



August 4, 2005

Comment 35

Mr. John Manfreda, Administrator  
Alcohol & Tobacco Tax and Trade Bureau  
U.S Treasury  
1310 G Street, NW  
Washington D.C. 20220

Re: TTB Notice 49 - Petition to amend 27 CFR, sec. 4.27 (vintage date regulations)

Mr. Manfreda:

I have been involved in the American wine business for 28 years and am president of Turrentine Brokerage, a company that sells well over \$100 million per year of wine grapes from independent growers to wineries, and winegrapes and wines in bulk between wineries. For the reasons listed below, I am convinced that it is important to change the vintage dating regulations in the United States to conform to the standards that have been established in the vast majority of the wine-producing world.

1. The most important reason for this change is wine quality. Having participated in blending trials with many winemakers over the last 28 years, I am convinced that the ability to blend up to 15% of aged red wine into a young red wine and to blend up to 15% of a fresh, fruity white wine into an older white wine will result in wine blends with greater consumer appeal. This will benefit the consumer as well as the producer.
2. The next reason is economic. I do not think that the U.S. government is in a position to monitor and to effectively enforce a blending standard for wines shipped to the United States that is significantly more restrictive than the standards of the country in which the wine is made. Wines produced in foreign countries are much more likely to conform to the vintage date standards of the producing country than they are to conform to the U.S. standard, regardless of the paperwork required for importation into the U.S. This creates an unintended but significant advantage for imports in comparison to wines produced in the U.S.

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3. There is a great deal of confusion in the wine business concerning the vintage date standards that are supposed to apply to U.S. produced wine exported to other countries. While some people have claimed that exported wines need only conform to the standards of the importing country, every producer of California wine that I have talked to currently blends wine for export so that it conforms to the 95% vintage requirement for the U.S. These wineries are under the impression that, in order to use a vintage date and a California appellation on the label of their wines, the wines must conform to the 95% U. S. vintage dating requirement even if the wine is exported to a country that has adopted the defacto world standard of 85% vintage. If this is in fact the legal requirement, it is a serious competitive disadvantage for U. S. wines in export markets. If this is not the legal requirement, it would help California wineries to compete in world markets if TTB issued a circular explaining that California wines need only to conform to the requirements of the country to which the wine is exported. Even if U.S. wines need only conform to the vintage dating standards of the importing country, there would still remain a small but significant competitive disadvantage for U.S. wines. Due to the more restrictive 95% requirement in the U.S., wineries would still need to make separate blends for export, thus requiring more tanks and more labor to maintain those separate blends, all of which adds extra cost in a very competitive world market.

For the reasons enumerated above, I would urge the TTB to accept the petition of the Wine Institute to change the vintage date requirement for U.S. wine to the standard already in effect for most of the world, which of course is an 85% vintage date requirement.

Thanks for your consideration,

Turrentine Brokerage,

William Turrentine, President