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California law enforcement shatters 2,000 bottles of wine fermented illegally underwater

Unpermitted aging practices lead to legal repercussions and environmental concerns

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In the picturesque coastal environment of Santa Barbara County, California, certain commercial endeavors stand at odds with the delicate balance of nature. One such venture recently unfolded as the district attorney's office in Santa Barbara County

revealed a disconcerting case of ocean-bound crates filled with wine bottles.

The company known as Ocean Fathoms had been engaging in a unique yet unauthorized method of wine aging by submerging crates full of bottles about 3.7 miles off the Santa Barbara Harbor, under 70 feet of water. The rationale behind this unconventional practice was to take advantage of the sea floor's optimal aging environment—55 degrees, no oxygen, no light, and rolling currents. The submerged bottles were left to ferment for a year and then retrieved, with each one selling for up to $500.

However, as admirable as this creative business model may seem, it was operating without proper authorization. The company failed to obtain the requisite permits from both the California Coastal Commission and the US Army Corps of Engineers. The illegal activity began in 2017, and the submerged wine crates became the subject of a 2021 complaint from the California Coastal Commission.

The subsequent investigation culminated in the destruction of 2,000 bottles of wine and led to a plea agreement involving Ocean Fathoms' owners, Emanuele Azzaretto and Todd Hahn. They pleaded no contest to misdemeanors of illegally discharging material into waters of the United States, selling alcohol without a license, and aiding and abetting investor fraud.

The matter also extended to concerns of financial malfeasance, with Azzaretto and Hahn being ordered to pay $50,000 in restitution to one of their investors, according to the district attorney's office.

But the issue did not solely involve permits and legality. A more profound ecological concern emerged as various sea creatures were found attached to the submerged wine bottles. Ocean Fathoms highlighted these attachments on its website as "nature's packaging," with bottles adorned with barnacles, coral, sea shells, and tubes formed by annelida sea worms. However, the California Coastal Commission decried this as "collateral damage," pointing out that these creatures "do not appear to have survived the journey to the surface."

Furthermore, Santa Barbara County District Attorney John Savrnoch went on record, claiming that "nearly every aspect" of the business operation violated some federal or state law. This included lack of federal approval for human consumption by the US Food and Drug Administration due to potential ocean contamination and non-compliance with labeling standards.

Other lapses in basic business operating fundamentals included the absence of an ABC alcohol sales permit, a valid business license, and tax payments to the State of California. The district attorney's office mentioned that although the company did collect sales tax from customers, other financial aspects were not in alignment with the law.

In the end, authorities disposed of the wine at a local wastewater treatment plant and recycled the bottles, sending a clear message about the importance of adhering to environmental regulations and ethical business practices.