

## Padua 2017 Abstract Submission

### I want to submit an abstract for:

Conference Presentation

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### Keywords

sustainability, environment, economics, wine, social well-being, production, organization, marketing

### Research Question

Do best management practices exemplify sustainability at the local level and do cultural, regional, national differences create the differences - an international comparison.

### Methods

In person surveys of 30 wineries in New Jersey and 30 surveys in Santiago Region of Chile

### Results

Results include a variety of Best Management practices for NJ and Chile allowing for labeling as Sustainable. Unique global practices are identified that are generally not used.

### Abstract

In 1987, the Brundtland Report, or Our Common Future, the term sustainability was identified and defined by the World Commission on Environment and Development: "development that meets the needs of the present without compromising the ability of future generations to meet their own needs." This paper further identifies sustainability to include the balance and compromise between economic, environmental and social interests - also known as the triple bottom line for businesses (Elkington, 1998) and will focus specifically on wine sustainability.

As of 2016, there are currently twelve certifications for wine sustainability around the world, however certification alone may not be enough. Given the global variability in methodology, different standards, unique goals, range of funding, and distinctive audit systems (Moscovici, 2017), we must consider that sustainability should be measured at the winery level. This can be achieved by interviewing managers and identifying best management practices.

Our hope is to discover techniques that aren't well known, when evaluating these two unique international regions. We can then compare them to identify the potential of what sustainability can mean at the ground level and whether any differences in statistical practices are based on unique cultural and geographic practices.

While the Chilean wine industry may face challenges from increased global competition, exchange rate fluctuation, higher labor and energy costs and climate change (Valenzuela and Maturana, 2016), Chile is well known for its new world wine production, and more recently for their new national certification (2011) in sustainability known as Wines of Chile. With a triple bottom line focus on green areas (vineyard), red areas (process), and orange areas (social), Chile is poised to encourage and exemplify the triple bottom line of wine sustainability. With 58 certifications between 2011 and 2016, the momentum for these practices is building. Wineries are preparing for certification as it becomes a race to achieve a high quality product and an opportunity for global marketing. Across the world wine buyers are finding wines made in the Santiago region and seeing the new sustainability label.

New Jersey, on the other hand is not known for its global wines. While attention was garnered during the Taste of Princeton, a reproduction of the taste of Paris comparing New Jersey and French wines in a blind taste test, most of

those drinking New Jersey wines are usually located within the state or on its borders. New Jersey does not have a sustainability certification; however recent research has demonstrated that certain sustainability characteristics are present in New Jersey wineries. This includes the role of operation size, consumer demand (price), visitation rates to wineries as a percent of sales, and more (Gottlieb & Moscovici, 2017). Additional research also considers sustainability from a non-triple bottom line perspective. Villanueva and Moscovici (2017), find that states located near major population centers, as New Jersey is to New York City and Philadelphia, remain competitive and sustainable by encouraging visitation to the cellar door. Burgeoning regions of wine can compete with global production if they have large cities nearby and can capitalize on visitation by encouraging a holistic tourism experience.

This research conducts a survey of sustainability practices and compares economics, environmental and social data from wineries surrounding Santiago, Chile and those throughout New Jersey, USA. 30 wineries in New Jersey and 30 in the Santiago region will be surveyed and compared. Specific areas of interest include:

CATEGORY Q1 Q2 Q3

LAND Plantings Preservation Zoning

PRODUCTION Barrels Bottles Cork

GRAPES Varietals Imports

ECONOMICS Exports Sales Pricing

ENERGY?WATER Alternatives Cellars Irrigation

MILES Inputs Sales Methods

SOIL Composting Chemicals Cover Crops

CRITTERS Habitat Birds Mammals

Hypotheses for the research include the following:

- Chilean wineries participating in the sustainability certification will generally have more sustainable practices
- Wineries with multiple sustainability practices will be larger, with respect to production.
- Wineries focused on sustainability will have higher priced wine
- Some of the most unique sustainable practices will come from wineries not certified as sustainable, rather it will be geographic, cultural, or personal reasons
- Chilean wineries will have, on average much higher levels of production
- Chilean wineries will have higher food miles due to exports and sales regionally and internationally.
- Chilean wines will be on average lower price than New Jersey wines
- New Jersey wineries will have higher varietals planted
- Land protection practices (zoning, farmland preservation, regional plans - aka Pinelands and highlands) will be stricter in New Jersey
- Winery distance to a major population center (Philadelphia, New York or Santiago) will be much shorter in New Jersey than Chile
- Chilean wineries will more likely to have conducted a carbon calculation or have a special employee in charge of sustainable practices
- Habitat protection will be equally important in both regions, and more formalized in Chile

In addition to the comparative research of 60 wineries in North and South America, the goal of the research is to make available a chart of lesser known unique sustainable best management practices found at respective wineries, that would only be identified from touring the winery or interviewing its managers. We hope to break this down into no-cost, low-cost, medium-cost, or high-cost initiatives.

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