

GRAPE CRUSH AND PURCHASE INQUIRY INSTRUCTIONS

DATA PAGE (IDENTIFICATION, SECTIONS I-III)

New reporters are often confused by the magnitude of this inquiry. We are here to help you. If you have any problems, please call 916-738-6569 or email grapecrush@cdfa.ca.gov.

IDENTIFICATION

VARIETY: List the full name of the variety in Column 1. Mixed variety lots should be reported by grape type (i.e. raisin, table, white wine, or red wine) on the data page(s). If you have red wine grapes and white wine grapes mixed in the same lot, enter them as "mixed red" wine grapes. If you have mixed red wine grapes, enter them as "mixed red" wine grapes. In the same manner, mixed white wine grapes should be entered as "mixed white".
Column (1)

DISTRICTS: Identify crushed grapes by the district where they were grown using the map available at cdfa.ca.gov/mkt/grapecrush and enter the appropriate district number on the enclosed forms.
Column (2)
Remember: Report grapes in the district where grown, not the district where crushed.

SECTION I. TOTAL GRAPES CRUSHED AT YOUR FACILITY

Column (3) **Total Grapes Crushed, Over-the-scale-tons:** Report, by variety and Grape Reporting District, total over-the-scale fresh weight tonnage (include Material Other than Grapes (MOG) and defects) for **all** grapes crushed at your facility. Grape distilling material should be included. Report tonnage to the nearest tenth (i.e. 130.0, 120.4, or 150.1 tons).

Report weight of crushed tonnage in the district where the grapes were grown, not where the grapes were crushed.

Column 3 includes grapes that were:

- (a) Purchased and crushed by your firm.
- (b) Custom crushed for the account of an independent grower and/or other firm.
- (c) Grown and crushed by your firm.
- (d) Grown by cooperative members and crushed by you.
- (e) Field crushed and delivered to you.

Don't forget to report Gross weight that includes MOG and grapes with defects.

Column 3 does not include:

- (a) Grapes purchased, but not crushed by your firm.
In this case, the processor actually crushing the grapes should enter the tonnage crushed and degrees Brix on their inquiry. **NOTE:** Price paid to the grower by the original purchaser is the price that should be reported by the grape purchaser on their inquiry. This also holds for other information asked in Columns 5-19.
- (b) Any raisin distilling material.

Column (4) **Total Grapes Crushed, Weighted Average Degrees Brix:** Report, by variety, the weighted average degrees Brix of deliveries. These should be to the nearest tenth (i.e., 19.0, 20.6 or 21.2 percent). If not available, please estimate.

SECTION II. FINAL PRICES FOR GRAPES PURCHASED FROM GROWERS FOR WINE, CONCENTRATE, JUICE, VINEGAR AND BEVERAGE BRANDY

Column (5) **All Purchased Tons:** Report, to the nearest tenth, fresh tons purchased for which prices are final on or before January 10th. Report net weight of purchased tonnage in the district where the grapes were grown and not where the grapes were crushed.

Column 5 includes grapes:

- (a) Purchased from growers for wine, wine vinegar, juice, concentrate and beverage brandy.
- (b) Purchased from other wineries only if that winery was also the producer of the grapes.
- (c) Purchased from growers which are considered separate entities from your processor operation (i.e., separate tax filings are made for the vineyard and winery entities).
- (d) Purchased from growers or other processors, but not crushed by your firm.

Column 5 does not include:

- (a) Material other than grapes (MOG), and defects or other weight adjustments deducted from the gross weight ticket.
- (b) Any raisin distilling material.
- (c) Grapes grown by your winery which are grown in vineyards under the same ownership as the winery.
- (d) Grapes purchased from other wineries that were previously purchased from growers.
- (e) Grapes crushed to grower accounts or crushed for other wineries.

(See Page 4 for an explanation of how to report "packaged grape purchasing.")

Column (6) **Related versus Non-Related Purchased Tons:**
A purchase is related (answer YES) if:

- (a) The grower or an affiliate of the grower, or both the grower and the affiliate of the grower, owned, directly or indirectly, at least 5 percent of the indicia of ownership or voting authority of the winery (processor);
- (b) The winery (processor) or an affiliate of the winery, or both the winery and the affiliate of the winery, owned, directly or indirectly, at least 5 percent of the indicia of ownership or voting authority of the grower;
- (c) The winery (processor) or an affiliate of the winery, or both the winery and the affiliate of the winery, provided long term financing to the grower in exchange for rights or options to purchase a significant portion of the grower's harvest.

Definitions

"Affiliate" or "affiliated with" means a person who directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control of another person. For the purposes of this paragraph, "control" means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of any person.

"Long-term financing" means (i) financing that by its terms is due over a period of more than one year, or (ii) more than 180 days if there is a purchase agreement between a grower and a processor or (iii) if there is a farming agreement where the purchase price is on a per-acre basis.

"Purchase" means the taking by sale, discount, negotiation, mortgage, pledge, lien, issue or reissue, gift, or any other voluntary transaction creating an interest in property. For the purposes of this paragraph, "sale" shall consist of the passing of title from the seller to the buyer for a price.

Verification of Data

Pursuant to Section 55601.5 of the Food and Agricultural Code, the Department of Food and Agriculture may examine your records to determine the accuracy of the information provided in this report. Any such determination will occur following publication of the Final Grape Crush Report.

Column (7)

Weighted Average Degrees Brix: Report, by variety, weighted average degrees Brix for all grapes listed in Column 5. These should be to the nearest tenth (i.e., 20.0, 20.7 or 21.3). If not available, please estimate.

Column (8) **Base Price Per Ton (Contract Price):** Report, by variety, the base price for grapes **delivered to the winery. Include local hauling allowances normally paid to growers or roadside basis if it is the same price as paid delivered to winery. Exclude** any adjustments made for sugar, bonuses, or other allowances where prices are final.

A separate line entry must be made for each base price, Brix adjustment factor, or other allowance. Tonnages for the same variety must also be entered on separate lines, if they were purchased under different base price contracts. If deliveries failed to meet contract specifications and the price was renegotiated, enter this renegotiated price in Column 8. If only part of a delivery failed to meet specifications, enter the renegotiated price and tonnage for that portion on a separate line.

(If the winery has a final base price list and degrees Brix adjustment schedule, rather than completing Columns 9 through 15 for each variety purchased, the list may be attached.) Please report prices to the **nearest cent**. If the final base price is four hundred, fifty dollars, report this as \$450.00. Four hundred, fifty dollars and twenty-five cents should be reported as \$450.25.

The base price paid to the grower by the **original** purchaser should be reported on the inquiry of the original purchaser. For example: If grapes were sold by Winery A (original purchaser) to Winery B for crushing, Winery B should only report the purchased tons crushed and degrees Brix. The original price paid to the grower, by Winery A, should be reported by Winery A on his inquiry (i.e., Winery A reports price in Section II, while Winery B leaves Section II blank and completes Section I). **Because the Grape Crush Report is only concerned with original prices paid to grape growers, the second price paid by Winery B is not to be included on either winery's inquiry.**

Columns (9 and 10) **Acceptable Brix Limits:** If grapes were purchased, specify the maturity limits of acceptance. Report (in degrees Brix) the minimum limit in Column 9 and the maximum limit in Column 10.

Column (11) **Brix Adjustment Factors Plus and Minus:** Report adjustment factors that were applied to the base price reported in Column 8. When calculating the adjusted final payment to producers, report ONE of the following:
(a) If no adjustment for Brix was applied to the base price, please indicate "None" and skip Columns 13, 14 and 15.
(b) The percentage adjustment from the base price for each degree Brix (or fraction of degree Brix) from the base level in Column 13.
(c) The dollar and cent adjustment from the base price for each degree Brix (or fraction of degree Brix) from the base level in Column 13.

Columns (13, 14 & 15) **Degrees Brix Adjustment Limits:** If Brix adjustments were reported in Column 11, report the degrees Brix used as a base in Column 13. In Column 14, report the minimum degree to which adjustments would have been made for low sugar and in Column 15 the maximum degree to which adjustments would have been made for high sugar. If no minimum and/or maximum adjustments were specified, report "None" in Column 14 and/or 15.

Column (16) **Weighted Average Price Per Ton:** Report **net** prices paid on a delivered winery basis (or roadside basis if that is the same price as paid delivered to winery). **Include local hauling allowances normally paid to growers; premiums or penalties for low or high sugar; and any other bonuses or allowances.**

For each grape variety reported in Column 5 or Column 6, a weighted average net price must be calculated using actual final payments to growers and actual tons received from growers. Prices **must include** all sugar calculations and any bonuses or allowances. **Do not include MOG or defects deducted from deliveries.** Report only final prices in Column 16 (i.e., prices not subject to further revision).

To calculate a delivered price, use the following instructions:

- (a) Roadside basis, include any usual local delivery hauling allowances.
- (b) On-vine basis, include an allowance for both picking and usual local hauling costs.
- (c) Local distance delivered basis, deduct any additional allowance added to the grape price for long distance hauling to the winery.

SECTION III. FINAL PRICES FOR GRAPES PURCHASED FROM GROWERS AS DISTILLING MATERIAL OTHER THAN BEVERAGE BRANDY

Column (17) **Purchased Tons Only:** Include all purchased grapes (fresh basis) that have been graded or designated for distilling material (DM), other than beverage brandy, that are reported in Section I. In some areas, these grapes are referred to as substandard. **Do not** include any tonnage previously reported in section II (columns 5-16). **Do not** include raisin distilling material.

Column (18) **Weighted Average Degrees Brix:** Report, by variety, the weighted average degrees Brix for DM purchased and reported in Column 17. Report figures to the nearest tenth. If not available, please estimate

Column (19) **Weighted Average Price Per Ton:** Use the net weight in Column 17 and actual price paid.

HOW TO REPORT PACKAGED GRAPES PURCHASING:

If several grape varieties were packaged together and purchased for one price, report the average price per ton as one mixed lot in Column 5 (Section II). When reporting crush information (Section I), report individual variety and tonnage information.

The table below shows how to complete the data page if a winery purchases the following grapes from District 1: 15 tons Zinfandel, 50 tons Merlot, 5 tons Chardonnay. These grapes were purchased for \$63,000. The average price per ton was \$900.00 ($\$63,000 \div 70 = \900). This transaction should be reported in the following manner:

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | | |
|-------|----------------|-------------------|---------------------------------|------|--|-------------------|------|--------------------|------------------------|-----|---|----------------------|-------|-----|--------------------------------|----------------|------|---|--|--|
| | SECTION I | | SECTION II | | | | | | | | | | | | | SECTION III | | | | |
| | IDENTIFICATION | | Grapes Crushed At your Facility | | Final Prices of Grapes purchased from Grower(s) for Wine, Concentrate, Juice, Vinegar, and Beverage Brandy | | | | | | | | | | | | | Grapes Purchased from Growers as Distilling Material Other than Beverage Brandy | | |
| | Variety | Dist. where grown | Tons | Brix | Purchased Tons Only | | Brix | Base Price Per Ton | Acceptable Brix Limits | | Brix Adjustment Factors Per Degrees Brix Per Ton Plus and Minus | | | | Price Per Ton Incl. Prem & Pen | Tons Purchased | Brix | Price Per Ton Incl. Prem & Pen | | |
| Row # | | | | | Tons Purchased | Related Purchase? | | | Min | Max | Please explain! | Base | Min | Max | | | | | | |
| | Ex: Merlot | 1 | 110.8 | 21.2 | 86.3 | YES | NO | 21.2 | 800.00 | 21 | 25 | -15%. above or below | 22-24 | | | 680.00 | | | | |
| 1 | Zinfandel | 1 | 15.0 | 25.3 | | YES | NO | | | | | | | | | | | | | |
| 2 | Merlot | 1 | 50.0 | 21.0 | | YES | NO | | | | | | | | | | | | | |
| 3 | Mixed Red | 1 | | | 65.0 | YES | NO | 22.0 | 900.00 | 21 | 23 | N/A | | | | 900.00 | | | | |
| 4 | Chardonnay | 1 | 5.0 | 22.5 | | YES | NO | | | | | | | | | | | | | |
| 5 | Mixed White | 1 | | | 5.0 | YES | NO | 22.5 | 900.00 | 21 | 23 | N/A | | | | 900.00 | | | | |

Data Page Totals

70.0

70.0

0.0