Course name: Economics of Wine
Course number: (GI) BUSI 3011 MASP
Programs offering course: Open Campus
Open Campus Track: Business
Language of instruction: English
U.S. semester credits: 3
Contact hours: 45
Term: Spring 2020

Course Description

Wine economics has emerged as a growing field within agricultural economics but also in other fields such as finance, trade, growth, environmental economics and industrial organization. As such this course takes an immersive and experiential based approach to explore basic knowledge about the key factors in the production of wine making including relevance of a vineyard's natural environment, grape growing, winemaking, maturation and bottling using the host environment context. Other aspects covered in the course include label terminology and design, food and wine pairings and how to analyse wine to account for style and quality using a systematic approach. Basic business management for agriculture is also addressed. Students will also examine the impact of wine production in the local agri-food sector.

Learning Objectives

By completing this course, students will:

- Examine recent copyright and trademark issues and how to protect a winery name and image.
- Synthesize the key aspects of food and wine pairing for marketing wine brands.
- Analyse quality assurance and product development methodologies.
- Examine the different components of a successful wine brand to assist in creating sustainable profitability.
- Apply budgeting and forecasting as part of planning a wine business operation.
- Create a system of procedures for producing meaningful and accurate reports for a wine business.
Course Prerequisites

Students should have completed a level 2000 class in Business.

Methods of Instruction

The course will be taught using lectures, seminars, case study discussions, an individual presentation, as well as field trips to local venues, businesses or organizations. Classroom activities will involve group work and critical discussion groups. Invited guest speakers will add to the learning objectives of this course.

Assessment and Final Grade

1. In-Class Exam 10%
2. Group Presentation 25%
3. Photographic Essay 25%
4. Wine Review 20%
5. Class participation 20%
TOTAL: 100%

Course Requirements

In-Class Exam
The exam will take place in the mid-session of the course. The exam will consist of 15 short answer questions and one 200-word extended response to be completed in 45 minutes exactly. The questions will relate to course content and readings. Students must correctly answer 70% of the questions.

Group Presentation
Each group will present for 15-minutes about their research findings into a local cellar door vineyard. Data will be collected onsite as part of a course curricular visit. The groups are required to submit their presentations. Work will be graded on students’ ability to include multiple factors in setting up and managing a vineyard as discussed in the classes and explored in the mandatory readings.

Photographic Essay
Students will compose a photographic essay, reporting on four vineyards as case studies. Data will include aspects of geographic location, design and placement of vines and processing plants for wine production at each vineyard. Sustainability actions for growth and production to accommodate
climate is also to be evaluated. The photographic component will include annotations about each photo and a 300-word report that accompanies each vineyard expose’. The total word count for the component will be 1400-words exactly, including the annotated descriptions to elaborate on what is represented in each photo. A closing 250-word reflection about ‘wine as a window into place, culture and time’ will conclude the submission. The total word count for the assessment is 1750-words exactly and no more than 20 photographs.

Wine Review
Students will use a systematic and logical approach to produce a wine review of a vineyard wine tour. The review will also include a critique of the branding, promotion / marketing of the wines available, at the bottle and vineyard levels in accordance with Spanish Wine Regulations. The report can also be enriched with the use of photos of the labels and vineyard. A students’ work will be graded on their ability to evaluate the vineyard using all elements of the framework and associated evaluative language associated with the mandatory readings.

Participation
Participation is valued as meaningful contribution to tangible learning, utilizing resources and materials as part of the course. Meaningful contribution requires students to be prepared in advance of each class session and to have regular attendance. Students must clearly demonstrate they have engaged with the materials as directed, for example, through classroom discussions, online discussion boards, peer-to-peer feedback (after presentations), interaction with guest speakers, and attentiveness on co-curricular and outside-of-classroom activities. Participation is NOT the same as attending.

Attendance Policy
Regular class attendance is required throughout the program, and all unexcused absences will result in a lower participation grade for any affected CIEE course. Due to the intensive schedules for Open Campus and Short Term programs, unexcused absences that constitute more than 10% of the total course will result in a written warning.

Students who transfer from one CIEE class to another during the add/drop period will not be considered absent from the first session(s) of their new class, provided they were marked present for the first session(s) of their original class. Otherwise, the absence(s) from the original class carry over to the new class and count against the grade in that class.
For CIEE classes, punctuation is critical to professional engagement in your studies. Students will be marked absent when 15-minutes or longer. Attendance policies also apply to any required co-curricular class excursion or event, as well as Internship, Service Learning or required field placement. Students who miss class for personal travel, including unforeseen delays that arise as a result of personal travel, will be marked as absent and unexcused. No make-up or re-sit opportunity will be provided.

Attendance policies also apply to any required class excursion, with the exception that some class excursions cannot accommodate. Students risk being marked as absent if they fail to be present at the appointed time.

Unexcused absences will lead to the following penalties:

<table>
<thead>
<tr>
<th>Percentage of Total Course Hours Missed</th>
<th>Equivalent Number of Open Campus Semester classes</th>
<th>Minimum Penalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to 10%</td>
<td>1 practical class, or up to 2 content classes</td>
<td>Participation graded as per class requirements</td>
</tr>
<tr>
<td>10 – 20%</td>
<td>2 practical classes, or 3-4 content classes</td>
<td>Participation graded as per class requirements; written warning</td>
</tr>
<tr>
<td>More than 20%</td>
<td>3 practical classes, or 5 content classes</td>
<td>Automatic course failure, and possible expulsion</td>
</tr>
</tbody>
</table>

**Weekly Schedule**

**Week 1**

Class 1:1 Introduction to the Course

This opening lecture will include an overview the course direction introducing key emergences of wine industries that differentiates itself from other finance, business and agricultural economics in a Spanish context. Students will examine, then discuss the concepts and state of key roles at play in markets in Spain that are identified from the webinar reading.
Reading:


Class 1.2 The Production of Wine
This session will focus on the understanding of the processes of grape growing and wine making. Students will learn the implications for wine style, quality and costs of decisions taken at each stage of wine production. A review on wine characteristics, grape types and factors for its cultivation as well of economics of vineyards will help to identify the wine production leading areas in the world.

Reading:


Week 2
Class 2:1 Emergence of Wine Economics
This class will discuss the emergence of wine economics from the 1980’s until present day around the concepts of finance, climate, change and the role of experts in grading wine quality. Concepts about the development of the industry and quality development of the wine are discussed. Discuss the new initiatives aimed in creating tourism in La Rioja. View critical influences in the development and marketing of wine tourism.

Readings:


Class 2:2 Wine Investment
In this class students will examine risk, return and diversification benefits of fine wine as an investment in time of financial insecurity. The concept of industry globalization is heading towards a movement in creating a competitive market were fine wines to include diversifying investment portfolios. In this session the topic of return on Spanish wines is discussed in relation to repeat sales regression methodology. Understand the major players in the market and a deeper examination on several large wine producing nations. While discussing the distinct winemaking styles, culture and business climates as well as categorizing the producers in Old World and New World categories.

Reading:


Week 3 Class 3:1 Cellar Door – Small or Big Business?
This class will explore the start-up and development of traditional farm buildings refurbished create the use of traditional wine cellars in the production of high-quality artisanal wines, cheeses and cured meats. Surmise the reasoning why cellar door has recently received attention and has become critical lucrative for substantial wealth and growth in the industry. Seasonal Analysis regarding traditional underground wine cellars in Spain. Review lives and careers of various Spanish winemakers are examined in the phenomenon of Cellar Door. Students interview a winemaker about their cellar door start up in Licores Nieto de Alba (in Madrid). They will examine an example business plan for a small premium winery.
Reading:


Class 3:2
Focus on Biodynamic / Organic and Boutique Wines and Vineyards
Exploring the Viticulture is regarding the massive shift in producing wine in a more sustainable way. The emphasis that impact the alternative agricultural techniques regarding Organic and Biodynamic viticulture has on many vineyards. We will investigate the agricultural technique regarding Biodynamic and Organic agriculture and the significance such as climate change or toxicity to see how this effects economically.
Students will do comparative analysis of new agricultural developments with the growth of wine regions in students’ home country. They will participate in a tutored wine tasting and analysis using the WSET Level 2 Systematic Approach to Wine Tasting.

Readings:


Due Date for Submission of In-Class exam

Week 4
Class 4:1  
Wine and the natural environment in an Spanish Context

The geography of wine production in terms of climates and suitability of regions is discussed in terms of economic decisions for cultivators and industry viability. Wine is discussed as a window into place, culture and time. Students will research aspects of the Impact of Climate change expected in future ecosystems. Since viticulture is highly sensitive to climate change this can decrease the major wine production. The students will discuss the effects that low viticulture production will have on wine economies in geographically suitable region for wine growing.

Reading:


Class 4:2  
Climate Change and Land Use Competition

Students will survey the relevancy of climate change as a key stakeholder in the wine business. It will delve into how one Galician vineyard has invested in mitigated and adaptive actions on using different methodology in producing wine to address the Corporate Carbon Footprint. The controversial issues surrounding Mediterranean ecosystems, which have led to woodland expansion due to modulating effect of facilitating oncoming adverse drier conditions industry and the imprint on the wine region.

Readings:


Assignment: Photographic essay

**Week 5**  
**Class 5:1**  
Growing and Making Wine in a Spanish Climate  
The global issues linked to sustainability challenges are discussed in terms of the repercussions on the economy of the wine industry. Students are involved in considering a case-based model that encompasses economic, environmental and social objectives in managing a cellar in the Spanish context. They will discuss these challenges using a real large-sized Spanish wine company as a case study. Students will identify critical life cycle stages of an aged Spanish wines. Students will then visit a sustainable focused Vinery in Madrid.

Assignment: Oral presentations

Readings:


**Class 5:2**  
Students visit a winetasting cellar in Bodega de los Reyes and undertake a wine tasting talk.

**Week 6**  
**Class 6:1**  
Wine Tastings, Competitions and Expert Opinion
Guest speaker while on the co-curricular Vineyard Tour in the Hunter Valley (or similar).

Readings:

**Class 6:2**

Wine Regulation, Reputation and Promotion
Underpinning the discussion in this class is examination of Spain’s wine regulation. In view of these regulations, brand reputation and the influence of regional origin of wines is explored as determinants of consumer choice. A hedonic pricing model for measuring significance of brand reputation is critiqued in view of the reputation of La Rioja, Ribera del Duero, Albariño wines in the Spain and International market. The impact of globalization is also discussed in view of how wines are promoted with current regulatory requirements.

Readings:


Due Date for Submission of Wine Review Assessment
Course Materials

Readings


Online Resources

http://www.northbaybusinessjournal.com/opinion/8056787-181/3-tier-winedistribution-change-up
https://grapegrowerandwinemaker.com/2018/04/19/is-a-redesign-needed-for-your-wine-brand/
Wine tasting systematic framework: Accessed at: