



WELCOME TO PASO ROBLES

PASO ROBLES – The History

First planted in 1797, The Paso Robles American Viticultural Appellation (AVA) is now home to more than 200 wineries and 40,000 vineyard acres focusing on premium wine production.

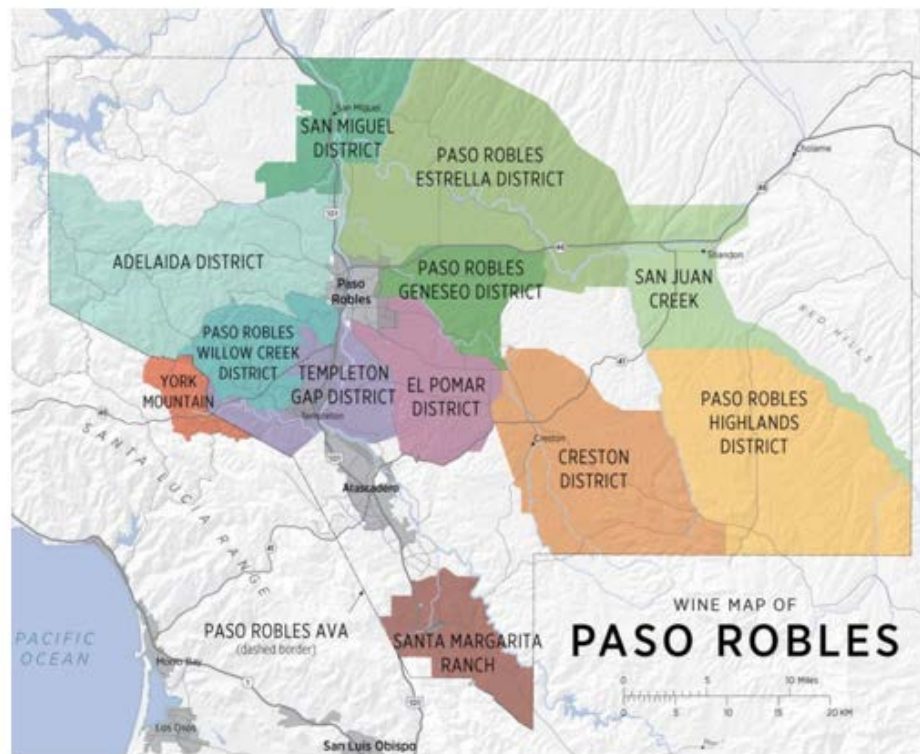
- First winery was established in 1882 by Indiana settler Andrew York, now known as the York Mountain Winery.
- The first large scale Paso Robles winery was built in the 1970's. At the time there were only 240 bonded wineries in California.
- In 1997, Justin Vineyards' "Isosceles" red wine was chosen as a top 10 wine in the world by Wine Spectator.
- In 2016 Paso Robles was named the best wine region in the west by Sunset Magazine.

"The Essence of Paso Robles"



PASO ROBLES – The Place

- Halfway between the two main California metropolises of Los Angeles and San Francisco is Paso Robles Wine Country.
- Similar to Napa and Sonoma, Paso Robles is divided into AVA (American Viticultural Areas), each with their own unique combination of topography, soil makeup, and micro climate.
- Paso Robles has 11 sub AVA's covering 614,000 acres; the largest wine region in the state.
- Each AVA is uniquely suitable for growing different varietals, creating a diverse span of flavor characteristics and terroir influences.



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PASO ROBLES – The Climate

With a greater day-to-night temperature swing than any other appellation in California, distinct microclimates, diverse soils and a long growing season, Paso Robles is a unique wine region blessed with optimal growing conditions for producing premium and ultra-premium wines.



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PASO ROBLES – The Wines

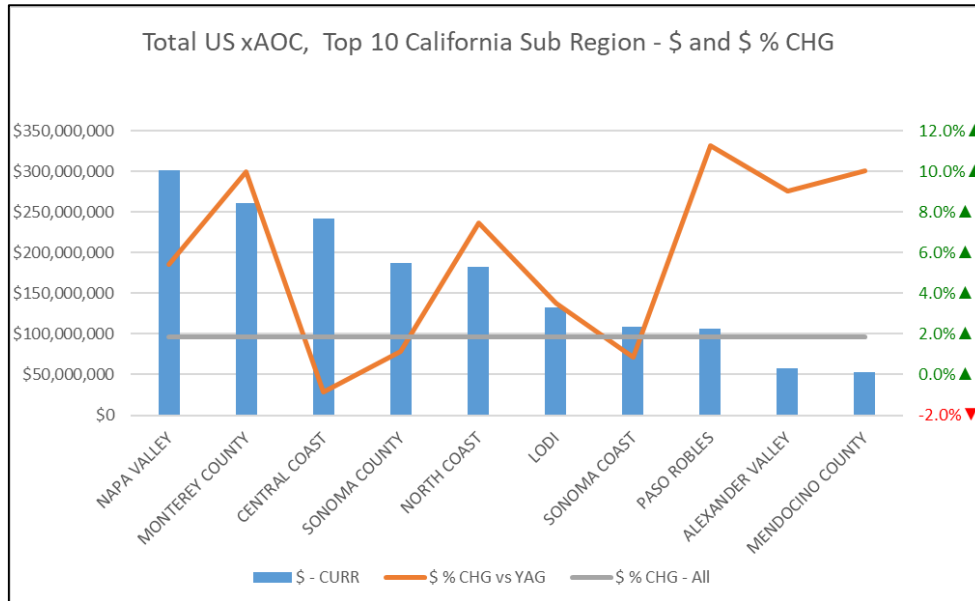
While best suited for bold red wines, Paso's unique and evolving climate and geography lends itself to the production of a wide variety of traditional and more unique varietals.

Variety	% Total
Cabernet Sauvignon	39%
Other Red	16%
Merlot	14%
Syrah	9%
Zinfandel	8%
Chardonnay	5%
Other White	5%
Sauvignon Blanc	2%
Pinot Noir	2%
Total	100%



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PASO ROBLES – The Growth



Nielsen Period Ending 2/24/2018 Period Type: 52 Week | Market: Total US xAOC

- Paso Robles is the fastest growing top 10 California Sub Region in both \$'s and Volume in US Food.
- Paso is growing twice as fast as Napa and 11X faster than Sonoma!
- Paso also commands the 3rd highest average retail price = huge value and brand productivity!!



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PASO ROBLES – The Value



REGION	PASO ROBLES	SONOMA	NAPA
Grape Cost (per ton)	\$1,600	\$2,960	\$6,850
Avg Retail Price (per 750ml)	\$18	\$24	\$40

4 times the tonnage cost!

- Napa and Sonoma are completely planted and that means prices will continue to rise on shelf
- Napa grape costs (per ton) are over 4x that of Paso Robles and Sonoma 2X, and RISING QUICKLY
- Average Retail price (per 750ml) is significantly higher despite comparable quality
 - Sonoma is 33% higher
 - Napa is 40% higher
- Paso wines hit the sweet spot at around \$20 for where consumers are shopping



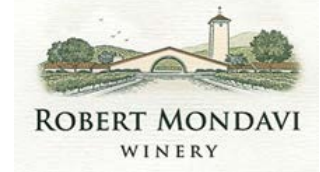
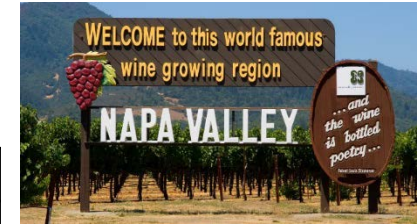
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PASO ROBLES – The Bottom Line



Paso Robles vs. Napa Valley

THE TALE OF THE TAPE		
Varied – Hills, 700' – 2500'	Topography Elevation	Varied – Hills, 0' – 2600'
Santa Lucia	Mountain Ranges	Vaca range, Maycama
11	Sub AVA's	16
40	Grape Varieties	36
40,000	Vineyard Acreage	45,000
200	Wineries	525
High: 105° Low: 50°	Average Temperature	High: 102° N.Valley Low: 53°
14"	Average Rainfall	20"
\$1,600	Average Grapes \$/Ton	\$6,850



SILVER OAK



Stags Leap



ESTD 1876

BERINGER.
NAPA VALLEY



HALTER RANCH
VINEYARD



J. LOHR
VINEYARDS & WINES

DAOU
VINEYARDS & WINERY

While the growing areas are just about the same in climate, topography, quality, etc. – Napa cannot compete on Value!

"The Essence of Paso Robles"

