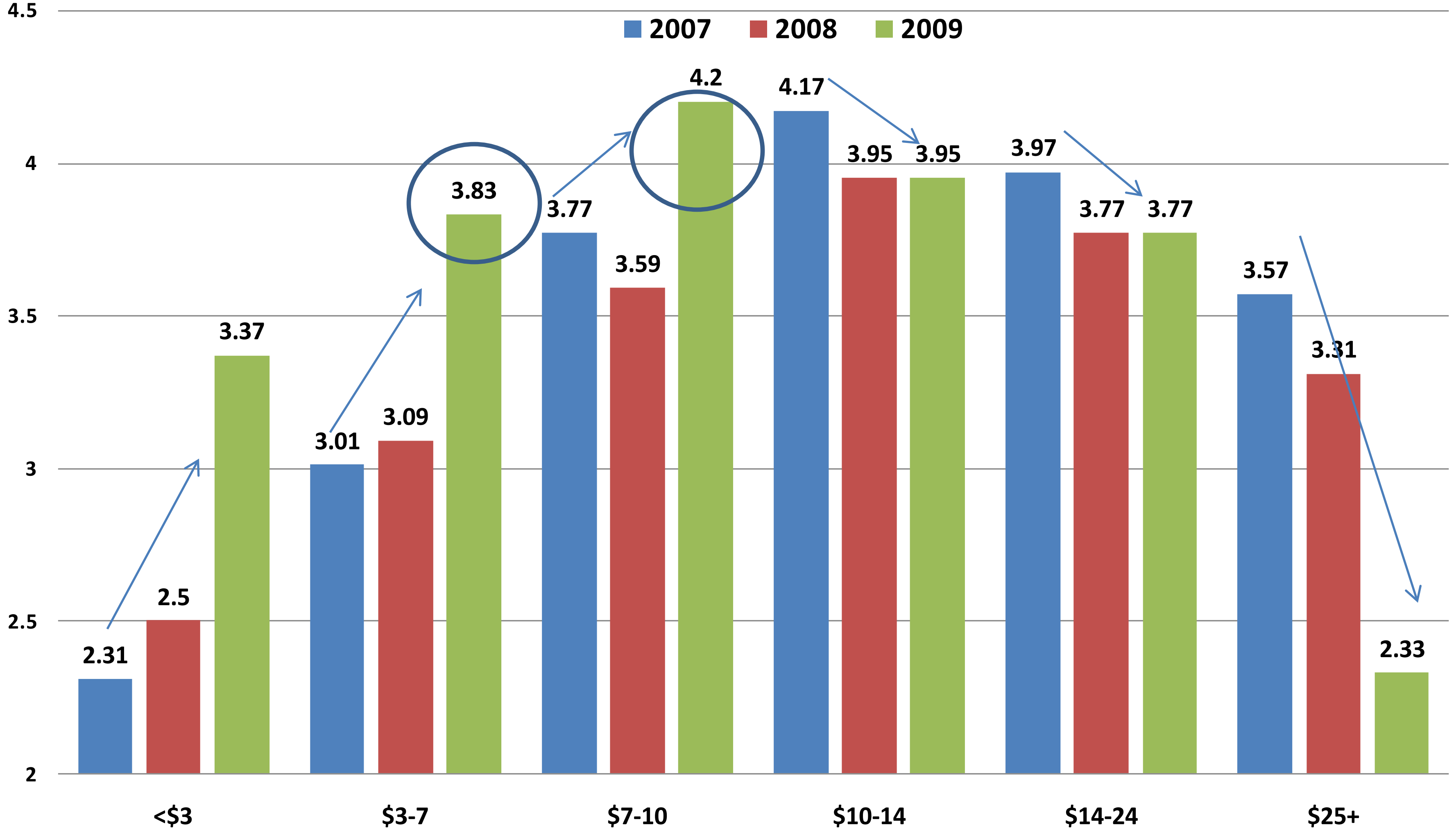
Table Wine - Price Tiers

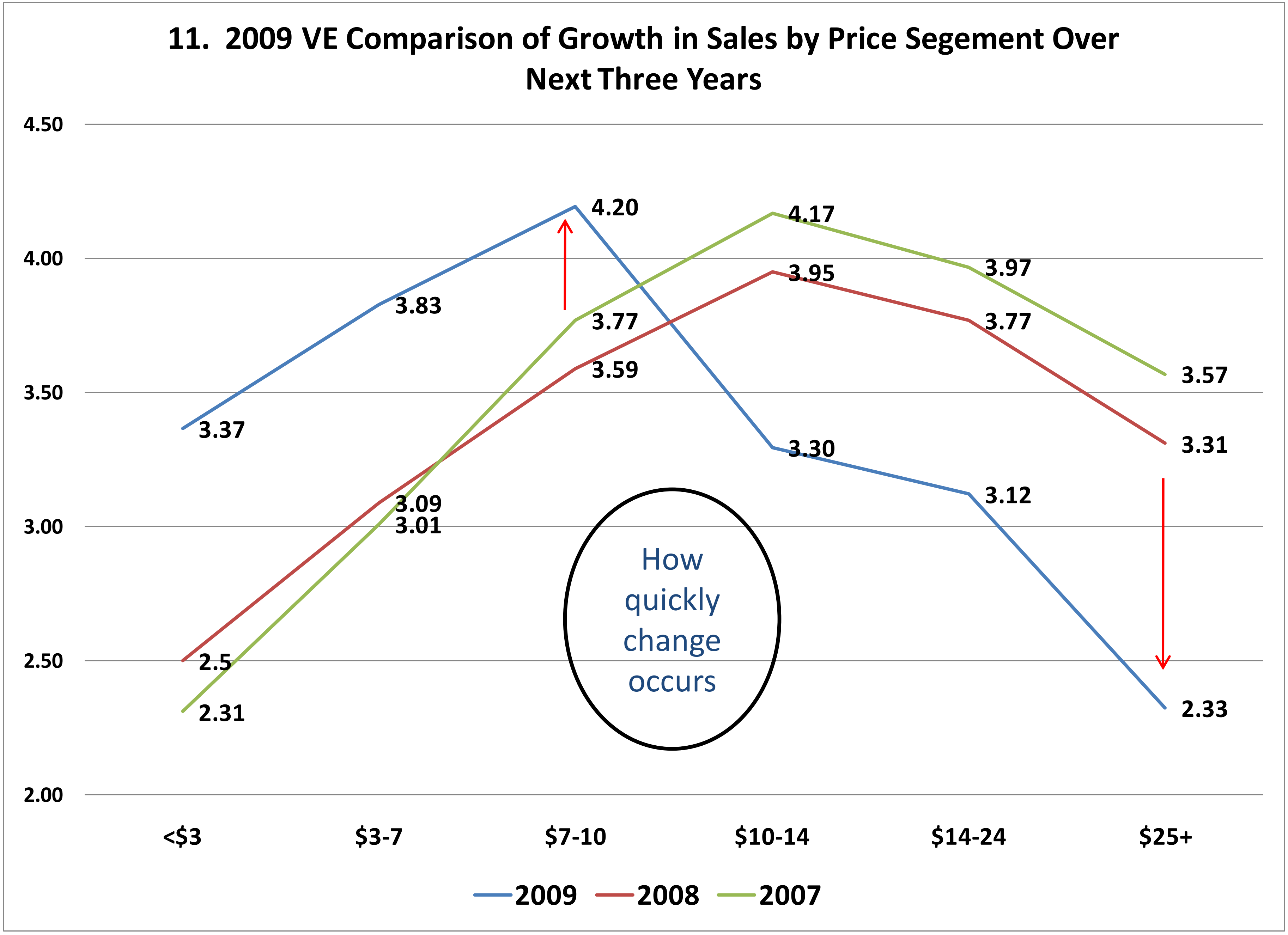
Price point growth dramatically different than a year ago; growth lines crossed Q3 2008.

Lat 52 $ Share	Dollar % Change	YAG 52	Lat 52	Lat 26	Lat 13		Lat 13 Vol % Chg
100%	Ttl Table Wine	+6.5	+5.2	+5.2	+5.4		+3.4
10.0	0-$2.99	+0.5	+6.2	+8.7	+9.5		+1.8
25.5	$3-$5.99	+4.2	+9.1	+11.2	+11.7		+7.6
21.9	$6-$8.99	+2.2	+1.2	+1.2	+1.1		-1.1
19.2	$9-$11.99	+13.4	+6.6	+5.6	+5.7		+3.8
11.3	$12-$14.99	+8.0	+4.7	+3.1	+2.8		+1.4
6.9	>$15-$19.99	+15.6	+5.3	+3.0	+2.8		+2.4
5.3	>$20	+11.9	-2.5	-4.9	-4.0		+1.5

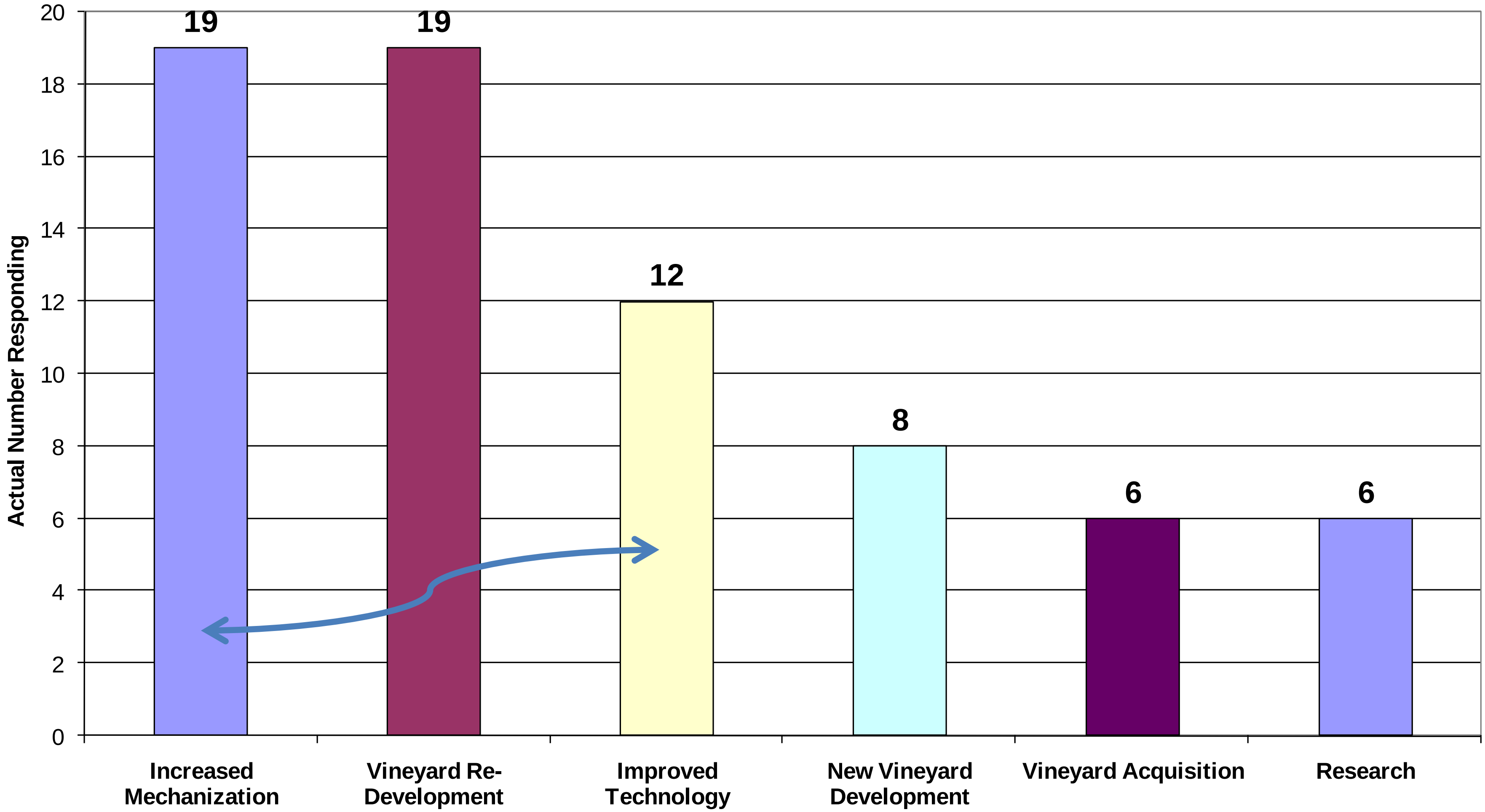
Source:
Nielsen Total U.S. Food/Drug/Liquor Plus; thru 03-07-09
Pricing based upon 750 ml Equivalent

11. 2009 VE -Growth of Sales by Price Segment Over the Next Three Years




11. 2009 VE Comparison of Growth in Sales by Price Segement Over Next Three Years
4.50
4.00
3.50
3.00
2.50
2.00
4.20
3.83
3.37
4.17
3.97
3.95
3.77
3.77
3.59
3.57
3.31
3.30
3.12
3.09
3.01
2.5
2.31
2.33
How quickly change occurs
<$3
$3-7
$7-10
$10-14
$14-24
$25+
2009
2008
2007

12. 2009 VE Respondents' Priorities that will Require Investment Over the Next Three years



14. VE2009 Top Five Critical Issues for Growers in 2009