

BEFORE THE BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

STAGS LEAP DISTRICT VITICULTURAL AREA

PUBLIC HEARING

--oOo--

Volume I

December 1, 1987, 9:30 a.m.

Veterans Home of California

Veterans Home Station

Yountville, CA

--oOo--

PANEL:

WILLIAM DRAKE	Associate Director, Compliance Operations
VIKKI RENNECKAR	Chief, Product Compliance Branch
ART LIBERTUCCI	Chief, Revenue Programs Division
JIM FICCARETTA	Coordinator, Wine & Beer Branch
JEANETTE SLATTERY	Attorney, Chief Counsel's Office
JOE DIVINEY	Regional Director, Western Region
RICHARD GAHAGAN	Wine Technical Advisor

Hearing Reporter: KAREN I. LILLARD, CSR

Certificate No. 3091

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Steltzner - 60 acres - Cabernet Sauvignon,
planted in late 1960's

PROCEEDINGSTUESDAY, DECEMBER 1, 19879:30 A.M.

1
2
3 MR. DRAKE: Good morning ladies and
4 gentlemen. This hearing is now called to order.

5 My name is Bill Drake. I am the Associate
6 Director with the compliance operations of the
7 Bureau of Alcohol, Tobacco and Firearms.

8 I will open this hearing with a brief
9 formal statement. We will then have a few
10 announcements as to procedure, then proceed with the
11 hearing.

12 This is a hearing to receive evidence
13 concerning the establishment of a proposed
14 viticultural area to be known as "Stags Leap
15 District," held pursuant to Section 553 of the
16 Administrative Procedures Act and Section 5 of the
17 Federal Alcohol Administration Act.

18 The hearing is held for dual purposes: to
19 afford interested parties an opportunity to
20 participate in the rulemaking process by expressing
21 their views, and to obtain additional information to
22 assist us in determining the ultimate regulatory
23 decision on this matter.

24 Before I outline the procedures to be
25 followed in the conduct of the hearing, I would like

1 to discuss our regulatory authority and the
2 regulations concerning appellations of origin.

3 The Federal Alcohol Administrative Act,
4 which we refer to as the FAA Act, provides for
5 federal regulation of alcoholic beverage labeling
6 and advertising. Section 5E of the FAA act
7 authorizes the Secretary of the Treasury to require
8 certain statements on labels for wines including,
9 among other requirements, statements providing the
10 consumer with adequate information about the
11 identity of the product.

12 Under this section of the FAA Act, the
13 bureau issued regulations which provide for a
14 comprehensive scheme for appellation of origin
15 labeling. We feel that appellation of origin
16 labeling, including the use of an approved
17 viticultural area name, will help the consumer
18 better identify the wines he or she may wish to
19 purchase. Thus, since January 1, 1983, only the
20 names of countries, states, counties or accepted and
21 approved viticultural areas have been permitted as
22 appellations of origin in wine labeling and
23 advertising.

24 Also, under the regulations any interested
25 person may petition the bureau to establish a

1 delineated grape-growing region as an approved
2 viticultural area. The proposed area should be
3 locally or nationally known by the proposed name,
4 and its specific boundaries should be supported by
5 historical or current evidence. Further, the
6 proposed area should possess geographical
7 characteristics which distinguish the viticultural
8 features of the area from other surrounding areas.

9 To this end, the bureau was petitioned to
10 establish a viticultural area in Napa County, within
11 the Napa Valley viticultural area, to be named
12 "Stags Leap District."

13 In order to solicit public input concerning
14 the establishment of the viticultural area, we
15 issued a notice of proposed rulemaking, Number 620,
16 on February 11, 1987.

17 In response to the notice we received two
18 written comments, representing several vineyard
19 owners. While most vineyard owners were in favor of
20 establishing a "Stags Leap District" viticultural
21 area, divergent viewpoints were expressed with
22 respect to proposed boundaries, in particular, the
23 northern boundary. In consideration of the
24 comments, we determined that the public interest
25 would best be served by the holding of a hearing.

1 The specific boundaries proposed by the
2 petitioners are noticed on the posted map. In
3 addition, notice number 620 contains a narrative
4 description of these boundaries.

5 Copies of Notice No. 620, the notice of
6 hearing, and the amended notice of hearing, are
7 available at the registration point. Also, at that
8 location, copies of the pre-hearing comments and the
9 petition are available for reading.

10 Orders for copies of any or all comments
11 and of the petition may be taken at the registration
12 point for later shipment.

13 I wish to remind you that, as a result of
14 the amended notice of hearing, Notice No. 647,
15 written comments on the establishment of this
16 viticultural area will be accepted until January 15,
17 1988. Although not a part of the hearing record,
18 all written comments received will be considered in
19 the development of a decision on this matter.

20 I will now introduce the hearing reporter,
21 who is Karen I. Lillard of the firm of Karen I.
22 Lillard & Associates, from whom copies of the
23 transcripts of the hearing transcript will be
24 available.

25 For the convenience of the reporter, I ask

1 you to provide her with a copy of your presentation,
2 if available, before you begin speaking.

3 I also wish to remind you that this is not
4 an adversarial proceeding. We are here to gather
5 information and opinions from all interested
6 persons. Therefore, cross-examination of a
7 commenter is not appropriate. Questions from the
8 floor may not be introduced directly to a
9 commenter. However, if you feel the record will be
10 more informative if certain comments are amplified
11 or clarified, you may submit written questions to
12 me. If I determine that a question is relevant and
13 further discussion would be beneficial, I will then
14 direct it to the commenter for a response. The
15 panel members, of course, will be free to inquire
16 into any matter they feel will be useful in the
17 rulemaking process.

18 There is one other point I would like to
19 make, and that involves the issue of one
20 viticultural area within another, which is being
21 referred to as a "sub-appellation." I recognize that
22 the "sub-appellation" issue is of concern to many in
23 this room, however, under existing regulations, the
24 bureau does not distinguish "appellations" from
25 "sub-appellations." If a petitioned area complies

1 with all of the prescribed requirements, it can be
2 approved as a viticultural area.

3 With that in mind, I would ask you to limit
4 your comments to just those that involve the
5 establishment of "Stags Leap District" as a
6 viticultural area.

7 Now I would like to introduce the panel.
8 On my far right, Miss Vikki Rennekar, Chief,
9 Product Compliance Branch; Mr. Art Libertucci,
10 Chief, Revenue Programs Division; Jim Ficaretta, who
11 is the Coordinator of the Wine and Beer Branch; and
12 Jeannette Slattery, Attorney from our Chief
13 Counsel's office; Joe Deviney, who is Regional
14 Director, Western Region; and Mr. Richard Gahagan,
15 my wine adviser.

16 We have prepared an agenda of the persons
17 scheduled to comment. The agenda for today is Mr.
18 John R. Shafer, Mr. Richard Mendelson, Mr. Warren
19 Winiarski, Mr. William F. Heintz, Mr. Nathan Fay,
20 Deborah L. Elliott-Fisk, Donald F. Schukraft, John
21 Stuart, R. Gary Andrus, Mr. F.S. Foote, Mr. Craig
22 Williams, Mr. Robert D. Egan, Mr. David Leen, Mr.
23 Steven W. Hale, Mr. Keith Bowers, Mr. Dale J.
24 Missimer, Richard Winter.

25 I will call the commenters in that order.

1 Any commenter not present when called will lose his
2 or her place in the scheduled order, but will be
3 recalled after all other scheduled commenters have
4 been heard.

5 After completion of comments by those
6 scheduled and to the extent that time is available,
7 others will be given the opportunity to be heard.
8 Speaking of available time, as you can see, we have
9 a full schedule, so I hope all commenters will
10 attempt to stay in the allotted ten-minute time
11 frame.

12 I ask that commenters, before they present
13 their comments, state for the record their name and
14 whom they represent. For the convenience of the
15 hearing reporter, I also ask that they please spell
16 their last name.

17 There is one last item, that's nonsmoking
18 areas. Since I'm probably one of the last smokers
19 in the whole world, we'll have periodic breaks.

20 We'd like to keep this as informal, as
21 pleasant as we possibly can, and with that in mind,
22 I hope that the comments will be sincere and
23 addressed to the record.

24 Thank you.

25 Mr. John R. Shafer.

1 MR. SHAFER: Good morning, and welcome to
2 the Napa valley. We're sorry that our weather isn't
3 nicer for you visitors, but I must say to you, as
4 grape-growers and winemakers, we are all relishing
5 this weather, having had a partial drought last
6 year.

7 MR. DRAKE: I'm a Californian. This is
8 nice weather.

9 Mr. Shafer.

10 MR. SHAFER: I'm John Shafer, S-h-a-f-e-r.
11 I serve as the chairman of the Stags Leap
12 Appellation Committee, as well as president of our
13 family winery, Shafer Vineyards.

14 In 1972 my wife and I purchased our
15 property and began our career as grape-growers.
16 This has been a full time, active endeavor. We
17 planted vines, originally planted in 1922, and later
18 extended the vineyard into the hillsides, to where
19 we now have approximately 50 acres of vines.

20 Later we launched our winery in 1979,
21 releasing our first wine in 1981. Ours is a family
22 operation with my wife, winemaker son and daughter
23 all playing important roles.

24 We appreciate your presence for this
25 hearing, and in the spirit of Thanksgiving, we give

1 thanks for our form of government that provides a
 2 forum such as this at which different points of view
 3 may be aired.

4 I'd like now to list the group of our
 5 petitioners. It includes 13 growers and nine
 6 wineries, whom I would like to introduce to you by
 7 name:

8 Martin Blumberg, grower; Chimney Rock
 9 Vineyards and Winery, represented by Sheldon
 10 Wilson and Van Moller; Clos du Val Wine Company,
 11 represented by Bernard Portet; Robert and Rachel
 12 Egan, growers; Si and June Foote, growers; Elmer and
 13 Marjorie Freethy, growers; Robert Hartwell, grower.

14 I might add that he is a new member. He
 15 has replaced Charles See, having bought his
 16 property.

17 June Ilsley, grower; Robert Mondavi Winery,
 18 represented by Tim Mondavi and Phil Freese; Joseph
 19 Phelps Winery, represented by Joe Phelps and Craig
 20 Williams.

21 I might add here that the Phelps Winery has
 22 purchased the Candy vineyard.

23 Pine Ridge Winery, represented by Gary
 24 Andrus; Monte Reedy, growers; and Angelo and Mary
 25 Regusci, growers; Norman and Helen Robinson,

13 growers
 9 wineries
 22

1 growers; Shafer Vineyards, represented by myself;
2 Silverado Vineyards, represented by Jack Stuart; Ron
3 and Cathy Spicer, growers; Stag's Leap Wine Cellars,
4 represented by Warren Winiarski; Steltzner
5 Vineyards, represented by Dick Steltzner; Jerry and
6 Pat Taylor, growers; Susan Vineyard, grower; and
7 Diane Wilsey, grower.

8 I should note at the outset that not all of
9 our members will be testifying. In order to present
10 our case and respond to your questions concisely,
11 without duplication of effort, we have limited the
12 number of Committee commenters.

13 To show our Committee resolve, however, we
14 have a letter of renewed support signed by all but
15 one member of the Committee. Diane Wilsey has been
16 out of town, and her signature will be presented as
17 soon as possible. I would like to put this letter Exhibit
18 into the record as Exhibit number one at this time.

19 MR. DRAKE: I'll take it.

20 MR. SHAFER: The matter before you today is
21 important to all the growers and vintners in the
22 "Stags Leap District," and also to others in the
23 Napa Valley and elsewhere who are following in our
24 footsteps with viticultural sub-areas of their own.

25 We began discussing the idea of a "Stags

*Formal research began
1984*

1 Leap District" viticultural area over four years
2 ago. Our formal research and investigation began
3 three years ago.

*began
filling of
Stags Leap
since 6/6/86
1983*

4 Since our first filing in August of 1985,
5 we have presented to you 150 pages of information
6 regarding our area, plus 30 separate exhibits. We
7 have carefully reviewed your viticultural area
8 regulations and worked with several well-qualified
9 experts. We have also carefully considered the
10 views and opinions of each of our own members and of
11 our surrounding neighbors.

*8/85
157
filing*

12 I would like to review briefly how that has
13 brought us to where we are today.

14 As you know, the Committee began with
15 proposed boundaries that were more restricted to the
16 north and west. In response to the research and
17 findings of Silverado Vineyards, which were
18 presented to you in our amendment dated June 6th,
19 1986, we decided voluntarily to enlarge the
20 viticultural area to the Napa River to the west and
21 to the ring of hills to the north. Silverado
22 Vineyards convinced us that the amended boundary,
23 which is contained in your notice of proposed
24 rulemaking, effectively and meaningfully
25 distinguishes "Stags Leap District" from surrounding

Star symbol

*6/6/86
amendment*

1 viticultural areas to the west and north. We will
2 present that evidence today and tomorrow.

3 The Committee has studied the expansion
4 area proposed by Mr. Anderson. We are opposed to
5 the enlargement because we feel that it does not
6 satisfy your appellation criteria and that it would
7 undermine the integrity of our viticultural area. *

8 The Yountville Cross Road is not a natural boundary
9 and is not relevant from a viticultural point of *many of our old*
10 view. *new roads as boundaries*

11 I want to state explicitly that our
12 position is in no way a reflection upon the quality
13 of the vineyards, grapes or wines of Mr. Anderson
14 and his neighbors. They just have not been part of
15 the heritage or reputation of "Stags Leap District."

16 As an example, in 1972, when our realtor,
17 Jim Warren, was showing us property and drove us to
18 view our property in the Stags Leap area, he drove
19 by the Yountville Cross Road, which he has never
20 considered a part of Stags Leap area.

21 Likewise, John Scansi born and raised on
22 our property, has told me in the past month the *5/11/72*
23 Yountville Cross Road and surrounding area was not
24 part of the Stags Leap area. He perceived the
25 northern boundary to be at about the opening to our

1 airflow exit, which I'll be getting into shortly,
2 here, right in this slot, right here, or just south
3 of the knoll now owned by June Ilsley. I submit Mr.
4 Scansi's letter as Exhibit 2.

Exhibit
#2

5 MR. DRAKE: Thank you.

6 MR. SHAFER: The distinctiveness of our
7 viticultural area and its reputation among consumers
8 are our greatest assets, and we are committed to
9 preserving them. This is the very purpose of your
10 viticultural area program, and our presentation will
11 show you why we feel so strongly about our northern
12 boundary.

13 Next I would like to give you a visual
14 introduction to our proposed district.

15 First -- by the way, as a pointer -- I'm
16 not sure all of our speakers are going to do this --
17 we thought it was only appropriate to go out and get
18 a cane from a good cabernet sauvignon plant. I must
19 say, though, we're not planning to prove that this
20 bend is due to the airflow coming up from the
21 south. We're not attempting to do that.

22 Let me say that this is a blowup of the
23 USGS topographic map, showing our boundaries in
24 green, showing the proposed extension in red. A
25 number of the speakers from time time will be

1 referring to this. I would like to submit this map
2 to you as Exhibit 3, along with a written
3 description of our boundaries, because it may be
4 awkward for you to carry this back on the plane. Exhibit
#3

5 We have marked the boundaries on a 7.5
6 minute USGS map of the quadrangle, and we will hand
7 that to you now. But you are welcome to both.

8 Running through, very quickly, our
9 boundaries, we start here, where the Napa River
10 approaches the eastern mountains at this point. It
11 intersects with the drainage creek which follows up
12 to the 400-foot elevation level. Our boundary then
13 follows the 400-foot contour line northward, and I
14 must say this parallels the prevailing airflow.

15 You'll notice -- everybody can't see me
16 here, but you'll notice this is, of course, a map of
17 the whole valley, this being Route 29. Whereas the
18 major flow of the airflow coming through the valley
19 is here, we have a so-called airflow that starts
20 over here at this end in a wind-funnel effect and
21 comes through this separate stream, running through
22 here and exiting through this gap out of the
23 valley.

24 Our boundary line comes up -- our property
25 happens to be in this corner right here. It

1 intersects and encounters a spur ridge which runs
2 westerly at this point, and then the boundary
3 coincides with a series of adjacent hills which you
4 can see here, running over to the Napa River.

5 This is, for us, a natural and effective
6 geographic closure to our area. And, as you will
7 hear from other speakers as we go along, we feel it
8 is most appropriate, particularly in your own
9 criteria of your rulings.

10 From this point on the Napa River we go
11 southward, and we follow the Napa River all the way
12 back to our starting point. We feel the Napa River
13 is a very effective natural boundary for us and, in
14 particular, since it does distinguish between two
15 separate soil types on the west side in contrast to
16 the east side.

*Napa River
separate soil
types*

17 One last point, and that is that I'd like
18 to stress that the geography of our proposed area is
19 one of the major things that really distinguishes it
20 from the surrounding area.

21 Next in our visual introduction are two
22 slides which I'd like to show on the screen, there.
23 Before I show them, however, I'd like to tell you
24 where they're taken from.

25 By the way, prints of these slides are

1 available on the back table.

2 These show very well the point which we
3 will try to, today, put into words.

4 The first slide is a view from within our
5 proposed boundary, looking north. So you're looking
6 at the ring of hills in this natural closure.

7 The second slide is taken from right over
8 in this location, looking out across the valley.
9 And it's so wide, as a matter of fact, we have two
10 slides together. So you can see this ring of hills
11 from outside the boundary, looking in this direction
12 and this direction.

13 Is there a chance we can dim the lights?

14 Thank you.

15 As you can see, this is the Silverado
16 Trail, right here. This is taken approximately from
17 perhaps the Silverado Vineyards winery. And the
18 Napa River is over here, and we're looking at two of
19 those three knolls that we see on the topographic
20 map.

21 You can now go to the next slide.

22 Now we're looking from outside the area,
23 and here are those hills that we saw looking at them
24 from the back side. Below us, here, running left to
25 right here is the Silverado Trail. This road is the

1 Yountville Cross Road.

2 And you will notice this ring or barrier,
3 which we feel, as I said before, is a natural
4 closure for our area. From this point on and
5 outward across the valley, there are very little of
6 any geographic barriers such as this.

7 As we go forward in these two-day hearings,
8 I ask you to keep these in mind.

9 Finally, a preview of our commenters. You
10 have a list before you. I'm going to have our
11 people introduce themselves. You should know,
12 however, that the Committee's new geographer is Ms.
13 Deborah Elliott-Fisk, Assistant Professor of Geology
14 at the University of California at Davis.

15 I should state that the prior geographer,
16 Mr. Will Selleck, is unable to participate in this
17 proceeding at the direction of his employer, the
18 County of Napa. I would like to introduce as Exhibit
19 Exhibit 4 a letter from Mr. Selleck in which he
20 states his inability to testify should not be taken
21 as a sign of nonsupport for the committee's
22 position.

23 Finally, for the record, since I am not
24 going to be speaking again, I should like to comment
25 on two matters raised in Mr. Anderson's petition.

1 First of all, a Mr. Chambers' exhibit
 2 letter in Mr. Anderson's petition declares that I
 3 called wine produced from his grapes, I referred to
 4 them as, quote, Stags Leap Cabernet, unquote. I do
 5 not recall saying that. I do recall saying his
 6 hillside grapes were excellent and exhibited some of
 7 the same characteristics as our hillside grapes;
 8 deep color and intense fruit character, etc., often
 9 associated with mountain-grown grapes.

10 Furthermore, Mr. Chambers' grapes do not go
 11 into our Hillside Select Cabernet, which is our
 12 proposed "Stags Leap District" cabernet. Instead
 13 they are blended with other Napa Valley grapes in
 14 both our Napa Valley Cabernet and Napa Valley
 15 Merlot.

16 Also, referring to a question in one of
 17 your letters, you have asked why Mr. Missimer
 18 received communication from our Stags Leap District
 19 Appellation Committee. It was an administrative
 20 error, and I'm sorry to have caused any confusion.

21 Thank you.

22 MR. DRAKE: Mr. Shafer, one question. I'm
 23 not sure, since you're not going to be talking
 24 again, I think I should ask it now.

25 You have purchased grapes from both

1 Anderson and Chambers. Have you used those in wine
2 identified as Stags Leap wine?

3 MR. SHAFER: No.

4 MR. DRAKE: You have not.

5 MR. FICARETTA: I think, for clarification
6 purposes, there's going to be a little discrepancy
7 between the map we have here and the boundaries as
8 proposed in Notice 620. These are the alternative
9 boundaries that you proposed which would avoid
10 cutting through vineyards, if I'm not mistaken.

11 MR. SHAFER: That's correct.

12 MR. FICARETTA: In case people are
13 wondering what the difference is, the USGS map you
14 have there is the proposed --

15 MR. SHAFER: There are minor changes at
16 this point and right at this point, which we will be
17 covering.

18 MR. FICARETTA: Likewise, the boundaries
19 proposed by Mr. Anderson, the red line, is their
20 alternative?

21 MR. SHAFER: That's a good point.

22 MR. FICARETTA: I just wanted to clarify.

23 MR. DEVINEY: One question with regard to
24 the airflow that comes up to the "Stags Leap
25 District."

1 Would that airflow not be different from
2 the airflow that goes on the west side of the -- is
3 that the Mayacamas?

4 MR. SHAFER: Actually, this is a ridge.

5 MR. DEVINEY: Would the airflow on the west
6 side of those mountains not be different also from
7 what comes up from the main part?

8 MR. SHAFER: I'm not totally qualified. I
9 think our experts are going to get into that
10 question. But I think what we can say is that there
11 is -- as the airflow funnel narrows, particularly up
12 in this area, it is going to speed up, and there is
13 a cooling effect that takes place. That's my
14 understanding.

15 MR. DEVINEY: I guess my question is why
16 the property to the west of those mountains between
17 the river and the mountains on the west, why is that
18 included in the area if that's the natural boundary
19 that would keep the air the same?

20 MR. SHAFER: I think the answer to that is
21 that that is part of the consideration we made when
22 we altered our boundaries. And my understanding is
23 that there are several things there: one, the soil
24 type in through here is very similar to some of the
25 soils found in other locations within the district,

1 whereas the soil on the opposite side of the river
2 over to the west is distinctly different.

3 So that in other words, as we all know,
4 we're not considering one factor, we're considering
5 a group of factors that go into making upper micro
6 climate and in turn a viticultural area. But that
7 is one consideration.

8 Another is that in this area, I believe
9 Jasper has informed us in the late '60s, this is one
10 of the first areas where cabernet was planted, and
11 it has the same exposure, as well as the soil, some
12 of the same characteristics as in parts of the
13 district.

14 MS. SLATTERY: Isn't it true that also the
15 soil is more acid there?

16 MR. SHAFER: Again, this is not my topic of
17 expertise. And you have to decide whether we're
18 talking about topsoils or subsoils, and a lot of
19 those are going to be gotten into by the experts.

20 I understand, of course, that a lot of
21 these different soil types are all over the Napa
22 Valley. Bale loam, which is prevalent here, is also
23 found in the soil up here, but it is also found in
24 19 thousand acres all over the Napa Valley and up to
25 St. Helena, and so forth. So I think that's the

1 point there. It's just one item.

2 Thank you very much.

3 MR. DRAKE: Sure. Thank you.

4 Mr. Richard Mendelson.

5 MR. MENDELSON: Good morning members of the
6 panel, ladies and gentlemen. My name is Richard
7 Mendelson. I'm an attorney with the Napa law firm
8 of Dickenson, Peatman & Fogarty and have represented
9 the Stags Leap District Appellation Committee since
10 its inception around three years ago.

11 At the outset I'd like to reiterate my
12 written request to be allowed to make a concluding
13 statement at the end of the hearing session
14 tomorrow. I realize that our schedule is somewhat
15 tight, but I would appreciate your honoring my
16 request if at all possible.

17 This morning I want to examine and apply
18 the regulatory requirements for the establishment of
19 viticultural areas to the case of Stags Leap
20 District. For each criterion set forth in your
21 regulations, I will preview the evidence that the
22 Committee will present in support of its proposed
23 boundaries.

24 We believe that the most important
25 criterion for establishing a small viticultural area

1 like that of "Stags Leap District" is viticulural
2 distinctiveness. Your regulations require that the
3 geographical features of a proposed area distinguish
4 it viticulturally from surrounding areas. You have
5 acknowledged in past viticultural area proceedings
6 that, in the case of small viticultural areas, there
7 is the need for a greater degree of refinement in
8 judging viticultural distinctiveness. In the final
9 rule establishing the Ozark Mountain viticultural
10 area, you stated the following:

11 "The ATF recognizes that the
12 distinctions between a small area and
13 it's surroundings are more refined than the
14 differences between a large area and its
15 surroundings."

16 In an area of continuous vineyard plantings
17 like the Napa Valley, where there eventually will be
18 numerous viticultural sub-areas, the need to make
19 these viticultural distinctions with precision is
20 all the more important because the boundaries of any
21 single viticultural area will affect the meaning and
22 integrity of surrounding viticultural areas. It is
23 the Committee's view, and I believe we are supported
24 by most of the vintners and growers of Napa Valley
25 on this point, that viticultural areas must be

1 delineated in accordance with your existing criteria
2 based on a preponderance of the evidence submitted. *Quality*
3 Our intent today is to sustain that burden of proof,
4 and we plan to do so clearly and convincingly.

5 Because of its importance, the regulatory
6 requirement of viticultural distinctiveness must be
7 strictly construed. The test is not one of
8 stretching the similarities, that is, expanding the
9 viticultural area to include any nearby vineyard
10 outside the area which shares some underlying
11 similarity with a vineyard inside the viticultural
12 area. This might be proper in a sparsely planted
13 area where the boundaries are enlarged to include
14 the last vineyard which otherwise would be
15 isolated. But in the densely planted valley floor
16 and hillsides of the Napa Valley, such logic would
17 not allow us to define any boundary based on
18 viticultural distinctiveness. *viticultural distinctiveness*

19 Your regulations require a showing of
20 viticultural distinctiveness, not viticultural
21 similarity. This is the test against which any
22 proposed boundary must be judged -- both that of the
23 Committee and of Mr. Anderson. Which boundary,
24 according to the preponderance of the evidence,
25 divides viticulturally distinct areas? We submit *Quality*

1 that a road which traverses flat ground, here I'm *can't*
2 referring to the Yountville Cross Road, does not and *use a*
3 cannot serve as a meaningful boundary between two *road*
4 distinct viticultural areas.

5 I will use the tried and true old pointer.

6 UNIDENTIFIED SPEAKER: That shows you're
7 not a true grape grower.

8 MR. MENDELSON: In your notice of hearing,
9 you asked the parties to comment on the geographical
10 features in the north which support the boundaries
11 proposed by the Committee, by Mr. Anderson, and any
12 other boundaries. The evidence which we will
13 present will show that "Stags Leap District," as
14 proposed by the petitioners, is distinct
15 geographically, geologically and climatologically
16 from the area to the north. In fact, it is the
17 unique topography of "Stags Leap District" which is
18 the essence of its viticultural distinctiveness.

19 Our geographer, Professor Deborah
20 Elliott-Fisk of the University of California at
21 Davis, will show that "Stags Leap District"
22 comprises a single geographical and geological
23 system. The vineyard area within the viticultural
24 area once served as the channel of the Napa River, *E*
25 which, in olden times, flowed as follows, which has

1 directly affected the underlying viticultural
2 characteristics of the viticultural area. By
3 contrast, the area to the north of "Stags Leap
4 District" comprises a well-defined alluvial fan
5 flowing out of the Rector Reservoir.

*area north
of Stags Leap
well defined
alluvial fan*

6 Here's Rector Creek. Rector Reservoir
7 would be just here, out of this map, flowing out.

8 This fan, which lies just north of our
9 northern hills is, in fact, defined in part by those
10 northern hills, and runs out to the river and
11 north. We will show that this fan has its own
12 distinct geography and geology.

*alluvial fan
has its own
distinct
geography
& geology*

13 From the point of view of climate, our
14 expert, Mr. Donald Schukraft, will testify that
15 "Stags Leap District" and the area to the north are
16 subject to different climatic influences. The
17 climate of "Stags Leap District" is influenced
18 directly by the marine air flowing into the area
19 from San Pablo Bay to the south. The hills and the
20 mountains of the proposed viticultural area serve as
21 a funnel whose open, southern end is perfectly
22 oriented to capture the fog and low clouds flowing
23 in from San Pablo Bay. The marine air enters the
24 broad end of the funnel at the south and exits the
25 Napa Valley at the north.

*climate
expert
Schukraft*

*air
doesn't
go
there*

1 Mr. Schukraft will show that this wind flow
2 pattern combined with the unique topography of
3 "Stags Leap District" produce changes in the
4 temperatures and humidities over vineyards to the
5 north and south of the northern hills which serve as
6 our northern boundary. Again, I ask you whether it
7 is even conceptually possible for the Yountville
8 Cross Road to serve that purpose. I await Mr.
9 Anderson's evidence on this point, because under
10 your regulations this is his burden of proof.

11 We recognize that viticultural
12 distinctiveness is not your only requirement for the
13 establishment of viticultural areas and an area must
14 satisfy all the criteria to be established. The
15 second criterion concerns name identification and
16 boundary support. Your regulations state that this
17 evidence may be historical or current, local or
18 national or, for that matter, international.

19 Mr. Anderson has not shared in or
20 contributed to the long history of and widespread
21 recognition of "Stags Leap District." Our
22 historian, Mr. William Heintz, will show that in the
23 late 1800s, during the former heyday of viticulture
24 in this county, the State of California Board of
25 Viticultural Commissioners divided the County of

1 Napa into three viticultural districts. The state
2 did not use the Yountville Cross Road as a district
3 boundary but instead used a boundary line to the
4 south -- which closely approximates our northern
5 boundary -- to separate the Yountville District to
6 the north and the Napa District to the south. We
7 believe that this separate viticultural identity is
8 particularly relevant and revealing.

9 One other bit of evidence which Mr. Jack
10 Stuart of Silverado Vineyards will introduce later
11 today shows how this basic historical and
12 viticultural distinction has continued to the
13 present. Our local paper, The Napa Register,
14 publishes an annual magazine entitled "Napa Valley
15 Appellation." This magazine lists each winery in
16 the valley and the specific appellations of the
17 wines produced by those wineries. In 1984 and 1985
18 Mr. Anderson's appellation was listed as Napa
19 Valley; in 1986 and 1987 as Yountville. By
20 contrast, the wineries within our proposed
21 viticultural culture area have been listed Stags
22 Leap or simply Napa Valley.

23 The overwhelmingly predominant perception
24 of industry, the press and the consumers is that the
25 two areas in question are distinct. This perception

1 relates principally to the fact that the growers and
2 vintners in the proposed extension area have not
3 contributed to the distinctiveness and reputation of
4 "Stags Leap District." This is not a repeat of the
5 Napa Valley viticultural area proceedings because
6 the wines with the "Stags Leap District" designation
7 have not included grapes from the extension area.

8 Before your appellation regulations took
9 effect in 1983, several vintners used Stags Leap or
10 Stags Leap District on their label. Not one of
11 these wines, to our knowledge, contained grapes from
12 the extension area, and there were grapes being
13 produced there.

14 Mr. Anderson has stated that, "A large
15 amount of grapes grown on the proposed added acreage
16 are used by wineries within the Stags Leap
17 District." That's a quote. This is incorrect. If
18 we exclude Pine Ridge Winery's purchase of grapes
19 from Jack Abruzzini's Yountville Vineyard, which
20 lies just at the Cross Road of Silverado Trail at
21 the proposed extension area, which wine is sold
22 under Yountville Cuvee, not under the Stags Leap
23 District Cuvee label, we find that between 1981 and
24 1987 wineries within Stags Leap District had bought,
25 on average, 7.2 percent of the estimated total grape

1 production of the extension area. These grapes have
2 been used in Napa Valley blends and are by no means
3 the only grapes which our wineries have purchased
4 from outside the viticultural area. Is Mr. Anderson
5 suggesting that because a winery purchases grapes
6 from Sonoma County that area should be appended to
7 the Stags Leap District? The true "Stags Leap
8 District" wines today are labeled as Shafer Cabernet
9 Reserve and Hillside Select, Silverado Vineyard
10 cabernet sauvignon, Pine Ridge's cabernet sauvignon,
11 Clos du Val cabernet, Silverado cabernet, etc. These
12 wines do not contain any extension area grapes. Mr.
13 Joseph Phelps will elaborate on this point later on
14 today.

15 Simply stated, we do not believe Mr.
16 Anderson can sustain his burden of proof on either
17 historical or viticultural grounds. No doubt you
18 will hear references to the fact that Yountville
19 Cross Road is a land grant boundary with a long
20 history. We regard that as a red herring for at
21 least three reasons.

22 First, even where the name of the land
23 grant has been adopted by ATF as the name of a
24 viticultural area, as in the case of Carneros, you
25 have not followed the land grant boundary. Mr.

1 Anderson has not proposed a Yajome viticultural
2 area, following the name of the Yajome land grant
3 area named after the land grant on the map, there.
4 And there is no "Stags Leap District" land grant.

5 Second, why is Mr. Anderson allowed to
6 choose selectively from among the Yajome land grant
7 boundaries? He has pointed to the northern, eastern
8 and western boundaries to support his proposal, but
9 what about the southern boundary of the Yajome land
10 grant which stretches down to the city of Napa
11 several miles forward?

12 Finally, we submit that viticultural
13 history and viticultural identity are more relevant
14 to this proceeding than Spanish land grant history.

15 The final criterion for the establishment
16 of viticultural areas is that the boundaries must be
17 based on features which appear on the USGS
18 topographic maps. Related to this, although *Administrability*
19 unstated in the regulations, is the issue of
20 administrability. *LS*

21 As you know, the committee's previous
22 hilltop-to-hilltop northern boundary which was
23 proposed in your rulemaking cut small corners of
24 vineyards; and Mr. Anderson's previous northern line
25 cut right through the middle of Mr. Chambers'

1 vineyard to the east of the Silverado Trail. He had
 2 followed the contour line clear out to here, and
 3 there happens to be a vineyard right there.

4 Following a minor boundary modification in
 5 our letter to you dated May 28, 1987, the
 6 Committee's present boundary, shown on the USGS map
 7 here today, does not divide anyone's vineyard. Our
 8 expert surveyor has demonstrated that fact and also
 9 has shown that the Committee's boundary at the north
 10 closely approximates the property lines which lie
 11 along the same series of hills.

12 The Committee's line is easy to see and
 13 easy to enforce, as the slides which Mr. Shafer
 14 showed clearly demonstrated. I should note that Mr.
 15 Anderson, to avoid splitting any planted vineyards,
 16 diverted from the Yajome land grant boundary and
 17 redrew his proposed line around 600 feet north of
 18 the Yountville Cross Road east of the Silverado
 19 Trail. His boundary, however, excludes the
 20 vineyards just on the other side of the street, that
 21 is, on the west side of the Silverado Trail, north
 22 of the Cross Road. One of the excluded vintners,
 23 Mr. Robert Egan, who also has vineyards within the
 24 "Stags Leap District," will express his opinion
 25 about this change later today.

*Egan
has vineyards
of out of
proposed
Stags Leap area*

1 Before I turn to the next speaker, I want
2 to add a personal note. As a practitioner who has
3 been extensively involved in the establishment of
4 American viticultural areas, I realize how difficult
5 it to can be to find a viticultural area boundary
6 that satisfies all of your appellation criteria. To
7 my mind, "Stags Leap District" is a special case
8 because of the distinct and well-defined geographic
9 niche that it occupies within the Napa Valley. The
10 mountains to the east, the river to the west, the
11 ring of hills to the north and the broad end of the
12 funnel in the south all interact to form a unique
13 viticultural pocket that is recognized as such the
14 world over.

15 Thank you.

16 MR. DRAKE: Mr. Mendelson, thank you.

17 Two questions. Earlier you mentioned the
18 Napa River coming through the northern end. Do you
19 know exactly where that came from?

20 MR. MENDELSON: We'll have the expert speak
21 to that directly, but my understanding is it indeed
22 flowed right south of these hills through the area,
23 and exited right back out to the Napa River to the
24 south, literally covering the vineyard area that's
25 proposed as our viticultural area.

1 MR. DRAKE: The second question: I believe
 2 you said in the 1890s that the state divided Napa
 3 into three --

4 MR. MENDELSON: Viticultural districts.

5 MR. DRAKE: Did they name them?

6 MR. MENDELSON: There was St. Helena ⁽¹⁾
 7 District to the north, the ⁽²⁾ Yountville District and
 8 the ⁽³⁾ Napa District to the south. And, in fact, the
 9 Napa Valley area was later subdivided, not by the
 10 state but by Napa Viticultural. And Mr. Heintz will
 11 outline that to you.

12 MR. DRAKE: Do you know where the Napa line
 13 was drawn?

14 MR. MENDELSON: Yes. This, again, will be
 15 presented on the 1895 map, but the line ran
 16 approximately in this area.

17 Our case is not that that line is exactly
 18 our line, but it was very clear that the people who
 19 had vineyards then along the Cross Road as well as
 20 north of the Cross Road were in the Yountville
 21 District. The people in the south were in the Napa
 22 District.

23 MR. DRAKE: South of Yountville?

24 MR. MENDELSON: Let me clarify. The fact
 25 that the Napa boundary did not follow the Cross

not
"stays
"loop"

1 Road, the growers of the day, Lycan, here, who had
 2 vineyards south of the Cross Road, were part of the
 3 Yountville District as well as the people north of
 4 the Cross Road, and that the area within the "Stags
 5 Leap District" was within the Napa District in its
 6 viticultural distinctive identities.

7 MS. RENNECKAR: You stated that the
 8 mountain ranges serve as a natural barrier. My
 9 question, I think, is similar to Joe's. Since the
 10 funnel that comes up through that valley area to the
 11 west of that mountain range that goes to the Napa
 12 River is not very wide, what makes that so similar
 13 to the climate that comes up through that valley
 14 area?

Area east of Napa River but west of hills

15 MR. MENDELSON: Well, it's obviously
 16 correct, as was suggested, that the air also flows
 17 this way. It's the orientation and the impact of
 18 the mountains and hills which draws also the marine
 19 air in this way and exiting this way.

20 I don't like to speak about things that I
 21 can't speak to as an expert, and we'll have that
 22 question answered, but I think the relevance is that
 23 it's not only one factor that forms a viticultural
 24 area, that there are similarities. In fact, we have
 25 a fog photo that will be introduced later, I think,

1 tomorrow, that shows the fog hanging around this
2 general area, drawn in to the bay but stopping to
3 the north.

*fog
stopping*

4 So I think what we find with climate and
5 what our climatologist will say is it's impossible
6 to draw a boundary climatologically to say exactly
7 what it is.

[scribble]

[scribble]

8 What we can say, however, is that the
9 northern hills play a very important role in
10 directing this air stream back out to the valley.

*northern hills
valley role in
directing
air stream
back out
valley*

11 Of course, there's going to be the same air flowing
12 through here and, as Mr. Shafer said, aspects of
13 soil similarities and, perhaps most importantly,
14 distinctiveness on the other side of the river.
15 Even if there might be some differences
16 climatologically here and here, there is a very
17 effective natural distinctive boundary from the area
18 to the other side of the valley that the Yountville
19 Cross Road cannot accomplish in the same way.

20 In any event, I'll defer to the
21 climatological expert on that point.

22 MR. LIBERTUCCI: One question with respect
23 to the airflow exiting to the west, just south of
24 the hill formation. Do you have data to support
25 that?

*no data
support
air flow
exit to
west*

1 MR. MENDELSON: Unfortunately, there are
2 not -- and this is not just "Stags Leap District,"
3 it's throughout Napa County -- we have not set up
4 hundreds of climatological stations that collect
5 data that would allow us to make ~~any significant~~
6 conclusions or give you that kind of data.

7 What we can say is that the topography is
8 so distinct here that an expert can infer ~~from the~~
9 topography it's topographic climate is. In fact,
10 you can look at crop vegetation later to try to
11 infer what the climate is actually like north and
12 southeast and west. And this is how we have to
13 approach it, because there is no long-term track
14 record of climate stations that would allow us to
15 present that data.

16 But none the less -- well, we'll let the
17 expert speak to that. That does not mean that
18 expert opinions cannot be formed based on facts that
19 are in the record and on the map.

20 MR. FICARETTA: Another airflow pattern
21 question. I think it was in the initial petition
22 where you had in one of the Exhibit A maps similar
23 to that with the airflow patterns, and I thought in
24 the text it was said that the airflow came up from
25 the San Pablo Bay and either exited through those

1 hills to the west of the Napa Valley floor or went
2 north to the west. Is that basically right, or do
3 you want to defer that?

4 MR. MENDELSON: I'll defer. My
5 understanding of it is it depends on the marine
6 layer and temperature divergences, which are going
7 to vary season to season and vary times of day. I
8 wish I could give you a black and white answer, but
9 let me be very clear about one thing.

10 Our position does not rest or depend in any
11 sense in creating this as a wall beyond which no air
12 gets on the other side. That really was the purpose
13 of my remarks about the small viticultural areas.
14 There are refinements, and we do know that there are
15 differences there.

16 I would not nor would I think that any of
17 our experts would maintain that, in a binary system,
18 this is one and this is two and there are no
19 gradations in between it. That's not our case. Our
20 case is that they are viticulturally distinct,
21 historically distinct. Add up all the evidence and
22 the clear weight of evidence establishes it as two
23 distinct viticultural areas.

24 MR. FICARETTA: But did I read it right
25 when I said the airflow had exited not out the west

1 but up north?

2 MR. MENDELSON: We'll have a slide
3 presenting that, and there is certainly some air
4 that goes through the gaps, but also there will be
5 differences, clear differences, north and south of
6 those hills.

7 MR. FICARETTA: I have one other question.
8 I don't see Ernie Ilsley's property. Can you point
9 out where his property is in the alternative
10 boundary, or is he all in or all out?

11 MR. MENDELSON: Mr. Ilsley's property lies
12 just to the south of our proposed boundary. His
13 wife, June -- Mr. Ilsley is deceased recently, and
14 his wife last reaffirmed her support to our
15 boundary. The parcel of land is right in there.

16 MR. FICARETTA: And that green line, I
17 think, is also the one proposed in 620, not the
18 alternative that you came up with.

19 MR. MENDELSON: That is correct. Just as I
20 traced this, the original boundary, the one in your
21 notice, follows hilltop to hilltop.

22 MR. FICARETTA: Right.

23 MR. MENDELSON: And crosses here, right
24 there.

25 MR. FICARETTA: Right. There's a hilltop

1 there.

2 MR. MENDELSON: And, instead, we cut a very
3 small section of a vineyard here. So we modified it
4 to go to the trail, jog down to the driveway, just
5 to avoid that minor problem.

6 MR. FICARETTA: But as approached in the
7 notice, Mr. Ilsley's vineyard is in?

8 MR. MENDELSON: That is correct.

9 MS. SLATTERY: You suggested that the
10 boundaries of the Yajome land grant are (not) very
11 important in determining the boundaries of Stags
12 Leap. I notice in the second amendment submitted by
13 the Stags Leap Appellation Committee that was one of
14 the factors used to justify the extension of the
15 Stags Leap.

16 Are you willing to say it is of some
17 significance?

18 MR. MENDELSON: It is an historical fact.
19 We do not deny the historical fact. There is a
20 Yajome land grant. Three of the boundaries do
21 follow the Napa River. You can see the boundary
22 cuts here and here, and jogs down. It also
23 continues several miles into the city of Napa. It
24 is an historical fact.

25 It is not, to our mind, particularly

*Yajome
Land
Grant*

D

*Committee
used Yajome
land grant to
justify extension
to Napa River*

*Northern
boundary
of the
land
is
Grant
Road*

1 relevant in terms of other historical and
2 viticultural facts that we've presented. We don't
3 deny its existence.

4 MS. SLATTERY: I don't suggest that you do,
5 but it -- it was, in terms of historical
6 significance --

7 MR. MENDELSON: Has some historical
8 significance.

9 MS. SLATTERY: In the same way that the
10 northern boundary has some significance?

11 MR. MENDELSON: In the same way that other
12 vineyards in the historical sense not following that
13 boundary has more historical significance.

14 MS. SLATTERY: That is one factor?

15 MR. MENDELSON: That is one factor.

16 MR. DRAKE: Thank you.

17 MR. MENDELSON: Thank you. I hope I will
18 have another chance to speak at the end tomorrow.

19 MR. DRAKE: Mr. Warren Winiarski.

20 MR. WINIARSKI: Ladies and gentlemen, good
21 morning. My name is Warren Winiarski. Along with
22 my family, I founded and now operate Stags Leap
23 Vineyard and Wine Cellars in the center of the
24 proposed "Stags Leap District." My wife Barbara is
25 here today and my daughter Kasha is operating your

1 slide machine.

2 We came to the Napa Valley in 1964. I left
3 another career in the midwest to learn about grape
4 growing and winemaking in California. I was an
5 apprentice for two years at the old Souverain
6 Cellars, now a winery owned by Tom Burgess. At that
7 time in the Napa Valley there were 14 members of the
8 Napa Valley Vintners. Today there are more than a
9 hundred.

10 During the time I worked at Souverain
11 Cellars and, later, for the two years at Robert
12 Mondavi Winery when it was founded in 1966, I had
13 the opportunity to taste cabernet sauvignon wines
14 from various parts of the Napa Valley before they
15 were blended together for bottling purposes. In
16 many ways the history of my interest in those days
17 duplicates and foreshadows the interest of many wine
18 buyers today. I was interested in discovering a
19 method of organizing in my mind the wines of the
20 valley by categories of origin. In other words, I
21 was interested in regional distinctiveness from a
22 winemaker's point of view.

23 And this was before the time when regional
24 distinctiveness was carried through to the bottle
25 and designated by the valley wineries. Wineries

1 generally noted the differences among their grapes
2 by regional origin only for their internal purposes,
3 but their mode of marketing and stylistic
4 orientation did not suggest regional bottlings. We
5 were still then in our infancy. Gradually, through
6 those tastings, a pattern of regional identification
7 began to emerge, and that gave me a sort of mind
8 picture to the general areas of the valley.

9 In addition, there was also in my mind a
10 picture of the wine type that I wanted to produce
11 from cabernet sauvignon. This picture was of a very
12 general character, until I tasted the homemade wine
13 made by my neighbor, Nathan Fay, and grown in his
14 vineyard in the proposed "Stags Leap District."

15 I'm just assuming that my tasting that
16 homemaker's wine was legal. If it wasn't, please
17 let me know.

18 MR. DRAKE: I'm sure the statute of
19 limitations has run.

20 MR. WINIARSKI: After that tasting
21 everything seemed to fall into place. The tasting
22 seemed to join together the regional differences I
23 had discovered, and focused together the regional
24 preference that fit together the picture of the wine
25 that I wanted to produce with those regional

1 groupings.

2 As I remember, it was a 1968 vintage that I
 3 tasted, and I tasted it just prior to the fall of
 4 '69; and the wine possessed all the distinctive
 5 characteristics that I was looking for in cabernet.
 6 We set out to purchase and eventually purchased the
 7 adjoining 50 acres of prunes and apples, that
 8 adjoined Nathan's property. Prunes, apples,
 9 cherries. There were some standard older
 10 varieties.

*winter - 1970 -
 winter - bought
 50 acres adjoining
 Hutz Fay*

11 And we did that in the winter of 1970; in
 12 other words, very shortly after I tasted Nathan's
 13 wine. So it was quite an experience.

1970

14 We persuaded friends and, later, partners
 15 to support that acquisition by forming a
 16 partnership. We uprooted the old plants and we
 17 planted the vineyard.

18 In two years we solicited another group of
 19 partners to form a group to acquire enough land
 20 nearby to develop a winery site for Stags Leap Wine
 21 Cellars. It was our plan to capture the distinctive
 22 character of the cabernet from the Stags Leap area
 23 and to develop an estate winery within the area so
 24 that we could gather together the regional
 25 authenticity for our grape-growing operation.

1 We originally used the name Stags Leap
2 Vineyard and Wine Cellars for those two
3 partnerships. It was our opinion that the name had
4 been used for a resort, but had not been used for a
5 winery and a vineyard enterprise. We did not think
6 that the name had public recognition for wine. And,
7 as I say, we wanted the authenticity that came from
8 the geographic feature of that formation. This was
9 a fateful decision, for it involved us in litigation
10 with our neighbor and also, in a way, led to
11 bringing about this hearing today.

12 And that's so because the outcome of the
13 litigation expanded the historical focus of the name
14 Stags Leap in two separate stages. In the first
15 stage there was an ^oexpansion to the geographic use
16 of the name. That was my stage. In the second
17 stage, whose culmination we are witnessing in these
18 hearings, there was an expansion of the significance
19 attaching to the name through an attempt to identify
20 the viticultural significance of the name. Thus the
21 name Stags Leap had three separate phases in its
22 development: historical, geographic, and finally
23 viticultural.

24 The one event that more than any other
25 brought public recognition to the name Stags Leap

1 was, of course, the Paris tasting in 1976. In that
 2 tasting, conducted on French soil by French tasters,
 3 the winning position of our 1973 cabernet brought
 4 the name Stags Leap Wine Cellars and therewith the
 5 wines of America, California and the Napa Valley
 6 into the beam of vast public attention. Geography
 7 became more attractive.

1976
Paris
tasting

8 In due course the viticultural phase
 9 began. It was my original belief that if the grape
 10 growers and vintners decided to propose a name for
 11 our distinctive area and its formal recognition,
 12 they should give it a name which would not confuse
 13 the public with our already existing proprietary
 14 name. We have a fairly long name, Stags Leap Wine
 15 Cellars, and it is -- the name is sometimes
 16 shortened on lists of retailers and restaurateurs,
 17 and this abbreviation could, we believe, lead to
 18 confusion. My original resistance to employing the
 19 same name for viticultural and proprietary use is a
 20 matter of record.

VIP
point

21 Eventually, a compromise evolved which
 22 modified the name Stags Leap to "Stags Leap
 23 District," and this modified name referred obviously
 24 to viticultural and geographic things.

Change of
Name From
Stags Leap to
"Stags Leap District"

25 The distinctiveness of our viticultural

1 area is beyond dispute. You can taste it in the
2 wines, you can taste it in the grapes. Over the
3 course of time, the original historical use of the
4 name has broadened to include regions which were
5 found to impart the same characteristics to the
6 fruit and to the wines. And, incidentally, I think
7 that's a very strong reason in the answer to this
8 area here which may not have been sufficiently
9 outlined.

b
expansion of area

10 We included areas which were found to
11 impart the same characteristics to the fruits and
12 wines. Additions were also made to the area because
13 of considerations of soil, climate or geography.
14 The producers and the consumers both participated in
15 this evolution, because they either identified the
16 same character expressed in the wines they tasted or
17 because they became aware of the viticultural
18 cohesiveness of our area. Our area is not now only
19 a rock formation or a ranch. It has acquired a
20 public viticultural life of its own.

21 This is a development which reveals a
22 constructive relation between the consumers, the
23 producers and now, hopefully, also the regulatory
24 agency, yourselves, whose task it is to recognize
25 and to formalize that distinctiveness with precise

1 boundaries.

2 I would like to introduce as a part of my
3 remarks a recent article by Gerald Asher, whose
4 illuminating insights on the viticultural area
5 process might be helpful here. I have it in a
6 file. Will you number it with an exhibit number?

*Gerald
Asher*

7 MR. DRAKE: Sure.

8 MR. WINIARSKI: The article was in Gourmet
9 in October, and Mr. Asher starts off very
10 entertainingly by recalling that Charles de Gaulle
11 once remarked huffily that there were too many
12 cheeses in France, but he was never known to have
13 made a similar observation about the number of wines
14 of France. And Mr. Asher thinks about what might be
15 implied in that, and he suggests that one of the
16 reasons that there are thought to be too many wines
17 in California is that these wines are not segregated
18 as they are in France by broad regional categories
19 within which distinctive wines can be grouped in the
20 consumer's mind.

21 And this regional grouping and association
22 of wines of the same distinctive character makes it
23 possible to speak about not too many wines in France
24 but, as from the consumer's point of view, it has
25 already been advanced that there are too many wines


1 and that they are too similar and so on.

2 I think this is a very valuable article. I
3 think it clarifys many of the things we have been
4 talking about and, I think, clarifys many of the ^{Stags Leap} things that you have been thinking about. ^{distinctiveness}

5
6 While it is true that the "Stags Leap
7 District" distinctiveness applies more to cabernet
8 sauvignon than it does to other varieties, we
9 believe that the district boundaries that we have
10 chosen have the requisite integrity to furnish the
11 basis for other varieties as well. The free
12 enterprise principals under which we operate require
13 that the varieties which are best suited to express
14 the viticultural qualities of the area will prove
15 themselves in the course of time.

16 As you know, this district has not been
17 proposed by a single submission; there were many.
18 Some of them have been recited this morning. We
19 have not set our backs against them. New insights
20 and new evidence have modified our original
21 understanding of the area. It is our profound
22 conviction that the area we are now proposing has
23 all the qualifications which are required for your
24 approval.

25 Our area is distinguished from the

1 surrounding ones by geographical features which give
2 it unity, completeness and credibility. It works
3 only if all its boundaries are taken together as
4 describing the whole. We will demonstrate this in
5 the course of our presentations. The unity of the
6 geographical area is especially important for the
7 only issue before you in dispute. The northern ring
8 of hills is the key geographical link in the
9 circle. Going beyond that ring to the Yountville
10 Cross Road access geography opens the circle and
11 destroys the unity of the distinctive area. There
12 is no way, once that circle is opened, to 
13 distinguish the "Stags Leap District" from the
14 surrounding areas on the north. We believe such a
15 step would critically weaken the whole viticultural
16 area program, which is meant to help the consumer in
17 the ways suggested in Mr. Asher's article. A faulty
18 decision in our viticultural area would be an
19 example that others would follow.

20 I repeat: the extension to the Yountville
21 Cross Road abandons the whole principal of regional
22 distinctiveness, for it cannot then distinguish
23 itself geographically from the area to the north.
24 This extension might serve the purpose of a small
25 number of growers, but it would be, I believe, a

1 disservice to a far larger number of consumers now
2 and in the future. The ATF should measure the
3 benefits to that larger number.


4 Thank you for your consideration.

5 MR. DRAKE: Thank you. Any questions?

6 MR. FICARETTA: I just have one. The brand
7 name that you use on the labels, is it just Stags
8 Leap, or Stags Leap Wine Cellars?

9 MR. WINIARSKI: Stags Leap Wine Cellars.

10 MR. DEVINEY: I guess the same question
11 that Mr. Ficaretta asked the other people that
12 testified, that is: if we're going to remain
13 faithful to geography and not abandon it to the
14 north, how can we be consistent and not go beyond
15 the property?

16 In other words, how can we include the 
17 property between the river and the mountains on the
18 west and not include the same -- in other words, if
19 we're going to say this is a natural barrier made by
20 the mountains to the north, why not the mountains on
21 the west?

22 MR. WINIARSKI: I think my point of view as
23 a winemaker, from a winemaker's answer, is simply
24 the grapes that are grown there, as John said, are
25 cabernet sauvignon. They were some of the first

1 grapes grown in the area, and they share the same
2 distinctive character of the cabernet grown in the
3 other part of the area. And it seems to me,
4 therefore, difficult to exclude them, because that's
5 what this whole process is about, viticultural
6 distinctiveness. And the proof of it is in the
7 wine.

8 MR. DRAKE: The wine from the north is
9 different?

10 MR. WINIARSKI: It is not distinctive in
11 that it is not grown there, as far as I know.

12 MR. FICARETTA: The Silverado Vineyards to
13 the west, and they extend there, they're not just
14 cabernet, there is chardonnay there and --

15 MR. WINIARSKI: Yes.

16 MR. FICARETTA: So it's not just cabernet.

17 MR. WINIARSKI: Yes.

18 MR. GAHAGAN: Mr. Winiarski, you talk about
19 the character of the wine. Would you describe that
20 for us?

21 MR. WINIARSKI: Yes. From the wine, it's
22 been described, and I think people have talked about
23 it, it has a suppleness and a velvet quality at the
24 edge of the wine, and under that softness it has
25 structure and kind of a body, notwithstanding the

1 robust quality in the middle of it. So there's a
2 combination of robustness; and softness is, I think,
3 one of the distinctive features. And it has been
4 described as an iron fist in a velvet glove. And
5 that's pretty good.

6 MR. GAHAGAN: And the distinctiveness in in
7 the fruit, sir?

8 MR. WINIARSKI: The fruit has a distinctive
9 cherry-like quality which doesn't betray that
10 softness, which is largely a textural
11 consideration. But it does express a peculiar kind
12 of fruitiness which involves sort of cherry
13 qualities and flavor characteristics which are
14 associated with the fruit of cherries.

15 MR. GAHAGAN: Does that cherry quality
16 follow through into the wine?

17 MR. WINIARSKI: Yes, it does, in the
18 flavor.

19 MR. GAHAGAN: Are your wines a hundred
20 percent cabernet or are they blended?

21 MR. WINIARSKI: ~~They're blended with a~~
22 small amount of merlot. Each year is a little
23 different. In some years I want to supplement that
24 suppleness at the edge and I want to add merlot. In
25 some years it's not needed.

*Sometimes
Winiarski's
is Merlot*

1 MR. GAHAGAN: And the merlot comes from the
2 Stags Leap?

3 MR. WINIARSKI: Yes. That's also blended
4 with some cabernet, but also from the same vineyard.

5 MR. GAHAGAN: And this distinctiveness is
6 characteristic from all the cabernet grown south
7 from the hill? *Chimney Rock has
8 same characteristics*

8 MR. WINIARSKI: In all the grapes grown, to
9 my knowledge. One of the most recent ones are the
10 grapes from Chimney Rock. They're from the south of
11 Clos Du Val, and they express the same
12 characteristics.

13 MR. GAHAGAN: And those characteristics are
14 not in the fruit and not in the wines at the
15 cabernet immediately south of the Yountville Cross
16 Road across the street?

17 MR. WINIARSKI: Not in cabernet, that is.

18 MR. GAHAGAN: They are not?

19 MR. WINIARSKI: No. Well, I think there's
20 no cabernet grown there. *[Signature]*

21 MR. GAHAGAN: Thank you.

22 MR. DRAKE: Thank you very much.

23 Recognizing we have Mr. Heintz next, the
24 historian, and recognizing I have been through that
25 and found it very interesting, I'm going to take a

1 break now.

2 (A recess was taken.)

3 MR. DRAKE: Mr. William Heintz.

4 MR. HEINTZ: Good morning. My name is
5 William Heintz, spelled similarly like the soup and
6 pickles. Just add a "T" to it.

7 My father and mother took the relationship
8 very seriously. I'm one of nine children, and there
9 may have been some others that didn't survive.

10 I am a wine and viticultural historian, and
11 this is my seventeenth year in the business of
12 trying to separate wine mythology from wine history.
13 These two are often confused by many people.

14 Most of my time during the past 17 years
15 has been spent working right here in Napa Valley,
16 and I think that's been quite a record. I've
17 carried out in-depth research on more than 60
18 wineries that have been restored, or vineyards, and
19 most of this information is now being integrated
20 into a book which should have been published some
21 time ago, but is still looking for a publisher,
22 unfortunately. It's called "A Napa Valley Wine and
23 Viticultural History."

24 Maybe the reason I'm still looking for a
25 publisher is the difference between this book and

1 what passes for wine history books. Most of them are
2 called coffee-table books. I call mine a
3 door-stopper, because it is now seventeen hundred
4 pages and still going.

5 This is my fifth BATF Hearing in which I've
6 testified about the history of a proposed
7 viticultural area. Stags Leap is the fourteenth
8 viticultural petition to which I've contributed
9 historical background.

10 Seven years ago I participated in the first
11 public hearing held by BATF, and that was Napa
12 Valley. I now know that history does not repeat
13 itself, because I was told to limit our remarks to
14 ten minutes. Seven years ago I spoke for an hour
15 and a half. I thought maybe Mr. Drake remembered
16 that when you called me.

17 MR. DRAKE: I did.

18 MR. HEINTZ: I will try to limit my remarks
19 to ten or 15 minutes.

20 MR. DRAKE: We always have time for
21 historians.

22 MR. HEINTZ: Thank you. I would like to
23 state at the outset that I believe history strongly
24 supports the geographic boundary drawn by the Stags
25 Leap District Viticultural Committee, and I find

1 little historical merit for the Anderson request to
2 be included.

3 Stags Leap as a name for a viticultural
4 area in the Napa Valley dates back a full century
5 and, as a matter of fact, in just a few months the
6 name will be exactly a hundred years old. I base
7 this on a taped interview with Thompson Parker of
8 St. Helena that was concluded on November 4th.

9 Parker claims to have lived throughout this
10 century except the first six years. Parker, born in
11 1906, began coming here as a small child. His
12 grandfather owned property at Stags Leap and was
13 here, Parker told me, in 1888 when a man named James
14 Chase came to Napa Valley for a visit. He and his
15 grandfather founded the Chase Manhattan Bank of New
16 York, and the name appeared recently in a biography
17 by Gore Vidal in which the Chase names figure
18 prominently, because I believe he was Secretary of
19 Treasury during the second world war.

20 I would like to quote briefly from the
21 interview.

22 "Thompson: Horace Chase was staying at
23 Jackson's Napa Soda Springs resort and came to visit
24 my grandfather and asked him if he would sell a part
25 of his farm. My grandfather sold Chase the north

1 end of the Thompson ranch. Horace called it Stags
2 Leap, because he was hunting deer one day and this
3 deer was chased by dogs and leapt over the cliff.

4 Heintz: Did your grandfather tell you that
5 story? How did you first hear it?

6 Thompson: From Lucy Jackson, who visited
7 us years and years ago.

8 Heintz: The reason I'm asking you that,
9 did you ever know William Stagg, an Englishman who
10 lived on Silverado Trail?

11 Thompson: I've heard the name, but I did
12 not know him.

13 Heintz: Isn't it curious there should be a
14 man named Stagg, S-t-a-g-g, and it should be called
15 Stags Leap?

16 Thompson: Well, the story I've heard is
17 that they used to go over, before it was called
18 Stags Leap, they used to drive over to Napa Soda
19 Springs in horse and buggy. Then they would walk
20 and hunt deer. While they were coming over one
21 time, the dogs chased a deer over the cliff. That
22 is how it was called Stags Leap," unquote.

23 When someone can recall an incident like
24 that, I put more belief in its validity, and I'm
25 beginning to accept the story about Stags Leap as to

1 the original of the name with my story.

2 Incidentally, William Stagg settled on his
3 Silverado Trail ranch before Horace Chase arrived.
4 He died about 1902. I found his obit one day in the
5 Napa Register, and there are still relatives in Napa
6 city.

7 The area we now call Stags Leap District
8 had its own distinct identity long before several
9 hunters chased that deer. Now, I'm not speaking of
10 a political identity but of a viticultural identity,
11 which is really what we're talking about today.

12 We know, for example, that Stags Leap area
13 farmers had to vote in Yountville, because I've gone
14 through the list of registered voters, and we know
15 that the U.S. census placed most of those people in
16 the town of Yountville. But these voting boundaries
17 have nothing to do with viticultural boundaries.

18 And how do we know that? These people
19 formed a separate viticultural district or at least
20 what evolved as one. We know this through some very
21 reliable documents left behind by the Board of State
22 Viticultural Commissioners of California.

23 The board was created by an act of the
24 state legislature in 1880, and it functioned until
25 1895. It was so powerful that it controlled

1 everything dealing with the wine industry during
2 that 15-year period, including fighting phylloxera,
3 held conventions, wine tastings, and most of all
4 gathered statistics and published reports on the
5 growth of the city.

6 I believe one particular record of the
7 Board Of Viticultural Commissioners is really
8 extremely relevant here. This is an 1893 published
9 study of phylloxera damage in Napa County. It is an
10 historically excellent document, because it is a
11 vineyard-by-vineyard review of how much damage had
12 been done by the phylloxera. The formal study is ^{not} "Stags
13 called Report of the E.C Priber, Commissioner for ^{Leap"}
14 the Board of State Viticultural Commissioners of
15 California in Napa District. It places most of the
16 growers in the "Stags Leap District" under the City
17 of Napa, but the growers living along the Yountville
18 Cross Road and represented in Mr. Anderson's
19 petition to you are listed under Yountville.

20 When I first saw this many, many years ago
21 I wondered why this breakdown came about, because
22 they are quite close to Yountville. And I think I
23 stumbled across the reason for it one day,
24 researching the Napa Register and other documents
25 relating to the county history.

1 In the Napa and Sonoma Countys' directories
2 of 1889 and '90, and I cite this but one for an
3 example, many of the growers listed in the proposed
4 "Stags Leap District" viticultural area that
5 included Horace Chase and MacFarland and Thompson,
6 the grandfather of the man I just quoted, all are
7 shown as having p.o. boxes in Napa. The growers on
8 the other side of the Yountville Cross Road, right
9 here, or on both sides of the Yountville Cross Road,
10 rather, are shown as having addresses in
11 Yountville. And this struck me as being very
12 strange. I thought, well, great, they're registered
13 in Yountville; that puts them in Yountville; but the
14 other growers had p.o. boxes in Napa.

15 In 1880 a second viticultural association
16 was formed in Napa Valley. It was called the Napa
17 Wine Growers Association, and its focus was the
18 southern end of Napa Valley. There was one already
19 in St. Helena that had been formed five years
20 earlier.

21 The Napa Wine Growers embarked, in the
22 summer of 1880, on a project to gather statistics on
23 vineyard expansion in their particular region, the
24 southern part of Napa Valley. They did this by
25 creating a series of sub-districts within Napa city

1 or the southern part of Napa Valley, and selected a
 2 farmer living in each one to gather statistics on
 3 how many acres of vines were represented. We know
 4 through copies of the Napa register through the
 5 summer of 1880 that these districts were very
 6 clearly outlined and drawn, except in two or three
 7 cases. The "Stags Leap District," as to a clear
 8 definition as to its boundary, is missing, but we
 9 know that Terrell Grigsby, who owned most of the
 10 land in what constitutes the Chase-Thompson area,
 11 was selected as the gentleman to gather statistics
 12 for this particular -- I'm just up a little bit --
 13 for this particular area in here.

14 We know that, by looking at the grape
 15 growers along Yountville Cross Road, who are to be
 16 found in the other studies of the St. Helena
 17 district listed under Yountville, that these were
 18 still being listed under the Napa Wine Growers
 19 Association. This has to be the origin of the
 20 separate identity for the Stags Leap area, even
 21 though it wasn't going under the name at that time,
 22 because the winery founded by Horace Chase was still
 23 a few years off.

24 City, county directors and others complete
 25 this understanding that we have of the boundary

not known as "Stags Leap"
DV

1 line. And I've extrapolated a little bit to come up
2 with this definition.

3 I think there is a very good reason why the
4 farmers along the Yountville Cross Road, however,
5 paid no attention to Stags Leap or to the city of
6 Napa and its wine growers association formed in
7 1880. It was far easier for them to haul their
8 grapes into Yountville. That became the focus of
9 their interest.

10 There is solid evidence that the Napa River
11 was bridged as early as 1864. We know that there
12 were bridges across the Napa River and Conn Creek by
13 the 1870s. So anybody living along the Yountville
14 Cross Road could easily haul their grapes into the
15 many Yountville wineries. There were in the
16 vicinity of Yountville in this time period well into
17 the 1890s at least a dozen wineries which would
18 purchase their grapes.

19 Mr. Anderson claims in his petition to the
20 BATF that predecessor farmers on his lands, for
21 example, Mrs. Lycan, would have sold their grapes to
22 the Stags Leap winery or to the Occidental winery.
23 I believe one or two others in the petition claim
24 being told by family members that they sold their
25 grapes to Stags Leap wineries prior to prohibition.

1 I'm afraid this may be family mythology, with little
2 or no basis in historic fact.

3 We're talking of wine history that goes
4 back a long, long time, almost a hundred years, and
5 can become confused. This is the reason for my
6 strongly worded observation just stated. And let me
7 state why I've come to such conclusion.

8 In 1890, for example, there were close to
9 20,000 acres of grapes in Napa Valley, and the 1891
10 directory published by the Napa County Viticultural
11 Commissioners shows how many acres of grapes each
12 farmer had. They had shown on the phylloxera study
13 that Mrs. Lycan had 12 acres of grapes. Her
14 neighbors on both sides of the Yountville Cross Road
15 -- again, we're talking about principally in this
16 area in here and perhaps extending all the way to
17 this area, her neighbors had almost 400 acres of
18 grapes.

19 I believe someone said in one of their
20 letters to the petition to you that there were no
21 grapes grown on the north side of Yountville Cross
22 Road. This is distinctly not true.

23 The strange thing is that by the year 1900
24 there were only 3,000 producing acres of grapes left
25 in Napa Valley and county. In 10 years the

1 Phylloxera had almost wiped out the entire wine
2 industry in Napa Valley. And these statistics can
3 be verified in the records of the state and county
4 assessor's records.

5 Stags Leap winery, founded by Horace Chase,
6 had its first crush in 1893, just when the
7 viticultural industry was declining very rapidly.
8 We know it had its last crush in 1907, perhaps
9 1908. It survived barely, only fourteen years,
10 because few grapes were available. Now Chase tried
11 to found a second winery in Alexander Valley in
12 1895, and then went even as far as Contra Costa
13 County trying to find grapes to make wine.

14 The Occidental winery to which many people
15 claim they sold grapes, or ancestors did, had no
16 crush after 1900, at least that I can find after
17 hundreds of hours of research.

18 In other words, those individuals who claim
19 that their ancestors sold all their grapes to the
20 Stags Leap wineries, unless they have some document
21 verifying it, and verifying it in multiple
22 instances, I would be very very hesitant to accept
23 their recollections on face value. Neither the
24 Crellin family, which purchased the old Occidental
25 winery in 1915, or the Granges, which purchased

1 Stags Leap in 1913 ever made any wine.

2 After 1910 we come up to the solution to
3 the phylloxer. Rupestrias St. George and vineyards
4 started to replant rapidly thereafter, and by 1920
5 we had a wholesale return to the large wine or grape
6 industry of the county. In 1920 to 1925 we reached
7 back and achieved the same twenty thousand acre or
8 more status that we had in 1890.

9 And if you understand prohibition, you know
10 that during the Volsted Act, which implemented the
11 18th amendment to the U.S. Constitution, allowed
12 every family to produce 200 gallons of wine each
13 year. The price of grapes for the first time by
14 1920 passed a hundred dollars a ton. I don't know
15 of any year prior to that that it had been that high
16 priced. I don't know of any year when grapes sold
17 for higher than \$50 a ton.

18 I think that what can happen is individuals
19 who can recall their family selling grapes to Stags
20 Leap may get confused with the fact that in the
21 1920s everybody was growing grapes again and
22 shipping them back east, which was the large
23 market. And the wineries, of course, had closed
24 up. But there may be some historical confusion on
25 where their grapes went based on what they can

1 recall as a child in the early '20s.

2 I have read Mr. Anderson's remarks about
3 Yountville Cross Road as a land grant boundary. His
4 argument has no historical merit, for it would
5 really divide what constituted then, as it does
6 today, a special agricultural community. That is
7 what we have here on the both sides of the
8 Yountville Cross Road extending northward on the
9 east side, or the north side, all the way to the
10 Napa River, I would think, perhaps, extending to the
11 hills on the other side, a very clear and distinct
12 farming community.

13 We know that there were as many as 400
14 acres of grapes at one time, perhaps much larger.
15 And these neighbors -- and we're talking, again, of
16 the Yountville Cross Road -- these neighbors would
17 have been more inclined to help each other than they
18 would have down here, because they're just across
19 the road from each other.

20 The land grant of Caymus Rancho had no
21 bearing on how the neighbors had to help each other
22 out picking before a rainstorm. The owner of the
23 property in the 1880s was so proud of her proximity
24 to the Yount's ranch, the first vineyard planted,
25 and for whom the town of Yountville was named, she

1 and her neighbors were so proud of this association
2 that they paid no heed whatever to the Stags Leap
3 District. If you drive north to the Yountville
4 Cross Road, as soon as you cross the Napa River
5 you'll see what I mean.

6 This is one of the richest viticultural
7 areas historical areas in all of California. The
8 Lycans, the Lynns, and all their neighbors, they all
9 must have been very proud of their viticultural
10 heritage, for they were only a mile or a mile and a
11 half from below the original George Yountville
12 ranch. And next year, of course, we celebrate in
13 Napa County the 150th anniversary of the founding of
14 the vineyards.

15 I like to note that land grant boundaries
16 have not in the past determined the boundary of
17 viticultural areas, at least, none that I know of.
18 I testified in the Carneros viticultural area, and
19 that, of course, did not fall in the land grant
20 boundary.

21 I thank you for your attention this
22 morning.

23 Any questions?

24 MR. DRAKE: Thank you, Mr. Heintz. Very
25 interesting, as usual.

1 You mentioned in 1880 there was a St.
2 Helena growers' association that did some statistics
3 and did not deal much with the growers below --

4 MR. HEINTZ: That was founded in 1875, a
5 St. Helena viticultural association. Their name
6 changed. They gathered statistics religiously in
7 Yountville to Calistoga.

8 In 1880 there was some need to be better
9 represented in the southern part of the valley, and
10 a Napa wine growers association was formed with the
11 folks of Napa city, but they represented everybody
12 below Yountville. And they chose a peculiar
13 boundary we can determine precisely.

14 On the other side there was a man -- I
15 cannot find his name right here, but who lived over
16 in this area. He gathered statistics. And the Napa
17 register is very clear as to how far up, how close
18 to Yountville, his boundary extended. It extended
19 over to the Napa River.

20 Nearly every one of the sub-districts
21 created within the Napa Wine Growers Association is
22 clearly defined in the Napa register. Only two or
23 three are not. One of them is what later became the
24 "Stags Leap District." We know by extrapolating
25 from the statistics gathered for the St. Helena

1 organization, we know by deducting those areas which
2 are very clear and distinctly defined in the Napa
3 Register, and that's the only record left of them,
4 the ones that were left out, and one that was left
5 out very closely confirms itself with the present
6 "Stags Leap District."

7 I believe it followed the Napa River, it
8 probably came down here quite a bit further,
9 obviously, but followed very closely.

10 MR. DRAKE: Did the St. Helena statistics
11 include those on the south part of the Yountville
12 Cross Road?

13 MR. HEINTZ: They had to, because those
14 names are not a part of this definition. And, more
15 importantly, let's go back to the 1893 phylloxera
16 study. The phylloxera study has all of the major
17 growers in here under the city of Napa. They still
18 looked toward Napa and the Napa wine growers for
19 their leadership, rather than to St. Helena.

20 Now, Yountville had a much more direction
21 which was toward St. Helena. These people in the
22 1983 phylloxera study are shown as being part of
23 Yountville.

24 MR. DRAKE: You also mentioned in 1864 a
25 bridge across the Napa River. Was that at the

1 Yountville Cross Road?

2 MR. HEINTZ: About a mile further north.
3 Before there was a Yountville Cross Road the
4 Yountville train crosses here, and there's an
5 historical site here. And the first bridge across
6 it was right here.

7 I have other -- plenty of documentation if
8 you question the fact that there were bridges built
9 from the 1870s on right here, so there was no
10 question of their getting to Yountville to deliver
11 their grapes.

12 MR. DRAKE: Those were the points I was
13 looking for.

14 MR. HEINTZ: Thank you.

15 MR. DRAKE: I'm not sure if it's in the
16 petition or in Mr. Anderson's petition, but north of
17 the Yountville Cross Road, I thought it was marshy
18 north of there, where ducks were hunted.

19 MR. HEINTZ: You know, I also have to tread
20 on very careful ground as an historian, because
21 people make claims like this.


22 But if you pick up the 1893 viticultural
23 study, the phylloxera study, if you take the
24 directory of grape growers put out by the
25 commissioners in 1891, and then you take this

1 propertyholders map from 1895 or take a
2 propertyholders map from 1915, and you start to
3 study, you go who owned this piece of property here,
4 and you will find that there was a man named Lynn
5 there and others, and then Lycan, and you trace the
6 ownership, you see the names showing up
7 consistently. And I did this.

8 I studied all of these growers in here, I
9 studied all of these people in here. When Mr.
10 Anderson claimed that most of his neighbors or his
11 predecessors would have hauled to Stags Leap, I said
12 why wouldn't they haul it to the Emil Bressard
13 winery here? They are here. And, of course, I
14 studied all these wineries here. There was a major
15 winery up in Rector Canyon. Here's Rector Creek
16 right up in here. There was a major winery operated
17 in the 1890s and founded back in the 1870s.

18 I started when I was doing some research
19 for the coming anniversary for the planting of
20 viticulture. George Yount's first grapes were
21 planted here. His original winery was right here,
22 not more than a mile and a half. At one time there
23 were 240 acres of grapes owned by the Fryes, who
24 bought the property, 240 acres of grapes where they
25 were down here.

1 We don't know precisely. I've taped and
2 talked with oldtimers. It could have been in here,
3 but all of these people showed in green had
4 vineyards, and I know exactly how many acres they
5 would have in grapes.

6 1891, 1895, even, the Napa register sent a
7 reporter out on horseback, rode every route. And
8 one of the old routes was Silverado Trail, and he
9 describes all the wineries. He comes here, down
10 Yountville Cross Road, and describes these people,
11 and he said most of their vineyards are gone. This
12 is a phrase that you see and read frequently. Oh,
13 no. There were many acres of vineyards here on the 
14 other side. This was not marsh.

15 MR. DRAKE: State Lane comes down off the
16 Cross Road?

17 MR. HEINTZ: State Lane is one of the
18 roads, that's right. I have no idea how close to
19 the Napa River they would have planted this, because
20 we don't know the geography. But we know, again,
21 that because of the relationship to George Yount and
22 the founding of vineyards, I suspect this is why
23 these people kept their mailing and p.o. in
24 Yountville rather than looking, as these people did,
25 toward Napa. The relationship was an agricultural

1 community, which may have died out when the
2 phylloxera destroyed most of these vines -- not died
3 out, but may have declined.

4 Now, I would like to see these people,
5 newcomers who have moved in here, restore the same
6 kind of community as existed back in the 1890s.

7 MR. DRAKE: Thank you.

8 MS. RENNECKAR: With regard to the people
9 that look to Yountville, what about in the area just
10 above that northern area, there are some vineyards,
11 Egan, some others. Would they have looked to --

12 MR. HEINTZ: What area are you talking of?

13 MS. RENNECKAR: It would be just before
14 that northern --

15 MR. HEINTZ: The green right in here?

16 MS. RENNECKAR: I guess so, yes. Would
17 they have looked to the Yountville --

18 MR. HEINTZ: Nothing in history,
19 especially, is black and white. Maybe Richard
20 Mendelson made some allusion to this. I believe
21 James Salmina, who owned lands in this area,
22 apparantly stayed the winters in Yountville. He was
23 an exception. But he only represented what
24 constituted about 15, 20 acres of land.

25 MS. RENNECKAR: Another question about the

1 ownership in that 1893 report.

2 MR. HEINTZ: Phylloxera study.

3 MS. RENNECKAR: Right. Does the area that
4 is just between the northern boundary that denotes
5 little hillsides represent a split between the
6 owners of those vineyards, or did someone own the
7 vineyards north of those hills at the same time, the
8 same ownership?

9 MR. HEINTZ: I have a suspicion that these
10 areas have stayed the same all the time. I don't
11 believe that the Anderson property, which is a
12 hundred acres, was any different under Lycan, I
13 don't know.

14 MS. RENNECKAR: So Lycan had that before.
15 Did he only own that property and not to the south?

16 MR. HEINTZ: That's right. He owned no
17 property to the south when it was owned by the
18 predecessor, named Lynn. Lynn owned half of Napa
19 Valley at one time. There were large orchards up
20 here owned by Lynn.

21 MS. SLATTERY: One more question. The Napa
22 Wine Growers Association, you said they created
23 sub-districts, but you said there were no clear
24 boundaries, but what's now what is called Stags Leap
25 District --

1 MR. HEINTZ: There were no published, clear
2 boundaries. We know there were boundaries by
3 extrapolation. We know what the boundaries were of
4 all the other sub-districts, with the exception of
5 Brown's Valley, which lies over here.

6 Stags Leap -- I don't know what the third
7 one was, but when you take the boundaries which were
8 in the Napa Register and in my letter to you of the
9 21st, I have all the Napa District which were
10 relevant, and the boundaries were very clearly --
11 they followed Soda Springs here, and the Napa
12 boundary here.

13 Maybe I should have done more homework. I
14 should have prepared a map showing specifically
15 where these boundaries were, as outlined clearly in
16 the Napa register, which was merely repeating what
17 the growers themselves had chosen. That would have
18 left the Stags Leap boundary as one that hadn't been
19 described in its precise terms in the newspaper.
20 But we know exactly what it is, even though it
21 wasn't listed.

22 MS. SLATTERY: And do you know that was
23 only one sub-district as opposed to two?

24 MR. HEINTZ: It has to be one because
25 Terrell Grigsby represented it, and there was no

1 other person -- that's part of the secret. They
 2 selected an individual, prominent farmer, in each
 3 one of these sub-districts. The names are there.
 4 Mr. Este, who ran for governor, the only time a
 5 vintner almost made it to the governor of
 6 California.

7 But this was a very prominent farmer, and
 8 Terrell Grigsby, who owned so much land here, was
 9 right in the center of it. And there's no
 10 possibility this could have been broken down into
 11 the second, no.

12 MS. SLATTERY: Did the sub-districts ever
 13 have names?

14 MR. HEINTZ: No, not formally.

15 MR. DRAKE: Thank you very much.

16 Mr. Nathan Fay.

17 MR. FAY: Good morning. My name is Nathan
 18 Fay. My wife and I have lived in the Napa Valley
 19 since 1951. We purchased our ranch on the Silverado
 20 Trail in the Stags Leap District in 1953 and built
 21 our home there in 1956, and have lived there ever
 22 since.

23 In 1961 we planted cabernet sauvignon on
 24 our ranch property, as this variety was recommended
 25 to us by Jim Lider, who was the Napa County Farm

*Wife Fay
 bought ranch in
 Stags Leap area
 in 1953*

1 Adviser, and by Robert Mondavi and some other
 2 people, as probably being the best variety to plant
 3 in this area.

4 At this time there were very few cabernet
 5 vines planted in the Napa Valley and as late as 1966
 6 when the agricultural commissioner separated the
 7 grapes by variety for the first time, there were
 8 only 682 acres of cabernet in the whole of Napa
 9 County. Now there are well over 5,000 acres of
 10 cabernet.
 1166-682 acres
 of cabernet -
 today - over
 5000 acres
 of cabernet

11 I personally have farmed my own vineyard of
 12 some 75 acres as well as taking care of five other
 13 smaller vineyards in the proposed "Stags Leap
 14 District," as well as several other places in the
 15 Napa Valley. I worked my vineyard for some 26
 16 years, and just recently sold the vineyard to my
 17 neighbor, Warren Winiarski.
 Note Kay
 has 75
 acres
 of
 grapes

18 Working my vineyard during the day and
 19 sulfuring and frost protecting during the night, I
 20 have become very familiar with the temperature and
 21 the seasonal differences. On frosty nights during
 22 the spring the proposed district is a little warmer
 23 than the main Napa Valley to the east around the
 24 town of Yountville, and during the growing season
 25 the cool breezes off the bay enter our area from the

1 south, creating a moderating influence.

*Moderating of
In Area 80
San Pablo Bay*

2 This cool drift is confined by the range of
3 hills to the east and the west and cut off somewhat
4 by the small hills on the north of the Stags Leap
5 proposed district. The land south of the "Stags
6 Leap District" is influenced by the broad plain of
7 the Napa Valley.

*Area
South of
Stags Leap*

8 The area north of this district is
9 influenced by the hills to the east and by hills
10 which form the northern boundary of the district.
11 These hills form a kind of barrier to the breeze
12 from the south so that the bowl's extension is
13 really part of the broad Napa valley.

14 The exposure to the north in that extension
15 is just the opposite to our exposure in the "Stags
16 Leap District." The area to the north has much more
17 in common with the vineyards on both sides of the
18 Yountville Cross Road than it has with the "Stags
19 Leap District." I placed thermometers about my
20 vineyard and other vineyards I have taken care of,
21 so I am aware of these differences. And the effect
22 they have as temperature all through the growing
23 season is one of the main factors concerning grape
24 quality.

25 This factor of the "Stags Leap District"

1 being open to the cool bay breezes only on the south
2 in direct line with the bay, and sheltered on the
3 east, north and west, is one of the main reasons our
4 area is different and unique.

5 I no longer have any vineyards, but I can
6 see where the consumer would want to see special
7 areas named that have a great deal in common rather
8 than being too diversified.

9 Thank you.

10 MR. DRAKE: Thank you, Mr. Fay.

11 Any questions?

12 MR. GAHAGAN: What varieties do you grow or
13 did you grow in your vineyard?

14 MR. FAY: Mostly cabernet sauvignon, and
15 then I put in some chardonnay and merlot. And then
16 in the front field I put in sauvignon blanc.

17 MR. GAHAGAN: Thank you.

18 MR. DRAKE: Thank you, Mr. Fay.

19 Deborah Elliott-Fisk.

20 MS. ELLIOTT-FISK: My name is Deborah L.

21 Elliott-Fisk. I won't spell it. I've given my card
22 to the hearing reporter.

23 I'm an assistant professor of geography and
24 also a member of graduate groups of geography and
25 earth science at U.C. Davis.

1 I'd like to, basically, introduce you to my
2 perspective in terms of looking at the "Stags Leap
3 District" as a viticultural area of my topic, and
4 then address certain aspects of the geographic
5 district.

6 Geography is a science that describes the
7 physical characteristics of the landscape, the
8 landscape being both the natural and physical
9 features that we see of the landscape. What I'd
10 like to do, then, is present the "Stags Leap
11 District" as an unique geographic area.

12 Next please.

13 Physical geographies are concerned with the
14 study of the natural features of the landscape as
15 opposed to the cultural features, and we integrate
16 all the information that we see about the natural
17 landscape to describe these areas.

18 Next please.

19 In fact, in a lot of our work we try to
20 view different geographical areas as what I term
21 functional systems. I can think of an organism
22 being a system that has integrated organics, body
23 parts, receives energy from food, etc. We can think
24 of a geographic area also as a system.

25 The next, please.

1 In designing geographic systems, we work
2 with many different types of information,
3 information on the vegetation of an area, the
4 regional and local climate, soils geology
5 geomorphology, etc. And we can make maps of these
6 different aspects of the landscape and stack them up
7 in a layer cake fashion to see if an area is
8 different from its surroundings.

9 Next please.

10 I think we can view the "Stags Leap
11 District" and its proposed boundaries as a system.
12 I hope to convince you of that here today.

13 Next please.

14 If we define the "Stags Leap District" as a
15 system, first there has to be some source of energy
16 for this unit of the landscape, and the sun is the
17 primary source of energy for the earth. The sun is
18 also the primary source of energy for the
19 grapevine.

20 We can then also look at the structure of
21 the "Stags Leap District" system, look at the
22 vegetation, its soils geology, etc., and by looking
23 at all these integrated components and tying them
24 together, we should be able to draw boundaries and
25 establish, again, "Stags Leap District" as a unique

1 geographical, and, in this case, also viticultural
2 area.

3 Next, please.

4 Can the panel see the pictures okay with me
5 standing here?

6 I'd like to remind you again that we need
7 to focus some of our attention on the grapevine and
8 on grape quality.

9 Next please.

10 And to do this, conceptually we can think
11 of having our vine or whole plant in the center
12 here. Most plants, nuturing plants, produce fruit,
13 and grapevines produce grapes. The growth of this
14 plant and the quality of the fruit are dependent on
15 characteristics of that plant's environment. We can
16 break this up into the surface environment,
17 everything above ground level, and the subsurface or
18 ground environment.

Surface &
Subsurface

19 People have been asking questions about
20 climate, about air channeling through this inverted
21 funnel of "Stags Leap District." We need to be
22 concerned about the surface environment, about the
23 regional climate we have here in Napa county as a
24 whole, and about the more local topo or micro
25 climate we have in "Stags Leap District." This

1 will, of course, affect the growth of the plant, the
 2 length of the growing season, the quality of the
 3 fruit in terms of the subsurface environment.

4 The two most important characteristics of
 5 this environment we have to look at are the soil,
 6 which we've talked about a little bit here, and the
 7 geology and the geomorphology of the organic
 8 environment, volcanic rock, sediment, tar, etc.

9 The geomorphology is pretty much the same
 10 as topography, the looking at or the lay of the
 11 land. One of the more important is of an arrow that
 12 goes from the land or the geomorphology to the
 13 soil. The soils are derived from the bedrock to
 14 other materials. They are linked to the geography
 15 or geomorphology of the area.

16 Next, please.

17 First let's look at climate, then
 18 vegetation, then soils, then geology and
 19 geomorphology. Then we'll tie them up at the end.

20 In terms of climate, another person is
 21 going to talk more about this. I didn't want to
 22 leave it out completely, so I want to remind you,
 23 here we're in a Mediterranean climate: summer, dry;
 24 winter, wet, in almost all of California, I think,
 25 including Napa Valley and the "Stags Leap"

1 District." But I strongly believe that the "Stags
2 Leap District" has a unique topo climate.

3 Okay. This is a valley within a valley,
4 and it's almost an isolated basin. As has been
5 pointed out previously, the southern, broad part of
6 the valley is open to sea breezes off San Pablo
7 Bay. Land sea breezes are typical things you find
8 in coastal locations.

9 Slope aspects are also important here. *Slope*
10 Does the slope face north, east, west or something
11 in between? This really influences incoming direct
12 solar energy. How much energy is available for
13 these plants to grow, for these plants to mature?
14 So slope aspect is very important here.

15 What I use as evidence of this unique topo
16 climate is the vegetation we see in the "Stags Leap
17 District." It's a proxy indicator of the climate.
18 I'll talk about that more in a moment.

19 Next please.

20 This is a view looking south down what I
21 will call Stags Leap Valley from above John Shafer's
22 winery, which is not the northernmost of the hills,
23 but close to the northern boundary. And you can see
24 here, the slope is on both sides: again, this
25 concept of a valley within a valley looking south.

1 So the breezes would be coming off San Pablo Bay and
2 blowing in a northerly fashion up through this
3 valley.

4 Next please.

5 I said the vegetation is a proxy indicator
6 of climate. Well, let's take a look at this. The
7 dominant type of vegetation, or what I will call
8 here a community, in eastern Napa Valley at
9 elevations up to a thousand feet is referred to as
10 an oak-madrone woodland.

11 In fact, you see this type of vegetation
12 all over Napa county. It's a mixture of a couple of
13 different types of trees with a lot of different
14 grasses and weeds, weedy plants, growing down on the
15 ground level. What we see in the "Stags Leap
16 District" is an increase in the density or the
17 number of trees on these hilltops. And this, to me,
18 indicates an inception or entrapment of this air
19 coming off San Pablo Bay.

20 Trees need a lot more moisture to survive
21 than grasses and some types of shrubs. So the
22 density of the woodlands, actually, which changes
23 into a forest on these hills that ring the "Stags
24 Leap District," indicate a unique topo climate.

25 In fact, in some places we go around from

trees
hilltops
on

1 this oak-madrone woodland into a forest which at its
2 greatest height is a conifer or hardwood pine. And
3 I'll show you a couple of pictures of that.

4 Next, please.

5 There is a map of the woodland community in
6 the "Stags Leap District" area, and there's a copy
7 of it in your handout. The blue areas are in
8 conifer hardwood forest on this southerly hill, and
9 then on this long rock outcrop that I refer to as
10 the Pine Ridge Hill, much to Gary's delight,
11 probably, here.

12 So here we have a very dense application of
13 the hardwood conifer forest. We also have a madrone
14 forest, and I apologize for the lacking of contrast
15 in some of my drawings here. This area. Very dense
16 lush forest, a madrone forest.

17 Other types of vegetation include a dense
18 oak forest on this outcrop on these hills, including
19 the hill that fronts the Anderson property, and
20 oak-madrone, the light green elsewhere, and a pine
21 woodland which has been destroyed in many places
22 down by the Napa River. To me, these forest
23 woodlands and dense woodlands, again, indicate
24 entrapment of marine air.

*entrapment
of
air*

25 This next, please.

1 This shot was taken from the Silverado
2 Trail. These are some of the Mondavi vineyards.
3 We're looking to the northwest. This is the Pine
4 Ridge Hill, and you can see the dense vegetation
5 here again, indicates more moist conditions.

6 Next please.

7 This is a shot up on top of the Pine Ridge
8 Hill. Okay. The largest rock outcrop in the "Stags
9 Leap District" of this madrone forest; very dense,
10 very lush.

11 Next please.

12 And then you can look up in some places and
13 there's a mixed fir-pine forest. These conifers
14 need more moisture than the oaks and the madrones,
15 so these indicate that this is a wetter site.

16 Where is the moisture coming from? It's
17 coming from these sea breezes that are being
18 trapped. That's the only possible difference.
19 There isn't enough orographic uplift to indicate
20 increased precipitation, so it's really fog
21 entrapment.

Fog
entrapment

22 Next please.

23 So that's vegetation. Now let's take a
24 look at soils. From the past reports, perceivings
25 of the Committee's deliberations that I've read,

1 soils have been kind of a focal point. Does the
2 Stags Leap have unique soil?

3 We need to remember at the outset that a
4 soil is not the same as what people call dirt or a
5 pile of sand, or whatever. It's a mixture of
6 organic or dead plant material with mineral matter,
7 soil from the bedrock and different types of
8 formation processes, etc. We should remember here
9 that the soil is simply a surface veneer over the
10 underlying sediment and bedrock.

11 The soils are relatively thin in the Napa
12 Valley, one to two meters, typically, occasionally
13 three. And most woody plants -- and this is talking
14 about woody plants around the world, and it includes
15 grapevines here -- are rooted not only in the soil
16 but in the subsoil as well.

17 The roots extend below the soil or the
18 topsoil. So what's down there below what we're
19 talking about, the soil is very important for the
20 growth of the plants.

21 Another point that I'd like to make here is
22 that the soils that we see are a function of several
23 things: climate, living organisms, including
24 earthworms around the vegetation; parent material,
25 bedrocks or sediments; topography, steep surface or

what soil is 2.15

1 flat slope, and time.

2 Soils formed through time, as time
3 processes the soils, changes the texture, changes
4 how much clay it has in its properties for plants.

5 Next, please.

6 Soils. Incredible. The "Stags Leap
7 District." And my map extends here across the
8 analyzed property, across the Yountville Road and
9 also south of the proposed boundary toward Soda
10 Canyon.

11 This area contains a very large suite of
12 soils, many types of soils. You may ask here what
13 about soils where the vineyards actually are? Those
14 would be pretty much in the valley bottom and along
15 some of the lower hip slopes. Well, where the
16 vineyards are there still are a diverse variation of
17 soils. We're still not talking just about Bale clay
18 loam.

19 Bale clay loams on this map are designated
20 by numbers 104, 105, but it's basically dark yellow
21 shade coming up through Stags Leap Valley, if I can
22 call it that, and then swinging out south of the
23 hills at our northern proposed boundary. It's been
24 mapped here on the Anderson property and extending
25 north across the Yountville Road, and as pointed out

1 earlier, Bale clay loam soils are very common in
 2 Napa county, and also found in other counties along
 3 the state.

*diversity of
soils in
area proposed*

4 Next, please.

5 A diversity of soils, these are all the
 6 soils that are found in the "Stags Leap District,"
 7 just the district as proposed. A lot. And if
 8 anybody would like a copy of that, I'd be glad to
 9 mail you one.

10 Next, please.

11 This is a summary of the soils. Let me
 12 point out here there are 31 different soils series
 13 that have been mapped in Napa County. 45 percent of
 14 these show up in "Stags Leap District."

15 Now, if we look at the dominant Stags Leap
 16 soils, Bale clay loam is dominant on the valley
 17 floor, the ²¹¹⁰ Boomer-Forward-Felta complex is dominant
 18 on hill slopes, and several soils, including Boomer
 19 gravelly loam, etc., are dominant on the hillsides.
 20 So we really have three main types of soils. This
 21 relates to slope position.

22 What about outside our proposed boundaries,
 23 north, southeast, west, and there have been comments
 24 about using the Napa River as the boundary from the
 25 west.

1 First of all, west of our boundary our far
2 overwhelming dominant soils are (Cole) silt loam.

cole silt
not
type
silt
must
river

3 Cole silt loam is not found within the "Stags Leap
4 District." It's related to a different type of
5 geomorphic unit that I'll describe later on.

6 Each of our boundaries up on to the Napa
7 Valley Mountains, we have shallow soils and rock
8 outcrop-Hambright complex on very steep slopes.

9 South of our proposed boundary we have
10 different types of soils, again related to different
11 geomorphic bedrock types: Haire loam, Coombs

still with
proposed
area

12 gravelly loam, and Hambright-Rock outcrop complex
13 dominate to the south and to the north. And this is
14 an important point. Here we do have Bale clay loam,
15 but amongst several others, Cortina and others, that
16 are gravelly loam. I don't mean loam which I would
17 say lives where I do, in Davis, etc.; lots of
18 different types of soils to the north.

19 Okay. There are some different types in
20 the ground, but we need to remember that "Stags Leap
21 District" itself is very diverse in terms of soils.

[Handwritten scribbles]

22 Next, please.

23 I'd like to make a personal comment. I did
24 some cursory examination of soils in and out of
25 Stags Leap, especially to the north. This is a shot

1 through part of the Phelps vineyard in about the
 2 mid-section of the valley south of Warren's winery.
 3 And you can see here, look at the color of the soils
 4 and texture. Pretty much rock free. These form
 5 from old river sediments. That soils map, the
 6 description in the Napa County survey for Bale clay
 7 loam, the color matches, the texture, etc. So I was
 8 happy to see that.

9 Next slide.

10 This is a picture of soils to the north.
 11 And I should tell you exactly where this is, and let
 12 me go to the map over here for a second.

13 I did not go on to the Anderson property or
 14 any of this land, just to avoid potential
 15 conflicts. I've taken many photos of this area,
 16 worked with different types of maps, but I sampled
 17 soils up here on State Lane-Caymus Avenue that are
 18 mapped as being the same soils as are on the
 19 Anderson-Weeks property, etc. This is a shot of
 20 these soils.

21 Look at all these boulders. The surface
 22 here is also very much darker. I took samples of
 23 these soils back to my lab. They do not match the
 24 description for Bale clay loam. In fact, they do
 25 not match the description for anything that turns up

*all the
 soil north
 of crossroad
 not bale
 clay loam*

1 in the Napa soil survey. They are very sticky. The
2 colors are very dark.

3 I have numbers I can give you on that if
4 anybody's interested. It's not the same. Okay?
5 But this is not on the Anderson property; but I
6 think the Anderson soil, at least near the road, is
7 just like this. I walked the Anderson property and
8 looked, didn't touch, just looked. So, in my
9 opinion, this area has been incorrectly mapped.

First area was incorrectly mapped
SLY

10 Lastly, here, I'd like to talk about
11 geology and geomorphology. And, briefly, the Napa
12 Valley and the "Stags Leap District" have formed
13 over a long period, over about the last one hundred
14 million years.

15 Some of the rocks we see here today were
16 deposited as sediments off of the coast offshore and
17 some of these show up on the Pine Ridge Hill. So we
18 had deposition offshore. These rocks were later
19 folded, became the terrestrial surfaces, and we had
20 an early shallow Napa Valley formation. This was
21 followed years ago with volcanism that laid down the
22 volcanics. This was followed more recently by
23 different periods of earthquake activity and
24 faulting, which resulted in a number of hills being
25 pushed up in the Napa Valley, including the

1 Yountville hills here.

2 Then, later in time, during the last one
3 million years, we had the Napa River really carve
4 out the landscape. In the past, the Napa River was
5 much larger and had a much higher discharge than we
6 have today. For example, one million years ago we
7 had an icecap in the Sonoma Mountains. There must
8 have been a much larger river, a big, raging
9 stream.

10 So the river eroded and cut the valley and
11 cut these little rock hills we see here today,
12 modified their shape. Climate has changed a lot in
13 the last million years. The river has changed, the
14 sea level has changed of San Pablo Bay, and this has
15 resulted in sediments being deposited. The tide in
16 San Pablo Bay, by the Napa River and by minor
17 streams, these sediments have been deposited over
18 varying periods of time. And we can identify these
19 different little land surfaces that were formed by
20 deposition at different time periods.

21 Next please.

22 There's a lot on that slide. I apologize
23 for that. So before we look at the geomorphology
24 let's look at the geology. This was compiled by a
25 preliminary map done by the USGS of part of Napa and

1 Sonoma counties.

2 The only thing I want to point out here is
3 the east side of the mountains are dominated by
4 volcanic rocks that our southern boundary here
5 matches nicely from, andesites and rhyolites.

6 Andesites and the andesitic rocks continue all the
7 way up to Rector Canyon Reservoir. There are
8 outcrops of rocks forming some of the hills.

9 Then we have some older marine sedimentary
10 rocks also in green, that also form some of our
11 hills.

12 The yellow areas are river and fan
13 deposits. I'll get to them in a minute.

14 So we mostly have volcanic rocks which
15 distinguish the east side of Napa Valley.

16 Next, please.

17 Now this is a favorite of mine, and one
18 I've talked to a lot of people about. I've done a
19 lot of work in areas reconstructing past
20 environments, and I saw the topo sheet of Stags Leap
21 and said immediately to Richard, Oh, the Napa River
22 went through here. This is very obvious in looking
23 at the contours of the topo sheet, a former channel
24 of the Napa River. And I'll show you a slide, too,
25 in a second here.

1 In fact, the Napa River meandered all
 2 through the Napa Valley. It cut beyond the
 3 Yountville hills where we are right now. Following
 4 this time alluvial fans were deposited by the *alluvial*
 5 streams coming off the mountain front in different *fans*
 6 places.

7 This is what I'm calling the Rector Canyon
 8 fan. This is an alluvial fan that's younger than
 9 this surface. This surface has not been covered by
 10 series of younger alluvial fans, because, basically,
 11 the strength of these andesitic rocks, the structure
 12 is such on these mountains that these rocks are not
 13 easily eroded in time and they haven't formed
 14 sediment fans on this old surface.

15 If you'll note here, my boundary comes
 16 along this side of these two hills that are the
 17 northern boundary. It's a perfect match. It's not
 18 something I made up, it's something I saw by looking
 19 at the match and checking in the field. *she said she didn't go on property*
 20 *she said she didn't go on property* *southern boundary*

21 The Chimney Rock fan also substantiates the
 22 boundary. The southern boundary is the Soda canyon
 23 fan. It's outside the area.

24 For the west we have the Napa River, its
 25 flood plain and terraces, and then a series of fans
 of different ages that come off the mountains to the

1 west of us here, including the Dry Creek Fan. And
2 this is the large surface that is dominated by these
3 Cole silt loams. It comes from sedimentary and
4 volcanic rocks to the west. A real good western
5 boundary, in my opinion, the outcrops here.

6 Next, how do I know the Napa River went
7 through here? After looking at the topo maps I went
8 out in the field and saw the flat surface by Robert
9 Mondavi's house. This is a terrace that was cut
10 when the river was at this level, approximately 250
11 feet. Also, at that time, sea level was much
12 higher.

13 On Warren Winiarski's property he has a
14 similar terrace. This is evidence that the river
15 meandered through here and cut these hills. This is
16 not a faulted surface. There are faults in the
17 area, and this is not a faulted surface.

18 Next, please. So this is real exciting to
19 me in terms of research, trying to determine what
20 happened here.

21 This is a section of our topographic map,
22 and this is Rector Canyon Reservoir and the fan
23 formed below there. These would be our two
24 contested hills here. Why does this fan form here?
25 Why don't we have this type of unit that's formed

1 over the "Stags Leap District" valley? Well, the
2 rocks here are much less resistant to erosion. We
3 can think of this as a mini Grand Canyon. That
4 indicates a contrast between rocks that are very
5 hard and rocks that are very soft. It's my guess
6 that there are a series of volcanic flows in here.
7 It's been stripped by erosion, New Rector Creek,
8 over time, probably the last hundred fifty thousand
9 years.

10 Next, please.

11 To illustrate what alluvial fan deposits
12 look like versus river deposits, I want to show you
13 this schematic.

14 So we have a canyon up valley, here, with
15 flash flood storm events, intense precipitation,
16 sediment is flushed out on to the valley floor. So
17 you can think of this happening during an intense
18 rain-thunder storm.

19 With this much energy, big boulders carried
20 out on to the alluvial floor. So they are composed
21 of very large rocks with very fine material, so kind
22 of a mumbo-jumbo. You can have layers of different
23 deposits with the fines being deposited out at the
24 very outer edge of the fan.

25 Next, please.

1 I went to Bob Egan's into the borrow pit
 2 which was the source of material for the Rector
 3 Canyon Dam to try to look at the cross-section of
 4 sediment through the dam to see were there really
 5 all these boulders there. What kind of a fan was
 6 this? *bouldery*

7 This is a cross-section. Look at all the
 8 rocks there, very bouldery. In fact, if you drive
 9 along this part of Silverado Trail and other parts,
 10 you see these boulder fences. These were formed
 11 where there are fans, predominantly.

12 Next, please.

13 This is a schematic of river sediments.
 14 Rivers move slowly, don't have as much energy as
 15 these streams during these flash-flood events. They
 16 can remove fines, occasionally can carry big
 17 boulders. So we see here fines laid down over a
 18 period of time.

19 Next, please.

20 As the river speeds up and slows during the
 21 year, different sizes of sediments are transported.
 22 This slide shows the section of old Napa River
 23 sediments along the Silverado Trail in the proposed
 24 "Stags Leap District." A large boulder is seen
 25 here, surrounded by finer material. These are

1 typical river sediments.

2 Next, please.

3 What about this theory for the old Napa
4 River that went through Stags Valley? This is old
5 Silverado Vineyards on Silverado Trail, a road cut.
6 And these are old Napa River sediments. This is not
7 rhyolite, which dominates the slope here. In fact,
8 underneath is silt stone and shale on the USGS
9 geologic map, with very fine sediments.

10 Look at the next slide.

11 Here a large, rounded rock, using my lens
12 cap for a scale, maybe something like ten inches
13 round. That rounding testifies to that boulder
14 being tumbled, carried by a stream, and the fines
15 that surround it are stream deposited sediments. So
16 there's evidence like this for this former Napa
17 River channel in addition to these channels being
18 cut.

19 Next please.

20 To get back to our grapevine again, how
21 does this all tie into the grapevine? And I
22 apologize for my lack of graphic artist ability.
23 We're going to have differences in the depth and
24 texture of the soil on fan surfaces on this old Napa
25 River channel. The soil should be better developed

1 on the old Napa River channel. The soil surface has
2 been there longer, more time for the soil to
3 develop.

4 There are also differences in the subsoil,
5 this is not that well depicted here, but larger
6 boulders on the fan underneath and consistently more
7 fines underneath the river deposit soils. So this
8 should affect the vine and it therefore should also
9 affect what we see as a quality of the fruit.

10 So I believe, as a geographer, we can tie
11 together these different types of data: the topo
12 climate, the vegetation, the soils and the geology
13 and geomorphology, to say that this area is
14 distinct. And it may be one of the most distinctive
15 areas in Napa County, period.

16 I'd like to end with that and take any
17 questions.

18 MR. DRAKE: Thank you. I'm going to take
19 this as Exhibit 5. It's very well done. Even I can
20 understand it.

21 MS. ELLIOTT-FISK: Good.

22 MR. DRAKE: Can you show me over here where
23 the Napa River channel would have been? I'm
24 accustomed to that map.

25 MS. ELLIOTT-FISK: One thing we need to

1 remember is that the Napa River meandered all
2 through this valley through time, but where it's
3 best provided today is through the Yountville hills,
4 and then right through here down to where the large
5 Soda Canyon fan builds over it and the Dry Creek Fan
6 and the Rector Canyon Fan.

7 MR. DRAKE: So it did come in below the two
8 --

9 MS. ELLIOTT-FISK: Yes. It came right
10 through here, and also right here. And the section
11 I showed the road cut, where I sampled the sediments
12 and determined that they were river sediments, is
13 right in here. Okay. And there's good evidence
14 that the water came right through here, cut a
15 terrace here, cut a terrace here, and cut a terrace
16 here. And they're all about the same height, so it
17 probably happened at the same time.

18 MR. DRAKE: The hills to the north part,
19 there, that the green line crosses through, you said
20 those are outcroppings? *outcroppings*

21 MS. ELLIOTT-FISK: Those are outcroppings
22 of volcanic rocks, yes ~~rhyolite and andesite~~. The
23 hills themselves are locations of outcroppings of
24 andesite and rhyolite. In fact, there are a number
25 of faults that cut these surfaces and put these two

1 rock types together. Like, there's a difference in
2 a hundred million years in when they were formed.

3 Fun stuff.

4 MR. DRAKE: Historians and geographers can
5 have the same amount of time from now on.

6 MS. ELLIOTT-FISK: I'm sorry.

7 MR. DRAKE: No. I didn't mean it that way.

8 MR. GAHAGAN: Regarding the maps of the oak
9 forest, I know on the east side of the valley there
10 appears madrones. Your map indicates it stops at
11 Mr. Shafer's property. Does that continue to the
12 north?

13 MS. ELLIOTT-FISK: Yes. It continues to
14 the north. It's very dominant in Napa Valley. It's
15 a more open woodland type than you see elsewhere.
16 Those are west-facing slopes that get more hours of
17 daylight than east-facing slopes, and that tends to
18 evaporate moisture and have dryer climates.

19 MR. GAHAGAN: The other question I have
20 relates to viticulture and to assist us on the
21 grapevine. Now, you said that the area for the
22 north is different from the area to the south?

23 MS. ELLIOTT-FISK: Yes.

24 MR. GAHAGAN: So could these differences be
25 conditioned to horticultures, viticultures?

1 MS. ELLIOTT-FISK: I should say here, I am
2 not a viticulturalist. I have done a lot of work
3 with woody plants, specifically trees, and in terms
4 of fertilization, some of these things can be
5 compensated for. I'm not sure they can be
6 compensated for in terms of fruit quality. Someone
7 else can clarify that more than me. I'm just
8 sticking my neck out to say anything.

9 MR. FICARETTA: I just had a question. The
10 Cole silt loam, I believe it's Cole silt loam, just
11 below that larger hills to the west, just east of
12 the Napa River where it widens --

13 MS. ELLIOTT-FISK: This little island
14 here?

15 MR. FICARETTA: Right in there. The soils
16 there are the same as just across the river?

17 MS. ELLIOTT-FISK: If they're shown that
18 way on my map; the map is taken from the Napa County
19 soil survey.

20 There are a number of little islands along
21 the river which have formed recently, so it's
22 possible that there has been some interaction with
23 this Dry Creek Fan, and the river has changed
24 course.

25 MR. FICARETTA: But the materials of that

1 Cole silt, even though it may be the same as the
2 west Napa River, that is what is deposited in the
3 mountains to the east?

4 MS. ELLIOTT-FISK: No. Those silts are
5 defined as being a mixture of silts and volcanic
6 rocks. If the map is correct it would have had to
7 be derived from the Dry Creek Fan, and the river has
8 changed course and cut around that.

9 That's something I should point out. I
10 think these are pretty good natural boundaries, and
11 things can change through time. You notice we've
12 had some big storm events. It's possible in
13 sections of the Napa River that the river may change
14 its course a little bit in the future where it's not
15 diked or dammed. Probably not a lot.

16 I mean, we're dynamic kinds of people, and,
17 hopefully, we can deal with a dynamic environment,
18 right?

19 MR. DRAKE: Thank you very much.

20 We have a request for George DePuy to
21 testify at 3:30 this afternoon, and we'll schedule
22 that instead of Mr. Hale.

23 Lunch? 1:45 return, please.

24 (The luncheon recess was
25 taken at 12:25 p.m.)

AFTERNOON SESSION

TUESDAY, DECEMBER 1, 1987

1:45, P.M.

MR. DRAKE: We will continue with the hearing. We've been asked during the break that you do not congregate in the library. Apparantly we have a librarian who is very sincere about her area, and apparantly you were disrupting them.

Also, we have one other kind of an administrative thing. We had a package in the rear of the table which was copies of all the requests to testify as well as written comments, with a big sign in front of it that said, "Do not take." Someone took.

We'll turn the lights off, no questions asked. I would appreciate it if you would return it to the table.

The next witness is Donald Schukraft.

MR. SCHUKRAFT: My name is Don Schukraft. I'm a meteorologist. I brought this rain over with me from Chico. I hear the grapevines liked it.

I first became involved in the Stags Leap weather -- "Stags Leap District" viticultural area, I should say, back in September of 1985, and it was at that time that Jack Stuart of Silverado Vineyards had approached our company, Weather Network,

1 Incorporated, to look at the climate and weather of
2 the "Stags Leap District" and comment on the initial
3 boundaries that had been proposed.

4 My position at Weather Network, Inc. at
5 that time was General Manager. I remained General
6 Manager of Weather Network, Inc. We're located in
7 Chico, California, in the Sacramento valley.

8 My background includes a bachelor of
9 science degree in meteorology from San Jose State
10 University. I'm recognized by the American
11 Meteorological Society as a certified consulting
12 meteorologist. There are approximately 450
13 certified consulting meteorologists in the United
14 States.

15 During the last couple of years I have had
16 the opportunity to do extensive field work and
17 studies for various clients here in the Napa
18 Valley. It's my understanding at this hearing that
19 the main issue is the northern boundary, and its
20 that boundary that I wish to address today in my
21 statement.

22 When Weather Network began their study of
23 the weather in the "Stags Leap District," we
24 installed two automatic weather stations in the
25 district. There are very little long term weather

1 records available so we've set up some automatic
2 weather stations to compare the weather in various
3 parts of the district. And it was from this
4 detailed weather study that took place in 1985 that
5 I became quite familiar with the weather in the
6 "Stags Leap District."

7 We've had several speakers today. Many of
8 them had talked about weather, briefly mentioned
9 it. A lot of them deferred questions to me. I hope
10 that I can answer many of these questions as I
11 proceed today with my statement and talk about the
12 weather in the Napa Valley, specifically the Stags
13 Leap region and the northern boundary.

14 The Napa Valley is considered a coastal
15 valley. It's influenced by the marine air that
16 penetrates up from San Pablo Bay in the south. The
17 diversity of the topography surrounding the Napa
18 Valley and within the Napa Valley itself are the
19 main reasons for the many gradations in the climate
20 and weather found in the region.

21 For many of you who live here in the Valley
22 are very well aware that the temperature, basically,
23 during the growing season increases, the maximum
24 daytime temperature increasing as you go from south
25 to north moving from Napa up into the Calistoga

1 region. This main influence in differences in
2 temperature within a short distance of this valley
3 is due to the exposure of the Valley due to the
4 cooler marine air to the south. The farther south
5 you are in the Valley the more influence that marine
6 air will have in that particular region,
7 consequently making Napa generally cooler during the
8 growing season than much of Calistoga during much of
9 the growing season. How does that penetrate into
10 Napa Valley?

11 So we'll talk a little bit about
12 meteorology, but I'm not going to get into too many
13 specifics to confuse the issue.

14 The marine air is drawn into the Napa
15 Valley due to pressure differences that arise
16 between the interior portions of the Valley and the
17 bay waters to the south. During the summertime it
18 gets quite hot here in California, and the heating,
19 daytime heat, for example, at the valley floor in
20 the upper part of the Valley, creates a lower
21 pressure area. And this lower pressure draws the
22 cooler marine air up from the higher pressure areas
23 which are located down in the area of San Pablo
24 Bay. And, consequently, you get an influx of marine
25 air into the Valley due to the differences in

1 pressure, surface pressure.

2 There are many paramaters that will affect
3 the penetration of the marine air into the Valley,
4 and these paramaters, basically, will depend on the
5 long -- or the larger-scale weather pattern, the
6 depths of the marine layer and the extremities of
7 the surface pressure gradient. All of these factors
8 come into play in determining what type of an
9 influence there is on a day-to-day basis of that
10 marine air in the Valley.

11 The influx of the marine air in the Stags
12 Leap region is emphasized by the funnel-like shape
13 of the "Stags Leap District" with the eastern
14 mountains and the smaller mountains to the west.

15 If I could have the slide, we'll refer to
16 that before we go any further. I'm not a grape
17 grower, so I brought a different kind of pointer. I
18 hope I didn't hurt anybody's feelings.

19 This is the same topo map that we've been
20 looking at throughout the morning. Shows the "Stags
21 Leap District" outlined here in red, as the
22 boundaries lie right now. The black lines are
23 indicative of streamlines. Streamlines are
24 wind-flow patterns. The wider the line indicates
25 the stronger the wind's speed. So you can see that

1 the strongest winds come up from the San Pablo Bay
2 and through the southern portion of the Valley and
3 come up through the main part of the Valley, you
4 find your strongest winds.

5 Approximately 65 percent of the time during
6 the growing season the winds will be out of the
7 south. So this is the predominant wind direction
8 and provides the influence of the marine air into
9 the Napa Valley, and specifically the Stags Leap
10 region. You can see that the various hills provide
11 changes in the wind-flow pattern and, consequently,
12 also the speed of the winds.

13 We find that the wind is funneled up
14 through the wide end of the funnel that we talked
15 about in the "Stags Leap District," and you can see
16 the funnel-like shape that we see here. We find the
17 winds coming up, the cooler winds, coming up from
18 the south. And when there's a low level temperature
19 inversion you find that the winds will come up,
20 circle around the Stags Leap District through this
21 region here, and exit the district out south of
22 these northern hills. Due to the tightening of the
23 mountains in this region, you do find some increase
24 in the wind's speed as the wind flows through that
25 area. And that's, basically, a venturi effect,

*Venturi
effect*

1 where you have a volume of air moving up through the
2 Valley and then exiting the Valley through a much
3 smaller space. Some of the airflow that does exit
4 through the channel here will also penetrate up
5 through here, but we see that these arrows are a
6 little bit narrower, and this is indicating that the
7 winds are much lighter in that area. The main
8 wind-flow pattern is up through the Valley, exiting
9 the Valley south of these hills.

10 We do find that the winds as they penetrate
11 up through the Valley -- and this happens as they go
12 on up even further through the Valley -- we see
13 eddies starting to form on the lee side of the
14 hills, and we see eddies that would be developing up
15 in here and also around the Yountville hills. So
16 you're getting changes in the wind-flow pattern in
17 this northern area, here. These wind flows are
18 creating changes in the wind-flow patterns which are
19 consequently creating changes in the temperature and
20 the humidity of the air.

21 We'll just leave that up there for a little
22 bit. We might refer to it later.

23 The orographic effect of the "Stags Leap
24 District" and the wind flow through the district as
25 a result of the mountains and intervening hills

1 produces the change in temperature and humidity, as
2 I explained just earlier. These differences are
3 what sets the Stags Leap region apart climatically
4 from other parts of the Valley.

5 The temperature and humidity differences
6 within the area are most pronounced during the
7 summertime and when the marine layer is very shallow
8 and there's a low-level temperature inversion. A
9 temperature inversion traps the air near the
10 surface; consequently, what you have is the
11 temperature decreasing with heat and then a
12 temperature increasing with heat.

13 As the temperature increases with heat in
14 the atmosphere, we term that, as meteorologists, an
15 inversion. And this traps the air down below. And
16 this allows the air to enter the "Stags Leap
17 District" and exit it just south of those northern
18 hills. These northern hills also create turbulence
19 in the airflow pattern.

20 As the air flows over the hills and flows
21 around through the narrower gaps, eddies start to
22 form in the wind-flow pattern, and when the marine
23 layer is very shallow you find that this turbulence
24 in the wind-flow pattern helps to break up the low
25 lying fog and low clouds in that particular area,

1 due to the turbulence caused by the wind flow around
2 the hills.

3 It should also be noted that on a smaller
4 percentage of the days the winds in the Napa Valley
5 come out of the northwesterly direction. Basically,
6 the winds in the Napa Valley are from a southerly or
7 northwesterly direction, depending on the
8 large-scale weather pattern as well as the
9 smaller-scale features which affect the weather and
10 the wind-flow patterns.

11 The northwesterly winds are also affected
12 by these northern hills. When the winds hit these
13 hills, changes in the wind direction and changes in
14 temperature and humidity are found. The northern
15 winds that come down the Valley are warm and dry and
16 are heated automatically as they come down the
17 mountain slopes and down the Valley. So,
18 consequently, on a north-wind day you're going to
19 find that the temperatures and humidity in the area
20 just north of these boundary hills are going to be a
21 little bit warmer and dryer than the air temperature
22 just to the south of these hills. There will be
23 some minor differences there near these hills. And,
24 basically, this is due to the effect of the
25 wind-flow pattern around the hills, themselves.

1 It's been stated that there are three major
 2 geographical features that can be used to describe
 3 an appellation. One is topography, a second is
 4 climate, and the third is soils. Using any one of
 5 these features without considering the others would
 6 undoubtedly result in the boundaries of any
 7 appellation being drawn differently.

8 The northern hills at which the Stags Leap
 9 boundary is drawn are a part of the unique
 10 topography of the area and play a role in the
 11 weather that is experienced in the "Stags Leap
 12 District." The Napa River is a geographical feature
 13 that makes a natural division when referring to the
 14 "Stags Leap District," as are the hills along the
 15 northern boundary a natural geographical feature.

16 Climate and weather are not generally
 17 associated with distinct boundaries as may be the
 18 case with soils or geographical features such as a
 19 river. Distinct boundaries cannot be drawn
 20 meteorologically. However, the ring of hills which
 21 make up the northern boundary play a role in the
 22 local weather found in the "Stags Leap District."
 23 And again I would like to emphasize at this time,
 24 it's the airflow pattern around these hills that
 25 causes the difference in the temperature and

1 humidity from one side of the hills to the other.

2 On a south-wind day the air flows around
3 the hills, exits the "Stags Leap District" to the
4 south of these boundary hills, resulting in the
5 temperature and humidity, the temperature to be
6 lower and the humidity to be higher than the area in
7 the north of the hills.

8 Conversely, on a northwesterly-wind day we
9 find that the temperatures north of the hills will
10 be a little bit warmer and the humidity a little bit
11 dryer.

12 In conclusion, the ring of hills along the
13 northern boundary along the "Stags Leap District"
14 viticultural area provide changes in the wind-flow
15 pattern that consequently produce changes in the
16 temperatures and humidity in the vineyards to the
17 north and south of the hills. These changes in the
18 wind-flow pattern and these resultant weather
19 elements are not found at the Yountville Cross
20 Road.

21 At this time I'd like to answer any
22 questions that the panel might have.

23 MR. DRAKE: Thank you, Mr. Schukraft.

24 I have a couple. The width of the line
25 indicating airflow, what relevance is that?

1 The reason I'm asking, I went up to those
2 hills yesterday, and I went up to, I suspect, Mr.
3 Anderson's property. If I violated, I apologize.
4 And we stood between those hills, and that wind came
5 through pretty heavy.

6 Is it even more heavy to the south and west
7 of that?

8 MR. SCHUKRAFT: The airflows are relative
9 to each other. The width of those lines are
10 relative to each other. Let me explain that a
11 little bit further.

12 In other words, what we're going to find
13 here is that the winds are going to be the strongest
14 up through the center of the Valley, here, we would
15 suspect, up through the "Stags Leap District." You
16 can see that this arrow is wider than this arrow, so
17 these are going to be somewhat less wind speed.

18 The wind speed is going to pick up as it
19 comes through here, and then it's going to decrease
20 as it comes through here because the main channel of
21 airflow is going to be down through, into the
22 Valley, again, through this gap.

23 So if you were standing up in this area
24 yesterday when the weather front was coming through,
25 and we suspect the winds would be from the south,

1 you're definitely going to see and feel winds in
2 that area.

3 But you go out into this area, chances are
4 the winds would have been much stronger, or had you
5 go down into this area you would have found the
6 winds possibly from a completely different
7 direction.

8 MR. DRAKE: You mentioned you had two
9 weather stations.

10 MR. SCHUKRAFT: Yes, we did.

11 MR. DRAKE: Where were they located?

12 Mr. SCHUKRAFT: Okay. One weather station
13 was located right in this area here, just to the
14 east of the river, and another weather station was
15 located out in this area. Let's see. Right out in
16 this area here. And they were at about the same
17 elevation.

18 MR. DRAKE: How would you determine, then,
19 for the northern part of that, that the wind took a
20 90 degree turn up there? How do you determine that.

21 MR. SCHUKRAFT: These lines, streamlines,
22 are based, just generally, on what a meteorologist
23 would expect from the wind-flow pattern. It's like
24 standing next to a building. The hills can be
25 thought of as a building. You stand on the windward

1 side, you're going to get the wind coming right at
2 you. If you stand on the leeward side, you're going
3 to get very little wind, but you are going to feel
4 some from eddies flowing around the building.
5 That's the concept of drawing these streamlines.

6 MR. DRAKE: So is that what you would
7 expect would happen, but not having demonstrated --

8 MR. SCHUKRAFT: We do not have measurements
9 of this area. None were available at this time.
10 But based on what we expect meteorologically, I'm
11 sure that this is the type of pattern that you would
12 see.

13 MR. LIBERTUCCI: I have a question
14 regarding what you refer to as the minor differences
15 in temperature between the area just above the
16 northern hills and the area below the northern
17 hills.

18 What would you define as minor
19 differences? What are we talking about in terms of
20 the amount of variance in the temperature in these
21 areas?

22 MR. SCHUKRAFT: Okay. These differences in
23 temperature are going to vary. Differences in
24 temperature and humidity are going to vary,
25 depending upon the type of weather pattern that one

1 is experiencing at that particular time or on a
2 specific day.

3 Since we don't have actual observations on
4 this side and this side of the hills, I can't, say,
5 give you exact numbers, but I will say that you will
6 find differences in temperatures, and it has to be
7 due to the fact that the wind-flow pattern is
8 changing in the areas of these hills. And some days
9 it might be very minor, and other days more, but I
10 can't give you quantities.

11 MR. LIBERTUCCI: Then you can't say over a
12 period of time, say a year?

13 MR. SCHUKRAFT: We don't have measurements.

14 MR. LIBERTUCCI: Then what you're saying is
15 you're basing your opinion on your opinion of the
16 airflow patterns?

17 MR. SCHUKRAFT: Based on in our daily work
18 we draw lines on a daily basis. So these are
19 streamlines on a daily basis, and so these are the
20 types of analyses we do every day.

21 MR. GAHAGAN: I have a question. First of
22 all, I have a request. Could you make available a
23 copy of that map for our record?

24 MR. SCHUKRAFT: Sure.

25 MR. GAHAGAN: And the second question is:

1 Are you familiar with this comment from Irving P.
2 Krick Associates Weather Consults from Palm
3 Springs?

Krick Associates

4 MR. SCHUKRAFT: Yes, I am.

5 MR. GAHAGAN: Do you agree with that?

6 MR. SCHUKRAFT: I agree with portions of
7 that. There are a few items that I don't
8 necessarily agree on.

9 MR. GAHAGAN: Could you be more specific?

10 MR. MENDELSON: Dr. Krick had made mention
11 of the funnel-like effect and the wind-flow pattern
12 similar to what I have done today, and we do agree
13 on that.

14 As far as the maximum daytime temperatures
15 in the "Stags Leap District" versus areas out
16 towards the center of the Valley and night time
17 temperatures, based on our findings, there was some
18 slight disagreement there.

19 We took actual data and measured data in
20 our study in 1985 and compared these temperatures,
21 and found some differences in what he had mentioned.

22 MR. GAHAGAN: I believe this report
23 indicates or his feeling was that the air currents
24 are different within the funnel than they are to the
25 west between the mountains and the river, whereas

1 your map up there indicates -- again, maybe my
2 eyesight is not very good, but the width of the
3 lines indicate that the volumes of air flowing
4 through there are approximately the same, that is,
5 volume of air flowing through the funnel area is the
6 same as the volume of air flowing along the western
7 boundary.

8 MR. SCHUKRAFT: Well, you mean the amount
9 of airflow coming through here versus right here?

10 MR. GAHAGAN: That's correct, yes.

11 MR. SCHUKRAFT: Yes. These lines are going
12 to be very much similar to airflow up through that
13 in this region here, because there's nothing below
14 us. If we had a topo map going all the way down
15 through the City of Napa and to the south, you'd
16 find it's very flat there. So the wind is going to
17 come right up through the Valley here.

18 MS. SLATTERY: So what does that do to the
19 western hills, west of the hills east of the
20 region? What is the difference as opposed to being
21 in the funnel?

22 MR. SCHUKRAFT: Are you asking what is the
23 difference between being here and being here?

24 MS. SLATTERY: Well, the area between the
25 hills on the west and the Napa River west of the

1 hills, there is a funnel effect in that area, and,
2 if so, why isn't it sheltered by the --

3 MR. MENDELSON: Are you talking about this
4 area here?

5 MS. SLATTERY: Yes.

6 MR. SCHUKRAFT: Between the west of these
7 hills and the Napa River, no. There is no funnel
8 effect here. This area is open to the Valley.

9 But, as I said, there are many things that
10 need to be considered when drawing lines to describe
11 an appellation. And if you just take climate and
12 just take soils, or just take geography, any one of
13 those is probably going to draw a different line.
14 But when you combine them all together, and what's
15 been pointed out in different discussions, is that
16 there are distinct differences between this side of
17 the river and this side of the river.

18 MS. SLATTERY: But if you were just basing
19 it on the meteorological effect of the winds, the
20 funnel effect, etc., then the boundary would not go
21 to the river; is that correct?

22 MR. SCHUKRAFT: If we were going to base
23 the boundary strictly on meteorology the boundaries
24 would be drawn differently than what we see here.

25 MR. DRAKE: Thank you. I would like to

1 have that as an exhibit, if we could.

2 Mr. John Stuart.

3 MR. STUART: Good morning.

4 My name is John Stuart. I have been
5 winemaker and general manager of Silverado Vineyards
6 since the winery was founded in 1980.

7 I hold a bachelor of arts degree from
8 Stanford University and completed three years of
9 graduate study in viticulture and enology at the
10 University of California, and I've been a winemaker
11 for over 20 years. I made my first wine from Stags
12 Leap grapes in 1977.

13 At this time I'd like to insert a personal
14 note, which is that the reason that we are all here
15 today is that we members of the Stags Leap District
16 Appellation Committee feel very sincerely and very
17 strongly about the boundary we have drawn. And Stan
18 Anderson and I have served together on the board of
19 directors of the Napa Valley Vintners Association,
20 we have worked closely together, and I want to
21 emphasize that my comments today are in no way
22 intended to be personal, in no way intending to be a
23 reflection on Stan Anderson and his family or, for
24 that matter, his quality of his vineyards.

25 So far today we've heard convincing

1 testimony from authorities on name recognition,
2 viticultural distinctiveness, history, geography and
3 climate. The experts are unanimous that the
4 northern boundary proposed by Mr. Anderson is simply
5 not the boundary at all with respect to the BATF's
6 criteria, talking about that line. Our experts are
7 professionally qualified to speak on these matters.

8 Now, on the face of it, how could any other
9 view of that so-called boundary be possible? The
10 boundary is nothing more than a man-made strip of
11 asphalt on either side of which is found the same
12 soils, the same climate, the same geography, the
13 same viticulture and the same name recognition or
14 lack of it. By contrast, the technical arguments
15 presented here today have demonstrated that the
16 boundaries proposed by our committee, that one, is
17 the only one on either side of which is found
18 distinct geology, distinct climate, distinct
19 geography, distinct viticultural and distinct name
20 recognition. Indeed as the experts have shown, it
21 is the only boundary that satisfies all the BATF's
22 criteria and the only one that makes sense.

23 Now, we've been talking a lot today about
24 this boundary, which I will get to later, but I
25 think we should also focus on this proposed boundary

1 which, as I've said, is a road on relatively flat
2 land on either side of which are vineyards and
3 similar geological and viticultural characteristics,
4 which we'll get into.

5 Now that we've heard from the experts, it's
6 time this afternoon to hear from the vintners and
7 the growers, who perhaps have the most intimate
8 contact with the land and the vineyards.

9 In the time I've been making wines in the
10 "Stags Leap District," I have developed familiarity
11 with these vineyards, their history and, of course,
12 their wines.

13 Our Stags Leap vineyards were originally
14 planted in 1969, and were among the first to
15 establish the reputation in the area for fine
16 cabernet sauvignon and merlot. As I've documented
17 in your file, other wineries using our grapes called
18 them "Stags Leap District" grapes as far back as
19 1976. In 1981 and 82, when our winery was being
20 built, many press accounts referred to Silverado's
21 location in the "Stags Leap District." After the
22 release of our first cabernet name in 1984,
23 references in the trade and press continued. At the
24 same time, we used "Stags Leap District" in our own
25 brochures, fact sheets, and other material.

see also
pg 148
not allowed

1 including the Napa Valley Wine Auction catalogue.
 2 And later this afternoon Mr. Andrus will be
 3 submitting copies of this material.

4 By contrast, Mr. Anderson, to my knowledge,
 5 has always used Yountville as a geographical and
 6 viticultural reference on his labels, in his
 7 publicity, and again for example, in the Napa Valley
 8 Wine Auction catalogue. The 1986 catalogue said
 9 that the S. Anderson Vineyard was "established in
 10 1976 near the town of Yountville," and I quote.

11 Furthermore, in the annual publication of
 12 the Napa Register called the Appellation Napa
 13 Valley, in which vineyards are asked to list their
 14 appellations, Mr. Anderson lists Napa Valley or
 15 Yountville appellations in the 1984 through 1987
 16 issues. In the same issues Chimney Rock, Clos du
 17 Val, Joseph Phelps, Pine Ridge, Robert Mondavi,
 18 Shafer, Silverado, Stag's Leap Winery and Stag's
 19 Leap Cellars all list Napa Valley or Stags Leap
 20 District appellations.

21 I will give the panel copies of the
 22 relevant pages in these documents.

23 ~~The point of all of this is that while we~~
 24 have all called ourselves "Stags Leap District," Mr.
 25 Anderson, in spite of his current claim, has always

1 called himself Yountville.

2 In addition to the name recognition
3 achieved by Silverado Vineyards since its founding,
4 I was also able to document that as early as 1885
5 wine was probably being made at our location and
6 grapes continued to be grown here in the
7 post-prohibition era. In addition, the principal
8 geographical features of the region -- topography
9 climate and soils -- convinced the original
10 committee to adopt the boundaries that we all now
11 advocate.

12 We believed then and we sincerely believe
13 now that these boundaries best describe the distinct
14 viticultural area that demonstrably differs from the
15 surrounding territory according to BATF criteria.
16 We can find no credible evidence that supports the
17 inclusion of the proposed northern extension in the
18 "Stags Leap District."

19 At this time I would like to correct an
20 impression that may have been created by Mr.
21 Anderson's citation of a reference he claims
22 supports his proposed boundary. On page 8 of his
23 written comments of April 10th of this year he
24 quotes Richard Paul Hinckle's 1981 description of
25 the "Stags Leap District" which Mr. Anderson says,

1 quote, corresponds almost exactly with the
2 boundaries proposed by this written comment. A
3 careful reading, however, of the Hinckle quote makes
4 it clear that Hinckle's boundary was, quote, the
5 Silverado Trail on the west, unquote, which
6 indisputably excludes most of the additional
7 territory.

8 This is the Silverado Trail. This
9 reference therefore indisputably, excludes most of
10 the additional territory. This is the western
11 boundary that excludes all of this territory. And
12 you have this in your file.

13 Furthermore, while the article cited refers
14 by name to all of the wineries then located within
15 the Stags Leap District as we have proposed it, S.
16 Anderson Vineyard was not mentioned, even though
17 wine was being produced by the estate at the time.
18 Again, Mr. Anderson can summon no evidence that his
19 vineyard was even known as a "Stags Leap District"
20 vineyard. Quite simply, his vineyard has never been
21 part of the heritage and reputation of "Stags Leap
22 District."

23 Mr. Anderson's written comments also make
24 much of the northern boundary of the Yajome rancho,
25 which corresponds with the Yountville Cross Road, as

1 we've heard several times today. But the original
 2 Yajome land grant included well over 6,000 acres,
 3 more than three times the area of the proposed
 4 "Stags Leap District." Because this and other
 5 Spanish land grants were so large and because they
 6 were surveyed well before the advent of commercial
 7 viticulture, they will certainly and unavoidably
 8 comprise many different present and future
 9 viticultural areas. In other words, it is
 10 impossible and pointless to require the boundaries
 11 of viticultural areas to coincide with old Spanish
 12 land grants.

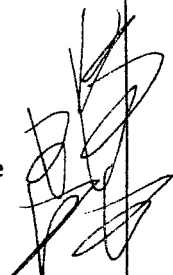
*This is the
 argument Silverado
 to extend
 western boundary
 to Napa River*

13 Now, I have used the western language of
 14 Yajome land grant in my referral, and I will be
 15 referring to that at the end.

16 The BATF has already recognized this fact
 17 in approving the boundaries of the Carneros
 18 viticultural area, which does not coincide with the
 19 Rancho de los Carneros and the Howell Mountain
 20 viticultural area, which does not coincide with
 21 Rancho La Jota. Future viticultural areas in
 22 Rutherford Oakville, and St. Helena will most likely
 23 not coincide with the boundaries of the Caymus and
 24 Carne Humana land grants.


25 One final argument in Mr. Anderson's

1 written comments requires refutation. On page 26 of
2 his comments, Mr. Anderson cites a long time
3 resident to the effect that the land north of
4 Yountville Cross Road on either side of State Lane
5 was either too marshy or too thin-soiled to be
6 farmed before the late 1960s.



7 We're talking about land north of this
8 line. This is Yountville Cross Road, this is the
9 Napa River, Silverado Trail. We're talking about
10 lands up here. This is State Lane. West of State
11 Lane, east of State Lane.

12 This remarkable statement cannot be allowed
13 to go unchallenged. While it is likely that land
14 immediately adjacent to the Napa River, Conn Creek,
15 and Rector Creek may have been marshy, there is
16 ample historical evidence that grapes were indeed
17 grown north of Yountville Cross Road as long ago as
18 before the turn of the century.



19 I believe one example from the historical
20 record will suffice. The 1893 report of the Board
21 of State Viticultural Commissioners, already cited
22 this morning, lists three Yountville vineyardists
23 whose land can be easily recognized from the
24 official map of the County of Napa from the same
25 period. As you can see on the map I will submit to

1 you in a moment along with the pertinent documents,
2 these vineyards belonged to Colonel J.D. Fry. The
3 / / / / / / / / / / /

4 (Nothing omitted.)

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1 Nauer brothers and Mr. C. Lambert were located
2 immediately north of Yountville Cross Road on both
3 sides of State Lane.

4 Lambert's vineyard was right here on the
5 corner. The Nauer brothers had land about this
6 area, and Fry owned hundreds of acres between the
7 river and the Silverado Trail, even going up into
8 Rector Canyon.

9 As Mr. Heintz said this morning, the 1893
10 report lists the vineyard holders and growers, so
11 there was no dispute that at least people had grapes
12 growing on their property at the time.

13 Colonel Fry was also the operator of a wine
14 cellar with cooperage of 110,000 gallons, enough for
15 over 40,000 cases of wine, a considerable production
16 then and now.

17 As is well documented here, the problem
18 faced by these growers was not marshlands or rocks,
19 but phylloxera.

20 Silverado Vineyards own significant
21 vineyards in the "Stags Leap District," but we also
22 own considerable acres in Yountville immediately
23 adjacent to our "Stags Leap District" property.

24 Goes all the way to the trail here, loops
25 around and over these hills and follows the river

1 and this steep slope of hills down to about here,
2 where it borders with Robert Mondavi's property. We
3 actually own a couple of these hilltops as well. We
4 have Yountville acreage directly across the river
5 adjacent to this vineyard running from the river all
6 the way to the Catholic church south of the village
7 of Yountville all the way to Highway 29. So our
8 vineyard holdings span the Napa River on both
9 sides.

10 In addition, for the past two vintages we
11 have crushed grapes from other growers. However,
12 all of the grapes we consider to be "Stags Leap
13 District" grapes come from within the Committee's
14 proposed boundary. We have never had any intent or
15 desire to use other grapes in our "Stags Leap
16 District" wines. We have voluntarily excluded the
17 larger part of our production from "Stags Leap
18 District." For example, in 1987, 33 percent of our
19 tonnage came from our Stags Leap District Vineyard,
20 mostly cabernet and merlot, from this vineyard.
21 Thirty-six percent came from our Yountville
22 vineyard, right in this area. That was mostly
23 chardonnay and sauvignon blanc. Thirty percent of
24 our grapes came from other sources, mostly in
25 Carneros.

*Chardonnay
sauvignon
blanc*

1 We have never used grapes from the proposed
2 northern extension; although, if we did we would not
3 consider them to be "Stags Leap District" grapes.
4 We therefore consider our "Stags Leap District"
5 grapes distinct and different from the other grapes
6 we crush.

7 It may be interesting to point out that our
8 cabernet and merlot wines are not blended with
9 grapes from any appellation or vineyard, while our
10 white wines are blends of districts and vineyards.

11 Recently we agreed to purchase the Simonson
12 property in the proposed northern extension, whose
13 extended vineyard is outside our proposed boundary.
14 That's located just north of Egan and just south of
15 Barboza.

16 Just as we have voluntarily excluded our
17 other Yountville vineyards from "Stags Leap
18 District," we will also exclude this vineyard. The
19 chardonnay from this vineyard, which is known to be
20 very high quality, will be used in our chardonnay
21 blend, which is made up of grapes from vineyards
22 from three distinct locales, "Stags Leap District,"
23 Yountville and Carneros. The Simonson vineyard is,
24 I believe, part of the Yountville appellation on a
25 par with our extended holdings in Yountville. I

1 have just received a national award at the American
2 competition.

3 Now that Silverado is about to take over a
4 vineyard bordering the lines between "Stags Leap
5 District" and Yountville, we can state confidently
6 that the issue of administrablility is essentially
7 nonexistent. It is simply a matter of observing
8 that a vineyard or block of vineyards is on one side
9 of the line or another -- that is either in or out
10 -- based solely on the location of the vineyard.

11 Let me now quickly summarize by applying
12 our boundaries to the test of the BATF criteria.

13 First, evidence of local or national
14 recognition of the Stags Leap name. This has been
15 clearly demonstrated this morning by Mr. Winiarski
16 and others.

17 Second, historical and current evidence
18 that the boundaries are as we have specified,
19 demonstrated by Mr. Heintz.

20 Third, the geographical features of the
21 area distinguish it from surrounding areas,
22 demonstrated by Ms. Elliott-Fisk and by Mr.
23 Schukraft.


24 Finally, that the boundaries of the
25 proposed viticultural area can be found on

1 appropriate USGS maps and conveniently
 2 administered. I think this criteria has been
 3 demonstrated as well. Therefore, I urge you to
 4 adopt the boundaries proposed by the Stage Leap
 5 District Appellation Committee.

6 Thank you.

7 MR. DRAKE: Mr. Stuart. Thank you. I may
 8 not remember everything you said, but I try.

9 You said on the western side of the Napa
 10 River you grow only white grapes?

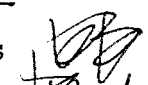
11 MR. STUART: That's true. 

12 MR. DRAKE: You grow white on the eastern
 13 side of the Napa River?

14 MR. STUART: Yes. We have our vineyards.
 15 We have an upside down "L" on the east side of the
 16 river, and we have a long rectangle on the west side
 17 of the river. We do have some chardonnay planted on
 18 this vineyard, however, about two-thirds of our
 19 chardonnay is planted over here.

20 I've been working with these grapes now for
 21 seven vintages, eight if you count 1980 when we made
 22 a little bit of wine, not commercially sold, and I
 23 find every year that the chardonnay made here is
 24 distinct from the chardonnay made here.

25 Also, the original planters of this


 Chardonnay's
 different
 on both
 sides of
 Napa River

1 vineyard had the wisdom to plant mostly cabernet and
2 merlot on this vineyard, which is not planted on our
3 vineyard over here.

4 We have had several opportunities over the
5 years to redevelop blocks of this vineyard. We have
6 not even considered planting cabernet there. We
7 know it to be a high-quality chardonnay vineyard.
8 We know this to be a very high-quality sauvignon
9 vineyard, although we plant chardonnay. This is
10 different, grown here, just as cabernet is different
11 grown here from down here.

12 And I must say there is a great difference
13 between the distinctiveness provided by a line on
14 either side drawn here and here.

15 There is no difference between vineyards on
16 either side of this line. There is a clear
17 difference here. We have a clear change in soil
18 type, topography, climatic, any characteristics you
19 might name. There's a difference on either side of
20 the Napa River.

21 When we did the study with Mr. Schukraft
22 and had a weather station located here and one down
23 here, we found, in spite of actually what was shown
24 on the weather map, that the prevailing wind
25 direction and wind speed in this location was very

1 similar to the wind direction and speed in this
2 location. The temperatures were the same, as well.

3 Another point to make was that we have
4 recording thermographs located right here on an
5 east-facing slope next to the Silverado Trail on a
6 block of cabernet that we call C-1. We have another
7 one out here on the back on the west-facing slope
8 which we call C-7. And in my original research,
9 which is part of your file, I have included sample
10 temperature -- high and low temperature gradients
11 that can essentially be considered identical.

12 We find that the weather, the climate, the
13 temperature profile is the same in our cabernet
14 that's planted over here as it is with our cabernet
15 planted here. And with seven or eight years of
16 experience working with these grapes, I could show
17 you cellar records that indicate that we do not
18 separate these grapes in the winery.

19 We consider them to be equivalent, very
20 high quality. Often grapes picked from this block
21 and from this block back here will go into the same
22 tank, depending on ripeness, not on location.

23 We find that the cabernet and merlot on the
24 entire ranch to be very uniform and we find the
25 characterists of the cabernet wine produced from

1 this vineyard to be very similar in basic style and
2 construction to cabernet produced in this little
3 notch of the cabernet produced out through here.

4 I'll keep going until somebody else has got
5 another question, but I want to elaborate on this
6 point. But perhaps somebody else would like to get
7 in a question here.

8 MR. DRAKE: Are you sure you're not a
9 historian?

10 MR. STUART: Amateur one.

11 MS. RENNECKAR: I have a question about the
12 chardonnay. Are there similarities to the
13 chardonnay grown in your Simonson vineyard as to the
14 --

15 MR. STUART: Well, I have to say that I
16 have not yet made wine or had the opportunity to
17 taste wines processed from the Simonson vineyard
18 which, as I say, I expect to be very high quality
19 chardonnay. But I have tasted Mr. Anderson's
20 chardonnay grown in this area. We have actually
21 crushed chardonnay from the State Lane area, and I
22 do find it to be distinct from the chardonnay grown
23 here.

24 I would expect, because of the differences
25 in geology, soil, climate, and so on, that this

1 chardonnay will be distinct also from there. But
2 I'll have to wait and see to give you a clear answer
3 on that.

4 But I think what we're seeing here is the
5 compelling logic of drawing a line at the geological
6 formation, which we can, I think, very effectively
7 argue, especially in light of what Ms. Elliott-Fisk
8 had to tell us this morning. We could convincingly
9 argue that there's a great deal of difference on
10 either side here for lots of different reasons.

11 I can't for the life of me see what
12 difference there is on either side of that line. I
13 know there are a lot of growers up on State Lane who
14 have the same opinion.

15 We had questions about wind, I think, over
16 on this side of the hill, which I think we've dealt
17 with. I want to mention also that the geology,
18 geomorphology and soil on the west side of the hill,
19 here, is pretty much continuous all the way around
20 this formation. Not only that, but the gradation
21 from Boomer and Kidd soils at the top of the ridge
22 grading down to gravelly loam soils on the lower
23 hill slopes is very similar to what we have over
24 here and what we have over here.

25 And if you look at the 1938 soils map,

1 which could be called obsolete, although it's still
2 in use, it uses fewer soil type classifications.
3 It's a little more understandable. You'll find that
4 the Conocti to Keefer gradations found here is also
5 found here and here. So we have the same kind of
6 geomorphology, the same kind of soil, and for the
7 same reasons.

8 We heard about the river channel that came
9 through here. Obviously, at one time in and in the
10 present day, there were river channels along here
11 creating the same sort of characteristics.
12 Immediately there is no hill to the west of us to
13 divide us, but there's a very good natural line
14 right here, the Napa River, which goes right down to
15 the rock. And it can be seen in every category that
16 that is the best wine to grow in the west. There is
17 a clear difference between this and this. There is
18 no difference between this and this.

19 MR LIBERTUCCI: I have a question regarding
20 your discussion of Mr. Anderson's comment about the
21 Hinckle quote. I'm not sure I understood exactly
22 what you meant when you were discussing the
23 Silverado Trail, if you'd go over that again.

24 MR. STUART: Yes. In fact, if you review
25 the documentation that's in actually both of our

1 submissions, you'll find there's been a lot of
2 discussion over the years as to what the western
3 boundary as well as the northern boundary was. And
4 some people felt that the western boundary should be
5 the Silverado Trail, and Hinckle was one of the
6 people who proposed that.

7 So ^{Hinckle} he was saying that the "Stags Leap
8 District" did not come west of the Silverado Trail,
9 the southern boundary was somewhere down south of
10 Clos Du Val, somewhere in this area. The eastern
11 boundary was indisputably this ridge, the western
12 boundary was the Silverado Trail, and he called the
13 northern boundary an extension of the Yountville
14 Cross Road, right here.

15 So his district would have looked something
16 like this, excluding everything to the west. So if
17 I would exclude everything to the west, it excludes
18 all of this. So for Mr. Anderson to cite that
19 reference as support for his position, I think, was
20 wrong-headed, because it was clearly not what
21 Hinckle meant.

22 We happen to think that this is a better
23 northern boundary here, and we think that the Napa
24 River is the most natural, the most easily
25 administered, the most sensible boundary.

1 MR. LIBERTUCCI: But do you agree, then,
2 that Hinckle meant that his proposed area would be
3 including the area north of your proposed boundary?

4 MR. MENDELSON: Right. Hinckle meant to
5 include this little bit over here. But he is the
6 only one that I can think of who went that far
7 north. Most of the others have either stayed very
8 strict constructionist in the old Stags Leap Ranch
9 area, which makes some sense if you're thinking of
10 it as Warren referred to it, as simply a ranch or a
11 rocky outcrop.

12 But as Warren, I think, effectively pointed
13 out, in the last 15 years the understanding of Stags
14 Leap has spread out to areas which began to produce
15 wines which were similar in construction and style
16 and had that iron fist in a velvet glove
17 characteristic which is really limited to wines
18 grown in this area. *cabernet*

19 I think the reason we're all concentrating
20 on cabernet so much here is that is the variety
21 which has been grown the longest and for which we
22 have the most results in this area. It may be true
23 that other varieties may prove to be distinctive
24 here, but I think the thing we can most safely talk
25 about at this point is cabernet.

1 As I said, the cabernet that we grow in
2 here was planted in 1969, which was actually before
3 Warren planted his in 1978, before Bernard Portet
4 planted his in 1972. Really, the only modern-day
5 cabernet growers that planted before us were Dick
6 Steltzner and, of course, Nathan and Nellie Fay in
7 this area, Nathan being the pioneer of the
8 district.

9 MR. FICARETTA: I had a question about the
10 name. I'm a little puzzled.

11 In that exhibit you just gave us, Exhibit
12 7, I think, a correction in the Napa Register, for
13 the record, because of incomplete information
14 supplied by the Napa Register, on page eight of the
15 1987 edition of Appellation, delivered to home
16 subscribers, was incorrect. "... The correct
17 appellation is Napa Valley and, in looking back, the
18 appellation that was given was Yountville."

19 MR. STUART: In my remarks I said I don't
20 remember ever using Stags Leap, and the Appellation
21 issue had either Napa Valley or Yountville, and I
22 think Yountville stood in the '86 issue without
23 correction. In 1987, for whatever reason, he
24 decided to correct it after it had been printed that
25 way.

1 The point is that Anderson never used Stags
2 Leap as an appellation. All of the rest of us did,
3 or used Napa Valley.

4 In other words, the rest of us who didn't
5 just use Napa Valley as a appellation used Stags
6 Leap. Anderson when he didn't use Napa Valley used
7 Yountville, did not use Stags Leap.

8 MR. FICARETTA: But is the appellation he's
9 talking about here an approved BATF appellation?

10 MR. STUART: Obviously, not.

11 MR. FICARETTA: That's the point I thought
12 they were getting at, because I thought in
13 Anderson's comment, the note was in the Napa
14 Register he used.

15 MR. STUART: That's an article that's not
16 connected with this.

17 MR. FICARETTA: Oh. Not connected?

18 MR. STUART: No. It was in an article that
19 the Napa Register used. I don't believe it used
20 that, and I don't consider it a legitimate
21 reference, especially since it was printed after
22 this dispute came to light. It's the same
23 newspaper, but this is a yearly special that is
24 printed once a year, specifically focusing on Napa
25 vineyards and winemaking.

1 MR. GAHAGAN: Mr. Stuart, do you know how
2 they arrived at these appellations?

3 MR. STUART: As I understand it, there was
4 a form either sent to the wineries or filled out
5 over the phone at the newspaper offices in which the
6 wineries volunteered the information. I believe the
7 information was provided by the wineries in
8 question.

9 MR. GAHAGAN: Thank you.

10 MR. STUART: We can certainly check that.

11 MS. SLATTERY: I have a question. You
12 pointed out the Hinckle article, and I think there
13 were some other articles that refer to the western
14 boundary as the Silverado Trail, and I'm thinking of
15 the petition which extended the boundary to the west
16 to the Napa River.

17 The petitioner stressed that the name is in
18 kind of a flux, but up until the middle '70s the
19 name Stags Leap referred only to that very small
20 area around the original Stags Leap Manor, and it's
21 only since the '70s that it's acquired a broader
22 meaning geographically.

23 This being the case, is the name in flux?
24 Is it still changing? And if it isn't, when did it
25 stop changing? When did it start to acquire a

1 definite meaning in terms of what area it applied
2 to?

3 MR. STUART: I would say that through,
4 perhaps, the late '60s, the name was not known, as
5 Warren said, as a viticultural area, but beginning
6 in the middle '70s, let's say, and I should think
7 stabilizing by the end of the '70s or perhaps the
8 early '80s, it grew to include the wineries, which,
9 as I said, were producing distinctive, both
10 enologically and viticulturally, vintages of wines
11 in the area.

12 I don't consider the name to be in flux at
13 this point. I think it was simply an early growth
14 in geographical term for a viticultural name to
15 apply to specific properties which produced those
16 wines.

17 MS. SLATTERY: It's not that long ago.

18 MR. STUART: That's true. We're a young
19 industry.

20 MS. SLATTERY: Is it possible that 10 years
21 down the road people might start to consider that
22 different areas in this region are also included in
23 Stags Leap?

24 MR. STUART: I think we already have
25 evidence that answers that question. A later

1 speaker today, Joe Phelps, he will tells about the
2 differences between cabernet grown on this corner
3 and cabernet grown down in this area, which are
4 found to be quite distinct, not similar. And he
5 will say, I think, that these wines are quite
6 different, meaning only different and distinct from
7 wines made within our boundaries.

8 So I think the evidence is already there.
9 I think that perhaps the notion of (flux) comes from
10 all the the attention that's being given to this
11 issue now that those of us who have decided that it
12 makes sense to form a viticultural area have
13 expressed our views.

14 MS. SLATTERY: So you're saying, then, that
15 the name is based on at least winecraft, but
16 viticulturally the name is based on the quality and
17 of the grapes grown in the area?

18 MR. STUART: The grapes and vines are very
19 high quality, but the name, I think, is based on
20 distinctiveness, as your criterion expresses.

21 (Discussion off the record.)

22 MR. STUART: And Mr. Andrus just pointed
23 out that he'll be speaking to that issue, as well,
24 so hopefully you'll get another point of view on
25 that.

*Pine Ridge
founded
in
1978
50
acres*

1 MR. DRAKE: Mr. Stuart, thank you.

2 Gary Andrus.

3 MR. ANDRUS: Hello. My name is Gary
4 Andrus, and before I start my address I'd like to
5 answer Ms. Slattery's question the best I can.

6 The historical area of a designation ends
7 when growers use a commitment to a name. In
8 essence, when one decides what they will call their
9 product from one area or another, the time
10 immemorial kind of stops that says this is where I
11 am, this is where I'm located. I will address that
12 in specific today.

13 First, I am the winemaker and managing
14 general partner of Pine Ridge Winery, which my wife
15 and I founded in 1978. We own 57 acres of land
16 within the proposed "Stags Leap District." I'd like
17 to point that out to you with the hillside cane.

18 Our primary property is located here, on 50
19 acre, and we also own about six and a half acres
20 across over here. In addition to that, I would like
21 to point out that I have owned property up here,
22 which was sold to another person in the district,
23 and currently we own property in this area. In
24 addition, I own 93 other acres in other
25 micro-climates within Napa Valley.

1 I'd like to tell you that I worked in three
2 climate different districts in France, St. Espethe,
3 San Julien and Touillac. Following my French
4 studies, when we established our winery we sought
5 out the unique micro-climate areas from which to
6 purchase our vineyards in Napa. I point out again
7 that that's 93 acres outside the Stags Leap area.

8 Since our inception we have designated our
9 bottles as coming from within the area in which Napa
10 Valley was grown. We were the first to use Stags
11 Leap on our label in 1979. We also have used
12 Yountville, Rutherford and Oak Knoll, as well, to
13 reflect the heritage of the others of our
14 vineyards. Today we produce cabernets from
15 Rutherford and Stags Leap. We produce cabernet and
16 chardonnays from Stags Leap, and have since 1979.
17 And the grapes from each of these climates tastes
18 different and the wines they produce are different.

19 I'm proud to say that every chardonnay from
20 the "Stags Leap District" has been a gold medal
21 winner, yet the highest incidence of wine in the
22 last three years has been from our Oak Knoll areas,
23 which just won a medal. Not one is better than the
24 other. They're different.

25 Prior to our current history, grape growing

1 existed on our property since 1898, and by 1902, the
2 owner, Luigi Domeniconi, was producing wines under
3 the bonded brand names of Nob Hill and Domeniconi
4 Winery. Copies of these old labels are currently on
5 file with the BATF, and a history by Mr. Heintz,
6 which is edited to take out the comments on his
7 daughter selling wine during prohibition. If you
8 want to look at those old labels on Nob Hill, you
9 will find references to this viticulture area back
10 to the 1800s.

11 I want to focus on how public awareness and
12 historical awareness are created as a result of
13 general consumer awareness of appellations in
14 general, and Stags Leap in particular. The process
15 of finding unique viticultural areas as called for
16 in your regulations is now a well established trend
17 in the United States wine industry.

18 Viticultural areas have, by and large, come
19 about as a result of several motivating factors.
20 First is the historical usage of political areas,
21 such as townships, counties or provinces, areas
22 which have led people to speak about wine styles and
23 wines in loosely defined political terms.

24 Second and, perhaps, most important,
25 prominent physical features and/or unique

Domeniconi

Exhibit #9

1 geographical features or formations that have led to
2 the development of geographical identities oftentimes
3 associated with wine. The consumer, the growers and
4 the press give recognition to these areas and a
5 common "word of mouth" develops, which soon becomes
6 identified with products from these loosely defined
7 areas.

8 This is the basics of the foundation of how
9 all appellations have been generated around the
10 world, whether you talk about Modoc or Napa. This
11 is the where you refer to your question: is this
12 from Napa Valley?

13 But Napa Valley started in the same manner
14 in forming as Stags Leap is started today. And that
15 is word of mouth, developed from the growers, to the
16 press, to the consumer, to the geographic history.

17 Prior to the establishment of a
18 viticultural area, it is common practice for growers
19 to identify their wines from that method. I am now
20 presenting for you Exhibit 2, an example of that
21 type of usage. This information is taken from the
22 records of Napa Valley Grape Growers Association
23 from 1986 and 1984. And the Association lists the
24 grapes' availability, the name of the grower, the
25 potential tons available, and -- and I want to

1 emphasize this as most important -- the descriptive
2 geographical or geopolitical identification of where
3 the grapes are located. This is in phase two.

4 If you look on the first page of that
5 you'll note that in 1984 Mr. William Weeks
6 identifies 15 tons being available from the
7 locations south of Yountville Cross Road. Also, on
8 the first page of that presentation, that other
9 people may have referred to their grapes as grown in
10 locations such as Spring Mountain, St. Helena, that
11 that's not a appellation, that is an area known in
12 this area. An appellation soon it may be.

13 In 1986 we have a listing of people
14 identified, and I'd like to pick out their name.
15 Joanne and Newell DePuy, Yountville area; Jim
16 Frankel, Yountville area; John Shafer, north of
17 Stags Leap. Joanne DePuy, again, Yountville Cross
18 Road.

19 It's a little hard to read some of this
20 with the Xerox.

21 Elmer Freethy, Stags Leap area. Max
22 McKinney, Yountville Cross Road; Nathan Fay, Candy
23 Vineyard, parenthesis, Nate's old vineyard.

24 To give you an example of how other people
25 do it, Robert MacDonald, Rutherford. Other people

does this mean
Shaffer considered himself
"north of Stags Leap"

1 on the same list Bob Cray, Mt. Veeder area. This is
2 a common and typical usage. May I also point out
3 these references are dictated by people who are in
4 the boundary, who have decided where they're from,
5 and people outside the area classify the information
6 as given.

7 In 1987, the last page of this exhibit is
8 an information sheet prepared by Bonnie Arons, who
9 is the secretary of the Napa Valley Grape Growers,
10 in which she received the information, and quotes --
11 and I might tell you her testimony was, when Randy
12 spoke to Bonnie, she said that any information that
13 they get is written down. They don't volunteer any
14 additional information. If information is not given
15 then it is left blank.

16 Often people will leave info on their
17 recorder and they will simply use it. They don't
18 volunteer any additional information on location or
19 otherwise.

20 And I might note, in 1987 Anderson
21 indicates their area is Yountville Cross Road area.
22 Clearly, in the midst of our battle they still refer
23 to themselves in Yountville. They are in
24 Yountville.

25 As time progresses consumers develop

1 appellation perspective, utilizing one or more of
2 these major tenets as the backbone for the
3 recognition, either historical or geographical, of
4 the uniqueness of the product. In some cases
5 products assume the name of an area, such as
6 Champagne.

7 Consumers become aware of appellations and
8 tend to find taste characteristics and flavor
9 components that lead them to enjoy wines from one
10 appellation or another. To the extent there is a
11 greater number of delineating criteria on the label,
12 the greater the distinction the consumer can draw.

13 Now, with the passage of your regulations
14 regarding viticultural areas, the wine industry has
15 begun to segment itself into specific wine
16 identities. Some follow political boundaries, i.e.,
17 Napa County, Sonoma County, Mendocino County; others
18 geographical features, such as Howell Mountain, Dry
19 Creek, Potter Valley, Ozark Mountain, in which there
20 is no political or geopolitical awareness.

21 The history of "Stags Leap District" began
22 with the geographical history which is presented
23 today. And it began with the early 19th century, as
24 testified earlier.

25 There has never been a political identity

1 known as the Stags Leap or "Stags Leap District."
2 This appellation did not begin from any land grant,
3 including a Yajome land grant. I want to point out
4 a couple of things. This area is about four miles
5 long, and it's 12 miles more to the end of the
6 Yajome land grant in Napa. It's not just south, as
7 Richard Mendelson pointed out.

8 The point is, it's clearly irrelevant,
9 anyway, because we are not using the Yajome land
10 grant as an historical verification for the "Stags
11 Leap District." The verification is Stags Leap
12 history. It's an history that started at the turn
13 of century, and the history is supported by grape
14 growers at the Stag's Leap Manor and the like.

15 The current history started in the late
16 '50s, and by 1961 a new awareness was given to the
17 geographical presence that created Stags Leap
18 current history in, probably, 1961. You will note
19 our vineyard was planted in chardonnay in 1964.
20 Clearly, when Warren talks of 1969 or '70, and the
21 first written piece of literature was 1964 wherein
22 Warren's Stag's Leap Wine Cellars first proposed the
23 geographical usage. And I can tell you, as you're
24 well aware, it has been a hotly contested legal
25 battle between his Stag's Leap Wine Cellars and

1 myself. And I might mention it has also been
2 friendly.

3 These legal battles have always been over
4 brand usage, never geographical area. The courts
5 have decided in every case that it is in fact a
6 geographic area, and that while brand identity can
7 be specific today when modified in such forms as
8 Stags Leap Vineyards, Stag's Leap Wine Cellars, and
9 Stag's Leap Winery, vintages among wineries cannot
10 preclude being used in a geographical sense. So, in
11 essence, we had a "Stags Leap District" formed. It
12 added to the awareness that existed at the turn of
13 the century, as Bill has testified.

14 But this is not a hearing over brand
15 usage. In fact, if you look at the myriad press I'm
16 going to hand you today, the use and the awareness
17 of Stags Leap label, even in the -- or in the press
18 exceeds in large amounts the usage of even those
19 producers whose wineries are in "Stags Leap
20 District."

21 I'd like you to now look at the depth of
22 this literature I'm ~~handing you~~ today. Consumer
23 word of mouth and producers who make wine in this
24 area have helped create the reputation of "Stags
25 Leap District." This is not unique. This is how

1 appellations are individual from time immemorial.
2 It certainly is in keeping with historical
3 precedents and in keeping with your regulations.

4 It is most important to point out that in
5 this entire stack of information, which focuses on
6 the usage of Stags Leap or "Stags Leap District,"
7 but which, by and large, does not include references
8 to brand usage only, there has been no usage by any
9 person at any time in print referring to the wine
10 produced north of our proposed boundary as being
11 from the Stags Leap area.

12 In Anderson's, not one usage, Mr. Hinckle
13 not excluded, because he's talking about an area,
14 not wine. This is evidenced in facts.

15 While other producers, such as Tulocay,
16 Markham, Cakebread, Quail Ridge, Rombauer, and
17 others refer to their wines as produced in our
18 proposed area as Stags Leap or "Stags Leap
19 District," these wines do not include any grapes
20 grown north of the proposed boundary line. So, in
21 addition to us, there are other producers outside of
22 us who say Stags Leap merlot, etc.

23 Based upon the overwhelming preponderance
24 of evidence, one can only conclude that there is no
25 public awareness, no historical awareness, no

1 consumer awareness that the grapes or wines from
2 north of our boundary line are from or have ever
3 been from the area known as "Stags Leap District."
4 I say this based upon my review of every file and
5 every document produced over the legal battle that
6 ensued from the early 70's until as recently as
7 1985. And that is over a total of 21 hundred
8 references, and not one included the northern area.

9 There is more political and historical
10 precedent for identifying the northern area as part
11 of Yountville rather than as part of "Stags Leap
12 District."

13 As you know, I purchase grapes from Jack
14 Abruzzini's Yountville Vineyard. I believe you
15 received the letter. Jim referred to two letters.

16 That is located at the corner of the
17 Silverado Trail, west of the Trail and south of the
18 Cross Road. It is located right here. Excuse me.
19 Right here.

20 Now, Mr. Abruzzini was born and raised
21 here, and has been in business for some 30-odd
22 years, and his father 40-odd years before him. In
23 fact, his father was the manager of Beringer. It is
24 his belief -- he's testified to you directly and
25 also twice in a letter -- that his vineyard has not

1 ~~and has not ever been in any way part of the "Stags~~
2 ~~Leap District."~~ He's been farming his vineyard
3 since 1956, ~~and that's before I even came.~~ And I
4 believe ~~you have a statement verifying that.~~

5 Additionally, it is important to state that
6 I have produced a "Stags Leap District" chardonnay
7 since 1979 from my estate vineyard, but I have also
8 purchased chardonnay grapes from Jerry Taylor and
9 Elmer Freethy in the proposed "Stags Leap
10 District".

11 I have statistical evidence at the winery
12 that equates that there is a great similarity
13 between, especially in the last three years, between
14 Jerry Taylor's grapes and Elmer Freethy's, and my
15 grapes, both in makeup, the composition and tartar
16 and organic profiles and acidity.

17 I have also purchased chardonnay from Mr.
18 Anderson in 1982. I might point out that I have
19 also purchased grapes, for the last four years, from
20 Mr. Fred Herman, here in the southern boundary.
21 Fred's grapes are not the same. They have much
22 lower maleic acid, much lower tartaric, and they
23 taste different. And every year they go into
24 something we call jeunesse.

25 Mr. Anderson's grapes, I purchased in 1982,

1 were not in my Stags Leap bottling. They were
2 included in a special bottling.

3 The issue of what to call the proposed
4 northern extension is not an issue to be addressed
5 by me. It's certainly not one to be addressed at
6 this hearing. This is over "Stags Leap District."
7 But, rather, my purpose is to show that there has
8 been no contested usage of the name and, clearly, no
9 data found in trade publications, magazines, books,
10 historical writings or the wine press that would
11 lead to inclusion of the proposed extension area in
12 the the "Stags Leap District." In fact, the reverse
13 is probably true.

14 Clearly, today people are calling for
15 consumer education. That education can best be
16 served, I believe, by identifying narrow boundaries
17 which are supportable by historical precedent and
18 viticultural distinctiveness. The consumer is served
19 by supporting the distinctiveness of the boundaries
20 of the "Stags Leap District," and those are the
21 boundaries we propose.

22 Thank you. May I answer any questions?

23 MR. DRAKE: Thank you. I'm going to take
24 at least last two, and that will be --

25 MR. ANDRUS: All those are your exhibits.

1 These are my copies of your exhibits. You can have
2 two copies if you want.

3 MR. DRAKE: No. One is fine. Thank you.

4 Any questions?

5 MR. GAHAGAN: You made reference to the
6 fact that your estate chardonnay was similar to the
7 Freethy vineyard?

8 MR. ANDRUS: Freethy.

9 MR. GAHAGAN: Where is that vineyard?

10 MR. ANDRUS: Elmer Freethy's vineyard -- I
11 might point out we've now had our second harvest
12 from -- it's a very new vineyard. Elmer's vineyard
13 is located right here.

14 Jerry Taylor's vineyard is located right
15 here. Jerry Taylor, Freethy and mine.

16 MR. GAHAGAN: And the Egan vineyard
17 chardonnay is different?

18 MR. ANDRUS: No, no. Egan chardonnay is
19 the same. Anderson's is different. Anderson I had
20 in '82, and the Egan I had in 1983, I believe. I
21 can't recall. I've also bought cabernet from Bob,
22 which has gone into our merlot bottle, but I bought
23 one year from him. And his vineyard is right here,
24 next to me. As a matter of fact, it was his
25 vineyard that made me look at Elmer's, Mr.

1 Freethy's. I'm sorry.

2 MR. GAHAGAN: The Anderson vineyard you
3 said is much different from your vineyard?

4 MR. ANDRUS: Yes, it is.

5 MR. GAHAGAN: What do you attribute that
6 to, could it be clonal variation, root stocks?

7 MR. ANDRUS: Yes, it could be all those
8 things. Sometimes harvest, in time. Qualities of
9 grapes, vintage year. You look at similarities, but
10 the biggest thing is in the taste. It's just like
11 the meso-climate of ours in enology. It's very
12 different.

13 MR. GAHAGAN: Do you know if Mr. Anderson
14 has the same clone of chardonnay as you have?

15 MR. ANDRUS: I have no idea.

16 MR. DRAKE: Mr. Andrus, on your exhibit
17 two, could you get us a better copy of the -- this
18 sheet, the one that goes sideways?

19 MR. ANDRUS: Let me ask you if this one
20 that goes sideways is better than the one I have. I
21 just pulled it out of another one.

22 Is that one better for you? If not, I will
23 mail to you the original.

24 MR. DRAKE: Why don't you get us the
25 original, a better copy of that?

1 MR. ANDRUS: Any other questions?

2 MR. DRAKE: No. Thank you.

3 Can we take a break, please?

4 (A recess was taken.)

5 MR. DRAKE: Mr. Foote.

6 MR. FOOTE: Mr. Chairman, ladies and
7 gentlemen. I am Sy Foote. I am a member of the
8 appellation committee. I notice we're an hour and
9 20 minutes late. With your help, I'll pick up 15
10 minutes.

Sy Foote

11 MR. DRAKE: Love it.

12 MR. FOOTE: My wife and I acquired the
13 western portion of what was then Stags Leap Ranch in
14 1969. It's basically the northern -- basically, the
15 northern two-thirds of that hill and the natural
16 lands added at the base. We planned to build a
17 house in 1970 and '71. We moved into the house and
18 planted a vineyard in 1971.

*planted and
cabernet sauv.
merlot*

19 On the advice of experts, county and U. C.
20 Davis, who recommended that we plant a preponderance
21 of cabernet sauvignon and merlot varieties, we
22 followed that advice. Several years later we
23 planted an additional four acres of cabernet
24 sauvignon.

25 We felt then and we still do that we are a

1 part of Stags Leap, because our 114 acres was
2 actually a part of the ranch, the old Stags Leap
3 Ranch, and because the area was known then and now
4 as the Stags Leap area.

5 My background was business with emphasis on
6 specialized office equipment and early model
7 computers. I have no background in viticulture, no
8 formal education, no expertise. As a result, our
9 vineyards have been planted and nurtured and tended
10 by vineyard contractors. Even today, after 16
11 years, I cannot speak with authority on the
12 technical aspects involved with growing of wine
13 grapes.

14 I do know that our vineyard produces fine
15 quality cabernet and merlot grapes, because the
16 quality vineyards in the Valley want them. Because
17 of this, I became convinced that our vineyard was in
18 an especially favored area for these wine grape
19 varieties.

20 Three years ago when my neighbors suggested
21 that we join together to identify a favored area
22 with a special designation which would identify our
23 product for our benefit and for the benefit of the
24 consumer, it made sense to me. I said, Sure, let's
25 do it. I've been much impressed with the careful

1 study that has gone into the area identification
2 process. Well-qualified scientists, historians and
3 vineyardists have studied the area and have come to
4 what are to me very logical and well-considered area
5 identification conclusions.

6 The recommended boundary lines follow
7 natural topographical and geographical features,
8 rivers, contours, ridge lines and hilltops within
9 which lies a homogeneous grape growing area.

10 I understand that there is a controversy
11 over how the northern boundary lines should be
12 drawn. I know that these matters must sometimes be
13 decided arbitrarily, but does it not strengthen the
14 whole process if logic and reason can be utilized?
15 To arbitrarily bend the northern boundary north of
16 the obvious topographical boundary which nature has
17 provided is to weaken or destroy the whole idea.
18 Bend the boundary past reason to accommodate one or
19 two applicants, and you open up the floodgates to
20 all that would follow.

21 To illustrate, imagine a dam or a
22 water-holding structure along the northern boundary,
23 imagine a hole punched in that with water to the
24 south. Imagine a hole punched in that dam. The
25 water, of course, would go northward into the

1 northern extension and possibly satisfy them, but it
2 would not stop at the Yountville Cross Road. It
3 would continue and go across the Yountville Cross
4 Road. So the demands for further extension past the
5 Cross Road is the point I'm trying to make.

6 Therefore, where would the special area end, in
7 Yountville, in Oakville, in Rutherford? God and
8 nature have provided the logical boundaries,
9 including the northern boundary.

10 We urge the BATF to recognize the logic,
11 and approve the northern boundary as recommended by
12 the committee.

13 Thank you.

14 MR. DRAKE: Thank you, Mr. Foote. Before
15 you go, could you show me again where you're
16 located?

17 MR. FOOTE: Yes. It's this hill to the
18 highway and to the creek and back, but not the
19 entire hill. It's about the northern three-quarters
20 of it.

21 MR. DRAKE: Thank you.

22 You have vineyards on both sides of the
23 hill?

24 MR. FOOTE: Yes.

25 MR. DRAKE: Thank you.

1 Joe Phelps, please.

2 MR. PHELPS: Good afternoon ladies and
3 gentlemen. My name is Joseph Phelps. I'm the owner
4 of Joseph Phelps Vineyards. I've been a member of
5 the Stags Leap Committee since its inception, and my
6 associate, Craig Williams, Winemaker of Joseph
7 Phelps Vineyards has served as my alternate. He's
8 here today. He's lost his voice. He's done most of
9 my research on the limited amount of what statement
10 we have to make.

11 We're going to basically provide
12 information in two categories, one as a winery which
13 has for a substantial period of time made wine, both
14 made cabernet sauvignon from grapes grown both in
15 the proposed appellation and in the proposed
16 northern extension. We can tell you a little bit
17 about our experience in that. And the other body of
18 information that Craig has researched by working
19 with other winemakers who have over a period of
20 years made wine from both sections, not only what
21 some of their thoughts are on the differences, but
22 also how the other wineries both within the Stags
23 Leap appellation and outside the appellation have
24 marketed their wines and how they have referred to
25 them.

RICHARD P. MENDELSON

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January 13, 1988

VIA AIRBORNE EXPRESS

Mr. James Ficaretta
Bureau of Alcohol, Tobacco & Firearms
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20226

Re: Stags Leap District

Dear Mr. Ficaretta:

Enclosed please find a copy of Mr. Phelps' remarks at the public hearing. Upon his review of Volume ~~III~~ of the hearing transcript, Mr. Phelps found several errors by the reporter which a copy of his prepared remarks should serve to correct.

Sincerely,



Richard Mendelson

RM:lm
Enclosure

Statement of Joseph Phelps, Phelps Winery
December 1, 1987

Since 1973, our winery has purchased grapes from growers within the Napa Valley to supplement production from our own vineyards. During those 15 years, we've extensively evaluated many vineyards in an attempt to determine which areas consistently produce high-quality grapes. We've unquestionably evaluated more Cabernet Sauvignon vineyards than any other variety, partly due to the fact that we produce four different bottlings of this grape: a Napa Valley Cabernet Sauvignon, two vineyard-designated Cabernet Sauvignons, and a proprietary blend called Insignia, a selection of the best Cabernet Sauvignon, Merlot and Cabernet Franc that we can assemble from any one vintage.

We've produced wine from Cabernet Sauvignon grapes grown in Dick Steltzner's vineyard and Bill Weeks' vineyard. We bought grapes from Dick in 1974, and the wine from those grapes went into our first bottling of Insignia. The blend was 94% Cabernet Sauvignon and 6% Merlot from another vineyard. Many consumers consider this vintage to be the best Insignia bottling to date, and some have referred to it as among the best '74 Cabernet Sauvignons produced that year.

The wine was released in March of 1978, and our point of sale information described the grapes as coming from the Stag's Leap area. A subsequent article in July of '78 in the Los Angeles Times by Nathan Chroman located "Steltzner's vineyard in the Stag's Leap area of the valley."

From 1981 to 1983, we bought fruit from the Weeks vineyard and blended the wine produced from those grapes with wine from other vineyards under our Napa Valley label. Although both vineyards produce high quality grapes, it is a difference in character that separates these two areas in my mind and in the minds of many other winemakers with whom we've spoken about this issue.

The proven track record of this area motivated us to acquire vineyards in the Stag's Leap District. In 1983, we purchased 30 acres known as the Balfour-Sorenson vineyard and I think it's worthwhile to point out that our 1983 internal records show that we immediately began calling the Balfour-Sorenson vineyard our Stag's Leap vineyard, while at the same time continued to identify the Weeks vineyard as Weeks.

It was and still is very clear in our minds that the proposed expansion area is not a part of the Stag's Leap District and I'd like to share with you some noteworthy facts that we've discovered while conducting research into this issue. Let's look at the source of grapes other wineries used prior to 1983, during the period when the Stag's Leap name was allowed to be incorporated on wine labels or point of sale material. In every known instance, all of the wines that used the Stag's Leap name contained grapes from within the Stag's Leap District. Wines such as the 1980 and 1981 Markham Merlot, 1981 Rombauer Cabernet Sauvignon, 1978 Cakebread Cellars lot JT-L1 Cabernet Sauvignon, 1978 Berkeley Wine Cellars Cabernet Sauvignon, 1982 Bay Cellars

Cabernet Sauvignon, 1981 St. Andrews Cabernet Sauvignon, 1981 Clos du Val Cabernet Sauvignon, 1982 Quail Ridge Cabernet Sauvignon, 1979-1981 Shafer Zinfandel and 1978-1980 Shafer Cabernet Sauvignon, 1979 Steltzner Cabernet Sauvignon, 1980 Pine Ridge Merlot and, of course, wines produced from Stag's Leap Wine Cellars and Stag's Leap Winery. All of the labels or point of sale materials associated with these wines are contained as exhibits to our original petition.

What's even more striking is the fact that none of the wines I just mentioned, which did use the term Stag's Leap, contained grapes from the proposed expansion area. And this proposed expansion area had vineyards in production during this time. For example, the Weeks vineyard sold grapes to wineries at least as far back as 1976. Further, we contacted Chateau Montelena, Rutherford Hill, Chateau Boswell, Forman, Cuvaision and Chappellet, and learned that none of these buyers of grapes produced by Weeks used the term "Stag's Leap" to identify these grapes in-house, on their label or in conjunction with their point of sale material. The only winery in the Stag's Leap District to identify the proposed expansion area as a source of grapes in a wine is Pine Ridge and they consistently identify the grapes as Yountville not Stag's Leap District. Since 1981, they've produced a Yountville Cuvee Chenin Blanc from the Abruzini Yountville vineyard.

I think it would be insightful to look at the grape flow from vineyards in the proposed expansion area to those wineries

inside the Stag's Leap District. Since 1981, the approximately 92 acres of vineyard in the proposed expansion area have only contributed an average of 7.2% of its total production to wineries within the Stag's Leap District. This figure was computed using the most recent Napa County Ag report which established the average vineyard production at 4 tons per acre and excludes Abruzini grapes and acreage because Pine Ridge has specifically labeled them as Yountville. During the same time, these proposed expansion area grapes have represented only 2.3% of the total tons crushed by the wineries in the Stag's Leap District and have only been incorporated with Napa Valley designated blends by these wineries or in the case of Pine Ridge, labeled as Yountville.

I want to emphasize this last point because it's very important. The wines the consumer readily identifies as coming from within the Stag's Leap District are the Shafer Hillside Select Cabernet Sauvignon, the Clos du Val Cabernet Sauvignon, the Steltzner Cabernet Sauvignon, the Silverado Cabernet Sauvignon, the Pine Ridge Stag's Leap Vineyard wines, The Stag's Leap Winery Cabernet Sauvignon and Merlot and the Stag's Leap Wine Cellars Stag's Leap Vineyard wines. The grapes from the proposed expansion area have not contributed to the distinctiveness of the Stag's Leap District and at best, account for a small portion of the total grapes purchased by these wineries from outside the District to supplement their production.

In conclusion, the lack of significant consumer or commercial association between the proposed expansion area vineyards and the Stag's Leap District stands out.

The Stag's Leap District was not hastily constructed. Its current size reflects an evolution over the past few years with its boundaries a result of much research, thought, time and effort on the part of many individuals. I believe that this sub-appellation, and the others that are sure to follow, should be established by predominate facts. I urge you to preserve the meaningfulness of the Stag's Leap District not only for the members but most importantly, for the consumer.

Thank you very much.

1 Our winery is not within the proposed
2 appellation. We own vineyards in diverse locations
3 throughout the Napa Valley and in Carneros and
4 Rutherford. We have two vineyard plots within the
5 proposed appellation. So much for our credentials.

6 Since 1973 our winery has purchased grapes
7 from growers within the Valley. During those 15
8 years we've extensively evaluated many vineyards and
9 attempted to determine which areas consistently
10 produced high quality grapes. We've unquestionably
11 evaluated more cabernet sauvignon than any other
12 variety, particularly due to the fact that we
13 produce four different bottlings of these grapes, a
14 Napa Valley sauvignon cabernet in which we have our
15 very best merlot and cabernet sauvignon that we can
16 produce. We've produced wines from cabernet
17 sauvignon grapes grown in Dick Steltzner's vineyard
18 and we've produced cabernet sauvignon from Bill
19 Weeks' vineyard, and I'd like to point out the
20 location.

21 Dick Steltzner's vineyard is here, and
22 immediately adjoining vineyards which we have since
23 purchased in that area. Bill Weeks' vineyard is
24 here, next to Mr. Anderson's location, perhaps dead
25 center in the proposed northern extension.

1 Our purchase of grapes from Steltzner's
2 vineyard goes back to 1974. The wine from those
3 grapes went into our very first bottling of
4 Insignia, which was one of the very first. It was
5 the first proprietary blend of red wine in modern
6 times in the Napa Valley.

7 Many consumers -- pardon me. The blend was
8 94 percent cabernet sauvignon and six percent from
9 another vineyard. Many vintners consider this to be
10 the best. And among the best '74 cabernet produced
11 that year, our point-of-sale information described
12 the grapes as coming from the Stags Leap area.

13 We're talking 1974. A subsequent article in July of
14 '78 in the Los Angeles Times by Nathan Kroman
15 (phonetic) located Steltzner's vineyard in the Stags
16 Leap area of the Valley. These are copies of Mr.
17 Kroman's article.

18 From 1981 to 1983 we bought fruit from the
19 Weeks vineyard, again in the northern proposed
20 appellation. These were blended into wine. The
21 wine produced from these grapes were blended with
22 wine from other vineyards under our Napa Valley
23 label. Although both vineyards produced high
24 quality grapes, it is a difference in character that
25 separates these two areas in my mind and in the

1 minds of many other winemakers with whom we've
2 spoken about this issue.

3 The proven track record, as we saw it, of
4 the Stags Leap area motivated us to acquire
5 vineyards in the "Stags Leap District" in 1983. We
6 purchased 30 acres, which was then known as the
7 Sorensen vineyard, and I think it's well to point
8 out that our 1983 internal records showed that we
9 immediately began calling the Sorensen vineyard our
10 Stag Leaps vineyard. While at the same time we were
11 still buying Weeks' grapes, we continued to identify
12 that as the Weeks vineyard, not stags leap.

13 And I would like to submit copies of the
14 most important documents to verify that, and that is
15 our state mandated weigh tags that our weighmaster
16 must fill out when they come in. And all of the
17 Weeks weigh tags, as you will see, are identified
18 simply under vineyard as Weeks, all of the fruit
19 from our vineyard is referred to as Stags Leap. And
20 this is long before the controversy arose over the
21 issues.

22 In other words, it was and is still very
23 clear in our minds that the proposed extension is
24 not part of the "Stags Leap District."

25 I'd like to share with you some of the

1 facts we've noticed while conducting research.
2 Let's look at the other sources prior wineries used
3 during 1983 during the time when Stags Leap was
4 allowed to be incorporated on wine labels. In every
5 known instance all of the wines that used the Stags
6 Leap name had gained grapes from within the "Stags
7 Leap District" as we have produced it. Berkeley
8 Wine Cellars Cabernet Sauvignon, 1982; Bay Cellars
9 Cabernet Sauvignon, 1981; St. Andrews Cabernet
10 Sauvignon, 1981; Clos du Val Cabernet Sauvignon,
11 1982; Quail Ridge Cabernet Sauvignon, 1979 through
12 1981; Shafer Zinfandel, 1978 to 1987; Shafer
13 Cabernet Sauvignon, 1979; Shafer Cabernet Reserve
14 and Hillside Select, Steltzner Cabernet Sauvignon;
15 and, of course, Stags Leap Cellars and Stags Leap
16 Winery.

17 All of the labels or all of the
18 point-of-sale materials associated with these wines
19 are contained as exhibits in our original petition.
20 What's even more striking is the fact that none of
21 these wines just mentioned which did use the term
22 Stags Leap either on the label or in point-of-sale
23 material all contained grapes from a proposed --
24 pardon me.

25 What's even more striking is the fact that

1 none of the wines I just mentioned contained grapes
2 from the proposed expansion area. None of them.

3 This proposed expansion area had been used
4 in production during that time. The grapes were
5 available if any of those wineries inside or outside
6 the district had chosen to use them. There were
7 grapes available. For example, Weeks Vineyard sold
8 grapes to wineries at least as far back as 1976.

9 This was a vineyard, again, which was located in the
10 heart of the proposed northern expansion, since
11 1976.

12 We contacted Chateau Montelena, Rutherford
13 Hill, and Chateau Chevalier, all of whom used grapes
14 from Weeks, and learned that none of these buyers of
15 grapes produced by Weeks used the term Stags Leap to
16 identify these grapes in-house, on their label or in
17 conjunction with their point-of-sale material. None
18 of them.

19 To our knowledge, no one has ever
20 identified Weeks cabernet sauvignon as a Stags Leap
21 wine, even on their point-of-sale material. The
22 only winery in the "Stags Leap District" to identify
23 the proposed expansion area as the source of a
24 variety of a wine is Pine Ridge, and they
25 consistently identify the grapes as Yountville, not

1 Stags Leap. Since 1981, they have produced a
2 Yountville chenin blanc, Abruzzini vineyard.
3 Abruzzini vineyard is on the corner center of
4 Yountville Cross Road within the northern
5 expansion. Another opportunity for someone to call
6 it Stags Leap if it were indeed Stags Leap.

7 I think it would be insightful to look at
8 the great flow of those wineries from inside the
9 district since 1981. The approximately 92 acres of
10 vineyard in the proposed expansion area have only
11 composed an average of slightly over seven percent
12 of the production of wines within the Stags Leap.
13 This figure was computed using the most recent Napa
14 Valley ag report, which established and excluded
15 Abruzzini because Pine Ridge is specifically labeled
16 as Yountville. During the same time these proposed
17 expansion area grapes have represented only 2.3
18 percent of the total tons crushed by the Stags Leap,
19 and, even then, have only been incorporated with
20 Napa Valley designated blends in these wineries, or
21 in the case of Pine Ridge.

22 So their neighbors over a long period of
23 time have not bought very many of their grapes and
24 has represented a very small percentage of their
25 production. But it has not been labeled or thought

1 of as anything but Napa Valley.

2 I want to emphasize this last point because
3 it's important. Wines that the consumer readily
4 identifies as coming from wineries within the "Stags
5 Leap District" are an important bellweather. They
6 are the Shafer Hillside Excellent Cabernet
7 Sauvignon, Clos du Val Cabernet Sauvignon, the
8 Steltzner Cabernet Sauvignon, the Silverado
9 Sauvignon and Pine Ridge, Stags Leap Vineyard wines,
10 the Stags Leap cabernet and the Stags Leap Wine
11 Cellars, Stags Leap Vineyard wines. The grapes from
12 the proposed expansion area have not contributed
13 and, at best, account for a very small portion of
14 the grapes purchased from these vineyards outside
15 the district for production.

16 To the foregoing list now newly released we
17 have Chimney Rock Wineries to include, as well.

18 In conclusion, the lack of significant
19 consumer or commercial association between the
20 proposed expansion area of vineyards in the "Stags
21 Leap District" stands out. The "Stags Leap
22 District" was not hastily constructed. Its current
23 size and description reflects an evolution over the
24 past few years, but its boundaries are a result of
25 much research, thought, time and effort on the part

1 of the individuals. I believe that this
2 sub-appellation and the others sure to follow should
3 be established by the predominant facts. I ask you
4 to approve of the "Stags Leap District" for all the
5 members of that district but, more importantly, for
6 the consumer.

7 MR. DRAKE: Thank you, Mr. Phelps.

8 MR. FICARETTA: Did you say that you got
9 the cabernet sauvignon from Weeks Vineyard as well
10 as Steltzner's?

11 MR. PHELPS: We did from '83. Steltzner
12 was prior to that time.

13 MR. FICARETTA: What about the price of
14 the grapes comparable to each other, Weeks versus
15 Steltzner versus any other cabernet sauvignon from
16 within Napa Valley? Have the prices been pretty
17 much the same that you paid or --

18 MR. PHELPS: Well, we last bought grapes
19 from Steltzner in '75, and at that time they were
20 more expensive. At the time that we bought Weeks'
21 grapes from Bill Weeks I would say that the price
22 was the average of the Napa Valley price. In fact,
23 I think that was our pricing formula, if I'm not
24 mistaken.

25 MR. FICARETTA: But lower than others

1 within the proposed area?

2 MR. PHELPS: I can't answer that question,
3 because the only grapes that we bought from within
4 the proposed district were Steltzner's until we
5 began growing our own fruit there.

6 An associated winery -- correct me if I'm
7 wrong, Craig -- but Grace bought cabernet, and that
8 was the highest priced cabernet that he bought --

9 MR. CRAIG: Correct.

10 MR. PHELPS: -- From the Stags Leap
11 Vineyards property. That's an associated winery,
12 but one which we do not feel that -- we are not in
13 charge of purchasing for.

14 MR. DRAKE: Mr. Phelps, thank you very
15 much.

16 MR. WINIARSKI: Mr. Drake, can I make a
17 comment? I want to clarify something that Mr.
18 Gahagan asked this morning, and I don't wish to
19 disrupt the proceedings, but I think it could be
20 clarified.

21 And you asked me where there was any
22 difference between the cabernet grapes from the
23 vineyards and the proposed expansion area and the
24 area in what we're calling the "Stags Leap
25 District," and I said my recollection of that

1 question had to do with wineries producing their own
 2 grapes in that vineyard and there weren't any. I
 3 didn't mean to include considerations from the
 4 grapes from the Weeks figure, because I didn't
 5 consider that to be a winery producing its own
 6 product, and therefore I wouldn't pass judgment.

7 In addition, I believe the Weeks vineyard
 8 is somewhat -- has some problems with virus, and I
 9 wouldn't consider that to be a fair test of
 10 comparing the cabernet from out of the vineyard with
 11 the cabernet from in the vineyard.

12 I have made that comparison with Mr. Egan's
 13 grapes, and the cabernet is different. And he's
 14 just over the Cross Road in an area I would consider
 15 similar to south of the Yountville Cross Road.

16 MR. DRAKE: Mr. Robert Egan.

17 MR. EGAN: My name is Robert Egan,
 18 E-g-a-n. I'm a member of the "Stags Leap District"
 19 Appellation Committee. I am also a wine-grape
 20 grower.

21 I have two vineyards, one on both sides of
 22 the proposed northern boundary. There's the
 23 northern boundary right here. My home vineyard lies
 24 just south of this boundary, in the proposed "Stags
 25 Leap District." My other vineyard to the north of

Egan
 "A" team

1 this boundary is part of a 42-acre vineyard which is
2 bordered by the Yountville Cross Road and State Lane
3 and is directly across the Yountville Cross Road
4 from the Anderson property.

5 Both of my vineyards have cabernet grapes.
6 And let me point that out to you again.

7 My home vineyard is right here, and my
8 northern vineyard is right here, and it's part of a
9 42-acre parcel that stretches like this. There's a
10 home in the corner and the vineyard is here.

11 Because of the difference in the grapes in
12 these two vineyards I do not consider that my
13 northern vineyard on State Lane is or should be in
14 the "Stags Leap District." However, if the proposed
15 boundary is extended as Mr. Anderson has suggested
16 to include the Chambers property, which extends more
17 than 600 feet north of the Yountville Cross Road on
18 the Silverado Trail -- and I will point that out to
19 you. Right here. This is the proposed extension.
20 If that is included, then I insist that my northern
21 vineyard on State Lane also be included, because it
22 is only 450 feet from the Yountville Cross Road.

23 It should be noted also that in this area
24 here it's full of vineyards it's all vineyards in
25 this whole area. In 1982 wines were made from the

1 grapes from my two vineyards, 100 percent from each
2 vineyard. The two gentlemen that were here from
3 Washington earlier in the year were able to taste
4 these two wines, as we all did.

5 MR. DRAKE: Oh?

6 MR. EGAN: Give him the demerits, not me.
7 They were admittedly different. The grapes in the
8 vineyards are different. The wines are different.
9 And let me emphasize the word different. They are
10 not inferior, because I get more money for my grapes
11 from my northern vineyard than I do for my southern
12 vineyard, which is inside the proposed "Stags Leap
13 District."

14 The cooling breeze on my home vineyard is
15 quite noticeable, referring to the earlier chart.
16 I'm not a weather expert, he is, but when I stand on
17 my back porch in the middle of the afternoon I can
18 feel that cool breeze. I don't feel this in my
19 northern vineyard.

20 If difference is not a consideration, then
21 what is? If difference is not considered, then we
22 do not need an appellation system at all. The whole
23 reason behind this type of system is so the consumer
24 can make a choice according to his or her taste.
25 Without a meaningful appellation and regulations to

1 back it up, a bottle of wine becomes a
2 pig-in-a-poke.

3 Your job here is not to please the
4 participants in this hearing, but to please and
5 protect the consumer. You were right in the
6 beginning when you said the consumer has the big
7 stake here.

8 Thank you.

9 MR. DRAKE: Mr. Egan, thank you.

10 Do you want to tell us about the wine while
11 you're sitting here?

12 MR. GAHAGAN: Mr. Egan, regarding the
13 differences in the wines and the grapes, vines, are
14 they the same clone in the different vineyards, the
15 same root stocks?

16 MR. EGAN: That I couldn't find out. They
17 were planted before I purchased any of them. In my
18 investigation I wouldn't find out.

19 The viticultural practices, yes; the
20 clones, I don't know what the clones are. They are
21 cabernet sauvignon grapes. They come from two
22 different areas, two different pieces of land.

23 MR. DRAKE: Back to the question we asked
24 earlier. Grapes have been grown above the
25 Yountville Cross Road for a lengthy period of time,

1 as far as you know?

2 MR. EGAN: According to our evidence, yes.

3 MR. DRAKE: Thank you, Mr. Egan.

4 Mr. David Leen.

5 MR. LEEN: Good afternoon, ladies and
6 gentlemen, members of the panel.

7 My name is David Leen, and I'm from
8 Seattle, Washington, and I happened to have some
9 other business coincident with this hearing. I'm
10 fortunate to appear in, really, a consumer witness
11 capacity.

12 I haven't any interest in any endeavor, but
13 I have been a home winemaker since the 1960s, and I
14 have been a wine collector since that time,
15 collecting what I feel are the finest examples of
16 the various varietals that I hold in esteem.

17 The reason I am so interested in the Stags
18 Leap area begins with a story that I think is a good
19 illustration of how a consumer relies upon or comes
20 to rely upon an appellation. I generally acquired
21 the best grapes available, which is not easy when
22 you live in Seattle, and the wine industry up there
23 was, at least in those days, in its infancy, and so
24 we would often get wine grapes shipped up from
25 California.

1 Initially, back in the early '70s they were
2 from Tony DeCardo in Lodi, and they'd be big crates
3 of zinfandel. And they made a jug of wine that was
4 not alcoholic, but not a distinctive wine. Then a
5 group put together in Oakland by Burke began
6 shipping varietals all over the country.

7 In 1979, at that point in time, I had
8 become familiar with the Stags Leap reputation from
9 the famous Paris tasting, and he offered Stags Leap
10 cabernet sauvignon. And, of course, I jumped at the
11 chance to acquire those grapes delivered to my
12 doorstep.

13 In spite of my earlier frustrations in
14 winemaking, the 1979 wine was, without being
15 immodest, it was a very spectacular wine, especially
16 in view of my previous lack of success in making
17 wines on occasion. And like a lot of winemakers, we
18 like to brag about our efforts, and on a trip the
19 following summer my collaborators and I were
20 bragging about this wine that we'd made, and we were
21 down at, I think, Sattui's, buying some of their
22 zinfandel, which I think is also distinctive. The
23 chap at the counter was also a home winemaker, and
24 he insisted that we bring out our wine, which we
25 happened to have in our pocket. And he tasted it

1 and smelled it and we told him we got it from wine
2 people here.

3 He said, "This is Fay Vineyards cabernet."

4 He said, "This is one of the best grapes you can
5 buy." He said, "You know, Nathan Fay lives just
6 across here. He's a nice guy. He'd like to take a
7 sample of this and meet you."

8 Of course, we jumped at the opportunity.
9 We instantly called him up. He was home. It was a
10 nice summer afternoon. We invited ourselves over to
11 his house, and he was gracious enough to allow
12 that. We uncorked our '79 wine and we had some
13 other samplings from Washington, riesling, I
14 believe.

15 And ever since that time we've kind of
16 showed up like fruit flies when the grapes are
17 crushed here, and I've brought actually fresh grapes
18 from Nathan's vineyards, from Winiarski's, from the
19 Candy Vineyards, from the Campbells and from
20 Robinson's vineyard, and a few other areas outside
21 of the Stags Leap area. But I think I've had a very
22 good sampling from what I consider the heart of the
23 Stags Leap area.

24 I'm certainly not going to testify here
25 today as to the arguments about the fringe areas,

1 because my experience as a consumer and as a
2 winemaker is what I consider the heart of the Stags
3 Leap area.

4 And I've had an opportunity I think to
5 make, probably, ten different cabernets from various
6 vintages and a number of merlots and a couple of
7 chardonnays, and I subscribe to the comments of I,
8 believe, Mr. Winiarski that the wine, at least as
9 far as the cabernet is concerned, is a very
10 characteristic and elegant wine that is
11 identifiable. And I think, as a wine consumer, I
12 like to be in a position to rely upon the label of
13 something as being very high quality and meeting the
14 standards as I've come to know as being from the
15 Stags Leap area.

16 So to kind of come full circle, I have kind
17 of fallen in love with the particular wines of the
18 region, and I think it's very important to give the
19 people out in the hinterland and Napa Valley the
20 opportunity to select these kinds of things as they
21 become more popular and well-known.

22 So I place a very high degree of importance
23 on the designation process. I've also made wines
24 from the Carneros region, pinot noir, and I think as
25 the designations develop they are a more of a viable

1 way to judge a wine than the year and the grape
2 variety, and even than the vineyard. I think if,
3 you know, you have a pinot noir, you can select the
4 food that goes with it, and I think that that
5 applies to the cabernet sauvignon grapes in the
6 "Stags Leap District."

7 I think everyone here recalls what the
8 conventional wisdom was in the 60s, that California
9 had no variation from vineyard to vineyard and
10 that's why California wines were good, because the
11 weather was all the same. And, of course, we now
12 know that that's not true. It's no different from
13 the other great wine growing areas of France and
14 other parts of the world.

15 So now the importance of this, I think, to
16 the consumer is to give the consumer the tools by
17 which they can make selections that have some
18 meaning, and so I would urge the panel to adopt the
19 boundaries as proposed by the committee.

20 And I had a chance yesterday on the way
21 down to drive around the area a little bit and look
22 at the -- I got ahold of the map and looked at the
23 proposed boundary areas, and they certainly are
24 consistent with my own expectations of what a Stags
25 Leap area would be, at least, from my own somewhat

1 limited experience. So, again, I would urge the
2 panel to subscribe to those boundaries and the
3 comments that have been given in support of that.

4 MR. DRAKE: I have two questions --

5 Thank you. -- One dealing with: have you
6 purchased grapes from outside of the Stags Leap
7 area?

8 MR. LEEN: Yes.

9 MR. DRAKE: From the proposed extension, by
10 any chance?

11 MR. LEEN: No. I mainly purchase cabernet
12 sauvignon grapes, and I don't believe that I'm
13 familiar with any cabernet from that area. There
14 are an awful lot of wineries that I'm not aware of.

15 MR. DRAKE: But you haven't gotten cabernet
16 from outside of the Stags Leap area?

17 MR. LEEN: I got some cabernet brands from
18 Veedercrest. I'm not sure what that is. And I've
19 gotten some cabernet from Sonoma, but I think all
20 the contacts come from this area.

21 MR. DRAKE: How familiar are you with Wine
22 and the People? Have you dealt with them for any
23 period of time?

24 MR. LEEN: Well, I've probably purchased
25 about four shipments of grapes from them, and

1 they're not in existence anymore, I believe. I
2 think they're gone. But I was -- I think, actually,
3 I was pleased with all of the products we got from
4 them. I was always very concerned and crossed my
5 fingers and held my breath.

6 MR. DRAKE: Were you always sure that what
7 they said it was was what it was?

8 MR. LEEN: No, but I --

9 MR. DRAKE: Nor were we.

10 MR. LEEN: The one thing I can say with
11 assurance, I think the Stags Leap cabernet that they
12 sold actually -- and it's been analyzed with pH
13 meters and all sorts of scientists that have much
14 more experience than I, and it appears that that was
15 authentic, the real stuff.

16 MR. DRAKE: Don't bet the ranch on it.

17 MR. ANDRUS: The question I'd like to ask
18 is if he's compared the wines he's made as home
19 winemaker with the commercial wines.

20 MR. DRAKE: That's what I was trying to get
21 to with the cabernet.

22 Have you compared your contacts with
23 commercial?

24 MR. LEEN: As a matter of fact, the times
25 I've come down in the fall I've had the opportunity

1 to stay with Nathan Fay, and in order to be invited
2 every year I have to bring a large, fresh sampling
3 from Washington. And we have a banquet and feast,
4 and naturally I parade out my best wares and Nathan
5 has his wine there and Mr. Winiarski has joined us
6 with his wines. As a matter of fact, we did taste
7 the wines that a number of us had made. I know that
8 Father John Turnbull and Nate had a tasting, and I
9 think the consensus was that the wines we had made
10 were similar. They were at least in the same ball
11 park.

12 They were not filtered, and they were not
13 as, you know, commercial quality, but there was a
14 resemblance there. And, again, that may have been
15 been their charitable way of treating me, but I
16 think that's true.

17 MR. WINIARSKI: We're just short of
18 offering him a job.

19 MR. DRAKE: Thank you very much.

20 Mr. Steven Hale has said he was unable to
21 attend, and I was to relay that and I forgot.

22 Keith Bowers.

23 Dale J. Missimer.

24 MR. MISSIMER: My name is Dale Missimer.

25 My wife Sue and I have a vineyard that is in between

1 a couple of lines here. It extends down to
2 approximately, oh, 500 feet to the south of the
3 green line here, and up to this boundary here that's
4 commonly called the Yountville Cross Road, or the
5 Yajome boundary, or whatever thing up here, whatever
6 you want to call it. It's not part of the city.
7 And we come to the foot of the hill and to the
8 river.

9 And this is a summary of our feelings on
10 this. We believe the boundaries of the proposed
11 district should follow both logical and clearly
12 under lines of demarcations. They should be easily
13 recognized by the wine consuming public and should
14 not appear to be the result of gerrymandering
15 operation. There should be no ill feelings among
16 those involved in the formation of this district. A
17 reasonable consensus should be reached between all
18 growers and vintners who will be affected.

19 The Silverado Trail is unquestionably the
20 primary trunk of the proposed district, with the
21 east and west boundaries being essentially parallel
22 to and falling on either side of the trail, This
23 encompasses vineyards of similar soils and climatic
24 conditions, considering those areas located
25 approximately below the Stags Leap formation. The

1 formation, if I'm not mistaken, is right along in
2 here, which is to the northern part of the entire
3 district.

4 The currently proposed eastern line formed
5 by the elevation of the hillside and the western
6 line of the Napa River are quite logical and clearly
7 defined and understood by all concerned.
8 Apparantly, there is no disagreement between the
9 district proposals for the southern boundary to be
10 defined by the creek, even though there's no other
11 distinctive geological change down there.

12 The remaining or the north boundary is the
13 one now in question and open to some difference in
14 opinion.

15 We strongly believe that the northern
16 boundary should be the Yountville Cross Road, or
17 whatever you want to call it, ending at the western
18 end at the Napa River and at the eastern end at the
19 400 foot level, and that no boundaries should bisect
20 it.

21 Our reasons are: A, the Yountville Cross
22 Road follows the Yajome land grant boundary
23 established more than a hundred years ago. It is a
24 well-defined and clearly established line of
25 demarcation. There is no way to misunderstand what

1 is or is not included using such an historical
2 boundary.

3 The preponderant soil types in the growing
4 areas of this district are classified as 104 or 105
5 or Bale clay loam by the USDA -- and I forgot the
6 map. Excuse me.

7 The pinkish areas are the 104-105, and even
8 though the two proposed boundaries -- I mean, the
9 southern one is not shown, you can see that the
10 majority of the growing area is in this Bale clay
11 loam. The other soil -- well, this is our vineyard,
12 here, which is the same type between this knoll, the
13 river and the road, which all follow there.

14 The other type we have is this 118, which
15 is Cole silt loam, is this southern part or where
16 that other proposed boundary line is. And that's
17 the same as this large block down here towards the
18 river. So most of our soil is exactly the same
19 balance as the soil in this proposed district
20 between here and here.

21 In our vineyard the afternoon prevailing
22 air movement during the growing season is up the
23 Valley, most commonly between the notch between
24 those knolls below the Stags Leap formation, along
25 the Silverado Trail. We -- our house is on the

1 green side, I mean, down here where that 100 number
2 is, and I have an anemometer there, and the
3 prevailing winds come up from here. This is the
4 same cooling winds that Mr. Egan referred to. And
5 they flow out this way and around this knoll.

6 Now, I'm not a meteorologist, so I can't
7 say any more than that. But I do have the
8 anemometer, and I've had it for many years, and
9 that's what the air movements show.

10 Standing on our porch we look right up at
11 the leap, so we considered ever since we bought the
12 property in 1978 that's where we've been. We've
13 never considered Yountville our -- we don't happen
14 to have a mailing address there, but the mailing
15 address for that district is Napa, not Yountville.
16 And that's the choosing of the U.S. Post Office.

17 There are no constrictions anywhere in this
18 -- across where this line is shown between our
19 vineyard and this district right in here. The land
20 from the front here to -- well, you can see the --
21 if you come up close or have a map in front of you,
22 that the topo lines are pretty nearly horizontal all
23 the way through there. There's no distinctive
24 difference or change suddenly along that point.

25 Our plantings have been included in the

1 surveys of this proposed district since the summer
2 of 1986. Before we arrived I understood there was a
3 reference to that made. We have received three or
4 four letters and two or three phone calls about
5 that. So it was our clear understanding that we
6 were part of this district that was being formed.
7 Subsequently, we learned there was a proposal to
8 have the northern boundary bisect our vineyards, and
9 I believe that this green line is the one that now
10 still bisects our vineyard.

11 We objected to this in a letter to the
12 bureau on April 6th of '87, and asked the vineyard
13 be included in the district in its entirety. We
14 then learned that the next proposal had a northern
15 boundary which was pushed slightly farther south,
16 still including the adjacent vineyard. That's Elmer
17 Freethy, and his vineyard is right next to our
18 home. And that's along the west side of our
19 property.

20 Anyway, they wanted to have a dogleg that
21 cut along the edge of our vineyard, even though
22 there were no other distinctive changes. We do not
23 feel that this is in keeping with the reasonable
24 concepts that I've outlined in the first three
25 points made.

1 Thank you.

2 MR. DRAKE: Mr. Missimer, thank you.

3 Whom do you sell your grapes to?

4 MR. MISSIMER: This past year, Christian
5 Brothers, and we have sold them to Charles Krug.

6 We're still going through this agonizing process of
7 the buddings and trying to find some process -- now
8 we're budded over to merlot and sauvignon.

9 MR. DRAKE: Do they show at their
10 point-of-sale advertising anything --

11 MR. MISSIMER: They only got one ton of
12 merlot, and I don't think that would be worthy of
13 anything like that. This was on fairly new
14 buddings. The sauvignon they bought for a trial to
15 go in with their sauvignon blanc.

16 MR. LIBERTUCCI: Your vineyard, Mr.
17 Missimer, now lies totally outside the --

18 MR. MISSIMER: No, it does not. From what
19 I see here, it is partly in and partly out. We've
20 got a line going right through our vineyard, and I
21 haven't seen that line on the ground.

22 MR. LIBERTUCCI: So it's still -- as
23 proposed, still cuts across your vineyard?

24 MR. MISSIMER: I can only judge that by the
25 way this line does this.

1 MR. LIBERTUCCI: Cuts through the contour
2 line?

3 MR. MISSIMER: Yes. We come to about the
4 south end of the knoll right here, so if you call
5 that south and not this, our bottom property line is
6 down -- can you see where my thumbnail is running?

7 MR. LIBERTUCCI: Yes.

8 MR. MISSIMER: Four or five hundred feet
9 beyond into the district.

10 MR. LIBERTUCCI: I have a blowup here of
11 your vineyard and the Freethy vineyard and other
12 vineyards in the area, and I can see where your
13 property is adjacent to the Freethy vineyard.

14 MR. MISSIMER: The Freethy goes around the
15 south crescent of the knoll.

16 MR. LIBERTUCCI: One other question.

17 You made reference to three or four phone
18 calls prior to the petition being filed. Is that --

19 MR. MISSIMER: Well, the phone calls
20 started in, I think, August of '86, and they were
21 asking for this survey of what we had planted and
22 everything, so it could be incorporated in this
23 application.

24 MR. LIBERTUCCI: Who called you?

25 MR. MISSIMER: It was a lady from Stags

1 ~~Leap Wine Cellars, Sherrie Gettibertti.~~ I don't
2 know how you pronounce her last name. I think I
3 said two or three phone calls. I can't recall
4 exactly.

5 MR. LIBERTUCCI: And the purpose of the
6 calls was?

7 MR. ^{Missimer} LIBERTUCCI: To be sure that we got our
8 data in for inclusion. I have a copy of the results
9 of this, but I sent those in previously, and you
10 probably have those from other sources. And our
11 name is one of the ones listed on there among them,
12 so apparantly we feel that up until just very
13 recently we were included.

14 MR. DRAKE: Mr. Missimer, it's our
15 understanding, my understanding, at least, that the
16 new proposed line we're dealing with now does not
17 bisect any existing -- any vineyard. That's our
18 total understanding.

19 MR. ^{Missimer} DRAKE: It bisects our property. We
20 have not planted that part yet, but we could. There
21 is about another 12 to 16 acres that we can plant
22 that would be essentially all in the district.

23 MR. DRAKE: The soil that you described,
24 does that same kind of soil continue up past the
25 Yountville Cross Road?

1 MR. MISSIMER: Yes.

2 MR. DRAKE: It does?

3 MR. MISSIMER: Yes. It's a -- it's not
4 shown in color here, but that's the one that goes
5 up. It's not an uncommon soil; however, years ago
6 we had a detailed soil survey and they said that you
7 could get micro things 50 feet away.

8 I can't tell all the descriptions on that,
9 but the soil conditions, particularly, apparantly,
10 the clay, Bale clay loam, is partly alluvian.

11 MR. DRAKE: Mrs. Fisk took exception with
12 that, did you not?

13 MS. ELLIOTT-FISK: Yes. From the soil I
14 looked at up there, it doesn't classify as Bale clay
15 loam, but I haven't been on your property.

16 MR. MISSIMER: Which doesn't?

17 MS. ELLIOTT-FISK: I sampled the soil just
18 immediately north, about 40 foot north of the
19 Yountville Cross Road.

20 MR. MISSIMER: I'm only quoting what the
21 USDA says.

22 MR. DEVINEY: Do you personally consider
23 yourself a Stags Leap or not?

24 MR. MISSIMER: Yes.

25 MR. DEVINEY: Have you gone public with

1 that? Have you done anything that would hold
2 yourself out as that?

3 MR. MISSIMER: No, I haven't. It's an
4 affinity from living right there under the eye of
5 the leap for six years or so. We bought the land in
6 '78, planted the land in '79 and '80, and butted
7 over several times since. We do not grow any
8 cabernet, for instance, so there's no way for us to
9 know anything about that. We're rank amateurs.

10 MR. DRAKE: Thank you very much.

11 MR. DRAKE: Mr. Richard Winter.

12 Is Mr. Bowers here, by any chance, yet?

13 Is there any one who did not request to
14 testify earlier that would like to do so now?

15 Well, that's good.

16 At 9:30 tomorrow morning, the hearing will
17 resume.

18 Let me say really sincerely on behalf of
19 myself and the panel, it was an interesting day.
20 I'm impressed with the knowledge of the people who
21 made the comments today, and with their sincerity.
22 It was a very quality job done by all of them. I
23 think you should be quite proud of yourselves.

24 The hearing will now be terminated for this
25 afternoon and resume at 9:30 a.m.

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Thank you.

(Whereupon, the proceeding was
adjourned at 4:30 o'clock p.m.)

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