FREQUENTLY ASKED QUESTIONS REGARDING THE MANDATORY INSPECTION OF WINEGRAPES

1) Do you use either soluble solids, rot, or material other than grapes (MOG) as factors to determine the purchase price you pay for winegrapes?

If you answer "Yes": Chapter 3 of Division 16 of the Food and Agricultural Code requires that the grapes be inspected by either: the Agricultural Commissioner for your county, OR the California Department of Food and Agriculture.

What should I do? Contact ASAP either the Agricultural Commissioner for your county or the California Winegrape Inspection Program.

If you answered "No": You do not need to request mandatory inspections. No action is required.

2) My county does not offer inspection services for winegrapes. What should I do?

The California Winegrape Inspection Program operates statewide. Please contact the Program ASAP at: (559) 591-4960 to arrange for inspections; they will do their best to accommodate your request.

3) What is the California Winegrape Inspection Marketing Agreement?

California Law requires that the California Department of Food and Agriculture (CDFA) provide winegrape inspection services. In 2005 CDFA implemented the Winegrape Inspection Marketing Agreement as a vehicle to meet the requirements of the Food and Agricultural Code. An industry committee known as the Winegrape Inspection Advisory Board directs the operations of the Agreement. The Advisory Board consists of vintner/processors and grower representatives appointed by CDFA. Funding for the Program comes from inspection fees levied equitably upon participating winegrape vintners/processors and the winegrape growers who sell to them.

4) How do I join the Agreement? How much does it cost to join?

While the requirement to inspect is mandatory when either soluble solids, rot or MOG are used to set the price of grapes, participation in the Agreement is voluntary. Although for logistical purposes the Program prefers to have signatories join a few months in advance, you can join the Agreement at any time. There is no cost to join the Agreement. You and your growers only pay if inspections are conducted.

5) If I decide that I no longer wish to participate in the Agreement, can I withdraw? If so, what do I need to do?

Every year the Program provides signatories the opportunity to withdraw from the Agreement. Requests for release from the Agreement must be received by the Program <u>in writing</u> before February 28 of the year at matter. Release from the Agreement may be granted, provided that the signatory is not in violation of the provisions of the Agreement and has fulfilled his or her obligations, including the payment of inspection fees owed to the Program.

Please notice that if you are considering withdrawing from the Agreement because you do not know whether you will be using soluble solids, rot, or MOG as the basis to set the purchase price during the next season, there really is no need to withdraw (unless of course that is your preference); you and your growers are only required to pay for the inspections that are conducted.

6) I am currently a signatory vintner/processor. The existing contract between my growers and my winery states that soluble solids, rot, and/or MOG will be used to set the price I pay for the winegrapes; however, I am no longer interested in enforcing that clause. Are mandatory inspections still required?

Yes. California law mandates third party inspections any time either soluble solids, rot or MOG are used as the basis to set the price of the grapes, even if a written contract is not in place. <u>However</u>, formally amending the contract or the terms of the purchase to use other criteria to set the price <u>(instead of using soluble solids, rot or MOG)</u> would eliminate the need for third party inspections.

7) How are the provisions of the Food and Agricultural Code and the Marketing Agreement enforced?

In the event of violation or threatened violation of the Agreement or any rule or regulation made effective by the Department, CDFA may request the Attorney General to file an action in the California Superior Court against the party at matter.