

June 21, 2007

Dear Senator . . .

I am writing, again, in regards to the passing of House Bill 429 and the upcoming Senate Bill 123. The bills are blatantly discriminating against the larger wineries in the state of Illinois!

The pending SB0123 would allow 1st class winemakers in Illinois the opportunity to self distribute 5,000 gallons of wine direct. The 2nd class winemakers would go from 10,000 gallons direct distribution to zero gallons. The problem with the bill is that it discriminates against 2nd class winemakers and completely eliminates self-distribution while allowing smaller wineries the ability to still self-distribute.

If Illinois wants the wine industry to grow we need to take away laws that limit growth; such as production and distribution limits. Illinois consumes 25,000,000 gallons of wine annually, but less than 500,000 gallons of it is produced in Illinois! Might I also mention that out of the 70 wineries in the state, the two largest wineries, Lynfred Winery and Galena Cellars, are producing one-third of the wine in the state! These bills will be hurting the successful wineries and eliminating taxes that would be going to Illinois.

Just recently the Ohio Senate passed a direct shipping bill that allows wineries, producing less than 150,000 gallons, to ship directly to retailers and residents. In the state of Illinois, a 2nd class winemaker can produce 100,000 gallons annually. It seems that the Ohio bill encourages the growth of wineries, rather than restricting it. I have attached an article from Wine & Spirits Daily for your review.

I urge you to let Illinois wineries grow and keep more money in the state of Illinois for agriculture, employment, tourism and taxes. Please do not let this bill become a law!

Thank you for your time and consideration.

Kind regards,

Fred E. Koehler
President / CEO
Lynfred Winery

