

The domestic wine industry's improvement of its share of the market over its historical position may be expressed percentagewise as follows:

	1937	1967
Sparkling wine.....	38.5	82.0
Table wine.....	94.0	87.3
Dessert wine.....	97.7	98.7
Vermouth.....	16.7	54.3
Brandy.....	72.4	80.0

As these tables clearly show, except for table wines, the domestic industry today enjoys a far more substantial share of this country's wine and brandy market than may reasonably be claimed by or for it as its "historical" share.

(d) European appellations of origin are not unjustifiable trade barriers

The respect for geographic names of origin, officially recognized by most of the wine-producing countries of the world—not including, however, the United States or Soviet Russia—is cited by the Wine Institute as "a serious non-tariff barrier" (p. 5). The reference is to the system of "appellations d'origine", the impressive history of which warrants discussion here.

Far from being a device conjured up by greedy Europeans to exclude American wines from European markets, the system had its origin nearly nine centuries ago. In 1199, to be precise, King John of England granted a charter to the French town of St. Emilion, at that time an English possession. Shortly thereafter, St. Emilion, together with eight adjacent hamlets, were authorized by the King to produce and package wines under the name, Semilione. This was an exclusive right which no wine produced elsewhere could share. Thus was born a system of identifying wines with specified geographical areas where they are produced, with exclusive rights to use the names of those areas in description of the wines there produced.

When the Congress, in its wisdom, adopted Senate Concurrent Resolution 19 on May 4, 1964 it recognized Bourbon Whiskey as a distinctive product of the United States and called upon the Director of the Alcohol and Tobacco Tax Division to incorporate this designation into Federal Alcohol Administration Regulations No. 5.

The Director thereafter held a hearing at which I appeared and testified in my capacity as President of this Association in support of the proposed amendment. Since my testimony on that occasion advocated official recognition of the claim of Bourbon Whiskey to the right to the exclusive use of that appellation—against the claim of any foreign person or foreign country, whomsoever or whichsoever,—it is pertinent and relevant to the question of the rights of the wine producing countries of Europe to the exclusive use of their own historical appellations of origin. Accordingly, I take the liberty of quoting the following testimony which I was privileged to offer before the Director of the Alcohol and Tobacco Tax Division in support of the claim of Bourbon Whiskey to the right of exclusive use of that appellation throughout the civilized world, a right not lost because of its appropriation by some countries in the Western Hemisphere and in Continental Europe:

"We believe that the proposed regulation will protect the consumer from spurious products, from the guile and deception of imitators, yes, even from genuinely good products which seek distinction, acceptance and acclaim, not through the relatively lengthy processes usually employed in building a reputable business, but rather through the usurpation of the previously established prestige and good name of like, but different, products.

"We believe that bourbon whisky is historically identified with the United States, that is indigenous to our soil and that any attempt to apply this term to distilled spirits produced in any other country would be wrong in principle, improper in motivation and contrary to the best interests of the United States and to consumers everywhere.

"We believe that such use would injure the standing of bourbon whisky, would deprive its producers of a valuable asset that has been created through nearly two centuries of constant effort and honest toil and would impair the confidence of consumers.

"We believe that the identification of alcoholic beverages with specific countries or with specified areas of specific countries is a sound and widely, though not