



## Mother Nature Throttles Back

While the rest of the world baked, spring refused to give way to summer in California this year. But on those few days that summer managed to break through, it blasted and blazed. One could forgive grapevines - and their human attendants - for being confused. In the coolest growing regions of the North Coast, growers and their vines were racing to get fruit ripe before the expected start of the rainy season this fall. To advance this process, many expert viticulturalists pulled leaves to allow more sunlight directly on the clusters. And then the mercury shot up, in some places reaching a scorching 110°. Some of the exposed clusters fried to a remarkable and unusable extent. In other areas, disease pressure required selective picking that left some tonnage behind. All in all, the 2010 crop in the North Coast has not come in as most people expected. More details on the harvest in the North Coast and around the state follow below.

## Turrentine Looks to Hire - Special Languages Required

Turrentine Brokerage is looking for someone who knows his or her way down a vine row and around a crush pad. The right person will be able to accurately translate winery-owner tough talk, winemaker descriptor talk, grape grower hopeful/pessimistic talk, marketer sweet talk, economists' macro mumbo-jumbo, financial peoples' money jargon and even legal beagles' contract conundrums. Turrentine Brokerage has negotiated over a billion dollars of grape and bulk wine sales during the last decade. We expect to do much more in the next decade. We need an additional, high performance, brokerage team member to help us help our clients. If you, or someone you know, might be the go-getter we need, send an email for more information (in strict confidence, of course) to Steve Fredricks, President, Turrentine Brokerage, c/o Jacque at [Jacque@turrentinebrokerage.com](mailto:Jacque@turrentinebrokerage.com).

## 2010 Harvest Progress Review

### Lodi, Delta, Central and Southern Interior (Erica Moyer)

Whites are essentially done and the Northern Interior has proven again the old saw that a short crop gets shorter. Tonnage for Chardonnay, Pinot Grigio and Sauvignon Blanc all came in below estimates. It was not uncommon to find blocks 20% below estimate and as much as 50% off last year. This stimulated some late season buying for the remaining grapes available and stimulated some interest from Interior region wineries for Monterey County and Mendocino County whites.

The Southern Interior experienced an average-sized harvest with a sprinkling of average-plus yields for some whites in a few locations. French Colombard and Thompsons came in below estimates. Yields on Zinfandel for the Interior were bigger than expected, while Cabernet Sauvignon, Merlot, and Petite Sirah are coming in lighter than expected due to the effects of September's heat wave. Almost all the interior grapes have sold, and, where there are any excess tons, the contracted wineries are taking the overage. It has been a long, strange harvest. The grapevines already have more of a November look than an October look. The people are looking pretty haggard as well.

## **Central Coast (Erica Moyer, Monterey; Matt Turrentine, Paso Robles and Santa Barbara)**

Yields vary by variety and area in Monterey County but overall the crop is probably average or slightly above average. Pinot Grigio and Gewurztraminer have been picked and yields turned out to be average and on estimate. The Chardonnay harvest is underway and looks pretty strong. Sauvignon Blanc appears average. Pinot Noir yields were reduced by the September heat wave, which seems to have turned a potentially large crop of Pinot Noir into an average or below average crop overall. Merlot in the Southern part of Monterey was also hit hard by the heat wave, although some blocks have still picked out well.

Paso Robles yields have been average to above average so far. Most white grapes have been picked, and quite a bit of Merlot has also churned its way through the crusher. The Cabernet Sauvignon harvest is just starting. Growers are picking everything as quickly as they can. Last week's rain – about a half an inch on average – caused some problems in Zinfandel and Petite Sirah, although most other varieties escaped unharmed.

In Santa Barbara County, the Pinot Noir crop has come in very light. Chardonnay is variable – some blocks are down – but overall, we're looking at an above average crop of Chardonnay in Santa Barbara.

There was significant spot market activity up and down the Central Coast in August and September. Virtually all grapes found a home. Throughout the Central Coast, growers did not custom crush large quantities of wine this year. This was probably due to the fact that the 2009 vintage bulk market was tough, especially for Chardonnay, and also because we had opportunities to move almost all of the tonnage available this year, although not always at the prices that would be sustainable in the long run.

## **North Coast (Audra Cooper)**

Just about every variety is being harvested now somewhere in the North Coast and we are nearly done on Chardonnay. Cabernet Sauvignon and Merlot are well underway, especially at the earlier-ripening sites, including much of the Napa Valley. Pinot Noir is nearly done. Sauvignon Blanc is essentially done in the North Coast. The last ten days have been fast-paced for Mendocino and other warmer regions of the North Coast; it seems that everything has ripened at the same time. In general, the Napa and Sonoma harvest has not been quite as hectic.

### **With Regard to Yields and Crop Size:**

**Chardonnay:** While there have been numerous reports of Chardonnay being down 40% below estimates, there have also been blocks 10-20% over estimates. Overall it looks like Chardonnay will be slightly below average especially in Sonoma County, which was hardest hit by the August heat and suffered sunburn damage. Many growers are dealing with mildew, rot and sunburn as they harvest.

**Pinot Noir:** Up to 50% light for some blocks (those that were decimated by heat), but for the most part Pinot Noir has been 15-25% off estimates.

**Cabernet Sauvignon:** Still too early to tell exactly what the yields will be at harvest, but it is likely to be 10% off mid-season estimates, mainly due to lack of sizing and weather-related damage. Raisins and berry shrivel will pull down total yields.

**Merlot:** Still too early to tell also, but again likely to be slightly below estimates; however, some of the earlier sites that have been harvested have picked out average and right on estimates.

Sauvignon Blanc: Up to 40% light in many areas of the North Coast. Sauvignon Blanc was hit by both mildew and heat-related damage this season.

## **Time for Turrentine**

We expect the bulk market to stay busy right through harvest due to four factors:

1. A lighter harvest in some areas.
2. A reduced volume of bulk wine listed for sale.
3. Bulk wine buyers hoping to play the just-in-time inventory game.
4. Fewer gallons custom crushed by growers from the 2010 harvest compared to 2009.

As trusted and strategic advisors delivering customized solutions to our clients, the earlier we know your likely market position – whether buying, selling or observing from the sidelines – the better chance you have to achieve an optimal solution. Now is the best time to call if you expect to have bulk wine for sale or if you might need wine. It is also the best time to start considering strategies for 2011 grapes.

## **Turrentine Blog:**

Catch the thoughts and experiences of our brokers on the Turrentine Blog:

<http://www.turrentinebrokerage.com/blog/>