



CALIFORNIA
SUSTAINABLE WINEGROWING
ALLIANCE



Spring 2010 Sustainable Winegrowing Highlights

California Sustainable Winegrowing Alliance Launches Third-Party Certification Program

The California Sustainable Winegrowing Alliance (CSWA) launched its statewide certification program to provide third-party verification of a winery or vineyard's adherence to a "process of continuous improvement" in the adoption and implementation of sustainable winegrowing practices. The new certification is a voluntary option for those who choose to take their efforts a step beyond the existing California Sustainable Winegrowing Program educational program. The certification is the first statewide initiative available to both wineries and vineyards.

Open to the California wine industry, Certified California Sustainable Winegrowing requires applicants to meet 58 prerequisite criteria to be eligible for the program. They must also annually assess winery and/or vineyard operations, create and implement an annual action plan, show improvement over time in order to retain their certification, and verify the accuracy of their scores and practices during a third-party audit.

"With a majority of our industry already involved in CSWA's Sustainable Winegrowing Program, the new certification option evolved as the appropriate next step," said CSWA Executive Director Allison Jordan. "Every organization is at a different point in the sustainability journey so our program allows businesses to use their own baselines to determine a set of goals based on their region, operation and other factors, and then focus their resources on the practices that will make the most difference for their company, the environment and the community, making improvements yearly."

Certification program information, application, guidelines and frequently asked questions are online at: <http://www.sustainablewinegrowing.org/swpcertification.php>.

Certified Participants Share Reasons for Obtaining CSWA Certification

J. Lohr Vineyards & Wines

J. Lohr Vineyards & Wines had been participating in the CSWA Sustainable Winegrowing Program for many years, so when the certification option was offered, they knew it was something they wanted to do.

"Certification has become more important, and now CSWA has defined sustainable winegrowing with clarity. Gaining certification status is a way to separate ourselves," said Steve Lohr, a second-generation vintner. He said they chose CSWA certification because it was backed by both Wine Institute and the California Association of Winegrape Growers, the two state wine associations that they felt would receive the most recognition.

"Certification is a great motivator within our company where sustainable winegrowing is taken very seriously," he said. "It provides a goal for our 14 staff members who meet regularly to discuss how to make sustainability more effective in their respective areas."

"As a family-owned winery, certification supports our intention to be here for the long term and ability to make great quality wine. We hope to motivate others by our example so we can help move the entire industry forward," said Lohr. He said the winery will communicate certification in its literature and outreach to distributors, retailers and restaurateurs.

Certified participants continued on page 2)

SEVENTEEN PILOT WINERIES & VINEYARDS EARN CERTIFICATION

Seventeen companies have received certification for some or all of their vineyard and winery operations after participating in a pilot program to test the certification requirements and offer feedback. They are: Clos LaChance Wines; Concannon Vineyard/Concannon Winery; Constellation Wines U.S.; Cooper-Garrod Estate Vineyards; Diageo Chateau



A three-acre solar tracking system offsets 75 percent of J. Lohr Vineyards and Wine's energy usage in Paso Robles. (r-l) Red Winemaker Steve Peck, VP Marketing Cynthia Lohr, EVP/COO Steve Lohr, Michael DeSousa, consultant

Photo courtesy J. Lohr Vineyards & Wines

& Estate Wines; Fetzer Vineyards/Bonterra Vineyards; E. & J. Gallo Winery; Goldeneye Winery; The Hess Collection; Honig Vineyard & Winery; J. Lohr Vineyards & Wines; Kunde Family Estate; Meridian Vineyards/Taz Vineyards; Monterey Pacific, Inc.; Roberts Vineyard Services; Rodney Strong Wine Estates; and Vino Farms.

For further information on certified wineries/vineyards, see www.sustainablewinegrowing.org/certifiedparticipants.php.

2009 CALIFORNIA WINE COMMUNITY SUSTAINABILITY REPORT

CSWA has released its *2009 Wine Community Sustainability Report* measuring the California wine industry's adoption over five years of 227 best management practices from the *Code of Sustainable Winegrowing Practices Self-Assessment Workbook*.

The 2009 report indicates that 1,566 vineyard and winery organizations, representing 68.1 percent of California's 526,000 wine acres and 62.5 percent of the state's 240 million case shipments, have evaluated their vineyards and wineries with CSWA's Code workbook.

The report data also reveals that a majority of the 227 practices show an improvement in average self-assessment scores since the 2004 Sustainability Report. The strengths of the state's industry are practices for viticulture, soil management and ecosystem management. Opportunities for improvement include energy efficiency, materials handling, waste reduction and environmentally preferred purchasing. Practices in the middle ground are vineyard water management, pest management, winery water conservation and quality, human resources, neighbors and community, and air quality.

CSWA has increased participation in its Sustainable Winegrowing Program. The 1,566 California vineyard and winery organizations in the program represent a 66 percent increase in the number of wine businesses participating since 2004. CSWA has held 200 self-assessment workshops and 184 education events with 9,239 attendees.

The 2009 Sustainability Report is online at: www.sustainablewinegrowing.org/2009sustainabilityreport.php. The next full report will be published in 2014.

(Certified Participant Reasons continued from page 1)

Clos LaChance Winery

Vintner Bill Murphy pursued certification for his Clos LaChance Winery and estate vineyards in San Martin because he felt it would help preserve the winery for his daughters and grandchildren and maintain a beautiful and healthy environment for his family, employees, winery neighbors and visitors. "We wanted an environment that sustains itself, so we knew certified sustainable winegrowing was the right thing to do," said Murphy.

Murphy explained that certification is a message of substance that compels people to learn about sustainability's systemic view of the environment, wildlife and people. "Customers want to know what we're doing in the vineyards and winery, and the certification credential is a tool that helps our education and marketing efforts."

Sustainability also has a good business case in reducing costs, providing better ways to farm and producing high wine quality, he added.

Clos LaChance will be communicating its certification status on its web site, brochures, press releases, a large sign in the tasting room, Facebook and Twitter. The winery plans to train its tasting room staff on the messaging and also get the word out to trade contacts and at sales conferences.



In addition to their concern for the environment, the Murphys at Clos LaChance believe sustainability will help create a legacy for their third generation family members. Photo courtesy Clos LaChance Winery

Constellation Wines U.S.

Constellation decided to pursue the certification for all of their California wineries and their vineyards as part of the company's corporate social responsibility initiative (CSR). Constellation's CSR program includes three key areas of importance including philanthropy, social responsibility and sustainable business practices. Constellation's goal for sustainable business is to reduce its global environmental impact and find innovative ways to improve the quality of soil, water, air and other resources.

"Third Party Certification is an important step to encourage participation and transparency across California's wine industry. Constellation fully supports the objectives of CSWA and has been a part of the program since its introduction in 2002," said Chris Fehrstrom,

Chief Marketing Officer for Constellation Wines U.S. and California Wine Institute Board Member. "It's the right thing to do for our business, the industry, and the communities where we work and live. Constellation is proud to be participating in the CSWA certification program. We look forward to working with CSWA and our California colleagues to continue to raise the bar for sustainable practices for the wine industry and beyond."



Turner Road Vintners in Lodi is a unique Constellation winery with a process water pond that serves as wetlands attracting a variety of waterfowl and other wildlife.



Use of Certification Logo and Claims

The primary aim of CSWA is to advance the wine industry towards sustainability. However, CSWA recognizes that members need and want a mechanism to communicate their progress and commitments. In addition to the guidelines below, CSWA promotes certified wineries and vineyards by listing them on CSWA's web site at www.sustainablewinegrowing.org, sharing updated lists with media and trade as appropriate, and providing documentation and recognition to certified participants.

CSWA provides guidance for the following uses of a Certification logo and claims:

1. Certified participants receive a dated and signed **proof of certification** that can be posted in a tasting room or public space.

2. The **certification logo** can be used on company web sites, promotional materials, and secondary packaging such as a shelf talker, but the logo

must be accompanied by a claim statement (see details below); the logo cannot be used on a wine label/bottle.

3. Certified participants may use a **claim statement** on company web sites, promotional materials, and secondary packaging, and this statement must accompany any use of the certification program logo. Possible claim statements include:

a. The certified vineyards and/or winery facilities must be specifically named so it is clear if the entire organization is not certified. For example: "Three Acme wineries are Certified California Sustainable Winegrowing: North, South, and West."

b. If 100% of operations (e.g. facilities and vineyards) under their operational control are certified: "Acme Winery is Certified California Sustainable Winegrowing."

c. If 100% of the operations (e.g. facilities and vineyards) are certified, and the certified participant has multiple facilities, they may communicate that the parent company and the individual facilities are certified.

d. Claim statements can be used wherever it is allowable based on existing labeling regulations and standards.

e. At this time, organizations may not reference the percentage of certified grapes purchased, if not grown by the certified organization making the claim.

4. In year two and three, the use of logo and claim statements will be checked by the auditor to ensure that certified participants are conforming to the communications guidelines.

Noncertified Participants

Wineries and vineyards may still participate in the Sustainable Winegrowing Program by completing the self-assessment, contributing data to the program, and attending educational workshops without applying for certification. Although these organizations cannot refer to themselves as a 'Certified Participant' in the Certified California Sustainable Winegrowing program, they can communicate that they participate in the educational Sustainable Winegrowing Program.



FREQUENTLY ASKED QUESTIONS

1. Why did CSWA develop a process-based certification program?

The process of continuous improvement encourages participants to address the most critical regional and organizational issues with a program that is applicable across diverse regions and to both wineries and vineyards. A process-based certification enables companies to use their own baselines to determine what areas need to be improved, focusing their limited resources on improvements that get regularly audited.

CSWA's certification program has both rigor through 58 prerequisites and flexibility through the continuous improvement concept. Certification gives participants recognition for their considerable commitment to work on the 227 Code practices.

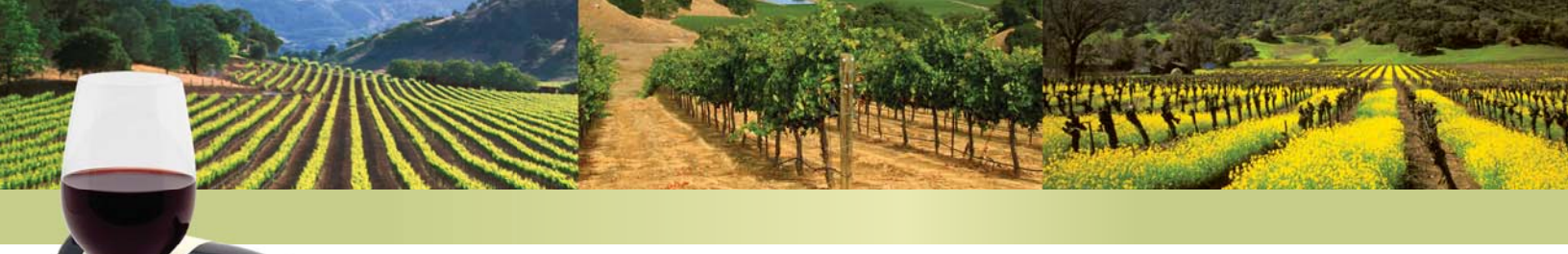
2. How does sustainable winegrowing certification relate to organic and biodynamic certification?



Sustainable winegrowing can be viewed as an umbrella concept, or as a larger circle in a series of concentric circles, where there is overlap with organic and biodynamic principles and practices, yet each having characteristics that make them unique. The comprehensive sustainable winegrowing program promotes 227 best practices for the environment and communities from the ground to the glass. In addition to earth-friendly methods for vineyards and surrounding ecosystems, sustainability includes energy efficiency, protection of air and water quality, enhanced relations with employees and neighbors, environmentally preferred purchasing, among many others.

3. What is CSWA's long term plan?

CSWA is initiating a project to develop industry-wide metrics to measure and track sustainability performance. The metrics will be for water and energy efficiency, greenhouse gas intensity, and several others to be determined in order to baseline the industry's significant impacts and set targets for improvement. Once the metrics are in place, they will tie into the certification program and certified participants will need to consider industry-wide targets when creating action plans. As the certification program evolves to include performance metrics, CSWA may then move towards allowing the use of a logo on the bottle.



California's Sustainable Winegrowing Program

Free Grower Guide on Reducing Risk Available

About 30-35 percent of the state's grape growers are uninsured, placing them at great risk, according to the U.S. Department of Agriculture, Risk Management Agency Western Region Office. Moreover, crop insurance alone does not fully buffer risks to guarantee business success, and additional strategies are needed to minimize losses.

CSWA has published a free grower guide, "Reducing Risks through Sustainable Winegrowing: A Growers' Guide," funded by the USDA, Risk Management Agency. The 45-page user-friendly guide demonstrates how adopting sustainable methods reduces risk and can be an effective management strategy to enhance the long-term viability of businesses. The guide is available online at: www.sustainablewinegrowing.org/agrowersguide.php or by calling CSWA at 415/356-7545.

The top risks covered in the guide are water scarcity, impaired water quality, decreased soil quality, diminished air quality and climate change, increased labor costs, rising energy costs, pest outbreaks, aberrant weather and unexpected market challenges.

To reduce exposure to these risks, the guide recommends key practices from the California Code of Sustainable Winegrowing Practices Workbook and other sources including industry, academic and government experts. The guide also addresses selection of appropriate insurance policies and tools, and proactive business planning and management.



Videos Feature Certification and Sustainable Practices

CSWA has released several videos: one featuring its Sustainable Winegrowing Program and the green practices that vintners and growers use; another provides a short summary of the press event (above) that introduced Certified California Sustainable Winegrowing. Full-length videos of the press event speeches are also available. View them at: www.sustainablewinegrowing.org/media.php.

"Consumers are interested in knowing where and how their wines are grown and made. A majority of California's wine community is involved in CSWA's Sustainable Winegrowing Program and we want to get this message out to the trade and consumers," notes Robert P. (Bobby) Koch, Wine Institute President and CEO.

"Sustainability ensures that our families have viable businesses to pass on, and provides consumers the value they've come to expect from California wines," says Kim Ledbetter Bronson, Chairman of the California Association of Winegrape Growers.

Launch of the certification program received widespread media interest, with 76 broadcast news stories aired and 140 print and online stories.

Please share this newsletter with your staff. An online copy is at www.sustainablewinegrowing.org/publications.php. To reprint any portion of this publication, please gain prior written consent from CSWA. Contact 415/356-7525 or communications@wineinstitute.org.

Energy Efficiency Projects Increase Five-Fold

CSWA has recorded a five-fold increase in the number of annual energy-efficiency projects at California wineries and vineyards since 2005, when CSWA and Pacific Gas and Electric Company (PG&E) began cosponsoring energy efficiency workshops designed for the wine industry. Energy efficiency is one of 14 sustainable winegrowing areas that the CSWA program promotes.

Since 2005, 476 energy-efficiency projects resulted in California wineries receiving \$8.05 million in PG&E rebates and eliminated more than 34,000 tons of carbon dioxide emissions. These projects have saved California wineries kilowatt hours of energy the equivalent of removing 4,792 cars off the road for one year. CSWA and PG&E have held 29 energy management workshops that were attended by 910 wine industry members from around the state.

Additionally, since the CSWA and PG&E partnership began, solar projects in the wine industry have been supported with \$21.7 million of incentives from PG&E.

To learn about resources that are available for energy efficiency and PG&E rebates and programs, see: <http://www.sustainablewinegrowing.org/webresources.php>. Click on Energy Resources.



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