

WINE GRAPES MARKETING BOARD

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



MEDIA RELEASE

10 February 2010

Winegrape growers advised to get purchase contracts in place

The Wine Grapes Marketing Board has received reports that a number of purchasers are seeking some extra winegrapes this season from local growers that currently do not have a buyer for all of their winegrapes. The Board supports the opportunity for all growers to sell their winegrapes but urges care should be taken when entering into these transactions.

Growers in the Riverina are advised when selling wine grapes in the annual spot market all purchases from within this region are controlled by statutory payment terms, designed to protect the grower. The payment terms specify when the grower will receive payment for the winegrapes that they have sold. The legislation is quite specific and while it does not specify the price to be paid for the winegrapes it is descriptive in terms of when payments fall due and the amount of interest that will be applied to late payments.

"If local grapes are being purchased by new and existing buyers within the region growers should immediately advise the Board to ensure that the statutory payment terms and relevant paperwork obligations of the buyer are met", Brian Simpson Chief Executive Officer of the Board warned, "Growers or buyers cannot contract out of the statutory payment terms, these are enforced through legislation for the benefit of the local industry."

"If notified the Board will act to ensure the growers rights in our region are upheld in terms of the payment obligations of the buyers being met. Through the Board growers are not powerless in the event that payment terms are not met. However all growers in the spot market should also ask questions that provide essential information on the ability of the business to pay as agreed." concluded Mr Simpson.

"Growers also need to get all purchase arrangements in writing. Over the years there have been a number of instances where growers have been left waiting for payments and did not have the relevant paperwork needed to enable prompt legal action to occur. It is critical that growers are protected. The Board is available to answer any questions growers may have in relation to selling their winegrapes." Mr Simpson advised.

END

ENQUIRIES:

Brian Simpson Chief Executive Officer 0438 388 828 or 69 62 3944 (during office hours)