



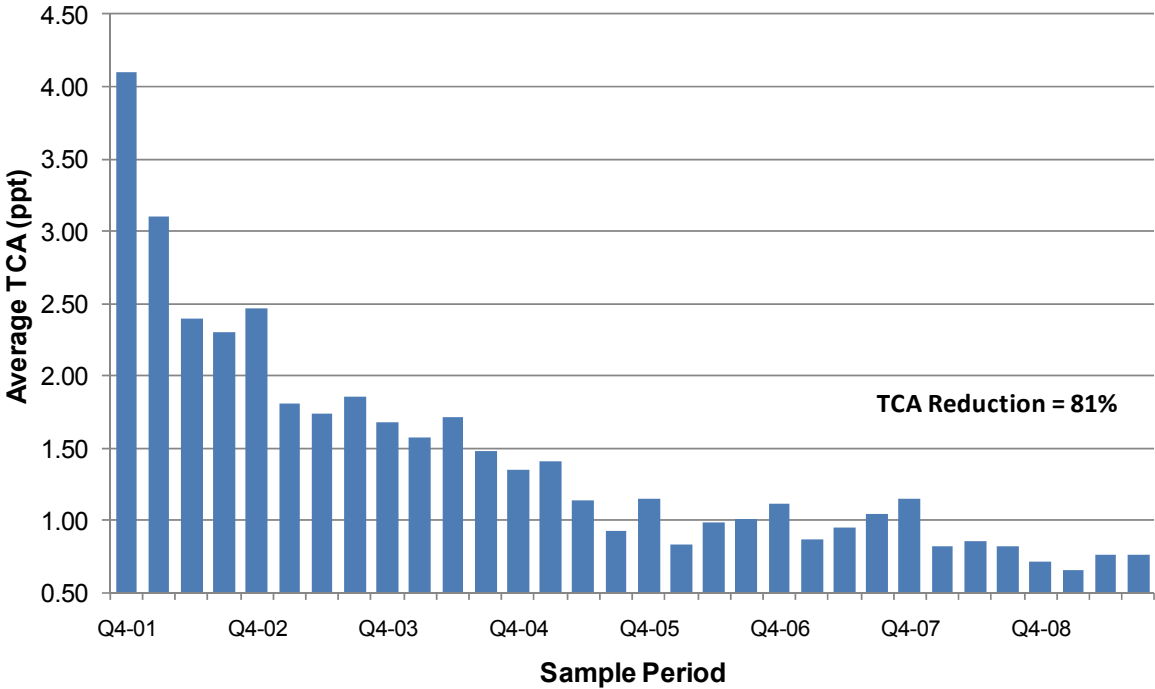
Current Results from Screening of Incoming Cork Shipments Show an 81% Reduction in TCA

Analysis of natural cork shipments continue to demonstrate a steady reduction in occurrence of the chemical compound associated with taint. Over the past eight years, the California based, Cork Quality Council has screened every shipment of natural corks its members have brought to their warehouses. Before CQC members accept any cork lot into inventory, screening samples are sent to ETS Laboratories for GC/MS analysis of 2,4,6-Trichloroanisole (TCA).

Historic results show major reductions in TCA

Last year CQC members conducted over 25,000 analyses. Their combined screening records over the past eight years show a steady reduction in TCA levels that are now 81% lower than the results seen when records were first tabulated in 2001.

CQC Incoming TCA Analysis
Average TCA(pppt) from Group Soaks of Natural Corks



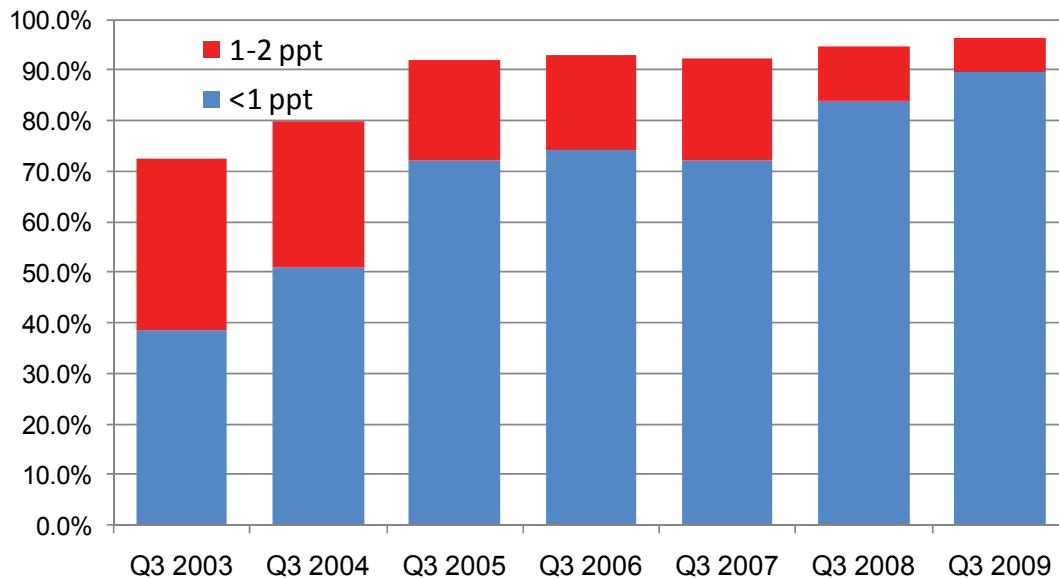
The CQC cork sampling program is rigorous.
For a typical lot of 100,000 corks CQC guidelines require a minimum sample of 250 corks taken from a selection of at least five separate bales. These corks are placed in 50-cork wine soaks for 24 hours to extract releasable TCA. Resulting soaks are analyzed at ETS Laboratories using a method that reports TCA at concentrations as low as 1 part per trillion. If one of the five soaks indicates TCA as high as 1.5ppt – the entire cork lot is flagged and withheld from inventory.

Screening Results from Incoming Shipments –

The CQC screening protocol receives data with minimum reporting limit of “<1.0ppt”. The group has agreed to treat these results as “0.5ppt” for statistical purposes. Under this assumption, the group’s statistical records cannot improve below 0.5ppt.

In the last reporting period, 90% of all samples from incoming natural cork shipments were tested at the <1.0ppt level. Another 7% had results between 1.0-2.0ppt. Approximately 5% of incoming natural cork lots were rejected by the CQC members prior to acceptance into inventory.

CQC Incoming TCA Analysis of Group Soaks
Percent of Natural Corks with TCA Less than 2ppt



Audited quality standards

The CQC conducts annual audits to verify that all approved QC protocols are observed. The foremost QC measure is screening for TCA, based on the GC/MS analytical method developed by ETS Laboratories. This analytical method is now widely used throughout the U.S., Europe, and Australia by members of both wine and cork industries. Other audited procedures involve moisture levels, physical integrity, residual oxidants and the maintenance of documentation.