

## INFORMATION BULLETIN N° 008

### Temporary Exemption from Production Requirements for Grape Wineries Located Outside a Designated Viticultural Area (DVA) with an On-Site Winery Retail Store (September 2003)

Current criteria for an on-site winery retail store of a grape winery located outside of a DVA require that the winery make at least fifty per cent (50%) of its total wine production from grapes grown within the boundaries of the territorial division (i.e., the county, region or district, as set out in the Schedule to the Territorial Division Act, S.O. 2002, c. 17, Sch. E.) in which the winery is located. This is sometimes referred to as the “50/50 Rule”.

For the next four (4) years, beginning with the 2003 grape harvest, there will be an exemption from this requirement. Wineries will be permitted to source a higher percentage of grapes from outside their local area on a sliding scale basis. The “50/50 Rule” will re-apply for the 2007 harvest.

Starting with the 2003 grape harvest, wineries located on five acres of wine grapes can source a higher percentage of grape products from outside their local area but within the Province of Ontario, as illustrated in the following table.

Harvest Year*	Sliding Scale:		Example:	
	Grown/purchased locally (%)	Purchased out of area (%)	Local Tonnage (Tonnes)	Purchased from Niagara (Tonnes)
2003	10	90	4	36
2004	20	80	8	32
2005	30	70	12	28
2006	40	60	16	24
2007 and Subsequent Years	50	50	20	20

*\*Harvest Year spans September 1<sup>st</sup> to the 31<sup>st</sup> of August of the following year.*

For more information about liquor licensing and the regulatory framework, visit our website at [www.agco.on.ca](http://www.agco.on.ca) or contact our head office at 416-326-8700 or Manufacturer & Special Licensing, Advertising & Promotions Unit at 416-326-0404 or toll free at 1-800-522-2876.