

QUICK FACTS

Sterling Vineyards Made with Organic Grapes

OVERVIEW/BACKGROUND

Organic Food and Drinks

Sales of organic food and drinks increased by over 40% from 2002 – 2005, growing another 21% in 2006, and reaching a total market size of almost \$20 billion by 2007.

Certifier of the Certifiers

The umbrella organization that certifies most growers is the United States Department of Agriculture (USDA) National Organic Program (NOP) which develops, implements and administers national production, handling and labeling standards for organic agricultural products.

Post-consumer Waste Material

Post-consumer waste is a waste type produced by the end consumer of a material stream. More simply, it is garbage that individuals routinely discard. There is no reasonable expectation of privacy once the waste leaves the consumer's home. Anyone can search it or use it. In some locales, efforts are often made to separate paper, metals, plastics, and glass into separate waste streams for recycling, even if the consumer had not originally designated the refuse for recycling.

VINEYARDS

Mendocino County: Ground Zero for Organic Farming Movement

Since the early 90s, Mendocino winegrowers have worked to achieve organic farming. However, in the early days, concerns like soil fertility, disease and pest control slowed growers' initial efforts. Through collaboration with the ANR (University of CA Agriculture and Natural Resources, a cooperative extension and agricultural experiment station) and local growers, studies were performed that proved the advantages of almost all methods of organic growing.

Sustainable Farming

Vineyard growers who practice sustainable activities contribute positively to the environment without depleting it, by using such methods as planting cover crops that are eventually mowed to add nutrients back into the soil, and providing habitats that attract beneficial insects to eat pests.

WINEMAKING/PEOPLE

Green Activities at Sterling's Winery

The following earth-conscious practices are employed at the winery: upgrades of lighting to energy-efficient fixtures; recycling of paper, cardboard, glass, plastic, metal, furniture, carpeting, cork, packaging materials, construction debris, wood, asphalt, concrete, stretch wrap, E-waste, used oil and wine barrels; purchasing of recycled content products; composting of pomice and lees; establishment of the Green Team, interested employees who seek out ways to reduce energy, water use and waste generation.

Sterling Solar Tram

A photovoltaic solar energy system is being installed at Sterling Vineyards to completely offset the power used by the aerial tram that carries guests to the visitor center. Using a field of modules placed on the Cellar 5 roof, the 60 kilowatt is expected to generate over 100,000 kilowatt hours of power per year, over 38% more power than the tram uses. The excess will help to offset other power use at Sterling.

John Fetzer

John Fetzer, oldest son of late Fetzer Vineyards' founder Barney Fetzer, served as President of the winery for 21 years. When the family agreed to sell the winery, John was pleased to settle down on the ranch he loved, Saracina (formerly known as *Sundial*, home of Fetzer's first single vineyard wine, Sundial Chardonnay). "I thought it would be nice to be a gentleman farmer, just grow grapes and live the good life". But several years later, John launched a new winery. "I think the thing that gave us the push to do this wasn't any desire for great profits as much as it was the fact that I don't think our county [Mendocino] gets the respect it deserves." Summarized from *San Francisco Chronicle* article, January, 2004.

KEY SELLING POINTS

- 1) Sterling Vineyards, Made with Organic Grapes is an exciting opportunity for Diageo to present our first full offering in this rapidly growing consumer segment.
- 2) Our packaging reflects our commitment to this category. Our shippers are made from 80% recycled material, and our labels contain 30% post-consumer waste material, certified by Forest Stewardship Council.
- 3) In a category cluttered by many small players, Sterling Vineyards delivers a product with a fresh package, a recognized and trusted brand name, and high-quality, delicious wines.
- 4) Our winemaker, Malcolm Seibly, has over 30 years experience crafting premium wines, and has a particular passion for organically grown, Mendocino grapes.