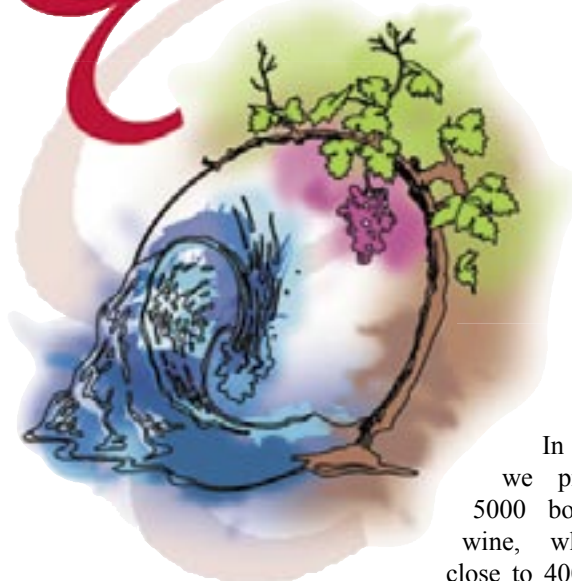


CARLSBAD COASTAL Winery

a 50 Barrels, Inc. company



2006 Recap

During 2006, we crossed some milestones for our winery, and we learned a lot about running a business. Now with 2006 behind us, we are looking forward to 2007.

In 2006 we processed 5000 bottles of wine, which is close to 4000 more bottles than we did the year previous. What that meant for us was four times more bottles to be filled, four times the caps and corks to be shrunk on and pushed in, four times the barrels to be emptied and cleaned, and finally, four times the amount of labels to be applied. All which is done by stockholders and volunteers, which compounded to four times more weekends with four times more alcohol consumption (the best part).

I'm real proud of the 2005 wine that we introduced in 2006. Every wine we made this year met or exceeded my expectations on all aspects of the wine, from good forward fruit to a nice balance of the acid and pH in each of the wines. In some cases we were very lucky, and in others, we worked hard to produce that balance. Either way, all the wines met our strict taste guidelines, which is what you would expect when the first glass is poured.

As for the story behind each wine, expect one to two wines to be covered in each newsletter. For this newsletter, you will find the Mellow Apathy and Syrah, which were delivered in late December and early January.



Brian at the Coeur de Cuisine California Center for the Arts

Cheers to all our loyal wine drinkers,

Brian Vitek
Winemaker

Case Counts:

Mellow Apathy
16 cases left \$17 a bottle

Alexander Valley Syrah
9 Cases left \$17 a bottle

Los Olivios Barbera
15 cases left \$16 a bottle

Sauvignon Blanc
6 cases left \$13 a bottle

El Dorado Merlot
22 cases left \$16 a bottle

Next Event

BBQ at the Winery
Saturday, March 31st from
1 PM until 4 PM..

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Events and Wine Pick Up

During 2007 we're planning on a few events for our wine club. We'll continue with the quarterly BBQ's, which will be free for our members and their families and friends. It's also a chance for you to pick up your wine for the quarter and enjoy some food and drink and socialize with the staff and other wine lovers. If you missed the event, we'll do our best to deliver your wine within two week inside of a 50 mile radius of the winery. As for other Wine Club Events, we're looking into a Day at the Del Mar Horse Races, a Day at the Petco Ballpark, and of course, the 5th Annual Crush Party.

CARLSBAD COASTAL Winery

A Fifty Barrels, INC Company

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We made the cut!

Visit Molly at Vino 100, where you can find our Sauvignon Blanc and Syrah.



At 133 Las Posas in San Marcos.

We're on the Web

www.CarlsbadCoastal.com

Our wines are lightly Filtered which equals a Ton of flavor and a little sediment

The Story Behind Mellow Apathy and Syrah

Mellow Apathy has been our flagship wine every year since its inception in 2001. The idea behind Mellow Apathy is to try different blends of Merlot, Cabernet, Syrah, Petite Syrah, etc., and find the best combination of all or some. Nearly every year the combination has been with Merlot from El Dorado in the foothills of the Sierra Mountains, and the Cabernet from our good friends at Allegresse Vineyards in Paso Robles (in later newsletters I'll talk about those appellations and their grapes). This year was no exception. Brent and I spent the better part of a day trying all the different barrels and different blends of each, and once again we came to an unanimous conclusion that the blend would be 60% Cabernet from Paso and 40% Merlot from El Dorado. I do have some photos of that tedious day of drinking. They will be on our website soon. We produced just over 400 bottles of Mellow Apathy and we expect to be sold out by mid 2007.

2005 Mellow Apathy

Retail	\$19.99
Wine club	\$17.00
wine club case (\$16.50 a bottle)	\$198.00

The **Syrah** was a great find for us. I have an old friend in the winemaking industry, who called me up late one evening in early October to see if I'd be interested in going in on some Syrah from the Alexander Valley in Sonoma County. If you know anything about grape growing regions, the Alexander Valley is one of the best. I jumped at the chance to buy just a half ton of the sought after grape. Our harvest team began harvesting late in the day on a Thursday, and delivered the grapes to our winery at 5:30 in the morning on Friday, where they were off-loaded and sent straight to the Crusher. We were lucky to get a half ton that produced just 285 bottles. Because of its exceptional popularity, we now have less than 10 cases (120 bottles), and have to take it off the tasting schedule. It's going quick so make sure to try it, and buy it soon, before my dad buys it all.

2005 Syrah

Retail	\$18.99
Wine Club	\$16.50
Wine club case (\$15.83 a bottle)	\$190.00

The Harvest Year

At Carlsbad Coastal Winery we run by what we call a **Harvest Year**, which normally starts around September 23rd, and runs until September 22nd of the following year. During this time there are quite a few internal activities which take place, and they wouldn't be possible without the help of our volunteers and stockholders. With that said, I'd like to thank Kim and Todd Claus, Bernie Vitek (my dad), Joe Spirtito, Jane and Brett Callan, Jill Vitek (my mom), and the Henderson/Moss clan, which includes Ben and Kristen Moss, Dennis and Jennie Henderson and Adam and Katherine Henderson.

I'd like to specially recognize Denise Wells, who maintains all the data, provides customer service, keeps us on track with up coming events, schedules us for some great Public Relation activities, and most importantly, deals with me and my crazy ideas.

Brent Wells, who's my right hand man and confidante, joins me every Saturday at the winery to process paperwork to keep us compliant, to do the not so fun activities, and to keep me sane. Not to mention a key player on the grape

transport team, which is vital to the winery.

Ben Moss, whose our on call work horse, has helped us out in some tight situations, and has a vertical reach that constantly comes into great use. In fact, he's our forklift. He's also the other half of that grape transport team.

Marty Benowitz, who gives us great legal counsel, seems to have more connections in the winemaking industry than anyone we know, and is willing to go to great lengths to help us acquire some premium grapes.



The Mellow Apathy Tasting line up nine different blends to find the best one