

WINE  **BROKERS**
JOSEPH W. CIATTI CO., LLC

August 25, 2005

Chief, Regulations and Procedures Division
Alcohol and Tobacco Tax and Trade Bureau
Attn: Notice No. 49
P.O. Box 14412
Washington, DC 20044-4412

We at the Joseph W. Ciatti Co. LLC totally support the change from 95% to 85% for a specific vintage year for appellations such as a state or county designation.

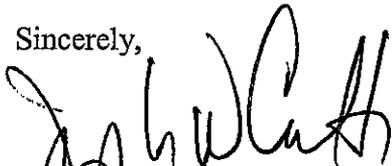
As the World's largest wine brokerage company, we see California wines fighting an uphill battle in the World Market. Australia, Chile, South Africa, Argentina, New Zealand and many other countries have lower vintage percentages than 95%. California must continue to grow in exports. We need an equal playing field to sell more California wines. The export buyers and consumers want California wines that are fresh and have fruit forward flavors from year to year. Lowering the vintage percentage to 85% will allow our wineries to blend to meet these requirements. Selling more California wines overseas means selling more California grapes.

We all know that the U.S. is where every country in the World wants to sell their wines. We see the amount of import wines growing each year in our domestic market. We are losing the battle in our own Country. Global competition will not stop. Changing the vintage percentage from 95% to 85% will help.

1. Changing the vintage from 95% to 85% will not lower the quality of our case goods and bulk wines and in most instances will enhance our quality by better blending. Older reserve style wines could be enhanced by selective additions of fresh wine and would potentially improve both perceived quality and shelf life. Younger wines could benefit in quality by small additions of previous vintage wines making them more presentable to the consumer at an earlier age.
2. Wineries will also have the right to continue to produce wines at 95% or 100% if they want to. No one will force a winery to reduce a vintage amount unless they deem it necessary.

3. The vast majority of consumers, retailers and distributors don't know what the vintage percentage is in a wine. As long as the wine is top quality and competitively priced, the consumer will be more than happy and satisfied to buy it. This has been proven by the many imports that have been growing in popularity in this Country.
4. It is a total myth that by changing the vintage minimum from 95% to 85% growers will be forced to custom crush their own grapes and make bulk wines. Just the opposite will happen. The growers will have the opportunity to sell to wineries at a better price.
5. The most important point is to sell more quality California wines, both domestically and in the export market. The 85% will help greatly.

Sincerely,



Joseph W. Ciatti

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