2007 OREGON HARVEST REPORT

Weather presented real challenges, but diligent farming and skillful winemaking will result in many high quality, lower alcohol wines

PORTLAND, November 26, 2007 – Oregon's 2007 growing season started off strong, with a slightly warmer spring than normal that provided ideal conditions for fruit set throughout the state. Moderate temperatures persisted during the summer, with no major heat spikes, leading to nearly ideal fruit maturation going into late September, until significant rain events began and didn't let up until late October. But try as it might to dampen spirits, the state's winemakers and growers remained focused and diligent with picking decisions. Many say this challenging harvest has left them pleasantly surprised with the resulting wine quality.

"This is when Oregon shines," said Dai Crisp, vineyard manager for Temperance Hill Vineyard in the Eola-Amity Hills and owner/winemaker for Lumos Wines. "I think the fact that you will see some beautiful wines from a difficult year is a testament to the tremendous effort of the industry. Over the years, we have learned to be better growers and be more detail oriented in the vineyard. Additionally, winemaking sophistication is higher. We're able to make better decisions in the vineyard that result in higher quality wine."

Dr. Greg Jones, a climatologist specializing in climate change and its effects on the wine industry and professor at Southern Oregon University in Ashland, Oregon, offers a unique statewide perspective.

"A highly variable growing season across the state provided good ripening conditions without heat extremes," Jones said. "Fruit composition by early September was ideal in many regions. However, the mid-September cool down and rain caused many to make choices of either harvesting quickly or waiting it out. The onset of the cool and wet conditions is not unheard of for Oregon; it just came 30 days earlier than what we have come to expect in recent years. In most instances, fruit composition was generally lower in sugar, higher in acid, with balanced pH, and great flavors. Yields appear to be near normal to slightly above normal depending on the conditions when the fruit was harvested. This year may have shown us that all heat is not necessarily good heat!"

Careful crop load management allowed fruit to fully ripen, despite the cool temperatures. And when the rains hit, strict vineyard management practices enabled the vines and grapes to withstand mildew pressure.

"We needed to spray more and spend much more on farming," said Sam Tannahill, owner/winemaker for A to Z Wineworks, Rex Hill and Francis Tannahill, who farms 200 acres in the Willamette Valley and sources fruit from 90 vineyards throughout the state. "We did need to sort a little more, but since it was so cool we saw surprisingly little rot. The biggest effect was in the budget, because 2007 was one of the most expensive growing seasons for us yet. The weather did affect us at harvest as well as force us to pick some vineyards early that were just plain deteriorating and grapes that could not wait out in the vineyard to get fully ripe."

Some say it's a grower's year, where meticulous thinning, canopy management and spray routines helped the fruit left hanging on the vine to weather the storms. Others maintain this

is a winemaker's year, where the most experienced and agile artists will be able to take the fruit given to them by Mother Nature and craft some outstanding wines.

"A year like 2007 shows us how Oregon winegrowers farm on the edge of the viticultural success zone, where the most interesting wines are often produced," said Ted Farthing, executive director of the Oregon Wine Board. "We seem to thrive on the risk, and many of our winemakers are enjoying the accompanying rewards."

Rain brings on the pressure, keeping growers on their toes

Wet weather in September and October is not unheard of in Oregon, despite recent memories of the 2006 growing season, where warm temperatures and little precipitation made for a relatively stress free harvest and resulted in very ripe, complex wines with higher sugar levels.

"Every fall, we have the potential to shift into the fall/winter pattern sooner rather than later," Jones said. "The pattern we saw this year in mid-September is usually what we see come in mid-October. This year wasn't abnormal from a climactic perspective. It results from the variability of where we live and grow our grapes."

The Oregon wine industry has learned to make necessary adjustments in the vineyard to prepare for less than ideal conditions.

"The rains in October came at the wrong time, but we had very cool nights, somewhere around 40°, which provided a refrigerator effect, keeping botrytis from exploding," Crisp said. "I think this effect is what saved the vintage. Botrytis needs humidity and warmth to thrive. Our cold nights kept this from happening. And when the warm system came in the second week of October and started to encourage botrytis growth, we scouted the vineyard twice a day, sorting in the field when necessary."

"Since we pick by flavors and not by numbers we have convinced our growers over the years that we want to hold no matter what the weather until the flavors are right," said Rob Stuart, owner/winemaker for R. Stuart & Co in McMinnville. "So we look beyond the rain (such as the 1995, 1996, 1997 and 2007) vintages and the sun (like in 2003 and 2004) and quite frankly ignore it. One had to believe that the rain would eventually stop and that the earth could only absorb so much rain and the rest would roll on down the hill."

"Rainfall has been the prime mover this harvest, but with less impact in my assessment than we would have guessed just from rainfall amounts," said Harry Peterson-Nedry, owner/winemaker at Chehalem in Newberg, Oregon. "Fruit is largely nicely ripened, but with reduced sugar levels, which will equate to lower alcohol levels. As always, experience tells us not to freak out about dreary rain days, but to drink another cup of coffee, continue to pick on flavors and jump only when botrytis seems ready to show."

With rain now a distant memory, winemakers are excited about what's in the barrel

While the sugars were generally low, the extended growing season allowed flavors to continue to develop while sugars stalled. Initial aromas and flavors emerging from tanks and barrels are promising.

"The vintage itself was tough as could be, but as far as the wines go, they have proved to reach a level far higher than the vintage would have seemed to allow," Tannahill said. "I am

surprised by the intensity of the flavors, even with the rain. For Pinot noir, we see more red fruit and focus, but some vineyards did have very pretty darker fruit. For the most part there will be lighter more 'classic' red/blue fruit flavors than the darker more sumptuous flavors of 2006. For Chardonnay, there are lovely ripe flavors with great structure from Southern Oregon and steely brisk flavors from the Willamette Valley. In the Willamette Valley the flavors veer more toward the intense citrus fruit, mineral spectrum while Southern Oregon had a bit more tropical flavors, but also managed to retain a beautiful mineral streak. I think it's a strong year for Chardonnay. Pinot gris is very similar to Chardonnay in both areas, with more mineral/citrus/floral in the Willamette Valley and more lychee/guava in Southern Oregon."

"This year, because of fewer extremely warm periods during the growing season and cooler nights, we have greater physiological maturity at lower sugars, a condition that excites us," Peterson-Nedry said. "I anticipate that we will see less alcohol, less blackness, more finesse rather than extraction, possibly even better ageability, and more memories of being miserable in cool and damp conditions, memories that will fade as the wines in barrel warm us."

REGIONAL HARVEST OVERVIEWS

Willamette Valley

Weather pressures from rain events in September and October influenced the picking decisions of Willamette Valley growers and winemakers the most. But as is the course for Oregon, where small vineyards allow winemakers and vineyard owners to be intimately in tune with each row, growers carefully monitored mildew pressure and clusters were carefully hand sorted on the crush pad.

Harry Peterson-Nedry, owner/winemaker, Chehalem

"In summary, we think this may be a fantastic white vintage and a surprisingly good red vintage, despite the rain which many times might lead to less intense wines. With rain in the range of 2005 and much less than the last really rainy harvest season of 1997, most winemakers in the valley know how to adapt and take advantage of some of the attributes of such a vintage, such as lower sugars (and therefore alcohols) and higher acids. So long as botrytis is kept from reds or sorted out, and winemaking slight of hand used to provide physical therapy to the intensity shortcomings, such as saignee, tannin adds, chaptalization/ acidulation and the like, the vintage will have stellar wines, just perhaps with more variability."

Jason Tosch, director of viticulture, Anne Amie Vineyards

"The 2007 vintage was a great challenge in many ways. This vintage was a waiting game. We sampled our fruit often and scheduled our picked dates with a lot of postponing for weather. We were happy to pick a full crop of good quality with a minimal loss to rot in the vineyard. In the cellar, Thomas [Hauseman], winemaker, and I have some favorite lots of wine with aromatics and color as good as the greatest vintage wines from our state. Our decision to be patient offered some reward. We began the year with an excellent fruit set then weather conducive to disease development during both the growing season and harvest threw everyone a curve ball. The cool wet weather during harvest was the biggest challenge for most. Wineries receiving fruit from the hottest sites with a light crop load were able to achieve ripe sugars before the rains. Cooler sites and those with a heavy crop load struggled to achieve full sugar ripeness. Flavors took a long time to develop in the extended harvest window."

Sam Tannahill, owner/winemaker, A to Z Wineworks, Rex Hill and Francis Tannahill

"Weather from budbreak to harvest was, simply put, a drag most of the time. We had one of the wettest springs in recent memory, which necessitated more than the average sprays in the vineyard to control mildew. For our organic and biodynamic vineyards it was a struggle. Budbreak was late, flowering (while spread out, but very generous) was late and veraison was late! We saw very little heat and rarely topped 95°. The beginning of September was actually quite warm and we did see some good ripening, but when it came time to harvest we were hit repeatedly with rains (six to seven inches).

In a twist of fate, late October and early November were beautiful and some of the later varieties got ripe. We're seeing higher acids this year than in the past five to seven years. Interestingly enough we saw much more malic acid in both the reds and the whites than the past 10 years. Up to three to five grams versus one to two grams. This was across the state and across varieties. Tartaric was fairly low and pH fairly low as well. Sugars in the Willamette Valley were the lowest overall in years although some vineyards did hit 24 to 25 brix. I would say for Pinot noir we say 22.5 to 23 as an average and for whites 22 to 23 on average.

The quality is good over all. Certainly not great across the board, but certainly not poor. The whites and the Pinot noirs for the most part will be more acid driven with cooler climate characteristics and lower alcohol levels than we have seen for some years. There will, however, be some great Pinot noirs made from vineyards that were very well managed or in great areas. The colors on the Pinot noirs are lighter with a more red hue, but surprisingly dark considering the rain. In fact, now that we are pressing we have been pleasantly surprised. The wines are perhaps not for long term aging, but we will see. There will be some cases of some very balanced acid driven wines being made that will last years. I see this vintage as a combination of 2001 and 2005 for the Pinot noirs. They have the prettiness of the 2001s with some of the concentration and structure of the 2005s. A very good, but not great vintage overall."

Tim Wilson, winemaker, Benton-Lane Winery

"More classic Oregon, with some elegance, and less over-blown California-style alcohols and flavors. Alcohol levels will be more like 13.7 than 14.7 %. Color is already outstanding, fruit development was pretty ripe, with bright flavors. This is probably higher in quality than 2006. Balance will be good, and there will be some excellent wines made. Overall, I am very happy with the quality of the vintage. We had to pick around the rain quite a bit, but everything was really clean coming in, and flavors are really good. Alcohols are more reasonable, and the Pinot noir actually has varietal character, rather than over-ripe plum and sweet prune flavors."

Gary Andrus, owner, Gypsy Dancer Wine Estates

We at Gypsy Dancer are quite pleased with the 2007 harvest. Due to our very narrow spaced vineyards, (one meter by one meter), we always seem to achieve grape maturity about two and one-half weeks prior to the normal spaced plantings.

Harvest started on September 24th and finished on the 7th of October with purchased grapes from the Yamhill-Carlton AVA. In all cases our Estate vineyards located in the Chehalem Mountain AVA and our A & G vineyard located in the Dundee Hills AVA were harvested with very mature seeds, and lignified stems, which is important to us due to the fact that we ferment each lot with around 50 % whole clusters. The degrees of brix in the grapes ranged from a high of 25.6° to the lowest at 23.9 °, therefore, none of our grapes were affected by the rains. The dilution associated with grapes that stayed in the field during the rain is non-

existent. I am sure this is also true for the other narrow spaced vineyards in the Northern Willamette Valley which were thinned to about 2.2 tons per acre.

Rob Stuart, owner/winemaker, R. Stuart & Co.

"The biggest challenge for winemakers was to figure out how to deal with generally lower sugars and high acids and low pHs. In the first half of October, we saw many sugars at the destemmer come in at 21 plus Brix. But after an overnight soak, they moved to 22 to 22.5. That is actually beautiful. 22 will give you about a 12.5 % alcohol. So the wines can be elegant and beautiful and not overblown. It's the way Pinot Noir used to and should be made. Fully developed flavor but racy acidity."

Southern Oregon (Umpqua, Rogue and Applegate Valleys)

Cooler conditions resulted in the Applegate, Rogue, and Umpqua Valleys having much less heat stress, more balanced fruit, higher yields, and generally happy growers and winemakers.

Sam Tannahill, A to Z Wineworks, Rex Hill, Francis Tannahill

"In Southern Oregon there is a great vintage in the works. The colors are dark, the alcohols high and flavors and personalities dramatic. The fruit is pure and not over ripe with beautiful concentration and depth."

Terry Brandborg, owner/winemaker, Brandborg Winery (Umpqua Valley AVA)

"A dry winter and early warm spring weather led to bud break that was two to three weeks early in Elkton. As the year progressed temperatures were moderate with no heat spikes to speak of. I heard many people talk of what a cool year it was, but every time I looked at the July and August temperatures we were right at the historical averages, 83°F for most of the whole two months.

As September arrived we rapidly began to lose warmth and what had looked like an early harvest began to get later and later. When the rains of late September and early October arrived, everything stopped ripening for up to three weeks, right when one would hope for that final push. We kept an eye on the weather, waited out several wet periods and harvested our Estate vineyard October 14, the last dry day before another week of forecasted rain. This was one week later than the previous two years. The fruit tasted ripe and balanced, but the sugars were not as high as hoped for. Generally the wines have less sugar with good acid and pH balance. I am looking forward to well balanced wines that may be lighter in style, but should show good varietal character with less alcohol."

Pat Spangler, owner/winemaker, Spangler Vineyards (Umpqua Valley AVA)

"This was a year that was dependent on your vineyard techniques – grapes could get ripe but you had to be on top of things, like thinning and leaf pulling. It was a good year for grapes that can lose acidity. Red varietals have retained acidity and Viognier as well. I suspect that the hottest microclimates will shine and cooler sites will see more difficulty.

For the most part, I love what we have in so far. Our Cabernet Franc, Cabernet Sauvignon, Merlot and Petit Syrah are all in excellent condition and exhibit flavors of a ripe year. This was definitely the year of the grower – if you did it right, you got great stuff."

Herb Quady, winemaker, Troon Vineyard (Applegate Valley AVA)

"We had an early budbreak and warm, dry conditions in the spring. We had a minor frost event in late May that affected some sites and varieties. The growing season was generally warm and even, with very few days over 95 F. These conditions provided a lot of momentum into the fall, with Merlot and Chardonnay being picked in September. In early October, the weather turned cool and rainy, delaying harvest for many of the reds, including Syrah, Cabernet and Zinfandel. In late October, the weather turned dry and warm again.

The warm, early weather helped to offset the cool, rainy weather late in the season. The late season weather made for stressful, difficult picking choices, but most sites did well. One overall trend was higher levels of physiological maturity at lower sugar levels. Overall, quality is very good. Alcohol levels are generally in the 13.0 to 13.5 % range, pH's range from 3.4 to 3.7 in reds, and 2.9 (Riesling) to 3.5 (Viognier) in whites. Color is fair, but less in some varieties, such as Cabernet, than in 2006. Fruit development is very nice, with full flavor maturity, brown seeds and stems. In hot years, sugars sometimes outrun flavors, but not this year."

Kara Olmo, partner, Wooldridge Creek Winery (Applegate Valley AVA)

"The varietals that are well-suited for this region and farmed at a lower yield than potentially possible did very well. Varietals that are typically harder to ripen (like Cabernet Sauvignon) or sites that were carrying a larger crop relatively had a difficult time ripening.

This, in many cases, will be a winemaker's year. The grapes are demanding an attention to detail in the processing that will allow the experienced, well-trained winemakers to shine."

Eastern Oregon (Columbia Gorge, Columbia Valley and Walla Walla Valley)

A number of varieties are grown in this expansive region, which includes three AVAs and many varying microclimates. Rain accumulations in the western part of the Gorge were consistent with the Willamette Valley, but moving eastward, rain was less of a factor. In the Walla Walla Valley, the growing season was dry with moderate temperatures but growers did encounter cooler temperatures and some rain activity during the harvest period.

Robert Morus, owner, Phelps Creek Vineyard (Columbia Gorge AVA)

"Our main challenge came with timing of harvest. We made a decision to pull plug on Oct. 6th and got in the lion's share of our fruit in the next three or four days. The fruit came in excellent shape. This will be a vintage of very balanced wines - wines that have balanced flavors that can have intensity but not overwhelmed by alcohols."

Casey McClellan, owner/winemaker, Seven Hills Winery (Walla Walla Valley AVA)

"Overall this was a very dry growing season of average, moderate temperatures. April and early May were warmer than normal, with late May and early June somewhat cooler. Thus bloom began early, but was extended, and finished at about average dates. Set in the Walla Walla Valley was generally good, with the usual variability due to location and wind. Veraison was slightly later than average, but near normal. July and August temperatures were moderate, with few of the really hot days that are typical in most summers. Overally, this part of the season was physiologically ideal for vine metabolism resulting in optimal sugar accumulations with good acid retention.

Early September was warm and dry, and the first part of the harvest period began rapidly with high brixs and good acidities. In late September we saw a cooling trend, which extended through the first two weeks of October. There were minor storm and rain periods during mid

to late October. Most warmer and more lightly cropped sites had picked by mid-October. Cooler sites with heavier crop loads needed the full season to ripen, with some sites being picked in very late October or even the first week of November.

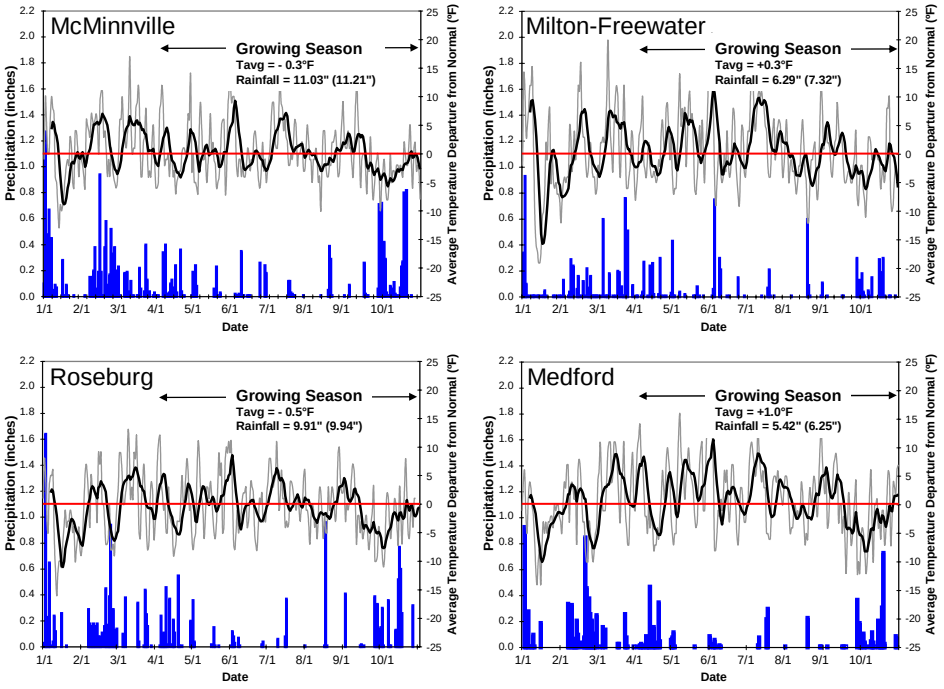
This was a vintage that will produce wines of substantial alcohol, with great color, nicely balanced acidities, and ripe fruit flavors. I would say that most sites and varietials will produce wines of great character and lasting power. The only varietals challenged this year were those that tend to retain very high acids(i.e. Barbera) and that were heavily cropped, or on cool sites. The bottom line in the Walla Walla Valley AVA is that 2007 is one of our best vintages, having forward fruit, yet the acidity and tannin to age well. I would say that the winemaking community is very excited about the strong and expressive personality of the vintage."

About the Oregon Wine Board

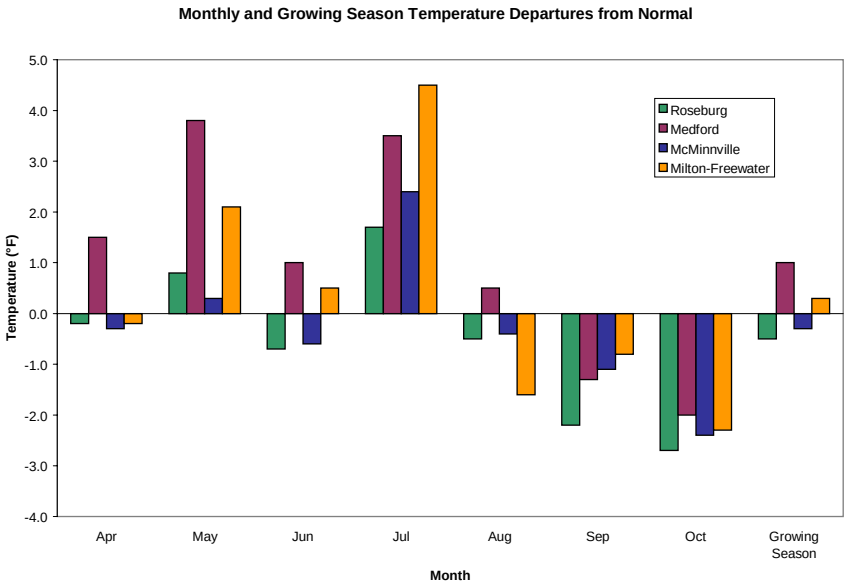
The Oregon Wine Board is a semi-independent state agency that manages marketing, research and education initiatives that support and advance the Oregon wine and wine grape industries. The Board represents more than 350 wineries, 300 independent growers and 15,600 vineyard acres throughout the state's diverse winegrowing regions. The Oregon wine industry is a leader in sustainable viticulture and is home to Low Input Viticulture and Enology, Inc. (LIVE), the nation's only sustainable certification agency with international accreditation from the International Organization for Biological Control (IOBC). Oregon vineyards and wineries contribute to $1.4 billion of economic activity in the state, as well as at least 8,479 wine-related jobs and $203 million in wages annually. For more information about Oregon wine or how you can plan a trip to Oregon wine country, visit www.oregonwine.org.

Editors Note: For more information or to schedule an interview with a representative of the Oregon Wine Board, please contact Stephany Boettner, senior communications manager, at 503.228.8652 or Stephany@oregonwine.org.

Below you will find information on the 2007 growing season in four representative sites throughout Oregon: McMinnville, Milton-Freewater, Roseburg and Medford. Data includes temperature and rainfall averages; temperature departures from normal; and cumulative degree days. *Data courtesy Dr. Greg Jones, Southern Oregon University.*

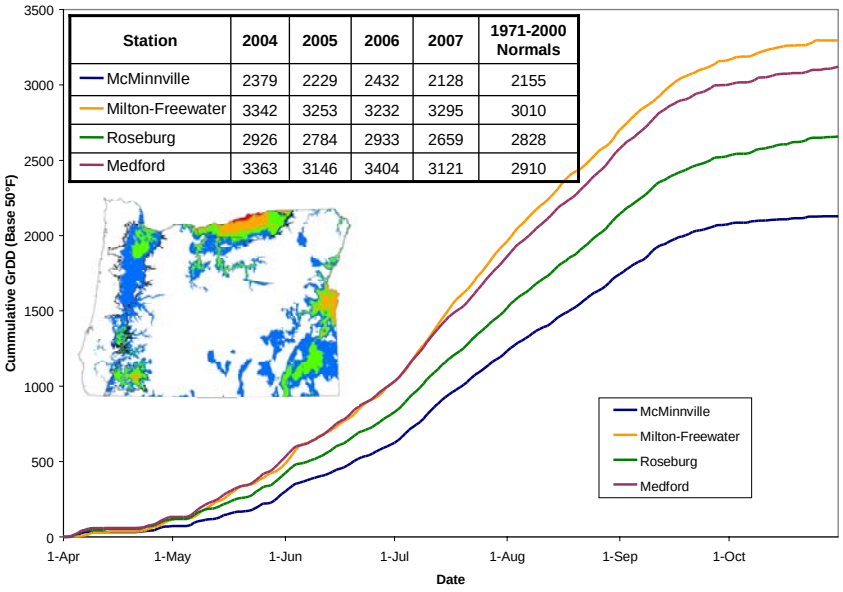


Four region Jan 1 to Oct 31 temperature and precipitation charts - Temperature conditions during the growing season were anything but normal with the typical swings between above normal and below normal. The growing season in Oregon was mixed with eastern Oregon and the Rogue Valley above normal, while the Umpqua and Willamette Valleys were below normal. In terms of temperature, the main thing that stands out is the lack of extreme heat where days above 95°F were significantly down across the state and the rapid cool down in mid-September and no real Indian summer to speak of. Rainfall during the growing was roughly normal, but much of it came relatively early in late September and early October which hampered harvest to varying degrees across the state.



Four region monthly and growing season temperature departures from normal - The vintage saw a spring and early growth period that was largely warmer than normal but variable across the regions. August started the cool conditions with only Medford being above normal and the other three regions cooler than normal. September and October were clearly cooler than normal across the state. The end result was a vintage growing season that was slightly warmer than normal in Milton-Freewater and Medford, and slightly cooler than normal for Roseburg and McMinnville.

2007 Growing Season Cumulative Degree-Days



Four region accumulated growing degree-day values - Oregon saw a relatively slow start to the growing season heat accumulation but remained fairly normal through early September. The mid-September cool down saw the cessation of degree-day accumulation, where Oregon would normally see a significant contribution during September and October. Combined with lower than normal extreme heat (days greater than 95°F), these two conditions kept the season's degree accumulation near average for McMinnville, lower than average in Roseburg, and higher than average in Medford and Milton-Freewater.