



# Competitive Forces Affecting the Wine and Winegrape Industries: An International Conference on World Wine Markets

Davis, California, August 8-11, 2007

## **PROGRAM**

### **Conference sponsors**

Center for Wine Economics and Business,  
Robert Mondavi Institute for Wine and Food Science,  
University of California, Davis

Giannini Foundation of Agricultural Economics, University of California.

IMPACT Center, Washington State University

### **Conference Committee**

Leslie Butler, University of California, Davis

Rachael Goodhue, University of California, Davis

Jill McCluskey, Washington State University

Thomas Wahl, Washington State University

**Wednesday, August 8, 2007**

Pre-conference wine tour to Napa Valley

5:00 to 7:00 p.m. Registration and Reception, Little Prague, 330 G St., Davis

**Thursday, August 9, 2007**

8:00 to 8:45 a.m. Registration MU II lobby, second floor, Memorial Union, UC Davis

8:45 to 10:00 Plenary Session  
MU II, second floor, Memorial Union

Moderator: **Rachael Goodhue**, University of California, Davis

Welcoming Comments from University of California, Davis  
**Lovell Jarvis**, Associate Dean, College of Agriculture and Environmental Sciences

Welcoming Comments from Sponsors  
**Clare Hasler**, Director, Robert Mondavi Institute for Wine and Food Science  
**Richard Howitt**, Member, Giannini Foundation Board  
**Thomas Wahl**, Director, IMPACT Center

Speaker Introduction: **Jill McCluskey**, Washington State University

**Orley Ashenfelter**, Princeton University and **Karl Stochmann**, Whitman College  
Using a Hedonic Model of Solar Radiation to Assess the Economic Effect of Climate Change: The Case of Mosel Valley Vineyards

10:00 to 10:30 Break

10:30 to noon Plenary Session: Reputation and Quality  
MU II, Memorial Union

Moderator: **Leslie Butler**, University of California, Davis

**Günter Schamel**, Free University of Bozen-Bolzano  
Dynamic Analysis of Brand and Regional Reputation

**Frederic Warzynski**, Universidad Carlos III de Madrid  
Globalization, Superstars, and the Importance of Reputation: Theory and Evidence from the Wine Industry

**Angelo Zago**, University of Verona and **Robert Chambers**, University of Maryland

The Design of Quality Pricing in Procurement Settings Via Technology Estimation

Noon to 1:30

Lunch

1:30 to 3:00

Concurrent Sessions

Session 1: Quality and Aging in Wine Markets  
De Carli Room, Memorial Union

Moderator: **Sofia Berto Villas-Boas**, University of California, Berkeley

**Marco Costanigro**, Colorado State University, **Jill McCluskey** and **Ron Mittelhammer**, Washington State University

Let the Market Be Your Guide: Estimating Equilibria in Differentiated Product Markets with Class-Membership Uncertainty

**Angelo Zago**, University of Verona

Quality Estimation and Wine Industry Competitiveness

**Rachael Goodhue**, UC Davis, **Jeffrey LaFrance**, Washington State University and UC Berkeley, and **Leo Simon**, UC Berkeley

We Should Drink No Wine before its Time

Session 2: Production, Marketing, and Sales  
MEE Room, Memorial Union

Moderator: **Carlo Russo**, University of Cassino

**Janeen Olsen and Liz Thach**, Sonoma State University

Connecting with Customers in Winery Visitor Centers: An Empirical Study of Professional Sales Techniques

**Scott Rozelle**, Stanford University

Trends and Determinants of Production, Technology Adoption, and Marketing

**Vaughn Walton**, Oregon State University

Economic Impact of Rust Mites *Calepitriferus vitis* (Acari: Eriophyidae) and Short Shoot Syndrome in Pacific Northwest Vineyards

3:00 to 3:30

Break

3:30 to 5:00

Plenary Session: Trade, Regulation and Competitiveness in Wine

MU II, Memorial Union

Moderator: **Thomas Wahl**, Washington State University

**Tim Josling**, Stanford University  
Protection of Wine and Spirit GIs in Regional and Bilateral Trade Agreements

**Henrich Brunke and Daniel Sumner**, UC Davis  
Wine Regulation and Competitiveness: The Old World Versus the New World

**Nathalie Guibert**, Avignon University  
Business Networks and Market Power in the French AOC Wine Industry

**Friday, August 10, 2007**

8:00 to 8:45 a.m. Registration MU II Memorial Union

8:45 to 10:30 Plenary Session: World Wine Markets  
MU II Memorial Union

Moderator: **Jill McCluskey**, Washington State University

Welcoming Comments from Sponsors  
**Clare Hasler**, Director, Robert Mondavi Institute for Wine and Food Science

**Jeffrey Williams**, Director, Giannini Foundation

**Thomas Wahl**, Director, IMPACT Center

Speakers

**Kym Anderson**, World Bank and University of Adelaide  
The World's Wine Markets to 2030

**Scott Rozelle**, Stanford University, **Daniel Sumner**, UC Davis, **Jikun Huang**, Chinese Academy of Sciences  
China's Wine Industry

10:30 to 11:00 Break

11:00 to noon Concurrent Sessions

Session 1: Consumer Preferences, Quality Ratings and Pricing  
3001 Plant and Environmental Sciences (PES)

Moderator: **Travis Lybbert**, UC Davis

**Sofia Berto Villas-Boas**, UC Berkeley, **James Hilgar**, FTC, and **Greg Rafert**, UC Berkeley

The Impact of Expert Opinion on Demand and Consumers' Beliefs Formation: An Experimental Approach

**Christopher Gustafson**, **Daniel Sumner**, and **Travis Lybbert**, UC Davis  
Hedonic Wine Pricing and Information Using Experimental Methods

Session 2: New Production Regions, Production Techniques, and Supply  
De Carli Room, Memorial Union

Moderator: **Leslie Butler**, University of California, Davis

**Marcia Azanha Ferraz Dias de Moraes** and **Luciane Schneider**,  
University of São Paulo  
Brazilian Winemaking: Locational Dynamics Towards New Producing Regions

**I.G. Evans** and **T.E.J. O'Shea**, University of Cambridge  
Terroirism? The Transition from Mapping to Modeling: the Potential Impact of Precision Viticulture and Technical Innovation on the Global Wine Industry

Noon to 1:30

Lunch

1:30 to 3:00

Concurrent Organized Panels

Organized Panel 1 De Carli Room, Memorial Union  
Economics of Organic and Sustainable Winegrape Production

**Karen Klonsky**, UC Davis, Organizer

**Karen Ross**, President, California Association of Winegrape Growers  
**Stuart Spencer**, Program Manager, Lodi Grape Commission  
**Ann Thrupp**, Director of Sustainability, Fetzer Vineyard

Organized Panel 2 MU II, Memorial Union  
Alternative Marketing Approaches for Small Wineries

**Shermain Hardesty**, UC Davis, Organizer

**Katie Wetzel Murphy**, Alexander Valley Vineyards  
Structuring Successful Collaboration for Out-of-State Promotion and Distribution Programs

**Stacie Jacob**, Paso Robles Wine Alliance  
How Regional Wine Marketing Programs Benefit Small Wineries  
(invited)

**Shermain Hardesty**, UC Davis  
Economic Benefits of Collaborative Marketing to Small Wineries

Organized Panel 3 2005 Plant and Environmental Sciences (PES)  
Price Elasticity of Demand for Wine

**Steve Cuellar**, Sonoma State University, Organizer  
**Craig Gallet**, California State University at Sacramento  
**Dan Karnowsky**, Sonoma Research Associates

3:30 to 5:00 Wrap-up Panel: Future Challenges for the Wine Industry and Areas of  
Future Research  
MU II Memorial Union

Moderator: **Lovell Jarvis**, University of California, Davis

Panelists

**Kym Anderson**, World Bank and University of Adelaide  
**Dan Bernardo** (invited), Dean, CAHNRS, Washington State University  
**David Mills**, Associate Professor, Viticulture and Enology, UC Davis  
**Karen Ross**, President, California Association of Winegrape Growers

6:00 Bus departs for conference dinner. Buckhorn Restaurant, Winters

**Saturday, August 11, 2007**

Post-conference tour to Sierra Foothills