



Lodi District Grape Growers Association

DISTRICT 11

GRAPE CRUSH REPORT ANALYSIS

Crush Report Highlights

- District 11¹ is the **second** largest producing crush district in California.
- District 11 is the number one California producer of Cabernet, Chardonnay, Zinfandel, Sauvignon Blanc, Merlot, Pinot Gris, Petite Sirah and Viognier in California.
- District 11 ranks 12th in weighted average grower returns per ton out of 17 districts at \$418.03, compared to the California's price per ton average of \$532.78.
- District 4² is ranked number 1 at \$3,042.71 and District 13³ ranks 17th at \$213.36.
(source: 2006 Final Crush Report compiled and published by the California Agricultural Statistics Service)

¹San Joaquin County, north of State Hwy 4 & Sacramento county, south of US 50 and east of I-5

²Napa County

³Madera, Fresno, Alpine, Mono, Inyo counties; & Kings & Tulare counties north of Nevada Ave (Ave 192)

These charts and graphs summarize how District 11 compares in tonnage and price to other districts with similar grape quality, bottle price, and range of varieties grown. See enclosed map for district locations.

Thoughts to consider...

- District 11 grape prices have remained relatively flat since 2003 and substantially less than the high of 1996 of \$ 598 (adjusted for inflation).
- When comparing district 11 to 1 and 8, the weighted average returns still remain 2 to 3 times higher than those in district 11.

**Please refer to graph on next page
All Chart Data from the 1996-2006 Crush Reports**

District 1: Mendocino County

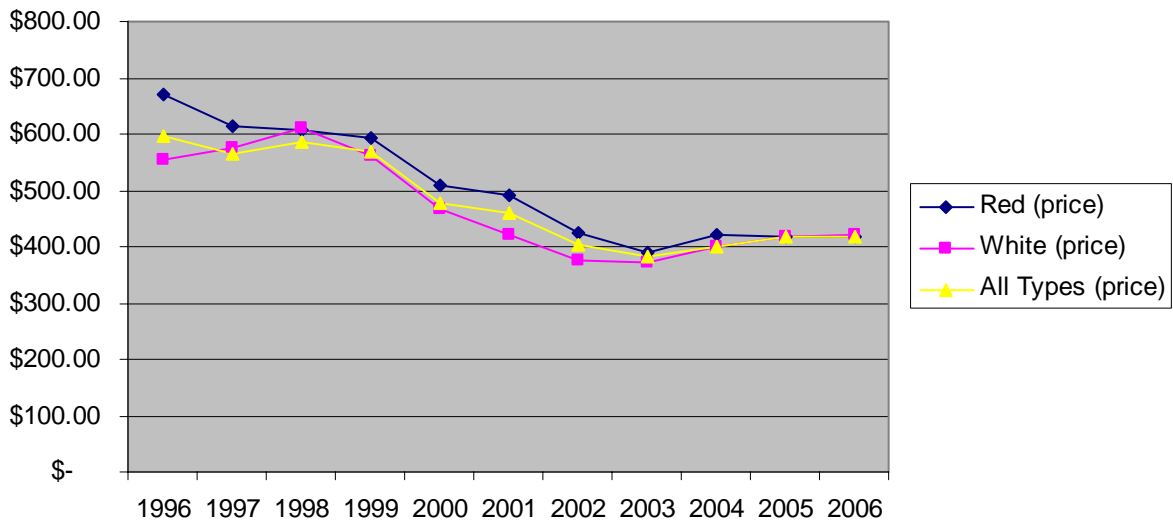
District 8: San Luis Obispo, Santa Barbara & Ventura Counties

District 11: San Joaquin County, north of State Highway 4 and Sacramento County south of US 50 & east of I-5

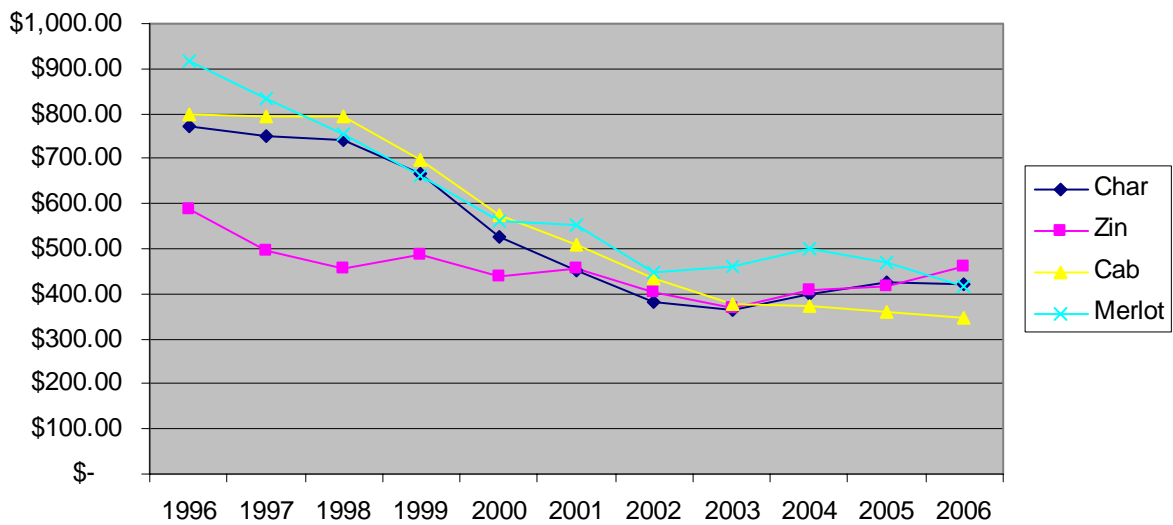
Tons of Grapes by District			
Variety	District 11¹	District 1²	District 8³
Chardonnay	104,919	16,601	17,377
Pinot Gris	18,832	483	1,421
Sauvignon Blanc	21,759	3,141	4,008
Cabernet Sauvignon	105,513	5,921	32,026
Merlot	82,439	5,373	15,253
Petite Sirah	13,535	1,336	3,664
Syrah	16,365	1,905	10,487
Zinfandel	128,228	5,547	8,890
Weighted Average Price Per Ton			
Variety	District 11	District 1	District 8
Chardonnay	\$ 421.00	1,075.00	\$ 1,211.00
Pinot Gris	\$ 513.00	\$ 1,320.00	\$ 1,365.00
Sauvignon Blanc	\$ 434.00	\$ 961.00	\$ 881.00
Cabernet Sauvignon	\$ 342.00	\$ 1,2931.00	\$ 893.00
Merlot	\$ 427.00	\$ 1,174.00	\$ 906.00
Petite Sirah	\$ 569.00	\$ 1,497.00	\$ 1,259.00
Syrah	\$ 410.00	\$ 1,350.00	\$ 1,214.00
Zinfandel	\$ 455.00	\$ 1,222.00	\$ 911.00
Increase In Average Price Compared			
Variety		District 1	District 8
Chardonnay		268%	321%
Pinot Gris		243%	306%
Sauvignon Blanc		192%	200%
Cabernet Sauvignon		373%	247%
Merlot		235%	204%
Petite Sirah		273%	215%
Syrah		307%	259%
Zinfandel		268%	167%



District 11 Red, White & All Types by Price

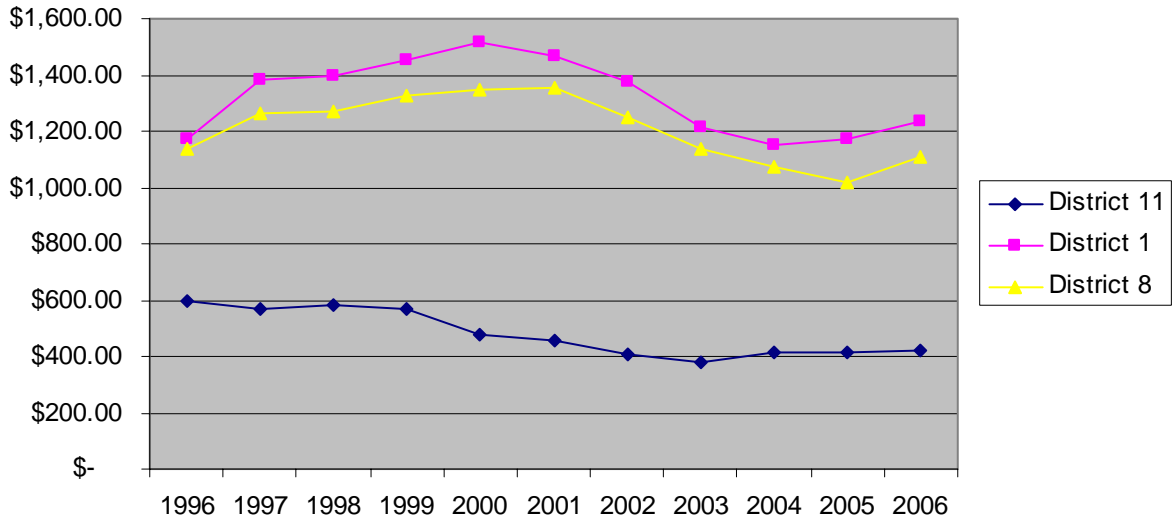


District 11 Chardonnay, Zinfandel, Cabernet, & Merlot by Price

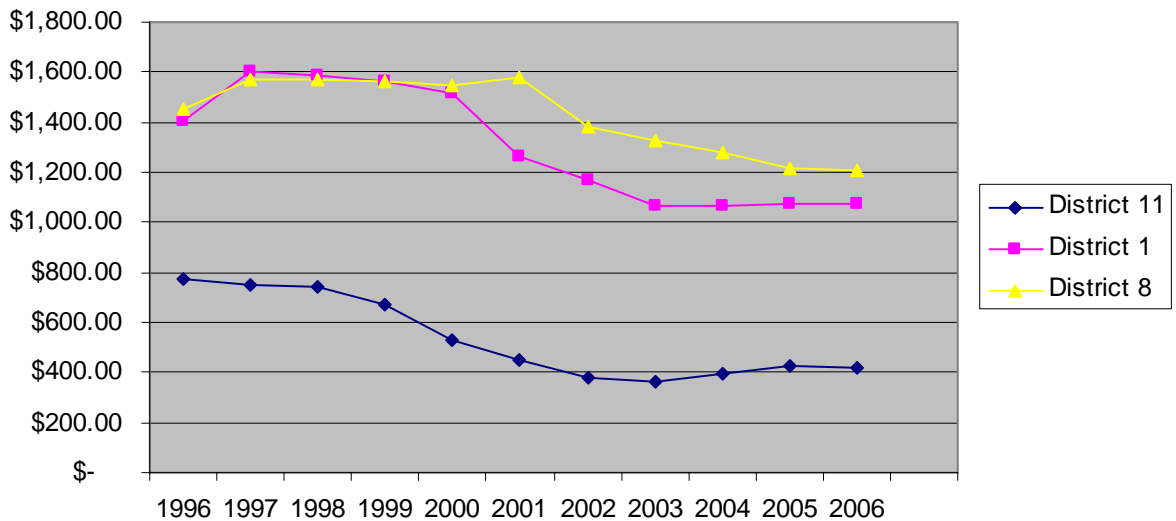




Total of All Varieties in District 1, 8, & 11 by Price

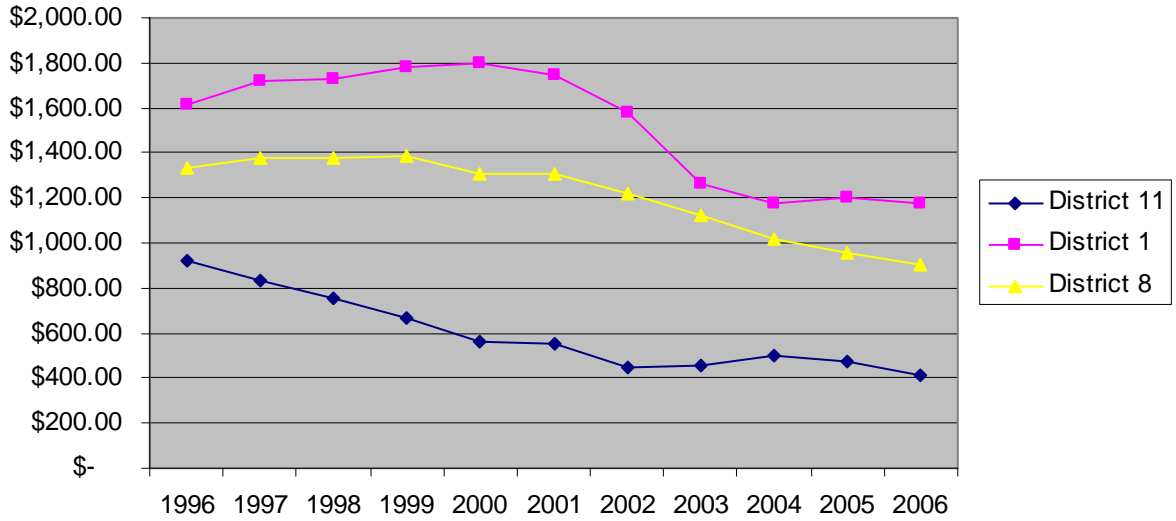


Chardonnay by District

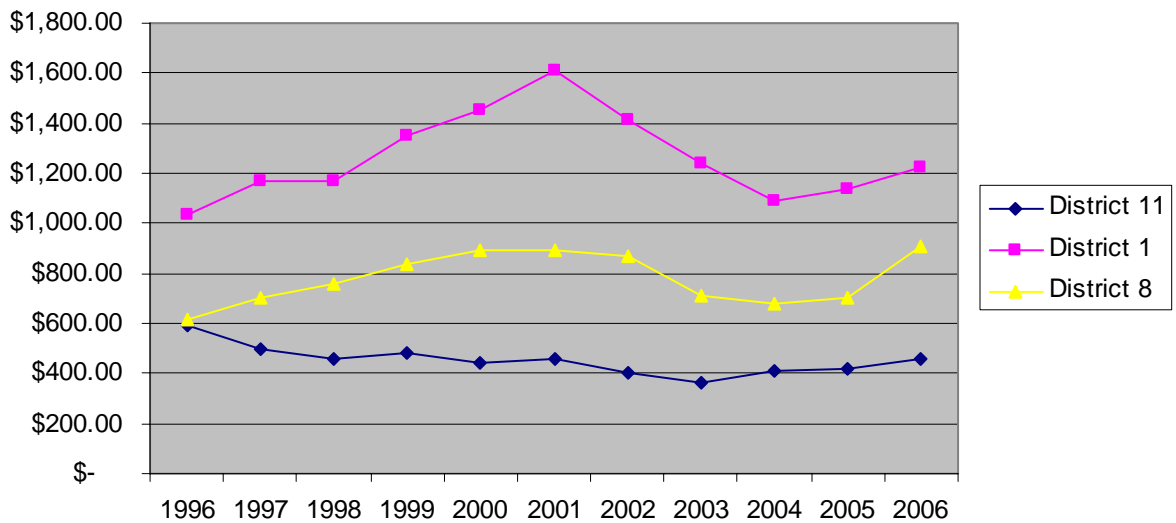




Merlot by District

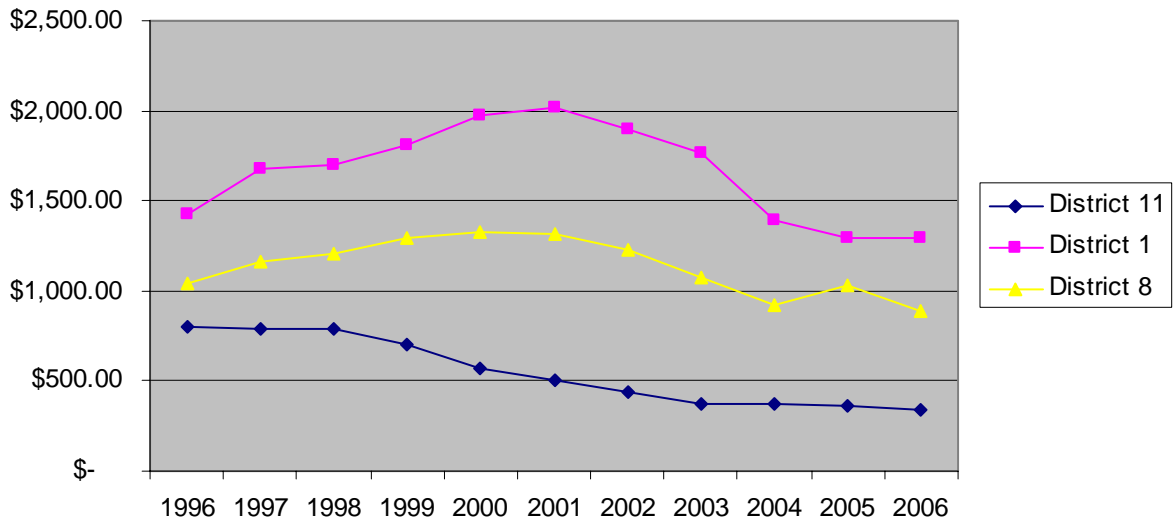


Zinfandel by District





Cabernet by District



Market Review

- The oversupply of 2000 – 2004 was due primarily to increased plantings. The increased production in 2005 was relative to the high yields this past year and not increased acreage coming into production.
- The 2005 California harvest was a record, 3.74 million tons, 2.78 million tons in 2004.
- There is concern of unexpected sellers of the 2005 vintage in the bulk market which could affect 2006 wine grape prices.
- The U.S. per capita consumption of wine continues to increase to approximately 3 gal. per person. This represents a 100% increase from 1934.

Profit/Loss Analysis on Estimated Lodi Appellation Farming Costs

Understand your cost of farming. The below information gives you a glimpse of potential profit or loss based on total cost of farming at varied price points.

Price	\$350	\$500	\$750	\$1000
Crop Income*	\$2275	\$3250	\$4875	\$6500
Total cost/acre **	\$5028	\$5028	\$5028	\$5028
Profit/Loss	-\$2753	-\$1778	\$ -153	\$ 1472

*Crop Income based on 6.5 tons per acre

**Cultural costs, Harvest costs, Assessments, Cash Overhead, Non-cash Overhead totaling \$5,028 per acre (information from 2005 sample costs report provided by UC Coop. Exten, for the Lodi Appellation)

We encourage you to think about these figures and discuss the implications with your fellow growers and winery representatives.