

VINTAGE NURSERIES LLC ACQUIRES SONOMA GRAPEVINES, INC.

WASCO, CALIFORNIA--Jan. 8, 2002--Vintage Nurseries LLC today announced that it has acquired the assets and grapevine rootstock business of Sonoma Grapevines, Inc. of Santa Rosa, CA. The acquisition provides Vintage Nurseries with a widely recognized North Coast platform from which to continue fulfilling the growing rootstock needs of California's leading grape growers and vintners. The combined entity will be the industry's leading supplier of dormant field-grown benchgrafts and rootstock rootings, and greenhouse-grown benchgrafts to customers throughout California and the United States.

Vintage chief executive officer Jeffrey Sanders said, "We look forward to continuing to provide customers throughout North America with the highest quality grapevine rootstock in the industry. The acquisition of Sonoma Grapevines enables Vintage Nurseries to grow with our customers, and to continue to offer superior customer service and incomparable value."

Vintage senior executives Gregory Sanders and Jeffrey Sanders (who founded the Company in 1989) have maintained a long-standing relationship with Richard and Saralee Kunde, Sonoma's former owners, and knew of the Kundes' interest in exiting the nursery business to pursue other interests. Well aware of Sonoma Grapevine's historic role in fulfilling the grapevine rootstock requirements of several generations of California grape growers, the Sanders' intend on reinvigorating the Sonoma brand name through the implementation of their industry leading management practices to enhance product quality and provide unparalleled customer service, the same cornerstones upon which they have built Vintage into one of the preeminent California grape rootstock nurseries. Following the acquisition, Vintage will conduct its North Coast sales and marketing efforts from Sonoma Grapevine's Dennis Lane facility in Santa Rosa. The Company currently services new and existing customers across the country from a state-of-the-art facility recently constructed outside of Bakersfield, CA.

Gregory Sanders, Vintage's chief operating officer, and formerly the Director of Field Operations of Sonoma Grapevine's, commented that "With nearly 700 acres of registered increase blocks in production and our industry leading production techniques, Vintage will offer the industry an unparalleled selection of quality grapevine materials at the most competitive pricing available".

Concurrent with the transaction, Vintage is pleased to announce the appointment of Mr. Steve Huffman to the position of President of Sonoma Grapevines. Mr. Huffman, currently Vintage's Sales Manager, will assume responsibility for the combined Company's sales and marketing effort, and will be involved in all aspects of operating the Sonoma Grapevines brand business.

Financing for the acquisition was provided by existing Vintage shareholders, supplemented by an investment from The International Wine Investment Fund Pty. Ltd. (IWIF), an Australia-based investment fund focusing on all sectors of the wine production chain and certain wine-related industries. While IWIF has made numerous investments throughout the world in vineyards, wine producers, wine distributors and other wine-related industries, this transaction is their first U.S. investment.

Vintage Nurseries is the industry's leading provider of dormant field-grown benchgrafts, greenhouse-grown benchgrafts, dormant rootstock rootings and other vineyard-related products to wine grape, table grape and juice grape growers across the country. Vintage Nurseries is recognized throughout the grapevine nursery industry as the high-quality, low-cost producer of dormant and greenhouse-grown benchgrafts and other vineyard-related products, with a reputation for strong customer service and for product quality and manufacturing innovation. For further information about Vintage Nurseries or Sonoma Grapevines, please contact Greg Sanders or Jeff Sanders at (800) 499-9019 or Steve Huffman at (707) 542-5510.