BOZZANO

& CO.

Vineyard Team Tailgate

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Harvest 2024 Harvest Recap

Even after preharvest adjustments were made to crop expectations, yields throughout the Central Coast were much lower than expected. Growers in Santa Barbara County reported yields at 40% below average, while those in Paso Robles saw yields around 20%-25% (or more) below average. While Monterey County offered a bit more of a mixed bag, crisp whites picked-out for below average, as well.

Central Coast Harvest Volumes 2018-2023

Harvest	Volume	Change
2018	544,187	5.6%
2019	452,913	-16.8%
2020	379,840	-16.1%
2021	536,654	38.7%
2022	401,902	-23.7%
2023	497,403	23.8%

467,149 Tons = 6 year running average

Central Coast Bulk Market - sales overview

As compared to calendar year 2023, 2024 showed increases in:

- the volume of bulk wine sold
- the overall dollar value of those sales
- the number of sales transacted

Additionally, both Q3 and Q4 of 2024 showed gains over the previous year, a reflection of how short the 2024 crop was, and how aggressive bulk wine buyers wisely approached the market early.

Cabernet Sauvignon

- Paso or bust: Buyers focused mainly on Paso Robles, with Monterey/Santa Barbara Cab Sauv buyers primarily using those AVA's for premium CA blends. These need to compete with Lodi, North Coast, and Lake County.
- Strong Paso demand is from Paso wineries; larger CA wineries are also in the market, but non-Paso programs do not always pay comparable prices.
- Despite oversupply and difficult year, the average price of per gallon of Paso Robles CS decreased only about 5% from the previous year.
- Demand is moderate for Cabernet Sauvignon, but quality is imperative.
    - Quality is often based on *quantitative* measures, more so than *qualitative*
- Paso is Cab heavy, and there is a shortage of the Cab that buyers often prefer.

Cabernet Sauvignon

Average Price / Gallon

Cabernet Sauvignon	11/21 - 11/22	11/22 - 11/23	11/23 - 11/24	% Change
Paso Robles AVA	$13.58	$13.51	12.80	-5.26%
Central Coast AVA	$13.80	$12.97	12.50	-3.26%

Paso Cabernet Sauvignon (over last 12 months)	
Max	**Min**
$18.00	$6.50

Chardonnay

- Significant drop in average price per gallon for 2024
- The general oversupply in the market and difficulties selling wine, combined with a consumer migration towards bright/crisp whites, greatly affected the Chardonnay market.
- More interest in "other whites" than previous years.
    - Total volume, average price, and number of transactions of non-CH/non-SB whites grew in 2024.
- Much of the traditional Chardonnay acreage within the Central Coast is in stages of redevelopment; will the market catch up when production begins?

Chardonnay

Average Price / Gallon

Chardonnay	11/21 - 11/22	11/22 - 11/23	11/23-11/24	% Change
Edna Valley	$13.00	$12.50	$10.67	-14.64%
Monterey	$10.10	$10.96	$9.39	-14.32%
SBC	$12.79	$15.50	$11.80	-23.87%
Central Coast	$11.38	$11.72	$9.88	-15.7%

Chardonnay

Max. & Min. Price / Gallon

Central Coast Chardonnay (over last 12 months)	
Max	**Min**
$24.00	$2.00

Sauvignon Blanc

- Demand still strong, but average price point declined significantly
- Overall short crop, however bulk wine volumes remain available from 2023 and 2024.
- The strongest buyers of SB from the last few years are not yet showing signs of having a bulk need this year.
- Will buyers be able to absorb volume increases as new vineyards enter production?

Sauvignon Blanc

Average Price / Gallon

Sauvignon Blanc	11/21 - 11/22	11/22 - 11/23	11/23 - 11/24	% Change
Paso Robles	n/a	$15.00	$8.40	-44%
Central Coast	$16.00	$15.54	$7.71	-50.39%

Sauvignon Blanc

Max. & Min. Price / Gallon

Central Coast Sauvignon Blanc (over last 12 months)	
Max	**Min**
$11.00	$6.00

Pinot Noir

- The bulk market saw significant price decreases for Pinot Noir, mainly around vintage 2022 and 2023 volume.
- Pinot Noir yields from harvest 2024 were significantly lower than expected and revised estimates.
- Very little 2024 bulk wine was produced in Santa Barbara County, Edna Valley, and Monterey, as compared to previous years.
- As back vintage bulk wine is removed from the market, we expect pricing to rise.
- New program development/growth, especially around SBC, is encouraging.

Pinot Noir

Average Price / Gallon

Pinot Noir	11/21 - 11/22	11/22 - 11/23	11/23 - 11/24	% Change
Edna Valley	$14.90	$13.50	$14.75	+9.26%
Monterey	n/a	$14.88	$9.95	-33.13%
SBC	$16.44	$16.45	$11.70	-28.88%
Central Coast	$16.01	$15.48	$11.46	-25.97%

Pinot Noir

Max. & Min. Price / Gallon

Central Coast Pinot Noir (over last 12 months)	
Max	**Min**
$20.00	$7.00

Red Blenders - BDX

- Pricing held pretty level with 2023 in the Paso Robles region, with Central Coast pricing falling ~15%
- With the market push towards Cabernet Sauvignon, much of the red blender acreage disappeared
- For much of 2024, we saw interest in Paso red blenders, while the Cabernet Sauvignon market was quiet.
- Merlot buyers were frustrated by the fact that there was not any Paso Merlot on the bulk market.
- Interest remains strong in Paso BDX blenders, however buyers are shopping at unsustainable price points.

Red Blenders - BDX

Average Price / Gallon

BDX Red Blenders	11/21 - 11/22	11/22 - 11/23	11/23 - 11/24	% Change
Paso Robles	$13.20	$14.12	$14.00	0.85%
Central Coast	$13.92	$14.92	$11.94	-14.71%

Red Blenders - BDX

Max. & Min. Price / Gallon

Paso Bordeaux Reds (over last 12 months)	
Max	**Min**
$17.00	$8.00

Red Blenders - Rhone Reds + Petite Sirah

- Dark red, high quality Petite Sirah and Syrah are very limited in availability
    - Very little volume of either are currently available
- The market for other Rhone reds (Grenache, Mourvedre, and others) is bifurcated between Westside and Eastside (Paso)
- Pricing is down across the Central Coast, but especially outside of Paso Robles. Pricing has dipped significantly in SBC, and finding buyers for Monterey Dark Reds is extremely difficult.

Red Blenders - Rhone Reds + Petite Sirah

Average Price / Gallon

Rhone Red Blenders	11/21 - 11/22	11/22 - 11/23	11/23 - 11/24	% Change
SBC	$16.06	$16.00	$9.61	-39.94%
Paso Robles	$13.71	$12.42	$10.29	-17%
Central Coast	$13.95	$14.43	$10.38	-28%

Red Blenders - Rhone Reds + Petite Sirah

Max. & Min. Price / Gallon

Paso Rhone Reds + Petite Sirah (over last 12 months)	
Max	**Min**
$20.00	$7.75

Continued Interest in Certifications

Buyers continue to show interest in cultural certifications and practices:

- Sustainability (SIP, Lodi Rules, CSWA)
- Organic (CCOF)
- Glyphosate Free
- Regenerative

Looking Forward

- We are optimistic that the smaller 2024 crop will reflect increased grape prices in 2025, and early interest from buyers helps support our theory.
- Early grape buying activity with both resigns and new demand.
- The market this year feels different than it did in 2024, and we hope that the trend continues.
- Hopeful that the grape market will somewhat mirror the bulk wine market, with buyers aggressively securing the growth categories, like Paso Cabernet Sauvignon and bright/crisp whites.
- Optimistic that the overall reduced 2024 crop will result in wineries broadening their buying perspective across most major varieties.

Thank You!

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