



CHAMPAGNE BUREAU

## WHEN IT COMES TO CHAMPAGNE, LOCATION MATTERS.

**Champagne Appellation.** The Champagne appellation is key to differentiating Champagne from other sparkling wines. From vine to glass, the Champagne region's distinctive history, land, climate and strict regulations of winemaking blend together to create an exquisite sparkling wine that can be imitated but never duplicated. That is why only the sparkling wines produced in this region of France are called Champagne.

**Champagne Comes Only From Champagne.** Champagne is not merely a type of wine; it is a unique region with a long history of winemaking expertise. Located 90 miles northeast of Paris, the region covers less than 80,000 acres. Its characteristics - geographic location, harsh climate, chalky sub-soil, erratic sunshine, and limited harvest - come together to create a one-of-a-kind terroir.

**Quality Control.** Since 1927, only three grapes have been allowed in the production of Champagne: Chardonnay, Pinot Noir and Meunier. Strict quality-control regulations have been enacted limiting the yields in the vineyards and press houses. Standards are enforced for the pruning, height, spacing and density of the vines, to ensure harvesting by hand. More recently, the minimum aging time for non-vintage Champagne has been lengthened to 15 months and to three years for vintage wines.

**Strict Regulations.** Today, strict regulations are enforced throughout Europe to ensure that the appellation "Champagne" applies only to the wines produced in compliance with the long-established traditions in Champagne, France. The *INAO (Institut National des Appellations d'Origine)* is the agency that oversees the regulations and winemaking traditions developed over centuries. These rules cover all stages of the wine's production, from vineyard cultivation to final bottling, and are enforced under French law. Every step of the process - the way to grow the three grape varieties, the positioning of the vines, the method of winemaking, the aging process and the precise demarcation of the vineyards, is strictly controlled to achieve the highest quality sparkler in the world.

**Top Exporters Worldwide.** The top exporters of Champagne are Moët & Chandon, Veuve Clicquot, Piper Heidsieck, Laurent Perrier, Pommery, Mumm, Nicolas Feuillatte, Lanson, Taittinger, and Perrier Jouët.

**Market Trends.** In 2011, more than 19.4 million bottles of Champagne were shipped to the United States. Worldwide, Champagne shipments totaled approximately 323 million bottles, an increase of 7% from the total 2010 shipments. The United States is the second largest export market for Champagne, trailing the United Kingdom, which imported close to 34.5 million bottles in 2011. The top five brands in the U.S. market are Moët & Chandon, Veuve Clicquot, Perrier-Jouët, Piper Heidsieck, and Nicolas Feuillatte. The U.S. wine market - including still and sparkling wines - remains the largest in the world, with a record 347 million cases sold in 2011, according to the wine industry expert firm Gomberg, Fredrikson & Associates.



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## NOT EVERYTHING THAT SPARKLES IS CHAMPAGNE.

**Champagne Only Comes From Champagne.** The Champagne region of France, located 90 miles northeast of Paris, is world famous for its unique sparkling wine called Champagne. The appellation, renowned for its extraordinary winemaking process, strict regulations, and hundreds of years of experience, is like no other in the world. Its distinctive geographic characteristics – northern location, chalky soil, and one of a kind climate – form what the French call *terroir*. Because these conditions are impossible to replicate anywhere else, the French government only allows grapes grown in specifically delineated plots in Champagne to be used for the production of wines that bear that name. If the grapes are not grown in Champagne, then the wine is not authentic Champagne. Although there are many great sparkling wines around the world, including the United States, only those produced in France can be truly called Champagne.



**Mislabeling Misleads Consumers.** In the same way that a Napa wine comes only from Napa Valley, California, Champagne comes only from Champagne, France. Unfortunately, 47% of all sparkling wine sold in the United States is mislabeled “Champagne.” This practice seeks to trade on the good name of another location, as well as clearly mislead consumers. The deception is a problem for all winemakers who seek to differentiate their products by location. There is an undisputed link between a wine’s location and its qualities. Different regions of the world offer different wine experiences. Identifying a wine’s location not only differentiates it from other wines, but also informs the consumer about its origin and attributes. Mislabeling wines with incorrect geographic indications undermines all wine producing locations and consumer confidence in the information included in wine labels.

**Sparkling Wines Across the World.** Some producers of mislabeled sparkling wine claim they will go out of business if they can no longer use the name “Champagne.” However, the facts do not support this claim. Approximately two billion bottles of sparkling wine are sold worldwide every year; in 2011, Champagne produced close to 323 million bottles, due to the stringent requirements for growing, harvesting and winemaking in the region. Many producers throughout the world - including the United States, Australia, Italy and Spain - profitably produce and sell millions of bottles of sparkling wine without using the name “Champagne.”

**Protecting the Champagne Name in the United States.** As the world’s two largest economies and major wine producers, the United States and European Union are key players in the global wine trade. Both have truth-in-labeling laws that seek to properly inform consumers about the contents or ingredients of products, as well as strong trademark systems designed to protect brand names from illegal use by others. While most quality winemakers around the world do not misuse geographic indications, that is not the case in the United States. In September 2005, after more than 20 years of negotiations, the United States and European Union reached a limited wine agreement. As a result, the U.S. Congress passed legislation, which took effect in March 2006, banning the future misuse of 16 wine place names, including Champagne. In turn, the European Union will accept U.S. winemaking practices previously rejected by EU regulations. However, the U.S. legislation did not address the “grandfathering” of labels already misusing the so-called semi-generics. As such, U.S. consumers must continue to remain vigilant of those who seek to mislead them by using the Champagne name on wines that do not come from Champagne. The growers and houses of Champagne believe that this agreement fails to adequately protect the Champagne name. Therefore, they remain committed to continuing their consumer education programs, advertising campaign, and other efforts to ensure that future rounds of negotiations come to a prompt and successful conclusion by which all mislabeling of U.S. sparkling wine is permanently banned in the United States.



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## NAME PROTECTION MOMENTUM TIMELINE

Today, wine is a global \$100 billion industry with a growing base of worldwide consumers. This burgeoning industry, however, continues to be plagued by purposeful mislabeling and misuse of place names by some wine producers. In an effort to curtail this practice, courts, legislatures, and international trade officials are weighing in to ensure that consumers are not misled and that the reputations associated with wine regions are protected. Since 2005, major developments in this public debate include:

- **September 2010 – Australian producers can no longer use European names on wine:** Australia begins one year phase-out of misused regional names from its wines, including Champagne, Sherry and Port.
- **February 2010 – Long Island, NY and Rioja, Spain join Declaration:** With the addition of Long Island and Rioja, the Joint Declaration to Protect Wine Place & Origins now boasts 15 of the world's most prominent wine regions – all jointly advocating for better protection of quality wine regions and their names.
- **December 2008 – Australia and EU Sign Wine Accord:** Australia and the EU sign “the most comprehensive agreement ever concluded with a third country”; Australia agrees to phase out misuse of Champagne, Sherry, Port, and other names in future.
- **May 2007 – EU Protects Napa’s Name:** Napa Valley becomes the first U.S. wine region to be granted GI status by the European Union, allowing the California AVA to legally block all misuses of its name in Europe.
- **March 2007 – Joint Declaration Coalition Expands to 13 Regions:** Six U.S. and international wine regions join the original signatories of the Joint Declaration to Protect Wine Place & Origin ([www.protectplace.com](http://www.protectplace.com)) in Washington, D.C., visit with policymakers and host a Congressional Wine Reception in Capitol Hill. The new signatories are Sonoma County, Paso Robles, Chianti Classico, Tokaj, Victoria, and Western Australia. The original signatories are Napa Valley, Oregon, Walla Walla Valley, Washington, Champagne, Jerez, and Porto.
- **December 2006 – Congress Approves Legislation Protecting Wine Place Names:** The U.S. Congress passes legislation implementing the first phase of the U.S.-EU Wine Accord banning the future misuse of 16 wine place names, including Champagne. However, the legislation does not address the grandfathering of labels already misusing these names.
- **September 2006 – California Passes New Legislation Protecting Consumers:** California Governor Arnold Schwarzenegger signs a law reserving the use of the Sonoma County name to labels on wines with at least 75% of grapes from Sonoma County.
- **January 2006 – Supreme Court Upholds CA Law, Protects Napa Name:** In refusing to hear an appeal of the unanimous California Court of Appeals decision in the “Napa Ridge” case, the U.S. Supreme Court upholds a California state law reserving the Napa Valley name exclusively for wines from the Napa Valley AVA.
- **September 2005 – Limited Wine Agreement Reached:** A limited wine trade agreement between the United States and the EU is reached, including provisions banning the future misuse of 16 place names in wines that do not originate in those places. Yet, the pact protects over 50% of the brands currently in the U.S. sparkling wine market that mislabel their wines. The agreement was signed in March 2006.
- **July 2005 – Transatlantic Agreement Signed by Six Renowned Wine Regions:** Four American and three European wine regions sign a transatlantic agreement - *Joint Declaration to Protect Wine Place & Origin* - and embark on an effort to educate policymakers and consumers around the world about the importance of place names. The signatories are Napa Valley, Oregon, Walla Walla Valley, Washington, Champagne, Jerez, and Porto.
- **May 2005 – California Court of Appeals Upholds Wine Labeling Law:** The California Court of Appeals denies an appeal to overturn a state law prohibiting misleading wine branding of the Napa name.

Worldwide, consumers agree that a wine label should accurately reflect the contents of the bottle. In the United States - a country that prides itself on consumer protection - this is no different. A recent poll found that 63% of U.S. consumers support a law prohibiting misleading labels because they believe it is the best way to protect the names of wine regions around the world, including domestic names such as Napa Valley and Sonoma County. Considering the clear mandate from consumers, one has to ponder the question: Why would a small but powerful group of producers in the United States and around the world insist on misleading consumers?



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## CHAMPAGNE LABEL GUIDE

Name of the Wine and Appellation  
of Controlled Origin (AOC)

Style - very dry



Bottle size

Producer's town  
and country of  
origin

Name of brand

Alcohol content  
(% by liquid  
volume)



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## **CHAMPAGNE BUREAU, USA WASHINGTON, D.C.**

The Champagne Bureau is the official United States representative of the *Comité Interprofessionnel du Vin de Champagne* (CIVC), a trade association that represents Champagne houses and grape growers from Champagne, France. Our mission is to raise the public's awareness about the unique geographical characteristics of the birthplace of Champagne and to educate U.S. consumers about the attributes that set Champagne wines apart from all the rest. Our efforts are centered on two top priorities - the promotion of Champagne wines and the protection of the Champagne appellation.

The unique terroir of the Champagne region and the strict regulations that govern every step of the winemaking process blend together to create a unique wine impossible to replicate anywhere else in the world. From students of wine to aficionados and connoisseurs, U.S. consumers realize that when it comes to wine, location matters.

Our office is your educational resource center for everything Champagne in the United States. We can provide you with all the relevant information about the region of Champagne and its wine products. To contact our experts, visit our Web site at [www.ProtectPlace.com](http://www.ProtectPlace.com).

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## **ABOUT THE JOINT DECLARATION TO PROTECT WINE PLACE & ORIGIN**

The Joint *Declaration to Protect Wine Place & Origin* marks an unprecedented effort among some of the world's leading wine regions to raise public awareness about the importance of location to winemaking and the need to protect place names. To date, 15 of the world's most renowned wine regions have signed the Declaration:

- Champagne
- Chianti Classico
- Jerez/Sherry
- Napa Valley
- Oregon
- Paso Robles
- Port
- Sonoma County
- Walla Walla
- Washington
- Tokaj
- Victoria
- Western Australia
- Rioja
- Long Island

These regions have joined together in waging an international education and awareness campaign aimed at consumers, policymakers, the media and others. The coalition's efforts have attracted considerable interest among international journalists, wine producers, industry officials, and wine enthusiasts.

Their campaign includes a wide range of educational and advocacy activities, including the recent launch of an online petition designed to galvanize consumer support in protecting place names. For more information, please visit <http://Petition.Champagne.us>.