

Congresswoman Louise Slaughter (NY-28) thanked the Administration for agreeing to her request to withdraw a proposed rule that would have hurt wine makers and distributors in Western New York and elsewhere. The decision means that they can continue to compete on a level playing field with wineries in other countries. A formal announcement from the Administration is expected shortly.

"Across the country, wine exports have grown to total \$1 billion in sales and this growth is due to the drawback program that we saved today," said Slaughter. "Upstate New York's wineries are a treasure and we need to do everything we can to protect them. The drawback program levels the playing field so American wineries can compete."

Word of the proposed rule being withdrawn by Administration officials came today. The rule would have prevented New York's wineries and distributors from obtaining a drawback, or payment, for all duties, taxes and fees paid when a substitute product is exported. Also problematic, the rule would have undermined the expressed will of Congress which had passed legislation allowing drawback provisions for wineries.

"We greatly appreciate Congresswoman Louise Slaughter's tremendous leadership and support to ensure that Constellation Brands can continue to be a leader in selling and marketing its wine brands worldwide," said Jim Finkle, Senior Vice President of Constellation Brands, Inc.

Constellation Brands, is the largest premium wine company in the U.S. and based in Victor, N.Y.

On October 15, this program was targeted for elimination. In December, Slaughter wrote to Treasury Secretary Timothy Geithner and Homeland Security Janet Napolitano urging them to protect the provision.

Over the past decade, the drawback program has enabled the domestic wine industry to dramatically increase exports despite competing with far greater government subsidies provided to its foreign competitors.

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