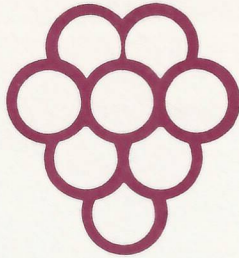


LONG VALLEY VINEYARDS

TEMECULA, CALIFORNIA



July 26, 1982

Bureau of Alcohol, Tobacco & Firearms
Department of the Treasury
Washington, D.C. 20226

Att'n: Director

Dear Sir:

This letter is written to give information which I believe has an important bearing on the pending proposals for assignment of viticultural district appellations to the region of Temecula, Murietta and Rancho California in Riverside County, California.

In 1969 I established Long Valley Vineyards which presently consists of some 150 acres of premium varietal vineyards. In 1975 I also established Mount Palomar Winery located on our vineyard property. Our winery each year buys about 25 percent of the harvest from our vineyards, but most of our grapes, some 75 percent are sold to various other wineries located both in the Temecula area, and in other parts of the state. I have had many years of experience both as a commercial wine grower and as a winery proprietor in the Temecula area. Actually both our winery and our vineyards are located in what would be the Temecula District under either of the two proposals which have been submitted for consideration by your bureau.

I wish to state that in my opinion the Callaway proposal best fits the realities of the entire area under consideration. Let me relate an actual experience which points this fact up. A few years ago Long Valley Vineyards sold a considerable tonnage of Cabernet Sauvignon to a certain established winery here in Temecula. However two harvests ago our established customer started buying his Cabernet Sauvignon from a different vineyard located in the Santa Rosa Mountain district of Rancho California, an area remote from our vineyards. Naturally we were interested to learn why we

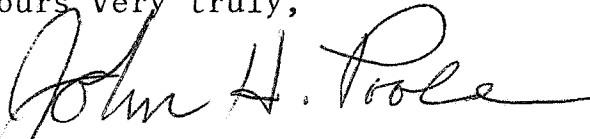
Received
7/30/82
Ruthman

had lost this business and made an inquiry. The owner of the winery told me he preferred the type of Cabernet Sauvignon grapes grown in the Santa Rosa Mountain area because they produced a distinctly different wine from the grapes grown in the Temecula area.

I have tasted Santa Rosa Cabernet Sauvignon, and compared it to Temecula Cabernet and I find there definitely is a distinct difference between the two wines. I would not say that one wine is better than the other, just that they are distinctly different in character. I believe the difference in character of wines produced from grapes grown in these separate regions results from the substantial differences in soils, prevailing wind currents, elevations above sea level, moisture content of the air and other factors which affect the vines and the fruit in these two separate areas.

It would indeed be a service to the consumer to take these factors into account so that wine labels will accurately advise buyers of the differing wines that come from these separate areas.

Yours very truly,

A handwritten signature in cursive script that reads "John H. Poole". The signature is written in dark ink and is positioned above the typed name and title.

John H. Poole
President
Long Valley Vineyards



CASK n CLEAVER
Steaks - Lobster



Lord Charley's
Prime Ribs of Beef



EL GATO GORDO
A MEXICAN RESTAURANT

received
8/2/82

C & C SERVICES, INC.

8689 NINTH STREET • RANCHO CUCAMONGA, CA 91730 • 714/981-5771

CHUCK KEAGLE
CHAIRMAN OF THE BOARD

July 26, 1982

Director
Bureau of Alcohol, Tobacco and Firearms
Department of the Treasury
Washington, D.C. 20226

RE: Temecula Appellation

Gentlemen:

I am a wine grower in the Temecula area of approximately fourteen acres planted at the present time. Recently I have reviewed two separate appellation petitions to establish a Temecula viticulture area. I support the Callaway proposal to call the wines of each community by the community's own name. I further urge the bureau to approve the Callaway proposal.

Respectfully,

Charles L. Keagle

Received
8/23/82
J. V. Wilkinson

3

JAMES VAIL WILKINSON
PAUBA RANCH, P. O. BOX 37
TEMECULA, CALIFORNIA 92390

August 18, 1982

Chief, Regulations & Procedures Division
Bureau of Alcohol, Tobacco & Firearms
P.O. Box 385
Washington, D.C. 20044-0385

Dear Sir:

This is regard to Notice Number 416.

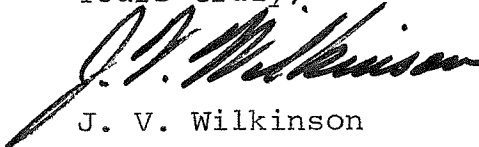
After reading your notice regarding the proposed rulemaking, I wish to make comment.

My name is James Vail Wilkinson, a member of the Vail family that owned and operated the Vail Ranch, which is now known as Rancho California.

The Vail Ranch consisted of various Mexican land grants or portions thereof. The most westerly grant was the Santa Rosa Rancho which is west of the Murrieta valley. The most easterly grant was the Pauba Rancho and between these were portions of the Little Temecula Rancho and the southern half of the Temecula Rancho. The ranch encompassed over 87,000 acres. The headquarters for the ranch was about three miles east of Temecula. It was at this location that business was conducted with a mailing address in Temecula.

If an appellation is to based on the old Vail Ranch holdings, I would feel that the proper name be Temecula, as not only did the Vail Company and subsequently Rancho California use Temecula as a mailing address, but it is the center of whole ranch area.

Yours truly,


J. V. Wilkinson

Received
8/30/82
Rundham
④

[Redacted]
Norco, Calif. 91760
August 24, 1982

Chief, Regulations and Procedures Division
Bureau of Alcohol, Tobacco and Firearms
P.O. Box 385
Washington, D.C. 20044-0385

Gentlemen:

We are vineyard owners on the Santa Rosa Plateau in Riverside County, California and are greatly interested in Notice No. 416 describing the two petitions sent to you by the Callaway Vineyard and Winery and the Rancho Calif./Temecula Winegrowers Assn. regarding the establishment and naming of viticultural areas in Southwest Riverside County. After studying the information, opinions, and questions raised in your bulletin, we would like to submit our own comments and suggestions to you.

The "Association's" petition would make the whole area under consideration have the one appellation of "Temecula". This seems to us to include a geographical area too large and diverse in climate, elevation, soil conditions, and wind patterns. The Santa Rosa Plateau, with an elevation of 2,150 ft. where our own vineyard is located, is much cooler than the vineyards just down the hill outside the town of Murrietta, which have a much lower elevation. The difference in elevation is the main reason our vineyard is in Amerine-Winkler's zone II while the lower vineyards are in zone IV. In addition to elevation, another factor in temperature difference is that the Santa Rosa Plateau is closer to the ocean and derives moisture from the ocean influence to a much greater extent than the other areas described in the petition. Differing wind patterns are also important. Therefore, we feel the "Association's" petition to include such a large and diverse area under one viticultural appellation would be of little value to a wine consumer since the name "Temecula" would include so many different conditions.

Our objection to the Callaway petition is that in its Rancho California appellation the high Santa Rosa Plateau is combined with all other areas of Rancho California except what it delineates as the "Temecula" and "Murrietta" areas. The differences to be found in Callaway's "Rancho Calif." area just as great as the ones the "Association" wants to include in its one extensive area.

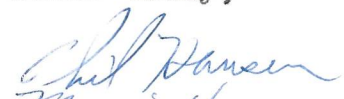
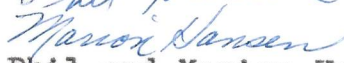
Another problem with the Callaway petition is that the name "Rancho California" is totally unsuitable as a viticultural appellation because it is a relatively new name which only describes a real estate development. This is also true of the name "La Cresta" which is a subdivision on the Santa Rosa Plateau.

We agree with the ATF that the Santa Rosa Plateau should be a separate viticultural area and should have a different name from any suggested in the other two petitions. Even though this higher, cooler area has a relatively small number of vineyards at present, the wine produced will have a distinctive quality because of its numerous differences from the rest of Southwest Riverside County.

Specifically, we recommend Murrietta Highlands, Murrietta Ridge, or Murrietta Mountain as a name to describe this area. By including the name Murrietta in the appellation, it describes a wellknown geographical and historical place. The addition of Highlands, Ridge, or Mountain would clearly describe the higher elevations up from the town. We strongly urge you to consider our suggestion that the ATF establish the Santa Rosa Plateau as a separate viticultural area with its own appellation!

We appreciate your sending us Notice No. 416 which is an excellently written summary of the problem and includes much interesting information.

Yours truly,



Phil and Marion Hansen

Received
8/31/82
Hinthum

5



CONSULTING & MANAGEMENT

MAIN OFFICE
P.O. Box 422
Oakville, California 94562
(707) 944-2815

Penthouse # 1
1777 South Harrison Street
Denver, Colorado 80210
(303) 759-3303

August 24, 1982

Chief, Regulations and
Procedures Division
Bureau of Alcohol, Tobacco
and Firearms
P.O. Box 385
Washington, D.C. 20044-0385

Dear Sir:

I am writing to oppose your proposed rulemaking concerning the Temecula region of Riverside County, California (Notice No. 416, 47 FR 32450). I do not believe that three appellations are justified by any of your criteria and I also believe that they are totally confusing to the consumer.

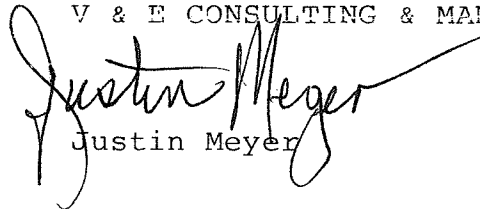
1. Historically the area has been known as Temecula and, to my knowledge, that is the only appellation that has been used up to this time.
2. There is no basis in soil or climatic conditions to justify three different appellations. Although one winery has claimed there are differences, never has any scientific data been produced to prove this and, as a matter of fact, I did an extensive study in 1972-73 which would indicate that similar soil conditions exist throughout the entire area and for four or five weather stations established over a number of years, no significant differences in climatic conditions were found. These records could be produced, if necessary.
3. Three appellations would be totally confusing to the consumer and contrary to the direction which the BATF wishes the industry to go. In my opinion, the purpose of the three appellations is simply the effort by one winery to monopolize, as much as possible, the appellation Temecula, to which they have no right to exclusivity.

Chief, Regulations and Procedures Division
August 24, 1982
Page Two

It is immaterial to me whether the appellation would be Rancho California, Temecula, Murrieta, or anything else; but the idea of two or three appellations in such a small and similar area is purely ridiculous, in my opinion. I believe that all the factors that the BATF has used as guidelines for appellation establishment would indicate that there should be only one appellation in a general area.

Sincerely,

V & E CONSULTING & MANAGEMENT CO.



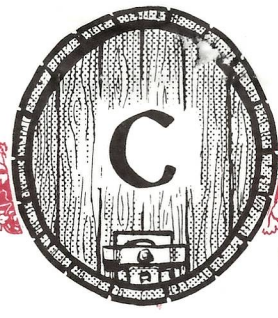
Justin Meyer

JM:pt

cc: C. Richard Lemon
Don Lewis

Received
9/3/82
Linthicum

6



CILURZO Vineyard & Winery

P.O. BOX 775 • 41220 CALLE CONTENTO • TEMECULA, CALIFORNIA 92390 • PHONE (714) 676-5250

Mr. John A. Linthicum
Research and Regulations Branch
B.A.T.F.
1200 Pennsylvania Avenue
Washington D.C. 20226

Dear Mr. Linthicum,

The following are comments regarding the Temecula, Murrieta, Rancho California viticultural areas---# 416.

My husband Vince and I planted the first vineyard in the Temecula area. After purchasing the land in 1967 we studied weather data for a year, and planted 40 acres of wine grapes in 1968.

The present town of Temecula was built in 1870, the same time Walter Vail was establishing the Vail Ranch, this ranch covered an area of 87,500 acres. It completely surrounded the tiny town of Temecula (pop. 204) and prevented any growth. The Vail family always referred to their home and ranch as being in Temecula, and transacted all ranch business through the post office in Temecula. The Vail Ranch included the Temecula, Little Temecula, Santa Rosa, and Pauba land grants. The Vail family sold this holding to Kaiser and partners who renamed it Rancho California. This parcel of land---once the Vail Ranch and now Rancho California is the boundaries desired by the growers association to be called TEMECULA as a viticulture appellation. The Temecula post office was the corporate address of the Vail family and today is the corporate address of Kacor the real estate subsidiary of Kaiser who own Rancho California. I am enclosing various documents which will substantiate this position. Also Mr. "Sandy" Vail Wilkinson has written you a letter stating the Vail family used Temecula as their family business address for the entire ranch (east and west). In addition the Temecula zip code--92390-- includes the entire ranch, east and west, this is one of the basic reasons for the association petition.

The Callaway petition states the "Santa Rosa area is not in the postal delivery area" in fact the area is so sparsely populated there is no postal delivery, however the entire area is in the 92390 zip code area. I have sent you documents to show the zip code boundaries.

The Callaway petition also states the Santa Rosa area is not included in the Temecula Valley Chamber of Commerce territory. I am sending several pieces of publicity and also maps that show the entire area known as Rancho California to be included in the Chamber of Commerce publicity.

I was a member of the Temecula Union School District board of trustees for nine years and can testify that while the west side of the ranch is not in the Temecula school district many children attend Temecula schools on inter-district transfers. Since the area is non-unified all the elementary schools feed into one high school ---at this level the entire area is in the Elsinore High School District.

The Callaway petition states the Temecula Creek runs through the

Pauba Land Grant. This is true, but the Murrieta creek runs through Rancho California and Temecula, so I don't think the argument is particularly valid.

The Callaway petition says postal patrons of his proposed area only are served by the Temecula post office. Since the Temecula zip code is 92390 I believe the Temecula post office serves that entire zip code area. This area includes the entire former Vail Ranch, now Rancho California, and is on both the east and west sides of the ranch.

My husband and I started the third winery here and have been making wine from both sides of the proposed areas. I am including the labels from our wine made from the west side vineyards. The area where we purchase grapes is not known as the Santa Rosa area but everybody refers to it as the La Cresta area. The enclosed map will differentiate this from Santa Rosa. Even with the differences in elevation the La Cresta area is similar climate wise to our area of the valley floor. While here at our winery and vineyard the ocean winds come through the Temecula Gap, in La Cresta the cool ocean breezes come over the top of the hills. Both areas are good for grapes and marginal for citrus and avocados. In the Santa Rosa area avocados do especially well. You might want to talk to Nally and George Farrelly, they live and own vineyards in La Cresta and are farm managers for almost all vineyards in La Cresta. Their telephone numbers are (714) 658 4052, and (714) 676 4721. We made our first wine from La Cresta in 1979, this release is essentially sold out at the winery. We are very pleased with the wines from La Cresta and will be picking and crushing La Cresta grapes in a few weeks for the 1982 crush. The 1980 La Cresta wine will be released in a few weeks, and 1981 is aging in barrels now----all fine wines. We believe four years has established La Cresta as a Temecula wine on the Cilurzo label.

I don't know how the vineyard near Murrieta came to be referred to as the Murrieta Vineyard. We were one of the first private investors in this area, and back in 1967 it was referred to as one of the Arco parcels (Richfield Oil had purchased several pieces of land from Kaiser). Later after the grapes were planted it was known as the Gleason vineyard after General Gleason who developed it. Later it reverted back to Arco (Richfield Oil) and we always knew of it and referred to it as the "Arco" vineyard. Even though this is fairly close to the town of Murrieta it was still part of the original Vail Ranch and still is in the 92390 (Temecula) zip code.

You ask are any parts of the Santa Rosa land grant known by other names. The enclosed map will differentiate the LaCresta from the Santa Rosa area. Again the La Cresta climate is unlike the rest of the West side. I believe both the Arco Vineyard and La Cresta are closer to our climate around our vineyard and winery than they are to the sub tropical type of climate of the westside (Santa Rosa)

The Town of Murrieta has never been associated with wine growing or making as far as I know. Murriet was a town smaller than Temecula, and like Temecula was unable to develop because it was essentially surrounded on three sides by the Vail Ranch. Murrieta was and still is a town of some well known horse ranches and very small farming acreages. The people have never wanted to be connected with the development known as Rancho California, and want to remain small and anonymous.

We feel the B.A.T.F. should consider that the Association petition follows easily definable Spanish land grant boundaries, is included in the Temecula zip code-92390, the climates are somewhat different but not that dissimilar. The petition is all included in land the Vail Family referred to as being in Temecula, Kaiser, and now Kacor uses Temecula as the corporate post office for both east and west sides. The La Cresta and Arco vineyards are both within the boundaries of Rancho California (Vail Ranch).

I wish also to mention that while soils may be different from one area to another, soils are also different within one vineyard. Soil maps show Hanford soils on our slopes and poorer more sandy soil in our valley.

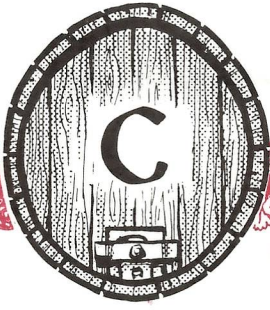
Ripening times vary within the proposed Callaway area--there is a vineyard that ripens up to two weeks earlier than vineyards within a mile of our vineyard, greater difference than projections in proposal. between the east and west sides made by the Callaway proposal. However overall I do not believe these differences are not significant enough to worry about. The entire area is referred to as Temecula. Citizens think of both sides of the ranch as being part of Temecula. Realtors sell land on both sides as being part of the Temecula area.

I am enclosing a number of articles from the local newspapers that have been published over the years. I feel they show that the Vail Ranch, Rancho California, and Temecula all refer to the same tract of land-----the spanish land grants which are the basis of the petition made by the Association. We feel the area should be known as the Temecula appellation.

Should you have any questions or need more information please call me at the winery or our home.

Thank You,

Audrey Celuzo



Cilurzo Vineyard & Winery

P.O. BOX 775 • 41220 CALLE CONTENTO • TEMECULA, CALIFORNIA 92390 • PHONE (714) 676-5250

I wish to bring to your attention the fact that it is very difficult to use picking dates as a true evaluation of whether an area is in a particular growing region or not, as an example last year we picked grapes from the same vineyard on two different dates a month apart. Both times we picked Babernet Sauvignon grapes, the vineyard is on a slightly sloping incline, however even with so gentle a rise the grapes on the crest of the vineyard were ripe a few days short of a month earlier than those at the bottom of the hill. Both time we picked at 23.5 brix.

Presently the grapes on the Schaefer yineyard are about degrees more ripe than grapes along Rancho California Road, and yet the Schaefer yineyard is included in the Callaway Appelation. Records prove the Schaefer vineyard has always ripened about two weeks prior to the rest of our grapes.

There are too many variables to use picking dates as a criteria for an area eg: where in the vineyard was it picked, was it a bunch of grapes protected by leaves or exposed to the sun, was the vine a replant or an original vine.

1980

CILURZO

VINEYARD & WINERY

CABERNET SAUVIGNON

Temecula, California

Produced and Bottled by Cilurzo Vineyard & Winery
 Temecula, California Alcohol 12.4% by Volume

1980 CABERNET SAUVIGNON

(La Cresta & Long Valley Vineyards)

The small family owned and operated Cilurzo Vineyard & Winery is located in the exciting new Southern California wine-growing region of Temecula. Warm breezy days and cool dry nights make this unique micro-climate well suited for the production of premium varietal wine grapes.

This year we have created a well balanced Cabernet Sauvignon by blending wine made from grapes grown in the La Cresta and Long Valley Vineyards. La Cresta is a high plateau close to the Pacific Ocean and Long Valley is twenty-three miles inland. Both are a part of the Temecula region. An induced and controlled malo-lactic fermentation has given this 100% Cabernet Sauvignon a soft earthy quality rare in so young a wine. While very drinkable now it should continue to age gracefully for many years.

Much tender loving care goes into the vinifying of all our wines naturally in the style of the old country. Visit our winery or write and tell us how you like our Cabernet Sauvignon.

Vincenzo Cilurzo

CILURZO VINEYARD & WINERY
 41220 Calle Contento
 Temecula, California 92390
 (714) 676-5250

Rancho's Changing Scene



Many projects under way at Rancho California gather to coordinate Santa Rosa Ranches project manager; Lloyd Massey, Jr., general Pauba core area project manger; Doug Kulberg, vice president, Industrial Park and GlenOak Hills project manager; Diane Johnson, Pacesetter Homes and R-1 third phase project manager.

Officials charged with responsibility for physical development at Kaiser Aetna's 95,000 acre Rancho California met early this month to review projects. Lloyd Massey, Jr., general manager of construction, gave a progress report of the many diverse jobs.

MURRIETA BRIDGE

Work is continuing on the \$250,000 bridge over Murrieta Creek in the Industrial Park. E.L. Yeager is driving pilings and pouring a concrete base for bulkhead walls on the east and west side of the 365 foot span. This major improvement will allow for access into the Walker Basin in the Santa Rosa portion of Rancho California. Rancho California Road's western terminus is now Murrieta Creek. Work in progress includes 130

drill points for dewatering and construction of three concrete support piers over the creek bed. The bridge is scheduled to be open for vehicle traffic in December.

MEADOWVIEW

A decomposed granite (DG) base is being laid on streets in the small estate residential area, Meadowview. Final paving this month in Tract 3883 will be done by R. Thibido Construction Co. Tract 3929, first Meadowview section, was paved this summer.

INDUSTRIAL PARK

In Tract 3842 of the Industrial Park, finishing work prior to acceptance by Riverside County is being done on roads (including paving, curbs and gutters), water and sewer systems.

BUTTERFIELD COUNTRY

A monkey bridge, raft and shade structures were recently finished at Cottonwood Creek Lake in the park area at Butterfield Country, Rancho California recreation vehicle resort.

APARTMENTS

This month the finishing touches were completed on the apartment complex in the Country Community. All exterior lighting and landscaping are done at the 50-unit site. Paving was completed on the east side of Mira Loma and the north side of Rancho Vista Roads leading to the apartments.

MOBILE HOME PARK

The following work was completed on the first 186-site phase of Rancho California Mobile Home Park this month. Water and sewer systems were installed by Longley Construction Company. All electrical service and street lighting was wired by Lloyd Thibodeaux. Gas lines were laid by Royal Pipe Line Construction Co. Road grading was finished

Two of the best blue chips are building a green chip.

Partnership of Kaiser Alumina and Aetna Life & Accident Insurance Company, you know so well. Kaiser Aetna is building a country community. Located centrally between San Diego, this 95,000 acre developed to improve the environment for use by investors. It is a great opportunity for investment in business, industry, horse ranches and vineyards. You can shopping plaza, a 800 acre lake, a golf

investment. At Rancho California, land investments come in all sizes. From a half-acre home site to a million dollar investment acreage parcel. From De Luz Ranchos, twenty to forty acre investment ranchos, to GlenOak Hills, 2-1/2 to 10 acre country estates studded with citrus and avocado groves.

Kaiser Aetna invested \$20,000,000 on improvements alone to enhance land values and make it a more attractive investment for you.

Rancho California offers every opportunity for you to live, play and invest. Join the blue chips. Invest in Rancho California.

Rancho California is represented by Butterfield Land Company.

WINES & VINES

THE AUTHORITATIVE VOICE OF THE WINE INDUSTRY

FEBRUARY 1969

SOUTHERN CALIFORNIA'S NEWEST VINEYARD AREA: RANCHO CALIFORNIA

CURTIS LYNN
FARM ADVISOR, FRESNO COUNTY

GRAPE plantings now underway at sprawling Rancho California* indicate that the Southland may soon have its own picturesque wine country. Located in the hills of southwestern Riverside County 80 miles from Los Angeles' Civic Center, Rancho California offers interest and beauty, as well as a potential for growing grape varieties suitable for table wine production.

Wine and grapes, of course, are not new to Southern California. The Cucamonga area is as well known for its vineyards and wineries as is the Coachella Valley for its early maturing table grapes. However, commercial grape plantings are new to the cattle grazing land in and around the development of Rancho California.

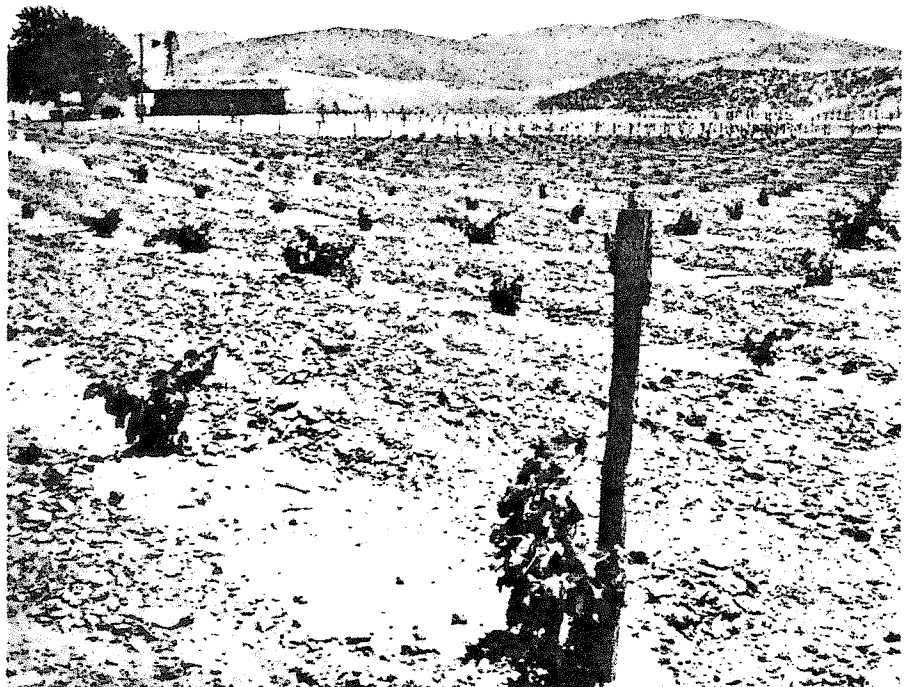
The climate, which is strongly influenced by the coastal ocean breezes, is relatively warm in winter and cool in summer. Ranch records indicate a Region III (3,000 to 3,500 degree-days) in the area where grapes are being planted. Although winters are mild, they appear cold enough for adequate vine dormancy.

Annual rainfall, which comes chiefly during the winter months, averages about 12-14 inches in the grape district. Thus,

*Rancho California is a development of Macco Corporation (a subsidiary of the Penn-Central Co.), Kaiser Aluminum and Chemical Corporation, and Kaiser Industries Corp. It consists of 87,500 acres of rolling hills and small valleys situated about halfway between Riverside and San Diego on Highway 395. The elevation varies from 900 to 2,400 feet. Soils are considered suitable for many crops including grapes.



SIGN, even with misspelling, marks the area set aside for the foundation vineyard.



VIEW of a part of Brookside Vineyard Company's plantings at Rancho California, with Gamay Beaujolais, Chenin Blanc, French Colombard, and Emerald Riesling.

irrigation would be needed for good protection. Wells on the ranch appear to provide suitable and adequate water for the irrigation requirements. Also, the ranch is supplied by the Metropolitan Water District, through the Eastern Municipal Water District.

Rancho California has worked with several private consultants and University researchers in adapting crops to the area. From the studies, specific sections have now been set aside for citrus, avocados, deciduous fruits and nuts, vineyards, horse ranches, dairy farms, field and row crops, and cattle. Although a sizeable acreage has been designated for agriculture, the ranch master plan also calls for commercial, residential, industrial and recreational developments.

Development at Rancho California is already underway with many sites for homes, farms, and ranches sold.

A sizeable citrus acreage has been planted. Thoroughbred horse farms are centered around a one-mile training track. Water lines and roads continue to be extended into the agricultural areas. Grape plantings include several test plots, as well as a commercial vineyard being established by Brookside.

To keep abreast of California's changing grape industry, I visited the vine plantings at Rancho California and met the Brookside personnel. The test plots have been conducted under the direction of Richard Break, an agricultural consultant from Fresno. Because of the suitable climate, emphasis has been placed on evaluating a number of wine varieties. However, raisin and table grape varieties have been included in the tests. Most of these plantings are in their second year and show excellent growth to date. To keep the vineyards as free



INSIDE foundation vineyard, showing the spacing and development of young vines.

as possible of virus diseases, growers are required to use certified planting stock. Rancho California has initiated and will maintain a certified varietal planting to be sure clean wood is available.

Philo Biane, president of Brookside Vineyard Company, pointed out that their prime interest is to increase the acreage of better wine varieties to meet market demands; also, to replace present vineyards that will be lost to urbanization. Their plantings include Gamay Beaujolais, Chenin Blanc, French Colombard, and Emerald Riesling. By irrigating with sprinklers, they have minimized the need for land leveling. Brookside has indicated that they will soon be expanding their plantings here, and in addition will be managing the test plantings and certification block for Rancho California. Brookside will also develop and

manage several commercial vineyards for private owners who have recently purchased land at Rancho California.

The developers estimate a potential for about 1,500 acres of grapes for Rancho California. Climate and market demands will limit the plantings to the better dry wine varieties. This should ease concern of our raisin and table grape growers in the San Joaquin Valley who are already faced with excess production.

The diversity of its agriculture, its natural beauty, and its proximity to the vast Southern California population centers should make Rancho California an important tourist attraction. Vineyards and wine certainly will add to the appeal. Developers feel that before very long, home grown and produced wines will be offered to the visitors of Rancho California.

Reprinted from February 1969 issue, WINES
& VINES by permission of the Publisher.

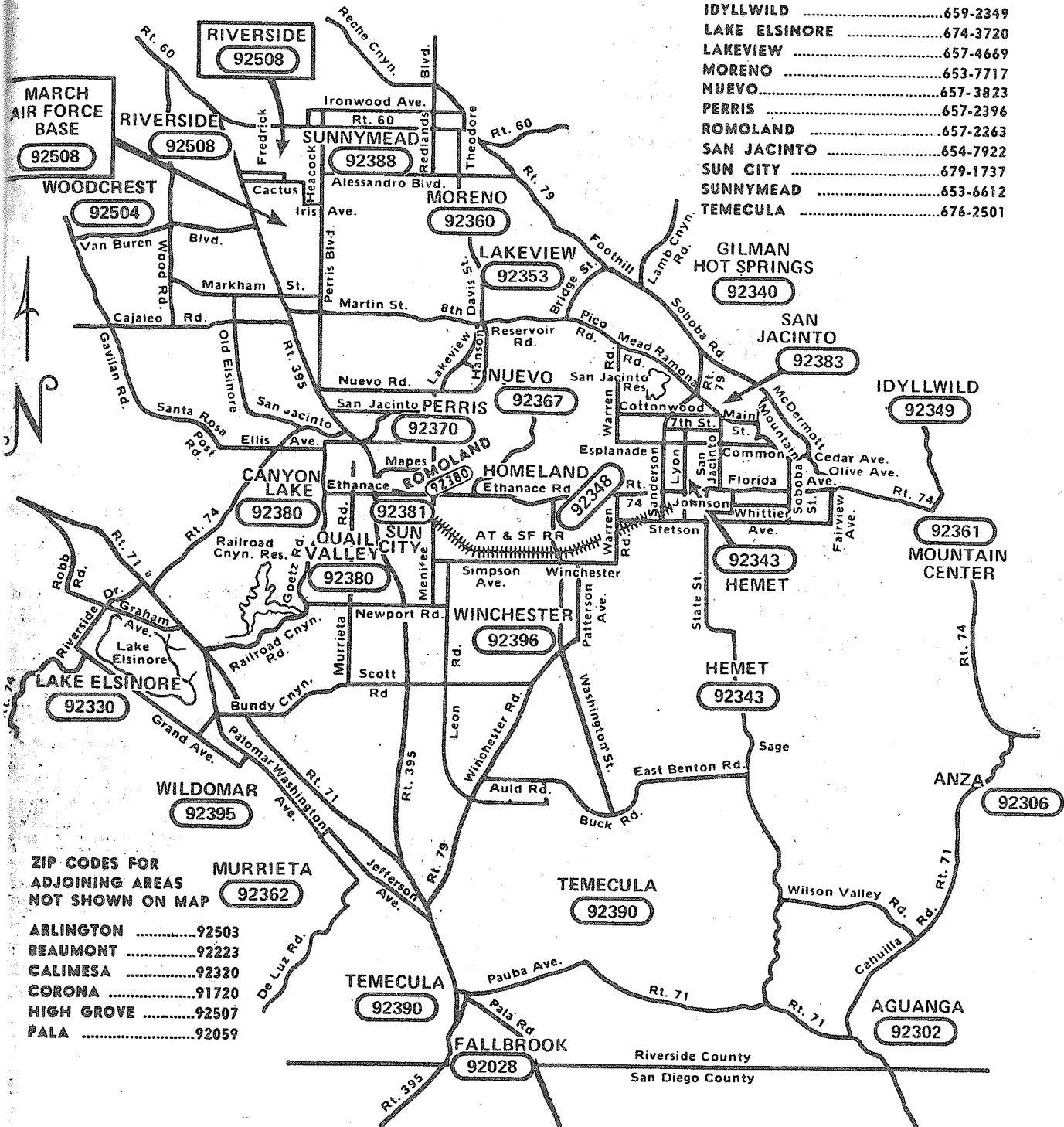


POSTAL ZIP CODES

HELP US HELP YOU. USE ZIP CODE

FOR ADDITIONAL ZIP CODE INFORMATION, CALL

AGUANGA	925-2145
HEMET	658-3263
HOMELAND	926-1866
IDYLLWILD	659-2349
LAKE ELSINORE	674-3720
LAKEVIEW	657-4669
MORENO	653-7717
NUEVO	657-3823
PERRIS	657-2396
ROMOLAND	657-2263
SAN JACINTO	654-7922
SUN CITY	679-1737
SUNNYMEAD	653-6612
TEMECULA	676-2501



ZIP CODES FOR ADJOINING AREAS NOT SHOWN ON MAP

ARLINGTON	92503
BEAUMONT	92223
CALIMESA	92320
CORONA	91720
HIGH GROVE	92507
PALA	92059

Riverside County
San Diego County

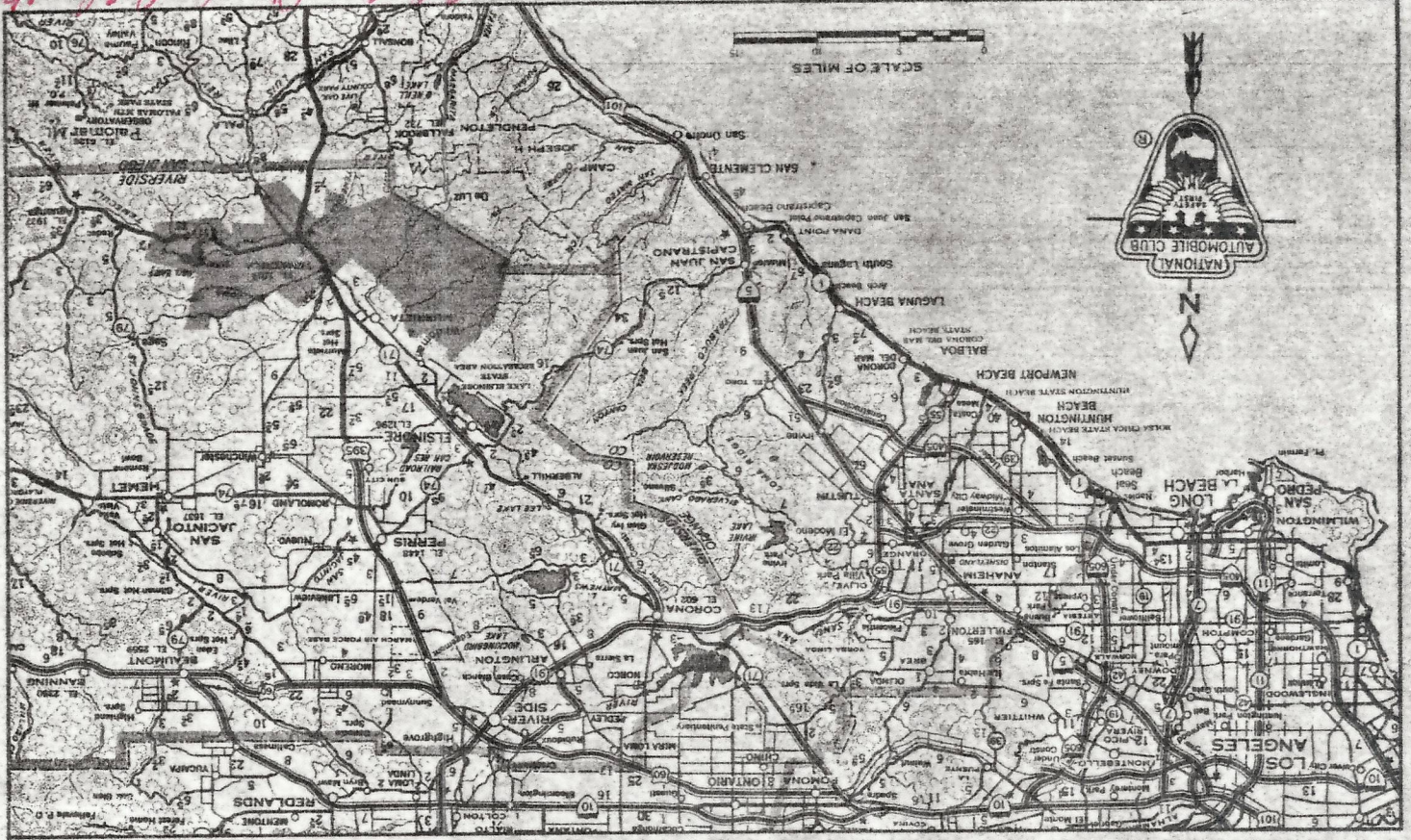
Rancho California
was the Vail Ranch.
The Vail family & all
those who were connected
with the Vail Ranch considered
it to be in gemmela.

In Southern California, here is the new wide land. It rests half-way between Los Angeles and San Diego, twelve miles in from the Pacific Ocean. It is 87,500 acres, one of the last of the great cattle empires, the old Vail ranch, now named Rancho California. We bought it. We are keeping some of it. And the rest? Yes, we are selling it, but with this difference.

Rancho California is the only big new land based on an agricultural master plan. Each acre has been studied by itself and in relation to others for its best use. Covenants, conditions and restrictions strengthen the master plan. Why? Why not just sell land?

Because we took a good hard look at how things are going in Southern California and were concerned since Rancho California is in the center of the predicted Los Angeles to San Diego megalopolis. Can this open range become farmland and then absorb urban and industrial needs gracefully when they come so that they are pleasant, not ugly, changes? Yes, if they are planned for.

Los Angeles - surrounded by Bouquet Golf - Home



RANCHO CALIFORNIA



THE BASIC FACTS

WHAT

Rancho California is a 25-mile-long, 3-to-10-mile-wide cattle ranch now undergoing a transformation that will upgrade every one of its 87,500 acres to its best and highest use. Three times the size of San Francisco, the development will include residential, recreational, agricultural, commercial, industrial, and educational sectors. Exceptionally scenic and rich in history, the ranch has many fascinating facets, including a lake destined to become one of Southern California's largest.

WHERE

Only 12 miles from the Pacific, Rancho California occupies Riverside County's southwestern corner, spreading eastward and westward from Temecula. It is 80 miles from Los Angeles via the Santa Ana, Riverside, and Corona Freeways. Straddling U. S. 395 Expressway, Southern California's main north-south inland artery, it is halfway between Riverside and San Diego. When the Southern California Freeway System is completed, six of its segments will radiate from the ranch.

WHEN

Time is being telescoped on the old Rancho. A cattle baron's empire until late 1964, it still has buildings dating back to the Ramona and Butterfield Stage eras. Development began in 1965, accelerated in 1966, and is proceeding at a fast pace. Roads, a water system, a new airport, commercial and agricultural developments and model homes are well along. By the end of 1967, many of these projects will be completed and others will have been started.

WHO

Behind Rancho California's development are the experience and resources of its principals, wholly-owned subsidiaries of Macco Realty Co. (a subsidiary of The Pennsylvania Railroad Co.), Kaiser Aluminum & Chemical Corp., and Kaiser Industries Corp. Rancho California management is headed by Robert L. Unger, who -- as city manager of Costa Mesa -- gained nationwide attention for guiding that community through a phenomenal growth period, bringing in hundreds of business firms.

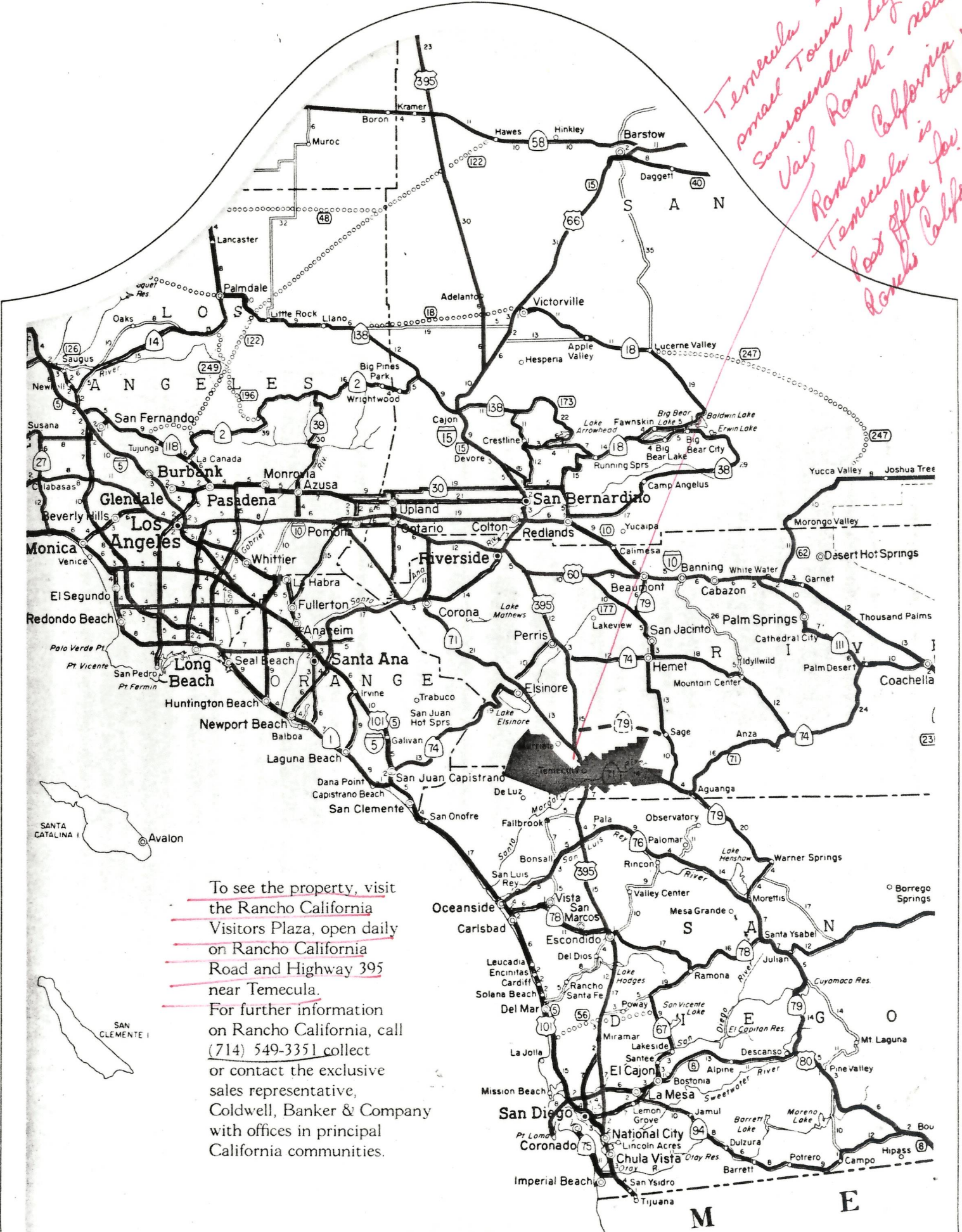
WHY

Rancho California represents one last great opportunity for Southern Californians to start with a huge, completely virgin area and build the kind of community they still dream about. Ideally located, it is in the center of the coming Los Angeles-San Diego megalopolis. Well endowed by nature, it enjoys a temperate climate, rainfall up to twice that of Los Angeles, and an underground water supply sufficient to fill five 24-inch pipelines to the moon.

HOW

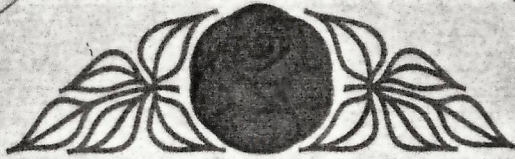
Rancho California is being developed in careful fashion. The land is treated with respect: roads and building sites are slipped in with minimum disturbance of the terrain. Conservation, forestation, and beautification programs are underway. Thousands of trees have been planted and that is only a small beginning. Six new lakes are in and many more are on the way. Every move is aimed at providing the advantages of tomorrow in an Early California setting.

*Temecula is
small town
surrounded by
Vail Ranch - now
Rancho California.
Post office for
Rancho Calif*



To see the property, visit
the Rancho California
Visitors Plaza, open daily
on Rancho California
Road and Highway 395
near Temecula.
For further information
on Rancho California, call
(714) 549-3351 collect
or contact the exclusive
sales representative,
Coldwell, Banker & Company
with offices in principal
California communities.





Status Report On

April 15, 1967

RANCHO CALIFORNIA

GENERAL INFORMATION

Rancho California consists of 87,500 acres. The easterly section, which comprises approximately 42,000 acres, is now under development. The following information applies to this acreage.

ROADS

Twenty-nine miles of roads have been graded. Paving on twenty-three miles is scheduled for completion by June 1967. Three miles of paved, hard surface roads have been completed. Forty-six miles of roads have been fully designed.

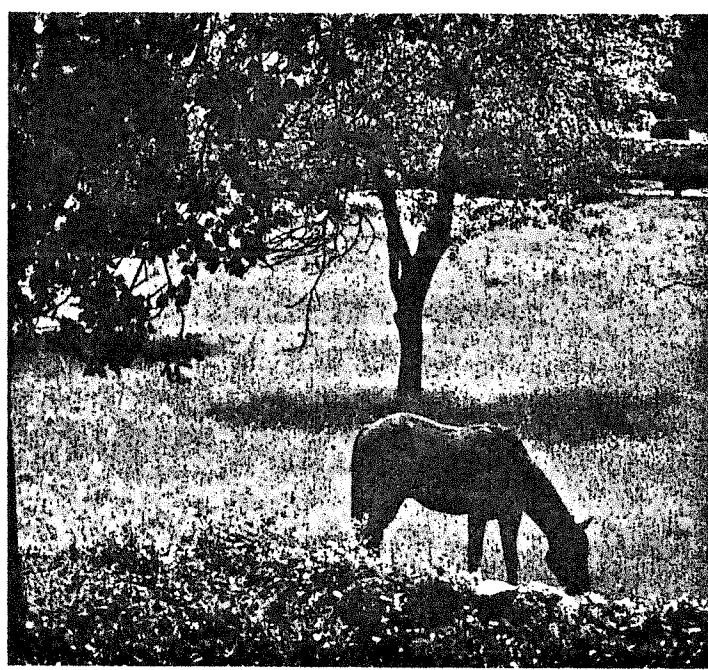
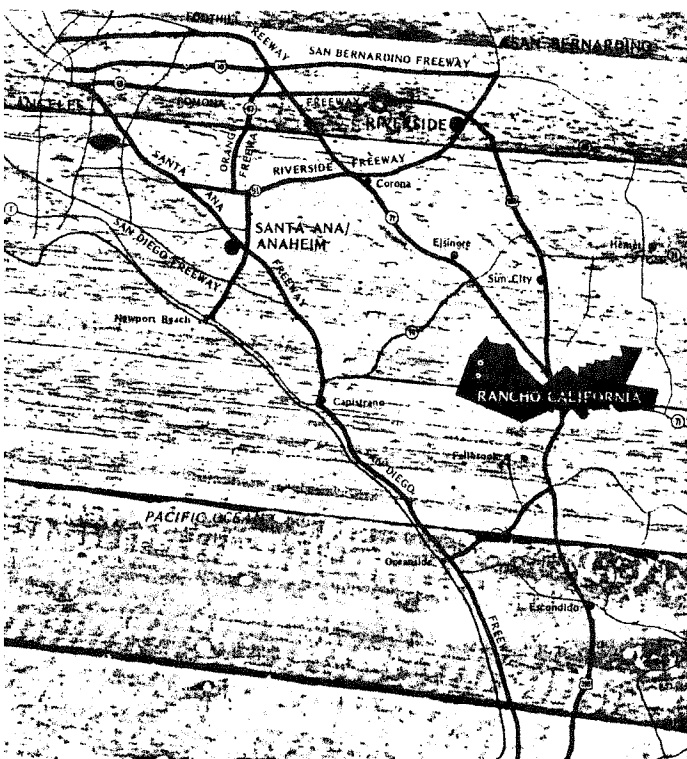
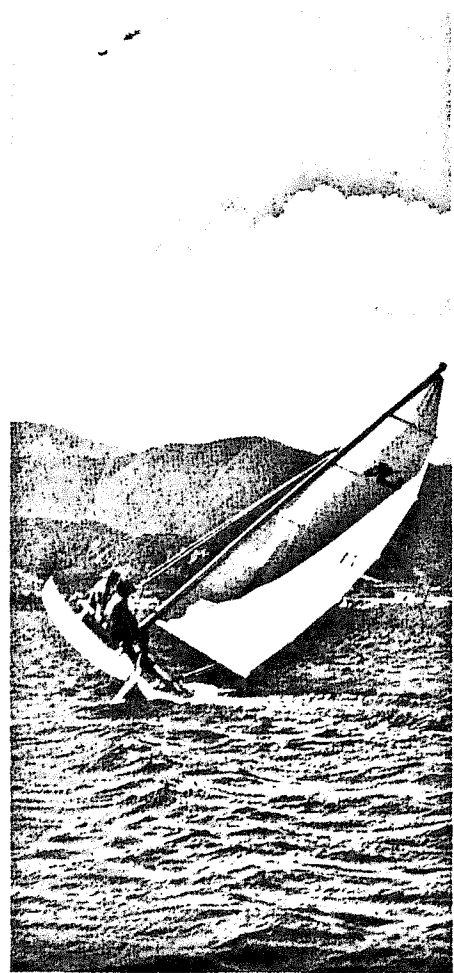
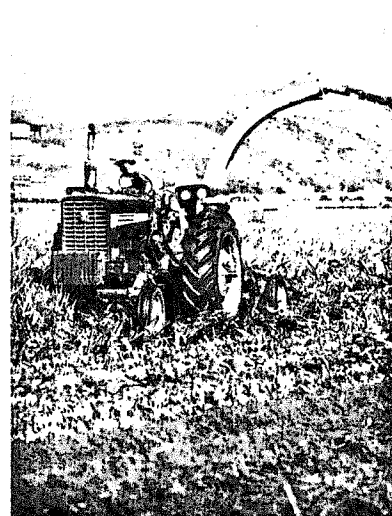
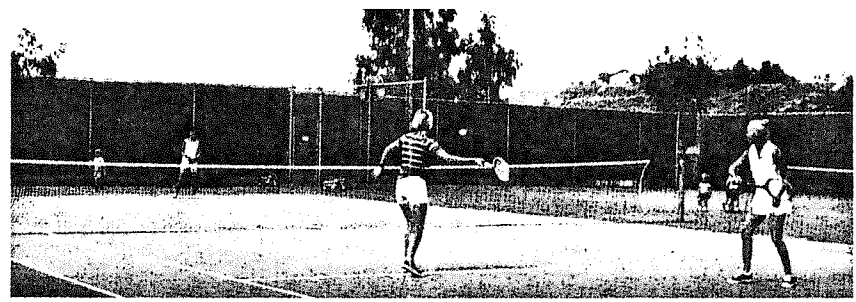
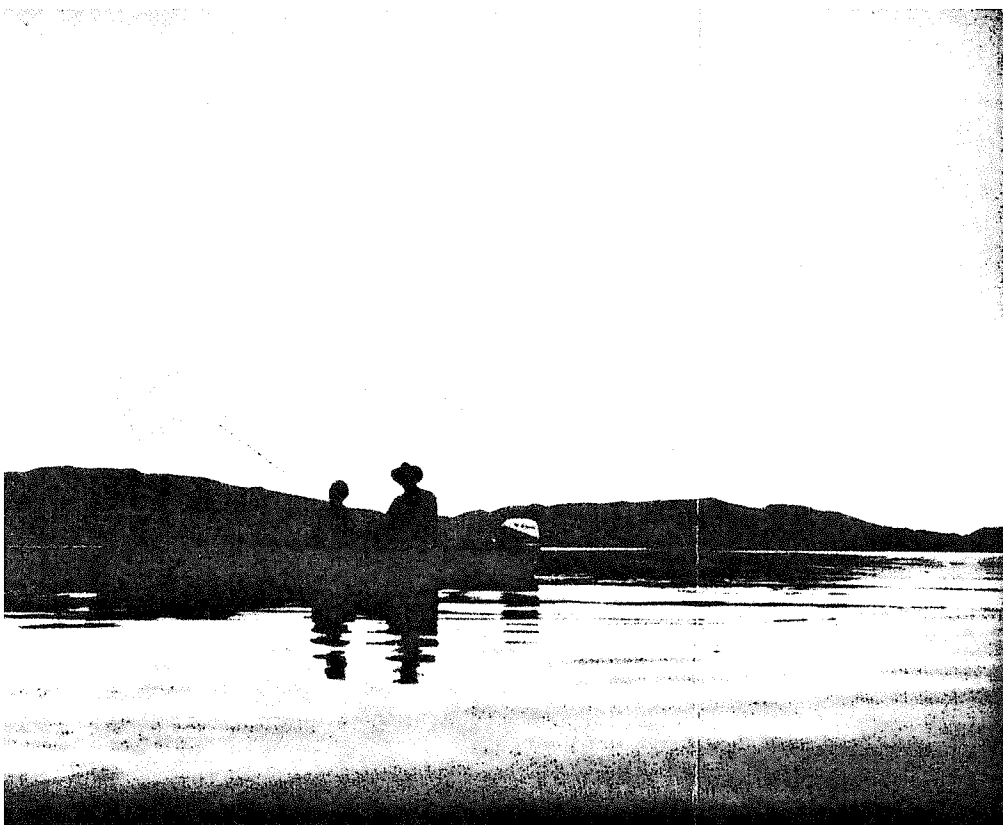
The State Department of Highways has approved the expenditure of 1.5 million dollars for the expansion of Highway 395 to interstate expressway standards. This improvement applies to the full length of 395 extending southerly from the north junction of Highway 71 to Temecula Creek. This important project is scheduled for completion by August 1967.

WATER AND POWER

Sixteen miles of water lines have been installed and now are in operation. An additional fourteen miles of water lines are designed and scheduled for installation prior to October 1967. Ten water wells have been completed and are in operation.

Twenty miles of primary power lines have been installed and are now in operation.

east & west side Total



Why two of the biggest blue chips are building one green chip.

Kaiser Aetna is a partnership of Kaiser Aluminum & Chemical Corporation and Aetna Life & Casualty, two blue chips you know so well.

The green chip that Kaiser Aetna is building is Rancho California, a country community you should know about. Located centrally between Los Angeles and San Diego, this 95,000 acre community is being developed to improve the land and put it to better environmental use to unlock its true value for investors. It is a complete country community for investment, homesites, recreation, business, industry, horse ranches, citrus, avocados and vineyards. You have access to a modern shopping plaza, a lighted landing field, an 800 acre lake, a golf resort, tennis courts, and miles of bridle trails.

All master-planned by Kaiser Aetna to offer your investment optimum growth and appreciation potential.

You're probably well aware of the tax

and leverage advantages inherent in a land investment.

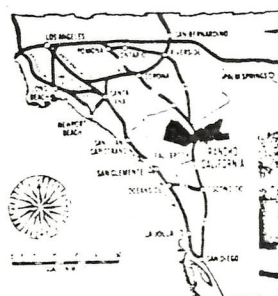
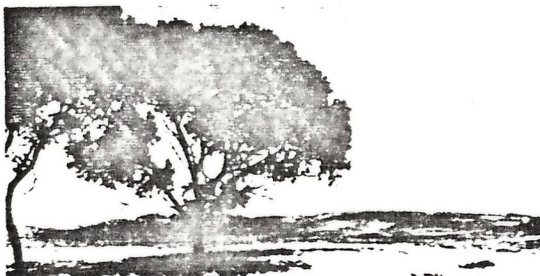
At Rancho California, land investments come in all sizes. From a half-acre home site to a million dollar investment acreage parcel. From De Luz Ranchos, twenty to forty acre investment ranchos, to GlenOak Hills, 2-1/2 to 10 acre country estates studded with citrus and avocado groves.

Kaiser Aetna invested \$20,000,000 on improvements alone to enhance land values and make it a more attractive investment for you.

Rancho California offers every opportunity for you to live, play and invest. Join the blue chips. Invest in Rancho California.

west side
east side

Rancho California is both east & west side & both are in Temecula



RANCHO CALIFORNIA PROGRESS REPORT

WINTER 1969/1970



RANCH ADMINISTRATION OFFICE:

P. O. Box 755 - Rancho California
Temecula, California 92390
Telephone (714) 676-4211

EXECUTIVE OFFICE:

4320 Campus Drive
Newport Beach, California 92660
Telephone (714) 540-7740

BUTTERFIELD LAND COMPANY

Visitor Center at Rancho California
Rancho California Road at Ynez Road
Temecula, California 92390
Telephone (714) 676-2541

*executive &
administrative & sales offices,
both designated to be in
both Rancho California &
Temecula, 92390*

*Rancho California is the
former Vail Ranch - east &
west sides*

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AT**

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Phone: (714) 676-4211**

*Rancho California - former Carl Ranch
Address Temecula 92390*

1982 Brochure



RANCHO CALIFORNIA...

**...general
facts
and
information**

*KACOR Development Company
A wholly owned subsidiary of Kaiser Aluminum & Chemical Corporation*

opening onto sundecks which can be enclosed for additional covered space. The rough hewn interiors are stained fir plywood.

Interiors of the Casitas have been created in both contemporary and country motifs. The contemporary approach, executed by Diversified Designs, Inc., features bright colors and clean, trim furniture lines typical of

Homestead Restaurant, a model home at Meadowview, and Butterfield Country Village Square. The overall affect is one of airy speciousness and easy livability.

Other features of the Casitas include full insulation, carpeting throughout, and colorful fully-equipped kitchens. Heating is forced air and air conditioning is available.

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owner

Floyd Olive

762 E. Juniper

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managers

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& Gene Knott

Ph. - 676-2391



RANCHO CALIFORNIA INN

Heated Swimming Pool-Putting Green

Ten Minutes from 18-Hole Golf Course



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92390

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month was Mrs. Olive Rice. We welcome her into our fellowship and service.

There was a very good attendance on the evening of the 15th of February to hear my 13-year-old nephew, Greg Squyres, preach. The Lyrics, a women's trio from Upland, brought a wonderful message in song.

This month: a combination filmstrip and discussion series on what Baptists believe. This is planned for the evenings of March 8, 15, 22, and 29 (7 p.m.). We will cover the areas of "What Baptists Believe About Salvation... About the Bible... About the Church... About Christian Growth and Service." These discussions will be open to all who attend. So, if you would like to find out more about Baptists, here's your perfect chance to come and learn!

Cheer up, the worst is yet to come.

-Philander Johnson

Let us be of good cheer, remembering that the misfortunes hardest to bear are those which never happen.

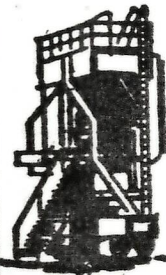
-Lowell

Gabriel C



Schools

RANCHO CALIFOR



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WAYSIDE

Spring Wine Tasting



Harry Serlis, president, California Wine Institute; Ed Mirassou, chairman, California Wine Advisory Board; and Robert L. Balzer, well known wine authority.

For the first time since the days of the missions, nearly 150 years ago, premium wine is being produced on a large scale in major new vineyard country in Rancho California.

Celebrating the opening of this new era in the wine industry, 250 socialites, viniculturists, and wine experts from all parts of California gathered on May 2 at the Ranch for the tasting of the new spring wines.

Called La Fete du Printemps, the gala occasion was the first spring wine festival ever held in Southern California.

Hosts were Philo Biane, his sons Pierre and Michael, and his nephew, Rene. The Biane family, owners of the Brookside Vineyard Co., is responsible for nearly 1,000 acres planted to wine grapes at Rancho California. Expectations are that this acreage will double within the next year and increase to 5,000 acres in the near future.

Vineyards at Rancho California were planted two years ago from experimental stock developed by agriscientists from the University of California.

A gay holiday mood prevailed as the family and their large party of guests sampled the new wines, Emerald Riesling, Pinot Chardonnay, Zinfandel, and Pinot Noir.

Following in the tradition of La Fete du Printemps, originally

celebrated in country villages in nineteenth century France, beautifully costumed hostesses, dancers and musicians added to the gaiety of the occasion. Barbecue pits turned out delicacies complementing the subtle flavor of the wines.

On the more serious side, wine experts toured the acres of vineyards and speculated about the future of the area as a wine country. Connoisseurs included

Harry G. Serlis, president, California Wine Institute; Ed Mirassou, chairman, California Wine Advisory Board; and Robert L. Balzer, well known wine authority.

Rancho California, site of this new wine country, is a multi-purpose development with much land devoted to agriculture. Avocados and citrus are two other principal crops planted in quantity.



Westcott pours a glass of the wine for Ed Gilfillan, president of Rancho California, lighting director and owner of the Brookside Vineyards at Rancho California.

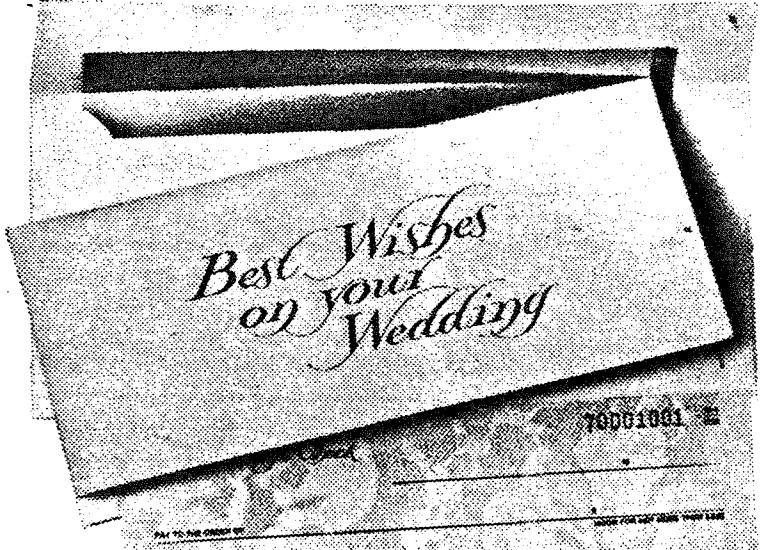


MADAMES Kay Gardner (left) and Suzanne Arth enjoy the taste and sound of the traditional French festival La Fete du Printemps, "the tasting of the Spring wine."

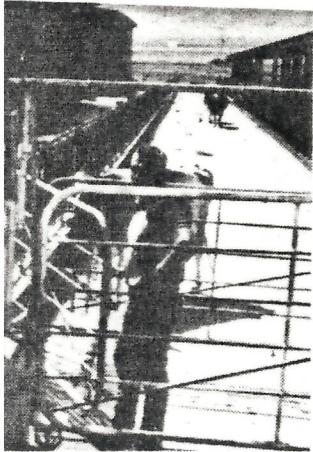


Yellow taste of the first wine produced at Rancho California with author and lecturer on wines, Ed Gilfillan, president of the Brookside Vineyards at Rancho California, proprietor of The Grange, a

Introducing Security Pacific Bank 3-piece Gift Checks.



ity Salon



(center) RC dairy owner, with his bulk milk storage ft), president of Nelson R. n, editor of Western Dairy ates from the milking parlor Bekendam, Al Fikse, John er) greet the bus load of mar- New York and Philadelphia.

Ornamentals”



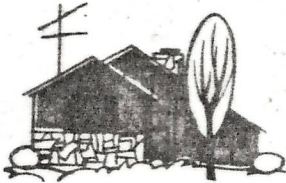
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Mini Land Rush Grabs New Country Ranch Homesites

Twenty-five 2½-acre country ranch homesites sold in less than 48 hours after they were made available to the public at Rancho California on Sept. 14.

Major reason for this mini

"land rush" is that Rancho California is an 87,500-acre agrarian development in Southwest Riverside County where most transactions range upward from 20 acres of diversified agricul-

ture uses, and rural residential sites are at a premium.

Until Sept. 11, only 146 ranch homesites had been offered to the public. When the third and final section of 39 additional sites was announced, committed buyers began lining up three days ahead of the opening.

First in line, interestingly enough, was Thomas M. Furst, Sr., of Lake San Marcos, who arrived on Wednesday. He was joined by others as the week went on until 12 purchasers were lined up 18 hours before the parcels went on sale.

Rancho California officials set up special ground rules for the early-bird buyers. In order to hold their place in line, awaiting the opening date, early arrivals had to sign in at 9 a.m., 12 noon, 3 and 5 p.m. each day. Meanwhile letters and checks were arriving from other purchasers requesting the Ranch to hold a site until they could arrive on Saturday.

Furst purchased the first parcel for his son, Tom Junior. Holding down second place was Orin Terry of Huntington Beach, who purchased three parcels.

Addition of the 39 new parcels brings to 185 the total number of residential sites at Rancho California. A total of 164 homesites now have been sold or reserved, and a dozen homes are occupied or nearing completion.



The first time Tom Furst (seated) claimed he was ever first in line where he got his choice was at Rancho California's "mini land rush". Three more "sooners" who had waited since Wednesday are (l-r) Orin Terry, Huntington Beach; James Chessman, China Lake; and Joanne Jones, Orange. Coldwell/Banker, Rancho California's exclusive sales agents, prepared the preview land sale of 35-2½ acre parcels on a first-come, first-choice basis.



WATERER—Howard Moore shows his Cal-Mor automatic watering system for farm animals.

\$250,000 Road Triggers Santa Rosa Development

Construction has begun on a new \$250,000 road which marks the first step toward development of the 46,000-acre western portion of Rancho California.

This portion of the big 87,500-acre ranch presently is used primarily for cattle grazing, but is being master planned for early development. The eastern 41,000 acres of Rancho California are under active development in orchards, row and field crops, vineyards, dairies, horse breeding farms, recreation, residential ranchsites, commerce and light industry.

Hugh Blue, director of development, announced that the new Santa Rosa Road is being privately financed by Rancho California and will be built in two

phases. Grading will be completed by November 1, and paving will commence immediately following installation of a 16-inch domestic water line. The project will be completed in late February, 1969.

Take-off for the new 2.8 mile long, 40-foot wide road is at the intersection of the present Santa Rosa Road and Grand Avenue, south of Wildomar. Blue said it will be cut into the southerly side of historic Slaughterhouse Canyon above the old cattle road which will remain undisturbed in the bottom of the canyon as a riding trail. Ultimately, plans call for a matching road on the north side of the canyon, he says.

The new Santa Rosa Road will provide access to the 6,000-acre parcel of Rancho California recently acquired by Boise Cascade Corporation and to be developed by its subsidiary, United States Land, Inc. It will extend in a southwesterly direction to Tenaja Road, a Country road which angles across the western side of Rancho California to its boundary, abutting Cleveland National Forest.

The 771-acre parcel recently acquired by Governor Ronald Reagan is in the western portion

(Continued on Page 9)

In this issue:

- Sewer System Page 2
- Arena Events Page 4
- Frontier Day Page 7
- Plaza Corner Page 10
- Classified Page 11
- Dairy Tour Page 12

Access road to La Cresta area



published monthly by
Great Western Publishing Co.

676-3641

P. O. Box 758, Temecula, Ca. 92390

Editors & Publishers: Norm & Hazel Findlay

Subscriptions: \$1.50 United States
All others \$3.75

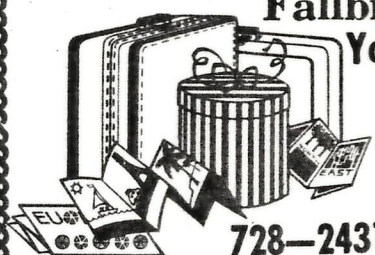
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RANCHO CALIFORNIA

SCHEDULE OF COMING EVENTS

DATE	PLAZA	ARENA
Sept. 20		4-H Clinic
Sept. 21	Old Time Music Instruments Display	
Sept. 28		California Cutting Horse Association Horse Show
Oct. 5	Bob Baker Marionette Show (3 performances beginning at 1:30 p.m.)	Society of Arabian Horse Breeders of Riverside Horse Show
Oct. 11-12	Sail Boat Display	Konrad Fischer Clinic
Oct. 18-19		Loping Lads and Lassies Horse Show



Personal Pro By Burlingto

President of Burlington Industries, Inc., Ely R. Callaway, Jr., has made a personal property investment at Rancho California.

Callaway plans to plant varietal grapes on a large portion

of his vineyard

Brook Bu

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Squeaky Wheels May Grease-Up New Highway

Letters from all civic, political and religious groups, citizens and motorists are being requested to be sent to the Riverside County Dept. of Development urging the completion of State Route 71 freeway from Corona to Rancho California, according to an announcement of Jim Welty, Department Director of the 1st District.

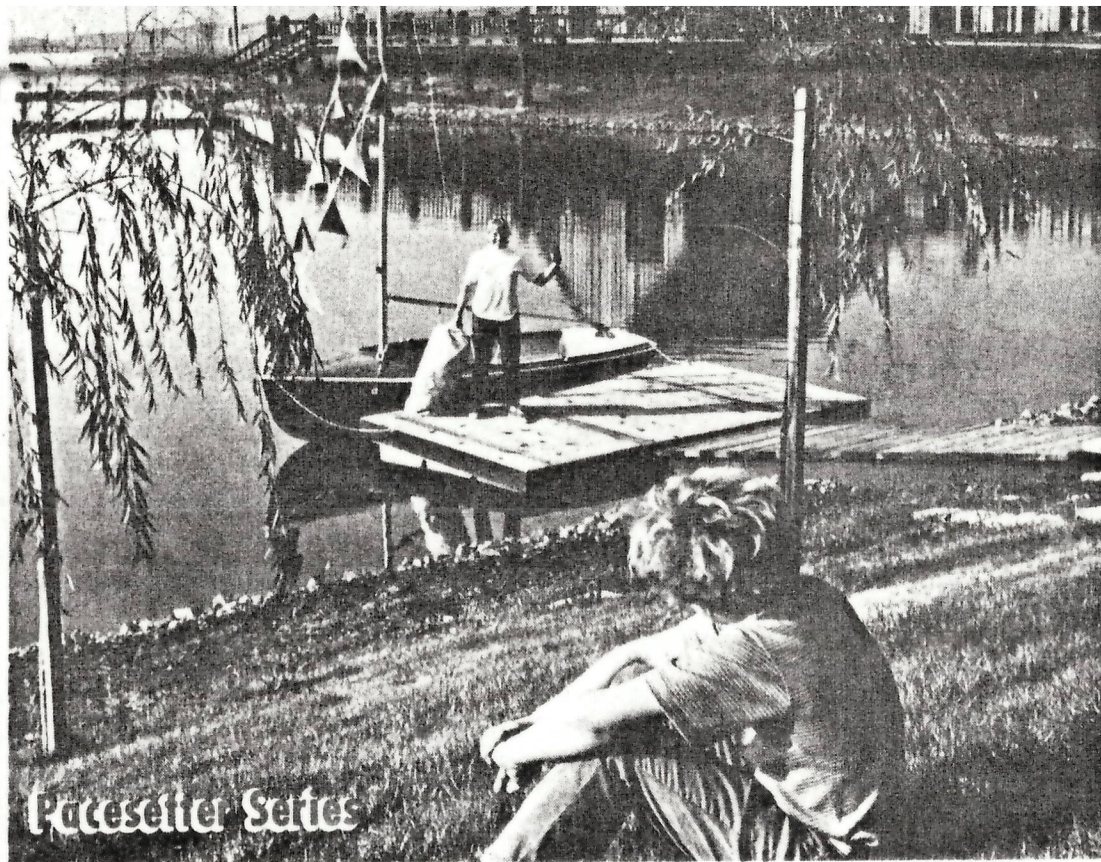
Portions of this freeway have been completed from the Corona city limits to Glenn Ivy but the connection in Corona to 91 and the completion to 395 have given thousands of motorists a serious headache for several years.

Corona and Elsinore have joined with County Supervisor, William Jones, in an all out effort to urge the Highway Dept. to complete this very congested and dangerous section of California highways.

"We want thousands of letters mailed by all residents of Corona, Elsinore, Murrieta, Temecula, and Rancho California to us so that we can present them to the Highway Commission on Sept. 24, 1969," Welty said.

"Indications are that one of the reasons this highway has not been completed is there has not been sufficient evidence that the communities wanted it. The other areas of California were quite vocal about their roads," Welty indicated, and "the squeaky wheel got the grease." Several thousand letters will let

*Temecula + Rancho California look used to denote all of Rancho California
92390 zip - which was all of Rancho California*



Pacesetter Series

Home ownership and recreation just naturally go together in this Pacesetter community which features the use of two lakes for sailing and fishing, a swimming pool, tennis courts, a nearby championship 18-hole golf course and riding trails. See Don Hallet, Sales Manager, for a personal tour and let him tell you about the excellent FHA and Conventional Financing that is available.

HOMES AT RANCHO CALIFORNIA
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RANCHO CALIFORNIA, TEMECULA, CA. 92390

I'd like more information on:

La Serena Homes Pacesetter Series

NAME _____

STREET _____

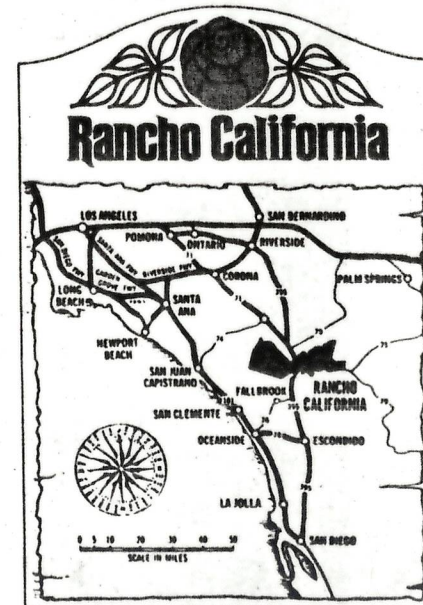
CITY _____ STATE _____ ZIP _____



At 95,000 acres, Rancho California is the largest holding of Kaiser Aetna, real estate and land development partnership of Kaiser Aluminum and Chemical Corporation, of Oakland, Calif., and Aetna Life and Casualty Company, of Hartford, Conn. Rancho California's identification with these major U.S. corporations serves to enhance the confidence of owners and potential buyers in the ability of the operating company to fulfill its commitments, especially from the standpoint of planned future projects. Construction completed or in progress during the year 1970 by Rancho California, by its property owners, and by governmental agencies and utilities is estimated at \$18,650,000.

(714) 676-5215 676-4041

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INFORMATION ON
HOMES
AT
Rancho California



Rancho California now has two water companies and both formed under the water code of the State of California," stated Hugh Blue, manager of operations for the sprawling 87,500-acre ranch.

The first to be formed in August of 1965 was the Rancho California Water District (RCWD), which encompasses everything on the ranch east of the Santa Rosa Grant line. Total acreage covered on the Pauba Ranch, or eastern sector of Rancho California is approximately 41,300 acres.

The second water district which was formed in January of this year is the Santa Rosa Ranches Water District (SRRWD), and 45,500 acres are included within its boundaries west of Hwy. 395.

The first, or eastern district, is annexed to the Eastern Municipal Water District (EMWD), and likewise, the western portion is annexed to the Western Municipal Water District (WMWD).

The annexation of both sectors of the ranch entitles the ranch to available metropolitan water including delivery from



HUGH BLUE
has worked on the Rancho California staff as Project Engineer since 1965.

the terminus of the California Aqueduct project scheduled to reach southern Riverside County in 1972. Both districts are public corporations.

The MWD facility at Auld Valley will act as the regulating reservoir for the ranch's supply from that time forward.

In the meantime, Rancho California has spent in excess of \$4,000,000 in the extraction and distribution of local ground water located under the eastern portion of the ranch in what is known as the Pauba Basin or

Temecula Arkose.

We have plenty of water now as the Pauba Basin has been estimated to hold over 468,000 acre-feet of water, and only a little over 5,000 acre-feet are pulled from this underground reservoir each year," disclosed Blue.

"In four years, the ranch is scheduled to receive Northern California water from a 102 inch pipeline that will dissect the ranch, so water will always be plentiful here," he said.

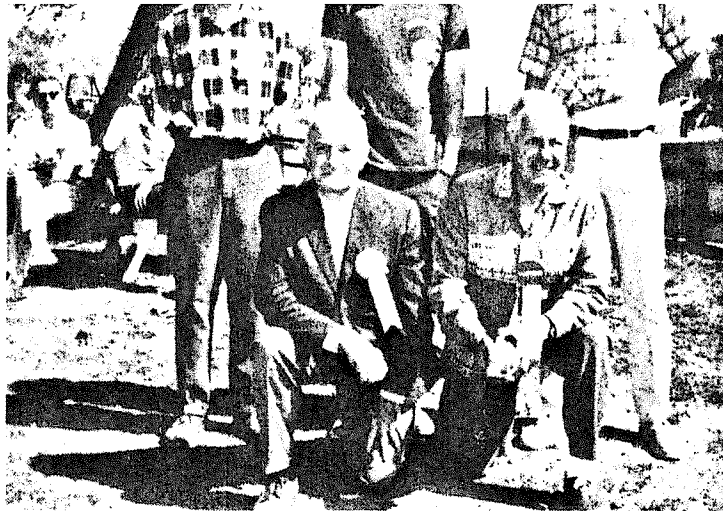
The first phase of the RCWD, a \$55,000,000 master-planned water district that was completed in early June, included a total of 12 deep wells that collectively pump an average in excess of 1,000 gallons per minute from depths of 80 to 245 feet. All are gravel packed, rotary type, high capacity wells. In addition, four water storage reservoirs have been constructed, containing a total capacity of five million gallons, and 30 miles of 12 to 24 inch mains have been installed servicing various eastern portions of the ranch.

With all facilities completed in June under the original \$3,800,000 bond issue, Blue stated that continuation of the RCWD master plan of 40 wells will start soon with money derived from the sale of the second bond.

**Mais Family
Plants Own
Citrus Grove**

A Balboa couple, Bill and Ruth Mais, with the assistance of their six children, have recently completed the final stages in planting 15 acres of naval oranges on their property in the Mesa Grande area of Rancho California.

The do-it-yourself family project started 18 months ago when



DARTMOUTH GRADS and undergrads line up in football tradition in line and backfield positions. Standing left to right are: John Beloin, class of 1972; David Agan, '69; and Russ Lucas, '70. Kneeling are: Bob Reynolds, (left) class of '25; and Harry Harris, the senior alumnus at the picnic from the graduating class of 1924.

**Dartmouth Reunion
Held at Ranch**

Jim Murar, Dartmouth graduate and assistant general manager of Rancho California, hosted a group of 100 Dartmouth University alumni with their families at a barbeque picnic at Rancho California on Saturday afternoon, May 18.

The grads, along with future Dartmouth alma mater hopefuls, wore the school colors of green and white on identification badges pinned to their shirts.

Dartmouth University, a formidable sports contender in the Ivy League, is located in Hanover, New Hampshire.

Murar and the Dartmouth-Orange County Club alumni president, Bob Poet of Fullerton, greeted the enthusiastic gathering at the picnic area near the plaza.

Horseback riding commenced

at 1 p.m., followed by an afternoon of competitive games with prizes awarded for winners in tug-of-war, three-legged race, sack race, and soft ball events.

**Temecula
Brochure
Designed**

History of old Temecula, combined with photos and a map of the town as it is today, will be in the new brochure soon to be released by the Temecula Chamber of Commerce.

Al Fikse, Marvin Funk and Norm Findlay collaborated on the design of the brochure that will be distributed to merchants for their disposal to the town's visitors.

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Why two of the biggest blue chips are building one green chip.

Kaiser Aetna, a partnership of Kaiser Aluminum & Chemical Corporation and Aetna Life & Casualty two blue chips you know so well.

The green chip that Kaiser Aetna is building is Rancho California, a country community you should know about. Located centrally between Los Angeles and San Diego, this 95,000 acre community is being developed to improve the land and put it to better environmental use to unlock its true value for investors. It is a complete country community for investment, homesites, recreation, business, industry, horse ranches, citrus, avocados and vineyards. You have access to a modern shopping plaza, a lighted landing field, an 800 acre lake, a golf resort, tennis courts, and miles of bridle trails.

All master-planned by Kaiser Aetna to offer your investment optimum growth and appreciation potential.

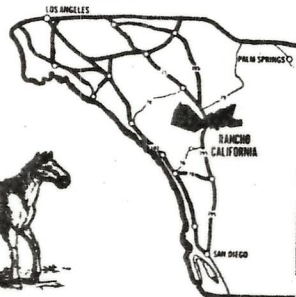
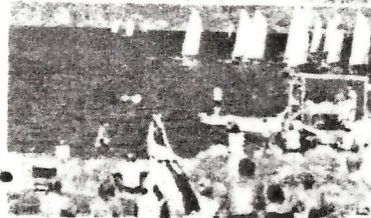
You're probably well aware of the tax and leverage advantages inherent in a land invest-

ment. At Rancho California, land investments come in all sizes. From a half-acre home site to a million dollar investment acreage parcel. From De Luz Ranchos, twenty to forty acre investment ranchos, to GlenOak Hills, 2-1/2 to 10 acre country estates studded with citrus and avocado groves.

Kaiser Aetna invested \$20,000,000 on improvements alone to enhance land values and make it a more attractive investment for you.

Rancho California offers every opportunity for you to live, play and invest. Join the blue chips. Invest in Rancho California.

Rancho California is represented by Butterfield Land Corporation, a subsidiary of Coldwell, Banker & Company. For complete information, call or write Mr. Arthur Hill, Information Center, P.O. Box 755, Rancho California, California 92390, (714) 540-8620 or (714) 676-4661.



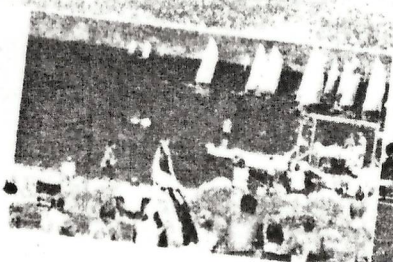
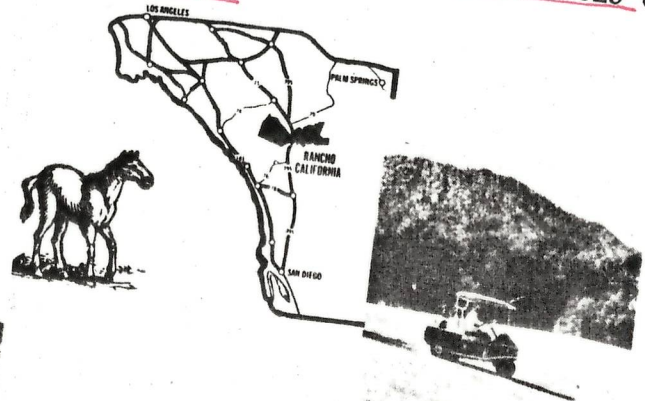
*Rancho California
Temecula area
each used for
92390 zip
code*



...ation, business, industry, horse ranches, citrus, avocados and vineyards. You have access to a modern shopping plaza, a lighted landing field, an 800 acre lake, a golf resort, tennis courts, and miles of bridle trails. All master-planned by Kaiser Aetna to offer your investment optimum growth and appreciation potential. You're probably well aware of the tax and leverage advantages inherent in a land invest-

... a more attractive investment for you. Rancho California offers every opportunity for you to live, play and invest. Join the blue chips. Invest in Rancho California. Rancho California is represented by Butterfield Land Corporation, a subsidiary of Coldwell, Banker & Company. For complete information, call or write Mr. Arthur Hill, Information Center, P.O. Box 755, Rancho California, California 92390, (714) 540-8620 or (714) 676-4661.

... month. Water and sewer systems were installed by Longley Construction Company. All electrical service and street lighting was wired by Lloyd Thibodeaux. Gas lines were laid by Royal Pipe Line Construction Co. Road grading was finished by Triangle Construction Co. Now in process is the paving of streets and driveways into each mobile home space. Landscaping designed by Ken Kammeyer and Associates is being completed by contractor Richard F. Buccola.



Temecula Preps For 1971 Event

Preparation for 1971 Temecula Frontier Days celebration and parade will start in January, reports Temecula Valley Chamber of Commerce. The fourth annual event held last month was called quite successful despite a short preparation time.

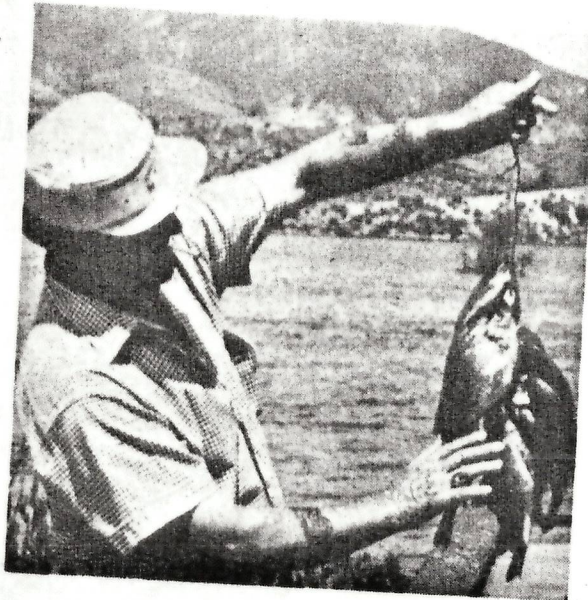
Tommy Hotchkiss was general chairman and was assisted by Dick Hensley, Lillian Basquez, Lois Rydalch, Evelyn Kilgore, Tib Thibodeaux, Bob Majeski, Lon DuPuis and Bob Spaller.

Rancho California helped defray expense of the orchestra at the night street dance.

Rancho California is the developer name for the Sail Ranch which surrounds the small town of Temecula & Rancho California uses the 92390 zip code of Temecula

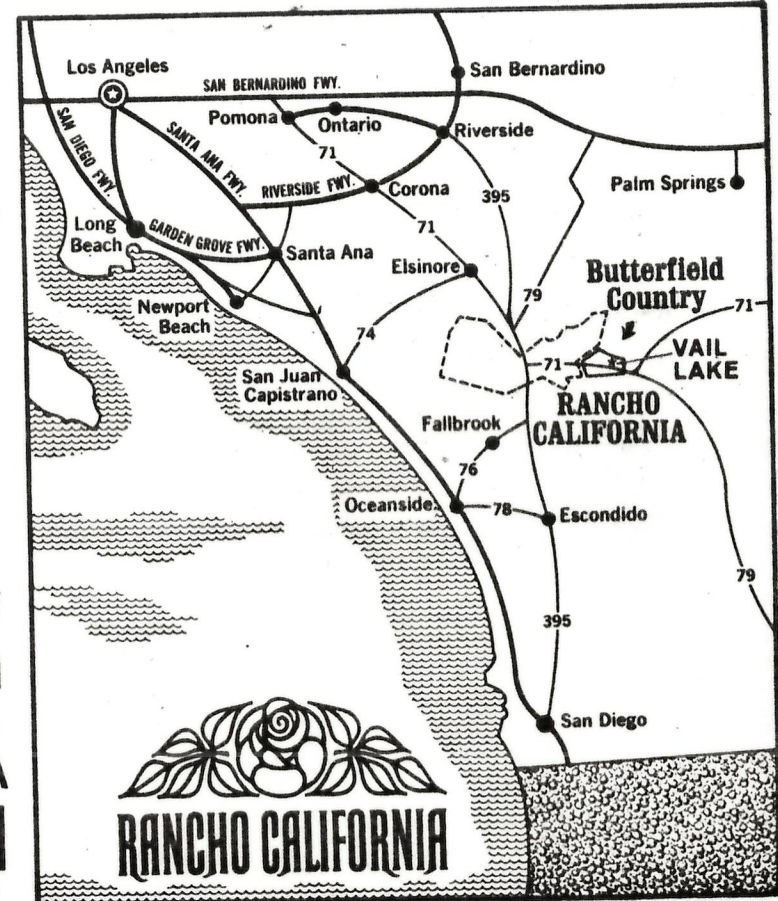


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*Rancho California - east & west - both were &
are considered to be in Temecula*

(Continued from Page 1)

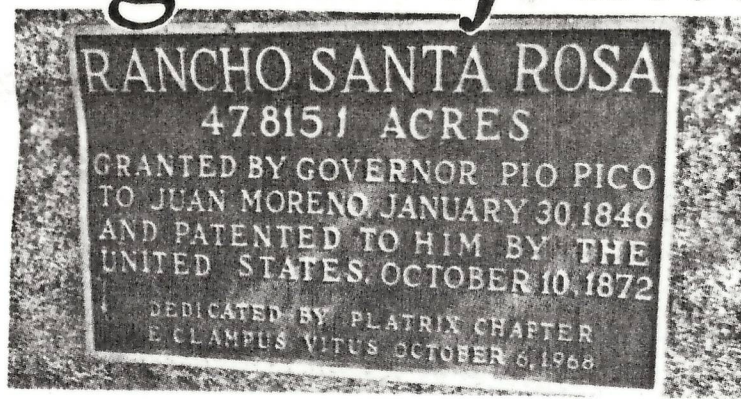
available historical facts being what they are, and since there is little of the bloody and spectacular on record, it is understandable why the modern storytellers have given it comparatively little attention. But it does have a history and a very interesting one.

For the grass roots story of Santa Rosa, we sought out Louie Roripaugh, who needs no introduction to the old timers of this area. We are indebted to him for much of the following information, but he was careful to point out that although he has spent his lifetime in the area, the era of Parker Dear and the syndicate preceded him by many years; that the stories he passed on to us were those of his father - who still lives nearby - and others who had known Parker and many of his associates personally.

Among the latter was a widely known, full-blooded Indian, the late Benito Benjamin. He worked at the Parker Dear mansion during its years as a gathering place for thousands, and his stories were many.

In the mid-seventies of the 19th century, the British empire covered areas in almost every corner of the world. Where there was land and opportunity, there almost certainly would be found an Englishman. If there were riches - or rumors of riches - to be had, and no Englishman on the scene, one would soon show up.

Early in 1876 a young English resident of Liverpool set sail for America, carrying the hopes



of an English syndicate to get in on the ground floor of the rumored land of rainbows and gold.

Parker Dear was seventeen, an age when most young men have not yet completed high school, when he arrived on the east coast and immediately made arrangements for his trip west. The journey itself required an adventurous soul and a healthy body, especially the last few hundred miles across the desert wastes through rugged canyon bottoms and steep mountain grades, the day's torturing heat alleviated only by the glorious nights under the brilliant stars.

Young Parker arrived in this area in mid-year, went in search of an investment for his syndicate and soon found that Rancho Santa Rosa and its great potential for development would fit well in the plans of he and his backers. It was during this early period of his search for land that he found something else to his liking. He fell in love with and married a young beauty of the land, Miss Elena Coutts, daughter of famed Cave Coutts and

his equally well-known wife Ysidora, owners of Rancho Guajome, near Oceanside.

Shortly after their marriage, Parker - acting for the syndicate - purchased the Santa Rosa and built a modern three story mansion near the site of the old adobe ranch house. The large white house became not only the home of Parker Dear and his family; it also served as the promotional headquarters for the English syndicate.

With the partial backing of the Union Bank of San Francisco, the syndicate laid down plans for the development of Rancho Santa Rosa which, in many areas, parallel those of the present Rancho California. They called for exploiting the vast acreage in many ways; to attract the growers of crops suited to the soil and climate, including vineyards and citrus groves. The plans also made provisions for subdividing a large part of the Rancho into small acreage plots suitable for "gentlemen" ranchers who had the money for expensive layouts and residences styled to the times.

The parties at the Parker Dear mansion in the glen were sometimes attended by as many as 2,000 guests from all parts of Southern California. Through the eyes of Benito, we see people from every walk of life, horses of every breed and carriages of all types; sulkies, buggies, buckboards, "white-tops" and formal carriages gleaming with their trimmings.

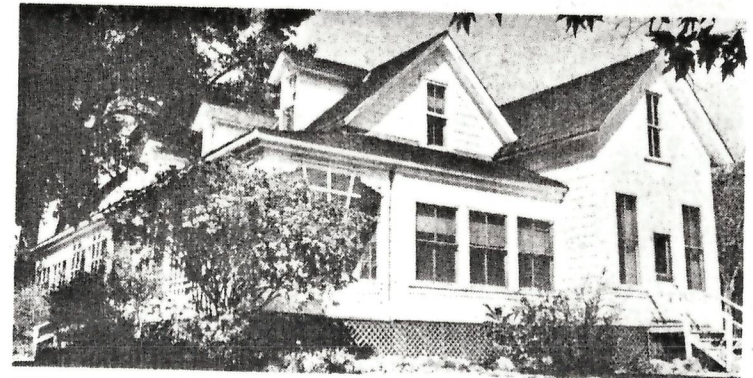
For the enjoyment of the prospective Santa Rosa "settlers" and their wives, the house and the surrounding glen took on a fiesta atmosphere, complete with barbecued foods, games and other entertainment. And monkeys in the trees! One of Benito's many chores was to care for his simian friends - and there were many. With monkeys being what they are and people being what they are, some of Benito's stories, as told to Louie, were quite amusing.

A few miles west of the junction of the road leading

from Elsinore and the junction of the main highway to San Diego, the old three story white mansion still stands near the site of the old adobe ranch house.

If Parker Dear and his friends could enter the glen today they would find little change. Perhaps taller, the stately oaks are still beautiful as ever. In the front yard still lies the huge egg-shaped rock, with the bowl-like indentations in its smooth, flattened top surface. For untold centuries these were used by the Indians as grinding "pots" for the preparation of their grains and other abrasive foodstuffs. From its well-kept appearance, the house could have been built in the quite recent past.

If he and his friends were to look down upon the present work going forward in the development of the old Rancho into something unbelievable, their heads would nod in approval. They had the same dream almost a century too soon.



THE VICTORIAN STYLED HOME built by Parker Dear in 1885 was the Santa Rosa headquarters for the Vail Family for over 60 years. Vail purchased the three land grants, (the Pauba, Little Temecula and Big Temecula), in 1904, and the Santa Rosa grant in 1907 from the Union Bank of San Francisco.

The Vail family considered the entire Vail Ranch to be in Temecula.

The Vail Ranch was always considered by the Vail Family to be in Temecula.

also p. 14

MERRY CHRISTMAS

RC SUMMARIZES 1970

The past twelve months have been the most dramatic in the five and one-half year development of Rancho California. A year-end Roundup summarizing construction and growth in the master planned community begins on Page 6.

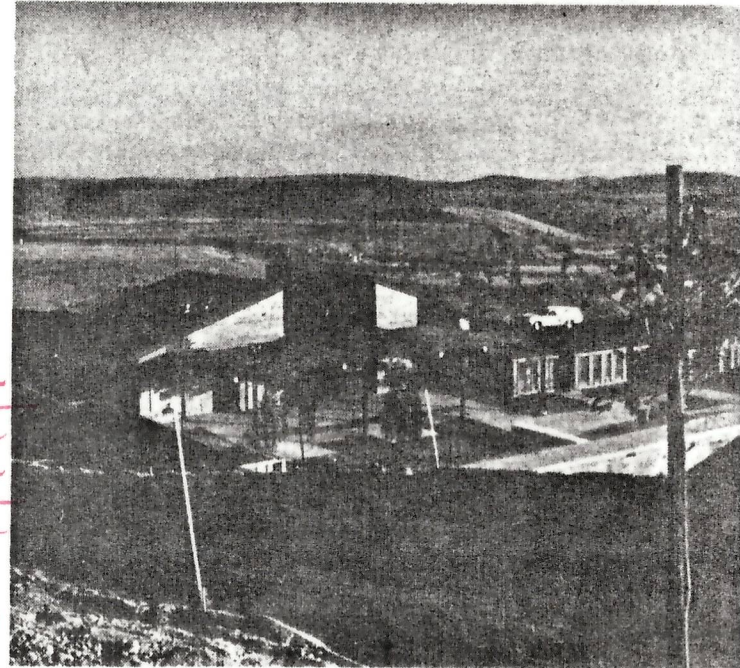
The year 1970 also marked the first full year in which the 95,000 acre ranch has been under the 100% ownership of Kaiser Aetna. The two corporate giants formed their partnership in July, 1969.

Rancho California is the major holding of Kaiser Aetna, a real estate and land development affiliation in which both have a 50% interest. Kaiser Aluminum & Chemical Corporation of Oakland, California with Aetna Life & Casualty of Hartford, Conn., have projects totaling around 125,000 acres.

Kaiser Aetna's operations include acquisition of parcels of land, upgrading them to higher purposes, and selling them for those uses. It also has interests in

certain types of construction activities.

Rancho California is in transition from the historic Vail Cattle Ranch to a master planned area that is successfully achieving and maintaining a highly desirable country community atmosphere. Originally 87,500 acres, acquisitions this year have increased the size to 95,000 acres, three times the size of San Francisco.



JUST OPENED—Rancho California Mobile Home Park opened Dec. 1 in the rolling terrain one and one-half miles east of the Plaza. The hillside spaces afford views of distant San Geronio, San Jacinto and Palomar Mountain peaks. Now ready are 186 units of the 1,100 proposed. The recreation building and swimming pool shown are surrounded by some of the sites.



10¢ **10¢**

RANCHO CALIFORNIA NEWS

VOL. 6, NO. 12 P.O. Box 758, Rancho California, Temecula, Ca. 92390 DECEMBER, 1970

New Mobile Park To Offer 1,100 Spaces

Forecast: Ranch Population

The conveniences of mobile home living, the charm of a maximum view, a park-like setting and...

will have most of them within five.

"In the meantime, there will be a direct benefit to the public: produce from the successful varieties will be available at El Emporio, our recently-opened fruit market at the intersection of U. S. 395 Expressway and Rancho California Road. Since we are planting over 20 varieties of apples, for example, El Emporio shoppers will be faced with the delightful dilemma of trying to select from the widest array of fruit they have ever seen. And with different varieties ripening at various times, they'll be able to buy freshly-picked fruit that normally would be out of season."

A few hundred yards southeast of El Emporio and just over the hill from (and behind) the Sales and Information Center, the 5-acre pomology "lab" borders the north side of Rancho Road, just east of Ynez Road. It will contain approximately 200 varieties of: apples, apricots, carobs, chestnuts, European plums and prunes, figs, Japanese plums, nectarines, peaches, pears, pecans, persimmons, pistachio nuts, pomegranates, plums, sweet cherries, and sour cherries. Adjacent to it will be a 5-acre planting of three different varieties of almonds and 8.7 acres of various types of wine grapes.

Five miles to the east, in Long Valley, will be two more large experimental plantings, 9 acres of grapes and 14 acres of walnuts. Two miles south of them, in the Pauba Valley, will be a 12-acre planting of grapes.

Rancho California has contracted with Miles and Cullington, Fresno farm man-



RANCHO DESIGNERS — Standing in the living room of Rancho California's first model home during an early construction phase, designers Virginia Douglas and John Cottrell check out decorating possibilities of the unique children's loft.

Douglas-Cottrell Decorating Rancho California Model Home

Virginia Douglas and John Cottrell, Los Angeles commercial and residential designers, have been retained by Rancho California to decorate the first model home.

Just completed, the three-bedroom house is on a 2½-acre homesite within view of the intersection of Highways 71 and 395. It blends early California materials and thinking with current design approaches and methods and is intended for either weekend or full time living.

On a rise commanding spectacular views in all directions, the home is at the northern entrance to Rancho California's 2½-acre estate tract, a group of 96 scenic homesites already half sold out or reserved.

Designers Douglas and Cottrell indicate that the 2000-square-foot structure will be decorated in muted early tones and natural textures and materials. Furnishings will be geared to comfortable living and minimum maintenance.

In its five years, Douglas-Cottrell & Associates has decorated a large number of residences, and a wide variety of clubhouses, restaurants, and offices. Among its most recent projects are the interiors of the national award-winning La Paz Homes at Mission Viejo and the model homes, condominium, sales office, beach club, and landscaping at Huntington Harbour.

RANCHO CALIFORNIA NEWS

is published eight times a year by Rancho California, 881 Dover Drive, Newport Beach, California.

For additional information, phone 714-676-2541 (collect) or write the Sales and Information Center, Rancho California, Temecula, California.

in 1966 by a special nine-man study committee.

Taking a long range look at the aviation needs of business, industry, and the public up to 1985, the plan outlines an airport expansion and improvement program.

Included in the program are four new airports, one in the Temecula area. Rancho California has completed preliminary improvements on its new airport, just north of Temecula, and is discussing its plans for the future with the county.

Good Building Year Predicted

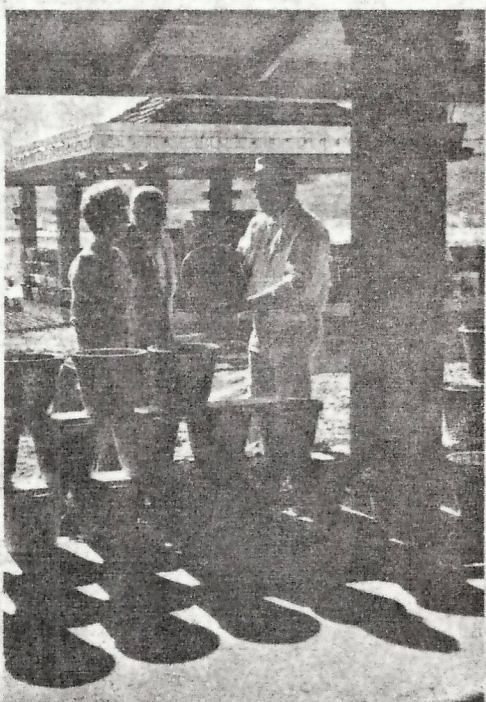
In a specially prepared "outlook" article in the January 1 issue of the Riverside Press-Enterprise, Riverside County business leaders predicted that 1967 would be a good real estate and construction year for the area.

Said Bill Berndt, president of the Riverside Board of Realtors:

"The new year is going to be terrific. It'll be one of the best years we've seen in a long time."

The entire article seemed to be well summed up by William Schenk, president of Riverside National Bank:

"Confidence is one of the big things that will contribute to the economic health of the area."



EL PRIMEROS — First customers at Rancho California's El Emporio when it opened December 26th were Mr. and Mrs. Russell Fredrickson of Chula Vista. El Emporio Manager Bill Brown helped the couple pick out a large Early California style tiesto (flower pot). Nearly 5,000 people visited El Emporio during its first week. At the intersection of U. S. 395 and Rancho California Road near Temecula, El Emporio and the rest of the Plaza are open daily from 9 a. m. to sundown.



Two-month history of the Rancho California story of \$3.8 million of Rancho California Water is (from left) Branch Manager Kenneth William H. Baughn, and four R. C. W. D. L. Unger and Sherwood C. Chillingsworth,

residential and commercial developments.

"The logistics of our present operation — moving men and equipment from one parcel to another, often through heavy traffic — raise our production costs considerably," Murdy said. "At Rancho California, all of our land will be in one location and a man will be able to cultivate twice as many acres as in Orange County."

Commenting on the sale, Marketing Director John R. Lund said:

"Having a man of Senator Murdy's caliber join the ranks of Rancho Cali-

ricultural parcel which will require much water over the years, he is, in effect, showing his confidence in our on-ranch water supply, the Rancho California Water District, and our entire water program. This should be most meaningful to potential investors."

The Murdy purchase consists of a 548-acre agricultural parcel on the fertile floor of Wolfe Valley plus a 4½-acre homesite on the bluffs overlooking the valley. One mile east of U. S. 395 and a similar distance south of California 71, the property is near the San Diego County line. It borders the east side of the

Soil preparation work has begun and new barn has already been completed.

Two residences will be built on the homesite and site preparation work is already underway.

Scenic Wolfe Valley is rich in history as well as in land. On its soft loam grew wild grasses that sustained Indians thousands years ago. The land was cultivated for the first time when padre from Mission San Luis Rey showed Indians how to grow food and cattle. Later, these same Indians were immortalized in the famous novel, Ramona.

1966 Citrus Plantings Add 209 Acres

During 1966, Rancho California's new breed of citrus men planted 209 acres of trees, bringing the total for the first two years to 395 acres.

General Manager Robert L. Unger reported that valencia oranges proved to be the most popular crop by far, with a two-year total of 204 acres. Navel oranges were second with 97 acres, followed by grapefruit with 46 acres, lemons with 43 acres, and avocados with 15 acres.

Individual plantings last year were:

valencia oranges, 122 acres; navel oranges, 20 acres; grapefruit, 46 acres; lemons, 10 acres; and avocados, 11 acres.

Unger estimated that 260 additional acres will be planted in citrus this year with valencia oranges and lemons each accounting for 80 acres, avocados for 60 acres, and 20 acres each for navel oranges and grapefruit.

In addition to the citrus, some 1800 acres were in row crops in 1966, including cantaloupes, chili peppers, potatoes, spinach, sweet corn, tomatoes, and wa-

termelons. Most in evidence to passers-by, however, were the 50 acres of gladioli.

Rancho California also continues to be an operating cattle ranch, having marketed 4,000 head during the year. Brought in as calves, they graze on Rancho land for nine to eleven months.

Unger predicted that Rancho California's agricultural economy will further diversify in 1967 with the coming of the nursery industry, bringing everything from wild flowers to Christmas trees, and the arrival of the dairy industry with the first dairy to be completed in February.

Rancho California Water District Sells \$3.8 Million Bonds

Rancho California Water District in late January sold its first bond offering, \$3,800,000 of 1966 Water Bonds, Series A, to a group headed by Bank of America.

Announcing the award in late December, H. L. Caldwell, president of the district's board of directors, said "We are pleased to complete our first bond sale. The bond holders are in a uniquely secure position due to a number of factors, including Rancho's large underground water resources — which are managed and controlled by the district — and the tremendous, ever-appreciating value of our land."

The offering was the first of a series of \$55 million of bonds authorized in a special district election last June to finance a water system for the 41,100-acre district, which constitutes the eastern half of the ranch.

Included in the program are the acquisition of existing water facilities

owned by Rancho, development of the property's underground water basin, and utilization of imported water from northern California and the Colorado River. On-ranch water supplies are estimated at 468,000 acre feet, enough to fill five 24-inch pipelines to the moon.

The \$55-million system will include major distribution lines, pumping stations, and reservoirs to be constructed in several stages. Upon completion in 1974-75, it will be able to deliver 83,860 acre feet per year, the district's ultimate requirement for residential, agricultural, commercial, industrial, and recreational uses.

Since Rancho California was purchased in late 1964 by wholly-owned subsidiaries of Macco Realty Company, Kaiser Industries Corporation, and Kaiser Aluminum & Chemical Corporation, approximately \$2 million of water production, storage, and distribution facilities have been completed or designed.



\$3.8 MILLION DEPOSIT — Biggest deposit Branch of Bank of America was the late January District funds. Enacting the event with Walter W. Smith, Bank Vice President and Area official; President H. L. Caldwell, Director and Treasurer E. James Murar.

→ Rancho California was formerly the Val Roma

needed) takes place at Sedco in January. The new Elsinore High School facility will be formally dedicated and visitors from a wide area are expected to attend the event.

* * *

Have you noticed the wide, convenient parking spaces at the Plaza? I sure have, because even I can get easily into them.

* * *

Possibly within another month the new elementary school to be built by the Temecula district at Rancho California should be going to bid. Plans still must be finalized locally at this writing, and then sent to Sacramento for the state's approval.

* * *

Here is this month's bit of philosophy: Voltaire once said that the discovery of what is true and the practice of that which is good are the two most important objects of philosophy.

* * *



Covering news, activities and development of Rancho California and the surrounding area.

Editor: Pat Penney

Editorial offices: Telephone (213) 872-2950
Temecula area reporter: Lou Thomann, Box 397,
San Jacinto, California, 92383. Telephone: (714) 654-2193.

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ifornia news that it is hoped to launch a foreign exchange project at Elsinore. Leaders and members of service clubs and civic organizations are especially invited to attend and learn how their groups may assist in the proposed programs.

The October meeting of the parent - teachers organization featured two films on narcotics and drugs.

There will be no meeting in December, Mrs. Klarer said. An open house and guided tour of the new high school is being planned in January, she announced.

der 9 membership meeting. The session is slated at the elementary school at 7:30 p.m.

At a board of director's meeting slated October 26 as this issue of Ranch California NEWS was going to press, results of the street dance were to be reviewed. Proving to be a good fund-raising event, the celebration netted an estimated of \$500 to \$600 for future projects of the sponsoring Chamber of Commerce.

NEW SCHOOL TRUSTEE

Newest member of the Temecula School Board is Vince Gezewski. He was appointed to fill the unexpired term of Fred Guenther Jr., who resigned.

of time - usage -- even with a 20 per cent increased enrollment over a year ago -- it is possible to offer 75% more courses (new titles) without any increase in the teaching staff of 32. Seven teaching assistants drawn from the school district community have been added as a part of the new method of classroom and laboratory organization at the high school which serves Rancho California.

Based on a different way of using both students' and teachers' time, the modular scheduling is designed to work toward individualized instruction -- or, actually, a curriculum tailor - made

(Continued on P. 4)

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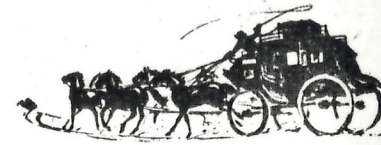
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'CALIFORNIA OR BUST'



SOME SIDE TRIPS INTO HISTORY ALONG 100 MILES OF THE BUTTERFIELD STAGECOACH TRAIL California!

A whip cracked; wheels spun, hooves clopped; voices echoed against the far-off treeless hills as the stagecoach swayed perilously over alkali ruts and grooves in its back-wrenching speed.

This was Vallecito, the "Little Valley."

Though originally discovered in 1782 by Pedro Fages, later a Spanish governor of Alta California, the area had a relatively quiet history until the coming of the American troops during and after the Mexican War. From 1852 to 1854 Vallecito served as a government supply depot for Fort Yuma.

In 1857, the San Antonio to San Diego mail line under the aegis of James Birch made Vallecito a camp store. With the death of Birch and the subsequent taking over of his portion of the route by Butterfield, James Ruler Lassitor was placed in charge of the Vallecito Butterfield Stage Station, a structure built of "sod blocks, with roof timbers joined by pins and rawhide thongs..."

In his narrative of the overland journey, Waterman L. Ormsby, a reporter for the New York Herald, described Vallecito as a "beautiful green spot -- a perfect oasis in the desert,

it is about five miles square, surrounded by rugged timberless hills. There are a number of springs, some of them salt."

This stage station has been rebuilt and is open to the public.

Even though the end of the Mexican War meant an increasing influx of Americans from the East, the original Digueno Indian inhabitants were still in evidence, living adjacent to the springs of Vallecito as late as 1874 when Father Ubach reported their number to be about one hundred.

Next on the itinerary is San Felipe and San Felipe Valley. This broad and fairly level valley has been variously known through southwestern history as the Military Road to Mexico, the Sonora Trail, the Southern Emigrant Trail, Jim Birch's Route, and the Butterfield Trail. It was opened after the 1825-26 explorations of Mexican engineer Lieutenant Romualdo Pacheco, though it had been known as far back as 1782 when Pedro Fages and his Spanish troops earned the distinction of being the first white men to use the Valley trail.

J. T. Warner came to California in 1834 and, twelve years later, had acquired title by grant to San Jose Valley (Warner's Ranch) and portions of the San Felipe Valley. Estimates for 1849 show a thousand Argonauts a month coming through the Carrizo Corridor

and the San Felipe Valley into California to search for gold. After the arduous trek through the Colorado Desert, it was not until the emigrants reached Vallecito, San Felipe, or Warner's (where Warner had built a trade store) that supplies and replacements for worn-out stock could be obtained.

It is believed that two separate stage stations existed side by side at San Felipe, one of adobe and a two story one of board-and-batten. Though both disappeared years ago, some authorities believe that one belonged to the James Birch Line and the other to the Butterfield line. The Butterfield station was built by Butterfield's Division Eight superintendent, Warren F. Hall. The fate of the board-and-batten station is not known, but the adobe building washed away many years ago during a flood from the waters of San Felipe Creek.

The station at Warner's Ranch was kept by John Rains and consisted of the rehabilitated ranch house complete with shingled roof. Jonathan Warner had since moved to Los Angeles out of consideration for his wife's health. In 1857, he lost part of his ranch through a court decision and lost the rest of it in 1861.

Another Butterfield Station -- Oak Grove -- was also established by Division Eight superintendent Hall, who had as his responsibility the maintenance

Aguanga, variously called Swango, Tejunga, and the Dutchman's (after the station keeper, Jacob Bergman) was located at the base of the hills opposite the three Bergman family graves seven miles from the present-day turnoff to Butterfield Country Recreational Vehicle Resort (Rancho California) along Highway 71. Nothing remains of the stage station, though remnants of two chimneys of the original ranch home of Jacob Bergman are still standing. This land is now private property, and visiting of the site can be done only with permission of the owners.

Closely related to the Aguanga station and Jacob Bergman is the Bergman Museum located 4.8 miles up the Highway 71 turnoff to Anza and Indio. The museum contains a souvenir shop, lunch counter, and a fairly large room stocked with many Indian artifacts, general Southwest Americana, and a photograph collection that includes photos of Jacob Bergman, his family, and the original Bergman ranch at Aguanga. Most of the collection was compiled by Jacob Bergman's son, Harry Bergman.

As early as 1818, Temecula Ranch had served as a granary for the San Luis Rey Mission (well preserved and located near the present-day city of Oceanside), but it was abandoned following the secularization of the missions. The

Temecula station for the Butterfield Overland Mail was located at the present-day of Temecula, but rather miles southwest at the quarters of the Pauba R. Construction of the present of Temecula did not get underway until the early 1880's.

The comparatively start of the town in no impaired its history. The decline of the Butterfield Overland Mail did not end Tenala's history---not with a century "passion killing" bank robbery.

The murder, which took in June, 1926, centered a Fernando Luna, ranch hand resident of Temecula, grabbed his 25-35 Winchester and returned to his house. He found Eliza Alvarez, who for some time been occupying his home, and another named Tom Samaniego. Through the screen door back of the house, he wounded both of them slightly. He then ran around to the front of the house and tried to enter through the front door, but Eliza holding it closed. While trying at the lock on the front door, Luna put a bullet through the door that fatally wounded him in the stomach.

Tom Samaniego fled the house, and Luna fled the Constable Jack Roripaugh, blacksmith Al Knott pursued Luna's speeding car to

(Continued on Page 1)

THE CHEYENNE

2 bedrooms, 1 bath

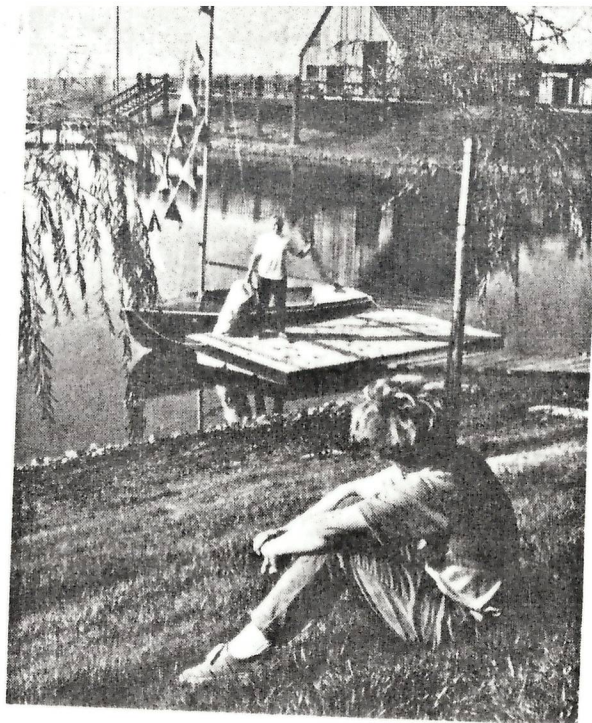
Double door entry*Pacesetter Patio Kitchen with pass-through counter top*Utility area with abundant storage*Spacious master bedroom suite with walk-in closet*Choice of color carpets*Wood burning fireplace*Air conditioning



THE CORTEZ

3 bedrooms, 2 baths

Double door entry*Pacesetter Patio Kitchen with pass-through counter top*Large master bedroom suite with compartmented bath and dressing area*Cathedral ceiling in living and dining rooms*Third bedroom convertible to den*Easy garage access*Covered entry



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Pacesetter Homes

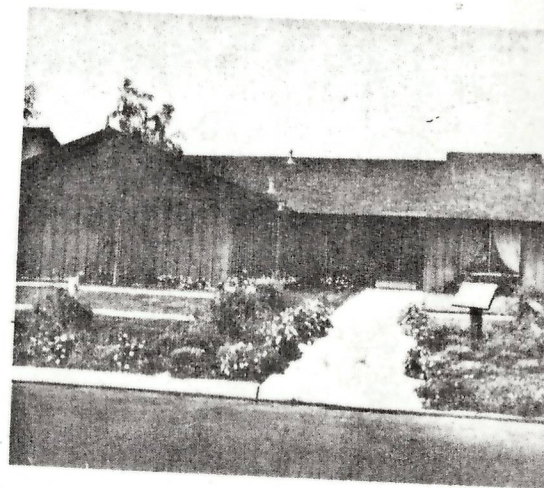
30051 Rancho Vista Road, Rancho California,
Temecula, California 92390 (714) 676-4041

THE CABRILLO



3 bedrooms, 2 baths

Double door entry*Pacesetter Patio Kitchen with pass-through counter top*Spacious master bedroom suite with walk-in closet*Patio view family room*Cathedral ceiling in living room*Masonry chimney (not pre-cast)*Dining area



THE APPALOOSA

4 bedrooms, 2 baths

Long, covered double-door entry*Pacesetter Patio Kitchen*Fourth bedroom convertible to den*Large living room with cathedral ceiling*Patio view family room*Huge master bedroom suite and dressing area*Pantry area

Rancho California & I enclose a match made to denote the 12390 postal zone



FREE SUPER SAMPLE!

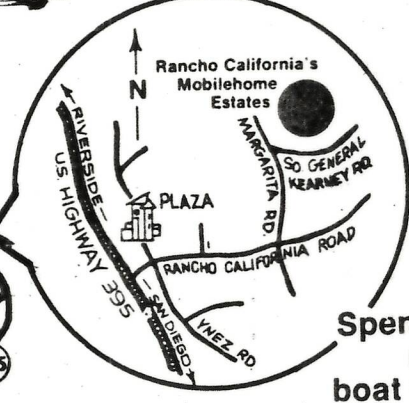
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so much fun, you'll want to make your home in

Rancho California's Mobilehome Estates, the all-adult community which gives you more . . . clear skies, healthy climate, cool breezes, country peace and quiet, and city conveniences at your own Rancho California Shopping Plaza. ■ Rancho California's Mobilehome Estates — monthly rentals from \$60.00, includes water, TV cable, trash pickup and free, private recreation facilities. No purchase requirements, choose the mobilehome you want from the dealer of your choice. ■ **Offer ends March 31, 1973.**



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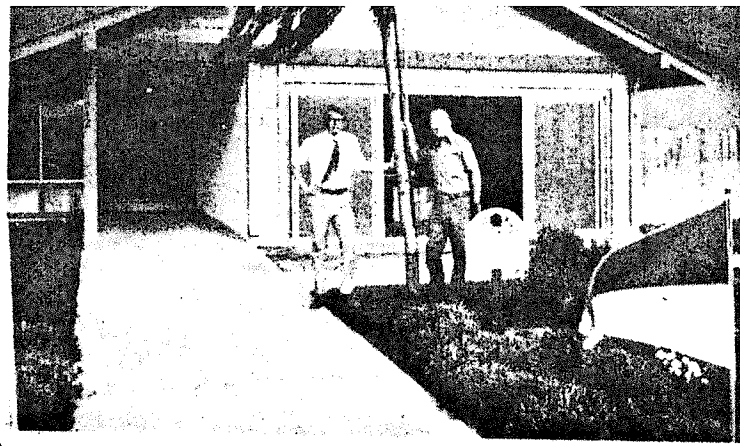
Dates Most Convenient for Us to Visit _____

RANCHO CALIFORNIA'S MOBILEHOME ESTATES
31130 General Kearney Road, Rancho, California (714) 676-5113

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This was a branch of the Temecula Post Office in the Rancho California Plaza for several years.



MODEL OFFICE—Sales office for Rancho California Homes, Pacesetter Series, is now located in the Cortez model home. Doug Ford, Rancho California Assistant Project Manager, stands in front of new office with Don Hallett, Pacesetter Series Sales Manager.

Post Office Improves Service To Rancho Branch Boxholders

The Rancho California branch post office has a "new twist." The facility in the Chriswood Gallery building in the Plaza has been turned 90 degrees to face the entrance doors.

Another feature to provide better service to boxholders is longer hours. Beginning May 8 the doors will be open from 8 a.m. to 6 p.m. every day.

The window will be open from 9 a.m. to 12:30, and from 1:30 to 4 p.m. Monday through Friday. Saturday hours are from 9 a.m. until noon.

Mrs. Harriet Flo is clerk in charge of the branch and Carol

Blauser is assistant clerk.

The postal facility opened in the Plaza on Aug. 12, 1967, to serve the expanding needs of Rancho California. The branch boasted a historic touch as the fixtures were over 100 years old.

The facade and boxes were originally part of the South Laguna stage station used for mail delivery during the run of the Butterfield Overland Stage in 1858-1861.

The 1967 opening here recalled those historic days with first delivery made by a "pony express" rider carrying mail pouches from the Temecula main office.

...an Olympic size swimming pool and two tennis courts, all conveniently located to the nearby homes.

The location just east of Hwy. 395 at Rancho California offers a variety of recreational facilities within a few minutes drive. Less than five minutes away is the \$1.5 million Rancho California Golf Resort, an 18-hole championship course

(Continued on Page 12)

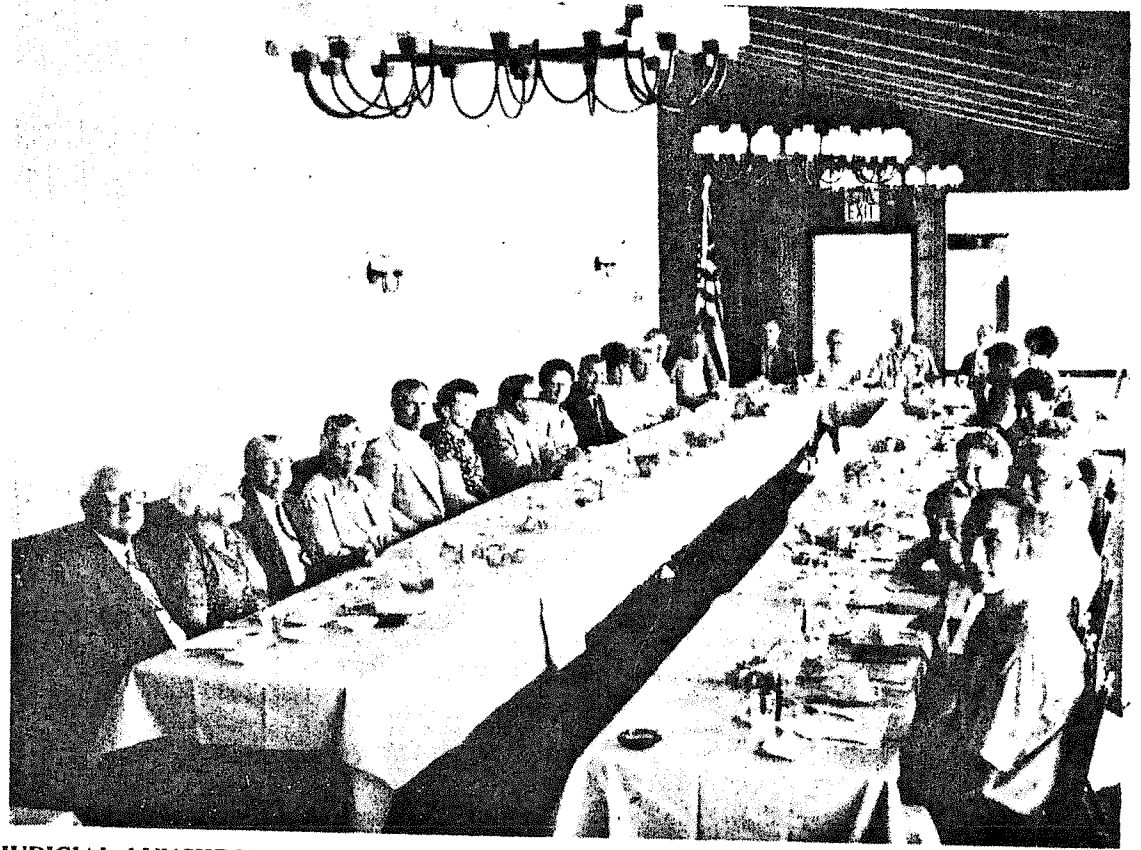
...complete bathroom and kitchen units. The shipment arrived at Del Webb's Sun City near Phoenix on April 13.

A much shorter delivery has been made by the industrial park firm. They are supplying shower stalls for the La Serena housing development under construction little more than a mile from their plant. First units went to the model homes erected in the Plaza.

Engineers Inc. of Pasadena. Hennessey discussed water pollution problems throughout the world and some solutions. Next month he will make a globe circling tour studying these ecological problems.

Among those attending the seminar were Judge and Mrs. C.R. Wilkerson, Perris; Constable John T. and Deputy Inez Waugh, Beaumont; Deputy Marshal Kenny Green and Deputy Clerk

(Continued on Page 7)



JUDICIAL LUNCHEON—Twenty-seven Riverside County judges, marshals and constables dined in the Terrace Room at Rancho California Golf Resort during a day-long seminar April 4.

New Ranch Road Planned

January saw the beginning of another road at Rancho California.

Hugh Stites of McIntyre & Quiros, survey and design company, stated recently that a road approximately 3 1/2 miles long is to be constructed on the Santa Rosa side of Rancho California. (The Santa Rosa Ranch is the western portion of Rancho California with Hwy. 395 as the accepted divisional line.)

Alignment preparations started last month by the firm will be followed soon by actual construction after contracts are issued to grading and paving contractors on a low bid basis.

The proposed road will terminate at the top of the plateau on the eastern slope of the Santa Rosa Mountains near the old Vail ranch home.

The date for completion has not been named due to the complexities of blasting and removal of tons of earth from sections of Slaughterhouse Canyon, the intended route of the new road.

Kaiser Vice Pres. Speaks to Chamber

William J. Bird, vice president of Kaiser Industries Corp., will be the guest speaker for the Fallbrook Chamber of Commerce general membership dinner meeting. Bird's topic will be, "Dedication to Excellence."

A native of Missouri and graduate of the University of Nebraska, Bird is Vice President in charge of Special Projects for the large corporation.

The Fallbrook Golf and Country Club will host the meeting.



Pastor Pat Rua

Baptists Await Own RC Church

The construction of the new Rancho Baptist Church at Rancho California and Moraga roads is eagerly awaited by the congregation of the recently organized Baptist Mission temporarily holding Sunday services at the Temecula elementary school.

The Mission, pastored by Brother Pat Rua from Riverside, will be operated by the First Southern Baptist Church of Elsinore until membership is large enough to maintain itself as a church.

Ground breaking for the new church is scheduled for early spring. The church will be built adjacent to the property designated for the new elementary school on Moraga Road.

Pastor Rua and his wife Kathleen came to Southern California from Washington where he was pastor of the Cowlitzway Baptist Church in Kelso for five years. The ordained pastor will finish religious studies at the California Baptist College at Riverside in August.

Equestrian Training, Boarding Academy to Open this Summer

The first equestrian oriented activities in the Campos Verdes portion of Rancho California will begin upon completion of the riding academy to be constructed for Robert and Louise Rice who purchased a 20-acre stable site north of Rancho Road last month.

The Rices' present home and business is located at Rancho Santa Fe near Encinitas in San Diego County.

Ground breaking for the new training and boarding stables to be operated by the couple is scheduled for early March with completion due by June 1.

Planned activity, a necessary function of the academy according to Robert Rice, will include gymkhanas, trail rides, and periodic horse shows for students to demonstrate their skills and gain points for sectional or national competition.

Persons, through necessity or choice, can board their steeds at the stables that are being planned for this service.

Both horse and rider will be able to receive instruction by the Rices in English or western classes.

An expert in his field, Bob is no novice to horse riding or training. As a youth Rice started out as a jockey and raced thoroughbreds from 1927 to 1930. He was trained by his father who was also a jockey, riding internationally in Cuba and Mexico.

Rice trained thoroughbreds from 1930 to 1937 throughout the

U. S. and Canada and in 1938 took over management of the La Jolla Riding Stables in Southern California.

In the ensuing years he managed other top California riding clubs including Mission Valley, Beaucrest Farms, Kenmore Stables and in 1956 opened the Rancho Riding Club Stables at Rancho Santa Fe.

Rice is a recognized AHSA senior judge and has trained and shown all breeds of horses. Throughout the years he has been acclaimed for his equitation show riders and at present is training Connie Cote, considered to be one of the top saddle

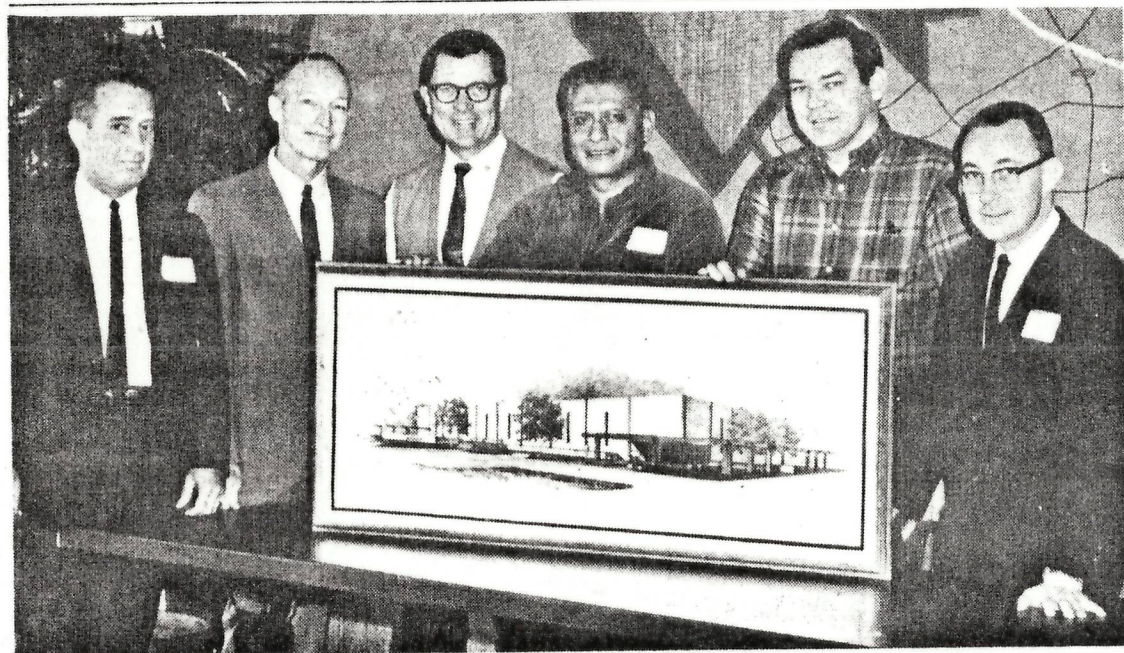
seat equitation riders in the nation.

Louise is a perfect companion to her husband and history shows that she, in 17 years, has started and trained over 5,000 riders from age 4 to 64. She instructs classes and gives preliminary lessons before Bob takes over.

The Rices, optimistic in their move to Rancho California, are convinced with the Valle de los Caballos thoroughbred training center now under construction, and the thoroughbred farms locating at the ranch, their riding academy will be located in the center of California's equestrian activity.



Bob and Louise Rice point to their riding academy site



OFFICIALS of the Grumman Aircraft and General Dynamics corporations met with executives of the Ardee Machine and Design Co. and Rancho California staff at the Ardee employees' picnic held at the ranch on January 21. Left to right behind an artist's rendering of the new Ardee plant to be located in the Rancho California Industrial Park are: Chuck Steith of General Dynamics, Convair Division, San Diego, Calif.; George Cowan of the same firm; Frank O'Neill of Grumman Aircraft Engineering Corp., Bethpage, N.Y.; Rigo Diaz, president of Ardee Machine and Design Co., El Monte, Calif.; Jim Murar, assistant general manager of Rancho California; and W. Buxton of General Dynamics.

Santa Rosa Ranch Road Planned

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The completion date has not been named because of the complexities of blasting and removal of tons of earth from sections of Slaughterhouse Canyon, the intended route of the new road.

Adult Education Classes at EUHS

Adult Education classes are being held at the new Elsinore Union High School in Sedco Hills for persons in the Valley wishing to further their education for academic credits or for those who want to "brush up" on selected subjects.

Classes presently being offered are: aviation, art, bookkeeping, typing, conversational Spanish, basic education, high school requirements, and tailoring.

The high school is located on Canyon Drive in Sedco Hills.

Cilurzo Vineyard Nears Completion

Progress on the first privately owned vineyard at Rancho California is advancing as anticipated by Vince and Audrey Cilurzo, owners of the 100-acre grape farm on Buck Mesa.

The Cilurzo vineyard now has 25 acres under permanent irrigation with ground cultivated to receive virus-free vine cuttings from Northern California early this spring.

White, Chenin Blanc and red Petite Sirah cuttings will be planted in equal amounts according to Cilurzo. "These varietal grapes are used in the making of better grades of wine," he stated. The growing of fine grapes for sale to wineries is the intent of the Cilurzoes.

Boyhood Experience

Cilurzo admitted, except for helping his father make wine in Syracuse, N.Y., when he was a boy, he had had no other agricultural experience. "Audrey and I had no definite plans for the first 50-acre parcel we bought at Rancho California. It was after talking with many people and getting the feel of the land that we decided to start a vineyard on our property. We purchased an additional 50 adjoining acres in July and began plans for the vineyard."

Last August the subsoiling and irrigation system was started, all 100 acres were fenced, drainage problems were solved, and a one acre lake was dug.

Four Mountain Peaks

The highest hill on the Cilurzo property was graded to form a plateau where a one story adobe home will be erected. Spanish architecture is the planned design with the house situated to allow a three-quarter view of the surrounding mountain peaks including Mt. Baldy, San Jacinto, San Gorgonio and Mt. Palomar.

The Cilurzoes, who visit their "country estate" almost every weekend, are looking forward to the day they can leave the busy life of the city behind and make their new home at the ranch.

Lights Joey Bishop Show

Vince Cilurzo has been the lighting director for ABC-TV in Hollywood for 18 years. He is currently in charge of lighting for the nightly Joey Bishop TV show. Many of the musical programs including Frank Sinatra and Bing Crosby specials were handled by Cilurzo and he does the Academy Awards every year.

"The Awards are the toughest," Cilurzo stated. "We have to re-shape the whole interior of the Santa Monica Civic Auditorium into a giant stage. That in itself takes weeks of preparation not to mention the problems of lighting."

Sister of Western Singer

Vince and Audrey met in Hollywood on the stage of the Roy

*master plan is for entire Rancho Calif area east & west
entire ranch is 92390 zip code = Temecula*

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BOXHOLDER/OCCUPANT

Sound Future for Rancho Cast by County's Adoption of General Plan

Well-Planned Growth Insured For Ranch's Many Communities

Goals are made to be attained, and Rancho California took one sure step toward its ultimate goal recently when a portion of the General Plan for this country community was officially adopted by the Riverside County Board of Supervisors. One of the driving forces behind this achievement is a soft-spoken civil engineer who carries the title of Director of Planning and Design for Rancho California. Thoughtful and amiable, Max Sloan said that for the past year his main function has been to

"relate the previous plans that Rancho has had from the days of its inception ... into a General Plan that could be formally submitted to the County and adopted as an amendment to the County's General Plan."

"Most communities just grow from the crossroads type of development, said Mr. Sloan, "so it's unusual today to find an area as large as Rancho under a single ownership where you have the opportunity to master plan. Communities are usually made up of ten, twenty, or forty acre

parcels of land and the planning comes after the fact. Here, we have the opportunity to plan in advance."

Mr. Sloan went on to say that there are two ways to plan. "One is to provide for the projected population expansion," he said. "If I were planning for an existing city, I would try to project its anticipated population growth over a period of 15 to 20 years and then plan the area to satisfy current, as well as anticipated future needs. The dif-

(Continued on Page 8)



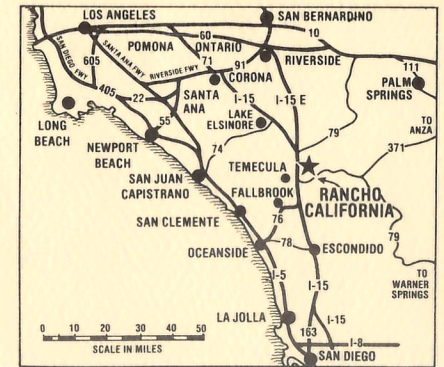
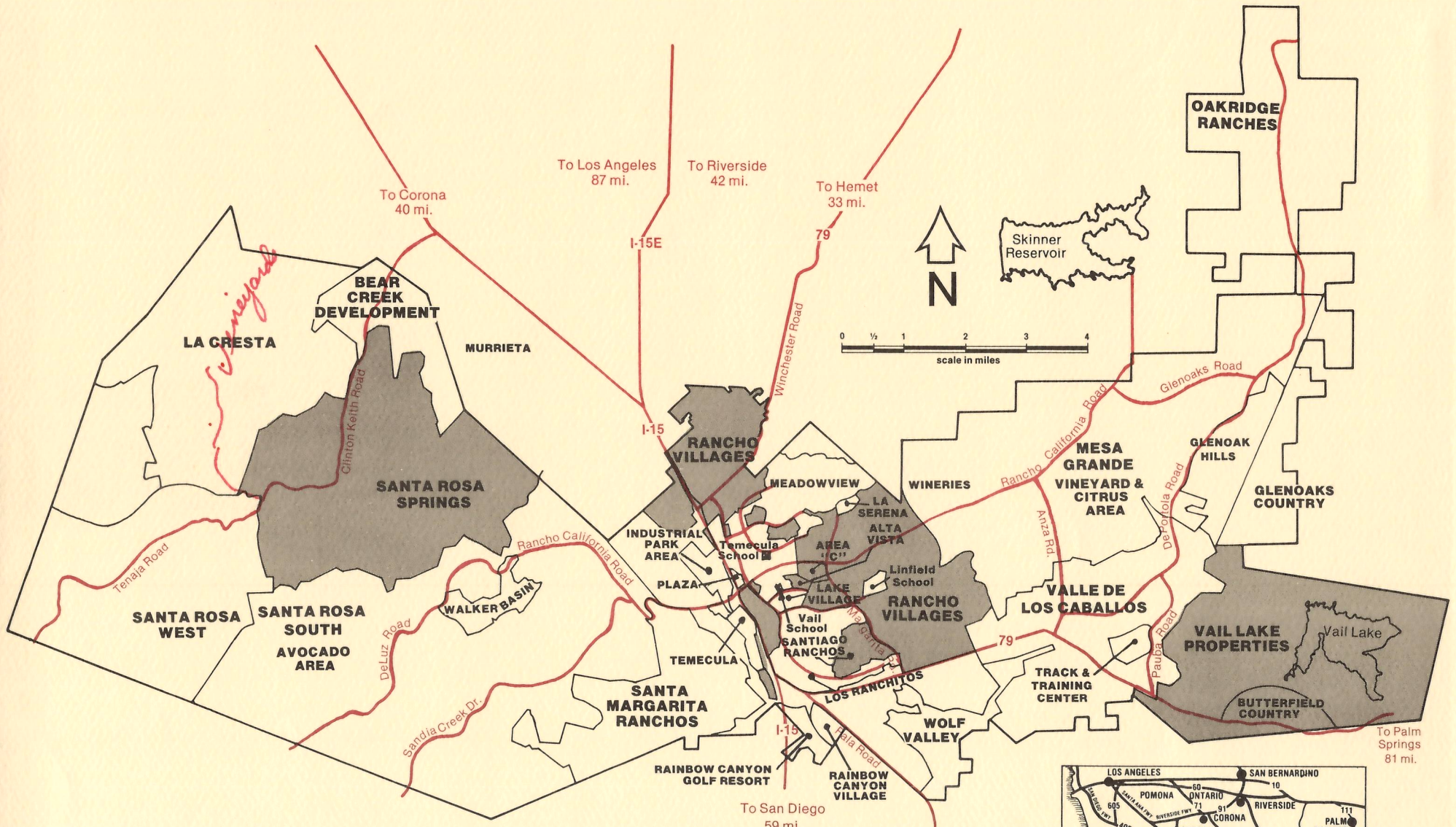
Cal Mor Groundbreaking Heralds New RC Expansion

Cal Mor Livestock Equipment, a Rancho California-based company, will begin construction of its new 10,000 square foot facility on its 1 1/2 acre site. The facility will include prefabricated barns, portable breaking and training rings, saddle, bridle, and blanket racks, starting gates, custom chutes and other specialty livestock care

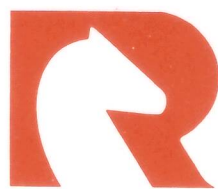


Rancho California Tour Map

1982 map put out by Rancho California.
 Vineyards all purchase from an in
 the La Cresta Area



RANCHO CALIFORNIA



*. . . A place to hang
your hat and kick off
your boots!*



received
9/7/82
Rint...

(7)

September 7, 1982

Chief, Regulations and Procedures Division
Bureau of Alcohol, Tobacco and Firearms
P. O. Box 385
Washington, D.C. 20044-0385

Attn: Notice No. 416

Dear Sir:

We are vintners and growers in the region affected by your Notice No. 416. While some of us have held differing views about the proposals to create viticultural appellations in the region, we have now come to agreement on the following points:

1) Upon serious study of the borders proposed in the two petitions for a Temecula viticultural area, it is obvious that the proposals were essentially identical on the north, south and east boundaries. With respect to the western boundary, we have compromised our differences and now support the following: Beginning at the intersection of Tocalota Creek and the range line which divides Range 2 West from Range 3 West, the boundary follows the Tocalota Creek south to Santa Gertrudis Creek. It then follows Santa Gertrudis Creek southwest to Murrieta Creek, then proceeds along Murrieta Creek southeast to the point where Murrieta Creek joins Temecula Creek, just south of the town of Temecula, to become the Santa Margarita River. It follows the Santa Margarita River very briefly into Temecula Canyon until it joins the Santa Rosa Land Grant line. The creek beds are natural borders of the low mesa that characterizes the viticultural area, and are easily identifiable in the field.

2) We support the establishment of a Murrieta viticultural area with boundaries as proposed by ATF. We do suggest a minor modification of those boundaries to eliminate the small portion of land occupied by the Rancho California Airport, as that area is marked on the U.S.G.S. map as "Temecula Valley"; no grapes, of course, are grown in that portion.

3) If the growers in the La Cresta area of the Santa Rosa Mountains wish to propose a separate La Cresta viticultural area, we are not opposed.

CALIFORNIA STATE UNIVERSITY

LONG BEACH

Department of Chemistry

Received
9/7/82
R. Wynston

September 2, 1982

Chief, Regulations and Procedures Division
Bureau of Alcohol, Tobacco and Firearms
P. O. Box 385
Washington, D.C. 20044-0385

Attn: Notice 416

Dear Sirs:

With reference to the proposed viticultural areas in Riverside County, California, to be known variously as Temecula, Rancho California and Murrieta, I wish to express some opinions based on my expertise in the area of wine and my long-time residence in Southern California. I am a Professor of Chemistry at CSULB; I regularly teach courses in biochemistry, clinical chemistry and wine evaluation, the latter since 1973. I have lived in Southern California (San Diego, Los Angeles and Orange Counties) for over 40 years and am familiar with the geography, climates, and agricultural conditions in the area, including the one in question.

Historically, few, if any, wine grapes were grown in the area prior to about 20 years ago. Viticulture was encouraged with the development and sale of property in Rancho California. Grapes (and their wines) from this area were first labelled "Rancho California", particularly by Brookside Winery in Guasti, and then later as "Temecula" by several wineries (Callaway, Franciscan, etc.). This dates back only about a decade.

There is no question about the microclimates being of primary importance to grape quality in the Temecula-Rancho California area. In my opinion it would make more sense to make the entire region one viticultural area (the proposal of the Association), and certainly not split it up into three areas. While there is good argument for two viticultural areas, from past precedence in this part of Riverside County, and from your own decisions in places like Napa Valley, where a considerable area outside the obvious Valley was included in the appellation, I would prefer to see only one appellation applied. My own preference would be either "Temecula" or "Rancho California" to be used for both the basin and plateau regions, but not both. In my wine classes on campus I find that I tend to use these two appellations rather interchangeably, with some favoritism for "Temecula".

I think it will generate the least confusion for the public if the appellation "Temecula" is retained for wines now coming from the Temecula Basin, Santa Rosa Plateau, and Murrieta. I argue in favor of the Association's position.

Thank you for your consideration.

Sincerely,



Les Wynston, Ph. D.
Professor of Chemistry

LONG BEACH CALIFORNIA 90840
THE CALIFORNIA STATE UNIVERSITY AND COLLEGES

Received
9/8/82
- [Signature]

(9)

September 7, 1982

Chief, Regulations and Procedures Division
Bureau of Alcohol, Tobacco and Firearms
P. O. Box 385
Washington, D.C. 20044-0385

.....
Attn: Notice No. 416

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3) If the growers in the La Cresta area of the Santa Rosa Mountains wish to propose a separate La Cresta viticultural area, we are not opposed.

Received
9/9/82
HWH:rcm

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Hiram Walker & Sons, Inc.

*P.O. Box 33006
Detroit, Michigan 48232*

OFFICE OF
THE VICE PRESIDENT

September 7, 1982

Chief, Regulations and Procedures
Division
Bureau of Alcohol, Tobacco and Firearms
P. O. Box 385
Washington, D.C. 20044-0385

Dear Sir:

Re: Notice No. 416

Hiram Walker & Sons, Inc., owner and operator of Callaway Vineyard & Winery in Temecula, California, is, of course, closely interested in the current effort by ATF to define viticultural areas in the region. We are pleased to learn that ATF's own proposals in the Federal Register of July 27th have led to a compromise among most of the major winegrowers. The compromise preserves the key points made in the original Callaway petition, and we fully support it.

Sincerely,



I. M. Wilson-Smith

Received
9/10/82
Kirtman

(11)

September 7, 1982

Chief, Regulations and Procedures Division
Bureau of Alcohol, Tobacco and Firearms
P. O. Box 385
Washington, D.C. 20044-0385

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1) Upon serious study of the borders proposed in the two petitions for a Temecula viticultural area, it is obvious that the proposals were essentially identical on the north, south and east boundaries. With respect to the western boundary, we have compromised our differences and now support the following: Beginning at the intersection of Tocalota Creek and the range line which divides Range 2 West from Range 3 West, the boundary follows the Tocalota Creek south to Santa Gertrudis Creek. It then follows Santa Gertrudis Creek southwest to Murrieta Creek, then proceeds along Murrieta Creek southeast to the point where Murrieta Creek joins Temecula Creek, just south of the town of Temecula, to become the Santa Margarita River. It follows the Santa Margarita River very briefly into Temecula Canyon until it joins the Santa Rosa Land Grant line. The creek beds are natural borders of the low mesa that characterizes the viticultural area, and are easily identifiable in the field.

2) We support the establishment of a Murrieta viticultural area with boundaries as proposed by ATF. We do suggest a minor modification of those boundaries to eliminate the small portion of land occupied by the Rancho California Airport, as that area is marked on the U.S.G.S. map as "Temecula Valley"; no grapes, of course, are grown in that portion.

3) If the growers in the La Cresta area of the Santa Rosa Mountains wish to propose a separate La Cresta viticultural area, we are not opposed.

ROBERT W. BENSON
ATTORNEY

Received
9/10/82
Hurtikow

(12)

September 7, 1982

Chief, Regulations and Procedures Division
Bureau of Alcohol, Tobacco and Firearms
P. O. Box 385
Washington, D.C. 20044--0385

Attn: Notice No. 416, 47 Fed. Reg.
32450 (July, 27, 1982)

Dear Sir:

This is the response of Callaway Vineyard and Winery to your Notice No. 416 dealing with the proposed viticultural areas of Temecula, Murrieta, and Rancho California. We appreciated the fact that the notice reflected a very thorough understanding by ATF of the various issues involved and the evidence needed to resolve them. These issues have been actively discussed by local winegrowers for more than a year and a half, and all the evidence that is likely to be gathered is now in. Moreover, there is now widespread agreement among the contending factions. We believe, therefore, that there is no need for a public hearing.

Our final comments are organized under these headings:
A. The Compromise. B. The "Association's" Position. C. Minor Technical Corrections. D. Additional Name Evidence. E. Additional Climate Evidence. F. The Importance of the Soils Evidence. G. Conclusion.

A. The Compromise

A remarkable agreement has been reached among nearly all the wineries and most of the major growers. I enclose a letter from Mr. Callaway which describes the agreement, as well as the original of the signed agreement itself. (Enclosures 1 and 2.)

I personally negotiated the language of the agreement with Mrs. Joan Hanley over the last two weeks. The agreement is signed by owners of 7 of the 8 wineries in the area, and by the new ownership of the Brookside Vineyard Co. (Mr. Callaway signed first as president of Callaway Vineyard and Winery, owned by Hiram Walker & Sons, and again as the personal, sole owner of the 160 acre Vignes Hill Vineyard which was just

planted this season.) In addition to these signatures, Mr. Leonard Spacek (Bell Vineyards, 391 acres), Mrs. Joan Hanley (Miramonte Vineyards, 129 acres), Mr. Daniel Gorman (Cleo's Vineyard, 40 acres), and Mr. Charles Keagle (Keagle Vineyard, 22 acres), who were not available locally in Temecula last week, have all informed us that they are signing photocopies of the agreement and are mailing them directly to ATF. In addition, Mrs. Hanley informed us that she was mailing photocopies to the full membership list of the Rancho California/Temecula Winegrowers Association, of which she is president.

Thus, the signatories will represent 7 of the 8 wineries and 1,627 of the 2,026 acres of vineyards in Temecula, and additional signatories may join by mail. (The 2,026 acre figure is our latest, up from our estimate of 1,700 last year because of new plantings and new information from assessor's maps.) The vintners who have signed the agreement have produced approximately 95% of all wines ever labeled with a Temecula appellation.

The four points of the compromise agreement need, perhaps, these supplemental comments:

1) Temecula boundaries: The compromise preserves the integrity of a Temecula appellation based upon the location of granitic soils, the cooling effects of the wind pattern, and the fairly uniform elevation of the low mesa northeast of the town of Temecula. The western boundary is expanded slightly from the original Callaway proposal, to follow the creek beds instead of a straight range line. The town of Temecula is included, and this seems appropriate for identification of the beginning of the area, though no commercial grapes will ever be grown in the town itself. The new western boundary generally adheres to the recommendation of our geography consultant, Professor William K. Crowley of Sonoma State University, whose report of June 4, 1982 was previously submitted to ATF. Professor Crowley recommended drawing the western boundary "at the break in slope between the valley floors and the adjacent hills, generally the 1100 foot contour line." By taking the creek beds, however, rather than the contour line, we encompass very nearly the same area with natural boundaries which are much easier to see in the field.

The compromise agreement does not discuss the eastern boundary, which differed slightly in the Callaway and "Association" proposals. There has been no discussion of this. It is not a matter of controversy, since all vineyards are included in both proposals. We continue to favor the slightly narrower eastern boundary in our original proposal, on the ground that it is a somewhat finer-tuned attempt to encompass only the granitic soils that characterize the grape growing area. Professor

Crowley's report recommends following the 1600 foot contour line on this eastern boundary, as a more natural border. We believe, however, that that line would possibly cut through an existing vineyard; if a natural boundary is preferred, the 1800 foot contour line could be taken.

2) ATF's Murrieta: The agreement supports ATF's Murrieta proposal. The area is within the Murrieta School District, so there is that evidence that the area is associated with the name Murrietta. The agreement calls for elimination, however, of the tiny portion which is outside of the school district, marked "Temecula Valley" on the map and occupied mainly by the Rancho California Airport. We propose that, at the intersection of 33°30' North and the Santa Rosa Land Grant line, the border turn northwest and proceed to Cherry Street in Murrieta, then turn northeast along Cherry Street to the Murrieta Creek bed, and continue as ATF has proposed. The rationale for choosing Cherry Street as a border is that it is the dividing line between the Murrieta and the Temecula school districts.

3) La Cresta: The La Cresta section of the Santa Rosa Mountains appears sufficiently different in elevation and (apparently) in temperature from the ARCO vineyard area to warrant its own appellation of origin. The agreement supports that idea, if the growers in La Cresta desire it. We recently made several unsuccessful attempts to contact the growers there. I talked at length with Mrs. Audrey Cilurzo, of the Cilurzo Winery (in Temecula) which uses La Cresta grapes for one of its wines, and she stated that if she and some of the growers there could not win the right to use the name Temecula for those grapes they would prefer, as a second choice, the name La Cresta. We have no more information about the desires of the owners in this area of 80 acres of vineyards, but we would be pleased to support any rational proposal for a La Cresta viticultural area that they may care to make in the future.

B. The "Association's" Position

We have believed from the outset that the McMillan petition submitted on behalf of the Rancho California/Temecula Winegrowers Association, claiming to represent "virtually all" of the local winegrowers, was simply not credible, for the petition was never duly voted upon by the membership, nor was the financing of the petition made clear. Whatever happened with the original petition, it is now beyond dispute that the Association has no current position on this matter. The president, Mrs. Joan Hanley, called a meeting last month to discuss ATF Notice 416. I attended. Fewer than a dozen vintners or growers were represented. There was no discussion or vote on a formal Association position.

Instead, several of us began discussions which led to the compromise agreement. Most of the Association's vintner members, and most of its major grower members, have now signed the compromise agreement. Mrs. Hanley, president of the Association, has signed in her capacity as owner of Miramonte Vineyards. She has made clear that she cannot sign as president of the Association because, in her words to me, "the Association has no position now."

I received information two weeks ago that Mr. C. Richard Lemon of a Napa law firm was preparing a response to ATF's Notice 416 on behalf of the Association. If such a response is submitted and claims to state a formal Association position, it will raise serious legal and ethical questions, including the question of whether a fraud is being perpetrated upon ATF. To resolve those questions, it would be useful for ATF to have the Association's by-laws stating qualifications for membership and procedures for adopting Association policies. The Association has refused to send the by-laws to us.

C. Minor Technical Corrections

1) The proposed southern boundary of both petitions inadvertently excluded a very small portion of land near the vineyard owned by Robert and Sherry Schaefer (described in Notice 416 as Sec. 9.50a (c) (9) - (10), and Sec. 9.50b (c) (7) - (8)). Mr. Schaefer told me that he believed the boundary cuts through a portion of his vineyard. In a later conversation, he clarified that it cuts through a portion which he had sold to someone else who may plan to plant grapes there. Mr. Schaefer informs me that this area would be included if the boundary followed the 1500 foot contour line, rather than the section line, at this point.

2) Section 9.50b (c) (5) of Notice 416 raises an ambiguity when it says "(including the Pechanga Indian Reservation in the proposed viticultural area)," because the entire reservation is not meant to be included.

D. Additional Name Evidence


1) Temecula: We understand that Mr. James Vail Wilkinson has submitted a comment arguing that, since the town of Temecula was the headquarters and postal address of the old Vail Ranch, the entire region should be called Temecula by ATF. The argument seems illogical and simply beside the point, like urging that all of California be called Sacramento because the capitol is there. As Mr. Wilkinson can verify, in the days of the

Vail Ranch the entire area was consistently referred to as "Vail Ranch," not Temecula, and its subparts were normally referred to as the "Santa Rosa Rancho," the "Pauba Rancho" and the "Temecula Rancho." In conversing with Mr. Wilkinson last year, I noticed that he still frequently speaks for example, of "the Pauba". I surmise that Mr. Wilkinson must have submitted his comment as a gesture of personal friendship with Mr. and Mrs. Cilurzo or others. Enclosed is an article which discusses the Vail Ranch days: Bennie Hudson, "The Big Wide Land," The High Country Journal #11 (Winter, 1969). (Enclosure 3.)

The only winery not willing to join the compromise agreement is Cilurzo, which makes one wine, several thousand cases of Cabernet Sauvignon, from La Cresta grapes. I have talked with Mr. and Mrs. Cilurzo at length. They offer no evidence that La Cresta is known as Temecula by anyone. They appear to feel they have a right to use the name Temecula on La Cresta wines because they prefer that name and because they have used it once before. We were startled to learn they had a Temecula appellation on La Cresta wines. A year ago, we requested from ATF copies of all label documents showing a Temecula appellation, and no Cilurzo labels were included in the response. Three weeks ago, we obtained a Cilurzo 1979 Cabernet which bore the label reproduced below. We understand the wine has been on the market for some months. Had we learned of it earlier, we would have filed a protest with ATF and ultimately would have sued to enjoin its continued use, as we did in 1980 when Franciscan used a Temecula appellation on Murrieta grapes. With Franciscan, we moved to protect our goodwill and the viticultural integrity in the Temecula appellation, and only desisted when Franciscan removed Temecula from the front label as an official appellation. This is fully detailed in footnote 44, pp. 47-48, of our petition. We are pleased to see that Franciscan's latest label for a wine made from Murrieta grapes carries the appellation Riverside County.



CILURZO
VINEYARD & WINERY



1979
CABERNET SAUVIGNON
Temecula, California

Produced and Bottled by Cilurzo Vineyard & Winery
Temecula, California Alcohol 12.5% by Volume

1979 CABERNET SAUVIGNON
La Cresta Vineyards

The small family owned and operated Cilurzo Vineyard & Winery is located in the exciting new Southern California wine-growing region of Temecula. Warm breezy days and cool dry nights make this unique micro-climate well-suited for the production of premium varietal wine grapes.

High above the Temecula Valley at an elevation of 2200 feet, only 12 miles from the Pacific Ocean, is the La Cresta area of Rancho California. Not too long ago cowboys were rounding up cattle in these hills. Now limited quantities of low-yielding Cabernet Sauvignon grapes are produced under the watchful eye of farm manager George Farrelly. The quality of the fruit is excellent.

This 100% Cabernet Sauvignon is the first vintage from the La Cresta area. It has a truly delicate flowery bouquet with a lingering subtle finish.

Much tender loving care goes into the vinifying of all our wines. Visit our winery or write and tell us how you like our Cabernet Sauvignon.

Vincenzo Cilurzo

CILURZO VINEYARD & WINERY
41220 Calle Contento
Temecula, California 92390

It is interesting that the Cilurzo side label does state with complete accuracy the true origin of the grapes: "High above the Temecula Valley at an elevation of 2200 feet, only 12 miles from the Pacific Ocean, is the La Cresta area of Rancho California." (Emphasis added.) This is something of a "confession against interest," clearly admitting that La Cresta is not in Temecula. We think it will be no hardship on the Cilurzors or the La Cresta growers to stick only to the truth stated on the side label and remove the appellation Temecula from the front. Moreover, we think the law requires it.

2) La Cresta: The Cilurzo label above is strong evidence of the existence and location of a viticultural area known as La Cresta. In addition, I enclose a brochure from Kacor Realty containing a map of La Cresta and the other neighborhoods which Kacor has named in Rancho California as part of its development program. (Enclosure 4.) Finally, I enclose four listing sheets from a local real estate broker showing that real estate in the area under discussion is listed as "La Cresta." (Enclosure 5.)

3) Murrieta: Two items are enclosed as further evidence of a Murrieta area separate from Temecula. First, is a photo, taken in June, 1982, of a "Murrieta Valley" sign located about 1 mile from ARCO's Murrieta vineyard, on Washington Avenue just west of Lemon Street. (Enclosure 6.) Second, is the title line from a new newspaper in the region which indicates it serves the separate areas of "Temecula Valley" and "Murrieta Valley," among others. (Enclosure 7.)

E. Additional Climate Evidence

1) ATF requested thermograph data from all parties for as many years as possible. It is time consuming to retrieve and calculate this data from the thermograph chart-papers, but we have assembled it for the last three years and enclose it here. (Enclosure 8.) We would be pleased to submit any further data ATF may specifically request. We are certain that comparison of our averages with those in the ARCO vineyard for comparable periods will show our vineyard to be cooler.

2) We asked Mr. Leon D. Adams, one of the founders of the Wine Institute and author of The Wines of America, to give his advice and information about our region, and his reply to us of June 10, 1982 contains this further personal testimony of the climate differences between Temecula and Murrieta:

"I recall having passed through Murrieta on a field-research trip in 1967. My friend of many years, Philo Biane of that old Southern California winegrowing family (of Brookside Vineyard), was taking me from Cucamonga, which is warmer than districts closer to the coast, to show me the new vineyard near Temecula planted under his supervision. I remember his mentioning, when I spoke of the fruit distillery that had operated at Murrieta, that Temecula was much cooler than Murrieta. That trip was mentioned in Chapter 17 of the first edition of my THE WINES OF AMERICA, published in 1973."

3) In late May, 1982, a McMillan Farm Management Co. spokesman was quoted in a local newspaper as claiming that the wine made from ARCO vineyard grapes is one of the new "light wines" with low alcohol, and that this is the reason the grapes are picked earlier at ARCO than at Callaway vineyard. We believe that statement is false, and on June 11, 1982 I wrote the enclosed letter to Mr. C. Richard Lemon, who I understand is representing McMillan in this matter, demanding either proof or correction. (Enclosure 9.) In what can charitably be described as a failure to deal in good faith with us, Mr. Lemon simply did not respond. I bring this to ATF's attention in case the "light wine" story surfaces again.

F. The Importance of the Soils Evidence

While climate evidence is difficult to measure and to acquire, we wish to reiterate that the soils evidence is clear and is sufficient alone to establish the boundaries of the Temecula viticultural area because of the uniformly granitic soils. We believe the reports of Mr. John R. Reid and Professor Harold P. Olmo (pages 85-88 of our petition) provide an unimpeachable basis for distinguishing between the Temecula and Murrieta viticultural areas.

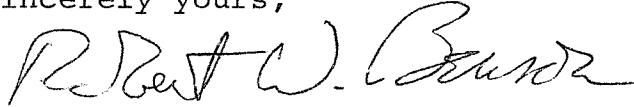
G. Conclusion

To further assist ATF, we have prepared a map showing the locations of all vineyards in the region and I am mailing it separately. If there is anything else we can provide, we will be happy to do so.

Callaway Comments on ATF Notice 416
September 7, 1982
Page 9

Thanking you for all the careful attention ATF
has devoted to this, I am

Sincerely yours,



Robert W. Benson
Attorney, Callaway Vineyard and Winery

Enclosures:

- 1) Letter from Mr. Callaway to ATF
- 2) Compromise Agreement
- 3) Article by Bennie Hudson
- 4) Kacor Realty Brochure
- 5) Real Estate Listing Sheets for La Cresta
- 6) Photo of Murrieta Valley Sign
- 7) Title Page of Lake Elsinore Sun-Tribune
- 8) Thermograph Data
- 9) Letter from Mr. Benson to Mr. Lemon

RWB:dj



CALLAWAY

Vineyard & Winery

September 7, 1982

Chief, Regulations and Procedures Division
Bureau of Alcohol, Tobacco and Firearms
P. O. Box 385
Washington, D.C. 20044--0385

Attn: Notice No. 416

Dear Sir:

I am pleased to enclose a letter, signed by a number of local vintners and growers, which represents a reasonable compromise of the differing views about how the boundaries should be drawn for viticultural appellations in our region. The signatures represent growers owning 1045 acres, as well as 7 of the 8 wineries in the area. Other signatures will be obtained independently by mail and will be sent directly to you.

The agreement supports a Temecula viticultural area of about 35,000 acres, including all wineries and all vineyards north-east of the town of Temecula. It also supports a Murrieta appellation, as proposed by ATF, of about 30,000 acres adjacent to the town of Murrieta, including the 300 acre Arco vineyard and the 80 to 100 acres of vineyards in the La Cresta section of the Santa Rosa Mountains. The agreement supports the idea of a separate La Cresta appellation should the growers there desire it. The idea of a Rancho California appellation is dropped.

The fact that this agreement was possible is due in large part to the excellent job that ATF did in sifting the viticultural evidence and in proposing its own creative solution. You deserve our congratulations for dealing carefully with these complex questions.

Sincerely,

Ely Callaway

Enclosure

September 7, 1982

Chief, Regulations and Procedures Division
Bureau of Alcohol, Tobacco and Firearms
P. O. Box 385
Washington, D.C. 20044-0385

Attn: Notice No. 416

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3) If the growers in the La Cresta area of the Santa Rosa Mountains wish to propose a separate La Cresta viticultural area, we are not opposed.

Chief, Regulations and Procedures Division
Bureau of Alcohol, Tobacco and Firearms
September 7, 1982

4) We oppose a Rancho California appellation. With all of the realistically possible grape growing areas of the region delimited either as Temecula or Murrieta, the only need for a Rancho California appellation would be for those who wish to blend more than 15% of grapes from one appellation into grapes from another. As far as we know, there are no vintners who currently wish to do this.

Several of us may supplement these four points with individual comments to ATF on related matters, but we thought it would be useful for ATF to know that we have reached significant agreement on these principal questions.

Sincerely,

Lupe Rodriguez

Joe D Hart

~~Callaway~~ - Chairman

~~Callaway~~ - Chairman

R. C. McCracken

J. H. Poole President

J. H. Poole President

Ed & Kay's President

John R. Ligon

William C. Felsinger

^(acres - none)
GLENOAK HILLS WINERY
BW 4866

Hart Winery - 10 acres

Callaway Vineyard & Winery - 145 acres

Vignes Hills Vineyard - 160 acres

Brookside Vineyard Co - 373 acres

Song Valley Vineyards } 150 acres

Mount Palomar Winery } —

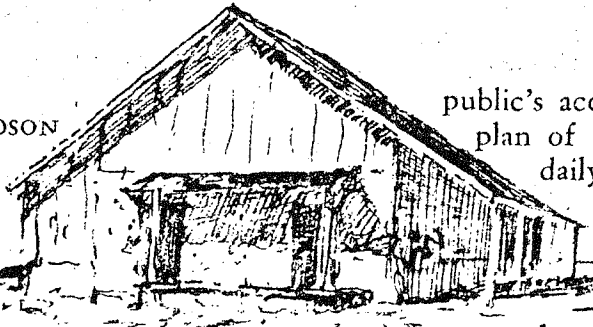
Mesa Verde Co. Inc. 141 acres

PICONI WINERY (6.79 acres)

FELSINGER Winery 60 Acres



By BENNIE HUDSON



Wolf's Store Today

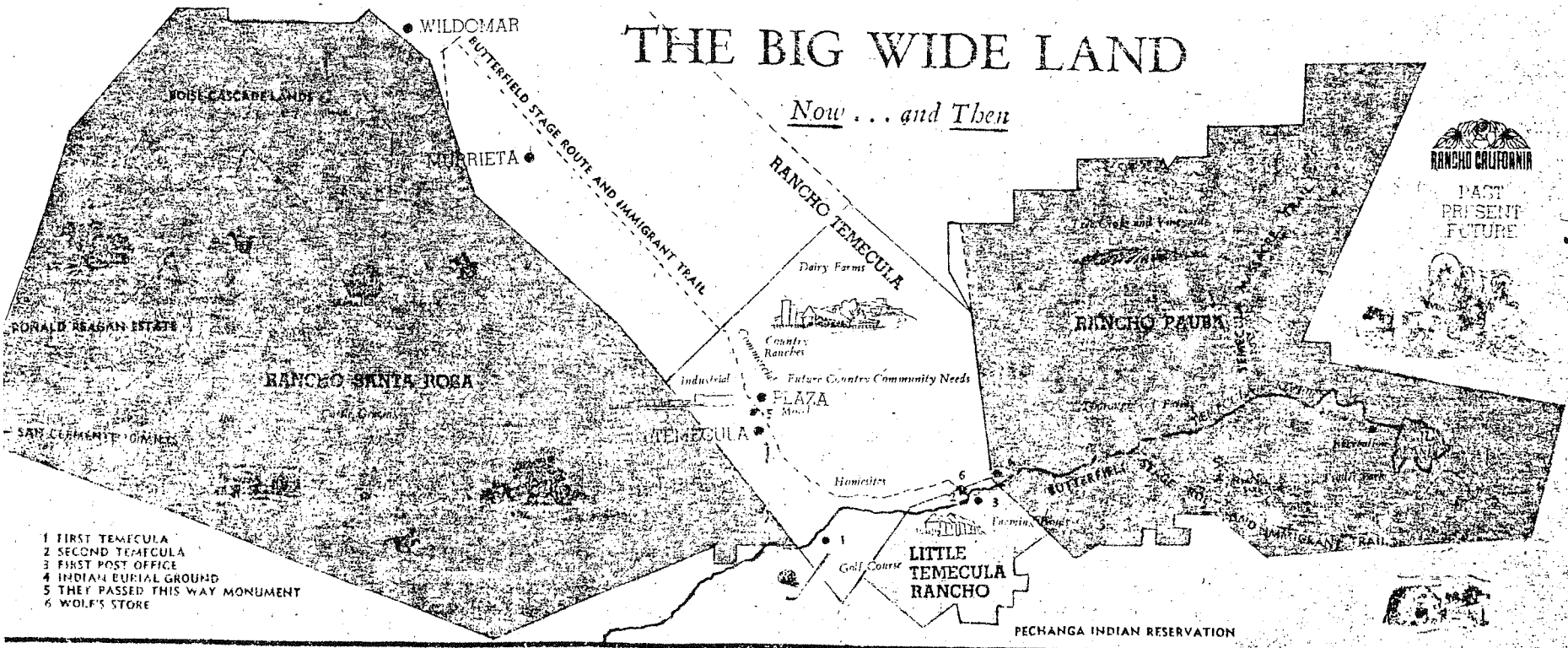
public's acceptance of Rancho California's master plan of unparalleled diversity. Every facet of daily living has been carefully weighed by experts and portions of suitable land set aside for: Industry and agriculture as a means of income; residential and recreation for happy and healthful living, and commercial, as a means of supplying daily needs.

TWENTY-FIRST CENTURY CONCEPT of land use—that of intelligent planning for balanced living in an agrarian-oriented community—is being put into operation at Rancho California in the heart of the High Country. This fresh new concept will grow throughout the years and be brought to magnificent fruition through the perceptive planning of the young specialists engaged here, and the spending of literally millions of dollars of the rancho owner's money to carry out those plans. Kaiser-Aetna is owner of the 87,500-acre rancho purchased in 1964 from the late Mahlon Vail. The twenty-one million dollars paid for ownership of this historic land has in less than five years been catapulted to a forty-five-million-dollar valuation. This fact alone is ample proof of the

A restful, informal country atmosphere pervades every mile of the broad rancho shaped like the spread of a great bird's wings. The heartbeat of the development to date is the Plaza, built among artificial lakes where graceful water fowl make their home. Here visitors find motel lodging, a fine restaurant, and a food market. A variety of artistic shops and an art gallery displaying works of outstanding artists may be enjoyed as one strolls along the fine boardwalks. A visitors' center, bank, service

THE BIG WIDE LAND

Now ... and Then



- 1 FIRST TEMECULA
- 2 SECOND TEMECULA
- 3 FIRST POST OFFICE
- 4 INDIAN BURIAL GROUND
- 5 THEY PASSED THIS WAY MONUMENT
- 6 WOLF'S STORE

RANCHO CALIFORNIA
PAST
PRESENT
FUTURE

PECHANGA INDIAN RESERVATION

station and the community's newspaper, *Rancho California News*, add to the pleasure and convenience of Rancho residents. A new home for Temecula's elementary school has been built east of the Plaza, and two new churches have recently been completed.

Each weekend a variety of free entertainment is to be found at the Plaza, all with homespun overtones. Fiddling contests, horse shows in the adjoining arena, seasonal festivals, youth and adult art-and-handicraft displays, and the always-fresh blooming potted plants—all tend to emphasize Rancho California's desire to preserve and perpetuate the æsthetic values of its planned community life.

Directing this Twenty-first Century concept are: President James E. Murar, aided by four vice-presidents—Hugh Blue, land development; George J. McGaffigan, operations; Harold Lynch, planning, and Richard Boultinghouse, finance. Jack Buck serves as special projects manager.

But before these modern business men of finesse and expertise came to lend their magic touch, centuries of exciting history were building an historical foundation to lend interest and glamour to this big wide land, made up of four Mexican land grants: Rancho Santa Rosa, Rancho Temecula, Little Temecula Rancho, and Rancho Pauba.

RANCHO SANTA ROSA

Now: Lying quietly awaiting the coming of the Twenty-first Century Concept and Rancho California, has been the 46,500-acre western wing of the former Vail Ranch—Santa Rosa. Starting at a 1600-foot elevation, visitors drive up the grade to a 2800-foot height above the sea to view some of the most choice land in southern California

High rolling hills and valley grasslands, running creeks and arroyos lined with sycamores and cottonwoods, tinkling breezes fresh off the Pacific Ocean—it's California as it was two hundred years ago. The lovely Santa Rosa has never been disturbed except for grazing.

California Governor Ronald Reagan has purchased

771 acres, reputedly for a retirement ranch. News reports say that he is "literally itching" to get a fence up around the ranch. The western extremity of the Governor's property is little more than ten miles from President Nixon's Summer White House at San Clemente.

Boise Cascade Properties have purchased 6,090 acres at the 2300-foot level and are reselling it in twenty-acre parcels for ranch homesites. Other acreage on Santa Rosa is being offered in parcels of approximately 160 acres by Rancho California, who announce that the historic old ranch house, the former Vail home, will be preserved as a museum and possibly a community meeting place.

THEN: Rancho Santa Rosa was granted to Juan Moreno in 1846 by Governor Pio Pico. A long adobe ranch house was built in the shade of giant liveoaks looking out over the distant peaks of the Three Saints—San Antonio, San Gorgonio and San Jacinto mountains. Cattle roamed the hills in great numbers and the ranch soon took its place, along with neighboring Rancho Santa Margarita, as a leading cattle ranch of the golden California era.

A seventeen-year-old native of Liverpool, England, came to California by stagecoach in 1876 and found the Santa Rosa. His name, as intriguing as the name of the ranch he soon acquired, was Parker Dear.

Five years later, in 1881, Parker Dear, by then thoroughly immersed in the lure—and the lore—of California, also found Elena Coutts, daughter of Cave Coutts, master of Rancho Guajome. Elena's mother was the beautiful Ysidora Bandini, reared in the aristocratic and hospitable Juan Bandini home in Old Town, San Diego. Ysidora Bandini brought the custom of wide hospitality with her to Guajome. Her daughter Elena in turn brought it to Santa Rosa, where only Indian servants were employed.

While Parker Dear used the vast acres of Santa Rosa for the raising of cattle, he and Elena became best known for their May Day picnics held each year beneath the liveoaks leading to the big white mansion which by then had replaced the Mexican era adobe as the main ranch house. As many as two thousand guests would attend the

picnics, for which the Dears would barbecue large quantities of beef and lamb.

In 1894 the Parker Dears relinquished their control of the idyllic rolling hills—and the grasslands awaited the coming of the Vail family to Temecula.

RANCHO TEMECULA

Now: By the end of 1969 nearly one million dollars will have been spent on the Plaza, which centers a 1310-acre tract set aside for commercial purposes. This area—adjacent to the broad expanse of Highway 395 (recently designated Interstate 15) which brings thousands of visitors to the rancho—is also the site of Los Ranchitos. Here small ranch homesites of two to six acres are available and large numbers have been sold. The master plan for residential properties includes homes from \$17,500 to \$27,000 in value, and rental garden apartments ranging from \$100 to \$130 a month.

Three new modern dairies, milking one thousand dairy cattle, are operating in this area.

Across the highway from the Plaza, 1040 acres are marked for light industry. Here tight controls are maintained by Rancho California management over architecture, landscaping and type of products to be manufactured. Rancho President James Murar announced recently that with the addition of an oxygen therapy sales company to the industrial complex, a total of nine companies have completed facilities at the rancho or are in the process. A total of six hundred employees will be involved in production. An airport adjoining the industrial complex serves the entire area, with emphasis on executive planes.

In the midst of all of this Twenty-first Century Concept activity, the village of Temecula, with three new antique shops and its stately *They Passed This Way* monument, continues to exude an aura of sturdiness that its centuries of rich history make possible.

THEN: The very early history of Rancho Temecula is lost in antiquity. Remnants of the *First Temecula*—or Indian Temeku—were excavated by archæologists in 1951 on the south side of Temecula River near present-day

Bibleland. Findings there confirmed that the village site dates far back before the first Spaniards came.

The first recorded visit of a Spaniard to the Indian village of Temecula was in 1797 when Father Juan Santiago came to the valley searching for mission sites.

Rancho Temecula first was used by the Spaniards as a source of grain for Mission San Luis Rey. A granary and chapel and a home for the mayordomo were built in the very early 1800s, for Rancho Temecula in its entirety had been given to Mission San Luis Rey by the Spanish Crown.

After the power of the missions had fallen, Rancho Temecula was granted by Mexican Governor Manuel Micheltoreno to Felix Valdez, a private citizen.

So resentful were the Indians at the loss of their beloved homeland that United States Government agents, eight years later, felt compelled to make a peace offering. They promised the Indians that Rancho Temecula would be removed from private ownership and would be included in a vast reservation to be set aside for them. This provision was included in the Treaty of Temecula signed in 1852 by chiefs of many Indian tribes. The United States Congress, however, rejected the treaty that same year.¹

Finally, all Indians were evicted from Rancho Temecula in the mid 1870s and placed on present-day Pechanga Indian Reservation set up for them in the hills to the south.

Five years later Rancho Temecula and its sister, Rancho Pauba, totaling 52,000 acres, were bought at one dollar per acre by Juan Murrieta, who came to this new land from Spain. Murrieta used his vast holding for grazing sheep.²

Rancho Temecula found itself on the first trans-continental rail route to reach San Diego when, in 1882, California Southern Railway brought the first train into Temecula Valley.³ This enabled Temecula to become an important shipping point for cattle, sheep and grain. The California Southern Railway later became a part of the Santa Fe system.

¹ THE HIGH COUNTRY No. 8, Page 14

² THE HIGH COUNTRY No. 5, Page 31

³ THE HIGH COUNTRY No. 5, Page 38

LITTLE TEMECULA RANCHO

Now: The 22,000 acres of this "baby" rancho with its southern boundary nestled close to the Pechanga Indian Reservation, in Rancho California's planning, is to be devoted largely to recreation and farming. In Wolf Valley a golf course has been constructed and plans are under way for a clubhouse and extensive motel.

Farming in this area is of the row crop variety. The new owner of one 600-acre parcel along Pala Road has named his farm *Rancho Lobo* (Wolf Ranch).

THEN: Little Temecula Rancho comprises an area of one-half league (about 2,200 acres). Governor Pio Pico in 1845 granted this relatively small ranch to Pablo Apis, chief of the Temecula tribe of Indians, who is said to have been a wise leader of his people. This is one of the few land grants made to an Indian. Apis died in 1855.

It was on this rancho that the *Second Temecula* was to be established. It was here that the Treaty of Temecula, never ratified, was signed in 1852 between Indians and agents of the United States Government. And it was here that the first United States post office in inland southern California was to be established in 1859 when Butterfield Overland Mail began service from Saint Louis to San Francisco.

This frontier post office was established in John Magee's store,* located near the adobe home Chief Apis built on the banks of Temecula River near the present Cattle Division headquarters of Rancho California. Probably the chief's home and corral were used as a relay station where horses were changed while the mail was delivered to Magee's store. The post office was closed in 1862 after four years of service when the Civil War brought an end to mail delivery over the Southern Route.

In spite of losing its post office, the settlement at the *Second Temecula* was becoming an increasingly important crossroads way station. Iron-wheeled vehicles from San Bernardino and San Jacinto gradually were cutting primi-

tive roads to the village. From there roads were radiating out to Warner's Ranch along the abandoned Butterfield route and south across the hills to Pala. A post office was needed.

Eight years later, in 1870, with the Civil War a thing of the past and mail service operating again, Wolf's Store, not a quarter of a mile from the abandoned Magee Store, became the home of the village's second post office. It operates today in the *Third* (and present) *Temecula* with a branch post office in Rancho California's Plaza.

In the years following, the site of the *Second Temecula* served as a focal point for sheep-shearing camps and cattle roundups. Its historical background has been spotlighted in Helen Hunt Jackson's novel *Ramona*, wherein Wolf's Store is known as Jim Hartsel's Store, and for many years in Hemet's *Ramona Pageant*.

RANCHO PAUBA

Now: If the legendary Indian hero Alessandro, whose home is depicted in *Ramona Pageant* as being Temecula, could gallop his mount over the hills of Pauba today, it is easy to imagine his amazement in finding acres of tree crops—citrus, avocados, macedonia nuts; rows of lush field crops—tomatoes, sugar beets, potatoes; and neatly plotted vineyards staked to fine wine grapes.

With the grape potential here set at 1500 acres in a climate tempered with gentle ocean breezes, this area is expected to become an important factor in the growing southern California wine grape market.

The hundred-year-old Brookside Vineyard Company occupies two hundred acres here. In addition to serving Rancho California as a testing laboratory for virus diseases on all grape plantings coming to the rancho, Brookside is offering a "package deal" to other grape growers on the ranch. It will plant, cultivate and harvest crops for a set fee.

The great Butterfield Country of 8570 acres, studded with oaks, and unspoiled, is reserved entirely for recreation. The gem of this area is Vail Lake, whose 85,000 surface feet of water winds along the natural contour of the surrounding hills. A yacht club, trailer camp, large rustic

*THE HIGH COUNTRY No. 7, Page 8

community hall, foot trails and fishing are a few of the enticements offered by Rancho California's planners.

The breeding of fine race stock has become probably the most spectacular activity on the Pauba. In the gently-rolling *Valle de los Caballos* (Valley of the Horses) 3600 acres have been set aside for breeding farms. A one-mile and a five-eighths-mile training track center this area, with stables, breaking ring and dormitories for employees. Here ranch estates from twenty to forty acres are available for horse lovers. Frederick Wagner, wealthy Dallas oil man and current president of Texas Thoroughbred Breeders' Association, has located Wagner Stables here.

With the recent announcement that a \$100,000 horse veterinary hospital is being constructed on a fifty-acre site nearby, this unique training center seems destined to rival the famed Blue Grass country of Kentucky in producing fine race horses.

THEN: As American conquest of California neared, Rancho Pauba was one of many last-minute grants made by Governor Pio Pico in 1846. He granted it to Vicente Moraga and Luis Arenas. They soon sold it to Louis Vignes who came from France to pioneer in Los Angeles as a vineyardist and maker of fine wines. Perhaps Vignes recognized the excellent potential of Rancho Pauba for supporting large vineyards but there is no record of his having followed the plan to fruition. It has remained for Rancho California to fulfill the dream Vignes had of mass vineyards on the broad acres of Pauba.

In the interim between the Vignes ownership of Pauba and its melding into the whole of Rancho California, this diversified land has supported only cattle and sheep, with a limited amount of farming irrigated by water from the Temecula River which flows through the ranch.

A drive through the peaceful hills and valleys of Pauba Ranch today gives no indication that anything other than peace and serenity have prevailed in this lovely land. Actually, the bloodiest massacre of the Mexican War period took place here.

During January of 1847 a band of Pauma Indians, who had slain eleven Mexicans on Warner's Ranch, fled

into the rugged hills of the Pauba only to be ambushed by a band of Mexican-led Cahuilla Indians. Thirty-eight of the Paumas were killed in a running battle.

Philip Saint George Cooke, commander of the Mormon Battalion enroute from Fort Leavenworth to San Diego to take part in the war, wrote in his diary that his battalion had entered Temecula Valley just in time to witness the burial of the massacre victims in the old Indian burial grounds near the place where Wolf's Store was later built. In more recent years the sanctity of the grave has been kept by Louie Roripaugh, ranch manager, who has instructed workers to plow around the mound.

During the early years travelers from Warner's Ranch and the East, enroute to El Monte and Los Angeles, etched a well-worn trail down the arroyos to the *Second Temecula* situated on the boundary line between Rancho Pauba and Little Temecula Rancho. These two ranches shared in many stirring events of early California history for the trail became an important thoroughfare for immigrants and gold seekers, and the route of Overland Mail coaches.

THE VAIL RANCH

THEN: In 1904 this four-fold potpourri of history became unified. Walter Vail, Arizona cattleman of acute vision, saw in the four old Mexican land grants a priceless opportunity. He secured title to the four ranches and put them together to create the great 87,500-acre empire that five years ago became Rancho California.

During the sixty years of Vail ownership countless thousands of cattle have been shipped to market from Temecula. Under the long-time superintendency of Louie Roripaugh, who is still head of the Cattle Division of Rancho California, continuously progressive methods have been brought into use. The traditional cattle roundups have become a thing of the past. Lean cattle are brought in from all over the West to graze on the green winter grass and to fatten in pens when the grass is brown in summer.

In 1926 the owners of Rancho Santa Margarita (now U. S. Marine Corps' Camp Pendleton), parts of which are

also in the Temecula River watershed, sued the Vail Ranch, claiming riparian water rights. The suit lasted three years, with an appeal to a higher court requiring several more. Mahlon Vail later said that the suit cost nearly a million dollars and that the compromise which finally settled it could have been reached if the contestants had simply sat down around a table without a lawyer.

A milestone in the history of the Vail Ranch was the construction of a huge dam, completed in the 1940s, across the Temecula River about ten miles east of Temecula. Building of the dam was the culmination of a long-nurtured dream of Walter Vail's son, Mahlon. Waters from the lake which the dam created have been used to irrigate lands in the lower Temecula Valley where feed is grown to fatten the cattle.

Prior to its re-christening as Rancho California, this great ranch in its twenty-five-mile spread east and west of Highway 395, effectively barred the picturesque countryside from becoming a victim of cluttered urbanization.

Ten years earlier, in 1954, Mahlon Vail, cattle baron who ruled the vast domain, climbed upon a corral fence at his ranch hideout, rolled a Bull Durham cigaret and told his audience of two: "I like this ranch just as it is. I don't *ever* want to sell it"

"Isn't it possible that urbanization pressures may overtake you?" he was asked.

Vail gave a long, searching look at the distant hills and enclosed valleys. His eyes measured the sturdy fence on which he sat as he said without enthusiasm:

"Perhaps. But I'll resist it as long as I can!"

In less than a decade Mahlon Vail gave up his dream empire for twenty-one million dollars in cash. Shortly afterward he died.

In death Mahlon Vail was reunited with the land he loved, for he was buried in the little cemetery in Temecula where, for most of his life, he had watched his sleek cattle roam the hills.

Now: *Rancho California!* Population projection for 1985: sixty thousand. That's still almost an acre and a half for each man, woman and child in the Big Wide Land! ■

JIMSON OF JAMESTOWN

JIMSON WEED, almost forgotten for a long time, has recently sprung into prominence as a source of narcotics. Like some other narcotic derivatives, it is said to have had its origin in Asia. At Jamestown, Virginia, first permanent English settlement in America, it was seen growing in piles of ballast and other wastes discharged from vessels returning from the Orient two or three centuries ago. When Jamestown colonists attempted to eat the leaves as a salad, they learned of its poisonous qualities. Its name, *jimson*, is simply a corruption of *Jamestown*.

At least that is the information gleaned from American literature. But what about *naqumush*, the same old jimson weed, used by Indian inhabitants of the High Country long before Sir Walter Raleigh found his way to Virginia? A narcotic tea brewed from the weed was used in ancient religious rites and at puberty ceremonies; but apparently at no other time. If the jimson weed truly originated in Asia, could it be that the High Country, like Jamestown, at some remote time had seeds of the weed dumped in piles of ballast on its shores from far-venturing Chinese junks? ■

OIL ON TROUBLED WATERS

OIL SLICKS in the Santa Barbara Channel are not the modern phenomenon many Santa Barbarans seem to think. In the winter of 1868-69 Samuel Warren Hackett* returned to Goleta, nine miles north of Santa Barbara, where he had engaged in hunting California gray whales the previous year. His second attempt at snaring the big mammals, later to become almost extinct, proved not so successful as the first. Captain Hackett reported that "floating petroleum on the ocean frightened the whales away and gummed up the whale lines badly."

A century has passed since then, and although both petroleum and whales disappeared from Santa Barbara's channel for a long time, both have now returned. ■

*THE HIGH COUNTRY No. 11, Page 40

ENCLOSURE 4
SEE INSIDE
BACK COVER

RANCHO CALIFORNIA

Obtain the HUD Property Report from the developer and read it before signing anything. HUD neither approves the merits of the offering nor the value, if any, of the property.



4 OFFICES
WILDOMAR
MURRIETA
TEMECULA
SEDCO

ENCLOSURE 5

CARROLL ANDERSON

41763 Ivy Street
Murrieta, CA 92362
(714) 677-5661 Res. (714) 677-5256



Country Property — Since 1945



4 Offices to Serve You

WILDOMAR [714] 678-2101
21545 Palomar Street
Wildomar, CA 92395

MURRIETA [714] 677-5661
41763 Ivy Street
Murrieta, CA 92362

TEMECULA [714] 676-5757
28535 Front Street
Temecula, CA 92390

SEDCO [714] 674-1411
33625 Mission Trail
Lake Elsinore, CA 92330

PROPERTY INFORMATION

PROPERTY: 23.02 acres La Cresta

EASEMENTS: SCE & GTE on file in Wildomar Office

ADDRESS/LEGAL: Parcel 46 as shown by Parcel Map Recorded in Book 1, Pages 66-75
inclusive of Parcel Maps, Riverside County Records.

SCHOOLS: HS Elsinore JHS Murrieta/Elsinore GS Murrieta

UTILITIES: Electric Gas Phone District Water
1/2 mile away propane area no RCWD
 Well Well equipment Septic Tank
area

TAXES: \$ N/A w/exemption; \$ 2016.00 without exemption;
\$ N/A license tags; \$ N/A transfer fee;

PRICE/TERMS: Price \$ 135,000.00 (\$ 5,869.57 /acre)
Down \$ 67,500.00 (50 %)
Balance Balance \$ 67,500.00

(OWC) 1st TD \$ 67,500.00 \$ 929.81 per MO (INC) 11 % int. for 10 yrs.
() \$ _____ \$ _____ per _____ () _____ % int. for _____ yrs.
() \$ _____ \$ _____ per _____ () _____ % int. for _____ yrs.

REMARKS: Two of the sellers are licensed Real Estate Agents.

NOTE: This information was obtained from sources deemed reliable, but it is not guaranteed.

The Best in Country Property — Since 1945



4 Offices to Serve You

WILDOMAR [714] 678-2101
21545 Palomar Street
Wildomar, CA 92395

MURRIETA [714] 677-5661
41763 Ivy Street
Murrieta, CA 92362

TEMECULA [714] 676-5757
28535 Front Street
Temecula, CA 92390

SEDCO [714] 674-1411
33625 Mission Trail
Lake Elsinore, CA 92330

PROPERTY INFORMATIONPROPERTY: 21.98 AC. VISTA GRANDE - LaCRESTAEASEMENTS: Utility and slope easement. Sell subject to buyer's approval.

ADDRESS/LEGAL: Parcel 27 as shown on P.M. on file in Book 1, Pages 76 through 94,
inclusive of Parcel Maps, Riverside County records.

SCHOOLS: HS Lake Elsinore JHS na GS Murrieta

UTILITIES: Electric Gas Phone District Water
 Well Well equipment Septic Tank

TAXES: \$ 11 w/exemption; \$ 2,053.72 without exemption;
\$ license tags; \$ na transfer fee;

PRICE/TERMS: Price \$ 180,000.00 (\$ /acre)Down \$ 148,437.00 (%)Balance Balance \$ 31,563.00ADAP
4-15-85(ASSUME) 1st TD \$ 31,563.00 \$ 2,718.00 per Qtr (incl) 12 % int. for yrs.

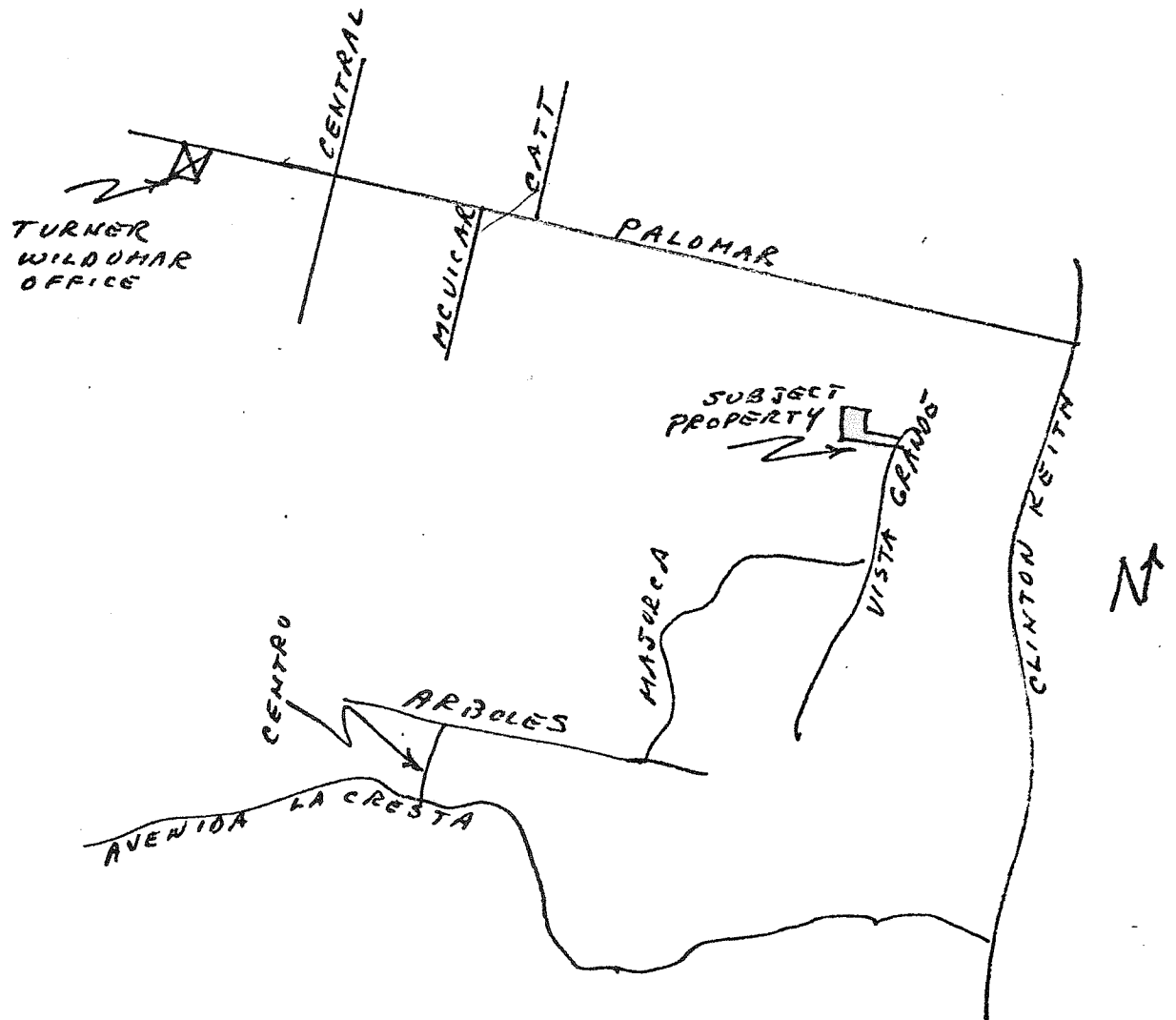
Said loan has provisions for partial releases and a one time assumption agreement.

REMARKS: Seller is a licensed real estate broker. Property has an approved tentative
parcel map dividing it into parcels of 11 acres gross each (Tentative Map 1536 Amend. #2).
Parcels may be purchased separately subject to recordation of final map. Parcel #1,
\$95,000: Parcel #2, \$85,000.

\$513.00 per acre for water assessment plus cost of meter - this fee has not been paid.

NOTE: This information was obtained from sources deemed
reliable, but it is not guaranteed.

FLOW



The Best in Country Property — Since 1945



4 Offices to Serve You

WILDOMAR [714] 678-2101
 21545 Palomar Street
 Wildomar, CA 92395

MURRIETA [714] 677-5661
 41763 Ivy Street
 Murrieta, CA 92362

TEMECULA [714] 676-5757
 28535 Front Street
 Temecula, CA 92390

SEDCO [714] 674-1411
 33625 Mission Trail
 Lake Elsinore, CA 92330

PROPERTY INFORMATION

PROPERTY: 5.58 acres on Via Sereno, La Cresta

EASEMENTS: Public road and utility

ADDRESS/LEGAL: Parcel 2 of PM 12086, Book 70/61 of Parcel Maps, Records of Riverside County.

SCHOOLS: HS Elsinore JHS Murr/Els GS Murrieta

UTILITIES: SCE on Calle de Companero Not available RCWD on Calle de Companero
 Electric Gas propane area Phone District Water
 Well Well equipment Septic Tank - area

TAXES: \$ --- w/exemption; \$ 779.46 without exemption;
 \$ --- license tags; \$ --- transfer fee;

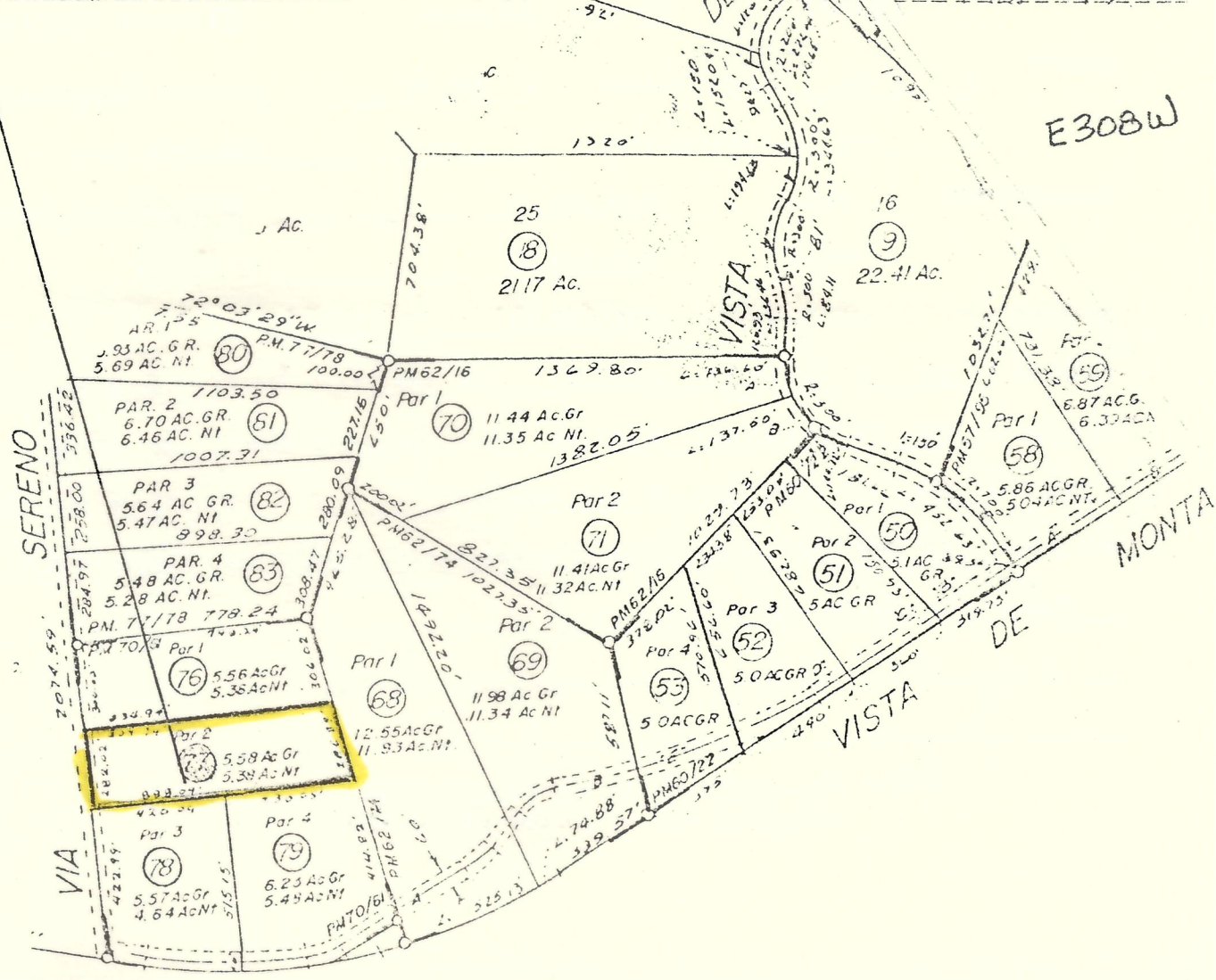
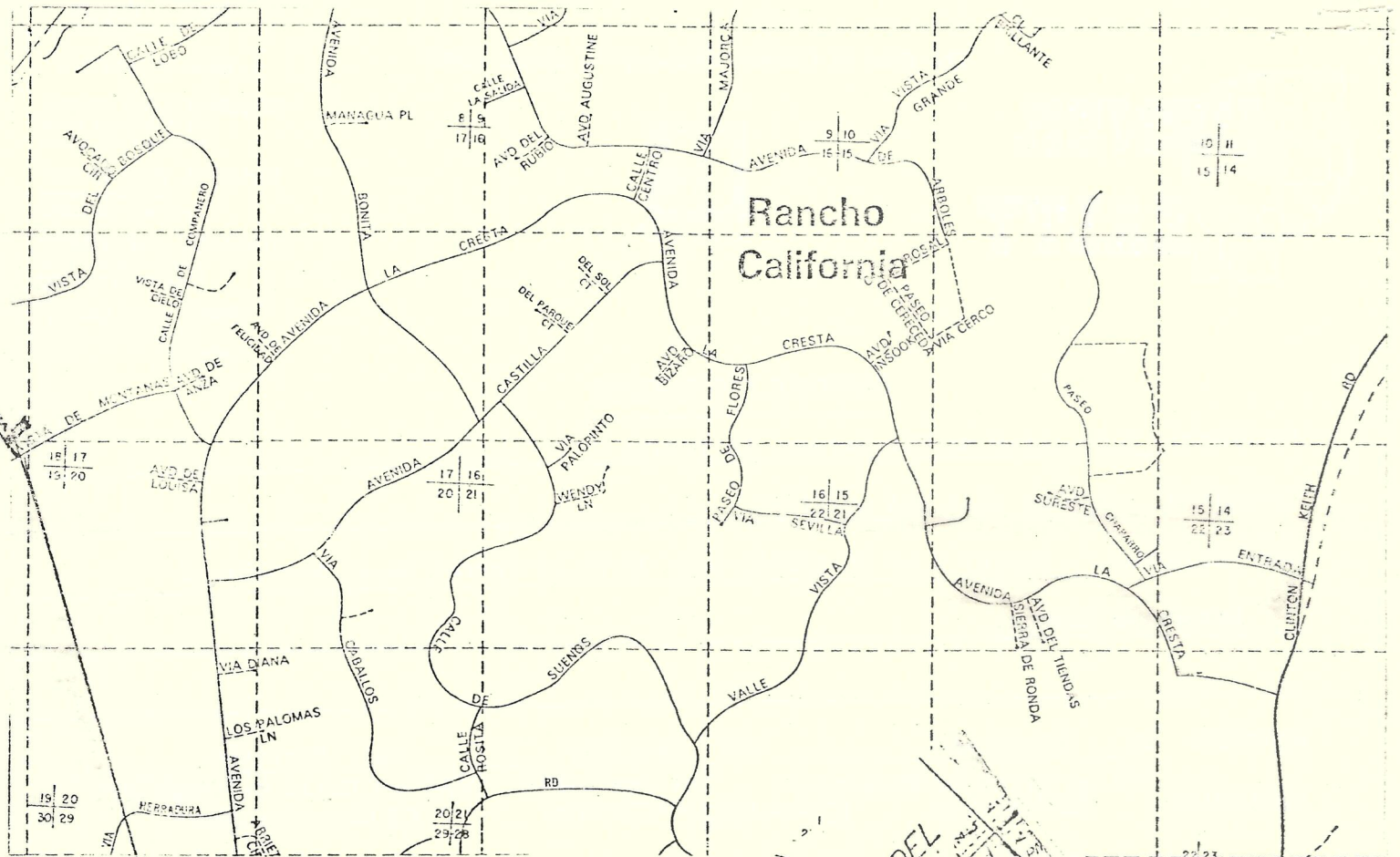
PRICE/TERMS: Price \$ 55,000.00 (\$ 10,000.00 /acre)
 Down \$ 15,000.00 (27 %)
 Balance Balance \$ 40,000.00

(Assume) 1st \$ 5,313.25 \$ 205.00 per quarter (inc) 8 % int. for yrs.
 (Assume) 2nd \$ 20,926.34 \$ 630.95 per quarter (inc) 10 % int. for yrs.
 (OWC) 3rd \$ balance \$ will vary per () 11 % int. for 5 yrs.

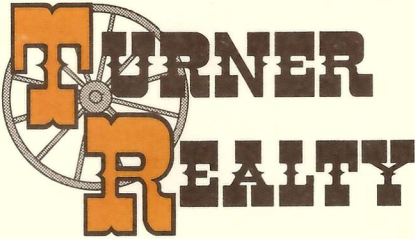
REMARKS: 1st and 2nd payments are made quarterly, approximate total \$835.00.

Owner will consider an AITD.

NOTE: This information was obtained from sources deemed reliable, but it is not guaranteed.



7-10-81



The Best in Country Property — Since 1945



ID# E338W
4 Offices to Serve You

WILDOMAR [714] 678-2101
21545 Palomar Street
Wildomar, CA 92395

MURRIETA [714] 677-5661
41763 Ivy Street
Murrieta, CA 92362

TEMECULA [714] 676-5757
28535 Front Street
Temecula, CA 92390

SEDCO [714] 674-1411
33625 Mission Trail
Lake Elsinore, CA 92330

PROPERTY INFORMATION

PROPERTY: 11.97 acres in La Cresta

EASEMENTS: Lengthy - on file in Wildomar Office.

ADDRESS/LEGAL: Parcel 1 of Parcel Map 14739, Book 81, Page 8, Records of Riverside
County

SCHOOLS: HS Elsinore JHS Murrieta GS Murrieta

UTILITIES: Electric Gas Phone District Water
1/2 mile away Propane area none RCWD
 Well Well equipment Septic Tank
area

TAXES: \$ - w/exemption; \$ 1254.60 without exemption;
\$ N/A license tags; \$ N/A transfer fee;

PRICE/TERMS: Price \$ 140,000.00 (\$ 11,695.91 /acre)
Down \$ 20,000.00 (14.29%)

Balance Balance \$ 120,000.00

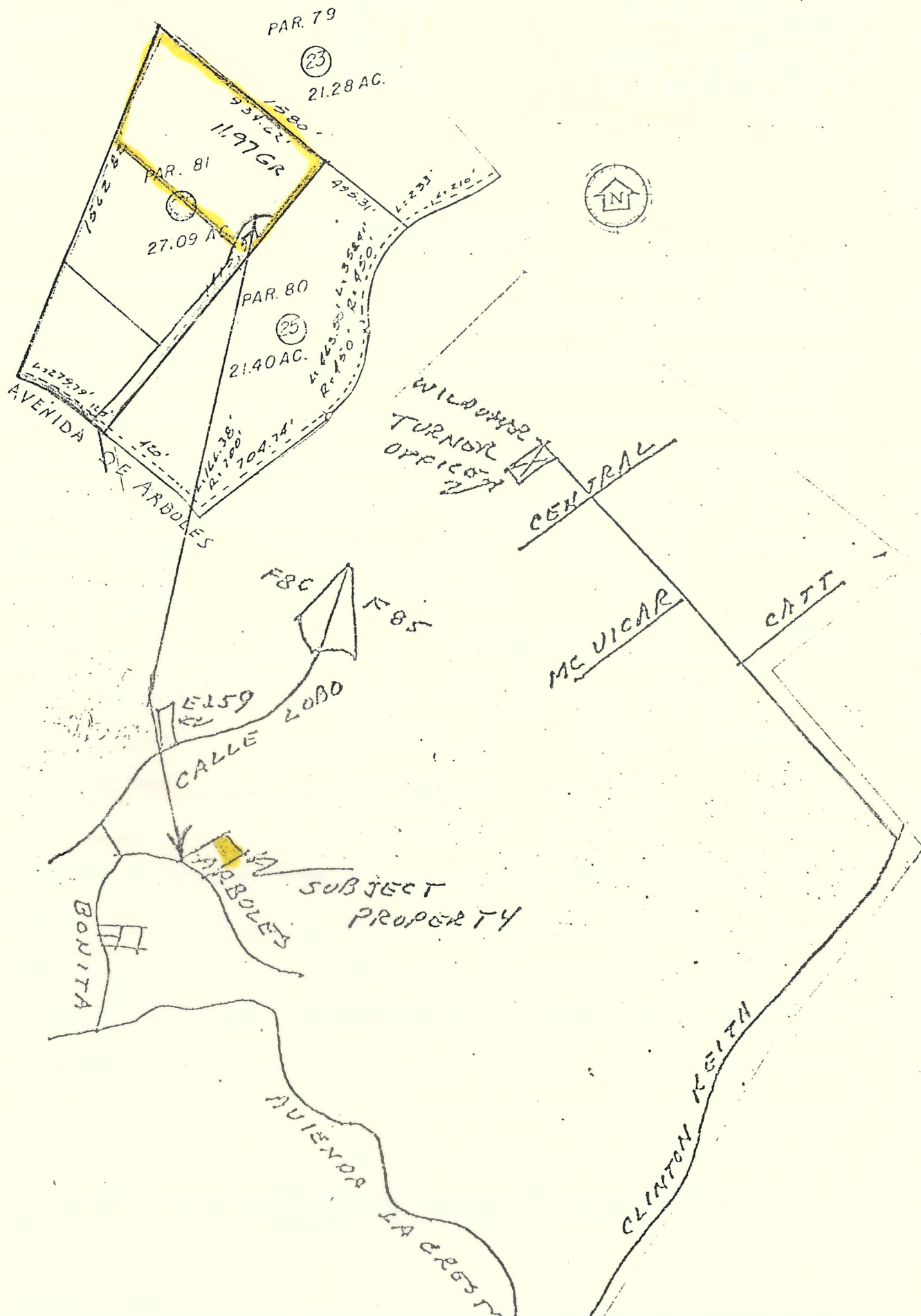
(OWC) 1st TD \$ 120,000.00 \$ 1,200.00 per MO @ 12% INTEREST ONLY ADAP IN 4 yrs.

() \$ \$ per () % int. for yrs.

() \$ \$ per () % int. for yrs.

REMARKS: One of the sellers is a licensed California Real Estate Agent.

NOTE: This information was obtained from sources deemed reliable, but it is not guaranteed.



26-9-81



MURRIETA

VALLEY

*Mrs. Benson
ER*

Lake Elsinore Valley



Sun-Tribune

Vol. 97 — No. 28

Wednesday, April 14, 1982

Serving Lake Elsinore Valley, Canyon Lake, Temecula Valley, Rancho California, Murrieta Valley

TEMECULA CA 92550
92-9014-0001
RESIDENT
STAR ROUTE
**CPIA

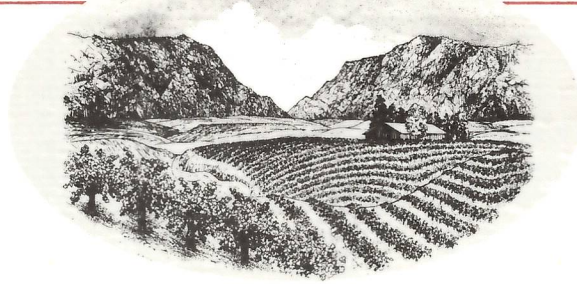
**Bowling
center
near**
(See Story
Page B-3)

CAR. RT. SORT
BULK RATE
U.S. POSTAGE
PAID
Lake Elsinore
CA. 92530
Permit No. 30

25
cents

Two Sections — 20 Pages

ENCLOSURE 7



CALLAWAY

Vineyard & Winery

1979 DAILY AVERAGE TEMPERATURES *

<u>Date</u>	<u>Temp.</u>	<u>Date</u>	<u>Temp.</u>	<u>Date</u>	<u>Temp.</u>	<u>Date</u>	<u>Temp.</u>
4/1	---	5/9	54.8	6/16	----	7/24	65.8
4/2	56.5	5/10	54.9	6/17	----	7/25	70.0
4/3	60.0	5/11	67.9	6/18	57.8	7/26	67.7
4/4	62.5	5/12	73.9	6/19	59.4	7/27	71.4
4/5	67.3	5/13	77.5	6/20	61.2	7/28	69.0
4/6	61.1	5/14	74.8	6/21	64.1	7/29	65.9
4/7	60.0	5/15	66.7	6/22	60.3	7/30	67.1
4/8	61.8	5/16	58.8	6/23	61.1	7/31	75.1
4/9	58.3	5/17	63.2	6/24	60.7	8/1	68.2
4/10	57.0	5/18	63.7	6/25	64.8	8/2	65.2
4/11	55.9	5/19	65.8	6/26	67.6	8/3	68.1
4/12	63.6	5/20	59.8	6/27	67.4	8/4	67.1
4/13	65.2	5/21	67.8	6/28	70.4	8/5	68.6
4/14	----	5/22	69.0	6/29	70.6	8/6	73.1
4/15	62.0	5/23	65.2	6/30	66.7	8/7	71.0
4/16	58.3	5/24	65.6	7/1	62.0	8/8	73.0
4/17	55.6	5/25	67.0	7/2	66.0	8/9	70.7
4/18	54.9	5/26	68.8	7/3	56.9	8/10	67.0
4/19	55.0	5/27	64.7	7/4	59.3	8/11	64.9
4/20	58.2	5/28	----	7/5	60.2	8/12	59.3
4/21	58.0	5/29	----	7/6	56.8	8/13	62.0
4/22	57.8	5/30	----	7/7	64.0	8/14	64.2
4/23	58.3	5/31	----	7/8	71.0	8/15	63.3
4/24	59.6	6/1	----	7/9	69.2	8/16	62.9
4/25	63.5	6/2	----	7/10	66.5	8/17	63.8
4/26	63.6	6/3	----	7/11	64.8	8/18	63.0
4/27	63.0	6/4	----	7/12	69.8	8/19	64.8
4/28	60.3	6/5	----	7/13	65.2	8/20	59.7
4/29	62.5	6/6	----	7/14	65.0	8/21	63.8
4/30	58.1	6/7	----	7/15	68.3	8/22	72.2
5/1	59.7	6/8	----	7/16	71.8	8/23	69.3
5/2	58.5	6/9	----	7/17	77.3	8/24	66.8
5/3	63.8	6/10	----	7/18	72.4	8/25	67.6
5/4	58.6	6/11	----	7/19	74.6	8/26	65.9
5/5	61.0	6/12	---	7/20	65.8	8/27	66.0
5/6	65.3	6/13	----	7/21	66.8	8/28	61.7
5/7	60.1	6/14	----	7/22	66.8	8/29	61.2
5/8	59.2	6/15	----	7/23	67.4	8/30	59.5

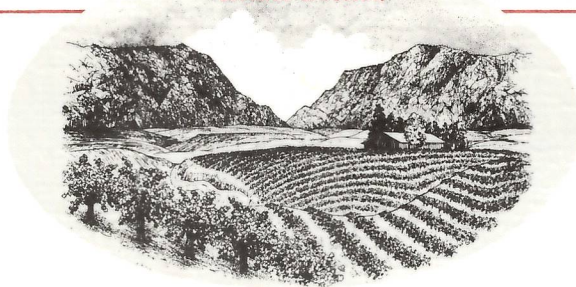
* Average of 24 hourly readings.

2164,1

1979 DAILY AVERAGE TEMPERATURES (Cont.)

<u>Date</u>	<u>Temp.</u>	<u>Date</u>	<u>Temp.</u>
8/31	61.2	10/1	66.5
9/1	61.3	10/2	68.8
9/2	65.0	10/3	64.4
9/3	69.3	10/4	65.3
9/4	63.5	10/5	62.0
9/5	68.0	10/6	60.3
9/6	68.5	10/7	61.3
9/7	71.0	10/8	55.0
9/8	75.8	10/9	56.5
9/9	77.7	10/10	60.5
9/10	73.7	10/11	48.2
9/11	72.4	10/12	54.1
9/12	71.8	10/13	61.3
9/13	77.0	10/14	----
9/14	73.9	10/15	66.8
9/15	73.8	10/16	59.3
9/16	71.0	10/17	56.7
9/17	70.0	10/18	60.3
9/18	70.9	10/19	59.9
9/19	76.3	10/20	----
9/20	68.0	10/21	----
9/21	64.3	10/22	----
9/22	70.4	10/23	----
9/23	75.0	10/24	----
9/24	67.8	10/25	----
9/25	67.0	10/26	----
9/26	67.6	10/27	----
9/27	69.0	10/28	----
9/28	60.7	10/29	55.9
9/29	64.4	10/30	50.4
9/30	60.8	10/31	51.6

Estate Bottled



CALLAWAY

Vineyard & Winery

1980 DAILY AVERAGE TEMPERATURES *

<u>Date</u>	<u>Temp.</u>	<u>Date</u>	<u>Temp.</u>	<u>Date</u>	<u>Temp.</u>	<u>Date</u>	<u>Temp.</u>
4/1	47.5	5/9	58.1	6/16	68.0	7/24	82.5
4/2	46.0	5/10	53.1	6/17	63.8	7/25	84.8
4/3	----	5/11	54.7	6/18	65.9	7/26	80.8
4/4	----	5/12	55.2	6/19	72.5	7/27	82.4
4/5	----	5/13	54.3	6/20	69.4	7/28	81.5
4/6	51.4	5/14	55.9	6/21	72.0	7/29	----
4/7	52.8	5/15	60.1	6/22	68.5	7/30	82.9
4/8	57.5	5/16	68.4	6/23	71.3	7/31	----
4/9	55.6	5/17	----	6/24	63.6	8/1	----
4/10	54.6	5/18	65.3	6/25	66.5	8/2	----
4/11	57.9	5/19	66.1	6/26	76.0	8/3	----
4/12	55.5	5/20	59.0	6/27	71.1	8/4	69.3
4/13	57.4	5/21	----	6/28	----	8/5	75.5
4/14	54.1	5/22	----	6/29	----	8/6	72.6
4/15	54.9	5/23	----	6/30	----	8/7	----
4/16	----	5/24	----	7/1	73.0	8/8	----
4/17	----	5/25	57.9	7/2	68.1	8/9	----
4/18	----	5/26	56.8	7/3	75.9	8/10	----
4/19	----	5/27	60.1	7/4	76.0	8/11	----
4/20	----	5/28	57.5	7/5	76.2	8/12	----
4/21	----	5/29	57.5	7/6	76.0	8/13	71.7
4/22	----	5/30	55.8	7/7	76.1	8/14	78.7
4/23	----	5/31	60.0	7/8	73.1	8/15	65.5
4/24	----	6/1	64.3	7/9	79.0	8/16	72.1
4/25	----	6/2	58.7	7/10	77.4	8/17	71.1
4/26	----	6/3	56.6	7/11	86.7	8/18	70.4
4/27	----	6/4	64.6	7/12	75.3	8/19	65.1
4/28	----	6/5	59.5	7/13	71.3	8/20	66.8
4/29	----	6/6	60.5	7/14	76.0	8/21	71.4
4/30	----	6/7	----	7/15	82.0	8/22	70.3
5/1	----	6/8	----	7/16	83.5	8/23	77.3
5/2	----	6/9	71.8	7/17	79.0	8/24	70.5
5/3	----	6/10	68.9	7/18	75.8	8/25	66.7
5/4	67.2	6/11	62.7	7/19	66.8	8/26	----
5/5	64.5	6/12	65.5	7/20	68.1	8/27	----
5/6	60.9	6/13	69.5	7/21	80.5	8/28	----
5/7	53.3	6/14	73.1	7/22	77.4	8/29	----
5/8	57.5	6/15	70.0	7/23	82.5	8/30	69.3

* Average of 24 hourly readings.

1980 DAILY AVERAGE TEMPERATURES (Cont.)

<u>Date</u>	<u>Temp.</u>	<u>Date</u>	<u>Temp.</u>
8/31	63.3	10/1	----
9/1	67.5	10/2	----
9/2	67.6	10/3	----
9/3	----	10/4	----
9/4	----	10/5	----
9/5	----	10/6	----
9/6	----	10/7	----
9/7	----	10/8	----
9/8	----	10/9	----
9/9	----	10/10	----
9/10	----	10/11	----
9/11	----	10/12	66.4
9/12	----	10/13	65.2
9/13	----	10/14	67.4
9/14	----	10/15	57.5
9/15	----	10/16	50.4
9/16	----	10/17	54.8
9/17	----	10/18	64.6
9/18	----	10/19	66.4
9/19	----	10/20	66.5
9/20	----	10/21	61.7
9/21	----	10/22	60.8
9/22	----	10/23	62.8
9/23	----	10/24	77.0
9/24	----	10/25	63.0
9/25	----	10/26	59.2
9/26	----	10/27	59.7
9/27	----	10/28	59.0
9/28	----	10/29	64.8
9/29	----	10/30	79.7
9/30	----	10/31	72.1

Estate Bottled



CALLAWAY

Vineyard & Winery

1981 DAILY AVERAGE TEMPERATURES *

<u>Date</u>	<u>Temp.</u>	<u>Date</u>	<u>Temp.</u>	<u>Date</u>	<u>Temp.</u>	<u>Date</u>	<u>Temp.</u>
4/1	54.3	5/9	66.9	6/16	80.6	7/24	70.8
4/2	49.3	5/10	68.1	6/17	77.9	7/25	68.5
4/3	48.8	5/11	62.7	6/18	73.3	7/26	69.6
4/4	----	5/12	62.5	6/19	----	7/27	77.9
4/5	66.1	5/13	62.1	6/20	----	7/28	70.3
4/6	59.7	5/14	58.5	6/21	73.5	7/29	69.1
4/7	55.0	5/15	58.1	6/22	75.0	7/30	67.6
4/8	54.5	5/16	----	6/23	75.0	7/31	69.2
4/9	54.7	5/17	----	6/24	75.4	8/1	69.8
4/10	57.0	5/18	----	6/25	76.2	8/2	69.2
4/11	56.7	5/19	----	6/26	74.3	8/3	67.0
4/12	56.3	5/20	----	6/27	69.2	8/4	68.5
4/13	----	5/21	----	6/28	61.8	8/5	69.7
4/14	----	5/22	----	6/29	----	8/6	73.7
4/15	----	5/23	----	6/30	----	8/7	74.7
4/16	57.8	5/24	63.9	7/1	----	8/8	74.1
4/17	58.3	5/25	64.5	7/2	----	8/9	74.3
4/18	54.7	5/26	65.9	7/3	----	8/10	71.8
4/19	----	5/27	63.7	7/4	----	8/11	71.0
4/20	----	5/28	64.8	7/5	75.6	8/12	69.4
4/21	----	5/29	65.3	7/6	73.1	8/13	76.2
4/22	----	5/30	66.3	7/7	73.9	8/14	73.0
4/23	----	5/31	67.5	7/8	72.8	8/15	75.8
4/24	----	6/1	66.5	7/9	72.5	8/16	73.5
4/25	----	6/2	63.9	7/10	72.2	8/17	72.0
4/26	----	6/3	70.3	7/11	69.5	8/18	70.1
4/27	60.3	6/4	74.6	7/12	71.8	8/19	73.5
4/28	68.2	6/5	68.9	7/13	72.9	8/20	----
4/29	67.2	6/6	69.0	7/14	74.8	8/21	----
4/30	65.1	6/7	72.6	7/15	73.8	8/22	----
5/1	62.4	6/8	70.3	7/16	74.0	8/23	----
5/2	60.3	6/9	68.7	7/17	76.9	8/24	----
5/3	60.0	6/10	66.3	7/18	72.7	8/25	81.6
5/4	60.6	6/11	68.6	7/19	----	8/26	83.0
5/5	59.8	6/12	68.3	7/20	82.5	8/27	84.3
5/6	60.7	6/13	66.9	7/21	76.8	8/28	83.9
5/7	60.0	6/14	72.3	7/22	71.4	8/29	80.0
5/8	61.3	6/15	76.7	7/23	70.7	8/30	69.2

* Average of 24 hourly readings.

1981 DAILY AVERAGE TEMPERATURES (Cont.)

<u>Date</u>	<u>Temp.</u>	<u>Date</u>	<u>Temp.</u>
8/31	69.9	10/1	63.9
9/1	69.1	10/2	----
9/2	68.8	10/3	----
9/3	68.1	10/4	----
9/4	68.5	10/5	62.7
9/5	65.6	10/6	65.3
9/6	72.0	10/7	----
9/7	76.1	10/8	----
9/8	----	10/9	----
9/9	75.0	10/10	----
9/10	70.3	10/11	----
9/11	69.0	10/12	----
9/12	69.3	10/13	----
9/13	70.3	10/14	----
9/14	69.0	10/15	----
9/15	70.7	10/16	----
9/16	73.8	10/17	----
9/17	76.4	10/18	----
9/18	76.1	10/19	----
9/19	72.8	10/20	----
9/20	72.4	10/21	----
9/21	69.4	10/22	----
9/22	65.2	10/23	----
9/23	65.6	10/24	----
9/24	64.7	10/25	61.4
9/25	66.5	10/26	59.1
9/26	----	10/27	59.8
9/27	64.7	10/28	60.0
9/28	64.0	10/29	54.5
9/29	63.6	10/30	56.0
9/30	63.8	10/31	64.7

Blanks indicate instrument malfunction.

ROBERT W. BENSON

ATTORNEY

June 11, 1982

C. Richard Lemon, Esq.
Dickenson, Peatman & Fogarty
809 Coombs Street
Napa, California 94558

Re: Temecula and Murrieta Appellations

Dear Dick:

One of your clients reportedly made what appears to be a false and misleading statement to a Temecula newspaper recently. If the newspaper account was accurate, I would ask that you either have the statement corrected, or proven true.

The Californian (Temecula) of May 27, 1982 carried a story by reporter James Jackson on the appellation matter. I enclose a copy. In it, a spokesman for the McMillan Farm Management Co., who insisted on anonymity, is said to have claimed that "The wine made from grapes grown on the Atlantic Richfield vineyard in Murrieta is one of the new 'light' wines," and that this is the reason the grapes at Murrieta are picked sooner than those at the Callaway vineyard, which are intended for higher alcohol wines.

Wine appellations in America will be destroyed, for winegrowers and the public alike, unless they are based upon sound, factual evidence. The McMillan spokesman's statement concerns the microclimatic differences between Murrieta and Temecula, and is of material importance to one of the key issues in the BATF rulemaking proceedings. If it is false and misleading, and goes uncorrected, it could become a fraud upon the agency and upon the public.

Our information is that for the last four years the great majority of all grapes sold to wineries by the Murrieta vineyard have not generally been used in "light" wines. Our information is, further, that the Murrieta grapes have generally been harvested at levels of maturity that are approximately the same as those of Temecula grapes harvested later.

C. Richard Lemon, Esq.
June 11, 1982
Page 2

If our information is incorrect, we will candidly admit it, upon seeing records of the harvest dates, sugar, acid, and pH levels, and records showing which wines were made from the Murrieta grapes.

If the McMillan spokesman's statement is incorrect, the company has a duty to correct it, and you have an ethical duty as an attorney to urge your client to do so.

Yours sincerely,



Robert W. Benson
Attorney

enclosure (1)

cc: Mr. Ely Callaway
Mr. Richard McMillan

Comment 13

TTB Note: For the full text of Comment 13, please contact TTB

COMMENTS TO THE NOTICE OF PROPOSED
RULEMAKING, NO. 416, TEMECULA,
MURRIETA and RANCHO CALIFORNIA
(47 Fed. Reg. 32450)

BY: JOAQUIN RANCH COMPANY

BY: McMILLAN FARM MANAGEMENT

Received
9/13/82
Rundgren
Postmarked
9/7/82

(14)

September 7, 1982

Chief, Regulations and Procedures Division
Bureau of Alcohol, Tobacco and Firearms
P. O. Box 385
Washington, D.C. 20044-0385

Attn: Notice No. 416

Dear Sir:

We are vintners and growers in the region affected by your Notice No. 416. While some of us have held differing views about the proposals to create viticultural appellations in the region, we have now come to agreement on the following points:

1) Upon serious study of the borders proposed in the two petitions for a Temecula viticultural area, it is obvious that the proposals were essentially identical on the north, south and east boundaries. With respect to the western boundary, we have compromised our differences and now support the following: Beginning at the intersection of Tualota Creek and the range line which divides Range 2 West from Range 3 West, the boundary follows the Tualota Creek south to Santa Gertrudis Creek. It then follows Santa Gertrudis Creek southwest to Murrieta Creek, then proceeds along Murrieta Creek southeast to the point where Murrieta Creek joins Temecula Creek, just south of the town of Temecula, to become the Santa Margarita River. It follows the Santa Margarita River very briefly into Temecula Canyon until it joins the Santa Rosa Land Grant line. The creek beds are natural borders of the low mesa that characterizes the viticultural area, and are easily identifiable in the field.

2) We support the establishment of a Murrieta viticultural area with boundaries as proposed by ATF. We do suggest a minor modification of those boundaries to eliminate the small portion of land occupied by the Rancho California Airport, as that area is marked on the U.S.G.S. map as "Temecula Valley"; no grapes, of course, are grown in that portion.

Chief, Regulations and Procedures Division
Bureau of Alcohol, Tobacco and Firearms
September 7, 1982

3) If the growers in the La Cresta area of the Santa Rosa Mountains wish to propose a separate La Cresta viticultural area, we are not opposed.

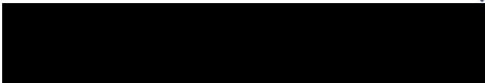
4) We oppose a Rancho California appellation. With all of the realistically possible grape growing areas of the region delimited either as Temecula or as Murrieta, the only need for a Rancho California appellation would be for those who wish to blend more than 15% of grapes from one appellation into grapes from another. As far as we know, there are no vintners who currently wish to do this.

Several of us may supplement these four points with individual comments to ATF on related matters, but we thought it would be useful for ATF to know that we have reached significant agreement on these principal questions.

WILLIAM SIMONOFF

Sincerely,

William Simonoff



Palos Verdes Estates, Ca. 90274

Received
9/13/82
Rimbrown
Postmarked
9/17/82

(15)

September 4, 1982

Mr. John A. Linthicum
Research & Regulation
Branch B.A.T.F.
1200 Pennsylvania Ave.
N.W. Wash. D.C., 20226

RE: TEMECULA APPELLATION

Dear Mr. Linthicum,

In July this year Mr. Chubb, and I purchased property in Temecula, Rancho California, we are planning planting in grapes. The discribed property is as follows:

Parcel 22, Map 5536, Book 11, Pages 48 & 49, Recorded in the County of Riverside, State of California.

I believe the street address will be Monte Verde Road. This property is directly next to Mr. Robert W. Schaefer, 44500 Los Caballos Road, Rancho California, who is in the Appellation of Temecula, and a viticulturist. Our said property is outside the Rancho Water District, allowing us to drill our own well.

Please include our property in the Temecula Appellation. We have purchased this land for this specific purpose. If this property is excluded from the temecula Appellation, our entire life will again have to be altered. You can see how deeply we have committed our future to becoming Viticulturist.

Please let us know as soon as possible as to your decision for we are contracting at this time with the well driller companies.

Sincerely,



Mr. & Mrs. Frederick H. Chubb

██████████
Rancho California, Ca. 92390
██████████

DIMITRI TCHELISTCHEFF
CONSULTING ENOLOGIST & VITICULTURIST
R.R. 2 BOX 291
KULA, Hi. 96790
SEPTEMBER 7, 1982

16

Received
9/13/82
Huntreum
Postmarked
9/7/82

CHIEF OF REGULATIONS AND PROCEDURES
BATF
P.O. BOX 385
WASHINGTON, D.C. 200440-0385

REFERENCE : NOTICE NO. 416

DEAR SIR :

I HAVE BEEN ASKED BY MR. FRED CLARKE OF THE LAW FIRM DICKERSON,
PEATMAN AND FOGARTY LOCATED AT 809 COOMBS ST. IN NAPA, CALIFORNIA, TO GIVE
YOU MY OPINION REGARDING THE APPELATION OF ORIGIN PROCEEDINGS OF THE TEMECULA
REGION.

I HAVE DONE SOME CONSULTING WORK IN THIS AREA OVER THE PAST SEVERAL
YEARS. THUS, I HAVE HAD A CHANCE TO OBSERVE THE VINEYARDS AND SOME OF THE
RESULTING WINES FROM BOTH THE EAST SIDE AND THE WEST SIDE OF THE TEMECULA
BASIN. THESE AREAS WERE THE CILURZO VINEYARD ON THE EAST SIDE OF THE BASIN,
AND THE RANCHO MURRIETA VINEYARD ON THE WEST SIDE OF THE BASIN.
THE RUN OFF WATERS HERE DRAIN FROM BOTH THE EAST AND WEST SIDE INTO THE
SANTA MARGARITA RIVER, AND IT IS THIS DRAINAGE AREA THAT IS DEFINITELY A
DISTINCT VITICULTURAL AREA. WHETHER IT SHOULD BE CALLED TEMECULA OR MURIETTA
IS NOT FOR ME TO SAY. TO BE SURE THERE ARE DIFFERENT SUB-REGIONS IN THIS BASIN,
AND THERE ARE DIFFERENCES BETWEEN THE WEST SIDE AND THE EAST SIDE. HOWEVER,
THERE ARE A LOT MORE SIMILARITIES IN THE QUALITY OF THE GRAPES AND THE RESULT-
ING WINES THAN THERE ARE DIFFERENCES. THEREFORE IT IS MY OPINION THAT A LOT
MORE DATA NEEDS TO BE GATHERED BEFORE SUB-REGIONS IN THE TEMECULA AREA CAN
BE ESTABLISHED.

RESPECTFULLY SUBMITTED,

Dimitri Tchelistcheff
DIMITRI TCHELISTCHEFF



Rancho California/Temecula Wine Growers Association

Received
9/13/82
Kirtbaum
Postmarked
9/7/82

(17)

September 6, 1982

Chief, Regulations and Procedures Division
Bureau of Alcohol, Tobacco and Firearms
P. O. Box 385
Washington, D.C. 20044-0385

Attention: Notice No. 416

On behalf of this Association, I wish to communicate with you about the statement you make on page 4 of the Notice of Proposed Rulemaking, which states: "will not have a significant economic impact on a substantial number of small entities".

Following is the list of growers in the Murrieta and La Cresta areas of the Temecula area:

Hansen	6.33	gross	acres
La Cresta 88	20.14	"	"
Ang	6.99	"	"
Farrelly	5.11	"	"
Darrow/Sanders	5.0	"	"
Atanasavki	5.63	"	"
Cziraki	5.82	"	"
Englehorn/Panfli	5.18	"	"
Freer	5.02	"	"
Falk	9.70	"	"
Mestad/Jackson	5.92	"	"
total	80.84	"	"

Joaquin Ranch, which is the ARCO vineyard, has 325 acres.

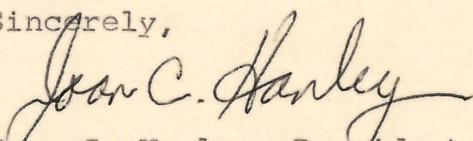
Selling grapes from the Temecula area to wineries is a very difficult job, and the reputation of the area is just beginning to be established so that an adequate price can be obtained. All the grapes from the ARCO vineyard have consistently been sold to Franciscan Vineyard and Winery in the Napa Valley, and the wine has had a Temecula front and/or back label. The grapes from the very small vineyards listed above are all red varieties of grapes, and they have been purchased by the Cilurzo's and sold under a Temecula label. There is no bottle of wine on the market for the consumers to buy that has a Murrieta label, and consequently, establishing an area called Murrieta would only lead to further confusion.

At a meeting of this Association held on August 15, 1982, John Moramarco, vice president and vineyard manager of Callaway Vineyards and Winery, announced that Callaway is no longer going to produce any red wines, starting with the 1982 season. As you know, Callaway had sent a letter to all the growers saying that they would like to introduce a Murrieta label, but they have not purchased any grapes from the west side of the Temecula region.

Cilurzo's have purchased most of the red varieties of grapes from the La Cresta area, and then blended them with other grapes from the east side of the Temecula area to produce their wines. They do not have the facilities to keep the wines separate and market under two different appellations. Since the entire thrust of Cilurzo's marketing has been under the name Temecula, I think you can see that the market for the La Cresta grapes is in serious jeopardy if it becomes necessary for them to market under the Murrieta appellation, or a new La Cresta appellation as is now being mentioned.

The Temecula Region is so far removed from any other premium winegrape growing area in Southern California that it is essential that it continue to function as a unified region, with the growers working together for the benefit of all. This will ultimately produce the least confusion for the consumer, and the greatest economic growth for the area.

Sincerely,



Joan C. Hanley, President

██████████
Rancho Palos Verdes, CA. 90274
██████████



Miramonte Vineyards

PREMIUM VARIETAL WINE GRAPES FROM RANCHO CALIFORNIA

OFFICE: 3037 DELUNA DRIVE, PALOS VERDES, CALIF. 90274 (213) 833-9911

DON AND JOAN HANLEY

Received
9/13/82
Kathleen
Postmarked
9/7/82

(18)


Chief, Regulations and Procedures Division
Bureau of Alcohol, Tobacco and Firearms
P.O. Box 385
Washington, D.C. 20044-0385

Attention: Notice No.416

Miramonte Vineyards is located northeast of the Callaway Vineyard, and consists of 130 producing acres, so comes within the proposed Temecula appellation as described in the Callaway petition. None the less we support the petition of the Association, because we feel the only image the consumer has is of Temecula wines, and that a separate Murrieta appellation as suggested by the ATF will just lead to confusion. Temecula and Murrieta are not two separate areas - they are all part of a big valley, which now happens to have a freeway through the middle of it, with agriculture on both sides of the freeway.

I am enclosing a signed copy of the compromise document which has been drawn as a compromise to the Callaway petition..It is definitely our second choice, but if the ATF finds itself unable to adopt the Association petition, then the compromise is far better than the original Callaway petition.

Sincerely,


Joan C. Hanley
General Partner

September 7, 1982

Chief, Regulations and Procedures Division
Bureau of Alcohol, Tobacco and Firearms
P. O. Box 385
Washington, D.C. 20044-0385

Attn: Notice No. 416

Dear Sir:

We are vintners and growers in the region affected by your Notice No. 416. While some of us have held differing views about the proposals to create viticultural appellations in the region, we have now come to agreement on the following points:

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2) We support the establishment of a Murrieta viticultural area with boundaries as proposed by ATF. We do suggest a minor modification of those boundaries to eliminate the small portion of land occupied by the Rancho California Airport, as that area is marked on the U.S.G.S. map as "Temecula Valley"; no grapes, of course, are grown in that portion.

Chief, Regulations and Procedures Division
Bureau of Alcohol, Tobacco and Firearms
September 7, 1982

3) If the growers in the La Cresta area of the Santa Rosa Mountains wish to propose a separate La Cresta viticultural area, we are not opposed.

4) We oppose a Rancho California appellation. With all of the realistically possible grape growing areas of the region delimited either as Temecula or as Murrieta, the only need for a Rancho California appellation would be for those who wish to blend more than 15% of grapes from one appellation into grapes from another. As far as we know, there are no vintners who currently wish to do this.

Several of us may supplement these four points with individual comments to ATF on related matters, but we thought it would be useful for ATF to know that we have reached significant agreement on these principal questions.

Jean C. Hanley

Sincerely,

19



CILURZO Vineyard & Winery



P.O. BOX 775 • 41220 CALLE CONTENTO • TEMECULA, CALIFORNIA 92390 • PHONE (714) 676-5250

Received
9/14/82
Winetech
Postmarked
9/9/82

September 10 1982

Mr. John A. Linthicum
Research and Regulations Branch
B.A.T.F.
1200 Pennsylvania Avenue
Washington D.C. 20226

Dear Mr. Linthicum,

I am sending a couple of newspaper articles and a private placement memorandum which refer to our winery and to the wine we make from grapes in the La Cresta area.

Since my first letter to you I have received a lengthy telephone call from Mr. Callaway's attorney. As I understood the conversation we are to be sued by Callaway for using Temecula on a label in which is bottled wine from La Cresta, and this is so stated on the side label. I was very upset by this conversation as our winery has a Temecula address and is less than a mile from Callaway and La Cresta is also in the Temecula Zip code area, and residents of La Cresta consider themselves to live in Temecula.

Also in our conversation I was asked to sign a Callaway petition because if I didn't the B.A.T.F. would probably make some sort of decision unacceptable to everyone. Also if the decision was made which did not satisfy Callaway they (Callaway) would sue and drag out the proceedings for years and I felt the implication was that we as a small winery would have difficulty surviving financially.

I wish to state that our winery is within the boundaries of Temecula for both petitions, so regardless of what decision is made our vineyard is in the Temecula Appellation. Also we are purchasing grapes from La Cresta and have been for several years. However these are not the only Cabernet Sauvignon grapes available to our winery. This year there are many acres of Cabernet Sauvignon grapes within a two mile radius of our winery still not sold and the harvest has begun. We like the La Cresta area, but more than that we feel it should be a part of Temecula. The growers will suffer financially if they are not included. They have always considered themselves to be a part of the Temecula grapegrowing area. They are community oriented to Temecula, and were sold their land with the understanding it was part of a development in Temecula.

We are a fairly small winery--8000 cases a year--however our wines have received many awards and regularly are rated high in

tastings throughout California. I feel we ~~need to~~ let you know what we feel is ethically correct for the area. We cannot compare with Callaway in size but I believe we have an excellent reputation and our wines are recognized as quality. Therefore I feel it necessary to continue to propose ~~what~~ I feel is necessary for our entire community. We feel the La Cresta Area, the Arco vineyard, and Callaway's proposed Temecula appellation have all contributed to the fine reputation wines from this region now carry. It is documented that each of these vineyard areas have contributed to consumer recognition of Temecula wines. This being the case we feel the Temecula appellation should apply to the entire area.

For several years marketing was a serious problem in the Temecula area--no one had heard of Temecula --little by little we became established and recognized. At first recognition came through Callaway Franciscan and Brookside, then Mount Palomar our winery, Cilurzo, made wines that surprised the entire state that excellent wines, both red and white could be produced in Southern California. Now five more wineries are in the area. Also South Coast Cellars in Los Angeles produces La Cresta Cabernet Sauvignon. All this effort has brought Temecula recognition. If we are divided into two or three appellations it will splinter the efforts of the past few years. In addition the new areas will probably face the problems we had in the years when Temecula was unknown to the consumers.

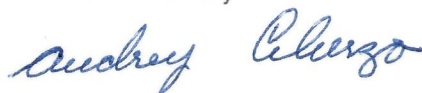
Callaway has stated that they will no longer make red wines. Therefore the La Cresta area is of no interest to them as it is primarily a Cabernet Sauvignon growing area. However we feel it is still a part of Temecula. The Arco vineyards are part of the original Vail Ranch, and as such are part of the Temecula area, also the grapes have been sold as Temecula grapes and marketed as Temecula wine.

My husband and I purchased our land a few months after the Vail family sold to Kaiser and ^{we} planted the first Temecula vineyard in 1968. Local history is an interest of ours and we feel the Temecula appellation along the old Vail Ranch boundaries will help to preserve the heritage and identity of Temecula. Much of this heritage is being lost as large business' move into the area and promote their interests and products.

Lastly when the Rancho Temecula winegrape growers association was formed we wanted it to follow the old land grant boundaries, and this we did.

Thank you for taking the time to consider the many sides of this appellation, we realize it is complex.

Sincerely



Audrey Cilurzo



1980 CABERNET SAUVIGNON

(La Cresta & Long Valley Vineyards)

The small family owned and operated Cilorzo Vineyard & Winery is located in the exciting new Southern California wine-growing region of Temecula. Warm breezy days and cool dry nights make this unique micro-climate well suited for the production of premium varietal wine grapes.

This year we have created a well balanced Cabernet Sauvignon by blending wine made from grapes grown in the La Cresta and Long Valley Vineyards. La Cresta is a high plateau close to the Pacific Ocean and Long Valley is twenty-three miles inland. Both are a part of the Temecula region. An induced and controlled malo-lactic fermentation has given this 100% Cabernet Sauvignon a soft earthy quality rare in so young a wine. While very drinkable now it should continue to age gracefully for many years.

Much tender loving care goes into the vinifying of all our wines naturally in the style of the old country. Visit our winery or write and tell us how you like our Cabernet Sauvignon.

Vincenzo Cilorzo

CILURZO VINEYARD & WINERY
41220 Calle Contento
Temecula, California 92390
(714) 676-5250

CILURZO WINERY, LTD.

Confidential Private Placement Memorandum No. 2

Delivered to _____

August 23, 1982

DO NOT
DUPLICATE

Cilurzo Winery begins its annual crush



CILURZO WINERY is a family run operation as can be seen here with young Vinnie Cilurzo about to unload a lug of grapes that had been picked earlier in the day in the La Cresta area.



PICTURED ABOVE ARE RECENT WINNERS in fair competition for the Cilurzo Winery and Vineyard. The most recent being the Silver Award from the L. Orange County Fair for its 1980 Gamay Beaujolais and the Bronze Award from the Orange County Fair for Cilurzo's 1970 Petite Sirah.



Received
9/21/82
Linthicum

20

DICKENSON, PEATMAN & FOGARTY
ATTORNEYS AT LAW
809 COOMBS STREET
NAPA, CALIFORNIA 94558
TELEPHONE 707 252-7122

C. RICHARD LEMON

ST. HELENA OFFICE
1360 ADAMS STREET
TELEPHONE 963-7149

September 17, 1982

Mr. John Linthicum
Bureau of Alcohol, Tobacco
& Firearms
Room 6233
12th & Pennsylvania Ave., N.W.
Washington, D.C. 20226

Re: Temecula Appellation Petition

Dear John:

I am enclosing for your information and for the file a copy of an editorial and news article published recently in the Rancho News which is the newspaper published in the Temecula area. These clearly demonstrate that the general area is still known to many, and perhaps even most, local residents as "Temecula". Mr. Callaway's arguments that Temecula has never been associated with the whole area is simply erroneous.

Very truly yours,

DICKENSON, PEATMAN & FOGARTY



C. RICHARD LEMON

CRL:js
Enclosures

Editorial-Opinion

Rancho/Temecula: The I-15 wall

An invisible barrier exists between Temecula and Rancho California and it is time for that barrier to be torn down.

The Temecula Valley Chamber of Commerce is attempting to tear the stones out of the Temecula Wall through its Ambassador Committee, a good will type of organization that hopes to bring the two communities into the single community it should be.

The basis of the division is the fact that Temecula would probably still be a one-horse town, which many old time Temeculans would probably have no objection to, if not for the money and business brought here by KACOR and its Rancho California plan.

Of course, on the other hand, Rancho California would not be as attractive to individuals and businesses if not for the tremendous historical wealth of Temecula.

Rancho California was formed in 1964 when the Vail Ranch, which completely encircled Temecula and restricted its growth, was sold to Rancho California, a partnership composed of Kaiser Aluminum & Chemical Corporation,

Kaiser Industries and the Macco Corporation. In 1977, KACOR Realty was formed when Kaiser acquired the interest of Aetna Life and Casualty Company, its partner at that time.

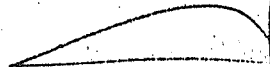
Ever since there has been a silent conflict within the area over what this place is called. Old time Temeculans maintain that this is Temecula while many of the newer residents claim to live in Rancho California.

I would like to propose a compromise that might be helpful in bringing the community together.

The whole area could be renamed Rancho Temecula. This name would keep the historical name of Temecula alive, while recognizing the historical and planned setting of the area as ranch lands.

As a further note, before the Vail Ranch existed there were several smaller ranches; one of them was called Rancho Temecula.

John Robert Moody



Chamber "ambassadors" are bridging the I-15 wall

by Ernie Castillo
Staff Writer

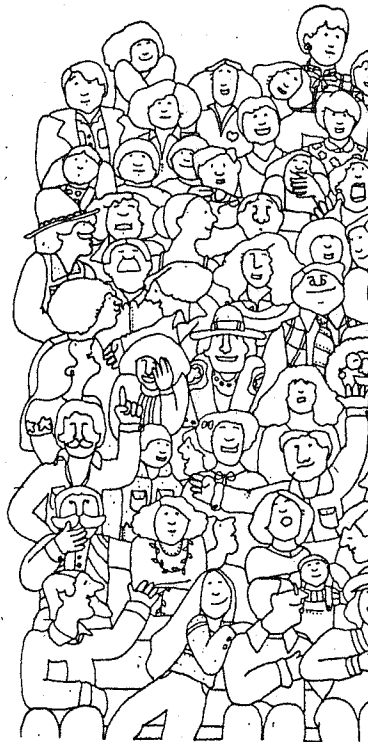
More than an asphalt freeway separates Temecula from Rancho California. And more than a concrete overpass is needed to bridge the gap.

"It's like there's two entities here," says Vicky Taylor, director of the Temecula Chamber of Commerce's ambassador committee. "Temecula would not be anything if KACOR wasn't here; Rancho California wouldn't be as successful if it didn't have the history and everything involved with Temecula. But there is some animosity here."

In an attempt to unite the two communities, the chamber recently established an ambassador committee, comprised of businessmen from throughout the area. A goodwill-type of organization, the group's priorities are to establish a liason between the chamber and the community, promote the chamber's monthly luncheons and mixers and, most importantly, tear down the invisible barrier that divides Temecula and Rancho California.

"Somehow, I'm hoping the ambassador committee will help," Taylor says. "It'll

Rancho



have to be through goodwill because, basically, that's what the committee will be. We're trying to correlate both communities together so they're one rather than two separate places because

Temecula



they are one and the same.

"There's a lot of dissension among the people that have lived in Temecula all these years and it's unfortunate because both areas need each other. The merchants

downtown are just as important as the merchants in the plaza, maybe more so."

Not surprisingly, the chamber is concerned about its image. Chamber President Jerry Smith and the board of directors are determined to make the chamber more "professional" and to that end, have scheduled guest speakers to discuss pertinent topics at the monthly luncheons. The ambassador committee, meanwhile, is trying to do something about the mixers' reputation as a watering hole.

To that end, committee members will be contacting local businessmen on a one-to-one basis and explaining to them what the chamber has to offer and where it is headed.

"This is a friendship type of committee," says Evelyn Harker. "We've got to go get new members and make them feel welcome. We're a grass roots organization, the ears of the chamber."

Adds Taylor: "There's a lot of people out there that really want to help. We want to know what they think. If we don't go out and ask them, we'll never find out. If they have a complaint or gripe, we want to hear it. It's the only way to get something done."

HOWARD G. DICKENSON
JOSEPH G. PEATMAN
WALTER J. FOGARTY, JR.
DAVID W. MEYERS
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C. RICHARD LEMON
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OF COUNSEL
ROGER D. PETERSON

Received
9/28/82
Linthicum
(21)

September 22, 1982

Mr. John Linthicum
Regulations and Procedures Division
Bureau of Alcohol, Tobacco and
Firearms
P.O. Box 385
Washington, D.C. 20044-0385

Attention: Notice No. 416, Proposal for Temecula Viticultural
Area

Dear Mr. Linthicum:

The originals of the photographs taken of vineyards in the Temecula Region was inadvertently not sent to you along with the comments submitted by us for Joaquin Ranch Company and McMillan Farm Management. I am referring to the photographs that are exhibits to Dr. Enrique Ferro's Declaration. While I am aware that my secretary sent you xerox copies of these photographs, I believe that the original photographs are necessary to appreciate the color references in Dr. Ferro's Declaration. I apologize for their inadvertent omission.

I would like to take this opportunity to add a few comments on "The Compromise" and attorney Robert Benson's comments of September 7, 1982 on behalf of Callaway Vineyard & Winery.

First of all, the "Compromise" is not a compromise. It is simply a modification of the Callaway Petition to reduce some of its absurdities such as straight line boundaries. The modified Callaway proposal must be seen for what it is: a simple political effort on the part of the Region's largest vintner, Callaway Vineyard and Winery, to use its economic muscle to fragment the growers and vintners in the Region by pitting the growers on the east side of the Highway 395 against the growers on the west side. Benson has utilized the economic pressure of Callaway Vineyard and Winery plus threats of litigation to work out the modified Callaway Petition.

From a viticultural point of view the modified Callaway Petition is not "remarkable." No viticulturally significant facts have been documented to legitimate differentiating the Region into two separate viticultural areas. Benson can still

Mr. John Linthicum
Reg. and Proc. Division
Bureau of Alcohol,
Tobacco and Firearms
Page Two

not quote a single recognized independent viticultural authority who supports either Callaway's original proposal or the modification. To the contrary, the weight of expert opinion is overwhelmingly against the Callaway Petition in both its original and modified forms.

Furthermore, Benson drastically exaggerates the extent grapegrowers in the Region have conceded to this modified Callaway Petition. Grapegrowers only owning 1,045 acres of vineyard in the area have signed the letter, not grapegrowers owning 1,627 acres. Mrs. Joan Hanley, a partner in Miramonte Vineyards (129 acres), and President of the Rancho California/Temecula Grapegrowers Association, has only signed the modified Callaway Petition as a second choice. She favors the modified Callaway Proposal over Callaway's original proposal; however, Mrs. Hanley's choice is still the Association Petition's Temecula Petition. To my knowledge no grower on the west side of the Region supports the modified Callaway Petition. Even some growers on the east side of Highway 395 have not capitulated to Callaway's efforts to demarcate an exclusive "Temecula". The reason why these growers have not agreed is simple: The modified Callaway Petition is still arbitrary, without any scientific foundation.

Like the original Callaway Petition, Benson's comments deliberately obfuscate the issues. Evidence of economic and political boundaries is simply irrelevant for demarcating the boundaries of viticultural areas. Benson's discussion of the ATF Murietta Proposal shows how absurd Benson's analysis is. "The [Murietta] area is within the Murietta School District, so there is that evidence that the area is associated with the name Murietta. . . . The rationale for choosing Cherry Street as a border is that it is the dividing line between the Murietta and the Temecula School Districts." These "rationales" are bogus. They are improper rationales for demarcating viticultural areas because they are without viticultural significance. If irrelevant factors are relied upon to differentiate viticultural areas, consumers will be misinformed and misled because they believe viticultural area designations relate to wine grape characteristics and quality. The Callaway Petition and its supporters have failed to document such a relationship.

Similarly, it is absurd to base viticultural area distinctions on sub area references used by real estate brokers such as La Cresta, Murietta, Pauba, etc. It is interesting but equally irrelevant that people living in the Region have referred in conversations with me to the area around Callaway

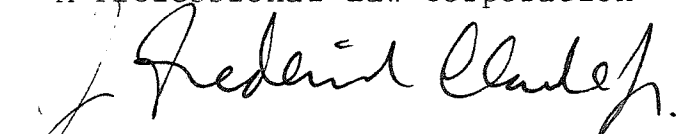
Mr. John Linthicum,
Reg. and Proc. Division
Bureau of Alcohol,
Tobacco and Firearms
Page Three

Vineyards as "Rancho California" and "Buck Mesa" as distinct from Temecula, Long Valley, La Cresta, Murietta, Santa Rosa Ridge, etc. Every geographic region has subareas which are called by separate names. But this does not justify officially designating each of those subareas by a separate appellation of origin.

I think it is clear from the lack of data supplied by Benson in both the Callaway Petition and his Comments that there is simply insufficient viticulturally relevant and reliable data on the soils, micro-climates, etc. at the present time to justify multiple appellations for this single Region. If well-documented scientific evidence of significant viticultural differences are not the basis for delimiting viticultural areas, then the entire rulemaking process becomes arbitrary and the legitimacy of the ATF's entire process is undermined. Since Callaway Vineyard and Winery is by far the largest vintner in the area it can exert a lot of political pressure on other growers* and vintners because of its economic power. But the political ability of Callaway Vineyard to induce some political agreement behind a modified Callaway Petition should not obscure the fact that there is no scientific basis to distinguish distinct and separate viticultural areas within the Region. Any such differentiation would simply be arbitrary and capricious and obviously vulnerable to being overturned in court.

Very truly yours,

DICKENSON, PEATMAN & FOGARTY
A Professional Law Corporation



J. FREDERICK CLARKE, JR.
Attorneys for Joaquin Ranch Company
and McMillan Farm Management

JFC:tj
Enclosures

cc: D. Lewis
R. McMillan
J. Hanley

Received
10/13/82
hinhbaum

(22)

BOREL VINEYARD MANAGEMENT
36371 Briggs Road
Murrieta, CA 92362

October 7, 1982

Chief, Regulations and Procedures
Bureau of Alcohol, Tobacco & Firearms
P. O. Box 385
Washington, D. C. 20044-0385

Re: ATF Notice #416

Gentlemen:

From 1973 - 1979 I was the vineyard foreman for McMillan Farm Management. During most of that time I was concerned almost daily with the operation of the large ARCO vineyard at Murrieta. Back in those earlier years I also was foreman when McMillan planted and managed the 350 acre Bell vineyard which is about eight miles east of the village of Temecula.

In 1979 I set up my own vineyard management business. Since then I have managed the 130 acre Miramonte vineyard, owned by Mrs. Joan Hanley. I also manage several smaller vineyards, mostly located near Calle Contento Road. All of these vineyards are located due east of Temecula, about five or six miles away from that town.

So, not only have I lived in Murrieta and farmed wine grapes there, but I have much experience managing vineyards east of Temecula.

Based on my experience I want to state that the grapes at ARCO's vineyard in Murrieta usually get ripe about five to ten days earlier than the same type of grapes at the vineyards east of Temecula.

If you have any questions, please advise.

Yours truly,

Leon Borel



ROBERT W. BENSON

ATTORNEY

Received
10/15/82
Benson

23

October 12, 1982

Chief, Regulations and Procedures
Bureau of Alcohol, Tobacco and Firearms
P. O. Box 385
Washington, D.C. 20044-0385

Attn: Notice 416

Dear Sir:

These are further comments of Callaway Vineyard and Winery, in response to the submissions you received on Notice 416.

Extent of Support

The overwhelming weight of the comments is clearly in favor of separate viticultural areas for Temecula and Murrieta (and possibly for La Cresta): (See attached list.)

-- Both the Murrieta and Temecula chambers of commerce favor separate appellations.

-- Of the 8 wineries in the region, 7 favor separate appellations.

-- These wineries have produced approximately 95% of all wines ever labeled Temecula.

-- Of the 2432 acres of vineyards in the region (2026 in Temecula, 325 in Murrieta, 81 in La Cresta), the owners of over 62% are on record favoring separate appellations (1518 in Temecula + 6 ((Hansen)) in La Cresta).

-- Owners of only 19% favor a single "Temecula" appellation (8 ((Cilurzo)) + 129 ((Hanley)) in Temecula, and 325 ((ARCO)) in Murrieta).

-- Owners of 19% have taken no position.

-- If you add Hanley, who signed the compromise agreement and at least finds separate appellations acceptable if not preferable, then the figure for separate appellations rises to 67%.

The original "Association" petition's claim to represent "virtually all" of the winegrowers in the region is no longer true, if it ever was, and the lawyers who wrote it now concede that only McMillan and ARCO are their clients. Mrs. Joan Hanley's letter of September 6, 1982 asserts that she speaks "on behalf of the Association," but the assertion simply has no basis, since no

quorum was ever gathered, no vote ever taken, and no authority ever granted to her to take a position. She refuses to disclose the Association's by-laws which could shed light on procedures for adopting Association policies. In addition, Mrs. Hanley told me a few days before she wrote to ATF that "the Association has no position now."

In sum, there are but two interests still favoring the single appellation idea: McMillan-ARCO, and Cilurzo Vineyard & Winery. It should be noted that McMillan is acting jointly with its client ARCO, but that it no longer speaks for its largest client, Brookside Vineyard Co. which has 373 acres in Temecula.

Events are rapidly outpacing our opponents' attempt to put Murrieta in Temecula. The ARCO vineyard is for sale. In the recent past, many of its grapes have gone to Robert Mondavi and The Monterey Vineyard and have been bottled under only a "California" appellation. Franciscan, the one winery which had bottled some Murrieta wines under a "Temecula" appellation, has not done so recently and we understand has no intention of doing so again. It is using a "California" appellation or a "Riverside County" appellation for the Murrieta wines--even for some that had previously been labeled "Temecula." (See attached Franciscan label.) Moreover, Franciscan, which had a long-term contract to purchase grapes from ARCO, this season for the first time sold 80 tons of Sauvignon Blanc and 20 of Chardonnay to Callaway from the Murrieta vineyard. Callaway is keeping these wines separate and, assuming satisfactory quality, intends to bottle them under the Murrieta appellation--contingent upon ATF establishment of the Murrieta viticultural area. The wines will be sold at the same price as Callaway's 1982 Temecula Sauvignon Blanc and 1982 Temecula Chardonnay. Callaway, in short, is putting its full commitment behind the development of the Murrieta appellation; consumers, and other wineries using Murrieta grapes, will be the beneficiaries, along with Callaway itself. The owners of the Murrieta vineyard will also benefit, although the present owners and managers are apparently blinded to this fact.

The McMillan-ARCO/Cilurzo Philosophy of Appellations

The opponents' philosophy is based not on a desire to refine the significance of appellations for consumers, but on a desire to make it easy to use a particular appellation by having loose standards for boundaries between place-names, soils, and microclimates. They want big areas, not small ones, rough

distinctions, not fine ones. So as not to seem merely grasping for a particular appellation, they make a philosophy of this. They denounce "the sheer number of viticultural areas" as a "cacaphony of appellations of origin. . . 'noise' and consequently of little value" and they appear to include in the denunciation the several dozen viticultural areas that ATF has either approved or is processing. (Comments to Notice 416 by C. Richard Lemon, September 8, 1982, pp. 39-40. "Lemon Comments.") (In addition, this is the philosophy of Les Wynston, a professor at Cal State Long Beach, who submitted a comment to ATF on Notice 416, as expressed to me in a telephone conversation recently. He told me he also opposes the Napa Valley appellation and the Carneros proposal, among others. He said he learned of Notice 416 from an industry member who had once been in his wine-tasting class.)

They are several years too late and in the wrong place with this philosophy. They should have addressed these views to ATF in the rulemaking hearings that led up to the adoption of ATF-53 in 1978. In ATF-53, ATF, with the virtually unanimous support of industry and consumers, adopted the opposite philosophy and put it into the regulations: For the benefit of consumers, and to prevent them from being misled by geographical claims, viticultural areas are encouraged--so long as they are based upon evidence that the name of the area actually is as claimed, and geographical evidence that the area actually is viticulturally distinct.

ATF has stuck to these regulations consistently. See, for example, these ATF actions:

Napa Valley proceeding: (full discussion in Callaway petition of September 11, 1981, pp. 13-14).

Carneros proceeding: Rejection of petition which failed to draw boundaries around area actually known as Carneros, Notice 412, 47 Fed. Reg. 24345.

Chalk Hill: Evidence "does not sufficiently establish that the proposed area is known either locally or nationally as 'Sonoma Chalk Hill.'", Notice 411, 47 Fed. Reg. 20322.

Chalone: Historical evidence to 1816 tracing name to Chabne family in the area, Chalone Peaks within adjacent National Monument, Chalone Creek encircling viticultural area on two sides, existence of Chalone Vineyard and Winery in viticultural for many years; last two factors omitted from Lemon Comments, p. 62; T.D. ATF-107, 47 Fed. Reg. 25517.

Lime Kiln Valley and Cienega Valley: "Due to slight differences in rainfall and temperature, ATF believes that Lime Kiln Valley exhibits distinct microclimatic characteristics which make it distinguishable as a separate valley from the larger, more generally defined, Cienega Valley." T.D. ATF-109, 47 Fed. Reg. 36126, and T.C. ATF-106, 47 Fed. Reg. 24295.

Mr. Lemon invites ATF to adopt his clients' philosophy of loose standards, despite ATF's regulations and consistent actions in cases like those above. ATF need not adhere closely to its own regulations, he asserts, because "ATF's authority is essentially discretionary." (Lemon Comments, p. 14.) Only the "arbitrary and capricious" standard of judicial review applies. (Id.) "Even if the region were not known as Temecula it would not preclude the ATF from designating the region as 'Temecula' All that the ATF need do is base their decision about nomenclature for the region upon 'a consideration of the relevant factors. . . and demonstrate a rational connection between the facts found and the choice made.'" (Id. at 62.)

This is just bad legal advice. The "arbitrary and capricious" standard is one of the applicable standards for judicial review (and the Lemon Comments as a basis of agency action would fail to meet that standard in any event), but it is also elementary administrative law that every agency is bound by its own regulations and failure to follow them would be overturned as action "not in accordance with law." (APA, 5 U.S.C. § 706 (2) (A) (1976).)

The Heart of Their Case: Outside Use

The heart of the opponents' argument is the claim that outside use of the name Temecula has caused the name to become "associated with wines from the entire region in the national wine consumer's mind." (Lemon Comments, p. 3.) Although Mr. Lemon failed to make this argument at all when he submitted the petition for the "Association," he now stakes his case largely upon it.

The Lemon Comments inaccurately state that Franciscan Winery used "Temecula" for wines made from Murrieta grapes in three years on six different labels. (Id. at 56.) Our evidence will show below that it was used as a front label appellation in a single year on one, possibly two, labels, and in another year in fine print on possibly three back labels. The Lemon Comments also state falsely that Cilurzo bottled and sold wine from

La Cresta under the Temecula appellation in three different years. (Id at 59.) The actual figure is one year. Mrs. Cilurzo makes a claim to four years of such usage, but then informs ATF that only one such wine has been released. (Cilurzo letter to ATF, undated, p. 2, ¶2.) As previously reported to ATF, Callaway had no knowledge of the Cilurzo usage until recent weeks. Callaway vigorously protested the Franciscan usage at once; the front label usage stopped, and the back label usage stopped after one more vintage. As mentioned above, our information is that Franciscan has no intention of labeling any more wines from Murrieta under the Temecula appellation and, in fact, has recently labeled them under a Riverside County appellation.

The opponents' claim of outside use has long been known in the law under the general rubric of "seeking to reap where they have not sown." More specifically, whenever someone has labeled his products with a geographical appellation of another area, the courts have always put a stop to it unless the outsider can show that he has been making the claim for so long that consumers no longer associate the geographical words with the true, original geographical origin.

The way the courts have dealt with these claims for 150 years or more is instructive. They could not permit outside use of just a few years to be sufficient for a geographical appellation to lose its original meaning. A few years of outside use is, just as a factual matter, hardly enough to turn consumer understanding. Moreover, if an appellation could be lost in such a short time, outsiders would be encouraged to pirate them: the small risk for a few years would be worth the possibility of bootstrapping oneself into legitimacy. Therefore, the law requires much more.

There are many cases, but see the leading ones of Pillsbury-Washburn Flour Mills Co. v. Eagle, 86 F 608 (1898), Calif. Fruit Cannery Ass'n v. Myer, 104 F 82 (1899), and FTC v. Walker's New River Mining Co., 79 F 82 (1935), 18 FTC Decisions 181 (1934) (the FTC Decisions volume shows the outside use had been in company name and advertising conspicuously for 5 years before the complaint). The major case in which the appellation was held to have been lost was French Republic v. Saratoga Vichy Co., 191 U.S. 427 (1903). Look at the facts on which it was lost (at 436-37):

"For thirty years the defendant, the Saratoga Vichy Company, has been openly and notoriously bottling and selling its waters under the name of the 'Saratoga Vichy'. . . . Under such circumstances, and in view of the further facts that other waters were openly manufactured and sold in this country under the name of Vichy, and that a manufactured water was dealt out by the glass under that name in innumerable soda water fountains throughout the country, as shown by the record in this case, it is impossible to suppose that the plaintiffs were not aware of these infringements upon their exclusive rights. It argues much more than ordinary indifference and inattention to suppose that the large amount of this rival water could be advertised and sold all over the country without the knowledge of their agents. . . no move was made against them for twenty-five years. . . ."

ATF's Napa Valley decision, in which it found the true geographic Napa Valley has come in popular understanding to include other sections of Napa County, was based on evidence of outside use dating back to "the early 1900s," and therefore stands for the same principle manifested in Vichy, Pillsbury, Calif. Fruit, Walker's New River, and the rest of the case law. The claimed outside use of the name Temecula by Franciscan and Cilurzo is not even a shadow of the long, open use required by the case law and ATF.

Name and Boundary Evidence in Lemon Comments

1) Inability to respond to the major name evidence (Lemon Comments pp. 38-39):

The Comments fail to respond to the 40 pages of name evidence submitted in the Callaway petition consisting of factual information on school districts, special service districts, postal delivery areas, telephone directory titles, local newspaper titles, chamber of commerce publications, a community opinion survey, the Heintz historical study, names used by Murrieta horse ranchers, the Skylark Gliderport, the contract between Franciscan and Joaquin Ranch Co., and signs posted near the Murrieta vineyard. The Comments dismiss all this as "irrelevant" to making viticultural distinctions. Of course it is irrelevant to making viticultural distinctions and, of course, that is not why ATF's regulations call for it nor why Callaway submitted it. Name and boundary

evidence is submitted so that ATF and consumers can be sure that the place labeled as the origin is actually known by the name and boundaries claimed. The political, economic and social data submitted by Callaway is precisely the kind that ATF has relied upon in all the other viticultural area proceedings. The opponents' claim that they need not respond to "irrelevant" data is an inartful legerdemain.

2) Rancho News article and editorial (Lemon Letter of September 17, 1982):

Forgetting the supposed "irrelevance" of this type of information, Mr. Lemon has submitted these news articles of September 1, 1982. We adopt them as our own. They refer to the long-simmering battle between the residents of the town and the area east of town who generally prefer to say they live in Temecula, and Kacor's desire to refer to that area, plus the rest of Vail Ranch, as Rancho California. The battle erupted 10 years ago when Kacor tried to rename the post office, and lost. In other words, the articles show that many people in Temecula even refuse to acknowledge that Rancho California overlaps the true Temecula. For them, Rancho California is nothing but the Kacor headquarters plaza plus its developments, none of which is Temecula, and they would probably send a posse after anyone who suggested that Temecula is all of Rancho California, including the Santa Rosa land grant, plus Murrieta. Thus, the articles refer to the "barrier," the "two communities," the "two entities."

3) The Indian name (Lemon Comments, p. 50):

Historical evidence is relevant only to show that today's name for an area really is the name by which it is known because it has long been known by it. The key is what consumers understand by the name today, because ATF is only trying to prevent today's consumers from being misled; it is not trying to grandfather old names into existence to protect industry interests. As Professor of Geography William K. Crowley put it in his report of June 4, 1982: "To argue that what the Indians or earlier settlers called Temecula is appropriate today is much like suggesting that what was known as Louisiana in 1803 (the Louisiana Purchase) is Louisiana today. A few folks in Arkansas, Missouri, Iowa, Minnesota and elsewhere would find that a strange claim, to say the least."

4) Leon Adams and Connoisseurs' Guide (Id. at 52-53):

The second edition of Leon Adams's book, from which the map is taken, was published in 1978 and the research for it completed in 1977. The map reflects the reality at that time that there was only one functioning wine region in southwest Riverside County, namely, Temecula. The Murrieta and La Cresta vineyards were just recently planted and had produced no wines on the market (except, possibly, under the "California" appellation, but we have no information of that). Naturally, then, the Adams book referred only to the Temecula wine region, since no one yet knew of a Murrieta-La Cresta region. (In addition, the Lemon Comments, at 42, distort Mr. Adams's views on the desirability of multiple, small appellations. See attached letter from Mr. Adams to Mr. Callaway, dated June 10, 1982, which sets forth Mr. Adams's views.)

The Connoisseurs' Guide merely reflects that Temecula is within Rancho California, as we have noted, and that both names apply to that portion. It is not credible that the Guide was declaring that Temecula is coextensive with all of Rancho California, and also taking a position on inclusion of La Cresta and Murrieta within Temecula. By 1980 when the Guide was published, no wine had been released from La Cresta showing a Temecula or La Cresta appellation, and it is unlikely that the authors were aware of the area. Franciscan had just released its "Temecula" Chardonnay and the issue was in the courts, with Franciscan arguing that Murrieta was in Temecula not because it was part of Rancho California but because it was close to the town of Temecula. In fact, Murrieta, a portion of ARCO's vineyard, and about 10,000 other acres in our opponents' proposed boundaries are not in Rancho California at all. So it avails them little to prove that Temecula is coextensive with Rancho California, for that would omit much of what they want in. Moreover, the Guide's omission of listings for La Cresta and Murrieta is no more surprising than its omission of Chalk Hill, Chalone, Lime Kiln, Cienega Valley, and dozens of other areas now being recognized by ATF.

5) Press accounts of the location of Temecula district (Id. at 54-58):

Without analysis, the Comments dismiss our petition's excerpts from 18 publications across the nation by saying they only attempt to equate Callaway with Temecula. On the contrary,

our petition made clear (at 52) that the press excerpts were offered to show that the name Temecula has been linked publically and widely with the district east of town and in the direct path of the ocean winds.

In contrast, the Lemon Comments are able to cite only two excerpts linking Murrieta wines with Temecula. The first is from a wine column in the Gardena Valley News, a twice-weekly local newspaper with a circulation of 14,000. The writer did not discuss vineyard locations, but made an indirect link between Murrieta and Temecula by saying that the taste of the 1978 Franciscan Chardonnay was that of Temecula. This writer will have the opportunity to taste the subregional differences when the Callaway 1982 Murrieta Chardonnay and 1982 Temecula Chardonnay are released. The second excerpt cited is from the Beverage Bulletin, a trade publication, and it merely paraphrased Franciscan's own press release.

The New York Times remark about the 1978 Franciscan Chardonnay does nothing to link Murrieta with Temecula, unless the readers knew the grapes originated in Murrieta. The remarks of wine critic Jerry Mead, and of the New York Times, about the 1977 Franciscan Riesling are nice but irrelevant since the 1977 was apparently made entirely or mostly from grapes grown east of town in the genuine Temecula. (See below.)

6) Outside use:

The Lemon Comments (at 56) claim "at least six" different wines were made from the ARCO vineyard and bottled under the Temecula appellation: Rieslings of '77, '78 and '79; Chardonnays of '78 and '79; and a Fume Blanc of '79. The authority footnoted for this statement is pages 61-63 of the Deposition of Justin Meyer, April 4, 1980. I attach copies of those pages. They refer only to the '78 Chardonnay and the three years of Rieslings. Regarding the '77 Riesling, Callaway's attorney asked:

"Q. From what vineyard did the grapes that went into that come from?

A. (Justin Meyer): I believe those came from several . . . I believe Hanley was one. I believe Simonoff was one. I believe ARCO was one. I believe McLaughlin was one. I believe Rancho California was one. There were any number."

All those vineyards except ARCO are east of town, in Temecula. Mr. Meyer could not recall what percentage, if any, came from ARCO in that wine:

"Q. The grapes that went into the '77, '78, and potentially the '79, in part have come from the ARCO vineyard?

A. I don't recall if '77 was involved. Definitely '78."

Thus, it is highly probable that the '77 Riesling met the 75% origin requirement, at the very least, and was accurately labeled as a Temecula wine.

With respect to the other five wines, only the '78 Chardonnay and possibly the '78 Riesling carried an appellation of Temecula on the front label. The three '79 wines put the word Temecula only on the back label in fine print in an inconspicuous manner.

It was Callaway's immediate protest that induced the deletion from the front label. The Lemon Comments state (at 8): "Callaway dismissed his suit before he learned that Franciscan was releasing its 1979 wines with a Temecula appellation on the back label instead of the front." It is always startling to see someone, even a lawyer, wander this far from the facts. For the actual facts, please see the attached correspondence from Callaway's attorney, Donald H. Dye, to Franciscan's attorney, dated September 22, 1980.

7) "Expert Testimony" (Lemon Comments, pp. 60-62):

The five experts are described as "people who are deeply knowledgeable about the wine industry." They might also have been described as deeply involved and self-interested in the Franciscan litigation, as each had financial or personal ties to ARCO or Franciscan. That kind of testimony has meaning only on the question of how the individuals perceive their self-interest; it is entitled to no weight on the question of disputed facts.

Soils and Topographical Evidence (Id. at 29-31)

The Comments dispute our expert evidence that the soils of the two areas are significantly different, and that Temecula is characterized by a low mesa while Murrieta is not. We stand by the existing soils maps, topographical maps, and reports of field inspections by Professor Harold P. Olmo and Mr. John R. Reid, all of which are unambiguous, which provide the kinds of evidence ATF has previously relied upon, and which flatly contradict our opponents' views. The only expert

opinion they offer in rebuttal is that of their vineyard manager, Enrique Ferro. Mr. Ferro is not only self-interested in the issue, but he is the source of the false "light wine" story which appeared in the local press, referred to in my letter of September 7, 1982 to ATF (at 8). He is not credible.

(Professor Olmo's 1980 statement on behalf of Franciscan is not inconsistent with his September, 1981 soils report to Callaway; I have asked him to clarify his two statements directly to ATF.)

Climate Evidence

1) Moramarco quotation (Lemon Comments, p. 19):

The only vineyards planted or planned at Rancho California in 1970 were on the mesa east of town, and it is clear that Mr. Moramarco was referring to that area (to which he will testify, if asked). See the additional quotation from Mr. Moramarco in the High Country Journal, 1979, referring specifically to the "higher levels of the Pauba Ranch." (Callaway petition, p. 72.) Nor is Mr. Moramarco the "only viticultural expert" we cite in support of our position that the region is varied enough to warrant subappellations, as oddly claimed by Mr. Lemon. We are supported by the opinions of Professor Olmo, Professor Crowley, Leon Adams, most of the major local growers, John Poole, Joe Hart and the other local vintners except Cilurzo.

2) The "second wind" (Id. at 22-24):

Neither we nor Dr. Krick denied the existence of other winds which can be plainly seen on the wind pattern map following page 69 of our petition. They are, as the opponents at last concede, different winds from the one entering through the Rainbow Gap which directly influences Temecula. The winds coming over the Santa Rosas are, together with the high elevation, largely responsible for the cooler temperatures in La Cresta, and are part of the region's general marine influence. They do not cool Murrieta in the same way, or as forcefully, or to the same extent that the Rainbow Gap wind cools Temecula. The situation is somewhat analogous to that of the Sonoma, Russian River, and Alexander Valleys, where different winds create distinct microclimates. See attached newsletter from Chateau St. Jean Winery.

Mr. Joseph Orlando's first statement to ATF, and Mr. A. Kasimatis's affidavit of July 27, 1981, both forgot to mention the existence of this "second wind." My guess is they forgot it because it simply cannot be felt as obviously as can the strong, steady wind from the Rainbow Gap which is the subject of day to day weather chat. Note the most important sentence in Mr. Orlando's statement: "To my knowledge, there are several microclimates within the proposed viticultural area of 'Temecula'." Mr. Kasimatis says, indirectly, the same thing: "Within this winegrowing region there are no more significant variations than exist in other viticultural areas such as the Napa Valley appellation." And Mr. Dimitri Tchelistcheff's letter from Hawaii echos the identical point. Each of these three gentlemen advise ATF to ignore these subregional variations, without acknowledging that ATF has relied precisely upon such variations to define numerous other subregional viticultural areas.

3) Temperature data (Id. at 24-27):

The statement that the data submitted by the "Association" for 1971-73 indicate that ARCO is cooler, is false. The thermograph location for SR-11 appears to be in the higher elevations of the Santa Rosas, near La Cresta, and not at ARCO vineyard.

The Comments concede that the standard heat-summation method is inadequate, but then adduce three years of such data (Exhibit E) without putting it in the adequate form of 24-hour averages. He have released our averages for the same period, and are ready to release them for any other period. McMillan-ARCO has unconscionably refused to release their data in response to our challenge and ATF's request. We again challenge them to release all relevant and comparable data. At some point, I believe ATF will have to draw the line at dealing with parties who do not come forward openly with relevant information; at very least, ATF should rule that they have failed to meet their burden of persuasion.

4) Harvest dates, sugar levels (Id. at 27-28):

Callaway harvested some grapes for champagne starting August 12 last year and September 3 this year. Champagne grapes are necessarily picked before full maturity (18.7° Brix on September 3 this year). ARCO began its general harvest on August 12 last year and completed it by September 2 for all varieties. The general harvest in Temecula began August 27 and was not completed for the same varieties until about September 15. Callaway picked some Chardonnay last year at 24.6° Brix, some days after ARCO had picked its Chardonnay at 23-24. It is universally known that last season was noted

for its hot spell which suddenly ripened many of the varieties virtually overnight.

We agree that it is difficult to get accurate comparisons of general vineyard maturity, because small patches may be more affected by elevation, age of vines and other factors than by the microclimate. The microclimate, however, indisputably has an overriding affect on general vineyard maturity, and this affects the character of the resulting wine. We think it can be said that the microclimate accounts for the clear differences in maturity in the Sauvignon Blanc, for example, harvested at ARCO and Callaway on the same days this season and all crushed at Callaway:

ARCO 81.8 tons, Sept.8-9, 1982, combined must of 23.8° Brix.
Callaway 40 tons, Sept. 8-9, 1982, combined must of 22.1° Brix.

In order to get a truer picture of the overall differences in grape maturation at the two vineyards, Callaway suggests that it release to ATF its records of sugar, acid levels, and harvest dates, by variety, for the entire 1500 tons of grapes it crushed this year, and for the entire crush of several past years. We challenge McMillan-ARCO to inform us which years they wish to compare, and to release their records for the same years.

The Cilurzo Comments

Mrs. Cilurzo's letter of September 10, 1982 draws unfair and incorrect inferences from my telephone conversation with her. I made the point that it would be better for local people to resolve our own differences rather than have the government do it for us. I told her we thought the Cilurzo '79 Cabernet label was unfair and misleading and that we would have taken legal action to protest it if we had known about it earlier. Ironically, Mr. Lemon takes us to task for not suing Cilurzo over the label (Lemon Comments at 60), while Mrs. Cilurzo thinks it is unfair to have mentioned the subject. I also repeated to Mrs. Cilurzo our point that there is no legal basis for extending the name Temecula to areas not known by that name, and said that we would feel compelled to defend that in court in necessary. I strongly deplored that possibility because it is in our, and everyone else's, interest to have it resolved as quickly as possible. No threats were made or implied.

The various materials submitted by Mrs. Cilurzo seem to raise four main points:

1) Outside use:

Mrs. Cilurzo writes (first letter, undated): "We believe four years has established La Cresta as a Temecula wine on the Cilurzo label." There has been but one year of prior use. The label was that of the 1979 Cabernet which Mrs. Cilurzo states was the first wine Cilurzo made from La Cresta. Very small amounts were made (she puts total annual production at 8000 cases for all wines), so not many consumers ever saw the label. Nor is it surprising that we never saw the label. We previously mentioned to ATF that our FOIA request for all label documents showing Temecula appellations failed to turn up any Cilurzo labels.

As for the wines from the other three years, Mrs. Cilurzo's letter indicates that the 1980 has not yet been released, the 1981 is in barrels, and the 1982 is just being crushed. Since the public has seen no labels on these wines, it is entirely inappropriate to offer them as evidence that the public associates the name La Cresta with the appellation Temecula. (The text of the 1980 label, incidentally, stating that La Cresta is "part of the Temecula region" is a bald attempt to decide by label ipse dixit the very issue before ATF.)

2) Postal zip areas:

Mrs. Cilurzo declares several times that the entire Rancho California area, including both east and west sides, and including the ARCO vineyard, is within the Temecula Post Office zip code area. This belief is factually incorrect, as we point out in our petition at 30-32 and discuss further below.

3) Newspapers, etc. referring to Rancho California:

The Cilurzo materials include 39 pages of photocopies from periodicals. I am uncertain what point Mrs. Cilurzo was making with these pages. Some 37 of them help establish the fact that the name given in local commerce to refer to the entire region is Rancho California, and not Temecula. One of the pages (titled "California or Bust") does not appear to relate to this issue at all, and the remaining page shows a photo of Mrs. Cilurzo's son unloading a "lug of grapes that had been picked earlier in the day in the La Cresta area," thus providing more evidence that La Cresta is known as La Cresta and not as Temecula. Since these materials support our position, we wish to adopt them as our own evidence.

About 5 of the 39 pages show businesses with addresses reading "Rancho California, Temecula, CA 92390." These are undated, but appear several years old (from the \$22,950 price of homes and other indicia of age). They probably reflect the early efforts by Kacor to rename the Temecula Post Office. Whatever the 5 pages reflect, however, they are nevertheless consistent with our point that Rancho California overlaps the subarea of Temecula. If I understand Mrs. Cilurzo, she seems to reason as follows: a business uses the Temecula zip but states its address as Rancho California; therefore, Temecula and Rancho California are the same place. The fallacy is her failure to recognize that the areas simply partially overlap and the overlapping portion is served by one post office.

4) The La Cresta interests:

Mrs. Cilurzo, Mrs. Hanley, and the Lemon Comments appear to speak as if they represent the growers in La Cresta and the wineries which use La Cresta grapes. Yet the only La Cresta growers who responded to ATF's notice are the Hansens who favor separate viticultural areas. In addition, Mr. Joe Hart of Hart Winery made Cabernet from La Cresta this season, and plans to make Cabernet, Chardonnay and Sauvignon Blanc from there next year. He has signed the compromise agreement and has told me in several conversations that he would prefer to use the Murrieta or a separate appellation for the La Cresta wines. Mr. Doug Anderson, owner of South Coast Cellar in Gardena, has made several wines from La Cresta grapes, though none are released (except one blended wine). He told me in a recent telephone conversation that he would prefer to use a separate appellation for the La Cresta wines. He has released one wine with La Cresta grapes blended in; on it, his back label accurately denoted the grapes as from "La Cresta district, Rancho California, Riverside County." (See attached label.)

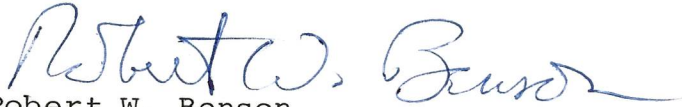
A Final Question

If our opponents' wish were granted and ATF designated the entire 100,000 acre region as "Temecula," what would they call that 33,000 acre district east of town when, in some future year, it became clear that the district deserves its own appellation? The only name applicable to denote that

Callaway Comments to ATF
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October 12, 1982
Page 16

33,000 acre district is Temecula, yet that would be the one name forever precluded from use on the ground that it had been pre-empted as the regional appellation.

Sincerely,



Robert W. Benson
Attorney, Callaway Vineyard and Winery

cc: Mr. Ely Callaway
Mr. I. M. Wilson-Smith, Hiram Walker & Sons

attachments:

- 1) List of growers and vintners who favor separate appellations
- 2) Franciscan 1978 Riesling label
- 3) Letter from Leon D. Adams to Ely Callaway, June 10, 1982
- 4) Pages 61-63, Deposition of Justin Meyer, April 4, 1980
- 5) Letter from Donald H. Dye to David Gilbreth, September 22, 1980
- 6) Excerpt, Chateau St. Jean Newsletter, Spring/Summer 1982
- 7) South Coast Cellar 1978 First Night Cabernet Sauvignon label

GROWERS AND VININERS WHO FAVOR SEPARATE
 APPELLATIONS: TEMECULA, MURRIETA, LA CRESTA

Callaway Vineyard and Winery (Hiram Walker & Sons)	145 acres
Mr. Ely Callaway (individually), Vignes Hills Vineyard	160 acres
Mr. Hugo Woerdeman, Glenoak Hills Winery	
Mr. Joseph Hart, Hart Winery	10 acres
Mr. R.C. McCracken, Brookside Vineyard Co.	373 acres
Mr. John H. Poole, Long Valley Vineyards Mount Palomar Winery	150 acres
Mr. Keith Kaarup, Mesa Verde Vineyards & Winery	141 acres
Dr. John R. Piconi, Piconi Winery	6 acres
Dr. William C. Filsinger, Filsinger Winery	60 acres
Mr. Leonard Spacek, Bell Vineyard	391 acres
Mr. Daniel J. Gorman, Cleo's Vineyard	40 acres
Mr. Charles Keagle, Keagle Vineyard	22 acres
Mr. William Simonoff, (Vanley Vineyard),	20 acres
Mr. and Mrs. Phil Hansen, Hansen Vineyard, La Cresta (favors "Murrieta Ridge" or similar name, rather than "La Cresta")	6 acres

1524 acres



FRANCISCAN

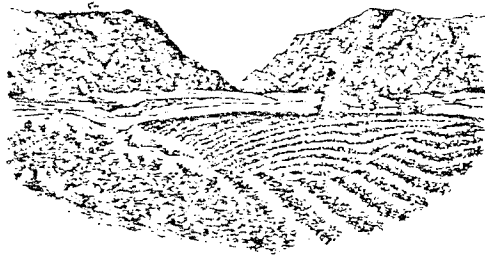
1978

RIVERSIDE COUNTY

Johannisberg Riesling

Produced and Bottled by
FRANCISCAN VINEYARDS

Rutherford, California. U.S.A. Alcohol 11.8% by Vol.



CALLAWAY
Vineyard & Winery

June 8, 1982

Mr. Leon Adams
P.O. Box 218
Sausalito, California 94965

Dear Leon:

Referring to our recent conversations about the attempt to define appellations of origin for our region, I would appreciate it if you would answer these questions for us:

- 1) Can you tell us briefly the background and purpose of American appellations of origin for wine?
- 2) In your view, will a grape growing region of this size (100,000 acres) support three different appellations of origin?
- 3) Does a separate appellation for an area the size of Murrieta make sense for wineries and winegrowers?
- 4) Can you give us a brief sketch of your own familiarity with this area and what you know of the differences in grape growing conditions here?

Thanks kindly.

Warm regards,

Ely Callaway

ERC:rg

LEON D. ADAMS

SAUSALITO • CALIFORNIA 94965 •

June 10, 1982

Mr. Ely R. Callaway
Callaway Vineyards & Winery
Temecula, CA 92390

Dear Ely:

This is to answer the questions in your letter of June 8.

First, I think I should tell you that the purposes of the current efforts to establish appellations of origin for American viticultural districts are being misunderstood by the public, by most members of the winegrowing industry, and even by some members of the ATF, the federal agency responsible for approving the appellations. The original and basic purpose of defining these geographic appellations was to make it possible for the federal government to enforce a key provision of the federal wine laws and regulations, which is to protect the public by prohibiting wine labeling and advertising from containing "any statement that is false or untrue in any particular."

During the late 1960s and early 1970s, when the spectacular increases in consumption of table wines were attracting a great deal of attention, grape growers, wineries, and the wine trade were impressed with the fact that good table wines labeled with such appellations as "Napa Valley," "Sonoma, and "Finger Lakes" were bringing higher prices than table wines without such appellations. Growers in Mendocino County, in particular, got behind a request to the ATF to permit "North Coast" on labels of table wine; they wanted the ATF to recognize it officially and to prevent its use on any wines not grown in three northern coast counties. There was considerable controversy about this; and at its height, some ATF staff officials began asking the officials of the principal winegrowing states to inform the federal government of the boundaries of their winegrowing districts, in order that the government agency which approves wine labels might disapprove any labels bearing untrue claims of origin and could prosecute anyone wilfully using such false labels. Officials of the states were unable to delimit their wine districts, but some were willing to try to establish agencies and procedures to make such determinations. Growers and vintners objected, however, because they thought politics might influence the fixing of district boundaries. The upshot of the controversy was general agreement that only a federal agency, less likely to be influenced by local pressures, could be trusted to determine impartially the boundaries of viticultural districts producing premium-priced wines. My recollection is that the ATF showed great reluctance to assume this kind of responsibility. I testified at public hearings on wine regulations that the ATF should not delay in setting up procedures to approve viticultural district boundaries. Others testified to similar effect. Those hearings were held in April of 1976.

The ATF then began preparing to undertake the job. It was necessary to write an entire additional chapter of regulations on procedure, but this was finished and was published in 1978. With the procedure defined, the ATF was finally prepared to define some geographic boundaries of viticultural districts. In preparing the procedure, ATF personnel became

inspired to copy the procedures used in European countries such as France, whose appellation contrôlée system has influenced comparable systems in Spain, Portugal, Italy, and Germany, and subsequently in other neighboring states. Districts granted government-approved appellations in Europe regard them with pride; and in many instances winegrowers in the recognized districts have become encouraged to improve their viticultural practices and thus to improve their wines. This has occurred in Europe, not yet in the United States.

But the ATF officials became sufficiently inspired to want to hasten the process. To speed the U.S. districts in petitioning for appellations, the ATF decided that no "estate-bottled" American wine labels could be used after January 1, 1983 unless the labels also contained viticultural district appellations already approved by the ATF.

More than fifty petitions for appellations were filed with the ATF during 1981. The number of petitions is approaching a hundred, having been filed from almost all of the thirty-seven winegrowing states. More than a dozen petitions were granted during 1981. With many more pending, the ATF has said it may extend the deadline for "estate bottled" labels beyond next January if a district's petition for an appellation is at least on file.

There has been a great deal of publicity about the two competing petitions that propose to fix the boundaries of a "Temecula" viticultural district. The publicity has enhanced the high-quality reputation of Temecula district wineries and of their wines. If I understand the petitions, one would enclose some 100,000 acres within the boundaries of a Temecula district; the other would enclose only about 33,000 acres. Only a fraction of these areas is as yet planted to vines. The second petition goes on, however, to propose the approval of two additional viticultural areas, one to be called "Murrieta" and the other "Rancho California."

You ask my opinion of the feasibility of dividing the approximately 100,000 acres encompassed by the first petition into the three separate or neighboring districts proposed in the competing petition. My answer is that each viticultural area should be separately defined if there are differences in climates and/or soils that would influence the character of the wines grown therein.

Differences in the climates or soils of districts or in the character of wines made from grapes grown in the districts are the principal reasons for the boundaries fixed for viticultural districts in the European countries, whose procedures influence the procedures the ATF has adopted for the delimitation of viticultural districts in the United States. For example, I recently counted more than fifty delimited districts within the some 110,000 acres of vineyards of Bordeaux, and the same kinds of differences accounted for the overlapping some Bordeaux districts within the boundaries of others.

As to your question as to whether the Murrieta district is large enough to merit a separate appellation, I doubt that it is nearly as small as such tiny Bordeaux districts as Pauillac, Saint-Julien, Barsac, or Ste. Foy.

What I recall about the Murrieta district is that some years after the repeal of National Prohibition in 1933, a fruit distillery operated briefly there and was said to have closed because the climate in that vicinity was drier than in the vineyard districts closer to the Pacific coast. I also recall

having passed through Murrieta on a field-research trip in 1967. My friend of many years, Philo Biane of that old Southern California winegrowing family, was taking me from Cucamonga, which is warmer than districts closer to the coast, to show me the new vineyard near Temecula planted under his supervision. I remember his mentioning, when I spoke of the fruit distillery that had operated at Murrieta, that Temecula was much cooler than Murrieta. That trip was mentioned in Chapter 17 of the first edition of my THE WINES OF AMERICA, published in 1973.

One of the little-understood aspects of the delimitation of viticultural districts is about the small size of some districts which produce distinctive wines. If the trend toward establishment of viticultural districts continues, small districts within the boundaries of the Napa Valley district are likely to be recognized; and in my second edition I so predict for Spring Mountain, Diamond Mountain, and Mount Veeder, because of the differences between their climates and those of the Napa Valley floor. Speaking last month at Sonoma on the establishment of viticultural districts, I commented that the approval of the "Sonoma Valley" district gives that district an advantage over the Napa Valley, which is much larger in area than the delimited Valley of the Moon. The smaller the district that produces fine wines, the higher prices its wines will command on the market, and the higher will be the value of the land within the district, on which the fine wines are grown.

With best regards,

Yours,

A handwritten signature in cursive script, appearing to read "Leo D. Adams". The signature is written in dark ink and is positioned below the typed name "Yours,".

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF RIVERSIDE

--c0o--

CALLAWAY VINEYARD
AND WINERY,

Plaintiff,

-vs-

FRANCISCAN VINEYARDS,
INC., a California
corporation,

Defendants.

No. 135373

--o0o--

DEPOSITION OF JUSTIN MEYER

--o0o--

Napa, California
Tuesday, April 4, 1980
11:03 A.M.

--o0o--

Reported by: _____
C.S.R. No. _____



• RUTH M. BARRUS, C.S.R. • CERTIFIED SHORTHAND REPORTERS •
• CHARLES E. SIMS, C.S.R. • NOTARIES FOR NAPA/SOLANO COUNTIES

• SOLANO COUNTY OFFICE: 1129 TUOLUMNE STREET • VALLEJO, CALIFORNIA 94590 • (707) 242-5761 •
• NAPA COUNTY OFFICE: P.O. BOX 117 • NAPA, CALIFORNIA 94558 • (707) 224-2100 • (916) 254-1242 •

1 A Well, I would re-emphasize that I don't think that the
2 Temecula region has been that clearly defined, but if you're
3 asking my personal theory, when I think of Temecula, I think
4 roughly of the Rancho California area.

5 Q Well, if it has not been clearly defined, what, if you
6 know, went into the decision to call it '78 Chardonnay,
7 "Temecula, California Chardonnay" as opposed to say "Murrieta,
8 California" or "Rancho California"?

9 A Because there's only one grape growing region there, in
0 my opinion. There is not two. And if the name is Temecula,
1 that's what it is. If it's Rancho California, that's what it
2 is.

3 Temecula is the way I have heard it referred to by
4 everyone in the world, but Ely Callaway, last August. So I
5 have no reason ever to believe that the vineyard isn't
6 Temecula, so if I'm going to name it, what else do I call it?

7 A Now the vineyard you're talking about is the Murrieta
8 Vineyard or --

A Yes.

9 Q -- Arco Vineyard?

A Yes.

0 Q Or the San Joaquin Vineyard?

1 A Yes.

2 Q Who refers to it as the Temecula Vineyard?

3 A The Temecula region.

4 Q So there is a region known as Temecula, at least as you
5 have heard it?

6 A People refer to it as Temecula, a grape growing region in
7 that area.

8 Q Prior to the 1978 Chardonnay we have been talking about,

has Franciscan produced any other wine using Temacula, California as its appellation of origin?

A Yes.

Q What was that?

A It was a Johannisberg Riesling.

Q From what vineyard did the grapes that went into that come from?

A I believe those came from several.

Q Do you recall any of them?

A Yes. I believe Hanley was one. I believe Simonoff was one. I believe Arco was one. I believe McLaughlin was one. I believe Rancho California was one. There were any number.

Q Except for the Arco vineyard you mentioned, are any of the vineyards from which those grapes came on the west side of Highway 395?

A No.

Q Was the Arco vineyard you referred to the one on the west side of 395?

A Yes.

Q What percentage of the grapes that went into the Johannisberg Riesling came from that vineyard?

A I don't recall because there were so many involved.

Q Would it have been less than five percent?

A It's changed every year.

Q Was there only the one year that you produced the Temacula Johannisberg Riesling?

A We're still producing it.

Q What year was that?

A '77, '78, and probably soon be '79.

1 Q The grapes that went into the '77, '78, and potentially
2 the '79, in part have come from the Arco vineyard?

3 A I don't recall if '77 was involved. Definitely '78.

4 Q Now other than Franciscan's use of Temecula, California as
5 an appellation of origin, are you aware of any other winery
6 other than the Callaway that uses it?

7 A I believe there are several.

8 Q Do you know of any other?

9 A Well, I'm not an authority on other people's business, but
10 I would venture the guess that Brookside does. There's a
11 small winery called Cilurzo that does; I believe that Mc.
12 Palomar uses that appellation. And I don't know if there are
13 any more. I understand there are some more wineries starting
14 down in that area, but I believe all of those people might
15 be using Temecula.

16 Q Are you aware of any of them using Temecula with regard
17 to grapes grown other than on the east side of 395, in Rancho
18 California area?

19 A Well, again I do not know their business.

20 Q Are you aware of the vineyard marketing program that
21 Rancho California developed back in late Sixties, early
22 Seventies?

23 A Evidently not, but if you would like to refresh my memory.

24 Q Do you know if your evaluation of Rancho California was
25 ever used as part of a marketing program of their sales?

26 A I would suspect that the purpose of my evaluation was
27 part of their marketing program.

28 Q Was your evaluation primarily aimed at what is referred to

September 22, 1980

David B. Gilbreth, Esquire
Dickenson, Peatman & Fogarty
Attorneys at Law
809 Coombs Street
Napa, CA 94558

Re: Callaway Vineyard and Winery v.
Franciscan Winery, Inc.

Dear Dave:

I was pleased to see that the most recent release of Franciscan Chardonnay produced by grapes from the Murietta vineyard does not carry Temecula as its appellation of origin. I enclose a copy of the front Label and side Label in the event you have not already seen it. Had your client limited the appellation of origin on its 1978 Chardonnay to the same extent that it has seen fit to do on its 1979 Fume Blanc and Chardonnay, the litigation initiated by Mr. Callaway would not have been necessary. Accordingly, in an effort to maintain the tacit settlement of the dispute between our clients, I have been instructed by my client to dismiss the subject lawsuit without prejudice to Callaway's rights to renew the action in the event the Temecula appellation should be misused in the future.

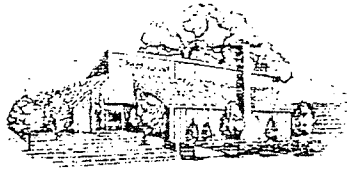
Very truly yours,

REID, BABBAGE & COIL

Donald H. Dye, Inc.

DHD:cr
Enclosures

cc: Ely Callaway



FRANCISCAN

1979

CALIFORNIA

Chardonnay

Produced and Bottled by
FRANCISCAN VINEYARDS
Rutherford, California, U.S.A. Alcohol 12.4% by Vol.

1979 CALIFORNIA Chardonnay

To preserve the delicious, melon-like aroma and rich character of the Chardonnay grapes in this wine, the fruit was harvested at a peak of ripeness and the juice left in contact with the skins for approximately six hours after crushing. Then I allowed the wine to ferment dry and placed it in oak barrels for two months. This elegant wine will complement any flavorful fish or poultry dish, from a delicate fillet of sole to a hearty roast turkey.


WINEMAKER
FRANCISCAN VINEYARDS

Varietal Composition	100% Chardonnay
Vineyard Location	Temecula, California
Harvest Dates	September 13-18, 1979
Sugar at Harvest	24.2° Brix
Alcohol	12.4% by volume
Total Acid	0.68% by volume
Residual Sugar	Dry — 0.15 gm/100 ml
Cooperage	New 52 gallon American oak barrels
Aging Potential	Excellent

Name, Address and Telephone No. Attorney(s)

REID, BABBAGE & COIL (DHD)
3800 Orange Street
P. O. Box 1300
Riverside, CA 92502
Telephone: 714/682-1771

Space for Use of Court Clerk Only

ENDORSED

FILED SEP 24 1980

FLORENCE W. CUNNY, CLERK
BY I.F. MORGAN
DEPUTY CLERK

Attorney(s) for Plaintiff

SUPERIOR COURT OF CALIFORNIA, COUNTY OF NAPA
(SUPERIOR, MUNICIPAL, or JUSTICE)

(Name of Municipal or Justice Court District or of branch court, if any)

Plaintiff(s): CALLAWAY VINEYARD AND WINERY

CASE NUMBER 41325

Defendant(s): FRANCISCAN VINEYARDS, INC., etc.

(Abbreviated Title)

REQUEST FOR DISMISSAL

TYPE OF ACTION

- Personal Injury, Property Damage and Wrongful Death:
 - Motor Vehicle
 - Other
- Domestic Relations
- Eminent Domain
- Other: (Specify) Complaint for Preliminary and Permanent Injunction

TO THE CLERK: Please dismiss this action as follows: (Check applicable boxes.)

- 1. With prejudice Without prejudice
- 2. Entire action Complaint only Petition only Cross-complaint only
- Other: (Specify)*

REID, BABBAGE & COIL

Dated: September 22, 1980

By: Donald H. Dye
Attorney(s) for Plaintiff, Callaway Vineyard and Winery
Donald H. Dye
(Type or print attorney(s) name(s))

*If dismissal requested is of specified parties only, of specified causes of action only or of specified cross-complaints only, so state and identify the parties, causes of action or cross-complaints to be dismissed.

TO THE CLERK: Consent to the above dismissal is hereby given.**

Dated:

Attorney(s) for
(Type or print attorney(s) name(s))

**When a cross-complaint (or Response (Marriage) seeking affirmative relief) is on file, the attorney(s) for the cross-complainant (respondent) must sign this consent when required by CCP 581(1), (2) or (5).

(To be completed by clerk)

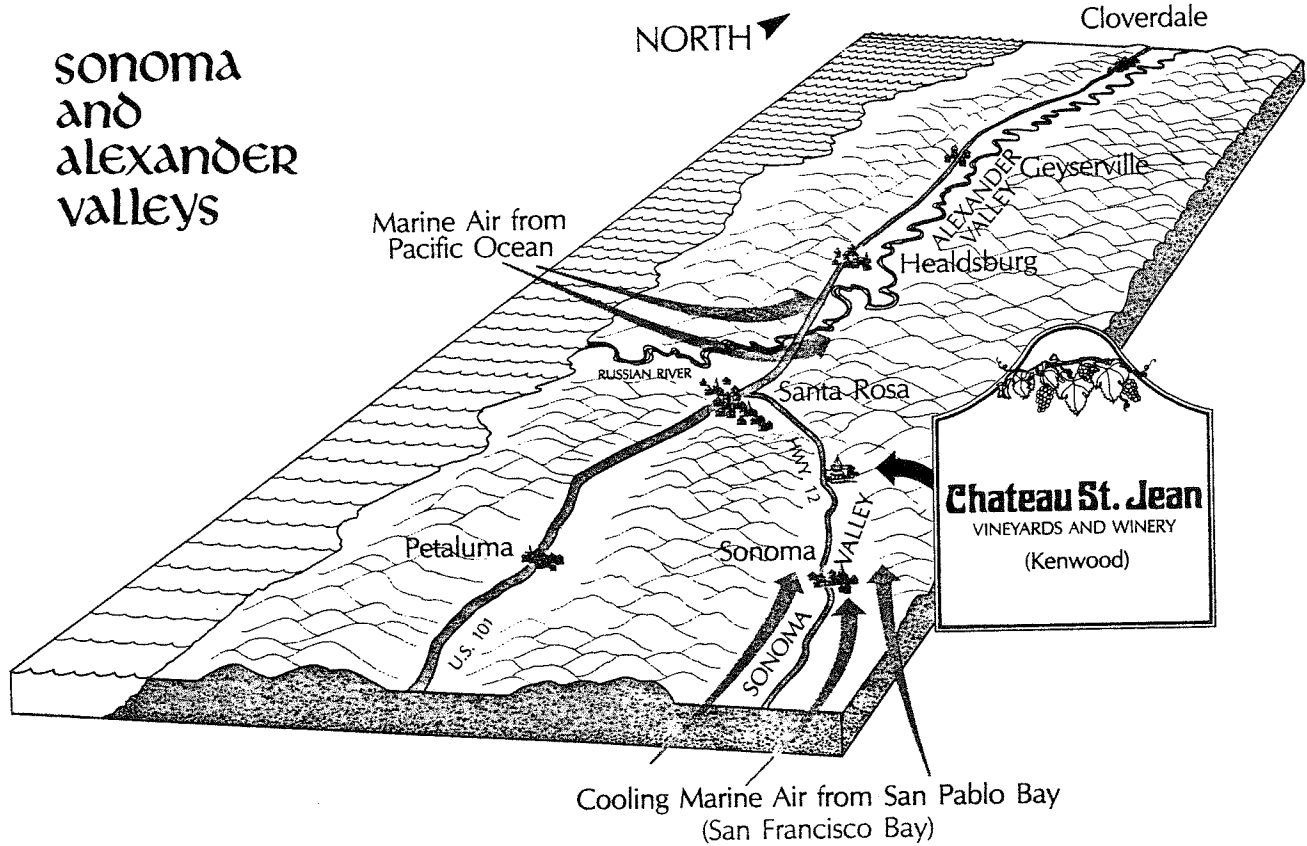
- Dismissal entered as requested on SEP 24 1980
- Dismissal entered on as to only
- Dismissal not entered as requested for the following reason(s), and attorney(s) notified on

SEP 24 1980

FLORENCE W. CUNNY, Clerk
I.F. MORGAN, Deputy

Dated:

sonoma and alexander valleys



The Russian River acts as a "funnel" for air from the Pacific Ocean. Marine air from San Francisco Bay is drawn through Sonoma Valley's wide mouth and is channelled to the valley's end.

Terre Vineyard, and Robert Young Vineyard.

For a wine to carry an appellation such as "Sonoma County," at least 75% of the wine must come from that area of appellation, whereas the broad term, "California," means the wine can originate anywhere in the state. A specific vineyard designation means that 100% of the wine must be produced from the specified vineyard.

We now know that there are at least 14 areas within Sonoma County where microclimate and soil combine to form a specific viticultural area. However, only four major regions have petitioned for appellation: Sonoma Valley, Alexander Valley, Dry Creek Valley and Russian River Valley.

The first regional appellation to be approved within Sonoma County was "Sonoma Valley." Another Sonoma County appellation, which currently has formal government approval pending and which has been used for some time by Chateau St. Jean, is "Alexander Valley." Although the Alexander Valley lies only a few miles northwest of the Sonoma Valley, the two areas differ considerably in climate and soil, and these distinctive differences are apparent in the wines. We thought you might be interested in some reasons why these differences occur.

Sonoma Valley temperatures are influenced by fogs which extend northward through Sonoma from San Pablo Bay, whereas in the other three areas, the Russian River seems to be the dominant factor, serving as a conduit for marine cool-

ing direct from the Pacific Coast.

Soils also vary widely, but in general we can say that in Alexander Valley they are very rich and deep, alluvial or loam, while in other areas within Sonoma County they tend to be relatively shallow, red soils high in iron oxide. Hence, yields tend to be higher and vines more vigorous in Alexander Valley than elsewhere in the County.

When Barney Fernandez joined the Chateau, he was charged with the duty of locating vineyards in the County that would best produce distinctive grape varietal characteristics. First he ruled out many vineyards because he felt the combination of varietals, soil types and microclimate was incorrect. He then turned his attention to the viticultural practices of growers whose vineyards were still under consideration. He soon discovered that these practices varied dramatically and had a major influence on quality, perhaps even more than soil or climate. The grape growers we have contracted with, like ourselves, have an investment in quality and take pride in achieving it. Our growers are willing to put in the extra effort that makes the difference between good quality and great quality.

Once we found what we considered to be the finest vineyards, each farmed by dedicated growers, it then fell to our winemaker to bring out those distinct regional differences in our wines and to bottle them separately so that wine lovers could enjoy the subtle variances. This is

South Coast Cellar

First Night
Cabernet
Sauvignon
California
1978

TABLE WINE PRODUCED & BOTTLED BY
SOUTH COAST CELLAR BW 4768 GARDENA, CA

South Coast Cellar

WINE STYLE:

A light red wine produced with just 24 hours of skin contact. Other wines made by this technique are known as "vins d'une nuit" in numerous localities in France. Our 1978 "First Night" Cabernet Sauvignon is a rather more serious wine than its prototypes and is most enjoyable with lighter entrees when briefly cooled to about 15° C (60° F). This wine has not been fined or cold stabilized and therefore will throw a tartrate deposit if severely chilled.

CULTIVARS AND VITICULTURAL AREAS:

- 40% Cabernet Sauvignon, La Cresta district, Rancho California, Riverside County
- 40% Cabernet Sauvignon, Santa Maria district, Santa Barbara County
- 20% Merlot, Santa Maria district, Santa Barbara County

THE WINERY:

South Coast Cellar is a small urban winery dedicated to the production of both traditional full reds and our lighter "first night" style wines, principally Cabernets, from cool climate vineyards of the south and central California coast. We are open for tasting by appointment only.

12901-B Budlong Avenue, Gardena, California 90247
(213) 324-8006

Bob John
Steve
Dan
Bob Benson
ERC

NO: ATF NOTICE 4/6

Received
10/21/82
Oct. 13/

Received
10/21/82
Printed



-RWB.

Rancho Consultants Co., Inc.

(24)

28636 Front Street • Rancho California, CA 92390 • (714) 676-5736

SALES INFORMATION SHEET

300 ACRE VINEYARD - JOAQUIN RANCH
MURRIETA, CALIFORNIA

The H Res Vineyard
at
- Murietta -

One of the largest white premium varietal vineyards in California is available for purchase in Rancho California, California.

The property is included within a 2130 acre master planned community centered around the Jack Nicklaus "Bear Creek" Golf Course, recently completed and scheduled to open in spring of 1983.

The vineyard, located approximately one mile off Interstate 15 between Los Angeles and San Diego, is in the fastest growing community in Riverside County, Rancho California.

The total property is approximately 380 acres (300 acres planted). An excellent potential winery location exists in a five acre, 100 year old eucalyptus grove. The following chart outlines the type of grapes and production numbers.

Variety	Yr. Planted	Approximate Number Of Vines	1981 Production (tons)	1981 Revenue	1982 Production (tons)
Pinot Chardonnay	1974	40,600	306	214,452	394
White Riesling	1974	54,000	398	192,139	707
Savignon Blanc	1974	25,800	243	164,428	250
Chenin Blanc	1980	4,233	0	0	32

Totals 947 \$571,019 1383

The vineyard is presently managed by McMillan Farm Management of Temecula. A unique feature of the vineyard is its complete private water system, with wells that pump 3500+ gallons per minute, which is in excess of the vineyard's needs. The only cost is electricity and pump maintenance.

The vineyard is presently being subdivided into 10 and 20 acre parcels, with the intention that a development agreement will be executed by all purchasers assuring a five year maintenance program that will continue the integrity of the vineyard.

The purchase price of the entire 380 acres is \$5,900,000. Terms of sale are \$1,500,000 cash down at closing, balance financed over seven years, terms to be negotiated.

If you are interested in all or part of this excellent investment, please call David Lowry at (714) 676-4131 to arrange a mutually agreeable time to inspect the property and receive additional data.

"Specializing in Rancho California"

15

395

380) 6000 (1/6 Be River #
 350
 2200
 280

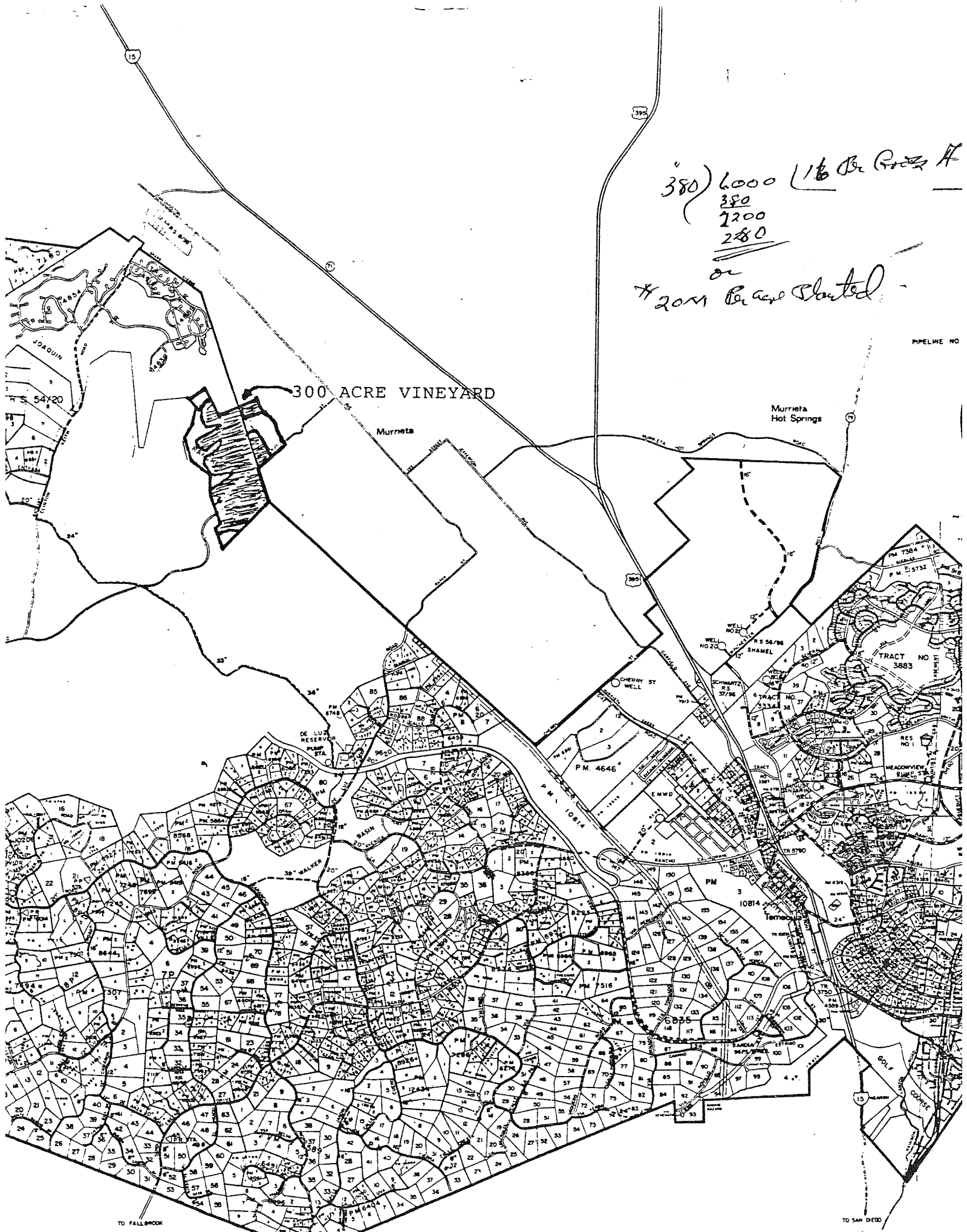
or
 # 20M Be acre started

PIPELINE NO

300 ACRE VINEYARD

Murreta

Murreta Hot Springs

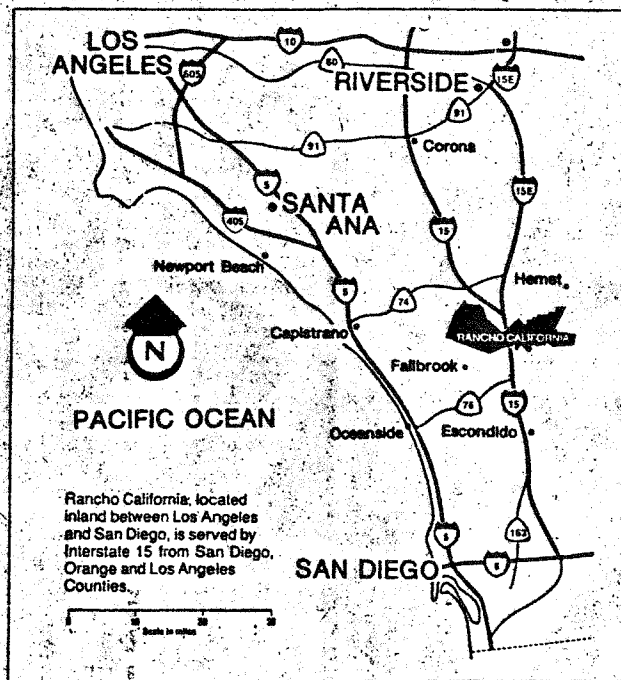


TO FALLBROOK

TO SAN DIEGO

RANCHO CALIFORNIA

1300 ACRES



ADJACENT TO NICKLAUS GOLF COURSE-RESIDENTIAL DEVELOPMENT

- ★ SPECIFIC PLAN APVD.
- ★ SEWER PLANT—600,000 GAL.
- ★ PRIMARY WATER INSTALLED
- ★ UTILITIES AVAILABLE
- ★ MAIN ACCESS RD COMPLETE
- ★ 775 SINGLE RESIDENTIAL LOTS
- ★ 140 CONDO UNIT SITE
- ★ TOWN CENTER
- ★ VINEYARD—(1200 TONS)

100 ACRES CHARDONNAY
50 ACRES FUME BLANC
150 ACRES CHENIN BLANC

*Should Be 130 acres of
White Riesling
(Comp. 15 acres)*

FOR SALE ALL or PART 213-486-2273

Received
10/27/82
Birtlow
(25)

HOWARD G. DICKENSON
JOSEPH G. PEATMAN
WALTER J. FOGARTY, JR.
DAVID W. MEYERS
EUGENE R. KIRKHAM
C. RICHARD LEMON
FRANCIS J. COLLIN, JR.
HERBERT W. WALKER
DAVID B. GILBRETH
CHARLES H. DICKENSON
ANNE M. KIRLIN
J. FREDERICK CLARKE, JR.

DICKENSON, PEATMAN & FOGARTY
A PROFESSIONAL LAW CORPORATION
809 COOMBS STREET
NAPA, CALIFORNIA 94559-2977
TELEPHONE 707 252-7033
October 22, 1982

ST. HELENA OFFICE
1360 ADAMS STREET
TELEPHONE 963-7149
OF COUNSEL
ROGER D. PETERSON

Chief, Regulations &
Procedures, Bureau of Alcohol
Tobacco & Firearms
P.O. Box 385
Washington, D.C. 20044-0385

Re: Notice 416 "Temecula"

Dear Chief:

These are further brief comments of McMillan Farm Management and San Joaquin Ranch Company, in response to the comments of Callaway Vineyard & Winery, through their attorney Robert W. Benson, dated October 12, 1982.

First of all, the Benson letter misstates the basic thrust of the Comments of McMillan Farm Management and San Joaquin Ranch Company. It is not based on a philosophy of "loose standards" for viticultural area boundaries. Rather, it is based on the philosophy that viticultural area distinctions should be based on scientifically documented, viticulturally relevant, factual data that has been compiled over a significant period of time. As the history of viticulture in the Region grows and grapes are planted more widely within the Region, I am sure that there will develop a great deal of consensus about the existence of distinctive areas within the Region. However, viticultural knowledge about the Temecula Region is simply insufficient at the present time to legitimately divide the Region up.

In particular, there is insufficient evidence on "climatic variation" within the Region. This is the most important factor from a viticultural point of view. Consequently, I have made efforts to retrieve data accumulated by Kaiser Aetna in their ten year study of climatic variation within the Region. Unfortunately, much of this information seems to have been lost. What is left is extremely incomplete. The temperature data that was submitted by the Association along with their original petition as well as that submitted as part of our Comments to the proposed rulemaking came from the Kaiser Aetna study.

Second, Benson assumes what he is trying to prove when he says that "the heart of the opponent's argument is the claim that outside use of the name Temecula has caused the name to become associated with wines from the entire region and

Chief, Regulations &
Procedures, Bureau of Alcohol,
Tobacco & Firearms
Re: Notice No. 416
Page Two

in the national wine consumer's mind'". (Benson letter at page 4.) Our comments to the proposed rulemaking fully demonstrated that the name "Temecula" is associated with the entire Region in the consciousness of the national consumer and the wine industry. The name "Temecula" is applied to many subareas within the Region which Callaway Vineyards and Winery is also "outside of", most notably the unincorporated town of Temecula. Many residents of the unincorporated town refer to the eastern side of the Region as "Rancho California" because it is the heart of the Kaiser Aetna development.

Third, contrary to Benson's assumption, grape maturation information based on harvest dates and sugar levels is not a valid means to make inferences about micro-climates. (See Benson letter pages 12-13.) Viticultural practices such as irrigation and pruning have a huge impact on grape maturation. Similarly, Ely Callaway's winemaking philosophy would tend to skew harvest dates. Ely Callaway believes that the grape quality is directly related to the length of time the grapes remain on the vine. Consequently, Callaway Vineyards and the other vineyards from which Callaway buys grapes manipulate the vines in order to delay harvest as long as possible. (See interview of Ely Callaway in R.W. Benson, Great Winemakers of California.)

Fourth, Benson erroneously asserts that Mr. Leon Adams supports the Callaway Petition (Benson letter at page 11). Mr. Adams says on page 2 of his June 10, 1982 letter to Callaway:

You ask my opinion of the feasibility of dividing the approximately 100,000 acres encompassed by the First Petition into three separate or neighboring districts proposed in the competing petition. My answer is that each viticultural area should be separately defined if there are differences in climates and/or soils that would influence the character of the wines grown therein.

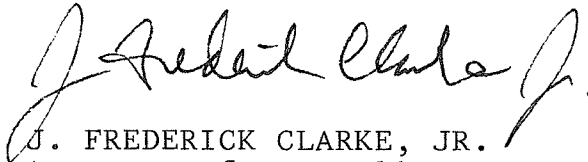
But no where does Adams assert that sufficient differences have been scientifically established. He only mentions one casual conversation he had once about temperature differences between "Murietta" and "Temecula". Whether significant factual differences exist and identifying the boundaries of this variation is the very crux of the matter.

Fifth, Mr. Benson asks a "final question": what would the eastern part of the Region be called if in the future the accumulation of scientific documentations shows that it does indeed deserve a distinctive appellation? I would like to answer Benson's question. I would suggest the name "Rancho California". This is the name which local residents seem to use to refer to the eastern part of the Region to distinguish it from other areas such as the town of Temecula. It already has some national prominence and association with the wine industry through Kaiser Aetna promotions. A perfect choice.

Chief, Regulations &
Procedures, Bureau of Alcohol,
Tobacco & Firearms
Re: Notice No. 416
Page Three

Sincerely,

DICKENSON, PEATMAN & FOGARTY
A PROFESSIONAL LAW CORPORATION

A handwritten signature in cursive script, reading "J. Frederick Clarke, Jr.", written in black ink.

J. FREDERICK CLARKE, JR.
Attorneys for McMillan Farm
Management & San Joaquin Ranch
Co.

JFC:tj

cc: D. Lewis
R. McMillan
J. Hanley

Received
11/6/82
P. O. Box 385
26

Chief, Regulations and Procedures
Bureau of Alcohol, Tobacco & Firearms
P. O. Box 385
Washington, D.C. 20044-0385

October 25, 1982

Attn: Notice 416

Dear Sir:

It has come to my attention that both Callaway Vineyard & Winery and the Joaquin Ranch Co. (ARCO) have submitted to ATF statements by me regarding the vineyard areas of Temecula and Murrieta. I would like to clarify the statements.

In my April, 1980 declaration, made in connection with a lawsuit between Callaway and Franciscan, I stated that I saw "no reason to consider the grapes from one vineyard as coming from a separate or different viticultural area than the grapes from the other vineyard." I was speaking here of the absence of reasons based upon legal definitions or custom, as paragraphs 5, 6, 7 and 8 suggest. At that time, ATF had not yet begun to define viticultural areas in the region. My reference was not to the soils, climate and other viticultural criteria which ATF is now investigating as the basis for defining appellations of origin.

On August 25, 1981, at the request of Callaway Vineyard & Winery, I visited the area and carried out a direct field inspection of the soils. Previous visits to the area had been for other purposes. I inspected the soils at Callaway Vineyard and others nearby in the area east of the town. I also inspected the ARCO vineyard at Murrieta, accompanied by former USDA soil conservationist John Reid, Callaway vineyard manager John Moramarco and his son, and Callaway attorney Robert Benson. I was introduced to Richard McMillan of McMillan Farm Management, and we were led on an inspection of the vineyard by Dr. Enrique Ferro, vineyard manager.

In my report on this inspection, dated September 1, 1981, I drew the conclusion that: "Since the soils of the two vineyard regions are of entirely different origin and orientation, it is very likely that the wines produced in the two areas will also differ." Now that ATF is attempting to define grape growing areas there and throughout the country on the basis of viticultural criteria, this conclusion would be a relevant viticultural reason for distinguishing between the Temecula and Murrieta areas.

Sincerely,



H. P. Olmo
Professor of Viticulture, Emeritus

Refrain
Received
11/8/82

(27)

November 1, 1982

Chief, Regulations and Procedures
Bureau of Alcohol, Tobacco and Firearms
P. O. Box 385
Washington, D.C. 20044-0385

Attn: Notice 416

Dear Sir:

In connection with your proposals to delimit viticultural areas in southwest Riverside County, I have previously made two written statements about the climate in that region. These were submitted to you by Mr. C. Richard Lemon, on behalf of McMillan Farm Management and the Atlantic Richfield Co. Because my statements were included among extensive comments and arguments by Mr. Lemon and others, some of which go beyond my own statements, I believe I should clarify exactly what I did and did not say.

1. I stated that the entire region (the general Rancho California area) is influenced by marine air which makes the region cooler than surrounding areas, and for this reason I said that it would be appropriate to delimit the region as a viticultural area.
2. I took no position on what name should apply to that area.
3. I stated that there are several microclimates within that region, but that they are no more significant than the microclimates within the Napa Valley and Sonoma. This also means that those variations are no less significant. If the government is delimiting viticultural areas in Napa, Sonoma and elsewhere on the basis of these microclimatic differences, it should do the same in southwest Riverside County.
4. I stated that: "On the western ridge, which comprises the Santa Rosa Land Grant, summers are cooler and the humidity buildup is greater than that in the eastern portions of Rancho California." This statement does not refer to the vineyard area owned by ARCO at Murrieta. It is based on data from weather stations SR-8 and SR-11, on the ridge at the higher elevations of the Santa Rosa Mountains. The ARCO vineyard, in my experience, is generally somewhat warmer during the growing season than either the Santa Rosa ridge or the area east of the town of Temecula. Those three areas have different microclimates, and could warrant separate appellations.

Sincerely,

Joseph Orlando

Joseph Orlando

ROBERT W. BENSON

ATTORNEY

Received
11/16/82 (28)
R. Benson

November 12, 1982

Chief, Regulations & Procedures
Bureau of Alcohol, Tobacco & Firearms
P.O. Box 385
Washington, D.C. 20044-0385

Re: Notice 416

Dear Sir:

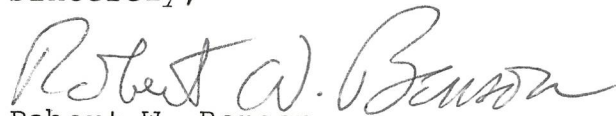
The McMillan-ARCO lawyers have now (letter of October 22, 1982) suggested that the viticultural area east of the town of Temecula be called "Rancho California"--at some future date when enough "scientific documentation" is accumulated to satisfy them that the area is indeed viticulturally distinct.

Their absurdity has now come full circle: They first wish to rename Rancho California as Temecula, and then to rename Temecula as Rancho California. Aside from the fact that Rancho California is the one name that has clear, established, region-wide boundaries, and most definitely does not refer merely to the subarea east of town, Rancho California is also the one name that no other winegrower in the region supports, and which most vehemently oppose. When we originally suggested a Rancho California appellation for the entire region, we found that the name was disliked by the winegrowers, and so withdrew our suggestion.

The letter of October 22nd also declines to meet our challenge to release to ATF harvest dates and grape maturity records for the complete crush for the past several years. The letter asserts that Callaway's late picking practices (no longer the Callaway practice, incidentally) would distort the comparison. This makes no sense, since the comparisons would be between maturity levels on various dates, not between the dates themselves.

With respect to the letter's remarks about the views of Mr. Leon Adams, we think Mr. Adams's letter of June 10, 1982 speaks very clearly for itself.

Sincerely,



Robert W. Benson
Attorney, Callaway Vineyard & Winery

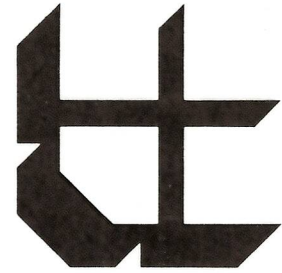
cc: Mr. Ely Callaway
Mr. Leon Adams
Area winegrowers

Received
1/24/83
Rumple

43

RCT DEVELOPMENT

31878 Camino Capistrano, Suite 278
San Juan Capistrano, California 92675
714 661-1705



January 17, 1983

Chief Regulations and Procedures Division
Bureau of Alcohol, Tobacco and Fire Arms
P. O. Box 385
Washington, D.C. 20044-0385

Attention: Notice 438

Dear Chief:

I am the owner of five acres in La Cresta which has the potential for growing grapes. I purchased the property with this intention and plan to develop the vineyard in 1984.

I wish to go on record as supporting the Association Petition that would include my acreage in the viticultural area of Temecula.

Thank you very much.

Sincerely yours,

Robert C. Theel

RCT:jbm

Received
2/8/83
Rudman

44

HOWARD G. DICKENSON
JOSEPH G. PEATMAN
WALTER J. FOGARTY, JR.
DAVID W. MEYERS
EUGENE R. KIRKHAM
C. RICHARD LEMON
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February 4, 1983

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OF COUNSEL
ROGER D. PETERSON

Chief, Regulations and Procedures Division
Bureau of Alcohol, Tobacco & Firearms
Department of the Treasury
P.O. Box 385
Washington, D.C. 20044-0385

Attention: Notice No. 438 (Temecula Viticultural Area Rule-
making.)

Subject: Historical Documentation of Use of the Name "Temecula"

Dear Chief:

At the public hearing on January 20, 1983, Mr. Tom Hudson gave an eloquent presentation on the historical use of the name "Temecula" as the descriptive name for the entire region. Mr. Hudson distilled his talk from his book, A Thousand Years In Temecula Valley (Temecula Valley Chamber of Commerce 1981). The purpose of this letter is to expand and document Mr. Hudson's remarks by referring to certain pages and passages of this book. A copy of A Thousand Years In Temecula Valley is enclosed with this letter and submitted to the ATF for consideration as part of this rulemaking.

This letter will introduce and identify certain pages and passages in Mr. Hudson's book that identify a geographical area to which the name "Temecula" has historically been applied. Parts of the book will be quoted here as well as referenced. Other parts of the book will be simply summarized and referenced.

First of all, "[t]he area known as Wolf Valley is actually a spur of Temecula Valley. While composed mostly of hilly land, Rancho Pauba is also generally considered a part of Temecula Valley" (p.4). (Wolf Valley is south of the Temecula River; State Route 16 runs through it.)

Hudson also tells us that the Temeku Indians ruled over the entire region proposed for inclusion in the Association petition's Temecula viticulture area:

The white man's immediate predecessor here was the Temecula Indian. His domain was large for a people whose only means of travel was on foot. To the south it included what is now known as Wolf Valley and extended into the hills where it encountered land of the Pala Indians. To the west it extended into the mountains, through Temecula Canyon, and probably included most or all of the high table land later known as Rancho Santa Rosa. We can presume that the Temeculas foraged West until they came to the domain of the coastal Indians. To the east they were free to harvest acorns on the slopes of Palomar Mountain and to forage and hunt up the Temecula River toward the Cupeno Cahuilla tribes. And finally, to the north their long valley extended about twenty miles to include a big lake to which they gave the name Etengvo Wumoma, liberally translated as Hot Springs by the Little Sea. The Spaniards, when they came, called the lake Laguna de Temecula or more popularly, Laguna Grande. When the town of Elsinore was founded the name was again changed - this time to Lake Elsinore. (p. 8, emphasis added).

On page 14 Mr. Hudson describes the Spaniards coming into Temecula Valley "with the big lake at their feet sparkling in the sun and, far to the South, a light ocean mist drifting into the valley through a great gorge that slashed the mountains."

On pages 16 to 18 Mr. Hudson opposes the view that the early name for the region was Temeku. He argues for Temecula.

On pages 25-26, Mr. Hudson describes how the Temecula Valley was divided up into various Mexican land grants. He tells a tale of the further development of these various ranchos that make up the Temecula Valley in pages 33-36.

In discussing the "Treaty of Temecula" and the fact that at one time there was a recommendation that a vast Indian Reservation be established, much larger than the one outlined in the Treaty of Temecula, Mr. Hudson describes this proposal:

It would embrace the entire Temecula Valley, including all of both Ranchos' Temecula and Laguna and La Laguna, and it would extend South to the Mexican border. (p. 46, emphasis added.)

Mr. Hudson makes other references to the geographical extent of Temecula Valley in describing the coming of American settlers:

Among other early arrivals in Temecula Valley were William Moody and Daniel Cline. They came to the valley in 1853 and built a roadhouse known as The Willows about three miles North of the present town of Temecula. (p. 51).

Another reference comes in the context of describing the route of the Butterfield Stage:

John Magee's store at Temecula was one of the stations. Another station in Temecula Valley that may have been used on occasion was The Willows between present Temecula and Murrietta. The Willows must have served only as an emergency station as it is not mentioned in published timetables of the Great Overland Mail. At the North end of the valley, the Machado home became a regular stop for stages before adobe blocks in its walls had time to dry. (p. 53)

The Temecula Post Office was approved on April 22, 1859 - the seventh post office to be established South of the Tehachapi Mountains. Only Los Angeles, San Gabriel, Monte, San Pedro, San Diego, San Bernadino, Tejon, and Fort Tejon preceded Temecula in having a post office in Southern California (p. 55). With the local post office's long history as Temecula (which Mr. Hudson chronicles, page 55-67), it is not surprising that there was so much objection to Kaiser's proposal that the name be changed to Rancho California Post Office, that the proposal was turned down. (p. 64).

Mr. Hudson also describes how in the late 19th Century, the area around Lake Elsinore began to be disconnected from the rest of what had also been known as Temecula Valley:

In that same year, 1883, Rancho La Laguna was purchased by Franklin Heald, William Collier and Donald Graham. The land would never again serve as a cattle ranch. The three partners subdivided most of it and founded the town of Elsinore. For a few years after that, home sites were advertised for sale, "at the North end of Temecula Valley." Then, with the change of the lake's name from Laguna Grande to Lake Elsinore the entire land grant became known as Elsinore Valley and eventually as Lake Elsinore Valley. Temecula Valley had thus been reduced somewhat in size. (p. 77-78).

It is interesting too that Murrieta Hot Springs was called by the Indians, Tengveo Temecula. Until the late 19th Century the residents similarly referred to the springs as "Temecula Hot Springs." (p. 78).

In Chapter 13 of the book, Mr. Hudson discusses the Temecula granite industry that existed from the later part of the 19th Century to 1915. The granite came from Wolf Valley, which Mr. Hudson describes as a "spur" of Temecula Valley. (p. 91-95).

Mr. James Vail Wilkinson in his comment letter to the proposed rulemaking says that the Vail family always referred to their ranch as being in "Temecula". In this regard, it is interesting to note that Mr. Hudson describes "Walter Vail's name [becoming] synonymous with the Valley of Temecula in 1904 . . ." (p. 107). The Vail ranch "included the southern

portion of Rancho Temecula, the northern portion of Rancho Little Temecula and all of Rancho's Pauba and Santa Rosa. The four land grants, or portions thereof, comprised 87,500 acres . . . " (p. 108 emphasis added). Therefore, the Vail Ranch included the higher land on the Santa Rosa plateau which is now sometimes known as La Cresta. Still, as part of the Vail Ranch, this area was known by the Vail family as Temecula. The Kaiser Aetna's development known as "Rancho California" was the successor to the Vail Ranch (p. 113).

Walter Vail's son, Mahlon, gave a mountain lion to the Los Angeles Zoo that had been captured on the Santa Rosa area of the ranch. Mr. Tom Hudson's account of how the lion was displayed at the Zoo makes it clear that the Vail family regarded their ranch as being located in Temecula:

"Ten years later, in 1927, after the Los Angeles Zoo has been moved to Griffith Park, James A. Brown visited the Zoo. The main attraction, as far as he was concerned, was a mountain lion glaring at everyone who stopped to look at it. On its cage was a sign: SALLY, CALIFORNIA MOUNTAIN LION, FELIS CONCOLOUR, courtesy of Mr. Malone Vail, Temecula, California.

Someone had written on the sign: "Where the hell is Temecula?" (p. 118).

Chapter 23 of Hudson's Temecula Valley is entitled 'Beyond the City Limits'. The introduction of this Chapter goes as follows:

No history of Temecula Valley would be complete without at least a background account of neighboring communities that played a part in the making of that history. The name Temecula implies something more than just one village, or just one valley for that matter. Its connotation is wider than that. In fact, many first settlers referred to the entire surrounding countryside as "The Temecula". (p. 169, emphasis added).

Both Mr. Hudson's testimony at the public hearing and his book, A Thousand Years In Temecula Valley gives strong support to the Association Petition's claim of a strong historical precedent to call this entire viticultural area by the name "Temecula".

Thank you very much for your attention.

Very truly yours,

DICKENSON, PEATMAN & FOGARTY


J. FREDERICK CLARKE, JR.

cc: McMillan
Lewis
Cilurzo
Hanley

Received
2/9/83
Rutherford

45



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February 2, 1983

Chief, Regulations & Procedures
Division
Bureau of Alcohol, Tobacco & Firearms
P.O. Box 385
Washington, D.C. 20044-0385

Dear Sir:

I want to thank you for the opportunity to appear at the Temecula appellation hearing. I would like to reiterate that, in my opinion, all the data satisfying your appellation criteria would indicate that, at least at this time, there should be only one growing region in the so-called "Temecula" area. Certainly the data I presented indicate there are no more soil and climatic differences than we see in already approved appellations, such as Napa Valley, Sonoma, etc.

My last comment is that as I think more about it and consider it parallel to Napa Valley, the proper name for the region would probably be Temecula Valley. It certainly has the configuration of a valley, what with the common watershed, and naming it Temecula Valley would make it parallel to Napa Valley, which then has smaller cities within the regions, such as Napa, Yountville, Oakville, Rutherford, St. Helena, and Calistoga. This would incorporate Temecula, Murietta, and other townships, quite nicely without confusing the public as to whether Temecula is Murietta, or vice versa.

Chief, Regulations & Procedures Division
February 2, 1983
Page Two

I commend you in your efforts to establish appellation designations in area where there is some disagreement, between the locals, as to boundary lines and names. It is not an easy task.

Sincerely,

Justin Meyer
Winegrower

JM:pt

Received
2/10/83
Rothman

46

Date

Chief Regulations &
Procedures Division, Bureau
of Alcohol, Tobacco & Firearms
Department of the Treasury
P.O. Box 385
Washington, D.C. 20044-0385

Attention: Notice #438

Dear Chief:

I am a wine grape grower who owns vineyard land located in the Temecula Region on the eastside of Highway 395. I am writing in response to your extension of the written comment period for the rulemaking on the Temecula Region until February 20, 1983.

I believe that the entire region should be designated as "Temecula" as advocated by the Association petition. It seems to me that what makes the Temecula Region notable is its relative coolness in contrast to the rest of Southern California. This climatological feature which is shared by the entire region is what makes this area suitable for premium wine grape production. This shared feature of the entire region is far more significant than the minor viticultural differences that exist within the Temecula Region.

While Kaiser Aetna has promoted the name "Rancho California", as a referent for the region, the name "Temecula" seems to be reasserting itself as the preferred name for the entire region. This is reflected in the recent choice of "Temecula Valley High School" as the name for the new high school that will serve the entire region, including the hamlet of Murrieta. "Temecula" is the name I have come to prefer and use.

In my experience with the wine grape industry, the locational name used to describe this region is "Temecula." My own grapes have been sold as "Temecula grapes."

Finally, there has been a substantial reliance upon and investment in the name "Temecula" to promote grapes from this region by wine grape growers and vintners located all over the Temecula Region. A denial of the use of "Temecula" for grape growers located anywhere in the region could have a substantial negative overall impact on the budding wine grape and wine

industry which we are trying to develop in the region. It will undermine our strength and indentity. It seems to me that including the entire region within an appellation of origin called "Temecula" would be in the best interests of everyone here.

Thank you for your attention.

Very truly yours,

James Arvanis

HOWARD G. DICKENSON
JOSEPH G. PEATMAN
WALTER J. FOGARTY, JR.
DAVID W. MEYERS
EUGENE R. KIRKHAM
C. RICHARD LEMON
FRANCIS J. COLLIN, JR.
HERBERT W. WALKER
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Received
2/14/83
Hunt
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TELEPHONE 963-7149

OF COUNSEL
ROGER D. PETERSON

February 8, 1983

Chief, Regulations & Procedures Division
Bureau of Alcohol, Tobacco & Firearms
P.O. Box 385
Washington, D.C. 20044-0385

Attention: Notice #438 (Temecula Rulemaking)

Dear Chief:

Enclosed find a somewhat modified text of the testimony given by Richard McMillan at the public hearing in Temecula on January 20, 1983.

Very truly yours,

DICKENSON, PEATMAN & FOGARTY


J. FREDERICK CLARKE, JR.

JFC:tj
Enclosures

cc: R. McMillan



McMILLAN FARM MANAGEMENT COMPANY

Richard McMillan • Gary McMillan

Wine Grapes • Citrus • Avocados

29379 Rancho California Road, Suite 201 • (714) 676-2045

Mailing Address:

P.O. Box 1047 - Rancho California / Temecula, CA 92390

Testimony given by Richard C. McMillan before the Bureau of Alcohol, Tobacco & Firearms: Temecula viticultural appellation hearing, January 20, 1983.

My name is Richard McMillan. I own a farm management company with my brother called McMillan Farm Management.

We started farming in the Temecula area in 1966, which was the approximate time that the 86,000 acre Vail Cattle Ranch started to be developed under an extensive master plan into agriculture, residential and industrial uses.

Our business is developing, farming and managing vineyards in the Temecula area for professional investor farmers who are looking to make a profitable return on their investments.

There are approximately 2,200 acres of premium varietal grapes in the Temecula area, of which McMillan Farm Management farms and manages about one-half. Our growers' vineyards range from 3 to 300 acres in size.

I am here today to speak on behalf of those of us who feel there should be only one appellation for the Temecula Viticultural region. Because of my business, I have a vested interest in this area.

Most of the growers, including myself, feel very strongly that by the B.A.T.F.'s own criteria, there is no reason to have more than one appellation for the Temecula area.

Substantial evidence, both historical and current, has been documented with the B.A.T.F. regarding geographics, cultural practices and climatic data to support the conclusion that one appellation is warranted.

I am here to explain why one appellation is needed for the future of the Temecula grape industry.

The major problem for the Temecula area grape growers is finding a stable, economically sound market for their grapes.

There are 8,000 tons of premium varietal grapes produced each year in the Temecula area.

There are presently seven (7) local wineries that have the capacity to process only about 2,000 tons of the grapes, approximately 25% of the total production in the area. The remaining 75% of the grapes grown in the Temecula area must be sold to wineries located from Ontario, California to Napa Valley, 500 miles north.

The fact that 75% of the grapes produced in this area, must be sold to wineries in other grape growing areas of California, creates a unique set of grape marketing problems.

Our grapes must first compete with grapes grown in the purchasing wineries' local area. Because of this intense competition, area identification is an extremely valuable marketing tool for Temecula area grape growers.

The idea of dividing Temecula into two or three distinct areas would be counter productive to gaining Temecula area identification.

I feel that dividing the small Temecula grape growing area into different geographical divisions would make an already difficult grape marketing task into a marketing disaster.

Growers are already in a financial squeeze with high water costs, property taxes and grape hauling costs. Without a stable, economically sound market for our grapes, the Temecula area grape industry will be devastated.

I have spent the last seven (7) years traveling California on behalf of our growers, trying to sell their grapes. I have talked to every significant winery in the state and have come to realize that it is a major hurdle to explain where Temecula is and what it has to offer.

I feel much of the ground work in marketing the Temecula area grapes has been completed. To change course now with two or three appellations would be a major step backwards!!

One appellation would be beneficial to marketing our grapes locally also. The local wineries need to be free to purchase grapes from any and all of the local growers and to be able to market the produced wine under one appellation label.

It would create a hardship on those local wineries to have to restrict their grape purchases to any one small area or to have to market their wine under two or three separate labels.

Temecula wineries are already handicapped by the relative small size of the area compared to the Napa Valley. The Napa Valley includes 30,000 acres of vineyards and 120 wineries. Temecula has only 2,200 acres of vineyards and seven wineries. To split the Temecula area into smaller divisions, would be an additional handicap to developing an effective marketing plan.

The economics behind Callaway's philosophy of splitting the Temecula Valley into small appellations makes sense only to a few growers and to the people who are in real estate, to inflate prices of wines and land. This will go against the Reaganomics goal of bringing down the inflation rate. Not only that, but it is my understanding that rules and regulations to export United States wines into the European common market are, per say, hard to meet the way they are, and by putting more ridiculous confusion to the United States and European consumers, it will make it harder to market the wine within the U.S. and also out of this country. It would also be contrary to the interests of the local wineries.

In conclusion, I would like to reiterate that having one Temecula area appellation is the most critical factor in developing a successful grape marketing program for the growers and the wineries of the Temecula area.

Richard C. McMillan

1/20/83

Received
2/4/83
Rudman
48

LAW OFFICES
LOCKE, LOCKE & RUDMAN

BERRY D. LOCKE
BARRY M. RUDMAN

MARTIN S. LOCKE
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February 7, 1983

Chief Regulations &
Procedures Division, Bureau
of Alcohol, Tobacco & Firearms
Department of the Treasury
Post Office Box 385
Washington D.C. 20044-0385

Attention: Notice #438

Dear Chief:

I am a wine grape grower who owns a vineyard land located in the Temecula Region on the eastside of Highway 395. I am writing in response to your extension of the written comment period for the rulemaking on the Temecula Region until February 20, 1983.

I believe that the entire region should be designated as "Temecula" as advocated by the Association petition. What makes the Temecula Region so notable is its relative coolness in contrast to the rest of Southern California. This climatological feature, which is shared by the entire region, is what makes this area most suitable for premium wine grape production. This shared feature of the entire region is far more significant than the minor viticultural differences that exist within the Temecula Region.

While Kaiser Aetna has promoted the name "Rancho California", as a referent for the region, the name "Temecula" seems to be reasserting itself as the preferred name for the entire region. This is reflected in the recent choice of "Temecula Valley High School" as the name for the new high school that will serve the entire region, including the hamlet of Murrietta. "Temecula" is the name I have come to prefer and use.

In my experience with the wine grape industry, the locational name used to describe this region is "Temecula". My own grapes will be sold as "Temecula grapes".

LOCKE, LOCKE & RUDMAN

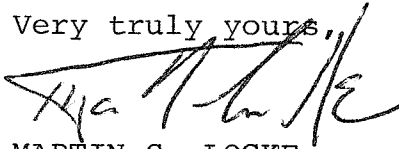
February 7, 1983

Page Two

Finally, there has been a substantial reliance upon and investment in the name "Temecula" to promote grapes from this region by wine grape growers and vintners located all over the Temecula Region. A denial of the use "Temecula" for grape growers located anywhere in the region could have a substantial negative overall impact on the budding wine grape and wine industry which we are trying to develop in the region. It will undermine our strength and identity. It seems to me that including the entire region within an appellation of origin called "Temecula" would be in the best interests of everyone here.

Thank you for your attention.

Very truly yours,

A handwritten signature in black ink, appearing to read "Martin S. Locke". The signature is stylized with a large, sweeping initial "M" and "L".

MARTIN S. LOCKE

MSL:dg

received
2/14/83
Henthicum

49

February 8, 1983

Chief, Regulations & Procedures Div.
Bureau of Alcohol, Tobacco & Firearms
Department of the Treasury
P. O. Box 385
Washington, D. C. 20044-0385

Ref: Notice #438

Dear Sir:

For several years I have owned a very productive vineyard of mature Chenin Blanc and Semillon vines on Los Nogales Road (next to Brookside Winery's big plantation.)

I'd like to urge that you will confirm the name TEMECULA as the official appellation for grapes grown in this locality. Naturally, I would hope to have my acres included with this area to be designated "Temecula" since my operation is either adjacent to...or within view of most of the major producers of wine grapes. We feel that this pleasant sounding title would greatly benefit our marketing efforts and would give us a real "leg up" on the economic ladder of Rancho California.

Setting aside my personal interests for the moment, I'm convinced that everyone in this small viticultural region will be handsomely served by uniting under the name TEMECULA, and the industry as it locally exists will be stimulated to move forward as never before!

Thank you very much.

Roger G. Miller
Roger G. Miller



Encinitas, Cal. 92024

received
2/15/83
R. Peterson

50

HOWARD G. DICKENSON
JOSEPH G. PEATMAN
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OF COUNSEL
ROGER D. PETERSON

February 7, 1983

Chief, Regulations & Procedures Division
Bureau of Alcohol, Tobacco & Firearms
P.O. Box 3815
Washington, D.C. 20044-0385

Attention: Notices #416 & #438 [Temecula Rulemaking]

- Subject: (1) Summary of Evidence Supporting use of Name
"Temecula" for Entire Region.
- (2) Documentation of Outside use of Temecula by
Wine Industry.
- (3) ATF Precedent for Defining Viticultural Areas

Dear Chief:

This letter has three purposes. First, to summarize the evidence that has been submitted showing that the name "Temecula" has historically and is currently applied to the entire region. Second, to present some documentation of use by wineries located outside the region of the name "Temecula" to refer to grapes from anywhere in the Region. This will include documentation of the fact that Arco Vineyard grapes are known as "Temecula" grapes. The final purpose of this letter is to argue that this rulemaking falls within the ATF's well-founded precedent to include all vineyards within a designated viticultural area that have historically been known by that name. This precedent is well-founded both technically and from the point of view of the economic welfare of the local industry.

Summary of Evidence

An American viticultural area is defined by the Regulations as a delimited grape-growing region distinguishable by geographical features. 27 CFR 4.25a(e)(1). The Regulations do not specifically set forth the criteria that the ATF is supposed to use in establishing viticultural areas for use as appellations of origin. However, the Regulations do set forth the evidence that should be included in petitions to designate viticultural areas. Evidence should be submitted that shows that the name of the proposed viticultural area is locally

and/or nationally known as referring to the area specified in the petition. Similarly, historical or current evidence should be presented showing that the boundaries of the viticultural area are as specified in the petition. 27 CFR 4.25a (e)(2).

Substantial evidence has been presented to the ATF supporting the proposal of the Association petition that the entire Region be named "Temecula". This evidence includes the following:

1. The word "Temecula" is an American Indian word which they applied to the entire region. "Temecula" may be roughly translated as the "place where the sun breaks through the white mist." Thus, the very name of the Region is derived from the unique climate that distinguishes the entire region from the rest of Southern California. At mid-afternoon during the summer misty marine air blows into the area through the Temecula Gap, from the northwest over the Elsinore Mountains, and through the DeLuz Gap. Use of this word to describe the region may go back 1,000 to 1,500 years to the time Temecula was first settled by the native Americans.

2. From the time the region was first settled by Europeans until the late nineteenth century, the entire region was unambiguously known as Temecula or the Temecula Valley. Support for this assertion can be found in the oral testimony of Tom Hudson at the January 20th Public Hearing, his book A Thousand Years In Temecula Valley, William Heintz' oral testimony and his research monograph which was submitted with the Association petition. Please see my letter dated February 4, 1983 which pinpoints the relevant passages of Mr. Hudson's book.

3. Even in the 20th Century prior to the time of Kaiser's Rancho California development in 1964, the Vail family, who owned almost the entire Region (87,000 acres), referred to their entire holdings as "Temecula". This included the Santa Rosa Land Grant. (Thus, contrary to the Callaway Petition, even in the 20th Century the name "Temecula" has been intimately associated with the Santa Rosa Land Grant.) Evidence supporting this has been supplied by James Vail Wilkinson's August 18, 1982 letter to the ATF, Tom Hudson's oral testimony at the Public Hearing, and Hudson's A Thousand Years in Temecula Valley.

4. "Temecula" is by far the most prominent geographical reference for the Region in the minds of wine consumers and wine critics. This reference has been applied to all of the region, not just the east side of Highway 395. Support for this assertion can be found in the written comments of McMillan Farm Management dated September 8, 1982 (pages 51-54).

5. Wine has been made from grapes grown outside Callaway's proposed "Temecula" but bottled under the "Temecula California" appellation.

a. Franciscan Vineyard's extensive use of "Temecula, California" on wine made from ARCO Vineyard grapes has already been brought to the ATF's attention. See McMillan Farm Management's written comments of September 8, 1982 (page 56-58), and the oral testimony of Justin Meyer, former President of Franciscan Vineyards. In addition, at the January 20th Public Hearing Don Lewis submitted written documentation of the grape sale transactions between the ARCO Vineyards and Franciscan Vineyards.

b. Cilurzo Vineyard & Winery has also produced a "Temecula Cabernet Sauvignon" grown from grapes grown on the Santa Rosa Plateau. This is documented in the written comments of McMillan Farm Management of September 8, 1982, Audrey Cilurzo's oral testimony, and documentation of these grape sale transactions submitted by Mrs. Cilurzo at the public hearing.

c. E. Vache & Cie has produced a "Temecula Sauvignon Blanc" made from ARCO grapes. See Exhibit "2" and further discussion below.

6. Though Kaiser did everything possible to promote the name "Rancho California" as the geographical referent for the entire region, residents who have moved here have come to prefer "Temecula" because of its uniqueness and historical meaning. Audrey Cilurzo testified to this point at the public hearing. The recently chosen name for the high school that will serve the entire region, as well as the hamlet of Murietta, is Temecula Valley High School. This choice reflects the growing loyalty of people living throughout the region to the old historical name of "Temecula."

7. Historically, according to Mr. William Heintz, the name "Temecula" was the name applied to wine made from grapes grown in the Region during the late nineteenth and early twentieth centuries. See the oral testimony of William Heintz.

8. By far the largest grape broker in the Region, McMillan Farm Management, has been marketing the grapes as "Temecula grapes", irrespective of whether they were grown on the east or west side of Highway 395. From the point of view of the wine grape industry, McMillan Farm Management's role as a promoter of Temecula's grapes cannot be underestimated. McMillan Farm Management brokers sell two-thirds of all of the Region's grapes to outside buyers. This task is essential since local wineries can only use 25% of locally grown grapes.

Rich McMillan orally testified to this point at the public hearing. Attached to this letter are documentation of McMillan's representations to the wine industry. These attached documents also show that the wine industry located outside the region has come to regard the entire region as "Temecula".

Documentation of Outside Use

a. First, McMillan Farm Management advertised "Fine Wine Grapes from Temecula" in Wines & Vines magazine in both 1981 and 1982. Exhibit "1" documents this advertising campaign. McMillan was referring to grapes grown by its clients located all over the Region.

b. Second, in 1981 McMillan Farm Management sold 44.12 tons of Sauvignon Blanc grapes grown on the ARCO Vineyard to E. Vache & Cie, Guasti, California. Vache marketed the wine made from these grapes as "Temecula, California, Sauvignon Blanc". Documents referring to this transaction, including a wine label, are attached as Exhibit "2". (Note that "Brookside" is also owned by E. Vache & Cie. Which explains why the documentation refers to Brookside rather than Vache.)

e. Third, in 1981 McMillan Farm Management sold to Weibel Champagne Vineyards 10.08 tons of what Weibel called "Temecula Chardonnay grapes." McMillan Farm Management's internal record of this transaction simply refers to the grower as being "McMillan". Richard McMillan has told me that sometimes when they have to aggregate grapes from several vineyards to meet an order, they will simply refer to the grower as being "McMillan". It is often difficult to trace the precise vineyard from which these grapes came. They certainly did not come from McMillan's own small acreage because there are no chardonnay grapes planted on it. Rich McMillan and Enrique Ferro believe that perhaps half of these 10 tons came from the ARCO Vineyard. Documentation of this sale is attached as Exhibit "3".

d. Fourth, in 1981, McMillan Farm Management brokered and sold 1,337.91 tons of Johannisberg Riesling to the Monterey Vineyard located in Gonzales, California. Grapes for satisfying this order came from both sides of Highway 395, including the ARCO Vineyard. In his letter of July 27, 1981, Thomas W. Peterson, the Monterey Vineyard's research enologist and grape buyer refers to the source of the grapes as McMillan Farm Management's "Temecula Vineyard". Documents verifying this transaction are attached as Exhibit "4". Notice how many vineyards located all over the Region contributed to this transaction.

e. Thousands of tons of grapes grown on the ARCO Vineyard have been made by Franciscan Vineyards into Temecula wines. Don Lewis and Justin Meyer submitted documentation of these transactions including many wine labels. As a further example, Exhibit "5" is attached. These documents refer to a transaction between Franciscan Vineyards, Inc., Joaquin Ranch Company (with McMillan Farm Management involved as broker), and Robert Mondavi Winery which is located in the Napa Valley. Note how Thomas H. Wigginton, President of Franciscan Vineyards

refers to the "Temecula Vineyard of Joaquin Ranch Company." Justin Meyer refers to the grapes as "Arco Temecula Chardonay and Fume Blanc". Exhibit "5" is another example of how the wine industry refers to the west side of Highway 395, including the ARCO Vineyard, (Joaquin Ranch) as "Temecula".

f. Finally, in 1979 Emilio Guglielmo produced a Temecula/California, Sauvignon Blanc made from grapes bought from McMillan Farm Management. Once again, this is another example of McMillan Farm Management's marketing of "Temecula" grapes from the region. It is another example of the acceptance by outside wineries of "Temecula" as a premium grape identity. Exhibit "6" documents this transaction and includes a copy of the wine label.

ATF Precedent

The ATF has never refused to include a vineyard within a designated viticultural area whose name the vineyard has historically used in selling its grapes to wineries and upon which wineries have relied in buying the grapes, unless there was a contiguous, equally well-established viticultural area to which the vineyard more reasonably belonged. There is only one example where a vineyard that had historically called itself by an appellation name was denied that status. This was in the Napa Valley rulemaking. The owner of a vineyard that straddled the Sonoma/Napa County line wanted the vineyard included within Napa Valley. Historically, the owner had called all of the grapes grown on that vineyard "Napa Valley grapes". The ATF decided, however, that the county line had to be the definitive boundary of the Napa Valley viticultural area. But this decision did not leave that vineyard owner out in the cold. The part of his vineyard that was within Sonoma County was also within an equally well-established and respected viticultural area: Sonoma Valley.

In this rulemaking, however, to leave any grower out of the designated Temecula viticultural area would leave them totally out in the cold. Growers located on the Santa Rosa Plateau as well as owners of the ARCO Vineyard would be economically hurt by not being included within "Temecula." They have relied for years upon the name of "Temecula" to sell their grapes. Wineries buying those grapes have learned the identity of "Temecula grapes"; Temecula has begun to be recognized and regarded among the grape buyers to whom the Region must sell. This is very important. To create new viticultural areas out of thin air like "LaCresta" or "Murietta" would be no substitute at all. Unlike Sonoma Valley, there is no established identity and reputation for grapes of those names. As Rich McMillan has warned, it would be disastrous.


The ATF's strong precedent on this point does not reflect a mere concern for the economic welfare of the wine grape industry. Historical evidence that grapes grown by a vineyard have been bought and sold in the industry under a certain appellation of origin and been bottled into wines under that appellation of origin is the most relevant evidence of the two criteria quoted above for establishing viticultural areas. It is by far the strongest "evidence that the name of the proposed viticultural area is locally and/or nationally known as referring to the area specified in the petition. It also is the strongest "historical or current evidence that the boundaries of the viticultural areas are as specified in the petition". It is the name which the wine grape industry, the growers, the wineries and the consumers call the area that is ultimately most important.

Thus, there is strong precedent for the use of the Temecula name to describe both grapes grown all over the region and wine made from grapes grown all over the region. This fact has been well-documented in submissions to the ATF. The ATF would be on very strong grounds to designate the entire Region as "Temecula".

Thank you very much for your attention.

Very truly yours,

DICKENSON, PEATMAN & FOGARTY



J. FREDERICK CLARKE, JR.
Attorneys for McMillan Farm
Management

JFC:js
Enclosures

cc: D. Lewis
A. Cilurzo
J. Hanley



Fine Wine Grape Varieties From Temecula

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c/o Dr. Enrique Ferro

**McMILLAN FARM
MANAGEMENT**

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Exhibit "1"

WINES & WINES[®]

July, 1982 The grape and wine industry in the U.S. this month

TIME VALUE Second Class Mail

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Highlights from the 33rd Annual A.S.E. Convention

In this issue, Gallo again leads 100 largest wineries

quality and changes during storage of Concord juice.

Filtration

Federico de la Garza, U.C., Davis, gave a paper on modeling wine filtrations and D.K. Strong of Gelman Sciences, Ann Arbor, discussed filtration applications for wine.

Miscellaneous

Davis' Williams also presented a paper discussing a mathematical model for ethanol-water evaporative losses from barreled spirits. Lee (New South Wales) also reported on the effect of commercial sterilizing treatment on cork microflora. Fresno State's Petrucci reported on producing Golden Seedless raisins using methyl oleate and potassium carbonate. In a paper on red wine allergy reactions, Davis' Robert R. Maszycek said the reaction is not allergenic but is of unknown nature. George M. Schofield surveyed Napa Valley's Cabernet Sauvignon acreage and found average yield was about 3.2 tons per acre "versus generally accepted yields of 4.5 tons per acre." Peter Hubscher of New Zealand's Montana Wines reported on computer control of wine production, noting that "key winemaking operations and usage of all winemaking materials are reviewed through detailed summation reports. Complex blending problems may be resolved." Richard T. Dailey, University of Montana, spoke on market concentration in the U.S. table wine industry and examined trends over the past 25 years. Edward Tooper of Premier Chemical Corp., Pleasanton, evaluated a new, low-cost central cleaning system for wineries. ■

8,000 turnout seen for 2nd Wine Show

DESCRIBED as the marriage of gourmet foods and fine wine, the 2nd International Gourmet Food and Wine Show is expected to draw more than 8,000 retailers and wholesalers to San Francisco's Brooks Hall August 29-31.

At the show's first outing a year ago 6,000 attended and the management promised that the 2nd show will offer more. For one thing, the number of booths has been doubled, to 400.

Besides fine wines there will be imported beers, liqueurs and cordials, brandies, bottled waters, patés, cheese, coffees, teas, fruit juices, spices, condiments, jams, jellies, biscuits, confections, baked goods and more. Much of the goods on display can be sampled.

Professional workshops and seminars on management and merchandising are scheduled, with speakers covering store design and display, advertising, cross merchandising of foods and beverages and the challenges of a more competitive business climate.

The show is sponsored and produced by the Western Merchandise Mart, which learned last year at the first Gourmet Food & Wine Show that specialty food retailers, wine merchants and restaurateurs oversubscribed the educational sessions.

Social events will include the Grand Award Presentation of the International Wine Awards Academy. The honors are a tribute to the wine industry and an acknowledgment of excellence in winemak-

ing achievement.

Exhibit hours will be 10 a.m.-6 p.m. Sunday and Monday August 29-30 and 10 a.m.-4 p.m. Tuesday, August 31.

For more information contact the Western Merchandise Mart, 1355 Market, San Francisco 94103 or phone (415) 552-2311. Besides the August show the Mart also produced last winter's International Gourmet Products Show in San Francisco and has scheduled a similar show Nov. 15-17 at the New York Coliseum.

A part list of the firms scheduled to exhibit includes: Almaden Vineyards, America's Wineland Crafts, Balverne Winery, Carneros Creek Winery, Corban's (New Zealand) wines, Cresta Blanca wines and brandies, Donna Maria Vineyards, Epic Products, Estrella River Winery, Louis J. Foppiano Winery, Franciscan Vineyards, Girard Winery, Lawrence Winery, HMR Winery, International Trading Co., International Vintage Wine Co., Kendall-Brown Foods (wine vinegar), Merchant du Vin, C. Mondavi & Sons Winery, Robert Mondavi Winery, New Zealand Trade Office, J. Lohr Wines, Round Hill Cellars, Rutherford Hill Winery, San Bernadino Winery (Australia), San Francisco Traders (New Zealand, Australia wines), Sebastiani Vineyards, Somerset Wine Co., Sonoma Vineyards, Sutter Home Winery, Turner Winery, United Vintners, Vose Vineyards, Weibel Vineyards, Wine Appreciation Guild, Wine Discovery and Wine Spectrum. ■

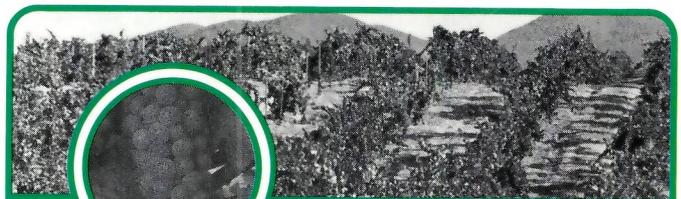
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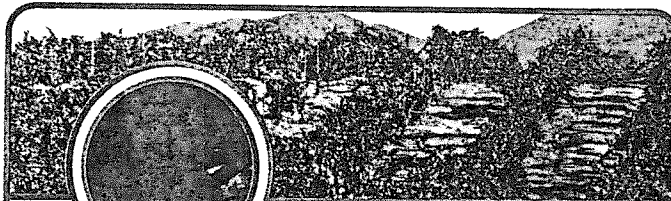
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in various *vitis vinifera* cultivars.

Grapevine Analysis

R. Obando of Coahuila, Mexico reported on the effect of nitrogen regime on seasonal changes in the growth and mineral composition of grafted/ungrafted Cabernet Sauvignon vines and W. M. Kliewer of Davis discussed how potassium levels in nutrient solutions affect growth and composition of Cabernet Sauvignon grown in sand culture. Kliewer also reported on the effect of short-term changes in temperature and light on nitrogen and potassium accumulation in Thompsons. In a paper on use of micronized sulfur for mildew control and for H₂S prevention, R. E. Kunkee of U.C. found each sulfur used controlled mildew almost equally and that no sulfur used resulted in higher H₂S levels than others used. P. Christensen, Cooperative Extension, reported on a 1978 study that compared levels of various nitrogen compounds in leaf tissue to nitrogen excess problems. C. J. Alley of Davis presented a paper on self-fertility studies of Cabernet Sauvignon clones and J. O. Johnson of Davis discussed mobilizing ability of *vitis vinifera* grapevine sinks. M. Ahmedullah, W.S.U., reported on the effect of sub-freezing temperatures on Concord root survival. Mexico's Obando presented a paper on the effect of root temperature on growth and mineral composition of St. George rootstock grown hydroponically.

E. Szyjewicz of Davis discussed the influence of temperature and ethephon concentration on growth/composition of Cabernet Sauvignon.

Cultural Practices

N. Rosner of Davis reported on the effects of differential pruning on Cabernet Sauvignon in Napa and Davis and G. Fletcher of Sonoma presented a paper on ripening of Gewurztraminer in which he said temperature at bloom-set has a significant effect on crop level, but that later in the season rate of ripening "becomes almost exclusively a function of crop level." R. Beede, Cooperative Extension, related the effect of single and double-girdling of Cardinal vines and Arkansas' Morris discussed the effects of irrigation, crop level and potassium fertilization of yield/juice quality of ConCORDS. A paper on the effect of row spacing and trellis on yield/fruit characteristics of Colombard, Chenin Blanc and Barbera was presented by F. Jensen of Cooperative extension. G. Leavitt, also of Cooperative Extension, related the effect of pre-bloom treatments of gibberellin on Chenin Blanc. B. Freeman of U.C., Davis reported on the effect of irrigation, crop level and potassium fertilization on growth, yield, fruit composition and wine quality of Carignane. C. J. Alley of Davis had two papers on propagation: the first compared green and dormant T-budding and the second compared chip-

budding from January through April. Alley also reported on rooting grapevine cuttings via either liquid or dry treatments of IBA rooting growth regulators. M. Ahmedullah of WSU had a paper on use of Alar to improve set and increase yield of Concord vines and found vines sprayed with Alar had slightly higher yields with a .5-1% drop in ° brix.

Computerization

Freemark Abbey Winery's R.L. Gulson discussed management of winery business information via the computer and G. M. Carmignani of Data Consulting Associates presented a paper on a computerized bulk wine management system.

Miscellaneous

O. Famuyiwa, Davis discussed grape pomace as a possible animal feed and J. E. Kelley of Mont La Salle Vineyards reported on land application of grape stillage. R. M. Detjens of Wente Bros. presented a paper on designing tanks for earthquake resistance and said tanks "should not be held down but allowed to up-lift during a major earthquake to absorb the forces that could cause tank failure." J. H. Hallaq of the University of Idaho examined implications of product life cycle in determining promotional strategies for wine and R. B. Hutchinson, Cal Poly/Pomona, offered an economic evaluation of appellation of origin for American wine.



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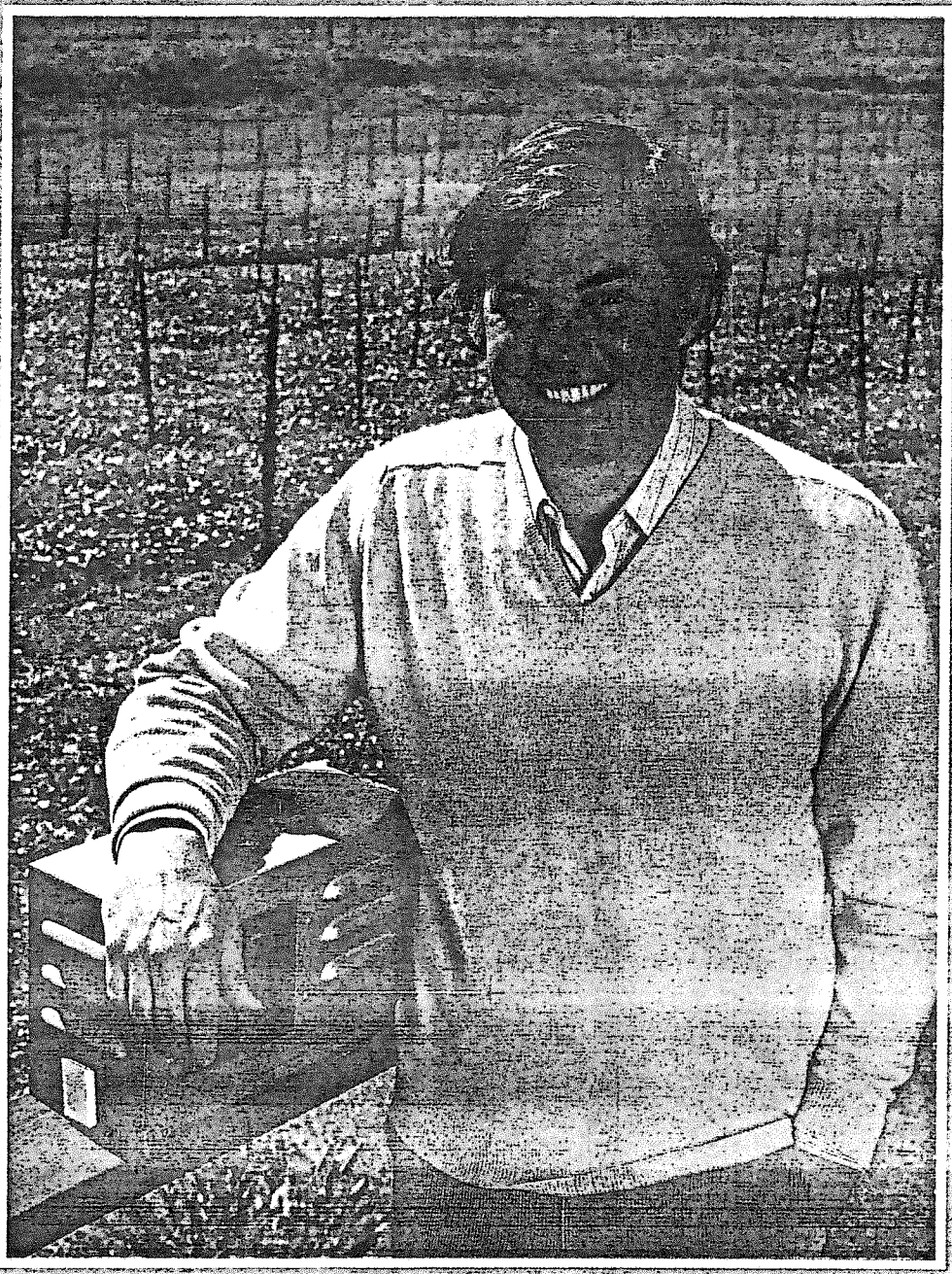
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In this Issue: the A.S.E.'s 33rd Open Meeting

WINES & VINES®

June, 1982 The Authoritative Voice of the Grape and Wine Industry



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Meet Brice Jones; his basket is strictly Chardonnay

Last year's wine marketings: half-billion-plus gallons

Larkmead Winery now is in National Register of Historic Places.

The stone structure is the home of Hanns Kornell Champagne Cellars in St. Helena. The official dedication ceremony is set for June and will mark the sparkling wine house's 30th anniversary. The cellars were built in 1906.

A book on pesticides by George Ware was published.

"Fundamentals of Pesticides — A Self Instruction Guide" is \$9.50 plus handling charges from Thompson Publications, P.O. Box 9335, Fresno, Calif. 93791. Ware is head of the entomology department at the University of Arizona.

A brochure is available from Elanco Products on *Surflan* herbicide.

Write Elanco, 740 S. Alabama St., Dept. EM 882, Indianapolis, Ind. 46285.

Wine Writer Eunice Fried is conducting two California winery tours this summer.

The New York magazine and newspaper author on food and wine is limiting each of the one-week tours to 18 persons, concentrating on Sonoma and Napa counties. The first tour begins July 25 and the second August 1. Sponsors are the International Wine Center of New York City and the Silverado Country Club at Napa. Cost is \$995 per person. Write the Wine Center at 144 West 55th, New York City 10019 or Silverado at 1600 Atlas Peak Rd., Napa, CA 94558.

DIRECTORY ERRATA

Due to an error, the following California firms were left out of the alphabetical list of U.S. wineries in the 1982 Directory and it is suggested that you scotch-tape them to Page 129 in your Directory:

Lakespring Winery, Ronald T. Lamb Winery, Lambert Bridge, La Mont Winery, Inc., Landmark Vineyards, La Purisima Winery, Las Tablas Winery, Laurel Glen Vineyard, Domaine Laurier Shilo Vineyards & Co. (See under Laurier), Lawrence Winery, La Zaca Vineyard Co., Lazy Creek Vineyard, Le Bay Cellars, Leeward Winery.

Amador Foothill Winery held its 2nd annual Open House May 1-2.

Owners Ben Zeitman and Joan Sieber bottled 1,600 cases last winter and at the Open House featured the 1980 Shenandoah Valley Zinfandel, their first red wine release, along with two new whites — 1981 Amador County White Zinfandel and 1981 Clarksburg Chenin Blanc. The winery is near Plymouth, in the lower reaches of the Sierra Nevada.

New York State Wine Grape Growers had a booth at Coliseum Food Show.

The promotion was located in a special wine section at the April 14-18 International Food Show and included free wine tastings. The growers are assessing themselves, under a referendum passed last fall, to expand the market for New York wines.

Bucks Country Vineyards has added a new wine shop.

The New Hope, Pa. winery established its first wine shop at the Fairground Farmers Market in Allentown. Recent legislation permits Pennsylvania wineries to open a maximum of three extensions where only wines made by the winery may be sold.

The Napa County Farm Bureau has set up an Ag Land Preservation Fund.

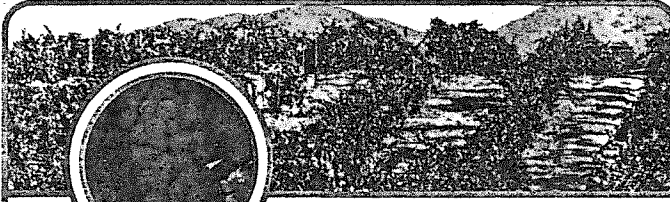
The goal is to raise \$50,000 for funding land use and educational projects. The intent is to preserve Napa Valley land and the area's rural lifestyle against real estate exploitation. Donations in any amount will be accepted by the N.C.F.B. Ag Land Preservation Fund, 4075 Solano Ave., Napa, CA 94558.

Canandaigua has closed its Hammondsport, N.Y., plant.

A new Charmat process champagne plant has been completed at the main Canandaigua location. The 17 Hammondsport employees were offered jobs at the new plant and eight transferred. Founded in 1870, Hammondsport was headed by George H. Page, who has retired.

Willie Brown proposed California World Trade Commission.

The assembly speaker introduced legislation to boost the state's international trade. The commission would work with private enterprise to increase world trade.



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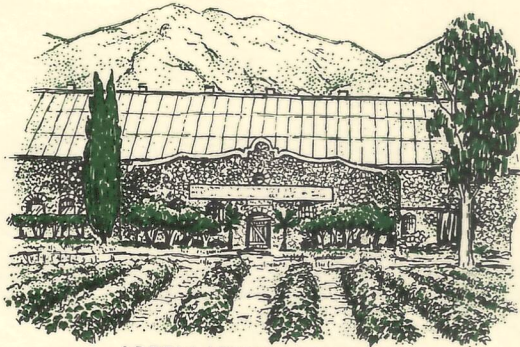
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1981

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GRAPES DELIVERED TO BROOKSIDE-1981

PINOT CHARDONNAY

<u>GROWER</u>	<u>TONS</u>
Brookside	55.32

PETITE SIRAH

<u>GROWER</u>	<u>TONS</u>
Brookside	42.21

PINOT NOIR

<u>GROWER</u>	<u>TONS</u>
Brookside	4.38

CABERNET SAUVIGNON

<u>GROWER</u>	<u>TONS</u>
Brookside	15.38
Ravano	19.99
Hanley (Miramonte Vineyard)	<u>11.01</u>
TOTAL	46.38

SAUVIGNON BLANC

<u>GROWER</u>	<u>TONS</u>
<u>Joaquin Ranch</u>	44.12

CHENIN BLANC

<u>GROWER</u>	<u>TONS</u>
Brookside	1.97

TOTAL BROOKSIDE

194.38

Exhibit "2"



McMILLAN FARM MANAGEMENT COMPANY

Richard McMillan • Gary McMillan

Wine Grapes • Citrus • Avocados

27403 Ynez Road, Suite 208 • (714) 676-2045

Mailing Address:

P.O. Box 1047 - Rancho California / Temecula, CA 92390

1981
JOAQUIN RANCH
SCHEDULED GRAPE RECEIPTS BY CONTRACT

<u>VARIETY</u>	<u>WINERY</u>	<u>TONS</u>
Johannisberg Riesling	Monterey	398.63
Pinot Chardonnay	Mondavi	306.36
Sauvignon blanc	Mondavi	111.31
Sauvignon blanc	Brookside	44.12
Sauvignon blanc	Franciscan	87.35

RETURN TO MAKER: _____

MAIL TO GROWER:

ACCOUNT CODE: _____

GROWER: MCMILLIAN FARM MANAGEMENT

ADDRESS: P.O. Box 1047

Temecula, California 92390

WEEK END: 12-26-81

VARIETY: CABERNET SAUVIGNON

TONS CONTRACTED: 40.000

TONS DELIVERED: 46.375

PARTIAL PAYMENT: _____

PRICE PER TON: 250.00

11,593.75 ✓

FINAL PAYMENT:

LESS: ADVANCES OR
PREVIOUS PAYMENTS

(4,637.50)

SUB TOTAL DUE:

6,956.25

VARIETY: SAUV. Blanc

TONS CONTRACTED: _____

TONS DELIVERED: 44.120

PARTIAL PAYMENT: _____

PRICE PER TON: 700.00

30,884.00 ✓

FINAL PAYMENT:

LESS: ADVANCES OR
PREVIOUS PAYMENTS

(4,412.00)

SUB TOTAL DUE:

26,472.00

VARIETY: _____

TONS CONTRACTED: _____

TONS DELIVERED: _____

PARTIAL PAYMENT: _____

PRICE PER TON: _____

FINAL PAYMENT: _____

LESS: ADVANCES OR
PREVIOUS PAYMENTS

(_____)

SUB TOTAL DUE: _____

VARIETY: _____

TONS CONTRACTED: _____

TONS DELIVERED: _____

PARTIAL PAYMENT: _____

PRICE PER TON: _____

FINAL PAYMENT: _____

LESS: ADVANCES OR
PREVIOUS PAYMENTS

(_____)

PREPARED BY: E.L. MIRANDA DATE: 12-7-81

SUB TOTAL DUE: _____

APPROVED BY: [Signature] DATE: 12-8-81

GRAND TOTAL AMOUNT _____

Weibel Champagne Vineyards

Post Office Box 3398 Mission San Jose, California 94538 · Phone (415) 656-2340

August 24, 1981

Mr. Enrique Ferro
McMillan Farm Management
P.O. Box 1047 - Rancho California
Temecula, California 92390

Dear Enrique:

This letter will confirm our discussion of August 21, 1981 wherein Weibel Champagne Vineyards agreed to purchase from McMillan Farm Management ~~one~~ load, approximately 22 to 25 tons, of Chenin Blanc at \$495 per ton delivered to our winery, f.o.b. Mission San Jose, California. It is understood that if Weibel Vineyards likes the quality of the Chenin Blanc grapes, it is the option of the winery to buy future loads from McMillan Farms, if available.

Weibel Vineyards further agrees to purchase approximately 100 tons, but no more than 150 tons, of Emerald Riesling grapes with average brix reading of 21-23% at \$300 per ton delivered to Mission San Jose; and to buy approximately 22 to 25 tons of Temecula Chardonnay grapes with average brix reading of 23-24% at \$700 per ton delivered to our winery, f.o.b. Mission San Jose, California.

Payment on the above will be 50% within 30 days of delivery, the remainder in 60 days.

Sincerely,



Richard T. Casqueiro
Winemaker

RTC/wh

GRAPES DELIVERED TO WEIBEL-1981

EMERALD RIESLING

<u>GROWER</u>	<u>TONS</u>
Filsinger (J-4)	36.35
Hanley	32.34
Mesa Verde	<u>28.44</u>
TOTAL	97.13

CHENIN BLANC

<u>GROWER</u>	<u>TONS</u>
Bob Clark (Rancho Mission Viejo)	24 00

PINOT CHARDONNAY

<u>GROWER</u>	<u>TONS</u>
<u>McMillan</u>	<u>10.08</u>
Brookside	<u>10.56</u>
TOTAL	20.64
TOTAL WEIBEL	141.77

McMILLAN FARM MANAGEMENT

● Serving Agriculture Since 1910 ●

27405 Ynez Road, Suite 107

Mailing Address:
P. O. Box 1047 - Rancho California
Temecula, California 92390

(714) 676-2045

July 31, 1981

The Monterey Vineyard
C/O Mr. Thomas Peterson
800 South Alta Street
P.O. Box 780
Gonzales, Ca. 93926

Dear Tom,

I have enclosed the signed contract for your records. We are looking forward to working with you again this season. We will make every effort to deliver the high quality of grapes which you expect.

We hope that a long term management between McMillan Farm Management and The Monterey Vineyard can be worked out in the future.

Best regards,



Richard C. McMillan

RCM:dmb



800 South Alta Street • Post Office Box 780 - Gonzales, California 93926 • (408) 675-2481

July 27, 1981

Mr. Richard McMillan
McMillan Farm Management
P. O. Box 1047 - Rancho California
Temecula, California 92390

Dear Rich:

The purpose of this letter is to formalize our discussions to date on the purchase and sale of wine grapes from the 1981 vintage. The Monterey Vineyard ("Winery") agrees to purchase and McMillan Farm Management ("Grower") agrees to sell certain wine grape tonnages produced in Grower's Temecula vineyard during 1981 (described on the attached sheet) under the terms and conditions listed below:

Winery may reject and refuse to accept any load of grapes delivered by Grower which does not qualify as Acceptable Wine Grapes. The term "Acceptable Wine Grapes" means grapes which satisfy, on a load by load basis, all the following criteria:

1. Grapes which are delivered in containers which are compatible with Winery's handling and crushing equipment;
2. Grapes which have been scheduled for delivery by Grower at least two Winery working days in advance of such delivery;
3. Within the customary standards in the wine grape production and processing industries, grapes which are:
 - a. Fully matured and sound;
 - b. Reasonably free of insects, leaves, leaf stems, canes, litter and other foreign material ("MOG") and without grape stakes;
 - c. Reasonably free of defects, sunburn, dusting sulphur, mildew, rot and objectionable odors and mold; and in good, sanitary condition for making into quality table wine. Hand picked grapes shall not be trampled during loading; and
 - d. Not overmatured or raisined;
4. Grapes which have a soluble solids content within the Acceptable °Brix Range set forth in the attached sheet;

- 5. Grapes which are not adulterated or misbranded within the meaning of the Federal Food, Drug and Cosmetic Act, as amended (21 U.S.C. §§ 301, et seq.) (the "Act") nor will any of such grapes be articles which may not, under the provisions of Sections 404 or 505 (21 U.S.C. §§ 344, 345) of the Act, be introduced into interstate commerce; and
- 6. Grapes which are not adulterated, misbranded or falsely advertised within the meaning of the Sherman Food, Drug and Cosmetic Law, as amended, California Health and Safety Code §§ 26,000 et seq., and are not articles which may not be sold or offered for sale in California pursuant to such Sherman Food, Drug and Cosmetic Law, as amended or superseded.

Payment shall be made within thirty days of completion of delivery of a variety of grapes.

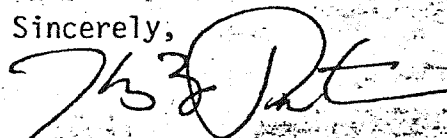
Grower warrants that Grower has not sold or contracted to sell any grapes described herein to anyone other than Winery and that Grower has full power, right and authority to sell and deliver grapes in accordance with this Agreement.

Grower further warrants that all grapes described herein are free and clear of all liens, claims and encumbrances other than:

Rich, if the content of this letter accurately reflects our understanding and the terms of purchase and sale are acceptable to you, would you please sign and return the enclosed copy as a memorandum of our agreement.

With best regards,

Sincerely,



Thomas W. Peterson
Research Enologist and Grape Buyer

Signed: Richard C. McMillan

Date: July 29, 1981

TWP:sa

Attachment

cc: Mr. E. B. Hamler

Mr. Richard McMillan

July 27, 1981

<u>Grape Variety</u>	<u>Tonnage</u>	<u>Acceptable °Brix Range</u>	<u>Base °Brix</u>	<u>Bonus and Penalty</u>
White Riesling	950	20-24° B	--	No bonus, no penalty.
Chenin Blanc	250	19-22° B	--	No bonus, no penalty.
Pinot Blanc	60	21-23° B	--	No bonus, no penalty.
Petite Sirah	80	21-24° B	--	No bonus, no penalty.
Cabernet Sauvignon	250	22-24° B	--	No bonus, no penalty.

GRAPES DELIVERED TO MONTEREY VINEYARD-1981JOHANNISBERG RIESLING

<u>GROWER</u>	<u>TONS</u>
Simonoff	30.41
Hagaman	21.52
Spacek (Bell Vineyards)	471.70
Brookside	20.19
Schaefer (Knole Vineyard)	83.37
Booher	24.15
Marr (Los Nogales Creek)	79.68
Ravano	13.10
Temecula Ranchos (Foundation)	10.96
Joaquin Ranch	398.63
Los Nogales Vineyards	48.38
PWG #1	13.00
McMillan	2.13
Wilcken	16.70
Bob Clark (Rancho Mission Viejo)	88.15
Saue	<u>15.84</u>
TOTAL	1,337.91

MONTEREY VINEYARD
 BOX 780 - PH. 408-675-2481
 ZALES, CALIFORNIA 93926

GONZALES OFFICE
 WELLS FARGO BANK
 NATIONAL ASSOCIATION
 346 ALTA STREET
 GONZALES, CALIFORNIA 93926

NO. 17999

11-24/411
 1210(8)

017999 *

DATE 12/28/71

AMOUNT
\$79,726.00

CTLY *****79,726.00*****

VOID AFTER 60 DAYS

JOAQUIN RANCH COMPANY
 515 SOUTH FLOWER ST.
 ROOM 1835
 LOS ANGELES, CA 90071

Paul J. Catena
 AUTHORIZED SIGNATURE

AUTHORIZED SIGNATURE



2168

Atlantic Richfield Company
 Remittance Transmittal/Accounting Advice

This is No Carbon Required paper.

No. 28447

Atlantic Richfield Company Other (specify) JOAQUIN RANCH Date 1/5/82

Treasury-Banking Department Attached hereto is remittance amounting to \$ 79,726.00

Received from MONTEREY VINEYARD
 P.O. BOX 780, GONZALES, CALIFORNIA 93926

Account	Cost center	Facility	Type	Freeform	Amount
779	5202			C704,	79,726 00

Account credited to
 FEDERAL PAYMENT OF J. RIESLING 398.63 TONS
 Treasury-Banking use only

Signature *Bernard Dreyfus*

Distribution: Original and two copies to Treasury-Banking Retain copy for your file
 CO-149-C (4-78)

VOUCHER NUMBER	INVOICE NUMBER	DESCRIPTION	AMOUNT	DISCOUNT	NET AMOUNT
25590	20		79,726.00		79,726.00
			79,726.00		79,726.00

Y VINEYARD

TEREY VINEYARD
 80 - PH. 408-675-2481
 CALIFORNIA 93926

DETACH BEFORE DEPOSITING
 GONZALES OFFICE
 WELLS FARGO BANK
 NATIONAL ASSOCIATION
 346 ALTA STREET
 GONZALES, CALIFORNIA 93926

NO. 17999
 017999
 DATE 12/28/81
 11-24/418
 1210(8)

AMOUNT
\$79,726.00

*****79,726.00*****

DAQUIN RANCH COMPANY
 15 SOUTH FLOWER ST.
 ODM 1635
 OS ANGELES, CA 90071

VOID AFTER 60 DAYS
Paul J. Catana
 AUTHORIZED SIGNATURE
 AUTHORIZED SIGNATURE



FRANCISCAN VINEYARDS

P.O. BOX 407, RUTHERFORD, NAPA VALLEY, CALIFORNIA 94573 (707) 963-7111

July 28, 1981

Mr. Don Lewis
Joaquin Ranch Company
Room 1835
515 South Flower Street
Los Angeles, California 90071

Mr. Robert Logan
ROBERT MONDAVI WINERY
Post Office Box 106
Oakville, California 94562

Gentlemen:

This letter is regarding the "Contract for Purchase and Sale of Grapes" between Franciscan Vineyards, Inc. and Joaquin Ranch Company.


For the 1981 harvest all parties are agreed that Franciscan will receive from the Temecula vineyard of Joaquin Ranch Company, approximately 100 tons of Fume Blanc grapes.

Robert Mondavi winery agrees to take the balance of the grapes. Varieties, estimated tonnages, and delivered price per ton as follows:

<u>Variety</u>	<u>1981 Est. Tonnages</u>	<u>\$/Ton Delivered to Woodbridge Winery</u>
Chardonnay	300 Tons	\$ 700.00
Fume Blanc	130 Tons	\$ 700.00

Sincerely,

FRANCISCAN VINEYARDS


Thomas H. Wigginton
President

THW/vk

Exhibit "5"



CONSULTING & MANAGEMENT

MAIN OFFICE
P.O. Box 422
Oakville, California 94562
(707) 944-2815

Penthouse # 1
1777 South Harrison Street
Denver, Colorado 80210
(303) 759-3303

August 5, 1981

Mr. Robert Logan
ROBERT MONDAVI WINERY
P.O. Box 106
Oakville, CA 94562

Dear Bob,

Enclosed is a signed agreement assigning the Arco Temecula Chardonnay and Fume Blanc to the Robert Mondavi Winery. It appears that nothing else remains to be done except the scheduling and delivery of the grapes, which I am going to leave up to you and McMillan Farm Management.

From my past experience, I am sure you will be happy with the quality of the fruit delivered and look forward to talking to you right after the first of the year about the 1982 crop.

If I can be of any further assistance, please feel free to call me.

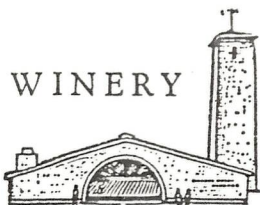
Sincerely,

Justin Meyer

JM:pt
Enclosure
cc: Don Lewis
McMillan Farm Management Co.
Tom Wigginton w/enclosure

ROBERT MONDAVI WINERY

OAKVILLE, CALIFORNIA



ZIP CODE 94562
P. O. Box 106
TELEPHONE (707) 963-9611

July 15, 1981

Dr. Enrico Ferro
Mc Millan Farm Management
P.O. Box 1047
Temecula, CA 92390

Dear Dr. Ferro:

This letter will confirm our verbal agreement indicating that RME will purchase all the Sauvignon Blanc for the 1981 Harvest (approximately 60 tons) from your vineyard. Grapes will be delivered to RME at its winery located at 5950 E. Woodbridge Road, Acampo, California.

Provided the grapes have sugar content from 19.0° to 25.0° Brix and conform to the specified quality standards (attached) RME shall pay a price per ton determined on a load-by-load basis as follows:

<u>Variety</u>	<u>Optimum Sugar Level</u>	<u>Price</u>
<u>Sauvignon Blanc</u>	21°B to 24°B	\$700/Ton

There shall be a 1% penalty of this price for each 0.1 (one-tenth) degree of sugar level below or above the optimum sugar level set forth above.

If this is in accordance with your understanding of our agreement, please sign below and return this letter to us. A copy is enclosed for your records.

Regards,

ROBERT MONDAVI ENTERPRISES

WRL:ph

Approved:

By: W.R. Logan
W. R. Logan
Grape Buyer

Dr. Enrico Ferro

Exhibit "n"

GRAPES DELIVERED TO MONDAVI-1981

PINOT CHARDONNAY

GROWER

TONS

Joaquin Ranch

306.36

SAUVIGNON BLANC

GROWER

TONS

Joaquin Ranch

111.31

TOTAL MONDAVI

417.67

ROBERT MONDAVI WINERY

P.O. BOX 106
Oakville, California 94562
(707) 963-8611



BANK OF AMERICA
ST. HELENA BRANCH
1001 ADAMS ST.
ST. HELENA, CA 94574

CHECK No. 07579

VOID AFTER 90 DAYS

CHECK DATE March 29, 1982

DOLLARS \$ 45,259.58

EXACTLY *** 45,259 DOLLARS AND 58 CENTS ***

MILL SENTRY SAFETY

To THE ORDER OF
Joaquin Ranch Company
515 So. Flower Street Room 1835
Los Angeles, CA 90071

ROBERT MONDAVI WINERY

George S. Schmitt
R. Mondavi



ROBERT MONDAVI WINERY
OAKVILLE, CALIFORNIA 94562

DETACH AND RETAIN THIS STATEMENT

THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DESCRIBED BELOW.
IF NOT CORRECT PLEASE NOTIFY US PROMPTLY. NO RECEIPT DESIRED.

EM NO.	INVOICE DATE	INVOICE NO.	DESCRIPTION	GROSS AMOUNT	DISCOUNT OR DEDUCTION	NET AMOUNT
	3/29/82	1981 Harvest	Final Payment	0200.0315		45,259.58

ADDRESS THE SENTRY SAFETY

Atlantic Richfield Company

Remittance Transmittal/Accounting Advice

This is No. Carbon Required paper.

No. 08308

Atlantic Richfield Company Other (specify) **JOAQUIN RANCH COMPANY** Date **4/6/82**

To **Treasury-Banking Department** Attached hereto is remittance amounting to \$ **45,259.58**

Received from
ROBERT MONDAVI WINERY
P.O. Box 106, Oakville, Ca. 94562

To cover
~~XXXX~~ **Vineyard income - 1981 Crop**

R.M.E. INC.

P. O. BOX 106
Oakville, California 94562
(707) 963-9611

BANK OF AMERICA
SAN FRANCISCO MAIN OFFICE
345 MONTGOMERY STREET
SAN FRANCISCO, CALIF. 94104

CHECK No. **05955**

11-35/1210

CHECK DATE **March 30, 1982**

EXACTLY *** 94,500 DOLLARS AND 14 CENTS *** DOLLARS \$ 94,500.14

Joaquin Ranch Company
515 So. Flower St
Room 1835
Los Angeles, CA. 90071

R.M.E. INC.

Jim Woodard
R. Woodard

TO THE ORDER OF

R. M. E. INC.
OAKVILLE, CALIFORNIA 94562

DETACH AND RETAIN THIS STATEMENT.

THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DESCRIBED BELOW.
IF NOT CORRECT PLEASE NOTIFY US PROMPTLY. NO RECEIPT DESIRED.

INVOICE NO.	INVOICE DATE	INVOICE NO.	DESCRIPTION	GROSS AMOUNT	DISCOUNT OR DEDUCTION	NET AMOUNT
	3/30/82		1981 Crop Final Payment			94,500.14

Atlantic Richfield Company ♦
Remittance Transmittal/Accounting Advice

This is No Carbon Required paper.

No. **08310**

<input type="checkbox"/> Atlantic Richfield Company	<input checked="" type="checkbox"/> Other (specify) JOAQUIN RANCH COMPANY	Date 4/6/82
---	--	--------------------

To **Treasury-Banking Department** Attached hereto is remittance amounting to \$ **94,500.14**

Received from **R.M.E. INC.**
P.O.Box 106, Oakville, Ca. 94562

To cover **Income on Vineyard - 1981 Crop**



Emilio Guglielmo Winery, Inc.

1480 EAST MAIN AVENUE, MORGAN HILL, CALIFORNIA 95037

(408) 779-2145

January 18, 1983

Dept. of the Treasury
Bureau of Alcohol, Tobacco & Firearms
Washington, D.C. 20226

Gentlemen,

In 1979 we purchased 25 tons of Sauvignon Blanc grapes from McMillan Farm Management Company from their J-4 Parcel. The grapes were delivered in prime condition and I was quite satisfied with the wine produced from them.

As you can see from the enclosed labels we used Temecula/California as the appellation of origin on our bottling and would be in favor of the approval of their viticultural designation as an appellation of origin.

Very truly yours,

George E. Guglielmo
Emilio Guglielmo Winery, Inc.

GEG:vt
enc.

Emilio Guglielmo

SINCE 1925



1979

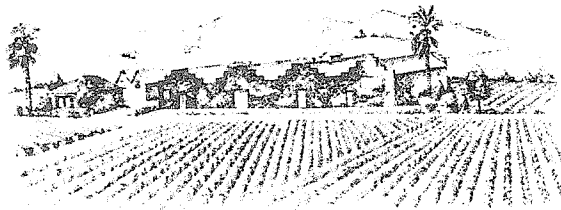
TEMECULA/CALIFORNIA

SAUVIGNON BLANC

From this area, this grape yields an agreeably dry white wine which possesses a pronounced varietal character, a light golden color and a spicy aromatic aroma. This wine was produced from 100% Sauvignon Blanc grapes. Produced and Bottled by Emilio Guglielmo Winery, Morgan Hill, Santa Clara Valley, California.
BW 3656 Alcohol 12% by Volume.

Emilio Guglielmo

SINCE 1925



1979

TEMECULA/CALIFORNIA

SAUVIGNON BLANC

From this area, this grape yields an agreeably dry white wine which possesses a pronounced varietal character, a light golden color and a spicy aromatic aroma. This wine was produced from 100% Sauvignon Blanc grapes. Produced and Bottled by Emilio Guglielmo Winery, Morgan Hill, Santa Clara Valley, California.
BW 3656 Alcohol 12% by Volume.

Exhibit "6"

Received 2/15/83
51



CILURZO Vineyard & Winery

Phone: (714) 676-5250 • 41220 Calle Contento • P.O. Box 775 • Temecula, California 92390

February 7 1983

Chief, Regulations & Procedures
Bureau of Alcohol, Tobacco & Firearms
P.O. Box 385
Washington, D.C. 20044-0385

Re: Notice 416

Dear Sir:

The Hiram-Walker/Callaway appellation petition covers 33,000 acres of land. However as you will see on the attached map almost all this land is already committed to uses other than vineyards. At the most there is 700 acres of land upon which it would be economically feasible to plant grapes. This does not mean the owners wish to start vineyards----it is simply suitable land.

Hiram-Walker/Callaway has just planted 135 acres more grapes, this plus existing vineyards and contracts with owners who are absentee owner friends of Mr. Callaway make that winery self sufficient. However small wineries like ourselves must buy grapes from area growers and are vulnerable if the appellation boundaries exclude vineyards from whom we have been buying grapes. We have bought Cabernet Sauvignon grapes from La Cresta for four years. This year because Franciscan did not take all the Arco vineyard grapes we were able to make Chardonnay for the first time. There were no Chardonnay grapes available from vineyards within the Hiram-Walker appellation that we could purchase. The large vineyard belonging to Arco gives wineries the size of ours a chance to grow .

Cilurzo Winery has purchased La Cresta grapes since the first year the vineyards produced grapes, and that was our second year as a winery. We have had a close association with those owners.

My husband and I did the first weather studies in Temecula prior to planting the first vineyard in the area. Our study nor any since then has addressed the unique wind patterns throughout the valley. These winds are what makes the Temecula area suitable for growing grapes. We all agree all parts of the area have winds, yet none of us can prove the wind influences the climate more in one vineyard than another. Since no scientific studies have been done we feel it is too soon to break so small an area into 2 or 3 appellations. Perhaps in a few years we will want smaller appellations, but right now we are still trying to learn about our area, The first vineyard was planted in 1968 by Cilurzo, the first winery started in 1975 by Callaway, now Hiram Walker.

Since our area is so young in terms of growing grapes and since so

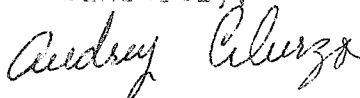
much of the land is no longer available for vineyard development we feel the proposal made by the growers will better meet the needs of all growers and wineries than the the Hiram Walker/Callaway appellation.

- In summary;
- 1.The Arco and La Cresta vineyards are within the boundaries of the Vail Ranch which was always considered to be in Temecula, and both are still within the Temecula, 92399 zip code area.
 - 2.Soil and climate differences are no more and no less than differences allowed within the Napa Valley appellation.
 - 3.Wine has been made and sold for several years from Arco vineyard and La Cresta vineyard grapes by at least two wineries, both showing the wine coming from the Temecula area.
 - 4.There is insufficient land within the Hiram-Walker appellation to meet the growing needs of small wineries in the area. The inclusion of the Arco and La Cresta vineyards would make more grapes available with a Temecula appellation.
 - 5.In 1972 a winegrape growers association was formed. We agreed that members would be anyone growing grapes within the boundaries of Rancho California. This was reaffirmed in 1975 when we rewrote the by-laws. These boundaries include the Arco and La Cresta vineyards.
 - 6.All of us who live here have worked very hard to promote Temecula. We live here, our entire family life is in Temecula. We have a clearer feel for what is Temecula than businessmen who fly in for occasional visits, or owners who live out of state, or spend a good part of their time in Palm Springs or Palm Desert.

The petition proposed by the Rancho-Temecula Winegrape Growers association will satisfy the needs of a growing, emerging area.

Thank you for all the reading and listening that many of you have endured during the months of this petition.

Sincerely,



Audrey Cilurzo

Received
2/7/83
North

52

COOPERATIVE EXTENSION
UNIVERSITY OF CALIFORNIA

DAVIS, CALIFORNIA 95616

REPLY TO: Viticulture & Enology Extension

February 10, 1983

Chief, Regulations and Procedures Division
Bureau of Alcohol, Tobacco, and Firearms
P. O. Box 385
Washington, D.C. 20044-0385

(ATTN: Notice No. 438)

Dear Sir,

The history of commercial production of wine grapes in southwestern Riverside County is recent, having its origins following the sale of the Vale Ranch in 1964 to Kaiser-Aetna and the subsequent development of Rancho California.

At that time I was asked for advice on the production of wine grapes as part of my statewide responsibilities as Extension Viticulturist for the University of California. I have held this position since 1955 and am headquartered with the Department of Viticulture and Enology at the University of California at Davis.

Since the beginnings of vineyard plantings in this area I have periodically visited various vineyard properties and have consulted with growers on viticultural practices. Thus, I consider myself knowledgeable about viticulture in southwestern Riverside County as well as in all other viticultural areas in the state of California.

The uniqueness of the southwestern Riverside County viticultural area lies in its climate which is moderated by proximity to the Pacific Ocean. As Amerine and Winkler and their predecessors Hilgard and Bioletti have demonstrated, climate is an overriding factor in the production of quality wine from varieties of grapes that have inherent desirable characteristics. The role of soil per se as a contributor to wine quality is a controversial one wherever wine grapes are grown, and has not been elucidated by California researchers.

While there are differences of opinion among growers and wineries on an appropriate name and geographic limits for the proposed wine grape growing areas of southwestern Riverside County, in my opinion it is premature to consider naming more than one. I would prefer that recognition be given to the general Temecula area, an area that is geographically isolated from other viticultural areas in California.

My reasons for supporting one viticultural area include:

1. The limited size of the total vineyard plantings and the slight prospect for further vineyard development.
2. The climate has not been adequately studied and defined, and only short term data are available. That there are some minor differences in climate is to be expected. Whether differences are great enough to be meaningful, especially in terms of wine quality, has yet to be determined.
3. The viticultural soils are similar in the general area, having been derived in alluvium from predominately granitic materials.
4. Vine growth and crops yields for the same varieties are similar throughout the general area.
5. I am not aware that differences in wine quality or character have been discerned among wines from the proposed viticultural areas.

Even though I believe that the designation of one viticultural area is sufficient now, I do not have an all encompassing name to suggest. I tend to favor Temecula because it's the only identification to which wine consumers have been exposed so far. The name is distinctive, an important part of California history, and one which consumers could identify without confusion.

Sincerely,



A. N. Kasimatis
Extension Viticulturist

ANK:skb

Received
2/22/83
Runtz/raun

53

February 14, 1983

Michael J. Cavaletto

[REDACTED]
Nipomo, Ca. 93444

Chief Regulations &
Procedures Division, Bureau
of Alcohol, Tobacco & Firearms
Department of Treasury
P.O. Box 385
Washington, D.C. 20044-0385

Attention: Notice #438

Dear Chief:

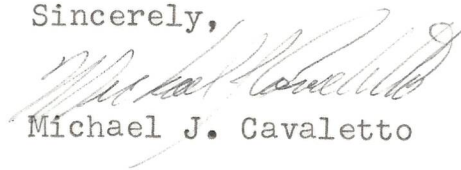
I have been involved in the Temecula area on the east and the west side of Highway 395 since 1966. We planted oranges and grapefruit in 1967, avocados in 1973 and 1974, and our vineyard in 1979. There is over 200 acres involved in these various plantings.

Your panel most graciously and with a great deal of patience listened to a full day of testimony concerning the appellation proposals for the Temecula areas, so I will not go into great detail about my opinions.

Living away from the area, it is easy for me to realize that most people don't know where Temecula is. I feel it would have a very negative impact on those of us who have promoted the quality of our various products as being from Temecula.

We take great pride in our citrus and wine grapes on the east side of Highway 395 as well as our avocados on the west side of 395, as being from Temecula. Please consider the whole area as Temecula. Thank you for your consideration.

Sincerely,



Michael J. Cavaletto



McMILLAN FARM MANAGEMENT COMPANY

Richard McMillan • Gary McMillan

Wine Grapes • Citrus • Avocados

29379 Rancho California Road, Suite 201 • (714) 676-2045

Mailing Address:
P.O. Box 1047 - Rancho California / Temecula, CA 92390

RECEIVED
2/22/83
Rancho California



February 15, 1983

Chief, Regulations & Procedures Division
Bureau of Alcohol, Tobacco & Firearms
P.O. Box 385
Washington, D.C. 2004-0385

Dear Chief:

My name is Dr. Enrique Ferro. I am employed by McMillan Farm Management as a Vineyard Manager. I received my doctorate degree in Agricultural Sciences from the University of Torino in Piemonte, Italy. I pursued further specialized studies in winemaking at the Experimental Station of Enology and Viticulture located at Asti, Italy. I am also a licensed California Pest Control Advisor.

I spoke at the public hearing on January 20, 1983 in Temecula. I would like to take this opportunity to expand upon my remarks. In particular, I want to focus upon a technical comparison of the ARCO Vineyard with those vineyards on the east side of Highway 395 in the area commonly referred to as "Buck Mesa".

On January 20, 1983, Dr. Olmo spoke only about the soil classification types in the east side as compared to the west side of Temecula Valley. He focused on their differences. He neither mentioned the prevalent cultural management practices nor the chemical and mechanical characteristics of the soil. Both of these factors have a great influence upon grape composition. I want to show you how similar both these factors are within the Region.

There are within the Temecula region, certain cultural practices that are common to the vineyards located on both the east and west sides of Highway 395.

The vines are planted on their own roots instead of on rootstocks. Mr. Joe Hart, in his testimony on the morning of January 20th, stated that varieties of the same clones from the same nurseries were used to plant the whole valley including the La Cresta area. This is true. There are other similarities in the cultural practices.

The density is the same: 12' X 8'. Pruning techniques are similar. Fertilization is similar with N-fertilizers since all the soils are lacking in this element. Weed control and erosion control is also similar. All soils whether on the west or east side, are highly erosionable by rainfall. Therefore, all the vineyards are allowed to have a cover crop of either barley or natural weeds. Between vines, weeds are controlled by the use of herbicides.

This complex of similar cultural practices is unique to Temecula, just as the complex of cultural practices used in Napa, Sonoma, Burgundy and Bordeaux are each unique. Yet the cultural practices in Temecula are different from Napa and Sonoma, just as the viticultural practices in Burgundy are different from those of Bordeaux.

There are slight differences in soil composition between the west and east side of Highway 395, but the differences are less than those within Napa or Sonoma. Wine Consultant Justin Meyer gave you a very thorough and complete study of this aspect. As he told you, different Soil Conservation service classifications are not necessarily viticulturally relevant.

In the process of soil formation, the underlying rock matrix from which the soil is formed is important but as much or more important are the kind of erosion agents involved. Rainfall, humidity temperature, winds, etc., are the weathering agents involved. These agents have been basically the same for thousands of years on the west and east side both in quality and quantity. Their impact on soil formation is reflected in the similar chemical and, to a lesser extent, physico-mechanical composition of the soils.

As a consequence, chemical and mechanical analysis of the soils in the region reveals their similarity from chemical and mechanical points of view regardless of where they are located in the region. Attached to this letter are two reports prepared by Fruit Growers Laboratory, Inc. of their chemical and mechanical analysis of soil samples taken from both the Brookside Vineyard and the ARCO Vineyard. The Brookside Vineyard is located on the east side of Highway 395; the ARCO Vineyard is located on the west side. The Brookside sample was taken from soil classified by the U.S. Soil Conservation Service as the Hanford-Tujunga-Greenfield soil association. The ARCO Vineyard soil sample is classified as Monserate-Arlington-Exeter. These reports are attached to this letter as an exhibit. What follows is a comparison summary of the laboratory's analysis.

1. They both have similar amounts of leachable elements like potassium (K), calcium (Ca) and magnesium, (Mg) mostly in the form of sulphates. Although a little bit higher in the east side (Brookside) it is not significant on the grape nutrition.

2. The nitrogen is low on both locations.

3. The soils both lack bicarbonates

4. On both sides, sodium and boron are in amounts that neither cause toxicity nor deficiency.

5. The pH on both sides of the region are within the range of 6.5 to 7.5 and well within the tolerance limits for grape vines.

6. The organic matter are quite similar too, on both locations.

7. The micronutrient elements (zinc, manganese, iron and copper) are similar in both and sufficient for nutritional purposes.

8. In addition, as Dr. Olmo said, drainage is very good on both the east and the west. This is reflected in the mechanical analysis. The east soils are richer in coarse sands, the west rich in small gravel particles.

I conclude from this laboratory analysis of the chemical and mechanical composition of samples taken on both sides of the region that, despite being classified as two different soil types, chemically and mechanically the soils are quite similar. From a viticultural point of view, these mechanical and chemical characteristics are the important factors. Soil "type" classification tells a viticulturalist very little.

Based on my knowledge and experience, the differences in elevation within a given vineyard in the region may well have a stronger effect on the microclimate within the vineyard than do differences between locations within the region.

I have observed in the 2½ years I have been here that on hills planted with the same variety from top to bottom in the east side of the Valley that vines on the high elevation have the tendency to bud-break about 8 to 12 days earlier than the ones on the lower elevation. I have submitted photographs to you that show this.

Also, it is customary in the east as well as in the ARCO Vineyard to harvest the grapes starting from the top of the hill going downhill. The reason is that while the grapes are 20 Brix at the top those at the bottom are 17.5 to 18.5 Brix. To my knowledge, the ARCO Vineyards, Brookside Vineyards, Bell Vineyards and Callaway Vineyards are all harvested in this way.

The difference in daily temperatures between the high elevation and the low elevation evidently are very different through the whole year. I noticed that the records submitted by Callaway Vineyards are only from the low elevation of their vineyard. This is misleading because there is 200 feet or more difference in elevation between the high and low elevation of the Callaway Vineyard.

Besides being a viticulturalist, I am also a winemaker. I firmly believe that wines made from the same variety, whether grown in the east or west side of Temecula, can be very different depending on the winemaking techniques. I have compared two Chardonnay wines made by two local wineries from ARCO Vineyard grapes. On the same day these wineries crushed ARCO Vineyard Chardonnay grapes from adjacent rows that had virtually identical composition in sugar, acid, pH. Yet, the winemakers applied different fermentation techniques and different post-fermentation operations. As a result, the Chardonnay wines they produced are strikingly different.

I suggest that ATF submit these wines for their evaluation. Included in this sample could also be the Callaway wine produced exclusively from ARCO Vineyard grapes.

My Italian professors, C. Tarantola and Breviglieri, taught me that the most important factors responsible for a wine's distinctive organoleptic characteristics are:

1. The grape variety.
2. The cultural practices.
3. The weather (temperature, heat summation, rainfall, humidity, rain pattern in the year, etc.)
4. The winemakers technique and artistry.
5. The winemaking equipment. There are hundreds of different designs and performance characteristics for all the various items of equipment (press, crushers, juice separator, wine tanks, filters, heat exchangers, clarifiers, etc.) Each of these items has a different impact on the end product.

Factors 1, 2 and 3 are more or less constant for the east and west side of the Valley. It is factors 4 and 5 that have a much stronger impact on the differences between Temecula wines made from the same varietal.

Thus, it is my opinion that the boundaries of the "Temecula" viticultural area, as proposed by the Association petition presents a viticulturally distinct area.

What Hiram-Walker wants to do by splitting Temecula is something that Burgundy, Bordeaux, Chianti, Barolo, etc., took several hundreds of years to do.

Within Burgundy (Bourgogne), for example, there are district areas (subappellations) like Cote de Nuits, Cotes de Beaune, Macon, Beaujolais, etc. These district areas have their own rules about which clones to grow, densities, pruning techniques, yield per acre, winemaking techniques, etc. that make each districts wines different from the others. It took several hundreds of years to find out where the boundaries between these smaller districts should be. It took much information about soil and climate, and muct experimentation. It would be irrational to pretend to subdivide the Temecula viticultural area without a similar depth of knowledge and experience.

Thus, I believe that it is too early to try to split the area. Italy has appellations of origin like Chianti, Barolo, etc., which are called "simple appellation". Within these more general appellations, the Italians have delimited smaller areas with the appellation controlle (Denominazione di origine controllata) based on hundreds of years of thorough evidence of microclimates and viticulturally significant soil differences. After centuries they now have boundaries down to the square meter. However, common sense says such fine tuning would be premature in Temecula. There should be only one appellation for Temecula Valley at the present time.

Thank you very much.

Very truly yours,



ENRIQUE FERRO

FRUIT GROWERS LABORATORY, INC.

February 11, 1983
 Lab No. 57027

McMillan Farm Management
 P.O. Box 1047
 Temecula, Calif. 92390

Gentlemen:

RE: SOIL ANALYSES-ARCO VINEYARD


Presenting results of analyses conducted on your soil sample collected by Steve Kimbrell on February 7, 1983. This sample was collected from the Pinot Chardonnay and White Reisling plantings.

DATA

	<u>Soil Sample</u>
Moisture %	16
Saturation %	20
Nitrate-nitrogen (NO3-N) PPM	9
Limestone (%CaCO3)	None
Phosphorus (P) PPM	11
Potassium (K) PPM	650
pH	7.0
Soil Salinity (ECe)	0.2
Calcium (Ca) PPM	85
Magnesium (Mg) PPM	12
Sodium (Na) PPM	23
SAR	0.6
Boron (B) PPM	1.0
Organic Matter, %	3.5
Zinc (Zn) PPM	1.3
Manganese (Mn) PPM	4.2
Iron (Fe) PPM	14
Copper (Cu) PPM	0.5
Sand %	39
Silt %	38
Clay %	23

If there are questions, please call or write.

Very truly yours,
 FRUIT GROWERS LABORATORY, INC.



Darrell H. Nelson

DHN:kdp

cc:1

FRUIT GROWERS LABORATORY, INC.

December 24, 1981
 Lab No. 53769

McMillan Farm Management
 P.O. Box 1047
 Temecula, Calif. 92390

Gentlemen:

RE: BROOKSIDE VINEYARD - UPPER MESA

Presenting the result of an analysis made on a composite soil sample collected from the above vineyard on December 16, 1981 by the undersigned. The sample depth was 0-18". This sample represents a composite of three core samples.

DATA

	<u>Soil Sample</u>
Moisture %	5
Saturation %	17
Nitrate-Nitrogen (NO ₃ -N) PPM	9
Soil Salinity (ECe)	2.6
pH	5.8
Phosphorus (P) PPM	30
Potassium (K-HNO ₃) PPM	320
Limestone (%CaCO ₃)	None
Calcium (Ca) PPM	350
Magnesium (Mg) PPM	140
Sodium (Na) PPM	260
Sodium Absorption Ratio (SAR)	3.7
Boron (B) PPM	1.4
Gypsum Requirement	None
Lime Requirement, Tons/Ac. Ft.	0.3
Organic Matter, %	2.3
Zinc (Zn) PPM	0.8
Manganese (Mn) PPM	11
Iron (Fe) PPM	16
Copper (Cu) PPM	0.4
Sand %	61
Silt %	26
Clay %	13

If there are questions, please call or write.

Very truly yours,
 FRUIT GROWERS LABORATORY, INC.



Darrell H. Nelson

DHN:kdp
 cc: 1

FRUIT GROWERS LABORATORY, INC.
853 Corporation Street
Santa Paula, California 93060

SOIL ANALYSIS INTERPRETATION GUIDE

S.P. % Saturation Percentage

The amount of water required to saturate 100 grams of soil. The value is approximately twice the field capacity of the soil.

Less than 20	Loamy sand & sand
20- 30	Sandy Loam
30- 45	Loam to silt loam
45- 65	Clay loam
65-135	Clay
Greater than 135	Organic (peat or muck)

pHs (Soil Reaction)

The degree of acidity or alkalinity of a soil as measured in the saturated paste.

Less than 4.5	Too acid for most crops
4.5-5.5	Suitable for acid tolerant crops
5.5-8.3	Suitable for most crops
Greater than 8.3	Problem with excess sodium likely

ECe (Electrical Conductivity)

The conductivity of the saturation extract from a soil expressed in millimhos per cm at 25° C. This is an index of the total salt content of the soil.

Less than 2	No salinity problem
2- 4	Restricts growth of salt-sensitive crops
4- 8	Restricts growth of many crops
8-16	Only salt tolerant crops do well
Greater than 16	Only few very salt-tolerant crops survive

Limestone - Alkaline Earth Carbonates by gravimetric loss of carbon dioxide. Useful in determining the suitability of soils which contain free limestone for sensitive crops.

NO₃-N Nitrate-Nitrogen

Is extracted with water and expressed as ppm in the soil on a dry weight basis.

P Phosphorus

The available phosphorus, extracted from soil by 0.5 molar sodium bicarbonate solution at pH 8.5 and reported as ppm of phosphorus in the soil.

K Potassium

The available potassium extracted from soil by 1 Normal ammonium acetate solution at pH 7.0 and reported as ppm of potassium in the soil.

K-HNO₃ Potassium

Boiling nitric acid extractable reported as ppm of potassium in the soil.

S Sulfur

The available sulfur extracted with 0.1 molar lithium chloride and is expressed as ppm in the soil.

Ca Calcium

The amount of calcium in the saturation extract expressed as ppm and is used to calculate SAR and ESP.

Mg Magnesium

The amount of magnesium in the saturation extract expressed as ppm and is used to calculate SAR and ESP.

ESP Exchangeable Sodium Percentage

The percentage of sodium on the soil exchange complex. Calculated from the equation:

$$ESP = \frac{100 (-0.0126 + 0.01475 (SAR))}{1 + (-0.0126 + 0.01475 (SAR))}$$

ESP

Below 10	No soil permeability problems expected due to sodium
10-15	Possible permeability problems with fine-textured soils (saturation % above 50)
Above 15	Permeability problems likely on all mineral soils except possibly those having a saturation percentage below 20

SAR Sodium Adsorption Ratio

A ratio of the concentrations of cations in the saturation extract from a soil to express the relative concentration of sodium in the cation exchange complex of the soil. Calculated by the equation:

$$SAR = Na \div (Ca + Mg) + 2$$

SAR

Below 6	No soil permeability problems expected due to sodium
7-9	Possible permeability problems with fine-textured soils (saturation % above 50)
Above 9	Permeability problems likely on all mineral soils except possibly those having a saturation % below 20

B Boron

The amount of boron in the saturation extract from a soil expressed as ppm in the extract.

Less than 0.1	Deficient
0.1-0.5	Satisfactory for all crops
1	Sensitive crops may show visible injury
5	Semi-tolerant crops may show visible injury
10	Tolerant

C1 Chloride

The amount of chloride in the saturation extract from a soil expressed as ppm in the extract. Fruit crops in general and many woody ornamentals are C1 sensitive.

TRACE ELEMENTS DTPA EXTRACTABLE

Zn - Zinc (ppm)

Less than 0.5 - Response likely
Greater than 0.5 - Response unlikely

Mn - Manganese (ppm)

Deficiencies are rare in California soils. When levels are greater than 1.0 ppm, a response is unlikely.

Fe - Iron (ppm)

Less than 5.0 - Response likely
Greater than 5.0 - Response unlikely

Cu - Copper (ppm)

Deficiencies are rare in California soils. When levels are greater than 0.2 ppm, a response is unlikely.

REF. -- University of California
Agricultural Extension Service Laboratory

INTERPRETATIVE GUIDE

The following guides are for interpretation of HCO₃-P, boiling nitric acid extractable K and DTPA-extractable Zn of mineral soils. All values are expressed as PPM of the element in the dry soil.

	P	K	S	Zn
<u>ALFALFA:</u>				
Response likely below	10	250	5	--
Response not likely above	20	250	10	--

<u>BARLEY & WHEAT:</u>				
Response likely below	6	250	5	0.2
Response not likely above	12	250	10	0.3

<u>BROCCOLI, CAULIFLOWER, & CABBAGE:</u>				
Response likely below	10	250		0.5
Response not likely above	25	250		1.0

<u>CANTALOUPE & SQUASH:</u>				
Response likely below	*8	250		0.4
Response not likely above	*12	250		0.6

*In cold soils, 60-80 lbs. of P₂O₅ should be banded 2 inches to the side and 2 inches below seeds or roots.

<u>CARROTS:</u>				
Response likely below	10	250		1.0
Response not likely above	25	250		1.0

When planting in cold soils, 100-120 lbs. of P₂O₅ should be broadcast and disced in before listing up beds.

<u>CELERY:</u>				
Response likely below	*10	150		0.2
Response not likely above	*25	150		0.5

*Besides the usual 300 cubic feet per acre application of poultry manure, 100 lbs. of P₂O₅ may be applied in a band 2 inches below and 2 inches to either side of the roots of transplants to get them started uniformly.

<u>CORN:</u>				
Response likely below	*6	250		0.3
Response not likely above	*12	250		0.6

In cold soils, 30-50 lbs. of P₂O₅ should be banded 3 inches to the side and 2 inches below the seed.

<u>COTTON:</u>				
Response likely below	5	250		0.4
Response not likely above	8	250		0.7

	P	K	S	Zn
<u>LETTUCE (cool season):</u>				
Response likely below	15	250		
Response not likely above	25	250		

<u>LETTUCE (warm season):</u>				
Response likely below	5	250		
Response not likely above	9	250		

<u>ONIONS:</u>				
Response likely below	*10	250		1.0
Response not likely above	*25	250		1.0

*Depending upon how high the soil tests, 60-120 lbs. of P₂O₅ are banded 3 to 4 inches directly below the seed or transplant.

<u>PASTURE & RANGE:</u>				
Response likely below	5	250		
Response not likely above	10	250		

<u>PEPPERS:</u>				
Response likely below	*6	250		
Response not likely above	*12	250		

When planting in cool weather, 50-90 lbs. P₂O₅ per acre should be banded 2 inches directly below the seed or transplant.

<u>POTATOES (mineral soils):</u>				
Response likely below	12	150		0.3
Response not likely above	25	150		0.7

<u>SUGAR BEETS:</u>				
Response likely below	*5	250		0.1
Response not likely above	*12	250		0.2

*Sugar beets planted in Winter or early Spring may be especially responsive to P fertilization.

<u>TOMATOES:</u>				
Response likely below	6	250		0.3
Response not likely above	12	250		0.7

REFERENCE - University of California, Bulletin 1879 and Guidelines for Commercial Growers by U.C. Farm Advisor, H. W. Otto.

DEPARTMENT OF THE TREASURY - BUREAU OF ALCOHOL, TOBACCO AND FIREARMS
MEMORANDUM RECORD OF CONVERSATION

59
Addendum

INSTRUCTIONS: Prepare original only as a confirmation, referral or temporary record of a telephone or verbal conversation. Print or write legibly.

TO:	1. Public Comment File	INITIALS	3.	INITIALS
	2.	INITIALS	4.	INITIALS

ACTION: YOUR INFORMATION YOUR COMMENT RETURN

FROM: John Linthicum DATE 2/18/83

SUBJECT: Temecula

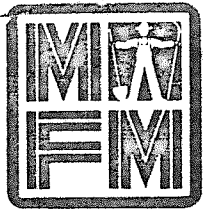
FILE DESCRIPTION AND REFERENCE, IF ANY
Post-hearing Comments

NAME AND TITLE OF PERSON CALLING CALLED VISITING VISITED
Dr. Enrique Ferro, MacMillan Farm Management

OFFICE

SUMMARY OF CONVERSATION
His letter dated 2/15/83 contains errors in laboratory reports of soil analyses and in his conclusions on page 3 which were based on erroneous laboratory reports. The laboratory is submitting corrected reports directly to me and Dr. Ferro is submitting a revised page 3. He asked me to destroy the erroneous material and replace it with the correct material. JAR 2/18/83.
New lab reports received on 2/23; revised page 3 received on 2/24. JAR Superseded pages are attached to this memo. JAR

NECESSARY ACTION AND INSTRUCTIONS



McMILLAN FARM MANAGEMENT COMPANY

Richard McMillan • Gary McMillan

Wine Grapes • Citrus • Avocados

29379 Rancho California Road, Suite 201 • (714) 676-2045

Mailing Address:

P.O. Box 1047 - Rancho California / Temecula, CA 92390

February 15, 1983

Chief, Regulations & Procedures Division
Bureau of Alcohol, Tobacco & Firearms
P.O. Box 385
Washington, D.C. 2004-0385

Dear Chief:

My name is Dr. Enrique Ferro. I am employed by McMillan Farm Management as a Vineyard Manager. I received my doctorate degree in Agricultural Sciences from the University of Torino in Piemonte, Italy. I pursued further specialized studies in winemaking at the Experimental Station of Enology and Viticulture located at Asti, Italy. I am also a licensed California Pest Control Advisor.

I spoke at the public hearing on January 20, 1983 in Temecula. I would like to take this opportunity to expand upon my remarks. In particular, I want to focus upon a technical comparison of the ARCO Vineyard with those vineyards on the east side of Highway 395 in the area commonly referred to as "Buck Mesa".

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1. They both have similar amounts of leachable elements like potassium (K), calcium (a) and magnesium (mg) mostly in the form of sulphates.
2. There are few chlorides on either side.
3. The soils both lack bicarbonates
4. On both sides, sodium and boron are in amounts that neither cause toxicity nor deficiency.
5. The pH on both sides of the region are within the range of 6.5 to 7.5.
6. The Sodium Absorption Ration (SAR) and organic matter are quite similar too.
7. In addition, as Dr. Olmo said, drainage is very good on both the east and the west. This is reflected in the mechanical analysis. The east soils are richer in coarse sands, the west rich in small gravel particles.

I conclude from this laboratory analysis of the chemical and mechanical composition of samples taken on both sides of the region that, despite being classified as two difference soil types, chemically and mechanically the soils are quite similar. From a viticultural point of view, these mechanical and chemical characteristics are the important factors. Soil "type" classification tells a viticulturalist very little.

Based on my knowledge and experience, the differences in elevation within a given vineyard in the region may well have a stronger effect on the microclimate within the vineyard than do differences between locations within the region.

I have observed in the 2 $\frac{1}{2}$ years I have been here that on hills planted with the same variety from top to bottom in the east side of the Valley that vines on the high elevation have the tendency to bud-break about 8 to 12 days earlier than the ones on the lower elevation. I have submitted photographs to you that show this.

Also, it is customary in the east as well as in the ARCO Vineyard to harvest the grapes starting from the top of the hill going downhill. The reason is that while the grapes are 20 Brix at the top those at the bottom are 17.5 to 18.5 Brix. To my knowledge, the ARCO Vineyards, Brookside Vineyards, Bell Vineyards and Callaway Vineyards are all harvested in this way.

The difference in daily temperatures between the high elevation and the low elevation evidently are very different through the whole year. I noticed that the records submitted by Callaway Vineyards are only from the low elevation of their vineyard. This is misleading because there is 200 feet or more difference in elevation between the high and low elevation of the Callaway Vineyard.

Besides being a viticulturalist, I am also a winemaker. I firmly believe that wines made from the same variety, whether grown in the east or west side of Temecula, can be very different depending on the winemaking techniques. I have compared two Chardonnay wines made by two local wineries from ARCO Vineyard grapes. On the same day these wineries crushed ARCO Vineyard Chardonnay grapes from adjacent rows that had virtually identical composition in sugar, acid, pH. Yet, the winemakers applied different fermentation techniques and different post-fermentation operations. As a result, the Chardonnay wines they produced are strikingly different.

I suggest that ATF submit these wines for their evaluation. Included in this sample could also be the Callaway wine produced exclusively from ARCO Vineyard grapes.

My Italian professors, C. Tarantola and Breviglieri, taught me that the most important factors responsible for a wine's distinctive organoleptic characteristics are:

1. The grape variety.
2. The cultural practices.
3. The weather (temperature, heat summation, rainfall, humidity, rain pattern in the year, etc.)
4. The winemakers technique and artistry.
5. The winemaking equipment. There are hundreds of different designs and performance characteristics for all the various items of equipment (press, crushers, juice separator, wine tanks, filters, heat exchangers, clarifiers, etc.) Each of these items has a different impact on the end product.

Factors 1, 2 and 3 are more or less constant for the east and west side of the Valley. It is factors 4 and 5 that have a much stronger impact on the differences between Temecula wines made from the same varietal.

Thus, it is my opinion that the boundaries of the "Temecula" viticultural area, as proposed by the Association petition presents a viticulturally distinct area.

What Hiram-Walker wants to do by splitting Temecula is something that Burgundy, Bordeaux, Chianti, Barolo, etc., took several hundreds of years to do.

Within Burgundy (Bourgogne), for example, there are district areas (subappellations) like Cote de Nuits, Cotes de Beaune, Macon, Beaujolais, etc. These district areas have their own rules about which clones to grow, densities, pruning techniques, yield per acre, winemaking techniques, etc. that make each districts wines different from the others. It took several hundreds of years to find out where the boundaries between these smaller districts should be. It took much information about soil and climate, and muct experimentation. It would be irrational to pretend to subdivide the Temecula viticultural area without a similar depth of knowledge and experience.

Thus, I believe that it is too early to try to split the area. Italy has appellations of origin like Chianti, Barolo, etc., which are called "simple appellation". Within these more general appellations, the Italians have delimited smaller areas with the appellation controlle (Denominazione di origine controllata) based on hundreds of years of thorough evidence of microclimates and viticulturally significant soil differences. After centuries they now have boundaries down to the square meter. However, common sense says such fine tuning would be premature in Temecula. There should be only one appellation for Temecula Valley at the present time.

Thank you very much.

Very truly yours,



ENRIQUE FERRO

FRUIT GROWERS LABORATORY, INC.

February 15, 1983
Lab. No. 57027

McMillan Farm Management
P.O. Box 1047
Temecula, California 92390

Gentlemen:

RE: SOIL ANALYSIS - ARCO VINEYARD

Presenting results of analysis made on a soil sample collected by Steve Kimbrell on February 7, 1983. The sample is described in accordance with the area from which it was collected.

See the attached sheet which serves to interpret terms.

DATA

Moisture %	16
Saturation %	20
Nitrate-Nitrogen (NO ₃ -N) PPM	9
Limestone (% CaCO ₃)	None
Phosphorus (P) PPM	11
Potassium (K) PPM	650
pH	7.0
Soil Salinity (ECe)	0.2
Calcium (Ca) PPM	85
Magnesium (Mg) PPM	12
Sodium (Na) PPM	23
SAR	0.6
Boron (B) PPM	1.0
Organic Matter %	3.5
Zinc (Zn) PPM	1.3
Manganese (Mn) PPM	4.2
Iron (Fe) PPM	14
Copper (Cu) PPM	0.5
% Sand	39
% Silt	38
% Clay	23

FGL

FRUIT GROWERS LABORATORY, INC.

December 24, 1981
Lab No. 53769

McMillan Farm Management
P.O. Box 1047
Temecula, Calif. 92390

Gentlemen:

RE: BROOKSIDE VINEYARD

Presenting the result of an analysis made on a composite soil sample collected from the above vineyard on December 16, 1981 by the undersigned. The sample depth was 0-18". This sample represents a composite of three core samples.

See the attached sheet which serves to interpret terms.

DATA

Brookside Vineyard

Moisture %	5
Saturation %	17
Nitrate-Nitrogen (NO ₃ -N) PPM	9
Soil Salinity (ECe)	1.2
pH	6.8
Phosphorus (P) PPM	30
Potassium (K-HNO ₃) PPM	320
Limestone (%CaCO ₃)	None
Calcium (Ca) PPM	35
Magnesium (Mg) PPM	14
Sodium (Na) PPM	26
Sodium Absorption Ratio (SAR)	.9
Boron (B) PPM	1.4
Gypsum Requirement	None
Lime Requirement, Tons/Ac. Ft.	0.3
Organic Matter, %	2.3
Zinc (Zn) PPM	0.8
Manganese (Mn) PPM	11
Iron (Fe) PPM	16
Copper (Cu) PPM	0.4
Ammonium-nitrate (NH ₄ -N) PPM	1.1

MECHANICAL ANALYSIS

Sand %	61
Silt %	26
Clay %	13



Received
2/21/83
Linthicum

2/18/83

Dear Mr. Linthicum:

It was a pleasure to talk to you on the phone.

Enclosed you will find a copy of the modified pag 3 of my deposition.

That same modified page 3 ~~is on the~~ incorporated it in the whole text.

You will be receiving from "Fruit Growers Laboratory" the correct analysis to replace those I mailed in the rush on Feb. 15th.

Budget & restrictions limited me to take ~~at~~ a fresh soil analysis from Brookside vineyard located at Buck Mesa on the East side. Yet it reflects many similarities with the ARCO vgd.

Truly Yours,
C.F.

Compliments of Rancho Graphics

Marie L. Lassalette
[REDACTED]
Oceanside, Ca. 92054

Received
2/23/83
Huffman
55

Feb. 15, 1983

Chief Regulation &
Procedures Division, Bureau
of Alcohol, Tobacco & Firearms
Department of the Treasury
P.O. Box 385
Washington, D. C. 20044-0385

Attention: Notice #438

Dear Chief:

I am a wine grape grower who owns vineyard land located in the Temecula Region on the eastside of Highway 395. I am writing in response to your extension of the written comment period for the rulemaking on the Temecula Region until February 20, 1983.

I believe that the entire region should be designated as "Temecula" as advocated by the Association petition. It seems to me that what makes the Temecula Region notable is its relative coolness in contrast to the rest of Southern California. This climatological feature which is shared by the entire region is what makes this area suitable for premium wine grape production. This shared feature of the entire region is far more significant than the minor viticultural differences that exist within the Temecula Region.

While Kaiser Aetna has promoted the name "Rancho California, as a referent for the region, the name "Temecula" seems to be reasserting itself as the preferred name for the entire region. This is reflected in the recent choice of "Temecula Valley High School" as the name for the new high school that will serve the entire region, including the hamlet of Murrieta. "Temecula" is the name I have come to prefer and use.

In my experience with the wine grape industry, the locational name used to describe this region is "Temecula." My own grapes have been sold as "Temecula grapes."

Finally, there has been a substantial reliance upon and investment in the name "Temecula" to promote grapes from this region by wine grape growers and vintners located all over the Temecula Region. A denial of the use of "Temecula" for grape growers located anywhere in the region could have a substantial negative overall impact on the budding wine grape and wine

industry which we are trying to develop in the region. It will undermine our strength and identity. It seems to me that including the entire region within an appellation of origin called "Temecula" would be in the best interest of everyone here.

Thank you for your attention.

Very truly yours,

Maria L. Lassalle

Oceanside, Calif. 92054

Frederick Adinolfi
[REDACTED]
Wildomar, California 92395

Received
2/28/83
Hintericum
2nd Copy Mailed by Fred Clarke.

56

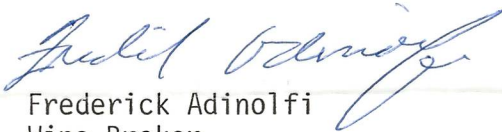
February 17, 1983

Chief, Regulations & Procedures Division
Bureau of Alcohol, Tobacco & Firearms
P.O. Box 385
Washington D.C. 20044-0385
Attention: Notice #416

Dear Sirs:

This letter is to inform you of a document that I failed to present as evidence at the appellation hearing in January for the Rancho California/Temecula area. The enclosed document is from the 1980 September issue of "Pattersons", the Bible of retailers and wholesalers, it lists products and prices. The page of importance is from the Franciscan Winery- this page list several Temecula wines produced from the Murrietta Vineyards from 1976-1981. This clearly shows that these wines were available to the Southern California public from the distributor Simom Levi.

Sincerely yours,


Frederick Adinolfi
Wine Broker

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Napa Valley Chardonnay 1978	59.90	...	7.49
Temecula Chardonnay 1978	59.90	...	7.49
Napa Valley Pinot Noir Blanc 1978	39.90	...	4.99
Calif. Zinfandel 1974	35.90	...	4.49
Napa Valley Cabernet Sauvignon 1976 & 77	51.90	6.00	6.49
Alexander Valley Cabernet Sauvignon 1975	51.90	...	6.49
Muscat Del Sol	39.90	...	4.99
Napa Valley Pinot Noir 1974 & 75	47.90	...	5.99
Lake County Gamay Rose	35.90	...	4.49
Calif. Fume Blanc	39.90	...	4.99
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Riverside County Chardonnay 1979 1.5 Ltr.	31.95	...	7.99
Sonoma Cabernet Sauvignon 1976 1.5 Ltr. & Lot 7-8	31.95	...	7.99
Temecula Johannisberg Riesling 1976 1.5 Ltr.	31.95	...	7.99
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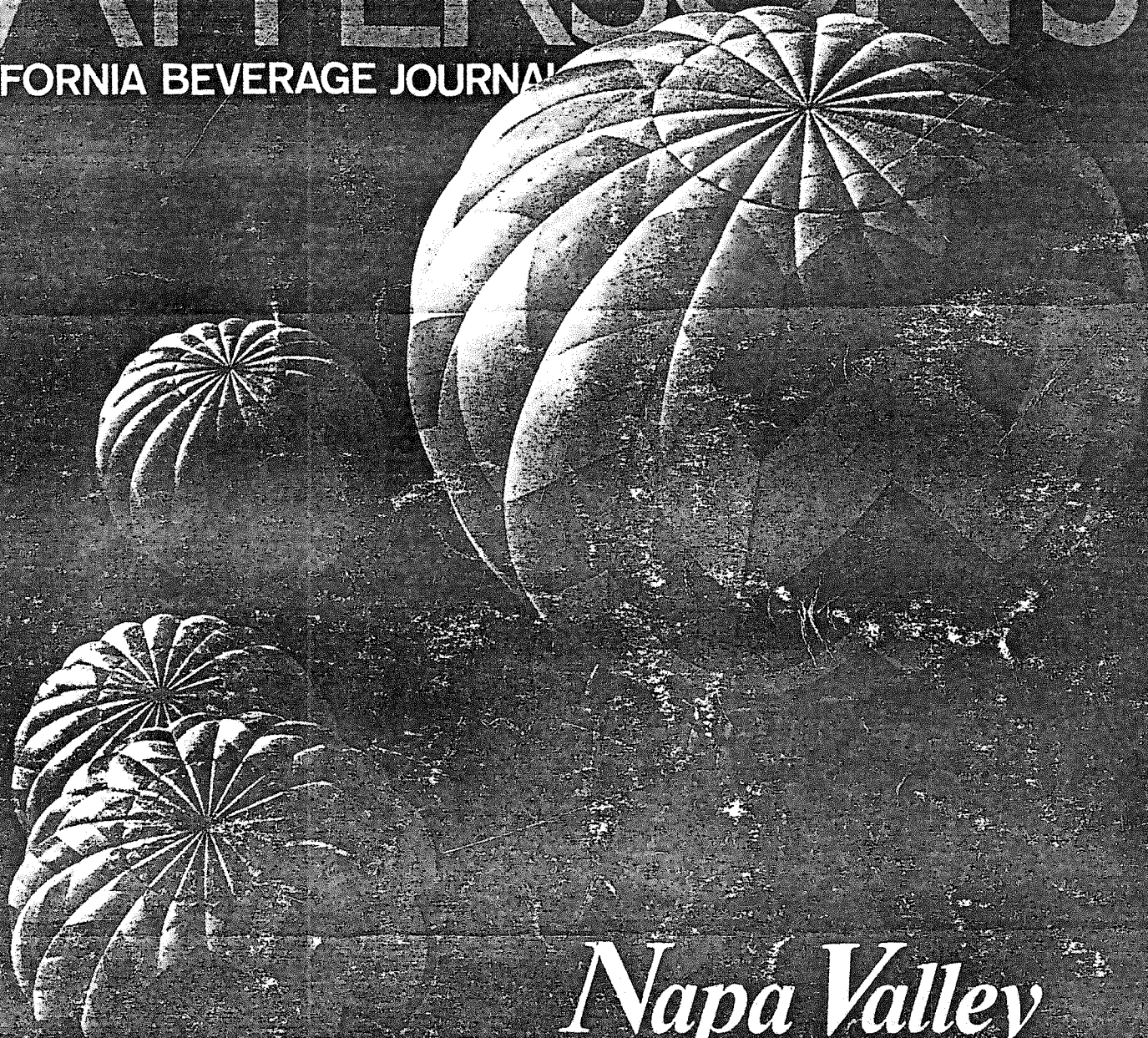
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PATTERSON'S

CALIFORNIA BEVERAGE JOURNAL

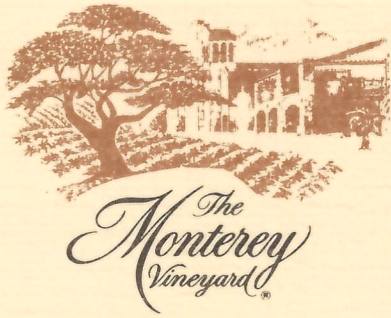


Napa Valley

Photo Review

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COLTON CA

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Received
2/23/83
herman

57

RICHARD G. PETERSON, Ph.D.
President

February 18, 1983

Chief, Regulations & Procedures Division
Bureau of Alcohol, Tobacco & Firearms
P. O. Box 385
Washington, D.C. 20044-0385

Attention: Notice #438 (Temecula Rulemaking)

Dear Sir:

This letter is in support of ruling that a larger area, the single watershed known as Temecula valley, be designated as the "Temecula" appellation for winegrowing. This letter does not support limiting the appellation to a much smaller area for the designation.

I am President and Winemaster of The Monterey Vineyard. I have been actively involved in viticulture and winemaking for 25 years, and am a past President of the American Society of Enologists.

Our company has bought grapes in the past three years, 1979, 1980, and 1981, from McMillan Farm Management. McMillan always represented that these grapes were grown in the area called "Temecula." The grapes were grown on both the east and west sides of the Temecula basin, and we bought the grapes without concern over where within the region they were grown. As far as I was concerned, the grapes were simply "Temecula grapes." I consider that the Temecula valley represents one single watershed.

It is my firm opinion that climate plays a much more important role in the character of grapes and wine than does the soil associations upon which the vines are planted. Growing recognition of this fact is the reason that most Monterey County wineries are experiencing great improvements in wine quality with each succeeding year in Monterey County. Many of the "wrong" varietal grapes are being grafted over to "right" ones: generally, cool-ophilic white varieties in cool Upper Monterey and warm-ophilic black varieties in warmer South County. This grafting has been taking place almost completely without regard to soils.

As to whether climate or soil is most important in determining the quality and character of wine, I believe the evidence is overwhelming that climate is at least eighty percent, and may be as much as ninety-five percent responsible! Soil is only a relatively minor factor. Climate, not soil, is the reason grapes grow only in the latitudes they do (between about 30° and 50° latitude [68°F and 50°F isotherms].) Climate, not soil is the reason that Riesling, Gewurztraminer, and other so-called "Germanic" varieties are grown in the cool

Chief, Regulations & Procedures Division
Bureau of Alcohol, Tobacco & Firearms
February 18, 1983
Page Two

regions of Germany, but not in the warmer regions of France or other Mediterranean countries. Similarly, it is climate and not soil that caused the French (centuries ago) to eliminate other varieties in favor of Chardonnay, Pinot Noir, and Pinot Blanc in Champagne and Burgundy -- but Cabernet Sauvignon and its close cousins in the Bordeaux areas. There are vineyards in each of these areas with similar soils -- but the grape varieties have to be different, because climate dictates it.

The effect of soil is usually noticed only in the way a given vine root reacts to the acidity, alkalinity, or capacity of the soil to hold water or solar heat. Even where soil varies widely from vineyard to vineyard, root stocks can be selected from the many now available to best match the soil type to achieve optimum crop yields year after year. (Wine quality seems to be little affected by the root stock used.)

I understand that all of the vines in the Temecula Region are on their own root stock, including the vines growing in the Santa Rosa Plateau area. This indicates that the aspects of soil that are relevant to grape quality and characteristics are more or less the same throughout the region.

Vintage dating is the most convincing argument that climate is much more important than soil in determining grape quality and character. Large variations in quality and character are common between different vintages of the same wine in practically all of the fine wine regions of the world. One vintage might rate "10" on a quality scale of one to ten, while the very next year might rate only a "3". Yet the two wines were produced by the VERY SAME GRAPE VINES GROWING IN THE SAME SOIL. The different weather experienced by the vines during the two years is the reason for the large difference in wine quality.

If winemaking factors are equal, the relatively minor effect of soil differences on wine quality shows up by comparing the wines produced from neighboring vineyards which are known to have similar microclimates, root stock, varieties, vine age, etc. -- but different soils. Where this has been done, the wines are normally similar; they are, I believe, never as different as are widely differing vintages from the same vineyard.

All established wine regions of the world are examples of varietal selection over time. The wine growers of each region eventually figure out which varieties make the best, and most saleable, wines in their own areas over many years. I've noticed that European appellations usually cover regions with more-or-less uniform climates -- but never uniform soils!


This argument is very relevant to your Temecula rulemaking process. My understanding is that the entire area is basically a Region III on the Amerine-Winkler system. The data on microclimatic conditions within the Temecula Region seems ambiguous and contradictory. I don't believe convincing evidence exists as yet which would break it up into distinctive and differing subregions. As of 1983, one would expect that the same varieties located anywhere in the

Chief, Regulations & Procedures Division
Bureau of Alcohol, Tobacco & Firearms
February 18, 1983
Page Three

region would produce wines which were very similar. Of far greater significance than "where in the Temecula Region" grapes are grown will be the year in which they were grown. Until better data is available, I would caution that the entire region should be designated a single viticultural area. If new information appears some time in the future, a logical decision can be made at that time to "fine tune" the designation by selecting out smaller areas for their own appellations. Attempting to fine tune it now, without convincing technical evidence, would do a disservice to the growers of the region.

Thank you very much for your attention. If I can be of any more assistance, please do not hesitate to call me at the above number.

Very truly yours,

A handwritten signature in cursive script that reads "Richard G. Peterson". The signature is written in dark ink and is positioned below the typed name.

R. G. Peterson, Ph.D.
Winemaster

RGP:sa

Harold C. McMillan
689-4297

McMillan Bros.

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Received
2/23/83
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2/17/83

Chief Regulations and
Procedures Division, Bureau
of Alcohol, Tobacco & Firearms
Dept. of Treasury
P. O. Box 385
Washington, D.C. 20044-0385

attention Notice # 438

Dear Chief:

I am a wine grape grower, who owns vineyard property in the Temecula Region on the eastside of Highway 395. We own this vineyard along with citrus groves here in Corona. I am writing in response to your extension of the written comment period for the rulemaking decision on the Temecula Region until February 20, 1983.

It is my belief that the entire region should be designated as "Temecula" as advocated by the Association petition.

It is important that the Temecula Region is notable, because of its relative coolness in comparison to much of Southern California. The breezes and the temperature do not vary in the entire area. Part of our family has lived in both the hamlet of Murrieta and on the east side of Highway 395. They have always reported that the climatic conditions are the same.

The name "Rancho California" as a referent for the region is only a developers name given to the area, while the name "Temecula" is the original name for the

In my experience with the wine grape industry, the locational name used to describe this particular region is "Temecula". My own grapes have been sold as "Temecula Grapes".

It is my observation that selfish reasons and personal advancement by certain people comprise the opposition to include the entire region within an appellation of origin called "Temecula".

an appellation of origin called "Temecula" should include the east side and west sides of Highway 395 and the grape growing area near the hamlet of Murrieta.

A denial of the use of "Temecula" for grape growers located anywhere in the region could have a substantial negative overall impact on the budding wine grape and wine industry, which most growers are trying to develop in the region.

Thank you for your interest.

Sincerely

Harold C. McMillan

RECEIVED
2/24/83
Ruthbaum

59

February 4, 1983

Bureau of Alcohol, Tobacco, and Firearms
Attn: Chief Regulations & Procedure Div.
(Attn: Notice No. 438)
P.O. Box 385
Washington, DC 20044

Dear Chief:

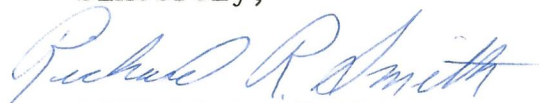
On January 20, 1983 the Bureau of Alcohol, Tobacco, and Firearms was represented in Temecula, California at a public hearing to determine how a appellation should be structured for the purposes of labeling premium varital wines made from grapes grown in the Temecula Valley.

Considerable debate centered around the influences of ocean breezes which contribute to the unique micro environment found in the area. The Callaway position is that the Santa Marquerita Gap or Rainbow Gap allow cool ocean breezes to flow to a comparitively small grape growing area located approximately five miles east of the town of Temecula. The Callaway position further states that these same ocean breezes do not affect the Arco Vineyards or the La Cresta grape growing area.

As a resident of the Santa Rosa Plateau and living at the mouth of the Deluz Gap which cools the Arco Vineyards, I can state that the entire Temecula Valley extending north to Wildomar Elsinore area and south to the San Diego County line is served by cool ocean breezes. Air moves in a west to east direction over the Santa Rosa Plateau and through natural corridors such as the Deluz Gap, Santa Marquerita Gap and others. As evidence of their air movement, it is common on smoggy days to see a wall of smog to the north in the Wildomar Elsinore area and a similar wall of smog to the south towards San Diego. This smog free environment of the Temecula Valley is known by many airline pilots as a "Blue Sky Strip" due to its influences from the Pacific Ocean which is only twenty two miles away.

In considering my observations with respect to cool ocean influences in the Temecula Valley, I would have to support the position of the Temecula Valley Grape Growers Association.

Sincerely,



RICHARD R. SMITH

ROBERT W. BENSON

ATTORNEY

Received
2/28/83
Huntman

60

February 16, 1983

Chief, Regulations and Procedures Re: Notices 416, 438 on
Bureau of Alcohol, Tobacco Temecula and Murrieta
and Firearms Viticultural Areas
Department of the Treasury
P.O. Box 385
Washington, D.C. 20044-0385

Dear Sir:

The hearing in Temecula on January 20, 1983 produced clear answers to the questions facing ATF. We hope you will review the hearing transcript closely because, according to our notes, the key questions were answered quite explicitly for you, as follows:

1- Is either the ARCO vineyard or the La Cresta section located in the place known today by the name "Temecula"?

With one exception, all witnesses who addressed this question agreed that the answer is no.

Mr. Donald Lewis, ARCO's local supervisor, explicitly conceded that the ARCO vineyard is in Murrieta.

The Murrieta Chamber of Commerce spokesman, with mock clenched-fist and a grin, declared that in Murrieta a person calling that area Temecula would "get a fat head." He also pointed out that La Cresta is never called Temecula.

All other testimony on the issue, from interested and disinterested parties alike, agreed.

The single exception was the testimony of Mrs. Audrey Cilurzo. She asserted without documentation that both the ARCO area and La Cresta are now within the Temecula Post Office delivery area and zip code, and therefore are legitimately known as "Temecula."

This information is flatly false. On 2/8/83 I confirmed, for the third time, with the Murrieta Postmaster that the ARCO vineyard is within the Murrieta zip and delivery area. (Postmaster Shirley Collins, 714-677-5927.) On 2/9/83 I confirmed, for the third time, with the Temecula Postmaster that the La Cresta area is not within its or any other Post

Re: Notices 416, 438
February 16, 1983
Page 2

Office's zip or delivery area, and that there are no plans for change. The only recent change has been an extension of Temecula postal delivery up Rainbow Canyon Road and Pala Road to the southeast, a route previously covered by the Fallbrook Post Office. (Postmaster Ann Wachter, 714-676-2390.) On 2/9/83 I confirmed Mrs. Wachter's information with regional Postal Service headquarters in San Bernardino. (Mr. David Behnke, Manager of Delivery and Collections, 714-383-5701.)

Mrs. Cilurzo told me after the hearing that she obtained her information from Charles Knott, an employee of the Temecula Post Office. I called him on 2/8/83. He was wholly vague about the source of his belief; when pressed, he finally said, "It's on the Thomas Brothers maps."

Thomas Brothers is a private map publisher. A phone call to that company over a year ago revealed that its policy is to put a zip on all areas of its maps, and when the Postal Service assigns no zip (which it does not to non-delivery areas) then Thomas Brothers employees arbitrarily assign zips. This is what happened on the Santa Rosa Mountain map that confused Mr. Knott. (Call of 8/17/81 to Mr. Richard Milliron, Thomas Brothers, 714-540-6277.) The Postal Service does not follow Thomas Brothers maps.

Mrs. Cilurzo also stated at the hearing that an official decision had been made to build a new high school in Temecula serving Temecula, Murrieta and other regional students, and to name it "Temecula Valley High School." The facts are that the school is planned by the Elsinore Union High School District, that construction may begin in about a year depending on state approvals and funding, that no decision has been made on a name, and that there is a debate about the name, with "Temecula Valley," "Rancho," and "Tri-Valley" among numerous contenders. Moreover, the high school will not affect the names or boundaries of the existing Temecula and Murrieta elementary districts. (Call of 2/15/83 to Mr. James Bartholomew, Elsinore Union High School District, 714-674-2114.)

In sum, after removing Mrs. Cilurzo's inaccurate information, you are left with unanimous testimony indicating that neither the ARCO vineyard nor La Cresta is located in the place known today by the name Temecula.

2- Do the soils and topography of Temecula, Murrieta and La Cresta differ?

All witnesses who addressed this question agreed that the answer is yes.

It would have been difficult for anyone to disagree, since if any fact is scientifically certain in this proceeding it is the fact that the soils and topography are distinct. The General Soil Map of the U.S. Soil Conservation Service, and the authoritative field inspections by Professor William K. Crowley (submitted June 18, 1982), Mr. John R. Reid and Professor Harold P. Olmo (Callaway Petition, pp. 85-88) establish the fact.

At the hearing, Mr. Joseph Schneider of the Murrieta Chamber of Commerce, who is an agricultural real estate broker, added further factual evidence of the soil distinctions when he observed that the soil percolation rates (vital for waste disposal and irrigation costs) are "unequivocally" different on the east and west sides of highway I-15.

As Professor Olmo detailed in his letter to ATF of October 15, 1982, his 1980 declaration in the Callaway v. Franciscan lawsuit that the entire region was considered one viticultural area simply constituted his judgment then about the vague legal and customary meaning of viticultural areas in 1980. No one had asked him whether the soils were distinct. No one had asked him whether ATF should delimit areas on the basis of soils in Rancho California, Sonoma, Napa or elsewhere. When we asked him to do a field inspection in 1982, he did so, concluded that the soils were entirely distinct, that the distinctions would make a difference in the wines, and that since ATF is now defining viticultural areas on the basis of such distinctions there is no reason not to do so in Temecula and Murrieta.

The ARCO witnesses who addressed this issue, particularly Mr. Justin Meyer and Mr. Enrique Ferro, declared that they did not quarrel with Professor Olmo's findings about the soil differences. Rather, they took the tack that soil differences are not as important as other factors like vineyard practices and winemaking techniques.

Re: Notices 416, 438
February 16, 1983
Page 4

This attempt to provoke a re-examination of the role of soils in winemaking is simply irrelevant and legally impermissible in this proceeding. The proper procedure to question the use of soils as a basis for viticultural areas would be to petition ATF to amend its regulations.

Under the present regulations, soils, elevation and other physical features are expressly made relevant by §4.25a(e)(2). Adhering to these regulations, ATF has already relied on soil composition as a key factor in defining nearly every viticultural area established to date (including the nearby San Pasqual Valley viticultural area which was defined in part on the basis of its granitic soils; TD ATF-90, 46 Fed. Reg. 41492, 8/17/81).

In sum, the ARCO witnesses have conceded our evidentiary point about the soils, and have argued, in effect, that ATF's regulations should be amended. On this basis alone, the Callaway/Compromise petition should be granted.

3- Are the microclimates of Temecula, Murrieta and La Cresta different?

All witnesses who addressed this question agreed that the answer is yes.

ARCO has apparently abandoned its earlier strategy of claiming that the wind pattern coming through the Rainbow Gap affects Murrieta in the same way it affects Temecula. Instead, the ARCO position at the hearing seemed to be that the other winds coming across the Santa Rosa mountains affect Murrieta's climate and make it cooler than Temecula.

Let us accept that view, for the sake of this proceeding, although we think the copious evidence we have submitted demonstrates the opposite conclusion-- i.e., that Temecula is cooler. (We find it interesting that ARCO continues to hide its thermograph and harvest records, and interesting that Mr. Justin Meyer feels that ATF is locked into the degree-day measurement system, even though the system has been roundly criticised throughout the industry, and even though Meyer's own use of the system at Rancho California was criticized in an internal Kaiser memorandum in 1972. ((Callaway Petition, p.71.)))

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February 16, 1983
Page 5

Nevertheless, let us accept the ARCO view for the moment: It means that ARCO has conceded that different wind patterns affect Temecula and Murrieta and cause different microclimates.

This is the second concession which, alone, is a sufficient basis for ATF to grant our petition.

4- What are ARCO's real arguments?

(a) "Outside Use":

We addressed this argument in detail in our letter to ATF of October 12, 1982 and urge you to read pp.4-6 of that letter closely.

In a nutshell, 150 years of common-law and administrative law lay down the common sense rule that geographical names cannot be lost to outsiders without notorious and longstanding outside use (5 years is not enough, 30 years is).

ARCO and Cilurzo are attempting to bootstrap themselves into legitimate use of the name Temecula by making misleading claims to ATF about the extent of their outside use. At the hearing, both parties continued to dodge the question of the precise extent of their outside use. Our figures estimate that of wines actually marketed Franciscan used the name wrongfully on merely several thousand cases of wine in one or two years, and that Cilurzo used it wrongfully on only a couple thousand, or perhaps just several hundred, cases in one year.

(b) "Economic Hardship":

This became our opponents' leitmotif throughout the hearing. Coming from an oil company, and a well-financed avocational winery, the claim is absurd on its face; moreover, not a shred of factual evidence of hardship was ever offered.

What ARCO and Cilurzo mean by economic hardship is this: We think there is a marketing advantage to the name Temecula, and ATF should shield us from the consumer labeling laws so we can enjoy that advantage.

They misconceive ATF as an Agricultural Marketing Assistance Agency. ATF, of course, possesses no legal authority to use economic hardship or market protection as criteria in applying §205 of the FAA Act.

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February 16, 1983
Page 6

(c) "The Indian/Spanish Name":

The argument comes to this: Since the Indians a thousand years ago, and the Spaniards two hundred years ago, used the word Temecula to cover a wider area, ATF should tell consumers today that wines grown in those areas come from Temecula--despite the fact that "Temecula" has not been applied by anyone to those areas for at least the last hundred years.

Professor of Geography William K. Crowley anticipated this in his letter submitted to ATF by us on June 18, 1982:

"To argue that what the Indians or earlier settlers called Temecula is appropriate today is much like suggesting that what was known as Louisiana in 1803 (the Louisiana Purchase) is Louisiana today. A few folks in Arkansas, Missouri, Iowa, Minnesota and elsewhere would find that a strange claim, to say the least."

One might also just as well declare that the town of Choctaw, Alabama really means a geographic area coextensive with the range of the Choctaw Indians who covered districts now in Mississippi, Alabama, Georgia and Louisiana; or that the town of Sioux City, Iowa includes the Sioux Indians' territories in Minnesota, Wisconsin, Iowa, the Dakotas and parts of Canada.

Mr. Tom Hudson signed a joint letter with William Harker, submitted to ATF on May 31, 1982, in which he stated that he believes "in protecting the names and identities of the local communities and recognizes that Temecula today does not refer to the entire region." At the hearing, Mr. Hudson ended his testimony by asking ATF: Do you pick the name of the first hundred years, or the last hundred years?

ATF's regulations and the FAA Act answer that question. ATF is empowered only to assure that today's consumers are not misled by inaccurate, false or deceptive labeling terms. That law is not an historic preservation law, nor a trade protection act. The use of history is relevant under the regulations only as it bears upon today's place names and boundaries as understood by today's consumers. ATF legitimately used historical evidence

Re: Notices 416, 438
February 16, 1983
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in the Napa Valley case, and even that use provoked strong criticism. If the agency were now to authorize the use of extinct historical evidence, the viticultural area process would be turned overnight into a national joke.

5- What support do the two petitions have?

In addition to public support from the two chambers of commerce and elsewhere, the Callaway /Compromise position has the backing of 6 of the 8 wineries (who have produced at least 95% of all wines every labeled "Temecula") and owners of approximately 63% of the vineyard acreage.

The ARCO position is supported by two wineries and owners of approximately 20% of the vineyard acreage.

Owners of about 17% of the acreage have not stated a preference.

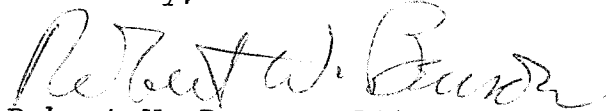
Who will use the Murrieta appellation? Callaway, the largest winery in the region, will use it; indeed, Callaway is using the Murrieta Vineyard designation on the 1982 wines about to be bottled. Hart Winery will use it; Joe Hart has several times expressed his definite intention to put the Murrieta appellation on his labels. South Coast Cellar, of Gardena, will use it; Douglas Anderson, proprietor, has wines aging right now that he wishes to bottle under an appellation separate from Temecula or Rancho California. Wineries purchasing grapes from the Hansen vineyards in La Cresta will use it; the Hansens insist that their area should be separately identified, perhaps as "Murrieta Ridge." And the Filsinger, Mesa Verde, Mount Palomar, and Hugo's Cellar wineries, who endorsed the Compromise Agreement, all are on record as preferring the use of a separate Murrieta appellation.

Finally, one issue was not clearly answered at the January 20th hearing and that is the matter raised by the Spanish Embassy regarding the trademark "Marqués de Murrieta." Should that matter come under serious

Re: Notices 416, 438
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Page 8

discussion at ATF as an impediment to the use of a Murrieta, California appellation, we would request opportunity to submit a separate brief on that issue alone. The law is clear that the trademark would not be an impediment, but there has been no discussion of the matter in the rulemaking process on notices 416 and 438.

Sincerely,

A handwritten signature in cursive script, appearing to read "Robert W. Benson".

Robert W. Benson, Attorney
Callaway Vineyard & Winery

cc: Hearing Panel Members

JESSE HELMS, N.C., CHAIRMAN

BOB DOLE, KANS.
RICHARD G. LUGAR, IND.
THAD COCHRAN, MISS.
RUDY BOSCHWITZ, MINN.
ROGER W. JEPSEN, IOWA
PAULA HAWKINS, FLA.
MARK ANDREWS, N. DAK.
PETE WILSON, CALIF.
ORRIN G. HATCH, UTAH

WALTER D. HUDDLESTON, KY.
PATRICK J. LEAHY, VT.
EDWARD ZORINSKY, NEBR.
JOHN MELCHER, MONT.
DAVID H. PRYOR, ARK.
DAVID L. BOREN, OKLA.
ALAN J. DIXON, ILL.
HOWELL HEFLIN, ALA.

United States Senate

COMMITTEE ON
AGRICULTURE, NUTRITION, AND FORESTRY

WASHINGTON, D.C. 20510

March 21, 1983

Mr. Thomas H. George
Chief, Regulations & Procedures Division
Bureau of Alcohol, Tobacco & Firearms
Department of the Treasury
Post Office Box 385
Washington, D.C. 20044-0385

Attention: Notice #438

Dear Mr. George:

I wish to add my voice to those who are commenting in favor of calling the entire grape growing Region located in the southwest portion of Riverside County by the name "Temecula".

Wine grape growers and vintners located all over the Temecula Region have relied upon and invested in the name "Temecula" as an "Appellation of Origin" to promote their grapes and wines. The name "Temecula" has begun to have economic currency and meaning when used in connection with grapes and wines. I believe it is unfair to tell growers and winemakers who helped make a name symbolic of fine grapes and wines that they may no longer use the name. They have a vested interest in the name which they have earned over many years.

Furthermore, the wine grape industry and consumers have learned to refer to grapes grown in this region as "Temecula grapes" and wines made from those grapes as "Temecula wines". To make a change at this point would be confusing to consumers.

The substantial majority of all grapes grown in the Region must be sold to winemakers located outside the Region. Thus, having an established identity makes the job of selling the grapes much easier. Also, as a known premium product, "Temecula grapes" are able to command higher prices. If the wine grape growers located in the Region are not able to call their grapes "Temecula grapes" they will be at a substantial economic disadvantage. They may not even find it commercially feasible to continue farming the grapes, much less to expand their production.

Received
3/28/83
Rutherford

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Mr. Thomas H. George
March 21, 1983
Page -2-

A particular concern to me is the potential economic hardships on the small vineyards and wineries. Their vitality is important because it is upon the small grower that the future of the wine grape industry in this Region depends. Almost all of the remaining land within the Region has been subdivided into relatively small parcels.

In summary, not including the entire Region within the "Temecula" appellation would do a great injustice to many who helped establish the fine reputation of Temecula, would be confusing to consumers, would create substantial economic hardship especially to small vineyards, would disregard the fundamental viticultural similarities of the Region and would conflict with the historical background of the "Temecula" name. I therefore urge you to approve the petition of the Rancho California/Temecula Wine Growers Association.

Sincerely,

A handwritten signature in blue ink that reads "Pete". The signature is written in a cursive, flowing style.

PETE WILSON

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4/1/83
Ritterman

(62)

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ROGER D. PETERSON

March 29, 1983

Chief, Regulations and Procedures
Bureau of Alcohol, Tobacco
and Firearms
Department of the Treasury
P.O. Box 385
Washington, D.C. 20044-0385

Re: Notices 416, 438 (Temecula)

Dear Sir:

This letter is in response to attorney ~ Robert W. Benson's letter to the Bureau of February 16, 1983. I object strenuously to Benson's distorted summary of what took place at the hearing.

It is true that all of the witnesses who addressed the question of the soil differences within the Region agreed that the soils on the eastern side of Highway 395 are different from those on the western side of 395. The General Soil Map by the U.S. Soil Conservation Service shows that there are three soil associations within the Temecula Region that are viticulturally viable. This includes the Hanford-Tujunga-Greenfield Association which is concentrated on the eastern side of Highway 395, and the Friant-Lodo-Escondido and Monserate-Arlington-Exeter Associations located on the western side of Highway 395.

The Rancho California/Temecula Wine Grape Growers Association petition supporters did not argue that soil should not be a factor in designating viticultural areas. The Association petition supporters are not advocating amending the regulations to delete soils from the criteria to be considered.

Rather, the Association petition supporters were speaking to the weight to be given the soil factor. There seems to be widespread agreement among accomplished viticulturalists that climate is far more significant than soil in determining the character of grapes. This was the point that Justin Meyer and Dr. Enrique Ferro made in their comments at the public hearing. Dr. Richard Peterson and Mr. Amand Kasimatis both have reasserted this opinion in their recent letters to the ATF. Dr.

Peterson is even willing to go so far as to attribute 90% of the differences between the same varietals grown in different locations to their different climates. Soil difference explains only 10% of the differences in the grapes. He points to the vintage factor as confirming his opinion. Even Dr. Olmo was unable to describe what effect the soil differences in the Region might have on the grapes.

Moreover, there are only three viticulturally significant soils in the Association's Temecula viticultural area. In Napa Valley, there are six soil types that are of viticultural significance: the Bale-Cole-Yolo, the Tehama, the Haire-Coombs, the Bressa-Dibble-Cebronte, the Forward-Aiken, and the Contra Costa.

Second, the Association petition supporters did not agree with the statement that "the micro climates of Temecula, Murrieta and La Cresta [are] different.". Our position is that there is simply insufficient reliable information on micro-climates to delineate boundaries between areas. The casual empirical observations of individuals are contradictory. Some individuals think that the Buck Mesa area where Callaway Vineyards and Winery is located is warmer than the ARCO Vineyards; others observe that it is cooler than the ARCO Vineyards. Only a few years of temperature measurements seem to be available from the Region and from only a very few stations. There are neither enough years nor enough stations reporting temperature data throughout the Region to be able to draw boundaries around specific micro-climatic areas.

Furthermore, the theory behind the Hiriarn-Walker petition's micro-climatic theory is simply inadequate. Cool winds blow into the region from a number of sources. While there probably are subtle differences in the effects of winds coming in through the Rainbow Gap as compared to the De Luze Gap and the easterly winds coming over the Santa Rosa mountains, these hypothetical differences have simply not been tracked and verified. The bottom line is that Benson's nice, neat, little theory of micro-climatic variation within the Temecular region is grossly incomplete.

Therefore, contrary to Benson's assertion, the actual position of the Association petition supporters is this: "We simply don't know enough about the micro-climatic variation within the region to be able to draw the lines. Before dividing the Region up into distinctive sub-appelations, our theory and data should be very solid. Until such time, the overwhelming distinguishing characteristic of the entire Temecula Region is its relative coolness as compared to the rest of southern California. It is on this basis that the Temecula viticultural area should be designated."

Third, it is a grave distortion for Benson to refer to the testimony and documentary evidence that has been presented by many parties as an attempt to show "outside use" of the name "Temecula". Benson's phraseology assumes what he is trying to show. It assumes that it is already well established that the name "Temecula" applies only to the "Buck Mesa" area located on the eastern side of Highway 395. "Buck Mesa" is the area where all eight local wineries are located. However, Callaway's own use of "Temecula" can be regarded as an "outside use" if the term is given only an extremely narrow, local point of view. When you are within the Region, the "Temecula" referent means the unincorporated town. The term "Rancho California" is used to refer to the new Kaiser development along Highway 395. The winery area on "Buck Mesa" is commonly referred to as "Buck Mesa". Therefore, Callaway's own use of the name "Temecula" from a local point of view is an "outside use".

The testimony and documentary evidence that we have presented has attempted to show how the national wine grape growing, wine making, and wine consuming community, particularly in California, has come to regard the entire Region as "Temecula". The focus should not just be on the wines that have been produced by Franciscan Vineyards, Cilurzo Vineyards and Winery, E. Vache and Cie, and Emilio Guglielmo Winery. The focus should also be on the fact that the wine industry has learned to think of grapes grown throughout the region as "Temecula grapes". Much documentation has been submitted that supports this assertion.

Fourth, the Association petition supporters do not argue that they should be shielded from the consumer labeling laws so that they can enjoy the marketing advantage of labeling their grapes and wines as being from Temecula. On the contrary, designation of the entire Region as Temecula would be much more consistent with consumer labeling laws than to arbitrarily delete portions of the Region that have produced Temecula grapes. However, an economic hardship will definitely result if the growers and vintners who have relied on the use of the name Temecula, and who helped establish Temecula as a recognized name for grapes and wine, are unable to continue using that name.

Fifth, it is simply incorrect to assert that "Temecula" has not been applied by anyone to the entire Region for at least the last hundred years." The Vail family referred to their property, which included almost the entire Region, as "Temecula". Moreover, and perhaps most importantly, within the wine industry and among sophisticated wine consumers who are aware of grape origin, the entire Region within the last ten years has come to be called "Temecula".

Sincerely,

DICKENSON, PEATMEN & FOGARTY


J. FREDERICK CLARKE, Jr.

JFC:jm
cc: Rich McMillian
Don Lewis

ROBERT W. BENSON
ATTORNEY

Received
4/11/83
Rutten

(63)

April 5, 1983

Chief, Regulations and Procedures
Bureau of Alcohol, Tobacco & Firearms
Department of the Treasury
P. O. Box 385
Washington, D.C. 10044-0385

Re: Notices 416, 438

Dear Sir:

Some parties have continued to submit totally inaccurate and misleading information in the Temecula/Murrieta proceeding, and in order to preserve our right to raise questions about this information in the future Callaway Vineyard & Winery wishes to have its protest made part of the rulemaking record. We have previously pointed out the inaccurate and misleading material submitted before the January 20, 1983 hearing. This letter now deals only with the written materials submitted at or after that hearing.

1- Nearly all evidence of "outside use" of the name Temecula submitted by ARCO was generated after Callaway protested the use and filed suit against Franciscan. Therefore, it is merely evidence of a self-serving attempt to bootstrap the outside use into legitimacy, while having ATF believe that the name Temecula has been routinely used in commercial dealings to refer to the ARCO vineyard area.

* Item: Callaway protested Franciscan's outside use in August of 1979 and filed suit February 21, 1980.

* Item: Nearly every document in ARCO's Exhibit 5 from the January 20th hearing, and from ARCO's post-hearing comment #50, is dated 1980 and later. From the time of the Callaway suit, ARCO removed its "Murrieta Vineyard" signs, changed the wording of its contracts, and began an advertising campaign referring to its "Temecula" location.

* Item: In the Callaway suit, a contract dated August 1, 1978 between Franciscan and ARCO was compelled to be brought to light. It called for purchase of grapes from "Seller's Murrieta, California vineyard." (Plaintiff's Exhibit #2, Callaway v. Franciscan, Superior Court, Riverside County, no. 134378, February 21, 1980.)

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April 5, 1983, page 2

* Item: The November, 1980 ARCO-Franciscan contract, and subsequent contracts, are identical in this clause except that the word Murrieta is replaced by the word Temecula.

2- Most of the rest of ARCO's evidence of outside use relates to Franciscan's initial use--the use that was immediately protested by Callaway, and that was halted by the Callaway law suit. In other words, as the law requires, Callaway did not sleep on its rights but immediately moved to protect the name Temecula. Under the case law, outside use of a geographical name under protest cannot be legitimized.

3- The remainder of ARCO's evidence of outside use is either inaccurate or is unsubstantiated.

* Item: The 1976 Franciscan Johannisberg Riesling referred to in the attachment to comment #56 (September, 1980 Patterson's) is either a typographical error, or else the grapes did not come from ARCO's vineyard but from legitimate Temecula vineyards on the east side. Proof: Deposition of Justin Meyer, April 4, 1980, pp. 61-63, Callaway v. Franciscan, attached to my letter to ATF of October 12, 1982.

* Item: The 1977 Franciscan Johannisberg Riesling label referred to in ARCO's Exhibit #5 appeared on a wine whose grapes came from Temecula, not Murrieta. Proof: Deposition of Justin Meyer, cited above.

4- Mr. Kasimatis's statement, comment #52, that the "soils are similar . . . having been derived in alluvium from predominantly granitic materials," is flatly incorrect as to Murrieta soils. Previous documentation by all parties attests to this.

5- The independent laboratory soil analysis submitted with Enrique Ferro's statement, comment #54, plainly documents the clear distinctions between the

Re: Notices 416, 438
April 5, 1983, page 3

Temecula and Murrieta soils, yet Dr. Ferro invites ATF to read the analysis to say the opposite.

6- Mrs. Cilurzo's reiteration for the nth time, in comment #51, of her incorrect statement that ARCO and La Cresta are within the Temecula postal zip, is quite discouraging.

7- The statement that a new regional high school has been named Temecula Valley High, first asserted by Mrs. Cilurzo and now repeated in form-letter fashion in several of the written comments, is simply inaccurate. See my letter to ATF of February 16, 1983, p. 2, ¶4.

8- The 40-page submission of Mrs. Cilurzo, to the extent that it is not completely irrelevant, indicates that the Cilurzoes refer to the La Cresta vineyards as La Cresta and not as Temecula.

9- Mrs. Cilurzo's statement, comment #51, that there is "insufficient land for growth" within the Compromise proposal for Temecula, is flatly inaccurate. The area has 33,000 acres and only 2,100 acres of vineyards. ATF can confirm by telephone call to any major real estate broker in the area that there are enough large parcels suitable for vineyards to double the present acreage, and there are many more small parcels that could be easily assembled into vineyards by a winery coming into the area. Moreover, there is a present glut of grapes beyond the capacity of local wineries to use. This year, about 50% of the grapes were sold to wineries outside the region, and about 25% hung on the vines unpicked.

Re: Notices 416, 438
April 5, 1983, page 4

10- The written text of Richard McMillan's testimony at the January 20th hearing states that his company manages "about half" of the local vineyards, but fails to note that he does not speak for all of his clients--including his largest client, Brookside (373 acres), which supports the Compromise agreement.

11- Mr. Clarke's statement, in comment #50, ¶4, that there is evidence of 20th century use of the name Temecula to refer to the entire region is without any support in the evidence. He cites only the Wilkinson letter of August 18, 1982, and the Tom Hudson testimony and book. The Wilkinson letter says only that Vail Rancho received mail at its Temecula headquarters. Tom Hudson's testimony emphasized that Temecula for the last 100 years has not meant the entire region. Mr. Hudson's letter to ATF of May 31, 1982 makes the point that Temecula today does not mean the entire region.

Finally, we have been informed, though we do not know first-hand, that ARCO is either in or near escrow with the sale of its Murrieta vineyard. It is no secret that ARCO has had the vineyard on the market for some months, and its long-range interest in this appellation issue is nil.

Sincerely,



Robert W. Benson
Attorney, Callaway Vineyard & Winery

cc: Hearing Panel Members
Mr. I. M. Wilson-Smith, Vice President, Hiram Walker & Sons
Mr. Ely Callaway
Messers. Norton, O'Donnell and Moramarco, Callaway Management

Received
4/20/83
Lindstrom

(64)

HOWARD G. DICKENSON
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OF COUNSEL
ROGER D. PETERSON

April 15, 1983

Chief, Regulations & Procedures
Division
Bureau of Alcohol, Tobacco & Firearms
Department of the Treasury
P. O. Box 385
Washington, D.C. 10044-0385

Re: Notices 416, 438 (Temecula Rulemaking)

Dear Sir:

The purpose of this letter is to clarify and rebut some of the points made by Robert W. Benson in his letter to you of April 5, 1983.

(1) Mr. Benson in his point 3 rightly questions the existence of a 1976 Franciscan Temecula Johannisberg Riesling. It was referred to in the attachment to comment no. 56 (September, 1980 "Patterson's", the bible of wine retailers and wholesalers, which lists products and prices). A call to Franciscan Vineyard & Winery on April 14, 1983 confirmed that Franciscan never produced a 1976 Temecula Johannisberg Riesling. Evidently, Patterson's made a typographical error. It was probably referring to the 1977 Temecula Johannisberg Riesling produced by Franciscan.

(2) In his point 3, Mr. Benson also alleges that Franciscan's 1977 Temecula Johannisberg Riesling was made only from grapes grown on the east side of Interstate 15 (I-15). In particular, Mr. Benson claims that the deposition of Justin Meyer, April 4, 1980, pages 61-63, Callaway v. Franciscan shows that all the grapes that went into the 1977 Temecula Johannisberg Riesling came from the east side of I-15.

But this is blantly not true. I have attached to this letter those pages 61-63 of the deposition. Note that Meyer at the deposition recalled that the following vineyards produced grapes that went into Franciscan's Temecula Johannisberg Riesling: the Hanley, the Simonoff, the Arco, the McLaughlin, and the Rancho California (page 62, lines 10-12). While the other vineyards are located on the east side of I-15, the Arco Vineyard is on the west side. Note also that Mr. Meyer said

Chief, Regulations &
Procedure Division
April 15, 1983
Page Two

he couldn't recall specifically if any Arco Vineyard grapes went into the 1977 vintage of the Temecula Johannisberg Riesling. He definitely recalled the Arco grapes went into '78 vintage. (See page 63, lines 1-3.) Therefore, Justin Meyer's testimony at the deposition does not support Mr. Benson's allegation that none of the grapes that went into the 1977 vintage came from the west side of I-15.

(3) Mrs. Audrey Cilurzo has told me that she has accumulated evidence, including newspaper clippings and a letter from an administrator of the Elsinor High School District documenting that, indeed, "Temecula Valley High School" has been selected as the name of a new high school that will serve the region. I trust that Mrs. Cilurzo will be sending you that documentation very soon, if she has not sent it already.

(4) In his point 9, Mr. Benson vastly overstates the potential for commercial vineyard planting within Hiram Walker's proposed Temecula area. It would not be "easy" to assemble into a vineyard of adequate size the many small lots that have been created on the east side. In terms of cost per acre, parcels that are under five acres in size are one and one half (1 1/2) to two (2) times as expensive as parcels of 20 acres or more in size. This extra cost would preclude vineyard development in most of the acreage on the east side of I-15.

(5) In his point 11, Mr. Benson asserts there is no support in the evidence that the name Temecula has been used in the 20th century to refer to the entire region. To the contrary, there is plenty of evidence. In my letter to you of February 4, 1983 I summarized Mr. Tom Hudson's book, A Thousand Years in Temecula Valley. This book is the most intensive documentation that exists to my knowledge on the use of the name "Temecula." On page 3 and 4 of my letter I summarized those parts of Mr. Hudson's book that deal with the 20th century use of the name Temecula to refer to the entire region. I won't reiterate the citations and discussion in my previous letter except to quote the following from A Thousand Years in Temecula Valley. Note that Mr. Hudson is speaking in the present tense.

"The name Temecula implies something more than just one village, or just one valley for that matter. Its connotation is wider than that. In fact, many first settlers referred to the entire surrounding countryside as 'The Temecula'." (Page 169, emphasis added.)


Chief, Regulations &
Procedure Division
April 15, 1983
Page Three

Mr. James Vail Wilkinson's letter, dated August 18, 1982, comment 3, urges that the name Temecula be used to denominate the region because "the Vail Company and subsequently Rancho California use[d] Temecula as a mailing address" and because "it is the center of the whole ranch area." Moreover, Mr. Wilkinson has told me personally that the Vail family always referred to their ranch as "being in Temecula", especially when discussing the matter with non-local people. And, of course, the Vail Ranch included almost all of the land in the region, from Buck Mesa on the east side of I-15 to the Santa Rosa Plateau on the west side.

(6) Finally, it is irrelevant whether Atlantic Richfield Company has sold or is planning to sell its vineyard holdings located in the region.

Very truly yours,

DICKENSON, PEATMAN & FOGARTY



J. FREDERICK CLARKE, JR.

JFC:hl

cc: Rich Millan
Don Louis
Audrey Cilurzo
Joan Hanley

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF RIVERSIDE

--oOo--

CALLAWAY VINEYARD
AND WINERY,

Plaintiff,

-vs-

FRANCISCAN VINEYARDS,
INC., a California
corporation,

Defendants.

No. 135378

--oOo--

DEPOSITION OF JUSTIN MEYER

--oOo--

Napa, California
Tuesday, April 4, 1980
11:05 A.M.

--oOo--

Reported by:

C.S.R. Lic. No.



• RUTH M. BARRUS, C.S.R. • CERTIFIED SHORTHAND REPORTERS &
• CHARLES E. SIMS, C.S.R. • NOTARIES FOR NAPA/SOLANO COUNTIES

• SOLANO COUNTY OFFICE: 1129 TUOLUMNE STREET • VALLEJO, CALIFORNIA 94590 • (707) 642-6781 •
• NAPA COUNTY OFFICE: P.O. BOX 117 • NAPA, CALIFORNIA 94558 • (707) 226-3022 or 224-1942 •

1 A Well, I would re-emphasize that I don't think that the
2 Temecula region has been that clearly defined, but if you're
3 asking my personal theory, when I think of Temecula, I think
4 roughly of the Rancho California area.

5 Q Well, if it has not been clearly defined, what, if you
6 know, went into the decision to call it '78 Chardonnay,
7 "Temecula, California Chardonnay" as opposed to say "Murrieta,
8 California" or "Rancho California"?

9 A Because there's only one grape growing region there, in
10 my opinion. There is not two. And if the name is Temecula,
11 that's what it is. If it's Rancho California, that's what it
12 is.

13 Temecula is the way I have heard it referred to by
14 everyone in the world, but Ely Callaway, last August. So I
15 have no reason ever to believe that the vineyard isn't
16 Temecula, so if I'm going to name it, what else do I call it?

17 A Now the vineyard you're talking about is the Murrieta
18 Vineyard or --

A Yes.

19 Q -- Arco Vineyard?

A Yes.

20 Q Or the San Joaquin Vineyard?

21 A Yes.

22 Q Who refers to it as the Temecula Vineyard?

23 A The Temecula region.

24 Q So there is a region known as Temecula, at least as you
25 have heard it?

26 A People refer to it as Temecula, a grape growing region in
27 that area.

28 Q Prior to the 1978 Chardonnay we have been talking about,

1 has Franciscan produced any other wine using Temecula, Calif-
2 ornia as its appellation of origin?

3 A Yes.

4 Q What was that?

5 A It was a Johannisberg Riesling.

6 Q From what vineyard did the grapes that went into that
7 come from?

8 A I believe those came from several.

9 Q Do you recall any of them?

10 A Yes. I believe Hanley was one. I believe Simonoff was
11 one. I believe Arco was one. I believe McLaughlin was one.
12 I believe Rancho California was one. There were any number.

13 Q Except for the Arco vineyard you mentioned, are any of
14 the vineyards from which those grapes came on the west side
15 of Highway 395?

16 A No.

17 Q Was the Arco vineyard you referred to the one on the west
18 side of 395?

A Yes.

19 Q What percentage of the grapes that went into the Johan-
20 nisberg Riesling came from that vineyard?

21 A I don't recall because there were so many involved.

22 Q Would it have been less than five percent?

23 A It's changed every year.

24 Q Was there only the one year that you produced the
25 Temecula Johannisberg Riesling?

26 A We're still producing it.

27 Q What year was that?

28 A '77, '78, and probably soon be '79.

1 Q The grapes that went into the '77, '78, and potentially
2 the '79, in part have come from the Arco vineyard?

3 A I don't recall if '77 was involved. Definitely '78.

4 Q Now other than Franciscan's use of Temecula, California as
5 an appellation of origin, are you aware of any other winery
6 other than the Callaway that uses it?

7 A I believe there are several.

8 Q Do you know of any other?

9 A Well, I'm not an authority on other people's business, but
10 I would venture the guess that Brookside does. There's a
11 small winery called Cilurzo that does; I believe that Mt.
12 Palomar uses that appellation. And I don't know if there are
13 any more. I understand there are some more wineries starting
14 down in that area, but I believe all of those people might
15 be using Temecula.

16 Q Are you aware of any of them using Temecula with regard
17 to grapes grown other than on the east side of 395, in Rancho
18 California area?

19 A Well, again I do not know their business.

20 Q Are you aware of the vineyard marketing program that
21 Rancho California developed back in late Sixties, early
22 Seventies?

23 A Evidently not, but if you would like to refresh my memory.

24 Q Do you know if your evaluation of Rancho California was
25 ever used as part of a marketing program of their sales?

26 A I would suspect that the purpose of my evaluation was
27 part of their marketing program.

28 Q Was your evaluation primarily aimed at what is referred to

Received
4/21/83
Linthicum
(67)

CILURZO Vineyard & Winery



Phone: (714) 676-5250 • 41220 Calle Contento • P.O. Box 775 • Temecula, California 92390

April 6 1983

Mr. John Linthicum
B.A.A.B.
1200 Pennsylvania ave.
Washington D.C. 20226

Dear Mr. Linthicum,

I am responding to comments made by Mr. Robert Benson, attorney for Callaway Winery. He states that any large real estate office can give lists of large parcels available to plant grapes. As I showed on my map few large parcels are left, and most are not for sale. The idea of putting together a series of small land parcels is just not economically feasible. Small parcels suitable for planting are selling for \$15,00-\$20,00 per acre. I don't believe any economist would feel it would be possible to break even at those prices for land, also small parcels are not allowed to have agricultural wells--- water is high at agricultural rates, to water grapes at a domestic rate is out of the question. Many of the small parcels are in home owners associations where the necessary bird squackers and noise-maker canons used to frighten away the birds would never be allowed. Also the land all the way east to Butterfield Road is being held by KaCor for high density housing. The land west of the freeway-I 15 is all zoned industrial as is along Winchester Road. There is very little land on the eastside left to grow grapes.

Mr Benson states that my statement about the zip code is "flatly false". He quotes Murrieta postmistress Shirley Collins as saying the land is not in the 92390 zip code area. However Mrs. Collins is now acting postmistress of Temecula, and you will see by her letter to me that the land is indeed in the 92390 zip code. In my testimony I said delivery is under consideration. It is my understanding that that is still true. Banks of post boxes will be placed at convenient locations so people do not have to drive so many miles each day for delivery.

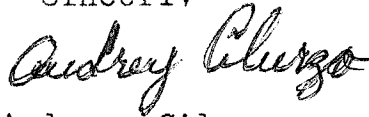
Mr. Benson also tries to negate my testimony the the name chosen for the new high school after a voting is "Temecula Valley High Scho I have enclosed articles about the decision to build the school in Temecula and the voting sponsored by the district to choose a name.

I also want to bring to your attention that the Chamber of Commerce uses the name Temecula Valley and accepts members who live and have business' within the boundaries of all of Rancho California..

Mr. Bense states a large percentage of grapes went unsold last year. As far as I can determine the only grapes that went unsold are some that were damaged by early rains. Some varieties had larger crop than first predicted, however I believe it was all sold to wineries in northern California. I know that the Cilurzo winery could not buy Chardonnay in the proposed Callaway appellation we were however able to buy them from the ARCO vineyards.

I hope the enclosures will serve to show you that my statements have merit and do reflect the high school status, the zip code area and the fact that Temecula is a name used to refer to all areas except the tiny town of Murrieta.

Sincerely



Audrey Cilurzo

P.S. The 126 plus square mile area that is serviced by the Rancho California Water District includes both the ARCO and La Cresta areas. The Murrieta Water District serves just 4 square miles. The tiny town of Murrieta uses this water district but no outlying agricultural land, as is the case of the Rancho California Water District.

ROBERT W. BENSON
ATTORNEY

2/28/83
RWB

(u)

February 16, 1983

Chief, Regulations and Procedures Re: Notices 416, 438 on
Bureau of Alcohol, Tobacco Temecula and Murrieta
and Firearms Viticultural Areas
Department of the Treasury
P.O. Box 385
Washington, D.C. 20044-0385

Dear Sir:

The hearing in Temecula on January 20, 1983 produced clear answers to the questions facing ATF. We hope you will review the hearing transcript closely because, according to our notes, the key questions were answered quite explicitly for you, as follows:

1- Is either the ARCO vineyard or the La Cresta section located in the place known today by the name "Temecula"?

With one exception, all witnesses who addressed this question agreed that the answer is no.

Mr. Donald Lewis, ARCO's local supervisor, explicitly conceded that the ARCO vineyard is in Murrieta.

The Murrieta Chamber of Commerce spokesman, with mock clenched-fist and a grin, declared that in Murrieta a person calling that area Temecula would "get a fat head." He also pointed out that La Cresta is never called Temecula.

All other testimony on the issue, from interested and disinterested parties alike, agreed.

The single exception was the testimony of Mrs. Audrey Cilurzo. She asserted without documentation that both the ARCO area and La Cresta are now within the Temecula Post Office delivery area and zip code, and therefore are legitimately known as "Temecula."

This information is flatly false. On 2/8/83 I confirmed, for the third time, with the Murrieta Postmaster that the ARCO vineyard is within the Murrieta zip and delivery area. (Postmaster Shirley Collins, 714-677-5927.) On 2/9/83 I confirmed, for the third time, with the Temecula Postmaster that the La Cresta area is not within its or any other Post

↑
Shirley Collins - Acting Postmaster in her letter
tell me land is in Temecula 92390 Zip Code



CILURZO VINEYARD & WINERY

P.O. BOX 775 • 41220 CALLE CONTENTO • TEMECULA, CALIFORNIA 92390 • PHONE (714) 676-5250

April 4 1983

Dear Sir -

I have received conflicting reports as to what zip code the La Cresta area of Rancho California is in. Can you clarify this. I am specifically interested in the zip code for Avenida La Cresta & Avenida Castilla.

I assume since it is part of Rancho California it is 92390. Is all the boundaries of Rancho California a 92390 zip code? It is shown as such in the map books.

I would appreciate an early reply.

Sincerely

Audrey Cilurzo

PROGRESS

Story of the year

Rancho high - on way to reality

As judged by The Californian staff, the top news story of 1982 from a growth viewpoint was the June 23 vote by the Elsinore High board of education to locate its next high school in Rancho Temecula.

Reprinted here are two stories detailing that dramatic vote and local reaction to it.

Ed.

By MICHAEL SCHUERMAN

and

MARY BLOOMER

A throng of 250 or more Rancho Temecula Murrieta residents stood and cheered Wednesday night, June 23, when the Elsinore Union High School District board of education voted 4-3 to build the district's next high school in Rancho California.

Depending on the availability of state school building funds, construction on the school could begin in 12 to 18 months, estimated one high school district official. He expressed hope that an application to the state for the new school would be approved by late July.

A 67-acre site at the junction of Pauba and Margarita Rds. has been donated for the school by KACOR Development Co., present administrator of Rancho California.

North vs. south

The board's vote followed about two hours of presentations of "north" and "south" viewpoints in the Elsinore High Multi-Media center including an outline of

demographics throughout the district by James Bartholomew, EUHS director of facilities.

Proponents of a site north of Lake Elsinore-including the high school district administration-held that expected population growth warranted a campus near the junction of State Hwys. 71 and 74. They also referred to the Irvine-based developer, ABC Heritage, which plans housing projects in the Elsinore area over the next 10 years.

ABC Heritage has agreed to pay \$2,000 for each of 2,700 units planned over that time-a total of \$5.4 million-to the district for school construction.

The money would be paid in increments as the homes are planned, built and occupied.

Speakers in favor of the Rancho site presented several points to the board, including the gift of the land, the fact that between 342 and 378 students commute from Rancho Temecula to EUHS everyday-some spending as much as an hour and half on a bus each way-and recent rapid growth in the Rancho Temecula Murrieta areas.

Rose Goldberg of Murrieta Hot Springs, said "I'm a retired school teacher and my only emphasis is what's good for the boys and girls. Certainly from all I've heard today, the need is present (for a school in Rancho).

"I like what this gentleman on the board (Mike Wesche) said. Let's think about the

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TO:				
1				<i>Audrey Ciburzo</i>
2				
3				
4				
5				
FROM:		EXTENSION		
<i>D. Collins</i>				
DATE	<i>4/8/83</i>	ROOM NO.	<i>92390</i>	
REMARKS:				
<p><i>Regarding La Cresta area Zipcode - As is right at this moment the zip code is 92390. But there is no delivery to this area - Therefore if a letter is sent to someone - the person should find out what city they get mail & their</i></p>				

ITEM 0-13
Aug. 1976

(Additional Remarks on Reverse)

☆ U. S. GPO: 1977-0-751-760

(Formerly Form 13)

Box #.

I hope this will help
you.

Also Riverside sent this
to me because they do
not have knowledge of
this area -

Thank you

Shirley Collins
OTC

Lohman and Barkley Edged Out of High School Name

"Oh rats. That's the Temecula Valley Rats," stated Roger Barkley Monday morning when he was told the results of the new high school naming election.

With only 135 ballots returned, the winning name, with 54 votes, went to Temecula Valley

High School. Second place in the selection was a write-in, Rancho California High with 27 votes.

Lohman and Barkley's name came in 7th with two votes; votes which some district officials suspect as coming from Los Angeles.

"We did say on the air that if you named your high school after us we'd give you a record album," stated Roger Barkley when questioned if the twosome nominated themselves.

A question arose as to whether their name would be legitimate since

district policy required the person to be dead before the school could hold his name.

"We volunteered to kill ourselves," Barkley replied over the phone.

Barkley continued by saying that they didn't want to kill themselves until they were guaranteed the name.

"That would be silly," he stated, adding that he believed someone was "messing with the rules" because a northern school was recently named after Steve Garvey.

"He didn't have to kill himself," Barkley continued.

One area resident who didn't approve of the Lohman and Barkley High School name was

Budget Cuts Leave School Funding Gloomy District Works On Options

Proposed cuts in the State Budget lend a gloomy outlook for the immediate future of school districts awaiting funds. An alternative

way for schools to obtain tax money, however, is being investigated.

Jim Bartholomew, director of building maintenance operations

at Elsinore Union High School, spoke of the proposed cuts and problems at the Jan. 13 EUHS board meeting and in a subsequent phone conversation.

With the State in bankruptcy to the

continued on page 3

Wine Appellation Hearing Thursday

Citizens concerned over the proposed Temecula, Murrieta and Rancho California viticultural areas are reminded of the public hearing Jan. 20, 9 a.m. at the Rancho Water District.

This hearing was called in response to the opposing petitions submitted by the Rancho California, Temecula Winegrowers Association and the Callaway Winery.

The Bureau of

Alcohol, Tobacco and Firearms, (ATF) proposed establishing the viticultural areas "Temecula", "Murrieta", and "Rancho California."

After receiving letters during the public comment period the ATF decided that a public hearing would be necessary.

Especially concerned with the boundaries for the different areas, the ATF encourages public comments at the hearing.

continued on page 2

School name expected soon

The name "Temecula Valley High School" is emerging as a distinct favorite in the balloting that Elsinore Union High School District (EUHSD) is taking to determine public opinion in the naming of the new high school in Rancho Temecula.

A report to the EUHSD board of trustees at the board's meeting last Thursday indicated that ballots returned to the EUHSD show Temecula Valley High receiving twice as many votes as the second favored name, Rancho California High School. That name was not on the ballot, but has received 27 write-in votes.

The third most favored name was Rancho High. Lohman and Barkley High

got only two votes to date.

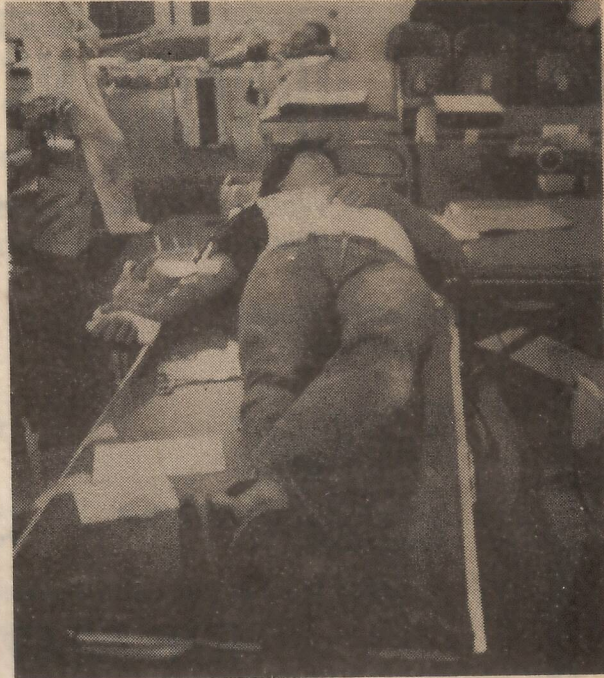
The district is ready to close balloting and will report a winning name soon, a district representative said.

The school board approved a request for the scheduling of a minimum of three days for final examinations. The days approved are Jan. 26, 27, and 28.

In other action, the EUHSD board accepted consultant Dr. Robert Jenkins' report and recommendations on the separation of the Elsinore Elementary School District and Elsinore Union High School District. The action directs the administration to workout a reorganization plan with both school

boards. The school boards will have a joint meeting on Monday at 6:30 p.m. in the project room of the district office to begin work on the reorganization.

The board also ratified the filing of a Notice of Determination for the new high school, indicating a negative declaration in environmental impact for the school.



GIFT OF LIFE — One of many donors who gave blood at Rancho Community Church Tuesday reclines while the gift of life is removed from his arm. Chairperson for the blood drive, Dorothy Fuhrmann, said that 59 pints were taken, but that many potential donors had been turned down because they were recovering from colds or had other problems.

Chess Club

The Rancho California Chess Club will be meeting at a new time and place, thanks to the courtesy of Father Ganahl of St. Catherine's Catholic church on Front Street.

The Chess Club will be meeting in the Parrish Hall of St. Catherine's on Tuesdays from 6:30 p.m. to 11 p.m.

Anyone interested in chess is invited to attend. Further information is available at 676-3415.

THE CALIFORNIAN
and the **Valley Press**
Serving Rancho California, Temecula,
Murrieta and Aguanga

Publisher G. L. "Don" Taylor
Associate Publisher Charles Mackey
Editor Michael Schuerman
Advertising Manager Barbara Gunn
Staff Writer James Jackson
Office Manager Kathe Miller

The Californian and the Valley Press (USPS: 531-990 and
ISSN: 0199-8439 is published every Thursday by Marmack
Publishing Corporation, 28475 Front St., Suite D, Temecula,
CA 92390.

Vol. 25 - No. 2

Second-class postage paid at Temecula, CA. POSTMASTER:
Send address changes to THE CALIFORNIAN, P. O. Box 970,
Temecula, CA 92390. Subscription \$4.50 a year. Deadlines
for both news and advertising are noon Tuesday. Classified
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P.O. Box 970, Temecula, CA 92390
Telephones: 676-5771 and 676-4315
28475 Front St. Suite D

"The basis of our government being the opinion of the
people, the very first objective should be to keep that right; and
were it left to me to decide whether we should have a government
without newspapers or newspapers without a government, I should
not hesitate a moment to prefer the latter."—Thomas Jefferson,
January 16, 1787.

CLASSIFIED ADS
DAY OFF!

Cal-Forum

The Californian
requests that letter
editor be signed
guarantee auth

Recommends retraction

Dear Editor:
Please publish the attached
letter in your next edition.
Temecula Valley
Chamber of Commerce
P.O. Box 264
Temecula, California 92390

Dear Directors:
We have been a member of
the Temecula Valley
Chamber of Commerce since
1979. We joined the Temecula
Valley Chamber of Commerce
because we strongly believe in
supporting the local communi-
ty.

When we became members,
we were told the Temecula
Valley Chamber of Commerce
is a voluntary organization
*representing all segments of
the business community.* Does
it mean that the present
Temecula Valley Chamber of
Commerce has two different
policies now? One being
accepting members
regardless of their
geographical location and the
other excluding members
from important issues
because of their geographical
location?

It was appalling to see
William Rarker, Executive
Director, and Vicky Taylor,
President of the Temecula
Valley Chamber of

Commerce, testify on Jan. 20
1983, at the Bureau of Alcohol,
Tobacco and Firearms wine
appellation hearing on a very
controversial subject favoring
some members over others.

The Temecula Valley is
already split east and west
over water, now the Temecula
Valley Chamber of Commerce
is helping to drive another
wedge in the community in-
stead of striving for their true
goal of a united community.

We recommend that the
Temecula Valley Chamber of
Commerce immediately
retract their testimony and
position with regard to the
appellation and take a neutral
position.

Sincerely,
La Cresta
Farm Management
George and
Nelly Farrelly

'A Challenge'

To: Temecula Business Com-
munity
Temecula School Board
Temecula Teachers

A Challenge and a Thought
in regard to education con-
tracts.

After reading the issues of
the proposed teacher and
school board contract, I have
become disturbed by both
sides. Here you are asking the
community to decide on an

issue that affects everyone
without giving a true com-
parison with what we are paid
in our jobs or businesses.

In the free enterprise
system in which I have work-
ed, lived and prospered the
past 16 years, if one wants a
raise, they work on their own
time, going to school, making
extra effort in learning an ad-
ditional trade etc. No one ex-
pects to be paid directly for
this effort. Our pay is based
on 12 months a year, plus
benefits. When I quit
aerospace 12 years ago to
work for myself, I figured I
had to make \$250 more per
month to cover my benefits
with no vacations. What is it
now?

My Challenge and Thought
is this: Will members of the
business community that have
employees or are employed
contact me and/or members
of the school board and
teachers representatives to
compare similar education
time, and present salary and
benefits? Only then can
members of this community
arrive at an equitable solu-
tion.

Sincerely,
Robert K. Allred

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Issue set

Dear Editor:
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Altos Associ
been settled.

The super
day, Feb. 15
final designa
lying between Jedediah Smun

Truste

LAKE ELSINORE
Temecula Valley High Sc
may have garnered the n
votes for the name of the
high school to be built
Rancho California, but scl
board members are beginn
to have second thoughts.

Out of 121 votes receive
a recent district-wide p
"Temecula Valley H
School" came in first with

The winning name was
of 18 on the ballot. The nar
were all nominated inform
ly by district residents
response to appeals publis
in area newspapers.

The second thoughts w



Temecula, California 92390

THE CALIFORNIAN

and the Valley Press

Serving Rancho California, Temecula, Murrieta and Avocado

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...a scenic model of the Grand Canyon -- but it's still...
...and win,
ing.
TV High?: The Californian received a pretty good response to its lead story of Feb. 17: "Would TV High be taken seriously?". It was the report of an Elsinore high school board meeting where the question was raised about the appropriateness of the name Temecula Valley (abbreviated TV) for the new high school here.
We got a letter and several phone calls from people explaining why they had voted for that name in a straw poll conducted by local newspapers. The consensus was that Temecula Valley, the "TV" abbreviation notwithstanding, best describes the area in which the school's students will live. I particularly like the name because it's as pleasant sounding as this valley is beautiful.
★
...the reference to



CILURZO Vineyard & Winery

Received
5/2/83
Linthicum

(66)

Phone: (714) 676-5250 • 41220 Calle Contento • P.O. Box 775 • Temecula, California 92390

April 28 1983

Mr. John A. Linthicum
Research and Regulation Branch
B.A.T.F.
1200 Pennsylvania Ave.
Washington D.C. 20226

Dear Mr. Linthicum,

I hope and I am sure you hope this will be my last letter.

In Mr. Benson's last letter he states that I am still wrongly insisting that the La Cresta and Arco vineyards are in the 92390 zip code and that mail delivery is not and never has been planned. The notes sent by Mrs. Shirley Collins, acting postmistress, in Temecula bear out my statement that the area is not only in the 92390 zip code, but that delivery is planned for the near future.

Mr. Benson seemed to infer that there were no plans to name a high school and in fact probably wouldn't be a new high school in Temecula. I have enclosed copies of the Elsinore High School Board Minutes which show the months of preplanning for this school. Also the decision by Dr. Flora and the board to have the community vote on a name for the school. The results of this voting were announced the day of the appellation hearing and this I referred to in my testimony.

Once again...thank you.

Sincerely,

Audrey Cilurzo

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TO:			
1	Audrey		
2			
3			
4			
5			
FROM:	Shirley Collins		EXTENSION
DATE	4/19/83		ROOM NO.
REMARKS:	<p>I am sorry this has taken so long after you thanked me for being so prompt</p> <p>Regarding delivery to the Westside - I am working on getting NBU's (Neighborhood Box Units) - as soon as we can get them I will have a route extended to that area - Thank you</p>		

ITEM 0-13
Aug. 1976 (Formerly Form 13)

(Additional Remarks on Reverse)

U.S. GOVERNMENT PRINTING OFFICE 1981:791-318

ELSINORE UNION HIGH SCHOOL DISTRICT

September 23, 1982

The regular meeting of the Elsinore Union High School District Board of Trustees was called to order at 7:40 p.m. by Mrs. Judy Guglielmana, President; at the Elsinore High School Media Center.

PRESENT:

Mrs. Judy Guglielmana, President
Mr. Daniel Strong, Vice President
Mr. Clark Kane, Clerk
Mrs. Beverly Gibson, Member
Mrs. Patricia Phillips, Member
Mr. Larry Upton, Member
Mr. Mike Smith, Student Representative

ABSENT:

Mr. Mike Wesche, Member

OTHERS PRESENT:

Dr. Ronald W. Flora, Superintendent
Mr. Norman Chaffin, Associate Superintendent
Mr. Clifford Koch, Fiscal Officer
Mr. James Bartholomew, Facilities Director
Mrs. Connie Estrella, Recording Secretary
Mr. Joe Enserro, Principal/EHS
Mrs. Nella Isaacs, Curriculum Director
Dr. Francis Gregory, Principal/EJHS
Mrs. Karen Chaffin, Assistant Principal/EJHS
Mrs. Charlotte Kazmier, Senior Accountant

Mr. Dave Miller/Sun-Tribune
Mr. James Jackson/Californian
Mrs. Betty Lou Langlois-Galat/Butterfield Bulletin
Joyce Bradley
Brad Olson
Ernie Sopp
Betty Moreno
Betty Dettinger
Max Dettinger
Judy Gonzales
John Gonzales

Carrol Licitra
Sharon McLaughlin
Lisa McLaughlin
Pat Norton
Brad Cunningham
Rose Ann Rhinehart
Pat Scarcella

Greg Barr
Bob Hench
Mike Blazek
Todd Stoutenbrough

APPROVAL OF AGENDA
Motion 1982-83-58

Mrs. Gibson moved and Mr. Strong seconded that the agenda for the meeting of September 23, 1982 be approved as amended. Item V-A was removed from the agenda and will be brought back at the next meeting.

RECOGNITION SECTION

Mr. Jim Titford, Student Representative was awarded a CSBA Pin for his service on the Board; however, Mr. Titford was not present to accept the pin due to another commitment as a student at Mt. San Jacinto College.

LEO CLUB

Mr. John Gonzales read a letter from the Lions Club International recognizing the Leo Club for their special efforts in serving the community. The club received a Leo Club Service Activity Award certificate.

PRESENTATION SECTION

Brad Cunningham, representing the ASB requested approval of a minimum day on Thursday, October 21, 1982 for Homecoming activities. He noted that in the past students had built floats off campus, working into the late hours of the night and that the request for a minimum day is to build floats on campus. He said that it is hoped that by building the floats on campus they will have more student participation. He also requested a late bus for those students working on the float. The bus was requested for 7:30 p.m.

Mr. Koch noted that there might be a problem with transportation for the minimum day, and that he would check into it. There was concern from staff regarding the request for a late bus.

Mrs. Chaffin noted that the junior high is scheduled for a minimum day on Friday, October 22 and would they also get Thursday as a minimum day.

After some discussion, it was the consensus of the Board to approve the minimum day on October 21 for high school only, providing transportation is available. Mr. Koch will check with transportation and will have the information available early tomorrow morning.

CONCEPTS FOR NEW HIGH SCHOOL IN RANCHO CALIFORNIA

Mr. Bob Hench, Architect and two associates presented slides of the concepts for the new high school. Dr. Flora noted that the presentation reflects the work of the Educational Specifications Committee. Booklets detailing the concepts were made available. The audience was welcome to ask questions as the presentation was made.

Mr. Hench said that the next step is to lay out the facilities on the site, parking, etc. He said that they cannot move ahead with the engineering and actual working drawings until the Board gives actual approval of the concepts. He said that he will be meeting weekly with committee members as the plans progress.

It was the consensus of the Board to accept the concepts for the new high school so that the architect may proceed with the engineering and working drawings.

COMMUNICATIONS

Dr. Flora read a letter from Mr. Bob Hench, Architect listing priorities that are normally found on a high school campus that are not included in the State construction fund. Dr. Flora said that he had requested this list, as recommended by the Educational Specifications Committee with dollar amounts. He noted that the Board has not prioritized the list yet.

Dr. Flora read a letter from the Committee - Californians for Schools regarding Proposition 1 on the November ballot regarding school construction money. He said that in order to have a chance to pass, the committee has to raise \$1 million dollars and that he and board members had tickets to sell if anyone was interested.

The other communique referred to general fund monies. Dr. Flora said that hopefully the Governor will reconvene the legislature and be responsive for the cost of living money. He noted that a list was available of how our legislators voted on educational issues.

MIKE WESCHE'S RESIGNATION

Mrs. Guglielmana read a letter of resignation from Mr. Mike Wesche. Dr. Flora was directed to send the letter to Dr. Kenny, County

ELSINORE UNION HIGH SCHOOL DISTRICT

October 14, 1982

The regular meeting of the Elsinore Union High School District Board of Trustees was called to order at 7:40 p.m. by Mrs. Judy Guglielmana, President, at the High School Media Center.

PRESENT:

Mrs. Judy Guglielmana, President
Mr. Daniel Strong, Vice President
Mr. Clark Kane, Clerk
Mrs. Beverly Gibson, Member
Mrs. Patricia Phillips, Member
Mr. Larry Upson, Member

ABSENT:

Mr. Mike Smith, Student Representative

OTHERS PRESENT:

Dr. Ronald W. Flora, Superintendent (arrived at 8:33)
Mr. Norman Chaffin, Associate Superintendent
Mr. James Bartholomew, Facilities Director
Mr. Clifford Koch, Fiscal Officer
Mrs. Connie Estrella, Recording Secretary
Mr. Joe Enserro, Principal/EHS
Mr. Dennis Price, Dean of Students
Mr. Steve Haney, Dean of Students
Dr. Francis Gregory, Principal/EJHS
Mrs. Karen Chaffin, Assistant Principal/EJHS

Wendy Munson
Lupe Martinez
Lauree Miller
Theresa Carmichael
Pamela Close
Shelly Phillips
Doug Lane
Ken Venehire
Mike Studebaker
Steve Jarvis
Donald Rabb
Wendy Shay
Barbara Driskill
Nellie Cox
Kevin Smith
Renny Pierce
Lois Ennon

Maria Alonzo
Annette Russ
Dawn Pompa
Elizabeth Camilo
Mel Hay
Pat Bundy
Carol Johnson
Helen Murray
Joyce Bradley
Ernie Sopp
Mary Huggins
Carol Gordon
Phyllis Tryon
Sandra Petersen
Brad Cunningham
Betty Lou Langlois-
Galat

Linda Satter
Janay Wright
Marla Shepherd
Shawn Wilson
Clarice Flower
Joyce Ciotti
Joan Sparkman
Carol Ann Licitra
Dolores Bruce
Gayle Enochs
David Miller
Tom Guglielmana
Craig Goveia
Eddie Salgado
Terry L. Dunn
James Jackson
Others

APPROVAL OF AGENDA
Motion 1982-83-64

Mrs. Gibson moved and Mr. Strong seconded that agenda for the meeting of October 14, 1982 be approved as amended. Motion passed unanimously.

PRESENTATION SECTION
SENIOR PRIVILEGES

Brad Cunningham, Senior Class President, read a petition from the students requesting off

Substitute, Overtime and Extra Duty Pay: Approval from general fund in the amount of \$13,579.48 (Certificated) and \$10,896.18 (Classified).

Permission to Advertise Closed Bids for Bus #14 on "as is" condition.

Resolution/Expenditure of Excess Funds in the amount of \$190,376, ABE 310
TELEX

Resolution/Renewal Agreement for Continuation of Consolidated Application with County Schools Office.

APPROVAL OF LEASE AGREEMENT
FOR FIVE EMERGENCY CLASSROOMS
FOR JUNIOR HIGH SCHOOL
Motion 1982-83-66

Mr. Kane moved and Mr. Upson seconded that the Board approve the lease agreement with the State Allocation Board for five emergency classrooms for Elsinore Junior High School and direct Ronald W. Flora to execute said agreement. Motion passed unanimously.

APPROVAL OF LEASE AGREEMENT
FOR FIFTEEN EMERGENCY CLASS-
ROOMS FOR HIGH SCHOOL
Motion 1982-83-67

Mrs. Gibson moved and Mr. Kane seconded that the Board approve the lease agreement with the State Allocation Board for fifteen emergency classrooms for Elsinore High School and direct Ronald W. Flora to execute said agreement. Motion passed unanimously.

ACCEPTANCE OF CONTRACT
FOR CONSTRUCTION OF
HIGH SCHOOL ADDITION #4
Motion 1982-83-68

Mrs. Phillips moved and Mrs. Gibson seconded that Resolution 1982-83-07 - Board approval and acceptance of contract for the construction of Addition #4 to Elsinore Union High School; board approval and acceptance of the bid of K. L. Neff for \$2,592,600 for the construction; and that the Board direct Clifford A. Koch, Fiscal Officer and designated representative for the District, to execute all contracts for the construction project. Motion passed unanimously. (Exhibit I)

K. L. Neff for \$2,592,600 for the construction; and that the Board direct Clifford A. Koch, Fiscal Officer and designated representative for the District, to execute all contracts for the construction project. Motion passed unanimously. (Exhibit I)

APPROVAL OF AGREEMENT TO LEASE
BETWEEN THE ELSINORE UNION HIGH
SCHOOL DISTRICT AND THE STATE
ALLOCATION BOARD/NEW HIGH SCHOOL
Motion 1982-83-69

Mr. Strong moved and Mr. Kane seconded that the Board approve agreement to lease between the Elsinore Union High School District and the State Allocation Board, State of California, Application #22/14704, New High School, and that the staff forward said agreement to Riverside County Counsel for approval as to form. Motion passed unanimously.

Riverside County Counsel for approval as to form. Motion passed unanimously.

APPROVAL OF AGREEMENT TO LEASE/
NEW JUNIOR HIGH
Motion 1982-83-70

Mr. Kane moved and Mr. Strong seconded that the Board of Trustees approve the agreement to lease between the District and the State Allocation Board, State of California, Application #22/14703, New Junior High, and that the staff forward said agreement to Riverside County Counsel for approval as to form. Motion passed unanimously.

Application #22/14703, New Junior High, and that the staff forward said agreement to Riverside County Counsel for approval as to form. Motion passed unanimously.

PRIORITIZING LIST OF SITE
DEVELOPMENT FOR NEW HIGH SCHOOL

high school serving 1800 or more students was presented for review. The items are

A list of site development items for which state funding is nearly always inadequate, yet are necessary for a complete, modern high school serving 1800 or more students was presented for review. The items are

in order of priority as recommended by the Educational Specifications Committee. The Board members were asked to review the list and submit any suggestions to Dr. Flora at their earliest convenience.

PROGRESS REPORT/JUNIOR HIGH
SITE SELECTION

Mr. Bartholomew gave a brief report on the two potential sites for a junior high school. He said that he took Mr. Hench and Mr. Stouten-

bough to the two sites. He said that the Ziegland/Shirley site has a flooding problem but that it can be corrected by grading. The Machado/Lincoln site has a couple of problems but does not have the water problem that the other site has. He said that this site is considerable higher priced as it is closer to sewers, is flater and is more attractive to developers.

BUDGET REDUCTION/REDUCED ENROLLMENT

Copies of the budget reductions were distributed. Mr. Chaffin said that this information is basically the same as presented at the last meeting.

Mrs. Phillips questioned dropping gymnastics. She asked why it was being dropped when there are approximately 40 students involved. Mr. Enserro said that the program has been dropped by most schools, that only three schools in Riverside County have it. It was noted that the coach resigned last year and has not been replaced. It was also noted that the three schools with the program are Indio, Coachella and Palm Springs. He said that a major cost is transportating the team to those schools.

Mrs. Gibson questioned the loss of the aide in auto shop. She said that she felt an aide is needed in that class.

Mr. Kane said he would like some input from staff. He suggested sending the list of cuts to staff at both sites for possible modifications. His concern was cutting personnel. He said that the administration might look into reducing the number of hours rather than eliminating the positions. He said that he would recommend that the board retain the Junior High noon supervisor, three noon aides, the auto shop aide.

After some discussion, it was the consensus of the board to set the three positions as high priority and retain them.

COVERAGE OF VOLUNTEER WORKERS FOR WORKERS COMPENSATION. Mr. Koch briefly explained that volunteer workers could get hurt while doing volunteer work for the district. He said that it is possible for these people to be covered under Workers Compensation rather than under our liability insurance. However, it would be required that they sign in each day they volunteer and that the list be filed with his office. He said that he would like the board to approve a resolution approving coverage under Workers Compensation.

Mrs. Guglielmana noted that a policy was approved last year and that volunteers are required to sign. Mr. Koch said that if they are required to sign, the list is not being filed with his office.

After a brief discussion, Mr. Koch was directed to review the policy and if a resolution is necessary to bring it back on the consent calendar at the next meeting.

PRIORITY LIST FOR ATHLETIC
EXPENDITURES VIA BOOSTER
CLUB

Mr. Haney distributed a list of items submitted by the Booster Club as potential items for the Club to donate to the athletic department.

The Board briefly reviewed the list and requested Mr. Haney to provide the budget for the \$14,000 allocated to the athletic department prior to action on the list.

The priority list for athletic expenditures will be brought back for action at the next meeting.

FUTURE AGENDA ITEMS

- A. GATE Program
- B. Student Survey/Food Service (High School/Junior High)
- C. Policy for Graduation Petitioning (3/1/83)
- D. Policy Statement as to Challenging Class (3/1/83)
- E. Review of CAP (10/28)
- F. Graduation Exercise Procedures (3/1/83)
- G. Review of Attendance Procedures/Roll Taking at the High School (10/28)
- H. Grade Distribution Study (11/9)
- I. How to Improve Test Scores (11/9)
- J. Retention Policy at Junior High (1/13/83)
- K. Survey of Seniors (11/9)
- L. Campus Security
- M. Board Policy-Parent/Public Complaints (10/28)
- N. Parent Volunteers on Sites
- O. Appointment to fill Mike Wesche's Position (10/28)
- P. Acceptance of Bid on Bus #14 (10/28)
- Q. Junior High Educational Specifications Committee (10/28)
- R. Naming of New High School (10/28)

PERSONNEL REPORT
Motion 1982-83-71

Mrs. Gibson moved and Mr. Strong seconded that the personnel report be approved as amended. Motion passed unanimously. (Exhibit II)

LAY-OFF OF CLASSIFIED
EMPLOYEES DUE TO LACK
OF FUNDS/RESOLUTION 1982-83-06
Motion 1982-83-71

Mr. Strong moved and Mr. Kane seconded that the Board take action to eliminate the positions of 6 hour Health Aide; 5.5 hour Health Aide. (Exhibit III)

ADJOURNMENT

Mr. Strong moved and Mrs. Phillips seconded that meeting be adjourned at 11:50 p.m. Motion passed unanimously.

ELSINORE UNION HIGH SCHOOL DISTRICT

October 28, 1982

The regular meeting of the Elsinore Union High School District Board of Trustees was called to order at 7:40 p.m. by Mrs. Judy Guglielmana, President, at the High School Media Center.

PRESENT:

Mrs. Judy Guglielmana, President
Mr. Daniel Strong, Vice President
Mr. Clark Kane, Clerk
Mrs. Beverly Gibson, Member
Mrs. Patricia Phillips, Member
Mr. Larry Upson, Member
Mr. Mike Smith, Student Representative

OTHERS PRESENT:

Dr. Ronald W. Flora, Superintendent
Mr. Norman Chaffin, Associate Superintendent
Mr. James Bartholomew, Facilities Director
Mr. Clifford Koch, Fiscal Officer
Mrs. Connie Estrella, Recording Secretary
Mr. Joe Enserro, Principal/EHS
Mr. Steve Haney, Dean of Students
Mr. Dennis Price, Dean of Students
Mr. Ted Kramer, Assistant Principal
Mrs. Karen Chaffin, Assistant Principal/JHS

Rita Brants
Maris Brants
James Jackson
Reba Reeves
Pat Irving
Carrol Ann Licitra
Pat Morton
Tom Tahara

Wilma Ritchey
Betty Lou Langlois-Galat
Dave Miller
Bob Hench
Todd Stoutenbough
Joyce Bradley
Wayne Phillips
Annette Rossi

Sonja Wilson
Carol Johnson
Kelly Davis
Tom Guglielmana
Carrie Jones
Others

APPROVAL OF AGENDA
Motion 1982-83-73

Mr. Kane moved and Mrs. Gibson seconded that agenda for the meeting of October 28 1982 be approved as amended (VII-A and VII-E were deleted). Motion passed unanimously.

PRESENTATION SECTION

DESIGN DEVELOPMENT

Mr. Bob Hench, Architect distributed a set of plans and booklets showing the design concepts and outline specifications for the new high school in Rancho California. The school will be built in three phases. Phase I will house 600 students, Phase II will house 1200. The total master planned population for the school will be 1800. He noted that the individual buildings will be built in increments which will minimize disruption of students during construction of later phases. The buildings are sized to maximize efficiency of space; windows in each classroom will admit daylight, reducing the need for artificial lighting. He explained other energy considerations, such as soil berm around the foundations, reflective roofing surfaces, etc.

Mr. Hench noted that the state will fund the entire cost of all necessary master-planned rough grading, site-utilities, erosion control, and 20 feet of paving on access streets and will provide 8% of the building cost for general site development. There will be three relocatable science labs in Phase I which will allow a complete math-science complex to be built in Phase II. Phase I P.E. facilities will consist of only a fitness lab, boys/girls shower and locker building. Student lockers will be built in secured clusters at each phase.

Mr. Hench explained the structural system, type of doors and windows, finish hardware, exterior and interior finishes to be used. He further explained the heating, ventilating, and air conditioning systems to be used.

After reviewing the plans a question and answer session followed.

Mr. Hench said that they are two weeks ahead of schedule and that we will be on schedule when the plans are submitted to the Office of Local Assistance. He was asked if the plans could be finished for submission to the state for their November meeting. Mr. Hench replied that it would be a tight schedule but that they would be completed.

ATHLETICS

Mr. Haney gave a brief report on the athletic program, noting that the school is in the CIF Sunkist League. The school has 13 programs, 27 teams, 26 coaches and 3 non-paid coaches. The assistant coaches are hired upon recommendation by the coaches. He noted the other programs in P.E./ athletic discipline. He said that the school has a very stringent eligibility policy, students must pass all classes. They have a behavioral grade as well as the academic. If a student receives two U's for behavior, the student is declared ineligible. There are other requirements a student must meet such as a physical examination, insurance coverage, etc. Grades are checked every six weeks. Mr. Haney said that all individual teams have accounts with ASB. They raise funds through sales, etc.

Mr. Haney discussed the athletic budget of \$14,950. The Board received a breakdown of the amount allocated for the athletic department. Mr. Haney noted that the coaches submit an inventory for each department prior to setting a budget for the department.

STUDENT ACTIVITIES

Ms. Carol Johnson, Activities Director gave a brief description of her educational and professional background. She listed her goals - (1) commitment to the student body in providing leadership, (2) would like to establish guidelines for all student activities, (3) develop standardized procedures for student dances and for fund raisers, (4) create an atmosphere that will enhance student involvement in activities, (5) devise an advisors handbook that will increase communications for student activities. ASB achievements are (1) the development of a dance packet with guidelines for the chaperones and the decrease of long lines for tickets, (2) guide students at Doheney and the Gong Show. Ms. Johnson said that the next project will be food baskets for the needy. The goal is to have each class solicit two turkeys from local merchants and collect canned goods from the students for distribution in the Elsinore area.

Tom Guglielmana, ASB Vice President and member of the House of Representatives briefly explained the procedures of the House of Representatives. He said the representative reports back to the students on what goes on in the meetings. The representatives report to members of the House on all the meetings going on in the school. He said that this is their way of getting the ASB closer to the students and getting some input to and from the student body.

He noted that figures for the first month's attendance this year as compared to last are much better. Figures for the first month's actual unexcused absences this year as compared to last are significantly better. Mr. Price said that in reviewing the actual number of student contacts the Deans office has made between 9/6/82 and 10/27/82 they also see figures that support the feeling that CAP is effective.

BOARD POLICY-PARENT/
PUBLIC COMPLAINTS

Board members received copies of the proposed policy - Parent/Public Complaints for review. They were requested to send in any suggested changes to Mr. Chaffin.

JUNIOR HIGH EDUCATION

Dr. Flora noted that an Educational Specifications Committee is being organized for the junior high. Some members from the high school's committee will be retained. Notices went out to parents inviting them to serve on the committee. The first meeting is scheduled for November 2, 1982.

NAMING OF NEW HIGH SCHOOL

Dr. Flora recommended that anyone be allowed to submit potential names for the high school through the newspapers in the southern portion of the district as well as Elsinore proper. After reviewing suggested names, he recommended that a ballot be placed in the newspapers and give everyone an opportunity to cast a ballot. Mrs. Phillips said she liked the idea. The other members concurred and directed Dr. Flora to proceed with the plan.

PURCHASE OF VAN OR ALTERNATIVES
TO USE OF FUNDS

Mr. Koch reported on his attempts to purchase a van. He said that he has not given up.

A member asked if cash had been considered from the elementary district instead of the van. Mr. Koch replied that no cash can be transferred, that payment by the elementary district must be through the purchase of a vehicle or other type of purchase.

A lengthy discussion followed as to use of the van, field trips, expenditure for warehouse vs price of van, etc. After the discussion, Mr. Koch was requested to provide the board total costs to date to the high school district for the warehouse. He was also directed to proceed with the acquisition of a van.

SCHOOL BUS FEES

Mr. Koch presented a parent pay transportation proposal for consideration by the board. He noted the transportation encroachment into the general fund and submitted a monthly, annual and reduced fee schedule for review. Board members did not feel they were ready to take such drastic steps, however, they directed Mr. Koch to bring this item back on the information section at the next meeting.

PROGRESS ON ORTEGA SITE

Dr. Flora noted that the administration is making every attempt to find creative financing for the Ortega property. Mr. Bartholomew presented a status report on sale of the site and explained the steps that must be followed. A brief discussion followed. (Exhibit III)

UPDATE ON ENROLLMENT BY CLASSES

An update of enrollment by classes was presented for both the junior high and high school as requested at a previous meeting.

ELSINORE UNION HIGH SCHOOL DISTRICT

January 13, 1983

The regular meeting of the Elsinore Union High School District Board of Trustees was called to order at 8:00 p.m. by Mrs. Judy Guglielmana, President, at the High School Media Center.

PRESENT:

Mrs. Judy Guglielmana
Mrs. Beverly Gibson, Vice President
Mr. Daniel Strong, Clerk
Mr. Clark Kane, Member
Mrs. Patricia Phillips, Member
Mr. Mike Smith, Student Representative

ABSENT:

Mr. Larry Upson, Member

OTHERS PRESENT:

Dr. Ronald W. Flora, Superintendent
Mr. Norman Chaffin, Associate Superintendent
Mr. Clifford Koch, Fiscal Officer
Mr. James Bartholomew, Facilities Director
Mrs. Connie Estrella, Recording Secretary
Mr. Earl Hopper, Director of Pupil Personnel
Dr. Francis Gregory, Principal/EJHS
Mrs. Karen Chaffin, Assistant Principal/EJHS
Mr. Dennis Price, Dean of Students/EUHS
Mrs. Nella Isaacs, Curriculum Director

Joyce Bradley
Rose Tompkins
Carol Crosthwaite
Joan Sparkman
Kay Durst
James Jackson

Barbara Weymouth
Charlotte Kazmier
Deane Ellickson
Melissa Durst
Ernie Sopp
Pat Hackett

Judy Gonzales
John Gonzales
Wayne Phillips
Pat Rettinger
Betty Lou Langlois-
Galat

APPROVAL OF AGENDA
Motion 1982-83-114

Mr. Kane moved and Mr. Strong seconded that agenda for the meeting of January 13, 1983 be approved as presented. Motion passed unanimously.

RECOGNITION SECTION

NONE

JUNIOR HIGH LANGUAGE ARTS

Dr. Gregory introduced Mrs. Barbara Weymouth Department Chairperson, thanked her for her contribution, thanked the Associate Superintendent for his help and support and gave Nella Isaacs credit for doing a beautiful job on the curriculum guidelines. He praised the quality of her work.

Mrs. Weymouth explained the reading continuum, noting that the second component is English. This component deals with parts of speech and usage, sentence structure, mechanics, composition, reference and study skills.

Mrs. Weymouth went on to explain comprehension which is broken down into smaller sections; word meaning; word comprehension. She briefly explained the critical

He asked Mrs. Sparkman to briefly tell the Board what is happening. Mrs. Sparkman mentioned Career Awareness Day scheduled for February 8 from 9:00 a.m. to 2:30 p.m. with a lunch break. She said that there are 44 different industries ready to participate. She said she was pleased with the tremendous turn-out from a lot of people. She said the activity is open to the public and that it will be held in the gymnasium.

Mr. Strong reported on the CSBA conference held December 9-12 in Anaheim. He met with Alex Haley, author of Roots, whose father was his teacher. He shared a letter he received from Mr. Haley. Mr. Strong visited the elementary school's computer display at the conference, which he thought was very well done.

Mr. Strong also reported on the City Council meeting he attended. Tim Howard, an 11 year old hero was honored with awards that evening.

Mrs. Gibson attended the CSBA conference in Anaheim. One of the most interesting workshops that she attended was the one on stress. Monday night was the hospital board meeting. She mentioned a continuation school student who had taken CPR and consequently saved her grandfather's life. She said that CPR classes are available at the hospital during the day and evening.

Mrs. Phillips said that teachers on this campus should be encouraged to take the course. It was noted that the district nurse is providing CPR training to staff and students.

Mrs. Guglielmana attended the President's Council. Don Wickert, Superintendent of San Jacinto Unified is trying to get together school districts interested in creating a redevelopment agency to form a consortium for construction of classrooms. He feels that it is a very feasible concept.

SUPERINTENDENT'S REPORT

Dr. Flora said that he was approached by a member of the Booster Club proposing the purchase of a large metal container to use for storage of athletic equipment. The containers cost \$2,000 and the Club would request matching funds from the District.

This item will be discussed by the Administrative Council at the high school and a report will be made to the Superintendent.

Dr. Flora reported on the number of ballots that have come in for naming the new high school. Temecula Valley High School leads with 54 votes, second is Rancho California with 27 votes. He noted that Rancho California High School was not even on the ballot.

The Superintendent said that he would like to set up a joint meeting between the two boards. The elementary board can meet on Tuesday, January 25. However, after some discussion, the high school board found Monday, January 24 more convenient for them. Dr. Flora said that he would check with the elementary board and see if the date could be changed.

Dr. Flora attended the Vocational Education Advisory meeting this morning. He shared some statistics on the employment rate of the students completing ROP courses, impact of ROP training, unemployment comparison and costs. He said that the ROP program provides occupational training to help people become productive wage earners and tax paying citizens.

ELSINORE UNION HIGH SCHOOL DISTRICT

JOINT SPECIAL MEETING

January 24, 1983

The meeting was called to order at 7:35 p.m. by President, Mrs. Judy Guglielmana, at Butterfield School, Multi-purpose Room.

PRESENT:

Mrs. Judy Guglielmana, President
Mrs. Beverly Gibson, Vice President
Mr. Daniel Strong, Clerk
Mr. Clark Kane, Member
Mrs. Patricia Phillips, Member

ABSENT:

Mr. Larry Upson, Member

OTHERS PRESENT:

Dr. Ronald W. Flora, Superintendent
Mr. Norman Chaffin, Associate Superintendent
Mr. Clifford Koch, Fiscal Officer
Mr. James Bartholomew, Facilities Director
Mrs. Connie Estrella, Recording Secretary

ELEMENTARY BOARD

Mr. Jeffrey Brown, President
Mr. Charles Sisco, Vice Pres.
Dr. Thomas Jessup, Clerk
Mr. Mark La Porte, Member
Mrs. Sonja Wilson, Member

Mr. Ernie Sopp
Ms. Reba Reeves
Ms. Pat Irving
Mrs. Pat Hackett
Mrs. Kay Durst
Mrs. Julie Serra
Mrs. Pat Rettinger
Mrs. Pat Tingler
Mrs. Joan Dorr

Mr. Wayne Phillips
Mr. Dave Struthers
Mrs. Mary Jessup
Mrs. Monica Lembo
Mrs. Monique Woelich
Mrs. Nella Isaacs
Mr. Steve Enoch
Mrs. Edna Wright
Mr. Deane Ellickson

APPROVAL OF AGENDA

Motion 1982-83-124

reference to the Stallings Report for division of jointly owned furniture.)
Motion passed unanimously.

Mr. Strong moved and Mrs. Gibson seconded that agenda for the special joint meeting of January 24, 1983 be approved as amended. (Deleted

RULES OF PROCEDURE

Rules of procedure were established. President of each Board to be authorized spokesperson. Members expressed their concern with the agenda format, noting that they were not aware there was to be any action taken. They also noted that they had just received the agenda late today and had not had much time to review it. It was noted that the President of the Board did not have any input in the preparation of the agenda and, therefore, was not prepared.

After a discussion it was acceptable to the members; however, Mr. Strong said that it was not acceptable to him but would agree:

Mr. Jeffrey Brown, President of the Board of Trustees of the Elsinore Union School District read a position paper reviewing the recent past as a prelude to stating the Board's decision to separate the districts. Mr. Brown also read a Letter of

ELSINORE UNION HIGH SCHOOL DISTRICT

February 10, 1983

The meeting was called to order at 7:40 p.m. by President, Mrs. Judy Guglielmana, at the High School Media Center.

PRESENT:

Mrs. Judy Guglielmana, President
Mrs. Beverly Gibson, Vice President
Mr. Daniel Strong, Clerk
Mr. Clark Kane, Member
Mrs. Patricia Phillips, Member
Mr. Larry Upson, Member

ABSENT:

Mr. Mike Smith, Student Representative

OTHERS PRESENT:

Dr. Ronald W. Florà, Superintendent
Mr. Norman Chaffin, Associate Superintendent
Mr. Clifford Koch, Fiscal Officer
Mr. James Bartholomew, Facilities Director
Mrs. Connie Estrella, Recording Secretary
Mr. Earl Hopper, Director of Pupil Personnel
Mr. Albert Swan, Principal | Ortega High
Mr. Ted Kramer, Assistant Principal
Mr. Dennis Price, Dean of Students
Mr. James Jackson | Californian
Mrs. Betty Lou Langlois-Galat
Mr. Wayne Phillips
Mr. Deane Ellickson

APPROVAL OF AGENDA
Motion 1982-83-133

Mr. Kane moved and Mr. Strong seconded that agenda for the meeting of February 24, 1983 be approved as presented. Motion passed unanimously.

RECOGNITION SECTION

NONE

STAFF PRESENTATION

Mr. Swan distributed copies of recommended graduation requirements by State School Superintendent, Dr. Honig. He gave a status report on adult education, noting that there is no provision for growth in the program. He stated that there is no increase in the revenue limit and there are no additional sources of funding.

He said that class offerings are very limited. At the present we have such classes as English as a Second Language, GED Test Preparation, Two sections of Introduction to Computers, shorthand and typing.

He was questioned about the GED test. He said that the GED Test Preparation Class is for students 18 years or older. If a student passes the test, he/she may apply for a State Equivalency Certificate.

He said those students passing the GED test have the opportunity to apply for city, county or federal jobs. The Armed Services are not putting as much emphasis on the GED as they did before due to the number of applications they are getting now as a result of the economy.

consent calendar be approved as amended. (Minutes were tabled). Motion passed unanimously.

Approval of Purchase Orders: Approval of Purchase Orders 51883 through 52045 with the exception of P.O. #52028 which is an elementary purchase order. Total amount approved \$65,288.53 (Fund 100), \$233,507.46 (Fund 520), \$680.57 (Fund 800), and \$6,874.00 (fund 930)

Substitutes, Overtime and Extra Duty Pay in the amount of \$9,159.91 Certificated and \$10,343.93 Classified.

Approval of Tax Sheltered Annuity Agreements between Elsinore Union High School District and Unionmutual Pension & Insurance Corporation.

NAME OF NEW HIGH SCHOOL

Dr. Flora presented a talley of the ballots submitted for naming the new high school.

He said that Temecula Valley High School received the most votes. He said that this was just presented for their information and that there is no reason to rush into naming the school. A brief discussion followed with Mr. Kane cautioning the Board on the selection of a name. He said that Temecula Valley High School could easily be shortened to TV High. Other abbreviations were also noted.

Mrs. Gibson suggested that the high school not be named until after the new member is elected in Trustee Area 6 to give that person an opportunity to provide some input. It was the consensus of the board to wait until a later date for any action.

JUNIOR HIGH ASB ACCOUNT

Mr. Koch briefly reviewed the Junior High ASB account. The Board questioned the distribution of interest earned. Mr. Koch said that it would be distributed on a percentage basis.

ORTEGA SITE TERMS OF TRANSFER

Mr. Bartholomew reviewed the terms of the agreement that will be drawn up between the District and CDC. He said that the District shall transfer the property to EVMWD. The only cost is the transfer fee. The District shall participate in all profits occurring from future development and/or sale of property. Some discussion was held regarding the profits. It was not quite clear to some members. Mr. Bartholomew noted that the agreement has a provision where the CDC shall remit to the District in cash or other form agreed to at that time, 50% of net profits.

Members were concerned with the amount of acreage the District can keep. It was suggested that we negotiate the maximum amount of acreage, possibly 10 acres that could be used for transportation or a warehouse. They also suggested that the agreement be more specific.

Dr. Flora said that why not transfer all of the property to CDC and then lease 10 acres for 99 years. We would then have control of the property by a guaranteed lease. Some discussion followed with the Board requesting Dr. Flora to check into the possibility of a 99 year lease.

Members also expressed concern with the legality of the agreement and asked if it was going to be checked by County Counsel. The Board was assured that it has been legally checked and will be approved by County Counsel before it is presented to the Board for final approval.

ELSINORE UNION HIGH SCHOOL DISTRICT

March 22, 1983

The meeting was called to order at 7:30 p.m. by Mrs. Judy Guglielmana, President, at the High School Media Center.

PRESENT:

Mrs. Judy Guglielmana, President
Mrs. Beverly Gibson, Vice President
Mr. Clark Kane
Mrs. Patricia Phillips
Mr. Maris Brants

ABSENT:

Mr. Dan Strong, Member
Mr. Larry Upson, Member
Mr. Mike Smith, Student Representative

OTHERS PRESENT:

Dr. Ronald W. Flora, Superintendent
Mr. Norman Chaffin, Associate Superintendent
Mr. Clifford Koch, Fiscal Officer
Mrs. Connie Estrella, Recording Secretary
Mr. Earl Hopper, Director of Pupil Personnel
Mr. Ted Kramer, Assistant Principal
Mr. Dennis Price, Dean of Students

Carol Crosthwaite
Wayne Phillips
Joyce Bradley
Cathy Meineke
Michael Morton

James Jackson
Rita Brants
Sharon Mejia
Greg Meineke
Bob Bryson

Betty Lou Langlois-Galat
Mark La Porte
Jennifer La Porte
Mava Velitis
Pat Rettinger

Mr. Maris Brants, new member elected March 8 took the Oath of Office, administered by Dr. Flora, Superintendent.

APPROVAL OF AGENDA
Motion 1982-83-147

Mrs. Gibson moved and Mr. Kane seconded that agenda for the meeting of March 22, 1983 be approved as presented. Motion passed unanimously.

GRADUATION EXERCISE PROCEDURES

Mr. Price explained that the graduation procedures were still in the formative stages and not conclusive at this point. He said that he had a small committee work with him to formulate the procedures with the hope of improving graduation for a more meaningful ceremony for parents and the graduates as well as the Board.

The original regulations were sent home to inform parents of consequences if student is involved in any incident that might jeopardize graduation. However, he noted that there have not been any incidents involving seniors during the ceremony the past few years. The regulations were to be returned to the school signed by seniors or parents of students 17 or younger. All have been returned with the exception of 8. Five of the eight have indicated they do not plan to participate in the ceremony, the other three have not been contacted.

- F. Final Graduation Procedures (Mr. Price) 4/14
- G. Telephone System (Mr. Koch)
- H. Naming the New High School (Dr. Flora)
- I. Parent Grievance Policy (Mr. Chaffin)
- J. Transfer of 7th and 8th Grades to Elementary District

PERSONNEL REPORT

NONE

PUPIL PERSONNEL
Motion 1982-83-149

Hearing Panel regarding Student Expulsion Case #16. Motion passed by the following vote: Ayes 5, Noes 0, Absent 2

Mr. Kane moved and Mrs. Gibson seconded that the Board of Trustees of the Elsinore Union High School accept the recommendation of the

VERBAL COMMUNICATIONS

NONE

ADJOURNMENT
Motion 1982-83-150

Mr. Brants moved and Mr. Kane seconded that the meeting be adjourned at 11:15 p.m. Motion passed unanimously.

Approved by Daniel Strong, Clerk
Board of Trustees

Respectfully submitted by Dr. Ronald W.
Flora, Secretary to Board of Trustees

ROBERT W. BENSON

ATTORNEY

Received
6/6/83
Hunt/Rowm

67

June 1, 1983

Chief, Regulations and Procedures
Bureau of Alcohol, Tobacco & Firearms
Department of the Treasury
P. O. Box 385
Washington, D.C. 20044-0385

Re: Notices 416, 438

Dear Sir:

The issues in the Temecula/Murrieta proceeding have been fully ventilated in the rulemaking record, comments have slowed to a trickle, and the matter appears ripe for decision. A few small points were raised in recent letters to you, however, which seem to call for this final response from Callaway Vineyard & Winery.

1- The letter from Senator Wilson of March 21, 1983

We believe that ATF's viticultural area decisions must be based on the record of evidence, not on politics, and we have made a decision not to respond to Senator Wilson's letter through the political process. We do think the Senator was ill-informed about the facts of this matter by the constituent who asked him to write the letter. Mr. Callaway has brought this to the Senator's attention, and I enclose a copy of Mr. Callaway's letter for your information.

2- The postal zip of Murrieta and La Cresta

Mrs. Cilurzo has now apparently dropped any claim that ARCO's Murrieta vineyard is within the Temecula zip, but has submitted correspondence with Mrs. Shirley Collins, acting Temecula postmaster, containing Mrs. Collins' statement that La Cresta is within the Temecula zip. By telephone on May 5, 1983, Mrs. Collins told me that her statement was based on the private Thomas Brothers Co. map book. She said she knew Thomas Brothers Co. is not official, that the Postal Service does not publish official maps, nor does it assign zips for areas in which there is no delivery. She confirmed that there is no delivery in La Cresta, and that it is not known whether Murrieta, Temecula or another post office would deliver to that area in the future. After talking to Mrs. Collins, I again confirmed with Mr. Richard Milliron of Thomas Brothers (714-863-1984) that his company's policy is to arbitrarily extend zip codes to all portions of their maps, including areas to which the Postal Service does not deliver and does not assign zips.

Chief, Regulations and Procedures
June 1, 1983
Page 2

3- The name of a planned new high school in Temecula

The information most recently submitted to ATF by Mrs. Cilurzo concedes that she was mistaken on this point: no name has yet been selected for the contemplated new school, and a number of names are in contention.

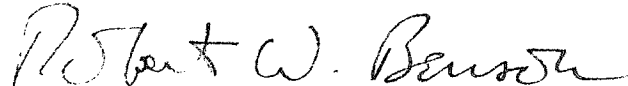
4- Availability of land for new vineyards

We have confirmed with local real estate brokers that enough land is now available within the proposed compromise Temecula area to at least double the present vineyard acreage, and more land can become available if solicited. The land is available in large and small parcels at prices that have proven economically feasible for other vineyard developments in the area and in other regions of California. We are assembling brokers' listings and other information for you and will forward it soon.

By responding to these specific points raised by Mrs. Cilurzo, we do not mean to suggest that they are key issues. They are merely fragments of the major issues--the distinct names and boundaries of the communities, the distinct soils, the distinct microclimates--which have all been fully analyzed in the rulemaking record, and which lead to a clear conclusion.

Thank you for your careful consideration of all these issues in this lengthy proceeding.

Sincerely,



Robert W. Benson
Attorney, Callaway Vineyard & Winery

enc.

cc: Mr. Ian Wilson-Smith, Hiram Walker & Sons
Mr. Ely Callaway
Mr. Robert Norton
Mr. John Moramarco
Mr. Steve O'Donnell



CALLAWAY

Vineyard & Winery

May 10, 1983

The Honorable Pete Wilson
United States Senator
SH-720 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Wilson:

It occurred to me that you may not have been given all the facts about the Temecula region before you wrote your letter of March 21, 1983 to the Bureau of Alcohol, Tobacco and Firearms.

Here are some of the facts that may not have been brought to your attention:

1. The position you supported is backed by only 2 wineries (Cilurzo and Piconi) and owners of approximately 20% of the vineyard acreage in the region. Included in this 20% is the 325 vineyard of ARCO in Murrieta, which ARCO is actively trying to sell.
2. The Compromise position, in favor of separate appellations for Temecula, Murrieta and La Cresta, is supported by 6 of the 8 wineries in the region (who, incidentally, have produced over 95% of all the wines ever labeled Temecula), as well as by owners of approximately 63% of the vineyard acreage. Owners of about 17% of the acreage have not expressed a position.
3. The Compromise position is also supported vociferously by both the Temecula and the Murrieta Chambers of Commerce, which have had formal meetings and votes on the issue, and by the publisher of the High Country Journal, the local periodical devoted to the region's history and folklore.
4. Contrary to the understanding in your letter, the wine-growers who are attempting to use the name Temecula on grapes grown outside of Temecula do not have a "vested interest in the name which they have earned over many years". Last year, after this proceeding had begun, Cilurzo for the first time marketed a small number of

The Honorable Pete Wilson
May 10, 1983
Page Two

cases of wine using the label "Temecula" for grapes grown in La Cresta. Earlier, ARCO had sold grapes from its Murrieta vineyard to Franciscan Winery in Napa, and Franciscan labeled the relatively small amount of resulting wine as "Temecula". Callaway Vineyard & Winery immediately protested and filed suit. Within a year, Franciscan had dropped the name Temecula and subsequently labeled its Murrieta wines as "California" or "Riverside County".

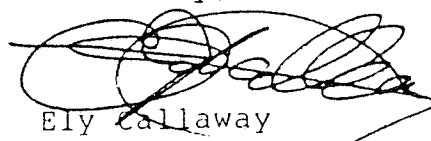
That is the extent of the alleged "vested interest in the name which they have earned over many years".

The few other references to the name Temecula for Murrieta grapes have been the direct result of ARCO's campaign, through its agent McMillan Farm Management, to change the name Murrieta to Temecula after the Callaway protest. ARCO, for example, removed the "Murrieta Vineyard" signs from its vineyard, and changed the clause in its grape contracts which had referred to its location in "Murrieta, California"; the clause now reads, "Temecula, California".

5. The Compromise proposal for the boundaries of Temecula would exclude no one, now or in the future, who wishes to grow grapes or make wine in the area actually known as Temecula. At 33,000 acres, the area is larger than many appellation areas in California or Europe. Only 2,100 acres of vineyards are now planted there. Enough large, undeveloped parcels exist to more than double the present vineyard acreage, and small parcels can be assembled to expand the vineyards even further. Moreover, there is a present glut: about 50% of the grapes were sold to wineries outside the region, and 25% hung unpicked, last season.
6. The Bureau of Alcohol, Tobacco & Firearms is not an agricultural marketing agency. It administers a law designed only to assure consumers that appellation of origin labeling is based upon accurate and truthful geographical and viticultural criteria. The Bureau has no legal authority to exempt winegrowers from these criteria, nor to shield them from the free-market economy, by granting appellations based upon the winegrowers' financial interests. Yet, a few in the industry are attempting to have the Bureau do just that. The attempt conflicts with the President's economic philosophy and, I believe, with yours.

I would very much appreciate the opportunity to discuss this issue with you further.

Sincerely,



Ely Callaway

cc: Ian Wilson-Smith