



News Release

Oregon Liquor and Cannabis Commission
9079 SE McLoughlin Blvd., Portland, OR 97222-7355
1-800-452-6522

For more information:

Bryant Haley Alcohol Program Spokesperson

bryant.haley@oregon.gov 971-990-3254 (mobile)

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OLCC Resolves Wine Labeling case with Out of State Winery Copper Cane to pay large fine

PORTLAND, Ore. – The Oregon Liquor and Cannabis Commission (OLCC) imposed one of the largest alcohol fines in the agency's history against Copper Cane Winery, headquartered in California, for issues relating to labeling of Pinot Noir wine made with Oregon grapes. The Commission approved the \$50,000 settlement at its regularly scheduled meeting on September 23, 2021. Commissioners also approved two other stipulated alcohol settlement agreements.

The OLCC alleged that the winemaker imported wine into Oregon under Copper Cane's Certificate of Approval (CERA) privileges, but misrepresented the source of the grapes. OLCC also alleged that wine labels and marketing display materials improperly referenced specific American Viticultural Areas (AVAs) within the State of Oregon and stated that the grapes were from the Oregon Coast or the coastal area. Consumers, growers and Oregon winemakers noticed the geographic inaccuracy, since Oregon's grape growing regions do not touch the Pacific coast and are separated by the Oregon Pacific Coast mountain range.

In response, the OLCC opened an investigation to review the allegations against Copper Cane which revealed the winery likely produced inaccurate wine labels; the investigation also revealed issues with Copper Cane's marketing and retail display materials.

Although Copper Cane opted to settle the charges, the winery didn't admit to the allegations or accept responsibility for mislabeling their products. However, the winery agreed to pay the fine and abide by all wine labeling standards going forward.

"Alcohol regulators and the wine industry in the U.S. and across the world must continue to ensure that unique locations, where grapes are grown and wine is produced, are protected in the market so consumers can be confident they are purchasing a bottle of wine from where it actually came from," said OLCC Executive Director Steve Marks. "In this case we used the agency's limited regulatory tools to

-More-

September 24, 2021
OLCC Commission Meeting - Alcohol

protect Oregon's brand, in the same way we would respect the brands from other wine growing regions."

Labeling is a very important issue and impacts Oregon's wine industry because the state is internationally recognized as a producer of premium wines. The result is that Oregon wines are highly sought after, and customers rely on the wine labels to provide them with accurate information about the product they are purchasing.

Simultaneous to the Copper Cane investigation, the OLCC began working with the growers, winemakers and the Oregon legislature to improve policies to more accurately label where Oregon wines originate. Meetings involving different wine industry stakeholders revealed the need to understand and acknowledge the distinctions in wine production, as grape growers and winemakers have different business models and operations.

Winemakers partnered with state and federal regulators 40 years ago to establish AVAs, which are specifically defined wine growing regions across the country distinguished by their soil type, climate and elevation. Prior to the establishment of AVAs, wine appellations were designated by arbitrary county or state borders with no regard to distinct growing conditions. AVA designations enable winemakers to produce vintages with a distinct flavor profile associated with the particular AVA and label the wine as such.

Oregon wine growers and winemakers have worked earnestly since the early 1980's to establish the state's brand recognition and create the prestige which they are now recognized for within the industry. Oregon wineries take great pride in their success and understand the importance of ensuring that the players in the market accurately label and inform customers of the specifics behind their vintages.

The Commission ratified the following violation fines and suspensions based on stipulated settlements (***detailed information on specific cases can be found [here on the OLCC website](#)***):

Copper Cane (CERA) agrees that it will not import or cause to be imported any wine products, packaging, labeling, shipping containers or other materials that are used for marketing and identification of wines manufactured by Copper Cane that contain text, pictures or other information in violation of Oregon's laws relating to wine labeling, advertising and content. Copper Cane will pay a \$50,000.00 civil penalty to the Oregon Liquor & Cannabis Commission.

Certificate Approval Holder is: Copper Cane, LLC; Joseph Wagner, Manager.

Social Goods Market (L) served alcoholic beverages for a price per drink that is less than the licensee's cost for the alcohol to persons paying a fixed "buy in" price. Licensee will either pay a \$1,815.00 civil penalty OR serve an 11-day suspension beginning October 22, 2021 and ending on November 2, 2021.

September 24, 2021

OLCC Commission Meeting - Alcohol

Licensee is: Vino Oregon, Inc., Robin Sikkens, President/Secretary/Director;
Danny Sikkens, Vice President/Treasure/Director.

Taj-Palace Indian Cuisine/Wall Street Bar (F-COM) permitted patrons to take open containers of alcohol from the licensed premises other than permitted by law, when unsupervised patrons took open containers of alcohol from the elevated concrete patio abutting the premises into the adjoining alleyway. Licensee will either pay a \$660.00 civil penalty OR serve a four-day suspension beginning on October 22, 2021 and ending on October 26, 2021.

Licensee is: Shelby D. Blevins, LLC, Co-Licensee, Shelby Blevins, Managing Member; Haritha Corporation; Co-Licensee, Nagendramma Lakireddy, President/Stockholder.

A copy of the Stipulated Settlement Agreements for Alcohol Violation Cases can be found on the [OLCC website](#), on the Laws & Rules page under the [Final Orders](#) section.

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-More-