

library, 1310 G Street, NW., Washington, DC 20005.

See the Public Participation section of this notice for specific instructions and requirements, and for information on how to request a public hearing.

FOR FURTHER INFORMATION CONTACT:

Nancy Sutton, Specialist, Regulations and Procedures Division (Corvallis, Oregon), Alcohol and Tobacco Tax and Trade Bureau, 946 NW Circle Blvd. # 286, Corvallis, Oregon 97330; telephone 415-271-1254.

SUPPLEMENTARY INFORMATION:

Background

Authority To Establish Viticultural Areas

The Federal Alcohol Administration Act (FAA Act) at 27 U.S.C. 205(e) requires that alcohol beverage labels provide the consumer with adequate information regarding a product's identity, while prohibiting the use of misleading information on such labels. The FAA Act also authorizes the Secretary of the Treasury to issue regulations to carry out the FAA Act's provisions, and the Secretary has delegated this authority to the Alcohol and Tobacco Tax and Trade Bureau (TTB).

Regulations in 27 CFR part 4, Labeling and Advertising of Wine, allow the establishment of definitive viticultural areas. The regulations allow the name of an approved viticultural area to be used as an appellation of origin on wine labels and in wine advertisements. A list of approved viticultural areas is contained in 27 CFR part 9, American Viticultural Areas.

Definition of an American Viticultural Area

Title 27 CFR, section 4.25(e)(1), defines an American viticultural area as a delimited grape-growing region distinguishable by geographic features, the boundaries of which have been delineated in subpart C of part 9. These designations allow consumers and vintners to attribute a given quality, reputation, or other characteristic of the wine made from grapes grown in a viticultural area to its geographic origin. We believe that the establishment of viticultural areas allows wineries to describe more accurately the origin of their wines to consumers and helps consumers identify the wines they purchase. Establishment of a viticultural area is neither an approval nor endorsement by TTB of the wine produced there.

Requirements To Establish a Viticultural Area

Section 4.25(e)(2) outlines the procedure for proposing an American viticultural area. Any interested person may petition TTB to establish a grape-growing region as a viticultural area. The petition must include:

- (a) Evidence that the name of the proposed viticultural area is locally or nationally known as referring to the area specified in the petition;
- (b) Historical or current evidence that the boundaries of the viticultural area are as specified in the petition;
- (c) Evidence that the proposed area's growing conditions, such as climate, soil, elevation, physical features, etc. distinguish it from surrounding areas;
- (d) A description of the specific boundaries of the proposed viticultural area, based on features found on United States Geological Survey (USGS) maps of the largest applicable scale; and
- (e) A copy (or copies) of the appropriate USGS map(s) with the boundaries prominently marked.

Impact on Current Wine Labels

As appellations of origin, viticultural area names have geographic significance. Our 27 CFR part 4 label regulations prohibit the use of a brand name with geographic significance on a wine unless the wine meets the appellation of origin requirements for the named area. Our regulations also prohibit any other label references that suggest an origin other than the true place of origin of the wine.

If we establish this proposed viticultural area, bottlers who use brand names, including trademarks, like Ribbon Ridge must ensure that their existing products are eligible to use the viticultural area's name as an appellation of origin. For a wine to be eligible, at least 85 percent of the grapes in the wine must have been grown within the viticultural area, and the wine must meet the other requirements of 27 CFR 4.25(e)(3).

If the wine is not eligible for the appellation, the bottler must change the brand name or other label reference and obtain approval of a new label. Different rules apply to a wine in this category bearing a brand name that was used on a label approved prior to July 7, 1986. See 27 CFR 4.39(i) for details.

Ribbon Ridge Petition

General Information

We have received a petition from Alex Sokol-Blosser, secretary of the North Willamette Valley AVA Group, proposing a new viticultural area to be called the "Ribbon Ridge." Harry

Peterson-Nedry and Doug Tunnell authored the petition. This proposed viticultural area, located in the northern part of Yamhill County, Oregon, between Newberg and Gaston, approximately 22 miles southwest of Portland, Oregon, and 40 miles inland from the Pacific Ocean. Measuring approximately 1.75 miles in width and 3.5 miles in length, the proposed area includes a total of 3,350 acres (5.25 square miles), of which 1,000 to 1,400 acres are suited to premium wine grape planting. As of 2002, at least 14 vineyards, totaling over 286 acres currently planted, plus 3 commercial wineries exist within the proposed boundaries of the Ribbon Ridge viticultural area. Four additional vineyards and three additional wineries are currently in the planning stage and should be developed within the next 3 years. If established, they would fall within the proposed viticultural area.

The proposed Ribbon Ridge viticultural area consists of a 3.5- by 1.75-mile distinct ridge that is separate from the higher surrounding landmass. It has significant, marked drainage on all sides and is a single, evident landmass of uniform shape and composition that differs from the hillside sites in the vicinity. The petitioners decided to use physical features, soil, and to a lesser extent, elevation and climate, as the primary factors in defining the boundaries of the proposed area.

Evidence That the Name of the Area Is Locally or Nationally Known

The petitioners state the geological formation on which the proposed viticultural area is located has been continuously referred to as Ribbon Ridge since before 1888. Ribbon Ridge was given its name by Colby Carter, an early settler who came from Missouri in 1865. Since that time, the formation has been consistently referred to as Ribbon Ridge and is so identified on USGS and other maps. The first official use of the name "Ribbon Ridge" in conjunction with this area dates to 1888 with the creation of the Ribbon Ridge School District #68 by Yamhill County Schools. The school began operations in 1889 and was in use through at least 1953.

A reference to Ribbon Ridge appeared in the "Oregon Historical Quarterly," Vol. XLIV, page 307, March-December 1943: "Ribbon Ridge is a spur in the southwest part of the Chehalem Mountains, about east of Yamhill. The top of the ridge twists like a ribbon, hence the name." The petitioners provided evidence that Ribbon Ridge is an official location name in Oregon and the United States. It is registered in the