Napa Wineries Win Labeling Battle

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Recommended Citation
Available at: http://lawecommons.luc.edu/lclr/vol17/iss4/12
data was collected from only forty-five of the nation’s 3,100 counties. Furthermore, these numbers do not represent cases that settle or are reduced on appeal. Without reliable and far more complete data it is difficult to imagine how lawmakers are going to improve our tort system. At least one commentator has called for a government study to allow for a legitimate and factual debate on further tort reforms. If, on the other hand, the real goal is simply to push laws through that support special interests, a thorough government study may be an unnecessary and perhaps counterproductive step.

The Class Action Fairness Act of 2005 may be generally “fair.” Arguably, the “forum shopping” and “coupon settlement” abuses needed to be addressed. But the concern is that tort reformers are not done marching against consumers’ ability to be compensated for tortuous injuries. Trial lawyers and the consumers they represent must hope that the “class-action defeat is an aberration instead of just the first blow in a victorious Bush crusade against what Republicans portray as an out-of-control system of legal redress.” One plaintiff’s lawyer commented, “Right now we can hold the votes we need in the Senate for really important stuff, but that’s getting whittled away.”

Napa Wineries Win Labeling Battle

Napa Valley vintners recently moved another step closer to securing the exclusive use of the prestigious “Napa” name for wines actually consisting of grapes grown in the Napa Valley. In March, the United States Supreme court announced that it would not review a California Supreme Court decision holding that a California statute did not violate the federal Constitution’s Supremacy Clause by requiring that all wines using the word “Napa” on their label consist of no less than seventy-five percent Napa-grown grapes.

80 Woellert, supra note 32, at 77.
81 Id.
82 Id.
83 Wollert, supra note 32, at 77.
84 Woellert & Dunham, supra note 48, at 53.
85 Id.
86 Id.
Valley's victory may eventually help unsophisticated consumers of wine make more informed purchasing decisions.  

Although the Supreme Court's announcement is a significant step for the Napa growers and consumers, the California statute still faces additional pending challenges brought by Bronco Wine Co. ("Bronco"), based on free speech, the commerce clause, and the takings clause of the federal Constitution. If the California statute is ultimately enforced, Bronco, the makers of Charles Shaw wine, popularly known as "Two Buck Chuck," will have to change the names of three of their wines: Napa Ridge, Napa Creek Winery, and Rutherford Vintners. The Napa vintners argue that less expensive grapes, such as those Bronco uses, sold under the Napa name threaten the value of grapes actually grown in the Napa Valley. Napa Valley's cabernet sauvignon grapes sell for nearly $4,000 a ton, compared to approximately $600 a ton for California's non-Napa grapes. Bronco's co-owner Fred Franzia scoffs at the prices Napa Valley wines sell for (between $50 and $100 a bottle), calling this price structure a "house of cards."

Federal law requires that wines bearing the word "Napa" on their label be made from no less than seventy-five percent Napa-grown grapes, but also provides an exception, or "grandfather clause," for wine labels that existed prior to 1986 when the federal law was enacted. The California statute, however, closes this federal "loophole" that had allowed Bronco to use the Napa name on their label.

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88 Michelle Locke, Supreme Court Turns Down Napa Wine-Label Case, CONTRA COSTA TIMES, Mar. 22, 2005, at F4; see Bronco Wine Co., 95 P.3d at 426 (citing legislative findings that "consumers are confused and deceived by these practices").

89 Bronco Wine Co., 95 P.3d at 428.

90 CAL. BUS. & PROF. CODE § 25241 (West 2005).

91 Locke, supra note 88, at F4. Rutherford is a viticultural region within Napa Valley. Bronco Wine Co., 95 P.3d at 425 n.1.

92 Locke, supra note 88, at F4.

93 Id.

94 Id. Franzia says that Bronco's consumers are not confused, saying, "people buy London Fog raincoats without assuming they're made in London." Id. However, representatives for Napa counter, "[f]or centuries, people have understood that there is a direct connection between wine style and the place where it comes from." Id.

95 Annette Haddad, Supreme Court Puts 'Two Buck Chuck' In Its Place, LOS ANGELES TIMES, Mar. 22, 2005, available at 2005 WLNR 4380445.
its label so long as the origin of the grapes was also identified on the label.\textsuperscript{96} By refusing to review the California Supreme Courts ruling in Bronco Wine Co. v. Jolly, the U.S. Supreme court, in effect, ended Bronco’s challenge to the California statute as a violation of the Supremacy Clause of the federal Constitution.\textsuperscript{97}

The California Supreme Court’s holding that federal law does not preempt California’s labeling statute will stand. If the statute survives Bronco’s remaining constitutional challenges, consumers will no longer be subjected to misleading “Napa” advertising.

\textsuperscript{96} Bronco Wine Co., 95 P.3d at 427.

\textsuperscript{97} Id. at 422.