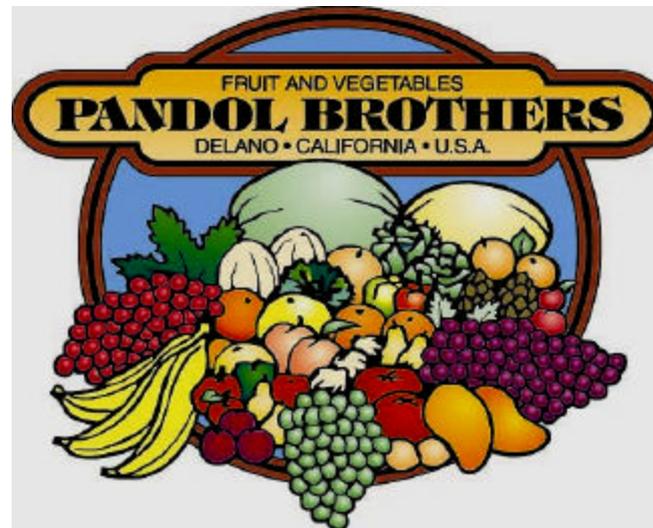


Ag Outlook

Globalization of Agriculture:

The Pandol Experience

Jim Pandol
February 22, 2002



What we did . . . Why



- Market for California growers.

- Build volume and revenue.

What we did . . . Why



- Market for Chilean exporters.

- Build volume and revenue.

- “Off season” supply for efficiency and market leverage.

What we did . . . Why



- Market for Mexican growers.
- Build volume and revenue.
- Complete year around supply.

What we did . . . Why



- Own Exporter in Chile.

- Increased control over supplies for security and consistency.

What we did . . . Why



- Own vineyards in Chile and Mexico.
- Increased control over supplies for security and consistency.

PRO's and CON's



GROWERS

- Efficiency via volume
- Market leverage
- Less investment
- Grower financing losses
- Variable quality
- Less control
- Less reliability

PRO's and CON's



OWN FOREIGN PRODUCTION

- Increased control
- better quality
- food safety - control
- 'Far Away' factor
- control not maintained
- poor quality
- losses in money and reputation

PRO's and CON's



OTHER FACTORS

- be a consolidation
'Keeper'
- different rules
- 'Home Towned'
- Unfair trade practices

Conclusion :

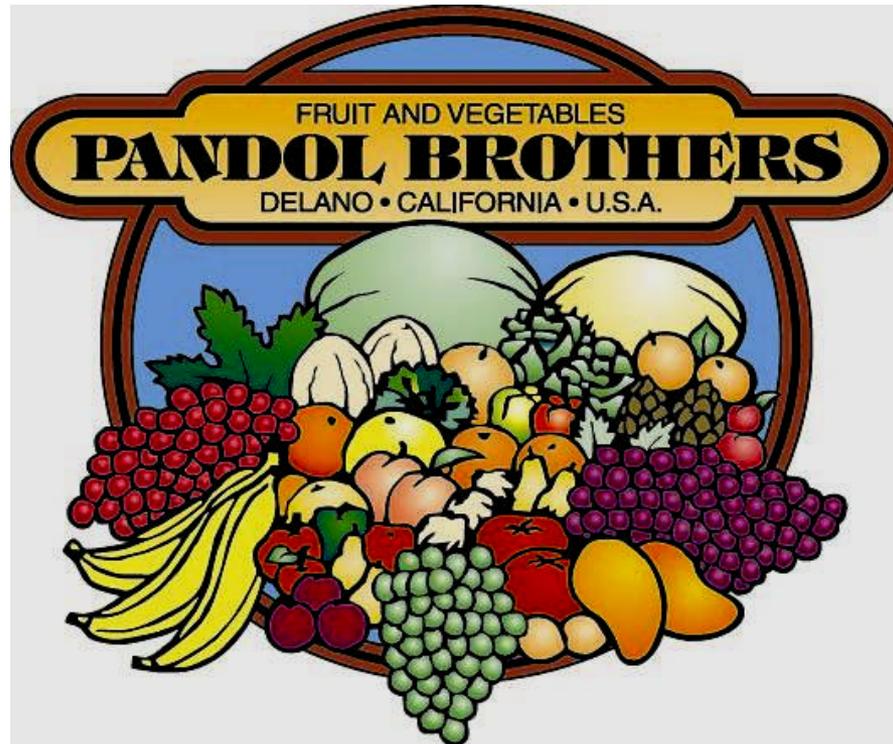


- Long, hard, and expensive journey
- Strong competitive position
- Experienced for the future

U.S. Trade Negotiators keeping U.S. agriculture competitive:



- Open markets
- 'Level the playing field'
- Foreign ownership protection
- Patent protection - especially genetics
- Antidumping law reform



Thank you