BEFORE THE BUREAU OF ALCOHOL, TOBACCO AND FIREARMS
STAGS LEAP DISTRICT VITICULTURAL AREA
PUBLIC HEARING
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Volume I

December 1, 1987, 9:30 a.m.
Veterans Home of California
Veterans Home Station
Yountville, CA
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PANEL:

WILLIAM DRAKE  Associate Director, Compliance Operations
VIKKI RENNECKAR  Chief, Product Compliance Branch
ART LIBERTUCCI  Chief, Revenue Programs Division
JIM FICCARETTA  Coordinator, Wine & Beer Branch
JEANETTE SLATTERY  Attorney, Chief Counsel's Office
JOE DIVINEY  Regional Director, Western Region
RICHARD GAHAGAN  Wine Technical Advisor

Hearing Reporter:  KAREN I. LILLARD, CSR
Certificate No. 3091
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Steltzer - 60 acres, cabernet, sauvignon, planted in late 1960's
TUESDAY, DECEMBER 1, 1987

MR. DRAKE: Good morning ladies and gentlemen. This hearing is now called to order.

My name is Bill Drake. I am the Associate Director with the compliance operations of the Bureau of Alcohol, Tobacco and Firearms.

I will open this hearing with a brief formal statement. We will then have a few announcements as to procedure, then proceed with the hearing.

This is a hearing to receive evidence concerning the establishment of a proposed viticultural area to be known as "Stags Leap District," held pursuant to Section 553 of the Administrative Procedures Act and Section 5 of the Federal Alcohol Administration Act.

The hearing is held for dual purposes: to afford interested parties an opportunity to participate in the rulemaking process by expressing their views, and to obtain additional information to assist us in determining the ultimate regulatory decision on this matter.

Before I outline the procedures to be followed in the conduct of the hearing, I would like
to discuss our regulatory authority and the
regulations concerning appellations of origin.

The Federal Alcohol Administrative Act,
which we refer to as the FAA Act, provides for
federal regulation of alcoholic beverage labeling
and advertising. Section 5E of the FAA act
authorizes the Secretary of the Treasury to require
certain statements on labels for wines including,
among other requirements, statements providing the
consumer with adequate information about the
identity of the product.

Under this section of the FAA Act, the
bureau issued regulations which provide for a
comprehensive scheme for appellation of origin
labeling. We feel that appellation of origin
labeling, including the use of an approved
viticultural area name, will help the consumer
better identify the wines he or she may wish to
purchase. Thus, since January 1, 1983, only the
names of countries, states, counties or accepted and
approved viticultural areas have been permitted as
appellations of origin in wine labeling and
advertising.

Also, under the regulations any interested
person may petition the bureau to establish a
delineated grape-growing region as an approved viticultural area. The proposed area should be locally or nationally known by the proposed name, and its specific boundaries should be supported by historical or current evidence. Further, the proposed area should possess geographical characteristics which distinguish the viticultural features of the area from other surrounding areas.

To this end, the bureau was petitioned to establish a viticultural area in Napa County, within the Napa Valley viticultural area, to be named "Stags Leap District."

In order to solicit public input concerning the establishment of the viticultural area, we issued a notice of proposed rulemaking, Number 620, on February 11, 1987.

In response to the notice we received two written comments, representing several vineyard owners. While most vineyard owners were in favor of establishing a "Stags Leap District" viticultural area, divergent viewpoints were expressed with respect to proposed boundaries, in particular, the northern boundary. In consideration of the comments, we determined that the public interest would best be served by the holding of a hearing.
The specific boundaries proposed by the petitioners are noticed on the posted map. In addition, notice number 620 contains a narrative description of these boundaries.

Copies of Notice No. 620, the notice of hearing, and the amended notice of hearing, are available at the registration point. Also, at that location, copies of the pre-hearing comments and the petition are available for reading.

Orders for copies of any or all comments and of the petition may be taken at the registration point for later shipment.

I wish to remind you that, as a result of the amended notice of hearing, Notice No. 647, written comments on the establishment of this viticultural area will be accepted until January 15, 1988. Although not a part of the hearing record, all written comments received will be considered in the development of a decision on this matter.

I will now introduce the hearing reporter, who is Karen I. Lillard of the firm of Karen I. Lillard & Associates, from whom copies of the transcripts of the hearing transcript will be available.

For the convenience of the reporter, I ask
you to provide her with a copy of your presentation, if available, before you begin speaking.

I also wish to remind you that this is not an adversarial proceeding. We are here to gather information and opinions from all interested persons. Therefore, cross-examination of a commenter is not appropriate. Questions from the floor may not be introduced directly to a commenter. However, if you feel the record will be more informative if certain comments are amplified or clarified, you may submit written questions to me. If I determine that a question is relevant and further discussion would be beneficial, I will then direct it to the commenter for a response. The panel members, of course, will be free to inquire into any matter they feel will be useful in the rulemaking process.

There is one other point I would like to make, and that involves the issue of one viticultural area within another, which is being referred to as a "sub-appellation." I recognize that the "sub-appellation" issue is of concern to many in this room, however, under existing regulations, the bureau does not distinguish "appellations" from "sub-appellations." If a petitioned area complies
with all of the prescribed requirements, it can be approved as a viticultural area.

With that in mind, I would ask you to limit your comments to just those that involve the establishment of "Stags Leap District" as a viticultural area.

Now I would like to introduce the panel. On my far right, Miss Vikki Renneckar, Chief, Product Compliance Branch; Mr. Art Libertucci, Chief, Revenue Programs Division; Jim Ficaretta, who is the Coordinator of the Wine and Beer Branch; and Jeannette Slattery, Attorney from our Chief Counsel's office; Joe Deviney, who is Regional Director, Western Region; and Mr. Richard Gahagan, my wine adviser.

We have prepared an agenda of the persons scheduled to comment. The agenda for today is Mr. John R. Shafer, Mr. Richard Mendelson, Mr. Warren Winiarski, Mr. William F. Heintz, Mr. Nathan Fay, Deborah L. Elliott-Fisk, Donald F. Schukraft, John Stuart, R. Gary Andrus, Mr. F.S. Foote, Mr. Craig Williams, Mr. Robert D. Egan, Mr. David Leen, Mr. Steven W. Hale, Mr. Keith Bowers, Mr. Dale J. Missimer, Richard Winter.

I will call the commenters in that order.
Any commenter not present when called will lose his or her place in the scheduled order, but will be recalled after all other scheduled commenters have been heard.

After completion of comments by those scheduled and to the extent that time is available, others will be given the opportunity to be heard.

Speaking of available time, as you can see, we have a full schedule, so I hope all commenters will attempt to stay in the allotted ten-minute frame.

I ask that commenters, before they present their comments, state for the record their name and whom they represent. For the convenience of the hearing reporter, I also ask that they please spell their last name.

There is one last item, that's nonsmoking areas. Since I'm probably one of the last smokers in the whole world, we'll have periodic breaks.

We'd like to keep this as informal, as pleasant as we possibly can, and with that in mind, I hope that the comments will be sincere and addressed to the record.

Thank you.

Mr. John R. Shafer.
MR. SHAFER: Good morning, and welcome to the Napa valley. We're sorry that our weather isn't nicer for you visitors, but I must say to you, as grape-growers and winemakers, we are all relishing this weather, having had a partial drought last year.

MR. DRAKE: I'm a Californian. This is nice weather.

Mr. Shafer.

MR. SHAFER: I'm John Shafer, S-h-a-f-e-r. I serve as the chairman of the Stags Leap Appellation Committee, as well as president of our family winery, Shafer Vineyards. In 1972 my wife and I purchased our property and began our career as grape-growers. This has been a full time, active endeavor. We planted vines, originally planted in 1922, and later extended the vineyard into the hillsides, to where we now have approximately 50 acres of vines.

Later we launched our winery in 1979, releasing our first wine in 1981. Ours is a family operation with my wife, winemaker son and daughter all playing important roles.

We appreciate your presence for this hearing, and in the spirit of Thanksgiving, we give
thanks for our form of government that provides a forum such as this at which different points of view may be aired.

I'd like now to list the group of our petitioners. It includes 13 growers and nine wineries, whom I would like to introduce to you by name:

Martin Blumberg, grower; Chimney Rock Vineyards and Winery, represented by Sheldon Wilson and Van Moller; Clos du Val Wine Company, represented by Bernard Portet; Robert and Rachel Egan, growers; Si and June Foote, growers; Elmer and Marjorie Freethy, growers; Robert Hartwell, grower.

I might add that he is a new member. He has replaced Charles See, having bought his property.

June Ilsley, grower; Robert Mondavi Winery, represented by Tim Mondavi and Phil Freese; Joseph Phelps Winery, represented by Joe Phelps and Craig Williams.

I might add here that the Phelps Winery has purchased the Candy vineyard.

Pine Ridge Winery, represented by Gary Andrus; Monte Reedy, growers; and Angelo and Mary Regusci, growers; Norman and Helen Robinson,
growers; Shafer Vineyards, represented by myself; Silverado Vineyards, represented by Jack Stuart; Ron and Cathy Spicer, growers; Stag's Leap Wine Cellars, represented by Warren Winiarski; Steltzner Vineyards, represented by Dick Steltzner; Jerry and Pat Taylor, growers; Susan Vineyard, grower; and Diane Wilsey, grower.

I should note at the outset that not all of our members will be testifying. In order to present our case and respond to your questions concisely, without duplication of effort, we have limited the number of Committee commenters.

To show our Committee resolve, however, we have a letter of renewed support signed by all but one member of the Committee. Diane Wilsey has been out of town, and her signature will be presented as soon as possible. I would like to put this letter into the record as Exhibit number one at this time.

MR. DRAKE: I'll take it.

MR. SHAFER: The matter before you today is important to all the growers and vintners in the "Stags Leap District," and also to others in the Napa Valley and elsewhere who are following in our footsteps with viticultural sub-areas of their own.

We began discussing the idea of a "Stags
Leap District" viticultural area over four years ago. Our formal research and investigation began three years ago.

Since our first filing in August of 1985, we have presented to you 150 pages of information regarding our area, plus 30 separate exhibits. We have carefully reviewed your viticultural area regulations and worked with several well-qualified experts. We have also carefully considered the views and opinions of each of our own members and of our surrounding neighbors.

I would like to review briefly how that has brought us to where we are today.

As you know, the Committee began with proposed boundaries that were more restricted to the north and west. In response to the research and findings of Silverado Vineyards, which were presented to you in our amendment dated June 6th, 1986, we decided voluntarily to enlarge the viticultural area to the Napa River to the west and to the ring of hills to the north. Silverado Vineyards convinced us that the amended boundary, which is contained in your notice of proposed rulemaking, effectively and meaningfully distinguishes "Stags Leap District" from surrounding
viticultural areas to the west and north. We will present that evidence today and tomorrow.

The Committee has studied the expansion area proposed by Mr. Anderson. We are opposed to the enlargement because we feel that it does not satisfy your appellation criteria and that it would undermine the integrity of our viticultural area.

The Yountville Cross Road is not a natural boundary and is not relevant from a viticultural point of view.

I want to state explicitly that our position is in no way a reflection upon the quality of the vineyards, grapes or wines of Mr. Anderson and his neighbors. They just have not been part of the heritage or reputation of "Stags Leap District."

As an example, in 1972, when our realtor, Jim Warren, was showing us property and drove us to view our property in the Stags Leap area, he drove by the Yountville Cross Road, which he has never considered a part of Stags Leap area.

Likewise, John Scansi, born and raised on our property, has told me in the past month that Yountville Cross Road and surrounding area was not part of the Stags Leap area. He perceived the northern boundary to be at about the opening to our
airflow exit, which I'll be getting into shortly, here, right in this slot, right here, or just south of the knoll now owned by June Ilsley. I submit Mr. Scansi's letter as Exhibit 2.

MR. DRAKE: Thank you.

MR. SHAFFER: The distinctiveness of our viticultural area and its reputation among consumers are our greatest assets, and we are committed to preserving them. This is the very purpose of your viticultural area program, and our presentation will show you why we feel so strongly about our northern boundary.

Next I would like to give you a visual introduction to our proposed district.

First -- by the way, as a pointer -- I'm not sure all of our speakers are going to do this -- we thought it was only appropriate to go out and get a cane from a good cabernet sauvignon plant. I must say, though, we're not planning to prove that this bend is due to the airflow coming up from the south. We're not attempting to do that.

Let me say that this is a blowup of the USGS topographic map, showing our boundaries in green, showing the proposed extension in red. A number of the speakers from time time will be
referring to this. I would like to submit this map to you as Exhibit 3, along with a written description of our boundaries, because it may be awkward for you to carry this back on the plane.

We have marked the boundaries on a 7.5 minute USGS map of the quadrangle, and we will hand that to you now. But you are welcome to both.

Running through, very quickly, our boundaries, we start here, where the Napa River approaches the eastern mountains at this point. It intersects with the drainage creek which follows up to the 400-foot elevation level. Our boundary then follows the 400-foot contour line northward, and I must say this parallels the prevailing airflow.

You'll notice -- everybody can't see me here, but you'll notice this is, of course, a map of the whole valley, this being Route 29. Whereas the major flow of the airflow coming through the valley is here, we have a so-called airflow that starts over here at this end in a wind-funnel effect and comes through this separate stream, running through here and exiting through this gap out of the valley.

Our boundary line comes up -- our property happens to be in this corner right here. It
intersects and encounters a spur ridge which runs westerly at this point, and then the boundary coincides with a series of adjacent hills which you can see here, running over to the Napa River.

This is, for us, a natural and effective geographic closure to our area. And, as you will hear from other speakers as we go along, we feel it is most appropriate, particularly in your own criteria of your rulings.

From this point on the Napa River we go southward, and we follow the Napa River all the way back to our starting point. We feel the Napa River is a very effective natural boundary for us and, in particularly, since it does distinguish between two separate soil types on the west side in contrast to the east side.

One last point, and that is that I'd like to stress that the geography of our proposed area is one of the major things that really distinguishes it from the surrounding area.

Next in our visual introduction are two slides which I'd like to show on the screen, there. Before I show them, however, I'd like to tell you where they're taken from.

By the way, prints of these slides are
available on the back table.

These show very well the point which we will try to, today, put into words.

The first slide is a view from within our proposed boundary, looking north. So you're looking at the ring of hills in this natural closure.

The second slide is taken from right over in this location, looking out across the valley. And it's so wide, as a matter of fact, we have two slides together. So you can see this ring of hills from outside the boundary, looking in this direction and this direction.

Is there a chance we can dim the lights?

Thank you.

As you can see, this is the Silverado Trail, right here. This is taken approximately from perhaps the Silverado Vineyards winery. And the Napa River is over here, and we're looking at two of those three knolls that we see on the topographic map.

You can now go to the next slide.

Now we're looking from outside the area, and here are those hills that we saw looking at them from the back side. Below us, here, running left to right here is the Silverado Trail. This road is the
Yountville Cross Road.

And you will notice this ring or barrier, which we feel, as I said before, is a natural closure for our area. From this point on and outward across the valley, there are very little of any geographic barriers such as this.

As we go forward in these two-day hearings, I ask you to keep these in mind.

Finally, a preview of our commenters. You have a list before you. I'm going to have our people introduce themselves. You should know, however, that the Committee's new geographer is Ms. Deborah Elliott-Fisk, Assistant Professor of Geology at the University of California at Davis.

I should state that the prior geographer, Mr. Will Selleck, is unable to participate in this proceeding at the direction of his employer, the County of Napa. I would like to introduce as Exhibit 4 a letter from Mr. Selleck in which he states his inability to testify should not be taken as a sign of nonsupport for the committee's position.

Finally, for the record, since I am not going to be speaking again, I should like to comment on two matters raised in Mr. Anderson's petition.
First of all, a Mr. Chambers' exhibit letter in Mr. Anderson's petition declares that I called wine produced from his grapes, I referred to them as, quote, Stags Leap Cabernet, unquote. I do not recall saying that. I do recall saying his hillside grapes were excellent and exhibited some of the same characteristics as our hillside grapes; deep color and intense fruit character, etc., often associated with mountain-grown grapes.

Furthermore, Mr. Chambers' grapes do not go into our Hillside Select Cabernet, which is our proposed "Stags Leap District" cabernet. Instead they are blended with other Napa Valley grapes in both our Napa Valley Cabernet and Napa Valley Merlot.

Also, referring to a question in one of your letters, you have asked why Mr. Missimer received communication from our Stags Leap District Appellation Committee. It was an administrative error, and I'm sorry to have caused any confusion.

Thank you.

MR. DRAKE: Mr. Shafer, one question. I'm not sure, since you're not going to be talking again, I think I should ask it now.

You have purchased grapes from both
Anderson and Chambers. Have you used those in wine
identified as Stags Leap wine?

MR. SHAFER: No.

MR. DRAKE: You have not.

MR. FICARETTA: I think, for clarification
purposes, there's going to be a little discrepancy
between the map we have here and the boundaries as
proposed in Notice 620. These are the alternative
boundaries that you proposed which would avoid
cutting through vineyards, if I'm not mistaken.

MR. SHAFER: That's correct.

MR. FICARETTA: In case people are
wondering what the difference is, the USGS map you
have there is the proposed --

MR. SHAFER: There are minor changes at
this point and right at this point, which we will be
covering.

MR. FICARETTA: Likewise, the boundaries
proposed by Mr. Anderson, the red line, is their
alternative?

MR. SHAFER: That's a good point.

MR. FICARETTA: I just wanted to clarify.

MR. DEVINEY: One question with regard to
the airflow that comes up to the "Stags Leap
District."
Would that airflow not be different from the airflow that goes on the west side of the -- is that the Mayacamas?

MR. SHAFER: Actually, this is a ridge.

MR. DEVINEY: Would the airflow on the west side of those mountains not be different also from what comes up from the main part?

MR. SHAFER: I'm not totally qualified. I think our experts are going to get into that question. But I think what we can say is that there is -- as the airflow funnel narrows, particularly up in this area, it is going to speed up, and there is a cooling effect that takes place. That's my understanding.

MR. DEVINEY: I guess my question is why the property to the west of those mountains between the river and the mountains on the west, why is that included in the area if that's the natural boundary that would keep the air the same?

MR. SHAFER: I think the answer to that is that that is part of the consideration we made when we altered our boundaries. And my understanding is that there are several things there: one, the soil type in through here is very similar to some of the soils found in other locations within the district,
whereas the soil on the opposite side of the river over to the west is distinctly different.

So that in other words, as we all know, we're not considering one factor, we're considering a group of factors that go into making upper micro climate and in turn a viticultural area. But that is one consideration.

Another is that in this area, I believe Jasper has informed us in the late '60s, this is one of the first areas where cabernet was planted, and it has the same exposure, as well as the soil, some of the same characteristics as in parts of the district.

MS. SLATTERY: Isn't it true that also the soil is more acid there?

MR. SHAFER: Again, this is not my topic of expertise. And you have to decide whether we're talking about topsoils or subsoils, and a lot of those are going to be gotten into by the experts.

I understand, of course, that a lot of these different soil types are all over the Napa Valley. Bale loam, which is prevalent here, is also found in the soil up here, but it is also found in 19 thousand acres all over the Napa Valley and up to St. Helena, and so forth. So I think that's the
point there. It's just one item.

    Thank you very much.

    MR. DRAKE: Sure. Thank you.

    Mr. Richard Mendelson.

    MR. MENDELSON: Good morning members of the
panel, ladies and gentlemen. My name is Richard
Mendelson. I'm an attorney with the Napa law firm
of Dickenson, Peatman & Fogarty and have represented
the Stags Leap District Appellation Committee since
its inception around three years ago.

    At the outset I'd like to reiterate my
written request to be allowed to make a concluding
statement at the end of the hearing session
tomorrow. I realize that our schedule is somewhat
tight, but I would appreciate your honoring my
request if at all possible.

    This morning I want to examine and apply
the regulatory requirements for the establishment of
viticultural areas to the case of Stags Leap
District. For each criterion set forth in your
regulations, I will preview the evidence that the
Committee will present in support of its proposed
boundaries.

    We believe that the most important
criterion for establishing a small viticultural area
like that of "Stags-Leap-District" is viticultural distinctiveness. Your regulations require that the geographical features of a proposed area distinguish it viticulturally from surrounding areas. You have acknowledged in past viticultural area proceedings that, in the case of small viticultural areas, there is the need for a greater degree of refinement in judging viticultural distinctiveness. In the final rule establishing the Ozark Mountain viticultural area, you stated the following:

"The ATF recognizes that the distinctions between a small area and its surroundings are more refined than the differences between a large area and its surroundings."

In an area of continuous vineyard plantings like the Napa Valley, where there eventually will be numerous viticultural sub-areas, the need to make these viticultural distinctions with precision is all the more important because the boundaries of any single viticultural area will affect the meaning and integrity of surrounding viticultural areas. It is the Committee's view, and I believe we are supported by most of the vintners and growers of Napa Valley on this point, that viticultural areas must be
delineated in accordance with your existing criteria based on a preponderance of the evidence submitted. Our intent today is to sustain that burden of proof, and we plan to do so clearly and convincingly.

Because of its importance, the regulatory requirement of viticultural distinctiveness must be strictly construed. The test is not one of stretching the similarities, that is, expanding the viticultural area to include any nearby vineyard outside the area which shares some underlying similarity with a vineyard inside the viticultural area. This might be proper in a sparsely planted area where the boundaries are enlarged to include the last vineyard which otherwise would be isolated. But in the densely planted valley floor and hillsides of the Napa Valley, such logic would not allow us to define any boundary based on viticultural distinctiveness.

Your regulations require a showing of viticultural distinctiveness, not viticultural similarity. This is the test against which any proposed boundary must be judged -- both that of the Committee and of Mr. Anderson. Which boundary, according to the preponderance of the evidence, divides viticulturally distinct areas? We submit
that a road which traverses flat ground, here I'm referring to the Yountville Cross Road, does not and cannot serve as a meaningful boundary between two distinct viticultural areas.

I will use the tried and true old pointer.

UNIDENTIFIED SPEAKER: That shows you're not a true grape grower.

MR. MENDELSON: In your notice of hearing, you asked the parties to comment on the geographical features in the north which support the boundaries proposed by the Committee, by Mr. Anderson, and any other boundaries. The evidence which we will present will show that "Stags Leap District," as proposed by the petitioners, is distinct geographically, geologically and climatologically from the area to the north. In fact, it is the unique topography of "Stags Leap District" which is the essence of its viticultural distinctiveness.

Our geographer, Professor Deborah Elliott-Fisk of the University of California at Davis, will show that "Stags Leap District" comprises a single geographical and geological system. The vineyard area within the viticultural area once served as the channel of the Napa River, which, in olden times, flowed as follows, which has
directly affected the underlying viticultural characteristics of the viticultural area. By contrast, the area to the north of "Stags Leap District" comprises a well-defined alluvial fan flowing out of the Rector Reservoir.

Here's Rector Creek. Rector Reservoir would be just here, out of this map, flowing out.

This fan, which lies just north of our northern hills is, in fact, defined in part by those northern hills, and runs out to the river and north. We will show that this fan has its own distinct geography and geology.

From the point of view of climate, our expert, Mr. Donald Schukraft, will testify that "Stags Leap District" and the area to the north are subject to different climatic influences. The climate of "Stags Leap District" is influenced directly by the marine air flowing into the area from San Pablo Bay to the south. The hills and the mountains of the proposed viticultural area serve as a funnel whose open, southern end is perfectly oriented to capture the fog and low clouds flowing in from San Pablo Bay. The marine air enters the broad end of the funnel at the south and exits the Napa Valley at the north.
Mr. Schukraft will show that this wind flow pattern combined with the unique topography of "Stags Leap District" produce changes in the temperatures and humidities over vineyards to the north and south of the northern hills which serve as our northern boundary. Again, I ask you whether it is even conceptually possible for the Yountville Cross Road to serve that purpose. I await Mr. Anderson's evidence on this point, because under your regulations this is his burden of proof.

We recognize that viticultural distinctiveness is not your only requirement for the establishment of viticultural areas and an area must satisfy all the criteria to be established. The second criterion concerns name identification and boundary support. Your regulations state that this evidence may be historical or current, local or national or, for that matter, international.

Mr. Anderson has not shared in or contributed to the long history of and widespread recognition of "Stags Leap District." Our historian, Mr. William Heintz, will show that in the late 1800s, during the former heyday of viticulture in this county, the State of California Board of Viticultural Commissioners divided the County of
Napa into three viticultural districts. The state
did not use the Yountville Cross Road as a district
boundary but instead used a boundary line to the
south -- which closely approximates our northern
boundary -- to separate the Yountville District to
the north and the Napa District to the south. We
believe that this separate viticultural identity is
particularly relevant and revealing.

One other bit of evidence which Mr. Jack
Stuart of Silverado Vineyards will introduce later
today shows how this basic historical and
viticultural distinction has continued to the
present. Our local paper, The Napa Register,
publishes an annual magazine entitled "Napa Valley
Appellation." This magazine lists each winery in
the valley and the specific appellations of the
wines produced by those wineries. In 1984 and 1985
Mr. Anderson's appellation was listed as Napa
Valley; in 1986 and 1987 as Yountville. By
contrast, the wineries within our proposed
viticultural culture area have been listed Stags
Leap or simply Napa Valley.

The overwhelmingly predominant perception
of industry, the press and the consumers is that the
two areas in question are distinct. This perception
relates principally to the fact that the growers and
vintners in the proposed extension area have not
contributed to the distinctiveness and reputation of
"Stags Leap District." This is not a repeat of the
Napa Valley viticultural area proceedings because
the wines with the "Stags Leap District" designation
have not included grapes from the extension area.

Before your appellation regulations took
effect in 1983, several vintners used Stags Leap or
Stags Leap District on their label. Not one of
these wines, to our knowledge, contained grapes from
the extension area, and there were grapes being
produced there.

Mr. Anderson has stated that, "A large
amount of grapes grown on the proposed added acreage
are used by wineries within the Stags Leap
District." That's a quote. This is incorrect. If
we exclude Pine Ridge Winery's purchase of grapes
from Jack Abruzzini's Yountville Vineyard, which
lies just at the Cross Road of Silverado Trail at
the proposed extension area, which wine is sold
under Yountville Cuvee, not under the Stags Leap
District Cuvee label, we find that between 1981 and
1987 wineries within Stags Leap District had bought,
on average, 7.2 percent of the estimated total grape
production of the extension area. These grapes have been used in Napa Valley blends and are by no means the only grapes which our wineries have purchased from outside the viticultural area. Is Mr. Anderson suggesting that because a winery purchases grapes from Sonoma County that area should be appended to the Stags Leap District? The true "Stags Leap District" wines today are labeled as Shafer Cabernet Reserve and Hillside Select, Silverado Vineyard cabernet sauvignon, Pine Ridge's cabernet sauvignon, Clos du Val cabernet, Silverado cabernet, etc. These wines do not contain any extension area grapes. Mr. Joseph Phelps will elaborate on this point later on today.

Simply stated, we do not believe Mr. Anderson can sustain his burden of proof on either historical or viticultural grounds. No doubt you will hear references to the fact that Yountville Cross Road is a land grant boundary with a long history. We regard that as a red herring for at least three reasons.

First, even where the name of the land grant has been adopted by ATP as the name of a viticultural area, as in the case of Carneros, you have not followed the land grant boundary. Mr.
Anderson has not proposed a Yajome viticultural area, following the name of the Yajome land grant area named after the land grant on the map, there. And there is no "Stags Leap District" land grant.

Second, why is Mr. Anderson allowed to choose selectively from among the Yajome land grant boundaries? He has pointed to the northern, eastern and western boundaries to support his proposal, but what about the southern boundary of the Yajome land grant which stretches down to the city of Napa several miles forward?

Finally, we submit that viticultural history and viticultural identity are more relevant to this proceeding than Spanish land grant history.

The final criterion for the establishment of viticultural areas is that the boundaries must be based on features which appear on the USGS topographic maps. Related to this, although unstated in the regulations, is the issue of administrability.

As you know, the committee's previous hilltop-to-hilltop northern boundary which was proposed in your rulemaking cut small corners of vinyards; and Mr. Anderson's previous northern line cut right through the middle of Mr. Chambers'
vineyard to the east of the Silverado Trail. He had followed the contour line clear out to here, and there happens to be a vineyard right there.

Following a minor boundary modification in our letter to you dated May 28, 1987, the Committee's present boundary, shown on the USGS map here today, does not divide anyone's vineyard. Our expert surveyor has demonstrated that fact and also has shown that the Committee's boundary at the north closely approximates the property lines which lie along the same series of hills.

The Committee's line is easy to see and easy to enforce, as the slides which Mr. Shafer showed clearly demonstrated. I should note that Mr. Anderson, to avoid splitting any planted vineyards, diverted from the Yajome land grant boundary and redrew his proposed line around 600 feet north of the Yountville Cross Road east of the Silverado Trail. His boundary, however, excludes the vineyards just on the other side of the street, that is, on the west side of the Silverado Trail, north of the Cross Road. One of the excluded vintners, Mr. Robert Egan, who also has vineyards within the "Stags Leap District," will express his opinion about this change later today.
Before I turn to the next speaker, I want
to add a personal note. As a practitioner who has
been extensively involved in the establishment of
American viticultural areas, I realize how difficult
it can be to find a viticultural area boundary
that satisfies all of your appellation criteria. To
my mind, "Stags Leap District" is a special case
because of the distinct and well-defined geographic
niche that it occupies within the Napa Valley. The
mountains to the east, the river to the west, the
ring of hills to the north and the broad end of the
funnel in the south all interact to form a unique
viticultural pocket that is recognized as such the
world over.

Thank you.

MR. DRAKE: Mr. Mendelson, thank you.

Two questions. Earlier you mentioned the
Napa River coming through the northern end. Do you
know exactly where that came from?

MR. MENDELSON: We'll have the expert speak
to that directly, but my understanding is it indeed
flowed right south of these hills through the area,
and exited right back out to the Napa River to the
south, literally covering the vineyard area that's
proposed as our viticultural area.
MR. DRAKE: The second question: I believe you said in the 1890s that the state divided Napa into three --

MR. MENDELSON: Viticultural districts.

MR. DRAKE: Did they name them?

MR. MENDELSON: There was St. Helena District to the north, the Yountville District and the Napa District to the south. And, in fact, the Napa Valley area was later subdivided, not by the state but by Napa Viticultural. And Mr. Heintz will outline that to you.

MR. DRAKE: Do you know where the Napa line was drawn?

MR. MENDELSON: Yes. This, again, will be presented on the 1895 map, but the line ran approximately in this area.

Our case is not that that line is exactly our line, but it was very clear that the people who had vineyards then along the Cross Road as well as north of the Cross Road were in the Yountville District. The people in the south were in the Napa District.

MR. DRAKE: South of Yountville?

MR. MENDELSON: Let me clarify. The fact that the Napa boundary did not follow the Cross...
Road, the growers of the day, Lycan, here, who had
vineyards south of the Cross Road, were part of the
Yountville District as well as the people north of
the Cross Road, and that the area within the "Stags
Leap District" was within the Napa District in its
viticultural distinctive identities.

MS. RENNECKAR: You stated that the
mountain ranges serve as a natural barrier. My
question, I think, is similar to Joe's. Since the
funnel that comes up through that valley area to the
west of that mountain range that goes to the Napa
River is not very wide, what makes that so similar
to the climate that comes up through that valley
area?

MR. MENDELSON: Well, it's obviously
correct, as was suggested, that the air also flows
this way. It's the orientation and the impact of
the mountains and hills which draws also the marine
air in this way and exiting this way.

I don't like to speak about things that I
can't speak to as an expert, and we'll have that
question answered, but I think the relevance is that
it's not only one factor that forms a viticultural
area, that there are similarities. In fact, we have
a fog photo that will be introduced later, I think,
tomorrow, that shows the fog hanging around this general area, drawn in to the bay but stopping to the north.

So I think what we find with climate and what our climatologist will say is it's impossible to draw a boundary climatologically to say exactly what it is.

What we can say, however, is that the northern hills play a very important role in directing this air stream back out to the valley. Of course, there's going to be the same air flowing through here and, as Mr. Shafer said, aspects of soil similarities and, perhaps most importantly, distinctiveness on the other side of the river. Even if there might be some differences climatologically here and here, there is a very effective natural distinctive boundary from the area to the other side of the valley that the Yountville Cross Road cannot accomplish in the same way.

In any event, I'll defer to the climatological expert on that point.

MR. LIBERTUCCI: One question with respect to the airflow exiting to the west, just south of the hill formation. Do you have data to support that?
MR. MENDELSON: Unfortunately, there are not -- and this is not just "Stags Leap District," it's throughout Napa County -- we have not set up hundreds of climatological stations that collect data that would allow us to make any significant conclusions or give you that kind of data.

What we can say is that the topography is so distinct here that an expert can infer from the topography it's topographic climate is. In fact, you can look at crop vegetation later to try to infer what the climate is actually like north and southeast and west. And this is how we have to approach it, because there is no long-term track record of climate stations that would allow us to present that data.

But none the less -- well, we'll let the expert speak to that. That does not mean that expert opinions cannot be formed based on facts that are in the record and on the map.

MR. FICARETTA: Another airflow pattern question. I think it was in the initial petition where you had in one of the Exhibit A maps similar to that with the airflow patterns, and I thought in the text it was said that the airflow came up from the San Pablo Bay and either exited through those
hills to the west of the Napa Valley floor or went north to the west. Is that basically right, or do you want to defer that?

MR. MENDELSOHN: I'll defer. My understanding of it is it depends on the marine layer and temperature divergences, which are going to vary season to season and vary times of day. I wish I could give you a black and white answer, but let me be very clear about one thing.

Our position does not rest or depend in any sense in creating this as a wall beyond which no air gets on the other side. That really was the purpose of my remarks about the small viticultural areas. There are refinements, and we do know that there are differences there.

I would not nor would I think that any of our experts would maintain that, in a binary system, this is one and this is two and there are no gradations in between it. That's not our case. Our case is that they are viticulturally distinct, historically distinct. Add up all the evidence and the clear weight of evidence establishes it as two distinct viticultural areas.

MR. PICARETTA: But did I read it right when I said the airflow had exited not out the west
but up north?

MR. MENDELSON: We'll have a slide presenting that, and there is certainly some air that goes through the gaps, but also there will be differences, clear differences, north and south of those hills.

MR. FICARETTA: I have one other question. I don't see Ernie Ilsley's property. Can you point out where his property is in the alternative boundary, or is he all in or all out?

MR. MENDELSON: Mr. Ilsley's property lies just to the south of our proposed boundary. His wife, June -- Mr. Ilsley is deceased recently, and his wife last reaffirmed her support to our boundary. The parcel of land is right in there.

MR. FICARETTA: And that green line, I think, is also the one proposed in 620, not the alternative that you came up with.

MR. MENDELSON: That is correct. Just as I traced this, the original boundary, the one in your notice, follows hilltop to hilltop.

MR. FICARETTA: Right.

MR. MENDELSON: And crosses here, right there.

MR. FICARETTA: Right. There's a hilltop
there.

MR. MENDELSON: And, instead, we cut a very small section of a vineyard here. So we modified it to go to the trail, jog down to the driveway, just to avoid that minor problem.

MR. FICARETTA: But as approached in the notice, Mr. Ilsley’s vineyard is in?

MR. MENDELSON: That is correct.

MS. SLATTERY: You suggested that the boundaries of the Yajome land grant are not very important in determining the boundaries of Stags Leap. I notice in the second amendment submitted by the Stags Leap Appellation Committee that was one of the factors used to justify the extension of the Stags Leap.

Are you willing to say it is of some significance?

MR. MENDELSON: It is an historical fact. We do not deny the historical fact. There is a Yajome land grant. Three of the boundaries do follow the Napa River. You can see the boundary cuts here and here, and jogs down. It also continues several miles into the city of Napa. It is an historical fact.

It is not, to our mind, particularly
relevant in terms of other historical and viticultural facts that we've presented. We don't deny its existence.

MS. SLATTERY: I don't suggest that you do, but it -- it was, in terms of historical significance --

MR. MENDELSON: Has some historical significance.

MS. SLATTERY: In the same way that the northern boundary has some significance?

MR. MENDELSON: In the same way that other vineyards in the historical sense not following that boundary has more historical significance.

MS. SLATTERY: That is one factor?

MR. MENDELSON: That is one factor.

MR. DRAKE: Thank you.

MR. MENDELSON: Thank you. I hope I will have another chance to speak at the end tomorrow.

MR. DRAKE: Mr. Warren Winiarski.

MR. WINIARSKI: Ladies and gentlemen, good morning. My name is Warren Winiarski. Along with my family, I founded and now operate Stags Leap Vineyard and Wine Cellars in the center of the proposed "Stags Leap District." My wife Barbara is here today and my daughter Kasha is operating your...
slide machine.

We came to the Napa Valley in 1964. I left another career in the midwest to learn about grape growing and winemaking in California. I was an apprentice for two years at the old Souverain Cellars, now a winery owned by Tom Burgess. At that time in the Napa Valley there were 14 members of the Napa Valley Vintners. Today there are more than a hundred.

During the time I worked at Souverain Cellars and, later, for the two years at Robert Mondavi Winery when it was founded in 1966, I had the opportunity to taste cabernet sauvignon wines from various parts of the Napa Valley before they were blended together for bottling purposes. In many ways the history of my interest in those days duplicates and foreshadows the interest of many wine buyers today. I was interested in discovering a method of organizing in my mind the wines of the valley by categories of origin. In other words, I was interested in regional distinctiveness from a winemaker's point of view.

And this was before the time when regional distinctiveness was carried through to the bottle and designated by the valley wineries. Wineries
generally noted the differences among their grapes by regional origin only for their internal purposes, but their mode of marketing and stylistic orientation did not suggest regional bottlings. We were still then in our infancy. Gradually, through those tastings, a pattern of regional identification began to emerge, and that gave me a sort of mind picture to the general areas of the valley.

In addition, there was also in my mind a picture of the wine type that I wanted to produce from cabernet sauvignon. This picture was of a very general character, until I tasted the homemade wine made by my neighbor, Nathan Fay, and grown in his vineyard in the proposed "Stags Leap District."

I'm just assuming that my tasting that homemaker's wine was legal. If it wasn't, please let me know.

MR. DRAKE: I'm sure the statute of limitations has run.

MR. WINIARSKI: After that tasting everything seemed to fall into place. The tasting seemed to join together the regional differences I had discovered, and focused together the regional preference that fit together the picture of the wine that I wanted to produce with those regional
groupings.

As I remember, it was a 1968 vintage that I tasted, and I tasted it just prior to the fall of '69; and the wine possessed all the distinctive characteristics that I was looking for in cabernet. We set out to purchase and eventually purchased the adjoining 50 acres of prunes and apples, that adjoined Nathan's property. Prunes, apples, cherries. There were some standard older varieties.

And we did that in the winter of 1970; in other words, very shortly after I tasted Nathan's wine. So it was quite an experience.

We persuaded friends and, later, partners to support that acquisition by forming a partnership. We uprooted the old plants and we planted the vineyard.

In two years we solicited another group of partners to form a group to acquire enough land nearby to develop a winery site for Stags Leap Wine Cellars. It was our plan to capture the distinctive character of the cabernet from the Stags Leap area and to develop an estate winery within the area so that we could gather together the regional authenticity for our grape-growing operation.
We originally used the name Stags Leap Vineyard and Wine Cellars for those two partnerships. It was our opinion that the name had been used for a resort, but had not been used for a winery and a vineyard enterprise. We did not think that the name had public recognition for wine. And, as I say, we wanted the authenticity that came from the geographic feature of that formation. This was a fateful decision, for it involved us in litigation with our neighbor and also, in a way, led to bringing about this hearing today.

And that's so because the outcome of the litigation expanded the historical focus of the name Stags Leap in two separate stages. In the first stage there was an expansion to the geographic use of the name. That was my stage. In the second stage, whose culmination we are witnessing in these hearings, there was an expansion of the significance attaching to the name through an attempt to identify the viticultural significance of the name. Thus the name Stags Leap had three separate phases in its development: historical, geographic, and finally viticultural.

The one event that more than any other brought public recognition to the name Stags Leap
was, of course, the Paris tasting in 1976. In that
tasting, conducted on French soil by French tasters,
the winning position of our 1973 cabernet brought
the name Stags Leap Wine Cellars and therewith the
wines of America, California and the Napa Valley
into the beam of vast public attention. Geography
became more attractive.

In due course the viticultural phase
began. It was my original belief that if the grape
growers and vintners decided to propose a name for
our distinctive area and its formal recognition,
they should give it a name which would not confuse
the public with our already existing proprietary
name. We have a fairly long name, Stags Leap Wine
Cellars, and it is -- the name is sometimes
shortened on lists of retailers and restaurateurs,
and this abbreviation could, we believe, lead to
confusion. My original resistance to employing the
same name for viticultural and proprietary use is a
matter of record.

Eventually, a compromise evolved which
modified the name Stags Leap to "Stags Leap
District," and this modified name referred obviously
to viticultural and geographic things.

The distinctiveness of our viticultural
area is beyond dispute. You can taste it in the
wines, you can taste it in the grapes. Over the
course of time, the original historical use of the
name has broadened to include regions which were
found to impart the same characteristics to the
fruit and to the wines. And, incidentally, I think
that's a very strong reason in the answer to this
area here which may not have been sufficiently
outlined.

We included areas which were found to
impair the same characteristics to the fruits and
wines. Additions were also made to the area because
of considerations of soil, climate or geography.
The producers and the consumers both participated in
this evolution, because they either identified the
same character expressed in the wines they tasted or
because they became aware of the viticultural
cohesiveness of our area. Our area is not now only
a rock formation or a ranch. It has acquired a
public viticultural life of its own.

This is a development which reveals a
constructive relation between the consumers, the
producers and now, hopefully, also the regulatory
agency, yourselves, whose task it is to recognize
and to formalize that distinctiveness with precise
boundaries.

I would like to introduce as a part of my remarks a recent article by Gerald Asher, whose illuminating insights on the viticultural area process might be helpful here. I have it in a file. Will you number it with an exhibit number?

MR. DRAKE: Sure.

MR. WINIARSKI: The article was in Gourmet in October, and Mr. Asher starts off very entertainingly by recalling that Charles de Gaulle once remarked huffily that there were too many cheeses in France, but he was never known to have made a similar observation about the number of wines of France. And Mr. Asher thinks about what might be implied in that, and he suggests that one of the reasons that there are thought to be too many wines in California is that these wines are not segregated as they are in France by broad regional categories within which distinctive wines can be grouped in the consumer's mind.

And this regional grouping and association of wines of the same distinctive character makes it possible to speak about not too many wines in France but, as from the consumer's point of view, it has already been advanced that there are too many wines.
and that they are too similar and so on.

I think this is a very valuable article. I think it clarifies many of the things we have been talking about and, I think, clarifies many of the things that you have been thinking about.

While it is true that the "Stags Leap District" distinctiveness applies more to cabernet sauvignon than it does to other varieties, we believe that the district boundaries that we have chosen have the requisite integrity to furnish the basis for other varieties as well. The free enterprise principals under which we operate require that the varieties which are best suited to express the viticultural qualities of the area will prove themselves in the course of time.

As you know, this district has not been proposed by a single submission; there were many. Some of them have been recited this morning. We have not set our backs against them. New insights and new evidence have modified our original understanding of the area. It is our profound conviction that the area we are now proposing has all the qualifications which are required for your approval.

Our area is distinguished from the
surrounding ones by geographical features which give it unity, completeness and credibility. It works only if all its boundaries are taken together as describing the whole. We will demonstrate this in the course of our presentations. The unity of the geographical area is especially important for the only issue before you in dispute. The northern ring of hills is the key geographical link in the circle. Going beyond that ring to the Yountville Cross Road access geography opens the circle and destroys the unity of the distinctive area. There is no way, once that circle is opened, to distinguish the "Stags Leap District" from the surrounding areas on the north. We believe such a step would critically weaken the whole viticultural area program, which is meant to help the consumer in the ways suggested in Mr. Asher's article. A faulty decision in our viticultural area would be an example that others would follow.

I repeat: the extension to the Yountville Cross Road abandons the whole principal of regional distinctiveness, for it cannot then distinguish itself geographically from the area to the north. This extension might serve the purpose of a small number of growers, but it would be, I believe, a
disservice to a far larger number of consumers now and in the future. The ATF should measure the benefits to that larger number.

Thank you for your consideration.

MR. DRAKE: Thank you. Any questions?

MR. FICARETTA: I just have one. The brand name that you use on the labels, is it just Stags Leap, or Stags Leap Wine Cellars?

MR. WINIARSKI: Stags Leap Wine Cellars.

MR. DEVINEY: I guess the same question that Mr. Ficaretta asked the other people that testified, that is: if we're going to remain faithful to geography and not abandon it to the north, how can we be consistent and not go beyond the property?

In other words, how can we include the property between the river and the mountains on the west and not include the same -- in other words, if we're going to say this is a natural barrier made by the mountains to the north, why not the mountains on the west?

MR. WINIARSKI: I think my point of view as a winemaker, from a winemaker's answer, is simply the grapes that are grown there, as John said, are cabernet sauvignon. They were some of the first
grapes grown in the area, and they share the same
distinctive character of the cabernet grown in the
other part of the area. And it seems to me,
therefore, difficult to exclude them, because that's
what this whole process is about, viticultural
distinctiveness. And the proof of it is in the
wine.

MR. DRAKE: The wine from the north is
different?

MR. WINIARSKI: It is not distinctive in
that it is not grown there, as far as I know.

MR. FICARETTA: The Silverado Vineyards to
the west, and they extend there, they're not just
cabernet, there is chardonnay there and --

MR. WINIARSKI: Yes.

MR. FICARETTA: So it's not just cabernet.

MR. WINIARSKI: Yes.

MR. GAHAGAN: Mr. Winiarski, you talk about
the character of the wine. Would you describe that
for us?

MR. WINIARSKI: Yes. From the wine, it's
been described, and I think people have talked about
it, it has a suppleness and a velvet quality at the
edge of the wine, and under that softness it has
structure and kind of a body, notwithstanding the
robust quality in the middle of it. So there's a combination of robustness; and softness is, I think, one of the distinctive features. And it has been described as an iron fist in a velvet glove. And that's pretty good.

MR. GAHAGAN: And the distinctiveness in in the fruit, sir?

MR. WINIARSKI: The fruit has a distinctive cherry-like quality which doesn't betray that softness, which is largely a textural consideration. But it does express a peculiar kind of fruitiness which involves sort of cherry qualities and flavor characteristics which are associated with the fruit of cherries.

MR. GAHAGAN: Does that cherry quality follow through into the wine?

MR. WINIARSKI: Yes, it does, in the flavor.

MR. GAHAGAN: Are your wines a hundred percent cabernet or are they blended?

MR. WINIARSKI: They're blended with a small amount of merlot. Each year is a little different. In some years I want to supplement that suppleness at the edge and I want to add merlot. In some years it's not needed.
MR. GAHAGAN: And the merlot comes from the Stags Leap?

MR. WINIARSKI: [Yes] That's also blended with some cabernet, but also from the same vineyard.

MR. GAHAGAN: And this distinctiveness is characteristic from all the cabernet grown south from the hill?

MR. WINIARSKI: In all the grapes grown, to my knowledge. One of the most recent ones are the grapes from Chimney Rock. They're from the south of Clos Du Val, and they express the same characteristics.

MR. GAHAGAN: And those characteristics are not in the fruit and not in the wines at the cabernet immediately south of the Yountville Cross Road across the street?

MR. WINIARSKI: Not in cabernet, that is.

MR. GAHAGAN: They are not?

MR. WINIARSKI: No. Well, I think there's no cabernet grown there.

MR. GAHAGAN: Thank you.

MR. DRAKE: Thank you very much.

Recognizing we have Mr. Heintz next, the historian, and recognizing I have been through that and found it very interesting, I'm going to take a
break now.

(A recess was taken.)

MR. DRAKE: Mr. William Heintz.

MR. HEINTZ: Good morning. My name is William Heintz, spelled similarly like the soup and pickles. Just add a "T" to it.

My father and mother took the relationship very seriously. I'm one of nine children, and there may have been some others that didn't survive.

I am a wine and viticultural historian, and this is my seventeenth year in the business of trying to separate wine mythology from wine history. These two are often confused by many people.

Most of my time during the past 17 years has been spent working right here in Napa Valley, and I think that's been quite a record. I've carried out in-depth research on more than 60 wineries that have been restored, or vineyards, and most of this information is now being integrated into a book which should have been published some time ago, but is still looking for a publisher, unfortunately. It's called "A Napa Valley Wine and Viticultural History."

Maybe the reason I'm still looking for a publisher is the difference between this book and
what passes for wine history books. Most of them are
called coffee-table books. I call mine a
door-stopper, because it is now seventeen hundred
pages and still going.

This is my fifth BATF Hearing in which I've
tested about the history of a proposed
viticultural area. Stags Leap is the fourteenth
viticultural petition to which I've contributed
historical background.

Seven years ago I participated in the first
public hearing held by BATF, and that was Napa
Valley. I now know that history does not repeat
itself, because I was told to limit our remarks to
ten minutes. Seven years ago I spoke for an hour
and a half. I thought maybe Mr. Drake remembered
that when you called me.

MR. DRAKE: I did.

MR. HEINTZ: I will try to limit my remarks
to ten or 15 minutes.

MR. DRAKE: We always have time for
historians.

MR. HEINTZ: Thank you. I would like to
state at the outset that I believe history strongly
supports the geographic boundary drawn by the Stags
Leap District Viticultural Committee, and I find
little historical merit for the Anderson request to be included.

_Stags Leap_ as a name for a viticultural area in the Napa Valley dates back a full century and, as a matter of fact, in just a few months the name will be exactly a hundred years old. I base this on a taped interview with Thompson Parker of St. Helena that was concluded on November 4th.

Parker claims to have lived throughout this century except the first six years. Parker, born in 1906, began coming here as a small child. His grandfather owned property at _Stags Leap_ and was here, Parker told me, in 1888 when a man named James Chase came to Napa Valley for a visit. He and his grandfather founded the Chase Manhattan Bank of New York, and the name appeared recently in a biography by Gore Vidal in which the Chase names figure prominently, because I believe he was Secretary of Treasury during the second world war.

I would like to quote briefly from the interview.

"Thompson: _Horace Chase_ was staying at Jackson's Napa Soda Springs resort and came to visit my grandfather and asked him if he would sell a part of his farm. _My grandfather sold Chase the north
end of the Thompson ranch. Horace called it Stags Leap, because he was hunting deer one day and this deer was chased by dogs and leapt over the cliff.

Heintz: Did your grandfather tell you that story? How did you first hear it?

Thompson: From Lucy Jackson, who visited us years and years ago.

Heintz: The reason I'm asking you that, did you ever know William Stagg, an Englishman who lived on Silverado Trail?

Thompson: I've heard the name, but I did not know him.

Heintz: Isn't it curious there should be a man named Stagg, S-t-a-g-g, and it should be called Stags Leap?

Thompson: Well, the story I've heard is that they used to go over, before it was called Stags Leap, they used to drive over to Napa Soda Springs in horse and buggy. Then they would walk and hunt deer. While they were coming over one time, the dogs chased a deer over the cliff. That is how it was called Stags Leap," unquote.

When someone can recall an incident like that, I put more belief in its validity, and I'm beginning to accept the story about Stags Leap as to
the original of the name with my story.

Incidentally, William Stagg settled on his Silverado Trail ranch before Horace Chase arrived. He died about 1902. I found his obit one day in the Napa Register, and there are still relatives in Napa city.

The area we now call Stags Leap District had its own distinct identity long before several hunters chased that deer. Now, I'm not speaking of a political identity but of a viticultural identity, which is really what we're talking about today.

We know, for example, that Stags Leap area farmers had to vote in Yountville, because I've gone through the list of registered voters, and we know that the U.S. census placed most of those people in the town of Yountville. But these voting boundaries have nothing to do with viticultural boundaries.

And how do we know that? These people formed a separate viticultural district or at least what evolved as one. We know this through some very reliable documents left behind by the Board of State Viticultural Commissioners of California.

The board was created by an act of the state legislature in 1880, and it functioned until 1895. It was so powerful that it controlled
everything dealing with the wine industry during
that 15-year period, including fighting phylloxera,
held conventions, wine tastings, and most of all
gathered statistics and published reports on the
growth of the city.

I believe one particular record of the
Board Of Viticultural Commissioners is really
extremely relevant here. This is an 1893 published
study of phylloxera damage in Napa County. It is an
historically excellent document, because it is a
vineyard-by-vineyard review of how much damage had
been done by the phylloxera. The formal study is
called Report of the E.C Priber, Commissioner for
the Board of State Viticultural Commissioners of
California in Napa District. It places most of the
growers in the "Stags Leap District" under the City
of Napa, but the growers living along the Yountville
Cross Road and represented in Mr. Anderson's
petition to you are listed under Yountville.

When I first saw this many, many years ago
I wondered why this breakdown came about, because
they are quite close to Yountville. And I think I
stumbled across the reason for it one day,
researching the Napa Register and other documents
relating to the county history.
In the Napa and Sonoma Counties' directories of 1889 and '90, and I cite this but one for an example, many of the growers listed in the proposed "Stags Leap District" viticultural area that included Horace Chase and MacFarland and Thompson, the grandfather of the man I just quoted, all are shown as having p.o. boxes in Napa. The growers on the other side of the Yountville Cross Road, right here, or on both sides of the Yountville Cross Road, rather, are shown as having addresses in Yountville. And this struck me as being very strange. I thought, well, great, they're registered in Yountville; that puts them in Yountville; but the other growers had p.o. boxes in Napa.

In 1880 a second viticultural association was formed in Napa Valley. It was called the Napa Wine Growers Association, and its focus was the southern end of Napa Valley. There was one already in St. Helena that had been formed five years earlier.

The Napa Wine Growers embarked, in the summer of 1880, on a project to gather statistics on vineyard expansion in their particular region, the southern part of Napa Valley. They did this by creating a series of sub-districts within Napa city
or the southern part of Napa Valley, and selected a farmer living in each one to gather statistics on how many acres of vines were represented. We know through copies of the Napa register through the summer of 1880 that these districts were very clearly outlined and drawn, except in two or three cases. The "Stags Leap District," as to a clear definition as to its boundary, is missing, but we know that Terrell Grigsby, who owned most of the land in what constitutes the Chase-Thompson area, was selected as the gentleman to gather statistics for this particular -- I'm just up a little bit -- for this particular area in here.

We know that, by looking at the grape growers along Yountville Cross Road, who are to be found in the other studies of the St. Helena district listed under Yountville, that these were still being listed under the Napa Wine Growers Association. This has to be the origin of the separate identity for the Stags Leap area, even though it wasn't going under the name at that time, because the winery founded by Horace Chase was still a few years off.

City, county directors and others complete this understanding that we have of the boundary
line. And I've extrapolated a little bit to come up
with this definition.

I think there is a very good reason why the
farmers along the Yountville Cross Road, however,
paid no attention to Stags Leap or to the city of
Napa and its wine growers association formed in
1880. It was far easier for them to haul their
grapes into Yountville. That became the focus of
their interest.

There is solid evidence that the Napa River
was bridged as early as 1864. We know that there
were bridges across the Napa River and Conn Creek by
the 1870s. So anybody living along the Yountville
Cross Road could easily haul their grapes into the
many Yountville wineries. There were in the
vicinity of Yountville in this time period well into
the 1890s at least a dozen wineries which would
purchase their grapes.

Mr. Anderson claims in his petition to the
BATF that predecessor farmers on his lands, for
example, Mrs. Lycan, would have sold their grapes to
the Stags Leap winery or to the Occidental winery.
I believe one or two others in the petition claim
being told by family members that they sold their
grapes to Stags Leap wineries prior to prohibition.
I'm afraid this may be family mythology, with little
or no basis in historic fact.

We're talking of wine history that goes
back a long, long time, almost a hundred years, and
can become confused. This is the reason for my
strongly worded observation just stated. And let me
state why I've come to such conclusion.

In 1890, for example, there were close to
20,000 acres of grapes in Napa Valley, and the 1891
directory published by the Napa County Viticultural
Commissioners shows how many acres of grapes each
farmer had. They had shown on the phylloxera study
that Mrs. Lycan had 12 acres of grapes. Her
neighbors on both sides of the Yountville Cross Road
-- again, we're talking about principally in this
area in here and perhaps extending all the way to
this area, her neighbors had almost 400 acres of
grapes.

I believe someone said in one of their
letters to the petition to you that there were no
grapes grown on the north side of Yountville Cross
Road. This is distinctly not true.

The strange thing is that by the year 1900
there were only 3,000 producing acres of grapes left
in Napa Valley and county. In 10 years the
Phylloxera had almost wiped out the entire wine industry in Napa Valley. And these statistics can be verified in the records of the state and county assessor's records.

Stags Leap winery, founded by Horace Chase, had its first crush in 1893, just when the viticultural industry was declining very rapidly. We know it had its last crush in 1907, perhaps 1908. It survived barely, only fourteen years, because few grapes were available. Now Chase tried to found a second winery in Alexander Valley in 1895, and then went even as far as Contra Costa County trying to find grapes to make wine.

The Occidental winery to which many people claim they sold grapes, or ancestors did, had no crush after 1900, at least that I can find after hundreds of hours of research.

In other words, those individuals who claim that their ancestors sold all their grapes to the Stags Leap wineries, unless they have some document verifying it, and verifying it in multiple instances, I would be very very hesitant to accept their recollections on face value. Neither the Crellin family, which purchased the old Occidental winery in 1915, or the Granges, which purchased
Stags Leap in 1913 ever made any wine. After 1910 we come up to the solution to the phylloxera. _Rustia_ St. George and vineyards started to replant rapidly thereafter, and by 1920 we had a wholesale return to the large wine or grape industry of the county. In 1920 to 1925 we reached back and achieved the same twenty thousand acre or more status that we had in 1890.

And if you understand prohibition, you know that during the Volsted Act, which implemented the 18th amendment to the U.S. Constitution, allowed every family to produce 200 gallons of wine each year. The price of grapes for the first time by 1920 passed a hundred dollars a ton. I don't know of any year prior to that that it had been that high priced. I don't know of any year when grapes sold for higher than $50 a ton.

I think that what can happen is individuals who can recall their family selling grapes to Stags Leap may get confused with the fact that in the 1920s everybody was growing grapes again and shipping them back east, which was the large market. And the wineries, of course, had closed up. But there may be some historical confusion on where their grapes went based on what they can
recall as a child in the early '20s.

I have read Mr. Anderson's remarks about Yountville Cross Road as a land grant boundary. His argument has no historical merit, for it would really divide what constituted then, as it does today, a special agricultural community. That is what we have here on the both sides of the Yountville Cross Road extending northward on the east side, or the north side, all the way to the Napa River, I would think, perhaps, extending to the hills on the other side, a very clear and distinct farming community.

We know that there were as many as 400 acres of grapes at one time, perhaps much larger. And these neighbors -- and we're talking, again, of the Yountville Cross Road -- these neighbors would have been more inclined to help each other than they would have down here, because they're just across the road from each other.

The land grant of Caymus Rancho had no bearing on how the neighbors had to help each other out picking before a rainstorm. The owner of the property in the 1880s was so proud of her proximity to the Yount's ranch, the first vineyard planted, and for whom the town of Yountville was named, she
and her neighbors were so proud of this association
that they paid no heed whatever to the Stags Leap
District. If you drive north to the Yountville
Cross Road, as soon as you cross the Napa River
you'll see what I mean.

This is one of the richest viticultural
areas historical areas in all of California. The
Lycans, the Lynns, and all their neighbors, they all
must have been very proud of their viticultural
heritage, for they were only a mile or a mile and a
half from below the original George Yountville
ranch. And next year, of course, we celebrate in
Napa County the 150th anniversary of the founding of
the vineyards.

I like to note that land grant boundaries
have not in the past determined the boundary of
viticultural areas, at least, none that I know of.
I testified in the Carneros viticultural area, and
that, of course, did not fall in the land grant
boundary.

I thank you for your attention this
morning.

Any questions?

MR. DRAKE: Thank you, Mr. Heintz. Very
interesting, as usual.
You mentioned in 1880 there was a St. Helena growers' association that did some statistics and did not deal much with the growers below --

MR. HEINTZ: That was founded in 1875, a St. Helena viticultural association. Their name changed. They gathered statistics religiously in Yountville to Calistoga.

In 1880 there was some need to be better represented in the southern part of the valley, and a Napa wine growers association was formed with the folks of Napa city, but they represented everybody below Yountville. And they chose a peculiar boundary we can determine precisely.

On the other side there was a man -- I cannot find his name right here, but who lived over in this area. He gathered statistics. And the Napa register is very clear as to how far up, how close to Yountville, his boundary extended. It extended over to the Napa River.

Nearly every one of the sub-districts created within the Napa Wine Growers Association is clearly defined in the Napa register. Only two or three are not. One of them is what later became the "Stags Leap District." We know by extrapolating from the statistics gathered for the St. Helena
organization, we know by deducting those areas which are very clear and distinctly defined in the Napa Register, and that's the only record left of them, the ones that were left out, and one that was left out very closely confirms itself with the present "Stags Leap District."

I believe it followed the Napa River, it probably came down here quite a bit further, obviously, but followed very closely.

MR. DRAKE: Did the St. Helena statistics include those on the south part of the Yountville Cross Road?

MR. HEINTZ: They had to, because those names are not a part of this definition. And, more importantly, let's go back to the 1893 phylloxera study. The phylloxera study has all of the major growers in here under the city of Napa. They still looked toward Napa and the Napa wine growers for their leadership, rather than to St. Helena.

Now, Yountville had a much more direction which was toward St. Helena. These people in the 1983 phylloxera study are shown as being part of Yountville.

MR. DRAKE: You also mentioned in 1864 a bridge across the Napa River. Was that at the
Yountville Cross Road?

MR. HEINTZ: About a mile further north. Before there was a Yountville Cross Road the Yountville train crosses here, and there's an historical site here. And the first bridge across it was right here.

I have other -- plenty of documentation if you question the fact that there were bridges built from the 1870s on right here, so there was no question of their getting to Yountville to deliver their grapes.

MR. DRAKE: Those were the points I was looking for.

MR. HEINTZ: Thank you.

MR. DRAKE: I'm not sure if it's in the petition or in Mr. Anderson's petition, but north of the Yountville Cross Road, I thought it was marshy north of there, where ducks were hunted.

MR. HEINTZ: You know, I also have to tread on very careful ground as an historian, because people make claims like this.

But if you pick up the 1893 viticultural study, the phylloxera study, if you take the directory of grape growers put out by the commissioners in 1891, and then you take this
propertyholders map from 1895 or take a propertyholders map from 1915, and you start to study, you go who owned this piece of property here, and you will find that there was a man named Lynn there and others, and then Lycan, and you trace the ownership, you see the names showing up consistently. And I did this.

I studied all of these growers in here, I studied all of these people in here. When Mr. Anderson claimed that most of his neighbors or his predecessors would have hauled to Stags Leap, I said why wouldn't they haul it to the Emil Bressard winery here? They are here. And, of course, I studied all these wineries here. There was a major winery up in Rector Canyon. Here's Rector Creek right up in here. There was a major winery operated in the 1890s and founded back in the 1870s.

I started when I was doing some research for the coming anniversary for the planting of viticulture. George Yount's first grapes were planted here. His original winery was right here, not more than a mile and a half. At one time there were 240 acres of grapes owned by the Fryes, who bought the property, 240 acres of grapes where they were down here.
We don't know precisely. I've taped and talked with oldtimers. It could have been in here, but all of these people showed in green had vineyards, and I know exactly how many acres they would have in grapes.

1891, 1895, even, the Napa register sent a reporter out on horseback, rode every route. And one of the old routes was Silverado Trail, and he describes all the wineries. He comes here, down Yountville Cross Road, and describes these people, and he said most of their vineyards are gone. This is a phrase that you see and read frequently. Oh, no. There were many acres of vineyards here on the other side. This was not marsh.

MR. DRAKE: State Lane comes down off the Cross Road?

MR. HEINTZ: State Lane is one of the roads, that's right. I have no idea how close to the Napa River they would have planted this, because we don't know the geography. But we know, again, that because of the relationship to George Yount and the founding of vineyards, I suspect this is why these people kept their mailing and p.o. in Yountville rather than looking, as these people did, toward Napa. The relationship was an agricultural
community, which may have died out when the
phyloxera destroyed most of these vines -- not died
out, but may have declined.

Now, I would like to see these people,
newcomers who have moved in here, restore the same
kind of community as existed back in the 1890s.

MR. DRAKE: Thank you.

MS. RENNECKAR: With regard to the people
that look to Yountville, what about in the area just
above that northern area, there are some vineyards,
Egan, some others. Would they have looked to --

MR. HEINTZ: What area are you talking of?

MS. RENNECKAR: It would be just before
that northern --

MR. HEINTZ: The green right in here?

MS. RENNECKAR: I guess so, yes. Would
they have looked to the Yountville --

MR. HEINTZ: Nothing in history,
especially, is black and white. Maybe Richard
Mendelson made some allusion to this. I believe
James Salmina, who owned lands in this area,
apparently stayed the winters in Yountville. He was
an exception. But he only represented what
constituted about 15, 20 acres of land.

MS. RENNECKAR: Another question about the
ownership in that 1893 report.

MR. HEINTZ: Phylloxera study.

MS. RENNECKAR: Right. Does the area that
is just between the northern boundary that denotes
little hillsides represent a split between the
owners of those vineyards, or did someone own the
vineyards north of those hills at the same time, the
same ownership?

MR. HEINTZ: I have a suspicion that these
areas have stayed the same all the time. I don't
believe that the Anderson property, which is a
hundred acres, was any different under Lycan, I
don't know.

MS. RENNECKAR: So Lycan had that before.
Did he only own that property and not to the south?

MR. HEINTZ: That's right. He owned no
property to the south when it was owned by the
predecessor, named Lynn. Lynn owned half of Napa
Valley at one time. There were large orchards up
here owned by Lynn.

MS. SLATTERY: One more question. The Napa
Wine Growers Association, you said they created
sub-districts, but you said there were no clear
boundaries, but what's now what is called Stags Leap
District --
MR. HEINTZ: There were no published, clear boundaries. We know there were boundaries by extrapolation. We know what the boundaries were of all the other sub-districts, with the exception of Brown's Valley, which lies over here.

Stags Leap -- I don't know what the third one was, but when you take the boundaries which were in the Napa Register and in my letter to you of the 21st, I have all the Napa District which were relevant, and the boundaries were very clearly -- they followed Soda Springs here, and the Napa boundary here.

Maybe I should have done more homework. I should have prepared a map showing specifically where these boundaries were, as outlined clearly in the Napa register, which was merely repeating what the growers themselves had chosen. That would have left the Stags Leap boundary as one that hadn't been described in its precise terms in the newspaper. But we know exactly what it is, even though it wasn't listed.

MS. SLATTERY: And do you know that was only one sub-district as opposed to two?

MR. HEINTZ: It has to be one because Terrell Grigsby represented it, and there was no
other person -- that's part of the secret. They
selected an individual, prominent farmer, in each
one of these sub-districts. The names are there.
Mr. Este, who ran for governor, the only time a
vintner almost made it to the governor of
California.

But this was a very prominent farmer, and
Terrell Grigsby, who owned so much land here, was
right in the center of it. And there's no
possibility this could have been broken down into
the second, no.

MS. SLATTERY: Did the sub-districts ever
have names?

MR. HEINTZ: No, not formally.

MR. DRAKE: Thank you very much.

Mr. Nathan Fay.

MR. FAY: Good morning. My name is Nathan
Fay. My wife and I have lived in the Napa Valley
since 1951. We purchased our ranch on the Silverado
Trail in the Stags Leap District in 1953 and built
our home there in 1956, and have lived there ever
since.

In 1961 we planted cabernet sauvignon on
our ranch property, as this variety was recommended
to us by Jim Lider, who was the Napa County Farm
Adviser, and by Robert Mondavi and some other people, as probably being the best variety to plant in this area.

At this time there were very few cabernet vines planted in the Napa Valley and as late as 1966 when the agricultural commissioner separated the grapes by variety for the first time, there were only 682 acres of cabernet in the whole of Napa County. Now there are well over 5,000 acres of cabernet.

I personally have farmed my own vineyard of some 75 acres as well as taking care of five other smaller vineyards in the proposed "Stags Leap District," as well as several other places in the Napa Valley. I worked my vineyard for some 26 years, and just recently sold the vineyard to my neighbor, Warren Winiarski.

Working my vineyard during the day and sulfuring and frost protecting during the night, I have become very familiar with the temperature and the seasonal differences. On frosty nights during the spring the proposed district is a little warmer than the main Napa Valley to the east around the town of Yountville, and during the growing season the cool breezes off the bay enter our area from the
south, creating a moderating influence.

This cool drift is confined by the range of hills to the east and the west and cut off somewhat by the small hills on the north of the Stags Leap proposed district. The land south of the "Stags Leap District" is influenced by the broad plain of the Napa Valley.

The area north of this district is influenced by the hills to the east and by hills which form the northern boundary of the district. These hills form a kind of barrier to the breeze from the south so that the bowl's extension is really part of the broad Napa valley.

The exposure to the north in that extension is just the opposite to our exposure in the "Stags Leap District." The area to the north has much more in common with the vineyards on both sides of the Yountville Cross Road than it has with the "Stags Leap District." I placed thermometers about my vineyard and other vineyards I have taken care of, so I am aware of these differences. And the effect they have as temperature all through the growing season is one of the main factors concerning grape quality.

This factor of the "Stags Leap District"
being open to the cool bay breezes only on the south
in direct line with the bay, and sheltered on the
east, north and west, is one of the main reasons our
area is different and unique.

I no longer have any vineyards, but I can
see where the consumer would want to see special
areas named that have a great deal in common rather
than being too diversified.

Thank you.

MR. DRAKE: Thank you, Mr. Fay.

Any questions?

MR. GAHAGAN: What varieties do you grow or
did you grow in your vineyard?

MR. FAY: Mostly cabernet sauvignon, and
then I put in some chardonnay and merlot. And then
in the front field I put in sauvignon blanc.

MR. GAHAGAN: Thank you.

MR. DRAKE: Thank you, Mr. Fay.

Deborah Elliott-Fisk.

MS. ELLIOTT-FISK: My name is Deborah L.
Elliott-Fisk. I won't spell it. I've given my card
to the hearing reporter.

I'm an assistant professor of geography and
also a member of graduate groups of geography and
earth science at U.C. Davis.
I'd like to, basically, introduce you to my perspective in terms of looking at the "Stags Leap District" as a viticultural area of my topic, and then address certain aspects of the geographic district.

Geography is a science that describes the physical characteristics of the landscape, the landscape being both the natural and physical features that we see of the landscape. What I'd like to do, then, is present the "Stags Leap District" as an unique geographic area.

Next please.

Physical geographies are concerned with the study of the natural features of the landscape as opposed to the cultural features, and we integrate all the information that we see about the natural landscape to describe these areas.

Next please.

In fact, in a lot of our work we try to view different geographical areas as what I term functional systems. I can think of an organism being a system that has integrated organics, body parts, receives energy from food, etc. We can think of a geographic area also as a system.

The next, please.
In designing geographic systems, we work with many different types of information, information on the vegetation of an area, the regional and local climate, soils geology geomorphology, etc. And we can make maps of these different aspects of the landscape and stack them up in a layer cake fashion to see if an area is different from its surroundings.

Next please.

I think we can view the "Stags Leap District" and its proposed boundaries as a system. I hope to convince you of that here today.

Next please.

If we define the "Stags Leap District" as a system, first there has to be some source of energy for this unit of the landscape, and the sun is the primary source of energy for the earth. The sun is also the primary source of energy for the grapevine.

We can then also look at the structure of the "Stags Leap District" system, look at the vegetation, its soils geology, etc., and by looking at all these integrated components and tying them together, we should be able to draw boundaries and establish, again, "Stags Leap District" as a unique
geographical, and, in this case, also viticultural area.

Next, please.
Can the panel see the pictures okay with me standing here?

I'd like to remind you again that we need to focus some of our attention on the grapevine and on grape quality.

Next please.

And to do this, conceptually we can thing of having our vine or whole plant in the center here. Most plants, nuturing plants, produce fruit, and grapevines produce grapes. The growth of this plant and the quality of the fruit are dependent on characteristics of that plant's environment. We can break this up into the surface environment, everything above ground level, and the subsurface or ground environment.

People have been asking questions about climate, about air channeling through this inverted funnel of "Stags Leap District." We need to be concerned about the surface environment, about the regional climate we have here in Napa County as a whole, and about the more local topo or micro climate we have in "Stags Leap District."
will, of course, affect the growth of the plant, the length of the growing season, the quality of the fruit in terms of the subsurface environment.

The two most important characteristics of this environment we have to look at are the soil, which we've talked about a little bit here, and the geology and the geomorphology of the organic environment, volcanic rock, sediment, tar, etc.

The geomorphology is pretty much the same as topography, the looking at or the lay of the land. One of the more important is of an arrow that goes from the land or the geomorphology to the soil. The soils are derived from the bedrock to other materials. They are linked to the geography or geomorphology of the area.

Next, please.

First let's look at climate, then vegetation, then soils, then geology and geomorphology. Then we'll tie them up at the end.

In terms of climate, another person is going to talk more about this. I didn't want to leave it out completely, so I want to remind you, here we're in a Mediterranean climate: summer, dry; winter, wet, in almost all of California, I think, including Napa Valley and the "Stags Leap
District." But I strongly believe that the "Stags Leap District" has a unique topo climate.

Okay. This is a valley within a valley, and it's almost an isolated basin. As has been pointed out previously, the southern, broad part of the valley is open to sea breezes off San Pablo Bay. Land sea breezes are typical things you find in coastal locations.

Slope aspects are also important here. Does the slope face north, east, west or something in between? This really influences incoming direct solar energy. How much energy is available for these plants to grow, for these plants to mature?

So slope aspect is very important here.

What I use as evidence of this unique topo climate is the vegetation we see in the "Stags Leap District." It's a proxy indicator of the climate. I'll talk about that more in a moment.

Next please.

This is a view looking south down what I will call Stags Leap Valley from above John Shafer's winery, which is not the northernmost of the hills, but close to the northern boundary. And you can see here, the slope is on both sides: again, this concept of a valley within a valley looking south.
So the breezes would be coming off San Pablo Bay and blowing in a northerly fashion up through this valley.

Next please.

I said the vegetation is a proxy indicator of climate. Well, let's take a look at this. The dominant type of vegetation, or what I will call here a community, in eastern Napa Valley at elevations up to a thousand feet is referred to as an oak-madrone woodland.

In fact, you see this type of vegetation all over Napa county. It's a mixture of a couple of different types of trees with a lot of different grasses and weeds, weedy plants, growing down on the ground level. What we see in the "Stags Leap District" is an increase in the density or the number of trees on these hilltops. And this, to me, indicates an inception or entrapment of this air coming off San Pablo Bay.

Trees need a lot more moisture to survive than grasses and some types of shrubs. So the density of the woodlands, actually, which changes into a forest on these hills that ring the "Stags Leap District," indicate a unique topo climate.

In fact, in some places we go around from
this oak-madrone woodland into a forest which at its
greatest height is a conifer or hardwood pine. And
I'll show you a couple of pictures of that.

Next, please.

There is a map of the woodland community in
the "Stags Leap District" area, and there's a copy
of it in your handout. The blue areas are in
conifer hardwood forest on this southerly hill, and
then on this long rock outcrop that I refer to as
the Pine Ridge Hill, much to Gary's delight,
probably, here.

So here we have a very dense application of
the hardwood conifer forest. We also have a madrone
forest, and I apologize for the lacking of contrast
in some of my drawings here. This area. Very dense
lush forest, a madrone forest.

Other types of vegetation include a dense
oak forest on this outcrop on these hills, including
the hill that fronts the Anderson property, and
oak-madrone, the light green elsewhere, and a pine
woodland which has been destroyed in many places
down by the Napa River. To me, these forest
woodlands and dense woodlands, again, indicate
entrapped air of marine air.

This next, please.
This shot was taken from the Silverado Trail. These are some of the Mondavi vineyards. We're looking to the northwest. This is the Pine Ridge Hill, and you can see the dense vegetation here again, indicates more moist conditions.

Next please.

This is a shot up on top of the Pine Ridge Hill. Okay. The largest rock outcrop in the "Stags Leap District" of this madrone forest; very dense, very lush.

Next please.

And then you can look up in some places and there's a mixed fir-pine forest. These conifers need more moisture than the oaks and the madrones, so these indicate that this is a wetter site.

Where is the moisture coming from? It's coming from these sea breezes that are being trapped. That's the only possible difference. There isn't enough orographic uplift to indicate increased precipitation, so it's really fog entrapment.

Next please.

So that's vegetation. Now let's take a look at soils. From the past reports, perceiving of the Committee's deliberations that I've read,
soils have been kind of a focal point. Does the Stags Leap have unique soil?

We need to remember at the outset that a soil is not the same as what people call dirt or a pile of sand, or whatever. It's a mixture of organic or dead plant material with mineral matter, soil from the bedrock and different types of formation processes, etc. We should remember here that the soil is simply a surface veneer over the underlying sediment and bedrock.

The soils are relatively thin in the Napa Valley, one to two meters, typically, occasionally three. And most woody plants -- and this is talking about woody plants around the world, and it includes grapevines here -- are rooted not only in the soil but in the subsoil as well.

The roots extend below the soil or the topsoil. So what's down there below what we're talking about, the soil is very important for the growth of the plants.

Another point that I'd like to make here is that the soils that we see are a function of several things: climate, living organisms, including earthworms around the vegetation; parent material, bedrocks or sediments; topography, steep surface or
flat slope, and time.

Soils formed through time, as time
processes the soils, changes the texture, changes
how much clay it has in its properties for plants.

Next, please.

Soils. Incredible. The "Stags Leap
District." And my map extends here across the
analyzed property, across the Yountville Road and
also south of the proposed boundary toward Soda
Canyon.

This area contains a very large suite of
soils, many types of soils. You may ask here what
about soils where the vineyards actually are? Those
would be pretty much in the valley bottom and along
some of the lower hill slopes. Well, where the
vineyards are there still are a diverse variation of
soils. We're still not talking just about Bale clay
loam.

Bale clay loams on this map are designated
by numbers 104, 105, but it's basically dark yellow
shade coming up through Stags Leap Valley, if I can
call it that, and then swinging out south of the
hills at our northern proposed boundary. It's been
mapped here on the Anderson property and extending
north across the Yountville Road, and as pointed out
earlier, Bale clay loam soils are very common in Napa county, and also found in other counties along the state.

Next, please.

A diversity of soils, these are all the soils that are found in the "Stags Leap District," just the district as proposed. A lot. And if anybody would like a copy of that, I'd be glad to mail you one.

Next, please.

This is a summary of the soils. Let me point out here there are 31 different soils series that have been mapped in Napa County. 45 percent of these show up in "Stags Leap District."

Now, if we look at the dominant Stags Leap soils, Bale clay loam is dominant on the valley floor, the Boomer-Forward-Feltha complex is dominant on hill slopes, and several soils, including Boomer gravelly loam, etc., are dominant on the hillsides. So we really have three main types of soils. This relates to slope position.

What about outside our proposed boundaries, north, southeast, west, and there have been comments about using the Napa River as the boundary from the west.
First of all, west of our boundary our far overwhelming dominant soils are Cole silt loam. Cole silt loam is not found within the "Stags Leap District." It's related to a different type of geomorphic unit that I'll describe later on.

Each of our boundaries up on to the Napa Valley Mountains, we have shallow soils and rock outcrop-Hambright complex on very steep slopes.

South of our proposed boundary we have different types of soils, again related to different geomorphic bedrock types: Haire loam, Coombs gravelly loam, and Hambright-Rock outcrop complex dominate to the south and to the north. And this is an important point. Here we do have Bale clay loam, but amongst several others, Cortina and others, that are gravelly loam. I don't mean loam which I would say lives where I do, in Davis, etc.; lots of different types of soils to the north.

Okay. There are some different types in the ground, but we need to remember that "Stags Leap District" itself is very diverse in terms of soils.

Next, please.

I'd like to make a personal comment. I did some cursory examination of soils in and out of Stags Leap, especially to the north. This is a shot
through part of the Phelps vineyard in about the mid-section of the valley south of Warren's winery. And you can see here, look at the color of the soils and texture. Pretty much rock free. These form from old river sediments. That soils map, the description in the Napa County survey for Bale clay loam, the color matches, the texture, etc. So I was happy to see that.

Next slide.

This is a picture of soils to the north. And I should tell you exactly where this is, and let me go to the map over here for a second.

I did not go on to the Anderson property or any of this land, just to avoid potential conflicts. I've taken many photos of this area, worked with different types of maps, but I sampled soils up here on State Lane-Caymus Avenue that are mapped as being the same soils as are on the Anderson-Weeks property, etc. This is a shot of these soils.

Look at all these boulders. The surface here is also very much darker. I took samples of these soils back to my lab. They do not match the description for Bale clay loam. In fact, they do not match the description for anything that turns up
in the Napa soil survey. They are very sticky. The colors are very dark.

I have numbers I can give you on that if anybody's interested. It's not the same. Okay? But this is not on the Anderson property; but I think the Anderson soil, at least near the road, is just like this. I walked the Anderson property and looked, didn't touch, just looked. So, in my opinion, this area has been incorrectly mapped.

Lastly, here, I'd like to talk about geology and geomorphology. And, briefly, the Napa Valley and the "Stags Leap District" have formed over a long period, over about the last one hundred million years.

Some of the rocks we see here today were deposited as sediments off of the coast offshore and some of these show up on the Pine Ridge Hill. So we had deposition offshore. These rocks were later folded, became the terrestrial surfaces, and we had an early shallow Napa Valley formation. This was followed years ago with volcanism that laid down the volcanics. This was followed more recently by different periods of earthquake activity and faulting, which resulted in a number of hills being pushed up in the Napa Valley, including the
Yountville hills here.

Then, later in time, during the last one million years, we had the Napa River really carve out the landscape. In the past, the Napa River was much larger and had a much higher discharge than we have today. For example, one million years ago we had an icecap in the Sonoma Mountains. There must have been a much larger river, a big, raging stream.

So the river eroded and cut the valley and cut these little rock hills we see here today, modified their shape. Climate has changed a lot in the last million years. The river has changed, the sea level has changed of San Pablo Bay, and this has resulted in sediments being deposited. The tide in San Pablo Bay, by the Napa River and by minor streams, these sediments have been deposited over varying periods of time. And we can identify these different little land surfaces that were formed by deposition at different time periods.

Next please.

There's a lot on that slide. I apologize for that. So before we look at the geomorphology let's look at the geology. This was compiled by a preliminary map done by the USGS of part of Napa and
Sonoma counties.

The only thing I want to point out here is the east side of the mountains are dominated by volcanic rocks that our southern boundary here matches nicely from, andesites and rhyolites. Andesites and the andesitic rocks continue all the way up to Rector Canyon Reservoir. There are outcrops of rocks forming some of the hills.

Then we have some older marine sedimentary rocks also in green, that also form some of our hills.

The yellow areas are river and fan deposits. I'll get to them in a minute.

So we mostly have volcanic rocks which distinguish the east side of Napa Valley.

Next, please.

Now this is a favorite of mine, and one I've talked to a lot of people about. I've done a lot of work in areas reconstructing past environments, and I saw the topo sheet of Stags Leap and said immediately to Richard, Oh, the Napa River went through here. This is very obvious in looking at the contours of the topo sheet, a former channel of the Napa River. And I'll show you a slide, too, in a second here.
In fact, the Napa River meandered all through the Napa Valley. It cut beyond the Yountville hills where we are right now. Following this time alluvial fans were deposited by the streams coming off the mountain front in different places.

This is what I'm calling the Rector Canyon fan. This is an alluvial fan that's younger than this surface. This surface has not been covered by series of younger alluvial fans, because, basically, the strength of these andesitic rocks, the structure is such on these mountains that these rocks are not easily eroded in time and they haven't formed sediment fans on this old surface.

If you'll note here, my boundary comes along this side of these two hills that are the northern boundary. It's a perfect match. It's not something I made up, it's something I saw by looking at the match and checking in the field. The Chimney Rock fan also substantiates the boundary. The southern boundary is the Soda canyon fan. It's outside the area.

For the west we have the Napa River, its flood plain and terraces, and then a series of fans of different ages that come off the mountains to the
west of us here, including the Dry Creek Fan. And
this is the large surface that is dominated by these
Cole silt loams. It comes from sedimentary and
volcanic rocks to the west. A real good western
boundary, in my opinion, the outcrops here.

Next, how do I know the Napa River went
through here? After looking at the topo maps I went
out in the field and saw the flat surface by Robert
Mondavi's house. This is a terrace that was cut
when the river was at this level, approximately 250
feet. Also, at that time, sea level was much
higher.

On Warren Winiarski's property he has a
similar terrace. This is evidence that the river
meandered through here and cut these hills. This is
not a faulted surface. There are faults in the
area, and this is not a faulted surface.

Next, please. So this is real exciting to
me in terms of research, trying to determine what
happened here.

This is a section of our topographic map,
and this is Rector Canyon Reservoir and the fan
formed below there. These would be our two
contested hills here. Why does this fan form here?
Why don't we have this type of unit that's formed
over the "Stags Leap District" valley? Well, the rocks here are much less resistant to erosion. We can think of this as a mini Grand Canyon. That indicates a contrast between rocks that are very hard and rocks that are very soft. It's my guess that there are a series of volcanic flows in here. It's been stripped by erosion, New Rector Creek, over time, probably the last hundred fifty thousand years.

Next, please.

To illustrate what alluvial fan deposits look like versus river deposits, I want to show you this schematic.

So we have a canyon up valley, here, with flash flood storm events, intense precipitation, sediment is flushed out on to the valley floor. So you can think of this happening during an intense rain-thunder storm.

With this much energy, big boulders carried out on to the alluvial floor. So they are composed of very large rocks with very fine material, so kind of a mumbo-jumbo. You can have layers of different deposits with the fines being deposited out at the very outer edge of the fan.

Next, please.
I went to Bob Egan's into the borrow pit which was the source of material for the Rector Canyon Dam to try to look at the cross-section of sediment through the dam to see were there really all these boulders there. What kind of a fan was this?

This is a cross-section. Look at all the boulders there, very bouldery. In fact, if you drive along this part of Silverado Trail and other parts, you see these boulder fences. These were formed where there are fans, predominantly.

Next, please.

This is a schematic of river sediments. Rivers move slowly, don't have as much energy as these streams during these flash-flood events. They can remove fines, occasionally can carry big boulders. So we see here fines laid down over a period of time.

Next, please.

As the river speeds up and slows during the year, different sizes of sediments are transported. This slide shows the section of old Napa River sediments along the Silverado Trail in the proposed "Stags Leap District." A large boulder is seen here, surrounded by finer material. These are
typical river sediments.

Next, please.

What about this theory for the old Napa River that went through Stags Valley? This is old Silverado Vineyards on Silverado Trail, a road cut. And these are old Napa River sediments. This is not rhyolite, which dominates the slope here. In fact, underneath is silt stone and shale on the USGS geologic map, with very fine sediments.

Look at the next slide.

Here a large, rounded rock, using my lens cap for a scale, maybe something like ten inches round. That rounding testifies to that boulder being tumbled, carried by a stream, and the fines that surround it are stream-deposited sediments. So there's evidence like this for this former Napa River channel in addition to these channels being cut.

Next please.

To get back to our grapevine again, how does this all tie into the grapevine? And I apologize for my lack of graphic artist ability. We're going to have differences in the depth and texture of the soil on fan surfaces on this old Napa River channel. The soil should be better developed
on the old Napa River channel. The soil surface has
been there longer, more time for the soil to
develop.

There are also differences in the subsoil,
this is not that well depicted here, but larger
boulders on the fan underneath and consistently more
fines underneath the river deposit soils. So this
should affect the vine and it therefore should also
affect what we see as a quality of the fruit.

So I believe, as a geographer, we can tie
together these different types of data: the topo
climate, the vegetation, the soils and the geology
and geomorphology, to say that this area is
distinct. And it may be one of the most distinctive
areas in Napa County, period.

I'd like to end with that and take any
questions.

MR. DRAKE: Thank you. I'm going to take
this as Exhibit 5. It's very well done. Even I can
understand it.

MS. ELLIOTT-FISK: Good.

MR. DRAKE: Can you show me over here where
the Napa River channel would have been? I'm
accustomed to that map.

MS. ELLIOTT-FISK: One thing we need to
remember is that the Napa River meandered all through this valley through time, but where it's best provided today is through the Yountville hills, and then right through here down to where the large Soda Canyon fan builds over it and the Dry Creek Fan and the Rector Canyon Fan.

MR. DRAKE: So it did come in below the two

MS. ELLIOTT-FISK: Yes. It came right through here, and also right here. And the section I showed the road cut, where I sampled the sediments and determined that they were river sediments, is right in here. Okay. And there's good evidence that the water came right through here, cut a terrace here, cut a terrace here, and cut a terrace here. And they're all about the same height, so it probably happened at the same time.

MR. DRAKE: The hills to the north part, there, that the green line crosses through, you said those are outcroppings?

MS. ELLIOTT-FISK: Those are outcroppings of volcanic rocks, yes—ryolite and andesite. The hills themselves are locations of outcroppings of andesite and rhyolite. In fact, there are a number of faults that cut these surfaces and put these two
rock types together. Like, there's a difference in
a hundred million years in when they were formed.

Fun stuff.

MR. DRAKE: Historians and geographers can
have the same amount of time from now on.

MS. ELLIOTT-FISK: I'm sorry.

MR. DRAKE: No. I didn't mean it that way.

MR. GAHAGAN: Regarding the maps of the oak
forest, I know on the east side of the valley there
appears madrones. Your map indicates it stops at
Mr. Shafer's property. Does that continue to the
north?

MS. ELLIOTT-FISK: Yes. It continues to
the north. It's very dominant in Napa Valley. It's
a more open woodland type than you see elsewhere.
Those are west-facing slopes that get more hours of
daylight than east-facing slopes, and that tends to
evaporate moisture and have dryer climates.

MR. GAHAGAN: The other question I have
relates to viticulture and to assist us on the
grapevine. Now, you said that the area for the
north is different from the area to the south?

MS. ELLIOTT-FISK: Yes.

MR. GAHAGAN: So could these differences be
conditioned to horticultures, viticultures?
MS. ELLIOTT-FISK: I should say here, I am not a viticulturalist. I have done a lot of work with woody plants, specifically trees, and in terms of fertilization, some of these things can be compensated for. I'm not sure they can be compensated for in terms of fruit quality. Someone else can clarify that more than me. I'm just sticking my neck out to say anything.

MR. FICARETTA: I just had a question. The Cole silt loam, I believe it's Cole silt loam, just below that larger hills to the west, just east of the Napa River where it widens --

MS. ELLIOTT-FISK: This little island here?

MR. FICARETTA: Right in there. The soils there are the same as just across the river?

MS. ELLIOTT-FISK: If they're shown that way on my map; the map is taken from the Napa County soil survey.

There are a number of little islands along the river which have formed recently, so it's possible that there has been some interaction with this Dry Creek Fan, and the river has changed course.

MR. FICARETTA: But the materials of that
Cole silt, even though it may be the same as the west Napa River, that is what is deposited in the mountains to the east?

MS. ELLIOTT-FISK: No. Those silts are defined as being a mixture of silts and volcanic rocks. If the map is correct it would have had to be derived from the Dry Creek Fan, and the river has changed course and cut around that.

That's something I should point out. I think these are pretty good natural boundaries, and things can change through time. You notice we've had some big storm events. It's possible in sections of the Napa River that the river may change its course a little bit in the future where it's not diked or dammed. Probably not a lot.

I mean, we're dynamic kinds of people, and, hopefully, we can deal with a dynamic environment, right?

MR. DRAKE: Thank you very much.

We have a request for George Depuy to testify at 3:30 this afternoon, and we'll schedule that instead of Mr. Hale.

Lunch? 1:45 return, please.

(The luncheon recess was taken at 12:25 p.m.)
AFTERNOON SESSION

TUESDAY, DECEMBER 1, 1987

MR. DRAKE: We will continue with the
hearing. We've been asked during the break that you
do not congregate in the library. Apparently we
have a librarian who is very sincere about her area,
and apparently you were disrupting them.

Also, we have one other kind of an
administrative thing. We had a package in the rear
of the table which was copies of all the requests to
testify as well as written comments, with a big sign
in front of it that said, "Do not take." Someone
took.

We'll turn the lights off, no questions
asked. I would appreciate it if you would return it
to the table.

The next witness is Donald Schukraft.

MR. SCHUKRAFT: My name is Don Schukraft.
I'm a meteorologist. I brought this rain over with
me from Chico. I hear the grapevines liked it.

I first became involved in the Stags Leap
weather -- "Stags Leap District" viticultural area,
I should say, back in September of 1985, and it was
at that time that Jack Stuart of Silverado Vineyards
had approached our company, Weather Network,
Incorporated, to look at the climate and weather of the "Stags Leap District" and comment on the initial boundaries that had been proposed.

My position at Weather Network, Inc. at that time was General Manager. I remained General Manager of Weather Network, Inc. We're located in Chico, California, in the Sacramento valley.

My background includes a bachelor of science degree in meteorology from San Jose State University. I'm recognized by the American Meteorological Society as a certified consulting meteorologist. There are approximately 450 certified consulting meteorologists in the United States.

During the last couple of years I have had the opportunity to do extensive field work and studies for various clients here in the Napa Valley. It's my understanding at this hearing that the main issue is the northern boundary, and its that boundary that I wish to address today in my statement.

When Weather Network began their study of the weather in the "Stags Leap District," we installed two automatic weather stations in the district. There are very little long term weather
records available so we've set up some automatic
weather stations to compare the weather in various
parts of the district. And it was from this
detailed weather study that took place in 1985 that
I became quite familiar with the weather in the
"Stags Leap District."

We've had several speakers today. Many of
them had talked about weather, briefly mentioned
it. A lot of them deferred questions to me. I hope
that I can answer many of these questions as I
proceed today with my statement and talk about the
weather in the Napa Valley, specifically the Stags
Leap region and the northern boundary.

The Napa Valley is considered a coastal
valley. It's influenced by the marine air that
penetrates up from San Pablo Bay in the south. The
diversity of the topography surrounding the Napa
Valley and within the Napa Valley itself are the
main reasons for the many gradations in the climate
and weather found in the region.

For many of you who live here in the Valley
are very well aware that the temperature, basically,
during the growing season increases, the maximum
daytime temperature increasing as you go from south
to north moving from Napa up into the Calistoga
region. This main influence in differences in temperature within a short distance of this valley is due to the exposure of the Valley due to the cooler marine air to the south. The farther south you are in the Valley the more influence that marine air will have in that particular region, consequently making Napa generally cooler during the growing season than much of Calistoga during much of the growing season. How does that penetrate into Napa Valley?

So we'll talk a little bit about meteorology, but I'm not going to get into too many specifics to confuse the issue.

The marine air is drawn into the Napa Valley due to pressure differences that arise between the interior portions of the Valley and the bay waters to the south. During the summertime it gets quite hot here in California, and the heating, daytime heat, for example, at the valley floor in the upper part of the Valley, creates a lower pressure area. And this lower pressure draws the cooler marine air up from the higher pressure areas which are located down in the area of San Pablo Bay. And, consequently, you get an influx of marine air into the Valley due to the differences in
pressure, surface pressure.

There are many parameters that will affect the penetration of the marine air into the Valley, and these parameters, basically, will depend on the long -- or the larger-scale weather pattern, the depths of the marine layer and the extremities of the surface pressure gradient. All of these factors come into play in determining what type of an influence there is on a day-to-day basis of that marine air in the Valley.

The influx of the marine air in the Stags Leap region is emphasized by the funnel-like shape of the "Stags Leap District" with the eastern mountains and the smaller mountains to the west.

If I could have the slide, we'll refer to that before we go any further. I'm not a grape grower, so I brought a different kind of pointer. I hope I didn't hurt anybody's feelings.

This is the same topo map that we've been looking at throughout the morning. Shows the "Stags Leap District" outlined here in red, as the boundaries lie right now. The black lines are indicative of streamlines. Streamlines are wind-flow patterns. The wider the line indicates the stronger the wind's speed. So you can see that
the strongest winds come up from the San Pablo Bay and through the southern portion of the Valley and come up through the main part of the Valley, you find your strongest winds.

Approximately 65 percent of the time during the growing season the winds will be out of the south. So this is the predominant wind direction and provides the influence of the marine air into the Napa Valley, and specifically the Stags Leap region. You can see that the various hills provide changes in the wind-flow pattern and, consequently, also the speed of the winds.

We find that the wind is funneled up through the wide end of the funnel that we talked about in the "Stags Leap District," and you can see the funnel-like shape that we see here. We find the winds coming up, the cooler winds, coming up from the south. And when there's a low level temperature inversion you find that the winds will come up, circle around the Stags Leap District through this region here, and exit the district out south of these northern hills. Due to the tightening of the mountains in this region, you do find some increase in the wind's speed as the wind flows through that area. And that's, basically, a venturi effect,
where you have a volume of air moving up through the
Valley and then exiting the Valley through a much
smaller space. Some of the airflow that does exit
through the channel here will also penetrate up
through here, but we see that these arrows are a
little bit narrower, and this is indicating that the
winds are much lighter in that area. The main
wind-flow pattern is up through the Valley, exiting
the Valley south of these hills.

We do find that the winds as they penetrate
up through the Valley -- and this happens as they go
on up even further through the Valley -- we see
eddies starting to form on the lee side of the
hills, and we see eddies that would be developing up
in here and also around the Yountville hills. So
you're getting changes in the wind-flow pattern in
this northern area, here. These wind flows are
creating changes in the wind-flow patterns which are
consequently creating changes in the temperature and
the humidity of the air.

We'll just leave that up there for a little
bit. We might refer to it later.

The orographic effect of the "Stags Leap
District" and the wind flow through the district as
a result of the mountains and intervening hills
produces the change in temperature and humidity, as
I explained just earlier. These differences are
what sets the Stags Leap region apart climatically
from other parts of the Valley.

The temperature and humidity differences
within the area are most pronounced during the
summertime and when the marine layer is very shallow
and there's a low-level temperature inversion. A
temperature inversion traps the air near the
surface; consequently, what you have is the
temperature decreasing with heat and then a
temperature increasing with heat.

As the temperature increases with heat in
the atmosphere, we term that, as meteorologists, an
inversion. And this traps the air down below. And
this allows the air to enter the "Stags Leap
District" and exit it just south of those northern
hills. These northern hills also create turbulence
in the airflow pattern.

As the air flows over the hills and flows
around through the narrower gaps, eddies start to
form in the wind-flow pattern, and when the marine
layer is very shallow you find that this turbulence
in the wind-flow pattern helps to break up the low
lying fog and low clouds in that particular area,
due to the turbulence caused by the wind flow around the hills.

It should also be noted that on a smaller percentage of the days the winds in the Napa Valley come out of the northwesterly direction. Basically, the winds in the Napa Valley are from a southerly or northwesterly direction, depending on the large-scale weather pattern as well as the smaller-scale features which affect the weather and the wind-flow patterns.

The northwesterly winds are also affected by these northern hills. When the winds hit these hills, changes in the wind direction and changes in temperature and humidity are found. The northern winds that come down the Valley are warm and dry and are heated automatically as they come down the mountain slopes and down the Valley. So, consequently, on a north-wind day you're going to find that the temperatures and humidity in the area just north of these boundary hills are going to be a little bit warmer and dryer than the air temperature just to the south of these hills. There will be some minor differences there near these hills. And, basically, this is due to the effect of the wind-flow pattern around the hills, themselves.
It's been stated that there are three major geographical features that can be used to describe an appellation. One is topography, a second is climate, and the third is soils. Using any one of these features without considering the others would undoubtedly result in the boundaries of any appellation being drawn differently.

The northern hills at which the Stags Leap boundary is drawn are a part of the unique topography of the area and play a role in the weather that is experienced in the "Stags Leap District." The Napa River is a geographical feature that makes a natural division when referring to the "Stags Leap District," as are the hills along the northern boundary a natural geographical feature.

Climate and weather are not generally associated with distinct boundaries as may be the case with soils or geographical features such as a river. Distinct boundaries cannot be drawn meteorologically. However, the ring of hills which make up the northern boundary play a role in the local weather found in the "Stags Leap District." And again I would like to emphasize at this time, it's the airflow pattern around these hills that causes the difference in the temperature and
humidity from one side of the hills to the other. On a south-wind day the air flows around the hills, exits the "Stags Leap District" to the south of these boundary hills, resulting in the temperature and humidity, the temperature to be lower and the humidity to be higher than the area in the north of the hills.

Conversely, on a northwesterly-wind day we find that the temperatures north of the hills will be a little bit warmer and the humidity a little bit dryer.

In conclusion, the ring of hills along the northern boundary along the "Stags Leap District" viticultural area provide changes in the wind-flow pattern that consequently produce changes in the temperatures and humidity in the vineyards to the north and south of the hills. These changes in the wind-flow pattern and these resultant weather elements are not found at the Yountville Cross Road.

At this time I'd like to answer any questions that the panel might have.

MR. DRAKE: Thank you, Mr. Schukraft. I have a couple. The width of the line indicating airflow, what relevance is that?
The reason I'm asking, I went up to those
hills yesterday, and I went up to, I suspect, Mr.
Anderson's property. If I violated, I apologize.
And we stood between those hills, and that wind came
through pretty heavy.

Is it even more heavy to the south and west
of that?

MR. SCHUKRAFT: The airflows are relative
to each other. The width of those lines are
relative to each other. Let me explain that a
little bit further.

In other words, what we're going to find
here is that the winds are going to be the strongest
up through the center of the Valley, here, we would
suspect, up through the "Stags Leap District." You
can see that this arrow is wider than this arrow, so
these are going to be somewhat less wind speed.

The wind speed is going to pick up as it
comes through here, and then it's going to decrease
as it comes through here because the main channel of
airflow is going to be down through, into the
Valley, again, through this gap.

So if you were standing up in this area
yesterday when the weather front was coming through,
and we suspect the winds would be from the south,
you're definitely going to see and feel winds in 
that area.

But you go out into this area, chances are 
the winds would have been much stronger, or had you 
go down into this area you would have found the 
winds possibly from a completely different 
direction.

MR. DRAKE: You mentioned you had two 
weather stations.

MR. SCHUKRAFT: Yes, we did.

MR. DRAKE: Where were they located?

Mr. SCHUKRAFT: Okay. One weather station 
was located right in this area here, just to the 
est of the river, and another weather station was 
located out in this area. Let's see. Right out in 
this area here. And they were at about the same 
elevation.

MR. DRAKE: How would you determine, then, 
for the northern part of that, that the wind took a 
90 degree turn up there? How do you determine that.

MR. SCHUKRAFT: These lines, streamlines, 
are based, just generally, on what a meteorologist 
would expect from the wind-flow pattern. It's like 
standing next to a building. The hills can be 
thought of as a building. You stand on the windward
side, you're going to get the wind coming right at you. If you stand on the leeward side, you're going to get very little wind, but you are going to feel some from eddies flowing around the building.

That's the concept of drawing these streamlines.

MR. DRAKE: So is that what you would expect would happen, but not having demonstrated --

MR. SCHUKRAFT: We do not have measurements of this area. None were available at this time.

But based on what we expect meteorologically, I'm sure that this is the type of pattern that you would see.

MR. LIBERTUCCI: I have a question regarding what you refer to as the minor differences in temperature between the area just above the northern hills and the area below the northern hills.

What would you define as minor differences? What are we talking about in terms of the amount of variance in the temperature in these areas?

MR. SCHUKRAFT: Okay. These differences in temperature are going to vary. Differences in temperature and humidity are going to vary, depending upon the type of weather pattern that one
is experiencing at that particular time or on a specific day.

Since we don't have actual observations on this side and this side of the hills, I can't, say, give you exact numbers, but I will say that you will find differences in temperatures, and it has to be due to the fact that the wind-flow pattern is changing in the areas of these hills. And some days it might be very minor, and other days more, but I can't give you quantities.

MR. LIBERTUCCI: Then you can't say over a period of time, say a year?

MR. SCHUKRAFT: We don't have measurements.

MR. LIBERTUCCI: Then what you're saying is you're basing your opinion on your opinion of the airflow patterns?

MR. SCHUKRAFT: Based on in our daily work we draw lines on a daily basis. So these are streamlines on a daily basis, and so these are the types of analyses we do every day.

MR. GAHAGAN: I have a question. First of all, I have a request. Could you make available a copy of that map for our record?

MR. SCHUKRAFT: Sure.

MR. GAHAGAN: And the second question is:
Are you familiar with this comment from Irving P. Krick Associates Weather Consults from Palm Springs?

MR. SCHUKRAFT: Yes, I am.

MR. GAHAGAN: Do you agree with that?

MR. SCHUKRAFT: I agree with portions of that. There are a few items that I don't necessarily agree on.

MR. GAHAGAN: Could you be more specific?

MR. MENDELSON: Dr. Krick had made mention of the funnel-like effect and the wind-flow pattern similar to what I have done today, and we do agree on that.

As far as the maximum daytime temperatures in the "Stags Leap District" versus areas out towards the center of the Valley and night time temperatures, based on our findings, there was some slight disagreement there.

We took actual data and measured data in our study in 1985 and compared these temperatures, and found some differences in what he had mentioned.

MR. GAHAGAN: I believe this report indicates or his feeling was that the air currents are different within the funnel than they are to the west between the mountains and the river, whereas
your map up there indicates -- again, maybe my
eyesight is not very good, but the width of the
lines indicate that the volumes of air flowing
through there are approximately the same, that is,
volume of air flowing through the funnel area is the
same as the volume of air flowing along the western
boundary.

MR. SCHUKRAFT: Well, you mean the amount
of airflow coming through here versus right here?

MR. GAHAGAN: That's correct, yes.

MR. SCHUKRAFT: Yes. These lines are going
to be very much similar to airflow up through that
in this region here, because there's nothing below
us. If we had a topo map going all the way down
through the City of Napa and to the south, you'd
find it's very flat there. So the wind is going to
come right up through the Valley here.

MS. SLATTERY: So what does that do to the
western hills, west of the hills east of the
region? What is the difference as opposed to being
in the funnel?

MR. SCHUKRAFT: Are you asking what is the
difference between being here and being here?

MS. SLATTERY: Well, the area between the
hills on the west and the Napa River west of the
hills, there is a funnel effect in that area, and, if so, why isn't it sheltered by the —

MR. MENDELSON: Are you talking about this area here?

MS. SLATTERY: Yes.

MR. SCHUKRAFT: Between the west of these hills and the Napa River, no. There is no funnel effect here. This area is open to the Valley.

But, as I said, there are many things that need to be considered when drawing lines to describe an appellation. And if you just take climate and just take soils, or just take geography, any one of those is probably going to draw a different line. But when you combine them all together, and what's been pointed out in different discussions, is that there are distinct differences between this side of the river and this side of the river.

MS. SLATTERY: But if you were just basing it on the meteorological effect of the winds, the funnel effect, etc., then the boundary would not go to the river; is that correct?

MR. SCHUKRAFT: If we were going to base the boundary strictly on meteorology the boundaries would be drawn differently than what we see here.

MR. DRAKE: Thank you. I would like to
I have that as an exhibit, if we could.

Mr. John Stuart.

MR. STUART: Good morning.

My name is John Stuart. I have been winemaker and general manager of Silverado Vineyards since the winery was founded in 1980.

I hold a bachelor of arts degree from Stanford University and completed three years of graduate study in viticulture and enology at the University of California, and I've been a winemaker for over 20 years. I made my first wine from Stags Leap grapes in 1977.

At this time I'd like to insert a personal note, which is that the reason that we are all here today is that we members of the Stags Leap District Appellation Committee feel very sincerely and very strongly about the boundary we have drawn. And Stan Anderson and I have served together on the board of directors of the Napa Valley Vintners Association, we have worked closely together, and I want to emphasize that my comments today are in no way intended to be personal, in no way intending to be a reflection on Stan Anderson and his family or, for that matter, his quality of his vineyards.

So far today we've heard convincing
testimony from authorities on name recognition, viticultural distinctiveness, history, geography and climate. The experts are unanimous that the northern boundary proposed by Mr. Anderson is simply not the boundary at all with respect to the BATF's criteria, talking about that line. Our experts are professionally qualified to speak on these matters.

Now, on the face of it, how could any other view of that so-called boundary be possible? The boundary is nothing more than a man-made strip of asphalt on either side of which is found the same soils, the same climate, the same geography, the same viticulture and the same name recognition or lack of it. By contrast, the technical arguments presented here today have demonstrated that the boundaries proposed by our committee, that one, is the only one on either side of which is found distinct geology, distinct climate, distinct geography, distinct viticultural and distinct name recognition. Indeed as the experts have shown, it is the only boundary that satisfies all the BATF's criteria and the only one that makes sense.

Now, we've been talking a lot today about this boundary, which I will get to later, but I think we should also focus on this proposed boundary
which, as I've said, is a road on relatively flat
land on either side of which are vineyards and
similar geological and viticultural characteristics,
which we'll get into.

Now that we've heard from the experts, it's
time this afternoon to hear from the vintners and
the growers, who perhaps have the most intimate
contact with the land and the vineyards.

In the time I've been making wines in the
"Stags Leap District," I have developed familiarity
with these vineyards, their history and, of course,
their wines.

Our Stags Leap vineyards were originally
planted in 1969, and were among the first to
establish the reputation in the area for fine
cabernet sauvignon and merlot. As I've documented
in your file, other wineries using our grapes called
them "Stags Leap District" grapes as far back as
1976. In 1981 and 1982, when our winery was being
built, many press accounts referred to Silverado's
location in the "Stags Leap District." After the
release of our first cabernet name in 1984,
references in the trade and press continued. At the
same time, we used "Stags Leap District" in our own
brochures, fact sheets, and other material.
including the Napa Valley Wine Auction catalogue. And later this afternoon Mr. Andrus will be submitting copies of this material.

By contrast, Mr. Anderson, to my knowledge, has always used Yountville as a geographical and viticultural reference on his labels, in his publicity, and again for example, in the Napa Valley Wine Auction catalogue. The 1986 catalogue said that the S. Anderson Vineyard was "established in 1976 near the town of Yountville," and I quote.

Furthermore, in the annual publication of the Napa Register called the Appellation Napa Valley, in which vineyards are asked to list their appellations, Mr. Anderson lists Napa Valley or Yountville appellations in the 1984 through 1987 issues. In the same issues Chimney Rock, Clos du Val, Joseph Phelps, Pine Ridge, Robert Mondavi, Shafer, Silverado, Stag's Leap Winery and Stag's Leap Cellars all list Napa Valley or Stags Leap District appellations.

I will give the panel copies of the relevant pages in these documents.

The point of all of this is that while we have all called ourselves "Stags Leap District," Mr. Anderson, in spite of his current claim, has always
called himself Yountville.

In addition to the name recognition achieved by Silverado Vineyards since its founding, I was also able to document that as early as 1885 wine was probably being made at our location and grapes continued to be grown here in the post-prohibition era. In addition, the principal geographical features of the region -- topography, climate and soils -- convinced the original committee to adopt the boundaries that we all now advocate.

We believed then and we sincerely believe now that these boundaries best describe the distinct viticultural area that demonstrably differs from the surrounding territory according to BATF criteria. We can find no credible evidence that supports the inclusion of the proposed northern extension in the "Stags Leap District."

At this time I would like to correct an impression that may have been created by Mr. Anderson's citation of a reference he claims supports his proposed boundary. On page 8 of his written comments of April 10th of this year he quotes Richard Paul Hinckle's 1981 description of the "Stags Leap District" which Mr. Anderson says,
quote, corresponds almost exactly with the
boundaries proposed by this written comment. A
careful reading, however, of the Hinckle quote makes
it clear that Hinckle's boundary was, quote, the
Silverado Trail on the west, unquote, which
indisputably excludes most of the additional
territory.

This is the Silverado Trail. This
reference therefore indisputably, excludes most of
the additional territory. This is the western
boundary that excludes all of this territory. And
you have this in your file.

Furthermore, while the article cited refers
by name to all of the wineries then located within
the Stags Leap District as we have proposed it, S.
Anderson Vineyard was not mentioned, even though
wine was being produced by the estate at the time.
Again, Mr. Anderson can summon no evidence that his
vineyard was even known as a "Stags Leap District"
vineyard. Quite simply, his vineyard has never been
part of the heritage and reputation of "Stags Leap
District."

Mr. Anderson's written comments also make
much of the northern boundary of the Yajome Rancho,
which corresponds with the Yountville Cross Road, as
we've heard several times today. But the original
Yajome land grant included well over 6,000 acres,
more than three times the area of the proposed
"Stags Leap District." Because this and other
Spanish land grants were so large and because they
were surveyed well before the advent of commercial
viticulture, they will certainly and unavoidably
comprise many different present and future
viticultural areas. In other words, it is
impossible and pointless to require the boundaries
of viticultural areas to coincide with old Spanish
land grants.

Now, I have used the western language of
Yajome land grant in my referral, and I will be
referring to that at the end.

The BATF has already recognized this fact
in approving the boundaries of the Carneros
viticultural area, which does not coincide with the
Rancho de los Carneros and the Howell Mountain
viticultural area, which does not coincide with
Rancho La Jota. Future viticultural areas in
Rutherford Oakville, and St. Helena will most likely
not coincide with the boundaries of the Caymus and
Carne Humana land grants.

One final argument in Mr. Anderson's
written comments requires refutation. On page 26 of his comments, Mr. Anderson cites a long time resident to the effect that the land north of Yountville Cross Road on either side of State Lane was either too marshy or too thin-soiled to be farmed before the late 1960s.

We're talking about land north of this line. This is Yountville Cross Road, this is the Napa River, Silverado Trail. We're talking about lands up here. This is State Lane. West of State Lane, east of State Lane.

This remarkable statement cannot be allowed to go unchallenged. While it is likely that land immediately adjacent to the Napa River, Conn Creek, and Rector Creek may have been marshy, there is ample historical evidence that grapes were indeed grown north of Yountville Cross Road as long ago as before the turn of the century.

I believe one example from the historical record will suffice. The 1893 report of the Board of State Viticultural Commissioners, already cited this morning, lists three Yountville vineyardists whose land can be easily recognized from the official map of the County of Napa from the same period. As you can see on the map I will submit to
you in a moment along with the pertinent documents, these vineyards belonged to Colonel J.D. Fry. The

(Nothing omitted.)
Nauer brothers and Mr. C. Lambert were located immediately north of Yountville Cross Road on both sides of State Lane.

Lambert's vineyard was right here on the corner. The Nauer brothers had land about this area, and Fry owned hundreds of acres between the river and the Silverado Trail, even going up into Rector Canyon.

As Mr. Heintz said this morning, the 1893 report lists the vineyard holders and growers, so there was no dispute that at least people had grapes growing on their property at the time.

Colonel Fry was also the operator of a wine cellar with cooperage of 110,000 gallons, enough for over 40,000 cases of wine, a considerable production then and now.

As is well documented here, the problem faced by these growers was not marshlands or rocks, but phylloxera.

Silverado Vineyards own significant vineyards in the "Stags Leap District," but we also own considerable acres in Yountville immediately adjacent to our "Stags Leap District" property.

Goes all the way to the trail here, loops around and over these hills and follows the river
and this steep slope of hills down to about here,
where it borders with Robert Mondavi's property. We
actually own a couple of these hilltops as well. We
have Yountville acreage directly across the river
adjacent to this vineyard running from the river all
the way to the Catholic church south of the village
of Yountville all the way to Highway 29. So our
vineyard holdings span the Napa River on both
sides.

In addition, for the past two vintages we
have crushed grapes from other growers. However,
all of the grapes we consider to be "Stags Leap
District" grapes come from within the Committee's
proposed boundary. We have never had any intent or
desire to use other grapes in our "Stags Leap
District" wines. We have voluntarily excluded the
larger part of our production from "Stags Leap
District." For example, in 1987, 33 percent of our
tonnage came from our Stags Leap District Vineyard,
mostly cabernet and merlot, from this vineyard.
Thirty-six percent came from our Yountville
vineyard, right in this area. That was mostly
chardonnay and sauvignon blanc. Thirty percent of
our grapes came from other sources, mostly in
Carneros.
We have never used grapes from the proposed northern extension; although, if we did we would not consider them to be "Stags Leap District" grapes. We therefore consider our "Stags Leap District" grapes distinct and different from the other grapes we crush.

It may be interesting to point out that our cabernet and merlot wines are not blended with grapes from any appellation or vineyard, while our white wines are blends of districts and vineyards.

Recently we agreed to purchase the Simonson property in the proposed northern extension, whose extended vineyard is outside our proposed boundary. That's located just north of Egan and just south of Barboza.

Just as we have voluntarily excluded our other Yountville vineyards from "Stags Leap District," we will also exclude this vineyard. The chardonnay from this vineyard, which is known to be very high quality, will be used in our chardonnay blend, which is made up of grapes from vineyards from three distinct locales, "Stags Leap District," Yountville and Carneros. The Simonson vineyard is, I believe, part of the Yountville appellation on a par with our extended holdings in Yountville. I
have just received a national award at the American
competition.

Now that Silverado is about to take over a
vineyard bordering the lines between "Stags Leap
District" and Yountville, we can state confidently
that the issue of administrability is essentially
nonexistent. It is simply a matter of observing
that a vineyard or block of vineyards is on one side
of the line or another -- that is either in or out
-- based solely on the location of the vineyard.

Let me now quickly summarize by applying
our boundaries to the test of the BATF criteria.

First, evidence of local or national
recognition of the Stags Leap name. This has been
clearly demonstrated this morning by Mr. Winiarski
and others.

Second, historical and current evidence
that the boundaries are as we have specified,
demonstrated by Mr. Heintz.

Third, the geographical features of the
area distinguish it from surrounding areas,
demonstrated by Ms. Elliott-Fisk and by Mr.
Schukraft.

Finally, that the boundaries of the
proposed viticultural area can be found on
appropriate USGS maps and conveniently administered. I think this criteria has been demonstrated as well. Therefore, I urge you to adopt the boundaries proposed by the Stag Leap District Appellation Committee.

Thank you.

MR. DRAKE: Mr. Stuart. Thank you. I may not remember everything you said, but I try.

You said on the western side of the Napa River you grow only white grapes?

MR. STUART: That's true.

MR. DRAKE: You grow white on the eastern side of the Napa River?

MR. STUART: Yes. We have our vineyards. We have an upside down "L" on the east side of the river, and we have a long rectangle on the west side of the river. We do have some chardonnay planted on this vineyard, however, about two-thirds of our chardonnay is planted over here.

I've been working with these grapes now for seven vintages, eight if you count 1980 when we made a little bit of wine, not commercially sold, and I find every year that the chardonnay made here is distinct from the chardonnay made here.

Also, the original planters of this
vineyard had the wisdom to plant mostly **cabernet** and **merlot** on this vineyard, which is not planted on our vineyard over here.

We have had several opportunities over the years to redevelop blocks of this vineyard. We have not even considered planting cabernet there. We know it to be a high-quality chardonnay vineyard. We know this to be a very high-quality sauvignon vineyard, although we plant chardonnay. This is different, grown here, just as cabernet is different grown here from down here.

And I must say there is a great difference between the distinctiveness provided by a line on either side drawn here and here.

There is no difference between vineyards on either side of this line. There is a clear difference here. We have a clear change in soil type, topography, climatic, any characteristics you might name. There's a difference on either side of the Napa River.

When we did the study with Mr. Schukraft and had a weather station located here and one down here, we found, in spite of actually what was shown on the weather map, that the prevailing wind direction and wind speed in this location was very
similar to the wind direction and speed in this location. The temperatures were the same, as well.

Another point to make was that we have recording thermographs located right here on an east-facing slope next to the Silverado Trail on a block of cabernet that we call C-1. We have another one out here on the back on the west-facing slope which we call C-7. And in my original research, which is part of your file, I have included sample temperature -- high and low temperature gradients that can essentially be considered identical.

We find that the weather, the climate, the temperature profile is the same in our cabernet that's planted over here as it is with our cabernet planted here. And with seven or eight years of experience working with these grapes, I could show you cellar records that indicate that we do not separate these grapes in the winery.

We consider them to be equivalent, very high quality. Often grapes picked from this block and from this block back here will go into the same tank, depending on ripeness, not on location.

We find that the cabernet and merlot on the entire ranch to be very uniform and we find the characteristics of the cabernet wine produced from
this vineyard to be very similar in basic style and
construction to cabernet produced in this little
notch of the cabernet produced out through here.

I'll keep going until somebody else has got
another question, but I want to elaborate on this
point. But perhaps somebody else would like to get
in a question here.

MR. DRAKE: Are you sure you're not a
historian?

MR. STUART: Amateur one.

MS. RENNECKAR: I have a question about the
chardonnay. Are there similarities to the
chardonnay grown in your Simonson vineyard as to the

MR. STUART: Well, I have to say that I
have not yet made wine or had the opportunity to
taste wines processed from the Simonson vineyard
which, as I say, I expect to be very high quality
chardonnay. But I have tasted Mr. Anderson's
chardonnay grown in this area. We have actually
crushed chardonnay from the State Lane area, and I
do find it to be distinct from the chardonnay grown
here.

I would expect, because of the differences
in geology, soil, climate, and so on, that this
chardonnay will be distinct also from there. But
I'll have to wait and see to give you a clear answer
on that.

But I think what we're seeing here is the
compelling logic of drawing a line at the geological
formation, which we can, I think, very effectively
argue, especially in light of what Ms. Elliott-Fisk
had to tell us this morning. We could convincingly
argue that there's a great deal of difference on
either side here for lots of different reasons.

I can't for the life of me see what
difference there is on either side of that line. I
know there are a lot of growers up on State Lane who
have the same opinion.

We had questions about wind, I think, over
on this side of the hill, which I think we've dealt
with. I want to mention also that the geology,
geomorphology and soil on the west side of the hill,
here, is pretty much continuous all the way around
this formation. Not only that, but the gradation
from Boomer and Kidd soils at the top of the ridge
grading down to gravelly loam soils on the lower
hill slopes is very similar to what we have over
here and what we have over here.

And if you look at the 1938 soils map,
which could be called obsolete, although it's still in use, it uses fewer soil type classifications. It's a little more understandable. You'll find that the Conocti to Keefer gradations found here is also found here and here. So we have the same kind of geomorphology, the same kind of soil, and for the same reasons.

We heard about the river channel that came through here. Obviously, at one time in and in the present day, there were river channels along here creating the same sort of characteristics. Immediately there is no hill to the west of us to divide us, but there's a very good natural line right here, the Napa River, which goes right down to the rock. And it can be seen in every category that that is the best wine to grow in the west. There is a clear difference between this and this. There is no difference between this and this.

MR LIBERTUCCI: I have a question regarding your discussion of Mr. Anderson's comment about the Hinckle quote. I'm not sure I understood exactly what you meant when you were discussing the Silverado Trail, if you'd go over that again.

MR. STUART: Yes. In fact, if you review the documentation that's in actually both of our
submissions, you'll find there's been a lot of
discussion over the years as to what the western
boundary as well as the northern boundary was. And
some people felt that the western boundary should be
the Silverado Trail, and Hinckle was one of the
people who proposed that.

So he was saying that the "Stags Leap
District" did not come west of the Silverado Trail,
the southern boundary was somewhere down south of
Clos Du Val, somewhere in this area. The eastern
boundary was indisputably this ridge, the western
boundary was the Silverado Trail, and he called the
northern boundary an extension of the Yountville
Cross Road, right here.

So his district would have looked something
like this, excluding everything to the west. So if
I would exclude everything to the west, it excludes
all of this. So for Mr. Anderson to cite that
reference as support for his position, I think, was
wrong-headed, because it was clearly not what
Hinckle meant.

We happen to think that this is a better
northern boundary here, and we think that the Napa
River is the most natural, the most easily
administered, the most sensible boundary.
MR. LIBERTUCCI: But do you agree, then, that Hinckle meant that his proposed area would be including the area north of your proposed boundary?

MR. MENDELSON: Right. Hinckle meant to include this little bit over here. But he is the only one that I can think of who went that far north. Most of the others have either stayed very strict constructionist in the old Stags Leap Ranch area, which makes some sense if you're thinking of it as Warren referred to it, as simply a ranch or a rocky outcrop.

But as Warren, I think, effectively pointed out, in the last 15 years the understanding of Stags Leap has spread out to areas which began to produce wines which were similar in construction and style and had that iron fist in a velvet glove characteristic which is really limited to wines grown in this area.

I think the reason we're all concentrating on Cabernet so much here is that is the variety which has been grown the longest and for which we have the most results in this area. It may be true that other varieties may prove to be distinctive here, but I think the thing we can most safely talk about at this point is Cabernet.
As I said, the cabernet that we grow in here was planted in 1969, which was actually before Warren planted his in 1978, before Bernard Portet planted his in 1972. Really, the only modern-day cabernet growers that planted before us were Dick Steltzner and, of course, Nathan and Nellie Fay in this area, Nathan being the pioneer of the district.

MR. FICARETTA: I had a question about the name. I'm a little puzzled.

In that exhibit you just gave us, Exhibit 7, I think, a correction in the Napa Register, for the record, because of incomplete information supplied by the Napa Register, on page eight of the 1987 edition of Appellation, delivered to home subscribers, was incorrect. "... The correct appellation is Napa Valley and, in looking back, the appellation that was given was Yountville."

MR. STUART: In my remarks I said I don't remember ever using Stags Leap, and the Appellation issue had either Napa Valley or Yountville, and I think Yountville stood in the '86 issue without correction. In 1987, for whatever reason, he decided to correct it after it had been printed that way.
The point is that Anderson never used Stags Leap as an appellation. All of the rest of us did, or used Napa Valley.

In other words, the rest of us who didn't just use Napa Valley as an appellation used Stags Leap. Anderson when he didn't use Napa Valley used Yountville, did not use Stags Leap.

MR. FICARETTA: But is the appellation he's talking about here an approved BATF appellation?

MR. STUART: Obviously, not.

MR. FICARETTA: That's the point I thought they were getting at, because I thought in Anderson's comment, the note was in the Napa Register he used.

MR. STUART: That's an article that's not connected with this.

MR. FICARETTA: Oh. Not connected?

MR. STUART: No. It was in an article that the Napa Register used. I don't believe it used that, and I don't consider it a legitimate reference, especially since it was printed after this dispute came to light. It's the same newspaper, but this is a yearly special that is printed once a year, specifically focusing on Napa vineyards and winemaking.
MR. GAHAGAN: Mr. Stuart, do you know how they arrived at these appellations?

MR. STUART: As I understand it, there was a form either sent to the wineries or filled out over the phone at the newspaper offices in which the wineries volunteered the information. I believe the information was provided by the wineries in question.

MR. GAHAGAN: Thank you.

MR. STUART: We can certainly check that.

MS. SLATTERY: I have a question. You pointed out the Hinckle article, and I think there were some other articles that refer to the western boundary as the Silverado Trail, and I'm thinking of the petition which extended the boundary to the west to the Napa River.

The petitioner stressed that the name is in kind of a flux, but up until the middle '70s the name Stags Leap referred only to that very small area around the original Stags Leap Manor, and it's only since the '70s that it's acquired a broader meaning geographically.

This being the case, is the name in flux? Is it still changing? And if it isn't, when did it stop changing? When did it start to acquire a
definite meaning in terms of what area it applied
to?

MR. STUART: I would say that through,
perhaps, the late '60s, the name was not known, as
Warren said, as a viticultural area, but beginning
in the middle '70s, let's say, and I should think
stabilizing by the end of the '70s or perhaps the
eyearly '80s, it grew to include the wineries, which,
as I said, were producing distinctive, both
enologically and viticulturally, vintages of wines
in the area.

I don't consider the name to be in flux at
this point. I think it was simply an early growth
in geographical term for a viticultural name to
apply to specific properties which produced those
wines.

MS. SLATTERY: It's not that long ago.

MR. STUART: That's true. We're a young
industry.

MS. SLATTERY: Is it possible that 10 years
down the road people might start to consider that
different areas in this region are also included in
Stags Leap?

MR. STUART: I think we already have
evidence that answers that question. A later
speaker today, Joe Phelps, he will tells about the
differences between cabernet grown on this corner
and cabernet grown down in this area, which are
found to be quite distinct, not similar. And he
will say, I think, that these wines are quite
different, meaning only different and distinct from
wines made within our boundaries.

So I think the evidence is already there.

I think that perhaps the notion of flux comes from
all the attention that's being given to this
issue now that those of us who have decided that it
makes sense to form a viticultural area have
expressed our views.

MS. SLATTERY: So you're saying, then, that
the name is based on at least winecraft, but
viticulturally the name is based on the quality and
of the grapes grown in the area?

MR. STUART: The grapes and vines are very
high quality, but the name, I think, is based on
distinctiveness, as your criterion expresses.

(Discussion off the record.)

MR. STUART: And Mr. Andrus just pointed
out that he'll be speaking to that issue, as well,
so hopefully you'll get another point of view on
that.
MR. DRAKE: Mr. Stuart, thank you.

Gary Andrus.

MR. ANDRUS: Hello. My name is Gary Andrus, and before I start my address I'd like to answer Ms. Slattery's question the best I can.

The historical area of a designation ends when growers use a commitment to a name. In essence, when one decides what they will call their product from one area or another, the time immemorial kind of stops that says this is where I am, this is where I'm located. I will address that in specific today.

First, I am the winemaker and managing general partner of Pine Ridge Winery, which my wife and I founded in 1978. We own 57 acres of land within the proposed "Stags Leap District." I'd like to point that out to you with the hillside cane.

Our primary property is located here, on 50 acres, and we also own about six and a half acres across over here. In addition to that, I would like to point out that I have owned property up here, which was sold to another person in the district, and currently we own property in this area. In addition, I own 93 other acres in other micro-climates within Napa Valley.
I'd like to tell you that I worked in three climate different districts in France, St. Estephe, San Julien and Touillac. Following my French studies, when we established our winery we sought out the unique micro-climate areas from which to purchase our vineyards in Napa. I point out again that that's 93 acres outside the Stags Leap area.

Since our inception we have designated our bottles as coming from within the area in which Napa Valley was grown. We were the first to use Stags Leap on our label in 1979. We also have used Yountville, Rutherford and Oak Knoll, as well, to reflect the heritage of the others of our vineyards. Today we produce cabernets from Rutherford and Stags Leap. We produce cabernet and chardonnays from Stags Leap, and have since 1979. And the grapes from each of these climates tastes different and the wines they produce are different.

I'm proud to say that every chardonnay from the "Stags Leap District" has been a gold medal winner, yet the highest incidence of wine in the last three years has been from our Oak Knoll areas, which just won a medal. Not one is better than the other. They're different.

Prior to our current history, grape growing
existed on our property since 1898, and by 1902, the
owner, Luigi Domeniconi, was producing wines under
the bonded brand names of Nob Hill and Domeniconi
Winery. Copies of these old labels are currently on
file with the BATF, and a history by Mr. Heintz,
which is edited to take out the comments on his
daughter selling wine during prohibition. If you
want to look at those old labels on Nob Hill, you
will find references to this viticulture area back
to the 1800s.

I want to focus on how public awareness and
historical awareness are created as a result of
general consumer awareness of appellations in
general, and Stags Leap in particular. The process
of finding unique viticultural areas as called for
in your regulations is now a well established trend
in the United States wine industry.

Viticultural areas have, by and large, come
about as a result of several motivating factors.
First is the historical usage of political areas,
such as townships, counties or provinces, areas
which have led people to speak about wine styles and
wines in loosely defined political terms.
Second and, perhaps, most important,
prominent physical features and/or unique
geographical features or formations that have led to
the development of geographical identities oftentimes
associated with wine. The consumer, the growers and
the press give recognition to these areas and a
common "word of mouth" develops, which soon becomes
identified with products from these loosely defined
areas.

This is the basics of the foundation of how
all appellations have been generated around the
world, whether you talk about Modoc or Napa. This
is the where you refer to your question: is this
from Napa Valley?

But Napa Valley started in the same manner
in forming as Stags Leap is started today. And that
is word of mouth, developed from the growers, to the
press, to the consumer, to the geographic history.

Prior to the establishment of a
viticultural area, it is common practice for growers
to identify their wines from that method. I am now
presenting for you Exhibit 2, an example of that
type of usage. This information is taken from the
records of Napa Valley Grape Growers Association
from 1986 and 1984. And the Association lists the
grapes' availability, the name of the grower, the
potential tons available, and -- and I want to
emphasize this as most important -- the descriptive
geographical or geopolitical identification of where
the grapes are located. This is in phase two.

If you look on the first page of that
you'll note that in 1984 Mr. William Weeks
identifies 15 tons being available from the
locations south of Yountville Cross Road. Also, on
the first page of that presentation, that other
people may have referred to their grapes as grown in
locations such as Spring Mountain, St. Helena, that
that's not a appellation, that is an area known in
this area. An appellation soon it may be.

In 1986 we have a listing of people
identified, and I'd like to pick out their name.
Joanne and Newell DePuy, Yountville area; Jim
Frankel, Yountville area; John Shafer, north of
Stags Leap. Joanne DePuy, again, Yountville Cross
Road.

It's a little hard to read some of this
with the Xerox.

Elmer Freethy, Stags Leap area. Max
McKinney, Yountville Cross Road; Nathan Fay, Candy
Vineyard, parenthesis, Nate's old vineyard.

To give you an example of how other people
do it, Robert MacDonald, Rutherford. Other people
on the same list Bob Cray, Mt. Veeder area. This is a common and typical usage. May I also point out these references are dictated by people who are in the boundary, who have decided where they're from, and people outside the area classify the information as given.

In 1987, the last page of this exhibit is an information sheet prepared by Bonnie Arons, who is the secretary of the Napa Valley Grape Growers, in which she received the information, and quotes -- and I might tell you her testimony was, when Randy spoke to Bonnie, she said that any information that they get is written down. They don't volunteer any additional information. If information is not given then it is left blank.

Often people will leave info on their recorder and they will simply use it. They don't volunteer any additional information on location or otherwise.

And I might note, in 1987 Anderson indicates their area is Yountville Cross Road area. Clearly, in the midst of our battle they still refer to themselves in Yountville. They are in Yountville.

As time progresses consumers develop
appellation perspective, utilizing one or more of these major tenets as the backbone for the recognition, either historical or geographical, of the uniqueness of the product. In some cases products assume the name of an area, such as Champagne.

Consumers become aware of appellations and tend to find taste characteristics and flavor components that lead them to enjoy wines from one appellation or another. To the extent there is a greater number of delineating criteria on the label, the greater the distinction the consumer can draw.

Now, with the passage of your regulations regarding viticultural areas, the wine industry has begun to segment itself into specific wine identities. Some follow political boundaries, i.e., Napa County, Sonoma County, Mendocino County; others geographical features, such as Howell Mountain, Dry Creek, Potter Valley, Ozark Mountain, in which there is no political or geopolitical awareness.

The history of "Stags Leap District" began with the geographical history which is presented today. And it began with the early 19th century, as testified earlier.

There has never been a political identity
known as the Stags Leap or "Stags Leap District."

This appellation did not begin from any land grant, including a Yajome land grant. I want to point out a couple of things. This area is about four miles long, and it's 12 miles more to the end of the Yajome land grant in Napa. It's not just south, as Richard Mendelson pointed out.

The point is, it's clearly irrelevant, anyway, because we are not using the Yajome land grant as an historical verification for the "Stags Leap District." The verification is Stags Leap history. It's an history that started at the turn of century, and the history is supported by grape growers at the Stag's Leap Manor and the like.

The current history started in the late '50s, and by 1961 a new awareness was given to the geographical presence that created Stags Leap current history in, probably, 1961. You will note our vineyard was planted in chardonnay in 1964. Clearly, when Warren talks of 1969 or '70, and the first written piece of literature was 1964 wherein Warren's Stag's Leap Wine Cellars first proposed the geographical usage. And I can tell you, as you're well aware, it has been a hotly contested legal battle between his Stag's Leap Wine Cellars and
myself. And I might mention it has also been friendly.

These legal battles have always been over brand usage, never geographical area. The courts have decided in every case that it is in fact a geographic area, and that while brand identity can be specific today when modified in such forms as Stags Leap Vineyards, Stag's Leap Wine Cellars, and Stag's Leap Winery, vintages among wineries cannot preclude being used in a geographical sense. So, in essence, we had a "Stags Leap District" formed. It added to the awareness that existed at the turn of the century, as Bill has testified.

But this is not a hearing over brand usage. In fact, if you look at the myriad press I'm going to hand you today, the use and the awareness of Stags Leap label, even in the -- or in the press exceeds in large amounts the usage of even those producers whose wineries are in "Stags Leap District."

I'd like you to now look at the depth of this literature I'm handing you today. Consumer word of mouth and producers who make wine in this area have helped create the reputation of "Stags Leap District." This is not unique. This is how
appellations are individual from time immemorial.
It certainly is in keeping with historical
precedents and in keeping with your regulations.

It is most important to point out that in
this entire stack of information, which focuses on
the usage of Stags Leap or "Stags Leap District,"
but which, by and large, does not include references
to brand usage only, there has been no usage by any
person at any time in print referring to the wine
produced north of our proposed boundary as being
from the Stags Leap area.

In Anderson's, not one usage, Mr. Hinckle
not excluded, because he's talking about an area,
not wine. This is evidenced in facts.

While other producers, such as Tulocay,
Markham, Cakebread, Quail Ridge, Rombauer, and
others refer to their wines as produced in our
proposed area as Stags Leap or "Stags Leap
District," these wines do not include any grapes
grown north of the proposed boundary line. So, in
addition to us, there are other producers outside of
us who say Stags Leap merlot, etc.

Based upon the overwhelming preponderance
of evidence, one can only conclude that there is no
public awareness, no historical awareness, no
consumer awareness that the grapes or wines from
north of our boundary line are from or have ever
been from the area known as "Stags Leap District."
I say this based upon my review of every file and
every document produced over the legal battle that
ensued from the early 70's until as recently as
1985. And that is over a total of 21 hundred
references, and not one included the northern area.
There is more political and historical
precedent for identifying the northern area as part
of Yountville rather than as part of "Stags Leap
District."

As you know, I purchase grapes from Jack
Abruzzini's Yountville Vineyard. I believe you
received the letter. Jim referred to two letters.
That is located at the corner of the
Silverado Trail, west of the Trail and south of the
Cross Road. It is located right here. Excuse me.
Right here.

Now, Mr. Abruzzini was born and raised
here, and has been in business for some 30-odd
years, and his father 40-odd years before him. In
fact, his father was the manager of Beringer. It is
his belief -- he's testified to you directly and
also twice in a letter -- that his vineyard has not
and has not ever been in any way part of the "Stags Leap District." He's been farming his vineyard since 1956, and that's before I even came. And I believe you have a statement verifying that.

Additionally, it is important to state that I have produced a "Stags Leap District" chardonnay since 1979 from my estate vineyard, but I have also purchased chardonnay grapes from Jerry Taylor and Elmer Freethy in the proposed "Stags Leap District".

I have statistical evidence at the winery that equates that there is a great similarity between, especially in the last three years, between Jerry Taylor's grapes and Elmer Freethy's, and my grapes, both in makeup, the composition and tartar and organic profiles and acidity.

I have also purchased chardonnay from Mr. Anderson in 1982. I might point out that I have also purchased grapes, for the last four years, from Mr. Fred Herman, here in the southern boundary. Fred's grapes are not the same. They have much lower maleic acid, much lower tartaric, and they taste different. And every year they go into something we call jeunesse.

Mr. Anderson's grapes, I purchased in 1982,
were not in my Stags Leap bottling. They were
included in a special bottling.

The issue of what to call the proposed
northern extension is not an issue to be addressed
by me. It's certainly not one to be addressed at
this hearing. This is over "Stags Leap District."
But, rather, my purpose is to show that there has
been no contested usage of the name and, clearly, no
data found in trade publications, magazines, books,
historical writings or the wine press that would
lead to inclusion of the proposed extension area in
the the "Stags Leap District." In fact, the reverse
is probably true.

Clearly, today people are calling for
consumer education. That education can best be
served, I believe, by identifying narrow boundaries
which are supportable by historical precedent and
viticultural distinctiveness. The consumer is served
by supporting the distinctiveness of the boundaries
of the "Stags Leap District," and those are the
boundaries we propose.

Thank you. May I answer any questions?

MR. DRAKE: Thank you. I'm going to take
at least last two, and that will be --

MR. ANDRUS: All those are your exhibits.
These are my copies of your exhibits. You can have two copies if you want.

MR. DRAKE: No. One is fine. Thank you.

Any questions?

MR. GAHAGAN: You made reference to the fact that your estate chardonnay was similar to the Freethy vineyard?

MR. ANDRUS: Freethy.

MR. GAHAGAN: Where is that vineyard?

MR. ANDRUS: Elmer Freethy's vineyard -- I might point out we've now had our second harvest from -- it's a very new vineyard. Elmer's vineyard is located right here.

Jerry Taylor's vineyard is located right here. Jerry Taylor, Freethy and mine.

MR. GAHAGAN: And the Egan vineyard chardonnay is different?

MR. ANDRUS: No, no. [Egan] chardonnay is the same. Anderson's is different. Anderson I had in '82, and the Egan I had in 1983, I believe. I can't recall. I've also bought cabernet from Bob, which has gone into our merlot bottle, but I bought one year from him. And his vineyard is right here, next to me. As a matter of fact, it was his vineyard that made me look at Elmer's, Mr.
Freethy's. I'm sorry.

MR. GAHAGAN: The Anderson vineyard you said is much different from your vineyard?

MR. ANDRUS: Yes, it is.

MR. GAHAGAN: What do you attribute that to, could it be clonal variation, root stocks?

MR. ANDRUS: Yes, it could be all those things. Sometimes harvest, in time. Qualities of grapes, vintage year. You look at similarities, but the biggest thing is in the taste. It's just like the meso-climate of ours in enology. It's very different.

MR. GAHAGAN: Do you know if Mr. Anderson has the same clone of chardonnay as you have?

MR. ANDRUS: I have no idea.

MR. DRAKE: Mr. Andrus, on your exhibit two, could you get us a better copy of the -- this sheet, the one that goes sideways?

MR. ANDRUS: Let me ask you if this one that goes sideways is better than the one I have. I just pulled it out of another one.

Is that one better for you? If not, I will mail to you the original.

MR. DRAKE: Why don't you get us the original, a better copy of that?
MR. ANDRUS: Any other questions?

MR. DRAKE: No. Thank you.

Can we take a break, please?

(A recess was taken.)

MR. DRAKE: Mr. Foote.

MR. FOOTE: Mr. Chairman, ladies and gentlemen. I am Sy Foote. I am a member of the appellation committee. I notice we're an hour and 20 minutes late. With your help, I'll pick up 15 minutes.

Sy Foote

MR. DRAKE: Love it.

MR. FOOTE: My wife and I acquired the western portion of what was then Stags Leap Ranch in 1969. It's basically the northern -- basically, the northern two-thirds of that hill and the natural lands added at the base. We planned to build a house in 1970 and '71. We moved into the house and planted a vineyard in 1971.

On the advice of experts, county and U. C. Davis, who recommended that we plant a preponderance of cabernet sauvignon and merlot varieties, we followed that advice. Several years later we planted an additional four acres of cabernet sauvignon.

We felt then and we still do that we are a
part of Stags Leap, because our 114 acres was actually a part of the ranch, the old Stags Leap Ranch, and because the area was known then and now as the Stags Leap area.

My background was business with emphasis on specialized office equipment and early model computers. I have no background in viticulture, no formal education, no expertise. As a result, our vineyards have been planted and nurtured and tended by vineyard contractors. Even today, after 16 years, I cannot speak with authority on the technical aspects involved with growing of wine grapes.

I do know that our vineyard produces fine quality cabernet and merlot grapes, because the quality vineyards in the Valley want them. Because of this, I became convinced that our vineyard was in an especially favored area for these wine grape varieties.

Three years ago when my neighbors suggested that we join together to identify a favored area with a special designation which would identify our product for our benefit and for the benefit of the consumer, it made sense to me. I said, Sure, let's do it. I've been much impressed with the careful
study that has gone into the area identification
process. Well-qualified scientists, historians and
vineyardists have studied the area and have come to
what are to me very logical and well-considered area
identification conclusions.

The recommended boundary lines follow
natural topographical and geographical features,
rivers, contours, ridge lines and hilltops within
which lies a homogeneous grape growing area.

I understand that there is a controversy
over how the northern boundary lines should be
drawn. I know that these matters must sometimes be
decided arbitrarily, but does it not strengthen the
whole process if logic and reason can be utilized?
To arbitrarily bend the northern boundary north of
the obvious topographical boundary which nature has
provided is to weaken or destroy the whole idea.
Bend the boundary past reason to accommodate one or
two applicants, and you open up the floodgates to
all that would follow.

To illustrate, imagine a dam or a
water-holding structure along the northern boundary,
imagine a hole punched in that with water to the
south. Imagine a hole punched in that dam. The
water, of course, would go northward into the
northern extension and possibly satisfy them, but it would not stop at the Yountville Cross Road. It would continue and go across the Yountville Cross Road. So the demands for further extension past the Cross Road is the point I'm trying to make.

Therefore, where would the special area end, in Yountville, in Oakville, in Rutherford? God and nature have provided the logical boundaries, including the northern boundary.

We urge the BATF to recognize the logic, and approve the northern boundary as recommended by the committee.

Thank you.

MR. DRAKE: Thank you, Mr. Foote. Before you go, could you show me again where you're located?

MR. FOOTE: Yes. It's this hill to the highway and to the creek and back, but not the entire hill. It's about the northern three-quarters of it.

MR. DRAKE: Thank you.

You have vineyards on both sides of the hill?

MR. FOOTE: Yes.

MR. DRAKE: Thank you.
Joe Phelps, please.

MR. PHELPS: Good afternoon ladies and gentlemen. My name is Joseph Phelps. I'm the owner of Joseph Phelps Vineyards. I've been a member of the Stags Leap Committee since its inception, and my associate, Craig Williams, Winemaker of Joseph Phelps Vineyards has served as my alternate. He's here today. He's lost his voice. He's done most of my research on the limited amount of what statement we have to make.

We're going to basically provide information in two categories, one as a winery which has for a substantial period of time made wine, both made cabernet sauvignon from grapes grown both in the proposed appellation and in the proposed northern extension. We can tell you a little bit about our experience in that. And the other body of information that Craig has researched by working with other winemakers who have over a period of years made wine from both sections, not only what some of their thoughts are on the differences, but also how the other wineries both within the Stags Leap appellation and outside the appellation have marketed their wines and how they have referred to them.
January 13, 1988

VIA AIRBORNE EXPRESS

Mr. James Ficaretta
Bureau of Alcohol, Tobacco & Firearms
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20226

Re: Stags Leap District

Dear Mr. Ficaretta:

Enclosed please find a copy of Mr. Phelps' remarks at the public hearing. Upon his review of Volume II of the hearing transcript, Mr. Phelps found several errors by the reporter which a copy of his prepared remarks should serve to correct.

Sincerely,

Richard Mendelson

RM: lm
Enclosure
Since 1973, our winery has purchased grapes from growers within the Napa Valley to supplement production from our own vineyards. During those 15 years, we've extensively evaluated many vineyards in an attempt to determine which areas consistently produce high-quality grapes. We've unquestionably evaluated more Cabernet Sauvignon vineyards than any other variety, partly due to the fact that we produce four different bottlings of this grape: a Napa Valley Cabernet Sauvignon, two vineyard-designated Cabernet Sauvignons, and a proprietary blend called Insignia, a selection of the best Cabernet Sauvignon, Merlot and Cabernet Franc that we can assemble from any one vintage.

We've produced wine from Cabernet Sauvignon grapes grown in Dick Steltzner's vineyard and Bill Weeks' vineyard. We bought grapes from Dick in 1974, and the wine from those grapes went into our first bottling of Insignia. The blend was 94% Cabernet Sauvignon and 6% Merlot from another vineyard. Many consumers consider this vintage to be the best Insignia bottling to date, and some have referred to it as among the best '74 Cabernet Sauvignons produced that year.

The wine was released in March of 1978, and our point of sale information described the grapes as coming from the Stag's Leap area. A subsequent article in July of '78 in the Los Angeles Times by Nathan Chroman located "Steltzner's vineyard in the Stag's Leap area of the valley."
From 1981 to 1983, we bought fruit from the Weeks vineyard and blended the wine produced from those grapes with wine from other vineyards under our Napa Valley label. Although both vineyards produce high quality grapes, it is a difference in character that separates these two areas in my mind and in the minds of many other winemakers with whom we've spoken about this issue.

The proven track record of this area motivated us to acquire vineyards in the Stag's Leap District. In 1983, we purchased 30 acres known as the Balfour-Sorenson vineyard and I think it's worthwhile to point out that our 1983 internal records show that we immediately began calling the Balfour-Sorenson vineyard our Stag's Leap vineyard, while at the same time continued to identify the Weeks vineyard as Weeks.

It was and still is very clear in our minds that the proposed expansion area is not a part of the Stag's Leap District and I'd like to share with you some noteworthy facts that we've discovered while conducting research into this issue. Let's look at the source of grapes other wineries used prior to 1983, during the period when the Stag's Leap name was allowed to be incorporated on wine labels or point of sale material. In every known instance, all of the wines that used the Stag's Leap name contained grapes from within the Stag's Leap District. Wines such as the 1980 and 1981 Markham Merlot, 1981 Rombauer Cabernet Sauvignon, 1978 Cakebread Cellars lot JT-L1 Cabernet Sauvignon, 1978 Berkeley Wine Cellars Cabernet Sauvignon, 1982 Bay Cellars
Clos du Val Cabernet Sauvignon, 1982 Quail Ridge Cabernet
Cabernet Sauvignon, 1979 Steltzner Cabernet Sauvignon, 1980
Pine Ridge Merlot and, of course, wines produced from Stag's
Leap Wine Cellars and Stag's Leap Winery. All of the labels
or point of sale materials associated with these wines are
contained as exhibits to our original petition.

What's even more striking is the fact that none of the
wines I just mentioned, which did use the term Stag's Leap,
contained grapes from the proposed expansion area. And this
proposed expansion area had vineyards in production during
this time. For example, the Weeks vineyard sold grapes to
wineries at least as far back as 1976. Further, we contacted
Chateau Montelena, Rutherford Hill, Chateau Boswell, Forman,
Cuaison and Chappellet, and learned that none of these buyers
of grapes produced by Weeks used the term "Stag's Leap" to
identify these grapes in-house, on their label or in conjunction
with their point of sale material. The only winery in the
Stag's Leap District to identify the proposed expansion area
as a source of grapes in a wine is Pine Ridge and they consistently
identify the grapes as Yountville not Stag's Leap District. Since
1981, they've produced a Yountville Cuvee Chenin Blanc from the
Abruzini Yountville vineyard.

I think it would be insightful to look at the grape flow
from vineyards in the proposed expansion area to those wineries
inside the Stag's Leap District. Since 1981, the approximately 92 acres of vineyard in the proposed expansion area have only contributed an average of 7.2% of its total production to wineries within the Stag's Leap District. This figure was computed using the most recent Napa County Ag report which established the average vineyard production at 4 tons per acre and excludes Abruzini grapes and acreage because Pine Ridge has specifically labeled them as Yountville. During the same time, these proposed expansion area grapes have represented only 2.3% of the total tons crushed by the wineries in the Stag's Leap District and have only been incorporated with Napa Valley designated blends by these wineries or in the case of Pine Ridge, labeled as Yountville.

I want to emphasize this last point because it's very important. The wines the consumer readily identifies as coming from within the Stag's Leap District are the Shafer Hillside Select Cabernet Sauvignon, the Clos du Val Cabernet Sauvignon, the Steltzer Cabernet Sauvignon, the Silverado Cabernet Sauvignon, the Pine Ridge Stag's Leap Vineyard wines, The Stag's Leap Winery Cabernet Sauvignon and Merlot and the Stag's Leap Wine Cellars Stag's Leap Vineyard wines. The grapes from the proposed expansion area have not contributed to the distinctiveness of the Stag's Leap District and at best, account for a small portion of the total grapes purchased by these wineries from outside the District to supplement their production.
In conclusion, the lack of significant consumer or commercial association between the proposed expansion area vineyards and the Stag's Leap District stands out.

The Stag's Leap District was not hastily constructed. Its current size reflects an evolution over the past few years with its boundaries a result of much research, thought, time and effort on the part of many individuals. I believe that this sub-appellation, and the others that are sure to follow, should be established by predominate facts. I urge you to preserve the meaningfulness of the Stag's Leap District not only for the members but most importantly, for the consumer.

Thank you very much.
Our winery is not within the proposed appellation. We own vineyards in diverse locations throughout the Napa Valley and in Carneros and Rutherford. We have two vineyard plots within the proposed appellation. So much for our credentials.

Since 1973 our winery has purchased grapes from growers within the Valley. During those 15 years we've extensively evaluated many vineyards and attempted to determine which areas consistently produced high quality grapes. We've unquestionably evaluated more cabernet sauvignon than any other variety, particularly due to the fact that we produce four different bottlings of these grapes, a Napa Valley sauvignon cabernet in which we have our very best merlot and cabernet sauvignon that we can produce. We've produced wines from cabernet sauvignon grapes grown in Dick Steltzner's vineyard and we've produced cabernet sauvignon from Bill Weeks' vineyard, and I'd like to point out the location.

Dick Steltzner's vineyard is here, and immediately adjoining vineyards which we have since purchased in that area. Bill Weeks' vineyard is here, next to Mr. Anderson's location, perhaps dead center in the proposed northern extension.
Our purchase of grapes from Steltzner's vineyard goes back to 1974. The wine from those grapes went into our very first bottling of Insignia, which was one of the very first. It was the first proprietary blend of red wine in modern times in the Napa Valley.

Many consumers -- pardon me. The blend was 94 percent cabernet sauvignon and six percent from another vineyard. Many vintners consider this to be the best. And among the best '74 cabernet produced that year, our point-of-sale information described the grapes as coming from the Stags Leap area. We're talking 1974. A subsequent article in July of '78 in the Los Angeles Times by Nathan Kroman (phonetic) located Steltzner's vineyard in the Stags Leap area of the Valley. These are copies of Mr. Kroman's article.

From 1981 to 1983 we bought fruit from the Weeks vineyard, again in the northern proposed appellation. These were blended into wine. The wine produced from these grapes were blended with wine from other vineyards under our Napa Valley label. Although both vineyards produced high quality grapes, it is a difference in character that separates these two areas in my mind and in the
minds of many other winemakers with whom we've
spoken about this issue.

The proven track record, as we saw it, of
the Stags Leap area motivated us to acquire
vineyards in the "Stags Leap District" in 1983. We
purchased 30 acres, which was then known as the
Sorensen vineyard, and I think it's well to point
out that our 1983 internal records showed that we
immediately began calling the Sorensen vineyard our
Stag Leaps vineyard. While at the same time we were
still buying Weeks' grapes, we continued to identify
that as the Weeks vineyard, not stags leap.

And I would like to submit copies of the
most important documents to verify that, and that is
our state mandated weigh tags that our weighmaster
must fill out when they come in. And all of the
Weeks weigh tags, as you will see, are identified
simply under vineyard as Weeks, all of the fruit
from our vineyard is referred to as Stags Leap. And
this is long before the controversy arose over the
issues.

In other words, it was and is still very
clear in our minds that the proposed extension is
not part of the "Stags Leap District."

I'd like to share with you some of the
facts we've noticed while conducting research.
Let's look at the other sources prior wineries used
during 1983 during the time when Stags Leap was
allowed to be incorporated on wine labels. In every
known instance all of the wines that used the Stags
Leap name had gained grapes from within the "Stags
Leap District" as we have produced it. Berkeley
Wine Cellars Cabernet Sauvignon, 1982; Bay Cellars
Cabernet Sauvignon, 1981; St. Andrews Cabernet
Sauvignon, 1981; Clos du Val Cabernet Sauvignon,
1982; Quail Ridge Cabernet Sauvignon, 1979 through
1981; Shafer Zinfandel, 1978 to 1987; Shafer
Cabernet Sauvignon, 1979; Shafer Cabernet Reserve
and Hillside Select, Steltzner Cabernet Sauvignon;
and, of course, Stags Leap Cellars and Stags Leap
Winery.

All of the labels or all of the
point-of-sale materials associated with these wines
are contained as exhibits in our original petition.
What's even more striking is the fact that none of
these wines just mentioned which did use the term
Stags Leap either on the label or in point-of-sale
material all contained grapes from a proposed --
pardon me.

What's even more striking is the fact that
none of the wines I just mentioned contained grapes
from the proposed expansion area. None of them.

This proposed expansion area had been used
in production during that time. The grapes were
available if any of those wineries inside or outside
the district had chosen to use them. There were
grapes available. For example, Weeks Vineyard sold
grapes to wineries at least as far back as 1976.
This was a vineyard, again, which was located in the
heart of the proposed northern expansion, since
1976.

We contacted Chateau Montelena, Rutherford
Hill, and Chateau Chevalier, all of whom used grapes
from Weeks, and learned that none of these buyers of
grapes produced by Weeks used the term Stags Leap to
identify these grapes in-house, on their label or in
conjunction with their point-of-sale material. None
of them.

To our knowledge, no one has ever
identified Weeks cabernet sauvignon as a Stags Leap
wine, even on their point-of-sale material. The
only winery in the "Stags Leap District" to identify
the proposed expansion area as the source of a
variety of a wine is Pine Ridge, and they
consistently identify the grapes as Yountville, not
Stags Leap. Since 1981, they have produced a
Yountville chenin blanc, Abruzzini vineyard.
Abruzzini vineyard is on the corner center of
Yountville Cross Road within the northern
expansion. Another opportunity for someone to call
it Stags Leap if it were indeed Stags Leap.

I think it would be insightful to look at
the great flow of those wineries from inside the
district since 1981. The approximately 92 acres of
vineyard in the proposed expansion area have only
composed an average of slightly over seven percent
of the production of wines within the Stags Leap.
This figure was computed using the most recent Napa
Valley ag report, which established and excluded
Abruzzini because Pine Ridge is specifically labeled
as Yountville. During the same time these proposed
expansion area grapes have represented only 2.3
percent of the total tons crushed by the Stags Leap,
and, even then, have only been incorporated with
Napa Valley designated blends in these wineries, or
in the case of Pine Ridge.

So their neighbors over a long period of
time have not bought very many of their grapes and
has represented a very small percentage of their
production. But it has not been labeled or thought
of as anything but Napa Valley.

I want to emphasize this last point because it's important. Wines that the consumer readily identifies as coming from wineries within the "Stags Leap District" are an important bellweather. They are the Shafer Hillside Excellent Cabernet Sauvignon, Clos du Val Cabernet Sauvignon, the Steltzner Cabernet Sauvignon, the Silverado Sauvignon and Pine Ridge, Stags Leap Vineyard wines, the Stags Leap cabernet and the Stags Leap Wine Cellars, Stags Leap Vineyard wines. The grapes from the proposed expansion area have not contributed and, at best, account for a very small portion of the grapes purchased from these vineyards outside the district for production.

To the foregoing list now newly released we have Chimney Rock Wineries to include, as well.

In conclusion, the lack of significant consumer or commercial association between the proposed expansion area of vineyards in the "Stags Leap District" stands out. The "Stags Leap District" was not hastily constructed. Its current size and description reflects an evolution over the past few years, but its boundaries are a result of much research, thought, time and effort on the part
of the individuals. I believe that this
sub-appellation and the others sure to follow should
be established by the predominant facts. I ask you
to approve of the "Stags Leap District" for all the
members of that district but, more importantly, for
the consumer.

MR. DRAKE: Thank you, Mr. Phelps.

MR. FICARETTA: Did you say that you got
the cabernet sauvignon from Weeks Vineyard as well
as Steltzner's?

MR. PHELPS: We did from '83. Steltzner
was prior to that time.

MR. FICARETTA: What about the price of
the grapes comparable to each other, Weeks versus
Steltzner versus any other cabernet sauvignon from
within Napa Valley? Have the prices been pretty
much the same that you paid or --

MR. PHELPS: Well, we last bought grapes
from Steltzner in '75, and at that time they were
more expensive. At the time that we bought Weeks'
grapes from Bill Weeks, I would say that the price
was the average of the Napa Valley price. In fact,
I think that was our pricing formula, if I'm not
mistaken.

MR. FICARETTA: But lower than others
within the proposed area?

MR. PHELPS: I can't answer that question, because the only grapes that we bought from within the proposed district were Steltzner's until we began growing our own fruit there.

An associated winery -- correct me if I'm wrong, Craig -- but Grace bought cabernet, and that was the highest priced cabernet that he bought --

MR. CRAIG: Correct.

MR. PHELPS: -- From the Stags Leap Vineyards property. That's an associated winery, but one which we do not feel that -- we are not in charge of purchasing for.

MR. DRAKE: Mr. Phelps, thank you very much.

MR. WINIARSKI: Mr. Drake, can I make a comment? I want to clarify something that Mr. Gahagan asked this morning, and I don't wish to disrupt the proceedings, but I think it could be clarified.

And you asked me where there was any difference between the cabernet grapes from the vineyards and the proposed expansion area and the area in what we're calling the "Stags Leap District," and I said my recollection of that
question had to do with wineries producing their own grapes in that vineyard and there weren't any. I didn't mean to include considerations from the grapes from the Weeks figure, because I didn't consider that to be a winery producing its own product, and therefore I wouldn't pass judgment.

In addition, I believe the Weeks vineyard is somewhat -- has some problems with virus, and I wouldn't consider that to be a fair test of comparing the cabernet from out of the vineyard with the cabernet from in the vineyard.

I have made that comparison with Mr. Egan's grapes, and the cabernet is different. And he's just over the Cross Road in an area I would consider similar to south of the Yountville Cross Road.

MR. DRAKE: Mr. Robert Egan.

MR. EGAN: My name is Robert Egan, E-g-a-n. I'm a member of the "Stags Leap District" Appellation Committee. I am also a wine-grape grower.

I have two vineyards, one on both sides of the proposed northern boundary. There's the northern boundary right here. My home vineyard lies just south of this boundary, in the proposed "Stags Leap District." My other vineyard to the north of
this boundary is part of a 42-acre vineyard which is bordered by the Yountville Cross Road and State Lane and is directly across the Yountville Cross Road from the Anderson property.

Both of my vineyards have cabernet grapes. And let me point that out to you again.

My home vineyard is right here, and my northern vineyard is right here, and it's part of a 42-acre parcel that stretches like this. There's a home in the corner and the vineyard is here.

Because of the difference in the grapes in these two vineyards I do not consider that my northern vineyard on State Lane is or should be in the "Stags Leap District." However, if the proposed boundary is extended as Mr. Anderson has suggested to include the Chambers property, which extends more than 600 feet north of the Yountville Cross Road on the Silverado Trail -- and I will point that out to you. Right here. This is the proposed extension. If that is included, then I insist that my northern vineyard on State Lane also be included, because it is only 450 feet from the Yountville Cross Road.

It should be noted also that in this area here it's full of vineyards it's all vineyards in this whole area. In 1982 wines were made from the
grapes from my two vineyards, 100 percent from each vineyard. The two gentlemen that were here from Washington earlier in the year were able to taste these two wines, as we all did.

MR. DRAKE: Oh?

MR. EGAN: Give him the demerits, not me. They were admittedly different. The grapes in the vineyards are different. The wines are different. And let me emphasize the word different. They are not inferior, because I get more money for my grapes from my northern vineyard than I do for my southern vineyard, which is inside the proposed "Stags Leap District."

The cooling breeze on my home vineyard is quite noticeable, referring to the earlier chart. I'm not a weather expert, he is, but when I stand on my back porch in the middle of the afternoon I can feel that cool breeze. I don't feel this in my northern vineyard.

If difference is not a consideration, then what is? If difference is not considered, then we do not need an appellation system at all. The whole reason behind this type of system is so the consumer can make a choice according to his or her taste. Without a meaningful appellation and regulations to
back it up, a bottle of wine becomes a pig-in-a-poke.

Your job here is not to please the participants in this hearing, but to please and protect the consumer. You were right in the beginning when you said the consumer has the big stake here.

Thank you.

MR. DRAKE: Mr. Egan, thank you.

Do you want to tell us about the wine while you're sitting here?

MR. GAHAGAN: Mr. Egan, regarding the differences in the wines and the grapes, vines, are they the same clone in the different vineyards, the same root stocks?

MR. EGAN: That I couldn't find out. They were planted before I purchased any of them. In my investigation I wouldn't find out.

The viticultural practices, yes; the clones, I don't know what the clones are. They are cabernet sauvignon grapes. They come from two different areas, two different pieces of land.

MR. DRAKE: Back to the question we asked earlier. Grapes have been grown above the Yountville Cross Road for a lengthy period of time,
as far as you know?

MR. EGAN: According to our evidence, yes.

MR. DRAKE: Thank you, Mr. Egan.

Mr. David Leen.

MR. LEEN: Good afternoon, ladies and gentlemen, members of the panel.

My name is David Leen, and I'm from Seattle, Washington, and I happened to have some other business coincident with this hearing. I'm fortunate to appear in, really, a consumer witness capacity.

I haven't any interest in any endeavor, but I have been a home winemaker since the 1960s, and I have been a wine collector since that time, collecting what I feel are the finest examples of the various varietals that I hold in esteem.

The reason I am so interested in the Stags Leap area begins with a story that I think is a good illustration of how a consumer relies upon or comes to rely upon an appellation. I generally acquired the best grapes available, which is not easy when you live in Seattle, and the wine industry up there was, at least in those days, in its infancy, and so we would often get wine grapes shipped up from California.
Initially, back in the early '70s they were from Tony DeCardo in Lodi, and they'd be big crates of zinfandel. And they made a jug of wine that was not alcoholic, but not a distinctive wine. Then a group put together in Oakland by Burke began shipping varietals all over the country.

In 1979, at that point in time, I had become familiar with the Stags Leap reputation from the famous Paris tasting, and he offered Stags Leap cabernet sauvignon. And, of course, I jumped at the chance to acquire those grapes delivered to my doorstep.

In spite of my earlier frustrations in winemaking, the 1979 wine was, without being immodest, it was a very spectacular wine, especially in view of my previous lack of success in making wines on occasion. And like a lot of winemakers, we like to brag about our efforts, and on a trip the following summer my collaborators and I were bragging about this wine that we'd made, and we were down at, I think, Sattui's, buying some of their zinfandel, which I think is also distinctive. The chap at the counter was also a home winemaker, and he insisted that we bring out our wine, which we happened to have in our pocket. And he tasted it
and smelled it and we told him we got it from wine people here.

He said, "This is Fay Vineyards cabernet."

He said, "This is one of the best grapes you can buy." He said, "You know, Nathan Fay lives just across here. He's a nice guy. He'd like to take a sample of this and meet you."

Of course, we jumped at the opportunity. We instantly called him up. He was home. It was a nice summer afternoon. We invited ourselves over to his house, and he was gracious enough to allow that. We uncorked our '79 wine and we had some othersamplings from Washington, riesling, I believe.

And ever since that time we've kind of showed up like fruit flies when the grapes are crushed here, and I've brought actually fresh grapes from Nathan's vineyards, from Winiarski's, from the Candy Vineyards, from the Campbells and from Robinson's vineyard, and a few other areas outside of the Stags Leap area. But I think I've had a very good sampling from what I consider the heart of the Stags Leap area.

I'm certainly not going to testify here today as to the arguments about the fringe areas,
because my experience as a consumer and as a
winemaker is what I consider the heart of the Stags
Leap area.

And I've had an opportunity I think to
make, probably, ten different cabernets from various
vintages and a number of merlots and a couple of
chardonnays, and I subscribe to the comments of I,
believe, Mr. Winiarski that the wine, at least as
far as the cabernet is concerned, is a very
characteristic and elegant wine that is
identifiable. And I think, as a wine consumer, I
like to be in a position to rely upon the label of
something as being very high quality and meeting the
standards as I've come to know as being from the
Stags Leap area.

So to kind of come full circle, I have kind
of fallen in love with the particular wines of the
region, and I think it's very important to give the
people out in the hinterland and Napa Valley the
opportunity to select these kinds of things as they
become more popular and well-known.

So I place a very high degree of importance
on the designation process. I've also made wines
from the Carneros region, pinot noir, and I think as
the designations develop they are a more of a viable
way to judge a wine than the year and the grape
variety, and even than the vineyard. I think if,
you know, you have a pinot noir, you can select the
food that goes with it, and I think that that
applies to the cabernet sauvignon grapes in the
"Stags Leap District."

I think everyone here recalls what the
conventional wisdom was in the 60s, that California
had no variation from vineyard to vineyard and
that's why California wines were good, because the
weather was all the same. And, of course, we now
know that that's not true. It's no different from
the other great wine growing areas of France and
other parts of the world.

So now the importance of this, I think, to
the consumer is to give the consumer the tools by
which they can make selections that have some
meaning, and so I would urge the panel to adopt the
boundaries as proposed by the committee.

And I had a chance yesterday on the way
down to drive around the area a little bit and look
at the -- I got ahold of the map and looked at the
proposed boundary areas, and they certainly are
consistent with my own expectations of what a Stags
Leap area would be, at least, from my own somewhat
limited experience. So, again, I would urge the panel to subscribe to those boundaries and the comments that have been given in support of that.

MR. DRAKE: I have two questions --

Thank you. -- One dealing with: have you purchased grapes from outside of the Stags Leap area?

MR. LEEN: Yes.

MR. DRAKE: From the proposed extension, by any chance?

MR. LEEN: No. I mainly purchase cabernet sauvignon grapes, and I don't believe that I'm familiar with any cabernet from that area. There are an awful lot of wineries that I'm not aware of.

MR. DRAKE: But you haven't gotten cabernet from outside of the Stags Leap area?

MR. LEEN: I got some cabernet brands from Veedercrest. I'm not sure what that is. And I've gotten some cabernet from Sonoma, but I think all the contacts come from this area.

MR. DRAKE: How familiar are you with Wine and the People? Have you dealt with them for any period of time?

MR. LEEN: Well, I've probably purchased about four shipments of grapes from them, and
they're not in existence anymore, I believe. I think they're gone. But I was -- I think, actually, I was pleased with all of the products we got from them. I was always very concerned and crossed my fingers and held my breath.

MR. DRAKE: Were you always sure that what they said it was was what it was?

MR. LEEN: No, but I --

MR. DRAKE: Nor were we.

MR. LEEN: The one thing I can say with assurance, I think the Stags Leap cabernet that they sold actually -- and it's been analyzed with pH meters and all sorts of scientists that have much more experience than I, and it appears that that was authentic, the real stuff.

MR. DRAKE: Don't bet the ranch on it.

MR. ANDRUS: The question I'd like to ask is if he's compared the wines he's made as home winemaker with the commercial wines.

MR. DRAKE: That's what I was trying to get to with the cabernet.

Have you compared your contacts with commercial?

MR. LEEN: As a matter of fact, the times I've come down in the fall I've had the opportunity
to stay with Nathan Fay, and in order to be invited
every year I have to bring a large, fresh sampling
from Washington. And we have a banquet and feast,
and naturally I parade out my best wares and Nathan
has his wine there and Mr. Winiarski has joined us
with his wines. As a matter of fact, we did taste
the wines that a number of us had made. I know that
Father John Turnbull and Nate had a tasting, and I
think the consensus was that the wines we had made
were similar. They were at least in the same ball
park.

They were not filtered, and they were not
as, you know, commercial quality, but there was a
resemblance there. And, again, that may have been
been their charitable way of treating me, but I
think that's true.

MR. WINIARSKI: We're just short of
offering him a job.

MR. DRAKE: Thank you very much.

Mr. Steven Hale has said he was unable to
attend, and I was to relay that and I forgot.

Keith Bowers.

Dale J. Missimer.

MR. MISSIMER: My name is Dale Missimer.

My wife Sue and I have a vineyard that is in between
a couple of lines here. It extends down to
approximately, oh, 500 feet to the south of the
green line here, and up to this boundary here that's
commonly called the Yountville Cross Road, or the
Yajome boundary, or whatever thing up here, whatever
you want to call it. It's not part of the city.
And we come to the foot of the hill and to the
river.

And this is a summary of our feelings on
this. We believe the boundaries of the proposed
district should follow both logical and clearly
under lines of demarcations. They should be easily
recognized by the wine consuming public and should
not appear to be the result of gerrymandering
operation. There should be no ill feelings among
those involved in the formation of this district. A
reasonable consensus should be reached between all
growers and vintners who will be affected.

The Silverado Trail is unquestionably the
primary trunk of the proposed district, with the
east and west boundaries being essentially parallel
to and falling on either side of the trail. This
encompasses vineyards of similar soils and climatic
conditions, considering those areas located
approximately below the Stags Leap formation. The
formation, if I'm not mistaken, is right along in here, which is to the northern part of the entire district.

The currently proposed eastern line formed by the elevation of the hillside and the western line of the Napa River are quite logical and clearly defined and understood by all concerned. Apparently, there is no disagreement between the district proposals for the southern boundary to be defined by the creek, even though there's no other distinctive geological change down there.

The remaining or the north boundary is the one now in question and open to some difference in opinion.

We strongly believe that the northern boundary should be the Yountville Cross Road, or whatever you want to call it, ending at the western end at the Napa River and at the eastern end at the 400 foot level, and that no boundaries should bisect it.

Our reasons are: A, the Yountville Cross Road follows the Yajome land grant boundary established more than a hundred years ago. It is a well-defined and clearly established line of demarcation. There is no way to misunderstand what
is or is not included using such an historical boundary.

The preponderant soil types in the growing areas of this district are classified as 104 or 105 or Bale clay loam by the USDA -- and I forgot the map. Excuse me.

The pinkish areas are the 104-105, and even though the two proposed boundaries -- I mean, the southern one is not shown, you can see that the majority of the growing area is in this Bale clay loam. The other soil -- well, this is our vineyard, here, which is the same type between this knoll, the river and the road, which all follow there.

The other type we have is this 118, which is Cole silt loam, is this southern part or where that other proposed boundary line is. And that's the same as this large block down here towards the river. So most of our soil is exactly the same balance as the soil in this proposed district between here and here.

In our vineyard the afternoon prevailing air movement during the growing season is up the Valley, most commonly between the notch between those knolls below the Stags Leap formation, along the Silverado Trail. We -- our house is on the
green side, I mean, down here where that 100 number is, and I have an anemometer there, and the prevailing winds come up from here. This is the same cooling winds that Mr. Egan referred to. And they flow out this way and around this knoll.

Now, I'm not a meteorologist, so I can't say any more than that. But I do have the anemometer, and I've had it for many years, and that's what the air movements show.

Standing on our porch we look right up at the leap, so we considered ever since we bought the property in 1978 that's where we've been. We've never considered Yountville our -- we don't happen to have a mailing address there, but the mailing address for that district is Napa, not Yountville. And that's the choosing of the U.S. Post Office.

There are no constrictions anywhere in this -- across where this line is shown between our vineyard and this district right in here. The land from the front here to -- well, you can see the -- if you come up close or have a map in front of you, that the topo lines are pretty nearly horizontal all the way through there. There's no distinctive difference or change suddenly along that point.

Our plantings have been included in the
surveys of this proposed district since the summer
of 1986. Before we arrived I understood there was a
reference to that made. We have received three or
four letters and two or three phone calls about
that. So it was our clear understanding that we
were part of this district that was being formed.
Subsequently, we learned there was a proposal to
have the northern boundary bisect our vineyards, and
I believe that this green line is the one that now
still bisects our vineyard.

We objected to this in a letter to the
bureau on April 6th of '87, and asked the vineyard
be included in the district in its entirety. We
then learned that the next proposal had a northern
boundary which was pushed slightly farther south,
still including the adjacent vineyard. That's Elmer
Freethy, and his vineyard is right next to our
home. And that's along the west side of our
property.

Anyway, they wanted to have a dogleg that
cut along the edge of our vineyard, even though
there were no other distinctive changes. We do not
feel that this is in keeping with the reasonable
concepts that I've outlined in the first three
points made.
Thank you.

MR. DRAKE: Mr. Missimer, thank you.
Whom do you sell your grapes to?

MR. MISSIMER: This past year, Christian
Brothers, and we have sold them to Charles Krug.
We're still going through this agonizing process of
the buddings and trying to find some process -- now
we're budded over to merlot and sauvignon.

MR. DRAKE: Do they show at their
point-of-sale advertising anything --

MR. MISSIMER: They only got one ton of
merlot, and I don't think that would be worthy of
anything like that. This was on fairly new
buddings. The sauvignon they bought for a trial to
go in with their sauvignon blanc.

MR. LIBERTUCCI: Your vineyard, Mr.
Missimer, now lies totally outside the --

MR. MISSIMER: No, it does not. From what
I see here, it is partly in and partly out. We've
got a line going right through our vineyard, and I
haven't seen that line on the ground.

MR. LIBERTUCCI: So it's still -- as
proposed, still cuts across your vineyard?

MR. MISSIMER: I can only judge that by the
way this line does this.
MR. LIBERTUCCI: Cuts through the contour line?

MR. MISSIMER: Yes. We come to about the south end of the knoll right here, so if you call that south and not this, our bottom property line is down -- can you see where my thumbnail is running?

MR. LIBERTUCCI: Yes.

MR. MISSIMER: Four or five hundred feet beyond into the district.

MR. LIBERTUCCI: I have a blowup here of your vineyard and the Freethy vineyard and other vineyards in the area, and I can see where your property is adjacent to the Freethy vineyard.

MR. MISSIMER: The Freethy goes around the south crescent of the knoll.

MR. LIBERTUCCI: One other question. You made reference to three or four phone calls prior to the petition being filed. Is that --

MR. MISSIMER: Well, the phone calls started in, I think, August of '86, and they were asking for this survey of what we had planted and everything, so it could be incorporated in this application.

MR. LIBERTUCCI: Who called you?

MR. MISSIMER: It was a lady from Stags
Leap Wine Cellars. Sherrie Gettibertti. I don't know how you pronounce her last name. I think I said two or three phone calls. I can't recall exactly.

MR. LIBERTUCCI: And the purpose of the calls was?

MR. LIBERTUCCI: To be sure that we got our data in for inclusion. I have a copy of the results of this, but I sent those in previously, and you probably have those from other sources. And our name is one of the ones listed on there among them, so apparently we feel that up until just very recently we were included.

MR. DRAKE: Mr. Missimer, it's our understanding, my understanding, at least, that the new proposed line we're dealing with now does not bisect any existing -- any vineyard. That's our total understanding.

MR. DRAKE: It bisects our property. We have not planted that part yet, but we could. There is about another 12 to 16 acres that we can plant that would be essentially all in the district.

MR. DRAKE: The soil that you described, does that same kind of soil continue up past the Yountville Cross Road?
MR. MISSIMER: Yes.

MR. DRAKE: It does?

MR. MISSIMER: Yes. It's a -- it's not shown in color here, but that's the one that goes up. It's not an uncommon soil; however, years ago we had a detailed soil survey and they said that you could get micro things 50 feet away.

I can't tell all the descriptions on that, but the soil conditions, particularly, apparently, the clay, Bale clay loam, is partly alluvial.

MR. DRAKE: Mrs. Fisk took exception with that, did you not?

MS. ELLIOTT-FISK: Yes. From the soil I looked at up there, it doesn't classify as Bale clay loam, but I haven't been on your property.

MR. MISSIMER: Which doesn't?

MS. ELLIOTT-FISK: I sampled the soil just immediately north, about 40 foot north of the Yountville Cross Road.

MR. MISSIMER: I'm only quoting what the USDA says.

MR. DEVINEY: Do you personally consider yourself a Stags Leap or not?

MR. MISSIMER: Yes.

MR. DEVINEY: Have you gone public with
that? Have you done anything that would hold
yourself out as that?

MR. MISSIMER: No, I haven't. It's an
affinity from living right there under the eye of
the leap for six years or so. We bought the land in
'78, planted the land in '79 and '80, and butted
over several times since. We do not grow any
cabernet, for instance, so there's no way for us to
know anything about that. We're rank amateurs.

MR. DRAKE: Thank you very much.

MR. DRAKE: Mr. Richard Winter.

Is Mr. Bowers here, by any chance, yet?

Is there any one who did not request to
testify earlier that would like to do so now?

Well, that's good.

At 9:30 tomorrow morning, the hearing will
resume.

Let me say really sincerely on behalf of
myself and the panel, it was an interesting day.
I'm impressed with the knowledge of the people who
made the comments today, and with their sincerity.
It was a very quality job done by all of them. I
think you should be quite proud of yourselves.

The hearing will now be terminated for this
afternoon and resume at 9:30 a.m.
Thank you.

(Whereupon, the proceeding was adjourned at 4:30 o'clock p.m.)

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