



Testimony by **Ken Wright, Mike McNally and David Adelsheim**  
representing **Willamette Valley Wineries Association**  
on **Senate Bills 829A, 830A and 831A**  
House Committee on Economic Development  
April 24, 2019

Mr. Chairman and members of the committee, we appear here today in support of Senate Bills 829A, 830A and 831A, 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 speak for the Willamette Valley Wineries Association (WVWA), representing 237 wineries in American Viticultural Area (AVA) called the Willamette Valley. The wines produced in and bear the name of the Willamette Valley AVA have been recognized for their authenticity. In just 50 years, the Willamette Valley has become an established place on the world's map of fine wines. A sense of place is critical to successful marketing of great wine.

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 US. 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 these strictest content standards in the US. 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 authenticity and transparency:

- SB 829A requires wine labeled with a duly established nested AVA within the Willamette Valley to include "Willamette Valley" somewhere on the label, effective with wines bottled on or after January 1, 2023.
- SB 830A requires any wines labeled as from the Willamette Valley AVA or a nested AVA to contain at least 95 percent of the grape variety on the label and of all other varieties listed somewhere on the label by 2023. All wines labeled as Willamette Valley Pinot noir or other varieties shall be produced entirely from the variety on the label by 2030.
- SB 831A requires any wine labeled with the Willamette Valley AVA or an AVA nested in the Willamette Valley to have all the grapes in the wines originate from that viticultural area, effective with wines bottled on or after January 1, 2030.



These bills 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 829A, 830A and 831A, 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 bills before you 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 opt in and a no-effort way to stay out. We also have extended deadlines and added provisions to minimize individual hardships.

The legislation and the amendments we offered in the Senate 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 taxation, regulatory or paperwork requirements on 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 content standards and ensure transparency in labeling.

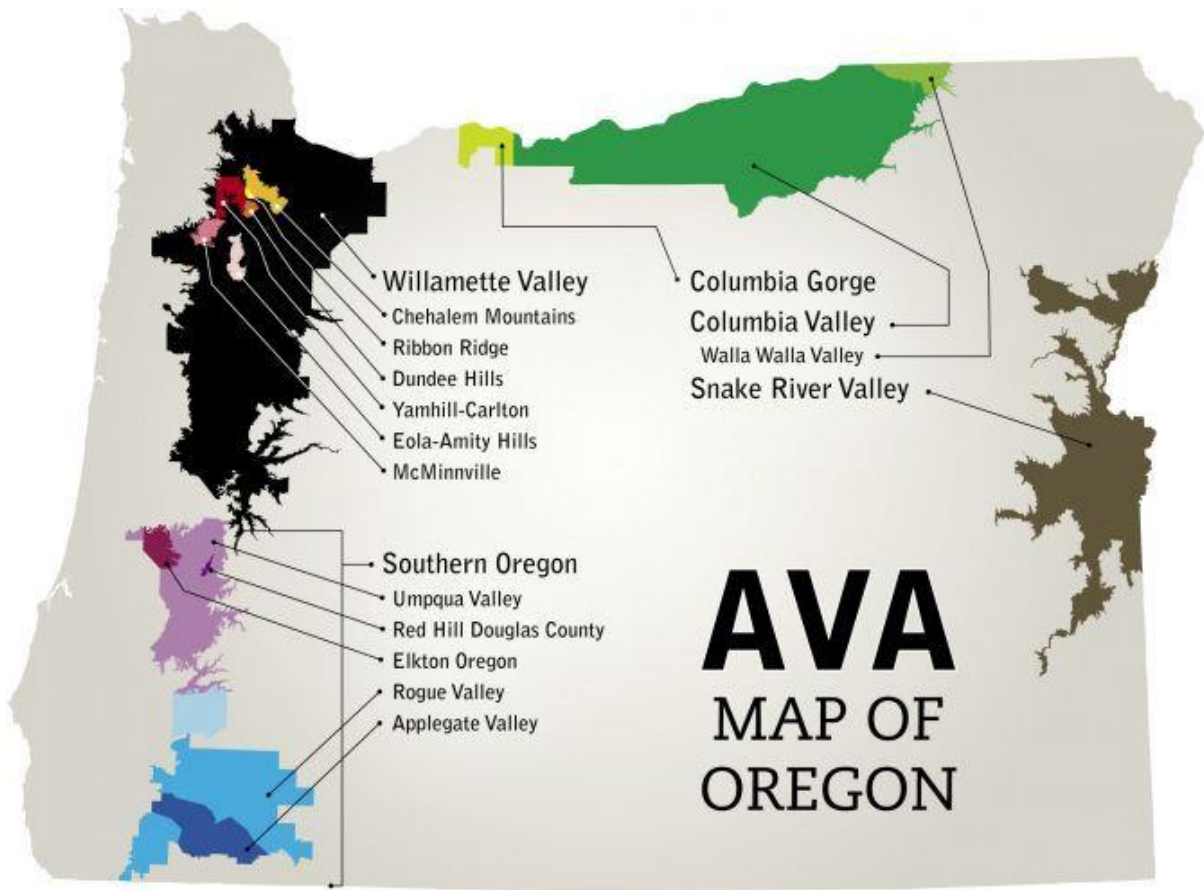
We ask for your support for SB 829A, 830A and 831A.

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

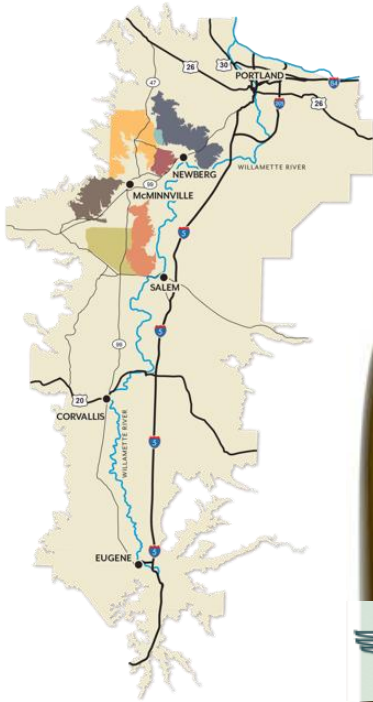


Region	Vineyard Acres	% Total	Wineries	% Total
Willamette Valley AVA	23,524	70%	564	74%
Rogue Valley AVA	4,860	14%	96	12%
Umpqua Valley AVA	3,227	9%	44	6%
Eastern and at-large	2,384	7%	65	8%

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 830A

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%.



Pinot noir 95% Gamay 5%

## Senate Bill 831A

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

## Senate Bill 829A

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

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