

DEPARTMENT OF THE TREASURY
BUREAU OF ALCOHOL, TOBACCO AND FIREARMS
ABSTRACT AND STATEMENT

NOT IN SUIT

For briefing offers in compromise of liabilities and/or violations incurred under Chapters 32,51,52,53,68 and/or 78 of the Internal Revenue Code, and/or liabilities and/or violations incurred under the Federal Alcohol Administration Act.

1. OFFER SUBMITTED BY (Name and address) PWG Vintners USA, Inc. dba Southcorp Wines, The Americas 2700 Napa Valley Corporate Drive, Suite A Napa, California 94558	OFFER IN COMPROMISE	
	2. ORIGINATING OFFICE San Francisco Field Div.	3. AMOUNT OF OFFER \$100,000
	4. PERMIT, LICENSE, OR REGISTRY NO. (If applicable) [REDACTED]	5. SYSTEM CONTROL NUMBER(S)
	6. DOLLAR AMOUNT OF LIABILITY BEING COMPROMISED (if applicable) \$ N/A	
7. TAXPAYER IDENTIFICATION NUMBER [REDACTED]	[REDACTED]	

8. CHARGE

During the period February 1999 through November 1999, the proponent allegedly violated Title 27, United States Code, Section 205(f), and Title 27, Code of Federal Regulations, Section 4.64(i), by publishing and/or disseminating, or causing to be published and/or disseminated in interstate commerce, 46,360 red, heart-shaped printed advertisements designed for hanging on the neck of a wine bottle which were reasonably calculated to induce sales of wines in interstate commerce. This neck hanger, which constituted an advertisement, contained therapeutic health claims which allegedly created a misleading impression that the use of wine has a curative or therapeutic effect.

BUSINESS IN WHICH ENGAGED:

The proponent is a duly qualified wholesaler and importer.

DATE OR PERIOD OF VIOLATIONS:

The violations occurred during the period February 1999 through November 1999.

AMOUNT AND TERMS OF OFFER:

The proponent has submitted an offer of \$100,000 in compromise of the above violatons.

RECOMMENDATION CHIEF, NATIONAL REVENUE CENTER:

The Chief, National Revenue Center, recommends acceptance of \$100,000 as this amount is both commensurate with the nature of the violations and is sufficient to deter recurrence. The proponent has been cooperative, and has taken action to correct the situation. In view of the assurance of future compliance, acceptance of this Offer in Compromise as submitted is warranted.

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9. I have considered the proposition to compromise the liability as charged herein, and, for the reasons embodied in the above abstract and statement, am of the opinion that it will be for the best interest of the United States to ACCEPT REJECT the terms proposed.

10. SIGNATURE AND TITLE
Deputy Assistant Administrator, Field Operations

11. DATE
8/14/03