

OFFICE OF THE
DISTRICT ATTORNEY
COUNTY OF SANTA BARBARA

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District Attorney



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Re: *People v. Ocean Fathoms, Emanuele G. Azzaretto and Todd Allen Hahn*
Santa Barbara County Superior Court Case No. 22CR08359

District Attorney John T. Savrnoch announced today that the Santa Barbara District Attorney's Office, with assistance from the City of Santa Barbara and the Bureau of Alcoholic Beverages Control (ABC), disposed of approximately 2,000 bottles of wine and other alcohol that were illegally possessed for sale by Ocean Fathoms and its principals, Emanuele Azzaretto and Todd Hahn, in connection with an illegal underwater wine aging and sales operation. The alcohol was disposed of at one of Santa Barbara's wastewater treatment plants, and the glass bottles were taken for recycling.

The destruction was part of a plea agreement in which Ocean Fathoms, Hahn, and Azzaretto pled to three misdemeanor criminal charges, including a violation of the Water Code for illegally discharging material into waters of the United States, selling alcohol without a license, and aiding and abetting investor fraud.

Starting as early as 2017, Hahn and Azzaretto began sinking crates of wine one mile off the environmentally sensitive Santa Barbara coast. For several years, the pair failed to obtain any required permits from the California Coastal Commission or the U.S. Army Corps of Engineers before depositing the crates on the ocean floor. They left each crate on the sea floor for one year, just long enough for a reef ecosystem to develop in the crates and on the bottles. After a year, the crates were removed, along with the sea life living in them.

The motive for engaging in this unlawful operation was financial, and the People's complaint alleged that nearly every aspect of their business was conducted in violation of state or federal law. Through their company, 50 Fathoms, LLC, dba Ocean Fathoms, the pair began selling the wine for as much as \$500 a bottle. However, the federal Food and Drug Administration considered the wine adulterated, and not fit for human consumption, because it was submerged in the ocean and potentially contaminated. The wine was also sold without any of the required federally-approved labeling. Additionally, Ocean Fathoms was selling the wine without an ABC alcohol sales permit and without a valid business license. The company was also collecting sales tax from its customers without ever paying those taxes to the State of California. Finally, the company advertised that it was donating a portion of its profits to a local environmental nonprofit, yet there was no evidence that any donations were ever made. The company took thousands of dollars from investors without ever disclosing that they were operating in violation of the law.

In addition to the destruction of their inventory, worth several hundred thousand dollars, Ocean Fathoms, Azzaretto, and Hahn are on probation with terms that prevent them from operating their business in violation of the law. Additionally, they were required to pay \$50,000 in restitution to one of their investors.

District Attorney Savrnoch said: “This case involved individuals who operated with complete disregard for our consumer and environmental laws. The California Coastal Commission referred the case to our Consumer and Environmental Protection Unit and, because of the broad scope of violations, we investigated with the help of five state and local agencies. The case highlights the importance of our office’s relationship with outside agencies and it demonstrates our commitment to holding companies and individuals accountable for violating all types of consumer and environmental laws.”

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