

ALEXANDER VALLEY CELLARS' GRAPEVINE

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Greetings!

We would like to introduce you to our inaugural edition of the Alexander Valley Cellars' grapevine! In an effort to keep our customers apprised of information as it happens the team at AVC will be sending you a newsletter six times a year with up to date information regarding AVC, direct shipping, TTB and other compliance news as well as wine industry events.

In 2009 we continued to see tremendous growth with AVC Direct, and a continued growth with our storage clients. We now have over 175 combined storage and direct to consumer clients that we will continue to provide excellent service that you have come to expect and deserve!

We look forward to seeing you throughout the year, and hope the best for your Business and your Family!

As always, we appreciate your feedback and welcome your suggestions on future topics to be covered.



AVC

551 Aviation Blvd

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Direct Fulfillment

“With AVC Direct Shipping, I know that my expectations are not only met but are exceeded with their exceptional customer service. When shipping demands call for fast action, I’m glad to have AVC Direct Shipping working with me!”

-Ashley Hirt
Wine club & shipping manager
Stryker Sonoma Winery



With the busy season quickly approaching contact us to help coordinate your wine club shipment. Let our experienced staff work with you to save you valuable time, resources & money.

AVC Direct offers complete fulfillment services, including shipments for Wine Clubs, Releases and Tasting Rooms. Our experienced staff works closely with wine club coordinators and tasting room managers to achieve the best results for you and consumer.

We are fully integrated with ShipCompliant management system. We will help you determine the best carrier and service for your needs.

- Ground, air and freight services
- Complete tracking
- Shipment notification for you and your client
- En route address correction
- Call tags
- Returned product management
- Re-shipments
- Wide range of packing materials including environmentally friendly products
- Claim processing
- Complete pick-up and delivery service provided by Alexander Valley Cellars own fleet trucking
- No transfer fees, prompt fulfillment, less handling and potential breakage



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Wine Compliance & more...

"I think it is a great error to consider a heavy tax on wines as a tax on luxury. On the contrary, it is a tax on the health of our citizens." Thomas Jefferson

If you are a winery who would like to engage in direct to consumer sales, make sure to find out the right time to buy a license for a specific state. Check for any "hidden costs."

- **Bonds-** A bond fee is essentially an insurance premium of about 10% of the total bond price.
- **Label registrations-** Some states charge for label registration. It ranges from \$50 to \$200 per label
- **Applications Fees-** It will entirely depend on your business structure & varies state to state. Check for following states, if you start shipping to Arizona, Connecticut, Hawaii, Kansas, Maine, Michigan, North Carolina, Ohio, Tennessee, Virginia or Wisconsin.

The TTB continues to remind wine industry members who engage in direct shipping that they are responsible for remaining in compliance with current state rules. Furthermore, industry members should remember that their Federal basic permits could be at risk if they fail to comply with state rules. At this point, at the federal level there are no specific regulations/rules for direct shipping to consumers.

For up to date information on the rules in a given state, contact the appropriate State alcohol regulatory authority.

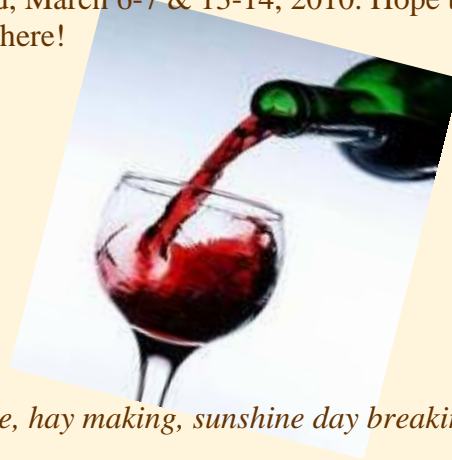
TTB will be offering wine compliance seminars in our area April 2010. For more info, please visit www.ttb.gov

Wine tasting along the road with our clients...

Staff members, Shannon & Janell, were delighted to visit some of our customers during the 18th annual Winterland Wine tasting weekend. This was a great opportunity to meet winemakers, taste limited production wines, new releases & library wines. Some wineries offered food, others educational tours about wine.

They were very excited to have on their schedule of tasting some of our customers such as Long Board and Armida. Bruce from Armida shared with everybody in the tasting room that we were his preferred pals. Armida deep fried a turkey, it was delicious! Oded from Longboard with his friendly staff had an impressive line-up of wine; their 2005 Syrah RR won the tasting for our palate! It was an adventurous weekend.

We look forward for the 32nd annual Barrel Tasting weekend, March 6-7 & 13-14, 2010. Hope to see you all there!



"Sweet wine, hay making, sunshine day breaking..."



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Reminders

From office & warehouse

In an effort to offer you better service, we have the following reminders for you from our office and warehouse:

- ✓ Please schedule AVC trucking in advanced so we can accommodate your schedule
- ✓ Cut off time for next day pick-up orders is 1:00pm
- ✓ Please label outside of wine boxes with full description of the wine including bottle size and alcohol %. It is required by the TTB under regulation 27 CFR 24.259.
- ✓ Please place a pallet tag with full description on production packing material (glass, KD's, corks, etc.) this will help our warehouse staff to identify product more easily.



Easy guide to AVC:

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Compliance, Inventory, Special Inquires
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Scheduling, Front Window, Insurance/Permits

AVC Direct:

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Direct Shipping Orders, tracking numbers, billing
rick@alexandervalleycellars.com:
Returns, Direct Shipping questions

