

WINE GRAPES MARKETING BOARD

For the City of Griffith and the local government areas of
Leeton, Carrathool and Murrumbidgee



MEDIA RELEASE

17 February 2009

WINE BOARD TO HOLD URGENT GROWER MEETING

The Wine Grapes Marketing Board is calling upon growers to attend a meeting to discuss what it sees as current threats to the region's economic prosperity. Below cost of production grape prices being offered to the regions producers are feared as being harmful indicators that the future of viably producing winegrapes in the Riverina is becoming limited.

Winegrape producers in the region are invited to attend a meeting to be held at the Griffith Ex-Servicemen's Club this Sunday 22nd February 2009 commencing at 2:30pm.

The meeting is in response to the many calls the Board has fielded this season as growers are coming to terms with devastating low prices on offer from some buyers in the region. It will provide an opportunity for growers to hear firsthand what the Board have been doing on their behalf, current exit options for growers and learn what is occurring in the market in this region and those of our counterparts in South Australia and Victoria. Growers will also be encouraged to offer their suggestions on how to resolve these problems.

"The low price signals from some wineries is that the industry is overcrowded and growers need to exit while other wineries are paying reasonable prices this season. It is these price differences that growers are having difficulty coming to terms with." Mr Simpson stated, "What is disappointing is that a grower spends all year to tend a vineyard and produce a crop but generally receives no indication of what they will receive until it is almost mature. Having a perishable crop that is contracted to a winery that is offering low prices is forcing many growers to deliver for prices well below cost of production this season."

"Sunday has been specifically chosen as it is traditionally a day that winegrapes are not likely to be harvested," Brian Simpson Chief Executive Officer of the Board advised, "We expect that many growers are interested in talking about the future of the industry, which for many of them seems very bleak as grape prices have in some instances collapsed."

The Board hopes that growers can attend this critical meeting as it is vital that they are aware of the market conditions.

END

ENQUIRIES:

Brian Simpson CEO
Wine Grapes Marketing Board
Ph: 02 69623944