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June 22, 2018

Leah M Clark Trade Specialist Market Development Division Idaho Department of Agriculture 2270 Old Penitentiary Road P.O. Box 790 Boise, ID 83701

RE: Negotiated Rulemaking Idaho Preferred - wine grapes

Dear Ms. Clark,

We are writing to request that the rules for the Idaho Preferred requirements for wineries to qualify for Idaho Preferred NOT be changed from 95% Idaho grapes to 75% Idaho grapes for the following reasons.

At this point in time there is no legislation stating that Idaho wine must be made from Idaho grapes in order to say "Idaho" on the label. To date the Idaho Preferred program is the marker for the contents of a bottle of Idaho wine. Changing the Idaho Preferred program standard will be a precedence to lowering the standards of Idaho wine in the future.

Wine regions that are more developed have introduced legislation with standards for claiming or implying that the appellation of origin is what is stated on the bottle.

For example, the standards for Washington State say:

"If the label states "Washington," at least 95 percent of the grapes used in the production of the wine must have been grown in Washington."

"If the label states "Washington" and the name of an American Viticultural Area (AVA) located wholly within Washington, at least 95 percent of the grapes used in the production of the wine must have been grown in Washington."

"If the label states "Washington" and the name of an AVA located in both Washington and an adjoining state, at least 95 percent of the grapes used in the production of the wine must have been grown in the AVA or in Washington".

This is perhaps intuitive but as the Idaho Wine Industry continues to develop the state needs to promote Idaho wine made with Idaho grapes. The problem of wine made from out-of-state grapes is common practice among states with smaller wine industries but it can be argued that the state's greatest barrier to success is a lack of state grown fruit.

If Idaho wine wants to be taken seriously in the marketplace, we have to offer a product that is what it says it is. This is how California, Oregon, and Washington have solidified their success.

With the lack of legislation on the matter, Idaho Preferred is setting the standards for Idaho Wine. We firmly believe that a change in the rule making for wine grapes by the ISDA in the Idaho Preferred program will only start what has been called "Idaho's vibrant, adolescent wine industry" down a slippery slope of lack of identity that will be difficult to climb back up.

Please consider the future ramifications to Idaho wine as you consider the negotiated rulemaking and keep the existing 95% Idaho grapes rule intact.

Sincerely

Gary and Martha Cunningham 3 Horse Ranch Vineyards Eagle Foothills District Snake River Valley AVA

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