



INDUSTRY CIRCULAR

DEPARTMENT OF
THE TREASURY

Bureau of Alcohol, Tobacco and Firearms

Washington, D.C. 20226

Number: 82-4

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Tobacco and

VITICULTURAL AREAS

To proprietors of bonded wine cellars, taxpaid wine bottling houses, and others concerned:

PURPOSE. This circular is issued to remind industry members and other interested persons that regulations concerning the use of appellations of origin and the establishment of American viticultural areas become effective on January 1, 1983. ATF also wishes to remind interested persons to file their petition to establish a viticultural area as early as possible.

BACKGROUND. On August 23, 1978, ATF published Treasury Decision ATF-53 (43 FR 37671, 54624) revising regulations in 27 CFR Part 4. These regulations allow for the establishment of definite American viticultural areas and provide for their use as appellations of origin on wine labels and in wine advertisements. Industry Circular 80-15, dated December 24, 1980, further discusses viticultural area petitions.

Viticultural Area Petitions. The processing of a number of viticultural area petitions received by ATF has been slowed because the petitioner failed to submit the proper information needed for ATF to properly evaluate the petition. The informational requirements for viticultural area petitions are listed in 27 CFR 4.25a(e)(2), and discussed in Industry Circular 80-15. These requirements must be satisfied before ATF can propose a viticultural area.

APPELLATIONS OF ORIGIN:

These regulations become effective on January 1, 1983. No appellation of origin may appear on wine labels or in wine advertisements after this date unless it meets the requirements in § 4.25a or is excepted as indicated in this industry circular. Appellations of origin which are currently being used and which refer to grape-growing regions other than the allowed political

subdivisions will not be allowed as of January 1, 1983, unless they meet the requirements for a viticultural area and are approved by ATF or unless the area and the product labels meet each of the following criteria:

- (1) The viticultural area appellation must refer to a grape-growing region other than the allowed political subdivisions.
- (2) The viticultural area appellation must have been in use before August 1, 1982. Any bonded winery within the proposed viticultural area boundary may use that viticultural area appellation name.
- (3) A petition for use of the viticultural area appellation must have been filed with ATF before August 1, 1982.
- (4) The label must conform to all other regulatory requirements in effect after December 31, 1982.
- (5) The product so labeled must conform to all other regulatory requirements in effect after December 31, 1982.

This special authority is terminated upon final action on the viticultural area petition, or upon receipt of notification of termination from the Director.

ESTATE BOTTLED:

Product labels that refer to an "excepted" viticultural area appellation discussed above and that contain an "Estate bottled" designation (pursuant to § 4.26) will not be allowed after December 31, 1982, unless the area and the product labels meet each of the following criteria:

- (1) The appellation must be qualified for exception as discussed above.
- (2) The bottling winery and the vineyards where the grapes were grown must both be located within the same proposed viticultural area.
- (3) The label must conform to all other regulatory requirements in effect after December 31, 1982.

- (4) The product so labeled must conform to all other regulatory requirements in effect after December 31, 1982.

This special authority is terminated upon final action on the viticultural area petition, or upon receipt of notification of termination from the Director.

Approval After Mandatory Date. ATF will continue to approve valid viticultural areas after January 1, 1983. The approval of a viticultural area is a sensitive, often controversial, and protracted process. Accordingly, in the interest of all parties involved, ATF encourages potential petitioners for the establishment of a viticultural area to file their petitions with ATF as soon as possible.

INQUIRIES. Inquiries concerning this circular should refer to it by number and be addressed to the Assistant Director (Regulatory Enforcement), Bureau of Alcohol, Tobacco and Firearms, Washington, DC 20226. Telephone inquiries may be made to the Research and Regulations Branch at (202) 566-7626.



Acting Director