

CENTRAL COAST

Insights

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Mergers and Acquisitions

What's Driving the Activity on the Central Coast?

Tony Correia, Joe Ciatti and Ron Denner

Paso Wine Country Alliance (PRWCA) - Brandifesto



ZEPPONI & COMPANY – PASO ROBLES TRANSACTIONS

Date	Client	Representation	Asset Type	Acquirer
October 2010		Sell Side	Brand	PURPLE WINE + SPIRITS
March 2014		Sell Side	Brand	WINERY  EXCHANGE™ BUILDING BRANDS WORLDWIDE
August 2016		Sell Side	Integrated Estate	 O'Neill — VINTNERS & DISTILLERS —
December 2016		Sell Side	Integrated Estate	TRINCHERO <i>Family Estates</i>
February 2018		Sell Side	Vineyard (Cross Canyon Vineyard)	 Hancock Natural Resource Group®
November 2021		Sell Side	Integrated Estate	 Constellation Brands
December 2021		Sell Side	Integrated Estate	RIBOLI FAMILY WINE ESTATES
November 2022		Sell Side	Integrated Estate	 E&J. Gallo Winery

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What's Driving the Activity on the Central Coast?

Why the Central Coast?

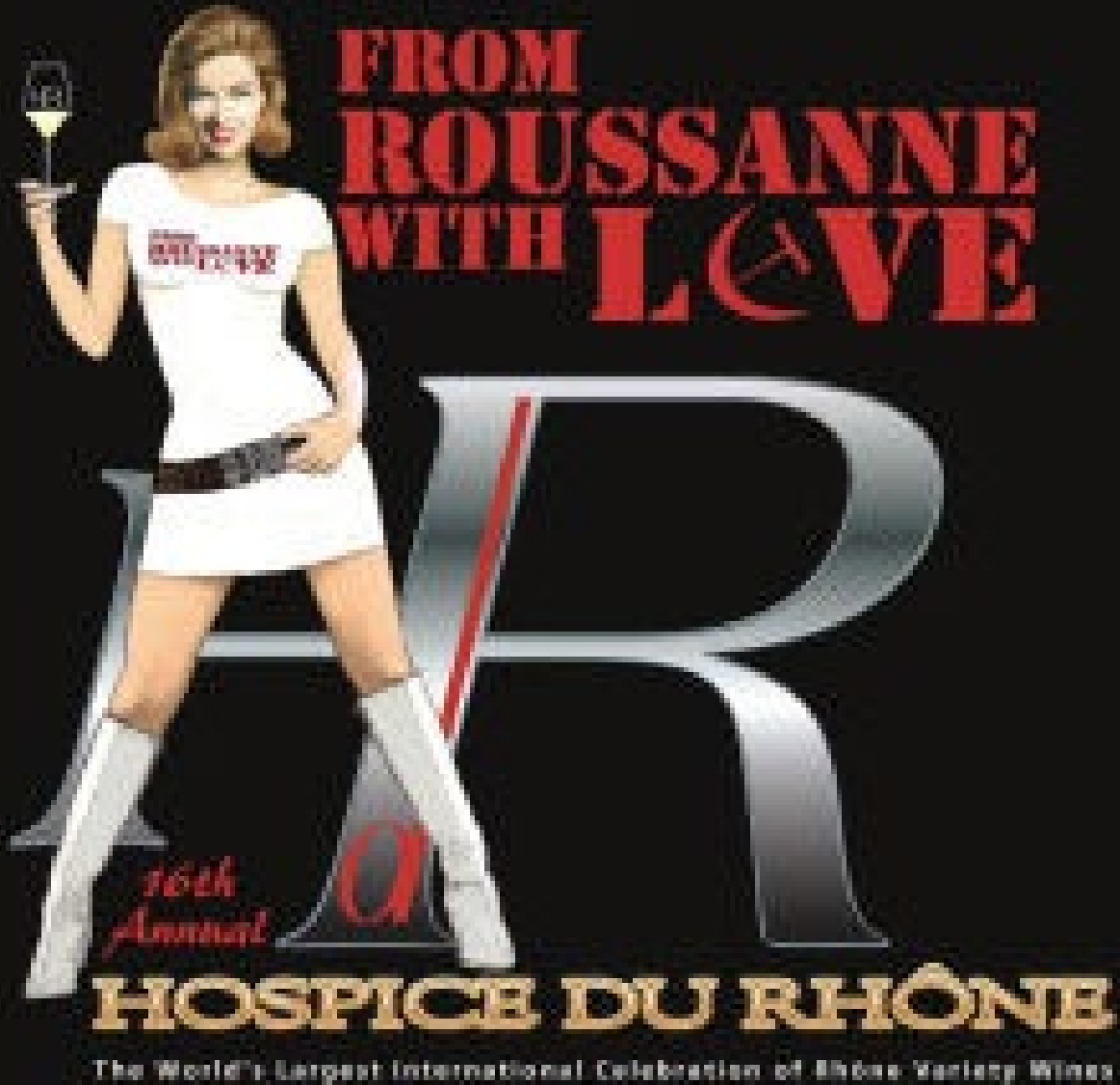
- Economics of Grape Production
- High Quality Value Priced Wines

Why Paso Robles?

- High Quality Value Priced Wines
- Easy wine country destination between California's Wealth Centers.

And Paso Robles is COOL! (Future Spaceport?)

"It's like Napa USED to be!"



FROM
ROUSSANNE
WITH LOVE

16th Annual

HOSPICE DU RHÔNE

The World's Largest International Celebration of Rhône Variety Wines



There's
no
place
like
Rhône.

HOSPICE DU RHÔNE

The Largest International Celebration of Rhône Variety Wines in the World

HISTORY 101-a

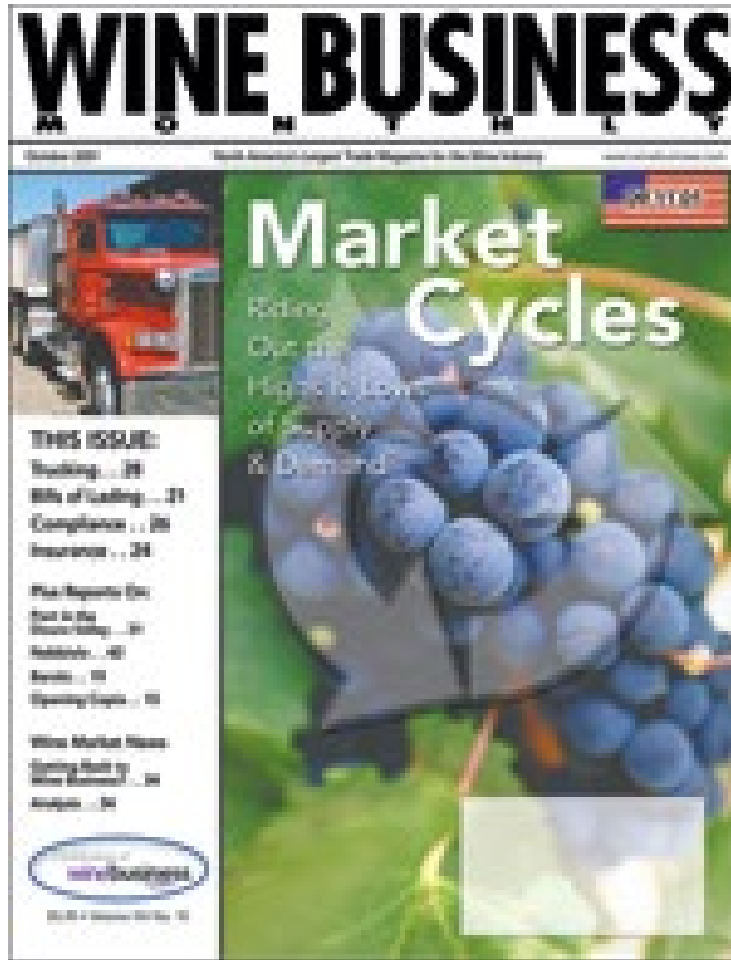
**Those who cannot remember the
past are condemned to repeat it.**

-George Santayana

Our Past is Our Future

The Town That Didn't Lock Down

**A *Reason* reporter went to Paso Robles, California,
where many businesses defied state orders to close.
He enjoyed it. He also got COVID.**



Grape Grief!

Finding the Bottom of the
Market Cycle

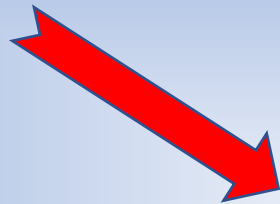
by [Tony Correia and](#)
[Richard Brockmeyer](#)

Oct **2001** Issue of
Wine Business
Monthly Magazine

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Ag Econ 101-a

Wine Prices



Grape Prices

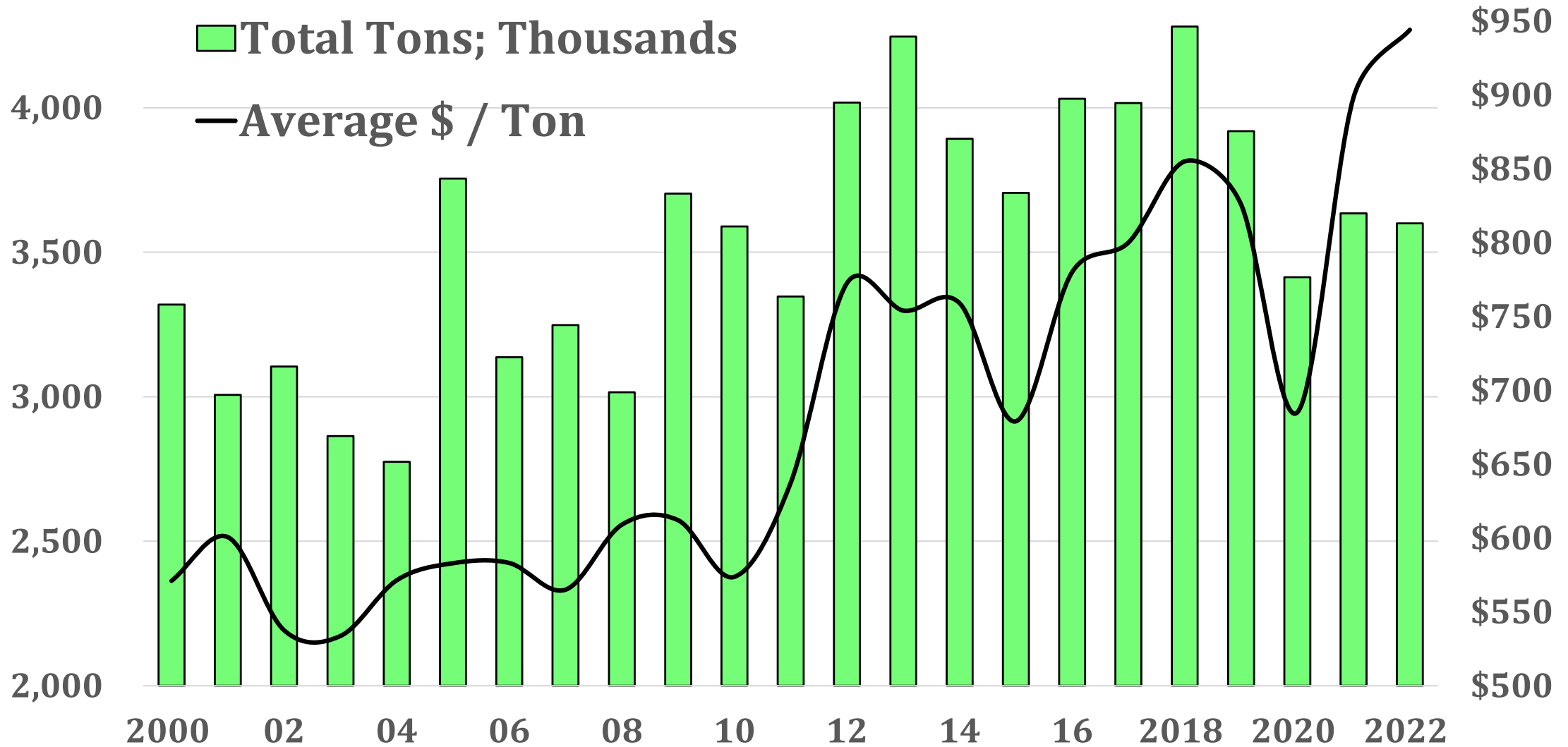


Vineyard Prices/Values

Total California Wine Grapes; Production v Price; 2000 > 2022

■ Total Tons; Thousands

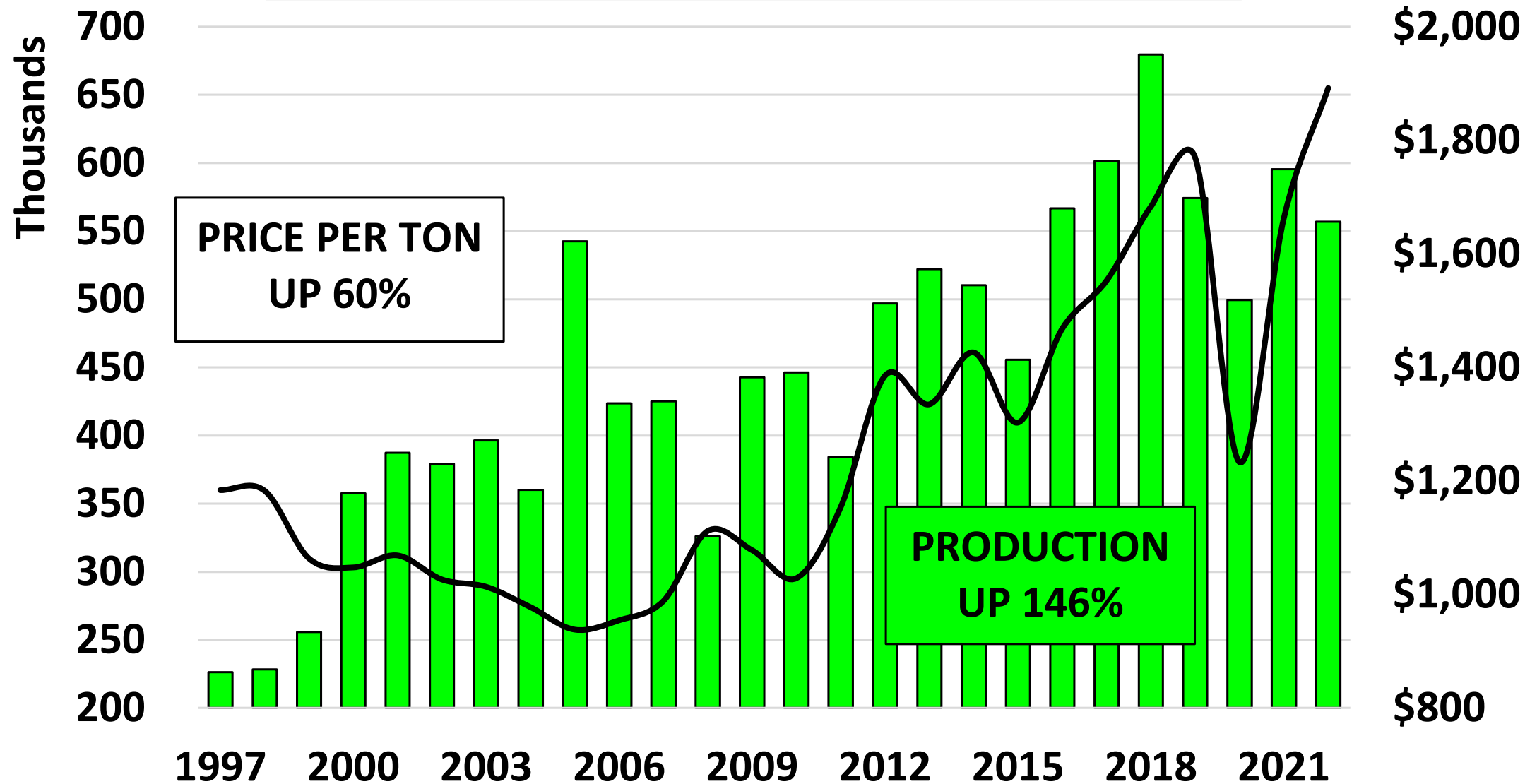
— Average \$ / Ton

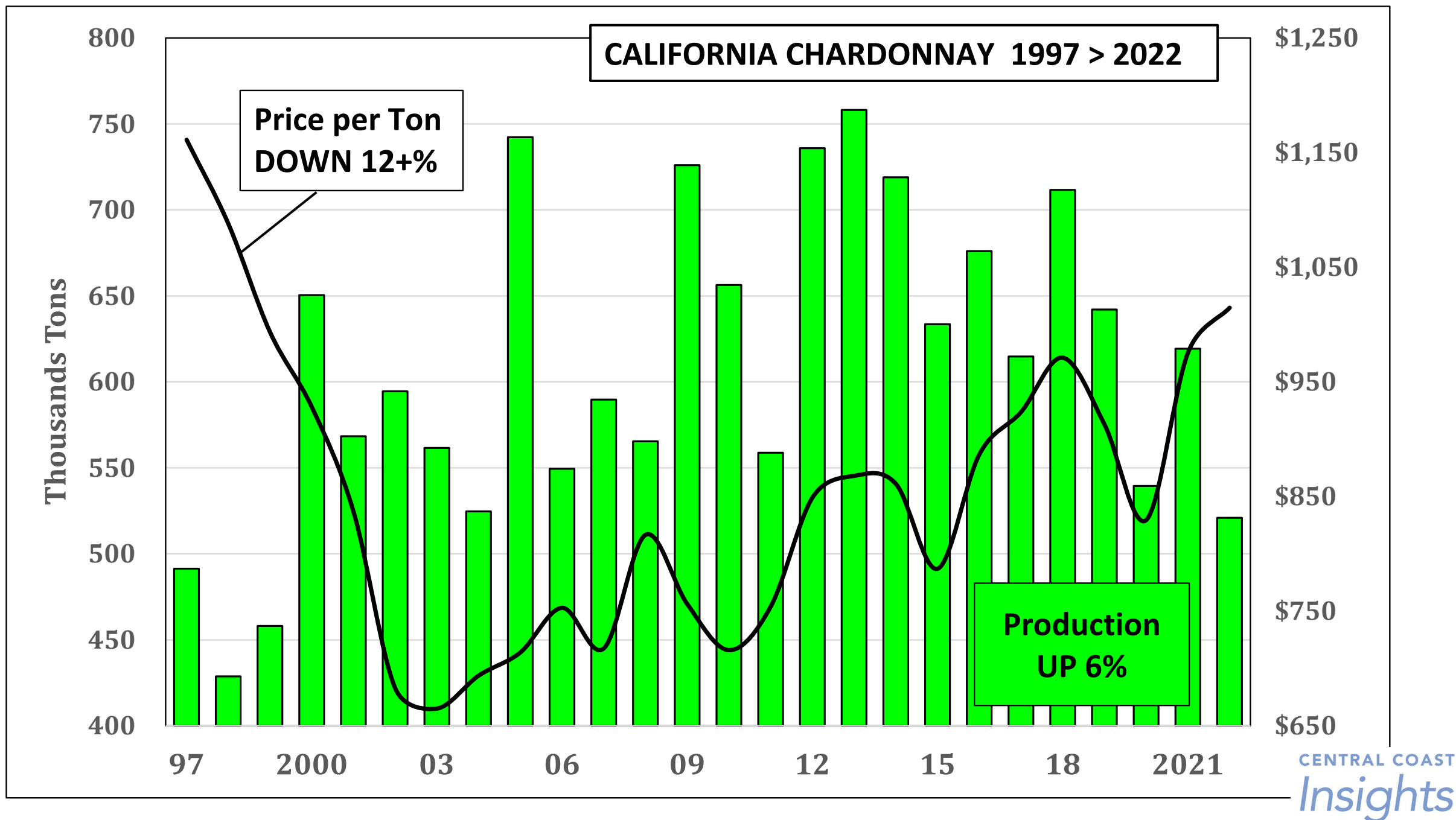


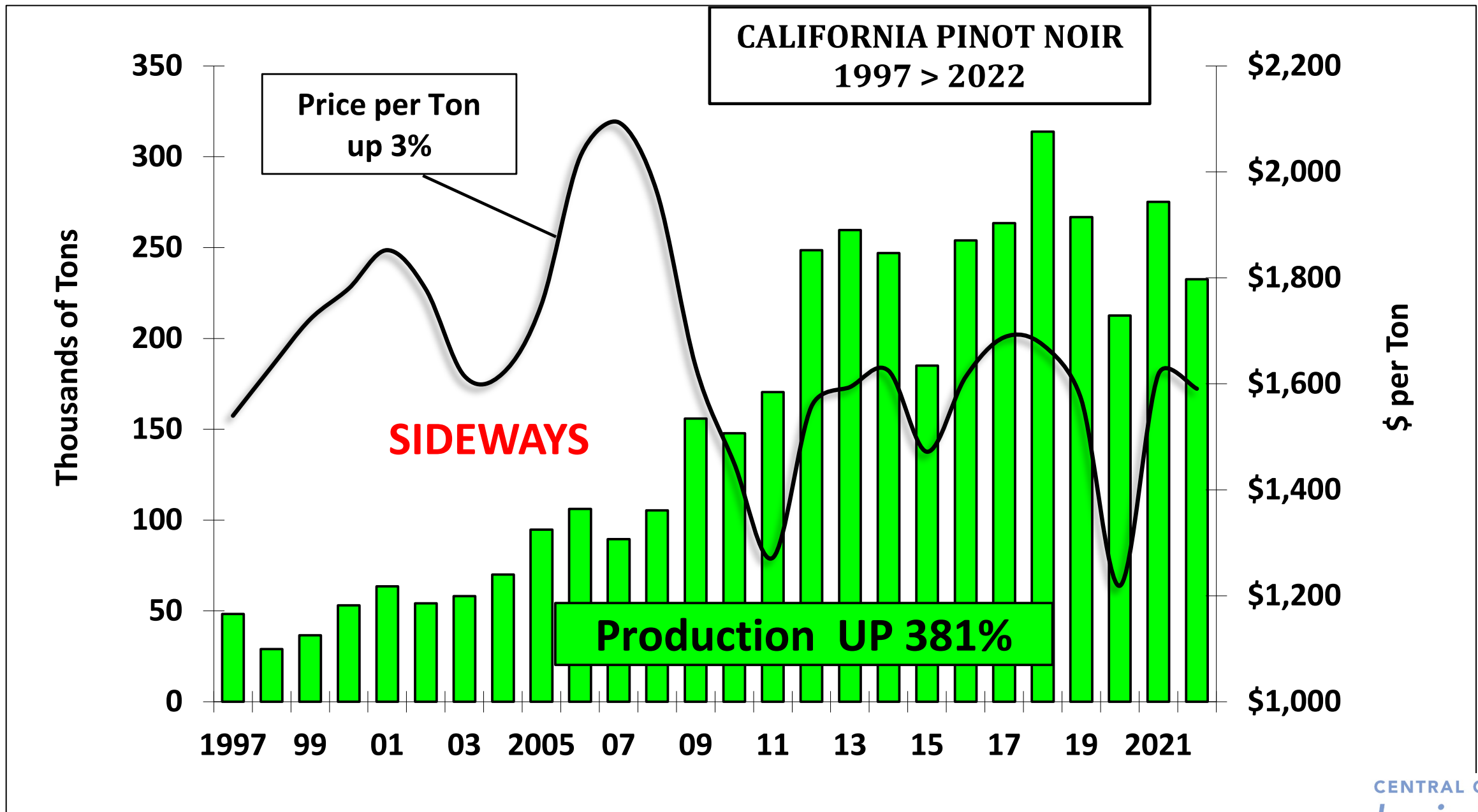
California and American Wine Industry

- Wine sales sagging
- daunting consumer demographics
 - **“The American Wine Industry Has an Old People Problem”**
 - “The state of the American wine industry is grim”
- Development and operating COSTS increasing
- The SKY is falling!!!
 - Pieces of the Sky

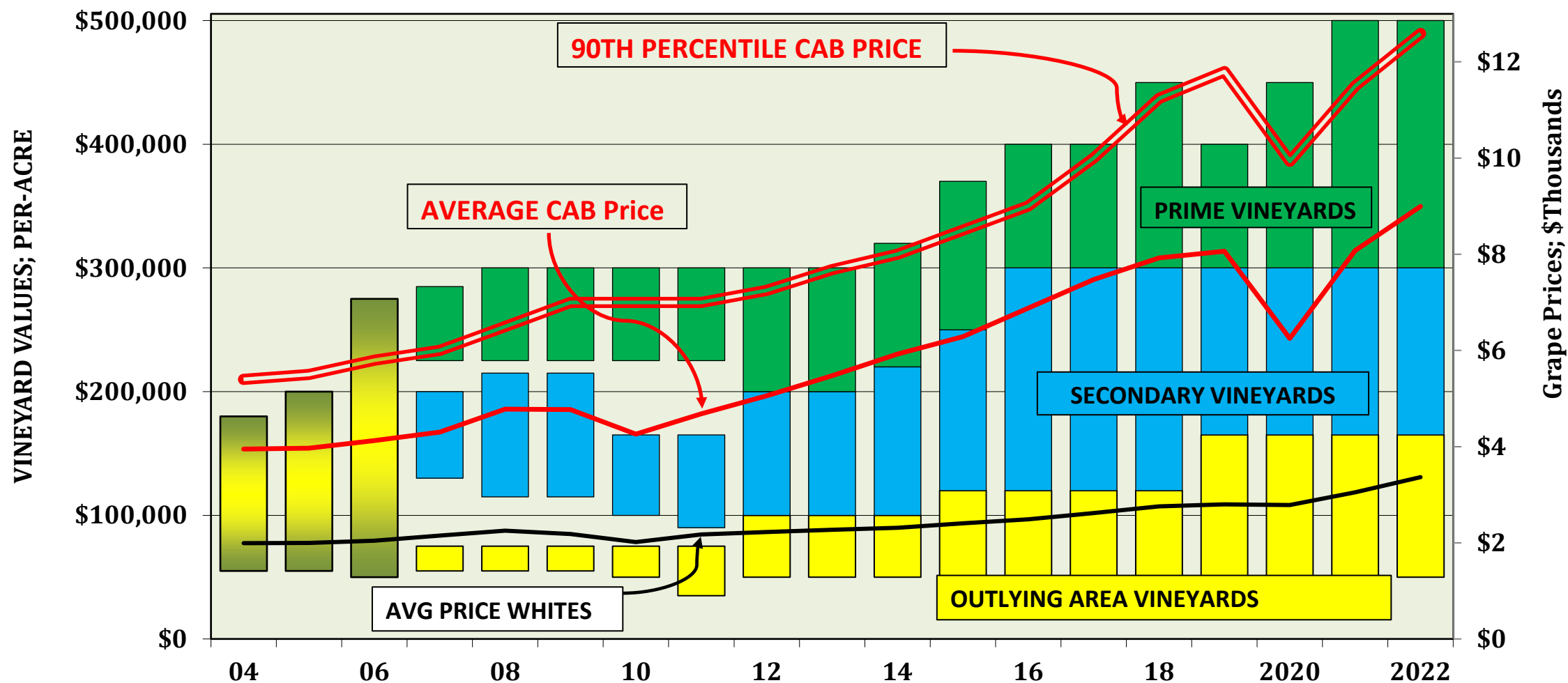
CALIFORNIA CABERNET SAUV; 1997 - 2022



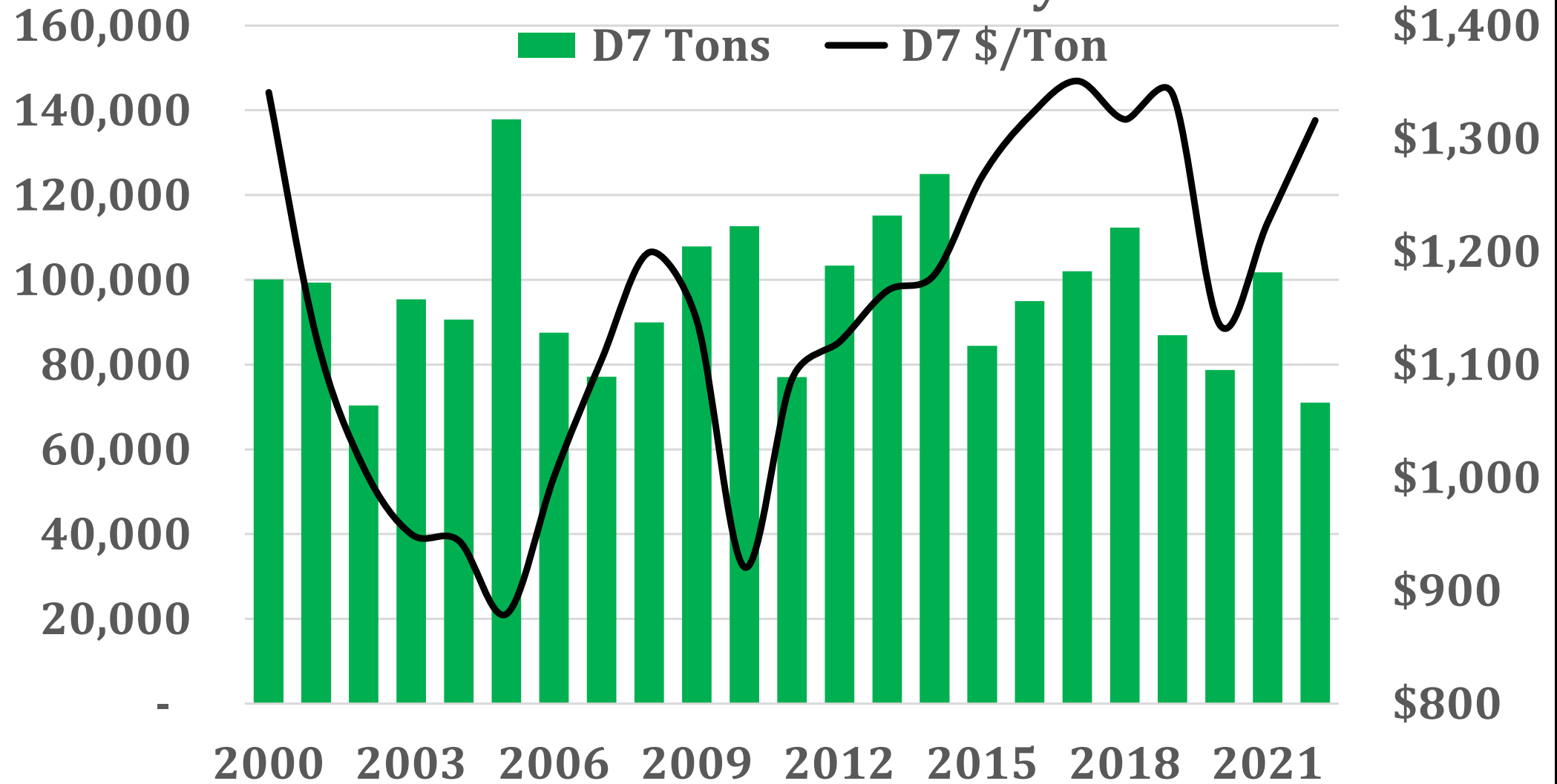




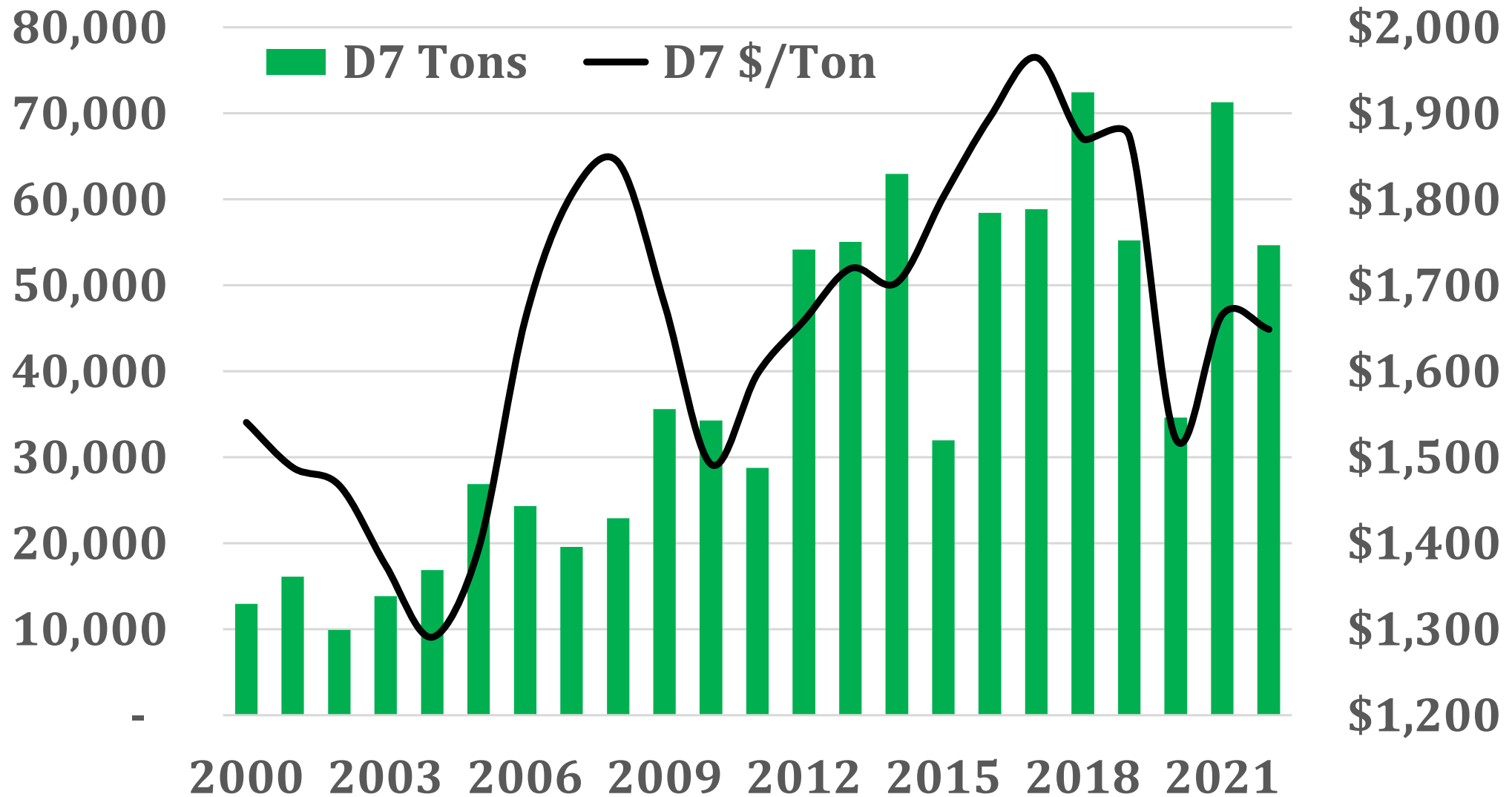
NAPA COUNTY ~~ VINEYARD VALUE RANGES; 2000 > 2022
By Vineyard Category 2007-2022 vs Napa Grape Prices



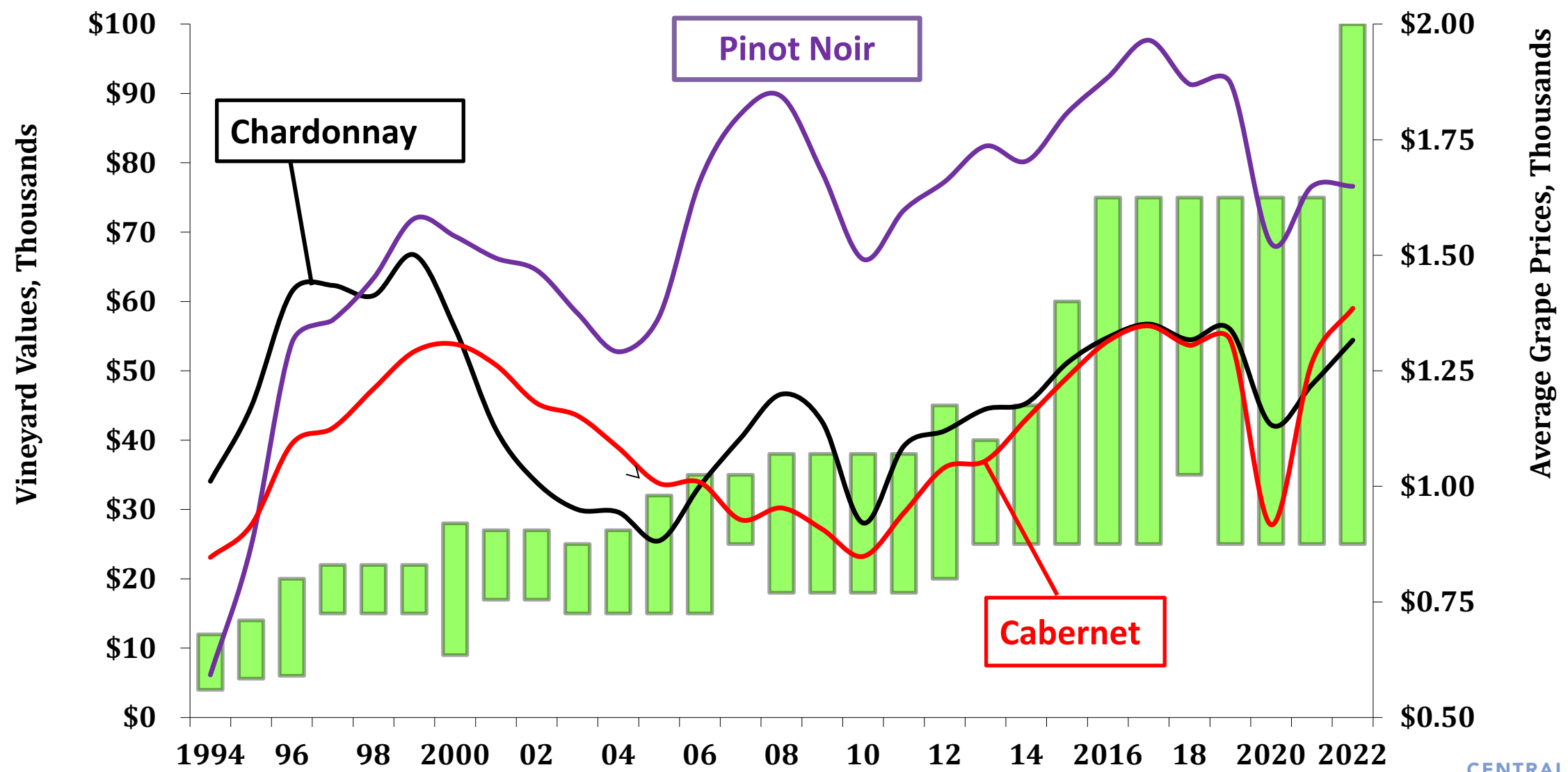
District 7 Chardonnay



District 7 Pinot Noir



Monterey/San Benito; District 7; Vineyard Values vs Grape Prices



it was the mid-60s,
and Julio wanted to
do something his
neighbors and
competitors had not
done first — make a
decent table wine
most Americans
could afford.



“PASO ROBLES GROWING PROFILE

The Trend of large wine companies wanting to increase their presence along the Central Coast persists. Paso Robles has become more attractive and the big wine companies continue to launch Paso Robles-based wines.”

“Paso Robles makes great quality and it’s still relatively affordable, so we’ve gone down there.”
-Terlato Wine Group

“Paso Robles is still quote-unquote ‘affordable.’” -John Anthony Truchard

“It seems like the Central Coast area is going to be pivotal to the industry.”
-Trinchero Family Estates

Wine Business Monthly Review of the Industry; February 2023, pg 22

Hot Brands from the East Side of Paso Robles \$15 - \$30

TROUBLEMAKER


JUSTIN
VINEYARDS & WINERY

J. LOHR
VINEYARDS & WINES


DAOU
VINEYARDS & WINERY

**ROBERT
HALL**

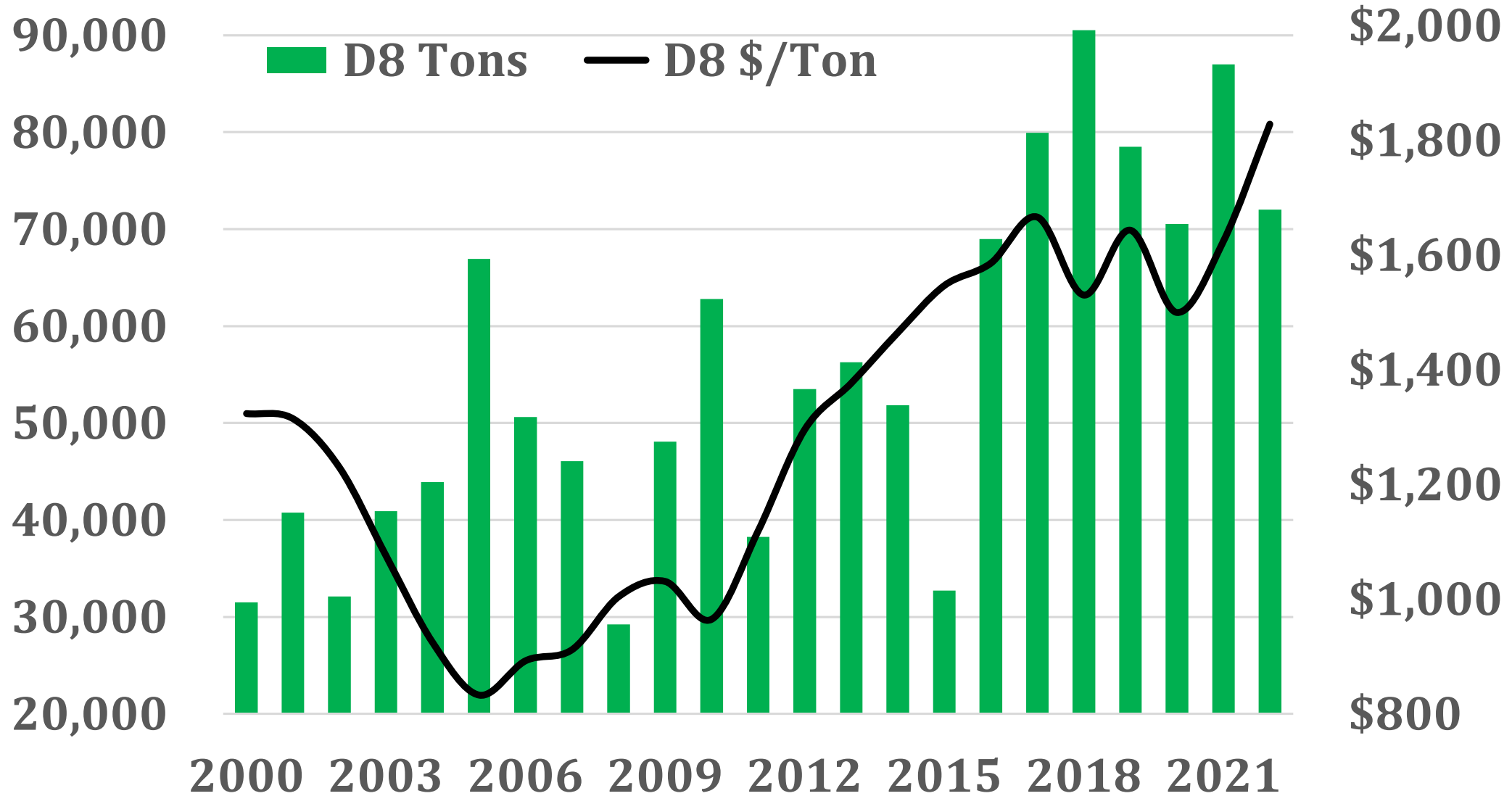
CHARLES WOODSON'S
INTERCEPT

SMITH
ESTD. & 1980
HOOK

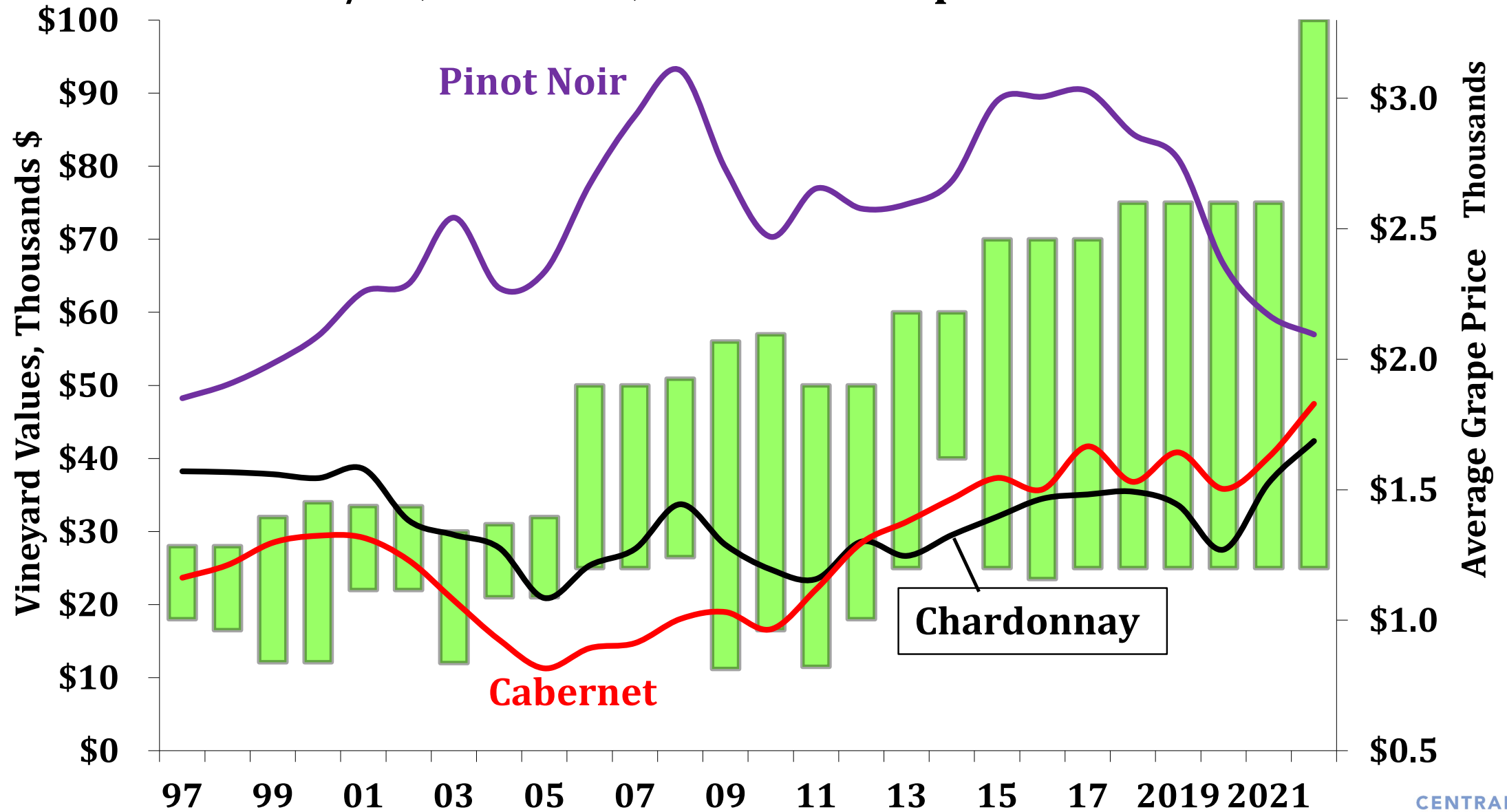
BROADSIDE
PASO ROBLES

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District 8 Cabernet



SLO/SB; District 8; Values vs. Grape Prices





Selected West Paso Robles Wine Accolades

Winery	Select Accolade	Publication / Critic
Adelaida Vineyards & Winery	97 Points (x2) (2018 Syrah Signature)	Jeb Dunnuck / Vinous
Booker Vineyard	97 Points / #10 Wine of 2017 (2014 Oublie GSM)	Jeb Dunnuck
Denner Vineyards	96 Points / #18 Wine of 2019 (2016 Dirt Worshipper Red Blend)	Wine Spectator
Epoch Estate Wines	97 Points (2015 Authenticity Red Blend)	Robert Parker's Wine Advocate
Halter Ranch Vineyard	96 Points (2017 Grenache Blanc)	Sunset Intl. Wine Competition
Jada Vineyard & Winery	95-97 Points (2019 Passing By Cabernet)	Jeb Dunnuck
Law Estate Wines	97 Points (2018 Aspire GS Blend)	Jeb Dunnuck
L'Aventure Winery	100 Points (2014 For Her Red Blend)	Robert Parker's Wine Advocate
Linne Calodo	97 Points (2016 Sticks and Stones GSM)	Jeb Dunnuck
Saxum Vineyards	100 Points (2007 Estate Blend James Berry Vnyd.)	Wine Spectator
Tablas Creek Vineyard	96 Points / #63 Wine of 2019 (2016 Esprit de Tablas Blanc)	James Suckling



**“It’s
everything”**

WATER

Thank you!!



And Remember; Drink
More Paso Wine!

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