

**The value of gold medals.
Evidence from the German DLG producer award system**

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Similar to the California Fair system, German vintners can apply for an award and submit their wines to the DLG (*Deutsche Landwirtschafts-Gesellschaft e.V.*– German Agricultural Society). The award-scheme takes place twice a year in Germany and the wines undergo numerous blind tests that are carried out by experts from the German Agricultural Society. At the end of the tests, points are added up and depending on the score, companies obtain bronze, silver or gold. The wines that achieve maximum scores undergo additional sensory perception tests in which they compete against each other. A Gold award with distinction is given to the winners.

Drawing on data for all 20,000 wines submitted between 2004 and 2007, we first analyze the determinants of each award level using an ordered probit model. In a second step, we evaluate the price impact of each award.