

FIVS-ABRIDGE: A Database for Today's International Wine Industry Needs

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1 International wine rules - the current context

1.1 *The commercial challenge*

Rarely has regulation in the wine sector changed as quickly as it does today. Demands relating to globalization, consumer information requirements, concerns over the harmful effects of alcohol misuse, novel usages of sustainable production methods and increased national security needs for the traceability of foods are driving this transformation. The result is a rapid multiplication of regulatory provisions, all of which have the potential to significantly impact trade, even in domestic markets.

1.2 *How exporters are currently working*

For those engaged in international trade, this rapid evolution has serious consequences. These businesses must identify, understand and comply with regulations in export markets that may take different approaches and include differing provisions to tackle identical issues. All of these regulations need to be tracked closely because they can be updated significantly and swiftly. The resulting situation has put producers in a position of aiming simultaneously at several moving targets.

1.3 *What exporters need*

For all producers in this environment, the need is the same: the ability to easily find and understand the applicable rules in domestic and/or export markets without enormous expenditures of time and effort that would raise compliance expenses. A mistake or an oversight can be costly.

1.4 *For example...*

Labeling provisions can serve to illustrate the current situation. In various markets around the world, there are, or have recently been, proposals for allergen, ingredient, serving facts, health warning, environmental and nutrition labeling that have included provisions for wine. The production costs inherent in the printing of labels, as well as the logistical issues surrounding label changes, are considerable. If these trends are not followed closely, companies risk changing labels more frequently than necessary or unintentionally running into compliance issues in their destination markets.

2 About FIVS and FIVS-Abridge

2.1 What is FIVS?

FIVS (www.fivs.org), formerly the Fédération Internationale des Vins et Spiritueux, is a trade organization whose membership includes wine producers from all over the world. Founded in July 1951, its headquarters is in Paris, France. FIVS launched a strategic initiative, later known as FIVS-Abridge, in late 2005 to address the pressing demands of the regulatory situation in the wine sector.

2.2 How did FIVS-Abridge come about?

FIVS-Abridge (www.fivs-abridge.com) – whose name hints at concise presentation of regulations as well as facilitated access to markets - is an invaluable resource for those interested in the regulatory aspects of the wine industry, particularly for those trading or intending to trade their products internationally. It consists of a database of national regulations and of relevant trade agreements for markets around the world, covering topics such as certification, composition, labeling, marketing, packaging, production, promotion, tariffs, taxation and transportation. The database creates "trade scenarios" that enable users to obtain relevant legal information for trade between selected markets. Side-by-side comparisons allow users to view regulatory information for different countries according to topic. FIVS-Abridge supplies a wealth of other critical information, such as codes of practice, guidance notes, reports and an extensive, searchable database of global contacts for the wine sector.

2.3 Why is FIVS-Abridge such an important tool?

With such a comprehensive array of tools available in one place, FIVS-Abridge greatly increases speed and efficiency in accessing information in a complex regulatory climate. For example, users are able to compare how certain aspects, such as production and labeling requirements, tariff levels and certification requirements, are handled in various wine trade agreements. What used to take hours of research can now be done in minutes.

2.4 What are its current and future uses?

Current Coverage: FIVS-Abridge began with a focus on the top ten wine import and export markets, including the European Union, the United States, Australia and South Africa. Recommendations from the International Organisation of Vine and Wine, or OIV, are also incorporated for comparison purposes. Although the regulatory texts in FIVS-Abridge are currently only available in English, the interface itself can be displayed in English, French and Spanish, with plans to add German and Italian.

Subscription Base: The product was launched in January 2008 and is already causing quite a stir, having attracted a varied and growing subscription base. One university plans to incorporate FIVS-Abridge in its teaching curriculum,

and others are expected to follow suit. Students will be able to study wine regulations and the regulatory environment, using FIVS-Abridge as a tool in their research. Trade associations, attorneys and private companies are also among those already benefiting from this product.

Future Features: An exciting program of future developments is planned for FIVS-Abridge, expanding it to cover more regulatory topics in additional markets, and adding revolutionary functionality that will increase the phenomenal power this tool already has. “We don’t believe that the pace of regulatory changes will slow down in the foreseeable future,” said Jim Finkle, Chairman of the FIVS-Abridge Board of Managers. “We are delighted to be able to offer the sector a product that provides a road map through the ever-changing landscape of regulations surrounding international trade in wine.”

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