



## **WineAmerica Newsletter—November 2010**

### **From the Chief's Desk**

We just got back from our fall meeting in Dobson, North Carolina at the beautiful conference and vineyard facilities at Shelton Vineyards. North Carolina's wineries were gracious hosts and we enjoyed great wines, good music, and productive discussion about the future of WineAmerica.

The fall meeting is always a chance to visit with old friends, meet some new ones, and get a closer look at the ingredients key to a successful state wine industry. This year was no exception.

As is true of many states, North Carolina is doing a lot of things right to make its industry productive and profitable. Whether it's the new Shelton-Badgett Center for Viticulture & Enology at Surry Community College, or the great marketing and promotions work being done through the North Carolina Wine & Grape Council, the state is growing its industry with purpose and determination. It's a young industry, as is true in many states, but its focus on questions about identity, promotion, and policy are encouraging for the future.

As for the meeting itself, we talked extensively about both the structural and economic hurdles that we've faced over the past two years and the kinds of steps we'll need to take as an organization to get us to the next stage of our development. The last few years have been eventful ones, both for the economy generally and the wine industry specifically. We've seen many of our members tighten their belts, which, in turn, has led WineAmerica to tighten its belt. But we've survived the recession and are beginning to see our balance sheet heal.

Our discussions at the fall meeting were important not only because they showcased the commitment of wineries and the State Associations Council (SAC) members to the future of WineAmerica as the voice of a unified national wine industry, but also because they began to provide shape to that future. We'll be spending a lot more time this March talking through these issues again.

### **Impact of the Election**

As all of you know, the November wave election has come and gone and has left on the beach nearly one-quarter freshman Members in the 112th Congress. Some long-time friends lost their seats, and we've obviously got a lot of work ahead of us if we're going to build strong, new relationships. We'll need to educate new Members about our issues and about why they're important to the local economies in their states and districts.

While the election gives us something of a fresh start when it comes to legislation like the CARE Act (H.R. 5034)—about one-third of the bills co-sponsors lost their seats—we're at a disadvantage when it comes to the number of staff and the amount of PAC dollars we can dispatch.

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Luckily, we've got a great story to tell and deeper grassroots than just about any alcohol trade group on the Hill. Unluckily, that may not matter in some offices.

### The Lame Duck Session

Two of the hot issues in the upcoming lame duck session seem to be food safety and immigration. As we've been reporting for months, we're still in good shape as to the food safety proposals currently on the table (S. 510)—no new fees or detrimental oversight of wineries by the Food & Drug Administration (FDA). While there may be a bill offered to compete with S. 510 out of Senator Coburn's office, the scale and scope of the legislation is expected to be modest and targeted. Whatever happens, we see no cause for concern. We'll provide more of an update next month.

With respect to immigration, there's been lots of talk about the DREAM Act, a proposal that would give a path to citizenship to college graduates and members of the military. AgJobs, however, a proposal we've long supported—as its name suggests, the proposal goes a long way toward solving winery labor problems—has been virtually invisible. We're distressed about this lack of movement, given the repeated assurances we've heard for nearly a decade. While we don't know whether the DREAM Act would or will pass in the next few months, AgJobs should also be on the table.

Lastly, while we're still expecting some noise on the CARE Act, and are continuing to fight against this detrimental proposal, we can't imagine it will be a high Congressional priority in the lame luck, and are hopeful to get some break from the bill until the new Congress gets going in January.

### International Negotiations and TTB Notice No. 109

The Alcohol & Tobacco Tax & Trade Bureau (TTB) recently published an advanced notice of proposed rulemaking (ANPRM), TTB Notice No. 109, which would define various labeling terms for TTB purposes (see page 3 of this newsletter for more information on the notice).

WineAmerica, together with Wine Institute has submitted a comment to TTB not only strongly opposing the ANPRM, but also asking for its withdrawal. TTB's proposal would disrupt delicate ongoing negotiations between the U.S. and E.U. over so-called "traditional terms" such as chateau and sur lie. We hope that TTB will heed our suggestion before any proposed rulemaking can have a negative impact on our international trade relations.



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# TTB Announces Two Advanced Notices of Proposed Rulemaking

By Michael Kaiser

TTB is seeking public comment on two separate ANPRMs that were announced last week. The public comment periods are open until January 3, 2011.

### Multi-State Appellations for Foreign Countries

The Australian Wine and Brandy Corporation has petitioned TTB to allow for multi-state appellations for the foreign equivalents of U.S. states. Like wine labels that are labeled with multi-state appellations,

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the product must come from 100% of the areas listed on the label and the percentage of wine from each region (state) must also be listed. The percentage of the wine from each state must equal 100%. The ANPRM states that the labels submitted must comply with the laws of the country of origin.

### Use of Wine Making Terms

The second ANPRM from TTB requests public comment on the use of specific wine making terms used in labeling and advertisement of wine to explain growing and bottling conditions. The terms in question include: as “estate,” “estates” or “estate bottled,” as well as “proprietor grown,” “vintner grown,” “vineyard,” “orchard,” “farm,” “ranch,” “proprietors blend,” “old vine,” “barrel fermented,” “old clone,” “reserve,” “select harvest,” “bottle aged,” and “barrel select”.

WineAmerica has already submitted comments opposing this second ANPRM (see page 2 of this newsletter).

For more information on both of these ANPRMs and how to submit comments please visit the TTB website at [www.ttb.gov](http://www.ttb.gov) or contact Michael Kaiser at WineAmerica at [mkaiser@wineamerica.org](mailto:mkaiser@wineamerica.org).



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# WineAmerica Announces 2011 Annual Meetings

WineAmerica will have two meetings coming up in 2011, so please mark your calendars. If you have any questions about the meetings please contact Michael Kaiser at [mkaiser@wineamerica.org](mailto:mkaiser@wineamerica.org).

## 2011 Wine and Grape Policy Conference

### WineAmerica and Winegrape Growers of America

Washington, DC

March 20-23, 2011

Phoenix Park Hotel

Washington, DC

The annual Wine and Grape Policy Conference in Washington, D.C. is an important opportunity for members of both organizations to discuss and evaluate Federal policy issues of interest to our industry, and to communicate our stances directly to Members of Congress and the Administration. These meetings play an important role in the critical process of relationship building which is central to our mission of favorably influencing policy outcomes. It is also a great opportunity for wine industry leaders from across the country to network with each other in formal and informal settings. We hope that you will join us in March for this very important meeting.

Call the hotel at 202-638-6900 or toll free at 800-824-5419 and reference the Wine and Grape Policy Conference or use Group Code #R35612 to reserve your room.

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The rates are \$275 for single occupancy and \$299 for double occupancy.

Rooms fill up quickly in Washington, so please make your reservations as soon as possible. Meeting registration and a more formal agenda will be announced in the coming weeks.

**2011 WineAmerica Fall Board of Directors and Membership meeting**

**November 7-9, 2011 (tentative dates)**

**Hotel 43 (tentative site)**

**Boise, ID**

***WineAmerica Has a Facebook Page***

WineAmerica now has a Facebook page. We will be posting our newsletters and other news items, as well as general wine industry news. Please "Like" us to get the latest updates from WineAmerica.

The link to the page is: <http://www.facebook.com/pages/WineAmerica/102925946431027>