

**ASEV Technical Liaison Committee
Meeting Minutes**

Thursday, January 30, 2014, Noon– 1:30 pm

**Tahoe Room
Hyatt Regency, Sacramento**

To disseminate the information to the ASEV membership regarding issues either impacting or with the potential to impact the grape and wine industry whether governmental, regulatory, or scientific.

Members in attendance: John Thorngate (Chair), Constellation Brands, Jim Harbertson, Washington State University, Karen Block, University of California, Davis, Mari Kirrane, Tax & Trade Bureau (TTB), Jean-Mari Peltier, National Grape & Wine Initiative (NGWI), Art Caputi, Art of Winemaking (AVF)

Members absent: Nick Dokoozlian, E&J Gallo (American Vineyard Foundation (AVF)/NGWI), Imed Dami, Ohio State University, George Soleas, Liquor Control Board of Ontario, Canada (LCBO), Jim Finkle, Constellation Brands (FIVS - Fédération Internationale des Vins et Spiritueux or International Federation of Wines and Spirits)

12PM- John welcomed everyone and explained that the group would first break for lunch for the first 30 minutes.

The meeting was subsequently called to order at 12:30 p.m.

1. Approval of June 2013 minutes

The minutes from the meeting of June 30, 2013 were reviewed for approval; Mari moved to approve the minutes, Jean-Mari seconded and the motion passed.

2. Updates

a. Academia

Karen Block provided an update on affairs at the University of California, Davis. The new Dean of the College of Agricultural and Environmental Sciences, Helene Dillard, started on January 27, 2014. She was formerly the director of Cornell Cooperative Extension (CCE) which she had led since 2002. At Cornell, in addition to holding the CCE directorship, Dr. Dillard was Professor of Plant Pathology and Associate Dean in the College of Agriculture and Life Sciences and also Associate Dean of Outreach and Extension in the College of Human Ecology. She also was a Faculty Fellow at the Atkinson Center for a Sustainable Future. Dillard was a member of Cornell's faculty since 1984, when she joined the Department of Plant Pathology at the New York State Agricultural Experiment Station in Geneva, N.Y.

The Department of Viticulture and Enology is currently in the process of recruiting an Assistant Professor with a joint appointment (1/3) in Chemical Engineering. The final candidate of six to be interviewed will visit by the end of February and Karen anticipates that an initial offer will go out within a month to six weeks.

A call has also gone out to start the process of recruiting an Extension Specialist in Viticulture, to replace Jim Wolpert's position. The position will close on March 24, 2014. This person will be based at both the Oakville Station and on campus at Davis.

A new Sustainable Food & Wine Processing Center will be established and housed in the Jess S. Jackson Sustainable Winery Building, with emphases on water, energy and by-product recovery. A Director has been identified but not yet signed.

Karen noted that the annual RAVE (Recent Advances in Viticulture and Enology) seminars will take place on Thursday, March 13, 2014. Finally, she reported that the Department of Viticulture and Enology was in the process of updating their website (<http://wineserver.ucdavis.edu>).

John Thorngate reported that the Department of Food Science at Cornell was consolidating its faculty in Ithaca and was in the process of relocating the personnel from the New York State Experimental Station in Geneva.

Jim Harbertson provided a brief update on the WSU Viticulture and Enology program. A recent search for an enology position with an appointment in the Chemistry Department, to be located at the TriCities campus, has failed. The position is to be recast in a different department (Horticulture) and will be advertised in early 2014.

b. TTB

Mari Kirrane reported on the news from the TTB. A new Federal budget was signed on January 17, providing a budget for the rest of the fiscal year (which ends September 30). She doesn't anticipate any additional furloughs until (possibly) October 1, 2014.

A new list of certified wine chemists is available on the TTB web site; the program is for export analyses and the certification is good for two years.
http://www.ttb.gov/ssd/chemist_certification.shtml

With regards to the COLA process the TTB will be reaching out to industry associations to discuss additional allowable revisions; among other possible revisions self-certification of COLA's is being considered. Mari noted that the TTB is also in discussions with State governments regarding the allowable changes, as a few States require a COLA as part of their registration process.

New FAQ's for Voluntary Serving Facts labeling has been reported on the TTB website (TTB Ruling 2013 2) http://www.ttb.gov/faqs/alcohol_faqs.shtml#sf

TTB is no longer able to offer the free one-day wine compliance seminars, due to budget restrictions; however, Mari reported that the TTB is now offering free webinars on various topics. The schedule will be announced on the TTB website.

Mari reported that a Composite China export wine certificate will go into effect March 1, 2014. This new single export certificate replaces the Certificate of Origin, Certificate of Health/Sanitation and Certificate of Authenticity/Free Sale which were required to accompany each shipment of wine imported into China. She noted that this had received AQSIQ support and, hopefully, will have the support of the individual CIQ offices. <http://www.ttb.gov/pdf/ttbg-2013-3-wine-export-cert-instructions.pdf>

Also in news from China, their wine standard specifies that the sugar-free extract ≥ 16 g/L. Recently some U.S. wines tested by the Chinese were found to not meet this standard. TTB has received a copy of the method the Chinese are using and is having it translated. Mari noted that they are especially interested in the method the Chinese are using for determining the sugar. The TTB has asked the Chinese to explain the significance of the sugar-free extract and why they have established a minimum value. Mari said she will pass on the translated method and their explanations to the ASEV Lab Proficiency committee.

Finally, Mari reported that China has recently begun analyzing wines for fumaric acid; China does not allow the addition of this acid to wine. Two shipments of U.S. wines have been detained by Chinese customs for containing low levels of fumaric acid. The TTB has explained to the Chinese officials that fumaric acid is naturally occurring in grapes and wines and has supplied them with scientific articles concerning naturally occurring fumaric acid. Mari expects the shipments to be released soon.

With regards to the Codex Committee on Food Additives, Mari reported that an electronic working group was established in July, 2013 to discuss which acidity regulators, emulsifiers, stabilizers, and thickeners should be added to the General Standard for Food Additives (GSFA) for grape wines. The draft paper will be discussed at the upcoming CCFA meeting this March in Hong Kong. Populating the GSFA with the commonly used wine treating materials will serve to eliminate some barriers to international trade, as countries will have to show a scientific health/safety concern if they don't allow certain additives listed in the GSFA. Currently there is some push back from the EU contingent who want to place a cap on acid additions as opposed to allowing GMP; Art Caputi noted that he had prepared a manifesto in 1992 to OIV regarding acids as wine additives.

With regards to the Codex Committee on Food Labeling, Mari noted that an electronic working group had been established in July, 2013 to discuss date markings on labels. The working group is currently looking at the format of the markings, what is meant by the dates (e.g., is the product no longer good after a certain date), and should the date marks be mandatory for all prepackaged foods. Several countries currently require date marks or "best by" labels on all prepackaged foods including wines and spirits. The next meeting CCFL will be held in Oct 2014 in Canada (these meetings occur every 18 months).

Mari reported that the 3rd Annual Asia Pacific Economic Cooperation (APEC) Wine Regulatory Forum was held in November, 2013 in Washington, D.C. The group established three working groups - Reduction in Export Certificates & Certification Requirements; Compendia: Pesticide MRLs, Labeling requirements, and Compositional Requirements; and Lab Capacity, Methods of Analysis and Testing Concerns. The working groups are comprised of both government and industry members. Each working group will report on its progress at the next APEC Wine Regulatory Forum to be held in China in September of 2014.

The World Wine Trade Group (WWTG) meeting was also held in November in Washington, D.C. Presentations were made by the working groups formed during the annual TTB/WI Wine Technical Forum: Authenticity/Database, Certified Chemist's Program, Fit for Purpose Methods, Ingredient/Nutrition Labeling, and

Transition/Expiration Dates Markings. The WWTG is working on possible harmonization on pesticide MRLs, and a statement on “Analytical Methodology and Regulatory Limits for Wine”. The WWTG has been invited to participate in the next WI/TTB Forum and to join the working groups. The next WWTG meeting will be held in Brussels in April, 2014. Concurrent with that meeting the U.S. hopes to meet with European Commission to discuss wine trade issues.

c. NGWI

Jean-Mari Peltier provided an update on several items, most of which related to the passage of the Farm Bill (otherwise known as the Agriculture Act of 2014.) Jean-Mari reported that several key provisions important to the grape industry were incorporated into the bill as passed. The Clean Plant Network is back in place, as are other specialty crop provisions such as market promotion and trade assistance.

She then focused on several provisions related to specialty crop research. Within Title VII of the Agriculture Act, the Specialty Crop Research Initiative (SCRI) was reauthorized as a Mandatory Program with a funding level of \$80 million per year (giving it a “permanent budget baseline.”) This means that if Congress fails to act at the end of this five year period, SCRI would continue uninterrupted. The language also explicitly mentioned authorization to work on “processed” specialty crops, opening the door for work on enology-related work.

Also very important to grapes and other specialty crops was the provision which created a two-step SCRI grant application process (a new step for industry review of relevance and impact; then the regular scientific merit review.) The National Institute of Food & Agriculture (NIFA) is working hard to put a program in place for this process. As part of the Specialty Crop Farm Bill Alliance, NGWI has been helping to outline important points of consideration, including what information an industry panel needs to see, the weight NIFA will put on the industry’s ranking, and who will sit on the industry panels. At this point it appears likely that NIFA will have the industry rank pre-proposals first, with only those approved by the industry going forward to scientific merit review.

Jean-Mari noted that it is rumored that NIFA may release the request for applications for new grant applications with a relatively short timeline for submission, so the research community should be prepared.

In a final word about the 2015 Budget Process, Jean-Mari reported that in the 2014 budget, funding cuts from the “Sequester” were restored to level at or above prior year budget for key research line items, including funding to intramural research programs at the Agricultural Research Service (ARS), and the National Institute of Food & Agriculture (NIFA) generally. Pass through (extramural funding) to experiment stations, Land Grant Universities and Cooperative Extension all would fare well. There is a new budget item in the President’s Budget for \$75 million for “*Innovation Institutes*.” The details of these institutes aren’t yet clear, but it appears these institutes will be engaged in **moving new technologies out to the agricultural sector**. As such, projects such as NGWI’s Sensor & Mechanization work may fit under the definition of these institutes. This project has received \$240,000 in support from the industry; in further support Jean-Mari reported that the American Vineyard Foundation (AVF) will join NGWI as a dues-paying member and will contribute \$100,000 to the Sensory & Mechanization project.

With regards to other Federal news, Jean-Mari reported that the National Agricultural Research, Extension, Education and Economics (NAREEE) Advisory Board was directed by Congress to modify their term limit requirements, which will mean that current members won't necessarily be termed off after six year, and perhaps allowing past members to be considered for appointment once again.

Finally, Jean-Mari reported that NGWI had elected new officers; Rick Stark (Sun-Maid) is now chair; John Aguirre (CAWGG) is vice-chair; Rich Smith (Paraiso Vineyards) remains secretary/treasurer and Vicky Scharlau (WAWGG) is now past chair.

d. AVF

John noted that Art Caputi has now retired from the AVF following 35 years of service.

e. LCBO, submitted by Dr. Stephen Cater, Director, Quality Assurance

Packaging Updates:

Cartons: The LCBO has expanded the options for cartons to include Edge Crush Test (ECT) rated cartons. Suppliers may choose to use cartons that are ECT-32 rated or continue to use cartons based on burst strength. Details can be found in the trade letter from January, 2013 and in the Product Packaging Standards and Guidelines for Chemical Analysis both of which are available on the LCBO trade website:

<http://www.doingbusinesswithlcbo.com/tro/index.shtml>

SCC Barcodes: The LCBO is submitting a recommendation to the Canadian Association of Liquor Jurisdictions (CALJ) to adopt use of Code 128 SCC barcodes on cartons. Currently these are not an approved format. Many suppliers confuse the Code 128 format with the allowed UCC/EAN 128 format. A trade letter announcing this will be issued once CALJ approval is obtained.

Regulatory/Chemical Updates:

Caffeine: Health Canada has indicated that they may establish a maximum allowable limit for caffeine in beverage alcohol. Caffeine cannot be added to beverage alcohol and the only sources must be either from natural means, e.g. coffee, tea, guarana or from a pre-mix with cola-type beverages. Health Canada indicated that they will likely adopt the current LCBO limit of 30 mg per serving.

Pesticide MRLs: Stephen Cater is representing the LCBO on a technical committee reviewed pesticide MRLs in various jurisdictions. More updates on this will follow as they become available.

Lysozyme: This compound was included in the approved oenological practices of the WWTG agreement. It is not currently approved for use in wines in Canada. As such, it will need to be included on Health Canada's approved additives list. In order for this to happen, an application must be made to Health Canada requesting its inclusion. This application should come from the industry and must include relevant background information.

Protected Names: The use of the geographical wine terms: champagne, port, porto and sherry are no longer permitted to be used on labels of products not originating from the

protected geographical region. This came into effect as of January 1, 2014 after the sun-setting of these expired on December 31, 2013. Products received by the LCBO from the non-geographical areas that use these terms will be refused and returned to the supplier.

WWTG: The WWTG agreement on mutual acceptance of enological practices and labeling has passed through the Gazette 1 phase in Canada. It is expected to come into affect with the passing of Gazette 2 later this year.

f. FIVS

There was no update from FIVS.

3. New Business

There was no new business.

The meeting was adjourned at 1:35 p.m.; the next meeting will be scheduled in conjunction with the annual National Conference in Austin in June.