



Testimony by **Ken Wright, Mike McNally and David Adelsheim**  
representing **Willamette Valley Wineries Association**  
on **Senate Bills 829, 830 and 831**  
Senate Business and General Government  
March 21, 2019

Mr. Chairman and members of the committee, we appear here today in support of Senate Bills 829, 830 and 831, which address labeling and content standards for Oregon wine. The intent of these bills is to protect, enhance and promote the authenticity of Oregon wines and thereby preserve the brand equity Oregon winemakers have earned regionally, nationally and internationally.

We want to thank all five members of this committee for agreeing to sponsor these bills and for honoring the reputation of Oregon winemaking.

We speak for the Willamette Valley Wineries Association (WVWA), which represents 237 wineries in the Willamette Valley American Viticultural Area (AVA), which was established more than 50 years ago. The wines produced in the Willamette Valley AVA have been recognized for their authenticity. The Willamette Valley is an established place on the world's map of fine wines.

The success of Oregon wine, especially Pinot noir, is the result of pioneering winemakers who recognized the potential on Willamette Valley hillsides and committed to make quality wines. Oregon has the strictest content standards for wine anywhere in the world. But we don't think that's good enough, especially in a world with growing competition and lagging consumption.

It's not enough that our wines adhere to the strictest content standards in the world. The labels on our bottles should be absolutely accurate and transparent as to where our grapes come from and what is in our wine. What's on our labels should be what's in our bottles of wine.

The three bills before you today seek to ensure:

- "Willamette Valley" will appear somewhere on the label of any wine produced in the Willamette Valley AVA, including its nested AVAs. (SB 829)
- The grape variety on a label for traditionally non-blended wines such as Pinot noir should be produced with at least 95 percent of that grape variety starting January 1, 2023 and go to 100 percent January 1, 2030. (SB 830)
- If a wine label uses an AVA as an appellation of origin, the wine in the bottle must be produced entirely from grapes grown in the referenced AVA. (SB 831)



These concepts didn't just sprout out of thin air. They are the result of two years of careful conversations among Willamette Valley winemakers and winegrowers. We've had debates, townhalls and negotiating sessions to pound out the bills – and the amendments we are offering today.

Even though the Willamette Valley is Oregon's largest wine-producing region, we recognize it isn't the state's only wine-producing region. Since developing the concepts in SB 829, 830 and 831, we have met with the Oregon Winegrowers Association board and travelled to the Rogue and Umpqua Valley and the Columbia River Gorge to discuss what we have proposed. The reaction has been mixed. Some winemakers support what we are doing. Some would like to follow our lead. Some believe stricter content standards are unnecessary. Some winegrowers fear economic harm from the exclusive grape variety bill.

We have taken what we've heard into account. The amendments we offer today retain the statewide reach of the bills, but only if individual Oregon AVAs outside the Willamette Valley choose to opt in. We created a simple path to follow to opt in and a no-effort way to stay out. We also have extended deadlines and added provisions to minimize any individual hardships.

The legislation and the amendments have been drawn in close consultation with the Oregon Liquor Control Commission. OLCC Director Steve Marks attended one of our townhalls and heard our discussion. At his direction, we have striven to provide as much detail as possible into our bills to inform and guide the Regulatory Advisory Committee that OLCC will establish if these bills pass into law.

One final point. These bills don't add any new regulatory or paperwork requirements in winemakers. The legislation connects with existing enforcement authority by the OLCC. In general, we don't expect any enforcement actions against Oregon winemakers who have chosen to enhance our content standards and ensure transparency in our labeling.

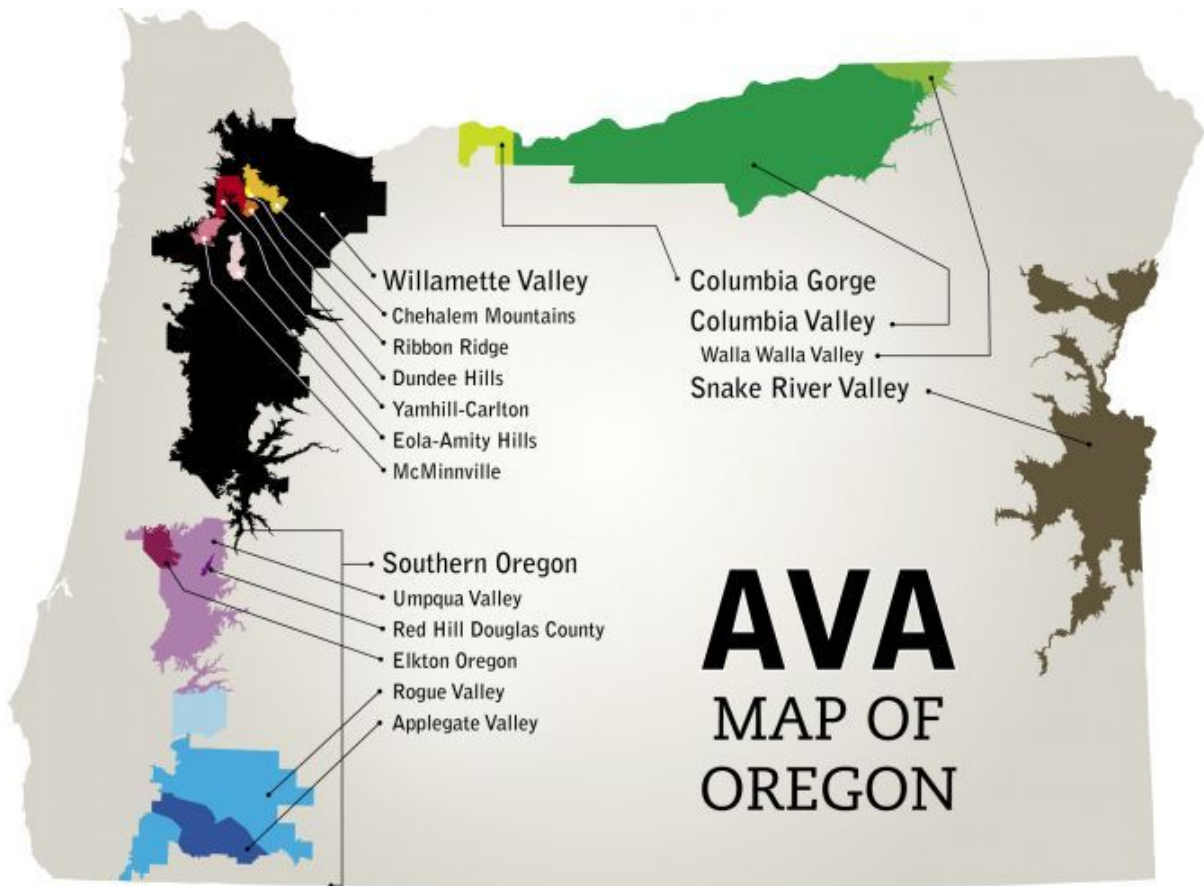
We ask for your support for SB 829, 830 and 831 and the amendments we have brought forward.

For the committee's convenience, we have attached information about the current AVAs in Oregon and an infographic on how SB 829, 830 and 831 would actually look on a label for a Willamette Valley wine.

*Authenticity is central to maintaining the distinctiveness of luxury wine. Authenticity is achieved through protecting status by establishing: a sense of place, a dependable classification standard and traditional production methods that transcend commercial considerations.*

**Michael B. Beverland**

“Crafting Brand Authenticity: Case of Luxury Wines”

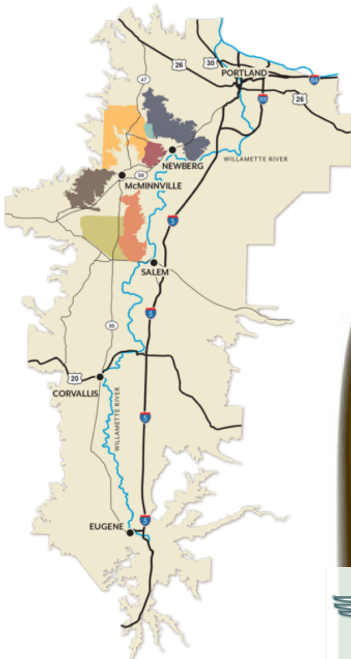


Region	Vineyard Acres	% Total	Wineries	% Total
Willamette Valley AVA	23,524	70%	564	74%
Rogue Valley AVA	4,860	14%	96	12%
Umpqua Valley AVA	3,227	9%	44	6%
Eastern and at-large	2,384	7%	65	8%

Source: 2017 Oregon Vineyard and Winery Report

# What's on the label should be what's in the bottle

American Viticultural Areas (AVAs) are federally recognized wine regions that wineries can use on their labels to identify where wines and the grapes used to produce them originate



WILLAMETTE VALLEY AVAS	
	CHEHALEM MOUNTAINS
	DUNDEE HILLS
	EOLA - AMITY HILLS
	MCMINNVILLE
	RIBBON RIDGE
	YAMHILL-CARLTON
	VAN DUZER CORRIDOR
	WILLAMETTE VALLEY



## Senate Bill 830

The varietal on the label must be at least 95% of that grape until 2030 as long as grapes are listed. After 2030, wines such as Pinot Noir must be 100%.



## Senate Bill 831

The grapes used to produce the wine on the label must originate from Willamette Valley or a nested AVA

## Senate Bill 829

Willamette Valley must appear on the label along with the name of one of its nested AVAs

All three legislative proposals call for a review by an OLCC regulatory advisory committee