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European Court ruling redefines wine labeling standards

Redefining 'estate' in the leased vineyards and collaboration

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In a landmark decision that is stirring conversation in the wine industry, the European Court of Justice has redefined the criteria for wine labeling in a case originating from the Mosel region in Germany. This ruling holds significant implications for winemakers and vineyard lessees across Europe, particularly those who lease vineyards or use off-site pressing facilities.

The case centers on a Mosel vintner who labels his wines using the terms "Weingut" (estate wine) and "Gutsabfüllung" (bottled at the estate), despite the grapes being grown in leased vineyards located approximately 70 kilometers from his own estate and the pressing being done at a rented facility. According to the arrangement, the leased vineyards are cultivated by their owner or vintner as per the instructions of a winemaker or estate owner. After harvest, a leased pressing facility is exclusively available for 24 hours to process the grapes from these leased vineyards, following the winemaking practices of the aforementioned estate owner, who then transports the wine to his own facilities.

Initially, the State of Rhineland-Palatinate, where the case originated, contended that the winemaker could not use the labels "estate wine" or "bottled at the estate" for wine made at another vintner's facilities. Under EU legislation, to use certain labels referring to a nominative wine estate, it is required that the wine is made exclusively from grapes harvested in vineyards operated by the estate itself, and the vinification process must be conducted entirely on-site.

However, the Federal Administrative Court of Germany, upon hearing the case, sought clarification from the European Court of Justice on this requirement. The Court notes that, as per EU legislation, the terms in question, which are intended to guarantee superior quality, are reserved for vine products covered by a Protected Designation of Origin (PDO) or a Protected Geographical Indication (PGI).

It is now up to the Federal Administrative Court to determine if the leased vineyards, located 70 km away from the nominative wine estate, are covered by the PDO or PGI of that estate. Furthermore, the Court determines that the concept of an "estate", and thus the use of the terms in question, is not limited only to lands owned by the vintner or located nearby. It can extend to leased vineyards situated elsewhere, provided the nominative vintner assumes effective management, close and continuous supervision, and responsibility for the cultivation and harvest of the grapes. As long as these conditions are met with respect to pressing in a wine press rented for a short period to another estate, and provided that such press is exclusively available to the nominative wine estate for the necessary period, it can be considered that the vinification has been carried out entirely at that estate.

Moreover, the same conditions apply when the staff of the wine estate renting the press carries out the pressing. This operation must be conducted in accordance with the requirements of the nominative wine estate. The latter cannot rely solely on the instructions provided by the wine estate renting out the pressing facility.

This judgment sets a significant precedent in the interpretation of European regulations on wine labeling, expanding the understanding of the term "estate" beyond traditional physical and geographical limitations. This could have considerable implications for winemakers working with leased vineyards or using off-site production facilities. The decision of the European Court of Justice reflects a more flexible approach, aligning with the current realities of viticultural production, where leasing practices and collaboration between different estates are increasingly common.