



June 25, 2018

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

RE: Negotiated Rulemaking Idaho Preferred – Wine Grapes

Dear Ms. Clark:

Enclosed with this letter is a copy of the letter sent to you by 3 Horse Ranch Vineyards.

The members of the Eagle Foothills Grape Growers Association ("EFGGA") have voted unanimously to urge that the Idaho Preferred requirements NOT be changed from 95% Idaho grapes to 75% Idaho grapes. I have attached the 3 Horse Ranch Vineyards letter, since the EFGGA is in total agreement with the points made in their letter. We wanted to echo each point in the letter and our agreement as an association.

From a futurist and business development standpoint, we believe that such a decision would be a dramatic setback in the Idaho wine industry's ability to proudly market its products on behalf of the Great State of Idaho. It would be a pronouncement to the wine industry that Idaho "needs" fruit from other regions in order to make a quality product. There is nothing further from the truth. As the industry grows in Idaho, we will be able to prove to the wine industry worldwide that Idaho wines can be counted among the finest in the world. Changing the requirement from 95% to 75% is going in the exact opposite direction and sets a really low bar and bad statement for future business development.

While we know that Idaho needs to produce more tonnage and is aggressively in the process of doing so in order to increase the cases of Idaho wine produced, that will happen over time at a healthy growth rate that will promote the industry. Dropping the requirements to 75%, only stands to potentially stunt the growth of acres planted which will thereby slow the growth of wine grapes planted in Idaho. Winemakers in Idaho will be less motivated to plant native fruit, if they can make their wine with 25% of wine grapes from other states.

The Idaho wine industry can do two things at one time. We can maintain the 95% standard which will encourage growers and winemakers in Idaho to continue to plant wine grapes and increase the tonnage the state can produce annually. Idaho winemakers that currently buy from other states, whether motivated by choice or lack of current tonnage produced in Idaho, can continue to make wine and hone their craft as the acres of wine grapes planted in Idaho continues to grow. As more tons are produced, their opportunity to buy Idaho wines grapes and achieve the 95% standard will be enhanced.



Lowering the standard sends a message to the wine community that Idaho is not fully committed to growing the highest quality fruit for our native winemakers and, can potentially be perceived that Idaho does not believe that it fruit can produce some of the very best wines from native wine grapes. Nothing could be further from the truth. The proposed change is bad business for the Idaho wine industry in the short and long term. The EFGGA strongly urges Idaho Preferred to leave the standard at 95% and work in conjunction with the grapes growers and winemakers to increase the availability of Idaho wine grapes while maintaining the integrity of the Idaho Preferred standards. History has clearly shown that lowering standards is easier than raising them. We do not believe that is a statement that Idaho wants to make on behalf of its burgeoning wine industry.

Very truly yours,

Mark Pasculli

President

Eagle Foothills Grape Growers Association