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PERMANENT ADMINISTRATIVE ORDER

OLCC 198-2022

CHAPTER 845

OREGON LIQUOR AND CANNABIS COMMISSION

FILED

09/22/2022 4:12 PM ARCHIVES DIVISION SECRETARY OF STATE & LEGISLATIVE COUNSEL

 $FILING\ CAPTION:\ This\ rule\ sets\ requirements\ for\ wine\ labels\ including\ the\ name\ of\ Nested\ American\ Viticultural$

Areas.

EFFECTIVE DATE: 09/23/2022

AGENCY APPROVED DATE: 09/22/2022

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AMEND: 845-010-0923

RULE TITLE: Wine Label Designation of Nested American Viticultural Areas

NOTICE FILED DATE: 06/30/2022

RULE SUMMARY: Senate Bill 829 passed in the 2019 legislative session. This bill was codified as ORS 471.802 and imposed certain wine labeling requirements related to Nested American Viticultural Areas within the Willamette Valley AVA. In response to this legislation, the OLCC adopted OAR 845-010-0923 in December 2020; however, the wine labeling requirements are not operative until January 1, 2023. Since the rule was adopted, the OLCC and wine industry members have identified rule clarifications; specifically, changing references of "brand label" to "wine label" and making clear that the rule applies to wine that is labeled on or after January 1, 2023. Upon approval, OAR 845-010-0923 will become effective on September 23, 2022.

RULE TEXT:

- (1) For the purposes of this rule, "Nested American Viticultural Area" or "Nested AVA" means an American Viticultural Area or "AVA" that is partially or wholly contained within a larger American Viticultural Area.
- (2) Any wine labeled on or after January 1, 2023, that includes on the wine label the name of a Nested AVA that is wholly or partially contained within an AVA listed in section (6) of this rule must include the name of the larger AVA on the wine label.
- (3) The letter size of the larger AVA name must be at least:
- (a) Two millimeters high if the wine container is more than 187 milliliters in volume; or
- (b) One millimeter high if the wine container is 187 milliliters or less in volume.
- (4) The name of the larger American Viticultural Area may:
- (a) Be included in or near the name of the Nested AVA; or
- (b) Be in the same size or font as the Nested AVA.
- (5) The appearance of an AVA on the label may not resemble a brand name or appear in lettering that is larger or more prominent than the brand name for the product, unless the brand name stating or implying an AVA has been in continuous use as a brand name since December 31, 2017, and prior to December 31, 2017, was:
- (a) Used in conformance with Commission standards;

- (b) Subject to a federal trademark registration for wine under United States Patent and Trademark Office Class 33; and (c) Sold in interstate commerce.
- (6) When the appellation of origin used on a wine label is a nested AVA wholly or partially within the Willamette Valley AVA, then the separate phrase "Willamette Valley" must appear on the wine label.
- (7) Notwithstanding Section (2) of this rule, a manufacturer may submit a written request to the Commission as described in this section to affix non-conforming labels to containers of wine on or after January 1, 2023. The Commission will evaluate and provide approval of these requests on a case-by-case basis. Requests to use up the remaining stock of labels on or after January 1, 2023 must include:
- (a) Information identifying the affected label(s) including:
- (A) A copy of the TTB-approved certificate of label approval (COLA); or
- (B) Other copy of the label intended for use and a TTB certificate of exemption from label approval.
- (b) The reason for the non-conforming label (i.e. how did this happen);
- (c) The steps the licensee will take to ensure that all future labels to be printed comply with this rule;
- (d) The quantity of non-conforming labels the licensee needs to use up; and
- (e) The length of time the licensee anticipates it will need to use up the nonconforming labels.

STATUTORY/OTHER AUTHORITY: ORS 471.030, 471.730

STATUTES/OTHER IMPLEMENTED: ORS 471.442, 471.445, 471.446, 471.802