



July Market Update

by Steve Fredricks

In many ways, the long-term visibility in the wine industry is cloudy at the moment. Retail sales trends are declining and difficult to interpret due to the upheaval of sales channels in recent years, increasing costs and unreliability of sourcing dry goods, many businesses are bracing for the potential of a recession, inflation, and all the while Covid still looms in the background. It is in times like this that a trusted broker can be one of the most valuable tools at your disposal since we have a clear picture of what is occurring in the grape and bulk wine markets. Following is a grape market and crop update by region from the brokers based upon their vineyard visits with clients, Turrentine's historical market data, and extensive conversations with clients.

North Coast

by Christian Klier

Buying and selling grapes throughout the North Coast has been similar to last year with the highest quality grapes contracted early. Many buyers are still searching for Sonoma County Chardonnay, Sauvignon Blanc from all regions, and Napa Valley grapes regardless of variety, but very limited availability has only strengthened demand and kept prices strong so far.

While there is time to go before harvest, it appears as though crop size should be larger in general than last year and closer to historical average yields. The factors increasing crop size are greater cluster counts and elongated rachis. The factors that are decreasing crop size are shatter, which was more prevalent in Cabernet Sauvignon and Merlot in all regions of the North Coast, as well as isolated frost damage in mid-April. The impact on crop size from shatter and frost damage is always quite difficult to determine.



Napa Valley and Sonoma County have experienced warmer than normal weather and seem to be maturing similar to last years' pace which is earlier than normal. Meanwhile, to the north, Lake and Mendocino Counties experienced cooler than normal weather from the end of spring through the beginning of summer which has translated to healthier vineyards, many of which are still recovering from last years' tremendous heat. Vineyard timing and fruit maturity have also returned to a more normal schedule due to the favorable weather. While it is still early, the quality of wines should reflect the improved health of the vineyards in 2022.

The current volume and value opportunities are in Lake and Mendocino Counties for available Cabernet Sauvignon, Chardonnay, and Zinfandel.

Central Coast

by Audra Cooper

The summer months in 2021 were some of the strongest grape sales months the Central Coast had experienced in recent years—that momentum carried into early buying activity in 2022 with upward pressure on price per ton as a result. Entering summer, markets have since slowed for most varieties with average prices trending downward to a degree. The exceptions to the reduced demand are red blenders such as Petite Sirah, Merlot, and Petite Verdot and Sauvignon Blanc—all with very limited to no tonnage available.

Timing of vineyard maturity is dependent on location and variety with some vineyards two weeks ahead of last year while others are a week or two behind; although with the recent heat, veraison has been rather quick. There is also a lack of uniform berry sizing within grape clusters, but in general, many varieties have longer, looser clusters. Berry sizing had appeared to be progressing normally, but has slowed with the heat. Overall and generally, the Central Coast is trending closer to average in size. This will likely mean a smaller crop than 2021 for many varieties barring rapid late-season sizing.

There are purchasing opportunities in the Central Coast for Pinot Noir and for Chardonnay.



Interior

by Mike Needham

Limited availability of spot market grapes has defined the last two seasons throughout the interior. What does come available has typically been moved fairly quickly. Recent sales have been for Lodi Zinfandel, Muscat of Alexandria, Petite Sirah, and Petit Verdot. Most of these sales were winery-owned grapes or wineries releasing grapes so another could purchase.

Weather has been generally favorable this year which has led to fairly normal maturity at this time of year in the vineyards. With that said, there was the significant April frost event in the Lodi/Delta that will likely lower overall tonnage by an estimated 150,000 to 200,000 tons. After the frost event, we received calls from buyers looking to hedge against potential frost losses of Chardonnay, Pinot Noir, and Sauvignon Blanc. The later-to-ripen varieties including Cabernet Sauvignon and Zinfandel, particularly in the Lodi area, experienced wind and hot weather during bloom which led to some spot instances of shotberry and shatter. Cluster counts are larger than one year ago throughout the interior, but sizing is still to be determined. It is a difficult year to estimate crop size due to the frost, but overall yields for grapes in vineyards not affected by frost appear to be larger than last year at this time.



Summary

At this point, crop size appears to be average in the coast and yields per acre are perhaps a bit larger in the interior in vineyards not affected by frost. As with any year, extended heat could be a factor for sizing late in the year, but time will tell. As we get into harvest, we will update details on crop size. Based upon the supply and demand dynamics from our information and market activity, an average sized harvest compared to a large or too small of a harvest would be a welcome sight by many.

As we enter the later stages of the growing season, it is important to list any available fruit as soon as possible. While there is limited availability at the moment in many regions, late-season tons usually come to the market, so please reach out to your broker often if you are looking to buy or sell grapes.

Turrentine on the Road

Mike Needham and Marc Cuneo
will be presenting at the



November 8th

 **EMS** USA PRESENTS

2022 WINEXPO

TRADE SHOW & CONFERENCE

DECEMBER 1 • SONOMA COUNTY, CA

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Please visit our booth on December 1st

Market Opportunities

Turrentine Brokerage is always working to find opportunities for companies in oversupply or need to buy. We believe firmly in a personalized approach tailored to each client's specific needs and unique position. Give us a call.

Bulk Market Opportunities

Needed	Available
2020/2021 Napa Valley Cabernet Sauvignon	2021 Pinot Noir - various Central Coast regions
2021 other Napa Valley reds	2021 California Appellation Sauvignon Blanc
2021/2022 Russian River Valley Pinot Noir	2021 Lake/Mendocino Cabernet Sauvignon
Any vintage Dry White	2021 California Appellation Cabernet Sauvignon
2021 California Appellation Chardonnay	
2021/2022 RRV/Sonoma County Chardonnay	
2021 Napa Valley Chardonnay	

Grape Market Opportunities

Needed	Available
Sonoma County Chardonnay	North Coast Cabernet Sauvignon
All North Coast Sauvignon Blanc	Mendocino County Chardonnay
Napa Valley Cabernet Sauvignon	Sonoma County Cabernet Sauvignon
Napa Valley Merlot	Sonoma County Pinot Noir
Napa Valley Chardonnay	North Coast Zinfandel
All Interior Pinot Noir	Livermore Chardonnay
All Interior Sauvignon Blanc	All interior White Zinfandel
Central Coast Sauvignon Blanc, 1 truckload +	Delta Merlot
Central Coast Pinot Grigio, 4 truckloads +	District 12 Montepulciano
	Southern Interior Thompson Seedless
	Arroyo Seco Pinot Noir from new plantings, 2 truckloads
	Arroyo Seco White Riesling, 10 tons +
	Arroyo Grande Clone 4 Chardonnay from younger plantings
	Santa Maria Valley Pinot Noir, 10 tons +
	Creston Cabernet Sauvignon, up to 4 truckloads



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