What is a "Winery?"
A Global Perspective

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In the U.S. a winery crushes grapes, ferments the juice, and bottles the finished product. In Germany, by contrast, a winery can mean anything from an organization that grows grapes to a cooperative that undertakes many of the same activities as a U.S. winery. This contrast led us to wonder how the organization called a "winery" might be defined in other countries.

We propose, as a starting point, to investigate this issue in five countries: the U.S., Germany, France, New Zealand, and Australia. We have selected these countries for several reasons. First, each has a reasonably large wine industry. Second, three of the five countries are English-speaking which will facilitate communication. German and French translators are widely available, meaning those two countries pose little difficulty.[2] In the U.S. we will confine our attentions to California, Oregon, Washington and New York.[3]

Our investigation will begin by establishing the value chain for a wine business. The first part of the chain actually begins with land acquisition. The land may be either

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[2] If time and budget allow it we would also like to include Italy in this study.
[3] Of the remaining states, we may include Virginia.

bought or leased. Each option carries a different set of incentives for land management and grape growing. Our first impression of the value chain is:

1. Financial structures
2. Land acquisition
3. Grape growing and harvesting (pure viticulture)
4. Crushing
5. Fermentation (first inventory stage: holding for the fermentation period)
6. Blending (négociants)
7. Barreling and other enhancement activities (second inventory stage)
8. Bottling
9. Aging (third inventory stage)
10. Distribution, sales, and marketing

We will then do secondary research, largely via libraries and the internet. First we will study the laws, customs, and structure of the industry in each of the five countries. Then we will look at previous research on industry structure in the various countries. Finally we will examine the structure of each element of the value chain in each of the five countries. The result will be a summary of the legal and customary definitions of a winery in each country. In addition, this research will produce profiles of other important wine industry actors in each country.

The result will be a picture of the structure of the production activities of the wine industry in each country. This will prove useful to others who do research involving inter-country comparisons of the wine industry.