# BEFORE THE DEPARTMENT OF THE TREASURY BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

In the Matter of HEARING FOR "NORTH COAST" VITICULTURAL AREA

The above-entitled matter came on regularly for hearing before the Bureau of Alcohol, Tobacco and Firearms, at the Federal Building, Room 113C, 777 Sonoma Avenue, in the City of Santa Rosa, County of Sonoma, State of California, on Monday, the 12th day of January, 1981, commencing at the hour of 9:30 a.m. thereof, before the Honorable William T. Drake, Presiding.

# TRANSCRIPT OF PROCEEDINGS

REPORTED BY: SUSAN T. STANDISH, CSR No. 4473

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1	MEMBERS OF THE PANEL		
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4	WILLIAM T. DRAKE, CHAIRMAN		
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6	JOSEPH DEVINEY		
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8	THOMAS GEORGE		
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10	ALAN GRAHAM		
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12	IMELDA KIRK		
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14	THOMAS MINTON		
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17	ALSO PRESENT		
18			
19	GEORGE NEIS		
20			
21	BRUNO DESI DERI		
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MONDAY, JANUARY 12, 1981

9:30 A.M.

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THE CHAIRMAN: GOOD MORNING, LADIES AND GENTLEMEN. THIS IS A HEARING TO RECEIVE TESTIMONY CONCERNING THE ESTABLISH-MENT OF THE PROPOSED NORTH COAST VITICULTURAL AREA. THE HEARING IS NOW CALLED TO ORDER.

MY NAME IS BILL DRAKE. I AM THE ASSISTANT DIRECTOR OF THE REGULATORY ENFORCEMENT FOR THE BUREAU OF ALCOHOL, TOBACCO AND FIREARMS. THIS HEARING IS HELD PURSUANT TO SECTION 553 OF THE ADMINISTRATIVE PROCEDURES ACT AND SECTION 5 OF THE FEDERAL ALCOHOL ADMINISTRATION ACT. IT IS HELD FOR THE DUAL PURPOSE OF PERMITTING THOSE INTERESTED IN THIS VITICULTURAL AREA PROPOSAL TO PARTICIPATE IN THE RULE-MAKING PROCESS AND TO MAKE SURE ALL INFORMATION RELEVANT TO THE ULTIMATE REGULATORY DECISION IS MADE AVAILABLE TO THE BUREAU.

BEFORE I OUTLINE THE PROCEDURES TO BE FOLLOWED IN THE CONDUCT OF THE HEARING, I WOULD LIKE TO EXPLAIN THE PROPOSED REGULATIONS. THE FEDERAL ALCOHOL ADMINISTRATION ACT, WHICH WILL BE REFERRED TO AS THE FAA ACT, PROVIDES FOR FEDERAL REGULATION OF ALCOHOLIC BEVERAGE LABELLING AND ADVERTISEMENT. 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 LABELLING. WE FEEL THE APPELLATION-OF-ORIGIN LABELLING INCLUDING THE USE OF AN APPROVED VITICULTURAL

AREA NAME WOULD HELP THE CONSUMER BETTER IDENTIFY THE WINES HE OR SHE MAY WISH TO PURCHASE.

UNDER THESE REGULATIONS, ANY INTERESTED PERSON MAY

PETITION THE BUREAU TO ESTABLISH A DELIMITED GRAPE-GROWING REGION

AS AN APPROVED VITICULTURAL AREA. THE PROPOSED AREA SHOULD BE

LOCALLY OR NATIONALLY KNOWN BY THE PROPOSED NAME, AND THE SPECIFIC

BOUNDARY SHOULD BE SUPPORTED BY HISTORICAL OR CURRENT EVIDENCE.

FURTHER, THE PROPOSED AREA SHOULD POSSESS GEOGRAPHIC CHARACTERIS
TICS WHICH DISTINGUISH THE VITICULTURAL FEATURES OF THE AREA FROM

OTHER SURROUNDING AREAS.

AFTER JANUARY 1, 1983, ONLY THE NAMES OF COUNTRIES, STATES, COUNTIES, OR APPROVED VITICULTURAL AREAS MAY BE USED AS APPELLATION-OF-ORIGIN IN WINE LABELLING AND ADVERTISING. TO THIS END, ATF WAS PETITIONED TO ESTABLISH A VITICULTURAL AREA HERE IN MENDOCINO, SONOMA, AND NAPA COUNTIES TO BE NAMED NORTH COAST. COPIES OF THE PETITION ARE AVAILABLE FOR INSPECTION AT THE REGISTRATION TABLE.

IN ORDER TO SOLICIT PUBLIC INPUT CONCERNING THE

ESTABLISHMENT OF THIS PROPOSED AREA, WE ISSUED A NOTICE OF PROPOSED

RULE MAKING NO. 360 ON DECEMBER 15, 1980. THE SPECIFIC BOUNDARIES

OF THE PROPOSED AREA ARE NOTED ON THE POSTED MAP AND IN NOTICE

NO. 360, WHICH IS ALSO AVAILABLE AT THE REGISTRATION DESK.

WRITTEN COMMENTS ON THE PROPOSED NORTH COAST VITICULTURAL AREA

WILL BE ACCEPTED UNTIL FEBRUARY 16, 1981. ORDERS FOR COPIES OF

ANY OR ALL DOCUMENTS WILL BE TAKEN AT THE REGISTRATION DESK FOR

LATER SHIPMENT. I WILL NOW INTRODUCE THE COURT REPORTER, WHO IS

SUSAN STANDISH, EMPLOYED BY THE MAES COMPANY, M-A-E-S, COMPANY,

FROM WHOM COPIES OF THE HEARING TRANSCRIPT WILL BE AVAILABLE.

THE ADDRESS OF THE MAES COMPANY IS 616 COLLEGE AVENUE, SANTA ROSA, CALIFORNIA 95404.

FOR THE CONVENIENCE OF THE REPORTER, I ASK THAT YOU PROVIDE HER WITH A COPY OF YOUR TESTIMONY, IF AVAILABLE, BEFORE YOU BEGIN SPEAKING. I WOULD ALSO LIKE TO ASK YOU TO LIMIT YOUR COMMENTS TO 10 MINUTES IF AT ALL POSSIBLE. WE HAVE IN EXCESS OF 27 PEOPLE WHO WISH TO PROVIDE TESTIMONY. IT CAN BE A VERY LONG DAY.

I ALSO WISH TO REMIND YOU THAT THIS IS NOT AN ADVERSARY PROCEEDING. WE ARE HERE TO GATHER INFORMATION AND OPINIONS FROM ALL INTERESTED PERSONS. THEREFORE, CROSS-EXAMINATION OF THE WITNESSES IS NOT APPROPRIATE. QUESTIONS FROM THE FLOOR MAY NOT BE INTRODUCED DIRECTLY TO THE WITNESS. IF, HOWEVER, YOU FEEL THE RECORD WOULD BE MORE INFORMATIVE IF A WITNESS CLARIFIES HIS OR HER TESTIMONY WITH REGARD TO A CERTAIN POINT, YOU MAY SUBMIT A WRITTEN QUESTION TO ME TO DIRECT TO THE WITNESS IF I SEE FIT. THE PANEL MEMBERS, OF COURSE, WILL BE FREE TO INQUIRE INTO ANY MATTER THEY FEEL WILL BE USEFUL IN THE RULE-MAKING PROCESS.

PANEL. TO MY FAR RIGHT IS ALAN GRAHAM, CHIEF OF OUR COMMODITY CLASSIFICATION BRANCH IN WASHINGTON, D.C. TO HIS LEFT IS TOM GEORGE, CHIEF OF THE REGULATIONS PROCEDURES DIVISION, ALSO WASHINGTON, D.C. TO MY IMMEDIATE RIGHT IS JOE DEVINEY, REGIONAL REGULATORY ADMINISTRATOR IN THE WESTERN REGION. TO MY IMMEDIATE LEFT IS TOM MINTON, PROJECT MANAGER OF THIS CONCERN FROM THE RESEARCH AND REGULATIONS BRANCH. AND TO HIS LEFT IS IMELDA KIRK FROM OUR CHIEF COUNSEL'S OFFICE.

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THE AGENDA FOR TODAY IS MR. HARRY SULLIVAN, MR. WILLIAM HEINTZ, MR. RODNEY STRONG, MR. JIM CARTER -- YOU HAVE A JIM CARTER IN CALIFORNIA THIS DAY AND AGE. IT MUST BE AN INTERESTING POSITION --MR. JIM HUNTSINGER, MR. RICHARD THOMAS, MR. RICHARD KUNDEE, LEE CHANDLER, GREGG NELSON, BEN VOLKHARDT, JR., ROBERT CARTY, JOHN BROWN, ROSS STROMBERG, ALLAN JERGESEN, DR. CORNELIUS OUGH, JAMES LIDER, PETER WINDREM, CHARLES L. SULLIVAN, JAMES TURNER, R.A. BARTOLUCCI, DONALD GAYALDO, WILLIAM S. IRWIN, MYRON HOLDENRIED, ROBERT MEYERS, JUSTIN MEYER, GENE SPERRING, BOB DWYER.

I WILL ALSO CALL UPON THE WITNESSES IN THAT ORDER. IF ANYONE DESIRES TO SPEAK OUT OF ORDER BECAUSE OF TRAVEL ARRANGE-MENTS, WE WILL ATTEMPT TO ACCOMMODATE THOSE PERSONS.

ANY PERSONS WHO DESIRE TO SPEAK OUT OF ORDER. PLEASE APPROACH THE PANEL NOW. WE WILL ALSO HONOR REQUESTS, IF TIME PERMITS, FOR ANYONE TO SPEAK WHO AT THIS POINT HAS NOT REQUESTED TO SPEAK. WE WILL HONOR THOSE REQUESTS AFTER WE GET THROUGH WITH THE LIST OF PEOPLE WHO HAVE ASKED TO TESTIFY.

FOR THE CONVENIENCE OF THE REPORTER, I ASK THAT EACH WITNESS, BEFORE TESTIFYING, STATE THEIR FULL NAME AND WHO THEY REP RESENT, FOR THE RECORD, AND PLEASE SPELL THE LAST NAME. THANK YOU!

THE FIRST PRESENTATION WILL BE ON BEHALF OF THE CALIFORNIA NORTH COAST GRAPE GROWERS ASSOCIATION, MR. HARRY SULLIVAN.

### NAPA, SONOMA, AND MENDOCINO COUNTIES PRESENTATION

#### HARRY SULLIVAN,

REPRESENTING THE CALIFORNIA NORTH COAST GRAPE GROWERS, TESTIFIED AS FOLLOWS:

GOOD MORNING. MY NAME IS HARRY SULLIVAN, AND I AM THE GROWER-REPRESENTATIVE FOR CALIFORNIA NORTH COAST GRAPE GROWERS.

ON BEHALF OF THE ASSOCIATION, I WELCOME YOU BOARD.

MEMBERS TO SANTA ROSA AND TO THE REDWOOD EMPIRE, A PLACE LUTHER

BURBANK SAID IS THE CHOSEN SPOT OF ALL THE EARTH AS FAR AS NATURE

IS CONCERNED.

AS THE ASSOCIATION'S SPOKESPERSON, I THANK YOU FOR THE OPPORTUNITY OF PRESENTING TESTIMONY ON THIS SUBJECT, THAT IS IMPORTANT TO CONSUMERS, GROWERS, AND VINTNERS. ALSO, THE ASSOCIATION EMPATHIZES WITH THE BUREAU ON THE COMPLEXITY OF THE DECISIONS THAT THE BUREAU MUST MAKE REGARDING APPELLATION DESIGNATIONS WITHIN THE COMING MONTH.

THE FOLLOWING INFORMATION SUBMITTED BY THE CALIFORNIA NORTH COAST GRAPE GROWERS OFFERS FURTHER SUPPORT FOR THE ESTABLISHMENT OF A VITICULTURAL AREA APPELLATION OF ORIGIN TERMED "NORTH COAST." THE DOCUMENTATION IS BEING SUBMITTED IN ACCORDANCE WITH REGULATION 27 CFR 4.25a, (e), VITICULTURAL AREA, AND 27 CFR PART 9, SUBPART A. THIS SUPPLEMENTARY PETITION DELIMITING THE NORTH COAST DOES NOT OR IS NOT INTENDED TO PRECLUDE OTHER VITICULTURAL AREAS FROM EXISTING WITHIN THE BOUNDARIES OF THE PROPOSED NORTH COAST APPELLATION.

THE FOLLOWING SUPPLEMENTAL EVIDENCE IS ORGANIZED UNDER THE CATEGORIES ESTABLISHED UNDER PART 9:

ROMAN NUMERAL ONE, POINT 1. NUMEROUS WINERIES HAVE EXPENDED THOUSANDS OF DOLLARS ADVERTISING LOCALLY AND NATIONALLY THE VITICULTURAL AREA DESIGNATED AS NORTH COAST. AND IN MY NOTES I HAVE "SEE APPENDIX I," AND, FOR THE BENEFIT OF THE AUDIENCE, WE HAVE DOCUMENTED 18 WINERIES THAT HAVE BEEN USING THE NORTH

COAST APPELLATION, SEPARATE WINERIES, EITHER IN ADVERTISING OR IN WINE LABELS THROUGHOUT THE STATE OF CALIFORNIA, AND, I SUSPECT, THE COUNTRY AND THE WORLD. SO THERE ARE 18 WINERIES DOCUMENTED HERE.

THERE ARE ALSO WINERIES THAT HAVE DOCUMENTED NORTH
COAST COUNTIES, BUT, BECAUSE THE BUREAU HAS MADE A DECISION NOT
TO INCLUDE THE PHRASE NORTH COAST COUNTIES IN THAT, I HAVE NOT
INTRODUCED THAT TESTIMONY AT THIS TIME.

THE RESULT IS THAT WINE CONSUMERS HAVE BECOME EDUCATED TO THE FACT THAT THE VITICULTURAL AREA THAT ENCOMPASSES NAPA, SONOMA, AND MENDOCINO COUNTIES IS A UNIQUE AREA FOR PRODUCING WINE GRAPES. HENCE, TO CHANGE THE BOUNDARIES OF THE AREA WOULD, IN THE OPINION OF THE CALIFORNIA NORTH COAST GRAPE GROWERS, DECEIVE AND CONFUSE THE CONSUMER.

POINT 2. THE NORTH COAST HAS BEEN REFERENCED IN
NUMEROUS MEDIA ARTICLES WITHIN THE LAST 100 YEARS. AND WE SAY
THERE, "SEE APPENDIX II." AND I WOULD LIKE TO CALL THE BOARD'S
ATTENTION FOR ONE MINUTE -- IF YOU COULD LOOK AT ROMAN NUMERAL II-F
IN THE BACK, PLEASE.

THEY HAVEN'T PERFECTED A XEROX MACHINE YET THAT COPIES PINK, SO WHAT HAS HAPPENED, WE HAVE WITH II-F, COPYRIGHTED SINCE 1968, AN ADVERTISEMENT SHOWING THE THREE COUNTIES AS NORTH COAST, AND IT HAS APPEARED IN THE WINES & VINES BUYER'S GUIDE FOR SEVERAL YEARS. AND WHAT I AM POINTING OUT IS AT THE BOTTOM OF THE PICTURE IT SHOULD SAY NORTH CALIFORNIA NORTH COAST GRAPE GROWERS HEADQUARTERED IN UKIAH, CALIFORNIA. THE XEROX DROPPED THE PHRASE.

THESE PUBLICATIONS HAVE AIDED IN THE PROMOTION OF THE NORTH COAST TO CONSUMERS AS WELL AS WINE INDUSTRY EXPERTS.

POINT 3. EVER SINCE ITS INCEPTION IN 1964, THE  $_{011}$ 

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 CALIFORNIA NORTH COAST GRAPE GROWERS HAS SPENT THOUSANDS OF DOLLARS WITHIN THE LIMITS OF AN APPROVED BUDGET TO PROMOTE THE COUNTIES OF NAPA, SONOMA, AND MENDOCINO AS THE NORTH COAST VITICULTURAL AREA FOR WINE GRAPES. THIS PROMOTION HAS BEEN AN INTEGRAL PART OF THE ASSOCIATION'S BELIEF THAT THESE THREE COUNTIES HAVE CONSISTENTLY PRODUCED QUALITY WINE GRAPES OVER THE PAST 100 YEARS. EXPANDING THE VITICULTURAL AREA BOUNDARIES OR REJECTING THE ENTIRE PETITION WOULD DO INJURY TO THE GROWERS IN NAPA, SONOMA, AND MENDOCINO COUNTIES AS WELL AS CONFUSE THE CONSUMERS OF THIS COUNTRY.

ROMAN NUMERAL 11, PART 9, IS ENTITLED HISTORICAL OR CURRENT DATA THAT THE BOUNDARIES OF THE VITICULTURAL AREA ARE AS SPECIFIED IN THE APPLICATION.

REGARDING HISTORICAL DATA, MR. WILLIAM F. HEINTZ OF GLEN ELLEN, CALIFORNIA, WILL BE PRESENTING ORAL AND WRITTEN TESTIMONY ON THIS CATEGORY.

NUMBER 2. REGARDING CURRENT DATA, THE PETITION

SUBMITTED ON SEPTEMBER 14, 1979, STRESSED THE FACT THAT THE

HISTORIC AND ADVERTISED NORTH COAST INCLUDES ONLY THE COUNTIES

OF NAPA, SONOMA, AND MENDOCINO. THE BUREAU OF ALCOHOL, TOBACCO,

AND FIREARMS HAVE, IN CORRESPONDENCE DATED OCTOBER 16, '74, AND

OCTOBER -- I'M SORRY -- AUGUST 4, '75, TAKEN THE SAME POSITION.

AND WE REFERENCE THAT IN APPENDIX NO. III IN THE BACK, THE TWO

PIECES OF CORRESPONDENCE.

ALSO, THE BUREAU SUPPORTED THIS POSITION WHEN IT FROTESTED THE INCLUSION OF SOLANO COUNTY ON AN INGLENOOK NAVALLE RUBY CABERNET WINE LABEL AND WHEN IT OBJECTED TO THE INCLUDING OF LAKE COUNTY ON A KONOCTI CELLARS JOHANNISBERG RIESLING WING LABEL.

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HENCE, THE CALIFORNIA NORTH COAST GRAPE GROWERS FEELS THAT THE BUREAU HAS A CLEAR VIEW OF THE BOUNDARIES AS SPECIFIED IN THE APPLICATION.

ROMAN NUMERAL III IN PART 9. THE TOPIC IS EVIDENCE RELATING TO THE GEOGRAPHICAL FEATURES WHICH DISTINGUISH THE AREA FROM SURROUNDING AREAS.

NUMBER 1. THE CLIMATOLOGICAL DATA ANNUAL SUMMARY
PUBLISHED BY THE DEPARTMENT OF COMMERCE LISTS NAPA, SONOMA, AND
MENDOCINO COUNTIES WITHIN THE NORTH COAST DRAINAGE BASIN. OTHER
EASTERN GRAPE-GROWING AREAS IN CLOSE PROXIMITY TO THE ABOVE
COUNTIES ARE LOCATED IN THE SACRAMENTO DRAINAGE BASIN.

NUMBER 2. ACCORDING TO THE TEXT ENTITLED, "WEATHER OF THE SAN FRANCISCO BAY REGION," BY HAROLD GILLIAM, THE COUNTIES OF NAPA, SONOMA, AND MENDOCINO ARE AFFECTED BY FOG AND WIND WHICH SEEK ACCESS THROUGH NATURAL LAND GAPS AND FUNNELS. SURROUNDING LAND MASSES DO NOT EXPERIENCE THIS INLAND PENETRATION OF MARINE AIR BECAUSE OF NATURAL GEOGRAPHICAL MOUNTAIN RANGES. ONE INDICATION OF THIS COOLING AIR ON HOT SUMMER DAYS THAT DOES NOT REACH LAKE AND SOLANO COUNTIES IS THE ABSENCE OF REDWOOD TREES IN THESE TWO COUNTIES.

AND FOR THE BENEFIT OF THE AUDIENCE, WE HAVE APPENDIX

IV, WHICH SHOWS THE LOCATION OF STANDS OF NATURAL REDWOOD TREES.

AND IT IS DIAGRAMED, AND IT COMES OUT OF THE DISTRIBUTION OF

FOREST TREES IN CALIFORNIA, PUBLISHED IN 1972, SHOWING NO STANDS

OF TWO MILES ACROSS OR UNKNOWN SIZE IN LAKE AS WELL AS SOLANO

COUNTY.

ALSO, HANDBOOK 271 ENTITLED "SILVICS OF FOREST TREES

OF THE UNITED STATES," PUBLISHED BY THE UNITED STATES DEPARTMENT

OF AGRICULTURE, STATES THAT THE RANGE OF REDWOODS IS LIMITED TO AREAS WHERE HEAVY SUMMER FOGS FROM THE OCEAN PROVIDE A HUMID ATMOSPHERE. APPENDIX NO. IV REFLECTS NUMEROUS STANDS OF NATURAL REDWOOD TREES GROWING IN NAPA, SONOMA, AND MENDOCINO COUNTIES.

IN 1944, PROFESSORS AMERINE AND WINKLER OF THE UNIVERSITY OF CALIFORNIA DEVELOPED A METHOD FOR SEGREGATING GRAPE-GROWING AREAS OF THE STATE. USING A PROCEDURE CALLED HEAT SUMMATION, THE PROFESSORS DIVIDED CALIFORNIA INTO FIVE CLIMATIC REGIONS. I WAS LESS THAN 2,500 DEGREE DAYS. REGION II WAS 2,501 TO 3,000 DEGREE DAYS. REGION IVI WAS 3,501 TO 4,000 DEGREE DAYS. AND REGION V WAS 4,001 OR MORE DEGREE DAYS. GENERALLY SPEAKING, THE BEST KNOWN AND HIGHEST QUALITY AREAS FOR TABLE WINES ARE COOL AND FALL INTO REGIONS I, II, OR A LOW III. IF THE TEMPERATURE IS HIGH, THE VINE PRODUCES SUGAR FASTER THAN IF THE TEMPERATURE IS LOW, THUS AFFECTING THE FLAVOR OF THE FRUIT.

IN REFERENCING THE TEXT GENERAL VITICULTURE BY WINKLER, COOK, KLIEWER, AND LIDER; NAPA, SONOMA, AND MENDOCINO COUNTIES ALL CONTAIN REGIONS I, II AND III. HOWEVER, THE COOLEST REGION DOCUMENTED FOR LAKE COUNTY IS REGION III, AND SOLANO IS EVEN WARMER YET WITH A REGION IV RATING. THIS EVIDENCE FURTHER SUPPORTS THE CLAIM THAT THE NORTH COAST IS DISTINGUISHABLE FROM SURROUNDING WINE GRAPE-GROWING AREAS.

POINT 4. MOST OF THE SOIL COMPRISING THE NORTH COAST
IS OF AN ALLUVIAL NATURE; THAT IS, IT IS SOIL MATERIAL THAT HAS
BEEN DEPOSITED BY WATER. HOWEVER, LOCAL UNITED STATES SOIL SURVEY
OFFICES HAVE VERIFIED THAT LAKE COUNTY CONTAINS LARGE QUANTITIES
OF WHAT THEY CALL CLEAR LAKE CLAY -- I DON'T KNOW IF THAT 15 A

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FORMAL NAME OR NOT, BUT THAT IS HOW THEY REFER TO IT -- AS WELL AS A MASS OF ALLUVIAL SOIL THAT RESTS UPON A VOLCANIC DEPOSIT. ALSO, SOLANO COUNTY SOILS ARE PRIMARILY ADOBE OR CLAY IN NATURE, EXCEPT FOR THE NORTHEAST PORTION OF THE COUNTY, WHICH IS ALLUVIAL IN CONTENT.

ROMAN NUMERAL IV UNDER SUB-PART 9. SPECIFIC BOUNDARIES OF THE AREA. THE BOUNDARIES OF THE PROPOSED NORTH COAST VITICULTURAL AREA HAVE PREVIOUSLY BEEN SUBMITTED UTILIZING USGS STATE OF CALIFORNIA MAP, NORTH HALF, DESCRIBING THAT PORTION OF THE STATE OF CALIFORNIA BEING THE COUNTIES OF NAPA, SONOMA, AND MENDOCINO, MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE WESTERNMOST EXTENTION OF THE COMMON LINE BETWEEN MENDOCINO COUNTY AND HUMBOLDT COUNTY AT ITS INTERSECTION WITH THE MEAN HIGH TIDE OF THE PACIFIC OCEAN; THENCE ALONG AFOREMENTIONED COMMON LINE BETWEEN SAID MENDOCINO COUNTY AND HUMBOLDT COUNTY LINE TO THE COMMON CORNER OF MENDOCINO, HUMBOLDT AND TRINITY COUNTIES; THENCE ALONG THE COMMON LINE BETWEEN MENDOCINO COUNTY AND TRINITY COUNTY TO THE COMMON CORNER OF MENDOCINO, TRINITY AND TEHAMA COUNTIES; THENCE CONTINUING ALONG THE NORTH COAST VITICULTURAL BOUNDARY BEING THE COMMON LINE AS IT MEANDERS BETWEEN THE FOLLOWING NAMED COUNTIES: MENDOCINO AND TEHAMA, MENDOCINO AND GLENN, MENDOCINO AND LAKE, SONOMA AND LAKE, NAPA AND LAKE, NAPA AND YOLO, NAPA AND SOLANO, SONOMA AND SOLANO AND THE COMMON LINE BETWEEN SONOMA AND MARIN AND THE WESTERNMOST INTERSECTION THEREOF TO ITS INTERSECTION WITH THE MEAN HIGH TIDE OF THE PACIFIC OCEAN BEING THE SOUTHWEST CORNER OF THE NORTH COAST VITICULTURAL AREA; THENCE NORTH UP THE COAST OF SONOMA AND MENDOCINO COUNTIES TO THE BEGINNING. THE INTENT OF THIS DESCRIPTION TO DESCRIBE THE TOTAL -- IN TOTAL

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THE AREA WITHIN NAPA, SONOMA, AND MENDOCINO COUNTIES AS BEING THE WHOLE OF THE NORTH COAST VITICULTURAL AREA.

ADDITIONAL INFORMATION. THE FOLLOWING EVIDENCE DOES NOT LEND ITSELF TO THE CATEGORIES DELINEATED UNDER PART 9. HOWEVER, THE DATA IS SIGNIFICANT IN TERMS OF DEFINING THE NORTH COAST AS NAPA, SONOMA, AND MENDOCINO COUNTIES.

POINT 1. WINE GRAPE ACREAGE HAS CONSISTENTLY BEEN INCREASING IN THE NORTH COAST COUNTIES OVER THE PAST 100 YEARS. HOWEVER, SURROUNDING AREAS HAVE VACILLATED IN AND OUT OF THE WINE GRAPE-GROWING BUSINESS. THE 1979 CALIFORNIA FRUIT-AND-NUT-ACREAGE REPORT SHOWED THAT BEARING AND NON-BEARING WINE GRAPE ACREAGE IN NAPA, SONOMA, AND MENDOCINO COUNTIES TOTALED 62,672 ACRES. LAKE COUNTY REPORTED 2,469 TOTAL ACRES, WHICH, FOR PURPOSES OF COMPARISON, WOULD AMOUNT TO 4 PER CENT OF THE TOTAL FIGURE MENTIONED ABOVE. ALSO, SOLANO COUNTY REPORTED 1,314 ACRES, WHICH WOULD EQUAL 2 PER CENT OF THE TOTAL ACRES REPORTED ABOVE. IN SHORT, THE AMOUNT OF ACREAGE CURRENTLY IN PRODUCTION IN LAKE AND SOLANO COUNTIES REFLECTS A LACK OF HISTORICAL CONSISTENCY IN THE VITICULTURE INDUSTRY.

POINT 2. NEARLY 200 BONDED WINERIES HAVE CHOSEN TO LOCATE THEIR FACILITIES WITHIN THE BOUNDARIES OF NAPA, SONOMA, AND MENDOCINO COUNTIES. THIS HAS RESULTED IN THOUSANDS OF TOURISTS AND POTENTIAL WINE CONSUMERS IN VISITING THE AREA. HOWEVER, ACCORDING TO THE 1981 POCKET ENCYCLOPEDIA OF CALIFORNIA WINE PUBLISHED BY THE WINE APPRECIATION GUILD, ONLY THREE WINERY OWNERS HAVE SELECTED LAKE COUNTY, AND THREE OTHER WINERY ENTREPRENEURS HAVE CHOSEN SOLANO COUNTY IN WHICH TO LOCATE THEIR PLANTS AND TASTING ROOM OPERATIONS. THE ACREAGE AND WINER \$\footnote{1}^{16}\$

INFORMATION PRESENTED ABOVE CONFIRMS THE NORTH COAST GRAPE GROWERS 1 2 3

AND SIGNIFICANT IN CHARACTER.

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CONTENTION THAT THERE EXISTS AN IDENTIFIABLE RECOGNITION BY GROWERS, CONSUMERS, AND VINTNERS THAT THE VITICULTURAL AREA OF NAPA, SONOMA, AND MENDOCINO COUNTIES IS A REGION WHICH, OVER A GREAT NUMBER OF YEARS, PRODUCES FINE WINE GRAPES WHICH ARE UNIQUE

POINT 3. THE DECEMBER 17, 1980, ISSUE OF THE CALIFORNIA WINE REPORT PUBLISHED BY THE FEDERAL-STATE MARKET NEWS SERVICE OF SAN FRANCISCO, CALIFORNIA, TABULATED WINERY PRICES AND GROWERS FOR THE 1980 CRUSH. LAKE COUNTY NEVER APPEARED ON THE REPORT BECAUSE NOT ENOUGH PRICE INFORMATION WAS AVAILABLE TO ESTABLISH A MARKET. IF THAT IS THE CASE. THE COMMON SENSE CONCLUSION IS THAT MANY TONS OF LAKE COUNTY GRAPES MUST HAVE ENDED UP IN WINE POOLS OR ENDED UP -- AND I SAY UNFORTUNATELY -- ON THE GROUND.

ALSO, SOLANO COUNTY RANKED BEHIND NAPA, SONOMA, AND MENDOCINO COUNTIES IN EVERY WINE GRAPE VARIETY IN TERMS OF DOLLARS EARNED PER TON EXCEPT ONE, SYLVANER, IN WHICH IT TIED NAPA AT \$400 PER TON. THIS SAME TREND CAN BE DOCUMENTED BY CONSULTING THE LAST SEVERAL ISSUES OF THE "FINAL GRAPE CRUSH REPORT" PUBLISHED BY THE CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE. HENCE, THE CALIFORNIA NORTH COAST GRAPE GROWERS FEELS THAT THE AREAS OF LAKE AND SOLANO COUNTIES ARE ATTEMPTING TO CAPITALIZE ON THE CONSUMER RECOGNITION THAT NAPA, SONOMA, AND MENDOCINO HAVE EARNED IN TERMS OF GROWING PREMIUM WINE GRAPES.

POINT 4. ANOTHER VARIABLE THAT DISTINGUISHES NAPA, SONOMA, AND MENDOCINO COUNTIES FROM LAKE COUNTY IN TERMS OF WINE GRAPES IS A SUBJECT TERMED PHYLLOXERA. PHYLLOXERA, THE NAME GIVEN TO AN APHID THAT FEEDS ON VINE ROOTS, DESTROYED MANY OF THE

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VINEYARDS IN THE LATE 1800'S. GROWERS WITHIN NAPA, SONOMA, AND MENDOCINO COUNTIES RESTORED THEIR VINEYARDS WITH RESISTANT-GRAFTED ROOTSTOCK. HOWEVER, LAKE COUNTY DID NOT REPLACE THEIR DEAD VINES. WHEN THE VINEYARDS DIED OUT, SO DID THE PHYLLOXERA. NOW THERE IS A QUARANTINE AROUND THE BOUNDARIES OF LAKE COUNTY, AND ONLY VINES CERTIFIED PHYLLOXERA-FREE ARE ALLOWED WITHIN THE THE RESULT IS THAT A HIGH PERCENTAGE OF LAKE COUNTY COUNTY. VINEYARDS ARE GROWING ON THEIR OWN ROOTED VINES, WHICH IS NOT THE CASE IN NAPA, SONOMA, AND MENDOCINO COUNTIES, WHICH ARE GRAFTED VINES.

IN CONCLUSION, THE CALIFORNIA NORTH COAST GRAPE GROWERS
URGES THE BUREAU TO MAINTAIN THE CURRENT VITICULTURAL AREA KNOWN
AS NORTH COAST AND DEFINED AS NAPA, SONOMA, AND MENDOCINO COUNTIES
TO ALTER THE BOUNDARIES IN ANY WAY WOULD, IN THE OPINION OF THE
ASSOCIATION, DO A DISSERVICE TO THE WINE CONSUMER AS WELL AS THE
GROWERS AND WINERIES WITHIN THIS AREA. THE ASSOCIATION ADVOCATES
THAT OTHER COUNTIES OR AREAS WITHIN THOSE COUNTIES DEVELOP AND
TAKE WHATEVER STEPS THEY FEEL ARE NECESSARY TO PROTECT THE FINEST
WINES OF WHICH THEIR REGION IS CAPABLE OF PRODUCING. IN THAT WAY,
THE NORTH COAST VITICULTURAL AREA OF NAPA, SONOMA, AND MENDOCINO
COUNTIES WILL REMAIN INTACT AND IDENTIFIABLE TO FUTURE WINE
CONSUMERS, THUS REFLECTING THE INTENT OF THE BUREAU.

THAT IS THE END OF OUR TESTIMONY TO THE BOARD, MR. CHAIRMAN. AND IF THERE ARE ANY QUESTIONS, I WOULD ENTERTAIN THOSE AT THIS TIME.

THE CHAIRMAN: MR. SULLIVAN, THANK YOU.

TO YOUR KNOWLEDGE, ARE THERE ANY VINEYARDS THAT OVERLAP

PARTIALLY WITHIN THIS AREA AND PARTIALLY OUTSIDE OF IT? 018

MR. SULLIVAN: TO MY KNOWLEDGE, THERE IS ONE, TO BE PERFECTLY HONEST.

THE CHAIRMAN: HOW WOULD YOU THINK WE SHOULD ADDRESS
THAT VINEYARD AND THE PRODUCT FROM THAT VINEYARD?

MR. SULLIVAN: I THINK I WOULD GO TO A BAR FIRST. THAT'S A HARD QUESTION. IN MY OWN PERSONAL BIAS IN TERMS OF THE COUNTY BOUNDARIES AS I UNDERSTAND IT, THERE IS ONE VINEYARD BETWEEN NAPA AND LAKE COUNTY WHICH THE COUNTY BOUNDARY GOES THROUGH, IF I'M NOT MISTAKEN.

I REALLY DON'T HAVE AN ANSWER FOR YOU TO BE PERFECTLY FRANK.

THE CHAIRMAN: IF YOU CAN GET ONE, LET US KNOW.

MR. SULLIVAN: I WILL CERTAINLY DO THAT. I HAVE 30 DAYS TO REPLY, AS I UNDERSTAND.

MR. GEORGE: I HAD A COUPLE OF QUESTIONS.

MOST OF THE EVIDENCE THAT YOU HAVE PRESENTED HAS MORE

OR LESS GONE ALONG WITH THE HISTORICAL PERSPECTIVE ON COUNTY

APPELLATIONS, AND YOU HAVE SHOWN THAT THERE ARE THREE CLIMATE

DIFFERENCES BETWEEN NAPA, SONOMA, AND MENDOCINO, CLIMATE I, II, AND

III. DO YOU FEEL THAT THAT IS QUITE A DIFFERENCE IN CLIMATE?

AND WOULD THAT BE TOO LARGE A DIFFERENCE TO JUSTIFY ONE VITI
CULTURAL AREA WITHIN THIS AREA?

MR. SULLIVAN: I THINK IT IS A VERY IMPORTANT

DISTINCTION IF IN SOME PART YOU SAY GEOGRAPHICAL DELINEATION OF

WHAT MAKES YOUR AREA DIFFERENT FROM SOME OTHER AREA, IF WE GO

WITH MR. WINKLER AND AMERINE'S THEORIES THAT IT IS IMPORTANT IN

GRAPE GROWING.

I THINK IT IS AN IMPORTANT DISTINCTION. I HAVE HAD

SEVERAL VINTNERS TELL ME THAT GRAPES RIPEN A LOT FASTER IN LAKE COUNTY, SHOWING THAT IT IS A HOTTER AREA. I HAVE BEEN IN LAKE COUNTY AT TIMES MYSELF AT SOME OF THE RESORTS AT NIGHT WHEN IT WAS VERY HARD TO GO TO SLEEP BECAUSE IT WAS VERY HOT.

WHAT I AM SAYING IS THAT IT DOES NOT COOL DOWN AS FAST BECAUSE OF THE MARINE AIR WE HAVE TALKED ABOUT. I THINK IT IS IMPORTANT. I WILL JUST DROP IT AT THAT.

MR. GEORGE: WOULD THERE BE ANY WAY OF DETERMINING THE BOUNDARIES OTHER THAN COUNTY LINES?

MR. SULLIVAN: IS THERE ANOTHER METHOD? ANOTHER METHOD.

I SUSPECT THERE ARE. AND, IN ALL HONESTY, I DON'T KNOW HOW THAT

WOULD GO ABOUT. IF WE WERE TRYING TO BRING ABOUT A MORE FINITE

DEFINITION, AS I UNDERSTAND IT, THE -- EVERY COUNTY EXISTS WITHIN

ITS OWN VITICULTURAL AREA; IS THAT CORRECT? I HOPE I AM STATING

THAT CORRECTLY. THAT IS CORRECT? IN THE STATE OF CALIFORNIA?

OR APPELLATION?

MR. GEORGE: THAT'S RIGHT.

MR.SULLIVAN: AND IT SEEMS LIKE THAT IS THE METHODOLOGY
THAT I ASSUME IT IS THE BUREAU THAT HAS ESTABLISHED ON THIS. AND
I'M ACTUALLY TOSSING IT BACK AT YOU IS WHAT I AM SAYING. I AM
SURE THERE ARE OTHER WAYS OF DOING IT, BUT I DON'T THINK THAT
IT'S WITHIN MY PURVIEW TO DECIDE.

MR. GEORGE: IS THERE ANY VOLCANIC OR ADOBE SOILS WITHIN NAPA, SONOMA, OR MENDOCINO COUNTIES?

MR. SULLIVAN: I'M SURE. TO WHAT EXTENT IN TERMS OF PERCENTAGES, I COULD NOT QUOTE THAT. BUT I CHECKED VERBALLY WITH THE SOIL SERVICES, AND I'M SURE THERE IS SOME PERCENTAGE.

MR. MINTON: I HAVE ONE. YOU MENTIONED THAT THE02@OOLEST

1 REGION IN LAKE COUNTY IS A REGION III. 2 MR. SULLIVAN: AS DOCUMENTED IN THE TEXT, YES. 3 MR. MINTON: THE COOLEST IN SOLANO IS A REGION IV? 4 MR. SULLIVAN: THAT'S CORRECT, SIR. 5 MR. MINTON: IN WHAT PART OF LAKE COUNTY IS THAT 6 REGION III LOCATED? 7 MR. SULLIVAN: UNFORTUNATELY, THE TEXT IS IN THE TRUNK 8 OF MY CAR, BUT -- CAN I POINT IT OUT ON THE MAP? 9 MR. MINTON: SURE. 10 MR. SULLIVAN: ON THE TEXT BY WINKLER AND AMERINE 11 WHERE THEY HAD TAKEN THE INFORMATION, THEY HAD LINES STRAIGHT 12 UP AND DOWN, WHICH INDICATED REGION IV, TOM. AND IT WAS KIND OF 13 IN THIS REGION HERE AND THIS REGION HERE. I WOULD SAY NORTH AND 14 SOUTH OF CLEAR LAKE IF YOU HAD TO DRAW A LINE IN TERMS OF 15 GEOGRAPHY, BUT PROBABLY NOT HERE AROUND FINLEY AND MOUNT KONOCTI, 16 AND, I GUESS, UPPER LAKE IS THE TERM FOR THAT PARTICULAR TOWN. 17 MR. MINTON: AND THIS BOOK WAS WRITTEN IN 1944? 18 MR. SULLIVAN: THE COPYRIGHT THAT I GOT THIS MAP OUT OF 19 IS 1978. THEY'VE UPDATED IT SEVERAL TIMES. 20 MR. MINTON: ARE THESE FIGURES UPDATED OR --21 MR. SULLIVAN: YES, SIR, THEY ARE. 22 MR. MINTON: THERE ARE NO REGION III'S IN SOLANO 23 COUNTY? 24 MR. SULLIVAN: THAT'S CORRECT. 25 MRS. KIRK: I WOULD LIKE TO DIRECT A QUESTION WITH 26 RESPECT TO AN ITEM YOU HAD IN YOUR PETITION. YOUR PETITION STATES 27 THAT THERE IS CLEAR LEGAL PRECEDENCE FOR THE PROTECTION OF THE

TERM NORTH COAST AS A TRADE NAME. IS THE TERM REGISTERED 924 ANY

1 WAY AS A TRADEMARK?

MR. SULLIVAN: YES. THE COPYRIGHTED ARTICLE THAT I TALKED ABOUT, THIS PARTICULAR APPENDIX, IS COPYRIGHT AND REGISTERED. THAT'S THE ANSWER.

MRS. KIRK: WHAT DATE WAS THAT?

MR. SULLIVAN: THAT STARTED IN 1968.

MRS. KIRK: COULD YOU TELL ME HISTORICALLY WHEN THE USE OF THE TERM NORTH COAST CAME ABOUT?

MR. SULLIVAN: I'M GOING TO LET MR. HEINTZ DO THAT,
FRANKLY; BUT, OF COURSE, OUR ASSOCIATION HAS IN THE RECENT
HISTORY PROMOTED THAT SINCE 1964, SINCE ITS INCEPTION, WHICH I
TALKED ABOUT BRIEFLY. BUT HISTORICALLY, MR. WILLIAM HEINTZ WILL
DOCUMENT THAT.

MRS. KIRK: PRIOR TO 1968, WERE THERE ANY WINERIES USING THE TERM NORTH COAST ON THEIR LABELS OUTSIDE OF NAPA, MENDOCINO, SONOMA COUNTIES?

MR. SULLIVAN: IN ALL HONESTY, I DON'T KNOW. MAYBE

ONE OF OUR BOARD DIRECTORS COULD ANSWER THAT QUESTION, BUT I'M

NOT AWARE OF ANY. THERE MAY HAVE BEEN, HOWEVER. I'LL BE HONEST

ABOUT THAT.

A VOICE: THERE HAVE BEEN NO WINERIES THAT WE KNOW OF THAT HAVE USED NORTH COAST ON THEIR LABELS.

MRS. KIRK: MY NEXT QUESTION WOULD BE WITH RESPECT TO THE DOCUMENT THAT YOU HANDED US. PAGE 3.

MR. SULLIVAN: OKAY.

MRS. KIRK: WITH RESPECT TO TEMPERATURE, YOU INDICATED
WHAT EFFECT TEMPERATURE HAS ON THE GRAPES THEMSELVES WITH RESPECT
TO SUGAR. IN ITEM 4 YOU POINT OUT THE VARIOUS SOILS THAT 052XIST

QUESTION.

MR. SULLIVAN: OKAY.

MRS. KIRK: CAN YOU DISTINGUISH THE TYPE OF GRAP 23

IN THE PROPOSED NORTH COAST COUNTIES AND DISTINGUISH THAT SOIL FROM THE SOILS IN LAKE COUNTY AND SOLANO COUNTY. CAN YOU TELL ME WHAT THE EFFECT OF THE DIFFERENT SOILS WOULD BE ON A PARTICULAR GRAPE? YOU SAY, WITH RESPECT TO TEMPERATURE, THAT IT AFFECTS THE SUGAR. COULD YOU BE SPECIFIC, IF POSSIBLE?

MR. SULLIVAN: I THINK I WOULD PROBABLY NEED ONE OF THE SOIL SURVEY PEOPLE THAT I TALKED TO ON THE PHONE TO BE HERE TO ANSWER THAT, BUT I THINK YOU HAVE TO GO ALMOST COUNTY BY COUNTY TO SEE. THERE ARE CERTAIN SOILS THAT HAVE BEEN DOCUMENTED THAT ARE CONDUCIVE TO GROWING A PARTICULAR GRAPE VARIETY, AND OUR CONCERN WAS WAS THE AMOUNT OF CLAY -- WHETHER THAT WOULD PRODUCE A GOOD GRAPE. AND I DON'T HAVE THE VARIETIES BY ACREAGE IN LAKE COUNTY. I DO KNOW THERE IS A LOT OF CABERNET AND MERLOT PLANTED.

I AM ALSO TOLD IN THEORY THAT RIVER-BOTTOM SOIL,
VINEYARDS THAT FOLLOW RIVER BOTTOMS -- SOMETIMES YOU'VE GOT TO
PLANT THE RIGHT VARIETIES BECAUSE THE ROOTS REACH DOWN DEEP, AND
IN SOME PLACES, THEN YOU GET TOO MUCH DAMPNESS IN SOME CASES,
AND YOU GET JUST TOO MUCH DAMPNESS FROM THE RIVER IN TOO CLOSE
PROXIMITY.

BUT TO TELL YOU WHAT ACTUAL EFFECT IT WOULD HAVE ON EVERY PARTICULAR SOIL AND GRAPE VARIETY -- IT IS VERY HARD FOR ME TO DO THAT, FRANKLY. I COULD CERTAINLY DO SOME RESEARCH AND DOCUMENT THAT AND GET THAT TO YOU WITHIN 30 DAYS, IF THAT IS ANY HELP.

MRS. KIRK: MAYBE I SHOULD GET A MORE SPECIFIC

THE CHAIRMAN: I HAVE ONE QUESTION.

ARE THERE ANY MEMBERS OF YOUR GROWING ASSOCIATION 24WHO

VARIETIES WHICH ARE GROWN IN THE PROPOSED NORTH COAST AREA AND, FOR EXAMPLE, BETWEEN LAKE AND SONOMA COUNTIES? DO THEY GROW THE SAME VARIETIES?

MR. SULLIVAN: YES. THERE ARE A LOT OF SIMILAR VARIETIES. THAT IS TRUE. CABERNET AND MERLOT IS PLANTED THROUGHOUT
THE NORTH COAST AS WE PROPOSED IT, THE THREE COUNTIES, AS WELL AS
LAKE. IN THEORY, IN GENERAL PRACTICE THE NORTH COAST HAS BEEN
KNOWN FOR DRY TABLE RED WINES, AND I BELIEVE, IF I AM NOT
MISTAKEN, THAT SOLANO HAS BEEN KNOWN FOR A LOT OF THEIR WHITE
GRAPES. BUT TO GET ANY MORE PRECISE THAN THAT, I DON'T HAVE THE
DATA AVAILABLE, FRANKLY.

MR. MINTON: IN YOUR PETITION, YOU MENTION THAT ONE OF THE FACTORS THAT MAKE THIS PROPOSED AREA UNIQUE -- AND YOU USE THE WORD UNIQUE -- WAS THAT THE -- DURING THE RIPENING WEEKS, THE WATER TABLE LOWERED. ISN'T THAT KIND OF CONSISTENT THROUGHOUT THE LARGER AREAS THAN JUST THESE THREE COUNTIES DURING THE SUMMER IN NORTHERN CALIFORNIA?

MR. SULLIVAN: YES, TOM, IT IS CONSISTENT, I THINK, IN

GENERAL. HOWEVER, IN A WAY THAT -- THAT WAS OUR ORIGINAL PETITION?

MR. MINTON: YES.

MR. SULLIVAN: A YEAR AND A HALF AGO. IN RETROSPECT,

I DON'T KNOW IF THAT IS AS STRONG A POINT, IN ALL HONESTY, BECAUSE
HONESTLY, IF THE WATER TABLE IS LOWERING, THERE IS DIFFERENT
RAINFALL. YOU CAN ALWAYS SUPPLEMENT WITH IRRIGATION. SO I DON'T
KNOW IF THAT IS SUCH A VALID POINT AS WHEN WE ORIGINALLY SUBMITTED
THE PETITION.

#### OPPOSED THIS PETITION?

MR. SULLIVAN: WE DID NOT RECENTLY CANVASS OUR WHOLE MEMBERSHIP IN THE THREE COUNTIES OF WHICH, I THINK, WE HAVE NOW A LITTLE OVER 500 PEOPLE ON THE MAILING LIST. WE DID NOT CANVASS THEM AND SAY RECENTLY -- I'M SORRY. OPPOSE OUR PETITION FOR NORTH COAST AS WE DEFINE IT? NO.

AS FAR AS I KNOW, NOBODY HAS CALLED ME OR COME UP TO ME AND SAID THAT. WE'VE TALKED ABOUT IT IN SEVERAL NEWSLETTERS PRIOR TO THIS MEETING.

WE DO HAVE A GROWER OR TWO THAT BELONG TO THE ASSOCIATION
THAT WILL BE HERE TO SPEAK FOR THE PETITION. BUT NO ONE HAS
OPPOSED IT OR SAID, "HEY, LET'S INCLUDE THESE OTHER SECTIONS."

MR. MINTON: IT IS A RATHER LARGE AREA, AS MR. GEORGE
MENTIONED. THERE ARE DEFINITE DIFFERENT GEOGRAPHICAL AND
CLIMATICAL AREAS WITHIN IT. HOW MANY VINEYARDS ARE REALLY
LOCATED IN THE NORTHERN HALF OF MENDOCINO COUNTY? IS THERE A LOT
UP THERE?

MR.SULLIVAN: I WOULD SAY IN TERMS OF THE NORTHERN

PART, I KNOW POTTER VALLEY HAS TRADITIONALLY BEEN A GRAPE-GROWING

AREA, WHICH IS IN THE NORTHERN PART. QUITE FRANKLY, TOM, AFTER

THAT, I DON'T HAVE ANY MORE DATA IN MY MIND.

WE HAVE RECORDS IN THE OFFICE SHOWING GROWERS AND ACREAGE, AND I COULD CERTAINLY, AGAIN, DOCUMENT THAT AND SUBMIT THAT.

MR. MINTON: I WOULD APPRECIATE THAT IF YOU WOULD.

MR. GEORGE: SPECIFICALLY TO YOUR RECOLLECTION, HOW

MUCH FURTHER NORTH OF WILLITS DOES YOUR ASSOCIATION HAVE VINEYARDS?

MR. SULLIVAN: DIRECTORS ARE NODDING NONE AT THIS POINT.

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MR. MINTON: MOST OF THE INFORMATION HERE IS AGAINST LAKE AND SOLANO, BUT YOU DID NOT MENTION HUMBOLDT OR TRINITY.

WHY DOES THE LINE END JUST NORTH OF MENDOCINO?

MR. SULLIVAN: BECAUSE I SUSPECT, TOM, IF YOU WENT THAT FAR NORTH, YOU WOULD FIND VERY FEW OR NO VINEYARDS AT ALL. THAT COULD BE DOCUMENTED, ALSO.

MR. MINTON: OKAY. THANK YOU.

THE CHAIRMAN: ANY OTHER QUESTIONS?

MR. SULLIVAN, THANK YOU VERY MUCH.

MR. SULLIVAN: THANK YOU.

THE CHAIRMAN: MR. HEINTZ.

## WILLIAM F. HEINTZ,

HISTORIAN, ON BEHALF OF THE CALIFORNIA NORTH COAST GRAPE GROWERS, TESTIFIED AS FOLLOWS:

I DO NOT HAVE COPIES OF MY REPORT AVAILABLE AT THE MOMENT. I WILL HAVE THEM WHEN I HAVE THEM RETYPED AGAIN. I HAVE MADE SOME CHANGES THIS MORNING AND YESTERDAY, AND I WILL HAVE A COPY TO YOU AS WELL AS TO THE STENOGRAPHER.

LADIES AND GENTLEMEN FROM ATF, WELCOME TO SONOMA
COUNTY. THERE IS MUCH DISPUTE NOW, I READ IN THE NEWSPAPERS, AS
TO THE ORIGIN OF MAN, AS TO WHETHER THE ORIGIN OF MAN AS IT IS
TAUGHT IN THE BOOK OF GENESIS IN THE BIBLE SHOULD BE TAUGHT IN
SCHOOLS, OR THE DARWINIAN THEORY. IN SONOMA COUNTY, WE BELIEVE
THERE IS ONLY ONE THING WRONG WITH THE TEACHING OF EITHER THEORY,
AND THAT IS THAT WHEN GOD CREATED HEAVEN AND EARTH, HE MUST HAVE
BEGUN HERE. WE BELIEVE THAT THE GARDEN OF EDEN CERTAINLY WAS
LOCATED HERE, PROBABLY IN SONOMA COUNTY, EVEN THOUGH YOU HAVE

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NEVER BEEN TAUGHT THAT. AND WE BELIEVE THAT IF THE DARWINIAN THEORY IS GOING TO BE TAUGHT IN SCHOOLS, THEN MAN MUST HAVE REALLY STOOD UP THE FIRST TIME HERE IN SONOMA IN THE NORTH COAST TO REACH FOR SOME OF OUR BEAUTIFUL GRAPES.

MY NAME, INCIDENTALLY, IS WILLIAM F. HEINTZ. I AM A PROFESSIONAL WINE HISTORIAN. I MAINTAIN AN OFFICE IN SONOMA, CALIFORNIA. I HAVE BEEN ASKED BY THE NORTH COAST GRAPE GROWERS ASSOCIATION TO PRESENT AN OVERVIEW OF THE HISTORY OF THE NORTH COAST. - I HAVE, INCIDENTALLY, UNDERTAKEN IN-DEPTH HISTORICAL RESEARCH WORK FOR DOZENS OF WINERIES IN CALIFORNIA AS WELL AS RESEARCH INTO THE HISTORY OF SPECIFIC WINE REGIONS, VALLEYS, OR OTHER GEOGRAPHIC BOUNDARIES. AND I HAVE BEEN EMPLOYED IN THIS PURSUIT FULL TIME FOR THE PAST 10 YEARS.

I BELIEVE THAT TO FULLY UNDERSTAND WHAT THE GEOGRAPHIC BOUNDARIES OF A CALIFORNIA NORTH COAST WINE APPELLATION SHOULD BE, IT IS NECESSARY TO FIRST GO BACK TO THE VERY OR IG INS OF THE TERM ITSELF. FORTUNATELY, WE WON'T HAVE TO SPEND AS MUCH TIME AS DARWIN DID IN FIGURING OUT HIS THEORIES. AND, AFTER HUNDREDS OF HOURS OF READING THROUGH MANY, MANY DOCUMENTS AND LITERATURE AND NEWSPAPERS OF THE 19TH CENTURY, I THINK I HAVE ACTUALLY FOUND THE ANSWER TO THAT QUESTION. AND I WILL GET TO IT IN JUST ONE MOMENT.

YOU KNOW, UNTIL THE FOUNDING OF THE BOARD OF STATE VITICULTURAL COMMISSIONERS IN CALIFORNIA IN 1880 , THERE WAS NO COMPELLING REASON WHY THE STATE SHOULD BE DIVIDED INTO VITICULTURAL AREAS. THE CREATION OF THAT BOARD REQUIRED THAT IT BE COMPOSED OF COMMISSIONERS REPRESENTING THE DISTINCT SECT I O NS OF THE STATE OF CALIFORNIA. I WOULD LIKE TO READ VERY BRIEF . FROM AN ANTUAL

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27 28 COPY OF THE FIRST ANNUAL REPORT OF THE BOARD OF STATE VITI-CULTURAL COMMISSIONERS. IT WAS FORMED IN 1880, DISBANDED IN 1895. THIS IS THE ACT OF LEGISLATURE OF CALIFORNIA CREATING THE BOARD:

"THERE SHOULD BE APPOINTED BY THE GOVERNOR A BOARD OF STATE VITICULTURAL COMMISSIONERS TO CONSIST OF NINE MEMBERS, TWO TO BE APPOINTED FROM THE STATE AT LARGE AND ONE TO BE APPOINTED FROM EACH OF THE SEVEN VITICULTURAL DISTRICTS,

"FIRST, THE SONOMA DISTRICT, WHICH SHOULD INCLUDE THE COUNTIES OF SONOMA, MARIN, LAKE, MENDOCINO, HUMBOLDT, DEL NORTE, TRINITY, AND SISKIYOU.

WHICH SHALL BE AS FOLLOWS:

"SECOND, THE NAPA DISTRICT, WHICH SHALL INCLUDE THE COUNTIES OF NAPA, SOLANO, AND CONTRA COSTA.

"THIRD, THE SAN FRANCISCO DISTRICT, WHICH SHALL INCLUDE THE CITY AND COUNTY OF SAN FRANCISCO, AND THE COUNTIES OF SAN MATEO, ALAMEDA, SANTA CLARA, SANTA CRUZ, SAN BENITO, AND MONTEREY."

ON SOUTH, THERE WAS A LOS ANGELES DISTRICT, SAN JOAQUIN, AND EL DORADO DISTRICTS.

I WON'T DETAIL ANY FURTHER THE BREAKDOWN OF THOSE LISTINGS EXCEPT, AGAIN, TO POINT OUT THAT THE FIFTH DISTRICT WAS LOS ANGELES; SIXTH, SAN JOAQUIN, AND SO ON. I HAVE NEVER ACTUALLY

BEEN ABLE TO LOCATE DOCUMENTS WHICH MIGHT EXPLAIN THE REASONING OF THE BOARD OF VITICULTURAL COMMISSIONERS IN CREATING THESE SEVEN DISTRICTS, BUT I ASSUME IT WAS BASED ON SOME SIMILARITIES AS CLIMATE, GEOGRAPHY, AND SO ON.

INTERESTINGLY ENOUGH, THERE IS NO REFERENCE TO THE TERM NORTH COAST IN THAT VOLUME, BUT, NOT LONG AFTER THIS WAS ISSUED, THE UNIVERSITY OF CALIFORNIA, ITS AGRICULTURAL EXPERIMENT STATION, ISSUED A BULLETIN, WHICH, I BELIEVE, GIVES US THE FIRST USE OF THE TERM NORTH COAST, AND ESPECIALLY AS IT APPLIES TO VITICULTURE.

THE BULLETIN IS ENTITLED "EXAMINATION OF SOILS FROM
THE NORTHERN COAST RANGE REGION." THE AUTHOR WAS THE DISTINGUISHED PIONEER PROFESSOR OF VITICULTURE AT THE UNIVERSITY,
E.W. HILGARD. AND THE DATE IS DECEMBER, 1884. THE SUBJECT
COVERS A BRIEF LOOK AT THE SOILS OF NAPA VALLEY AND SEVERAL OTHER
CLOSE-IN VALLEYS.

FOUR YEARS LATER, A WRITER FROM THE NEW YORK TIMES
BORROWED PART OF HILGARD'S PHRASE IN ATTEMPTING TO DESCRIBE THE
SPECIAL WINE-PRODUCING REGIONS OF CALIFORNIA. THIS IS AN ISSUE
OF JANUARY 10, 1888, AND I QUOTE: "THERE ARE THREE DISTINCT
WINE DISTRICTS IN CALIFORNIA." HE USES ONLY THREE, THE COAST
RANGE DISTRICT, WHICH INCLUDES SONOMA, LAKE, NAPA, ALAMEDA, SANTA
CRUZ, AND SANTA CLARA COUNTIES. HIS SECOND DISTRICT IS THE
SIERRA NEVADA FOOTHILLS. THE THIRD IS THE SOUTHERN DISTRICT,
EMBRACING SAN BERNARDINO, LOS ANGELES, SAN DIEGO, AND FRESNO.

THE REASON HE STATED THERE HAD TO BE THREE DISTRICTS

WAS TO EXPLAIN THE DIFFERENT QUALITY OF WINE. AND HE SAYS THE

FIRST, THE COAST RANGE DISTRICT, EXCELS ON THE WHOLE IN ITS WHITE

AND THE THIRD EXCELS IN PORT, SHERRY, AND OTHER SWEET AND HEAVY
WINES.

NOW, IN THE SAME YEAR, CALIFORNIA'S MOST FAMOUS

AND RED ACID WINES. THE SECOND PRODUCES MOST EXCELLENT DRY WINES.

ENVIRONMENTALIST -- AND I WAS SURPRISED TO FIND THIS LITTLE FACT.

THE MOST FAMOUS ENVIRONMENTALIST IN THE 19TH CENTURY, A MAN

NAMED JOHN MUIR, PUBLISHED A BOOK CALLED <u>PICTURESQUE</u> <u>CALIFORNIA</u>.

ONE CHAPTER IS ENTITLED "THE FOOTHILL REGION OF THE NORTHERN

COAST RANGE" AND HE NAMES THE THREE COUNTIES, SONOMA, NAPA, AND

SOLANO COUNTIES.

AND BARELY A YEAR AFTER THAT, THE MOST WIDELY READ MAGAZINE IN AMERICA, <u>HARPER'S</u>, CARRIED A LENGTHY STORY ON CALIFORNIA'S WINE INDUSTRY WITH THIS COMMENT:

"THE TWO BEST-KNOWN VALLEYS -- THOSE

HAVING SOILS AND CLIMATE BOTH ADAPTED

FOR THE PRODUCTION OF THE CHOICEST

GRAPES FROM THE MEDOC, BORDEAUX, AND

RHINE VALLEY DISTRICT -- ARE SONOMA

AND NAPA. THEY ARE NORTH OF SAN

FRANCISCO AND ARE GUARDED BY THE HILLS

OF THE COAST RANGE."

THUS, BY THE DATE OF THIS ARTICLE, MARCH, 1889, WE HAVE FOUR IMPORTANT EXAMPLES OF PUBLISHED REFERENCES TO THE TERM NORTH COAST OR SLIGHT VARIATIONS THEREOF, AND WE ALSO HAVE AN OBVIOUS ATTEMPT AT NARROWING THE DEFINITIONS OF WHAT THE PHRASES SHOULD BE.

NOW, THE NORTH COAST WINE DISTRICT BY 1890, AS GENERALLY UNDERSTOOD, WAS A BROAD PHRASE APPLIED TO MANY COUNTIES IN AND

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ABOUT THE ENTIRE SAN FRANCISCO BAY REGION, IN SPITE OF SUCH ATTEMPTS AS I HAVE JUST QUOTED IN MAGAZINES SUCH AS HARPER'S.

IT IS INTERESTING THAT MOST PEOPLE DON'T REALIZE THAT MARIN COUNTY, FOR EXAMPLE, WAS ONCE A PART OF THE NORTH COAST IN THAT IT HAD A VERY THRIVING WINE INDUSTRY. I HAVE HERE AN ORIGINAL COPY OF A DOCUMENT, AGAIN PUBLISHED BY THE BOARD OF VITICULTURAL COMMISSIONERS OF CALIFORNIA, WHICH IS A DIRECTORY OF EVERY GRAPE GROWER, WINEMAKER, AND DISTILLER OF CALIFORNIA, PUBLISHED IN 1891. MARIN COUNTY IS LISTED IN THERE AS HAVING 15 GRAPE GROWERS, 477 ACRES OF WINE GRAPES, AND TWO WINERIES.

MENDOCINO COUNTY IS LISTED ON PAGE 80 OF THIS DOCUMENT. IT HAD AT THAT TIME 20 VINEYARDISTS. IT HAD ONLY 190 ACRES OF WINE GRAPES. IT HAD TWO WINERIES; ONE OF THOSE, INCIDENTALLY, BEING OF A MAN NAMED F. PETERS OF CALPELLA. THE PETERS BROTHERS WERE FROM GERMANY AND SETTLED IN MENDOCINO IN 1880 AND BEGAN MAKING WINE THAT SAME YEAR UP THERE. THE SANTA ROSA DEMOCRAT OF APRIL 16, 1880, DESCRIBES THIS WINEMAKING IN DETAIL. INDICATES HOW EARLY WINEMAKING BEGAN IN MENDOCINO COUNTY COMPARED WITH WHAT IS PRESENTLY KNOWN.

LAKE COUNTY AT THIS POINT IS ALSO LISTED IN THIS VOLUME. IT HAD 1,061 ACRES IN GRAPES AND SEVEN WINEMAKERS; SOLANO HAD 3,527 ACRES IN GRAPES TOTALLY, ONE-THIRD BEING TABLE; AND, OF COURSE, NAPA IS LISTED AS 18,229 ACRES; AND SONOMA WITH 22,683.

RATHER IRONICALLY, IT WAS AGAIN THE UNIVERSITY OF CALIFORNIA AND THE EXPERIMENT STATION THAT ORIGINATED THE IDEA THAT NORTH COAST DID NOT OR PERHAPS SHOULD NOT INCLUDE THE COUNTIES SITUATED SOUTH OF SAN FRANCISCO.

IN A REPORT OF THE WORK OF THE AGRICULTURAL EXPERIMENT

STATION OF THE UNIVERSITY FROM 1901 TO 1903, THERE IS A REPORT LABELED "SOUTHERN COAST RANGE," AND ITS LOCATION WAS NEAR PASO ROBLES, SAN LUIS OBISPO COUNTY.

A PORTION OF THIS REPORT DETAILS THE PROBLEMS OF GROWING GRAPES IN SAN LUIS OBISPO. TO THE UNIVERSITY, THEN, IN 1903, THIS WAS NOW SOUTH COAST. THIS REPORT DOES NOT SPELL OUT WHICH COUNTIES FELL WITHIN THE JURISDICTION OF WHICH SUB-STATION, BUT WE HAD A SUB-STATION IN NAPA VALLEY AT OAKVILLE.

IN ALL OF THE DIGGING THROUGH MAGAZINES AND BOOKS THAT
I HAVE DONE, I HAVE COME TO THE CONCLUSION THAT BOOKS REALLY HAVE
A GREATER IMPACT, AND LONGER-LASTING ONE, ON FORMING PUBLIC
ATTITUDES THAN MOST OTHER PRINTED SOURCES. I BELIEVE I HAVE
ACTUALLY LOCATED THE FIRST BOOK TO ACTUALLY DEFINE THE PHRASE
NORTH COAST AS EXCLUSIVELY THE COUNTIES LYING ADJACENT TO THE
WATERS OF THE NORTH SAN FRANCISCO BAY AND THENCE TO THE BORDER
OF CALIFORNIA AND OREGON. IT WAS CHARLES AIKEN'S CALIFORNIA
TODAY, PUBLISHED IN 1903.

CHAPTER 5 OF THAT BOOK IS TITLED "COAST COUNTIES NORTH OF SAN FRANCISCO," AND THEN ALTERNATE PAGES ARE CLEARLY LABELED THE NORTH COAST COUNTIES. THE VITICULTURAL INDUSTRY IS COVERED IN DETAIL IN CHAPTER 6 OF THE AIKEN BOOK, LABELED "COAST COUNTIES SOUTH OF SAN FRANCISCO." THIS INCLUDES EVERYTHING FROM CONTRA COSTA TO SAN LUIS OBISPO. THE DATE, AGAIN, ON THIS BOOK IS 1903.

NOW, I DO NOT WISH TO CONVEY THE IMPRESSION THAT
THEREAFTER THIS DISTINCTION WAS COMMONLY ADOPTED BY WRITERS. I
THINK THIS IS SELF-EVIDENT TO ANYONE WHO READS WINE LITERATURE.
BUT AFTER 1930 ESPECIALLY, THE TERM NORTH COAST DRAMATICALLY
NARROWED TO BECOME ONLY A FEW SELECT COUNTIES NORTH OF SAN

FRANCISCO. AND THERE WERE TWO REASONS FOR THAT. ONE WAS THE PHYLLOXERA, THE VINE DISEASE THAT DESTROYED SO MANY GRAPES. AND THE OTHER WAS PROHIBITION. TO EXPLAIN HOW ALL OF THIS HAPPENED, I WOULD LIKE TO SHOW YOU A CHART THAT I HAVE PREPARED WHICH SHOWS GRAPE ACREAGES IN THE GREATER NORTH COAST REGION FROM 1890 TO 1969, THE START OF THE CURRENT WINE BOOM.

I AM GOING TO HAVE TO TALK WITHOUT THE USE OF THE MICROPHONE, SO IF SOMEONE CANNOT HEAR ME, JUST SPEAK UP.

LIKE TO QUOTE FROM THE TRANSACTIONS OF THE STATE AGRICULTURAL SOCIETY FOR 1890, WHICH IS RATHER INTERESTING. QUOTE. "THERE ARE 53 COUNTIES IN CALIFORNIA, NEARLY ALL PRODUCING GRAPES IN A GREATER OR LESSER DEGREE, THE LARGER PROPORTION OF THEM PRODUCING WINE FOR HOME WINE CONSUMPTION OR EXPORT." IN THE DIRECTORY OF GRAPE GROWERS WHICH I JUST ALLUDED TO, I COULD FIND ONLY 13 COUNTIES IN 1891 THAT DID NOT HAVE WINERIES. THIS IS RATHER AMAZING. THESE ARE THE SIX COUNTIES -- CAN YOU SEE THAT, ALL OF YOU? THESE ARE THE SIX COUNTIES FROM SAN FRANCISCO ON NORTH ALL THE WAY TO THE OREGON BORDER. I WANTED TO SEE HISTORICALLY HOW MANY HAD GRAPES THEN AND HOW MUCH.

MARIN COUNTY HAD 477 ACRES; LAKE, 1,000; SOLANO, 1,928

-- THESE ARE ONLY WINE GRAPES -- MENDOCINO, 190. THERE ARE EVEN

225 ACRES IN TRINITY. AND THAT CONTINUED ON DOWN HERE AT LEAST

UNTIL 1930, WHICH I FOUND RATHER SURPRISING.

SOME OF THESE FIGURES REQUIRE JUST A LITTLE BRIEF EXPLANATION. YOU WILL NOTE THAT NAPA COUNTY DECLINED GRAPE ACREAGE FROM A HIGH OF 18,000 ACRES IN 1890 TO ONLY 6,942 BY 1900. THE REASON WAS THE PHYLLOXERA. IT IS VERY CURIOUS THAT, ALTHOUGH

THIS DISEASE ORIGINATED IN SONOMA COUNTY, GROWERS THERE REPLANTED

JUST AS SOON AS THE VINES FAILED TO PRODUCE A GOOD CROP. MANY

OR MOST VINES WERE PLANTED ON VINIFERA ROOTS, OF COURSE, AND

WOULD BE REINFECTED IMMEDIATELY. BUT WITHIN THREE YEARS A GOOD

CROP COULD BE GATHERED, AND THE VINE USUALLY LASTED A DECADE.

BUT NAPA GROWERS DID NOT FOLLOW THIS PATTERN OF REPLANTING AS SOON AS THE VINES DIED. THEY WAITED FOR A RESISTANT ROOT. THE RUPESTRIS ST. GEORGE TURNED OUT TO BE THE ANSWER, AND BY THE FIRST OF THIS CENTURY, NAPA COUNTY LED THE WAY IN CALIFORNIA TO REPLANTING ON THIS RESISTANT ROOT. AND IT IS ONE OF THE THINGS TO THEIR BENEFIT IN THE HISTORY OF VITICULTURE IN THIS AREA.

YOU WILL SEE A LARGE JUMP IN ACREAGES AFTER PROHIBITION IN THIS AREA. AS YOU MAY OR MAY NOT KNOW ABOUT PROHIBITION, IT DID KNOCK OUT ALL THE WINERIES IN CALIFORNIA EXCEPT THOSE WHO GOT ALTAR WINE PERMITS, BUT THE PRICE WENT TO \$200 A TON. IF YOU PLANTED ALICANTE BOUSCHET, YOU MIGHT BRING IN \$400 A TON.

SO EVERYBODY AFTER 1920 STARTED PLANTING A LOT OF GRAPES
AND YOU CAN SEE THE JUMPS EVEN IN MARIN COUNTY, A SLIGHT JUMP IN
LAKE COUNTY, AND SO ON.

THAT ONLY THESE FIGURES CLOSELY, IT BECOMES OBVIOUS
THAT ONLY THREE COUNTIES ARE MAJOR GRAPE-GROWING COUNTIES IN THE
NORTH COAST AFTER 1950, AND WE ARE TALKING OF MENDOCINO, NAPA,
AND SONOMA COUNTIES. BY 1969, A YEAR OFTEN REFERRED TO AS THE
BEGINNING OF THE CURRENT WINE BOOM, YOU HAVE 98 PER CENT OF ALL
THE WINE GRAPES BEING PRODUCED IN THE NORTH COAST BY ONLY THREE
COUNTIES. I THINK PERHAPS THIS CAN BEST BE ILLUSTRATED BY SIMPLY
TAKING A MARKER AND DRAWING A LINE WHICH COMES STRAIGHT DOWN HERE,

AND WE WILL RUN IT FROM THE OTHER AREA OVER ALMOST LIKE AN INVERTED PYRAMID. THE OTHER INTERESTING THING IS THAT I FIGURED OUT PERCENTAGES OF GRAPE ACREAGES FOR 1969, AND I THINK THOSE SHOULD BE LISTED ON THE BOTTOM. BY 1969, THE BEGINNING OF THE CURRENT WINE BOOM, THERE WERE 35,403 ACRES IN THE FOUR COUNTIES THAT WERE STILL PRODUCING. 35,403 ACRES. NONE WERE PRODUCED IN MARIN COUNTY OR IN SISKIYOU, HUMBOLDT, DEL NORTE, OR TRINITY COUNTIES. THERE IS NO RECORD OF WINE GRAPES GROWING IN LAKE COUNTY. I SUSPECT THERE WERE A FEW ACRES, BUT THEY WERE SO SMALL THEY WERE NOT RECORDED BY THE CALIFORNIA FRUIT AND NUT ACREAGE, WHERE I GET MY STATISTICS.

FOR THE FOUR COUNTIES THAT WERE PRODUCING STATISTICALLY, SOLANO WAS PRODUCING 2.2 PER CENT OF THE 35,403 ACRES OF WINE GRAPES; MENDOCINO COUNTY, 17.9 PER CENT OR ALMOST 18 PER CENT; 40.5 PER CENT FROM NAPA; AND 39.4 FROM SONOMA. THE FIGURES I HAVE PRESENTED HERE ARE NOT READILY AVAILABLE IN ANY ONE SOURCE. IT IS STRANGE THAT THIS SHOULD BE TRUE AT THIS POINT IN TIME, ESPECIALLY CONSIDERING HOW IMPORTANT THE HISTORY OF THE WINE INDUSTRY IS IN SELLING WINE. BUT I HAVE HAD TO GO TO THE COUNTY ASSESSOR'S RECORDS, IN SOME CASES TO THE U.S. CENSUS, IN SOME CASES TO NEWSPAPERS IN TRYING TO DETERMINE AS CLOSELY AS POSSIBLE WHAT THOSE HISTORICAL ACREAGES WERE.

NOW, KEEPING IN MIND THOSE FIGURES AND THE REASON I
HAVE TRIED TO DRAW THIS INVERTED PYRAMID WHICH SHOWS THREE BASIC
COUNTIES -- MENDOCINO, NAPA, AND SONOMA -- IS THAT RATHER
DRAMATICALLY AFTER 1940, THE THREE COUNTIES OF NAPA, SONOMA, AND
MENDOCINO ARE THE COUNTIES REFERRED TO IN WINE LITERATURE AS THE
NORTH COAST. AND I WOULD LIKE TO GO BACK AND EXAMINE SOME OF THAT

LITERATURE VERY BRIEFLY, AND THIS WILL JUST BE HIGHLIGHTS.

IN 1924, THE UNITED STATES BUREAU OF AGRICULTURAL ECONOMICS DREW UP A BOUNDARY FOR WHAT IT CALLED THE NORTHERN CALIFORNIA WINE SHIPPING DISTRICTS. THIS LINE BEGAN WITH THE NORTH SHORE OF SAN FRANCISCO BAY AT THE GOLDEN GATE BRIDGE, FOLLOWED AROUND SAN PABLO BAY, CARQUINEZ STRAITS, THE SACRAMENTO RIVER, AND ABOUT AT STOCKTON CROSSED DIRECTLY ACROSS THE STATE TO THE SIERRA NEVADA MOUNTAINS. EVERYTHING NORTH OF THAT LINE WAS CALIFORNIA'S NORTH CALIFORNIA DISTRICT.

THIS DIDN'T SET VERY WELL WITH MANY PEOPLE, INCLUDING
THE EDITOR OF THE WINE REVIEW IN SAN FRANCISCO, AND HE BEGAN A
MONTHLY COLUMN BROKEN DOWN THIS WAY. QUOTE. "THE NORTHERN
COAST DISTRICT, NORTHERN SAN JOAQUIN DISTRICT, CENTRAL NORTHERN
COAST, SOUTHERN COAST, AND SOUTHERN CALIFORNIA."

IN 1940, <u>WINES & VINES MAGAZINE ISSUED ITS FIRST YEAR-BOOK</u>. THIS PUBLICATION, WHICH JUST CELEBRATED ITS 60TH BIRTHDAY, WAS IN 1940 THE LEADING SPOKESMAN FOR THE WINE INDUSTRY. THE YEARBOOK HAS A MAP SHOWING SEVEN VITICULTURAL DISTRICTS IN CALIFORNIA. THESE WERE THE SOUTHERN CALIFORNIA DISTRICT, THE FRESNO DISTRICT, SANTA CLARA-SAN BENITO-SANTA CRUZ DISTRICT, THE LODI-SACRAMENTO DISTRICT, AND THE ALAMEDA-CONTRA COSTA DISTRICT, AND, FINALLY, TOO, THE NAPA, SOLANO, SONOMA, MENDOCINO.

THE CHAIRMAN: IN THE INTEREST OF TIME, DO YOU HAVE ANY IDEA HOW MUCH LONGER YOU WILL BE?

MR. HEINTZ: ABOUT FIVE MINUTES.

THREE YEARS LATER IN 1943, THE WINE ADVISORY BOARD IN SAN FRANCISCO ISSUED A BOOKLET ADOPTING FAIRLY CLOSELY THE PATTERN USED IN WINES & VINES YEARBOOK. THIS BOOKLET, WINE

GROWING AND WINE TYPES WAS RENAMED SHORTLY THE STORY OF WINE.

THIS BOOKLET EXPANDED THE WINE DISTRICTS TO EIGHT, INCLUDING ONE
FOR ESCALON-MODESTO.

IN THE TEXT OF THE BOOKLET, THE ARRANGEMENT BEGINS WITH SONOMA-MENDOCINO AS THE FIRST DISTRICT; LODI, THE SECOND DISTRICT; NAPA-SOLANO, THE THIRD; AND THEN THE OTHER DISTRICT JUST MENTIONED. EACH COPY OF THIS PUBLICATION CONTAINED A WINE DISTRICT MAP. ALTHOUGH SAN FRANCISCO IS NOT MENTIONED ON THIS MAP, THE TEXT STATES CLEARLY THAT ONLY TWO OF THE DISTRICTS ARE SITUATED NORTH OF THE CITY, THE SONOMA-MENDOCINO DISTRICT AND THE NAPA-SOLANO DISTRICT. NO OTHER COUNTIES ARE MENTIONED AS BEING A PART OF THESE TWO DISTRICTS. THIS IS AN ACTUAL COPY OF THAT MAP THAT APPEARED IN THAT FIRST BOOKLET.

I BELIEVE THIS BOOKLET HAS PLAYED A MAJOR ROLE IN MOLDING A PUBLIC AWARENESS OF WHAT CONSTITUTED THE NORTH COAST WINE REGION. THE PHRASE IS NOT USED IN THE TEXT ANYWHERE, BUT THE DIRECTIONS ON HOW TO REACH THE ONLY NORTH COAST GRAPE-GROWING COUNTIES ARE CLEAR. TWO YEARS AGO, THE WINE INSTITUTE ISSUED A PRESS RELEASE NOTING THAT 950,000 PEOPLE, ALMOST A MILLION, HAVE TAKEN THE INSTITUTE'S WINE STUDY COURSE SINCE 1943. EACH RECEIVED A COPY OF THE STORY OF WINE. HUNDREDS OF THOUSANDS OF COPIES OF THE BOOKLET HAVE ADDITIONALLY BEEN MAILED OUT OR GIVEN OUT TO OTHER PEOPLE. GIVEN THE FACT THAT THE BOOKLET MAY HAVE BEEN READ BY MORE THAN ONE INDIVIDUAL IN A HOUSEHOLD, THE READERSHIP HAS

THE WINE INSTITUTE HAS LONG HAD AN EXCELLENT GROUP OF ECONOMISTS WHO GATHER EVERY FACT, FIGURE, AND STATISTIC

AVAILABLE RELATING TO WINE AND GRAPE GROWING. BY THE MID-1940'S,

AT LEAST, THEIR FIGURES WERE WATCHED CLOSELY TO CHART THE GROWTH OF THE INDUSTRY. I HAVE HERE A XEROXED COPY OF A SPECIAL SECTION OF THE WINE CRAFTS MAGAZINE DATED APRIL, 1945, WITH THOSE WINE INSTITUTE FIGURES FOR THE PREVIOUS YEAR AND THEN SEVERAL SUBSEQUENT YEARS. THE INSTITUTE'S ECONOMISTS CREATED FIVE REPORTING DISTRICTS FOR CALIFORNIA, THE FIRST BEING THE LOS ANGELES REGION; THE SECOND WAS FRESNO AND CENTRAL JOAQUIN VALLEY; THIRD, SACRAMENTO; FOURTH, THE, QUOTE, MENDOCINO, NAPA, AND SONOMA DISTRICT; AND THE FIFTH WAS THE ALAMEDA, SANTA CLARA AND SOUTH COAST COUNTIES.

THERE IS NO EXPLANATION OF ANY COUNTY NOT SPECIFICALLY MENTIONED, SUCH AS MIGHT BE INCLUDED IN THE FOURTH DISTRICT OF MENDOCINO, NAPA, AND SONOMA. BUT FOR ANYONE READING THIS SECTION OR THESE FIGURES YEAR AFTER YEAR AFTER YEAR, THE IMPRESSION IS CLEAR. THE FOURTH DISTRICT OF CALIFORNIA WAS MENDOCINO, NAPA, AND SONOMA.

BETWEEN THE WINE INSTITUTE'S BOOKLET THE STORY OF WINE
AND THESE FIGURES PUBLISHED EACH YEAR IN VARIOUS WINE APPLICATIONS,
THE IMPRESSION TAKING HOLD OF WHAT CONSTITUTED THE NORTH COAST
WINE DISTRICT WAS ONE OF ONLY THREE BASIC COUNTIES. BY THE MID1970'S, I THINK PERHAPS TERRY ROBARD'S BOOK IS RATHER TYPICAL OF
HOW WINE WRITERS VIEWED THIS NORTH COAST GEOGRAPHY QUESTION. IN
HIS 1975 BOOK, THE NEW YORK TIMES BOOK OF WINE, HE DOES NOT
DEVOTE ANY SPACE PER SE TO AN EXPLANATION OF THE PHRASE NORTH
COAST, BUT THIS IS WHAT HE SAYS ON PAGE 273 UNDER MENDOCINO.

QUOTE. "MENDOCINO COUNTY IS THE NORTHERNMOST WINE DISTRICT OF
CALIFORNIA IN THE UNITED STATES AND IS THE THIRD OF THE IMPORTANT
NORTH COAST COUNTIES (NAPA, SONOMA AND MENDOCINO)." ON PAGE 381

UNDER SONOMA, THE TEXT READS: "SONOMA COUNTY. AN IMPORTANT MEMBER OF THE TRIUMVIRATE THAT MAKES UP THE NORTH COAST COUNTIES OF CALIFORNIA IN THE UNITED STATES (NAPA, SONOMA AND MENDOCINO)." AND, OF COURSE, UNDER NAPA COUNTY ON PAGE 294, I DO NOT NEED TO READ THAT ONE.

FINALLY, PUBLIC ATTITUDES AND CONCEPTS ARE FORMED OVER
A LONG PERIOD OF TIME, AS YOU WELL KNOW. THE WINE INDUSTRY IS
PAINFULLY AWARE OF THIS FACT. WE HAVE PRODUCED WINES OF
CONSUMMATE QUALITY, EQUAL TO ANY IN EUROPE, FOR MANY, MANY DECADES
ESPECIALLY HERE ON THE NORTH COAST. BUT THE AMERICAN PUBLIC DID
NOT WAKE UP TO THIS FACT UNTIL 10 YEARS AGO; HENCE THE WINE BOOM
OF THE SEVENTIES.

THE CONCEPT OF WHAT IS OR IS NOT THE NORTH COAST
REGION FOR WINE HAS BEEN AN EVOLUTIONARY MATTER NARROWED AND
REFINED OVER A PERIOD NOW OF JUST UNDER A CENTURY. I THINK THE
PUBLIC'S CONCEPT OF IT IN THE 1980'S IS RATHER CLEAR BASED ON
THE MATERIAL I HAVE JUST PRESENTED THIS MORNING.

THANK YOU.

THE CHAIRMAN: FOR THE RECORD, THE FIRST DOCUMENT YOU PASSED OUT, THE WINE GROWING AND WINE TYPES, 1943, ISSUED BY THE WINE INSTITUTE IN SAN FRANCISCO, WILL BE EXHIBIT 1. THE NEXT DOCUMENT, THE WINE STATISTICS FOR 1944, WILL BE EXHIBIT 2.

MR. HEINTZ: I APOLOGIZE FOR THE LENGTH OF MY REMARKS,
BUT HISTORIANS DO NOT GET THE OPPORTUNITY TO TALK VERY OFTEN.

THE CHAIRMAN: I AM NOT SURE IF I CAN ASK THE QUESTION CLEARLY. YOU GAVE A LOT OF INFORMATION BUILDING TOWARDS THREE COUNTIES ENDING UP BEING NORTH COAST. WHEN IN TIME, A YEAR, A TEN-YEAR PERIOD, WOULD YOU SAY THIS REALLY CAME INTO RECOGNITION,

AT LEAST THROUGH CALIFORNIA AND POSSIBLY BEYOND THAT?

MR. HEINTZ: I THINK 1950'S.

THE CHAIRMAN: WHEN ALL THIS STARTED TO COME TOGETHER?

MR. HEINTZ: YOU WILL STILL SEE AS RECENTLY AS 1963

RUTH ELLEN CHURCH, FROM THE CHICAGO TRIBUNE, WROTE A BOOK IN

WHICH SHE REFERRED TO THE NORTH COAST AS ALL THE WAY DOWN TO SAN

LUIS OBISPO. SO YOU CAN DIG OUT AN OCCASIONAL LAPSE, AS I REFER

TO IT, A HISTORICAL LAPSE; BUT GENERALLY AFTER 1950 WHEN THE

GRAPE ACREAGES, THE WINE GRAPE ACREAGES WERE SO SMALL IN ANY

OTHER COUNTY IN THE NORTH COAST EXCEPT FOR MENDOCINO, SONOMA,

AND NAPA, WRITERS WHO WERE VISITING THE AREA DID NOT SEE ANY—

THING EXCEPT WINE GRAPES IN THESE THREE COUNTIES. AND THEY WERE

BEING HEAVILY INFLUENCED BY WHAT THE WINE INSTITUTE WAS PUBLISH—

ING.—THAT IS THE POINT I AM MAKING—AND WHAT THE WINE INSTITUTE

ECONOMISTS WERE PUTTING OUT. 1950 IS A RATHER GOOD YEAR FOR THAT.

THE CHAIRMAN: DO YOU THINK THAT IS BECOMING MORE RELEVANT, MORE UNDERSTANDABLE, MORE ACCEPTED AS TIME GOES ON?

MR. HEINTZ: WELL, OF COURSE, IT IS GOING TO CHANGE A LITTLE BIT, PERHAPS, AS THE 1980'S GO ON BECAUSE THERE HAS BEEN A STRIKING INCREASE IN GRAPE ACREAGES IN OTHER COUNTIES IN THE GENERAL NORTH COAST REGION OUTSIDE OF THE THREE OF NAPA, SONOMA, AND MENDOCINO. IT TAKES A LONG TIME FOR WINE WRITERS AND THE PUBLIC, HOWEVER, TO RESPOND TO WHAT IS HAPPENING NOW. YOUR DECISION MUST BE BASED ON 1980, 1981 AS TO WHAT THE PUBLIC CONCEPT IS AND WHAT THE INDUSTRY CONCEPT IS.

MY REASON FOR GOING BACK AND TRYING TO TRACE THIS ALL OUT IS TO SHOW THAT SINCE 1950, ONE THEORY, ONE CONCEPT HAS BEEN VERY EVIDENT. IT WILL BEGIN TO CHANGE NOW AS MORE WINE GRAPES ARE

PLANTED IN OTHER AREAS. BUT FOR THIS TO BE REFLECTED IN WINE COLUMNS AND NEWSPAPERS AND MAGAZINES, ESPECIALLY IN BOOKS, MIGHT TAKE ANOTHER 20 OR 30 YEARS, AND WE, OF COURSE, DO NOT KNOW WHAT WILL HAPPEN TOMORROW.

THE CHAIRMAN: YOUR STATISTICAL ANALYSIS IN 1969 -- WAS THAT BECAUSE OF A DATA STOP?

MR. HEINTZ: NO. NO. I ONLY DO THAT TO SHOW THAT A LOT OF LITERATURE IS NOT GOING TO BE REFLECTING ANYTHING AFTER 1969. I HAVE STATISTICS WHICH I COULD WRITE DOWN WHICH SHOW FOR 1975. OF COURSE, STATISTICS HAVE NOT STOPPED. THEY ARE BEING KEPT VERY WELL. I FELT THAT IT MERELY REFLECTED WHAT WRITERS WERE STILL DOING. IF A BOOK WAS PUBLISHED IN 1975, THE WRITER WAS PROBABLY OUT HERE IN '73 OR POSSIBLY EARLY '74. IF HE GOT UP TO SOLANO COUNTY OR SOMEWHERE ELSE, HE MIGHT HAVE BEEN AWARE THAT SOMETHING WAS HAPPENING OR WAS CHANGING, BUT IT PROBABLY IS NOT BEING REFLECTED YET IN THE MASS MEDIA.

THE CHAIRMAN: IS THIS TREND STILL CONTINUING?

MR. HEINTZ: NO. IT IS BEING ALTERED SLIGHTLY.

MRS. KIRK: HOW IS IT BEING ALTERED?

MR. HEINTZ: GRAPE ACREAGES ARE INCREASING IN LAKE AND SOLANO COUNTIES, BUT THE PERCENTAGE IS STILL VERY, VERY SMALL.

WHAT IS THE PERCENTAGE, HARRY?

A VOICE: TWO PER CENT, SOLANO; 4 PER CENT, LAKE COUNTY.

MR. HEINTZ: SO WE ARE STILL TALKING ABOUT 92 PER CENT

OF ALL WINE GRAPE ACREAGES IN ANY OF THE NORTH COAST COUNTIES OR THE THREE COUNTIES OF MY PYRAMID.

MRS. KIRK: DO YOU PLAN TO MAKE THAT EXHIBIT PART OF THE RECORD?

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MR. HEINTZ: YES. THE STATISTICS ARE IN THE FORM HERE, WHICH WILL BE SUBMITTED TO YOU IN ABOUT A WEEK.

MR. MINTON: I HAVE ONE QUESTION, MR. HEINTZ. IN MOST OF THESE REFERENCES UP TO 1944 IN THESE WINE STATISTICS, SOLANO HAS BEEN IDENTIFIED WITH NAPA. DO ANY OF THE REFERENCES GIVE A REASON?

MR. HEINTZ: I HAVE NEVER QUITE UNDERSTOOD THAT IN THE LIGHT OF THE FACT THEIR ACREAGES WERE SO SMALL. I DO NOT HAVE AN ANSWER TO THAT QUESTION.

MR. MINTON: THANK YOU.

THE CHAIRMAN: MR. HEINTZ, THANK YOU VERY MUCH.

THERE HAS BEEN A CHANGE IN THE TESTIMONY SEQUENCE.

MR. RICHARD KUNDEE.

# RICHARD KUNDEE,

#### TESTIFIED AS FOLLOWS:

LADIES AND GENTLEMEN, IT IS WITH PRIDE AND EXTREME

PLEASURE OF MY LIFE ENDEAVOR FOR THE AMERICAN WINE INDUSTRY THAT

I TAKE THE PODIUM TODAY, AND I HOPE YOU WILL REALIZE THE TRUTH
FULNESS OF MY OPENING REMARK AS I PROCEED INTO THE COMMENTS ON

THE NORTH COAST VITICULTURAL AREA.

LET ME FIRST INTRODUCE MYSELF. I AM RICH KUNDEE, OF A THIRD GENERATION SONOMA COUNTY WINE-GROWING FAMILY THAT OWNS VINEYARDS UNDER THE NAME OF WILDWOOD VINEYARDS IN THE SONOMA AND MENDOCINO COUNTIES. I AM A GRADUATE OF U.C. DAVIS HOLDING A MASTER'S DEGREE IN HORTICULTURE. I OPERATE A SERVICE CALLED WILDWOOD VINEYARDS CONSULTING, WHICH WAS ONCE RETAINED BY THE CALIFORNIA NORTH COAST GRAPE GROWERS ASSOCIATION. I AM ALSO

PRESIDENT OF SONOMA GRAPEVINES, INCORPORATED, A WHOLESALE NURSERY

OPERATION THAT GROWS INDOOR FOLIAGE AND GRAFTED GRAPEVINES,

SHIPS THEM THROUGHOUT THE UNITED STATES AND THE WORLD. I SPEAK

IT MIGHT BE BEST TO FIRST OUTLINE A LITTLE HISTORY OF HOW WE ALL CAME TO BE HERE TODAY. THROUGH MY CONSULTING SERVICE, I WAS INTERVIEWED IN 1970 FOR A POSITION OF THE CALIFORNIA NORTH COAST GRAPE GROWERS. DURING THAT INTERVIEW, I PRESENTED MY THOUGHTS AS TO WHAT MY IDEAS WERE CONCERNING THE INTERACTION BETWEEN GRAPE GROWERS, THEIR VINTNERS, AND OUR CONSUMERS. AFTER THE PRESENTATION, I WAS CALLED BACK INTO THE ROOM BY THE BOARD OF DIRECTORS. THE QUESTION THAT I WILL ALWAYS REMEMBER WAS ASKED. QUOTE, "YOU MENTIONED APPELLATIONS. WERE YOU TALKING ABOUT THE APPALACHIAN MOUNTAINS BACK EAST?"

VOLUNTARILY AND REPRESENT ONLY MYSELF AND THE FAMILY ENTERPRISES.

NEEDLESS TO SAY, MY SERVICES WERE HIRED, AND WE HAVE
COME A LONG WAY SINCE THEN. CONTACTS WERE MADE. LETTERS WERE
WRITTEN. AND HERE WE ARE TODAY. I MUST CONGRATULATE EVERYONE
FROM THE BATF FOR ACTING IN SUCH A STRAIGHTFORWARD AND RAPID
MANNER. WITH OTHER GOVERNMENTAL AGENCIES IT WOULD HAVE TAKEN A
LIFETIME TO ACCOMPLISH SUCH A HISTORY-MAKING EVENT. HOWEVER,
WORKING TOGETHER WITH YOU, GROWERS, VINTNERS, AND CONSUMERS, WE
HAVE COME THIS FAR IN ONLY A SHORT SEVEN YEARS, WHEN ON JULY 23,
1973, THAT FIRST CALIFORNIA NORTH COAST GRAPE GROWER LETTER WAS
WRITTEN CONCERNING ITEMS THAT APPEAR ON WINE LABELS INCLUDING
APPELLATIONS.

I MUST PUBLICLY PRAISE ALL THE HELP AND COOPERATION I
PERSONALLY RECEIVED FROM YOUR LOCAL REPRESENTATIVES, BRUNO DESI
DERI AND GEORGE NEIS. HAD IT NOT BE FOR THEIR OPENNESS AND THEIR

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TODAY. THANK YOU, GEORGE AND BRUNO. YOU HAVE MADE A LIFELONG DREAM INTO A REALITY.

CONSUMERS, I DO NOT THINK WE WOULD BE ANYWHERE NEAR WHERE WE ARE

CONCERN FOR THE FUTURE OF THE AMERICAN WINE INDUSTRY AND ITS

NOW LET US TALK ABOUT WHY WE ARE HERE TODAY. I WILL GIVE YOU MY THOUGHTS ON WHY THE NORTH COAST IS NOW RECOGNIZED AS ONLY THE NAPA, SONOMA, AND MENDOCINO COUNTIES.

OUR AREA IS BLESSED WITH MANY SIMILARITIES, BUT, PROBABLY EVEN MORE IMPORTANTLY, SUBTLE DIFFERENCES THAT ALLOW THE MANY DIFFERENT MICROCLIMATES TO EXIST IN ALL OF OUR NORTH COAST HILLS AND VALLEYS. IT IS THIS MULTITUDE OF DIFFERENCES THAT HAS CREATED THE CONSUMER INTEREST AND EXCITEMENT WHICH SUPPORTS OUR ALMOST 200 WINERIES THAT OPERATE IN OUR AREA.

IT IS INTERESTING TO POINT OUT THAT, EVEN THOUGH PRODUCING LESS THAN 15 PER CENT OF THE STATE'S TOTAL GRAPE TONNAGE, OUR SMALL REGION RECEIVES THE MOST PRESS OF ANY AMERICAN WINE AREA. WE MUST BE DOING SOMETHING RIGHT, AND WE ARE.

EACH OF OUR AREAS MUST STAND BY ITSELF BEFORE IT CAN BE INCLUDED IN THE WHOLE. CONSUMERS ARE VERY FAMILIAR WITH NAPA VALLEY, AS WELL AS SONOMA AND MENDOCINO. THE NUMBER OF OUR INDIVIDUAL WINERIES IN SUCH A SMALL AREA PROVES THIS POINT OVERHWHELMINGLY.

BESIDES THE MANY HILLS AND VALLEYS THAT LINK THE NORTH COAST TOGETHER INTO ONE AREA, THE CLIMATE IS ALSO UNIQUE IN THAT THERE IS A MARINE INFLUENCE THAT INFILTRATES INTO THE VALLEYS. CERTAINLY YOU HAVE HEARD OF THE NATURAL SUMMER AIR CONDITIONING OF SAN FRANCISCO. WELL, THAT SAME FOG VISITS OUR

AREA, ALSO. NOTHING CAN BE MORE REFRESHING THAN A COOL BREEZE
ON A HOT SUMMER DAY. LET ME TELL YOU, HAVING WORKED AS A FIELD
BUDDER IN OUR FAMILY VINEYARDS, THIS STATEMENT OF COOL BREEZES
IS VERY TRUE.

IT CAN BE VERY HOT AS THE FOG DISSIPATES IN OUR HOPLAND VINEYARDS AT 9:00 OR 10:00 AS YOU WORK ALMOST BELOW GROUND LEVEL BUDDING GRAPEVINES. BUT ALMOST ON SCHEDULE, THE COOL BREEZES OF THE OCEAN BEGIN TO TEMPER THE DAY'S HEAT AROUND 3:00. THIS IS WHY OUR NORTH COAST AREA HAS THE COOL AREAS. IT'S THE FOG. AND IT IS THIS FOG THAT ALWAYS HAS ALLOWED OUR COAST REDWOODS TO ENDURE OVER THE CENTURIES. THE MORPHOLOGY OF THEIR LEAVES IS SUCH THAT MOISTURE CAN BE EXTRACTED FROM THE FOG TO THE POINT THAT IT CAN BE RAINING UNDER A GROVE OF REDWOOD TREES WHEN THERE IS ONLY FOG ABOVE.

THIS FOG DOES NOT EXIST IN AREAS WHERE NATURAL

BOUNDARIES SUCH AS NON-ALIGNED GEOGRAPHICAL DRAINAGE SYSTEMS AND

MOUNTAINS PREVENT IT FROM ENTERING. IF THERE IS NO COASTAL FOG,

THERE ARE NO REDWOODS. SUCH IS THE CASE FOR LAKE AND SOLANO

COUNTIES -- NO FOG, NO REDWOODS, NO MODERATING CONDITIONS.

NOW, WHEN IT GETS HOT IN THESE AREAS, IT STAYS HOT.

I KNOW BECAUSE I HAVE LIVED THERE. WHEN MY PARENTS WERE ALIVE,

WE HAD A SUMMER HOME ON CLEAR LAKE. WHEN I WAS IN HIGH SCHOOL,

I HAD MONDAYS OFF IN THE SUMMER AND WOULD DRIVE WITH A FEW FRIENDS

FROM SANTA ROSA TO HOPLAND AND OVER THE HOPLAND GRADE TO LAKEPORT.

WE WOULD CROSS THE GRADE ABOUT 6:30 IN THE MORNING. WE WERE

VERY ENERGETIC THEN.

AT THE TOP, YOU COULD LOOK BACK AND SEE THE VALLEYS FILLED WITH FOG. AHEAD LAY A BEAUTIFUL, WARM, INVITING LAKE,

WHOSE VIEW WAS UNOBSTRUCTED BY FOG. WE WERE REALLY GRATEFUL WE DIDN'T HAVE TO WORRY ABOUT ANY FOG SINCE GETTING ON WATER SKIS AT 7:00 IN THE MORNING CAN BE A SHOCK IN ITSELF.

NEEDLESS TO SAY, WE HAD AN AIR CONDITIONER IN OUR SUMMER HOME TO COOL THE PLACE OFF SO THAT WE COULD SLEEP NIGHTS.

TO THIS DAY, I DO NOT HAVE NOR NEED AN AIR CONDITIONER TO COOL MY HOME IN GLEN ELLEN.

MY RECOLLECTION OF SUMMERS IN LAKE COUNTY WAS THAT WHEN IT GOT HOT, IT STAYED HOT. ABOUT THE SAME CAN BE STATED FOR SOLANO COUNTY. HAVING WORKED THROUGH THE SUMMERS AT U.C. DAVIS, I CAN REMEMBER HEADING TO DAVIS AND CROSSING THE NAPA LINE INTO SOLANO AND RECEIVING THE FIRST HEAT OF THE CENTRAL VALLEY AS IF ENTERING A BLAST FURNACE. BY THE WAY, I ALSO HAD AN AIR CONDITIONER AT MY DAVIS APARTMENT.

I WOULD LIKE TO EXPLAIN WHY THE FULL IMPACT OF THE MODERATING SUMMER FOG IS NOT REALLY MEASURED WHEN THE DEGREE DAY CONCEPT IS USED TO DESCRIBE AND COMPARE GRAPE-GROWING AREAS AS HAS BEEN DONE TODAY AND WILL BE DONE LATER IN THE DAY. USING DEGREE DAYS AND HEAT SUMMATION TO COMPARE AREAS CAN BE VERY MISLEADING BECAUSE ONLY THE HIGH AND THE LOW TEMPERATURES FOR A GIVEN DAY ARE USED, AND NOT THE DURATION OF THE TIME THAT THE HIGH TEMPERATURE LASTED.

CALISTOGA. AS IS COMMON ON A SUMMER DAY, WE MAY START OUT FOGGY AND THEN REACH 90 DEGREES BY 2:00. SOON THE MODERATING MARINE INFLUENCE BEGINS COOLING SO THAT THE TEMPERATURE BEGINS GOING DOWN. AND YOU MAY HAVE A PLEASANT, COOL EVENING AROUND 60 DEGREES.

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DURING THE DAY FOR ONE HOUR THERE WAS EXPERIENCED 90 DEGREES. YET TO FIGURE THE DEGREE DAY USING THE DEGREE DAY FORMULA, USING THE HIGH OF 90 AND THE LOW OF 60, YOU COME OUT WITH A 25 DEGREE DAY SUMMATION THAT WOULD BE USED IN THE HEAT SUMMATION UNITS.

IN A WARMER AREA LACKING THE COASTAL INFLUENCE, YOU MAY ALSO HAVE A DAY THAT REACHES 90 DEGREES, BUT AT 11:00 A.M., AND THEN REMAINS THERE UNTIL 4:00 P.M., ONLY TO SLOWLY GO DOWN, NOT REACHING THE 60 DEGREE, COOL READING UNTIL 6:00 A.M., AND THEN ONLY FOR A BRIEF PERIOD. USING THE SAME DEGREE FORMULA, YOU END UP WITH THE SAME 25 DEGREE HEAT SUMMATION UNITS. HOWEVER, WHAT IS NOT SHOWN IS THE DURATION OF THE HEAT.

IN THIS CASE, FIVE HOURS OF 90 DEGREE HEAT IS NOT MEASURED IN ANY FORMULA. IT IS THIS DURATION OF HEAT INTO THE NIGHT THAT ALLOWS THE VINE TO USE UP SOME OF THE ACIDS OR WINE FLAVOR COMPONENTS THAT ARE SYNTHESIZED DURING THE DAY. IT IS A KNOWN FACT THAT COOLER AREAS PRODUCE GRAPES OF HIGHER ACID RATIOS.

THIS IS BUT ANOTHER REASON TO MAINTAIN THE INTEGRITY OF THE NORTH COAST AND NOT TO DILUTE ITS CHARACTER WITH HOTTER REGIONS.

GRAPE PRICES DO FLUCTUATE WIDELY THROUGHOUT CALIFORNIA, BUT WITHIN THE THREE NORTH COAST COUNTIES AVERAGES ARE USUALLY VERY SIMILAR. THIS IS NOT THE CASE IN OTHER AREAS. SOLANO COUNTY USUALLY RECEIVES 25 TO 35 PER CENT LESS FOR THEIR GRAPES THAN THEIR NEIGHBORING NAPA COUNTY. MANY GRAPES HAVE BEEN POOLED IN LAKE COUNTY FOR LACK OF A MARKET, AND IT IS SOMETIMES HARD FOR EVEN THE FEDERAL-STATE MARKET NEWS TO ESTABLISH AN AVERAGE

IN CERTAIN YEARS, A FROST MAY WIPE OUT A CERTAIN AREA.
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OF THE DIFFERENCES BETWEEN THE NORTH COAST AND ITS SURROUNDING NEIGHBORS.

MARKET PRICE FOR THIS AREA. SURELY, THIS MUST BE SOME MEASURE

ANOTHER UNIQUE DIFFERENCE BETWEEN THE NORTH COAST AND LAKE COUNTY IS LAKE COUNTY'S PHYLLOXERA QUARANTINE. SINCE THE VINEYARDS OF LAKE COUNTY DIED OUT, SO DID THEIR PHYLLOXERA. WHEN THE VITICULTURE WAS REVITALIZED IN THE SEVENTIES IN LAKE COUNTY, GROWERS WANTED PROTECTION FROM THE NORTH COAST NEMESIS OF PHYLLOXERA.

THE QUARANTINE-ALIGNED LAKE COUNTY NOW GREATLY RESTRICTS VINE MOVEMENT, AND, THUS, THERE IS STILL NO PHYLLOXERA, SO THAT MANY OF LAKE COUNTY'S VINES ARE ON THEIR OWN ROOTS. THIS IS NOT THE CASE FOR THE REST OF THE NORTH COAST, WHERE GRAFTED, RESISTANT ROOTSTOCKS ARE USED TO COMBAT THIS PEST.

WITHOUT QUARANTINE, THERE IS MUCH ECONOMIC EXCHANGE
THAT CROSSES COUNTY LINES OF NAPA, SONOMA, AND MENDOCINO. THIS
ECONOMIC EXCHANGE IS VITAL TO THE PRESERVATION OF OUR THREECOUNTY NORTH COAST. MANY VINEYARDS ACTUALLY SIT ON COUNTY LINES.
VINEYARD-MANAGED COMPANIES FREQUENTLY OPERATE IN MORE THAN ONE
NORTH COAST COUNTY. CROSSING? CERTAINLY, THE SALE OF GRAPES
DOES CROSS COUNTY LINES. THE LOSS OR DILUTION OF OUR NORTH
COAST COULD GREATLY AFFECT THIS FREE EXCHANGE.

I HAVE DOCUMENTED WITH MY BROTHERS THAT OUR WILDWOOD VINEYARD HAS SOLD GRAPES TO 18 DIFFERENT WINERIES IN THE PAST 20 YEARS. THIS INCLUDES THREE MENDOCINO WINERIES, SIX NAPA WINERIES, AND NINE SONOMA WINERIES.

IF ALL OF THE WINERY'S GRAPES ARE IN THAT AREA, THE WINERY WILL

BE FORCED TO BUY GRAPES FROM ANOTHER VALLEY TO ASSURE A CONTINUED FLOW OF WINE TO THE CONSUMER. THIS INTERDEPENDENCE WITHIN THE NORTH COAST MUST NOT BE JEOPARDIZED. REMEMBER, THIS INTER-DEPENDENCE IS ONLY AS STRONG AS ITS WEAKEST UNIT. THIS IS WHY IT IS TRULY ESSENTIAL THAT ALL OF OUR AREAS MUST DEVELOP A REPUTATION BY THEMSELVES FIRST IN ORDER THAT THEY CAN BE CONSIDERED AS EQUALS IF JOINED TOGETHER. MAYBE THIS IS WHAT WAS RECOGNIZED BY THE ITALIAN SWISS COLONY MARKETER IN THE EARLY FIFTIES AND SIXTIES WHEN HE COINED THAT CATCHY "SONOMA-MENDO-NAPA" PHRASE PROMOTING THEIR SONOMA, NAPA, AND MENDOCINO WINE LINE. I GUESS YOU WILL NOTE HE DID NOT ADD A "LA" FOR LAKE OR A "SOLA" FOR SOLANO. 

IT IS THIS MUTUAL INHERENT CAPACITY FOR PRODUCTION OF GREAT WINES WITHIN OUR HILLS AND VALLEYS THAT HAS BEEN APPRECIATED MOST BY OUR CONSUMERS. THE CALIFORNIA WINE COUNTRY IS NOW ONE OF CALIFORNIA'S MOST VISITED TOURIST AREAS. THAT WINE COUNTRY IS THE NORTH COAST, JUST A BRIEF DRIVE NORTH OF SAN FRANCISCO. THERE IS NO OTHER AREA IN CALIFORNIA THAT CAN DOCUMENT SO MANY WINE-CONSCIOUS VISITORS DURING ALL SEASONS OF THE YEAR. IT IS NOT UNHEARD OF FOR A NORTH COAST WINERY TO HAVE OVER 100,000 PEOPLE VISIT THEIR FACILITY ANNUALLY.

WHAT DOES THIS MEAN? IT SHOWS THE SIGNIFICANCE OF OUR OVER 125-YEAR HISTORY OF THE INTERACTION AND MUTUAL TRUST BETWEEN OUR GROWERS, OUR VINTNERS, AND, OF COURSE, OUR CONSUMERS. THE GROWTH OF THE NORTH COAST IN THE EYES OF THE WORLD COULD ONLY HAVE BEEN POSSIBLE BECAUSE WE ARE STRIVING TO PRODUCE THE FINEST PRODUCT ATTAINABLE. CERTAINLY, IT HAS NOT BEEN ACHIEVED OVERNIGHT, AS SOME NEW TO THE SCENE MAY THINK. REPUTATION IS NOT

SOMETHING TO BE HAD BY THE STROKE OF A PEN OR THE LINE ON AN APPELLATION MAP. IT IS A HISTORY OF LITTLE STRIVES FOR THE BETTERMENT OF QUALITY, AND IT BECOMES RECOGNIZED WITH THE PASSAGE OF TIME.

WHEN THE ORIGINAL CALIFORNIA NORTH COAST GRAPE GROWERS'
LETTER OF JULY 23, 1973, WAS SENT TO THE BATF, MANY AREAS, SUCH
AS MONTEREY, WANTED TO JOIN THE NORTH COAST AND EVEN VOICED SOME
PROTEST. NOW THE SCENE HAS CHANGED. IN BUT A SHORT TIME,
MONTEREY IS PRODUCING FINE WINES AND IS VERY CAPABLE OF STANDING
BY ITSELF IN THE EYES OF THE WORLD.

MEDAL-WINNING WINES HAVE ALSO GIVEN RECOGNITION TO SOLANO AND TO LAKE COUNTY. THIS IS A STEP IN THE RIGHT DIRECTION, AND IT IS THROUGH SUCH A HEARING THAT WILL OCCUR ON THURSDAY OF THIS WEEK THAT UNIQUE VALLEYS WITHIN THESE LESSER-KNOWN VALLEYS WILL ALSO BEGIN TO RECEIVE RECOGNITION. HOWEVER, IT WILL BE TIME AND CONSUMER VALUE THAT MUST BE THE ULTIMATE TEST FOR ANY APPELLATION. IT CANNOT BE A LINE ON AN APPELLATION MAP. IT MUST BE A COMBINATION OF ALL THE FACTORS OF WHERE THE GRAPES ARE GROWN AND NOT JUST WHERE THE GRAPES ARE CRUSHED, AS SOME TESTIMONY MAY HAVE YOU BELIEVE LATER ON TODAY.

LET ME AMPLIFY. I WAS RECENTLY THE GUEST OF SOME OF SONOMA GRAPEVINE'S CUSTOMERS IN NEW YORK AND WAS THOROUGHLY WINED AND DINED IN NEW YORK CITY. AS MANY PEOPLE HERE HAVE THEIR EYES ON WHAT IS HAPPENING TODAY, I THINK IT IS APPROPRIATE THAT I BROUGHT A WINE LIST FROM THE WINDOWS OF THE WORLD RESTAURANT, WHICH IS LOCATED ON THE 107TH FLOOR OF THE WORLD TRADE CENTER. THE CELLAR MASTER, RAYMOND WELLINGTON, GAVE ME THIS LIST, WHICH IS HIS PRIDE COLLECTION OF WINES OF THE WORLD BECAUSE THE NEW YORK

TRADE CENTER GETS VISITORS FROM EVERYWHERE ON EARTH.

THE LIST RUNS 16 PAGES, LISTS WINES FROM 14 DIFFERENT COUNTRIES FOR A TOTAL OF 344 WINES. FRANCE ALONE GETS SIX PAGES OF LISTING, INCLUDING ALL THEIR MAJOR APPELLATIONS SUCH AS BORDEAUX, AND THEN THEIR MORE FAMOUS SMALLER REGIONS WITHIN BORDEAUX. MR. WELLINGTON FEELS NO PROBLEM WITH OVERLAPPING VITICULTURAL AREAS SO LONG AS THEY ARE DEFINED PROPERLY.

FOUR PAGES OF THIS LIST ARE DEVOTED TO CALIFORNIA,
LISTING SUCH AREAS AS MONTEREY, SANTA CLARA, AND MANY AREAS
WITHIN THE NORTH COAST. CERTAINLY, NAPA VALLEY IS REPRESENTED
ON PAGE 7. AMONG THE LIST AS IT IS LISTED -- IT IS NO. 403 -ZINFANDEL, SUTTER HOME, 1975, \$14.00. BY THE WAY, IT IS LISTED
UNDER NAPA VALLEY.

ALL OF US HERE KNOW THAT THIS IS AN ALMADOR COUNTY
WINE AND NOT NAPA VALLEY SINCE SUTTER HOME DOES NOT CRUSH NAPA
VALLEY GRAPES. SURELY, IT IS A SUPERB WINE FITTING TO THE
STANDARDS OF THE WORLD TRADE CENTER.

I MUST POSE THE FOLLOWING QUESTION. WHY DIDN'T ALMADOR COUNTY GROWERS PETITION THE NAPA VALLEY VITICULTURAL AREA HEARING TO BE INCLUDED WITHIN NAPA VALLEY? THE ANSWER IS SELF-EVIDENT. ALMADOR COUNTY IS CONFIDENT AND NOT AFRAID TO STAND BY ITSELF.

LAKE AND SOLANO COUNTIES CAN AND MUST DO LIKEWISE TO GAIN A SIMILAR REPUTATION IN THE WORLD WINE COMMUNITY.

MY FINAL POINT IS CLEAR. DO NOT BE SWAYED AS TO WHERE GRAPES ARE CRUSHED, BUT HOW AND WHERE THEY ARE GROWN. ALL WINES CAN BE UNIQUE IN THEIR OWN RIGHT. DO NOT TAMPER OR BLEND REGIONS THAT NOW HAVE A CHANCE TO EVOLVE AND CREATE WITHIN THEIR OWN AREA

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THE INDIVIDUAL TRAITS THAT CONSUMERS WILL FIND -- WILL COME TO FIND AND APPRECIATE.

THE CHAIRMAN: MR. KUNDEE, ARE YOU GETTING CLOSE TO THE FINISH?

MR. KUNDEE: ONE PAGE MORE.

WE ARE NOT HERE TODAY TO CREATE IN LARGE OR DELETE ANYTHING. WE ARE HERE TO DEFINE HISTORY, GEOGRAPHY, CLIMATE, AND CONSUMER REPUTATION. THE NORTH COAST WILL CONTINUE TO EVOLVE AND CHANGE, JUST AS WE REPLACE VINEYARDS, CHANGE VARIETIES, AND DEVELOP NEW WINE-MAKING METHODS THAT INURE CONSUMER VALUE. PLEASE DO NOT TAMPER WITH WHAT OUR CONSUMERS HAVE COME TO TRUST AND SEEK AFTER WITHIN THE VALLEYS OF OUR THREE-COUNTY, NORTH COAST AREA. LET ME AGAIN QUOTE FROM THE JULY 23, 1973, LETTER OF THE CALIFORNIA NORTH COAST GRAPE GROWERS TO YOU PEOPLE OF BATF. QUOTE, "AS GROWERS OF CALIFORNIA'S MOST PRESTIGIOUS GRAPES, WE HAVE A COMMITMENT TO OUR CONSUMERS TO INSURE TO THEM THAT THE WINES THEY DRINK AND PAY FOR ARE OF THE HIGHEST QUALITY AND WORTH THEIR COST, CONTINUING ON IN THE INTEREST OF MARKET HARMONY, CONTINUED STABILITY, AND CONSUMER APPRECIATION, UNQUOTE. WE MUST STAND BY OUR THREE-COUNTY NORTH COAST AND MAINTAIN ITS INTEGRITY AND TRUE CONSUMER IDENTITY.

FINALLY, LADIES AND GENTLEMEN, I THANK YOU FOR YOUR INTEREST IN RECOGNIZING ALL OF AMERICA'S WINE APPELLATIONS.

HAVING TOURED THE PACIFIC NORTHWEST AND THE EAST COAST AS WELL,

TESTED MANY WINES IN BETWEEN THIS PAST YEAR, I CAN TRULY SAY

YOUR EFFORTS TO DELINEATE ALL AREAS CAN ONLY BE SURPASSED AS THE

WORLD BEGINS TO REALIZE WHAT ALL AMERICA IS CAPABLE OF DOING TO

ENRICH THE QUALITY OF LIFE WITH AN UNBELIEVABLY GRAND ARRAY OF

WINES. I ONLY WISH I HAD A GLASS OF WINE NOW TO TOAST WHAT WE HAVE STARTED. CONGRATULATIONS.

THE CHAIRMAN: THANK YOU. IT IS NOT OFTEN WE HAVE TWO OF OUR EMPLOYEES MENTIONED IN THE SAME HEARING AS THE GOOD LORD AND DARWIN.

I DO HAVE ONE QUESTION. YOU MENTIONED THAT THERE WERE A NUMBER OF VINEYARDS THAT BORDERED ON COUNTY LINES, AND, I GET THE IMPRESSION, WENT OVER THE LINES. DO YOU HAVE ANY FEELING OF HOW TO -- DO YOU KNOW OF ANY VINEYARDS THAT DO CROSS THE PROPOSED LINES, AND DO YOU HAVE ANY FEELING ABOUT HOW TO ADDRESS THESE VINEYARDS?

MR. KUNDEE: I THINK WE ALL HAVE TO BE PRACTICAL AND REALIZE WHAT EXISTS, AND I WAS TALKING WITH BUENA VISTA JUST THE OTHER DAY. I THINK THEY HAVE A PROBLEM OF SOME OF THEIR VINES BEING IN NAPA COUNTY WHEN THE MAIN PART OF THEIR VINEYARD IS IN SONOMA COUNTY. I THINK THIS MAY BE ADDRESSED WEDNESDAY WITH THE CARNEROS HEARING.

IN EUROPE, WARS WERE FOUGHT OVER THESE LINES. I HOPE
WE CAN BE A LITTLE MORE RATIONAL AND REALIZE THAT MAYBE THERE
IS A SLIGHT AMOUNT OF GIVE AND TAKE.

THE CHAIRMAN: IN THE EVENT THERE IS A WAR, REMEMBER
THAT BRUNO DESI DERI AND GEORGE NEIS STARTED IT.

MR. KUNDEE: BUT I DON'T THINK MAJOR AREAS SHOULD BE BROUGHT IN. I'M TALKING IN TERMS OF A FEW ROWS OF GRAPEVINES.

MR. GRAHAM: IS THERE A SIGNIFICANT DIFFERENCE IN THE GRAPES FROM SOLANO AND LAKE VERSUS NAPA, SONOMA, AND MENDOCINO?

MR. KUNDEE: I AM NOT A VINTNER, SO YOU MIGHT WANT TO ASK SOME VINTNERS THAT QUESTION.

MR. GRAHAM: AS FAR AS SUGAR, ACID --

MR. KUNDEE: THERE ARE SOME DIFFERENCES. THERE ARE
ALSO SOME SIMILARITIES. BUT I THINK THE ONLY WAY WE CAN MEASURE
THIS IS JUST WHAT I REPORTED. I MEAN, THERE ARE SOME ECONOMIC
VALUES PUT ON THOSE, AND WHAT HAVE YOU. SURELY I HAVE TASTED -AND WHEN I WAS AT DAVIS, I USED TO GO BUY A LOT OF WINE OVER IN
FAIRFIELD, AND IT WAS VERY REASONABLE, AND IT WAS QUITE CLOSE TO
CAMPUS AND VERY FINE. IT HAS WON GOLD MEDALS.

I THINK THE IMPORTANT THING IS FOR US TO REMEMBER THAT ALL WINES CAN BE GREAT, BUT THERE MAY BE DIFFERENCES, AND WHAT HAVE YOU, AND I JUST DON'T WANT TO SEE ALL THOSE AREAS BLENDED TOGETHER.

MR. GRAHAM: WHAT ABOUT THE HARVEST SEASON? IS THAT DIFFERENT OVER IN SOLANO AND LAKE VERSUS NAPA, SONOMA, AND MENDOCINO? IS THERE A SIGNIFICANT DIFFERENCE IN THE HARVEST DATES?

MR. KUNDEE: I THINK LAKE COUNTY'S AND MAYBE SOLANO'S MIGHT BE SLIGHTLY AHEAD OR SO, BUT --

MR. GRAHAM: NOTHING REAL SIGNIFICANT?

MR. KUNDEE: I DON'T THINK IT'S THAT SIGNIFICANT. I
THINK IS IS ALSO PROVEN IN THE RECORD THAT LAKE COUNTY RECEIVES,
YOU KNOW -- THERE IS MORE DANGER OF FROST IN THE GROWING SEASON,
WHAT HAVE YOU. THOSE ARE ALL FACTORS THAT COME IN BECAUSE THE
AREAS DO NOT HAVE QUITE THE MODIFIED CHARACTER, BEING LOCATED,
YOU KNOW, RIGHT NEAR AN OCEAN.

MR. GEORGE: I HAVE A COUPLE OF QUESTIONS FOR YOU. I
BELIEVE YOU MADE THE STATEMENT THAT THERE IS A VERY DISTINCT
CLIMATIC DIFFERENCE BETWEEN LAKE AND SOLANO COUNTIES VERSUS NAPA,

SONOMA, AND MENDOCINO. AND I HAD TWO QUESTIONS IN THAT RESPECT BASED ON SOME EXPERIENCE. IT SEEMS TO ME THAT IN SOLANO COUNTY THERE SEEMS TO BE TWO DISTINCT DIFFERENT TYPES OF CLIMATE BASED ON WHERE YOU ARE IN SOLANO COUNTY. WHAT IS THERE ABOUT THE COUNTY LINE AT LAKE COUNTY THAT MAKES THE FOG STOP THERE?

MR. KUNDEE: I THINK THE COUNTY LINE IS BASICALLY THE HILLS. LET ME TELL YOU, IT IS A VERY TRUE PICTURE, WHAT I WAS TRYING TO PAINT. WE USED TO GO OVER THE HOPLAND GRADE. WE COULD LOOK BACK IN HOPLAND. WE DROVE UP TO CLOVERDALE, AND WHAT HAVE YOU, FROM SANTA ROSA. YOU GOT UP ON THE TOP OF A HILL, AND YOU COULD ACTUALLY SEE -- IT LOOKS LIKE OCEANS THAT HAVE ACTUALLY GONE INTO THE VALLEYS.

THE SAME WHEN I AM DRIVING, SAY, FROM NAPA -- OR SONOMA OVER TO NAPA. YOU GET ON TOP OF THE HILL. YOU LOOK DOWN, AND IN THE SUMMER THOSE VALLEYS CAN BE FILLED WITH FOG. WHEN I LOOK FORWARD INTO -- FROM THE HOPLAND GRADE, THE FOG STOPS. IT ACTUALLY DIDN'T STOP AT THE TOP OF THE GRADE. IT ACTUALLY STOPPED ABOUT AT THE 800 FOOT LEVEL. WE WERE WAY UP ON TOP OF THE FOG. WE WERE ABOVE THE FOG, AND YOU COULD LOOK DOWN, AND YOU COULD ACTUALLY SEE ALL THE VALLEYS FILLED IN WITH FOG. THIS IS A NATURAL BARRIER.

MR. GEORGE: WHAT ABOUT SOLANO COUNTY?

MR. KUNDEE: SAME THING. IF YOU TALK TO AIRLINE PILOTS
-- IN FACT, THERE IS A LITTLE CORRIDOR THAT YOU CAN DRIVE GETTING
OVER TO INTERSTATE 80. THAT CORRIDOR IS FAMOUS FOR ONE AREA TO
GET UNDER THE FOG AND TO THE NAPA COUNTY AIRPORT.

MR. GEORGE: YES, BUT I THINK -- ISN'T THERE A RIDGE OF HILLS THAT SORT OF BISECT SOLANO COUNTY? AND I THINK ISN'T

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THERE SOME CLIMATIC DIFFERENCE WHEN YOU ARE TO THE WEST OF THOSE HILLS AS OPPOSED TO THE EAST OF THOSE HILLS? THAT IS THE QUESTION I AM ASKING.

MR. KUNDEE: OKAY. I DO KNOW THAT -- ALL I CAN SAY IS,
LIKE DRIVING IN A CAR. WHEN I USE THE TERM GOING INTO A BLAST
FURNACE, THERE WAS A VERY RAPID CHANGE IN TEMPERATURES. AND I
MEAN WITHIN A MILE.

FOR EXAMPLE, IN DRIVING UP NAPA VALLEY, YOU GO THROUGH REGIONS I, II, AND III WHEN YOU GET INTO CALISTOGA. YOU HAVE TRAVELED 30 MILES. IT IS NOT A VERY RAPID CHANGE WHERE THERE IS DISTINCT AREAS. IN TALKING ABOUT JUST HOW WE GOT -- BY THE WAY, WHEN I WAS MENTIONING THE GEOGRAPHICAL FEATURES, I THINK IT IS IMPORTANT TO POINT OUT THAT THE THREE COUNTIES IN WHAT IS CALLED THE NORTH --

(THE REPORTER CALLED A RECESS TO CHANGE PAPER.)

MR. KUNDEE: I THINK I WAS GOING TO SAY -- I WAS AGAIN REFERRING TO GEOGRAPHICAL FEATURES AND THAT -- HARRY PROVIDED EVIDENCE SHOWING THAT THE THREE COUNTIES ARE LOCATED IN THE NORTH COAST DRAINAGE DISTRICT. MAYBE THAT IS WHERE THE TERM NORTH COAST CAME FROM?

I REMEMBER ONCE WHEN I WAS TALKING WITH THE GROWERS,
THE DIRECTORS OF NORTH COAST GRAPE GROWERS, I ASKED THEM, "WHY
DID YOU CALL YOURSELVES NORTH COAST GRAPE GROWERS? WHY NOT TRICOUNTY OR NORTH BAY?"

AND, TO BE HONEST WITH YOU, THE ANSWER WAS, "WELL, WE HAVE ALWAYS BEEN KNOWN AS THE NORTH COAST." THERE WAS NEVER ANY QUESTION IN THEIR MIND THAT IT SHOULD BE CALLED ANYTHING ELSE.

MR. GEORGE: IN THE AREA AROUND CALISTOGA AS OPPOSED TO

LAKE COUNTY, IS THERE A DISTINCT CLIMATIC DIFFERENCE IN THAT AREA?

MR. KUNDEE: AGAIN, CALISTOGA WAS IN THE VALLEY THAT,
AS I SAID, WHEN I DROVE OVER, YOU CAN LOOK UP, AND YOU CAN SEE
THE WHOLE VALLEY FILLED IN WITH FOG. THAT'S NOT THE CASE IN
LAKE COUNTY.

AND, ALSO, AGAIN I WANT TO STRESS WHEN WE TALK ABOUT
HEAT SUMMATION UNITS AND REGIONS I, II, III, THERE IS NO MEASURE

-- AND THERE IS, BY THE WAY, A LOT OF DISCUSSION ABOUT THIS
WITHIN THE UNIVERSITY. THERE IS SOME CRITICISM. THERE IS
ABSOLUTELY NO MEASURE FOR DURATION OF EXTREME TEMPERATURES IN ANY
OF THESE REGIONS. AND THIS WILL NOT COME OUT WHEN YOU BEGIN
COMPARING REGION III IN CALISTOGA AS TO, SAY, REGION III IN
KELSEYVILLE.

THE CHAIRMAN: MR. KUNDEE, THANK YOU VERY MUCH.
MR. JAMES CARTER. JIM CARTER.

### JIM CARTER,

ON BEHALF OF SEBASTIANI VINEYARDS, TESTIFIED AS FOLLOWS:

MY NAME IS JAMES T. CARTER, THE WINEMAKER AT SEBASTIANI VINEYARDS IN SONOMA COUNTY. I WILL BE BRIEF AND TO THE POINT.

SEBASTIANI'S POSITION IS THAT THE TERM NORTH COAST DOES HAVE VALUE. AND HARRY SULLIVAN AND WILLIAM HEINTZ AND RICHARD KUNDEE HAVE POINTED OUT VERY WELL ALL THE GEOGRAPHY AND HISTORY INVOLVED. BUT WE WANT TO MAKE SURE FROM THE SEBASTIANI STAND-POINT THAT THE TERM NORTH COAST IS MAINTAINED IN THE MAIN APPELLATION LEXICONS.

SEBASTIANI HAS USED THE TERM SINCE WE BEGAN TO BOTTLE

WINE FOR OURSELVES IN 1955, AND IT MEANS TO US THE FIRST LOGICAL BREAKDOWN OF WINE-GROWING AREAS IN CALIFORNIA. AND IT IS THE PREMIUM BREAKDOWN. WE DO PURCHASE GRAPES IN SONOMA, MENDOCINO, NAPA, AND SOLANO COUNTIES. WE WOULD HOPE THAT THE BATF, THOUGH, WOULD MAINTAIN THE TERM NORTH COAST. IF THEY ARE DETERMINED TO 7 MAINTAIN THE POLITICAL BOUNDARY LINES, THEN WE CANNOT SUPPORT 8 SOLANO COUNTY IN THAT BOUNDARY. 9 THERE IS AN AREA IN SOLANO COUNTY, THOUGH, WHICH IS 10 GORDON VALLEY, GREEN VALLEY, AND WOODEN VALLEY, WHICH IS A DISTINCT, GOOD, PREMIUM GRAPE-GROWING AREA, AND WE DO BUY GRAPES 11 THERE. SO IF THE LINE IS NOT TO BE DRAWN ON POLITICAL LINES 12 ONLY, A SMALL PORTION OF SOLANO COUNTY COULD BE INCLUDED, FROM 13 THE SEBASTIANI STANDPOINT. 14 15

AS FOR LAKE COUNTY, I DON'T KNOW. WE DON'T BUY GRAPES THERE. AND THAT IS OUR BASIC POSITION. NORTH COAST IS A VIABLE NAME, HAS LONG BEEN IN USE, AND SHOULD BE MAINTAINED.

MR. GEORGE: WHAT WERE THE THREE VALLEYS IN SOLANO COUNTY?

MR. CARTER: WE BUY GRAPES IN GREEN VALLEY, WOODEN VALLEY, AND IN GORDON VALLEY.

MR. GEORGE: AND SUISUN?

MR. CARTER: FOUR VALLEYS. SUISUN.

THE CHAIRMAN: THANK YOU VERY MUCH.

MR. GREGG NELSON.

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GREGG NELSON,

TESTIFIED AS FOLLOWS:

GOOD MORNING, LADIES AND GENTLEMEN. I AM VERY GRATEFUL FOR THE PRIVILEGE OF SPEAKING HERE THIS MORNING. MY NAME IS GREGG NELSON. BY WAY OF INTRODUCTION, I AM A GRAPE GROWER AND THE MANAGER OF OUR FAMILY FARM IN MENDOCINO COUNTY.

WE FARM 250 ACRES OF WINE GRAPES. WE HAVE SEVEN
DIFFERENT VARIETIES, RANGING FROM CARIGNANE TO CHARDONNAY. IN
THE PAST YEARS, WE HAVE SOLD TO SEVERAL DIFFERENT COUNTIES,
THOSE BEING MENDOCINO, SONOMA, NAPA, SANTA CRUZ, AND SANTA CLARA
COUNTIES.

TWO PHILOSOPHIES THAT ARE IMPORTANT TO ME, ONE OF THOSE BEING
THAT I AM VERY COGNIZANT OF THE VALUE AND THE EFFECTS OF THE
SUPPLY AND DEMAND IN THE FREE ENTERPRISE ECONOMIC MODEL. AND MY
UNDERSTANDING OF THAT MODEL IS THAT THERE ARE MANY BUYERS -- THE
IDEAL MODEL -- THERE ARE MANY BUYERS, MANY SELLERS, AND THERE IS
A NEED FOR PERFECT INFORMATION. AND AS I SEE THE EFFORTS THAT
YOU AND THE MANY PEOPLE THAT HAVE BEEN INVOLVED IN THE APPELLATION
-- THE RELATIONSHIP BETWEEN THIS MODEL AND THE APPELLATION IS
THAT IT IS AN ATTEMPT TO INCREASE THE PERFECT INFORMATION FOR THE
CONSUMER.

THE OTHER PHILOSOPHY THAT IS IMPORTANT TO ME IS THAT
GOVERNMENT'S ROLE IN THIS MODEL IS AS A CATALYST. AND GOVERNMENT
NEEDS TO BE VERY CAREFUL THAT IT DOESN'T IMPACT THE FREE ECONOMIC
ENTERPRISE SYSTEM TOO ADVERSELY IN ANY WAY. MY BOTTOM LINE, MY
BOTTOM CONCERN IN THIS MATTER IS HOW ARE YOUR DETERMINATIONS
GOING TO AFFECT THE WAY THAT I AM ABLE TO SELL MY GRAPES AND
THEREBY MAKE MY INCOME, MY LIVELIHOOD. I BELIEVE MY POINT, THE
POINT THAT I WOULD LIKE TO MAKE THIS MORNING TO YOU CAN BE

SUMMARIZED PRETTY MUCH BY THE WORD MODERATION. TO GET MORE

SPECIFIC, IF WE GET TOO DETAILED AND TOO SPECIFIC IN THE AREAS

OF APPELLATION, I MAY LOSE SOME OF MY MARKETS. AND BY WAY OF

EXAMPLE, IN MY SELLING TO THE -- IN THE SELLING OF MY GRAPES

TO WINERIES IN SANTA CRUZ COUNTY, I AM AWARE OF THE FACT THAT

THEY MAY BUY GRAPES IN SONOMA AND MENDOCINO COUNTIES. IT IS MY

FEAR THAT IF WE GET TOO DETAILED -- WE ARE A LONG WAYS AWAY. WE

ARE ON THE UPPER END -- IT MAY BE TOO DIFFICULT, NOT WORTH THE

EFFORT OR THE TIME FOR THAT WINERY TO GO OUT AND GET SPECIFIC

ON THE OTHER HAND, IF WE ALLOW THIS APPELLATION TO BECOME TOO GENERAL AND TOO BROAD, THEN IT WILL LOSE THE VALUE THAT THIS INFORMATION GIVES TO THE CONSUMER BECAUSE IT WILL NOT SPELL OUT EXACTLY OR AS CLOSE AS IS NECESSARY FOR THE CONSUMER THE VALUES OF THESE PARTICULAR AREAS.

AND THE EXAMPLE THAT COMES TO MY MIND IN THAT AREA IS, IN 1978, I BELIEVE, THE -- I HAD TO WRITE THIS DOWN BECAUSE I CAN'T REMEMBER ALL THE GOVERNMENT TITLES. THE DEPARTMENT OF FOOD AND AGRICULTURE SPLIT THE PRICING DISTRICTS FROM MENDOCINO AND LAKE COUNTIES. AND THE REASON THAT THIS OCCURRED IS THAT MANY GROWERS IN MENDOCINO COUNTY WERE VERY CONCERNED THAT THE PRICE OF THEIR GRAPES WAS LOWER BECAUSE OF THE INFLUENCE OF LAKE COUNTY. MANY GRAPES IN LAKE COUNTY WENT HUNTING FOR A HOME AND WERE SOLD VERY CHEAPLY, WHERE THE GRAPES IN MENDOCINO COUNTY DID NOT HAVE THIS DIFFICULTY. EVIDENTLY THE CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE AGREED WITH US, BECAUSE THEY DID SPLIT THE DISTRICTS AND MAKE THEM SEPARATE.

GENTLEMEN, THAT IS THE CRUX OF MY POINT. I THINK THAT

LABELS FOR EVERY AREA.

APPELLATION OF THE NORTH COAST IS VERY VALUABLE IN THAT PEOPLE 1 ARE VERY FAMILIAR WITH IT AND IT IS NOT TOO SMALL AND IT IS NOT 2 TOO LARGE. 3 THE CHAIRMAN: I HAVE A COUPLE OF QUESTIONS. BEING A 4 GROWER, YOU MIGHT BE ABLE TO HELP, AGAIN, WITH MY PATTERN OF 5 QUESTIONS. 6 IF YOUR VINEYARD CROSSED AN APPELLATION BOUNDARY, HOW DO YOU FEEL WE SHOULD HANDLE THE PART OF THE OUTSIDE OF THE 8 BOUNDARY? 9 MR. NELSON: I'VE NEVER BEEN FACED WITH THAT. I AM 10 ALL IN MENDOCINO COUNTY. 11 THE CHAIRMAN: YOU MADE THE REFERENCE ABOUT BEING TOO 12 DETAILED. WHAT DO YOU MEAN BY TOO DETAILED? 13 MR. NELSON: WELL, SIR, I WOULDN'T BE OPPOSED TO 14 HAVING SMALL APPELLATIONS, BUT I WOULD BE OPPOSED TO HAVING ONLY 15 SMALL APPELLATIONS BECAUSE IT WOULD TAKE AWAY FROM MY OPPORTUNITY 16 TO SELL TO THESE WINERIES THAT ARE INTERESTED IN A LARGER AREA. 17 THE CHAIRMAN: MY FINAL QUESTION IS, THE PRICING 18 DISTRICTS YOU REFER TO AS SET UP BY THE STATE OF CALIFORNIA --19 WHAT DO THEY USE FOR GEOGRAPHICAL BOUNDARIES OR DETERMINATIONS? 20 WHAT DO THEY USE TO IDENTIFY THESE PRICING DISTRICTS? 21 MR. NELSON: MY UNDERSTANDING IS THAT THE PRICING 22 DISTRICTS ARE ALONG POLITICAL BOUNDARIES. 23 MR. GEORGE: I HAVE A QUESTION ABOUT POLITICAL 24 BOUNDARIES. HOW ARE YOU FEELING ABOUT USING POLITICAL BOUNDARIES 25

FOR VITICULTURAL AREAS? DO YOU FEEL THAT IS VERY GOOD OR AN

MR. NELSON: I BELIEVE IT DEPENDS ON THE SITUATION.

ADEQUATE WAY TO DO IT, OR IS THERE A BETTER WAY?

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1 IN THIS CASE, THE CASE OF THE NORTH COAST APPELLATION, I THINK 2 IT IS VERY APPROPRIATE. IF YOU GET TO SMALLER AREAS OF 3 APPELLATION, THERE MAY BE A NEED TO CROSS OVER POLITICAL BARRIERS 4 AND USE GEOGRAPHICAL AREAS. 5 MR. GEORGE: YOU MADE A COMMENT EARLIER I AM NOT SURE 6 I COMPLETELY UNDERSTOOD. 7 MR. NELSON: I AM MORE IN TUNE TO SPEAKING WITH 8 TRACTORS AND GRAPES, SO PLEASE --9 MR. GEORGE: IT WASN'T THAT. MAYBE I AM NOT IN TUNE 10 TO LISTENING TOO WELL, BUT WERE YOU HAVING A CONCERN OF THE FACT 11 THAT IF THESE AREAS CANNOT BE CHANGED OR ENLARGED OR MADE SMALLER 12 AT A LATER DATE? IS THAT WHAT YOU WERE TRYING TO TELL US A LITTLE 13 EARLIER? MR. NELSON: I BELIEVE IN DOING SOMETHING RIGHT THE 14 15 FIRST TIME. AND MY EXPERIENCE WITH GOVERNMENT -- I'M ON A SCHOOL 16 BOARD -- IS THAT IT MOVES VERY SLOWLY. AND I COULD BE OUT OF 17 BUSINESS BEFORE THE CHANGE OCCURS. 18 THE CHAIRMAN: I'M NOT SURE WHETHER I WANT TO ASK 19 ANOTHER QUESTION OR NOT. THANK YOU VERY MUCH. 20 MR. NELSON: THANK YOU AGAIN VERY MUCH FOR THIS OPPORTUNITY. 21 THE CHAIRMAN: MR. EARL BROWN. 22 23 24 EARL BROWN, 25 ON BEHALF OF WEIBEL WINERY, TESTIFIED AS FOLLOWS: 26 MY NAME IS EARL BROWN, AND I AM THE VINTNER FOR WEIBEL 27 WINERY, AND I WILL BE BRIEF, SAME AS WITH JIM. WE WANT TO GO

DOWN ON THE RECORD WITH THE OPINION THAT NORTH COAST AREA AS TRI-

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COUNTY AREA IS IMPORTANT. IT IS IMPORTANT TO US AS A WINERY,
AND AS GRAPE GROWERS IN OUR AREA, WE JUST WANT TO SAY THAT WE ARE
BEHIND IT. THANK YOU.

THE CHAIRMAN: WHEN YOU SAY NORTH COAST AS AN APPELLATION AREA, IS IT IMPORTANT THAT IT ONLY BE THREE COUNTIES?

CAN IT BE LARGER THAN THAT? COULD IT BE --

MR. BROWN: ACTUALLY, I WAS ASKED TO COME DOWN HERE SO WE WOULD HAVE A REPRESENTATIVE. IF YOU ARE ASKING MY PERSONAL OPINION, YES, I DO THINK IT IS IMPORTANT TO HAVE THE THREE COUNTIES. I THINK THEY HAVE THE PROVEN TRACK RECORD. IF SOME-BODY ELSE WANTS TO HAVE THE APPELLATION, I THINK THAT IS THEIR RIGHT, ONLY I THINK WE SHOULD HAVE OURS, BEING AS WE HAVE ALREADY PROVEN IT. LET THEM PROVE THEIRS.

THE CHAIRMAN: THANK YOU.

MR. BROWN: THANK YOU.

THE CHAIRMAN: MR. RICHARD THOMAS.

## RICHARD THOMAS,

TESTIFIED AS FOLLOWS:

MR. CHAIRMAN, LADIES AND GENTLEMEN, I AM RICHARD THOMAS,
AND I AM A VITICULTURE INSTRUCTOR AT SANTA ROSA JUNIOR COLLEGE
AND ALSO A PART-TIME VINEYARD CONSULTANT IN SONOMA, NAPA, AND
MENDOCINO COUNTIES.

IN BOTH OF MY CAPACITIES, I AM VERY MUCH CONCERNED

ABOUT THE BUREAU'S DECISION REGARDING THE NORTH COAST APPELLATION.

FIRST, I AM CONCERNED BECAUSE WE NEED A REGIONAL APPELLATION TO

MAINTAIN ORDERLY MARKETING BETWEEN COUNTIES AND TO CONTINUE TO

PROTECT THE CONSUMER BY HONEST LABELLING WITHOUT A CHANGE OR

DILUTION.

SECONDLY, I AM CONCERNED ABOUT WHERE THESE LINES ARE DRAWN, ON WHAT IS GOING TO BE INCLUDED IN THE NORTH COAST. IF THE GUIDELINES INDICATING VITICULTURAL SIGNIFICANCE AND/OR HISTORICAL SIGNIFICANCE ARE FOLLOWED, THEN ONLY SONOMA, NAPA, AND MENDOCINO WILL BE INCLUDED.

DOING WORK IN ALL THREE COUNTIES AND HAVING MANY
STUDENTS FROM ALL THREE, I AM FIRMLY CONVINCED THAT THIS IS WHAT
IS MEANT BY THE NORTH COAST. MR. SULLIVAN HAS ALREADY ALLUDED TO
THE SIMILARITIES IN CLIMATES; THAT IS, THE FOG BELT, THE REGIONAL
SITUATIONS, THE REDWOOD BELT ITSELF, AND SIMILARITIES IN THE SOIL.

CULTURALLY, THE PRACTICES ARE CERTAINLY SIMILAR IN ALL
THE COUNTIES, FROM THE USE OF PHYLLOXERA-RESISTANT ROOTSTOCK UP
TO THE PRUNING AND TRAINING PRACTICES. IN THE CLASSROOM, I FEEL
VERY COMFORTABLE EXPLAINING THE PRACTICE AND KNOW THAT MY STUDENTS
CAN GO TO ANY OF THESE THREE COUNTIES AND DO THE JOB THEY WERE
TRAINED TO DO.

AS FOR THE ADJOINING COUNTIES TO WHAT I CONSIDER THE NORTH COAST, LAKE AND SOLANO, I REALLY QUESTION THE WISDOM OF INCLUDING THEM FROM A DILUTION STANDPOINT AND A NON-PROVEN TRACK RECORD.

SOLANO IS ALSO CONSIDERED AS A REGION IV, AND WITH DIFFERENT CLIMATE AND SOIL CONDITIONS, IT CERTAINLY DOESN'T SEEM TO ME TO FIT OUR DEFINITION OF NORTH COAST. AS ANY MAP WILL SHOW, AND AS I, ALONG WITH RICH KUNDEE, TRAVELED TO DAVIS MANY TIMES, THE HOT BLAST AS YOU WENT THROUGH JAMIESON CANYON WAS CERTAINLY THERE, WHICH IS ABOUT THE START OF THE SOLANO COUNTY LINE.

AS FOR LAKE COUNTY, I HAVE DONE SOME WORK IN LAKE

COUNTY. I HAVE ONLY GOT TWO MAJOR QUESTIONS IN INCLUDING THEM IN THE NORTH COAST. ONE IS THE LACK OF A TRACK RECORD AS, ACCORDING TO MR. HEINTZ'S FIGURES, THEY ARE CERTAINLY NEW. AND WHETHER THE QUALITY OF GRAPES THEY PRODUCE THERE IS WHAT ARE UP TO WHAT WE WOULD CONSIDER NORTH COAST STANDARDS, I THINK ONLY TIME IS GOING TO TELL. AT THIS POINT IN TIME, I QUESTION WHETHER WE KNOW THAT OR NOT. OBVIOUSLY, THEY HAVE TROUBLE SELLING SOME GRAPES.

THE ONLY MAJOR WINERY TO BUY GRAPES IS A COOPERATIVE FORM THROUGH, I SUPPOSE, NECESSITY TO MARKET MOST OF THEIR GRAPES AND HAS BEEN ALLUDED TO.

I HAVE LOOKED AT SOME VINEYARDS FOR POTENTIAL BUYERS

AS A VINEYARD CONSULTANT AND ALWAYS POINT OUT THE FACT THAT,

"I CAN'T MAKE A BUDGET FOR YOU. I HAVE NO PRICES TO WORK WITH."

IF THE FEDERAL-STATE MARKET NEWS CANNOT COME UP WITH A MARKET

PRICE, IT IS VIRTUALLY IMPOSSIBLE TO MAKE A LONG-TERM BUDGET UP;

AND IT IS DIFFICULT TO MAKE A POSITIVE BUDGET WHEN YOU ARE

POOLING GRAPES. SO I CERTAINLY HAVE THAT QUESTION.

ANOTHER PROBLEM I SEE IS THE WHOLESALE USE OF OWN-ROOTED VINES, WHICH COULD, AND I THINK WILL, LEAD TO A NEED TO REPLANT THOSE GRAPES IN THE FUTURE. I REALLY HAVE MY DOUBTS THAT THE PHYLLOXERA ORGANISM DOES NOT HAVE A MAP TO LAKE COUNTY. THERE CERTAINLY IS NO BIOLOGICAL REASONS THAT IT IS NOT THERE, AT LEAST THAT ANYONE HAS EVER PROVEN. AND I SIMPLY THINK IT IS A MATTER OF TIME, SINCE IT WAS THERE IN PREVIOUS HISTORY.

THE OTHER THING I WOULD POINT OUT ABOUT LAKE COUNTY IS
THAT SOMEBODY MENTIONED THE DRAINAGE AREAS, THE NORTH COAST
DRAINAGE VERSUS THE SACRAMENTO DRAINAGE. SPEAKING FROM A JUNIOR

COLLEGE STANDPOINT, I WOULD POINT OUT THAT LAKE COUNTY IS

AFFILIATED WITH THE YUBA COLLEGE SCHOOL DISTRICT, AS WAS VOTED ON

A PUBLIC VOTE BY THE COMMUNITY IN LAKE COUNTY. THEY DECIDED TO

GO WITH YUBA COLLEGE, WHICH IS CERTAINLY IN THE SACRAMENTO VALLEY

AND PROBABLY MUCH MORE CONSISTENT WITH THE SACRAMENTO DRAINAGE

BASIN, ALSO.

DEFINITELY NEED, I WOULD SAY IN MY PERSONAL OPINION, A TRI-COUNTY OR AT LEAST A NORTH COAST APPELLATION FROM A MARKETING STANDPOINT TO PROTECT OUR GROWERS. AND I WOULD LIKE TO THANK EVERYONE AND SIMPLY SAY THAT WE DO NEED SOMETHING OF A REGIONAL APPELLATION. WHETHER IT BE WITH OR WITHOUT SOLANO COUNTY AND LAKE COUNTY, I THINK, IS TOTALLY SECONDARY. FROM A SELLING GRAPE STANDPOINT -- AND I SPEAK ON BEHALF OF MY CLIENTS -- WE NEED THE ABILITY TO GO WITHIN THE THREE COUNTIES AND MARKET TO WINERIES WITHIN EACH OF THOSE COUNTIES. THANK YOU.

THE CHAIRMAN: CAN I ASK YOU MY QUESTION. DO YOU HAVE
ANY FEELING FROM YOUR ASSOCIATION WITH THE SCHOOL AND WITH
GROWERS HOW WE SHOULD APPROACH A SITUATION WHERE A VINEYARD MAY
CROSS BOUNDARIES?

MR. THOMAS: I THINK SOMEONE ALLUDED TO THE FACT -THERE IS ONLY ONE I CAN THINK OF THAT -- I BELIEVE THAT'S PROBABLY
UP IN THE LAKE-NAPA COUNTY SECTION, WHICH I BELIEVE ARE ASKING
FOR THEIR OWN APPELLATION ANYWAY, ARE THEY NOT? THEY HAVE BEEN
TALKING ABOUT IT. IN MOST CASES -- AND I WOULD SPEAK PARTICULARLY
ON BEHALF OF THE COUNTY LINE BETWEEN MENDOCINO-LAKE AND NAPA-LAKE
-- THERE ISN'T ANYTHING ON THOSE BORDERS YOU COULD PLANT ANYTHING
ON THAN, PERHAPS JACK RABBITS AND SAGEBRUSH. LAKE COUNTY IS
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TOTALLY SURROUNDED BY MOUNTAINS, NO SOILED MOUNTAINS, IF YOU HAVE EVER GONE OVER HOPLAND GRADE. A JACK RABBIT TYPICALLY PACKS HIS LUNCH ACROSS THERE.

THE CHAIRMAN: THANK YOU, MR. THOMAS.

RODNEY STRONG. IS HE HERE?

LEE CHANDLER.

### LEE CHANDLER,

ON BEHALF OF THE SOUVERAIN CELLARS WINERY, TESTIFIED AS FOLLOWS:

GOOD MORNING. LIKE THE OTHER WINERIES PRESENT, I WILL KEEP MY REMARKS BRIEF, ALSO. MY NAME IS LEE CHANDLER, PRESIDENT OF THE SOUVERAIN CELLARS WINERY IN GEYSERVILLE, SONOMA COUNTY.

OUR ORGANIZATION IS A LIMITED PARTNERSHIP COMPOSED OF 301 GRAPE GROWERS FROM NAPA, SONOMA, AND MENDOCINO COUNTIES. WE BEGAN OUR PARTNERSHIP FIVE YEARS AGO AND PURCHASED THE SOUVERAIN WINERY FROM THE PILLSBURY COMPANY FOUR AND A HALF YEARS AGO. AT THAT TIME, THE WINERY WAS SELLING A TOTAL OF 58,000 CASES OF WINE DIVIDED BETWEEN SOUVERAIN BRAND AND PRIVATE LABEL MERCHANDISE.

BECAUSE OUR OBJECTIVE IS TO STRESS QUALITY, WE ESTABLISHED A POLICY OF ONLY USING GRAPES FROM THE NORTH COAST COUNTIES OF NAPA, SONOMA, AND MENDOCINO IN OUR PREMIUM WINE.

TO OUR KNOWLEDGE, WE WERE THE FIRST MAJOR WINERY TO USE THE WORDS APPELLATION NORTH COAST ON ITS FULL LINE OF PREMIUM WINES. FURTHER, WITH ONE EXCEPTION, ALL OF OUR PREMIUM WINES ARE 100 PER CENT VARIETAL. BECAUSE WE FEEL STRONGLY ABOUT THIS REGION, WE HAVE DEVOTED A GOOD PORTION OF OUR LABEL TO DESCRIBING THE HISTORY AND VIRTUES OF THE NORTH COAST APPELLATION.

THE DECISION TO IDENTIFY OURSELVES WITH THE NORTH COAST

AND TO RESTRICT OURSELVES TO PRODUCTION IN THIS AREA HAS RESULTED IN EXCELLENT CONSUMER ACCEPTANCE OF OUR WINES. SALES OF THE SOUVERAIN WINERY FOR 1980 EXCEEDED 500,000 CASES FOR THE FIRST TIME IN HISTORY. WE ATTRIBUTE THIS TREMENDOUS GROWTH TO TWO FACTORS -- A QUALITY PRODUCT AND IDENTIFICATION WITH AN ESTABLISHED RECOGNIZED APPELLATION KNOWN FOR ITS QUALITY PRODUCTION.

WE BELIEVE THE PRESENTLY DEFINED NORTH COAST HAS GAINED BROAD CONSUMER ACCEPTANCE AS AN AREA OF QUALITY PRODUCTION OF BOTH GRAPES AND WINE. ONE RESULT OF THIS ACCEPTANCE IS THE FACT THAT IN RECENT MONTHS SEVERAL OTHER WINERIES IN OUR AREA HAVE BEGUN TO INCLUDE THE WORDS NORTH COAST ON THEIR LABEL. SOME OF THE PRESTIGIOUS WINERIES REPRESENTED HERE TODAY HAVE RECOGNIZED THE BENEFITS OF USING NORTH COAST ON THEIR LABEL.

WE HAVE NO OBJECTION TO THE CREATION OF SMALLER AREAS OF APPELLATION WITHIN THE NORTH COAST AND; IN FACT, WOULD ENCOURAGE THOSE GROWERS AND WINERIES IN UNIQUE MICROREGIONS TO APPLY FOR APPELLATIONS. WHAT WE DO OBJECT TO, HOWEVER, IS ANY CHANGE IN THE PRESENT CONFIGURATION AND BOUNDARIES OF THE NORTH COAST.

HUNDREDS OF GROWERS HAVE WORKED FOR THE PAST 16 YEARS
TO DEVELOP RECOGNITION FOR AN AREA THAT PRODUCES GRAPES OF
SUPERIOR QUALITY. SINCE 1974, THE BATF HAS RECOGNIZED THE NORTH
COAST AS A LEGITIMATE GRAPE-GROWING REGION CONSISTING OF THE
PRESENT THREE COUNTIES. BECAUSE OF THE EFFORTS THAT HAVE BEEN
MADE, CONSUMERS ARE WILLING TO PAY MORE FOR WINES FROM THE NORTH
COAST. IN ALMOST ALL CASES, GROWERS RECEIVE A BETTER RETURN FOR
GRAPES GROWN IN THIS REGION. ANY CHANGE IN THE PRESENT STRUCTURE
COULD BE DETRIMENTAL TO BOTH GROWERS AND WINERIES AND COULD BE PILUTE

THE PRESENT, EXCELLENT CONSUMER ACCEPTANCE.

GROWERS IN SOME OF THE SURROUNDING AREAS HAVE HAD GREAT DIFFICULTY FINDING A HOME FOR THEIR GRAPES. WHILE WE CAN SYMPATHIZE WITH THEM, WE SUGGEST THAT THEY SHOULD DEVOTE THEIR ENERGIES TO THE DEVELOPMENT OF THEIR OWN, UNIQUE REGIONS SINCE THEIR WINES ARE DISTINCTIVE.

FINALLY, THE ULTIMATE REASON TO DEVELOP APPELLATIONS IS
TO AID THE CONSUMER, FOR WITHOUT HIM WE WOULD NOT BE HERE TODAY.

I BELIEVE OUR GOAL IS TO INFORM AND NOT TO CONFUSE HIM. WE
COMMEND THE BATF FOR ITS EFFORT IN RECENT YEARS TO SIMPLIFY THE
REGULATIONS AND TO REMOVE CONFUSION FROM THE MINDS OF THE
CONSUMER. YOU HAVE TAKEN AN IMPORTANT FIRST STEP BY RAISING THE
PERCENTAGE OF VARIETAL GRAPES REQUIRED IN THE BOTTLE TO 75 PER
CENT. WE SUGGEST RAISING THAT REQUIREMENT TO 100 PER CENT VARIETAL
CONTENT WOULD IMPROVE FURTHER CONSUMER ACCEPTANCE AND REDUCE
CONFUSION. WE URGE YOU NOT TO CHANGE THE EXISTING BOUNDARY OF
THE NORTH COAST, FOR TO DO SO WOULD BE A STEP BACKWARD FROM YOUR
PRESENT POLICY OF DEVELOPING REGULATIONS WHICH AID THE CONSUMER
BY REDUCING THE AREA OF CONFUSION.

THE CHAIRMAN: I MAKE THE ASSUMPTION THAT YOU HAVE DONE SOME MARKET SURVEYS ON CONSUMER RECOGNITION OF THE NAME. WOULD THE AVERAGE CONSUMER, DO YOU BELIEVE, KNOW WHAT NORTH COAST MEANT IN THE SENSE OF THE PRESENT THREE COUNTIES?

MR. CHANDLER: THE ONLY EXPERIENCE I COULD GIVE YOU ON THAT IS THE FACT THAT THE SOUVERAIN WINES ARE MARKETED BY JULIUS WILE COMPANY, A 103-YEAR OLD MARKETING AND DISTRIBUTION FIRM, AND THEY FEEL VERY STRONGLY ABOUT THE APPELLATION OF NORTH COAST ON THE LABEL. IT WAS THEIR RECOMMENDATION THAT WE INCLUDE IT,

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PLUS OUR OWN PREFERENCE, OF COURSE. THEY FEEL IT HAS CONSUMER ACCEPTANCE. WE HAVE NOT PAID FOR ANY MARKETING SURVEYS ON THIS, OR CONSUMER SURVEYS.

MR. GRAHAM: IN YOUR TESTIMONY, YOU SAID THE WINES FROM SOLANO AND LAKE ARE DISTINCTIVE. IN WHAT WAY ARE THEY DISTINCTIVE?

MR. CHANDLER: I WOULD LIKE TO PREFACE MY REMARKS BY ADDING THAT I AM NOT A WINEMAKER. HOWEVER, I HAVE ON OCCASION TASTED WINES FROM LAKE COUNTY, AND THEY ARE DIFFERENT FROM WINES PRODUCED IN NAPA, SONOMA, AND MENDOCINO, IN MY OPINION, THE ONES I HAVE TASTED. I AM NOT A WINEMAKER, HOWEVER.

MR. GRAHAM: YOU WOULD NOT KNOW ANYTHING AS FAR AS THE CHARACTERISTICS OF THE GRAPES IN THOSE TWO COUNTIES VERSUS THE ONES IN SONOMA, MENDOCINO, AND NAPA COUNTIES?

MR. CHANDLER: WE DO NOT PURCHASE ANY GRAPES OUTSIDE THE THREE-COUNTY AREA. I HAVE SEEN LAKE COUNTY GRAPES CRUSHED. I HAVE NEVER SEEN SOLANO COUNTY GRAPES CRUSHED.

VISUAL APPEARANCE OF LAKE COUNTY CABERNET IS VERY CLOSE TO THE VISUAL APPEARANCE IN THE OTHER THREE COUNTIES. HOWEVER, ON WINE TASTINGS -- I WILL NEVER FORGET THE FIRST TWO WEEKS WE OWNED THE SOUVERAIN WINERY, WE PARTICIPATED IN A BLIND TASTING. AND A BOTTLE OF LAKE COUNTY CABERNET WAS INTRODUCED FOR THE PURPOSE OF CONFUSING THE PANEL, AND THEY IMMEDIATELY PULLED IT OUT AND SAID, "THIS IS A LAKE COUNTY CABERNET." SO A PANEL OF WINEMAKERS KNEW THE TASTE.

THE CHAIRMAN: THANK YOU, VERY MUCH.

IF OTHER PEOPLE WANT TO SEND THEIR COMMENTS IN WRITING, WE WILL ACCEPT THEM. WE WILL BREAK NOW FOR LUNCH, THEN, AND WE

ARE SCHEDULED TO RESTART ABOUT 1:00.

(AT APPROXIMATELY 11:50 A.M., A RECESS WAS TAKEN UNTIL 1:15 P.M. OF THE SAME DAY.)

JAMES DE TAR,

TESTIFIED AS FOLLOWS:

JAMES DE TAR.

# SOLANO COUNTY PRESENTATION

THE CHAIRMAN: LADIES AND GENTLEMEN, IF WE COULD, I WOULD LIKE TO CONVENE AND APOLOGIZE FOR BEING LATE. BUT IN A THRIVING METROPOLIS LIKE SANTA ROSA, ALL THE RESTAURANTS WERE VERY CROWDED.

WE WILL START WITH THE SOLANO COUNTY PRESENTATION. I
WILL GO THROUGH THE NAMES IN THE ORDER GIVEN TO ME AND CALL THEM
INDIVIDUALLY AS WE GET TO THEM.

JAMES DE TAR, WILLIAM C. HARRISON, WYMAN RILEY, BOB CARTY, BILL WETZEL, BEN VOLKHARDT, JAN HEWITT.

I WOULD ASK AGAIN THAT YOU TRY TO KEEP AS CLOSE TO 10 MINUTES AS YOU CAN, PLEASE.

I AM JIM DE TAR, AND I AM A FARM ADVISER, COOPERATIVE EXTENSION, UNIVERSITY OF CALIFORNIA IN SOLANO COUNTY.

ABOUT FOUR YEARS AGO, WE TRIED TO, IN OUR OFFICE,
CHARACTERIZE THE GRAPE INDUSTRY IN WESTERN SOLANO COUNTY, AND
THAT IS WHAT I HAVE GIVEN YOU THERE. I HAVE REVIEWED IT RECENTLY
AND FIND IT TO BE UP TO DATE, WITH CERTAIN EXCEPTIONS.

I HAVE SOME OVERHEAD SLIDES THERE FROM THAT PUBLICATION
I WOULD LIKE TO SHOW, IF I MAY.

COULD I HAVE THE LIGHTS DIMMED.

I THOUGHT YOU COULD ALL SEE SOLANO COUNTY RIGHT HERE IN RELATION TO THE OTHER COUNTIES YOU ARE TALKING ABOUT. QUITE COMMONLY, IT GETS THROWN IN WITH THE VALLEY AND THE NORTH BAY; AND THERE IS REASON FOR THAT BECAUSE WE SEE THE EASTERN HALF DOES FALL INTO THE CENTRAL VALLEY. THE WESTERN HALF CERTAINLY, AS I WILL POINT OUT, COULD BE CONSIDERED A NORTH BAY COUNTY.

THE WESTERN SOLANO GRAPE INDUSTRY IS LOCATED HISTORICALLY IN THE DARKER AREA. TO BLOW THAT UP A LITTLE, HERE IS SOLANO COUNTY AND U.S. 80; AND THAT IS, AGAIN, THE AREA WE ARE TALKING ABOUT, GREEN VALLEY AND SUISUN VALLEY.

HERE AGAIN, IT IS ENLARGED, AND WE SEE INTERSTATE 80, SUISUN VALLEY, GREEN VALLEY.

WE HAVE THE VACA MOUNTAINS, COAST RANGE COMING DOWN
HERE, AND THE MOUNT GEORGE RANGE COMES DOWN HERE. BOTH OF THEM
ARE PART OF THE COAST RANGE.

THE DRAINAGE IS LARGELY GREEN VALLEY CREEK OUT OF NAPA COUNTY DOWN SOUTH INTO SUISUN BAY.

SUISUN VALLEY IS SUISUN VALLEY CREEK, SUISUN CREEK,
OUT OF WOODEN VALLEY, LAKE CURRY, AND GORDON VALLEY IN NAPA COUNTY

1 -- THOSE ARE UP HERE -- COMES DOWN, AND THEN, AGAIN, GOES INTO 2 SUISUN BAY.

I MIGHT POINT OUT THAT SOLANO COUNTY NOT ONLY FACES

-- THE WESTERN PART OF SOLANO COUNTY -- NOT ONLY SUISUN BAY, BUT

ALSO SAN PABLO BAY. THAT MAP I JUST SHOWED YOU SEEMS TO INDICATE

NAPA COUNTY REACHES SAN PABLO BAY. I THINK THAT'S AN ERROR.

SOLANO COUNTY FACES ON SAN PABLO AND SUISUN BAY.

MR. HEINTZ ALREADY DISCUSSED ACREAGES IN THE VARIOUS COUNTIES THAT ARE INVOLVED. THESE WERE SOME OF MY FIGURES THAT REALLY JUST SUBSTANTIATE HIS.

WESTERN SOLANO COUNTY HAS BEEN IN THE GRAPE BUSINESS

SINCE 1860. THE ACREAGE HAS GONE, ACCORDING TO MR. HEINTZ, FROM

3,000 IN 1890, UP AND DOWN, WENT DOWN ALONG WITH EVERYBODY ELSE'S

TO AROUND 500 ACRES, AND HAS SINCE COME BACK UP TO 1200 ACRES.

THESE ARE THE KIND OF VARIETIES WE FIND IN WESTERN SOLANO COUNTY, OR IN THE COUNTY AS A WHOLE. YOU'VE GOT THREE AREAS: THE GREEN VALLEY, SUISUN AREA OF WESTERN SOLANO COUNTY; THE LAGOON VALLEY OR VACAVILLE AREA; AND THEN THE ISLAND AREA, HASTINGS -- OR EASTERN SOLANO COUNTY, HASTINGS AND RYER ISLAND.

THE AREA UNDER DISCUSSION IS ONLY THE WESTERN SOLANO COUNTY, OR GREEN VALLEY, SUISUN VALLEY, CURRENTLY SOME 800 ACRES; WHEREAS, IN THE VACAVILLE AREA, DIFFERENT CLIMATE, SOME 90 ACRES; AND ON THE ISLAND, OFTEN ASSOCIATED WITH THE CLARKSBURG AREA, WE HAVE SOME 400 ACRES. THIS IS EAST OF RYER ISLAND.

THESE ARE THE VARIETIES. THE MIX OF VARIETIES IN

RECENT YEARS HAS TENDED TO GO FROM WHAT YOU MIGHT CALL THE

STANDARD VARIETIES LIKE CARIGNANE TO MORE VARIETIES LIKE GAMAY

AND CABERNET.

THIS IS WHERE THE GRAPES GO. AS YOU HAVE ALREADY HEARD, WE HAVE TWO OPERATING WINERIES IN SOLANO COUNTY. NEITHER ONE CRUSH A GREAT DEAL, SO THAT THE BULK OF THE GRAPES HAVE BEEN CRUSHED IN NAPA AND SONOMA COUNTIES.

IN FACT, IN 1974, ABOUT 80 PER CENT WENT THAT WAY; AND, RECENTLY UPDATED, STILL ABOUT 80 PER CENT. THE CHANGE HAS BEEN THAT THE GRAPES FROM THE RYER ISLAND OR EASTERN SOLANO COUNTY HAVE GONE TO THE SAN JOAQUIN VALLEY WINERIES. VERY SMALL PERCENTAGE HAVE BEEN CRUSHED AND MADE INTO WINE LOCALLY. I SUPPOSE EVERYBODY KNOWS THIS.

PEOPLE HAVE BEEN KIND OF PUSSY-FOOTING AROUND ABOUT THIS. WE GROW THE SAME VARIETIES IN DIFFERENT DISTRICTS; AND, FORTUNATELY OR UNFORTUNATELY, WE GET DIFFERENT PRICES. SOLANO COUNTY GROWERS, OR WESTERN SOLANO COUNTY GROWERS TRADITIONALLY THOUGHT THEY WERE GETTING ABOUT 90 PER CENT OF THE NAPA COUNTY PRICE.

THESE ARE SOLANO COUNTY'S LEADING FIVE VARIETIES AND THE PRICE THAT WAS REPORTED IN THE GRAPE CRUSH REPORT IN 1979.

AND YOU CAN SEE THEY ARE DIFFERENT. AND THE AVERAGE IS 417 -IS THAT RIGHT? -- FOR NAPA, 308 FOR SOLANO, AND 188 FOR LODI.

QUITE OBVIOUSLY, AFTER ITS LONG ASSOCIATION WITH NAPA
COUNTY, THE PROSPECT OF SOLANO GROWERS GETTING LODI PRICES SEEMED
LIKE A RATHER DISMAL PROSPECT.

WE HAVE HAD SOME TALK ABOUT CLIMATE AND HEAT SUMMATION

AND DAY DEGREES AND THAT SORT OF THING. UNFORTUNATELY FOR

WESTERN SOLANO COUNTY GROWERS, THERE WAS AN ERROR THAT WAS

PRINTED IN THE BOOK BY WINKLER MANY YEARS AGO THAT PLACED

CORDELIA IN A GRAPE REGION AT IV. THIS ERROR HAS BEEN PERPETUATED

IN A NUMBER OF DIFFERENT PUBLICATIONS SINCE.

I MIGHT POINT OUT THAT THOSE OF YOU WHO HAVE WORKED WITH TEMPERATURE UNITS OR DAY DEGREES KNOW THAT THESE THINGS ARE REALLY NOT VERY PRECISE. A DIFFERENCE IN AN AVERAGE TEMPERATURE PER DAY OF TWO DEGREES THROUGH A SEASON WILL THROW A DISTRICT FROM ONE REGION TO ANOTHER. THAT IS HARDLY WITHIN THE ACCURACY OF YOUR MEASURING INSTRUMENTS UNLESS YOU CALIBRATE THEM RATHER CAREFULLY, AND USE THERMOGRAPHS, IN OTHER WORDS. IT MAKES A GREAT DEAL OF DIFFERENCE HOW YOU CALIBRATE DAY DEGREES.

MR. KUNDEE POINTED OUT THEY USE A MAXIMUM AND MINIMUM,
AND THERE ARE SOME ERRORS THAT CAN BE INTRODUCED. THERE ARE A
NUMBER OF WAYS OF CALIBRATING, AND YOU COME UP WITH DIFFERENT
ANSWERS. JUST LEAVE IT AT THAT.

THE OTHER THING WE FIND OUT IS THAT WE USE THE
DEPARTMENT OF METEOROLOGY WEATHER STATION THAT HAS BEEN IN THE
MIDDLE OF SUISUN VALLEY FOR SOME 15 YEARS. THAT IS OUR BASE
STATION. AND YOU CAN SEE THAT THE GRAPE REGION IN DIFFERENT
AREAS IS DIFFERENT. YOU CAN BE AS COOL AS A REGION II OR AS WARM
AS A REGION IV AT THIS ONE LOCATION IN SUISUN VALLEY. SO YOU
CANNOT ARBITRARILY SAY THIS IS A REGION III DISTRICT.

IN THE OTHER TWO COLUMNS, IT HAS BEEN OUR EFFORT TO CORRELATE THE OTHER REGIONS WITH OUR MAIN BASE STATION, NAMELY, GREEN VALLEY. BUT OVERALL, IF YOU HAVE TO CATEGORIZE IT BY SOME WAY OR OTHER, I GUESS YOU WOULD SAY WE ARE AN AVERAGE THREE IN THE WESTERN SOLANO GRAPE AREAS.

THESE REGION III'S, AS PROBABLY WILL BE POINTED OUT,
EXIST IN SOME OF THE OTHER AREAS UNDER DISCUSSION, NAMELY IN THE
WARMER PART OF NAPA AND SONOMA AND, I GUESS, MENDOCINO, TOO.

IT CAME UP THE QUESTION OF IS A 3,000 DAY DEGREE THE SAME ONE PLACE AS ANOTHER? AND IT WAS A QUESTION OF MODIFYING INFLUENCE AS BROUGHT UP. THE MODIFYING INFLUENCE IN THE SUISUN AREA AND THE GREEN VALLEY AREA -- THERE ARE TWO. ONE IS THE WEST WIND. SUISUN IS INDIAN FOR WEST WIND. THAT IS THE PREVAILING WIND THAT COOLS OUR AREA. THE OTHER IS YOUR PROXIMITY TO THE TWO BAYS, SAN PABLO BAY FOR THE FAR WESTERN PART OF SOLANO COUNTY, AND SUISUN BAY. THE DISTRICTS WE ARE TALKING ABOUT ARE WITHIN 10 MILES OF THE BAY.

ANOTHER APPROACH TO CLIMATE MIGHT BE -- A FEW YEARS

AGO, A UNIVERSITY OF CALIFORNIA EXTENSION BIOCLIMATOLOGIST MADE

A CLIMATE MAP OF THE STATE, AND YOU WILL FIND IT IN LANE

PUBLICATIONS' SUNSET WESTERN GARDEN BOOK IN THE FRONT, IF ANY OF

YOU USE THAT. YOU WILL FIND THEY HAVE THESE DIFFERENT CLIMATE

AREAS. AND THE SOLANO PART CAME FROM THIS MAP, AND I JUST USE

THIS TO POINT OUT THAT -- ONE DOES NOT MEAN GRAPE REGION. ONE

IS WHAT WE CALL THE MARITIME. THAT'S THE STUFF DOWN TO THE

BLACK POINT CUTOFF, WHICH IS RIGHT ALONG SAN PABLO BAY, AND, AGAIN,

ALONG SUISUN BAY.

AND II WE CALL THE COASTAL REGION, THE GREEN VALLEY, SUISUN VALLEY AREA. THIS IS GREEN VALLEY HERE, AND THIS IS SUISUN VALLEY RIGHT UP HERE.

COMING DOWN FROM THE TOP -- THIS IS A COASTAL BAND.

COMING DOWN FROM THE TOP, THIS IS AN INTERIOR REGION, VERY WARM,

AND THIS IS THE VACAVILLE AREA. AS YOU GO UP HIGHWAY 80, YOU

WILL SEE SOME GRAPES THERE, AND THE PENA ADOBE IN THE CITY OF

VACAVILLE.

SOME PEOPLE HAVE COMMENTED THEY ARE GOING FROM SONOMA

AREA OR NAPA UP THROUGH 80 AND HIT A WARM PLACE IN THE ROAD.

THOSE OF US THAT LIVE IN THE FAIRFIELD AREA AND TRAVEL FREQUENTLY

TO THE BAY AREA OR THROUGH NAPA AND SANTA ROSA FIND THAT, COMING

FROM NAPA COUNTY OR FROM VALLEJO EITHER ON 80 OR HIGHWAY 12 -
WE FIND NO DRASTIC OR ABRUPT CHANGES IN TEMPERATURE. WHERE WE

FIND THE ABRUPT CHANGES IN TEMPERATURE IS GOING UP HIGHWAY 80

BETWEEN FAIRFIELD AND VACAVILLE. AND YOU BREAK UP OVER THIS

LITTLE GAP HERE, AND THERE ALL OF A SUDDEN IT'S REALLY QUITE WARM.

THIS WHOLE AREA GENERALLY, WE FEEL, IS WINDY AND COOL.

THIS AREA III IS EASTERN SOLANO COUNTY, AND THAT IS IN
THE CENTRAL VALLEY. I MIGHT POINT OUT SOME OTHER THINGS THAT
HORTICULTURALLY WE NOTICE. WE FIND THAT POLITICAL BOUNDARIES DO
NOT HAVE ANY HORTICULTURAL SIGNIFICANCE AS A GENERAL RULE.

IN THIS WARM AREA UP HERE, IT HAPPENS TO BE APRICOTS.

IT IS THE APRICOT DISTRICT. APRICOTS RIPEN IN 30 DAYS, A FULL

MONTH BEFORE APRICOTS RIPEN IN THE SUISUN VALLEY. DRASTICALLY

DIFFERENT.

ANOTHER THING WE NOTICE IS IN THE PRUNE INDUSTRY.

PRUNES ON THE COAST, AS THEY RIPEN, TEND TO DROP AND FALL BIT BY

BIT, WHICH IS A PROBLEM WITH MECHANICAL HARVEST. THIS HAPPENS

IN THE COASTAL COUNTIES; WHERE IN THE VALLEY COUNTIES, THE PRUNES

TEND TO STAY ON THE TREE AFTER THEY RIPEN SO THEY CAN BE HARVESTED

ALL AT ONE TIME. WE FIND THE SUISUN AREA IS INTERMEDIATE IN THAT

RESPECT.

THAT JUST ABOUT CONCLUDES MY REMARKS. THANK YOU.

THE CHAIRMAN: MR. DE TAR, SHOULD ALL OF SOLANO COUNTY BE IN THE NORTH COAST?

MR. DE TAR: I WOULD THINK NOT. NO. DEFINITELY NOT.

NOT ON THE BASIS OF MY INFORMATION.

MRS. KIRK: WHAT PART OF THE SOLANO COUNTY WOULD YOU SUGGEST BE INCLUDED WITHIN THE PROPOSED NORTH COAST AREA?

MR. DE TAR: WHAT I CALL WESTERN SOLANO COUNTY WOULD BE
THE AREA WHERE THE HISTORICAL GRAPE INDUSTRY HAS BEEN CENTERED
FOR 120 YEARS -- GREEN VALLEY OR SUISUN VALLEY OR THE AREA WEST
OF FAIRFIELD. I THINK OTHER PEOPLE ADDRESSED THAT.

A VOICE: I CAN PROBABLY ADDRESS THAT PROBLEM. IT MIGHT SAVE TIME. I AM THE NEXT SPEAKER.

MR. DE TAR: I WISH YOU WOULD ASK ME THE QUESTION ABOUT IF A VINEYARD CROSSES A LINE.

THE CHAIRMAN: I DECIDED TO QUIT THAT.

MR. DE TAR: I THINK POLITICAL LINES HAVE NO HORTICUL-TURAL SIGNIFICANCE. I THINK YOU WOULD HAVE TO INCLUDE THE WHOLE VINEYARD.

MR. GEORGE: IF I COULD TAKE A FEW MINUTES OF YOUR TIME.

I THINK THAT IS A VERY SUCCINCT COMMENT YOU MAKE ABOUT POLITICAL BOUNDARIES. NOW, WHAT IN YOUR EXPERIENCE WOULD BE A BETTER ALTERNATIVE THAN TO HAVE POLITICAL BOUNDARIES? AND I REALIZE THAT SOMETIMES POLITICAL BOUNDARIES ARE THE BEST THING TO MAKE A DISTINCTION, AND SOMETIMES THEY ARE NOT. BUT IF WE HAVE A CASE HERE WHERE IT IS POSSIBLY NOT THE RIGHT THING TO DO, WHAT SHOULD WE DO WITH IT?

MR. DE TAR: I WOULD FOLLOW MY LAST MAP, MY CLIMATE MAP, REALIZING THAT IT IS NOT ALL THAT PRECISE, NOR IS DEGREE DAYS.

MR. GEORGE: JUST ONE OTHER QUESTION. THE VALLEY THAT

IS IN SOLANO COUNTY -- IS THAT WOODEN VALLEY?

MR. GEORGE:

MR. DE TAR: WOODEN VALLEY IS IN NAPA COUNTY.

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OTHER BEGINS.

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MR. DE TAR: GORDON VALLEY. THE CULTIVATABLE LAND IN GORDON VALLEY BLENDS INTO UPPER SUISUN VALLEY. THEY ARE REALLY ONE AND THE SAME. IT IS HARD TO TELL WHERE ONE ENDS AND THE

GORDON VALLEY?

MR. GEORGE: GREEN AND SUISUN ARE BOTH IN SOLANO?

YES. MR. DE TAR:

MR. GEORGE: THANK YOU.

THE CHAIRMAN; WILLIAM HARRISON.

## WILLIAM C. HARRISON,

ON BEHALF OF THE WESTERN SOLANO GRAPE GROWERS, TESTIFIED AS FOLLOWS:

I AM WILLIAM C. HARRISON, REPRESENTING THE WESTERN SOLANO GRAPE GROWERS. AND I MIGHT ADD THAT I GREW UP IN SOLANO COUNTY. I LIVE IN NAPA COUNTY. SO I AM FAMILIAR WITH BOTH FOR THE LAST 40 YEARS.

FIRST OF ALL, I WOULD LIKE TO FILE WITH THE BOARD AT THIS TIME AN EXHIBIT NEXT IN ORDER, WHICH IS A LETTER UNDER DATE OF JANUARY 7, 1980, TO THE DIRECTOR OF THE ALCOHOL, TOBACCO, AND FIREARMS BUREAU, WHEREIN IT INDICATES: "THE UNDERSIGNED WINE GRAPE GROWERS, KNOWN AS THE WESTERN SOLANO GRAPE GROWERS, STRONGLY URGE THAT THE GREEN VALLEY/SUISUN VALLEY WINE GRAPE PRODUCTION AREA OF WESTERN SOLANO COUNTY (CALIFORNIA) BE ALLOWED TO RETAIN ITS HISTORICAL NORTH COAST DESIGNATION FOR ALL PURPOSES BECAUSE OF ITS GEOGRAPHICAL LOCATION (WITHIN THE COAST MOUNTAIN RANGE); CLIMATE; LONG CONTINUOUS HISTORY OF PRODUCTION (SINCE 1860);

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TRADITIONAL ASSOCIATION WITH AND CROP UTILIZATION BY NORTH COAST VINTNERS; GRAPE QUALITY; AND VARIETIES.

"THE AREA REPRESENTED" -- SO THAT WE CAN CLARIFY THIS FOR THE BOARD AND PURSUANT TO THE RULES. "THE AREA REPRESENTED BY THE ABOVE GROWERS STARTS AT THE NORTHWEST BOUNDARY OF NAPA AND SOLANO COUNTIES" -- AND IF I CAN INDICATE THAT FOR MEMBERS OF THE BOARD AND FOR THE AUDIENCE, WE HAVE INDICATED THIS IS THE ENTIRE MAP OF SOLANO COUNTY, AND WE HAVE OUTLINED JUST THE WESTERN AREA WE ARE SPEAKING OF IN RED TO DELINEATE THE VITICULTURAL AREA THAT WE FEEL OF SOLANO COUNTY SHOULD BE MAINTAINED AS A NORTH COAST AREA.

NOW, AGAIN CONTINUING WITH THAT: "THE AREA REPRESENTED BY THE ABOVE GROWERS STARTS AT THE NORTHWEST BOUNDARY OF NAPA AND SOLANO COUNTIES (LOCATED IN WILD HORSE VALLEY) PROCEEDING SOUTH ALONG THE COUNTY LINE TO JAMIESON CANYON AT WHICH POINT IT TURNS EAST AND PROCEEDS ALONG CORDELIA ROAD TO THE INTERSECTION WITH PENNSYLVANIA AVENUE WHERE IT TURNS NORTH AND PROCEEDS NORTH-WESTERLY TO THE INTERSECTION WITH THE NAPA COUNTY LINE AT THE HEAD OF SODA SPRINGS CREEK." AND IT IS SORT OF ALMOST A SQUARE OR RECTANGLE AREA IN THE SOUTH OR WESTERN PART OF SOLANO COUNTY.

AND I WILL FILE THAT WITH THE BOARD.

THE CHAIRMAN: THAT WOULD BE NO. 4. AND, FOR THE RECORD, THE PACKAGE THAT MR. DE TAR GAVE, THE WINE GRAPE INDUSTRY OF SOLANO COUNTY, WILL BE NO. 3.

MR. HARRISON: NOW, THE REASON WE ASK THAT -- IT IS MY UNDERSTANDING THAT THE PURPOSE OF THE HEARING IS WHAT AREA WOULD BE IN THE NORTH COAST VITICULTURAL AREA.

AND TRADITIONALLY, AS THE HISTORIANS HAVE POINTED OUT

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AND AS THE REPORT MARKED NO. 3 BY MR. DE TAR INDICATES, THE GREEN VALLEY, SUISUN VALLEY AREA HAS PRODUCED GRAPES OF THE QUALITY THAT COULD BE USED -- AND, IN FACT, 80 PER CENT HAVE BEEN SOLD TO BE CRUSHED IN THE NAPA, SONOMA, AND MENDOCINO AREAS, PRIMARILY NAPA.

NOW, I HAVE OTHER EXHIBITS I WOULD LIKE TO HAVE MARKED OR TO BE INTRODUCED. ONE, THE NEXT IN ORDER, WOULD BE 5 -- WOULD BE A PICTURE DEPICTING THE GREEN VALLEY, AND, ALSO, OVER THE RANGE YOU CAN SEE NAPA VALLEY. AND I THINK IT WOULD BE OF SOME ASSISTANCE. ANOTHER DOCUMENT OR PHOTOGRAPH THAT WE COULD MARK EXHIBIT NO. 6, DEPICTING SUISUN VALLEY; ANOTHER DOCUMENT. NO. 7, DEPICTING GREEN VALLEY; AND A SMALL POSTCARD-TYPE PICTURE THAT WE COULD CALL 8, THAT DEPICTS THE CLOSENESS OF ALL THE AREAS WE ARE SPEAKING OF.

I THINK IN COMMENTING WHILE THE BOARD HAS AN OPPORTUNITY TO REVIEW THOSE PICTURES, THE PICTURE MARKED 5, I BELIEVE, DEPICTING THE GREEN VALLEY, SHOWS THE MOUNTAIN RANGE THAT MR. DE TAR SPOKE ABOUT, THE MOUNT GEORGE RANGE OF THE COASTAL RANGE DIVIDING NAPA VALLEY FROM SUISUN VALLEY AND GREEN VALLEY. IN THE SMALL POSTCARD THAT INDICATES GREEN VALLEY, IN THE LEFT-HAND SIDE YOU CAN SEE MOUNT ST. HELENA; AND TO THE RIGHT YOU CAN SEE THE BLUE RIDGE, OR VACAVILLE COASTAL RANGE, INDICATING THE DELINEATION FOR THE SUISUN VALLEY.

NOW, OF PARTICULAR IMPORT, I BELIEVE, IS THE FACT THAT, NOT ONLY DOES HISTORY SUPPORT THE FACT THAT SOLANO COUNTY SHOULD BE INCLUDED IN THE NORTH COAST VITICULTURAL AREA, BUT ALSO THE FACT OF THE GEOGRAPHY ITSELF. NOT ONLY THE GEOGRAPHICAL AREA --IF YOU SEE THE PICTURES, THE AREAS OF, WE FEEL, SUISUN VALLEY AND

GREEN VALLEY ARE LIKE MINIATURE NAPA VALLEYS, THE PRIME AREA FOR GRAPE PRODUCTION, WE FEEL, IN THE WORLD.

NOW, IT IS NOT ONLY THE FACT THAT THEY ARE VALLEYS.

THEY EACH HAVE A MOUNTAIN RANGE ON EACH SIDE THAT IS PART OF THE COASTAL RANGE, THEY ARE FLAT. AND THE TWO PICTURES THAT WE HAVE INTRODUCED, I BELIEVE, AS 6 AND 7 INDICATE THE AREA UPON WHICH MOST OF THE GRAPE PRODUCTION WITH WHICH OUR WESTERN SOLANO GRAPE GROWERS ARE CONCERNED ARE IN THE FLATLANDS WITH THE SAME SOIL CONTENT AS THAT IN THE NAPA VALLEY TO MUCH DEGREE AND WITH THE SAME QUALITY OF GRAPE PRODUCTION THAT CAN BE GOTTEN IN THE OTHER THREE COUNTIES.

NOW, SOME OF THE SPEAKERS EARLIER THIS MORNING
INDICATED THAT MAYBE SOLANO COUNTY HAS NOT MADE A TRACK RECORD,
AND I THINK THAT IS NOT TRUE. I THINK THE RECORDS AND THE DATA
THAT HAS BEEN INTRODUCED HERE BY MR. DE TAR SUPPORT THE POSITION
THAT 80 PER CENT OF THE GRAPES ARE SOLD TO BUYERS IN NAPA COUNTY
FOR CRUSHING IN NAPA COUNTY AND FOR INCLUDING IN THE WINES THAT
CARRY THE NORTH COAST LABEL. AND THAT HAS BEEN THE HISTORY.

AND THE REASON FOR IT IS NOT JUST THE FACT THAT THEY

COME ACROSS AND GET IT. IT IS BECAUSE OF THE QUALITY OF THE

GRAPE THAT IS BEING PRODUCED. AND THAT IS WHY WE COME HERE THIS

AFTERNOON. WE ARE ASKING THAT JUST THIS AREA THAT HAS BEEN

DEFINED AS IN THE EXHIBIT WE INTRODUCED AND AS INDICATED ON THE

MAP -- THAT IS THE ONLY AREA THAT WE ARE ASKING OF SOLANO COUNTY

THAT BE INCLUDED IN THE NORTH COAST. AND THE REASON FOR THAT IS

CLEAR.

HERE WE DO HAVE, AS MR. DE TAR POINTED OUT, THE CLIMATICAL CONDITIONS. WE DO HAVE FOG IN THE VALLEYS, IN EACH OF

THOSE VALLEYS. WE DO HAVE BREEZES IN THOSE VALLEYS. AND THOSE WHO PLAY GOLF IN THE GREEN VALLEY, WHICH ALSO HAS A GOLF COURSE, WILL COMPLAIN IN THE AFTERNOONS ON HOW COLD THE FOG DOES COME IN, AND THE WINDS ARE THERE. SO MUCH AS THE FELLOW FROM SONOMA COUNTY INDICATED.

NOW, AS FAR AS THE WEATHER CONDITIONS -- AND THE RECORDS AND REPORT THAT WAS INTRODUCED BY MR. DE TAR INDICATE THAT IT IS PRIMARILY A REGION III AREA, AND HE POINTS OUT THE AREAS THAT IT IS COMPATIBLE OR COMPARABLE WITH, THOSE IN THE UPPER NAPA VALLEY AND IN THE SONOMA AND MENDOCINO AREAS. NOW, MANY OF THE FELLOWS WHO WILL SPEAK LATER ARE THOSE OF THE GRAPE GROWERS, AND THEY WILL INDICATE WHERE THEY SELL THEIR GRAPES IN THE NAPA AREA AND HOW THEY ARE PRIMARILY USED.

NOW, WE ARE DISTINGUISHING THE FACT OF NOT INCLUDING ALL OF SOLANO COUNTY, AND I HOPE EVERYBODY UNDERSTANDS THIS. AND PRIMARILY THE REASON FOR THAT IS THAT THE OTHER PART OF SOLANO COUNTY IS NOT A NORTH COAST AREA, IS NOT COMPATIBLE WITH, AND YOU DO NOT HAVE THE VITICULTURAL SIGNIFICANCE THAT YOU DO IN THESE TWO AREAS WITH WHICH WE SPEAK.

AND SO WHEN ONE ASKED THAT THE BOARD NOT BE SWAYED BY
THE FACT THAT THE GRAPES ARE CRUSHED IN NAPA VALLEY OR IN SONOMA,
BUT THEY COME FROM SOLANO, BUT BE CONCERNED WITH WHERE THEY ARE
GROWN, THAT IS WHAT WE ARE CONCERNED WITH, TOO. AND I THINK THIS
IS WHERE WE GET TO A REASON RATHER THAN JUST A RULE. WHY DO WE
DRAW A LINE? WHY DO WE INCLUDE ALL OF MENDOCINO, ALL OF SONOMA,
ALL OF NAPA? WHY DO WE JUST HAVE THAT DEFINITION? THAT DOES NOT
MAKE TOO MUCH SENSE OTHER THAN THE FACT THAT THOSE ARE THE THREE
PRIME PRODUCING AREAS OF QUALITY WINE GRAPES IN ALL THE WORLD.

THERE IS NO DOUBT ABOUT IT.

BUT IF WE TAKE, AS ONE OF THE REPRESENTATIVES INDICATED,
THE NORTHERN PART OF MENDOCINO COUNTY, THERE MIGHT NOT BE A GRAPE
UP THERE. THERE ARE PARTS OF NAPA YOU CANNOT GROW GRAPES IN
EITHER. BUT WE DO HAVE THIS PRIME LAND IN SOLANO THAT IS
CONTIGUOUS WITH NAPA, THAT IS GEOGRAPHICALLY THE SAME, PRODUCES
A SMALLER QUANTITY BECAUSE THERE IS NOT AS MUCH ROOM, BUT IT IS
THE SAME QUALITY. AND, THEREFORE, THAT IS WHY WE FEEL STRONGLY
THAT THAT SHOULD BE INCLUDED.

FURTHER, ONE OF THE BUYERS, OR THE WINEMAKER AT SEBASTIANI, I BELIEVE, THIS MORNING INDICATED THAT THEY HAVE BOUGHT WINES FROM SOLANO COUNTY, BUT THEY WOULD ONLY BUY FROM CERTAIN AREAS, NAMELY, GREEN VALLEY, SUISUN VALLEY. HE MENTIONED WOODEN VALLEY AND GORDON VALLEY, WHICH GORDON VALLEY HAS SOME SOLANO, WHICH WE ARE TREATING AS THE UPPER SUISUN VALLEY. WOODEN VALLEY IS ACTUALLY IN NAPA, BUT, AGAIN, GROWING THE SAME QUALITY TYPE OF GRAPE.

ALSO, A LITTLE BIT OF HISTORY IN THE FACT TO SUPPORT WHAT I HAVE JUST INDICATED -- MR. LORY CRAVEA, A PRINCIPAL BUYER IN THE AREA AND ALSO PRESENT IN THE AUDIENCE, HAS BOUGHT FROM THESE WESTERN SOLANO GRAPE GROWERS IN THIS PARTICULAR REGION GRAPES ON BEHALF OF CHRISTIAN BROTHERS FOR NAPA IN THE LAST 38 YEARS; AND SEBASTIANI, FOR THE LAST 25 YEARS.

AND NOW, IF WE TAKE THE MAP THAT HAS BEEN INTRODUCED

IN THE ORIGINAL PETITION ON BEHALF OF MENDOCINO, SONOMA, AND NAPA

COUNTIES, AND WE TAKE THIS AREA WITH WHICH I HAVE DELINEATED

HERE OFF OF OUR SOLANO COUNTY MAP, IT IS REALLY JUST THIS LITTLE

CORNER HERE. AND, AGAIN, I BELIEVE THE PICTURES THAT HAVE BEEN

INTRODUCED DEPICT FOR THE BENEFIT OF THOSE WHO HAVE NOT VISITED
THE AREAS THE FACT THAT THE COASTAL RANGES, THE ROLLING HILLS
WITH THE OAK TREES. SETTLING DOWN INTO A VALLEY, THE FLAT VALLEY
WITH THE FERTILE LAND FOR THE GRAPES, AND THE FACT OF THE
PRODUCTION THAT IS THERE, MAINLY FOR THE GEOGRAPHICAL FEATURES
WHICH I THINK WE ARE CONCERNED.

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IN OTHER WORDS, WHY SHOULD WE INCLUDE THIS PARTICULAR AREA OR ANY PARTICULAR AREA IN THE DESIGNATION FOR THE VITICUL-TURAL AREA OF NORTH COAST? ANOTHER ONE OF THE GENTLEMEN WHO SPOKE EARLIER INDICATED THE PRESENT STRUCTURE IS TO HAVE JUST THE THREE COUNTIES, AND I THINK THE HISTORIANS HAVE SHOWN THAT MAYBE THAT IS TRUE, MAYBE IT IS NOT. BUT FROM THE EARLY 1860'S ALL THE WAY UP UNTIL AT LEAST 1950, THIS WAS NOT TRUE. AND FROM ALL OF THE REFERENCES, I AM SURE THE MEMBERS COULD SEE THAT IT WAS SOLANO COUNTY -- SOLANO AND NAPA SOMETIMES ARE CLOSER TOGETHER THAN THE SONOMA AND MENDOCINO. SO THERE HAS ALWAYS BEEN THAT LONG TIE: AND PRIMARILY NOT BE(AUSE THEY ARE NEIGHBORS, BUT BECAUSE OF THE GEOGRAPHICAL SIMILARITIES IN THE PRODUCTION OF A FINE GRAPE. AND, THEREFORE, THE PRESENT STRUCTURE OF INCLUDING ONLY THE THREE DEPENDS ON WHO IS MAKING UP THAT PRESENT STRUCTURE. AND IF ONE WANTS TO SAY THAT IT ONLY INCLUDES THE THREE PEOPLE ON THE OTHER SIDE OF THE FENCE, WELL, THEN THAT'S THE PRESENT STRUCTURE. BUT THAT IS NOT REALLY THE SITUATION. THAT IS WHY WE ARE HERE, TO FIND OUT WHAT IS THIS VITICULTURAL AREA TO BE; AND ARE WE GOING TO ADOPT JUST NEAR POLITICAL LINES, OR ARE WE GOING TO DO SOMETHING THAT HAS A REASON? ARE WE DOING SOMETHING FOR THE BETTERMENT OF OUR INDUSTRIES, OF ALL OF US, AND FOR THE CONSUMER, IN WHICH WE ARE ALL INTERESTED, ALSO?

I COULD GO ON, BUT I THINK THE 10 MINUTES ARE UP.

THE CHAIRMAN: I THINK YOU SAID THAT THE GRAPES GROWN
IN THE WESTERN SOLANO COUNTY, PARTICULARLY SUISUN VALLEY AND
GREEN VALLEY, WERE EQUAL TO THAT WHICH WAS IN NAPA.

MR. HARRISON: THAT IS CORRECT.

THE CHAIRMAN: MY UNDERSTANDING OR MY RECOLLECTION IS
THAT MR. DE TAR SHOWED A PRICING FIGURE COMPARING NAPA, SOLANO,
AND LODI, I BELIEVE, TO WHERE THE SOLANO GRAPES WERE 74 PER CENT
OF THE DOLLAR THAT WAS GIVEN FOR THE NAPA GRAPES. IS THAT
INDICATIVE OF ANYTHING?

MR. HARRISON: THAT IS ONLY INDICATIVE OF POWER, I
BELIEVE, IN THE INDUSTRY ITSELF. BUT I THINK IF YOU LOOK ON PAGE
7 OF THE REPORT OF MR. DE TAR, HE POINTS OUT THREE OF THE
VARIETIES THAT COME FROM THE AREA WITH WHICH I HAVE SPOKEN,
NAMELY, SUISUN VALLEY AND THE GREEN VALLEY AREAS, AND HOW THEY
COMPARE WITH THAT OF THE NAPA VALLEY, THE REQUIREMENTS, AS I
UNDERSTAND.

I THINK THE PROBLEM IN ANSWERING YOUR QUESTION IS THE FACT OF THE HAVING THE GRAPES OF THE EASTERN PART OF SOLANO COUNTY, BEING THE RYER ISLAND AND RIO VISTA AREA, THIS AREA. THOSE ARE OF A POOR QUALITY. THEY ARE SOLD MORE TO A MASS PRODUCING TYPE OF INDUSTRY, AND THEY GATHER A LOWER PRICE.

AND, THEREFORE, IF YOU PUT THAT PRICE IN WITH THE OTHER

-- AND I BELIEVE THAT IS WHAT THROWS OFF HIS FIGURES. BUT IF YOU

ARE TALKING ABOUT A PRIME GRAPE FROM THE SUISUN AND NAPA OR

SUISUN AND GREEN VALLEY, THIS GRAPE IS NOT GOING TO OBTAIN THE

PRICE OF A NAPA VALLEY, TO MY UNDERSTANDING -- AND SOMEBODY

CORRECT ME IF I AM WRONG -- BUT IT IS GOING TO BE PRETTY CLOSE.

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AND IF YOU TAKE THE TWO GRAPES WITH WHAT THE BUYERS -- INGLENOOK, SEBASTIANI -- THEY ARE USING THAT THE SAME WAY THAT THEY WOULD HAD THEY BOUGHT IT FROM A NAPA GROWER. AND I THINK THAT IS THE KEY.

MR. GRAHAM: ARE THERE ANY WINERIES LOCATED IN THESE TWO VALLEYS, OR ARE THESE ALL JUST GROWERS?

MR. HARRISON: PRIMARILY GROWERS. I HAD HEARD THIS
MORNING THERE WERE THREE WINERIES. I KNOW OF TWO. FRANK
CADENASSO HAS A WINERY IN THE SUISUN VALLEY, AND MR. LANZA, WHO
IS PRESENT HERE, HAS THE WOODEN VALLEY WINERY. HIS WOODEN VALLEY
WINERY, AS I UNDERSTAND IT -- AND HE CAN CORRECT ME IF I AM WRONG.
HE PRODUCES THE QUALITY GRAPES AND SELLS SOME OF HIS GRAPES TO
NAPA COUNTY AND DOES SOME OF HIS OWN PRODUCTION, ALSO.

MR. GRAHAM: YOU SAY THEY HAVE A HISTORY OF BEING CALLED NORTH COAST WHEN THEY ARE COMING FROM SOLANO COUNTY. WHAT KIND OF HISTORY?

MR. HARRISON: MY UNDERSTANDING IS THAT THE HISTORY -AND THE HISTORIAN THAT SPOKE HERE THIS MORNING, MR. HEINTZ, AND
THE FELLOW, I BELIEVE, THAT WILL SPEAK ON BEHALF OF LAKE COUNTY -WILL INDICATE THAT THE NORTH COAST WAS SORT OF EVERYTHING SORT OF
NORTH, AND PRIMARILY NORTH OF SAN FRANCISCO BAY. AND THIS
INCLUDED, AS I INDICATED EARLIER THIS MORNING, MARIN COUNTY,
MENDOCINO COUNTY, SONOMA COUNTY, NAPA COUNTY, AND EVERY ONE OF
THEM REFERRED TO SOLANO COUNTY UP UNTIL THE RECENT PAST, WHEN THE
THREE MAJOR COUNTIES -- MENDOCINO, SONOMA, AND NAPA -- FELT THAT
THEY WOULD LIKE TO USE THE POLITICAL LINES TO DELINEATE THAT
PARTICULAR -- OR REDUCE THAT DEFINITION.

MR. GRAHAM: IN THE LAST, SAY, 10 YEARS, HAVE THE GRAPES

FROM SOLANO COUNTY BEEN CONSIDERED NORTH COAST?

MR. HARRISON: I THINK THE GRAPE GROWERS CONSIDER IT
NORTH COAST, THE ONES THAT ARE GROWING IN SOLANO COUNTY, AND I
THINK THE ONES THEY SELL IT TO, NAMELY, SEBASTIANI -- THAT WE
KNOW OF -- AND INGLENOOK. AND WHEN SEBASTIANI AND INGLENOOK -IF THEY WERE TO PUT A LABEL ON THEIR BOTTLE THAT SAID NORTH
COAST WELL-KNOWING THAT THE GRAPES COME FROM SOLANO COUNTY, THEY
WOULD NOT FEEL THEY HAD DONE ANYTHING WRONG. THEY WOULD FEEL
THAT WAS A PRIME NORTH COAST GRAPE, AND I THINK THAT IS THE
IMPORTANCE.

MR. DEVINEY: THESE THREE VALLEYS WE ARE TALKING ABOUT

-- GREEN VALLEY, SUISUN VALLEY, AND GORDON VALLEY -- DO THOSE

VALLEYS LIE ENTIRELY WITHIN SOLANO COUNTY, OR DOES ANY PART OF

THOSE VALLEYS LIE IN NAPA COUNTY OR ANOTHER COUNTY?

MR. HARRISON: GREEN VALLEY ENDS BY THE HILLS AS

DEPICTED IN THOSE PICTURES. THE VALLEY ENDS BEFORE YOU GET INTO

NAPA VALLEY. SUISUN VALLEY GOES INTO GORDON VALLEY, AND I BELIEVE

THAT ENDS, ALSO, AND IT GOES INTO WOODEN VALLEY, AND, THEREFORE,

IT GETS INTO NAPA VALLEY.

MR. GRAHAM: SO IT IS THE SAME VALLEY?

MR. HARRISON: YES. SO THERE YOU COULD HAVE THE

QUESTION OF ONE VINEYARD IN BOTH COUNTIES. BUT RIGHT NOW THERE

IS A ROAD, AND THAT IS WHY NOBODY HAS SAID THAT IS ANOTHER AREA.

THE ROAD SORT OF DIVIDES IT, AS I UNDERSTAND IT, SO THAT WE DO

NOT HAVE SOMEBODY GROWING GRAPES RIGHT THROUGH A COUNTY LINE.

THANK YOU VERY MUCH.

THE CHAIRMAN: WYMAN RILEY.

## WYMAN RILEY,

ON BEHALF OF CONGRESSMAN FAZIO, TESTIFIED AS FOLLOWS:

MY NAME IS WYMAN RILEY. I AM DISTRICT DIRECTOR FOR CONGRESSMAN FAZIO, WHO REPRESENTS THE FOURTH DISTRICT OF CALIFORNIA. SOLANO COUNTY IS PART OF THAT FOURTH DISTRICT.

THIS LETTER IS ADDRESSED TO GEORGE NEIS, REGIONAL ANALYST, BUREAU OF ALCOHOL, TOBACCO AND FIREARMS:

"DEAR MR. NEIS:

"THE NORTH COAST VITICULTURAL AREA CONTAINING
GREEN VALLEY AND SUISUN VALLEY HAS BEEN IN CONTINUOUS
PRODUCTION FOR ALMOST 120 YEARS. CURRENTLY THERE ARE
786 PRODUCING ACRES. THE DISTRICT HAS HAD A LONG,
TRADITIONAL ASSOCIATION WITH THE VINTNERS OF NAPA
AND SONOMA COUNTIES.

"ACCORDING TO LORY CRAVEA, A PRINCIPAL BUYER
IN THE AREA, WESTERN SOLANO GRAPES HAVE BEEN SOLD TO
CHRISTIAN BROTHERS FOR 42 YEARS, TO SEBASTIANI FOR
MORE THAN 25 YEARS, AND TO ALLIED FOR MORE THAN 20
YEARS. THE RECORDS OF THE SOLANO COUNTY AGRICULTURAL
COMMISSIONER'S OFFICE INDICATE THAT IN 1979, 98 PER
CENT OF WESTERN SOLANO GRAPES WERE CRUSHED IN NAPA
AND SONOMA COUNTIES.

"GEOGRAPHICALLY, GREEN VALLEY AND SUISUN VALLEY
LIE WITHIN THE SOUTHERN END OF THE COASTAL RANGE
WITH THE VACA MOUNTAINS ON THE EAST AND MOUNT GEORGE
ON THE WEST.

"THE CLIMATE IN THE AREA HAS BEEN CHARACTERIZED

BY THE UNIVERSITY OF CALIFORNIA COOPERATIVE EXTENSION

"SERVICE AS A GRAPE REGION III, BASED ON A 14-YEAR STUDY OF AREA TEMPERATURES. THE STUDY CONCLUDES THAT, BASED ON TEMPERATURE UNITS, WESTERN SOLANO IS COMPARABLE TO A REGION III DISTRICT IN THE NORTH COAST AREA SUCH AS CALISTOGA, ST. HELENA, OAKVILLE, AND POPE VALLEY IN NAPA COUNTY; ALEXANDER VALLEY, ASTI, AND CLOVERDALE IN SONOMA COUNTY; AND CALPELLA, UKIAH, POTTER VALLEY, AND HOPLAND IN MENDOCINO COUNTY. A SEPARATE STUDY BY THE UNIVERSITY OF CALIFORNIA EXTENSION BIOCLIMATOLOGIST, MARSTON KIMBALL, PLACED GREEN VALLEY AND SUISUN VALLEY IN A COASTAL PLANT CLIMATE ZONE. KIMBALL'S PLANT CLIMATE MAP IS USED IN LANE PUBLISHING'S SUNSET WESTERN GARDEN BOOK.

"THE PRINCIPAL WINE GRAPE VARIETIES GROWN IN
THE WESTERN SOLANO AREA IN DECREASING ORDER OF
ACREAGE ARE: GAMAY, PETITE SIRAH, CARIGNANE,
CABERNET SAUVIGNON, GREY RIESLING, FRENCH COLOMBARD,
GAMAY BEAUJOLAIS, PINOT NOIR, PALOMINO, AND EARLY
BURGUNDY. GRAPES FROM WESTERN SOLANO COUNTY HAVE
BEEN WELL-RECEIVED BY NAPA-SONOMA VINTNERS.
GROWERS HAVE EXPERIENCED NO DIFFICULTY IN MEETING
THE ACID AND SUGAR STANDARDS FOR NORTH COAST GRAPES.

"ALL OF THE AVAILABLE FACTS SUPPORT COMMONALITIES OF WESTERN SOLANO COUNTY WITH THE BALANCE OF
THE NORTH COAST VITICULTURAL AREA. HENCE, I
STRONGLY URGE THAT THIS AREA CONTINUE TO BE
RECOGNIZED IN THE NORTH COAST APPELLATION.

 "SINCERELY, VIC FAZIO, MEMBER OF CONGRESS, FOURTH DISTRICT OF CALIFORNIA."

I HAVE COPIES OF THIS LETTER FOR YOU GENTLEMEN.

THE CHAIRMAN: THAT WILL BE EXHIBIT 9.

MR. BOB CARTY.

A VOICE: MR. CHAIRMAN, I WAS SCHEDULED TO SPEAK. I

AM A GRAPE GROWER IN SOLANO COUNTY, BUT I WOULD LIKE TO DEFER MY

TIME, IF WE ARE RUNNING SHORT, TO A SUPERVISOR OF SOLANO COUNTY,

MRS. JAN HEWITT, IF YOU WOULD LISTEN TO HER, PLEASE.

THE CHAIRMAN: YES. THANK YOU.

### JAN HEWITT,

COUNTY SUPERVISOR, DISTRICT 3, SOLANO COUNTY, TESTIFIED AS FOLLOWS:

I TRULY HOPE THAT THE GROWERS WILL HAVE THEIR MOMENT TO SPEAK, AND I WILL TRY TO BE SUCCINCT.

I HAVE AN EXHIBIT FOR YOU GENTLEMEN DEPICTING THE NORTH BAY REGION, AND I HOPE IT WILL PUT TO REST YOUR QUESTIONS REGARDING THE COASTAL REGION OF MOUNTAINS. THIS I FOUND AT THE NUT TREE RESTAURANT. IT IS AN EXTREMELY GOOD TOPOGRAPHICAL MAP SHOWING THE FINGERS OF THE MOUNTAINS, THIS BEING THE VACA MOUNTAINS, OR THE BLUE RIDGE MOUNTAINS, AS WAS DISCUSSED. THIS, IN MY ESTIMATION AS COUNTY SUPERVISOR, IS DEFINITELY CENTRAL VALLEY. THIS PORTION IS NORTH COAST. THESE VALLEYS EXTEND -- THE ONES YOU HAVE HEARD DISCUSSED EXTEND NORTH. THEY CROSS NAPA COUNTY LINE ACROSS HERE, AND THE AREA WE ARE TALKING ABOUT COMES DOWN TO CORDELIA ROAD AND IS A VERY SMALL PORTION OF THE WESTERLY REGION OF SOLANO COUNTY. IT IS ALSO ILLUSTRATED ON THIS MAP OF

SOLANO COUNTY, THIS BEING THE REGION, THIS BEING NAPA COUNTY'S
LINE THROUGH HERE. THAT IS THE VACA MOUNTAIN RANGE, OR CALLED
THE BLUE RIDGE RANGE, THE FINAL FINGER OF THE NORTH COAST RANGE,
AND DEFINITELY HOLDS THE WEST WINDS AND THE COOLER CLIMATE IN THIS
AREA.

IF WE ARE GOING TO GET HUNG UP ON POLITICAL BOUNDARIES,
THEN I WILL TALK MY BOUNDARY INTO THIS. MY BOUNDARY COMES ALONG
THE NORTHERN PART OF SONOMA COUNTY AND NAPA. THIS FOLLOWS MY
BOUNDARY DISTRICT EXACTLY IN THE NORTH, AND IN THE WEST, AND THIS
AREA CONFORMS TO THAT.

I FEEL VERY STRONGLY AS A REPRESENTATIVE OF SOLANO COUNTY THAT THE CROP THAT IS PRODUCED IN THESE SMALL VALLEYS IS AN EXTREMELY IMPORTANT PART OF OUR ECONOMIC PICTURE IN SOLANO COUNTY. WE HAVE TO ALSO CONSIDER THAT THERE ARE ECONOMICS INVOLVED HERE. THESE PEOPLE WHO GROW GRAPES DO NOT DO SO ON A WEEKEND BASIS OR BECAUSE IT IS SOMETHING PLEASING TO DO. IT IS THEIR LIVELIHOOD; AND, HISTORICALLY, SINCE 1860 IN THIS SMALL REGION, PARTICULARLY, SAY, SEVEN BY FIFTEEN MILES, THESE GRAPES HAVE BEEN GROWN AND HAVE BEEN MARKETED AND CRUSHED IN BOTH NAPA AND SONOMA COUNTIES.

I, TOO, FEEL AS MR. DE TAR, THAT VITICULTURE DOES NOT KNOW POLITICAL BOUNDARIES. IT KNOWS GOOD SOILS AND CLIMATE AND A GOOD PRODUCTION.

I FEEL VERY PROUD THAT MY NEIGHBORS AND FRIENDS WHO LIVE ACROSS THE ROAD FROM ME ARE ACTIVELY INVOLVED IN GROWING THESE FINE GRAPES. AND I WANT TO URGE YOU TO REMEMBER THAT SOLANO COUNTY IS UNIQUE IN HAVING MANY DISTRICTS.

IT IS NOT UNUSUAL THAT WE ARE DIVIDED INTO TWO AIR

POLLUTION CONTROL DISTRICTS. I SIT AS CHAIRMAN OF ONE OF THEM.

THE OTHER ONE IS THE BAY AREA. ONE IS THE SACRAMENTO REGION OF

THE YOLO-SOLANO. SOLANO IS DIVIDED BY AIR AND BY WATER. WATER

QUALITY MANAGEMENT LINE DICTATES THAT THIS WESTERN REGION BELONGS

TO THE BAY AREA WATER QUALITY MANAGEMENT ZONE. THESE ARE AREAS

THAT, IF YOU WANT TO GET INTO POLITICAL ENTITIES, YOU CAN SEE OUR

COUNTY IS NOT BEING TREATED AS ONE UNIT.

WHO KNOWS BUT THAT IN SACRAMENTO, BUT FOR SOME WHIM OF A LEGISLATOR'S HAND, THAT THIS LINE WOULD HAVE CONTINUED STRAIGHT AND GONE ON DOWN TO SUISUN BAY. THAT COULD HAVE BEEN NAPA VALLEY, OR NAPA COUNTY. SOME OF OUR VALLEYS DO NOT STOP ON COUNTY LINES. THEY DO PROCEED ON UP ABOVE THE LINE.

WE ALSO SHARE WITH NAPA COUNTY HEALTH SYSTEMS AGENCIES

AND OTHER FEDERAL BUREAUS. THE NORTH BAY HEALTH SYSTEMS AGENCY

IS A FEDERAL FUNDING FOR MEDICAL CARE. WE HAPPEN TO PARTICIPATE

IN A DUAL COUNTY SYSTEM OF COMMISSION OF AGING. MANY OTHER THINGS

CROSS COUNTY LINES, AND I AM URGING YOU TO RECOGNIZE THIS VERY

SMALL PORTION OF THE WESTERN AND SOUTHERNMOST REGION OF SOLANO

COUNTY AND RECOGNIZE THE QUALITY OF THESE GRAPES AND THE CROP

GROWN THERE.

I WILL ALSO SPEAK TO ECONOMICS. WHEN YOU OFFER A MAN \$400 A TON FOR A PETITE SIRAH SIMPLY BECAUSE HE LIVES ACROSS THE COUNTY LINE AND IN NAPA COUNTY, AND GIVE THE SAME MAN DOWN THE ROAD \$350 A TON BECAUSE THAT COUNTY LINE CROSSED THE ROAD NORTH OF HIS CROP, YOU ARE DISCRIMINATING. THEY HAVE BEEN DISCRIMINATED AGAINST. I URGE YOU NOT TO CONTINUE THAT.

THE ECONOMICS OF GOING TO LODI AT \$150 A TON FOR PETITE SIRAH IS A DISASTER. THE NEXT CROP THAT WILL BE GROWN ON THIS

1 VINEYARD LAND WILL BE HOUSES, AND WE WILL NEVER RECLAIM IT. 2 PLEASE THINK CAREFULLY ON YOUR DECISION. 3 QUESTIONS? 4 ALSO, BEFORE I LEAVE, I BRING YOU A LETTER FROM 5 ASSEMBLYMAN THOMAS HANNIGAN, WHO REPRESENTS THE FOURTH DISTRICT. 6 IF YOU WOULD LIKE, I CAN READ IT INTO THE RECORD. 7 THE CHAIRMAN: WE CAN TAKE IT AS AN EXHIBIT, IF YOU 8 WISH. 9 MS. HEWITT: WILL IT BE LISTED AS --10 THE CHAIRMAN: NUMBER 11. 11 MS. HEWITT: NUMBER 11. 12 "DEAR MR. NEIS: "I UNDERSTAND THAT THE FEDERAL BUREAU OF ALCOHOL, 13 TOBACCO, AND FIREARMS IS CONDUCTING HEARINGS TO DETERMINE 14 15 WHETHER GRAPES GROWN IN WESTERN SOLANO COUNTY SHOULD 16 CONTINUE TO BE INCLUDED UNDER THE NORTH COAST APPELLA-17 TION. 18 "HISTORICALLY, SOLANO COUNTY GRAPES HAVE BEEN 19 MARKETED AND CRUSHED IN NAPA AND SONOMA COUNTIES. THIS PRACTICE BEGAN BEFORE THE TURN OF THE CENTURY 20 AND HAS CONTINUED TO THE PRESENT DAY. 21 "AS EARLY AS 1909, OFFICIAL RECORDS SHOW THAT 22 SOLANO COUNTY HAD A MINIMUM OF 2,400 ACRES PLANTED TO 23 24 GRAPES. ALTHOUGH URBAN ENCROACHMENT AND CHANGING AGRICULTURAL CONDITIONS HAVE REDUCED THE NUMBER OF 25 26 TOTAL ACRES PLANTED TO GRAPES, 98 PER CENT OF THE 27 WESTERN COUNTY'S COMMERCIAL HARVEST HAS BEEN MARKETED

AND CRUSHED IN NAPA AND SONOMA COUNTIES IN THIS LAST

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"YEAR.

"THE THREE MAJOR GRAPE-GROWING AREAS IN WESTERN SOLANO COUNTY ARE SUISUN VALLEY, GREEN VALLEY, AND GORDON VALLEY. THESE AREAS ARE GEOGRAPHICALLY SIMILAR TO GRAPE-GROWING AREAS IN NAPA AND SONOMA COUNTIES. THEY LIE WITHIN THE COASTAL RANGE -- THE SAME RANGE THAT PROVIDES THE UNIQUE SOIL AND CLIMATE CONDITIONS THAT HAVE MADE WINES PRODUCED UNDER THE NORTH COAST APPELLATION WORLD FAMOUS.

"ACCORDING TO EXPERTS FROM THE UNIVERSITY

OF CALIFORNIA COOPERATIVE EXTENSION SERVICE, THE

CLIMATE IN THE THREE SOLANO COUNTY VALLEYS IS SIMILAR

TO THAT ENJOYED IN GRAPE-GROWING AREAS CLOSER TO THE

COAST. THEY RECEIVE THE AMOUNT AND KIND OF THERMAL

UNITS NECESSARY FOR PRODUCING OUTSTANDING WINE

GRAPES.

"AS FURTHER TESTIMONY, GRAPES GROWN IN WESTERN SOLANO COUNTY HAVE HAD NO DIFFICULTY IN MEETING EITHER THE ACID OR SUGAR REQUIREMENTS ESTABLISHED FOR NORTH COAST GRAPES.

"THE AREAS IN WESTERN SOLANO COUNTY WHICH ARE NOW PLANTED TO GRAPES ARE BEING THREATENED BY URBAN DEVELOPMENT. UNFORTUNATELY, ECONOMIC REALITIES SUGGEST THAT IF THESE GRAPES ARE EXCLUDED FROM THE NAPA-SONOMA MARKETS, THE VINEYARDS OF WESTERN SOLANO COUNTY WILL BE LOST FOREVER TO ANY KIND OF AGRICULTURAL PRODUCTION.

"I STRONGLY URGE YOU AND THE OTHER INDIVIDUALS CONSIDERING THIS QUESTION TO ALLOW GRAPES GROWN IN WESTERN SOLANO COUNTY TO CONTINUE RECEIVING THE NORTH COAST APPELLATION."

SIGNED SINCERELY, THOMAS M. HANNIGAN,
ASSEMBLY DISTRICT 4.

THE CHAIRMAN: BOB CARTY, DO YOU WANT TO CONTINUE?

## ROBERT CARTY,

#### TESTIFIED AS FOLLOWS:

MY NAME IS ROBERT CARTY. I AM A GRAPE GROWER IN SUISUN VALLEY. MY RANCH IS LOCATED APPROXIMATELY 300 YARDS SOUTH OF THE NAPA COUNTY LINE IN SUISUN VALLEY.

THE RANCH WAS SUBDIVIDED IN 1908 FROM AN EARLY RANCHO, SPANISH RANCHO, AND ONE OF THE EARLIEST OWNERS PLANTED GRAPES ON THAT PROPERTY.

IN THE PROHIBITION ERA, THE GRAPES WERE REMOVED AND FRUIT TREES WERE PLANTED.

I CONVERTED THE RANCH BACK TO VINEYARDS IN THE YEARS 1963, 4, AND 5.

MY FIRST COMMERCIAL PRODUCTION WAS SOLD TO WINERIES IN 1966. THEY WENT TO ALLIED GRAPE GROWERS, WERE UTILIZED IN THE ASTI AREA, ITALIAN SWISS COLONY. SINCE THAT TIME, I HAVE INCREASED MY PLANTINGS WITH A VARIETY OF THE CABERNET SAUVIGNON, WHICH HAVE BEEN UTILIZED IN SONOMA AT THE SEBASTIANI WINERY. ALL OF MY GRAPES HAVE BEEN SOLD IN NAPA OR SONOMA COUNTIES.

THE NEIGHBOR IMMEDIATELY TO MY EAST IN SUISUN VALLEY IS COMPLETING HIS NINTH YEAR, I BELIEVE IT IS, OF A 10-YEAR CONTRACT

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THEY WERE SOLICITED FOR FUNDS.

WITH GEYSER PEAK WINERY IN SONOMA COUNTY. THIS IS A CLOSE NEIGHBOR OF THE SOUVERAIN WINERY THAT TESTIFIED EARLIER.

MY CLIMATE IS VERY SIMILAR TO CALISTOGA. I AM FAMILIAR WITH NAPA VALLEY, AND I CAN CLOSELY CORRELATE HARVEST, BUDDING OUT. WITH CALISTOGA. I CONSIDER IT THE WARMER AREA OF SUISUN VALLEY. I CONSIDER CALISTOGA THE WARMER AREA OF NAPA VALLEY.

FROM MY VINEYARD, I CAN SEE SUISUN BAY. WE RECEIVE THE WEST WIND IN THE AFTERNOON. OUR PEAK TEMPERATURE ARRIVES AT 2:00, AND IT STARTS TO DIMINISH AROUND 3:00 OR 4:00 IN THE AFTERNOON.

THAT COMPLETES MY TESTIMONY. IF THERE ARE ANY QUESTIONS MR. DEVINEY: I JUST WONDER, DO ANY OF THE GROWERS FROM SOLANO OR LAKE COUNTY BELONG TO THE NORTH COAST GRAPE GROWERS ASSOCIATION?

MR. CARTY: I WOULD LIKE TO SAY THAT I WAS SOLICITED BACK IN THE EARLY SEVENTIES FOR FUNDS TO HELP ORGANIZE A NORTH COAST GRAPE GROWERS ASSOCIATION. GROWERS IN SOLANO COUNTY CONTRIBUTED TO THIS FORMATIONAL FUND.

WHEN I ATTEMPTED TO JOIN NORTH COAST GRAPE GROWERS ASSOCIATION, I WAS DENIED ADMITTANCE BECAUSE I WAS NOT IN NAPA, SONOMA, OR MENDOCINO COUNTIES.

A VOICE: BUT THEY TOOK YOUR MONEY.

A VOICE: I HELPED TO ESTABLISH NORTH COAST GRAPE GROWERS, AND I KNOW NOTHING ABOUT WHAT THAT GENTLEMAN JUST SAID. THERE WERE SEVEN OF US ON THE BOARD, AND WE PUT IN \$100 EACH TO GET THE THING STARTED.

> MR. CARTY: I BELIEVE THE OTHER GROWERS WILL TESTIFY 097

 THE CHAIRMAN: WE WILL COME TO THAT LATER. I WOULD
PREFER NOT TO SEE THIS GET INTO AN ADVERSARY RELATIONSHIP IF WE
COULD.

MR. CARTY: I HAVE ALWAYS CONSIDERED MY VINEYARD IN THE NORTH COAST AREA.

THE CHAIRMAN: BILL WETZEL.

### BILL WETZEL,

TESTIFIED AS FOLLOWS:

MR. CHAIRMAN, AND MEMBERS OF THE PANEL, AND LADIES AND GENTLEMEN, MY NAME IS BILL WETZEL. I AM A WINE GRAPE GROWER IN GREEN VALLEY.

GRAPES, AS YOU HAVE HEARD, HAVE BEEN GROWN IN THE VALLEY SINCE THE EARLY 1900'S. I AM NOW FARMING THE RANCH THAT MY FATHER-IN-LAW STARTED IN ABOUT 1906. AND EXCEPT FOR A FEW YEARS WHEN THEY WENT TO A FEW LOCAL WINERIES IN CORDELIA, OUR GRAPES HAVE ALWAYS GONE WEST INTO NAPA VALLEY. IN FACT, THE BUYERS FROM NAPA VALLEY USED TO COME OVER AND SOLICIT OUR GRAPES.

AND YOU ASKED EARLIER ABOUT THE DIFFERENCE IN PRICE.

ORIGINALLY, THERE WAS NO DIFFERENCE. AND, AS WAS POINTED OUT,

THIS WAS A POWER PLAY, AND GRADUALLY THEY BEGAN TO REDUCE OUR

PRICES. FIRST IT WAS \$5.00 A TON, AND, AS YOU HAVE HEARD, NOW IT

RANGES FROM \$50.00 TO \$75.00 A TON. AND YET IN DELIVERING OUR

GRAPES TO NAPA COUNTY OR TO NAPA WINERIES, WE HAVE NEVER EVER HAD

ANY COMPLAINTS.

I AM A MEMBER OF ALLIED GRAPE GROWERS, WHICH IS A CO-OP, AND WE HAVE SOME VERY STRINGENT MARKETING CONDITIONS WHICH OUR CO-OP PUTS ON US. OUR MATERIAL OTHER THAN GRAPES MUST BE  $2^{09}$ PER

CENT OR LESS. OUR GRAPES MUST MEET THE SAME STANDARD QUALITIES OF SUGAR AND ACID RATIO OF THE GRAPES OF NAPA VALLEY.

WE ARE GENERALLY SMALL GROWERS IN THE GREEN VALLEYSUISUN VALLEY AREA. WE ARE NOT LARGE VINEYARDISTS. AND WE TAKE
A LOT OF PRIDE IN OUR SMALL VINEYARDS, TENDING THEM PERSONALLY,
AND TAKE A LOT OF PRIDE IN DEVELOPING A VERY HIGH QUALITY GRAPE.
AND WE HAVE, AS I SAID, NEVER HAD ANY COMPLAINTS.

AND IT IS OUR APPEAL THAT WE REMAIN IN NORTH COAST
BECAUSE WE FEEL WE ARE NORTH COAST. AND, AS HAS BEEN POINTED
OUT EARLIER, THE MICROCLIMATE AND THE WEATHER CONDITIONS AND THE
FOG THAT BLOWS THROUGH THERE, ALSO, IS AN EXTREME FACTOR.

THANK YOU, GENTLEMEN.

THE CHAIRMAN: THANK YOU.

MR. BEN VOLKHARDT.

#### BEN VOLKHARDT,

PRESIDENT OF THE WEST SOLANO GRAPE GROWERS ASSOCIATION, TESTIFIED AS FOLLOWS:

I TOTALLY AGREE WITH ALL THE PREVIOUS TESTIMONY THAT

HAS BEEN SAID HERE. MY NAME IS BEN VOLKHARDT. I AM THE

PRESIDENT OF THE WEST SOLANO GRAPE GROWERS ASSOCIATION. I AM

ALSO A MEMBER OF ALLIED GRAPE GROWERS, WHO ARE THE GRAPE GROWERS

FOR UNITED VINTNERS, WHO PRODUCE INGLENOOK WINES.

SINCE 1962, THESE GRAPES, MY GRAPES, HAVE BEEN CRUSHED

AT ST. HELENA OR OAKVILLE IN NAPA COUNTY. THESE GRAPES HAVE BEEN

UTILIZED UNDER INGLENOOK VINTAGE LABEL. THIS LABEL STATES THESE

GRAPES HAVE COME FROM A NORTH COAST COUNTY. THE BUYERS FOR ALLIED

GRAPE GROWERS HAVE RECOGNIZED THIS FACT FOR MANY YEARS. THEREFORE

I STRONGLY RECOMMEND THE BOUNDARIES IN THE PREVIOUSLY MENTIONED PETITION FOR THE WEST SOLANO COUNTY BE KEPT IN THE APPELLATION OF A NORTH COAST VITICULTURAL AREA.

THANK YOU. ANY QUESTIONS?

THE CHAIRMAN: THANK YOU.

MRS. HEWITT ALREADY TESTIFIED, SO WE WILL NOT WAIT FOR HER. LET US TAKE ABOUT A 10-, 15-MINUTE BREAK, IF WE COULD, WHILE I GATHER MY RESOURCES.

(BRIEF RECESS.)

## 

# LAKE COUNTY PRESENTATION

THE CHAIRMAN: THE NEXT PRESENTATION COMES ON BEHALF OF THE LAKE COUNTY GROWERS.

MR. ROSS STROMBERG, CORNELIUS OUGH, WILLIAM IRWIN,
JAMES LIDER, MYRON HOLDENRIED, RONALD BARTOLUCCI, DONALD GAYALDO,
CHARLES SULLIVAN, JAMES TURNER, ROBERT H. MYER, ALLAN JERGESEN,
PETER WINDREM.

PLEASE STATE YOUR LAST NAME FOR THE COURT REPORTER. ROSS STROMBERG.

## ROSS STROMBERG,

ON BEHALF OF THE LAKE COUNTY WINE PRODUCERS, TESTIFIED AS FOLLOWS:

THE CHAIRMAN: FOR THE RECORD, THE MAP TO THE RIGHT ON THE BOARD WILL BE EXHIBIT 12.

MR. STROMBERG: THANK YOU, MR. CHAIRMAN. MY NAME IS ROSS STROMBERG. THE REPORTER HAS MY CARD, SO SHE HAS THE SPELLING. I AM AN ATTORNEY, BUT ALSO A GROWER AND A MEMBER OF THE LAKE COUNTY WINE PRODUCERS, THE GROUP THAT WE ARE REPRESENTING HERE TODAY.

IN FACT, FROM ONE OF OUR FINE LAKE COUNTY WINES, I WOULD LIKE THE RECORD TO SHOW THAT, FROM MY VINEYARD, ONE OF MY VINEYARDS THIS YEAR, A 1977 CABERNET SAUVIGNON WON A GOLD MEDAL AT THE ORANGE COUNTY FAIR. SO WE ARE VERY PROUD OF OUR LAKE COUNTY WINES, AND WE ARE VERY ANXIOUS HERE TO SEE THAT THE NORTH COASTAL AREA, IF DESIGNATED, INCLUDES THE WINE GRAPE-GROWING REGION OF LAKE COUNTY.

NOW, OUR POSITION IS STATED VERY SIMPLY. AND, BY THE WAY, MR. CHAIRMAN, I WILL BE SORT OF SUMMARIZING OUR POSITIONS,

AND THEN LATER SPEAKERS WILL BE SPEAKING TO EACH OF THE POINTS THAT I AM ADDRESSING IN THE SUMMARY.

BUT IN SUMMARY, OUR POSITION IS VERY SIMPLY THE GRAPE-GROWING REGION OF LAKE COUNTY IS MORE NORTH THAN SONOMA, MORE COASTAL THAN NAPA, AND PRODUCES WINES AND GRAPES OF COMPARABLE QUALITY THAN THOSE PRODUCED IN THOSE THREE COUNTIES OF MENDOCINO, NAPA, AND SONOMA. WE ARE NOT OPPOSED TO A NORTH COAST APPELLATION AS SUCH. IN FACT, WE FAVOR THAT APPELLATION, BUT DO STRONGLY SUGGEST THAT THE LAKE COUNTY WINE-GROWING REGION OUGHT TO BE INCLUDED IN THAT REGION.

LAKE COUNTY AS SUCH ALREADY HAS AN APPELLATION AS A POLITICAL BOUNDARY, AS YOU WELL KNOW. AND WE WOULD SUGGEST THAT THE PETITIONERS BEHIND THE APPLICATION THAT LED TO THIS HEARING TODAY PERHAPS FILED A PETITION UNDER THE WRONG SECTION. IF THEY WANTED A PETITION FOR THE THREE COUNTIES OF MENDOCINO, SONOMA, AND NAPA, THEY SHOULD HAVE, AS THEY COULD HAVE -- AND WE CERTAINLY WOULD HAVE NO OBJECTION TO THAT -- TO FILE A PETITION WITH THOSE THREE COUNTIES' NAMES UNDER SECTION 4.25(c). BUT HERE WHERE YOU ARE SPEAKING OF AN APPELLATION AS A VITICULTURAL AREA UNDER 4.25(e), YOU HAVE TO LOOK, AS YOUR RESOLUTION SUGGESTS, TO DISTINCT GEOGRAPHICAL CHARACTERISTICS AS OPPOSED TO POLITICAL BOUNDARIES.

SO I, TOO, WOULD ANSWER THAT QUESTION THAT YOU POSED
TO SO MANY SPEAKERS, THAT VITICULTURAL PRACTICES DON'T STOP AT
THE COUNTY LINE. AND I WOULD SUGGEST THERE IS NO WAY TO BE
RECONCILED WITH THE PETITION TO TAKE CARE OF THOSE VINEYARDS THAT
CROSS COUNTY LINES AND GO BEYOND THE JURISDICTION. I THINK TO
THE EXTENT THAT THE PETITIONERS THEMSELVES RECOGNIZE THAT IS A02

PROBLEM AND SUGGEST THAT YOU BE PRACTICAL AND BEND THE RULE A
LITTLE BIT, THAT RIGHT THERE THEY HAVE SHOWED THAT THE BOUNDARIES
FOR THE NORTH COASTAL AREAS SHOULD NOT CROSS OR PARALLEL COUNTY
LINES PRECISELY. IN FACT, THE ONLY CHARACTERISTIC WE HAVE OF
ANY MAGNITUDE, I SUPPOSE, IS THE PACIFIC OCEAN. NO ONE IS
SUGGESTING WE GO BEYOND THAT.

BUT HERE, IN TERMS OF WHAT IS CONCEIVED BY THE GENERAL PUBLIC AND CERTAINLY NOW IN TERMS OF WINE AND CHARACTERISTICS OF THAT SORT, THE NORTH COAST AS A BROAD REGIONAL AREA DEFINITELY INCLUDES THE WINE GRAPE-GROWING REGIONS OF LAKE COUNTY.

IN THAT REGARD, WE SUBMIT THAT THE PETITIONERS HAVE NOT MET THEIR BURDEN IN SHOWING THE NEED WHY THE BOUNDARIES OF THE NORTH COASTAL AREA SO NEATLY FOLLOW AND PARALLEL POLITICAL BOUNDARIES. THEY SIMPLY DO NOT.

WE ARE LOOKING TO GEOGRAPHICAL CHARACTERISTICS OF CLIMATE, SOILS, AND THE LIKE. AND BY THOSE RULES, I THINK IT IS CLEAR THAT THE LAKE COUNTY AREA SHOULD BE INCLUDED.

AND, AGAIN, MR. CHAIRMAN, WE ARE NOT ASKING THAT ALL OF LAKE COUNTY BE INCLUDED. WE HAVE A LAKE COUNTY APPELLATION, AND WE ARE VERY PROUD OF THAT. WE ARE ONLY ASKING FOR A SPECIFIC PORTION OF LAKE COUNTY, WHERE THE MAIN GRAPE-GROWING REGIONS OCCUR. AND OTHER SPEAKERS WILL GIVE YOU A LITTLE MORE PRECISE DEFINITION OF THAT BY MAPS AND WILL FOLLOW UP WITH A MORE PRECISE LEGAL DESCRIPTION.

OUR SPEAKERS WILL PRESENT TESTIMONY AND EVIDENCE THAT
THE LAKE COUNTY GRAPE-PRODUCING REGIONS SHOULD BE AND MUST BE
PLACED IN ANY NORTH COAST VITICULTURAL AREA UNDER THE STANDARDS
YOU HAVE SET FORTH IN YOUR REGULATIONS.

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WE WILL DEMONSTRATE THE FOLLOWING: ONE, THAT THE NORTH COAST VITICULTURAL AREA IS LOCALLY AND NATIONALLY KNOWN AS INCLUDING THE LAKE COUNTY GRAPE-PRODUCING REGIONS; TWO, THAT THERE IS OVERWHELMING CURRENT AND HISTORICAL EVIDENCE THAT THE BOUNDARIES OF THE NORTH COASTAL VITICULTURAL AREA INCLUDES LAKE COUNTY GRAPE-GROWING REGIONS; THREE, THAT THE GEOGRAPHICAL FEATURES INCLUDING CLIMATE, SOILS, TOPOGRAPHY, AND THE LIKE OF THE LAKE COUNTY GRAPE-GROWING REGIONS ARE COMMON IN CHARACTER WITH THOSE OF THE ADJACENT AREAS IN NAPA, SONOMA, AND MENDOCINO. WE WILL DELINEATE THE EXACT AREAS OF THE LAKE COUNTY AREA THAT WE ARE SPEAKING TO BY REFERENCE TO A USGS MAP TOGETHER WITH SUBSEQUENT DESCRIPTIONS.

IN ADDITION, WE WILL SHOW GENERALLY THAT A NORTH COAST APPELLATION THAT EXCLUDES LAKE COUNTY, IN OUR OPINION, HAS THE POTENTIAL OF BEING, QUOTE, FALSE AND MISLEADING UNDER SECTION 439(a-1) OF YOUR REGULATIONS. AND HERE, MR. CHAIRMAN, WHAT WE ARE LOOKING TO, OF COURSE, IS CONSUMER PROTECTION, TRUTH IN LABELLING, AND THE OBJECTIVES OF THAT. AND WE THINK TO IGNORE THE LAKE COUNTY GROWING REGION IN A NORTH COAST APPELLATION IS ALMOST THE RETURN OF THE FLAT EARTH SOCIETY. AND WE WOULD THINK, IN TERMS OF TELLING THE CONSUMERS AND THE PUBLIC THAT WHEN THEY BUY A BOTTLE OFF THAT SHELF, WHAT NORTH COASTAL MEANS, THAT CLEARLY TO EXCLUDE A PART OF THAT NORTH COAST SIMPLY BECAUSE THE COUNTY BOUNDARY STOPS AT A CERTAIN POINT IS CERTAINLY -- FLIES RIGHT IN THE FACE OF REALITY.

NOW, MR. CHAIRMAN, OUR SPEAKERS INCLUDE DR. CORNELIUS OUGH, ENOLOGIST PROFESSOR OF THE UNIVERSITY OF CALIFORNIA AT DAVIS, WHO WILL PRESENT CURRENT EVIDENCE THAT THE LAKE COUNTY

REGIONS BELONG IN THE NORTH COAST CLASSIFICATION; SECONDLY, BILL IRWIN, A GROWER IN LAKE COUNTY, WILL PRESENT MAPS AND SHOW YOU SOME BREAKDOWN AS TO THE REGIONS FROM THE BALANCE OF LAKE COUNTY.

HE WILL BE FOLLOWED BY JAMES LIDER, THE FORMER FARM ADVISER FOR NAPA COUNTY, NOW A CONSULTANT, WHO WILL BUILD ON MR. IRWIN'S TESTIMONY AND TALK SPECIFICALLY ABOUT SUCH ISSUES THAT WERE ADDRESSED THIS MORNING -- CLIMATE, PHYLLOXERA, AND THE LIKE. HE WILL BE FOLLOWED BY MYRON HONDENRIED, A GROWER, WHO IS THE PRESIDENT OF THE LAKE COUNTY WINE PRODUCERS.

RON BARTOLUCCI, ANOTHER GROWER, WILL PRESENT EVIDENCE OF COMMON GEOGRAPHICAL FEATURES BY EXPLAINING COMMON VITICULTURAL PRACTICES IN LAKE AND NAPA COUNTIES AND THE ATTEMPTS OF THE LAKE COUNTY GROWERS TO ALSO BECOME A MEMBER OF THE TRADE ASSOCIATION COOPERATIVE KNOWN AS CALIFORNIA NORTH COAST GRAPE GROWERS ASSOCIATION, AND THE UNSUCCESSFUL EFFORTS IN THAT REGARD.

DON GAYALDO IS A GROWER WHO WILL PRESENT EVIDENCE ABOUT THE LAKE COUNTY INDUSTRY, TO BE FOLLOWED BY CHARLES L. SULLIVAN, A WINE HISTORIAN, WHO WILL SPEAK TO THOSE ISSUES. JIM TURNER, A GROWER AND A VINTNER, WILL SPEAK TO THE COMPARABILITY OF LAKE COUNTY GRAPES TO THOSE OF ADJACENT AREAS, AND WILL BE FOLLOWED BY ROBERT H. MYER, OF THE GEYSER PEAK WINERY, AND HIS WINE OR GRAPEVINE PRACTICES.

ALLAN JERGESEN WILL BE THE NEXT SPEAKER, WHO WILL BE TALKING ABOUT THE PETITIONERS' APPLICATION AND WILL POINT OUT SOME ISSUES THAT ARE RAISED BY THAT. AND, FINALLY, OUR CLEAN-UP HITTER IS PETER WINDREM, WHO IS AN ATTORNEY AND A GROWER AND A RESIDENT OF LAKE COUNTY WHO HAS BEEN VERY ACTIVE IN THE LAST 10.05

YEARS IN GROWING GRAPES AND LOOKING TO LAKE COUNTY AS A PRIMARY GROWING REGION.

IN SUMMARY, MR. CHAIRMAN, WE WILL SHOW THAT THE APPELLATION NORTH COAST, IF IT IS FIXED BY YOUR BUREAU, SHOULD CONTAIN THE GRAPE-GROWING REGION OF LAKE COUNTY. WE RECOGNIZE IT IS A DIFFICULT TASK. THAT CERTAINLY WAS REFLECTED IN THE SCOPE OF YOUR QUESTIONS TODAY.

OBVIOUSLY, IF YOU ASK SOMEONE OFF THE STREET DOWNTOWN HERE IN THE REDWOOD EMPIRE, NORTH COAST, I THINK, MEANS DIFFERENT THINGS TO DIFFERENT PEOPLE. I GREW UP IN HUMBOLDT COUNTY, THE ARCATA-EUREKA AREA, AND I DO NOT CARE WHAT YOU PUT IN THE FEDERAL REGULATIONS -- TO TELL THOSE PEOPLE UP THERE THEY ARE NOT A PART OF NORTH COAST, YOU WOULD BE LAUGHED OUT OF THE COUNTY. BUT THEY ARE NOT A WINE REGION, SO IT DOES NOT BOTHER THEM.

I REPRESENT, AS ONE OF MY CLIENTS, THE NORTH COAST WATER DISTRICT, WHICH IS IN PACIFICA, SOUTH OF SAN FRANCISCO. IT MEANS DIFFERENT THINGS TO DIFFERENT PEOPLE. NOW, WE ARE TRYING TO TAKE IT OUT OF THE GENERAL APPLICATION OF THAT NAME AND APPLY IT TO A VITICULTURAL AREA. AND FOR THAT, YOU HAVE SELECTED AS YOUR CHARACTERISTIC, NOT POLITICAL BOUNDARIES, BUT GEOGRAPHICAL CHARACTERISTICS. AND I THINK IT IS INCUMBENT UPON THE PETITIONERS AND US TO GIVE YOU ENOUGH EVIDENCE SO YOU CAN DRAW A GEOGRAPHICAL DETERMINATION OF WHAT NORTH COASTAL MEANS. AND HERE, MR. CHAIRMAN, IT IS A REGIONAL CHARACTERISTIC, IN MY OPINION, AND WOULD INCLUDE, THEN -- COULD INCLUDE A NUMBER OF SMALL AREAS.

IT IS FAR LARGER THAN NAPA VALLEY, IF YOU WILL, OR

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THAT LABEL ON THAT SHELF, THAT BOTTLE OFF THE SHELF. YOU ARE LOOKING AT A REGIONAL CHARACTERISTIC AS OPPOSED TO A VERY SMALL VITICULTURAL AREA. AND, THEREFORE, YOU ARE LOOKING FOR AN OVERALL ON-BALANCE WEIGHTING KIND OF AN ARRANGEMENT WHERE A REGION HAS SUBSTANTIALLY SIMILAR CHARACTERISTICS AS A WHOLE SO AS TO PROVIDE

OTHERS THAT YOU VERY WELL MIGHT DESIGNATE AS APPELLATION AREAS.

THINK THAT THE BEST YOU CAN COME UP WITH, FRANKLY, IN MY OPINION,

IS TO RECOGNIZE WHAT THE LAY PEOPLE WOULD BE INFLUENCED BY IN

IT INCLUDES PEAKS AND VALLEYS, DIFFERENT MICROCLIMATES.

A CLEAR DEMARCATION BETWEEN THAT LARGER REGION THAN, SAY, NAPA VALLEY AND OTHER REGIONS, WHETHER THOSE REGIONS HAVE EVER BEEN FORMALLY DESIGNATED OR NOT, LIKE CENTRAL COAST OR CENTRAL VALLEY

OR WHATEVER HAVE YOU.

AND I THINK IF YOU APPROACH THE REGULATION AND YOUR TASK SOMEWHAT ALONG THOSE LINES, I THINK YOU WILL BE A LITTLE LESS BOTHERED ABOUT PEAKS AND VALLEYS HERE AND THERE. BUT LOOK TO WHAT IS COMMONLY UNDERSTOOD AND WHAT SHOULD, IN YOUR OPINION, BE UNDERSTOOD IN A WINE FIELD. AND CLEARLY, THEN, IF YOU COME UP WITH NORTH COAST, IT OBVIOUSLY AND CLEARLY HAS TO COVER THE LAKE COUNTY GROWING REGION IN IT.

I WILL RESPOND TO QUESTIONS, BUT I SUGGEST THAT PERHAPS THE FOLLOWING SPEAKERS WILL HAVE MORE SPECIFIC DETAIL ON EACH OF THE POINTS THAT I HAVE ADDRESSED, AND YOU MAY WISH TO HOLD 'TIL THEN.

THE CHAIRMAN: THANK YOU, MR. STROMBERG, VERY MUCH.

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## CORNELIUS S. OUGH,

PROFESSOR OF ENOLOGY, TESTIFIED AS FOLLOWS:

MY NAME IS CORNELIUS OUGH, AND I AM A PROFESSOR OF ENOLOGY IN THE UNIVERSITY OF CALIFORNIA AT DAVIS DEPARTMENT OF VITICULTURE AND ENOLOGY.

MY EXPERIENCE IN EVALUATING VARIETIES OF GRAPES PLANTED IN CALIFORNIA, AND ACTUALLY ELSEWHERE, STARTED IN 1950, WHEN I JOINED THE DEPARTMENT. AND THIS DEPARTMENT HAS HAD THE RESPONSIBILITY -- ACTUALLY IT WAS DESIGNATED BY THE LEGISLATURE OF CALIFORNIA ABOUT 1880, WHEN THE DEPARTMENT WAS CREATED, TO EVALUATE THE GROWTH OF THE DIFFERENT VARIETIES OF GRAPES IN THE STATE.

AND SINCE THAT TIME, STARTING WITH HILGARD AT BERKELEY, AND ALL THROUGH BIOLETTI AND AMERINE, WINKLER. WHEN DR. AMERINE RETIRED, THE RESPONSIBILITY BECAME MINE IN THE DEPARTMENT, MINE AND DR. ALLEY'S. AND SINCE THAT TIME, WE HAVE CONTINUED TO EVALUATE THE DIFFERENT VARIETIES OF GRAPES GROWING AROUND THE STATE.

AND IN 1969, WE STARTED THE EVALUATION OF TABLE VARIETIES FOR THE AREA OF MENDOCINO COUNTY AND THE PROXIMITY, OR THE PROXIMITY OF HOPLAND FIELD STATION. AND WE HAVE A FIELD STATION UP THERE. WE GROW A NUMBER OF DIFFERENT VARIETIES OF GRAPES.

AND OUR PRACTICE IN THIS SORT OF EVALUATION IS TO LET THE LOCAL FARM ADVISER, UNIVERSITY EXTENSION MAN, TAKE CARE OF GRAPES, SEE THAT THEY GET OVER TO DAVIS TO OUR WINERY.

WE HAVE BONDED EXPERIMENTAL WINERY AT DAVIS WHERE WE MAKE THE WINE. WE HAVE AN EXPERIENCED PANEL OF TASTERS WHICH

EVALUATE THIS WINE, AND WE DO FAIRLY COMPLETE ANALYSES ON THE GRAPE SAMPLES AND THE WINES AS THEY COME IN.

ALSO, AT THE SAME TIME, WE DID A STUDY OF THE TABLE WINE VARIETIES BEING PLANTED IN LAKE COUNTY. AT THAT TIME, 1969, THERE WAS A RESURGENCE OF GROWTH IN THE WINE INDUSTRY, AND PLANTINGS WERE EXTENDED INTO THESE AREAS THAT WERE BEING ENLARGED UPON IN THESE DIFFERENT COUNTIES.

FIRST, WE MIGHT LOOK AT THE SUMMARY OF DATA THAT ARE GIVEN HERE. THE FIRST TABLE IS THE MENDOCINO COUNTY GRAPE VARIETY TRIALS FOR WINE USE.

NOTICE THIS WAS CARRIED OUT FROM 1969 THROUGH 1973, A
PERIOD OF FIVE YEARS. AND THE DATA WAS ALL AVERAGED AS FAR AS
THE ANALYSES AND THE FINAL SENSORY EVALUATION SCORES WERE
CONCERNED.

IN COMPARING THIS DATA WITH THAT DATA ON TABLE 2, WHICH
IS FOR LAKE COUNTY VARIETIES, YOU CAN SEE MANY OF THE VARIETIES
WERE THE SAME VARIETIES GROWN IN BOTH AREAS.

THE ANALYSES ARE ESSENTIALLY THE SAME. FROM ALL PRACTICAL PURPOSES, THERE ARE NO REASONABLE DIFFERENCES IN THESE ANALYSES OF EITHER THE WINES OR THE MUSTS. THE ONLY DIFFERENCE I CAN SEE FROM MY EXPERIENCE IN EVALUATING THIS SORT OF THING IS THE SLIGHTLY HIGHER ACIDS IN THE LAKE COUNTY VARIETIES AND SLIGHTLY HIGHER PH'S; AND THIS COULD BE ATTRIBUTED TO SOIL DIFFERENCES OR CULTURAL DIFFERENCES.

AS FAR AS THE SENSORY EVALUATION, THE WINE QUALITY,

OUR PANEL, WHICH CONSISTS OF 10 TO 12 EXPERIENCED TASTERS -- THAT

IS EXPERIENCED OR THE FACULTY ON THE STAFF HERE. SOME AT THE

TIME OF THE TASTING HAD TASTED IN EXCESS OF 20 OR 30 YEARS

EVALUATING WINES.

OUR METHODS OF EVALUATING THE WINE IS SIMPLY TO BRING THE WINES IN AFTER THEY ARE MADE, STABILIZED, AND CLARIFIED.

AND THEY ARE PRESENTED TO THE PANEL MEMBER IN AN UNMARKED -THERE IS A DOUBLE DIGIT NUMBER ON THE BOTTOM. HE DOES NOT HAVE
ANY IDEA WHAT VARIETY IT IS, WHERE IT COMES FROM, OR ANYTHING
ELSE. HE GIVES IT A SCORE.

AND THIS WENT ON FOR SIX YEARS FOR THE LAKE COUNTY AREA. SCORES WERE TOTALED AND AVERAGED AND PUT DOWN HERE, AND THAT IS WHAT IS REPRESENTED ON THIS SECOND TABLE.

YOU MIGHT SAY SOME OF THE CONCLUSIONS THAT I REACHED FROM THIS DATA IS THAT THE QUALITY OF GRAPES BROUGHT IN DID NOT VARY CONSISTENTLY BETWEEN THE TWO COUNTIES. IN OTHER WORDS, THEIR GENERAL QUALITY, APPEARANCE OF THE GRAPES, AND EVERYTHING WAS SIMILAR. THE TIME OF HARVEST WAS VERY SIMILAR. WE LIST THE TIME OF HARVEST ON THE TABLES.

AS I MENTIONED, THE GRAPES FROM LAKE COUNTY HAD A SLIGHTLY HIGHER ACIDITY AND HIGHER PH'S THAN THOSE OF MENDOCINO COUNTY. NO OTHER SIGNIFICANT ANALYTICAL DIFFERENCES WERE NOTED. NO SIGNIFICANT DIFFERENCE IN SENSORY EVALUATION. AND I WOULD HAVE TO CONCLUDE FROM THIS DATA HERE AND MY EXPERIENCE IN TASTING WINES AND EVALUATING WINE ANALYSES OF THIS TYPE, THERE IS ESSENTIALLY NO DIFFERENCE BETWEEN THESE TWO AREAS HERE AS FAR AS THE QUALITY OF WINE OR THE ANALYSIS OF THE WINES ARE CONCERNED.

WE HAD A TASTING IN 1971, THAT IS SUMMARIZED ON THE THIRD SHEET HERE, OF 1970 WINES. AND A NUMBER OF THE WINES FROM BOTH HOPLAND AND LAKE COUNTY OR MENDOCINO COUNTY AND LAKE COUNTY HERE WERE TASTED. SOME OF THE PEOPLE THAT WERE INVOLVED IN THAT,

WHO WERE COMMERCIAL WINERY PEOPLE, WERE JOHN PARDUCCI, DON GREGG,
BERNARD FETZER, FRED WEIBEL, JR., JOHN HOFFMAN OF CHRISTIAN
BROTHERS, MARC TURULA, JAMES WOLNER, AND A NUMBER OF THE PEOPLE
FROM THE STAFF OF THE UNIVERSITY.

AND THE SCORES ESSENTIALLY WERE THE SAME FOR BOTH LAKE
COUNTY AND HOPLAND WINES. THERE WERE NO REALLY CONSIDERED
DIFFERENCE IN THEIR OPINION OF THESE WINES.

ONE THING I WOULD LIKE TO POINT OUT, THE EXTREME

DIFFERENCES IN CLIMATE IN, SAY, NAPA COUNTY FROM DOWN IN THE BAY

AREA, UP TOWARDS CALISTOGA. THERE IS A CLIMATE DIFFERENCE THERE

OF THREE REGIONS AT LEAST, SOMETIMES ALMOST FOUR REGIONS. AND

YOU CAN GET TREMENDOUS DIFFERENCES IN QUALITY OF WINES THERE.

AND ALSO IN OTHER AREAS, LIKE IN THE HOPLAND-UKIAH AREA, YOU CAN

GET SOME VERY HOT SUMMER TEMPERATURES UP THERE AND APPROACH

REGION IV SOMETIMES IF YOU WANT TO GO AT IT BY REGIONS.

AND, IN SUMMARY, FROM MY EXPERIENCE IN EVALUATING THE WINES FROM MENDOCINO, SONOMA, AND NAPA COUNTIES, I WOULD CONCLUDE THAT THIS AREA IN LAKE COUNTY PRODUCED GRAPES OF ESSENTIALLY THE SAME QUALITY AS REGION III AREAS OF THESE OTHER THREE COUNTIES.

ANY QUESTIONS?

MRS. KIRK: I HAVE A QUESTION, SIR. YOU INDICATED THAT YOU TESTED LAKE COUNTY GRAPES AND WINE.

DR. OUGH: YES.

MRS. KIRK: WE WERE TOLD BY THE FIRST SPEAKER THAT THE PROPOSED EXPANSION OF THE NORTH COAST VITICULTURAL AREA WOULD NOT INCLUDE ALL OF LAKE COUNTY. NOW, IN YOUR TESTS, WE WERE TOLD THAT YOU TESTED LAKE COUNTY GRAPES. COULD YOU BE MORE DEFINITIVE ON THAT.

DR. OUGH: OKAY. PRIMARILY FROM THE AREA AROUND THE LAKE ITSELF. THE FARM ADVISER, CHET HEMSTREET, WAS RESPONSIBLE FOR SELECTING THE VINEYARDS AND BRINGING THE GRAPES DOWN. AND FROM MY RECOLLECTION, IT WAS MAINLY FROM THE AREA CLOSER AROUND THE LAKE.

I THINK THE PEOPLE WHO WILL TALK NEXT PROBABLY WILL
TALK ABOUT THE DISTINCT AREAS AND WILL GIVE YOU MORE INFORMATION.

MRS. KIRK: DO YOU KNOW IF THIS AREA AROUND THE LAKE IS INCLUDED WITHIN THE PROPOSED EXTENSION?

DR. OUGH: YES, IT IS.

THE CHAIRMAN: DOCTOR, IN AN EFFORT TO UNDERSTAND THE STATISTICS, THE SECOND COLUMN IS YEARS SAMPLED. THAT MEANS WHAT?

DR. OUGH: WHICH IS THAT?

THE CHAIRMAN: THE SECOND COLUMN GOING FROM LEFT TO RIGHT. IT SAYS YEARS SAMPLED.

DR. OUGH: THAT IS THE YEARS THAT WERE SAMPLED IN THIS
PARTICULAR VARIETY. IN OTHER WORDS, CHARDONNAY WAS SAMPLED
OVER FOUR OR FIVE YEARS.

THE CHAIRMAN: HOW IS THAT RELATED TO THE DATE OF HARVEST?

DR. OUGH: THE DATE OF HARVEST WOULD BE THE AVERAGE.

THE CHAIRMAN: THE AVERAGE DATE OF HARVEST?

DR. OUGH: YES.

MR. GEORGE: DOCTOR, YOU MENTIONED THERE WERE DIFFERENCES
IN ACIDS BETWEEN THE WINES, I BELIEVE, YOU SAMPLED IN LAKE COUNTY
AND MENDOCINO. BUT THEN LATER ON, YOU DREW THE CONCLUSION THAT
THE WINES REALLY DID NOT DIFFER THAT MUCH IN TASTE. WERE YOU
SAYING THE DIFFERENCES IN ACIDS WERE INSIGNIFICANT?

DR. OUGH: IN THE OVERALL QUALITY, YES.

MR. GEORGE: DID YOU DO ANY COMPARISONS OF LAKE COUNTY WINES WITH NAPA AND SONOMA COUNTY WINES?

DR. OUGH: NOT DIRECTLY. BUT THIS WAS NOT A DIRECT COMPARISON, EITHER, IF YOU THINK OF IT. THIS WAS DONE, YOU KNOW, THE END OF FIVE YEARS AGO. THE TESTING HERE ENDED FIVE YEARS AGO. AND AT THE TIME, THERE WAS NO THOUGHT OF MAKING THIS A DIRECT COMPARISON. IT JUST HAPPENS TO COMPARE VERY WELL.

WE AT THE SAME TIME WERE BRINGING GRAPES IN FROM NAPA COUNTY. WE HAVE A FIELD STATION THERE, ALSO, AT OAKVILLE. I DID NOT BRING THAT DATA WITH ME, BUT IT WOULD BE SLIGHTLY DIFFERENT, PROBABLY. BUT IT IS A REGION II. IT IS A COOLER REGION. THERE WOULD BE SOME SIGNIFICANT DIFFERENCES THERE FROM OAKVILLE.

YOU CAN GET A WIDE RANGE OF QUALITY DIFFERENCES AND ANALYTICAL DIFFERENCES DEPENDING ON THE CLIMATE.

MR. GEORGE: WE HAD SOME TESTIMONY EARLIER THAT THE COASTAL FOG HAD QUITE A BIT TO DO WITH MODIFYING THE CLIMATES OF SEVERAL OF THE COUNTIES. DOES THAT HAVE ANY INFLUENCE IN LAKE COUNTY WHATSOEVER?

DR. OUGH: AS FAR AS I KNOW, NO. BUT YOU DO HAVE THE MODIFYING EFFECT OF THE LAKE ITSELF, WHICH TENDS TO HOLD THE HIGH TEMPERATURES DOWN AND BRING THE LOW TEMPERATURES UP. ANY BIG BODY OF WATER WILL MODIFY THE CLIMATE.

MR. GEORGE: AND THAT IS CLEAR LAKE?

DR. OUGH: YES.

MR. GEORGE: AND YOU SAY THAT YOUR GROUP YOU ARE
TESTIFYING FOR IS GOING TO PROPOSE AN AREA WHICH DOES NOT INCLUDE
ALL OF LAKE COUNTY. IT IS AN AREA SMALLER BUT AROUND CLEAR LAKE

SOMEWHERE?

DR. OUGH: THAT IS MY UNDERSTANDING. YES.

MR. GEORGE: OKAY. THANK YOU.

THE CHAIRMAN: THANK YOU VERY MUCH FOR YOUR TIME,

WILLIAM S. IRWIN.

DR. OUGH.

# TESTIFIED AS FOLLOWS:

MY NAME IS WILLIAM IRWIN. I-R-W-I-N. I AM A RESIDENT OF LAKE COUNTY FOR 21 YEARS AS WELL AS A GRADUATE OF DAVIS. I HAVE NO CLAIM TO ANY TYPE OF EXPERTISE OTHER THAN MAKING OBSERVATIONS OF WHAT HAS NATURALLY OCCURRED IN NATURE. WHILE I DO HAVE A B.S. IN AGRICULTURE FROM DAVIS, I ALSO AM A GEOGRAPHER WITH A DEGREE IN ECONOMICS. SO, HOPEFULLY, THE ONLY THING I CAN REALLY ATTEST TO AS A GEOGRAPHER, I PUT MAPS TOGETHER. I KNOW THEY ARE USGS MAPS.

BUT WHEN I LEFT THE HOUSE THIS MORNING, MY WIFE KISSED ME, AND SHE NORMALLY SPELLS IT, AND IT REMINDED ME TO KEEP IT SIMPLE, STUPID, WHEN YOU SPELL IT. SO I RAN BACK IN THE HOUSE AND GOT THE BASIC WINE INDUSTRY GENERAL VITICULTURE TEXT AND BROUGHT IT WITH ME.

BEFORE I GET TO THE MAPS AND THE LIKE, I WOULD LIKE TO READ CONCERNING CLIMATIC REGIONS ON PAGE 56.

"THE AVAILABLE CLIMATOLOGICAL DATA OF THE UNITED STATES WEATHER BUREAU STATIONS AND THE STATIONS OF THE DEPARTMENT OF VITICULTURE AND ENOLOGY AT DAVIS WERE SUMMARIZED FOR THE AREAS WHERE GRAPES WERE PRODUCED SUCCESSFULLY FOR WINE MAKING. THEN THE PRINCIPAL CLIMATIC FACTORS OF THE AREAS WERE CORRELATED WITH

"THE ANALYTICAL DATA AND QUALITY SCORES OF MATURED WINES OF THE AREAS. THE ONLY FACTOR OF CLIMATE THAT PROVED TO BE OF PREDOMINANT IMPORTANCE WAS TEMPERATURE.

"OTHER FACTORS, SUCH AS RAINFALL, FOG, HUMIDITY, DURATION OF SUNSHINE ALSO HAVE EFFECTS, BUT THESE ARE MUCH MORE LIMITED THAN THE EFFECT OF HEAT SUMMATION."

THIS WAS WITH RESPECT TO THE UNIQUENESS OF THE SOILS,

A PAGE OR TWO DOWN THE LANE, ON PAGE 63 UNDER CLASSIFICATION FOR

SOILS FOR GRAPES. WINKLER BEGINS: "GRAPES ARE ADAPTED TO A WIDE

RANGE OF SOIL TYPES. TRUE, ONE FINDS A DECIDED PREFERENCE FOR

CERTAIN SOIL TYPES IN EVERY GRAPE-GROWING DISTRICT. NEVERTHELESS,

WHEN ALL SOILS USED FOR GROWING THE VARIOUS KINDS OF GRAPES IN

THE MANY DIFFERENT GRAPE-GROWING REGIONS OF THE WORLD ARE COMPARED,

ONE FINDS THEY RANGE FROM GRAVELLY SOILS TO HEAVY CLAY, FROM

SHALLOW TO VERY DEEP, AND FROM LOW TO HIGH FERTILITY."

WE HAVE SEEN LAKE COUNTY'S RELATIONSHIP TO THE ENTIRE NORTH COASTAL AREA. PERHAPS THIS RELIEF MAP WILL SHED A LITTLE LIGHT ON THE RELATIONSHIP OF MOUNTAIN VALLEYS. CERTAINLY, WE HAVE THE RUSSIAN RIVER BASIN AREA AS WELL AS THE CLEAR LAKE BASIN AREA. PRIOR TO THE LARGE LANDSLIDE ON THE WESTERN END OF CLEAR LAKE, CLEAR LAKE USED TO RUN OUT THROUGH THE RUSSIAN RIVER BASIN. NONETHELESS, WE ARE LOOKING AT TYPICALLY VALLEY BOTTOM AREAS WHERE GRAPES ARE GROWN. CERTAINLY, THERE ARE MANY VINEYARDS ON THE HILLSIDES, BUT TYPICALLY MOST OF THE VINEYARDS ARE ON THE BOTTOM LANDS.

I HAPPEN TO GROW SOME EARLY VARIETIES, GEWURZTRAMINER, AS WELL AS THE LATER SAUVIGNON BLANC AND WHITE RIESLING. I MADE A DECISION TO PLANT THESE WHITE GRAPES, WHICH ARE LISTED AS WINE

GRAPE VARIETIES IN THE NORTH COAST COUNTIES OF CALIFORNIA.

I PLANTED THEM AT A TIME WHEN NO WINERY WOULD GIVE ME A CONTRACT BECAUSE THEY WANTED REDS. HOWEVER, THROUGH THE RESEARCH AT DAVIS WITH ALL THE HELP OF THE PROFESSORS, HAVING WORKED WITH THEM CLOSELY, THERE WAS NO REASON WHY GRAPES SUCH AS THOSE WHITES AS WELL AS REDS -- BUT I ONLY SPEAK WHAT I KNOW OF -- THAT THEY WOULD RESPOND FAVORABLY TO THE REGION II AND REGION III AREA. I HAPPEN TO BE IN A REGION II, IN THIS AREA WHERE A LOT OF OCEAN AIR DOES COME DOWN THROUGH THE GAP IN THE MOUNTAINS. YOU CAN SEE IT, PERHAPS.

HISTORICALLY, WHEN I HAD TO COME UP WITH SOME IDEAS ON PRICES, WHAT I WOULD BE FACING WHEN I PLANTED, I TURNED TO A VARIETY OF CROP REPORTING DATA. CERTAINLY, CALIFORNIA CROP AND LIVESTOCK REPORTING SERVICE SHOWS IN '72 REPORT THAT A COASTAL REGION INCLUDED MENDOCINO, SONOMA, NAPA, LAKE, SOLANO, CONTRA COSTA, ALAMEDA, SANTA CLARA, SAN BENITO, SANTA CRUZ, SAN LUIS OBISPO, MONTEREY, AND SANTA BARBARA. APPARENTLY, A YEAR LATER WHEN THE NEXT REPORT CAME OUT, THEY REFINED THE COASTAL INFLUENCE IN THE PRICE REPORTING AREAS TO -- HERE AGAIN, NORTH COASTAL REGION INCLUDES COUNTIES OF MENDOCINO, SONOMA, NAPA, LAKE, AND SOLANO.

THE NEXT YEAR'S REPORT, AGAIN THE SAME. BUT ON INTO '76, WE SEE A GROUPING, WHETHER RIGHTLY OR NOT, WITH MENDOCINO COUNTY.

CARRYING THE HISTORY ON TO '78 IS WHEN A DISTINCTION WAS MADE TO HAVE EACH COUNTY NAMED SEPARATELY. NONETHELESS, THE NORTH COAST COUNTIES AS DEFINITION OF DISTRICTS WERE, REGARDLESS OF THE GROUPING, MENDOCINO, LAKE, SONOMA, MARIN, NAPA, AND SOLANO.

THERE ARE A FEW REFERENCES WHICH HAVE BEEN MADE ABOUT THE PRICE RELATIONSHIPS. OBVIOUSLY THERE IS GREAT CONCERN. I WILL POINT UP A VARIETY OF ANOMALIES. THE PRICE STRUCTURE IS NOT ENTIRELY CONSISTENT. I WILL JUST HAPPEN TO PICK THE FINAL OF THE 1980 GROSS REPORT, BUT I JUST QUICKLY LOOKED IN ON THE WHITE WINE GRAPES BECAUSE THAT IS ALL I GROW. AND I SEE THE SUMMATIONS THAT THE AVERAGE GROWER RETURNS. IT SO HAPPENS THAT NAPA PLACED FIRST, \$664 A TON; LAKE COUNTY WAS SECOND WITH \$586 A TON; WITH SONOMA, 556; AS WELL AS MENDOCINO. 499.

SO, CLEARLY, IT IS A VERY SMALL BODY OF WINE. NO QUESTION—OR GRAPES. OVERALL ACREAGE AND OVERALL TONNAGES IS VERY, VERY MINUTE. I THINK, AS SOMEONE MENTIONED, IT IS IN THE VICINITY OF 2 PER CENT. SO IT IS VERY, VERY SMALL.

BUT LIKE IN THIS LAST REPORT, PRICE IS MORE OF A FUNCTION OF BARGAINING BETWEEN TWO INDIVIDUALS AND WHAT THE MARKET IS PARTICULARLY INTERESTED IN.

I AM NOT MUCH OF A WINE DRINKER. I CAN BARELY SAY I RARELY IF EVER SAMPLE IT, SO I CANNOT AT ALL SPEAK ON QUALITY.

I HAVE NEVER ADVERTISED MY GRAPES FOR SALE. HOWEVER, THIS LAST YEAR AS A RESULT OF A FEW SEASONS OF SHIPPING THAT I HAVE SOLD MY GRAPES TO NAPA VALLEY -- AND APPARENTLY OTHER WINERIES PURCHASERS COME UP. AND I HAD THE FIRST DAY THAT I STARTED PICKING -- I HAD THREE WINERIES FROM ST. HELENA IN MY FIELD WANTING TO BUY THE GRAPES. SO I RELATE QUALITY SOMEWHAT WITH RESPECT TO -- I WISH FOR NORTH COAST'S SAKE THAT ALL THE GRAPES WERE AS WELL CARED FOR, CULTURED, MANICURED, PRODUCTIVE AND BEAUTIFUL AS THE GALS IN THE ROOM. BUT APPARENTLY QUALITY ISN'T OF SUCH NATURE. OTHERWISE, ALL THE WINES WOULD BE WINNING

AWARDS.

I AM VERY RETICENT AND SHY TO ADMIT MY TALENT, BUT THAT IS NEITHER HERE NOR THERE, OR QUALITY. BECAUSE I DON'T ENJOY DRINKING, THAT DOES NOT PUT IT IN OR OUT OF A PARTICULAR REGION.

WEATHER DATA IS VERY COMPARABLE WITHIN THE AREA. A
GREAT AMOUNT OF DATA IS AMASSED EVERY SEASON. BUT, GETTING BACK
TO LOCATION, WE DO GET THE COASTAL INFLUENCE. ONE CAN SEE WE ARE
A SIMILAR DISTANCE TO THE COAST AS NAPA VALLEY.

CERTAINLY, NOT ALL OF LAKE COUNTY IS OF A WINE-GROWING AREA. WE HAVE VERY RUGGED MOUNTAINS, VERY DESOLATE, REMOTE AREAS, AS WELL AS OTHER AREAS OF THE COASTAL REGION. WHEN PEOPLE ASK ME WHERE I AM FROM WHEN I AM OUTSIDE THE STATE, I TYPICALLY SAY NORTHERN CALIFORNIA, TYPICALLY THE REFERENCE POINT IS SAN FRANCISCO. AND WHEN THEY GO FURTHER, WELL, WHERE SPECIFICALLY, I TYPICALLY SAY IN THE NORTH COASTAL RANGE OF MOUNTAINS BETWEEN THE CENTRAL VALLEY AND THE OCEAN.

ARE THERE ANY QUESTIONS?

MR. GEORGE: I HAVE ONE QUESTION. DO YOU HAVE ANY DATA ON THE SOIL SIMILARITIES BETWEEN NAPA, SONOMA, MENDOCINO COUNTY, AND LAKE COUNTY?

MR. IRWIN: NO, I DON'T. I BELIEVE SOMEONE BROUGHT A SOIL PROFILE. IT IS A VOLCANIC REGION, CERTAINLY. WE HAVE MOUNT KONOCTI, COBB MOUNTAIN, AS WELL AS MOUNT ST. HELENA. BUT, TYPICALLY, ALL THE BOTTOM SOILS ARE ALLUVIAL IN NATURE.

MRS. KIRK: I HAVE ONE QUESTION. AGAIN, ALL OF LAKE COUNTY IS NOT INCLUDED WITHIN THIS AMENDMENT. YOU HAVE SPOKEN TO THE COMMONALITIES BETWEEN A CERTAIN PORTION OF LAKE COUNTY WITH MENDOCINO, NAPA. COULD YOU SPEAK TO HOW THAT ONE PORTION OF

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LAKE COUNTY IS DIFFERENT FROM THE OTHER PORTION TO DISTINGUISH ONE PART OF LAKE COUNTY FROM ANOTHER IN YOUR PROPOSAL.

MR. IRWIN: THIS BEING LAKE COUNTY, THE GREEN ARE
TYPICALLY THE GROWING AREAS. THE FLOW OF AIR FROM THE COAST
COMES DOWN AND ACROSS AND THROUGH THE LAKE. I CANNOT SPEAK ON
WHETHER THAT WIND, AFTERNOON BREEZE HITS THIS AREA OF LAKE COUNTY.
I AM NOT FAMILIAR WITH THAT AREA.

MRS. KIRK: DOES THAT GREEN MARK INDICATE THE PROPOSED AREA?

MR. IRWIN: YES. IT IS MERELY A RIDGE OF MOUNTAINS.

MRS. KIRK: COMPARE FOR ME LAKE COUNTY. COMPARE THE

-- DISTINGUISH LAKE COUNTY FOR ME BELOW THE GREEN LINE AND ABOVE

THE GREEN LINE GEOGRAPHICALLY. WHY WAS THAT BOUNDARY LINE

DEVELOPED?

MR. IRWIN: TYPICALLY ON THIS SIDE, YOU HAVE BOTTOM LAND AND TILLABLE HILLSIDES, WHICH ARE POSSIBLE TO GROW ON. THIS AREA IS EXTREMELY RUGGED, VERY, VERY STEEP MOUNTAINS, AND AN ENTIRELY DIFFERENT VEGETATIVE REGION. TYPICALLY, THAT IS ALL HEAVY TIMBER UP THROUGH THERE, AS IS THIS AREA. BUT THE AREA TYPICALLY WHERE GRAPES ARE GROWN IS NOT A HEAVY TIMBER REGION AT THIS TIME. OF COURSE, MANY OF THEM HAVE BEEN LOGGED OVER.

MRS. KIRK: IS THERE VARIANCE IN CLIMATE BETWEEN THE

MR. IRWIN: TO A DEGREE, YES. I AM AN AVID PILOT, AND I HAVE FLOWN OVER THIS REGION HUNDREDS OF HOURS; AND I AM CONSCIOUS OF THE EFFECT OF TEMPERATURES ON TAKE-OFF, FOG -- OBVIOUSLY, FOR VISIBILITY -- RAINFALL, AND THE LIKE. BUT THERE IS A SLIGHT DIFFERENCE IN CLIMATE. YES. THAT WOULD BE UP TO A

METEOROLOGIST TO DEFINE. CERTAINLY NOTHING DISCERNIBLE FOR OUR PURPOSES HERE.

THE CHAIRMAN: THANK YOU VERY MUCH.

## JAMES D. LIDER,

TESTIFIED AS FOLLOWS:

MY NAME IS JAMES D. LIDER. I RESIDE AT 995 DOWDELL LANE IN ST. HELENA, CALIFORNIA, IN THE NAPA VALLEY. I AM A VINEYARD OWNER, AND I ACT AS A CONSULTANT FOR MANY VINEYARDS LOCATED THROUGHOUT THE STATE, BUT DO MOST OF MY WORK IN THE COUNTIES OF NAPA, SONOMA, MENDOCINO, AND LAKE. FROM THE PERIOD 1952, SEPTEMBER, 1952, TO SEPTEMBER, 1971, I WAS EMPLOYED BY THE UNIVERSITY OF CALIFORNIA AGRICULTURAL EXTENSION SERVICE AS A FARM ADVISER IN NAPA COUNTY. AT THE TIME OF MY EMPLOYMENT, I WAS INVOLVED IN PUTTING TOGETHER INFORMATION FOR ALL OF THE NORTH COAST COUNTIES IN CONJUNCTION WITH OTHER FARM ADVISERS WHO WERE WORKING IN THE NAPA, SONOMA, MENDOCINO AND LAKE COUNTY COUNTIES.

ONE OF OUR MAJOR FUNCTIONS AS A FARM ADVISER WAS TO

ADVISE PEOPLE TO THE VARIETIES OF GRAPES THAT WOULD DO WELL UNDER

THE CONDITIONS THAT WERE FOUND IN THE VARIOUS LOCATIONS WHERE

VINEYARDS WERE BEING DEVELOPED AND TO RELAY INFORMATION DEVELOPED

BY THE UNIVERSITY OF CALIFORNIA ON GRAPES AND WINE TO THE GROWERS

IN THESE NORTH COAST COUNTIES.

AFTER LEAVING THE EXTENSION SERVICE IN 1971, I STARTED

MY OWN BUSINESS AS A GRAPE CONSULTANT WORKING IN THE STATE OF

CALIFORNIA, AND, IN ADDITION, CONDUCTED A FARM MANAGEMENT BUSINESS

MANAGING SOME FARMS FOR GROWERS LOCATED IN NAPA COUNTY.

IN MY POSITION AS CONSULTANT TO MANY OF THE GRAPE

GROWERS, I HAVE NOT CONFINED MY ACTIVITIES TO NAPA COUNTY. WE HAVE WORKED WITH A LOT OF THE GROWERS THAT ARE PRESENT HERE IN THIS ROOM TODAY. THIS MEANT CLOSE COORDINATION WITH MANY OF THE WINERIES WHEN WORKING WITH THESE GROWERS TO GUARANTEE THAT THE PROPER VARIETIES OF GRAPES WOULD BE DEVELOPED.

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IN THE DISCUSSION THAT FOLLOWS, I PROPOSE TO LEND
SUPPORT TO THE FACT THAT LAKE COUNTY HAS BEEN A VITAL PART OF THE
NORTH COAST AREA AS WE HAVE DEFINED IT IN THE PAST YEARS FOR THE
PRODUCTION OF MANY OF THE FINE TABLE WINES THAT ARE PRODUCED HERE.
THE GRAPE-GROWING CLIMATES THAT EXIST IN THIS AREA HAVE BEEN
DEFINED IN VARIOUS PERIODICALS AND TEXTBOOKS RELATING TO THE
CALIFORNIA WINE AND GRAPE INDUSTRY. IT HAS BEEN ESTABLISHED THAT,
BECAUSE OF THE VARIED EFFECT THAT ONE MAY GET FROM OCEAN BREEZES
AND CERTAIN OTHER CLIMATICAL EFFECTS, THAT LOCALIZED CLIMATES
MAY VARY CONSIDERABLY FROM ONE AREA TO THE OTHER IN THE GRAPEGROWING CLIMATES THAT EXIST IN THIS AREA.

WE HAVE FOUND IN THESE FOUR COUNTIES THAT THE CLIMATES VARY FROM A VERY COOL GRAPE-GROWING REGION WHICH HAS BEEN CLASSIFIED BY THE DEPARTMENT OF VITICULTURE AND ENOLOGY OF THE UNIVERSITY OF CALIFORNIA AS A REGION I; TO A SLIGHTLY WARM CLIMATE, WHICH IS CLASSIFIED AS A REGION III. THESE CLIMATES EXIST IN PRACTICALLY ALL OF THESE COUNTIES, DEPENDING UPON THE VARIOUS LOCATIONS AND EXPOSURE TO THE MARITIME INFLUENCES OF THE OCEAN AND FOG AND SEA BREEZES, ALSO IN THE AMOUNT OF SUNLIGHT THAT THE VARIOUS GRAPE-GROWING AREAS ARE EXPOSED TO.

FROM THE DATA THAT HAS BEEN COLLECTED BY THE VARIOUS INDIVIDUALS IN THESE AREAS, IT IS MY OPINION THAT ALL OF THESE CLIMATES THAT EXIST IN NAPA, SONOMA, MENDOCINO, AND LAKE ARE NOT

28 I WILL CONTINUE.

GREATLY DIFFERENT ENOUGH TO JUSTIFY CLASSIFICATION OF A VITICULTURAL AREA BASED UPON THE GRAPE-GROWING CLIMATES THAT ONE FINDS IN ANY ONE PARTICULAR AREA.

WE SEE THE GREAT INFLUENCE THAT COMES FROM THESE
MOUNTAINOUS AREAS THAT EXIST, IN THESE EXPOSURES TO THE SUN, THAT
WE HAVE MANY CLIMATES OF TWO TYPES EXISTING IN ONE AREA. FOR
THIS REASON, WE CAN SAY THAT SIMILAR CLIMATES EXIST IN ALL OF THESE
COUNTIES THAT ARE TO BE CONSIDERED AS PART OF THE NORTH COAST
AREA.

NAPA HAS WARMER INTERIOR VALLEYS. SONOMA HAS WARMER INTERIOR VALLEYS, AS WELL AS MENDOCINO AND LAKE COUNTY. THERE-FORE, WE CAN FIND VERY LITTLE JUSTIFICATION FOR THE SEPARATION OF THESE FOUR COUNTIES BASED UPON THE GRAPE-GROWING CLIMATE.

THE SOIL DIFFERENCES THAT EXIST IN THESE AREAS IS,
LIKEWISE, HARD TO SEPARATE UTILIZING THE VARIOUS ATTEMPTS TO
CLEARLY MAP THE SOILS. THIS IS ONE OF THE REASONS IN THE
DISCUSSION THAT DR. WINKLER PUTS IN HIS BOOK THAT HE FINDS IT
VERY DIFFICULT TO DIVIDE THE STATE OF CALIFORNIA GRAPE-GROWING
REGIONS UP BY SOILS, BECAUSE THE SOILS YOU FIND IN NAPA COUNTY
ARE NOT NECESSARILY CLEARLY FOR THAT COUNTY, AND THEY MAY EXIST
IN OTHER PARTS OF THE COUNTY. AND VERY OFTEN WE FIND SIMILAR
SOILS LOCATED JUST ACROSS THE COUNTY LINE. HOWEVER, IN SOME OF
THE SOIL MAPPINGS THAT HAVE COME OUT, THEY HAVE USED SLIGHTLY
DIFFERENT NAMES, AND THIS IS SOMETHING THAT IS RATHER HARD TO
RECONCILE AND SOMETHING THAT VERY OFTEN, AS A CONSULTANT, WE HAVE
TO JUSTIFY TO OUR CLIENTS.

(BRIEF RECESS.)

THE SEPARATION OF THESE FOUR COUNTIES BASED UPON SOIL TYPES BECOMES VERY DIFFICULT BECAUSE OF THE FACT THAT THE SAME SOILS EXIST IN SOME OF THE VARIOUS COUNTIES. ALSO, WE SEE THAT THERE ARE SOILS THAT ARE DIFFERENT THAT EXIST IN THE COUNTY IN ADDITION. SO WE FIND IT VERY DIFFICULT TO DRAW ANY CONCLUSION FROM THE STANDPOINT OF A PARTICULAR GRAPE THAT MIGHT BE GROWN BASED STRICTLY UPON SOILS.

THERE ARE ATTEMPTS AT THE PRESENT TIME TO FURTHER

CLASSIFY THIS. I THINK WHAT WE ARE GETTING INTO IS NOT NECESSARILY
TO DIVIDE A REGION, BUT MORE TO DETERMINE WHAT GRAPE VARIETY MAY

DO GOOD UNDER CERTAIN CONDITIONS OF THAT ENVIRONMENT UNDER WHICH

YOU ARE GOING TO GROW THE GRAPES. WE ARE TRYING TO TAKE INTO

ACCOUNT ALL OF THE FACTORS. WE CAN SAY THAT THIS IS A VERY

DIFFICULT AND TEDIOUS JOB AND THAT WE HAVE NOT BEEN ABLE TO SEE

WHERE WE ARE GOING TO BE ABLE TO DIVIDE THE ENTIRE STATE UP INTO

DISTINCT AREAS AND REGIONS BASED UPON THIS DATA THAT IS BEING

FORMULATED. HOWEVER, WE HOPE TO MAKE BETTER RECOMMENDATIONS FOR

VARIETIES SUITED TO A SPECIAL WINEMAKING PURPOSE BY HAVING THIS

MORE ELABORATE AND TECHNICAL DATA, AND NOT NECESSARILY TO DIVIDE

A PARTICULAR AREA ONE FROM THE OTHER.

WE CAN SEE THAT IT IS DIFFICULT TO USE ANY LOGICAL
REASON AT THE PRESENT TIME BASED ON THE INFORMATION TO DIVIDE
THESE COUNTIES UP BASED UPON SOIL. WE CAN SEE THAT BOTH THE
CLIMATE AND THE SOILS CONSTITUTE A VERY DIFFICULT REASON FOR
DIVIDING THESE AREAS ONE FROM THE OTHER THAN JUST THE NORTH COAST.

IN MAKING RECOMMENDATIONS FOR THE VARIOUS GRAPE

VARIETIES OVER THE PAST YEARS, WE HAVE CLEARLY INCORPORATED INTO

THE LAKE COUNTY INDUSTRY THE GRAPE VARIETIES THAT WILL GROW IN

THE OTHER THREE COUNTIES OF NAPA, SONOMA, AND MENDOCINO. WE HAVE ALWAYS BASED OUR RECOMMENDATIONS UPON THE UTILIZATION OF THESE GRAPES BY THESE WINERIES THAT ARE LOCATED IN NAPA, SONOMA, AND MENDOCINO. THE VARIETIES THAT ARE RECOMMENDED AND THE QUALITY OF THE WINES THAT ARE PRODUCED FROM THE GRAPES CLEARLY INDICATE THAT GOOD QUALITY WINES OF THE TYPE THAT ARE TYPICALLY PRODUCED IN NAPA, SONOMA, AND MENDOCINO COUNTIES CAN BE PRODUCED FROM GRAPES GROWN IN LAKE COUNTY.

DURING THE PAST 30 YEARS THAT I HAVE BEEN ACQUAINTED WITH LAKE COUNTY, I KNOW OF SEVERAL VINEYARDS THAT HAVE MARKETED GRAPES IN NAPA COUNTY, AND THE QUALITY OF THESE GRAPES HAVE ALWAYS BEEN REGARDED AS SIMILAR TO, IF NOT IN SOME CASES BETTER THAN, THOSE GROWN IN SOME OF THE OTHER VINEYARDS LOCATED WITHIN THE COUNTY.

WHAT I AM TRYING TO POINT OUT IS WHEN WE START
DISCUSSING QUALITY OF GRAPES FROM A PARTICULAR VINEYARD, IT
BECOMES DIFFICULT BECAUSE SOME OF THE GROWERS ARE GOOD AND WILL
PRODUCE GOOD QUALITY AND OTHERS ARE NOT. SO IT IS HARD TO DRAW
A HARD AND FAST CONCLUSION FROM THE FACT THAT THERE MAY BE SOME
LOW QUALITY GRAPES BECAUSE THERE MAY BE SOME FACTORS OTHER THAN
SOIL AND CLIMATE INVOLVED. IT COULD BE CULTURAL PRACTICES
INVOLVED.

DURING THE 1960'S, I COOPERATED WITH DR. WINKLER IN A STUDY MADE IN CONNECTION WITH AN INVESTIGATION TO DETERMINE NEW GRAPE VARIETIES FOR CALIFORNIA. AFTER A STUDY OF THE CLIMATE AND THE SOILS AND ALL OF CALIFORNIA, HE CAME TO THE CONCLUSION THAT THERE WERE AREAS IN LAKE COUNTY THAT COULD GROW GRAPES SIMILAR TO THOSE GROWING IN NAPA, SONOMA, AND MENDOCINO COUNTIES.

UPON THE VARIETIES AND THE GRAPES GROWN IN THESE OTHER COUNTIES.

LIKEWISE, THE CULTURAL PRACTICES THAT WE RECOMMENDED FOR THESE

AREAS WERE VERY SIMILAR. THE CULTIVATION, THE TRELLISING, THE

TRAINING AND PRUNING OF THOSE GRAPES WERE PRETTY MUCH THOSE

PRACTICES BEING FOLLOWED IN THESE OTHER COUNTIES. WHILE GRAPE

PHYLLOXERA WAS SOMETHING THAT THEY EXCLUDED, IT IS NOT THAT THAT

CLEARLY SEPARATES A VITICULTURAL AREA, BECAUSE WE WISH WE DIDN'T

HAVE THE GRAPE PHYLLOXERA BECAUSE IT INCREASES THE COST OF

DEVELOPING SOME OF OUR VINEYARDS BY A CONSIDERABLE AMOUNT.

AND FOR THIS REASON. WE LARGELY MADE OUR RECOMMENDATIONS BASED

WE THINK THAT THE FACT THAT THERE ARE VINEYARDS IN NAPA, SONOMA, AND MENDOCINO THAT ARE ALSO, LIKEWISE, NOT PLANTED ON RESISTANT ROOTSTOCKS -- THERE HAS BEEN NO CONSISTENT REASON FOR SEPARATING THE WINES FROM GRAPES THAT ARE PLANTED ON THEIR OWN ROOTS VERSUS THOSE THAT ARE PLANTED ON A RESISTANT ROOTSTOCK. SO FROM THIS, WE CAN SEE THAT THE VITICULTURAL CHARACTERISTICS OF AN OWN-ROOTED VINE VERSUS A RESISTANT-ROOTED VINE CANNOT DRAW A DISTINCT CONCLUSION ON THE QUALITY OF WINES THAT CAN BE PRODUCED.

THAT MANY PEOPLE HAVE HAD WITH GRAPES AND WINE-PRODUCING
VINEYARDS IN LAKE COUNTY, IT IS MY OPINION THAT ONE COULD
SEPARATE OUT A REGION WITHIN LAKE COUNTY THAT COULD BE DEFINED
AS A NORTH COAST REGION. AND IN LOOKING AT THIS MAP, WE CAN
DRAW A LINE THAT YOU SEE ALONG THIS RIDGE OF MOUNTAINS HERE
THROUGH THIS AREA, WHICH IS CLEARLY A MOUNTAIN REGION, DOWN INTO
CACHE CREEK AND INTO A LINE THAT COINCIDES WITH THE NAPA COUNTY
LINE. THIS CLEARLY SEPARATES A TRUE INTERIOR VALLEY CLIMATE,

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WHICH IS INCLUDED BY THE GREATER SACRAMENTO VALLEY, VERSUS THAT THAT HAS THE MODERATING INFLUENCES FROM THE COASTAL AREA. THE EXTREME INFLUENCE MAY NOT BE FELT SO MUCH, THERE IS SOME MODIFICATION OF THE CLIMATE, AND, AS SUCH, WE CAN MAKE RECOMMENDATIONS OF VARIETIES OF GRAPES THAT ARE LOGICALLY GROWN IN THE POPE VALLEY OF NAPA COUNTY, OR, IN SOME CASES, POTTER VALLEY OF NAPA COUNTY, ALL WARM REGIONS WHICH DO NOT FEEL AS MUCH THE DIRECT INFLUENCE AS ONE MIGHT EXPECT, HAVING VERY WARM TEMPERATURES DURING THE DAY. BUT WHEN WE TAKE INTO ACCOUNT THE MAXIMUM AND MINIMUM TEMPERATURES OVER A PERIOD OF YEARS OF TIME -- WE CANNOT DO THIS IN JUST ONE YEAR -- SUCH AS THE UNIVERSITY OF CALIFORNIA DID OVER A FIVE-YEAR PERIOD AT HOPLAND AND IN LAKE COUNTY, ONE THEN CAN GET SOME IDEA OF HOW SUCCESSFUL WE HAVE BEEN IN MAKING RECOMMENDATIONS.

I CAN ONLY SEE THAT TRYING TO EXCLUDE LAKE COUNTY FROM THE NORTH COAST GRAPE-GROWING REGION CAN HAVE A DEFINITE FINANCIAL EFFECT UPON THE GROWERS THAT ARE LOCATED IN THOSE AREAS. THEY HAVE PLANTED THE GRAPE VARIETIES THAT WERE RECOMMENDED BY WINERIES LOCATED IN NAPA, SONOMA, AND MENDOCINO COUNTIES. THEY HAVE SIGNED CONTRACTS WITH THEM, AND LARGELY HAVE BASED THEIR ENTIRE INDUSTRY UPON SELLING GRAPES THROUGH WINERIES LOCATED IN THE NORTH COAST. CERTAINLY, IF A NORTH COAST APPELLATION -- THEY WERE PREVENTED FROM HAVING A NORTH COAST APPELLATION, I CAN ONLY SAY THAT THIS WOULD HAVE A VERY SERIOUS CONSEQUENCE ON THE GROWERS IN LAKE COUNTY.

I WANT TO THANK YOU FOR THE OPPORTUNITY TO MAKE THIS PRESENTATION. IF THERE ARE ANY QUESTIONS, I ENTERTAIN THEM AT THIS TIME.

THE CHAIRMAN: MR. LIDER, THANK YOU. IT WAS VERY 1 INFORMATIVE. 2 I DO NOT WANT TO PARAPHRASE YOU, BUT I WANT TO MAKE 3 SURE I UNDERSTAND WHAT YOU SAID. CLIMATE IS NOT A FACTOR IN 4 5 DISTINGUISHING THIS TYPE OF AN APPELLATION. IS THAT TRUE? MR. LIDER: NO. CLIMATE IS THE MOST IMPORTANT PART OF 6 DEFINING THE AREA. 7 THE CHAIRMAN: I DID MISUNDERSTAND YOU. 8 MR. LIDER: SOILS ARE NOT AS IMPORTANT. 9 THE CHAIRMAN: I UNDERSTOOD THE SOILS. I THOUGHT YOU 10 ALSO SAID CLIMATE. I WAS WONDERING IF YOU CAN'T USE CLIMATE 11 AND SOIL, WHAT CAN YOU USE? 12 MR. LIDER: THE CLIMATE IS SO SIMILAR IN THESE AREAS, 13 IT IS HARD TO DRAW A CLEAN-CUT LINE BETWEEN THEM UNLESS YOU TAKE 14 IN --15 THE CHAIRMAN: ALL RIGHT. ALL RIGHT. COMING AT IT A 16 DIFFERENT WAY. SAME THING. SAME THING. I UNDERSTAND NOW. 17 ANOTHER POINT, OR ANOTHER QUESTION I GUESS, ARE THERE 18 HISTORICAL PRECEDENTS IN LAKE COUNTY BEING CONSIDERED PART OF 19 THE NORTHERN COAST? 20 MR. LIDER: WELL, WE KNOW THAT SINCE 1952, WITH WHICH 21 I AM REALLY WELL ACQUAINTED, THERE HAVE BEEN GRAPES DELIVERED 22 FROM MIDDLETOWN TO NAPA COUNTY WINERIES FOR THE PAST 28 TO 30 23 YEARS, AND THAT THEY HAD BEEN MARKETED PREVIOUSLY TO THE WINERIES 24 IN NAPA COUNTY. 25 THE CHAIRMAN: CAN YOU SHOW ME GENERALLY WHERE 26 MIDDLETOWN WOULD BE. 27

MR. LIDER: MIDDLETOWN WOULD BE LOCATED RIGHT HERE.

1 AND WE KNOW THAT THERE HAVE BEEN GRAPES FOR THE PAST 12 TO 15 2 YEARS FROM THAT GENERAL VICINITY THAT HAVE BEEN GROWN BY WINERIES 3 LOCATED IN NAPA COUNTY AND INCORPORATED INTO THEIR PRODUCTION OF 4 WINES. I DON'T KNOW WHAT THEIR LABELLING DESIGNATIONS ARE, BUT 5 THEY DO IMPORT GRAPES FROM THERE. 6 MR. GRAHAM: I THOUGHT YOU SAID IN YOUR TESTIMONY THAT 7 LAKE COUNTY HAS A HISTORY OF PRODUCING NORTH COAST TABLE WINES. 8 WHEN WAS THIS? 9 MR. LIDER: WELL, THERE IS A GREAT DEAL OF HISTORY 10 BEHIND THE LAKE COUNTY WINE INDUSTRY, AND I THINK THAT -- I AM 11 NOT AN AUTHORITY ON THIS, BUT THIS MAY COME OUT IN THIS FURTHER 12 DISCUSSION OF THE HISTORY OF THE AREA. BUT I CAN SAY THAT WE 13 KNOW OF GRAPES THAT HAVE BEEN COMING FROM LAKE COUNTY CRUSHED BY 14 WINERIES IN NAPA COUNTY FOR MANY, MANY YEARS. 15 MR. GRAHAM: DO YOU HAVE ANY IDEA ON THE ACREAGE OF 16 THAT? 17 MR. LIDER: WELL, I THINK THERE WAS A -- IT WAS ABOUT 18 A 30-ACRE VINEYARD. THAT IS ROUGHLY WHAT I REMEMBER. 19 MR. GRAHAM: HOW MANY ACRES TOTAL ARE IN LAKE COUNTY? 20 MR. LIDER: I'LL HAVE TO DEFER TO ONE OF THE OTHER 21 INDIVIDUALS. 22 A VOICE: APPROXIMATELY 3,000 ACRES. 23 MR. GRAHAM: THAT ARE CURRENTLY IN --24 A VOICE: PRODUCTION. 25 MR. GRAHAM: PRODUCTION. 26 MR. GEORGE: MR. LIDER, HOW ABOUT THE DEGREE OF RAINFALL 27 IN LAKE COUNTY AS OPPOSED TO THE OTHER PROPOSED COUNTIES?

MR. LIDER: CERTAINLY, THE RAINFALL VARIES ALL OVER THE

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1 MAP, AND WE HAVE CERTAIN AREAS WITHIN THE CONFINES OF ALL OF 2 THESE COUNTIES THAT GO FROM CAZADERO, 144 INCHES, TO THE TOP OF 3 MOUNT ST. HELENA, AS HIGH AS 130 INCHES; TO SOME PARTS OF NAPA COUNTY, BEING AS LOW AS 22 INCHES. AND SO IT VARIES QUITE A BIT. 4 AND I COULD SAY THAT YOU COULD PROBABLY DRAW SIMILARITIES BETWEEN 5 6 MANY AREAS, BUT IT DOES VARY EXTREMELY, DEPENDING UPON THE 7 ELEVATIONS, THE COURSE OF THE STORMS THAT FLOW IN THROUGH THE AREA, AND THE ELEVATIONS. BUT I WOULD SAY THAT WE CAN FIND 8 COMPARABLE RAINFALL STATISTICS FOR MANY AREAS, WITH CALISTOGA 9 10 BEING 45 INCHES A YEAR, BUT MAYACMAS MOUNTAINS JUST TO THE WEST OF THE NAPA VALLEY HAVING RAINFALL RECORDS OF 65 TO 70 INCHES 11 12 EVERY YEAR. 13 14 YOUR PROPOSED AREA IN LAKE COUNTY? MR. LIDER: THEY KEEP ADDING THEM SO FAST, BUT IT IS 15 16

MRS. KIRK: DO YOU KNOW HOW MANY WINERIES THERE ARE IN

REALLY GETTING A HIGH NUMBER RIGHT NOW. YOU MEAN IN THE LAKE COUNTY AREA?

MRS. KIRK: RIGHT.

MR. LIDER: OH, I THINK THERE ARE THREE OR FOUR RIGHT NOW. ISN'T THAT CORRECT?

A VOICE: THREE.

MR. LIDER: THREE. THERE COULD BE ANOTHER ONE ON THE DRAWING BOARD. THEY ARE COMING IN SO FAST, WE CANNOT KEEP UP WITH THEM.

THE CHAIRMAN: WE ARE HAVING THE SAME PROBLEM.

ANY OTHER QUESTIONS?

MR. LIDER. THANK YOU VERY MUCH.

MYRON HOLDENRIED.

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## MYRON HOLDENRIED,

MY NAME IS MYRON HONDENRIED, AND I AM A GRAPE GROWER

CURRENTLY, I AM THE CHAIRMAN OF THE LAKE WINE PRODUCERS,

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CHAIRMAN OF THE LAKE WINE PRODUCERS, TESTIFIED AS FOLLOWS:

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IN LAKE COUNTY. WE GROW GRAPES ON 105 ACRES NEAR KELSEYVILLE.

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MY FAMILY HAS BEEN FARMING IN LAKE COUNTY FOR FIVE GENERATIONS,

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RAISING LIVESTOCK, GRAIN, BARTLETT PEARS, AND WINE GRAPES.

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OUR COUNTY GRAPE GROWERS ORGANIZATION. UPON MY GRADUATION FROM

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U.C. DAVIS, WE LOOKED AT ALTERNATIVE CROPS FOR OUR RANCH.

WORKING WITH THE AGRICULTURAL EXTENSION SERVICE IN LAKE AND

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MENDOCINO COUNTIES, WE DETERMINED THAT THE CLIMATE IN KELSEYVILLE

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MENDOCINO COUNTIES, WE DETERMINED THAT THE CEIMATE IN REESERVIEE

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WAS VERY SIMILAR TO THAT OF UKIAH AND HOPLAND. I WILL SHOW YOU

THE SOILS IN THIS PARTICULAR RANCH WERE GRAVELLY CLAY

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ON THE MAP RIGHT HERE.

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LOAM, WHICH WOULD MAKE THEM WELL-DRAINED FOR GRAPEVINES. WE

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FOUND THAT THERE WERE DEFINITE ADVANTAGES IN GROWING GRAPES IN

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OUR AREA, INCLUDING COOLING AFTERNOON WINDS, LACK OF SUMMER FOG,

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AND THE ABSENCE OF PHYLLOXERA, MEANING WE COULD GROW THE VINES

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DIRECTLY ON THEIR OWN ROOTS. AFTER FURTHER ENCOURAGEMENT FROM

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JOHN PARDUCCI IN UKIAH CONCERNING MARKETING, WE DETERMINED TO

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PLANT OUR INITIAL 30 ACRES OF ZINFANDEL IN 1965. PRESENTLY, WE

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ALSO GROW CABERNET SAUVIGNON, CHENIN BLANC, AND JOHANNISBERG

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RIESLING.

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5 PRESENT, INCLUDING BOUTS WITH DEER, DROUGHT, AND MARKETING.

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SINCE WE PRECEDED THE GRAPE BOOM OF THE EARLY 1970'S, WE HAVE SEEN

THERE HAVE BEEN UPS AND DOWNS SINCE 1965 AND TO THE

OF THE CYCLE. PRIOR TO 1974, WE HAD NO TROUBLE MARKETING THE

THE ROLLER COASTER RIDE OF GRAPE PRICES, EXPERIENCING BOTH ENDS

CROPS SELLING TO PARDUCCI WINERY IN UKIAH.

SINCE THE LETTER FROM BATE TO THE NORTH COAST GRAPE GROWERS ASSOCIATION AND THE SUBSEQUENT CONFUSION ON THE PART OF THE PARDUCCIS OVER THE APPELLATION, THE NORTH COAST APPELLATION, WE ESSENTIALLY LOST OUR MARKET WITH PARDUCCI. SINCE 1975, WE LAKE COUNTY GRAPE GROWERS HAVE HAD TO PROVE AGAIN THAT WE HAVE EXCELLENT WINE QUALITY.

CURRENTLY, THE BULK OF OUR GRAPES ARE DELIVERED TO FETZER WINERY. FETZER HAS WON MEDALS FOR OUR 1978 CABERNET SAUVIGNON, 1978 ZINFANDEL, AND 1979 JOHANNISBERG RIESLING FROM OUR RANCH. LOWER LAKE WINERY IN LAKE COUNTY ALSO PURCHASES OUR GRAPES AND HAS WON A MEDAL ON THE 1977 CABERNET SAUVIGNON.

THE DIFFERENCE IN BEING PART OF NORTH COAST PRIOR TO

1974 AND ON OUR OWN SINCE THEN HAS MEANT LOWER COMPARATIVE PRICES.

WINERIES ARE NOT GOING TO PAY ANY MORE THAN THEY HAVE TO FOR

GRAPES, REGARDLESS OF THE QUALITY.

ON OUR RANCH, WE HAVE A MAJOR INVESTMENT AND DEBT IN

105 ACRES OF WINE GRAPES. WE HAVE BEEN COMMITTED TO QUALITY,

AND WE DO NOT WANT TO LOSE WHAT WE HAVE WORKED 15 YEARS FOR. WE

WANT TO BE ABLE TO CONTINUE TO MARKET OUR GRAPES TO NORTH COAST

WINERIES AND NOT BE PENALIZED BY BEING LOCATED FIVE MILES FROM A

POLITICAL BOUNDARY, WHEN WE ARE IN THE SAME CLIMATIC AND GEO
LOGICAL AREA.

LAKE COUNTY IS PART OF THE NORTH COAST. OUR CLIMATE
IN KELSEYVILLE IS VERY SIMILAR TO CALISTOGA, HOPLAND, AND UKIAH.
AND, I MIGHT ADD, WE ALSO DO NOT HAVE AIR CONDITIONING IN OUR
HOUSE.

FETZER AND PARDUCCI WINERIES HAVE SAID THAT OUR WINES

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ARE TYPICAL OF WINES FROM SIMILAR AREAS IN MENDOCINO, SONOMA,
AND NAPA COUNTIES. THE UNIVERSITY OF CALIFORNIA HAS MADE WINES
FROM OUR VINEYARDS AND SAID THEY WERE ON A PAR WITH NORTH COAST
COUNTIES' WINES.

GEOGRAPHICALLY, LAKE COUNTY IS CERTAINLY PART OF THE NORTH COAST. POLITICALLY, LAKE COUNTY IS CONSIDERED NORTH COAST. THE SAME CONGRESSMAN REPRESENTS LAKE COUNTY AS REPRESENTS MENDOCINO, SONOMA, AND NAPA COUNTIES.

THE AMOUNT OF GRAPES FROM LAKE COUNTY IS NOT SIGNIFICANT WHEN ADDED TO THE TOTALS FROM NAPA, SONOMA, AND MENDOCINO COUNTIES LAKE COUNTY'S 3,000 ACRES PRODUCED 2.6 ACRES OF THE VOLUME OF THOSE COUNTIES IN 1979.

FROM OUR ANALYSIS, ACREAGE POTENTIAL IN LAKE COUNTY IS
LIMITED BECAUSE OF TERRAIN, WATER, AND POPULATION PRESSURES. IN
LIGHT OF THE INCREASING ACREAGE AND PRODUCTION IN THE OTHER
NORTH COAST COUNTIES, LAKE COUNTY WILL PROBABLY NEVER EXCEED
6 PER CENT OF THE TOTAL NORTH COAST VOLUME. ADDING LAKE COUNTY
TO THE NORTH COAST AREA WILL NOT BE A HARDSHIP TO GROWERS IN
THOSE COUNTIES.

I AM SURE THAT YOU WILL CONCLUDE FROM THE TESTIMONY OF VARIOUS WITNESSES BEFORE AND AFTER MYSELF THAT CONSUMERS BUYING WINE FROM LAKE COUNTY WITH THE NORTH COAST LABEL WILL CONTINUE TO GET THE QUALITY FOR WHICH THIS AREA HAS BEEN NOTED.

THANK YOU. ANY QUESTIONS?

THE CHAIRMAN: USING THE TERM OF LAKE COUNTY, I AM
GOING TO ASSUME YOU ARE SAYING EVERYTHING SOUTH OF THE GREEN LINE?

MR. HOLDENRIED: YES. THAT'S RIGHT. THIS GREEN LINE
IS ESSENTIALLY THE CLEAR LAKE DRAINAGE BASIN AND THE PUTAH CREEK

DRAINAGE BASIN, WHICH GOES DOWN INTO NAPA COUNTY.

THE CHAIRMAN: RONALD BARTOLUCCI.

## RONALD BARTOLUCCI,

TESTIFIED AS FOLLOWS:

MY NAME IS RONALD BARTOLUCCI. I RECEIVED A BACHELOR

OF SCIENCE DEGREE FROM THE UNIVERSITY OF SAN FRANCISCO AND LATER

WENT ON TO OBTAIN A MASTER'S DEGREE IN BUSINESS ADMINISTRATION.

I WAS BORN AND RAISED IN NAPA VALLEY, CALIFORNIA.

FOR THREE GENERATIONS, MY FAMILY OWNED AND OPERATED VINEYARDS AND A WINERY IN NAPA VALLEY. WE SOLD OUR VINEYARDS AND WINERY IN THE EARLY 1970'S, AT WHICH TIME MY FATHER AND I SPENT APPROXIMATELY SIX MONTHS RESEARCHING THE LAKE COUNTY AREA IN AN EFFORT TO DETERMINE THE SUITABILITY OF BEING ABLE TO PRODUCE PREMIUM VARIETAL GRAPES.

WE CONSIDERED SUCH AREAS AS THE UPPER LAKE AREA, THE KELSEYVILLE AREA, LONG VALLEY AREA, SCOTTS VALLEY AREA, AND THE BIG VALLEY AREA.

WE CONSIDERED SUCH FACTORS AS SOILS, SOIL MOISTURE,
PRECIPITATION, WATER QUALITY, WATER QUANTITY, CLIMATIC REGIONS,
GROWING SEASONS, CLIMATIC SEASONS, AND OVERALL WEATHER; THAT IS,
BASICALLY, WINDS, FOG, AND HUMIDITY.

WE CONCLUDED FROM OUR STUDY THAT THERE WERE PORTIONS OF LAKE COUNTY THAT WERE AKIN TO THE SAME CLIMATIC AND GEOGRAPHICAL AREAS AS THE NORTHERN AND CENTRAL PORTIONS OF THE NAPA VALLEY.

OBVIOUSLY, WITH THIS CONCLUSION, WE BELIEVED VERY STRONGLY THAT WE COULD PRODUCE AS FINE A PREMIUM VARIETAL GRAPE IN THESE PORTIONS OF LAKE COUNTY AS IN NAPA VALLEY.

"SINCERELY, BARNEY FETZER."

FURTHER, I WOULD LIKE TO PRESENT INTO EVIDENCE, AND I

WE PURCHASED LAND IN THE BIG VALLEY AREA AND PLANTED PREMIUM VARIETAL GRAPES. OUR FIRST PRODUCTION YEAR WAS IN 1975. FROM 1975 THROUGH 1977, WE SOLD OUR PREMIUM VARIETAL GRAPES TO PARDUCCI WINE CELLARS OF MENDOCINO COUNTY. AND, I MIGHT ADD AT THIS TIME, THAT WE WERE ONE OF THE FEW GROWERS FROM LAKE COUNTY SELLING TO PARDUCCI. WE DID HAVE A CONTRACT. WE DID GET THE SAME PRICE AS EVERY GROWER THAT HAD A CONTRACT WITH PARDUCCI IN MENDOCINO COUNTY AND SONOMA COUNTY.

FROM 1977 TO THE PRESENT, WE HAVE BEEN SELLING OUR
PREMIUM VARIETAL GRAPES TO FETZER VINEYARDS OF MENDOCINO COUNTY.

AGAIN, WE ARE GETTING NORTH COAST PRICES.

AT THIS TIME, I WOULD LIKE TO READ A LETTER THAT IS FROM

A MR. BERNARD FETZER OF FETZER VINEYARDS, AND I WOULD LIKE TO PUT

THIS INTO EVIDENCE, ALSO, GENTLEMEN AND LADIES;

"FOR THE PAST FOUR YEARS, WE HAVE CRUSHED
AND BOTTLED A GREAT QUANTITY OF LAKE COUNTY WINES.
IN NEARLY ALL CASES WE HAVE KEPT THIS WINE SEPARATE
AND USED THE LAKE COUNTY APPELLATION. THESE WINES
HAVE WON MANY AWARDS IN CALIFORNIA AND NATIONAL
COMPETITION. IN 1980, WE PRODUCED 55,000 CASES OF
LAKE COUNTY WINE, ALL TO BE BOTTLED UNDER THE LAKE
COUNTY APPELLATION.

"IN VIEW OF THESE FACTS, WE CERTAINLY FEEL
THAT LAKE COUNTY VINEYARDS SHOULD BE CLASSIFIED AS
PART OF THE NORTH COAST AND SHOULD QUALIFY FOR THE
NORTH COAST APPELLATION.

WILL READ, THE CAPTION OF A NEWS RELEASE FROM FETZER VINEYARDS IN AUGUST OF 1978.

"IN 1900 COLONEL CHARLES MIFFLIN HAMMOND OWNED A VINEYARD CALLED MA TEL VINEYARD ON CLEAR LAKE. HIS WINES WON HIGH AWARDS AT THE PARIS EXPOSITION IN 1900.

"FETZER VINEYARDS OF REDWOOD VALLEY NOW TAKES
GREAT PRIDE IN ANNOUNCING THAT ONCE AGAIN LAKE COUNTY
WINES ARE WINNING TOP AWARDS. A 1977 JOHANNISBERG
RIESLING MADE 100 PER CENT FROM LAKE COUNTY GRAPES
WON A GOLD MEDAL IN THE 1978 LOS ANGELES COUNTY FAIR.

"FETZER VINEYARDS ALSO STATES THAT A 1977
GAMAY PRESSED 100 PER CENT FROM GRAPES GROWN ON THE
BARTOLUCCI AND JACKSON VINEYARDS BETWEEN LAKEPORT
AND KELSEYVILLE TOOK THE HIGHEST HONORS IN THE LOS
ANGELES COUNTY FAIR IN ITS CATEGORY.

"FETZER VINEYARDS ALSO REPORTS THAT A 1975
ZINFANDEL BEARING THE SPECIAL TITLE 'LAKE COUNTYKELSEYVILLE' HAS ENJOYED WIDE RENOWN DEMONSTRATED
BY THE FACT THAT THERE HAS NOW BEEN THREE SHIPMENTS
OF THIS WINE TO ENGLAND."

I WOULD ALSO LIKE TO PRESENT YOU WITH A COPY OF ROBERT FINIGAN'S PRIVATE GUIDE TO WINES -- ROBERT FINIGAN, AS YOU MAY KNOW OR MAY NOT KNOW, IS A NOTABLE WINE CONNOISSEUR -- IN WHICH HE REFERS TO THIS PUBLICATION -- I SHOULD DATE IT JULY, 1978 -- WHERE HE REFERS TO A 1977 FETZER LAKE COUNTY GAMAY AND ALSO A PRESTON VINEYARD SONOMA GAMAY AS, I QUOTE: "I HAVEN'T SEEN A 1977 BEAUJOLAIS WITH ANYTHING LIKE THE CHARM OF THESE TWO CALIFORNIANS." UNQUOTE.

I WOULD LIKE FURTHER TO ADD AT THIS TIME THAT OVER THE PAST THREE YEARS, FROM 1978 TO 1980, AT THE LOS ANGELES COUNTY FAIR AND THE ORANGE COUNTY FAIR, FETZER VINEYARDS HAVE WON THE FOLLOWING MEDALS WITH LAKE COUNTY WINES: A GOLD MEDAL FOR A 1977 LAKE COUNTY JOHANNISBERG RIESLING; A GOLD MEDAL FOR A 1978 LAKE COUNTY CABERNET SAUVIGNON; A SILVER MEDAL FOR A 1978 MUSCAT CANELLI; A SILVER MEDAL FOR A 1979 LAKE COUNTY JOHANNISBERG RIESLING; A SILVER MEDAL FOR A 1977 LAKE COUNTY GAMAY; AND A BRONZE MEDAL FOR A 1978 LAKE COUNTY ZINFANDEL. AND I MIGHT ADD THAT, AMONGST THOSE SILVERS, THERE WERE NO GOLDS AWARDED. AND THERE WERE A NUMBER OF LAKE COUNTY WINES THAT DID ALSO RECEIVE HONORABLE MENTION. AND I WANT TO MAKE THE POINT THAT THIS WAS AMONGST STIFF COMPETITION, INCLUDING SOME OF THE FINEST WINES FROM NAPA, SONOMA, AND MENDOCINO COUNTY.

I THINK IT WOULD BE IMPORTANT AT THIS POINT TO MENTION
THAT FROM THE TIME WE PLANTED VINEYARDS IN THE LAKE COUNTY AREA,
WE ENDEAVORED TO JOIN THE NORTH COAST GRAPE GROWERS ASSOCIATION.
WE PREVIOUSLY WERE A MEMBER WHEN WE WERE IN NAPA VALLEY, AND WE
DISCUSSED THIS AT LENGTH WITH THE THEN PRESIDENT, WHO WAS A MR.
EDWARD BERNARD, WHO AT THAT TIME WAS IN FAVOR OF SUCH A MOVE. HE
SET UP A MEETING WITH THE BOARD OF DIRECTORS OF THE NORTH COAST
GRAPE GROWERS ASSOCIATION.

A COMMITTEE OF FOUR OF US REPRESENTING THE LAKE COUNTY GRAPE GROWERS MET WITH HIM AND DISCUSSED THE SITUATION. AT THAT TIME, THEIR ONLY CONCERN WAS THAT THEY WOULD HAVE TO CHANGE THEIR ARTICLES OR BYLAWS, AND, IN SO DOING THIS, TO ADOPT A DIFFERENT COUNTY LINE. THEY FELT THAT IT MAY OPEN A DOOR TO ALLOW OTHER COUNTIES INTO THEIR NORTH COAST APPELLATION. AND FOR THIS REASON

-- AND I MAY NAME THE COUNTY. IT WAS MONTEREY -- THEY SAID,
"WELL, WE BETTER WAIT AND SEE WHAT HAPPENS." AT THAT TIME, WE
WERE DENIED.

ON OTHER OCCASIONS, MEMBERS OF OUR GROUP AND VARIOUS VINTNERS, NAMELY, PARDUCCI WINE CELLARS OF MENDOCINO COUNTY, AND FETZER VINEYARDS OF MENDOCINO COUNTY, ATTEMPTED TO HAVE THE NORTH COAST GRAPE GROWERS ASSOCIATION CONSIDER AND ACCEPT LAKE COUNTY INTO THE NORTH COAST, AGAIN TO NO AVAIL.

MOST RECENTLY, TWO OF US REPRESENTING THE LAKE COUNTY GRAPE GROWERS GROUP MET WITH THE BOARD OF DIRECTORS OF THE NORTH COAST GRAPE GROWERS ASSOCIATION. THE PURPOSE OF THIS MEETING WAS TO ATTEMPT TO INCLUDE LAKE COUNTY AS PART OF THE NORTH COAST VITICULTURAL AREA APPELLATION, AT WHICH TIME THIS OTHER GENTLEMAN AND MYSELF DISCUSSED THE SITUATION, PRESENTED OUR CASE, THE REASONS FOR IT. AND I WANT TO MENTION THAT THIS GROUP DID NOT DENY, DID NOT DISPUTE THE FACT THAT, GEOGRAPHICALLY, THAT CLIMATICALLY, PORTIONS OF LAKE COUNTY WERE AS MUCH OF THE NORTH COAST AS THEY WERE. THEY REALIZED, FURTHER, THAT LAKE COUNTY WINES HAD COMPETED, ARE COMPETING AND ARE WINNING MEDALS IN COMPETITION WITH THEIR FINEST WINES. HOWEVER, AGAIN, WE WERE DENIED.

THE REASON FOR THE DENIAL -- "WELL, GENTLEMEN, WE WOULD HAVE TO CHANGE THE ARTICLES OR BYLAWS, AND OUR MEMBERSHIP WON'T AGREE TO THAT." AGAIN, I WANT TO EMPHASIZE THE ONLY REASON FOR DENIAL WAS A CHANGE OF ARTICLES OR BYLAWS.

IN CONCLUSION, I WOULD LIKE TO SAY THAT GEOGRAPHICALLY
PORTIONS OF LAKE COUNTY ARE FARTHER NORTH AND FARTHER WEST THAN
PORTIONS OF NAPA, SONOMA, OR MENDOCINO COUNTY. FURTHER, THE OTHER

THREE COUNTIES, NAMELY, NAPA, SONOMA, AND MENDOCINO, TOUCH LAKE COUNTY.

CLIMATICALLY, LAKE COUNTY IS CLASSIFIED AS REGION II

AND III -- AND I WANT TO STRESS THAT -- II AND III, AS IS THE

HEART OF THE NORTH COAST.

LAKE COUNTY DEMONSTRATED ITS ABILITY IN THE EARLY 1900'S
TO WIN MEDALS AND AWARDS IN THE PARIS EXPOSITION. TODAY LAKE
COUNTY IS DEMONSTRATING ITS ABILITY, AGAIN, TO WIN MEDALS AMONGST
STIFF CALIFORNIA COMPETITION, INCLUDING WINES FROM NAPA, SONOMA,
AND MENDOCINO COUNTIES.

GENTLEMEN AND LADIES, TO DENY LAKE COUNTY THE PORTION
THAT WE HAVE HERE, THIS SMALL AGRICULTURAL AREA, AS PART OF THE
NORTH COAST, WOULD NOT BE ONLY UNJUST, IT WOULD BE ECONOMIC
DISASTER. THANK YOU.

THE CHAIRMAN: THANK YOU. THE LETTER YOU REFERRED TO WILL BE EXHIBIT NO. 13. THE NEWS RELEASE YOU MENTIONED WILL BE EXHIBIT 14, AND THE EXCERPT FROM THE ARTICLE WILL BE EXHIBIT 15.

I'M NOT SURE THAT I CAN EVEN ASK THE QUESTION RIGHT.

I KNOW SOMETHING IS NAGGING AT ME. YOU DEMONSTRATED VERY

EFFECTIVELY THAT THE LAKE COUNTY -- THAT WINE COMING FROM THE

LAKE COUNTY GRAPE IS VERY HIGH CLASS, HIGH QUALITY KIND OF

PRODUCT. I DO NOT THINK ANYBODY WAS EVER DISPUTING THAT EVEN

FROM THE VERY BEGINNING.

WHAT I AM TRYING TO GET TO IS MORE EVIDENCE THAT BRINGS LAKE COUNTY INTO THIS THING, THIS MYTHICAL THING WE ARE CALLING NORTH COAST.

MR. BARTOLUCCI: I THINK IT IS GENERALLY A DELINEATION OF A NUMBER OF FACTORS, PRIMARILY GEOGRAPHICAL AND CLIMATICALLY.

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GEOGRAPHICALLY AND CLIMATICALLY, WE HAVE THE SAME SIMILARITIES.

THE QUALITIES OF OUR SOIL -- I WOULD DEFY ANYBODY TO FIND VAST DISTINCTIONS BETWEEN SOILS FROM LAKE COUNTY AND NAPA COUNTY ANY MORE THAN THEY WOULD FROM ONE END OF NAPA COUNTY TO THE OTHER.

CLIMATICALLY, THE UNIVERSITY STATES, WE ARE REGIONS II

AND III. GEOGRAPHICALLY, THERE ARE SIMILARITIES. AS WE

DELINEATE THEM HERE ON THIS PORTION OF THIS LINE, GOING EAST, THE

CLIMATIC AND GEOGRAPHICAL DISTINCTIONS ARE VAST COMPARED TO THIS

SECTION OVER HERE. YOU COULD DELINEATE THAT DOWN FURTHER INTO

THE TERMS OF SOILS, SOIL MOISTURE, CLIMATIC SEASONS, GROWING

SEASONS, REGIONS. IT IS A VAST UNDERTAKING.

BUT I AM SAYING, IN ESSENCE, FROM OUR EXPERIENCE, WE DID STUDY THESE FACTORS. AND BEING BORN AND RAISED -- AND MY FATHER ALSO BEING BORN AND RAISED AND MY GRANDFATHER COMING OVER FROM THE OLD COUNTRY AND BUILDING A WINERY AND HAVING VINEYARDS FOR OVER 80 SOME YEARS -- I CANNOT SEE, AND MY FATHER CANNOT EITHER, THAT DISTINCTION. THERE IS NOT THAT DISTINCTION.

CERTAINLY, WE CAN DRAW LINES ANYWHERE WE WANT TO. AND YOU CAN TAKE PORTIONS OF MENDOCINO, TAKE PORTIONS OF NAPA, AND PORTIONS OF SONOMA THAT CERTAINLY ARE NOT VITICULTURALLY NORTH COAST, USING THE CRITERIA, YOU KNOW, THAT WE HAVE BEEN PRESENTED TODAY WITH.

MR. BARTOLUCCI: WHEN I SOLD TO PARDUCCI WINE CELLARS, WHO IS A VINTNER IN MENDOCINO COUNTY. MOST OF HIS GROWERS ARE

SAID THAT THE PRICES FOR YOUR GRAPES WERE COMPARABLE TO MENDOCINO

COUNTY. YOU ARE GETTING THE SAME PRICE?

MR. GRAHAM: I WOULD LIKE TO ASK YOU A QUESTION. YOU

FROM MENDOCINO COUNTY. I BELIEVE THERE WAS ONE GROWER FROM SONOMA COUNTY.

THERE WAS A CONTRACTUAL ARRANGEMENT, AND THAT CONTRACTUAL ARRANGEMENT WAS THE SAME FOR ALL GROWERS.

MR. GRAHAM: IT SEEMS LIKE YOU BUILT A FINE REPUTATION,
FROM THE EVIDENCE YOU PRESENTED HERE, AS FAR AS THE LAKE COUNTY
APPELLATION IS CONCERNED. YOU HAVE WON A NUMBER OF AWARDS USING
THAT APPELLATION. WHY DO YOU WANT TO BE IN NORTH COAST?

MR. BARTOLUCCI: WELL, I GUESS IT IS THE SAME AS IF YOU HAVE -- I DON'T KNOW WHAT THE DIFFERENCE IS BETWEEN A MERCEDES BENZ AND A ROLLS ROYCE IS EXCEPT FOR THE PRICE, MAYBE.

MR. GRAHAM: THEN --

MR. BARTOLUCCI: WHAT I AM SAYING, IN ESSENCE, IS -WHAT I AM SAYING IS IF YOU WALK INTO A JOB, LET US SAY, AND YOU
HAVE A BACHELOR'S DEGREE, YOU ARE GOING TO GET SO MANY DOLLARS.
AND IF YOU HAVE A MASTER'S DEGREE, YOU MIGHT GET A FEW MORE
DOLLARS.

ALL I'M SAYING IS THAT LAKE COUNTY HAS A REPUTATION.

IT HAD A GREAT REPUTATION AT ONE TIME. BECAUSE OF PROHIBITION,

IT LOST ITS REPUTATION ECONOMICALLY. AGAIN, WE ARE GETTING THAT REPUTATION. WE ARE PROVING WE CAN PRODUCE AS FINE A QUALITY AS THEY HAVE.

BY DENYING LAKE COUNTY THE OPPORTUNITY TO BE A PART OF WHAT IT REALLY IS, THAT WOULD JUST LESSEN THE ABILITY FOR IT TO DEMAND THE NUMBER OF DOLLARS THAT SOMEBODY ELSE CAN DEMAND FOR THE SAME QUALITY.

MR. GRAHAM: YOU MEAN YOU WOULD CHANGE YOUR LABELS
FROM THE RECOGNITION THEY HAVE GOTTEN FROM LAKE COUNTY TO NORTH

COAST IF --

MR. BARTOLUCCI: NO. NO. WHEN YOU GO INTO MARKETING WINES, DEPENDING UPON THE SIZE OF THE WINERY, YOU CAN SELECT VARIOUS AVENUES FOR MARKETING. AND IN SO DOING, YOU SELECT A LABEL. YOU CAN DO IT ON A REGIONAL BASIS AND INCLUDE THE STATE OF CALIFORNIA. YOU COULD INCLUDE ARIZONA, IF YOU WANTED, OR YOU COULD BREAK IT DOWN INTO THE NORTH COAST. YOU COULD BREAK IT DOWN INTO ONE COUNTY. OR YOU COULD BREAK THAT DOWN INTO SMALLER COUNTIES.

SO, IN AN EFFORT TO GET A PRICE FOR A GRAPE, YOU ARE LIMITED. WE HAVE TWO SMALL WINERIES THAT ARE ACTUALLY PRODUCING AT THIS TIME IN OUR COUNTY, WHICH IS CERTAINLY -- DON'T HAVE THE CAPACITY FOR PURCHASING OUR GRAPES. SO WE, UNFORTUNATELY SELL 99 PER CENT OF OUR GRAPES OF OUR COUNTY-- ARE SOLD IN THE NORTH COAST COUNTIES.

NOW, IF WE ARE NOT ALLOWED TO SELL THEM UNDER THE NORTH COAST APPELLATION, THEN WHAT COUNTY, BECAUSE OF THE REQUIREMENTS OF 75 PER CENT AND THEN VITICULTURAL 95 PER CENT AREAS -- IF WE ONLY CAN SELL A CERTAIN PERCENTAGE OF THOSE GRAPES AND MIX THEM WITH SOMETHING ELSE, EVEN THOUGH THEY HAVE THE SAME QUALITY -- NOW, WHAT WINERY IN SONOMA COUNTY OR IN NAPA VALLEY WANTS TO GO AHEAD AND PROMOTE ANOTHER LABEL CALLED LAKE COUNTY? IF YOU WERE IN NAPA VALLEY AND HAD A WINERY, WOULD YOU --

MR. GRAHAM: YOU GOT ONE TO DO IT IN MENDOCINO COUNTY.

MR. BARTOLUCCI: WHAT?

MR. GRAHAM: YOU GOT ONE TO DO IT IN MENDOCINO COUNTY.

MR. BARTOLUCCI: RIGHT. WE HAVE ONE, WHO IS VERY
SUCCESSFUL, I MIGHT MENTION, IN DOING THAT. BUT THAT DOESN'T

H	
1	MEAN THAT SOMEBODY IN NAPA OR SONOMA WOULD DO THAT.
2	MR. GRAHAM: SO IT BREAKS DOWN TO A MARKETING ASPECT
3	THEN.
4	MR. BARTOLUCCI: IT BREAKS DOWN TO DOLLARS AND CENTS.
5	RIGHT.
6	THE CHAIRMAN: I HAVE ONE.
7	YOU HAD PROPERTY IN NAPA VALLEY AT ONE TIME; IS THAT
8	RIGHT?
9	MR. BARTOLUCCI: YES.
10	THE CHAIRMAN: AND YOU SOLD IT AND MOVED NORTH. WAS
11	THERE A REASON FOR SELLING THAT WAS RELATED TO GOING NORTH TO
12	FIND SOMETHING DIFFERENT?
13	MR. BARTOLUCCI: WELL, THE REASON FOR SELLING WAS THAT
14	I COULDN'T AFFORD TO BUY THE PERCENTAGE THAT IT WAS RATHER
15	LARGE. AND I WAS FAIRLY YOUNG, AND I COULDN'T AFFORD TO TAKE IT
16	OVER. THE GOING PRICE WAS
17	THE CHAIRMAN: EXCUSE ME. WAS THERE SOMETHING THAT YOU
18	FOUND DIFFERENT IF YOU WOULD GO NORTH IF YOU DIDN'T LIKE WHERE
19	YOU WERE?
20	MR. BARTOLUCCI: EXCUSE ME.
21	THE CHAIRMAN: WAS THERE SOMETHING YOU COULD FIND
22	DIFFERENT BY GOING UP TO LAKE COUNTY THAT WAS NOT IN THE AREA
23	THAT YOU WERE IN THAT YOU WERE LOOKING FOR?
24	MR. BARTOLUCCI: DEFINITELY.
25	THE CHAIRMAN: WHAT WERE THE THINGS THAT WERE DIFFERENT
26	MR. BARTOLUCCI: THE THINGS THAT WERE DIFFERENT? THE
27	AVAILABILITY OF LAND, NO. 1.

THE CHAIRMAN: THANK YOU VERY MUCH.

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## (BRIEF RECESS.)

THE CHAIRMAN: MR. JAMES TURNER.

## JAMES TURNER,

## TESTIFIED AS FOLLOWS:

GOOD AFTERNOON. MY NAME IS JAMES TURNER, TURNER VINEYARDS. OUR FAMILY VINEYARDS PRESENTLY REPRESENT THE LARGEST PLANTINGS IN LAKE COUNTY WITH OVER 600 ACRES IN VARIETAL GRAPES. OUR FIRST PLANTING WAS IN 1965 IN THE BIG VALLEY AREA OF LAKE COUNTY.

A LOT OF MY TALK HAS BEEN COVERED BY OTHER SPEAKERS, SO I WILL MAKE IT A LITTLE SHORTER AND FLIMINATE SOME REDUNDANCY. OUR VINEYARDS ARE LOCATED HERE IN THE BIG VALLEY AREA THREE AND A HALF MILES FROM THE MENDOCINO COUNTY LINE, LESS THAN 13 MILES FROM THE SONOMA COUNTY LINE. A LOT OF PEOPLE KEEP LOOKING AT THIS MAP AND WONDERING WHY WE SHOULD BE INCLUDED, AND IT HAS KIND OF GOT MY DANDER UP BECAUSE -- WHY SHOULD WE BE INCLUDED? WE HAVE ALWAYS BEEN INCLUDED. WHY ARE WE BEING EXCLUDED? WHY TO CUT THIS LINE HERE?

WHEN YOU LOOK AT THEIR MAP OVER THERE, IT LOOKS LIKE A GIANT JIGSAW PUZZLE WITH A PIECE MISSING. AND THERE IS THE PIECE RIGHT THERE. YOU ASK WHY WE DON'T INCLUDE THE MOUNTAIN AREAS? OUR FAMILY, BY THE WAY, ALSO OWNS A WINERY. I WOULDN'T BUY GRAPES BY LAKE BERRYESSA, AND I WOULDN'T BUY THEM UP HERE EITHER.

THIS IS WHERE THE VITICULTURAL AREA IS. AND THAT IS ALL THERE IS TO IT. AND TO COME DOWN HERE, GO AROUND THE COUNTY LINES LIKE THIS JUST BYPASSING EVERYTHING.

THIS YEAR WE CRUSHED GRAPES IN WINERIES LOCATED IN

WOODBRIDGE, CALIFORNIA, AND WE CRUSH GRAPES ALL OVER NORTHERN CALIFORNIA. WE CRUSHED GRAPES IN MENDOCINO COUNTY AND LAKE COUNTY, JOHANNISBERG RIESLING, IN PARTICULAR. AND THERE WAS NO DIFFERENCE IN THE QUALITY.

IN FACT, WE ARE GOING TO COME OUT WITH A LAKEMENDOCINO, DOUBLE COUNTY LABEL ON ONE OF THEM. WE HAD CONSIDERED
NORTH COAST, BUT SINCE, AT THE MOMENT, WE CANNOT DO THAT, WE
WON'T.

OUR PRICING OF OUR WINE IS THE SAME AS THE NORTH

COAST. WE PRICE OUR WINE RIGHT WITH THE BEST OF THE WINERIES.

THE QUALITY IS THE SAME. WE HAVE TOP QUALITY WINES, AS HAS BEEN TOLD EARLIER. I DO NOT NEED TO GO THROUGH A LONG LIST OF THINGS HERE.

QUITE A FEW YEARS AGO, WE SIGNED A CONTRACT WITH A MAJOR WINERY IN SONOMA VALLEY. AND WE RECEIVED PRICES BASED ON SONOMA, MENDOCINO, AND LAKE PRICES. AND YOU CAN IMAGINE MY SURPRISE WHEN A COUPLE OF YEARS LATER WE HEARD THAT LAKE COUNTY WAS NOT NORTH COAST. IT MADE US REAL ANGRY.

WE HAD A CONTRACT BASED ON THIS, ONE THING OR ANOTHER.

THAT CONTRACT IS NOW UP. IT IS ONE OF THE REASONS WE PURCHASED

A WINERY. WE HAVE LARGE PLANTINGS. THERE IS NO PLACE FOR OUR

GRAPES TO GO.

RIGHT NOW, THERE IS ALSO A RED GLUT. THERE HAS BEEN VERY LITTLE MENTION OF THAT TO THE MOMENT, BUT WE KNOW THAT THIS IS SOMETHING THAT IS UP AND DOWN ANYWAY, SO IT HAS VERY LITTLE DO DO WITH IT. IT JUST SEEMS TO ME THAT THE NORTH COAST GRAPE GROWERS PUT A GREAT DEAL OF STOCK IN A LETTER RECEIVED IN 1974. BUT AT NO TIME WAS ANYBODY CONTACTED FROM SOLANO OR LAKE.

THERE WAS APPARENTLY SOME KIND OF A MEETING WITH BATF.

WE DO NOT KNOW ABOUT THEM. WE DON'T KNOW WHEN THEY HAPPENED OR

WHERE THEY HAPPENED OR ANYTHING. THE FIRST TIME I EVER HEARD OF

IT WAS A THING IN THE NEWSPAPER.

SO WHEN YOU SAY WHY SHOULD WE BE INCLUDED, WE HAVE
ALWAYS BEEN INCLUDED UNTIL THAT TIME WHEN WE WERE EXCLUDED WHEN
NOBODY WAS CONTACTED.

RON BARTOLUCCI MENTIONED EARLIER OUR ATTEMPTS TO DEAL WITH THE NORTH COAST GRAPE GROWERS. AND IT HAS ALWAYS BEEN, "WE'VE GOT THE LETTER. DON'T BOTHER US." AND THEY HAVE HAD THE LETTER. WE HAVE BEEN WITHOUT A NORTH COAST LABEL FOR SIX YEARS.

AND I CAN TELL YOU THAT IT MAKES US ANGRY BECAUSE WE HAVE GIVEN YOU --

WHEN YOU SAY WHAT MAKES THIS THE AREA? WELL, THERE IS THE CLIMATOLOGY DATA MR. LIDER GAVE YOU. THERE IS THE SOILS DATA. THERE IS THE HISTORICAL DATA, WHICH WILL BE COMING UP LATER. TWO PEOPLE. MR. BOB MYER AND THE OTHER HISTORIAN. AND IT IS ALL THERE.

WHY ARE YOU GOING TO EXCLUDE US, IS THE QUESTION, NOT WHY SHOULD WE BE INCLUDED. AND THAT ABOUT CONCLUDES MY REMARKS AS MOST EVERYTHING ELSE I HAD TO SAY WAS TALKED OVER AT SOME OTHER TIME.

ANY QUESTIONS?

THE CHAIRMAN: I THINK YOU HAVE THEM AFRAID TO ASK QUESTIONS.

MRS. KIRK: I HAVE ONE QUESTION. WHEN YOU SAY GENERALLY YOU HAVE ALWAYS BEEN INCLUDED IN THE NORTH COAST, COULD YOU AMPLIFY THAT.

MR. TURNER: WELL, OKAY. FOR INSTANCE, WHERE ARE OUR WINERIES? HERE ARE OUR WINERIES. WE HAVE NEVER DEVELOPED WINERIES BECAUSE OUR GRAPES HAVE ALWAYS GONE TO THESE WINERIES.

OUR VITICULTURAL AREA. THIS IS OUR VITICULTURAL AREA.

IF 50 YEARS AGO, WE WERE NOT NORTH COAST, OUR WINERIES WOULD STILL

HAVE BEEN THERE.

WE HAVE A HISTORIAN THAT WILL TESTIFY THAT THERE WERE

A NUMBER OF WINERIES THAT WERE IN LAKE COUNTY, AND DURING THE

DEPRESSION AND DURING PROHIBITION, MOST OF THE WINERIES WENT OUT.

IT IS A VERY SECLUDED COUNTY. YOU GOT TO DRIVE THROUGH MOUNTAINS IN ALMOST ANY DIRECTION TO GET THERE. YOU DON'T FIND MOVIE STARS UP THERE GROWING GRAPES. THEY DON'T EVEN KNOW WE'RE THERE. THEY'RE DOWN IN THE CENTRAL COAST.

YOU DON'T FIND CORPORATIONS UP THERE. IT'S TOO HARD TO GROW GRAPES UP THERE AND TO FIGHT THE DIFFERENT THINGS THAT ARE BEING FOUGHT IN THE NORTH COAST.

AND WHEN YOU SAY HISTORICAL DATA, IT IS JUST -- IT CAN

ALMOST BE PROVEN JUST BY WHERE THE WINERIES ARE. WELL, THE

GRAPES HAVE GONE INTO THIS AREA. ALL OF THE GRAPES. NONE OF THEM

HAVE GONE ELSEWHERE, UNTIL RECENTLY, WHEN THEY HAVE GONE TO OUR

OWN WINERIES.

MRS. KIRK: AT THE TIME OF THE OLD WINERIES, SO TO SPEAK, THE ONES THAT WERE EXISTING PREVIOUSLY, DID THEY EVER USE ON THEIR LABELS THE TERM NORTH COAST OR NORTH COAST COUNTIES?

MR. TURNER: I HAVE NO IDEA. NORTH COAST IS A TERM THAT REALLY WAS NOT USED UNTIL RECENTLY, I BELIEVE.

HOWEVER, I AM NOT A HISTORIAN. I REALLY DON'T KNOW ABOUT THAT.

I KNOW THAT MOST OF THE TIME OUR GRAPES IN THE PAST,

IF THEY WENT TO NAPA VALLEY, WERE TERMED NAPA VALLEY; OR IF THEY

WENT TO MENDOCINO, THEY WERE TERMED MENDOCINO; OR IF THEY WENT

TO SONOMA, THEY WERE TERMED SONOMA.

IN THE PAST, THERE WAS VERY LITTLE CONTROL ON WHAT PEOPLE CALLED THEM. AND YOU CAN BET IT IS STILL HAPPENING.

MR. GRAHAM: I THINK WE FOUND THAT OUT.

MR. TURNER: THERE IS A HISTORIAN, I THINK, THAT IS AN EXPERT ON ALL OF THE WINE DATA, WHO, I BELIEVE, CAN REALLY ANSWER WHAT GRAPES WENT WHERE, WHAT WE WERE CALLED, ONE THING OR ANOTHER.

I JUST KNOW THAT THE GRAPES WERE THERE, AND THEY HAVE
GONE INTO THE NORTH COAST. THEY HAVE BEEN CALLED NORTH COAST.
THERE ARE LABELS FROM DIFFERENT WINERIES CALLED NORTH COAST.

PARDUCCI HAD A WINERY IN 1969, APPROVED BY THE BATF.

ON THE BACK OF THE LABEL IT SAYS THESE GRAPES WERE GROWN IN LAKE

COUNTY. AS OF 1974, THAT IS NO MORE.

THE NORTH COAST GRAPE GROWERS ARE RIGHT AS OF THAT. SINCE 1974, WE HAVE NOT HAD THE USE OF THE TERM.

WHEN THAT LETTER CAME OUT, OUR REACTION WAS IMMEDIATE.

THE BATF HELD HEARINGS TO DETERMINE WHY THERE WAS SO MUCH

ANTAGONISM ABOUT THIS. CLEAR FROM THE WINE INSTITUTE UP AND DOWN

THE STATE, CONSUMERS SAID, "ARRIVE AT A REASON TO DETERMINE THESE

APPELLATIONS."

THE LAKE COUNTY GROUP SUBMITTED -- AND MY BROTHER

TESTIFIED AT A HEARING IN SAN FRANCISCO CONCERNING THESE, HOW

YOU ARRIVE AT A CRITERIA. AND WE HAVE BEEN WAITING FOR OUR CHANCE

SINCE 1974, AND WE ARE HERE NOW, AND WE WANT BACK INTO WHAT WE

DID NOT GET BECAUSE THERE WAS SO MUCH SECRECY.

AND THAT'S ABOUT IT.

MR. GEORGE: I HAVE A FAIRLY INVOLVED QUESTION ABOUT
THIS. MAYBE TO DEFEND THE AGENCY A LITTLE BIT. TRUE.

THAT LETTER WE SENT OUT IN '74, '75 MAY NOT BE THE MOST POPULAR THING, BUT LET US PUT IT IN PERSPECTIVE. WE WERE TALKING ABOUT COUNTY APPELLATION. AND THAT WAS PRECEDING THE APPELLATION-OF-ORIGIN REGULATIONS, WHICH CAME OUT IN 1978.

AND THE AGENCY WAS IN A POSITION WHERE IT SEEMS LIKE EVERY COUNTY IN CALIFORNIA WANTED TO BE IN THE NORTH COAST, POSSIBLY THE NORTHERN HEMISPHERE. AND WE HAD TO DRAW THE LINE SOMEWHERE. AND NOW WE ARE TALKING ABOUT SOMETHING SEPARATE AND DISTANT, A VITICULTURAL AREA, AND NOT A COUNTY APPELLATION.

I THINK IT IS VERY CRUCIAL TO THE WHOLE TESTIMONY THAT
WE ARE FACED WITH A PETITION WHICH USES COUNTY BOUNDARIES, WHICH
HAS LARGE AREAS WHICH ARE NOT OR MAYBE NEVER WILL BE AMENABLE OR
TILLABLE TO GRAPE GROWING. AND WHERE CAN THE AGENCY DRAW THE
BOUNDARIES IF THIS IS NOT SUITABLE? I THINK THAT IS A VERY
CRUCIAL ISSUE, AND I WOULD LIKE TO HEAR YOUR SIDE.

MR. TURNER: I CAN TELL YOU WE WOULD NOT BUY GRAPES IN NORTHERN MENDOCINO COUNTY OR FROM BODEGA BAY OR FROM LAKE BERRYESSA, EASTERN LAKE COUNTY. SOME OF THESE MOUNTAIN AREAS CAN GROW FINE GRAPES, BUT NOBODY CAN AFFORD TO GROW THEM.

AND IF YOU JUST WANT TO ASK WHERE WOULD THE WINERIES
BUY THE GRAPES? THESE ARE WHERE THE GOOD GRAPES ARE, THE TILLABLE
SOILS. THEY MIGHT BE ABLE TO GROW GOOD GRAPES OUT HERE, BUT YOU
WILL NEVER BUY THEM BECAUSE NOBODY CAN AFFORD TO PLANT THEM.

AND AS FAR AS DRAWING LINES, THERE IS NO REASON TO BE
UP THERE. THERE IS NO HISTORICAL DATA OR ANYTHING. AS FAR AS

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DRAWING LINES, THIS LINE PROBABLY CAN BE DRAWN ACROSS HERE SOMEWHERE.

MR. GEORGE: CAN YOU BE SPECIFIC ABOUT THAT LINE.

MR. TURNER: POTTER VALLEY HAS GRAPES. AND HERE IS A LINE RIGHT HERE. POTTER VALLEY HAS GRAPES. THE LINE PROBABLY SHOULD COME HERE. AND THERE ARE ASSORTED GRAPES UP HERE IN THE RUSSIAN RIVER AREA, BOONVILLE AREA, AND ASSORTED GRAPES. BUT THERE IS NOTHING IN HERE IN THE WAY OF GRAPES.

HOWEVER, HOW DO YOU DRAW A LINE LIKE THIS? TO ME, IF YOU DRAW A LINE ABOVE POTTER VALLEY AND RUN IT OVER TO THE COAST -- I DON'T KNOW. IT'S JUST ALL MOUNTAINOUS. THE ONLY REASON TO BE OVER HERE IS THERE'S NO VALLEYS HERE. THERE ARE NO GRAPES GROWN ON THESE COAST AREAS. THE PREPONDERANCE OF THE GRAPES ARE GROWN RIGHT THROUGH HERE. AND MAYBE A LINE RIGHT HERE, RIGHT WHERE IT SHOULD BE.

HOW DO YOU DRAW THAT LINE? I DON'T KNOW. I BELIEVE A GEOGRAPHER WOULD TAKE A LOOK AT IT AND SAY, OKAY, YOU GO 36 DEGREES AND 27 MINUTES FROM SUCH AND SUCH AND DO SO AND SO. WE IN LAKE COUNTY -- TO DETERMINE WHERE MENDOCINO THINKS THEIR AREA IS, IT IS TO DRAW THAT LINE. I PERSONALLY BELIEVE IN DRAWING THESE LINES YOU SHOULD TURN IT OVER TO A NEUTRAL PARTY SUCH AS YOURSELVES, IF YOU WOULD ENDEAVOR; BUT, IF NOT, TO A GEOGRAPHER OR A VITICULTURIST FROM THE UNIVERSITY TO GET SOME INPUT IN THIS AREA.

THE IDEA OF HAVING A GRAPE GROWER ASSOCIATION WHO SAY
THEY PUT SOME MONEY INTO IT AND US SAYING WE WANT TO BE IN IT
AND EVERYBODY HAS AN INTEREST -- IT SEEMS TO ME YOU NEED A
NEUTRAL PARTY SUCH AS YOURSELVES. AND I REALLY THINK YOU CAN

COME TO SOMETHING FOR THE AREA. BUT IF YOU CANNOT, YOU HAVE TO TURN IT TO A NEUTRAL PARTY.

I DON'T KNOW IF THAT IS THE REST OF LAKE COUNTY'S OPINION.

THE CHAIRMAN: THANK YOU VERY MUCH.

MR. TURNER: THANK YOU.

## DONALD A. GAYALDO,

TESTIFIED AS FOLLOWS:

MY NAME IS DONALD GAYALDO. I HAVE BEEN FARMING PEARS, GRAPES, AND WALNUTS IN LAKE COUNTY FOR THE PAST 13 YEARS. I AM A GRADUATE OF CAL POLY AT SAN LUIS OBISPO WITH A DOUBLE MAJOR IN BUSINESS ADMINISTRATION AND BIOLOGICAL SCIENCE.

JUST A SHORT PREAMBLE BEFORE I GET INTO MY PRESENTATION.

JUST TO COMPLETE SOME COMMENTS OF THE PREVIOUS TWO SPEAKERS, I

FIND MYSELF COMPELLED TO SAY IT IS VERY DIFFICULT TO SAY WHY WE

ARE UP HERE SAYING WHY WE SHOULD BE A PART WHEN I CONCEIVE THAT

WE HAVE ALWAYS BEEN A PART.

AND THROUGH AN INFAMOUS LETTER OF '74, WHICH WE HAVE MADE REFERENCE TO, WE WERE EXCLUDED.

AND SOMEHOW POLITICAL BOUNDARIES -- WE ARE TALKING

ABOUT POLITICAL BOUNDARIES, AND THAT IS JUST WHAT HAPPENED IN

'74 -- A POLITICAL MANEUVER THAT EXCLUDED LAKE COUNTY FROM THE

NORTH COAST, WHERE IT HISTORICALLY HAD BEEN, AND, OF COURSE, WE

FEEL STILL IS, IRREGARDLESS OF POLITCAL CONCEPTIONS.

WE ALSO TRIED TO POINT OUT WITH THIS GREEN LINE HERE
THAT FOLLOWS THROUGH THE BLUE RIDGE LINE THAT CUTS LAKE COUNTY,
MOVING NORTH TO SOUTH, AND FOLLOWED THE BLUE RIDGE LINE EAST OF

28 SECON

LAKE BERRYESSA AND MOVING SOUTHWARD TO SOLANO COUNTY, WHICH THEY
MADE REFERENCE. AND I THINK THAT IS A REAL CRITICAL DEMARCATION,
FOLLOWING THAT BLUE RIDGE LINE. THE RIDGE.

AND WE MAKE NOTE OF THAT AND ONLY OF THAT AS A

DEMARCATION BECAUSE WE FEEL IN LAKE COUNTY WE CAN ONLY COMMENT

TO A VITICULTURAL AREA THAT WE ARE CONCERNED WITH AND KNOW FIRST
HAND. WE FEEL THAT IT WOULD BE UP TO MENDOCINO OR NAPA TO MAKE

THOSE SPECIFIC DEMARCATIONS THAT WOULD BE REALISTIC VITICULTURAL

BOUNDARIES, NOT POLITICAL BOUNDARIES.

AND WE CONCUR WITH YOUR OPINION THAT, YES, WE SHOULD NOT FOLLOW POLITICAL BOUNDARIES, BUT BE REALISTIC ENOUGH TO FOLLOW VITICULTURAL BOUNDARIES. AND I THINK THIS COULD BE VERY EASILY WORKED OUT. WE FEEL WE HAVE A GOOD HANDLE ON IT IN LAKE COUNTY FOR A GOOD DEMARCATION.

AND, USING THAT DEMARCATION, AS POINTED OUT BY MR.

LIDER, THERE IS A GREAT DIFFERENCE. WE GET QUITE A COASTAL

INFLUENCE COUPLED WITH THE FACT THAT WE HAVE CLEAR LAKE, A LARGE

BODY OF WATER, THAT INFLUENCES OUR CLIMATE. AND WE END UP IN, AS

I WILL POINT OUT LATER -- WE END UP IN REGION II'S AND III'S.

RIGHT OVER THAT RIDGE WOULD BE A REGION IV. QUITE A DEMARCATION. AND THAT WOULD BE TRUE ALL ALONG THAT BLUE RIDGE.

WE ALSO MENTIONED, BEFORE GOING ON, WHEN QUESTIONING MR. BARTOLUCCI -- HE POINTED OUT VERY CLEARLY THAT LAKE COUNTY HAS QUALITY WINES.

YOU ASKED HIM WHY DO YOU NEED A NORTH COAST? WELL,
FIRST OF ALL, I GO BACK TO THE FACT THAT WE HAVE ALWAYS CONSIDERED
OURSELVES NORTH COAST.

SECONDLY, THERE ARE MANY GROWERS THAT CAME AFTER THE

EARLIER PIONEERS -- MYRON HOLDENRIED AND ROD BARTOLUCCI -- SO
THAT ACREAGES CAME INTO DEVELOPMENT AND PRODUCTION AFTER YOUR
LETTER THAT SAID WE WERE NO LONGER NORTH COAST.

CONSEQUENTLY, THAT FALSE UMBRELLA HAS EXCLUDED US FROM THAT FRATERNITY, EVEN THOUGH THE RECORD WOULD SHOW THAT WE HAVE EQUAL, IF NOT BETTER, QUALITY WINES.

BUT IT WAS YOUR DECISION, NOT AN ENOLOGIST OR

VITICULTURIST, BUT THE BUREAU'S DECISION -- PARDON ME -- THAT

MADE THAT DISTINCTION.

WITH THAT, I WILL GO ON. IS IT EASIER JUST TO TALK WITHOUT THE MIKE? WITH THAT, I WILL GO ON.

LAKE COUNTY PRESENTLY CONTAINS ONLY TWO SMALL WINERIES,
WHICH DO NOT HAVE ENOUGH CAPACITY TO CRUSH, FERMENT, AND STORE
THE ENTIRE LAKE COUNTY PRODUCTION. THE MAJORITY OF GRAPES GROWN
IN LAKE COUNTY ARE, THEREFORE, SHIPPED TO WINERIES LOCATED IN
OTHER NORTH COAST COUNTIES.

IN MOST CASES, THESE GRAPES ARE PAID FOR ON AN OPEN
PRICE BASIS, NAMELY, THAT THE PRICE IS THE AVERAGE NORTH COAST

PRICE AS REPORTED BY THE FEDERAL-STATE MARKET NEWS SERVICE.

HOWEVER, THERE ARE INSTANCES OF GROWERS HAVING CONTRACTS WHICH
RESULT IN RETURNS IN EXCESS OF SUCH REPORTED AVERAGE PRICE.

GRAPES ARE DELIVERED AND ACCEPTED UNDER THE SAME QUALITY STANDARDS

USED FOR GRAPES GROWN IN OTHER PARTS OF THE NORTH COAST COUNTIES.

A PERMANENT NORTH COAST APPELLATION ALONG POLITICAL BOUNDARIES THAT EXCLUDE THE GRAPE-GROWING REGION OF LAKE COUNTY WILL HAVE A VERY NEGATIVE IMPACT ON THE ABILITY OF LAKE COUNTY GRAPE GROWERS TO MARKET THEIR PRODUCT. WINERIES WHICH BUY LAKE COUNTY GRAPES WILL BE UNABLE TO PUT NORTH COAST ON THE LABEL.

AND AN ARTIFICIAL DISTINCTION BASED ON POLITICAL BOUNDARIES,
RATHER THAN VITICULTURAL FEATURES, WILL LIKELY RESULT IN LOWER
PRICES FOR LAKE COUNTY GRAPES.

AS A FURTHER CONSEQUENCE, THE MARKET VALUE OF LAKE COUNTY VINEYARDS WOULD SUFFER A DECLINE. ONE MORE EXTENSION OF THIS INEQUITY WOULD BE THAT AGRICULTURAL LENDERS WOULD HAVE TO REDUCE THE AMOUNT OF FINANCIAL AVAILABILITY TO GROWERS FOR THE OPERATING NEEDS BECAUSE OF RESTRICTIVE REPAYMENT CAPACITY.

IN COMPARING LAKE COUNTY GRAPE-GROWING REGIONS TO OTHER NORTH COAST COUNTIES, I WISH TO CALL YOUR ATTENTION TO AN IMPORTANT STUDY OF A.J. WINKLER OF THE UNIVERSITY OF CALIFORNIA. IN THE STUDY, THE UNIVERSITY SUMMARIZED ALL THE AREAS WHERE GRAPES ARE PRODUCED SUCCESSFULLY FOR WINE MAKING. THEN THE PRINCIPAL CLIMATIC FACTORS OF THE AREAS WERE CORRELATED WITH THE ANALYTICAL DATA AND QUALITY SOURCES OF MATURE WINES FOR THE AREA.

THE ONLY FACTOR OF CLIMATE THAT PROVED TO BE OF
PREDOMINANT IMPORTANCE WAS TEMPERATURE. UPON EXAMINING HEAT
SUMMATION TABLES DEVELOPED BY PROFESSOR WINKLER AND HIS COLLEAGUES,
THE LAKE COUNTY AREA CLOSELY CORRELATES TO THOSE OF OTHER NORTH
COAST REGIONS. AND AT THIS POINT, I WILL PASS OUT THIS REPORT.

THE CHAIRMAN: THIS WILL BE EXHIBIT NO. 16.

MR. GAYALDO: ON PAGE 3, YOU WILL FIND A FOLLOWING SAMPLE OF A SELECTION FROM THAT TABLE. YOU WILL NOTICE TABLE I.

YOU WILL FIND THREE COLUMNS: THE STATIONS AND COUNTIES,
THE FIRST COLUMN; HEAT SUMMATION IS THE SECOND COLUMN; CLIMATE
REGION LOCATION IN THE THIRD COLUMN.

I AM GOING TO RUN THROUGH THOSE. FIRST, THE CITY OF NAPA IN THE COUNTY OF NAPA WITH A TOTAL HEAT SUMMATION OF 2,880,

REGION II; KELSEYVILLE, LAKE COUNTY, 2,930, REGION II; SANTA ROSA, SONOMA, VERY CLOSE WITH 2,950, REGION II; SONOMA IN SONOMA, TOTAL HEAT SUMMATION 2,950, VERY CLOSE, AGAIN, REGION II; UPPER LAKE, LAKE COUNTY, TOTAL HEAT SUMMATION 3,100, REGION III; UKIAH, MENDOCINO COUNTY, EXACTLY THE SAME, 3,100, REGION III; HOPLAND, MENDOCINO COUNTY, NEARLY THE SAME WITH 3,150, REGION III; HEALDSBURG, SONOMA, 3,190, REGION III; CLEAR LAKE PARK IN LAKE COUNTY, 3,260, REGION III; CALISTOGA, NAPA, 3,150, REGION III.

THE SOURCE OF THE DATA WAS GENERAL VITICULTURE BY

A.J. WINKLER, JAMES A. COOK, W.M. KLIEWER, AND LLOYD A. LIDER,

UNIVERSITY OF CALIFORNIA PRESS, REVISED AND ENLARGED EDITION,

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BEFORE GOING ANY FURTHER, I AM GOING TO MAKE REFERENCE TO THE MAP ONCE MORE. IT WAS POINTED OUT BY MR. HOLDENRIED AND TWO OTHER SPEAKERS THAT POINTED OUT THE FACT THAT WE HAVE VINE-YARDS IN THIS AREA WITHIN FIVE MILES OF THE MENDOCINO LINE. AND WHEN WE SAY FIVE TO SIX MILES, WE ARE MOVING INTO THE HEART OF THE VITICULTURAL AREA IN LAKE COUNTY. THE HEART. NOT A FRINGE AREA.

WE MOVE FROM REGION III AND II IN MENDOCINO COUNTY

INTO III AND III, WITH ALMOST IDENTICAL, IN THE CASE OF

MENDOCINO AND HOPLAND -- IDENTICAL TO LAKE COUNTY. NAPA NOT FAR

OFF. SONOMA, SANTA ROSA AND SONOMA, AND SONOMA IN SONOMA, QUITE

SIMILAR.

WE HAVE THAT SAME COASTAL INFLUENCE MOVING ACROSS
ENHANCED BY THIS LARGE BODY OF WATER, STOPPING WITH A DEMARCATION
ON THE BLUE RIDGE. AND WHEN YOU LOOK AT THIS MAP, YOU CAN
ACTUALLY SEE, AS MR. TURNER POINTED OUT, THE GRAPE-GROWING AREAS.

AND THEY FOLLOW THESE VALLEYS. WE ARE QUITE NESTLED NEAR CLEAR LAKE IN THE MENDOCINO AREA, AND YOU CAN VERY EASILY DETECT THE PRIME GRAPE-GROWING AREAS. IT IS NOT A MYSTERY.

IT IS ONLY A MYSTERY WHEN YOU PUT POLITICAL BOUNDARIES.

BUT THAT, OF COURSE, ONLY MEANS WHAT IT MEANS -- POLITICAL.

NOTHING TO DO WITH QUALITY OR VITICULTURAL BOUNDARIES.

I WOULD LIKE TO CONCLUDE BY SAYING IN SUMMARY THAT ALL VITICULTURAL DATA CONFIRMS THAT LAKE COUNTY IS A PART OF THE NORTH COAST. WE HAVE ALWAYS CONSIDERED OURSELVES PART OF THE NORTH COAST.

ANY NORTH COAST APPELLATION WHICH EXCLUDES LAKE COUNTY GRAPE-GROWING REGION WOULD CAUSE UNFAIR ECONOMIC HARDSHIP ON LAKE COUNTY GRAPE GROWERS. NOT TO MENTION QUITE ILLOGICAL.

THANK YOU. ANY QUESTIONS?

THE CHAIRMAN: THANK YOU VERY MUCH.

MR. CHARLES L. SULLIVAN.

## CHARLES L. SULLIVAN,

ON BEHALF OF LAKE COUNTY GRAPE GROWERS, TESTIFIED AS FOLLOWS:

I AM THE HISTORIAN. MY NAME IS CHARLES L. SULLIVAN.

I AM A HISTORIAN, A PRODUCT OF THE HISTORY DEPARTMENT OF THE

UNIVERSITY OF CALIFORNIA AT BERKELEY. MY ACADEMIC SPECIALTIES

ARE THE 19TH CENTURY POLITICAL AND ECONOMIC HISTORY; AND, FOR

SOME YEARS, MY SCHOLARLY SPECIALTIES WERE TOTALLY REMOVED FROM

THAT, IN EASTERN EUROPE.

IN 1967, I BECAME A WINE FANATIC AND DISCOVERED THAT
THERE WAS VERY LITTLE WINE HISTORY BEING WRITTEN. AND I BEGAN
GATHERING DATA BY READING AND INDEXING VIRTUALLY ALL THE WINE-

RELATED MATERIAL IN PERIODICALS AND NEWSPAPERS IN ENGLISH AND OTHER LANGUAGES.

IN 1976, SOMEBODY ASKED ME WHY I DIDN'T WRITE SOMETHING,
SO I DID, AND I PRESENTED A PAPER ON THE HISTORICAL ORIGINS OF
ZINFANDEL IN CALIFORNIA, FOR THE AMERICAN ENOLOGIST SOCIETY,
WHICH WAS LATER PUBLISHED IN WINES & VINES, A CALIFORNIA QUARTERLY.

AND SINCE THEN, I HAVE BEEN PRODUCING, YOU MIGHT SAY, SCHOLARLY AND SEMI-SCHOLARLY AND POPULAR ARTICLES IN VARIOUS PUBLICATIONS. I ALSO KNOW A LOT ABOUT WINES, AND I HAVE HAD A WINE BULLETIN NEWSLETTER FOR THE LAST 16 YEARS IN THE BAY AREA.

AS AN INTRODUCTION, I SEE TWO IMPORTANT WINE-GROWING PERIODS IN LAKE COUNTY; FIRST, THE PERIOD FROM ABOUT 1880 TO A PERIOD AROUND WORLD WAR I; AND THEN FROM A PERIOD AROUND THE LATE 1960'S TO THE PRESENT.

AS FAR AS I CAN SEE, THERE IS VERY LITTLE, VIRTUALLY NO EVIDENCE TO SUGGEST THAT LAKE COUNTY'S WINE-GROWING AREAS WERE ANYTHING BUT A PART OF THE WINE-GROWING AREAS OF THE NEIGHBORING COUNTIES TO THE SOUTH AND WEST SO FAR AS WINE PEOPLE CONSIDERED THE MATTER. THIS WAS TRUE IN 1880'S, THE 1890'S, 1900; AND UNTIL VERY RECENTLY, IT WAS ALSO CONSIDERED TO BE THE CASE.

NOW, THERE HAS BEEN A LOT OF TALK ABOUT THE USE OF THE TERM NORTH COAST. NORTH IS A VERY COMMON TERM. COAST IS A VERY COMMON TERM. SOMETIMES THEY COME INTO CONJUNCTION IN PUBLISHED MATERIALS. AND WE SAW SOME OF THOSE CONJUNCTIONS EARLIER IN THE DAY.

THE TERM NORTH COAST AS IT WAS USED TO DESCRIBE A VITICULTURAL AREA WAS VIRTUALLY UNKNOWN AND NOT USED PRIOR TO PROHIBITION.

NOW, TO SPEAK IN GEOGRAPHICAL TERMS, THE STATE OF

CALIFORNIA IS DIVIDED UP INTO GEOMORPHIC REGIONS. ONE OF THOSE

GEOMORPHIC REGIONS, WHICH DOES NOT, BY THE WAY, EXTEND ALL THE WAY

TO THE OREGON BORDER, IS WHAT IS CALLED THE COASTAL RANGES. THESE

COASTAL RANGES BEGIN AT THE END OF THE TRANSVERSE RANGES NORTH

OF THE GAVIOTTA PASS AND SORT OF RUN OUT INTO THE SEA. IF WE

HAD A -- WELL, WE DO HAVE A MAP OF CALIFORNIA. ANYWAY, THEY JUST

DO.

AND THIS CONTINUES ON UP UNTIL WE GET INTO WHAT IS

CALLED THE GEOMORPHIC REGION CALLED THE KLAMATH MOUNTAINS, WHICH

IS NORTH OF THE EEL RIVER, OR SOMETHING LIKE THAT.

THESE ARE THE COASTAL RANGES; AND, HISTORICALLY, IT HAS BEEN USUAL TO REFER TO THESE AS NORTHERN AND CENTRAL AND SOUTH COAST SOMETIMES, BUT THAT IS VERY IMPRECISE. BUT AS FAR AS USING THE TERM NORTH COAST AS A TERM APPLIED TO VITICULTURAL REGIONS BEFORE PROHIBITION, I CANNOT SEE IT. AND I THINK YOU WOULD HAVE A VERY DIFFICULT TIME SHOWING IT.

IT HAS ONLY BEEN SINCE REPEAL, REALLY, THAT THIS TERM HAS GAINED USE. AND LAKE COUNTY SINCE THEN HAS BEEN CONSIDERED BY VIRTUALLY ALL AUTHORITIES, AND THERE ARE MANY, AS PART OF WHATEVER NORTH COAST MEANT, AND IT HAS MEANT MANY DIFFERENT THINGS TO DIFFERENT PEOPLE.

I, PERSONALLY, DO NOT THINK THAT IT IS REASONABLE TO RESOLVE THE QUESTION OF APPELLATION, APPROPRIATE APPELLATION BY ADDING UP THE NUMBER OF TIMES THAT A PARTICULAR TERM HAS BEEN USED BY WINE PEOPLE OR AUTHORITIES IN THE PAST. BUT IF IT WERE, THERE IS NO QUESTION THAT LAKE COUNTY WOULD BE CONSIDERED TO BE PART OF WHATEVER THE NORTH COAST WINE REGION IS.

IT IS MORE LOGICAL TO LOOK AT THE WINE-GROWING HISTORY
IN TERMS OF LAKE COUNTY'S RELATIONSHIPS TO THE NEIGHBORING WINEGROWING COUNTIES AND TO SEE HOW THIS RELATIONSHIP HAS BEEN
PERCEIVED BY NORTH BAY AND CALIFORNIA WINE AUTHORITIES AND,
PERHAPS, CONSUMERS.

SO LET ME TELL YOU SOME HISTORY. FIRST OF ALL, IF YOU WERE STANDING ON THE SHORES OF CLEAR LAKE, LET US SAY IN 1860, YOU KNOW WHERE YOU WOULD BE STANDING? YOU WOULD BE STANDING IN NAPA COUNTY BECAUSE LAKE COUNTY IS NOTHING MORE THAN WHAT NAPA COUNTY -- THE NORTHERN HALF OF NAPA COUNTY USED TO BE. THIS WAS ALL ONE COUNTY POLITICALLY SPEAKING. AND LATER IT WAS DIVIDED.

THE LINE THAT DIVIDES LAKE COUNTY AND NAPA COUNTY IS

PURELY ARBITRARY. IT DOES NOT FOLLOW ANY -- WELL, IT DOES FOLLOW

A FEW CREEKS, BUT THIS STRAIGHT LINE HERE, THIS VERY IMPORTANT

LINE HERE, IS JUST -- THEY JUST TOOK A POINT AND A POINT AND DREW

A LINE BETWEEN THEM. AND THAT IS PRETTY RARE IN THIS AREA, AS YOU

CAN SEE FROM THE WIGGLY CHARACTER OF THE COUNTY LINES.

IN THE EARLY YEARS, ONE OF THE FIRST COUNTY HISTORIES WRITTEN, BY A FELLOW BY THE NAME OF MENEFFEE, LUMPED LAKE, SONOMA, NAPA, AND MENDOCINO. THIS WAS THE TITLE OF HIS HISTORY. AND HE PUT LAKE COUNTY RIGHT INTO IT, OBVIOUSLY.

NOW, MR. HEINTZ TALKED ABOUT THE STATE BOARD OF VITICULTURAL COMMISSIONERS THAT WAS SET UP. AND, AS HE SAID, THE STATE WAS DIVIDED UP INTO VITICULTURAL DISTRICTS AFTER 1880. EACH ONE OF THESE DISTRICTS HAD A COMMISSIONER.

THE DISTRICT FOR THIS AREA HERE -- SONOMA, MENDOCINO,

AND LAKE, AND ON UP -- WAS CALLED THE SONOMA DISTRICT. AND THE

COMMISSIONER FOR THIS DISTRICT WAS ISAAC DE TURK.

MR. DE TURK WAS A NOTED SONOMA COUNTY WINE GROWER. HE WAS THE MOST IMPORTANT LEADER OF THE WINE INDUSTRY AS FAR AS POWER, PRESTIGE, THINGS LIKE THAT GO, IN THE COUNTY. HE WAS THE COMMISSIONER.

WHEN HE MADE HIS FIRST REPORT IN 1880, HE MADE SOME VERY NICE -- HE SAID SOME VERY NICE THINGS ABOUT LAKE COUNTY. HE SAID HE PREDICTED THERE WOULD BE GOOD THINGS HAPPENING THERE. THERE WAS NOT MUCH YET; BUT, THEN, KEEP IN MIND THAT THE WHOLE AREA OF NORTHERN SONOMA COUNTY HAD NOT OPENED TO VITICULTURE YET.

ITALIAN SWISS COLONY DID NOT BEGIN THEIR OPERATIONS UNTIL 1881.

THIS WAS A GRADUAL EVOLUTIONARY ROLE OF THE WINE INDUSTRY FROM THE SOUTH TO THE NORTH.

A FEW YEARS LATER, COMMISSIONER DE TURK GAVE US A REPORT WHICH WAS PUBLISHED IN THE PACIFIC WINE AND SPIRIT REVIEW IN 1884, IN WHICH HE SORT OF GAVE CARTE BLANCHE TO ONE OF THE LEADERS OF THE LAKE COUNTY, THIS YOUNG DISTRICT. AND HE MADE QUITE A THING ABOUT WHAT WAS HAPPENING UP THERE AND WHAT A GOOD JOB THEY WERE DOING. AND BY 1887, HE SAID -- OH. IN HIS 1887 REPORT, HE MENTIONED SOMETHING ABOUT THE FACT THAT THESE ARE SUCH PROMISING YOUNG VINEYARDS AND THAT LAKE COUNTY WILL SOON BE ONE OF THE FIRST-CLASS WINE COUNTIES. THESE ARE ALL IN THE REPORTS OF THE STATE BOARD OF VITICULTURAL COMMISSIONERS.

NOW, AS AN ASIDE, AT THE BOTTOM OF THIS 1887 REPORT -IF WE ARE TALKING ABOUT HISTORY AND TRACK RECORDS -- THIS IS WHAT
HE HAS TO SAY ABOUT MENDOCINO COUNTY. HE LUMPED IT WITH SISKIYOU
AND HUMBOLDT AS PLACES WHERE BUT LITTLE ATTENTION IS GIVEN TO
VINE CULTURE. THIS IS IN 1887.

I WAS SUSPICIOUS OF THIS, AND I HAD AN IDEA THAT PERHAPS

DE TURK HAD SOME FINANCIAL CONNECTIONS IN LAKE COUNTY. BUT HE DIDN'T. HE DIDN'T HAVE ANY HOLDINGS AT ALL. HE JUST WAS EXCITED ABOUT IT.

NOW, HISTORICALLY, SOME QUESTIONS HAVE BEEN RAISED

ABOUT THE RELATIONSHIP OF THIS WINE DISTRICT THAT WAS IN THE

MIDDLETOWN AREA, THE SOUTHERN PART OF THE LAKE, ALONG THE LAKE

HERE, AND ABOVE THE LAKE. WHAT IS ITS RELATIONSHIP WITH THESE

SURROUNDING COUNTIES?

IT WAS LITERALLY AN EXTENSION OF NAPA COUNTY. THERE

ARE NO RAILROADS IN LAKE COUNTY. I DO NOT THINK THERE HAS EVER

BEEN A RAILROAD IN LAKE COUNTY. THE RAILHEADS AT CALISTOGA AND

UP HERE AT CLOVERDALE WERE THE NATURAL OUTLET FOR THE VITICULTURAL

AND WINE-GROWING PRODUCTS OF THE AREA. THIS IS A VERY IMPORTANT

HISTORICAL FACT THAT MUST BE TAKEN INTO ACCOUNT.

BUT, NEVERTHELESS, THERE IS A FLOW HERE, THE GRAPES

CONTINUALLY COMING DOWN. AND IN THE NINETIES WHEN YOU HAVE GOT

ALL THESE NICE LITTLE WINERIES UP HERE, THE WAGONS COMING OVER

THE HILLS WITH THE BIG BARRELS OF THE WINE DOWN TO CALISTOGA,

WHERE THEY WERE LOADED ONTO THE RAILROAD, AND FROM THERE DOWN TO

THE WINE MERCHANTS IN SAN FRANCISCO, BUT GRAPES, TOO. FOR THIS I

HAVE NOT DONE A WHOLE LOT OF ORIGINAL RESEARCH, BUT ERNEST

PENNINOU, WHO HAS -- AND I AM GOING TO GIVE YOU A PACKET OF A

WHOLE BUNCH OF THINGS. JUST CALL IT ONE THING. IT HAS A PAPER

CLIP ON IT.

AND ONE OF THEM IS ERNEST PENNINOU'S LITTLE SKETCH OF
EARLY WINE GROWING IN LAKE COUNTY. PENNINOU IS ONE OF THE VERY
GREAT SCHOLARS IN WINE HISTORY. AND IF YOU NEED ANY, YOU MIGHT
SAY, VERIFICATION, HIS BOOK ON WINE GROWING IN 1860 WHERE HE USES

THE CENSUS IS A MASTERPIECE. IT IS IN ANY COLLECTION ON WINE GROWING.

THE STATE AGRICULTURAL SOCIETY ALSO DIVIDED THE STATE UP INTO DISTRICTS AND PLACED, LOGICALLY, LAKE AND MENDOCINO INTO THE SAME DISTRICT. IT WAS THE TWELFTH DISTRICT. AND THEY HAD DISTRICT FAIRS AND THE WINES AT THE FAIRS COMPETED AGAINST ONE ANOTHER.

THESE ARE SOME TRACK RECORDS. IN 1888, LAKE COUNTY
WINE GROWERS WON ALL THE AWARDS AT THE DISTRICT FAIR. THE FAIR
WAS HELD IN UKIAH. IN 1892, DITTO. ALL THE AWARDS. L.P. BERGER'S
LAKEPORT ZINFANDEL, JUSTICE S. HASTINGS' CARSONIA RIESLING,
J.C. MOTTIER'S MIDDLETOWN CLARET. ALL OF THESE, BY THE WAY, CAN
BE FOUND IN THE REPORTS OF THE STATE AGRICULTURAL SOCIETY FROM
THE SUBSEQUENT YEARS, AND THESE ARE PUBLISHED -- THE BEST WAY TO
FIND THEM ARE IN THE JOURNALS OF THE SENATE AND ASSEMBLY.

MR. BARTOLUCCI'S CONNECTION REMINDS ME OF WHAT HAPPENED TO JUSTICE HASTINGS. HASTINGS, BY THE WAY, IS THE MAN WHO OUR LAW SCHOOL, ONE OF THE U.C. LAW SCHOOLS IS NAMED FOR. HE WAS THE CHIEF JUSTICE OF THE SUPREME COURT. HE IS THE MAN WHO OWNED THE LAND THAT WAS INGLENOOK.

AND HE SOLD THAT AND MOVED, JUST AS MR. BARTOLUCCI, WHO MOVED FROM HERE IN NAPA UP INTO LAKE COUNTY BECAUSE -- AT LEAST FROM HIS SUCCESS -- BECAUSE HE THOUGHT IT WAS A GOOD THING TO DO, ONE WAY OR THE OTHER.

TO MOVE ON, I WANT TO GIVE YOU SOME INFORMATION ABOUT
THIS TRACK RECORD THAT EVERYBODY WANTS TO HEAR ABOUT. IN 1884,
THE STATE VITICULTURAL CONVENTION WAS HELD IN SAN FRANCISCO.
AND AT THIS TIME A VERY, VERY IMPORTANT HISTORICAL DOCUMENT IS

OF WINES FROM ALL OVER THE STATE. AND, NATURALLY, THEY EVALUATED
THESE YOUNG WINES THAT WERE JUST COMING OUT FROM THE NEW VINEYARDS
OF LAKE COUNTY.

THE PEOPLE ON THIS COMMITTEE WERE PROFESSOR HILGARD,
THE FOUNDER, THE FATHER OF SCIENTIFIC WINEMAKING IN CALIFORNIA;
A FELLOW BY THE NAME OF DRUMMOND, WHO WAS A VERY IMPORTANT
VITICULTURIST; AND A FELLOW BY THE NAME OF POHNDORFF, WHO WAS A
EUROPEAN EXPERT.

THEY SAID LAKE COUNTY YOUNG WINE POSSESSES THE DELICACY
OF EXPRESSION AND PERFECTION IN ITS COMPOSITION WHICH ARE NECESSARY
TO DEVELOP INTO AN ACCEPTABLE TABLE WINE. IN THE SPECIFIC
EVALUATION OF THE WINE, THEY USE WORDS LIKE ELEGANT, BEAUTIFUL,
GOOD, FULL-BODY, ELEGANT FLAVOR WITH STOUT CONSTRUCTION. I THINK
THAT IS A POSITIVE EVALUATION.

LATER ON, JUST AS PROFESSOR OUGH HAS SAID, THE UNIVERSITY

OF CALIFORNIA USED LAKE COUNTY GRAPES DURING THESE EARLY YEARS AS

TESTS AND FOR FERMENTATION EXPERIMENTS TO DETERMINE WHAT WERE THE

BEST KINDS OF VARIETIES TO GROW IN DIFFERENT AREAS.

FINALLY, THIS POINT HAS ALREADY BEEN MADE. I GUESS YOU MIGHT SAY THE HIGH POINT OF THIS PERIOD WAS WHEN CHARLES HAMMOND'S MA TEL -- THAT'S M-A T-E-L VINEYARD IN UPPER LAKE ACTUALLY WON A MEDAL AT THE PARIS EXPOSITION IN 1900. AND, I WILL TELL YOU, THEY DID NOT GIVE OUT MEDALS AT THE PARIS EXPOSITION TO CALIFORNIA WINES IN THE SAME WAY THAT WE SEE THEM GIVEN OUT THESE DAYS IN SOME OF OUR COMPETITIONS.

AFTER REPEAL, WE BEGAN TO SEE THE TERM NORTH COAST USED WITH FAIR REGULARITY, BUT VERY LITTLE PRECISION. FOR EXAMPLE,

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IN A SCHOLARLY WAY, PROFESSOR CAROSSO AT THE UNIVERSITY OF CALIFORNIA IN 1950 DOES NOT USE THE TERM, BUT PROFESSOR HUTCHINSON, U.C.L.A., IN HIS DOCTORAL DISSERTATION, DOES.

IN SCHOONMAKER'S, FRANK SCHOONMAKER'S FIRST TWO BOOKS IN '34 AND '41, HE DOESN'T USE THE TERM NORTH COAST. BUT BY THIS TIME, WE DO SEE THE TERM STARTING TO BE USED. I THINK HORATIO STOLL, THE PUBLISHER AND FOUNDER OF WINES & VINES, EARLIER CALLED THE CALIFORNIA GRAPE GROWER, REALLY IS THE MAN RESPONSIBLE FOR IT. STOLL INCLUDED LAKE COUNTY IN WHAT HE CALLED THE NORTHERN COUNTY REGION IN SEVERAL ITEMS -- AND I HAVE CITED THOSE IN THE PAPER THAT I WILL GIVE TO YOU -- IN WINES & VINES.

AFTER REPEAL, WHEN THE WINE GRAPE BOARD CONTROL BOARD WAS SET UP, DISTRICT 1, THE NORTH COAST COUNTIES, INCLUDED LAKE COUNTY. THE OFFICIAL DATA FOR THE 1934 PRODUCTION INCLUDED LAKE COUNTY IN THE NORTH COAST REGION. NOW, THIS IS VERY IMPRECISE. I DO NOT THINK A LOT OF PEOPLE WOULD AGREE TO SOME OF THE OTHER COUNTIES THAT WERE INCLUDED IN THE NORTH COAST REGION. AND ALL I AM SAYING IS IF YOU ARE GOING TO GO BY NAMES, THEY CERTAINLY WOULD INCLUDE LAKE IN THAT DESIGNATION.

STOLL LISTED THE NORTHERN COUNTIES OF THE COAST REGION AS NAPA, SONOMA, LAKE, MENDOCINO, AND SOLANO.

AND JUST PARENTHETICALLY, I HAVE TO SAY HISTORICALLY --IT DID NOT COME OUT -- HISTORICALLY, SOLANO HAS ALL THE HISTORICAL CLAIMS FROM GOING WAY BACK AS THE OTHER AREAS THAT HAVE CLAIMED TO BE NORTH COAST.

THIS IS WHAT STOLL SAYS ABOUT THIS AREA HE CALLS THE NORTHERN COUNTIES OF THE COAST REGION.

"THIS AREA, WHICH CONSISTS OF THE VALLEYS

BETWEEN THE COAST RANGES RUNNING PARALLEL TO THE PACIFIC OCEAN SHORE AND THE LOWER SLOPES OF THESE RANGES IS KNOWN AS THE DRY WINE DISTRICT OF CALIFORNIA. IT IS EXCEPTIONALLY SUITED FOR THE GROWING OF WINE GRAPES OF THE HIGHEST QUALITY."

PROFESSOR WINKLER, IN GENERAL VITICULTURE WHICH WE HAVE HEARD MANY REFERENCES TO THAT, IN HIS DESIGNATION, WHICH IS, AGAIN, IMPRECISE, FOR THE NORTH COAST REGION INCLUDES LAKE COUNTY. SO DOES JOHN MELVILLE IN 1955 IN THE FIRST WINE TOURING BOOK EVER WRITTEN FOR CALIFORNIA IN MODERN TIMES.

AS SCHOONMAKER LEARNS IN THE MEANTIME -- AND HE HAS A SECTION IN HIS ENCYCLOPEDIA OF WORLD WINES -- NORTH COAST -- HIS DESIGNATION WOULD INCLUDE LAKE COUNTY. SO DOES ALEXIS LICHINE IN HIS ENCYCLOPEDIA OF WINE AND SPIRITS.

WE HAVE HEARD QUITE A BIT ABOUT THE RE-EMERGENCE OF

LAKE COUNTY IN RECENT YEARS. THERE IS AN ARTICLE IN WINES & VINES

WHICH I WILL GIVE YOU, WHICH GOES OVER THIS HISTORICAL BUSINESS

IN RECENT YEARS, IN 1977, BY JOHN HUTCHINSON.

BUT WE KNOW THAT FETZER, PARDUCCI, GEYSER PEAK, FREI,
MARTINI-PRATI, MONDAVI, FRANCISCAN HAVE ALL USED GRAPES, AND I DO
NOT HAVE TO EXPAND ON THAT. THAT HAS ALREADY BEEN DONE.

BUT IN APRIL, 1977, IN <u>WINES & VINES</u>, THE AUTHORITATIVE VOICE OF THE GRAPE AND WINE INDUSTRY, IN THIS ARTICLE BY JOHN HUTCHINSON, HE QUOTES ONE THE MOST NOTED VITICULTURAL AUTHORITIES IN NAPA-SONOMA AREA AS SAYING: "I CANNOT SEE WHERE ANYONE CAN TECHNICALLY, LOGICALLY, OR JUSTIFIABLY SEPARATE LAKE COUNTY FROM THE NORTH COAST WINE GRAPE-GROWING REGION."

ROBERT THOMPSON IN HIS SUNSET GUIDE TO THE CALIFORNIA

WINE INDUSTRY INCLUDES LAKE RIGHT ALONG IN THE SAME SECTION WITH SONOMA AND MENDOCINO.

JUST RECENTLY IN THE <u>CONNOISSEURS' HANDBOOK</u> <u>OF</u>

<u>CALIFORNIA WINES</u>, LAKE COUNTY IS CALLED A NORTHERN COASTAL COUNTY.

IN, I THINK YOU WOULD SAY, THE DEFINITIVE WORK ON WINES
IN AMERICA BY LEON ADAMS IN THE SECOND EDITION, HE HAS A CHAPTER
HE CALLS SONOMA, MENDOCINO, AND LAKE. THAT IS THE NAME OF THE
CHAPTER. AND HE TAKES YOU OFF ON A TRIP TO THE GOLDEN GATE. AND
HE SAYS, "LET'S HEAD OFF TO THE NORTH COAST WINE COUNTRY." AND
HE CONCLUDES BY WONDERING IF SOME DAY THE NORTH COAST WINE
DISTRICT MAY EVEN EXTEND BEYOND ITS CURRENT BOUNDARIES OF
MENDOCINO AND LAKE COUNTIES.

IN 1973, AN INTERESTING LETTER WAS WRITTEN TO MR. MYRON HOLDENRIED BY HISTORIAN, WILLIAM HEINTZ, IN WHICH HE WONDERS ABOUT THE FACT THAT -- MR. HEINTZ, BY THE WAY, GAVE TESTIMONY EARLIER TODAY -- WHERE HE WONDERS ABOUT THE FACT THAT THEY ARE NOT BEING ALLOWED IN LAKE COUNTY TO JOIN THE NORTH COAST GRAPE GROWERS ASSOCIATION. AND HE VOLUNTEERS QUITE A BIT OF DATA AND INFORMATION TO SHOW THE IMPORTANCE OF LAKE COUNTY AND HOW THIS -- HOW LAKE COUNTY CERTAINLY HAS SOME GOOD ARGUMENTS TO FIT IN. THAT LETTER IS PART OF MY PACKET.

I DO NOT THINK ANYBODY HAS ANY DATA ANY CLOSER THAN
WHAT I HAVE RIGHT NOW BECAUSE LAST NIGHT, JUST BEFORE I CAME
HERE, I WAS AT A PRESENTATION DONE BY THE FETZERS IN SANTA CLARA.
AND A QUESTION CAME TO THEM ABOUT THE WINES THAT ARE BEING
PRESENTED. SOMEONE ASKED -- YOU COULD PROBABLY GUESS WHO IT WAS
-- WONDERING WHY IT WAS THAT THEY PUT THE LAKE COUNTY DESIGNATION
ON THEIR LABELS. I MEAN, DO YOU GET SOME KIND OF PRESTIGE FROM

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THIS? DOES IT MEAN THEY ARE BETTER?

AND MR. FETZER RESPONDED THAT "SOME THINK THESE ARE THE BEST OF OUR WINES. THEY ARE LITERALLY LUSCIOUS." THOSE WERE HIS WORDS.

WELL, THAT IS ABOUT ALL THE HISTORY THAT I CAN GIVE YOU. HISTORICALLY, I THINK, THOUGH, THAT, AT LEAST IN THE TIME THAT I HAVE, VIEWING LAKE COUNTY'S REPUTATION AS A PREMIUM WINE-GROWING AREA AND AS PART OF THE NEIGHBORS OF THE NORTH AND THE SOUTH, AND JUST BY LOOKING AT THE USE OF THE TERM NORTH COAST, THERE IS NO EVIDENCE TO SUGGEST THAT LAKE COUNTY SHOULD BE INCLUDED IN ANY APPELLATION OTHER THAN THE ONE THAT INCLUDES NAPA AND SONOMA COUNTIES.

NOW, THERE IS SOME INFORMATION, PERHAPS THAT IT MIGHT BE IN ONE THAT WOULD EXCLUDE MENDOCINO, BUT THAT IS ANOTHER STORY.

THE CHAIRMAN: I HAVE A QUESTION. LET ME CLARIFY SOMETHING. IT IS AN ALMOST INCREDULOUS KIND OF QUESTION. NAPA COUNTY WENT UP TO CLEAR LAKE AT ONE TIME? IS THAT WHAT YOU SAID?

MR. SULLIVAN: THIS IS NAPA COUNTY IN 1860. WHEN THE FOUNDING FATHERS AT MONTEREY IN 1849 DECIDED WHAT WERE THE LOGICAL UNITS, THAT WAS THE DECISION THEY MADE IN 1849. THEN IT WAS SPLIT LATER.

MR. GEORGE: YOU MADE A STATEMENT THAT THE COASTAL RANGE ENDS SOMEWHERE NORTH OF THE EEL RIVER BY THE KLAMATH MOUNTAINS. COULD YOU SHOW ME WHERE THAT IS ON THE MAP.

MR. SULLIVAN: YOU CAN MAKE IT OUT BY THE CONFIGURATION OF THE LAND HERE. THE COASTAL RANGES ARE HERE. YOU SEE, THESE ARE THE TRANSVERSE RANGES. OKAY. NOW, THESE COASTAL RANGES RUN IN A NORTHWEST, SOUTHEAST FASHION. THEY RUN INTO THE SEA.

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IF WE HAD A PICTURE OF THE BOTTOM OF THE OCEAN, YOU WOULD SEE WHAT WAS HAPPENING HERE. IN FACT, ONE OF THE VALLEYS OF THE COASTAL RANGES IS THE SAN FRANCISCO BAY, AND IT IS A BAY BECAUSE A WATER GAP IS FORMED HERE THAT HAD TO COME OUT SOME PLACE. YOU WILL SEE THEY RUN OUT RIGHT HERE. THIS IS THE END OF THE COASTAL RANGES.

THIS, YOU CAN SEE -- YOU CAN'T GET ACROSS THERE. NOW, WE GET A DENDRITIC PATTERN IN YOUR RIVERS. YOU KNOW HOW THEY --LIKE A -- YOU KNOW. THEY ARE LIKE VEINS. THAT'S IT. THIS IS A TOTALLY DIFFERENT SECTION UP HERE AS FAR AS THE GEOMORPHOLOGY OF THE STATE IS CONCERNED.

HERE, THE RIVERS RUN -- THEY PARALLEL THE VALLEY AND RUN INTO THE SEA EXCEPT, OF COURSE, THIS ONE, THE RUSSIAN RIVER. IT WAS SCREWED UP A COUPLE OF MILLION YEARS AGO AND CHANGED ITS MIND.

> THE CHAIRMAN: NEVER COULD TRUST THE RUSSIANS. MR. SULLIVAN, THANK YOU VERY MUCH. ROBERT H. MYER.

#### ROBERT H. MYER,

TESTIFIED AS FOLLOWS:

MR. CHAIRMAN, MY NAME IS ROBERT MYER, AND I CAN ALSO SAY THAT MY LITTLE PRESENTATION HAS BEEN GIVEN ABOUT THREE TIMES, SO PEOPLE WILL NOT GET THE WHOLE BALE OF HAY AS FAR AS I AM CONCERNED.

I HAVE BEEN ASKED TO SAY A LITTLE BIT ABOUT MY OWN BACKGROUND AND THEN COMMENT BRIEFLY ON THE LAKE COUNTY QUALITY OF GRAPES. I WAS QUITE IMPRESSED. IT SEEMS THAT EVERYBODY HAS A DEGREE OF SOME KIND OR ANOTHER IN THE ROOM. I WANT YOU ALL TO KNOW I AM NOT A VITICULTURIST, CERTAINLY NOT AN ENOLOGIST. I DO HAVE A B.S. DEGREE IN BUSINESS ADMINISTRATION, AND I MINORED IN BASEBALL, AND IT HELPED GET ME THROUGH BECAUSE I DID BY THE CHIN OF MY TEETH.

JUST AFTER WORLD WAR II, I CAME BACK TO THE LITTLE
TOWN OF GEYSERVILLE AND EVENTUALLY BECAME GENERAL MANAGER OF A
RELATIVELY SMALL COOPERATIVE WINERY. WE CRUSHED ABOUT 5,000 TONS,
AND THEN, IN 1953, WE WERE TAKEN OVER OR MERGED WITH ALLIED GRAPE
GROWERS, WHICH WAS THE LARGEST GRAPE COOPERATIVE IN THE STATE
AND STILL IS.

THEY MOVED US ALL UP TO ASTI, AND I WENT ALONG WITH THE REST OF THE MACHINERY. IN THAT INITIAL JOB, MOST OF OUR GRAPES CAME FROM SONOMA, MENDOCINO, AND LAKE COUNTY. AND THAT GOES BACK TO 1945 AND 1946.

DURING MY TENURE IN ALLIED, ABOUT 19 YEARS, WE EXPANDED CONSIDERABLY. THE TOTAL TONNAGE HANDLED WHEN I WAS THERE -- AND MY TITLE WAS NORTH COAST MANAGER -- WAS ABOUT 30,000 TONS.

INTERESTINGLY ENOUGH, THOSE GRAPES CAME FROM SOLANO, NAPA, SONOMA, MENDOCINO, AND LAKE.

THERE IS ONE THING THAT HAS KIND OF BEEN SKIPPED OVER,

I THINK, ALTHOUGH JIM LIDER DID TOUCH ON IT. AND I WOULD JUST

PUT IT THIS WAY. IF YOU DON'T PLANT THE RIGHT VARIETY IN THE

RIGHT SOIL AND UNDER THE RIGHT CLIMATIC CONDITIONS, YOU ARE NOT

GOING TO HAVE VERY GOOD GRAPES, NO MATTER WHICH COUNTY YOU GROW

THEM IN. THIS IS ONE OF THE MAIN THRUSTS IN MY EXISTENCE. OVER

THE YEARS, WE ALWAYS WORKED VERY CLOSELY WITH THE WINEMAKER AND

THE LAB TECHNICIANS IN KEEPING A RECORD AND A HISTORY OF WHERE THE

GRAPES WERE GROWN, AND WHAT QUALITY CAME FROM THOSE DIFFERENT VINEYARDS WAS VERY, VERY IMPORTANT.

AS FAR AS LAKE COUNTY IS CONCERNED, AT LEAST WITH MY EXPERIENCE, IT HAS ALWAYS BEEN A COUNTY THAT GREW PRIMARILY BLACK GRAPES. NOW THEY ARE BEGINNING TO GET INTO SOME OF THE WHITE VARIETIES, BUT I SPEAK PRIMARILY, AS FAR AS MY BACKGROUND IS CONCERNED, ON THE QUALITY OF THE BLACK GRAPES.

I THINK I CAN SAY WITHOUT ANY QUESTION IN MY MIND THAT,

IF YOU HAVE, AS I SAY, THE RIGHT VARIETY AT THE RIGHT PLACE, THAT

LAKE COUNTY AND SOLANO CAN GROW A QUALITY GRAPE THAT IS EQUAL TO

THAT GROWN IN ANY OF THE NORTH COAST AREAS.

AS I SAY, YOU WERE NOT GETTING THE WHOLE BALE OF HAY.

THAT IS A CONDENSED VERSION OF WHAT I INTENDED TO START OUT WITH,

BUT THAT IS THE WAY I FEEL ABOUT IT.

THE CHAIRMAN: THANK YOU.

ANY QUESTIONS?

ALLAN D. JERGESEN.

# ALLAN D. JERGESEN,

ON BEHALF OF THE LAKE COUNTY WINE PRODUCERS, TESTIFIED AS FOLLOWS:

MY NAME IS ALLAN D. JERGESEN, AND, AS I TOLD THE CHAIRMAN, I HAVE GIVEN MY CARD TO THE REPORTER SO I WILL NOT HAVE TO GO THROUGH THE RATHER CONFUSING PROCESS OF SPELLING OUT THAT NAME.

I AM AN ATTORNEY FROM SAN FRANCISCO WITH A LAW FIRM OF HANSON, BRIDGETT, MARCUS, BLAHOS, AND STROMBERG; AND, ALONG WITH ROSS STROMBERG, AM REPRESENTING THE LAKE COUNTY WINE PRODUCERS IN THESE REGIONS.

TODAY WE HAVE HEARD FROM A LOT OF EXPERTS, FROM

ENOLOGISTS, VITICULTURISTS, WINE HISTORIANS, GROWERS. I WILL NOT

ATTEMPT TO SUPPLEMENT OR ADD TO ANYTHING THAT THEY HAVE SAID.

RATHER, I HOPE THAT I CAN DO WHAT ATTORNEYS DO BEST,
AND THAT IS SIMPLY CALL THE ATTENTION OF EVERYONE TO A FEW LEGAL
CONSIDERATIONS; AND, AT THE SAME TIME, DO WHAT ATTORNEYS DON'T
ALWAYS DO BEST, AND THAT IS TO KEEP MY REMARKS SHORT AND TO THE
POINT.

THE FIRST POINT THAT I WOULD LIKE TO MAKE, I THINK, HAS ALREADY ALMOST BEEN BEATEN TO DEATH HERE THIS AFTERNOON, AND I WILL JUST ADD A FEW COMMENTS. AND THAT HAS TO DO WITH WHAT I SEE AS THE PANEL'S VERY GREAT HESITANCY TO ACCEPT OR APPROVE A VITICULTURAL AREA THAT IS BASED ON POLITICAL LINES, ON COUNTY LINES. AS ROSS STROMBERG ALREADY MENTIONED, AND I WOULD LIKE TO RE-EMPHASIZE THAT THERE ARE TWO DIFFERENT STANDARDS IN TITLE 27 OF THE CODE OF FEDERAL REGULATIONS. THERE IS THE STANDARD FOR VITICULTURAL AREAS, AND THEN THERE IS THE STANDARD FOR MULTICUNTY DESIGNATIONS.

A MULTI-COUNTY DESIGNATION CAN, ACCORDING TO THE REGULATIONS, APPLY TO TWO AND NO MORE THAN THREE COUNTIES.

CERTAINLY, A MULTI-COUNTY DESIGNATION COULD APPLY TO NAPA, SONOMA, AND MENDOCINO.

THE CALIFORNIA NORTH COAST GRAPE GROWERS ASSOCIATION

QUITE CLEARLY SHOULD HAVE BROUGHT THEIR PETITION, IN OUR OPINION,

UNDER THIS STANDARD AND NOT UNDER THE VITICULTURAL AREA. OF

COURSE, THE DESIGNATION WOULD NOT HAVE BEEN NORTH COAST OR NORTH

COAST COUNTIES, IT WOULD HAVE BEEN SONOMA, NAPA, AND MENDOCINO

COUNTIES. BUT THIS WOULD HAVE MET ALL OF THE LEGAL REQUIREMENTS.

ON THE OTHER HAND, A VITICULTURAL AREA IS MEANT TO BE DESCRIBED AND DEFINED ACCORDING TO VARIOUS STANDARDS THAT WE HAVE ADDRESSED; FOR EXAMPLE, HISTORICAL STANDARDS, THE EXTENT TO WHICH THE NAME IS KNOWN NATIONALLY AND LOCALLY, AND SO ON, AND SO FORTH.

THE POINT IS THAT NOT ONLY WOULD IT BE UNWISE TO DELINEATE A VITICULTURAL AREA ON THE BASIS OF POLITICAL COUNTY LINES AS REQUESTED IN THE PETITION, IT WOULD ALSO MOST LIKELY BE ILLEGAL UNDER TITLE 27. AND I THINK THAT THIS IS SOMETHING THAT OBVIOUSLY THE PANEL ALREADY HAS IN MIND, BUT I THINK THAT SHOULD BE NOTED BOTH TO THE AUDIENCE AND ESPECIALLY TO THOSE THAT BROUGHT THIS PETITION.

I WOULD LIKE TO TURN NOW AND JUST TALK A LITTLE BIT

ABOUT SOME OF THE EVIDENCE THAT WAS PRESENTED BOTH IN THE ORIGINAL

PETITION THAT WAS FILED IN SEPTEMBER, 1979, AND ALSO IN THE

SUPPLEMENTARY PETITION THAT WAS MENTIONED FOR THE FIRST TIME TODAY

WHAT I AM REFERRING TO MOSTLY IS THE EVIDENCE FROM VARIOUS GROWERS AND VINTNERS IN NAPA, SONOMA, AND MENDOCINO SUPPORTING A NORTH COAST APPELLATION THAT APPLIES ONLY TO THE THREE COUNTIES OF NAPA, SONOMA, AND MENDOCINO. AND I THINK, IF THE PANEL AT ITS LEISURE GOES THROUGH THIS EVIDENCE, THEY WILL FIND THAT THERE IS A LOT THERE THAT IS TOTALLY CONSISTENT WITH THE INCLUSION OF LAKE COUNTY IN THE AREA. WHY DON'T I JUST QUICKLY RUN DOWN THE LIST.

ON PAGES 2 TO 3 OF THE ORIGINAL PETITION THERE IS A

STATEMENT OF PROFESSOR CROWLEY, AND IN THAT HE CONTRASTS THE SOIL

AND CLIMATE OF THE REGIONS NORTH OF SAN FRANCISCO WITH THOSE SOUTH

OF SAN FRANCISCO BAY. WELL, OBVIOUSLY, LAKE COUNTY IS INCLUDED

IN THE FORMER ALONG WITH SONOMA, NAPA, AND MENDOCINO.

ON PAGE 2 OF THE ORIGINAL PETITION, THERE IS A STATEMENT QUOTED FROM DR. A.B. WEBB, IN WHICH HE USES THE TERM NORTH COAST IN CONTRAST WITH THE LOWER PART OF THE STATE, ESPECIALLY WITH RESPECT TO CLIMATIC CONDITIONS. WELL, AGAIN, NOBODY IS ARGUING THAT LAKE COUNTY IS IN THE LOWER PART OF THE STATE. IT IS MORE NORTH THAN NAPA. IT IS MORE NORTH THAN SONOMA.

JUST MOVING DOWN THE LIST, THERE IS A LETTER OF JULY 23, 1979, FROM RICHARD L. MAHER, WHO IS PRESIDENT OF BERINGER VINEYARDS. AND IN IT HE EXPRESSES THE FEAR THAT THE NORTH COAST APPELLATION MAY SOMEDAY BE EXPANDED TO BE ANYTHING NORTH OF BAJA, CALIFORNIA.

WELL, I THINK THIS IS IMPORTANT BECAUSE IT SHOWS -- AND SOME OF THESE LATER LETTERS THAT I QUOTE WILL SHOW -- WHAT THE REAL CONCERN HAS BEEN FOR SO LONG. IT HASN'T HAD TO DO WITH LAKE COUNTY. IT HAS HAD TO DO WITH THE MUCH LARGER VITICULTURAL AREAS OUT IN THE SAN JOAQUIN VALLEY AND, TO SOME EXTENT, IN THE SALINAS VALLEY. CLEARLY, LAKE COUNTY IS NOT PART OF THAT, AND THERE NEED BE NO FEAR THAT THOSE AREAS WOULD BE INCLUDED.

MOVING DOWN THE LIST, A LETTER OF FEBRUARY 6, 1974,
FROM LOUIS M. FOPPIANO, THE GENERAL MANAGER OF THE FOPPIANO
VINEYARDS. AND HE SPEAKS OF THE NORTH COAST REGION AS BEING 75
MILES REMOVED FROM ANY OTHER GRAPE-GROWING REGION. WELL, HE
CLEARLY CANNOT HAVE MEANT TO BE EXCLUDING LAKE COUNTY BECAUSE
LAKE COUNTY IS WITHIN THAT CIRCLE, QUITE CLEARLY.

A LETTER OF APRIL 2ND, 1975, FROM ROBERT SESSIONS, THE GENERAL MANAGER AT HANZELL VINEYARDS. HE CONTRASTS THE GRAPE-GROWING REGIONS NORTH OF SAN FRANCISCO WITH THOSE LOCATED ELSE-WHERE. CLEARLY, LAKE COUNTY IS INCLUDED.

A LETTER OF FEBRUARY 4, 1975, FROM NORMAN DE LEUZE, CO-PARTNER AT Z & D WINES. HE CONTRASTS THE NORTH COAST AREA WITH WARMER INTERIOR REGIONS WHOSE PRIMARY ASSETS IS QUANTITY RATHER THAN QUALITY OF GRAPES, AND ALSO CONTRASTS THE NORTH COAST AREA WITH THE UNPROVEN CENTRAL COAST AREAS.

NOW, AS TO WARMER INTERIOR REGIONS WHOSE PRIMARY ASSETS
IS QUANTITY RATHER THAN QUALITY OF GRAPES, I THINK YOU HAVE HEARD
FROM MYRON HOLDENRIED THAT, AT THE PRESENT TIME, LAKE COUNTY
PRODUCES 2.6 PER CENT OF THE GRAPES FROM AMONG THESE FOUR COUNTIES
I THINK YOU ALSO HEARD FROM DR. OUGH ABOUT THE QUALITY OF THE
LAKE COUNTY WINE AND HOW IT COMPARES, AT LEAST TO THAT FROM
MENDOCINO.

I CANNOT BELIEVE THAT MR. DE LEUZE WAS REFERRING TO

LAKE COUNTY HERE. I THINK QUITE CLEARLY HE WAS REFERRING TO THE

INTERIOR CENTRAL VALLEY GRAPE-GROWING REGIONS.

MOVING ALONG QUICKLY, A LETTER OF JANUARY 30, 1974,
FROM JAMES T. BUNDSCHU, PRESIDENT OF VINEBURG WINE COMPANY. HE
FEARS THAT THE NORTH COAST AREA WILL BE EXTENDED FROM THE COASTAL
REGION NORTHERLY FROM SAN FRANCISCO BAY TO OTHER REGIONS SOUTH OF
TEHACHAPI COUNTIES AND NORTH TO THE STATE OF WASHINGTON. WE ARE
CERTAINLY NOT PROPOSING THAT.

ANOTHER LETTER FROM THE SAME GENTLEMAN, THIS ONE DATED JANUARY 28, 1975, IN WHICH HE STATES HIS OPPOSITION TO THE USE OF THE NORTH COAST APPELLATION BY GROWERS SOUTH OF SAN FRANCISCO BAY.

ONLY TWO MORE. HERE IS A LETTER OF FEBRUARY 4, 1974,
FROM FETZER VINEYARDS, IN WHICH THE FEAR IS EXPRESSED THAT
INCLUDING OR EXPANDING THE NORTH COAST APPELLATION WILL INCLUDE

THOSE AREAS WHICH PRODUCE WINES OF LESS QUALITY AND GREATER YIELD,
AGAIN REFERRING TO THE CENTRAL VALLEY.

AND, FINALLY, A LETTER OF JANUARY 26, 1974, FROM FRANK BARTHOLOMEW OF HACIENDA WINE CELLARS WARNS AGAINST A NORTH COAST VITICULTURAL DESIGNATION THAT WOULD INCLUDE ALL AREAS NORTH OF TEHACHAPI.

WELL, THE POINT OF ALL OF THIS IS THAT WE CAN INCLUDE
THE LAKE COUNTY GRAPE-PRODUCING REGIONS IN A NORTH COAST

APPELLATION AND STILL NOT -- OR STILL RELIEVE THESE FEARS THAT
HAVE BEEN EXPRESSED.

ONE OTHER POINT ABOUT THE PETITION OF THE CALIFORNIA NORTH COAST GRAPE GROWERS, AND THAT IS, AS SUGGESTED BY THE SUPPLEMENTARY PETITION, AND I AM REFERRING TO EXHIBITS CAPITAL ROMAN NUMERAL IE, WHICH IS A COPY OF A LABEL FROM TOYON -- I HOPE I PRONOUNCE IT CORRECTLY -- VINEYARDS. AND WHAT IT SAYS IS THAT THE WINE IN THE BOTTLE IS A COMBINATION OF THE THREE PRINCIPAL NORTH COAST COUNTIES OF SONOMA, NAPA, AND MENDOCINO. THE THREE PRINCIPAL NORTH COAST COUNTIES. THAT MEANS THERE MUST BE OTHERS. AND I THINK PROBABLY EVERYONE WOULD AGREE FROM THE EVIDENCE PRESENTED TODAY THAT THE LAKE COUNTY GRAPE-GROWING REGIONS ARE ONE OF THEM.

MY FINAL POINT HAS TO DO WITH THE USE OF THE TERM NORTH

COAST. AND I HATE TO BRING UP A SORE SUBJECT AGAIN. AND I DO NOT

DO IT IN ANY WAY TO EMBARRASS THE BUREAU. BUT THERE IS, AGAIN,

THIS LETTER OF OCTOBER 16, 1974. AND I BRING IT UP SIMPLY

BECAUSE, AGAIN, IT WAS SOMETHING THAT WAS INCLUDED IN THE PETITION

THAT LETTER CAME OUT IN 1974. IT WAS BASED ON THE THEN EXISTING STANDARDS, WHICH DEFINED A GRAPE-PRODUCING REGION OR

PLACE, I BELIEVE. AND IT STATED THAT THE NORTH COAST APPELLATION WAS UNDERSTOOD BY THE BUREAU AS REFERRING TO VINEYARDS AND GRAPES PRODUCED IN THOSE THREE COUNTIES.

AS HAS BEEN POINTED OUT, THIS LETTER WAS PRECEDED BY

NO PUBLIC NOTICE. THERE WERE NO HEARINGS. INDEED, IT WAS A

LETTER SIMPLY TO ONE GENTLEMAN, MR. MALCOLM KING OF THE CALIFORNIA

NORTH COAST GRAPE GROWERS ASSOCIATION. AND AS A RESULT OF THAT,

AS A PRACTICAL MATTER, THE LAKE COUNTY WINE-PRODUCING, GRAPE
PRODUCING REGIONS HAVE BEEN EXCLUDED FROM THE NORTH COAST

APPELLATION.

I AM NOT SURE WHY THIS LETTER WAS PRESENTED IN THE
PETITION. IF IT WAS PRESENTED IN ORDER TO SHOW THAT SOME SORT OF
RIGHT TO THE NORTH COAST LABEL HAD BEEN VESTED IN THIS GROUP,
THEN I THINK IT IS TOTALLY MISSTATED, TOTALLY MISFOUNDED, AND I
DO NOT THINK THE BUREAU IS GOING TO ACCEPT IT. I NOTE THAT, IN
THE REGULATION WHICH SET OUT THE STANDARDS AND PROCEDURES FOR
THIS HEARING BACK IN 1978, THERE WAS AN EXPLICIT REFUSAL TO ALLOW
ANY GRANDFATHERING. IN OTHER WORDS, WHAT HAD BEEN SUGGESTED WAS
THAT AREAS WHICH HAD RECEIVED PRIOR APPROVAL AND DESIGNATION
WOULD JUST CONTINUE. AND THE BUREAU SPECIFICALLY REJECTED THAT
AND SAID, ESSENTIALLY, IT IS A WHOLE NEW BALLGAME. WE WILL
DECIDE ACCORDING TO NEW STANDARDS.

SO I THINK THAT ANY RELIANCE PLACED BY THE PETITIONERS

ON THE USE OF THIS LABEL OR THIS NAME, THIS DESIGNATION IN THE

PAST SIX YEARS IS UNFOUNDED AND HAS ESSENTIALLY BEEN REJECTED.

THAT BRINGS ME TO THE END OF MY COMMENTS. WHAT I WOULD LIKE TO DO IS OFFER INTO EVIDENCE A SERIES OF LETTERS. ONE YOU ALREADY HAVE. IT IS THE OCTOBER 16, 1974 LETTER. BUT WHAT I AM

1 GOING TO ADD THAT IS NEW ARE SEVERAL REPLIES TO IT, A LETTER FROM -- TWO LETTERS FROM MR. PARDUCCI, WHO HAS ALREADY BEEN MENTIONED, 2 IN WHICH HE OPPOSES THAT DESIGNATION AND OBJECTS TO IT; AND, 3 4 FINALLY, A LETTER FROM A MR. STEPHEN E. HIGGINS, WHO AT THAT TIME WAS THE ASSISTANT DIRECTOR OF REGULATORY ENFORCEMENT AT THE 5 BUREAU, IN WHICH HE EXPLAINS -- AND THIS WAS AUGUST 4, 1975, LESS 6 7 THAN A YEAR AFTER THAT LETTER ON WHICH THE NORTH COAST GRAPE 8 GROWERS PLACED SO MUCH RELIANCE. LESS THAN A YEAR LATER, HE SAID 9 THAT EVERYTHING WAS ESSENTIALLY IN SUSPENSION. NEW REGULATIONS WERE GOING TO BE CONTEMPLATED, NEW REGULATIONS WERE GOING TO BE 10 CREATED, AND, THEREFORE, NO ACTION WAS TO BE TAKEN AT THAT TIME. 11 NOW, THE POINT BEING THAT THE BUREAU DOES NOT REALLY PLACE ANY 12 RELIANCE ON THE PAST USE IN THE PAST SIX YEARS OF THIS APPELLATION. 13 AND NEITHER SHOULD ANYONE ELSE. 14

THANK YOU.

THE CHAIRMAN: THANK YOU, MR. JERGESEN. THAT WILL BE EXHIBIT 18.

PETER F. WINDREM.

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### PETER F. WINDREM,

TESTIFIED AS FOLLOWS:

MR. CHAIRMAN, MEMBERS OF THE PANEL, IT IS A PLEASURE TO BE HERE TODAY. I APPRECIATE YOUR COMING AND HEARING OUR TESTIMONY FROM LAKE COUNTY. I AM THE LAST TO SPEAK FROM LAKE COUNTY SPECIFICALLY, SO IF YOU HAVE ANY QUESTIONS YOU HAVE BEEN HOLDING IN RESERVE, PLEASE DON'T ANY LONGER.

I AM A GRAPE GROWER IN LAKE COUNTY. I AM ALSO AN ATTORNEY. I FARM ABOUT 20 ACRES OF VINEYARD IN LAKE COUNTY I

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PLANTED ABOUT 10 YEARS AGO. I AM ALSO A MEMBER OF LAKE COUNTY VINTNERS, A COOPERATIVE ORGANIZATION OF GRAPE GROWERS THAT REPRESENTS SOME 410 ACRES OF VINEYARDS IN LAKE COUNTY.

OUR AVERAGE VINEYARD FOR SOME 27 GROWERS IS ABOUT 20

ACRES. WE ARE THE OWNERS OF KONOCTI CELLARS WINERY, ONE OF THE

TWO WINERIES IN LAKE COUNTY. THERE ARE CURRENTLY TWO OR THREE

MORE ON THE DRAWING BOARDS. I SUSPECT THE SPEED WITH WHICH THEY

WILL BE BUILT IS DIRECTLY RELATED TO THE PRIME INTEREST RATE THAT

IS BEING CHARGED BY THE FED.

OUR EXPERIENCE AS A COOPERATIVE IS IN TWO CAPACITIES.

ONE IS MAKING WINE, AND THE OTHER IS SELLING GRAPES ON THE NORTH

COAST. WE SELL GRAPES TO OTHER NORTH COAST COUNTIES.

THIS LAST YEAR WE SOLD TO MENDOCINO COUNTY TO PARDUCCI WINERY, WE SOLD TO MARTINI & PRATI WINERY IN SONOMA COUNTY, WE SOLD TO NAPA VINEYARDS IN NAPA COUNTY.

A QUESTION WAS EARLIER RAISED WHY LAKE COUNTY IS

CONCERNED FOR THE NORTH COAST DESIGNATION, GIVEN THE FACT THAT

WE ARE RECOGNIZED FOR QUALITY WINE AND QUALITY GRAPES AND ALSO,

ON THE AVERAGE, AND GENERALLY SPEAKING, OBTAIN THE SAME PRICES AS

OTHER NORTH COAST WINERIES AND GROWERS.

THE REASON, FUNDAMENTALLY, IS THIS. BECAUSE WE SELL TO OTHER NORTH COAST WINERIES, THOSE WINERIES HAVE BEEN RESTRICTED IN THEIR ABILITY TO HANDLE OUR GRAPES BY VIRTUE OF THE INFAMOUS 1974 LETTER BECAUSE THEY ARE CURRENTLY PRECLUDED FROM INCLUDING LAKE COUNTY GRAPES IN NORTH COAST WINE MADE FROM THE OTHER NORTH COAST COUNTIES. THEIR MARKETING OPTIONS ARE LIMITED.

THUS, FETZER WINERY, FOR EXAMPLE, HAS THE OPTION, WHICH THEY HAVE CHOSEN, OF CREATING A LAKE COUNTY APPELLATION. AND THEY

HAVE MARKETED VERY SUCCESSFULLY UNDER THAT PROGRAM. NOT ALL WINERIES ARE IN A POSITION TO DO THAT, BY ANY MEANS. AND, AS A CONSEQUENCE, WE HAVE FELT THE PRESSURE IN DEPRESSED PRICES, IN REALITY, FOR SOME OF THE GRAPES WE HAVE SOLD TO OTHER NORTH COAST WINERIES.

TO THOSE WINERIES THAT CAN USE A LAKE COUNTY

APPELLATION SPECIFICALLY, TOP PRICE IS PAID. THOSE THAT ARE NOT

ABLE TO DO SO, THAT TOP PRICE IS NOT PAID, AND WE SUFFER AS A

CONSEQUENCE, AND WE SUFFER UNFAIRLY.

I WOULD AT THIS TIME LIKE TO INDICATE TO YOU SOMETHING
OF THE KIND OF CAPRICIOUSNESS OF FEELING, OF SENSE THAT WE HAVE.
I WOULD LIKE TO INTRODUCE INTO EVIDENCE A LETTER FROM PARDUCCI
WINE CELLARS DATED DECEMBER 31, 1980. IT IS ADDRESSED TO ME, AND
IT IS SIGNED BY GEORGE PARDUCCI, GENERAL MANAGER OF FINANCE AND
ADMINISTRATION.

I SHAN'T READ THE LETTER SAVE FOR A PART IN WHICH HE INDICATES THAT -- IN PART HE SAYS: "BE THAT AS IT MAY, OUR EXPERIENCE SHOWS THAT LAKE COUNTY GRAPES CAN PRODUCE FINE WINES IF PROPER FARMING PRACTICES ARE ADHERED TO, AND, AS A COUNTY AS CLOSE TO THE COAST AS NAPA COUNTY, IT IS MOST CERTAINLY ENTITLED TO BE INCLUDED IN THE TERM NORTH COAST COUNTY AS MUCH AS NAPA COUNTY."

NOW, INCLUDED IN THE CORRESPONDENCE IS THE APPROVAL ISSUED BY THE BUREAU OF ALCOHOL, TOBACCO, AND FIREARMS, YOUR BUREAU, FOR THE DESIGNATION OF NORTH COAST FOR LAKE COUNTY. THAT WAS ISSUED IN SEPTEMBER OF 1974 -- NORTH COAST TO BE ON LAKE COUNTY OF CALIFORNIA. IT IS IN THIS CORRESPONDENCE. AND THAT WAS ISSUED ONLY TO BE SUPERSEDED BY THIS LETTER SOME THREE WEEKS LATER

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TO THE NORTH COAST GRAPE GROWERS ASSOCIATION. ADDITIONALLY, I ALSO WOULD OFFER THIS LETTER.

I WOULD ALSO OFFER INTO EVIDENCE AN APPLICATION THAT WAS APPROVED BY THE BATF FOR KONOCTI CELLARS, OUR WINERY. THE APPROVAL WAS APRIL 21, 1976, AND INCLUDED IN THE APPROVAL FOR 1975 JOHANNISBERG RIESLING AND 1974 CABERNET SAUVIGNON A DESIGNATION OF NORTH COAST.

IN QUOTE ON THE BACK LABEL, "LAKE COUNTY IS LOCATED IN THE HEART OF CALIFORNIA'S NORTH COAST PREMIUM WINE REGION."

WE FEEL, FROM LAKE COUNTY, IF YOU WILL, A TOUCH BADLY TREATED IN THE COURSE OF THINGS. AND YOU CAN UNDERSTAND HOW THAT HAS COME TO PASS. BUT WE HAVE BEEN PATIENTLY WAITING FOR THIS OPPORTUNITY TO BE HEARD ON THE ISSUE IN ORDER FOR THE MATTER TO BE RECTIFIED.

I WOULD URGE THAT, AS DIFFICULT AS THE TASK IS TO DRAW VITICULTURAL BOUNDARIES, THAT YOU NOT LET STAND THE CURRENT STATE OF AFFAIRS, THAT IS TO SAY, A DESIGNATION OF NORTH COAST LIMITED STRICTLY TO NAPA, SONOMA, AND MENDOCINO COUNTIES. IT IS HURTING US, IT WILL CONTINUE TO HURT US, AND IT HAS DONE SO ENTIRELY UNFAIRLY, IN OUR ESTIMATION.

SKIPPING A MOMENT, IF I WILL, TO THESE MAPS, ALL OF WHICH I WOULD ASK TO BE MARKED AS EXHIBITS AND RECEIVED INTO EVIDENCE, I WOULD ASK FOR YOU TO KIND OF COME BACK AND TAKE A LONG VIEW OF THE STATE OF CALIFORNIA AND RECOGNIZE THAT WHAT WE ARE TALKING ABOUT WHEN IT COMES TO NORTH COAST IS A VITICULTURAL AREA, A REGION OF CALIFORNIA. THIS MAP OF CALIFORNIA IS OFFERED TO SHOW THESE FOUR COUNTIES OF NAPA, SONOMA, MENDOCINO, AND LAKE, TO SEE THAT THEY DO, IN FACT, MAKE A REGION IN CALIFORNIA. IT IS

IN FACT A VITICULTURAL REGION.

THERE ARE DIFFERENCES, TO BE SURE, WITHIN THIS REGION.

IT IS, BY ITS VERY NATURE, COMPRISED OF VALLEYS AND MOUNTAINS

AND AREAS THAT ARE SLIGHTLY DIFFERENT ONE FROM ANOTHER. BUT

THEIR OVERALL CHARACTERISTICS OF SIMILARITY THAT ARE SO IMPORTANT

THAT IT IS ENTITLED TO THAT VITICULTURAL DESIGNATION. THOSE

SIMILARITIES ARE, NO. 1, A COASTAL INFLUENCE. THERE IS A COASTAL

INFLUENCE THROUGH ALL OF THESE COUNTIES REFLECTED IN THOSE HEAT

SUMMATION DAYS. AND COMMENTS OF CORNELIUS OUGH TO THE QUALITY

OF THE WINE IS THE BEST AND THE MOST ULTIMATE TEST OF THE

SIMILARITY OF REGIONS. IT PRODUCES WINES OF COMPARABLE QUALITY

THROUGHOUT.

SO WHEN WE LOOK AT THIS REGION, WE ARE ENTITLED, WE FEEL, TO IN FACT A NORTH COAST DESIGNATION FOR THE VITICULTURAL PORTION OF THESE FOUR COUNTIES, INCLUDING -- INCIDENTALLY, IN ALL MY COMMENTS AND ALL THE COMMENTS OF LAKE COUNTY PEOPLE, WE DO NOT SEEK TO SAY YEA OR NAY RELATIVE TO SOLANO COUNTY. I AM NOT SUGGESTING BY ANY OF THESE MAPS THAT WE ARE URGING THAT SOLANO COUNTY, THE WESTERN PART OF SOLANO COUNTY BE EXCLUDED. FAR FROM THAT.

THEIR CASE TO BE MADE, TO BE INCLUDED RESTS ON ITS OWN FOOTING, AND WE DO NOT COMMENT ON THAT BY VIRTUE OF HAVING MADE THESE OUTLINES. WE SIMPLY SEEK TO SHOW AT THIS POINT THE COUNTY BOUNDARIES.

BUT IT IS A REGION WITHIN CALIFORNIA THAT SHARES THE CHARACTERISTICS OF A COASTAL INFLUENCE, OF WINE OF SIMILAR QUALITY, OF THE RECOGNITION HISTORICALLY AS THE PREMIUM WINE GRAPE-GROWING REGION IN THE ENTIRE STATE OF CALIFORNIA.

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THE CHAIRMAN: IN ONE PACKAGE AS EXHIBIT NO. 21.

MR. WINDREM: THIS IS A FLAT VERSION OF THE RELIEF MAP,

I WOULD ASK THAT EACH OF THESE BE MARKED AND RECEIVED INTO EVIDENCE.

I WOULD ALSO COMMENT JUST VERY BRIEFLY RELATIVE TO THE MAP OF LAKE COUNTY ALONE THAT HAS THESE LITTLE GREEN PATCHES THAT SHOW WHERE THE VINEYARDS ARE IN LAKE COUNTY. WHEN THEY DRAW THE LINE THAT EXCLUDES THE NORTHERN PART OF THE COUNTY, IT IS BECAUSE, IN REALITY, IT IS NATIONAL FOREST. IT DOES NOT SEEK TO -- IT IS NOT A GRAPE-GROWING REGION AS SUCH. FLIPPING BACK TO THE RELIEF MAP.

BY THE SAME TOKEN, THERE ARE HUGE PORTIONS OF MENDOCINO COUNTY THAT ARE NOT GRAPE-GROWING REGIONS. WE DO NOT SEEK TO DRAW THE LINE FOR MENDOCINO COUNTY. MENDOCINO COUNTY FOLK KNOW WHERE THOSE REGIONS ARE AND CAN ASSIST YOU IN DRAWING THOSE LINES.

BUT IN TERMS OF GEOGRAPHICAL FEATURES THE LINE THAT WE HAVE OFFERED, AND WE WILL DESCRIBE WITHIN THE 30-DAY COMMENT PERIOD EXTENDING NOW -- WE WILL GIVE YOU A LEGAL DESCRIPTION OF THAT BOUNDARY LINE FOLLOWING THIS RIDGE. WE DO NOT HOPE THAT YOU ARE GOING TO BE ABLE TO USE THIS SOLELY AS YOUR GUIDE IN DRAWING THE BOUNDARY IN LAKE COUNTY. WE WILL SUBMIT THAT FOR YOU.

BUT WE WILL SUBMIT A SIMILAR TYPE OF THING AS PERHAPS THE BEST APPROACH TO USE IN LAKE COUNTY. PLEASE DO NOT WAIT TOO LONG BECAUSE THE LONGER THE TIME GOES, THE MORE THAT WE ARE HURT, AND, WE FEEL, UNFAIRLY.

THANK YOU VERY MUCH.

THE CHAIRMAN: ALL FOUR MAPS ARE BEING SUBMITTED?

MR. WINDREM: YES. ALL FOUR MAPS.

THE CHAIRMAN:

THE CHAIRMAN: ANY QUESTIONS?

SO IT IS EASIER TO DO IT ON THIS USGS MAP THAN IT IS ON THIS ONE.

THANK YOU VERY MUCH.

JUSTIN MEYER.

# JUSTIN MEYER,

TESTIFIED AS FOLLOWS:

MY NAME IS JUSTIN MEYER. MY ADDRESS IS 794 OAKVILLE CROSSROAD IN THE NAPA VALLEY.

I MIGHT GIVE YOU SOME BACKGROUND ON MYSELF SINCE I
THINK IT IS SOMEWHAT PERTINENT TO THE THINGS I MIGHT SAY. I HAVE
A DEGREE IN ECONOMICS; A BACHELOR'S DEGREE AND A MASTER'S DEGREE,
ALSO, IN VITICULTURE AND ENOLOGY FROM U.C. DAVIS. I HAVE BEEN IN
THE INDUSTRY ABOUT 16 YEARS. I AM PRESENTLY THE PRESIDENT AND
WINEMAKER OF ONE WINERY, FRANCISCAN VINEYARDS IN THE NAPA VALLEY,
AND THE OWNER AND WINEMAKER OF ANOTHER WINERY, SILVER OAK CELLARS
IN THE NAPA VALLEY. I AM OR HAVE BEEN AT ONE TIME OR ANOTHER A
PARTNER OR AN OWNER OF LAND IN NAPA, SONOMA, AND LAKE COUNTIES.
AND AS A GRAPE BUYER FOR MANY YEARS WITH ANOTHER WINERY, I COVERED
THESE COUNTIES QUITE EXTENSIVELY. SO I AM SOMEWHAT ACQUAINTED
WITH THE THREE COUNTIES.

I MIGHT SUMMARIZE MY POSITION AT THE BEGINNING SO THAT ANYTHING I HAVE TO SAY WILL HANG TOGETHER BETTER, HOPEFULLY. IN PRINCIPLE, I AM AGAINST THE CONCEPT OF A NORTH COAST APPELLATION. BUT, IF THERE MUST BE ONE, I CANNOT FIND ANY REASON TO EXCLUDE LAKE COUNTY OR SOLANO COUNTY FROM IT.

SO TO GO BACK, READING THE COMMENTS THAT THE BUREAU DOES NOT ACCEPT THE NAME NORTH COAST COUNTIES -- I CERTAINLY AGREE

WITH THAT. NORTH COAST APPELLATION, IF IT MUST BE.

BUT I WOULD LIKE TO POINT OUT THAT, JUST AS THE LAKE COUNTY GRAPE GROWERS HAVE DRAWN LINES AROUND THE AREAS AND THE COUNTIES WHICH COULD CONCEIVABLY PRODUCE GRAPES, I THINK YOU MUST TAKE THAT APPROACH TO THE OTHER COUNTIES, ALSO. CERTAINLY, IT IS ERRONEOUS TO GIVE THE IMPRESSION THAT ALL OR EVEN A GREAT YIELD OF SONOMA OR MENDOCINO COUNTIES HAVE QUALIFIED HISTORICALLY OR CLIMATICALLY OR BY SOIL -- ANY OTHER DATA WHICH THE BUREAU HAS SET UP AS ITS CRITERIA FOR APPELLATION. GREAT PARTS OF THOSE COUNTIES CERTAINLY DO NOT QUALIFY IN THE APPELLATION.

SO, I THINK, REALISTICALLY, YOU HAVE TO LOOK AT THE VITICULTURAL AREAS AS THOSE WHICH HAVE PARTICIPATED HISTORICALLY AND POSSIBLY THOSE WHICH COULD PARTICIPATE IN THE FUTURE, AREAS SUCH AS PHILO AND AREAS OF THE RUSSIAN RIVER VERY CLOSE TO THE COAST YEARS AGO WERE NOT GROWING AREAS BUT ARE NOW. AND WE ARE DISCOVERING NEW FROST PROTECTION SYSTEMS, AND SO ON, WAYS TO GROW GRAPES IN AREAS WE NEVER THOUGHT WE COULD ECONOMICALLY BEFORE.

SO I THINK WE CANNOT JUST SAY THAT THE EXISTING VINEYARDS ARE THE ONLY POSSIBILITY TO BE INCLUDED IN THE VITICULTURAL AREA. BUT CERTAINLY THE COUNTY LINES HAVE NOTHING TO DO WITH THE ABILITY TO GROW QUALITY GRAPES AND MAKE QUALITY WINES.

I AM ALSO OPPOSED TO THE IDEA OF NORTH COAST SIMPLY
BECAUSE I DO NOT THINK IT GOES IN THE DIRECTION THAT THE INDUSTRY
WANTS TO GO OR THAT THE BATF HAS INDICATED THAT IT IS GOING; AND
CERTAINLY NOT IN THE DIRECTION OF WHAT WE SEE ON AN INTERNATIONAL
BASIS, SUCH AS IN FRANCE AND GERMANY, WHERE WE ARE TENDING MORE
TOWARDS SMALLER, MORE SPECIFIC DESIGNATIONS TO GIVE THE CONSUMER
A BETTER IDEA OF WHERE HE IS GETTING HIS WINE FROM.

IF I GET A BOTTLE OF WINE AND IT SAYS GERMAN WHITE WINE,

IT TELLS ME ALMOST NOTHING. IF IT TELLS ME GERMAN MOSELLE WINE,

IT TELLS ME A LITTLE BIT MORE; AND, IF IT SAYS A ZELTINGEN MOSELLE,

IT TELLS ME A LOT MORE. AND I THINK THAT IS THE WAY WE WANT TO GO

IN THE FUTURE TO TELL THE CONSUMER AS CLEARLY AS POSSIBLE WHERE

THESE WINES ARE COMING FROM. AND, CERTAINLY, TO INSINUATE THAT

ANY WINE GROWN IN THE NORTH COAST IS OF EQUIVALENT QUALITY DOES

NOT MAKE SENSE TO ME.

TO SAY THAT THE GRAPES AND THE WINE FROM UKIAH, FOR
INSTANCE, ARE THE SAME AS NAPA, IS RIDICULOUS. IT IS NOT TO SAY
THAT ONE IS BETTER THAN THE OTHER. WE COULD START A HUGE ARGUMENT
IN THIS ROOM ON THAT SCORE. AND I AM NOT HERE TO CRITICIZE ANYONE.
IN FACT, I WOULDN'T EVEN BE HERE TO TESTIFY IF MY ONLY CONCERN
WAS THAT I DO NOT BELIEVE IN THE NORTH COAST APPELLATION. IT DOES
NO HARM TO ME, AND, IF IT IS TO BE, THAT IS JUST FINE.

MY SENSE OF JUSTICE, AND ALSO A CERTAIN ECONOMIC SENSE,
THAT I AM A PARTNER IN 300 ACRES OF LAKE COUNTY GRAPES AND I USED
TO BE A PARTNER AND PRESENTLY MANAGE AS PRESIDENT OF THE WINERY
250 ACRES IN THE NAPA VALLEY AND 250 ACRES IN SONOMA COUNTY -- SO
I HAVE GOT A STAKE IN ALL THESE THINGS. BUT I WOULD NOT BE HERE
TO TESTIFY SIMPLY AGAINST THE NORTH COAST APPELLATION. IF SOME
PEOPLE SEE FIT TO USE THAT AND IF THE GOVERNMENT SEES FIT TO
PERMIT IT, SO BE IT.

BUT IF IT IS GOING TO BE PERMITTED, I THINK THAT ALL

THE ARGUMENTS THAT CAN BE USED TO COMBINE THREE COUNTIES INTO ONE

DESIGNATION, NORTH COAST, ALSO HAVE TO BE USED WHEN YOU TALK

ABOUT LAKE COUNTY OR EVEN SOLANO COUNTY.

THERE ARE VAST DIFFERENCES IN THIS SO-CALLED PRESENT

NORTH COAST APPELLATION, AND I CAN ASSURE YOU THAT, IN MY OPINION OF COLLECTING SOIL AND CLIMATE DATA FOR MANY YEARS NOW IN OUR VARIOUS LOCATIONS IN OAKVILLE, ALEXANDER VALLEY, LAKEPORT, AND MIDDLETOWN, THAT FREQUENTLY THERE CAN BE GREATER DIFFERENCES IN ONE OF THOSE COUNTIES THAN THERE CAN BE BETWEEN THE COUNTIES.

AND THEN, VICE VERSA, THERE CAN BE AREAS WHICH ARE MORE SIMILAR WITHIN THE TWO COUNTIES THAN THERE WOULD BE IN ONE COUNTY. SO THESE THINGS GET VERY CONFUSING.

IT REALLY BOILS DOWN TO WHETHER THE BUREAU IS GOING TO GO INTO THE DIRECTION THAT WILL KEEP ALL THE VESTED INTERESTS HAPPY OR CLARIFY THE SITUATION, IN MY OPINION.

I THINK THE OTHER THING THAT SPEAKS AGAINST NORTH COAST APPELLATION IS THAT, WHILE MANY PEOPLE IN THE MENDOCINO OR SONOMA COUNTY MAY CHOOSE TO USE THAT APPELLATION, I DO NOT KNOW OF ANYONE —— AND THERE MAY BE, BUT I THINK IT IS INSIGNIFICANT IF THEY EXIST BECAUSE WE ARE UP TO SOME 115 BONDED PREMISES NOW IN NAPA COUNTY ALONE. I DON'T KNOW IF ANYONE WHO HAD NAPA COUNTY GRAPES AND WAS ENTITLED TO THE APPELLATION NAPA VALLEY WOULD CHOOSE TO USE NORTH COAST INSTEAD. I DO KNOW PEOPLE WHO, HAVING THE RIGHT TO USE MENDOCINO OR SONOMA MIGHT CHOOSE TO USE NORTH COAST INSTEAD. AND I PASS NO JUDGMENT ON WHY THEY CHOOSE TO DO THAT. BUT I THINK IT REFLECTS A TOTALLY DIFFERENT ATTITUDE OF THE PRODUCERS IN THE TWO REGIONS.

I THINK THAT ALL THE ARGUMENTS OF HISTORY, SOIL, CLIMATE, WATER SHED, SLOPE WOULD INDICATE THAT, IF YOU CAN ALLOW A NORTH COAST APPELLATION, YOU ARE CERTAINLY GOING TO HAVE A TERRIBLE TIME BUILDING UP A CASE TO ELIMINATE LAKE COUNTY FROM WITHIN THAT APPELLATION.

SO, AGAIN, I WILL RESTATE MY POSITION IN SUMMARY, THAT I DO NOT BELIEVE THAT THE TERM NORTH COAST SHOULD BE PERMITTED BECAUSE IT DOES NOT CLARIFY TO THE CONSUMER. IT CONFUSES THE CONSUMER. I THINK IT THROWS UP A DELIBERATE SMOKESCREEN. I THINK THE DIRECTION WE SHOULD BE GOING FOR APPELLATIONS IS TO FURTHER DEFINE THE APPELLATION BY USE OF VITICULTURAL AREAS ON THE LABEL SUCH AS NAPA VALLEY, MARTHA'S VINEYARD, AS IN THE CASE OF JOE HEITZ. THIS IS NOW TELLING THE CONSUMER SPECIFICALLY WHERE IN THE NAPA VALLEY, EVEN, THAT THESE GRAPES COME FROM AND NOT THAT THE GRAPES COME FROM SOME REGION THAT MAY RUN FROM THE CARNEROS AREA TO UKIAH.

BUT I THINK THAT IF WE ARE GOING TO PERMIT THIS

APPELLATION, THEN CERTAINLY HISTORICALLY, SOIL-WISE, CLIMATE-WISE

IT WAS A MISTAKE TO ELIMINATE LAKE COUNTY FROM THE INCLUSION IN

THE NORTH COAST OF SOME YEARS AGO.

THANK YOU.

THE CHAIRMAN: THANK YOU.

MRS. KIRK: I HAVE A QUESTION. YOUR FIRST ARGUMENT IS
THAT YOU WOULD BE, BASICALLY, AGAINST THE NORTH COAST APPELLATION.
IN THE ALTERNATIVE, YOU PROPOSE THAT WE CARVE OUT DIFFERENT
BOUNDARIES OF A VITICULTURAL NATURE.

DO YOU HAVE ANY SPECIFIC PROPOSALS AS TO WHAT THE NORTH COAST BOUNDARIES SHOULD BE?

MR. MEYER: NO. BECAUSE I WOULD ONLY GO TO THAT STEP

IF YOU TELL ME YOU INSIST ON HAVING A NORTH COAST APPELLATION. MY

FIRST CHOICE, OR OUR FIRST HALF GAME PLAN IS THAT I AM AGAINST

THE NORTH COAST. BUT, IF IT MUST BE, THEN -- BUT I AM ACQUAINTED

WITH THE SUBMISSION OF THE NAPA VALLEY VINTNERS, OF WHICH I AM A

MEMBER, FOR THE NAPA VALLEY APPELLATION. AND I THINK THEY TRIED TO TAKE INTO CONSIDERATION THE FACTORS THAT YOU OUTLINED AT THE VERY BEGINNING THAT YOU WOULD CONSIDER AS CRITERIA FOR THE APPELLATION; NAMELY, HISTORY, WATER SHED, SOIL, CLIMATE. AND SO THEY DIDN'T INVOLVE ALL OF NAPA COUNTY SIMPLY BECAUSE PARTS OF NAPA COUNTY HISTORICALLY HAVE NOT BEEN INVOLVED IN THE REPUTATION OF THE NAPA VALLEY GROWING GRAPES, AND ALSO BECAUSE MAYBE THE CLIMATE CONDITION IN THE WESTERN NAPA VALLEY IS DRASTICALLY DIFFERENT. AND THEN MAYBE THERE ARE AREAS IN THE NAPA VALLEY WHERE YOU COULD NOT GROW GRAPES ECONOMICALLY IF YOU WANTED TO BECAUSE YOU WOULD HAVE TO RECLAIM THE LAND FROM NATURE.

THESE OTHER AREAS, THE FIRST CRITERIA WOULD BE THAT UP UNTIL NOW CERTAIN PARTS OF MENDOCINO AND SONOMA COUNTY HAVE NEVER GROWN GRAPES, SO WHY SHOULD THE COUNTY LINE BE THE DESIGNATION FOR THE NORTH COAST APPELLATION? YOU MIGHT AS WELL ELIMINATE ABOUT HALF OF THOSE COUNTIES, I WOULD GUESS. AND THEN YOU WOULD GET DOWN TO HISTORICALLY WHAT HAS THE SIMILARITIES OF CLIMATE. AND YOU ARE TALKING ABOUT AT LEAST THREE REGIONS IN EVERY ONE OF THESE COUNTIES. AND, YOU KNOW, ALL OF THE DATA THAT I HEARD THIS AFTERNOON PRESENTED ON SOILS AND CLIMATES CAN BE INTERPRETED ANY WAY YOU WANT TO. JUST LIKE THE BIBLE. YOU CAN USE IT TO PROVE WHATEVER YOU WANT, WHATEVER SIDE YOU ARE ON.

BUT FROM MY OWN EXPERIENCE WITH LAKE COUNTY, WHERE WE HAVE TWO LOCATIONS, AND NAPA VALLEY, YOU MIGHT VERY LIKELY SAY THAT THE DEGREE DAY ACCUMULATION IS VERY SIMILAR. BUT THE PEOPLE LIKE AMERINE WHO PUT THAT TOGETHER WILL TELL YOU THAT IT IS TIME -- AND I HEARD HIM SAY SATURDAY AT A SYMPOSIUM THAT HE LEFT A LOT

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TO BE DONE, PARTICULARLY WITH THIS, THAT IT IS NOT ALL THE END ALL. AND I CAN FIND YOU REGION III'S ALL OVER THE STATE THAT CAN PRODUCE SOME PRETTY POOR WINES. SO THE ACCUMULATION IS NOT THAT DEFINITIVE.

WE FIND, FOR INSTANCE, IN LAKE COUNTY WHERE, WHILE WE MIGHT HAVE THE SAME DEGREE DAYS, IN THE BEGINNING OF THE SEASON WE ARE HUNDREDS OF DEGREE DAYS BEHIND; AND THEN WE GET INTENSE HEAT, WHICH SUDDENLY CATCHES US UP. AND WE STILL COME IN AND MATURE LATER THAN OUR NAPA GRAPES. SO I AM SURE THAT THE INTENSITY OF THE HEAT, THE COOLNESS OF THE NIGHT -- ALL KINDS OF THINGS HAVE TO DO WITH THE QUALITY OF THE GRAPES. BUT, STILL, YOU HAVE TO GET BACK TO WHICH OF THESE AREAS CONTRIBUTED TO ESTABLISHING THE NORTHERN CALIFORNIA AREA AS A PREMIUM WINE-GROWING AREA.

THE CHAIRMAN: MR. MEYER, THANK YOU.
BOB DWYER.

## ROBERT A. DWYER,

ON BEHALF OF THE NAPA VALLEY GRAPE GROWERS ASSOCIATION, TESTIFIED AS FOLLOWS:

MR. CHAIRMAN, MEMBERS OF THE PANEL, MY NAME IS ROBERT DWYER. I AM TESTIFYING TODAY AS THE EXECUTIVE DIRECTOR OF THE NAPA VALLEY GRAPE GROWERS ASSOCIATION REPRESENTING THE ASSOCIATION'S BOARD OF DIRECTORS.

THE NAPA VALLEY GRAPE GROWERS ASSOCIATION IS OPPOSED

TO THE CREATION OF A NORTH COAST VITICULTURAL AREA AT THIS TIME

FOR THE FOLLOWING REASONS: THE NAPA VALLEY GRAPE GROWERS

ASSOCIATION AND THE NAPA VALLEY VINTNERS JOINTLY PETITIONED THE

BUREAU OF ALCOHOL, TOBACCO, AND FIREARMS FOR THE CREATION OF A NAPA VALLEY VITICULTURAL AREA ON JANUARY 17, 1979. TODAY, JUST DAYS SHORT OF A FULL TWO YEARS, WE, THE NAPA VALLEY, ARE STILL WAITING FOR DELINEATION OF THE NAPA VALLEY VITICULTURAL AREA.

ADMINISTRATIVE HEARINGS WERE PROPERLY HELD IN THE LATE SPRING OF 1980, AND TODAY, NINE MONTHS LATER, WE ARE STILL WAITING FOR A DECISION, AMID RUMOR, FALSE OR NOT SO FALSE HOPES, AND TOTAL UNCERTAINTY.

THIS WEEK YOU ARE HEARING PROPOSALS FOR THE CREATION OF TWO VITICULTURAL AREAS THAT COULD HAVE SIGNIFICANT PRESENT AND FUTURE IMPACT ON THE NAPA VALLEY VITICULTURAL AREA. THE NORTH COAST VITICULTURAL AREA PROPOSAL BEING CONSIDERED TODAY IS ONE OF THE SIGNIFICANT PROPOSALS.

IT IS THE OPINION OF THE BOARD OF DIRECTORS OF THE NAPA VALLEY GRAPE GROWERS ASSOCIATION THAT BEFORE A NORTH COAST VITICULTURAL AREA IS SERIOUSLY CONSIDERED, WE MUST FIRST HAVE, ONE, A CLEAR DELINEATION OF THE NAPA VALLEY VITICULTURAL AREA; AND, SECONDLY, MUST CLEARLY UNDERSTAND THE TREASURY DEPARTMENT'S POSITION ON THE CONCEPT OF A VITICULTURAL AREA WITHIN A VITICULTURAL AREA.

THE CODE OF FEDERAL REGULATIONS, SPECIFICALLY TITLED

27, CHAPTER 1, PART 4 -- LABELLING AND ADVERTISING OF WINE

APPELLATION OF ORIGIN -- IS QUIET ON THE CONCEPT OF A VIT AREA

WITHIN A VIT AREA. WHILE THE CODE DOES NOT SPECIFICALLY PROHIBIT

THIS FROM OCCURRING, NEITHER DOES IT SPECIFICALLY PERMIT THIS

VITICULTURAL AREA OVERLAPPING OR OVERLAYING CONCEPT.

THE POSSIBILITY THAT A CHALLENGE COULD ARISE OVER THIS
POINT CONCERNS THE NAPA VALLEY GRAPE GROWERS ASSOCIATION. COUPLE

THIS CONCERN WITH THE UNCERTAINTY IN OUR MINDS TODAY AS TO THE APPROVAL OF A NAPA VALLEY VITICULTURAL AREA, AND YOU SHOULD UNDERSTAND OUR RETICENCE RELATIVE TO MOVING AHEAD WITH PROPOSALS FOR AREAS LARGER THAN AND INCLUDING THE POTENTIAL NAPA VALLEY AND/OR AREAS SMALLER THAN AND WITHIN THE POTENTIAL NAPA VALLEY. EITHER OF THE BEFORE-MENTIONED OVERLAYS OF VITICULTURAL AREAS ARE OPEN TO CHALLENGE, AND THE NAPA VALLEY GRAPE GROWERS ASSOCIATION IS PROPERLY CONCERNED ABOUT THE IMPACTS OF SUCH A CHALLENGE AND THE FINAL RESOLUTION OF THE PROBLEMS THAT WOULD CERTAINLY ARISE FROM SUCH A CHALLENGE.

THEREFORE, I MUST URGE THE BUREAU TO CAREFULLY CONSIDER MY POINTS TODAY AND MOVE SPEEDILY WITH THE APPROVAL OF THE NAPA VALLEY AND IMMEDIATELY TAKE APPROPRIATE ACTION TO CLARIFY THE PERMISSIBILITY OR LACK THEREOF OF THIS VIT AREA OVERLAY PROBLEM I HAVE BROUGHT TO YOUR ATTENTION.

THE NAPA VALLEY GRAPE GROWERS ASSOCIATION HAS BEEN
IMPRESSED WITH THE EXEMPLARY ADMINISTRATIVE HEARING PROCEDURES
CONDUCTED TO DATE BY THE BUREAU OF ALCOHOL, TOBACCO, AND FIREARMS.
I HAVE PERSONALLY BEEN INVOLVED WITH YOUR AGENCY SINCE JULY, 1975,
WHEN YOU FIRST PUBLISHED THE RULE-MAKING NOTICES THAT BRING US
TOGETHER AGAIN TODAY. YOU HAVE PATIENTLY LISTENED TO INCALCULABLE
HOURS OF TESTIMONY AND RESPONSIVELY DISTILLED THE COMMENTS OF ALL
CONCERNED PARTIES THROUGH HEARING AFTER HEARING, AND I COMMEND
YOU FOR THE EXCELLENT JOB YOU HAVE DONE FOR THE CONSUMER AND THE
WINE INDUSTRY. AND MY REMARKS TODAY IN NO WAY DETRACT FROM THE
QUALITY OF YOUR PAST AND PRESENT EFFORT.

THE CHAIRMAN: THANK YOU.

MR. MIKE TOPOLOS.

FOR ALL LEAVING THE HEARING, ONLY EXIT OUT THE "E"

STREET ENTRANCE TO THE BUILDING. ALL OTHER ENTRANCES ARE CLOSED.

I AM WONDERING WHETHER OR NOT TO MENTION THE STATUS OF THE NAPA APPELLATION. IT IS DIFFICULT TO SAY ANYTHING WITHOUT SOUNDING DEFENSIVE.

IT IS MOVING AND HAS GONE BEYOND THE BUREAU AND HAS BEEN BEYOND THE BUREAU FOR QUITE SOME TIME.

AS WITH MANY THINGS, WHEN THE ADMINISTRATION CHANGES,
THERE IS AN URGE TO DO SOME THINGS AND AN URGE TO MAKE SOME THINGS
HAPPEN BEFORE JANUARY 20, VIS-A-VIS THE IRAN SITUATION, AND ALSO
THIS, WHICH IS MUCH LESS IMPORTANT THAN THE IRAN SITUATION BUT
MUCH MORE RELEVANT TO US.

I WOULD LIKE TO ANTICIPATE A FINAL DECISION ON THAT

SOME TIME PRIOR TO JANUARY 20. I DO NOT PROMISE THAT. I CANNOT

PROMISE THAT. BUT IT IS -- ALL THAT IS MISSING IS A SIGNATURE

RIGHT NOW, SO I WOULD HOPE TO HAVE IT OCCUR PRIOR TO JANUARY 20.

I WILL PROBABLY GET IN JAIL FOR SAYING THAT.

## MICHAEL J. TOPOLOS,

TESTIFIED AS FOLLOWS:

IT IS GETTING LATE. I WANT TO INTRODUCE MYSELF AS MICHAEL TOPOLOS. I AM A GRAPE GROWER, VINTNER, AUTHOR, AND HAVE BEEN FAIRLY ACTIVE IN THE WINE BUSINESS THE LAST 17 YEARS OF MY LIFE.

WHAT I AM HERE TODAY IS I TEACH PEOPLE ABOUT WINE.

THIS SPRING I HAVE A SEMINAR, THE NAPA, SONOMA, MENDOCINO WINE

SEMINAR, REPRESENTING THE NORTH COAST. AND THIS ISSUE OF THE

NORTH COAST APPELLATION -- I HAVE SOLVED THIS IN THE PAST. THIS

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IS ONE OF MY BOOKS, NAPA VALLEY WINERIES. I HAVE ALWAYS REFERRED TO THIS VITICULTURAL AREA AS THE NOBLE NORTH COAST -- NAPA, SONOMA, AND MENDOCINO.

I HAVE A TERRIFIC FEALTY WITH CONSUMERS BECAUSE I DEAL WITH SOMEWHERE FROM SIX TO EIGHT SEMINARS EVERY SEMESTER. THAT PUTS ME IN CONTACT WITH A MINIMUM OF 200 PEOPLE. IN DOING SO, I HAVE THIS FEALTY TOWARDS THE CONSUMER IN ADDRESSING WINES AS DEFINITIVELY AS POSSIBLE.

WHAT I WOULD QUESTION NOW IS EXPANDING A NOTABLE WINE-GROWING AREA. IN MY MIND, A WINE LABEL -- THE PURPOSE OF A WINE LABEL, DIRECTLY INFLUENCING THE CONSUMER, WOULD BE PINPOINTING THE ORIGIN OF THE GRAPES, NOT DILUTING THAT.

WHEN YOU DEAL WITH AN AREA -- WE HAVE A BOTTLE OF WINE
IN OUR HAND, AND IT SAYS CALIFORNIA CHARDONNAY. THE FIRST THING
THAT COMES TO MY MIND AND WHAT I TRANSMIT TO MY PUPILS IS WHAT
YOU ARE DEALING WITH WOULD BE THE LEAST COMMON DENOMINATOR FROM
THAT LABEL. THE WINE BOTTLE TELLS YOU CALIFORNIA. DO NOT THINK
OF NAPA VALLEY. DO NOT THINK OF LAKE COUNTY. THINK OF THE WORST
POSSIBLE LOCATION THOSE GRAPES COULD COME FROM BECAUSE THE ORIGIN
IS DILUTE.

CONVERSELY, IF YOU COME ONTO A WINE BOTTLE LABEL THAT HAS THE DIRECT ORIGIN OF THE VINEYARD DESIGNATION, GOING NOT ONLY DOWN FROM STATE TO COUNTY TO VALLEY, RIGHT TO THAT VERY VINEYARD IN WHICH THE GRAPES ARE GROWN, THEN YOU HAVE THE ABILITY TO PINPOINT THE GRAPE. AND I THINK IT IS VERY IMPORTANT.

YOU ARE ALL VERY AWARE OF THE FACT THAT, ALTHOUGH WE IN THE NORTH COAST REPRESENT LESS THAN 10 PER CENT OF THE WINE INDUSTRY IN CALIFORNIA, WE ARE RESPONSIBLE FOR THE ROMANCE. WE

CARRY THE ENTIRE BURDEN, THE ROMANCE OF THIS BEVERAGE THAT WE REPRESENT. AND DILUTING THAT IN ANY FORM WOULD BE AGAINST ANY OF THE PRINCIPLES IN WHICH WE OPERATE IN GROWING GRAPES AND MAKING WINE.

I WANT TO KEEP THINGS SHORT. THOSE ARE THE TWO POINTS

THAT I WANT TO MAKE PERFECTLY CLEAR. THE ROMANCE IS RESTING ON

OUR SHOULDERS, AND WE SHOULD NEVER DO ANYTHING TO DILUTE THAT.

QUESTIONS?

MR. MINTON: I HAVE ONE.

YOU KEEP TALKING ABOUT THIS DILUTION. THAT KIND OF IMPLIES ANYTHING OUTSIDE THESE AREAS IS OF LOWER QUALITY. DO YOU THINK OF THE WINES OF LAKE COUNTY AND THAT AREA OF SOLANO OF LOWER QUALITY?

MR. TOPOLOS: NOT NECESSARILY. I HAVE TO FALL BACK ON THE HISTORICAL PRECEDENTS THAT WERE SET. FRONA EUNICE WAIT, 1899, WROTE OF NAPA VALLEY, THE BANNER WINE COUNTY. SONOMA HAS COME IN ON THAT, TOO.

AT THE TURN OF THE CENTURY, SONOMA GRAPES WERE COMMAND-ING EVEN HIGHER PRICES THAN NAPA GRAPES. I HAVE TO QUALIFY MYSELF HERE AS A SONOMA CHAUVINIST. I AM HERE. I HAVE BEEN FOR THE LAST 15 YEARS BY CHOICE, NOT BY CHANCE. I FEEL WE CAN GROW GRAPES HERE TO SUCH DISTINGUISHED HEIGHTS THAT WE ARE IN A GIFT CLIMATE, PRETTY MUCH. GRAPES CAN BE GROWN TO DISTINCTION HERE AND IN SO FEW PLACES IN THE WORLD, THAT WE REALLY HAVE TO HARBOR THAT. LA ROMANEE ON THE COTE DE NUITS IN FRANCE, WE ARE TALKING OF A WORLD-FAMOUS VINEYARD WITH 2.4 ACRES; ECHEZEAUX, 17 ACRES. WE ARE TALKING ABOUT LESS THAN 100 ACRES IN PRODUCTION. CHATEAU LAFITE-ROTHSCHILD. VERY, VERY SMALL.

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THE THING THAT KEEPS THE INDUSTRY GOING AND EXCITING IS
THE ROMANCE POTENTIAL. AND WE HAVE GOT IT IN THIS AREA.

THERE ARE VINEYARDS IN THE NORTH COAST COUNTIES THAT
DO NOT DO US ANY CREDIT. JUST A FEW PLACES THAT GRAPES CAN BE
GROWN AND PEOPLE ARE SMART ENOUGH NOT TO INTERFERE TOO MUCH WITH
THE PROCESS. YOU CAN MAKE GREAT WINES. AND I'M TALKING ABOUT
NOT 10 PER CENT OF THE BUSINESS HERE. I AM TALKING ABOUT ONE
ONE-HUNDREDTH OF THE BUSINESS. THE ASPECT OF QUALITY THAT
SUPPORTS THE ENTIRE INDUSTRY AND PERPETRATES PEOPLE'S INTEREST
AND THE PHENOMENA THAT GOES ON -- WE ARE NOT TALKING JUST ANY
BEVERAGE. WE ARE TALKING WINE AND ITS POTENTIAL.

DID I ANSWER YOUR QUESTION?

MR. MINTON: I THINK SO.

THE CHAIRMAN: THANK YOU VERY MUCH.

MR. RONALD WICKER? WE OUTLASTED HIM.

OH. I AM SORRY. HE IS HERE.

#### RONALD J. WICKER,

PRESIDENT OF THE NAPA COUNTY FARM BUREAU, TESTIFIED AS FOLLOWS:

I GUESS THE APPROPRIATE ADDRESS NOW IS GOOD EVENING.

THE CHAIRMAN: TRY GOOD NIGHT. THAT IS GOING OVER PRETTY WELL.

MR. WICKER: MR. CHAIRMAN AND MEMBERS OF THE BOARD, I HAVE A COPY FOR EACH OF YOU. FOLLOW THROUGH, IF YOU WOULD LIKE.

MY NAME IS RON WICKER. I AM TESTIFYING TODAY AS PRESIDENT OF THE NAPA COUNTY FARM BUREAU, REPRESENTING THE ORGANIZATION'S BOARD OF DIRECTORS.

THE NAPA COUNTY FARM BUREAU WOULD LIKE TO REGISTER ITS

CONCERN FOR AND OPPOSITION TO THE FORMATION OF A NORTH COAST
VITICULTURAL AREA AT THIS TIME. IN JANUARY OF 1979, THE BUREAU
OF ALCOHOL, TOBACCO, AND FIREARMS WAS PETITIONED FOR THE FORMATION
OF THE NAPA VALLEY VITICULTURAL AREA. HEARINGS WERE HELD IN NAPA
IN APRIL, 1980; AND, TO THIS DAY, WE AWAIT WORD ON THE OUTCOME
OF THOSE HEARINGS. I UNDERSTAND, HOPEFULLY, THAT WORD WILL BE
COMING WITHIN THE NEXT TWO OR THREE DAYS.

AT THIS TIME WE FEEL IT IMPROPER TO CONSIDER THE CREATION OF ANOTHER VITICULTURAL AREA THAT COULD GREATLY AFFECT THE NAPA VALLEY VITICULTURAL AREA. AT THIS TIME, IT IS NOT CLEAR TO US IF THE REGULATIONS ALLOW THE FORMATION OF ONE VIT AREA WITHIN ANOTHER VIT AREA. IF A VITICULTURAL AREA IS ESTABLISHED ON THE BASIS OF EVIDENCE RELATING TO THE GEOGRAPHICAL FEATURES -- CLIMATE, SOIL, ELEVATION, PHYSICAL FEATURES, ET CETERA -- WHICH DISTINGUISH THE VITICULTURAL FEATURES OF THE PROPOSED AREA FROM SURROUNDING AREAS, THEN WE WOULD FIND IT HARD TO SUPPORT THE FORMATION OF VITICULTURAL AREAS CONTAINED WITHIN OR OVERLAPPING WITH OTHER VITICULTURAL AREAS.

THE NAPA VALLEY HAS LONG BEEN ESTABLISHED AND RECOGNIZED BY ITS DISTINGUISHING FEATURES. FOR MANY YEARS, NAPA COUNTY HAS BEEN RECOGNIZED AS A SEPARATE PRICING DISTRICT BY THE BUREAU OF MARKET NEWS, THE CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE. WHEN SB1609 MANDATED THE DESCRIPTION OF PRICING DISTRICTS, NAPA COUNTY WAS AGAIN SEPARATED FROM OTHER NORTH COAST AREAS. FOR A NUMBER OF YEARS, SONOMA COUNTY WAS LINKED WITH MARIN COUNTY AND MENDOCINO WAS LINKED WITH LAKE COUNTY. THIS ADDS SOME HISTORICAL AND LEGISLATIVE SIGNIFICANCE TO OUR DESIRE TO HAVE A SEPARATE VITICULTURAL AREA.

WE FEEL THAT CLARIFICATION OF THE REGULATIONS AT THIS
TIME SEEMS NECESSARY BEFORE THE BUREAU CONSIDERS THE FORMATION OF
VITICULTURAL AREAS WITHIN OR OVERLAPPING WITH OTHER VITICULTURAL
AREAS.

I UNDERSTAND THE BUREAU HAS A JOB TO DO WHICH WILL SIGNIFICANTLY AFFECT OUR WINE PRODUCING INDUSTRY. I WOULD LIKE TO COMPLIMENT YOU ON THE PROCESS BY WHICH YOU PATIENTLY LISTEN TO AND DIGEST RESPONSES FROM ALL PARTIES CONCERNED. AND I AM SURE THAT YOUR JUDGMENT AND INTERPRETATION OF THE REGULATIONS WILL BE FAIR TO EVERYBODY INVOLVED.

THANK YOU.

THE CHAIRMAN: THANK YOU.

ANY QUESTIONS?

A VOICE: THERE WAS ONE MORE PERSON ORIGINALLY IN THE AUDIENCE, MR. BRYCE JONES. HE MAY NOT BE HERE.

YES, HE IS HERE.

# BRYCE JONES,

TESTIFIED AS FOLLOWS:

MY NAME IS BRYCE JONES, PRESIDENT OF THE SONOMA-CUTRER VINEYARDS, PRIMARILY IN SONOMA COUNTY NOW. WE SELL ACROSS COUNTY LINES. AND MY POINT IS VERY SHORT.

I DO NOT KNOW HOW YOU ARE GOING TO FIGURE ALL THIS OUT.

I AGREE WITH EVERYTHING THAT HAS BEEN SAID TODAY WITH ONE

EXCEPTION. AND THAT IS I DO NOT THINK ANY OF US ARE FACING

ECONOMIC DISASTER NO MATTER HOW YOU COME OUT ON SIT.

I DO THINK, HOWEVER, THAT THE GROWERS IN THE THREE
EXISTING COUNTIES OF THE NORTH COAST APPELLATION IN THE LONG RUN

WILL RECEIVE LOWER PRICES. HOW MUCH LOWER, I CANNOT SAY. I DON'T HAVE A COMPUTER. BUT IT IS VERY SIMPLE.

WE HAVE SIX OR EIGHT, OR MAYBE MORE THIS YEAR, WINES
OUT WITH OUR VINEYARD APPELLATION ON THEM. AND, OF COURSE, WHEN
WE SIT DOWN AND TALK TO THE WINERY ABOUT THE GRAPES EACH YEAR
ABOUT THAT, WE HAVE A LITTLE SOMETHING TO SAY ABOUT IT BECAUSE WE
ARE INVESTING IN THE MARKET. SO, AS A CONSEQUENCE, WE GET HIGHER
PRICES THE SMALLER THE APPELLATION.

I THINK IF YOU EXPAND THE APPELLATION NORTH COAST, THE NATURAL LAWS OF SUPPLY AND DEMAND WILL RESULT IN THE FACT THAT THE WINERY WHO CHOOSES TO USE THE NORTH COAST APPELLATION WILL HAVE A LARGER ARRAY OF GRAPES FROM WHICH TO CHOOSE. AS A CONSEQUENCE, THEY CAN TRADE OFF ONE GROWER AGAINST ANOTHER, AND THEY DO. AND, AS A CONSEQUENCE, THEY DEPRESS THE PRICE EVEN FURTHER FROM WHAT MANY OF THEM ARE NOW. AND I AM SURE THAT LAKE COUNTY SUFFERS DEPRESSED PRICES. I AM NOT SURE THAT THE REASONS ARE ALL LINED UP, BUT THEY ARE LOWER PRICES. AND THAT IS THE ECONOMIC, THE FINANCIAL DILUTION.

CANNOT SAY, BUT I BELIEVE THAT THE DILUTION TO THE MAJORITY OF THE GROWERS IN THE THREE COUNTIES WILL BE AT LEAST THAT GAINED BY THE LAKE COUNTY GROWERS. IT DOES NOT TAKE MANY GRAPES THROWN INTO THE OPEN MARKET TO SERIOUSLY DEPRESS GRAPES. AND I CAN TELL YOU THAT. I AM SURE BOB DWYER CAN TELL YOU THAT YOU NEED \$800 A TON TO BREAK EVEN. I DOUBT IF ANYBODY HERE AVERAGED THAT OVER THE PAST YEAR, AND WE JUST DO NOT NEED ANY FURTHER LOSS THAN WE HAVE ALREADY. HOW MUCH, I DON'T KNOW.

THANK YOU.

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MR. GEORGE: IN ESSENCE, ARE YOU ASKING US IF WE DID

APPROVE A NORTH COAST VITICULTURAL AREA TO CONFINE IT TO THE

THREE COUNTIES PROPOSED? IS THAT WHAT YOU ARE SAYING TO US?

MR. JONES: MY PAROCHIAL VIEW WOULD BE AGAINST

EXPANDING THE AREA AND TAKING ANY FURTHER GRAPES. I AGREE I AM

ONE GROWER, BUT I WILL BE AFFECTED FINANCIALLY. I THINK PROBABLY

TO THE SAME EXTENT THAT MOST OF THE GROWERS IN LAKE COUNTY WILL

BE, CONVERSELY.

THE CHAIRMAN: THANK YOU, MR. JONES.

IS THERE ANYONE ELSE WHO WOULD WANT TO PRESENT TESTIMONY AT THIS TIME?

A VOICE: YES, SIR.

# LOUIS P. MARTINI,

#### TESTIFIED AS FOLLOWS:

MY NAME IS LOUIS MARTINI, PRESIDENT AND WINEMAKER FOR
THE LOUIS MARTINI WINERY IN ST. HELENA. WE HAVE A THOUSAND ACRES
OF GRAPES, ABOUT 500 OF WHICH ARE IN SONOMA COUNTY AND 500 OF
WHICH ARE IN NAPA COUNTY. AND FROM THAT YOU UNDOUBTEDLY CONCLUDE
THAT I AM GOING TO COME IN FAVOR OF THE NORTH COAST. I AM NOT.
IN FACT, I WAS NOT EVEN PLANNING TO TESTIFY TODAY; BUT, AFTER
EVERYTHING I HEARD AND ESPECIALLY AFTER ALL THE WORK A FEW YEARS
BACK AND MANY HOURS THAT MANY OF US PUT IN ON THE WINE INSTITUTE
COMMITTEE ON HELPING THE BUREAU FORMULATE NEW REGULATIONS, I
THINK WE ARE GOING IN THE WRONG DIRECTION FROM THE PHILOSOPHY
THAT WAS DEVELOPED AT THAT TIME.

I THINK THAT EXPANDING A VITICULTURAL AREA IS NOT WHAT WE REALLY WANT TO DO. IF I REMEMBER, IF YOU WILL RECALL, SOME OF

YOU WERE AT THE NAPA HEARING, I THINK. IF YOU WILL RECALL, SOME OF MY TESTIMONY I GAVE THERE WAS THAT I FELT THAT THE NAPA VALLEY DESERVED ONE VITICULTURAL AREA BECAUSE, EVEN THOUGH THERE WERE DIFFERENCES OF QUALITY IN THE GRAPE; NOT ONLY QUALITY, BUT EVEN CHARACTER IN THE GRAPES, FROM ONE END OF THE VALLEY TO THE OTHER, THERE WAS A COMMON THREAD THAT RAN THROUGHOUT THE VALLEY, A CHARACTERISTIC THAT COULD BE IDENTIFIED AS NAPA VALLEY. I DO NOT FEEL THAT THAT IS AT ALL TRUE OF NAPA, SONOMA, AND MENDOCINO, LET ALONE LAKE AND THE OTHER AREA, AS WELL.

I THINK THE PURPOSE OF AN APPELLATION AND THE PURPOSES
THAT ARE OUTLINED FOR APPELLATION HAVE NOTHING TO DO WITH ECONOMIC
HARDSHIP. THEY HAVE NOTHING TO DO WITH PLUS OR MINUS QUALITY.
THEY SIMPLY HAVE SOMETHING TO DO WITH THE CHARACTER OF THE GRAPES
AND THE WINES THAT ARE MADE FROM GRAPES THAT ARE GROWN IN LIKE
AREAS. AND I JUST DO NOT THINK THAT THOSE FOUR AREAS ARE ALIKE.

NOW, SURE, YOU CAN BLEND ONE WITH THE OTHER AND YOU CAN MAKE YOUR OWN STYLE. WE, THROUGHOUT THE YEARS, HAVE ALWAYS USED THE APPELLATION CALIFORNIA, AND MOST OF OUR WINES ARE BLENDS OF NAPA AND SONOMA COUNTY GRAPES. BUT THEY ARE NOT TYPICALLY NAPA VALLEY GRAPES OR WINES. THEY ARE NOT TYPICALLY SONOMA COUNTY WINES, EITHER. AND I THINK TO HAVE THAT LARGE AN AREA IS REALLY DEFEATING THE PURPOSE OF HAVING THESE VITICULTURAL AREAS.

YOU ARE GOING TO ALSO RUN INTO SOME OTHER PROBLEMS.

THERE IS A REGULATION NOW, I THINK, ON THE ESTATE BOTTLE. IF THIS WENT THROUGH, I COULD PUT OUT A -- I COULD TAKE GRAPES FROM MENDOCINO COUNTY IF I OWNED A VINEYARD IN MENDOCINO COUNTY, BRING THEM DOWN TO ST. HELENA, PUT OUT AN ESTATE BOTTLED WINE; BUT I COULD NOT PUT OUT A NAPA COUNTY ESTATE BOTTLED WINE. THAT DOES

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NOT EVEN MAKE SENSE. YOU KNOW. I THINK THERE WOULD BE SO MANY RAMIFICATIONS OF THIS. WHEN YOU START LOOKING AT IT IN RESPECT TO SOME OF THE OTHER LEGISLATIONS WITH REGARD TO THE VARIOUS LABELLING REGULATIONS, THEN WE ARE GOING TO GET INTO SOME REAL PROBLEMS, AND IT IS GOING TO BE VERY CONFUSING.

I WOULD LIKE TO MAKE ONE OR TWO POINTS. THE POINT WAS MADE OF GRAPES COMING INTO NAPA VALLEY AND BEING USED BY NAPA VALLEY WINERIES, AND, THEREFORE, THEY SHOULD DRAW THE SAME PRICE AS NAPA VALLEY GRAPES. WELL, YOU CAN USE GRAPES FOR BLENDING THAT MAY NOT STAND ALONE, AND THAT DOES NOT NECESSARILY MAKE THEM THE SAME QUALITY AS THE GRAPES YOU BLEND THEM WITH. IF YOU HAVE A CORE OR A HIGH PERCENTAGE OF ONE GRAPE, YOU CAN CERTAINLY BLEND OTHER GRAPES IN WITH IT THAT MAY NOT STAND ALONE; WHEREAS THE ORIGINAL GRAPE, SAY, THE NAPA VALLEY GRAPES, COULD VERY WELL STAND ALONE.

I DO NOT HAVE ANY OBJECTION ON A QUALITY BASIS. I THINK ALL THESE AREAS MAKE THEIR OWN DISTINCTIVE WINES. AND QUALITY IS SOMETHING THAT DEPENDS UPON INDIVIDUALS. I KNOW THAT ABOUT 20 YEARS AGO WE NEEDED MORE GRAPE LAND, AND WE LOOKED AT MENDOCINO COUNTY VERY THOROUGHLY, AND AT MANY VINEYARDS. WE TASTED ALL THE WINES WE COULD GET OUR HANDS ON FROM MENDOCINO COUNTY AS FAR AS BOTH BOTTLED AND BULK.

AND WE CAME TO THE CONCLUSION THAT THESE WINES WERE NOT REALLY COMPATIBLE WITH WHAT WE WANTED TO PUT OUT IN OUR AREA. THEY WERE SUFFICIENTLY DIFFERENT -- I WILL PUT IT THAT WAY -- THAT WE DID NOT FEEL THEY WERE COMPATIBLE. OR THEY WILL -- I WILL PUT IT ANOTHER WAY. WE WOULD CHANGE OUR BASIC WINE OR STYLE WE HAD BEEN MAKING SUFFICIENTLY THAT WE DID NOT REALLY WANT TO MAKE

THAT CHANGE. THEREFORE, WE ABANDONED LOOKING FOR LAND IN THAT AREA AND DECIDED TO STICK WITH SONOMA AND NAPA COUNTY LAND, WHICH WE DID.

I CAN UNDERSTAND THE GROWERS OF SOME OF THESE AREAS

TRYING TO GET IN AND GROUPING NAPA, SONOMA, AND MENDOCINO AND

ALL THESE TOGETHER BECAUSE IT IS TO THEIR ADVANTAGE. I CANNOT

REALLY UNDERSTAND WHY A NAPA GROWER OR EVEN A SONOMA GROWER WOULD

HAVE ANY ADVANTAGE AT ALL IN HAVING AN OVERALL APPELLATION.

AND, AGAIN, I THINK -- FOR INSTANCE, THE TESTIMONY THAT WAS GIVEN BY THE LAKE COUNTY PEOPLE -- PERHAPS NOT IMMEDIATELY, BUT IN THE LONG RUN THEY ARE GOING TO BE FAR BETTER OFF IF THEY DEVELOP THE LAKE COUNTY APPELLATION, WHICH NOBODY ELSE CAN USE. AND TO LIMIT THE AMOUNT OF WINES ON THE MARKET UNDER THAT APPELLATION WILL BE QUITE GOOD. THEY WILL BE FAR BETTER OFF IN THE LONG RUN IF THEY DEVELOP THAT THAN IF THEY TRY TO HANG THEIR HATS ON A MUCH LARGER AREA AS A MARKETING GIMMICK -- I GUESS YOU MIGHT CALL IT.

I WOULD LIKE TO ANSWER -- EVEN THOUGH YOU HAVE NOT ASKED IT FOR SOME TIME, I WOULD LIKE TO ANSWER YOUR QUESTION ABOUT THE BORDER. IN MY OPINION, THESE LINES THAT YOU DRAW BETWEEN ONE AREA AND THE OTHER ARE REALLY, YOU KNOW -- THEY ARE A LINE ON THE PAPER AND A LINE DOWN THROUGH A VINEYARD SOMEWHERE PERHAPS, BUT IT IS NOT THAT IMPORTANT. AND THE VOLUME OF GRAPES COMING FROM THAT TYPE OF A VINEYARD OR THAT AREA IS NOT THAT IMPORTANT THAT IT MATTERS TOO MUCH WHETHER THE LINE IS ON ONE SIDE OR THE OTHER SIDE OF SOMEBODY'S VINEYARD. I WOULD SUGGEST THAT YOU DRAW THE LINES -- IF YOU ARE GOING TO FOLLOW A POLITICAL BOUNDARY, DRAW THE LINE ALONG THE POLITICAL BOUNDARY, AND THEN

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ALL.

THE CHAIRMAN: MR. MARTINI, I HAVE A QUESTION, BUT IT IS

THAT IS ABOUT ALL I HAD TO MENTION. BUT I WOULD LIKE

TO GO ON RECORD AS BEING OPPOSED TO A NORTH COAST APPELLATION AT

GIVE THE GROWER THAT HAPPENS TO HAVE HIS LAND SPLIT THE OPTION TO PETITION TO EITHER HAVE IT INCLUDED ALL IN ONE OR ALL IN THE OTHER OR, IF HE HAS GOT ENOUGH IN EACH AREA TO KEEP THEM SEPARATE, LET HIM KEEP THEM IN BOTH. I DO NOT SEE WHERE IT MAKES THAT MUCH DIFFERENCE. WE ARE NOT TALKING ABOUT GREAT TONNAGES OF GRAPES OR VINEYARDS. I WOULD LEAVE IT UP TO THE GROWER. I THINK HE SHOULD BE ABLE TO GO ONE WAY OR THE OTHER. OR, IF HE HAS GOT, SAY, 100 ACRES ON EACH SIDE, HE MIGHT WANT TO KEEP HALF OF IT IN, SAY, SONOMA COUNTY, AND HALF OF IT IN THE NAPA VALLEY. I DO NOT THINK IT MATTERS.

THE OTHER THING I WOULD LIKE TO MENTION IS THAT SOMEBODY GAVE TESTIMONY EARLIER WITH REGARD TO THIS THERMOGRAPHIC DATA FOR DEGREE DAYS. AND WE DID SOME WORK ON THAT A FEW YEARS BACK WHEN WE WERE EVALUATING A NEW VINEYARD AREA WE BOUGHT. AND THE CURVES COMPARING THAT WITH THE UNIVERSITY STATION AT OAKVILLE LOOKED SUFFICIENTLY DIFFERENT THAT I SUSPECTED, TOO, THAT THERE MIGHT BE MORE THAN JUST MAXIMUMS AND MINIMUMS THAT WOULD APPLY. SO WE RAN AN ANALYSIS OF THE AREA UNDER THE CURVE ON THESE THERMOGRAPHS FOR BOTH AREAS. AND, BELIEVE IT OR NOT, THE FINAL NUMBERS BETWEEN THE AREAS UNDER THE CURVE AND THE MAXIMUM AND MINIMUM AVERAGES CAME OUT ALMOST THE SAME. THERE WAS PRACTICALLY NO DIFFERENCE, EVEN THOUGH THE CURVES LOOKED DIFFERENT WHEN YOU JUST LOOKED AT THEM.

ANY QUESTIONS?

PRETTY MUCH IN THE FORM OF A STATEMENT. BUT I DO NOT MEAN IT TO BE A STATEMENT THAT YOU HAVE TO AGREE WITH BECAUSE I WANT TO GET TO A POINT WHERE YOU SAY, NO, THAT IS NOT RIGHT.

A CONSUMER MAKES COMPARISONS IN A PURCHASING WAY, AND
HE OR SHE MAY START WITH A CALIFORNIA WINE VERSUS A NEW YORK WINE,
DECIDE, "I WOULD LIKE A CALIFORNIA WINE." AND THEN THERE IS A
COST THING TO CONSIDER ALSO. THEN IT GOES TO A CALIFORNIA WINE,
AND, SAY, MULTI-COUNTY, AND I DECIDE, WELL, I LIKE NORTHERN
CALIFORNIA WINES MORE THAN I DO SOUTHERN CALIFORNIA WINES, AND
THE PRICE DIFFERENCE IS NOT ONE THAT IS GOING TO THROW ME OUT OF
THE MARKET. AND THEN IT IS MULTI-COUNTY VERSUS SINGLE COUNTY,
AND STILL THE PRICE RATIO IS CONSIDERED. AND DOESN'T THAT
CONTINUE TO GO ON DOWN TO WHERE, IF YOU DID HAVE A MULTI-COUNTY
AREA, THAT YOU REALLY ARE -- OR HAVE YOU REALLY DILUTED IT? OR
HAVE YOU MERELY BROADENED AN APPEAL BASE, FOR SOMEONE WHO MAY NOT
BE THE CONNOISSEUR OR THE REAL BUFF, THAT WOULD ALLOW THAT PERSON
TO BRING HIS LEVEL OF TASTE TO THE LEVEL THAT HE UNDERSTANDS?

MR. MARTINI: WELL, I THINK YOU MIGHT HAVE A POINT
THERE. BUT MY FEELING ABOUT THAT IS THAT THEN WE SHOULD CHANGE
THE REGULATIONS TO SPECIFICALLY ALLOW FOR A REGIONAL APPELLATION
OF SOME SORT WITH, PERHAPS, EVEN DIFFERENT REQUIREMENTS THAN
BEFORE.

BUT TO PUT WHAT WE NOW HAVE AS AN APPELLATION OF ORIGIN,
ONE THAT REQUIRES 85 PER CENT AS CONTRASTED TO 75 PER CENT IN THE
CASE OF A COUNTY -- TO PUT THAT IN A LARGER AREA THAN A WHOLE
COUNTY, TO ME DOES NOT MAKE SENSE. I WOULD THINK THAT THE SMALLER
YOU GO IN YOUR APPELLATIONS, THE HIGHER YOUR PERCENTAGE THAT
WOULD BE REQUIRED FROM THAT AREA BECAUSE IT BECOMES MORE

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THIS WILL BE BRIEF.

MISLEADING, AND TOTALLY UNFAIR TO THE CONSUMER. THE PURPOSE AND SPIRIT BEHIND THE VITICULTURAL APPELLATION DESIGNATION IS ONE OF DEFINING A LIMITED AREA WHICH IS UNIQUE FROM OTHER AREAS AROUND IT. AND IN THIS AGE OF CONSUMER INTEREST AND SOPHISTICATION, A NORTH COAST APPELLATION WOULD NOT BE ACCEPTED OR TOLERATED BY THE CONSUMER. IT IS FAR TOO LARGE AND DIVERSE, AND IT IS CERTAINLY NOT UNIQUE IN ITSELF. APPROVING A NORTH COAST APPELLATION WOULD RENDER MEANINGLESS THE CONCEPT OF A VITICULTURAL AREA.

THANK YOU.

THE CHAIRMAN: THANK YOU VERY MUCH.

MR. MINTON: ARE YOU OPPOSED TO A NORTH COAST OR JUST A NORTH COAST THAT WOULD INCLUDE NAPA COUNTY?

MR. TRINCHERO: WELL, I WOULD LIKE TO FIRST HAVE THE NAPA VALLEY APPELLATION APPROVED FIRST. AND WHAT SONOMA AND MENDOCINO AND LAKE COUNTIES DO -- THAT IS THEIR BUSINESS. PERSONALLY, I DO NOT CARE. I JUST DO NOT WANT TO BE PART OF A DESIGNATION THAT LARGE. IT REALLY DOES NOT MAKE ANY SENSE. AND I DO NOT -- IF WE DO GET A NAPA VALLEY DESIGNATION, I KNOW OF NO NAPA VALLEY WINERY THAT WOULD PUT NORTH COAST ON THE LABEL, UNLESS, OF COURSE, THE GRAPES CAME FROM THE NORTH COAST. THEY WOULD WANT TO USE THE NAPA VALLEY DESIGNATION.

THE CHAIRMAN: THANK YOU.

# JAN A. WELLS,

ON BEHALF OF PAUL MASSON VINEYARDS, TESTIFIED AS FOLLOWS:

MY NAME IS JAN WELLS. I REPRESENT PAUL MASSON VINEYARDS.

WE WOULD LIKE TO PRESENT OUR POSITION IN OPPOSITION TO

## CERTIFICATE OF REPORTER

STATE OF CALIFORNIA )

SS
COUNTY OF SONOMA )

I, SUSAN T. STANDISH, Certified Shorthand Reporter, State of California, CSR #4473, do hereby certify:

That I was present at the above-mentioned proceedings;

That I took down in shorthand notes all testimony given and proceedings had;

That I thereafter supervised transcription of said shorthand notes into longhand typewriting, the above and foregoing being a full, true and correct transcription thereof, and a full, true, and correct transcript of all the testimony taken and proceedings had, to the best of my ability.

Dated: February 1, 1981

OFFICIAL SEAL
SUSAN T. STANDISH
NOTARY PUBLIC - CALIFORNIA

LOS ANGELES COUNTY
My comm. expires JAN 21, 1993