Wineries

The wine industry continues to expand rapidly in the United States. Increasing demand, favorable legislation, direct-to-consumer liberalization and new business models are driving innovation, growth and consolidation, and significant investment from private equity firms and foreign investors.

We serve as counsel to more than 400 wine-related businesses, including U.S. and international grape growers, producers, distributors and retailers, and have played the lead role in dozens of transactions, including mergers, acquisitions, sales, debt and equity financings, production agreements, distribution agreements, leases, water sharing agreements and many others. In addition, we routinely assist our wine clients with matters such as licensing, trademark and other intellectual property matters, litigation, land use, employment law, tax and succession planning. Most importantly, our industry knowledge and experience allows us to give tailored advice to our wine clients that takes account of the unique nature of the wine business. As merely one example, we employ a former TTB Director of Investigations to bring his unique perspective regarding our clients’ regulatory and compliance matters.

With decades of commitment to the wine industry—and a geographically dispersed team having deep experience in every aspect of wine law—we are perfectly situated to help our clients prosper in this rapidly evolving landscape.

Our Services:

- State and federal licensing and compliance
- Business formation and structuring
- Trademark registration, protection and licensing
- Mergers, acquisitions and other business combinations
- Joint ventures
- Debt and equity financing
- Commercial agreements including custom crush and alternating proprietor agreements, distribution agreements, lease, barrel purchase agreements, bottling and storage agreements, broker agreements, bulk wine and grape purchase agreements, import/export agreements, winemaking consulting agreements, and vineyard development and management agreements
- Land use and event permitting and compliance
- Litigation and dispute resolution
- Tax compliance and structuring
- Environmental and natural resource issues including endangered species
- Water rights and water sharing agreements
• Employment matters including labor-management issues, wage and hour laws, OSHA, migrant farmworker and independent contractor/employee issues
• Family-owned and closely held business succession planning

Financing and acquisitions

Market growth is driving a brisk pace of vineyard and winery acquisition and expansion. As producers and investors seek capital to acquire land, construct facilities and grow operations, we provide counsel on debt finance as well as angel, venture capital and public capital markets financing. We handle complexities associated with tax-exempt status and vicarious liquor liability issues that can be significant factors in structuring these transactions.

State and Federal Beverage Licensing and Permitting

We help veteran producers and distributors, as well as retailers new to the marketplace, prepare and file TTB permit applications for the manufacture, sale and import/export of wine products. These can be particularly complex when retailers operate in multiple states. As private equity firms increasingly invest in wine operations, we assure they successfully navigate potential roadblocks such as the Tied House and Exclusive Outlet sections of business practices laws that regulate common ownership of wine producers and retailers.

Environmental and Natural Resource Compliance and Water Rights

With one of the most experienced environmental law groups in the western United States, we are adept at navigating regulations pertaining to protection of endangered species, wetlands and issues related to waste and ground water. With the threat of continuing drought in the western U.S., we help secure and protect irrigation and vested state water rights critical to winery operations and maintaining the value of land.

Business and Operations

We advise on the full range of wine manufacture and distribution issues—from protection of trademarks and designs that distinguish brands to management of workforce issues and unique contractual agreements such as custom-crush licensing.

Litigation

Our litigation team is comprised of highly accomplished trial attorneys familiar with the specific needs of our winery clients. The litigation team resolves industry-specific disputes including contested vineyard boundaries, environmental and FDA regulatory compliance, insurance coverage, and product liability. We regularly handle cases involving commercial contracts including the purchase or sale of businesses and goods, utility supply contracts, sale or development of intellectual property, construction, real estate, and partnership disputes.
EXPERIENCE

Financing and Acquisitions

- Represented large California winery with its acquisition of vineyard properties in Oregon, which involved assessing water rights and reviewing and assisting with long-term vineyard leases.
- Represented seller of a prominent Oregon winery to a California family owned and operated winery.
- Represented a major importer of foreign wine brands with its acquisition of a 50% membership interested in a vineyard property in Oregon.
- Represent a private equity firm in the acquisition of a vineyard producing pinot noir and chardonnay on a 100-acre estate.
- Assisted California-based winery, one of the world’s largest family owned wineries, with its acquisition of winery assets adding approximately 250,000 cases of production of premium wines to our client’s portfolio.
- Purchase of a Sonoma County, California vineyard and a Yamhill County, Oregon winery building for the subsidiary of an international beverage company.

Environmental, Natural Resource and Water Rights

- Advise and assist client in siting winery in industrial zone, including assessing system development charges and testing requirements for wastewater disposal.
- Advise winery clients in obtaining conditional use permits for wineries on agricultural lands that do not fall under state laws as permitted use.
- Assess and advise on water rights issues as they pertain to the acquisition of vineyard properties.

Licensing and Permitting

- Assisted family owned vineyard with matters relating to California’s Alcohol Beverage Control Tied House rules.
- Assisted national food gifts retailer with design and implement of their National Wine Direct Sales and Shipment Program.
- Direct to consumer shipping advice for a specialty retailer in Oregon.
- Managed licensing and permitting for one of Washington’s first winery alternating proprietorships.

Business and Operations

- Draft and negotiate custom crush agreements for numerous wineries.
- Advised Washington boutique winery on alternating proprietor requirements.
The wine industry continues to expand rapidly in the United States. Increasing demand, favorable legislation, direct-to-consumer liberalization and new business models are driving innovation, growth and consolidation, and significant investment from private equity firms and foreign investors.