

CALIFORNIA SUSTAINABLE WINEGROWING ALLIANCE



Summer 2008

Sustainable Practice Highlight:

Employee Survey Supports Environmentally Preferred Purchasing at Goldeneye Winery

The first meaningful step towards sustainability for a company is getting ownership or boardroom buy-in, says Bob Nye, Operations and Brand Manager at Goldeneye Winery in Philo.

The second step, and a far more crucial one towards making true change for a company on an ongoing basis, is to get all employees within the organization to recognize that they can make a difference, that their opinions matter, and that behavioral change is necessary and needs to be practiced by all.

These important steps are being accomplished at Goldeneye with the help of an employee sustainability survey.

“We asked everyone to give out grades for things like water conservation, energy use, and the like, and asked that they share their ideas for change as we formally assess areas and opportunities for improvement. This is to be an ongoing process tied to our annual budget cycles and we hope that it helps in reinforcing to our team that sustainability issues are to be taken seriously,” Nye said.

The employee survey results, based on the Code of Sustainable Winegrowing best practices workbook, are being compiled into a database and ideas for change will be shared throughout the Goldeneye organization for all department managers to evaluate during a more formal process that follows.

One area of sustainability that is being emphasized is the buying of vineyard

and winery supplies from “green” companies. For example, construction of a new winery production facility will be LEED-certified (Leadership in Energy and Environmental Design) as defined by the U.S. Green Building Council.

“As a part of this project, we did a selective sustainable harvest of some redwood trees on one of our own estate properties. We milled the wood and have been air drying the lumber for the past two years to use in the building of the winery,” he said.

Other environmentally preferred purchasing practices at Goldeneye include the use of biodiesel in many of the farm’s trucks and tractors, and low-impact inputs in the vineyards.

The Goldeneye staff in all areas of the winery and vineyards are talking with each other to build awareness and understanding of how supplies are delivered and used, how much they cost, and how much waste is generated. These internal communications provide information on the environmental impacts associated with products, such as their recyclability, durability, energy and water efficiency and more. The employee survey and follow-up discussions are a critical component of Goldeneye’s environmentally preferred purchasing.

MORE SUSTAINABLE PRACTICES AT GOLDENEYE WINERY

Employee involvement is an essential part of sustainability at Goldeneye Winery in Mendocino County, but that’s just one part of the program. Other sustainable practices include:

- Installing owl boxes for pest control.
- Using an under-vine cultivator to eliminate herbicide use.



Goldeneye chose to use sheep for mowing vineyard weeds and grasses during winter as an alternative to mechanical mowing and fuel use.

Photo courtesy Goldeneye Winery.

- Treating with reduced-risk agricultural chemicals, applied with low-volume sprayers.
- Using cover crops to enhance soil fertility.
- Using sheep for wintertime weed control in the vineyard.
- Micro-irrigation systems to conserve water.
- Managing vegetation for wildlife habitat enhancement.
- Preserving vernal pools and oak woodlands.
- Protecting streams to benefit fish and other aquatic life.
- Protecting roads, ditches and culverts from erosion.

POSITIVE ATTRIBUTES TO LOOK FOR IN ENVIRONMENTALLY PREFERRED PRODUCTS

The factors listed below are viewed as positive attributes because they either serve as proxies for minimizing natural resource use or for avoiding waste and associated environmental impacts. The presence of these attributes alone does not automatically make a product or service environmentally preferable. Purchasing directors should consider a range of environmental impacts associated with products from a life cycle perspective when making their buying decisions.

- Recycled content
- Recyclability
- Product disassembly potential
- Durability
- Reusability
- Reconditioned or remanufactured
- Take-back



Halter Ranch purchases French oak barrels made from oak staves from sustainably farmed forests.

Photo courtesy Halter Ranch Vineyards

- Bio-based
- Energy efficiency
- Water efficiency
- Other attributes with positive environmental effects

For a comprehensive guide on purchasing environmentally friendly products, visit: http://www.pprc.org/pubs/epp/epp_report.cfm.

Environmentally Preferred Purchasing at Halter Ranch Vineyards

Mitch Wyss recalls a conversation with a third-generation winegrape grower who told him that when you plant a vineyard, you are doing it for your grandchildren. That philosophy is a driving force at Halter Ranch Vineyard, nestled on California's Central Coast near Paso Robles.

"We believe our viticultural practices will ensure that our vineyard remains balanced, healthy and producing high quality wines through multiple generations," said Wyss, who is Halter Ranch Vice President and Winery Manager. "In the big picture, sustainability means that we meet the needs of the present without compromising future generations."

The historic, 900-acre ranch includes about 250 acres of Bordeaux and Rhone Valley varieties that occupy steep, south-facing slopes that are rich in limestone and reach an elevation of 1,800 feet.

"With the sustainable goals of environmental health, economic profitability and social equity, we farm using practices that do not need high levels of material inputs," stated Wyss.

Whenever possible, purchases are made from suppliers who also practice environmental sustainability. In addition, recycling is a big part of the operation.

"We determine our viticultural practices and choose the approach that is the least toxic and least energy intensive, and yet maintains productivity and profitability," said Wyss.

Some of the environmentally preferred purchases and other sustainable practices at Halter Ranch include:

- Use of barrels made from French Haute Futaie oak from sustainable forests.
- Use of biodiesel fuel in their vehicles, including hybrid automobiles.
- Avoiding the use of styrofoam packaging.
- Use of beneficial insects to control pests instead of pesticides.
- Planting cover crops rather than using synthetic nitrogen fertilizer.
- Composting.
- Recycling everything possible at the winery.
- Irrigating minimally early in the season to control vine vigor, improve wine quality and reduce water and pumping costs.

"As a farmer, I spend a lot of time out in the vineyard, watching and listening, trying to figure out what works and what doesn't. Winegrowing is a process that requires a huge amount of patience," Wyss said. "We apply these principles to our vineyard operations and beyond to our historic ranch, the restoration projects we're doing, and the neighborhood. We also look at the impacts of our activities on the rural community of which we are a part."

(Photo upper right) An inrow tiller operates on biodiesel fuel and eliminates purchases of herbicides for weed control at Halter Ranch's organic vineyards.

Photo courtesy Halter Ranch Vineyards



Bag-in-Box Technology Reduces Carbon Footprint for The Wine Group

Major topics in the news and conversation these days are climate change and greenhouse gases. Concern over these and related environmental effects has prompted a surge in interest in the “green movement” and consumer support for environmentally friendly products.

One way to address these issues is by cutting down on the carbon footprint—the amount of carbon dioxide that goes into the atmosphere. The Wine Group, headquartered in San Francisco, has taken steps to reduce its carbon footprint through packaging.

As explained by Brian Vos, the company’s Chief Operating Officer, switching from wines that come in traditional glass bottles to environmentally friendly Bag-in-Box packaging results in a 55 percent smaller carbon footprint and 85 percent less landfill waste.

How can this be? Cardboard and plastic or septic “packaging” take less energy to produce and, because they are considerably lighter than glass, they take less fuel to transport, according to the winery’s web site at www.betterwinesbetterworld.com, which promotes carbon awareness to consumers. Vos points out that, while no package eliminates carbon, the Bag-in-Box option provides several benefits.

“All the positives are there—ease of use for consumers, wine stays fresher, plus all the environmental benefits,” he says. “I think there is a bridge between consumers’ understanding of environmental issues and their growing acceptance of Bag-in-Box technology.

“If all of the wines sold in the U.S. were packed in these containers, we would save 1.5 million tons of CO2 per year. This would be the equivalent of taking a quarter-million cars off the road,” he says. “Working together we can reduce our personal carbon footprint, helping make the world a better place.”



Jim Concannon addresses the Society of Environmental Journalists on solar energy and other sustainable practices employed by The Wine Group at the Concannon Estate Winery in Livermore Valley.

Wine Institute photo

THE WINE GROUP

Responding to Retail Marketing Trends

Researchers have determined that there is a growing appeal among consumers for products that provide environmental benefits. For instance, a sustainability study from the Hartman Group says consumers think it’s important to buy environmentally friendly products. Other research from the Natural



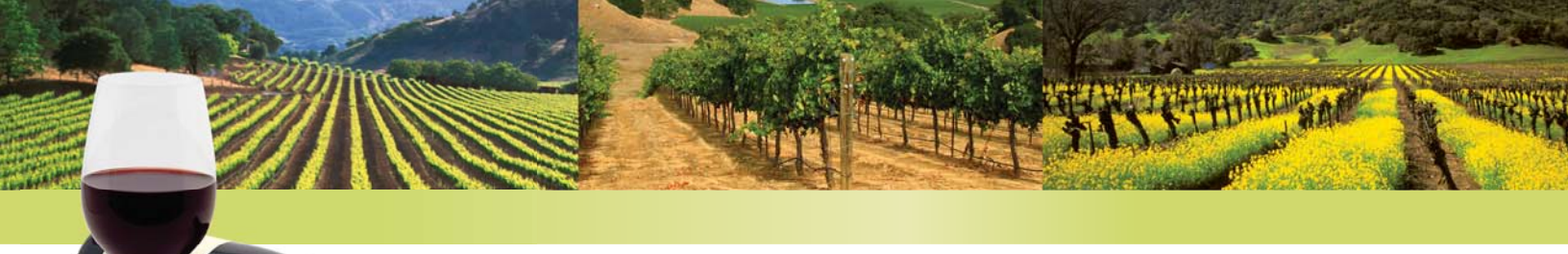
The Wine Group’s Boho Vineyards package uses only soy-based inks on 95 percent recycled paper that is unbleached, natural brown and chlorine free cardboard.

Photo courtesy of The Wine Group

Marketing Institute says “70 percent of consumers indicate that knowing a company is mindful of their impact on the environment and society makes them more likely to buy those products or services.”

Consumer and trade trends played a role in The Wine Group’s new marketing thrust, explained Brian Vos who notes that a number of retail wine marketers have adopted formal policies favoring environmental products.

“These policies led us to look more closely at ways to reduce our carbon footprint as well as our waste,” Vos said. “So far I am very happy with how well this is going.”



California's Sustainable Winegrowing Program

Wine Institute Releases Winery Water Guidebook And Greenhouse Gas Protocol Tools

Wine Institute and the American Vineyard Foundation, in partnership with the National Grape & Wine Initiative, recently published a new *Comprehensive Guide to Sustainable Management of Winery Water and Associated Energy*. The document gives wineries of all sizes the tools for self-assessment to make improvements in environmental performance and to lower overall production costs for water and energy use. These practices include steps to reduce source water use in cleaning and sanitation; minimize use of cleaning products and other chemicals; decrease the volume and strength of wastewater produced and associated energy required for treatment; minimize the water and energy needed for heating and cooling operations; and optimize the effectiveness of land application systems for wastewater treatment.

This document – developed by Kennedy/Jenks Consultants and underwritten, in part, by the American Vineyard Foundation and Pacific Gas & Electric Company (PG&E) – builds on research and other activities undertaken by the Wine Institute Environmental Working Group of the Technical Committee, which guided the development of this publication for managing winery water and energy.

Workshops on how to use the guide will be provided by the California Sustainable Winegrowing Alliance (CSWA) and PG&E. For details on post-harvest winery water workshops and other sustainability educational events, visit www.sustainablewinegrowing.org to view the workshop calendar. Workshop participants will also receive information on PG&E programs including: free-of-charge winery energy audits, equipment rebates, and technical support services. To obtain a guide and associated excel-based worksheets, contact info@sustainablewinegrowing.org.

Because of increased attention to climate change and greenhouse gas (GHG) emissions and offsets, Wine Institute also released earlier this year an International Wine Industry Greenhouse Gas Accounting Tool and Protocol in partnership with New Zealand Winegrowers, South Africa's Integrated Production of Wine program, and the Winemakers' Federation of Australia. The tool provides a free, easy-to-use, wine industry specific, GHG protocol and calculator that measure the carbon footprints of winery and vineyard operations of all sizes.

Although the wine industry and most other agricultural industries are considered low producers of carbon emissions, GHG issues are becoming more significant to brands and image. GHG data is needed to gain market access to retailers interested in carbon foot printing, as well as to provide data for marketing purposes and/or carbon credit accounting. In California, winery GHG tracking needs include meeting future regulatory requirements, such as AB 32, which requires the state of California to reach 1990 carbon emission levels by the year 2020.

Wine Institute offers a web-based calculator at www.wineinstitute.org/ghgprotocol and is integrating the calculator into the California Sustainable Winegrowing program. Workshops will be held across the state by CSWA to provide climate change information and technical assistance on use of the tool.

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ALLISON JORDAN NAMED DIRECTOR OF ENVIRONMENTAL AFFAIRS

Wine Institute President and CEO Robert P. (Bobby) Koch appointed Allison Jordan Director of Environmental Affairs at Wine Institute, a new department to oversee the sustainable winegrowing program and environmental issues. Jordan, who joined Wine Institute in 2004, was previously Communications Programs Manager and also Executive Director of the California Sustainable Winegrowing Alliance (CSWA), a position she will continue to hold.



Allison Jordan

CSWA is a 501(c)3 nonprofit organization, incorporated in 2003 by Wine Institute and the California Association of Winegrape Growers to implement the sustainable winegrowing program. Since

the program's inception, 1300 vintners and growers have participated in the program representing 53 percent of California's wine production and 33 percent of its winegrape acreage.

Vintners or growers who would like to learn more or self assess their California operations can go online to www.sustainablewinegrowing.org.



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