

***ATF Response to the  
California Coast Viticultural Area Petition***

*(of March 17, 2000)*



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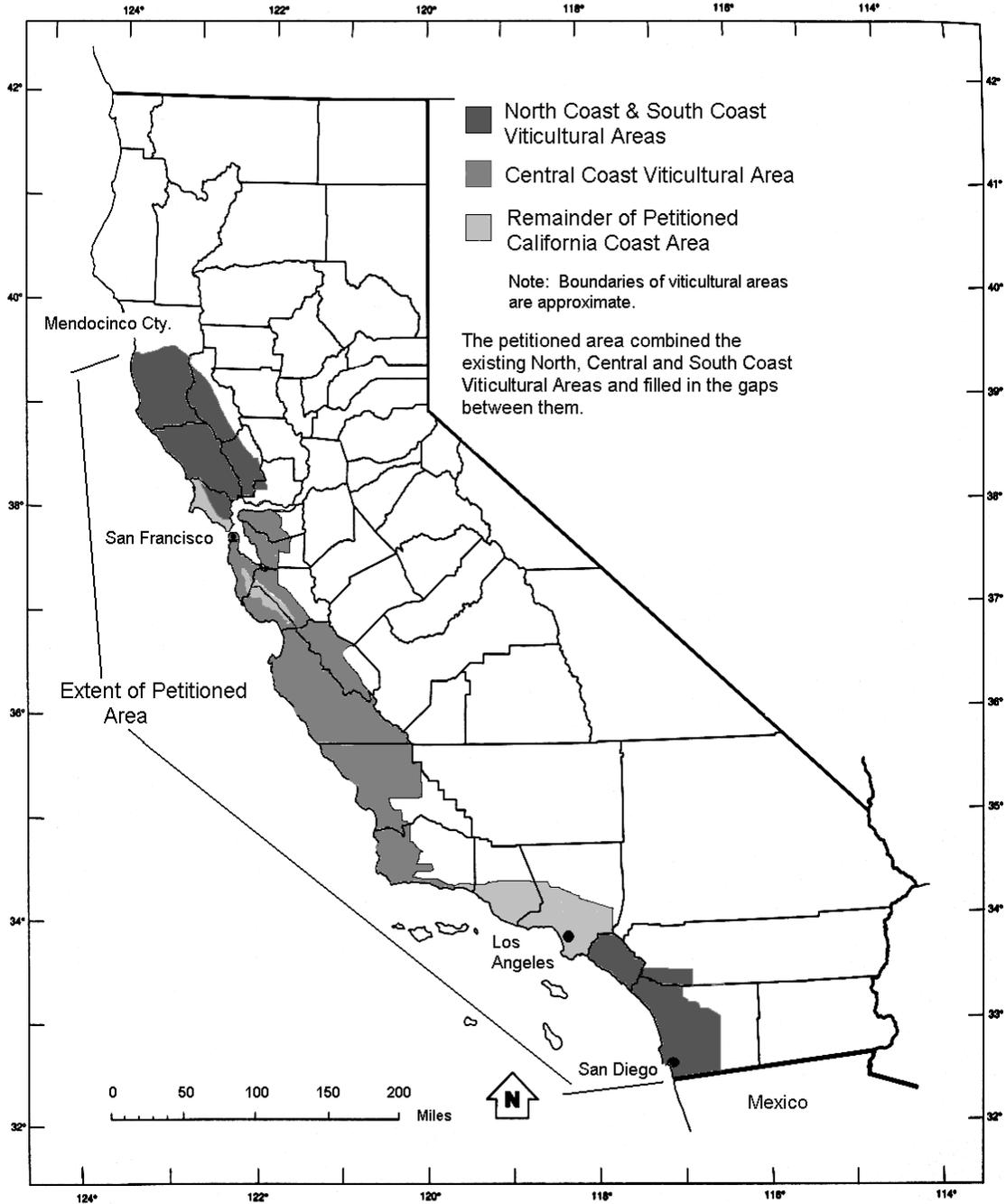
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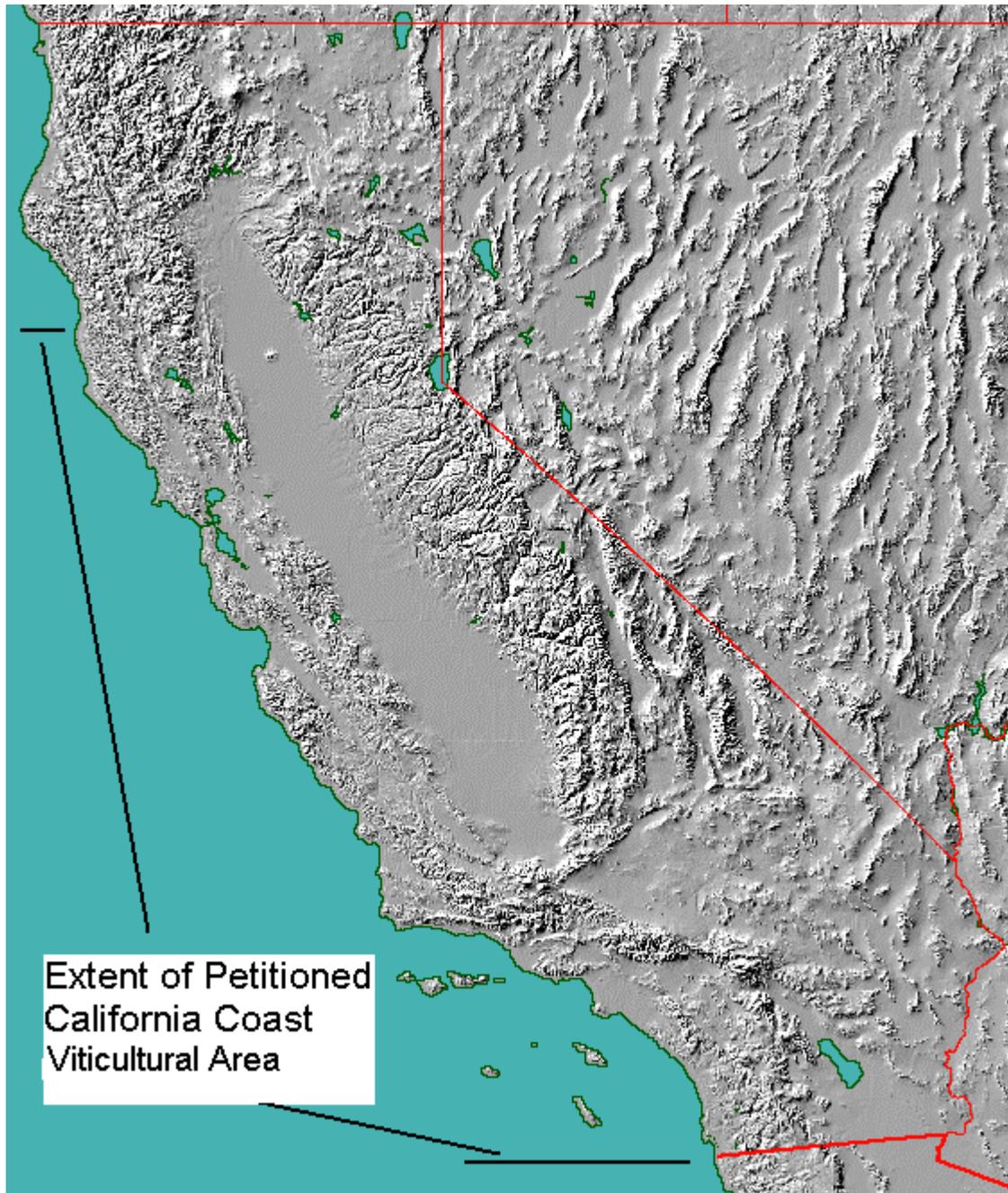
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# Petitioned California Coast Viticultural Area

Map shows California counties with existing North Coast, Central Coast and South Coast Viticultural Areas. These areas and the gaps between them make up the petitioned California Coast Viticultural Area.



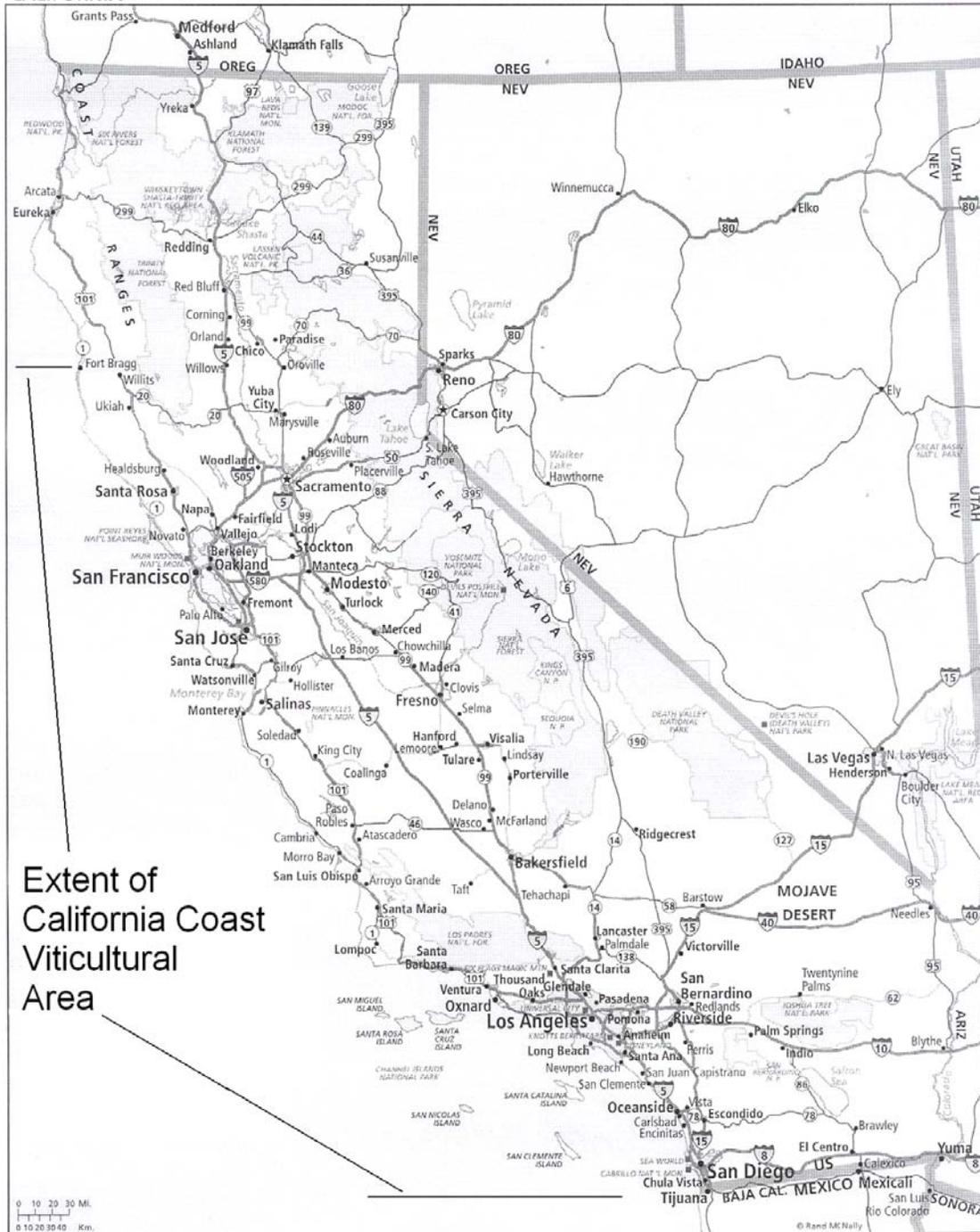
## California Landforms Map



Shape corrected for lat. 35°.15'.

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CALIFORNIA



**ATF RESPONSE TO THE  
CALIFORNIA COAST VITICULTURAL AREA PETITION**

**INTRODUCTION**

**Summary**

The Bureau of Alcohol, Tobacco and Firearms (ATF) has denied the March 17, 2000, petition submitted by the California Coast Alliance requesting the establishment of the "California Coast" viticultural area. This report supplements Notice No. 951, published in the Federal Register on August 7, 2002, announcing the petition's denial. This report examines in detail the petition and its evidence, the comments and evidence submitted in response to the California Coast viticultural area Notice of Proposed Rulemaking (Notice No. 903, published in the Federal Register on September 26, 2000, at 65 FR 57763), and ATF research on the subject. It also explains the reasons why ATF has determined that the petitioned area does not meet the regulatory requirements of 27 CFR Part 9, American Viticultural Areas.

The primary reasons for the denial of the California Coast viticultural area petition include:

1. As commonly understood, the name "California Coast" applies to the entire California coastal region from Mexico to Oregon and not to just the shorter, 650-mile section of the coast from Mexico to central Mendocino County included in the proposed area, and
2. The failure of the proposed area to meet the requirements of a delimited grape-growing area distinguishable by geographical features

due to the significant climatic diversity found within the proposed area as a result of its great north-south span.

ATF notes that even if the entire California coastline from Mexico to the Oregon border were included within a proposed viticultural area, such an area would likely have even greater climate diversity. Such a proposed area would, therefore, also not meet the regulatory criteria for an American viticultural area.

### **Drafting Information**

The principal author of this document is Nancy Sutton, Specialist, Regulations Division (San Francisco, CA), Bureau of Alcohol, Tobacco and Firearms.

### **For Further Information**

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Copies of the report, Notice No. 951 announcing the petition's denial, and the notice of proposed rulemaking, Notice No. 903, are posted on the ATF Internet website at: <http://www.atf.treas.gov/alcohol/rules/index.htm>.

Paper copies of this report, Notice No. 951, Notice No. 903, the written comments received in response to Notice No. 903, the March 2000 petition, and the appropriate maps are available for public inspection by appointment during business hours at the ATF Reading Room, Rm. 6480, 650 Massachusetts Avenue, NW., Washington, DC 20226; telephone (202) 927-7890.

To obtain paper copies of this report, the comments received in response to Notice No. 903, or any of the other document mentioned above by mail (at 20 cents a page), contact the ATF Librarian at the above address.

## **Background on Viticultural Areas**

### **What is ATF's Authority to Establish a Viticultural Area?**

The Federal Alcohol Administration Act (FAA Act) at 27 U.S.C. 205(e) requires that alcohol beverage labels provide the consumer with adequate information regarding a product's identity and prohibits the use of deceptive information on such labels. The FAA Act also authorizes the Bureau of Alcohol, Tobacco and Firearms (ATF) to issue regulations to carry out the Act's provisions.

Regulations in 27 CFR Part 4, Labeling and Advertising of Wine, allow the establishment of definitive viticultural areas. The regulations allow the name of an approved viticultural area to be used as an appellation of origin on wine labels and in wine advertisements. Viticultural areas enable consumers to better identify the origin of the grapes used to produce the wine. In this manner, viticultural area designations provide significant information to consumers about the identity of the wine and prevent consumer deception through the establishment of specific boundaries for viticultural areas. A list of approved viticultural areas is contained in 27 CFR Part 9, American Viticultural Areas.

### **What is the Definition of an American Viticultural Area?**

An American viticultural area is a delimited grape-growing region distinguishable by geographic features. Viticultural features such as soil, climate,

elevation, and topography distinguish it from surrounding areas.

*What is Required to Establish a Viticultural Area?*

Any interested person may petition ATF to establish a grape-growing region as a viticultural area. The petition should include:

- Evidence that the name of the proposed viticultural area is locally and/or nationally known as referring to the area specified in the petition;
- Historical or current evidence that the boundaries of the viticultural area are as specified in the petition;
- Evidence relating to the geographical characteristics (climate, soil, elevation, physical features, etc.) which distinguish the viticultural features of the proposed area from surrounding areas;
- A description of the specific boundaries of the viticultural area, based on features which can be found on United States Geological Survey (U.S.G.S.) maps of the largest applicable scale; and;
- A copy (or copies) of the appropriate U.S.G.S. map(s) with the boundaries prominently marked.

The petitioners bear the burden of providing evidence showing that a proposed viticultural area meets the regulatory requirements. The NPRM process is utilized to facilitate the submission of additional information from the public showing that the proposed area does or does not comply with the regulatory requirements.

## **CALIFORNIA COAST VITICULTURAL AREA PETITION**

### **I. Background**

#### *A. 1998 "California Coastal" Petition*

In 1998, a group known as the Coastal Alliance submitted a petition to ATF requesting the establishment of the "California Coastal" viticultural area. ATF reviewed the petition and determined that it did not meet the regulatory requirements of 27 CFR, Part 9, American Viticultural Areas. The proposed area's boundaries, extending north from Mexico into Mendocino County, coincided with the established South Coast viticultural area's southern boundary and the North Coast viticultural area's northern boundary.

ATF concluded this petition lacked the evidence necessary to support the California Coastal name. In the letter denying the California Coastal petition, ATF stated, "As the term ["California Coastal"] can describe the entire coast, we believe its application to the portion [of California] described is confusing and not supported by the weight of evidence in the Coastal Alliance petition."

ATF also determined that the proposed area had too diverse a range of geographic and climatic features to be considered a delimited grape growing region distinguishable from surrounding areas. In describing the geographical evidence provided in the California Coastal viticultural area petition, the ATF letter stated:

[T]here are significant variations in weather, soil and topography running the length of your proposed California Coast[al]. The proposed area encompasses four major approved "coastal" viticultural areas. It was clearly shown, during the

rulemaking process, that each of those delimited grape growing areas significantly differed from surrounding coastal areas, as well as the Central Valley. This is particularly evident in the case of the South Coast viticultural area. While a majority of the North Coast and Central Coast viticultural areas have climates exhibiting Regions I through III on the Winkler heat degree summation system, the South Coast viticultural area largely exhibits IV and V. \* \* \* Clearly there is more rainfall in the north of the proposed area than in the south. \* \* \* Because there is a significant diversity of soils within and outside of the boundaries of the proposed area, the soil evidence does not support distinguishing the boundary you proposed.

#### B. March 2000 California Coast Petition

The California Coast Alliance submitted a new petition to ATF on March 17, 2000, proposing the establishment of the "California Coast" viticultural area. According to the March 2000 petition, the California Coast Alliance sought to establish the California Coast viticultural area in order to provide consumers with "valuable, accurate, and specific information" about the origin of wine made in this area, and to help prevent consumer deception due to the growing use of references to the California coast and coastal areas on wine labels.

On September 26, 2000, ATF published a Notice of Proposed Rulemaking (NPRM), Notice No. 903, in the Federal Register (65 FR 57763) soliciting comments from "all interested persons" regarding the establishment of the proposed California Coast viticultural area, particularly regarding the distinctiveness of the proposed area's geographic features, including its climate, in relation to surrounding areas. ATF also requested comments on the effect of a

possible California Coast viticultural area on the future use of the terms “coast” and “coastal,” on wine labels.

The California Coast Alliance’s proposed California Coast viticultural area covered 22,000 square miles, or 14 million acres, and spanned 650 miles, from the Mexican border to northern California, stopping 200 miles south of the Oregon border. The area’s width varied from approximately 5 to 68 miles, extending inland and east from the Pacific coastline. The petition’s proposed boundary lines joined the established South Coast, Central Coast, San Francisco Bay, and North Coast viticultural areas and filled in the gaps between these established areas. The petitioned area included a total of 68 smaller, established viticultural areas. The following table categorizes the proposed California Coast area by the total acreage of established viticultural areas, and by the acreage of land without established viticultural area significance.

<b>Area</b>	<b>Acres</b>	<b>Percent</b>
Established viticultural areas	7,941,720	57
Non-viticultural area land	6,058,280	43
Proposed California Coast viticultural area	14,000,000	100

## **II. Comments Received in Response to Notice No. 903**

### **A. Number and Concerns of Comments**

ATF received 477 comments in response to the California Coast NPRM, Notice No. 903. The following table categorizes the commenters by profession, affiliation or other standing. "Individual" commenters included, for example, wine consumers, small companies with an interest in California viticulture, and others associated with the wine industry. “Other” commenters included a California State senator and city and county officials.

<b>Commenters</b>	<b>Totals</b>	<b>Percent</b>
Vineyard	272	57
Winery	98	21
Individual	78	16
Industry Association	22	5
Other	7	1
<b>Total</b>	<b>477</b>	<b>100</b>

The following table categorizes the California commenters by general location. Associations are excluded from this table because of the varying locations of their membership and the potential that their members commented separately. The Lodi area commenters are separated, based on their additional concern over being excluded from the proposed boundaries despite the coastal cooling of their inland location. Several commenters outside of California also submitted responses.

<b>California location of commenters</b>	<b>Totals</b>	<b>Percent</b>
North	253	54
Lodi area	126	27
Central and South	75	17

The following table categorizes the commenters' concerns. Of the 477 comments received, 97% opposed the petition. Many commenters had multiple areas of concern.

<b>Major Concerns of Commenters</b>	<b>Totals</b>	<b>Percent</b>
California wine industry is threatened	314	66
Proposed area is too diverse	293	61
Proposed area is too large	291	61
American viticultural area system will be jeopardized	224	47
Consumers will not benefit	226	47
Consumers will be confused or misled	219	46
Smaller viticultural areas, growers and wineries will be hurt	177	37

American viticultural area petitioning standards are not met	163	34
Estate-bottled label claim will be less meaningful	57	12

Three wine industry associations provided substantive documentation and evidence in response to the NPRM, Notice No. 903. These associations were:

1. The Wine Institute, a trade association representing over 600 California winery and associate members and 92% of the volume of wine produced in California;
2. The Lodi District Grape Growers Association, a long-standing organization of industry members in the Lodi, California area; and
3. The Coalition for Wine Consumer Protection, which describes itself as protecting consumers' rights in making informed wine purchasing decisions, and includes representatives from the Napa Valley Vintners Association, the Lodi District Grape Growers Association, the California North Coast Grape Growers Association, and the Sonoma Valley Vintners and Growers Alliance.

**B. Format of this Document**

This document provides ATF's analysis and final decision regarding the March 2000 California Coast viticultural area petition. This document examines each of the major elements of the petitioning and rulemaking process: (1) The petition's information and evidence as outlined in Notice No. 903, (2) the commenters' and industry associations' information and evidence, and (3) ATF's analysis. For the purposes of this decision, ATF considered the terms "coast" and "coastal" to be similar. Issues not directly incorporated in the regulations,

but of concern to ATF or included in the comments submitted to ATF, are presented in the "Other Issues" section below. Finally, ATF summarizes its denial of the California Coast viticultural area petition.

### **III. ATF Analysis of Petition and Comments**

Prior to issuing this notice denying the California Coast viticultural area petition, ATF thoroughly reviewed all information provided in the March 2000 petition and in the comments and documentation filed in response to Notice No. 903. The concerns of commenters, along with the documentation and evidence provided by several industry associations, has established that the California Coast viticultural area fails to meet the regulatory requirements of 27 CFR, Part 9, American Viticultural Areas.

#### **A. Name Evidence**

Title 27 CFR Section. 4.25a(e)(2)(i) and 9.3(b)(1) require evidence that the name of the proposed viticultural area is locally or nationally known as referring to the area described in the petition.

##### **1. Petition's Name Evidence**

According to the petitioners, the name "California Coast" is universally recognized. The petitioners point out that California has, on its western edge, one long rugged coastline next to a relatively narrow coastal plain, which is bordered to the east by a long, nearly continuous string of mountains known as the Coast Ranges. To the east of the Coast Ranges is a long, north-south, interior strip of continental mass distinguished by the hot Central Valley and, east of that valley, the high peaks of the Sierra Nevada Mountains. The petitioners

cite numerous books that refer to "the California Coast" and the "California Coastal" region.

The petitioners claim that substantial evidence supports the common, widespread, and historical usage of the "California Coast" name. They also claim the evidence demonstrates that, while the term "California Coast" is used to cover the entire California coastal area from Mexico up to Oregon, the term sometimes refers to much smaller portions of the California coastal area, depending on the subject matter at hand. The petition's "California Coast" name usage reference materials, primarily travel books, discuss varying cities and areas along different regions of the coastline. The petitioners do not cite the specific boundaries of these references within their petition.

The NPRM, Notice No. 903, documents much of the name evidence information provided by the petitioners for the proposed California Coast viticultural area. The petition also provides dictionary definitions for "coast," "Coast Mountains" and "Coast Ranges." Excerpts from eight published sources use the name California in conjunction with "coast" in describing all or parts of the California coastline from Mexico to Oregon, based on their subject matter.

## 2. Comments in Response to Notice No. 903

### *a. Coalition for Wine Consumer Protection Comments*

The Coalition for Wine Consumer Protection offered comments on linguistic problems associated with the name California Coast, and submitted the results of public opinion surveys conducted at its behest by the Public Opinion Strategies group. The surveys sought:

1. To determine how far inland people believe the "California Coast" extends;
2. To determine whether or not the public believes certain locations, both inside and outside of the proposed area, are part of the "California Coast;"
3. To gauge public opinion regarding the proposed "California Coast" viticultural area as it relates to the "Estate Bottled" term; and
4. To determine whether or not the public supports the establishment of the "California Coast" viticultural area.

Public Opinion Strategies conducted two polls, one nationwide (which included California) and another limited to California residents, using a total of more than 1,100 participants. The nationwide poll was conducted February 8 and 11-13, 2001, with 800 individuals, all of whom had consumed at least one glass of wine in the previous six-month period. The margin of error was plus or minus 3.46%, making the findings statistically reliable and significant, according to Public Opinion Strategies. The California poll was conducted February 17-19, 2001, with 318 individuals, all of who had consumed at least one glass of wine in the previous six-month period. Public Opinion Strategies also considered these results statistically significant. The firm selected poll participants through random telephone dialing and screened the universe of participants to ensure the overall sample was representative of the country and California.

The response to the first survey issue, determining the distance from the ocean that people consider to be part of the "California Coast," indicated that

44% of nationwide residents and 45% of California residents believe the California Coast extends inland no more than 5 miles, while 66% nationally and 72% of Californians believe the California Coast extends inland 15 miles or less. The following table summarizes the opinions of survey participants.

<b>National</b>	<b>California</b>	<b>Distance from the Ocean</b>
6%	4%	100 yards, or less
18%	16%	1 miles, or less
20%	25%	5 miles, or less
22%	27%	15 miles, or less
18%	17%	45 miles, or less
15%	7%	More than 45 miles

Response to the second survey issue, determining whether or not the public believes certain locations, both inside and outside of the proposed area, are part of the “California Coast,” indicated that people do not believe that the term “coast” includes land as far inland as the proposed area’s boundaries. Participants were given the distance from the ocean of three towns and asked whether the towns were within the “California Coast” area. Paso Robles and Livermore are within, and Eureka is outside and north of the proposed boundary. The majority of survey participants do not believe the term “coast” includes land as far inland as the proposed area’s boundaries, including Paso Robles and Livermore. The following table categorizes the opinions of survey participants.

<b>City</b>	<b>Yes (coast)</b>	<b>Not Coast</b>	<b>Don’t know</b>
Paso Robles – 30 miles from ocean	40%	55%	5%
Eureka – adjacent to ocean	77%	13%	10%
Livermore – 39 miles from ocean	39%	57%	4%

Survey participants throughout the United States were also asked if the five locations listed below are part of the “California Coast” area, without being

given its distance from the ocean. The following table categorizes the opinions of national survey participants.

<b>City/Region</b>	<b>Yes (coast)</b>	<b>Not Coast</b>	<b>Heard of, but don't know</b>	<b>Never heard of</b>	<b>Don't know</b>
Napa Valley	30%	43%	17%	8%	1%
Riverside Co.	20%	24%	17%	38%	2%
Temecula	4%	16%	7%	72%	1%
Santa Barbara	74%	7%	16%	2%	2%
Mendocino Co.	20%	14%	18%	46%	2%

The poll asked survey participants from California if the same five locations are part of the “California Coast” area, also without being given the distance of each location from the ocean. The following table categorizes the opinions of California survey participants.

<b>City/Region</b>	<b>Yes (coast)</b>	<b>Not Coast</b>	<b>Heard of, but don't know</b>	<b>Never heard of</b>	<b>Don't know</b>
Napa Valley	22%	67%	8%	2%	0
Riverside Co.	12%	73%	10%	3%	2%
Temecula	10%	55%	13%	21%	2%
Santa Barbara	97%	1%	2%	0%	1%
Mendocino Co.	55%	13%	13%	7%	2%

Napa Valley, Temecula, and Santa Barbara are totally within, and Riverside and Mendocino counties are partially within, the proposed California Coast viticultural area's boundaries. The majority of survey participants throughout the United States do not believe that the term “coast” includes land as far inland as the proposed boundaries for four of the five locations. Participants from California do not believe that the term “coast” includes land as far inland as the proposed boundaries for three of the five locations.

On the third issue, the survey sought the public’s opinion regarding the “Estate Bottled” term and the proposed California Coast viticultural area. In accordance with 27 CFR 4.26, the term “Estate Bottled” applies to wine, labeled with a viticultural area designation, that complies with the following regulatory requirements: (1) The bottling winery must be located within the viticultural area designated on the wine label, (2) the wine cannot leave the bonded premises during production, and (3) the grapes must be grown within the viticultural area of the bottling winery on land owned or controlled by the bottling winery.

Survey participants were asked, “If you knew a wine could be grown in an area in excess of 400 miles from the location it was bottled and aged and would be labeled ‘Estate Bottled,’ which of the following would best describe your attitude toward this fact: (1) I would feel misled, wondering why there is such a term if the processes could occur such a long distance from each other; or (2) It would not make any difference to me at all; I would presume this was acceptable in the wine industry and that it did not impact the quality of the wine.” The following table categorizes the opinions of survey participants.

	<b>Acceptable</b>	<b>Misleading</b>
Estate Bottled label claim could be used for grapes grown in excess of 400 miles from the location of the wine’s bottling and aging processes.	49%	49%

Survey participants were equally divided in their beliefs that the Estate Bottled labeling claim would be acceptable or misleading for a viticultural area the approximate size of the proposed California Coast viticultural area. There is no clear majority of those surveyed in favor of, or those opposed to, the use of the Estate Bottled label claim.

The fourth survey issue questioned whether or not the public supports the establishment of the “California Coast” viticultural area. To fully answer this issue, individuals were asked to agree or disagree with three separate questions.

First, the survey asked participants to agree or to disagree with the following statement: “Wines grown in Napa Valley, which is in Northern California, and wines grown in Temecula, which is in Southern California, are similar and should be labeled with the same regional classification.” “Regional classification” refers to a viticultural area. The following table categorizes the opinions of survey participants.

<b>National</b>	<b>California</b>	<b>Responses</b>
6%	4%	Strongly agree
15%	7%	Somewhat agree
30%	23%	Somewhat disagree
43%	60%	Strongly disagree
6%	6%	Don't know

Results indicate that 21% of nationwide and 11% of California-only survey participants agree with using the same regional classification for wines grown in Napa Valley and Temecula. Conversely, 73% nationwide and 83% California-only survey participants disagree with the proposed California Coast boundaries and believe that wine regions 470 miles apart should not be labeled as the same viticultural area.

Second, survey participants were asked to agree or to disagree with the following statement: “Combining the three distinct coastal areas into one region will give consumers more specific and accurate information regarding the wines they purchase than currently exists.” The “three distinct coastal areas” are the established North Coast, Central Coast, and South Coast viticultural areas,

located in California. The following table categorizes the opinions of survey participants.

<b>National</b>	<b>California</b>	<b>Responses</b>
9%	6%	Strongly agree
27%	14%	Somewhat agree
25%	19%	Somewhat disagree
34%	49%	Strongly disagree
5%	10%	Don't know
1%	1%	Refused

Results indicate that only 36% nationwide and 20% California-only survey participants believe consumers will have more specific and accurate wine purchasing information by combining the three coastal viticultural areas. Conversely, 59% nationwide and 68% California-only survey participants do not believe that combining the three distinct coastal areas into one region will give consumers more specific and accurate information regarding the wines they purchase than currently exists.

Thirdly, survey participants were asked, “Please tell me whether you favor or oppose the government combining the North, Central, and South Coastal wine regions into one region simply known as the “California Coast” region.” The following table categorizes the opinions of survey participants

<b>National</b>	<b>California</b>	<b>Responses</b>
5%	4%	Strongly favor
19%	9%	Somewhat favor
24%	24%	Somewhat oppose
41%	53%	Strongly oppose
10%	10%	Don't know

Results indicate that 24% nationwide and 13% California-only survey participants favored the government combining the North, Central, and South

Coast viticultural areas into one wine region. Conversely, 65% nationwide and 73% California-only survey participants disagreed with the government combining of the North, Central, and South Coast viticultural areas into one wine region.

*b. Wine Institute Comments*

The Wine Institute also commented on the “California Coast” name, providing evidence that they believe documents the failure of the California Coast viticultural area petition to meet the regulatory name criteria of 27 CFR 9.3(b)(1). This evidence included expert opinions from Dr. John Hawkins, Professor of Linguistics at the University of Southern California, and Dr. Debbie Elliott-Fisk, Professor of Geography and Chair of the Department of Wildlife, Fish and Conservation Biology at the University of California, Davis. Both professors contend the name “California Coast” refers to an area different from that proposed by the petitioners and creates significant name confusion among wine consumers.

The Wine Institute asked Dr. Hawkins, a specialist in the meaning, grammar, usage, and psychology of the English language with more than 25 years of experience in linguistic analysis, to analyze whether the “California Coast” term is locally and/or nationally known as referring to the area specified within the California Coast viticultural area petition. Dr. Hawkins reviewed documents, surveys, dictionaries, source books on linguistics, travel books, and searched the Internet for the phrase “California Coast.”

According to Dr. Hawkins, the word “coast” refers to the seashore or an area that is next to, or near, the sea, and, therefore, “California Coast” refers to that State's coastal area from the border of Mexico to Oregon. He stated this is widely known and is commonly understood by English speakers. The proposed California Coast viticultural area boundaries extend only as far north as Mendocino County, excluding a large, northern portion of the landmass known by English speakers as the “California Coast.” Dr. Hawkins concluded the excluded area would be understood to be included within the “California Coast” by English speakers, resulting in confusion about the petitioned area’s northern border. He added that this confusion would include English speakers who know about the northern extent of California wineries and will believe they are included, and English speakers who do not know about the northern-most California wineries, but have no reason for restricting the proposed border short of the California-Oregon border.

Dr. Hawkins also reviewed some of the California Coast petition's references and noted that these books refer to the “California Coast” as an area from San Diego north to the Oregon border, located at the seashore or near to the sea. According to Dr. Hawkins, this is exactly the area where a speaker of English would expect to find the California Coast name used.

Dr. Hawkins stated that the width of the proposed area regularly extends 15 miles inland, and occasionally up to 45 miles inland, which goes beyond the land areas normally understood as being next to or near the sea, and will cause confusion to speakers of English. He also searched the Internet for the term

“California Coast” and found ten businesses, institutions, and organizations using the term. The majority are located close to the ocean, usually no further than 10 miles from the coastline, with only two located more than 15 miles from the ocean. These results match the quantitative data and results of the national and California surveys.

Based on a review of these materials, Dr. Hawkins concluded the meaning of the phrase “California Coast” does not refer to the area specified in the petition, but rather to a longer, thinner landmass along the full length of California's coastline. He stated that the use of this phrase for the petitioned boundaries would be confusing to English speakers since its normal meaning and reference does not apply to the proposed area. Dr. Hawkins added there would be further confusion since the “California Coast” name implies the existence of a clearly recognizable and uniquely distinguishable type of wine grape grown within this specified area, but in reality, there appears to be no such type of uniquely distinguishable wine grape grown in the proposed area.

Dr. Hawkins added that the confusion issue does not arise with the established North Coast, Central Coast or South Coast established areas, because they have meanings that are understood relative to one another and not in reference to the full extent of the name “California.”

Dr. Debbie Elliott-Fisk also examined the name “California Coast” in relationship to the study of place names. She noted that, geographically defined, the coast is a line of contact between the ocean and land, creating a linear edge environment and a transition zone where the ocean influences the land. The

larger coastal zone is where marine and terrestrial processes interact, using the energy of the waves, tides and currents. The coastal zone extends inland until the reach of tides and storm waves ends.

The Federal Coastal Management Act of 1972 defines “coastal zone” as extending "inland from the shorelines only to the extent necessary to control shorelands, the uses of which have a direct and significant impact on the coastal waters \* \* \*." The State of California's legal definition for coastal zone is “that land and water area of the State of California from the Oregon border to the Border of the Republic of Mexico \* \* \* extending inland generally 1,000 yards from the mean high tide line of the sea.” Using these definitions, the California coastal zone area is a narrow strip of land, usually less than one, and rarely two, miles wide extending from Mexico to Oregon. Dr. Elliott-Fisk noted that the proposed California Coast viticultural area's boundaries are not similar to California's coastal zone, and, as such, the proposed area's boundaries do not meet the criteria of the coastal zone definitions.

According to Dr. Elliott-Fisk, wine consumers would also be confused by the approval of the large, proposed California Coast viticultural area, since the smaller established viticultural areas located within its proposed boundaries have proven unique geographic features that distinguish them individually from the surrounding areas. She noted the inland viticultural areas of Lodi, Clarksburg, and Dunnigan Hills, excluded from the proposed California Coast boundaries, receive cooling sea breezes through gaps in the Coast Ranges. The proposed California Coast viticultural area boundaries do not correspond to the real

geographical boundary of the California coast, as noted in definitions, or to the areas where wine grapes are, or potentially could be, grown, according to Dr. Elliott-Fisk. Finally, she added, the proposed California Coast viticultural area spans almost seven degrees of latitude, covers over 500 miles north to south, but excludes a portion of Mendocino County and the northern California coastal counties of Humboldt and Del Norte.

*c. Other Name Evidence Comments*

Some other commenters stated concerns about the California Coast viticultural area petition's name evidence. Of the 477 commenters, 46% stated that consumers will be confused and misled, and 34% stated the petition did not meet the name recognition requirements of 27 CFR part 9. These commenters strongly believe the "California Coast" name does not reflect the petitioned area. They indicated the petition lacks the information and evidence to substantiate the California Coast name in relation to the proposed boundaries. Some commenters erroneously thought the proposed area's northern boundary extended to Eureka, California, 60 miles south of the Oregon border, while others thought it extended to the California-Oregon state line.

A California winery owner, located north of the proposed boundary and 45 miles inland stated, "Both Trinity and Humboldt counties have as much or more rights to being labeled Coastal as any other California counties." Trinity County is 15 miles inland from the Pacific Ocean and Humboldt County is on the coast. A winery partner commented that the proposed boundaries are "puzzling and contradictory," and added:

When one hears the term 'California Coast' they [consumers] think of regions linked to the physical coast – an area that runs the length of the entire state. However, the [proposed California] Coast AVA does not intend to include grapes grown along the entire coast \* \* \* Many coastal wineries produce wine north of the proposed AVA.

Another winery commenter noted:

A 'California Coast' that does not include the state's coastline from Oregon to Mexico is, by definition, inaccurate. Proponents, incredibly, would have consumers believe that California's coastline ends in Mendocino County, excluding Eureka and Crescent City. At the same time, petitioners include a city in their definition of 'coast' that is part of the Inland Empire.

The Inland Empire city to which the commenter refers is Temecula, located in the established South Coast viticultural area. Crescent City and Eureka are, respectively, 15 and 60 miles south of the California-Oregon state line.

A winery owner's comment explains:

Every region of California interprets the word "coast" differently and attempting to lump California's coastline into a common viticultural area is both misleading and confusing \* \* \* When Californians refer to the coast \* \* \* they mean where the ocean meets the shore \* \* \* it does not mean "let's drive 200 miles to Santa Barbara or 400 miles to San Diego.

A commenting winery president stated:

The petitioners claim that the name of the proposed California Coastal AVA is universally recognized. It is certainly reasonable to say that the western edge of California, defined by the Pacific Ocean, can be referred to as 'California

Coastal'; however, this petition seeks to include far more than just strictly coastal areas.

### 3. ATF Analysis of Name Evidence

ATF has carefully evaluated the California Coast petition's name information and evidence and compared it to the documentation received during the comment period for Notice No. 903. Discrepancies and contradictions between the petition's evidence and the commenters' academic and statistical documentation indicate the "California Coast" name does not reflect the petitioned boundary area. The public's understanding of what constitutes the California Coast contrasts with the petitioned area's boundaries. This creates confusion, especially in regard to the proposed area's northern boundary, which ends 200 miles south of the California-Oregon border. This confusion is even found among some members of the wine industry.

The petition stated the name "California Coast" is universally recognized, and, depending on the subject matter, does not always refer to the State's entire coastline. ATF's review of the petition's eight sources of name documentation concludes that the sources describe the California coast as most, or all, of the State's coastline. No source specifies the same boundaries as the proposed viticultural area. Evidence indicates, however, that the California Coast name refers to the area along the Pacific coastline from Mexico to Oregon, not to the proposed viticultural area. Extensive linguistic and geographical documentation provide substantive and compelling evidence about the use and understanding of the "California Coast" name.

Although the “California Coast” name is widely recognized, a significant number of persons surveyed defined its boundaries differently than as those posed by the petitioners. This name would be confusing since its normal meaning and reference does not apply to the proposed area, but to the entire coastline of California. Survey results indicate Eureka, California, located north of the proposed boundary on the California coastline, is believed to be within the “California coast” area.

Other opinion survey results conclude that combining the established North Coast, Central Coast, and South Coast viticultural areas, which are within the proposed California Coast boundaries, do not give consumers more specific and accurate information for purchasing wine. ATF notes that these large established viticultural areas encompass more than 60 smaller established viticultural areas. The name confusion issue does not arise with the established North Coast, Central Coast or South Coast viticultural areas. These “coast” viticultural areas do not include the geographic name “California.” Their meanings are understood relative to one another, north, central, and south, and not in specific reference to the geographical name “California.”

The linguistic documentation and public opinion survey evidence shows that there is no one definition, or consensus, of how far inland the term “coast” extends from the shoreline. Some evidence suggests the term “coast” refers to a thin area along the coastline, while other evidence suggests it refers to an area extending five to fifteen miles inland. The North Coast, Central Coast, South Coast, and Sonoma Coast viticultural areas suggest the “coast” extends even

further east from the Pacific shoreline. Based on the previous ATF decisions for the establishment of the North Coast, Central Coast, South Coast, and Sonoma Coast viticultural areas, ATF believes a “coast” area can extend as far inland as proposed in the California Coast petition. However, the “California Coast” name is still not acceptable under the regulations, due to the failure of the petitioners to extend the boundary line to north to the California-Oregon border.

ATF has concluded that the proposed California Coast area's boundary lines do not reflect the public's understanding of the California Coast name and fail to meet the linguistic and geographical standards for a name using “California Coast” as a viticultural area and for wine labeling purposes. Accordingly, the petition's name evidence does not satisfy the requirement of 27 CFR 9.3(b)(1) of the regulations.

### B. Boundary Evidence

Title 27 CFR Section. 4.25a(e)(2)(ii) and 9.3(b)(2) require the petitioners to provide historical or current evidence that the boundaries of the viticultural area are as specified in the application. The petitioners correctly noted that this boundary evidence must establish that the proposed area's name "is locally and/or nationally known as referring to the area specified in the appellation," and not known just within the wine industry.

#### 1. Petition's Proposed Boundaries

The petitioners sought to incorporate the existing North Coast, Central Coast, South Coast, and Sonoma Coast viticultural areas, along with the undesignated areas between these existing "Coast" viticultural areas, into the

proposed California Coast viticultural area. According to the petitioners, the northern, southern, and eastern boundaries of these "Coast" viticultural areas correspond to the limits of the unique Mediterranean coastal climate that permits the commercial growing of premium wine grapes in the coastal areas of California. The petitioners contend the territory above the North Coast viticultural area's northern boundary is subject, to a greater extent, to the Arctic storm pattern than is the territory south of this boundary line. As a result, the territory north of the North Coast viticultural area cannot be considered part of the proposed area's Mediterranean climate. The petitioners stated that this dominating marine-influenced climate extends inland from the shoreline to the California Coast Ranges.

The petitioners stated that the name "California Coast" not only refers to the dominant physical characteristic of the petitioned area and to the name for which the area is best known, but corresponds directly to California wine history, climate data, and relevant information from wine experts. According to the petitioners, because of the climate data and the historical distinctions of the proposed area, it is logical to end the "California Coast" viticultural area at the same point as the North Coast viticultural area, with neither area covering the northern California coast between Mendocino County and Oregon.

The petitioners also believe the "California Coast" name is not misleading, since others use this name to refer to different and limited portions of the California coast, as well as the entire coastline. The petitioners provided references from travel and other publications that use the "California Coast"

name in relation to the California cities and areas mentioned in these references, which describe a variety of cities and areas in different locations along the California coastline. The petitioners believe that if this name, "California Coast," is misleading then the North Coast viticultural area should be renamed.

The petitioners apply similar logic to the consideration of the appropriate eastern boundary of the proposed California Coast viticultural area. The petitioners seek to use the same eastern boundaries of the established North Coast, Central Coast, and South Coast viticultural areas for the eastern limits of the proposed California Coast area.

*a. Historical or Current Evidence That the Boundaries of the Viticultural Area Are as Specified in the Petition*

The petitioners presented evidence tracing the viticultural history of the proposed California Coast viticultural area back to the establishment of California's early Spanish missions. As part of an effort to secure Mexico's northern frontier and California itself, Spain established a string of missions in California in the late eighteenth century to convert Native Americans to Christianity and to establish stable agricultural communities loyal to the Spanish crown. These missions extended from San Diego to north of San Francisco in what is now Sonoma County. The petitioners note that the monks brought grape vines with them to establish vineyards at each mission. The petitioners claim the missions' locations very closely match the petitioned area and were the sole source of wine grapes in California for nearly 65 years.

The petitioners cited several works that discuss the production of wine at these early California missions. Among these works were: [A History of Wine in](#)

America by Thomas Pinney; The Wine Regions of America by John J. Baxevanis (Vinifera Wine Journal, 1992, pages 257-258); Winemaking in California by Teiser and Harroun (McGraw-Hill, 1983, pages 1-3); General Viticulture by A.J. Winkler (pages 2-4); The World Atlas of Wine by Hugh Johnson (page 226); and Wine by Amerine and Singleton (U.C. Press, 1977, pages 281-283).

According to the petitioners, the history of California and of its winemaking industry, as described in these books has been deeply affected by the mild coastal weather along the Pacific coastline. The petitioners noted that viticulture in the proposed area is only hampered by a few localized and extreme marine microclimates, some very steep elevations in the coastal hills, and by population centers. According to the petitioners, all these coastal regions have similar weather patterns, with cooling ocean breezes and fogs moving inland from the ocean until they reach the barrier of the California Coast Ranges. The petitioners stated that these similar climatic patterns support the success of the many wine grape varieties grown on over 145,000 acres of vineyards and processed at the more than 468 wineries within the proposed California Coast viticultural area.

*b. Specific Boundaries of the Proposed Viticultural Area*

The petitioners explain their proposed California Coast viticultural area boundaries as follows:

We believe we have taken a reasonable approach in delineating an AVA which includes those grape growing areas with common climates and those areas where grapes are actually grown. Once we pass above the North Coast AVA's northern border, the area becomes more greatly subject to the Arctic storm pattern.

The petitioners proposed to use the eastern boundaries of the established North Coast, Central Coast, and South Coast viticultural areas, and to connect those established areas by including the land between them to create the proposed California Coast viticultural area.

To fill in the gaps between the North Coast and the recently expanded Central Coast viticultural areas, the petitioners proposed including the San Francisco Bay viticultural area counties of San Francisco, San Mateo, Santa Clara, Alameda, and Contra Costa, and the portion of Marin County not currently included in any established viticultural area. The petitioners proposed to include all of Marin County due to its coastal geography and marine climate. According to the petitioners, Marin County has coastlines along, and marine influences from, the Pacific Ocean and San Francisco Bay. It has a documented viticultural history dating back to 1881 and currently has five wineries. In support of this proposal, the petitioners cite the Wine Spectator's Wine Country Guide to California, which includes Marin County on its wine map of the San Francisco Bay area. The petitioners claim that the information found in the San Francisco Bay petition and supporting documents provides justification for placing all of Marin County in the proposed California Coast viticultural area.

During the San Francisco Bay and Central Coast expansion rulemaking processes, the Central Coast viticultural area was extended to the northern edge of San Francisco County. A portion of Marin County, which, according to the petitioners, has traditionally been considered part of the North Coast area, was excluded from the North Coast viticultural area. It was also completely excluded

from the San Francisco Bay viticultural area. The petitioners argued that there are no practical or logical reasons to exclude Marin County from the proposed California Coast viticultural area since it has a historical and present-day wine industry and a virtually identical climate to the proposed viticultural area.

The proposed California Coast viticultural area's eastern boundary line between the North Coast and San Francisco Bay viticultural areas connected the towns of Fairfield, in Solano County, to Martinez in Contra Costa County. The petition noted Contra Costa County has a viticultural history dating back to the 1880's and currently contains the Viano Vineyards in Martinez. For the remainder of its northern portion, the proposed area's petitioned eastern boundary followed the alignment of the Central Coast and San Francisco Bay viticultural areas.

Connecting these two viticultural areas along the Pacific coastline would also have encompassed the established Santa Cruz Mountains viticultural area. The petitioners claim the Santa Cruz area has a modern viticultural history in the northernmost Santa Cruz Mountains, within Santa Clara County.

To connect the established Central Coast and South Coast viticultural areas, the petitioner's proposed eastern boundary encompassed the Oxnard, Malibu, Los Angeles, San Gabriel, Pasadena, and Anaheim regions. The established Temecula viticultural area, within the South Coast area, was included for its cool coastal breezes and modern day viticulture. The petitioners also proposed to include the highly urbanized Los Angeles area, which contains more than a dozen wineries. This region is recognized as the birthplace of the

California wine industry and is noted for its historical performance as a wine producer. Similar reasons were cited for including the City of San Francisco in the petition to establish the San Francisco Bay viticultural area. Between the current Central Coast and South Coast viticultural areas, the petitioner's proposed western California Coast boundary followed the Pacific coastline.

Finally, the petitioners emphasized that there is no minimum or maximum viticultural area size prescribed in the regulations, 27 CFR part 9. The petition cited the Ohio River Valley viticultural area, located in Indiana, Ohio, Kentucky, and West Virginia, as an example of a large viticultural area.

## 2. Comments in Response to Notice No. 903

### *a. Wine Institute Comments*

The Wine Institute's comments in response to Notice No. 903 included a report by Charles Sullivan, a retired California history professor and noted wine historian, examining the viticultural history of the Spanish missions in California. In examining this history, Mr. Sullivan explored to what extent the establishment of the mission system and its wine growing activities supported the proposed California Coast viticultural area. His report provided information different from the petition regarding the significance of the missions' viticultural practices in relation to the proposed California Coast viticultural area.

According to Mr. Sullivan, the petition's historical viticultural references are based on the works of noted wine experts, not on the works of experts on California history. He stated that such wine experts rarely have a good

understanding of the primary historical sources on mission viticulture and wine making.

The Spanish government, Mr. Sullivan noted, developed a successful system of expanding its influence and providing stability to its New World frontiers in northern Mexico and Baja California by converting Indian populations to Christianity and establishing agricultural communities loyal to the Spanish crown. The Spanish mission system used stable agriculture practices--growing grain, vegetables, and fruit, and raising cattle--to attract native Indian populations, which often lacked steady food supplies. Mr. Sullivan contends that the missions grew grapes primarily for eating and, to a lesser extent, for the padres' wine.

In 1769, the Spanish started expanding their empire north to California between San Diego and Monterey along the shortest land route between these two points. Franciscan monks came north and established a string of missions from San Diego to Monterey and then, later, north to Sonoma County. Initially, Mr. Sullivan notes, no grape vine cuttings were brought north, or planted, and wine had to be sent from the south. The first mission vineyard is documented in 1782, according to Mr. Sullivan's report, with five of the eighteen missions making small amounts of wine by 1799. By 1810, twelve missions were growing grapes. In the 1820's, Mission San Gabriel, in the Los Angeles area, produced wine commercially, 400 barrels of wine and 200 barrels of brandy annually, which was considered to be significant at the time. In 1823, the Franciscans established their northern-most mission at Sonoma and started a tradition of

viticulture there. Mr. Sullivan further notes that some missions did not, or were unable to, duplicate the commercial wine success of the Mission San Gabriel, and some were dependent on other missions for their wine needs.

During the 1820's, the missions' viticultural peak, approximately 400 vineyard acres are believed to have been in production, according to Mr. Sullivan. At least 79% of this acreage production was between San Diego and Santa Barbara. Overall, Mr. Sullivan noted, these vineyards averaged 12.9 miles from the ocean.

According to Mr. Sullivan, the California mission system and development of mission viticulture and wine growing, especially north of Santa Barbara, in the Central and North Coast viticultural areas, is not significant evidence in favor of the proposed California Coast viticultural area boundaries. He added that the Spanish government used the missions' agricultural production to obtain the native population's loyalty and to spread Christianity. Overall, Mr. Sullivan noted, viticulture played a small role in the Spanish mission effort in California.

*b. Other Comments*

Others also commented on the role of the Spanish missions in California's viticultural history. A winery president argued that:

The Franciscans who established this chain of missions were concerned with spreading their religion amongst the native peoples of the areas \* \* \* There is absolutely no evidence to support that they chose the sites for their missions based on viticultural concerns. Rather, there is considerable evidence that the grape stocks they chose to bring with them were selected to be useable and prolific in almost any location.

Another winery president and CEO commented:

The petition claims that, historically, grape growing and wine production in California were confined to areas near missions \* \* \* This does not account for vineyard development in Mendocino and Lake counties, some 80 miles north and 50 years later, or in Humboldt County on the northern California Coast, which has eight wineries and 65 acres of vines \* \* \* So, while missions were important to introducing vines to California, they should not be used to define viticultural areas 180 years later.

Another winery owner believes the petitioners have simplified the role of the California missions to justify their petition, and explains, as follows:

Every California fourth grader learns that crops were a main source of income at the mission, but not all missions were fortunate enough to have conditions for growing grape vines.

### 3. ATF Analysis of Boundary Evidence

The petition's historical boundary evidence, focusing on the spread of viticulture by the early California mission system, is of minimal relevance in meeting the regulatory criteria. The proposed California Coast viticultural area extends further north, further inland, and to higher elevations than the Spanish missions and their vineyards. The evidence indicates that the California mission effort was intended to spread Christianity and the influence of the Spanish crown to the native Indian populations. Placement of the missions was based on the shortest land route between San Diego and Monterey, not on favorable grape-growing conditions. The missions' viticulture was coincidental to the introduction of stable agricultural practices. At the majority of missions, grapes were grown

primarily for eating and, in some cases, for the padres' wine. Not all missions grew grapes, and only a few were commercially successful at winemaking. Most comments and expert analysis supported these points.

The petitioners assert that, because grapes were grown at the early Spanish missions, within the petitioned area's boundaries, the proposed area is distinct from the surrounding regions. ATF does not agree. Grapes were also grown in adjacent areas outside the proposed boundaries, including the Sacramento Delta area, the Central Valley area, and other locations. There is nothing in the grape-growing history of the missions to support the conclusion that the proposed area is distinguishable from the surrounding areas. Accordingly, the petition's historical boundary information does not satisfy the boundary evidence requirement of 27 CFR 9.3(b)(2).

As noted earlier, the California Coast petition proposed to fill in the gaps between several established coastal viticultural areas to create the larger proposed California Coast area. The petition discusses, for example, the gap between Fairfield in Solano County and Martinez in Contra Costa County, which is not within any established viticultural area. The petition, however, only provides historical and current viticulture evidence for Contra Costa County. This gap actually starts in Solano County, which lies north of Martinez and the Contra Costa County line. The petition fails to provide historical or current viticultural documentation for the Solano County portion of this gap that would support its inclusion in the proposed California Coast viticultural area.

The petition also discusses the Santa Cruz Mountains area in conjunction with other gaps. While the petition provided information on vineyards in the northernmost part of the Santa Cruz Mountains, this gap actually starts at the south boundary of the Santa Cruz Mountains viticultural area and continues south to approximately Watsonville and then inland about 10 miles from Monterey Bay. The petition fails to provide historical or current viticultural documentation for the gap area between the Santa Cruz Mountains viticultural area's southern border and Watsonville that would support its inclusion in the proposed California Coast viticultural area.

The petitioners are correct in stating that there is no minimum or maximum size to viticultural areas as prescribed within 27 CFR part 9. There are two established viticultural areas, Ozark Mountain and Ohio River Valley, larger than the proposed California Coast viticultural area. The table below provides a comparison of these larger established viticultural areas to the proposed California Coast area.

<b>Viticultural Area</b>	<b>Acreage</b>	<b>Size Comparison to California Coast</b>	<b>No. of viticultural areas w/in borders</b>
Ozark Mountain	35,712,000	2.5 times as large	4
Ohio River Valley	16,640,000	1.2 times as large	1
Proposed California Coast	14,000,000	same	68

ATF finds there are significant differences between the Ozark Mountain and Ohio River Valley viticultural areas and the proposed California Coast viticultural area. Climatologically, the Ozark Mountain and Ohio River Valley viticultural areas are situated within smaller latitude spans and have fewer climatic variations, as noted by a USDA Plant Hardiness Zone Map. In contrast,

the proposed California Coast viticultural area spans a north-south direction of almost seven degrees of latitude and at least three climate zones, as noted by the USDA Plant Hardiness Zone Map.

In addition, the Ozark Mountain area encompasses four other viticultural areas, Ozark Highlands, Arkansas Mountains, Altus and Herrmann. The Ohio River Valley area encompasses only the Kanawha River Valley viticultural area. In contrast, the proposed California Coast viticultural area, the smallest of these three areas, encompasses 68 established viticultural areas:

1. Alexander Valley, 2. Anderson Valley, 3. Arroyo Grande Valley, 4. Arroyo Seco, 5. Atlas Peak, 6. Ben Lomond, 7. Benmore Valley, 8. Carmel Valley, 9. Central Coast, 10. Chalk Hill, 11. Chalone, 12. Chiles Valley, 13. Cienega Valley, 14. Clear Lake, 15. Cole Ranch, 16. Dry Creek Valley, 17. Edna Valley, 18. Guenoc Valley, 19. Hames Valley, 20. Howell Mountain, 21. Knights Valley, 22. Lime Kiln Valley, 23. Livermore, 24. Los Carneros, 25. McDowell Valley, 26. Mendocino, 27. Mendocino Ridge, 28. Monterey, 29. Mt. Harlan, 30. Mt. Veeder, 31. Napa Valley, 32. North Coast, 33. Northern Sonoma, 34. Oakville, 35. Pacheco Pass, 36. Paicines, 37. Paso Robles, 38. Potter Valley, 39. Redwood Valley, 40. Rockpile, 41. Russian River Valley, 42. Rutherford, 43. San Benito, 44. San Francisco Bay, 45. San Lucas, 46. San Pasqual Valley, 47. San Ysidro District, 48. Santa Clara Valley, 49. Santa Cruz Mountains, 50. Santa Lucia Highlands, 51. Santa Maria Valley, 52. Santa Rita Hills, 53. Santa Ynez Valley, 54. Solano County Green Valley, 55. Sonoma County Green Valley, 56. Sonoma Coast, 57. Sonoma Mountain, 58. Sonoma Valley, 59. South Coast, 60. Spring Mountain District, 61. St. Helena, 62. Stags Leap District, 63. Suisun Valley, 64. Temecula, 65. Wild Horse Valley, 66. York Mountain, 67. Yorkville

Highlands, and 68. Yountville.

Comparison of the larger Ozark Mountain and Ohio River Valley viticultural areas to the proposed viticultural area indicates that California Coast's petitioned boundaries encompass a much more diverse area in terms of documented climate zones, and as shown by the array of unique qualities within the 68 established viticultural areas. The proposed California Coast viticultural area's size is not a problem in itself, but the complexity and diversity within the petitioned boundaries does not compare favorably to the larger Ozark Mountains and Ohio River Valley viticultural areas.

C. Geographical Features Evidence

To establish a viticultural area, title 27 of the Code of Federal Regulations, section 4.25(e)(2)(iii) and 9.3(b)(3) require petitioners to provide evidence that the geographical features (climate, soil, elevation, topography, etc.) of the proposed area distinguish its viticultural features from those of surrounding areas. According to the petitioners, the proposed California Coast viticultural area's geography and climate are deeply interconnected and are very different from what is found in inland areas of California. The proposed area is greatly affected by its coastal climate patterns, and shares a Mediterranean pattern of wet winters, dry summers, and cooling marine influences along the proposed area's entire length. According to the petitioners, the mountain barriers confine these climate factors to lands near the coast.

## 1. Petition's Geographical Evidence

### *a. Soils:*

The petitioners stated the California coast was created through geologic upheaval, the draining of a large inland sea, and marine terracing. As a result, there are a great variety of rocks and soils along the State's coastline. Variations are great within the coastal area, as well as within each of the existing coastal viticultural areas. The petitioners noted that the Napa Valley contains an incredible mix of soil series and varies dramatically between its southern and northern boundaries. The Napa Valley viticultural area contains 36 soil series within its boundaries, while the Alexander Valley viticultural area contains 30 soil series. The petitioners cited various references, including Professor A. J. Winkler, who indicates a number of high quality grape varieties produce excellent wines when grown in many different soil types, with climate being the largest determinant variable.

The petitioners also noted the strongly distinguished soils of the Central Valley on the eastern side of the California Coast Ranges. This former inland sea possesses highly fertile and flat land with rich river deposit soils. According to the petitioners, these Central Valley conditions are different from those in the coastal hills. The Central Valley's soils and its hot summer climate cause grape vines grown there to "go into overdrive producing excessive foliage and bland grapes." According to the petitioners, the Central Valley's soils are distinct from the acidic soils of the coast.

The petitioners also noted that the proposed area has a macro-level of geologically newer coastal soils with many different microsoils. The petitioners defended the diverse soils of the proposed area by explaining that:

There will always be differences in microsoils and microclimates within the approved area. The test which has been historically applied is whether or not there are certain common or unique geographical features within the petitioned area that distinguish it from other surrounding area; however, not all soils or climates within the areas must be identical.

The petitioners also note that the proposed California Coast viticultural area's natural vegetation is influenced more by the mild, coast-influenced ocean current and weather patterns than by the area's soils. In sum, the petition argued that geological data establishes the existence of a distinct coast of California, with a unique history and distinguishable land formations.

*b. Climate:*

According to the petitioners, most American enologists agree that climate has the greatest influence on the quality of wines produced in a particular area. They contend the coast of California has a unique climate that distinguishes it from the remainder of the State. It is because of this climate, the petitioners argued, that enologists, vintners, and wine writers regard the California coast as the source of most of the premium varietal grapes in the United States. This, the petitioners noted, is in great contrast to California's Central Valley to the east of the Coast Ranges.

The petition stated that California's coastal climate is generally classified as Mediterranean. The petition quoted sources stating that only one percent of

the world has this climate, and the lower two thirds of the California coast is the only part of the United States with this climate. The main reasons for this are the effects of the ocean itself, the existence of the "Pacific High" pressure area off the California coast, and the inland barrier of the coastal mountain chains.

According to Weather of Southern California by Harry P. Bailey, "It is highly significant that all areas of Mediterranean climate are located between the 30<sup>th</sup> and 45<sup>th</sup> parallels of latitude, and are on the western borders of the land masses of which they are a part." The proposed viticultural area lies between the 32<sup>nd</sup> and 39<sup>th</sup> parallels of latitude.

According to the petitioners, the water of the Pacific Ocean cools and heats more slowly than the land, raising winter and lowering summer air temperatures along the California coast. Thus, the coast never becomes as hot or cold as inland regions to the east. According to the petitioners, the coastal summer weather is often cool and foggy, while the interior Central Valley weather can be hot. They stated places near the coast experience uniform temperatures, while the inland areas have little fog and broad temperature ranges.

Late in the spring, according to the petitioners, the Pacific High pushes air masses to the east that are then pulled up from the coast by the heating of the Central Valley and other warm inland areas. This cool air is prevented from moving further inland by the barrier of the Coast Ranges, and thus moves down the coast and into the openings and valleys along the coast. This cool marine air warms and loses moisture as it is drawn inland.

The petitioners noted that the California coast is not cooled by sea air alone. The Pacific Ocean's California Current, which runs southward along the coastline, brings cold waters from the north. Beginning around March, the California Current is driven offshore, resulting in the coast's dense morning fogs, which are pulled inland by the rising heat of the Central Valley. This same fog effect occurs up and down the coast, although the petitioners acknowledge that southern California is tempered by warmer air from the south.

According to the petitioners, the ocean reaches its peak temperatures in the late fall, with the Pacific High weakening as it moves south with the seasonal path of the sun, ceasing its cooling effect on the California coast area. The drop in extreme Central Valley temperatures and the cessation of cold bottom-water upwelling along the coast contribute to the lack of winter coastal fog. The cool coastal summer weather pattern breaks, and the grape harvest takes place during the sunny September and October months.

The entire proposed California Coast viticultural area has a very similar air-conditioned climate, according to the petition. Temperatures over the ocean vary less than over the land, and the prevailing winds give the California coast relatively moderate temperatures year round. The petitioners stated that it is the location of the land near the coast that distinguishes the temperate climate, as opposed to the land's latitudinal location. In other words, the petitioners contend, San Diego is closer to San Jose in climate than it is to the hot Central Valley, because of its location on the coast.

According to the petitioners, California's coastal mountains generally confine the cool ocean breezes and the moist fog to the west of the coastal mountains. The petitioners noted that the influence of the California coastal climate diminishes rapidly as the marine air reaches the physical barrier of the Coast Ranges in the north and the Transverse and Peninsular Ranges in the south. The petitioners cited data from The Weather of Southern California, which shows the sector on the western, coastal side of the mountains is substantially wetter, cooler, and cloudier than the interior areas to the east. The petitioners stated that these mountains cause the rain to fall on their western slopes, which greatly reduces the amount of precipitation east of their crests.

According to the petitioners, coastal regions in California have climates markedly different from those found in interior areas at the same latitude. As the petition's exhibits indicated, the marine air crosses the coastal plain and generally is stopped upon reaching the first significant barrier, the upper elevations of the Coast Ranges. As such, the Central Valley is little affected by the coastal climate since it lies to the east, on the inland side, of the Coast Ranges. Removed from the marine influence, the Central Valley is warmer in the summer and colder in the winter than the coast area. Thus, the petitioners state, there is a significant climatic contrast between the California coast and the interior, Central Valley area.

The petitioners claim that California's coastal climate north of Mendocino County is significantly influenced by a strong polar air mass that moves down from Alaska through Washington, Oregon, and into the upper portion of northern

California. Because of this cold polar air in the northernmost part of California, the northern line of the existing North Coast viticultural area generally is the upper limit to the Mediterranean climate, the petition argued. This wetter climate, similar to the western Washington State, extends south along the Coast Ranges well into California, with rainfall decreasing the further south one goes. The petitioners cited The Wine Regions of California, which draws the climatic line between the two dominating climates in Mendocino County. In addition, the petition noted, The Wine Atlas of California states that the Lake and Mendocino Valleys sit at the edge of the Aleutian winter storm track. The petitioners thus propose limiting the proposed California Coast viticultural area to the same northern line as the existing North Coast viticultural area.

According to the petitioners, southern California has the same general climate pattern as central and north California. The petitioners, citing Grossman's Guide to Beer, Wine, and Spirits, stated that in southern California:

The climate becomes warmer, drier, and more sunny as distance from the coast increases. These tendencies, though, are true only for lowlands. If the sea-to-interior movement involves crossing mountains, as it must with only a few exceptions, then the effects of altitude are also encountered. And, as with the northern California coast, the southern California coast is known for its Mediterranean climate. It is a common misconception that north means cool and south means hot. California's temperatures do not depend on latitude but on an area's proximity to the coast. There are parts of southern California, around San Diego, that are cooler than the Sacramento Valley in northern California.

Thus, according to the petitioners, although southern California is generally warmer than northern California, the Mediterranean climate shared by these coastal areas is not found in other parts of California and is significant for wine grape growing purposes.

The petitioners noted that the cooling wind flow pattern is also reflected in precipitation and temperature data. Using data from the National Weather Service stored at the Federally-operated Western Regional Climate Center (WRCC), the petitioners submitted degree day data for a number of weather stations inside and outside the proposed California Coast viticultural area. Based on a temperature of 50° F, which is similar to Professor A.J. Winkler's heat degree summation method as outlined in his book General Viticulture, the petitioners mapped degree day data for the April 1<sup>st</sup> through November 1<sup>st</sup> growing season. The petitioners plotted this data on a map of California, which they submitted as part of their petition. This map showed that the proposed California Coast area is cooler than inland areas of the State.

In summary, the petitioners claimed that the proposed California Coast viticultural area has a climate different from inland areas of the State. This Mediterranean climate of wet winters, dry summers, and cooling marine winds is driven by the cold California Current and the Pacific High. The coastal mountain ranges, however, block the marine influences of this climate from reaching further inland, leaving the coast cooler and wetter than inland areas of the same latitude. To the north of the area's petitioned boundary, Arctic influences create a harsher climate than the Mediterranean climate of the proposed area.

## 2. Comments in Response to Notice No. 903

The great majority of commenters opposed the petition's contention that the proposed California Coast viticultural area has a unifying geography and climate that distinguishes it from the surrounding regions of the State. These comments included remarks on the proposed area's soils and natural vegetation, as well as the ocean currents off its coast. The Wine Institute's extensive opposition comments included a report on the proposed area's geography written by Dr. Debbie Elliot-Fisk, Professor of Geography and Chair of the Department of Wildlife, Fish and Conservation Biology at the University of California-Davis. The Lodi District Grape Growers Association also submitted comments and documentation that opposed the petition's view of the proposed area's geography and climate.

### *a. Geography*

Many commenters indicated that the diversity of viticultural sites within the proposed California Coast boundaries is so great that there is no single common geographic element to unify the proposed area. These commenters noted that wine grape plants respond to their physical environment, or geographical area, in respect to their vigor, production and ripening. The significant differences in character of the grapes and wine produced within the petitioned boundaries, many commenters noted, confirms the great diversity found in the proposed California Coast viticultural area.

Some commenters also claim that the physical size of the proposed area, running from 32° 30" to 39° north latitude and its large changes in elevation, from

sea-level to more than 5,000 feet, adds to this great diversity. Others noted that lands outside of the proposed area contain the same formations and features as found within the petitioned area. Some noted that the coastal zone of the Pacific Ocean, along the petitioned area's western boundary, is not visible from more than 95% of the proposed area. Several commenters also noted that the petitioned area fails to correspond to the smaller area of the Spanish missions, as it reaches further north, inland, and to higher elevations than the missions' agricultural lands.

Comments also claimed the proposed area does not correspond to any formally recognized California geographical region, such as the Coast Ranges. The proposed area's topography includes true shoreline, coastal plains, four rugged mountain ranges of 5,000 feet in elevation, and interior basins and valleys. The proposed area's four physiographic regions, distinguished by topography and history, are, from south to north, the Peninsular Ranges, the Transverse Ranges, the Southern Coast Ranges and the Northern Coast Ranges.

Commenters also state there is no unifying geological history for the proposed area, which spans 70 millions years, as the coastline is one of the most tectonically active regions of California. The southern and central portions of the proposed area are predominantly on the west side of the San Andreas Fault on the Pacific Plate, while most of its northern portion is east of this fault on the North American Plate. These commenters contend that the Pacific and North

American tectonic plates have different basement rocks, which over time have created different soil parent material.

Some commenters claimed that granite rock is dominant in southern California, both inside and outside of the proposed viticultural area and in the Sierra Nevada Range, but is rare in the central and northern coastal areas of California. They note that sandstone and shale rock dominate the Southern and Northern Coast Ranges. Volcanic rock is commonly found in northern California vineyards, but is largely absent in south California. The drier southern California climate also provides lower erosion and weathering rates, and the prevalent igneous rock materials are less prone to landslides and land movements than the wetter central and northern California areas.

*b. Climate:*

Commenters stated that climate is directly influenced by latitude, distance from the ocean and altitude or elevation. They added that coastal climates have temperatures moderated by proximity to the oceans and local sea and land breezes, patterns of fog and cloud cover, reduced solar energy, and increased humidity. The strength of the maritime influence varies seasonally as the temperatures change. Latitude plays a major role with the solar energy, winds and global circulations of the atmosphere and oceans. The Subtropical High Pressure Cells, off the California coastline, shift north to south with the seasons and ultimately control the decrease in precipitation, from north to south, in California, both inside and outside of the petitioned boundaries.

Several commenters discussed the proposed area's climate using the Koppen classification system, which uses temperature and moisture to divide the world's climates in five basic categories. The proposed California Coast viticulture area, these commenters argued, has a Mediterranean climate from its northern boundary south to approximately Santa Barbara, but has a steppe, or desert, climate south from Santa Barbara to its proposed southern boundary at the U.S.-Mexican border. A commenting winery President and CEO believes there is no proof that California's Mediterranean climate abruptly ends at the North Coast viticultural area's northern boundary.

To illustrate the north-south climate changes within the proposed area, commenters stated that the southern portion of the proposed area has more in common with California's interior San Joaquin Valley than with the northern portion of the petitioned area above San Francisco. Commenters noted that the established South Coast viticultural area, which is almost frost-free, has mild winters compared to the proposed area to its north. They further noted that the South Coast area has consistently warmer monthly low temperatures year round when compared to the Central Coast and North Coast viticultural areas or interior San Joaquin Valley. These commenters stated that the greatest temperature similarities are found among Sonoma, Napa, and Contra Costa counties, within the northern portion of the petitioned area, and the interior San Joaquin Valley and Sierra Foothills viticultural area, both outside the petitioned boundaries. The southern California coast, with its low daily temperature ranges, they added, resembles no other California coastal area.

Commenters state the proximity of the ocean to the mountain ranges and the southern migration of the Pacific High create less precipitation in the South Coast viticultural area than in some portions of the Central and North Coast areas. The drier South Coast area averages between 4 and 10 inches rain annually, while wetter north California areas within the petitioned boundaries average between 10 and 98 inches rain annually. The South Coast viticultural area's precipitation resembles that of the northern and central San Joaquin Valley, which were excluded from the proposed California Coast viticultural area, while the North Coast viticultural area, included in the proposed area, resembles California counties to its north, closer to Oregon. The following table provides the average monthly precipitation, by viticultural area, for the January through March wet, winter months.

<b>Area</b>	<b>Days with Rain by Month</b>	<b>Inches of Rain by Month</b>
North Coast	10-13	4.7 – 11.7
Central Coast	7-9	3.9 – 5.9
South Coast	5-6	1.2 – 3.9

The South Coast receives about half the rain, in days and inches, of the North Coast, with the Central Coast in between them. These commenters believe these precipitation differences do not support the proposed California Coast viticultural area petition.

Commenters also state that air temperature does change with latitude due to changes in the amount of sunlight the California coast receives. Sunshine increases from 60% in northern California to 70-80% in southern California. Influenced by the cold California Current, the northern and central portions of the proposed area are subject to more fog, cloud cover, and rain than the southern

portion of the proposed area. This fog obscures the sun more often in the established North Coast and Central Coast viticultural areas than in the South Coast viticultural area, which is influenced by the warmer Southern California Counter Current. Changes in temperature and sunshine, by latitude, are similar for climate stations inside and outside of the proposed California Coast viticultural area.

In addition to remarking on specific aspects of California's coastal climate, many commenters noted the great climatic diversity of the proposed California Coast viticultural area. A commenting winery representative, for example, illustrated the climate diversity of the proposed area using Sunset's Western Garden Book climate zone maps for California. These zones are numbered from "1," for the harshest, to "24," for the mildest. The commenter claims that the proposed area encompasses 13 of these climatic zones, from 2 to 24, with nearly 100 zone changes or occurrences between Bodega Bay (north of San Francisco) and the U.S.-Mexican border. This commenter states that each zone change or occurrence represents a unique climate and is worthy of its own viticultural area designation.

A Pacific Ocean sailor also commented:

The California Coast and its weather are as varied as night and day. The Northern Coast [San Francisco and north] is now and has always been considered one of the most treacherous sailing areas in the world. This is due to the heavy seas and strong winds that build up due to the natural air and sea currents crossing from West to East in the North Pacific [Ocean]. The large number of shipwrecks in spite of relatively low traffic attests to this. Most

mariners know to avoid this passage \* \* \*. The Southern Coast [south from Point Conception], however, is known as a boater's paradise, with warmer weather, warmer water and gentle breezes. The influence on local coastal areas is similar.

This sailor stated that the dominant wind in the proposed area's northern region is from the Pacific Ocean, bringing cool marine moisture, while the dominant wind in its southern region comes from inland desert areas and is dry and warm. The cumulative effect of this marine and atmospheric activity creates different climates and grape growing conditions, according to the commenter.

A vineyard owner commented that latitude does influence temperature, but added that this influence is also affected by the seasons. In the winter, this commenter noted, the South Coast viticultural area is warmer than the Central Coast viticultural area, which is warmer than the North Coast viticultural area, which is similar to the northern interior of California, which is not included in the petitioned area. In the summer, the commenter claimed, the daily temperature variations are greater in the North Coast area than in the Central Coast and South Coast viticultural areas.

A ranch owner explained:

The prevailing temperatures in the area that spans from Mendocino County all the way to the United States/Mexico border vary dramatically \* \* \* very early and very late in each growing season, degree-days are the greatest in the South Coast. This is not the case in the North Coast where the temperatures are much lower.

A winery owner commented that:

Regional climates within the proposed AVA greatly vary, and two factors are major contributors to this variability. Primarily, the physical geography of the 'California Coast' is complex, consisting of an intricate network of ridges, hills, terraces, valleys, basins and plains that vary in size and orientation. It [physical geography] greatly influences regional breezes and winds, temperatures, relative humidity and precipitation and, in doing so, creates many unique regional climates or mesoclimates. Secondly, latitude influences climate within the 'California Coast' AVA \* \* \*. Average annual precipitation ranges between 10 and 20 inches per year in the south end of the California coastal area to between 40 to 60 inches in the north, which plays a key role in creating distinct appellations with unique growing characteristics.

The president of a New Jersey winery stated:

Coastal influences exist in many regions of the United States \* \* \* the climatic influences of the Atlantic coast with respect to growing grapes is virtually identical from New Jersey to Maine \* \* \* To think that ATF would consider establishing an AVA called 'Atlantic Coast' would seriously damage the legitimacy of the AVA system as well as all appellations of origin. Approving a California Coast AVA would have a similar effect.

### *c. Ocean Currents*

A number of commenters contended that two significant ocean currents flow along the Pacific coastline of the proposed California Coast viticultural area. The cold California Current, they noted, migrates south from Alaska to Point Conception in Santa Barbara County, while the warmer Southern California Counter-Current flows north from Baja California in Mexico to Point Conception. These two currents, one cold and one warm, result in significantly different

onshore coastal climates and natural vegetation patterns, according to these commenters. Ocean water temperature variation at 10 meters depth, as documented by the Pacific Coastal Sea Surface Temperatures project at the University of California-San Diego, is provided in the table below. .

<b>Coastal Area</b>	<b>Ocean water temperature</b>
South California	> 61 degrees
Pt. Conception/Santa Barbara	< 57 degrees
North California	< 54 degrees

Note: ">" indicates greater than, and "<" indicates less than.

These commenters also stated that the sea-surface temperature during the warmest water-temperature months of September and October at 38° north latitude, off the North Coast viticultural area, equals the sea-surface temperature during the coldest water-temperature months of March and April off the South Coast viticultural area at the 32° to 34° north latitude. Thus, the commenters note, the warmest North Coast ocean temperature equates to the coldest South Coast sea-surface temperature. They add that the Sonoma County coastline, within the North Coast area and the petitioned boundaries, shares the current and temperature characteristics with the excluded Del Norte County on the Oregon border, but has nothing in common with the current pattern and ocean temperatures found along the South Coast viticultural area's shore.

Fog, produced by the differences between sea-surface temperatures and those of the more rapidly heating and cooling land, depresses maximum temperatures and obscures terrain-warming sunlight. During the summer growing season, commenters noted, the South Coast viticultural area has less

than 20% fog, while the Central Coast and North Coast areas have between 35% and 55% fog.

Commenters state that sea-surface temperatures, ocean currents, and other elements strongly influence California's climate well beyond the California Coast viticultural area's petitioned boundaries. Inland areas of California affected by this coastal influence, due to openings or gaps in the higher elevations of the coastal mountains, include the Cucamonga Valley viticultural area in southern California, and the Lodi, Clarksburg, Dunnigan Hills and part of the Sierra Foothills viticultural areas in northern California. None of these inland areas are included within the proposed California Coast viticultural area.

*d. Natural Vegetation*

Commenters noted that latitude, ocean proximity, climate, and geography all influence vegetation, and that early climate maps were created by mapping natural vegetation areas. California has nine natural vegetation formations, with 54 types that identify distinctive differences between the South Coast, Central Coast, and North Coast viticultural areas. These commenters noted that the increase in precipitation and cloud cover, reduced sunshine, and decreased temperatures from south to north in California correlates to the transition from the south's steppe and shrub vegetation to the north's woodlands and forests. The climatic differences support the different natural vegetation types. These differing natural vegetation formations and types, the commenters argued, do not support the establishment of the California Coast viticultural area.

*e. Soils*

Commenters also noted that soil type is of great viticultural importance, with climate, time, and parent material exerting the greatest influence on soil types. They stated that analysis of the differences in soil types and soil-forming processes in northern, central, and southern California fails to support the proposed viticultural area petition. There are clear similarities in soil types and soil-forming processes between parts of the northern petitioned area and excluded interior areas, including the Sierra Foothills viticultural area these commenters argue. They add that southern California has diverse vineyard soil types based on tectonic activity. The dominant viticultural soils in the South Coast viticultural area are not found in Napa Valley, Sonoma Valley, or Santa Cruz County, but are found in the sand dunes and beaches of Santa Barbara and Monterey counties.

Commenters also noted that, according to California soil maps, the proposed California Coast viticultural area has 11 of the 12 recognized U.S. soil orders and contend, therefore, that there is no common and unique macro level soil type in the proposed area. Specifically, they noted that the diversity of climate, soil parent material, topography, natural vegetation, and time make such a common macro soil level physically impossible within the proposed area. Also, contrary to the petition's statement that "the geologically newer coastal soil tend to be either neutral or alkaline, as opposed to the oldest mountain soils," many of California's oldest soils are slightly acidic to acidic and are on the coast, on stable marine terraces, on old sand dunes, and on mountain plateaus. These

commenters state the same soil series found in California's interior Central Valley are also found throughout the northern and central coastal areas, as well as in parts of southern and eastern California. The differing soil types, locations, and conditions, the commenters concluded, do not support the proposed California Coast viticultural area petition.

### 3. ATF Analysis of Geographical Evidence

#### *a. Geography*

The proposed California Coast viticultural area is a large, geographically diverse region. The petitioned area's geographic diversity concerns ATF since the regulations require a viticultural area to be a delimited grape growing area distinguished by its geographical features, including climate, soil, elevation, and other physical features. The geographical evidence presented in response to the Notice of Proposed Rulemaking, Notice No. 903, shows that the proposed California Coast viticultural area is not a unified geographical area with viticultural features distinguishing it from surrounding areas.

Nearly 650 miles long, and extending over 50 miles inland at some points, the proposed California Coast viticultural area includes shoreline, coastal plains, mountain ranges of 5,000 feet in elevation, and interior basins and valleys. The southern and central portions of the petitioned area lie to the west of the San Andreas Fault on the Pacific Plate, while the area's northern portion lies to the east of the San Andreas fault on the North American Plate. These two regions, located on separate tectonic plates, have differing geologic histories, basement

rocks, and landforms, which result in differing influences on the soils, vegetation, and viticulture conditions.

*b. Climate*

The proposed California Coast viticultural area also has a diverse climate. The proposed area contains two of the five Koppen global climate types. The established South Coast viticultural area is classified as a steppe, or desert, Koppen climate, while the established Central Coast and North Coast viticultural areas are classified as a Mediterranean global climate type.

The proposed area also contains all five of California's heat summation climatic regions. This degree-day method uses the sum of mean monthly temperatures above 50° F for the April 1<sup>st</sup> through October 31<sup>st</sup> growing season for grape vines. (Fifty degrees is generally recognized as the minimum temperature for growth activity in grape vines, while the April through October time frame approximates the northern hemisphere's growing season for grapes.) In this degree-day system, Region I is the coolest and Region V is the warmest. According to the list of typical and potential wine producing locations shown in Table 3, Chapter 4, of General Viticulture by A.J. Winkler, the proposed California Coast viticulture area is most often represented in climatic regions I through III, and is occasionally seen in climatic regions IV and V. In ATF's view, this climatic span indicates a wide range of temperatures and grape growing conditions within the proposed boundaries.

The petitioned area's boundaries encompass 14 distinct plant adaptability climate zones, as documented in Sunset magazine's May 1999 Western Garden

Book. In this climate zone system, Zone 1 is the harshest and Zone 24 is the warmest. ATF research indicates the immediate coastline areas of the North Coast and Central Coast viticultural areas are classified as Zone 16, dominated by the marine influence with warmer winters than some areas, and Zone 17, which is strongly dominated by the marine influence with cool, wet, almost frostless winters and cool, foggy, summers. From Santa Barbara south to Mexico, the immediate coastline is classified as Zone 24, dominated by a mild marine climate providing mild winters and cool, moist air in the summer.

Under this plant adaptability climate zone system, the North Coast and Central Coast viticultural areas' inland temperature zones are in the cooler Zones 14 and 15, and can include the much cooler Zone 7 toward their eastern boundary lines. The South Coast viticultural area's inland temperature zone falls generally within Zone 23, which has less marine influence and mild temperatures. ATF concludes that there is a significant variation of temperatures and plant-growing climatic zones, from north to south, within the proposed California Coast viticultural area.

The proposed California Coast area's boundaries span almost seven degrees of latitude, and, contrary to the petition's assertions, this latitudinal span does affect the climate of the proposed area. These latitudinal climatic variations include rainfall amounts, which increase up to tenfold from south to north, temperatures, which gradually cool from south to north, and fog, which increases in frequency from south to north.

### *c. Ocean Currents and Fog*

Ocean currents also affect the amount of coastal fog found in the proposed California Coast viticultural area. Two major Pacific Ocean currents, the cold California Current, which moves from Alaska to Santa Barbara, and the warmer Southern California Counter-Current, which flows north from Mexico to Santa Barbara, are responsible for fog differences, as well as the significantly different onshore coastal climates and natural vegetation found in the proposed area. Fog occurs approximately 20 percent of the time each year in southern California, while 55 percent of days each year are foggy in northern California.

Coastal fog also can affect grape-growing areas well inland from the Pacific coast. The Temecula viticultural area in western Riverside County is included in the proposed California Coast viticultural area by virtue of a mountain gap connecting it to the coast's marine influences. However, the proposed area's boundaries exclude other such inland areas, including the Dunnigan Hills, Clarksburg, Lodi, and portions of the Sierra Foothills viticultural areas in central California, which are connected to the coast's marine influences through similar gaps in the coastal mountain ranges.

### *d. Natural Vegetation*

These differences in climate between the southern and northern regions of the proposed viticultural area are also seen in the area's natural vegetation. The natural vegetation found in the petitioned area's southern portion consists largely of shrubs and other low vegetation, while the petitioned area's northern portion

has heavy woodlands and forests. These differences in natural vegetation types are also affected by differing soil types.

*e. Soils*

The petitioners stated, and ATF agrees, that many established viticultural areas have a variety of soil types within their boundaries. The petition did contend, however, that the proposed area has a unique, geologically newer, and neutral or alkaline macro-soil type. ATF disagrees that the proposed area has a unifying macro-soil type. Soil maps indicate a diversity of soil parent materials and types. The coastal region has many of the State's oldest soils, which are slightly acidic to acidic, and, as noted above, the proposed area is located on two different underlying tectonic plates, creating different parent soil materials. ATF agrees with the petitioners that soil variations should not be the only deciding criteria for a viticultural area petition, and ATF does not deny the California Coast petition on the basis of its soils.

*f. Area Uniqueness*

ATF also notes the petition failed to adequately document the proposed area's uniqueness over its entire length, compared to the inland regions to its east. The petition refers extensively to the inland Central Valley that runs parallel to portions of the Central Coast and North Coast viticultural areas, and makes comparisons between this inland agricultural area and the proposed California Coast viticultural area. For the proposed area's southern portion, the petition does not, however, make comparisons between the established South Coast viticultural area and the inland desert area to its east. This inland desert region

extends from the Twentynine Palms area south to El Centro at the Mexico border. Joshua Tree National Park, the Salton Sea, and the Chocolate Mountains are in this interior area, with its predominant desert terrain.

#### D. Summary

In summary, ATF believes the proposed California Coast viticultural area does not have the unifying geographical and viticultural features required by 27 CFR 4.25a(e)(1)(i) and 9.3(b)(3) of the regulations. As argued by the vast majority of commenters who responded to Notice No. 903, the proposed area is too geographically and climatically diverse to meet the regulatory criteria of a delimited grape growing area distinguishable from surrounding areas.

### **IV. Other Issues**

#### A. "Coast" and "Coastal" Terms Used on Wine Labels

Some wineries use the terms "Coast" or "Coastal" as additional information on their wine labels. ATF requested comments to two questions about the usage of the "Coast" and "Coastal" terms in Notice No. 903:

1. If the petitioned area were to be approved as the "California Coast" viticultural area, would it be confusing or misleading for other wine labels to have "California" as the appellation of origin in direct conjunction with the terms "Coast" or "Coastal?" and
2. If the "California Coast" viticultural area were approved, would this prevent the use of the "Coast" or "Coastal" terms on wine labels for bottling wineries outside of the petitioned boundaries?

ATF will not address the “Coast” and “Coastal” term usage in this document since it formally denies the California Coast viticultural area petition submitted by the California Coast Alliance on March 17, 2000. The questions posed in Notice No. 903 are moot and no longer describe a possible situation. If ATF should decide to define “coast” and “coastal” as wine label terms, such definitions and any restrictions on their use will be presented in a separate rulemaking document.

*B. Significant Industry Concerns*

Sixty-six percent of comments stated that the potential negative impact to the financial success, reputation, and credibility of the California wine industry, especially to wine grape growers, was a serious issue for them in relation to the proposed California Coast viticultural area. Growers in some areas were concerned that demand and price for some grapes would spiral downward in favor of less expensive grapes, leading to lower quality California wines and the loss of marketplace acceptance. The repercussions to smaller viticultural areas, growers, and wineries, including potentially less growth, reduced financial stability, and eroded recognition in the marketplace, were a significant concern of 37% of the commenters.

Wine grape growers also stated that a large portion of their success is based on the American viticultural area system, which they believe brings added value and recognition to the California wine industry. If the California Coast viticultural area were approved, 47% of the commenters believe that this system could be jeopardized. The wine industry, including 46% of the commenters,

argued that encompassing 68 established and unique viticultural areas within the proposed California Coast area would negatively affect the integrity of the American viticultural area system. These commenters claimed that consumers would be confused, and often lack an understanding of the relationship between the 68 smaller viticultural areas located within the large, proposed viticultural area.

The wine industry, including 12% of the commenters, also noted that the proposed viticultural area's establishment would lower the value and prestige of the "Estate Bottled" wine labeling term. If approved, it would be legal to produce wine within the California Coast viticultural area boundaries, 650 miles from the growing vineyard, and have it labeled as "Estate Bottled."

While ATF recognizes the above industry concerns are serious issues, they are not addressed within the regulatory criteria of 27 CFR parts 4 or 9, and therefore cannot be weighed in the final decision for the approval or denial of the proposed California Coast viticultural area petition.

### C. Other Large American Viticultural Areas

ATF is aware that other established large viticultural areas have diversity within their boundaries. ATF strives to evaluate each petition by the same set of standards, as defined in 27 CFR part 9. ATF has carefully compared five large, established viticultural areas with the proposed California Coast viticultural area. In each of these five viticultural areas, their petitioners proved to ATF that the proposed area met the regulatory standards as set forth in 27 CFR and were

eligible for approval as an American viticultural area. The five viticultural areas are summarized below.

The Ozark Mountain viticultural area (27 CFR 9.108), also mentioned in conjunction with the boundary evidence section above, is 2.5 times larger than the proposed California Coast viticultural area, with four smaller viticultural areas within its boundaries. Located in Arkansas, Missouri, and Oklahoma, it has documented geographical and viticultural name recognition, upland plateau geographical features with five major rivers within its boundaries, and a climate characterized with micro-climates, cooling summer air drainage from the mountains, and winter frost, snow and icicles. One comment was received concerning this area's establishment requesting a boundary extension that was adopted into the regulation.

The Ohio River Valley viticultural area (27 CFR 9.78), also mentioned in conjunction with the boundary evidence section above, is 1.2 times larger than the proposed California Coast viticultural area. Located in Indiana, Ohio, West Virginia, and Kentucky, it has one smaller viticultural area within its boundaries. It has historical name recognition predating the delineation of the region's State boundaries. It also has unifying geographical features, including the Ohio River and its tributaries, a location above 40° north latitude, and a specific growing season and climate characterized by unique rainfall and wind patterns. All comments were in favor of its establishment, although some suggested changes to the proposed boundary area that were not adopted into the regulation.

The Columbia Valley viticultural area (27 CFR 9.74), located in Oregon and Washington State, is about four-fifths the size of the proposed California Coast viticultural area. It has three smaller viticultural areas within its boundaries, and has documented name recognition dating back to the Lewis and Clark expedition. The Columbia Valley area contrasts with surrounding areas and has unifying geographical features, including the Columbia River which flows through a large, treeless basin, surrounded by mountains, highlands and rolling prairie, and a common climate with a uniform growing season and low annual rainfall. ATF received comments favoring and opposing the area's establishment. The opposition cited a lack of significant viticultural activity, limited grape growing, and conflicting State laws. These opposing factors were not contrary to the regulatory requirements of 27 CFR part 9, and ATF approved the area's establishment.

The Texas Hill Country viticultural area (27 CFR 9.136), about two-thirds the size of the proposed viticultural area, has two smaller viticultural areas within its boundaries and is located in south-central Texas. This area has documented geographical and viticultural name recognition, with geographical features characterized by low mountains, hills, canyons and valleys, elevations between the 650 feet and 2,550 feet, surrounded by flatter terrain. It has a unifying climate characterized as dry, with cool nights, desert-like winds, and higher rainfall averages than the surrounding regions. One comment was received requesting the extension of the area's boundaries, and it was adopted into the regulation.

Located in the Texas Panhandle, the Texas High Plains viticultural area (27 CFR 9.144), slightly more than half the size of the proposed California Coast viticultural area, has no smaller viticultural areas within its boundaries. It has name recognition, geographical features characterized by irrigated, flat agricultural land between 3,000 feet and 4,000 feet in elevation, and a climate characterized by low rainfall, moderate temperatures, low humidity, and gentle winds. Six comments were received, four in favor, one confirming the appropriateness of the Texas High Plains name, and one opposing the wording of the Notice's Regulatory Flexibility Act certification. ATF approved the petition as submitted.

#### **V. Summary of ATF Analysis**

ATF has thoroughly reviewed and considered all information provided in the California Coast petition, and the comments and documentation resulting from the NPRM, Notice No. 903, prior to issuing this Notice denying the California Coast viticultural area petition. The California Coast viticultural area petition fails to meet the regulatory requirements of 27 CFR part 9 for the establishment of an American viticultural area. A summary of ATF's analysis of the petition evidence, commenter information and documentation, and ATF research, all in relation to the requirements of 27 CFR 9.3(b)(1) through (3) for name evidence, boundary evidence, and geographical features evidence, is provided below.

### A. Name Evidence

ATF has concluded that the proposed California Coast viticultural area's boundary lines do not reflect the public's understanding of the "California Coast" name, or meet the linguistic, geographic, or definition standards for a term using "California Coast" for viticultural area and wine labeling purposes. ATF believes that the term "California Coast" refers to the entire coastal area between Mexico and Oregon, and no other use of the name, as related to a geographical area, can be considered accurate and true for viticultural area purposes.

The petition states the name "California Coast" is universally recognized. While ATF agrees that this is true, this name does not reflect the proposed viticultural area boundaries. Linguistic evidence and geographical documentation provide substantive and compelling evidence concerning the public's use and understanding of the "California Coast" name. Legal and geographic "coastal zone" definitions do not correspond to the proposed area's length and width, but instead refer to a longer and narrower coastal zone between Mexico to Oregon. In addition, public opinion survey results indicate that most people believe the "California Coast" area extends to the California-Oregon border. In fact, the proposed area's northern boundary stops 200 miles short of Oregon. This conflicts with the public's understanding and perception of what constitutes the California Coast.

### B. Boundary Evidence

The historical boundary evidence provided by the petition, including the spread of viticulture by Spain's early California mission system, is of minimal

relevance in meeting the regulatory criteria of 27 CFR Part 9.3(b)(2). The primary purpose of the Spain's mission effort in California was to spread the influence of the Spanish crown and Christianity to the native Indian population. Viticulture was coincidental to the missions' introduction of stable agricultural practices. At the majority of missions, grapes were grown primarily for eating and, in some cases, for the padres' wine. Not all missions grew grapes, and only a few were commercially successful at winemaking. Spanish officials based the missions' placement on the shortest land route between San Diego and Monterey, not on favorable grape-growing conditions. Compared to the geographical boundaries of the missions and their vineyards, the proposed California Coast viticultural area extends further north, inland, and to higher elevations than the furthest reaches of the Spanish mission system.

The petition also discusses the "gap" areas between the established North Coast, Central Coast, and South Coast viticultural areas, which lie within the proposed area's petitioned boundaries. The petitioners sought to fill in these gaps between the established viticultural areas to create the larger California Coast viticultural area. The petitioners provided adequate evidence for incorporating all of Marin County area and the large Los Angeles region into the petitioned area. However, two other gaps lacked viticultural documentation: the gap in Solano County from the Contra Costa County line to the Fairfield area, and the gap from the southern boundary of the Santa Cruz Mountains viticultural area south to Watsonville and points inland from Monterey Bay.

ATF agrees that there is no minimum or maximum size for viticultural areas prescribed in the regulations. The Ozark Mountain and Ohio River Valley viticultural areas are, 2.5 and 1.2 times, respectively, larger than proposed California Coast area, but have smaller latitude spans and fewer climate variations. The California Coast area's petitioned boundaries cover a much greater span of latitude, which results in the proposed area's greater climatic diversity. This latitude span is also seen in the documented uniqueness of the 68 smaller, established viticultural areas within California Coast's petitioned boundaries. The size of the proposed viticultural area is not a problem in and of itself, but the climatic complexity and diversity within the petitioned boundaries is not comparable to that of the Ozark Mountain and Ohio River Valley viticultural areas.

### C. Geographical Evidence

The geographical evidence presented in response to the NPRM, Notice No.903, shows that the proposed California Coast viticultural area is not a unified geographical area with viticultural features that distinguish it from surrounding areas.

The area's proposed boundaries span almost 650 miles from north to south, and include shoreline, coastal plains, 5,000-foot high mountain ranges, and interior basins and valleys. The southern and central portions of the petitioned area lie to the west of the San Andreas Fault on the Pacific Plate, while the northern portion lies to the east of that fault on the North American Plate. These two zones, located on separate tectonic plates, have differing

geologic histories, basement rocks, and landforms, resulting in differences in local climates, soils, natural vegetation, and viticulture features.

While the Pacific Ocean does play a dominate role in the California's coastal climate, the proposed area's latitudinal span and differing ocean currents also lead to significant climatic variations within the petitioned area.

Temperatures in the proposed area do vary by latitude, with gradual cooling from south to north. Summer fog increases, south to north, from 20% to 55% of days annually. Rainfall also increases up to tenfold from south to north within the petitioned area. Two major ocean currents, the cold California Current flows south from Alaska to Santa Barbara, and the warmer Southern California Counter-Current that moves north from Mexico to Santa Barbara, are also responsible for the significantly different onshore coastal climates and natural vegetation patterns within the proposed area.

The proposed area's great north to south span, the differing ocean currents, and the resulting temperature, rainfall, and fog patterns are reflected in the area's differing climatic classifications. Experts classify the petitioned area's southern portion as a steppe or desert climate, while the central and northern portions are classified as a Mediterranean climate. The proposed area's marine-influenced climate also extends outside of the proposed area's petitioned boundaries. The proposed area's northern portion is climatically similar to the region between Mendocino County and the Oregon border. The established Temecula viticulture area was included in the proposed California Coast area by virtue of a mountain gap connecting it to the coastal marine influence, but the

proposed boundaries exclude other inland viticultural areas with similar terrain connecting those areas to the coast's marine influence.

Soil maps indicate a diversity of soil parent material and types. These soil differences, along with the previously noted climatic differences, support very different natural vegetation types within the proposed area. The natural vegetation of the proposed area's southern portion consists largely of shrubs and brush, while its northern portion is heavily forested. ATF does recognize that many viticultural areas contain diverse soils, and ATF is not denying the petition on the basis of the proposed area's soil diversity.

## **VI. Conclusion**

The Federal Alcohol Administration Act (FAA Act) at 27 U.S.C. 205(e) requires that alcohol beverage labels provide the consumer with adequate information regarding a product's identity and prohibits the use of deceptive information on such labels. The FAA Act also authorizes the Bureau of Alcohol, Tobacco and Firearms (ATF) to issue regulations to carry out its provisions. Regulations in 27 CFR Part 4, Labeling and Advertising of Wine, allow the establishment of definitive viticultural areas. The regulations allow the names of approved viticultural areas to be used as appellations of origin on wine labels and in wine advertisements.

The regulations define an American viticultural area as a delimited grape-growing region distinguishable from surrounding areas by geographical features such as climate, elevation, soil, and topography. ATF believes that viticultural area designations enable consumers to better identify the origin of the grapes

used to produce a wine, provide significant information about the identity of a wine, and prevent consumer deception through the establishment of specific boundaries for viticultural areas.

Section 9.3(b) of 27 CFR Part 9, American Viticultural Areas, requires a petition to establish a viticultural area to show that: (1) The proposed area's name is nationally or locally known as referring to that area, (2) the boundaries of the area are as specified in the petition, and (3) the area has geographical characteristics distinguishing it from surrounding areas. The petitioner bears the burden of providing evidence showing that a proposed viticultural area meets the regulatory requirements.

ATF has concluded that the petitioned California Coast viticultural area does not meet the regulatory requirements regarding name identification and geographic characteristics. As commonly understood, the name "California Coast" applies to the entire Pacific coastal region from Mexico to Oregon. In addition, the petitioned area lacks the geographic unity required to distinguish it from surrounding areas due to the significant climatic diversity found within its lengthy north-south span. ATF notes that even if the entire California coastline from Mexico to the Oregon border were included within a proposed viticultural area, such an area would likely have even greater climate diversity. Such a proposed area would, therefore, also not meet the regulatory criteria for an American viticultural area.