

NCFB President's Report

By Norma Tofanelli



and our quality of life.

The picture that emerges from this data may be surprising, even shocking, to those who have never considered these numbers before. What do they mean for our future as a recognized premium wine growing region?

Total permitted NC wine production = 126,799,292 Gallons
Equivalent NC grapes 2014 = 20,300,169 Gallons
We have already permitted over 600% more production than grapes we grow.

Total grapes crushed in NC 2014 = 412,854 Tons
NC grapes crushed in NC 2014 = 129,982 Tons
NC grapes are only 31.48% of all grapes crushed here. Almost 70% (68.52%) are grown outside of NC and trucked/tanked here for processing/bottling.

Total wine produced in NC 2014 = 47,720,806 Gallons
Wine from NC grapes in NC 2014 = 15,025,919 Gallons
We produce more than three times as much wine as all the grapes grown here.

In 1991, a year after the Winery Definition Ordinance (WDO), 67% of the grapes crushed here were Napa County grapes - only 33% were trucked in. In 23 years we have flipped those numbers - trucking in almost 70% of all grapes crushed here!

That's a lot of out-of-county fruit made into wine here, consuming our resources, clogging our roads, adding to our greenhouse gas emissions. And, every bottle carries a bottler's statement that links it to the prestige of Napa County grapes and wines. Per Federal (TTB) regulation every bottle of wine must be identified by the place where it is bottled; *ie*: Bottled by XYZ Winery, Napa or Rutherford or St. Helena, California - you get the picture.

Other operations (such as *produced, blended, vinted, cellared*) may be included as long as the bottling winery meets the definitions of those operations per TTB code (*ie*: Vinted and Bottled by...).

Some say the consumer is savvy and understands the intricacies of TTB label regulation. They understand that only the designation "Napa County" or "Napa Valley" in conjunction with the class or type on the brand label connotes wine made from grapes grown here. They understand that "Vinted and Bottled by XYZ Winery, Rutherford, CA" means the wine was NOT made in Rutherford from grapes grown in Rutherford but was only "subjected to cellar treatment" in Rutherford (*ie*: filtered or chilled after being pumped out of the tanker into the winery bottling system).

There surely are those who understand such nuances - but the mass of consumers buying those 30 million gallons of out-of-county grapes processed here probably do not.

We all, growers and wineries, have worked very hard to earn the recognition of quality that is "Napa". Our vineyards, grapes and wines command premium prices because of it. Every bottle processed here is linked by its address to that premium image and can therefore command a higher price. Why else locate here at greater cost and pay to truck grapes/wine here when it is much cheaper to process where the grapes are grown? Only because the Napa County address implies "Premium".

The WDO sought to protect Napa County farmers and ag land by requiring that new and expanding wineries process 75% Napa grapes. But only 18% of all winery production in Napa County is mandated to utilize at least 75% of our grapes. Pre-WDO winery production, the Airport Industrial Area and most wine production in cities are exempt.

Are we irreparably diluting the "Napa" brand by allowing those 30 million gallons to carry our name, in one form or another? Must we revise our regulations? Is it possible? Or must we begin the rigorous campaign to close the TTB loophole that permits the mere location where the wine is put into the bottle to lend its aura to the liquid inside? At the very least, we must begin the very serious discussion of where we go from here.

Grape and wine production stats can be found on the County of Napa's website at:

<http://services.countyofnapa.org/AgendaNet/GranicusMeetingDocuments.aspx?id=4132>

Click on item 9B, attachment D