



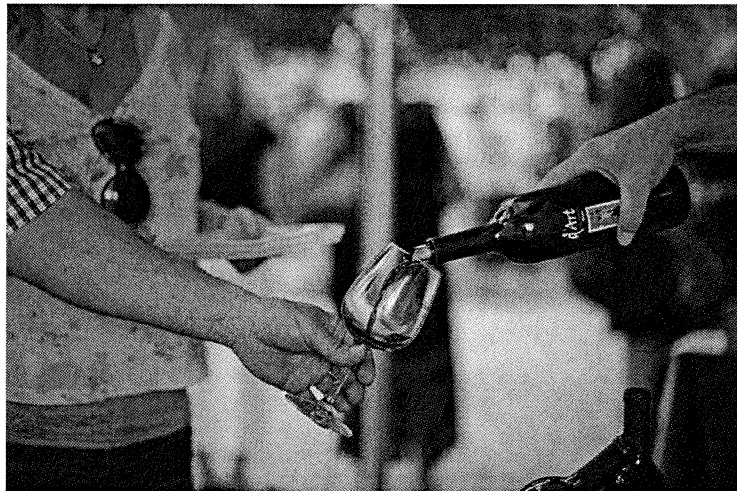
Nosh Pit with Chris Macias

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Tweets cause trouble for Sacramento-area wineries, breweries

11/08/2014 12:00 PM | Updated: 11/08/2014 8:00 PM



The annual Grape Escape event in Sacramento brings out the wineries and wine fans – as here in 2012 – and, this past June, tied-house complaints. SCOTT LORENZO / THE SACRAMENTO BEE

This simple tweet (<https://twitter.com/VisitSacramento/status/474699671768555521>) nearly cost Revolution Wines a 10-day suspension of its liquor license:

“Two days till @SaveMart Grape Escape in Downtown #Sacramento! Get tickets and info here: <http://bit.ly/U7XFVq>.” (<http://bit.ly/U7XFVq.%E2%80%9D>)

Revolution Wines had actually retweeted this post from the Sacramento Convention & Visitors Bureau's (<https://twitter.com/VisitSacramento>) Twitter feed. But as far as the California Department of Alcoholic Beverage Control (<http://www.abc.ca.gov/>) was concerned, this 95-character social media message was a major no-no.

By naming a retailer in the tweet, Revolution Wines had violated "tied-house" laws, a system that arose after Prohibition's repeal to create independence among alcohol producers, distributors and retailers. Though exceptions exist, producers aren't allowed to promote retailers, as spelled out in provisions of the California Business and Professions Code (<http://codes.lp.findlaw.com/cacode/BPC/1/d9/15/s25502>) related to the alcohol industry.

Navigating these tied-house rules in the social media age can be tricky, when a simple tweet singling out a bottle shop or supermarket can be construed by ABC as furnishing free advertising. And in the case of June's Grape Escape (<http://grapeescapesacramento.com/>), a downtown tasting of local restaurants and adult beverages, Revolution Wines wasn't the only local business to get investigated by the ABC over social media misfires.

According to John Carr, a spokesperson for ABC, eight wineries and breweries were investigated for social media activity mentioning SaveMart (the sponsor of Grape Escape), including River City Brewing Company (<http://www.rivercitybrewing.net/>), Charles B. Mitchell Vineyards (<http://charlesbmitchell.com/>) and Wise Villa Winery (<http://www.wisevillawinery.com/>). They were required by ABC to turn over all social media postings and emails related to the event. ABC sent letters threatening to suspend their licenses for 10 days, or the businesses could admit to the offense and be placed on probation for one year. Any further violations would cause the 10-day suspension to go into effect, a scenario that could cost Revolution Wines thousands of dollars in revenue.

"High anxiety would be the word," said Joe Genshlea, Revolution Wines' co-owner, about the possibility of suspension. "We could be open, but we couldn't sell alcohol at wholesale or retail."

Genshlea knew the rules about not promoting retailers, but found one of his tasting room employees wasn't versed on tied-house laws and sent the tweet. "Our reaction was to really button down on training," Genshlea said. "We let staff know they can't even wear T-shirts to support retailers."

Like Revolution Wines, the other Grape Escape participants investigated by ABC avoided a 10-day suspension of their licenses and accepted a year's probation as a penalty.

Participants in the 2015 version of Grape Escape will get a refresher in tied-house laws. Grape Escape organizers meanwhile are concerned that the ABC investigations will have a chilling effect on the nonprofit event.

"My concern is that when we reach out in January to the wineries and breweries, they think this event is bad news for them," said Mike Testa, of the Sacramento Convention and Visitors Bureau. "It isn't."

So how did ABC hear about the tweets? Genshlea said he spoke with an ABC agent who said the department was getting swamped with tied-house accusations. The uptick in complaints, Genshlea was told, was a concerted effort by a certain large-scale producer.

"He wouldn't say the name of the company, but they have a huge team of legal assistants, and they scour the Web looking for people to violate," Genshlea said. "He said it was a multibillion-dollar producer ... one of the big ones."

ABC declined a request by The Bee to name the producer(s) logging the tied-house complaints.

"In an effort to encourage people to be forthright, ABC does not disclose information about complaining parties," said Carr, in an email statement. "Businesses that violate trade practice laws and regulations can achieve an unfair competitive advantage, so ABC receives many complaints, from individuals, as well as small and large businesses alike."

Genshlea still wants to know which company is playing hardball, and why they're singling out small businesses. Revolution Wines produces fewer than 10,000 cases annually, barely a blip compared to the tens of millions of cases produced annually by the world's largest wine companies. "I always thought we flew under the radar of the big guys," Genshlea said. "That's not my assumption anymore. In this cutthroat world of wine, we'll be more careful."

Call The Bee's Chris Macias, (916) 321-1253. Follow him on Twitter @chris_macias (https://twitter.com/chris_macias).

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