

Wine Management, Markets, and Economics

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The University of California at Davis is home to the oldest department focused on grape and wine production in the United States. Although students in the Department of Viticulture and Enology are taught the latest enological and viticultural science, until this course, they were not introduced to grape and wine production as businesses. The course draws students from both the Department of Agricultural and Resource Economics and the Department of Viticulture and Enology and is designed to introduce wine as an economic good and winemaking and grape growing as businesses that react to shifts in economic forces that drive supply and demand. Although focused on the United States, wine is presented in a global context and students are taught practical tools for analyzing markets and businesses. Students are introduced to trends in grape and wine production and learn to calculate exchange rates, cost of goods, and distribution margins in order to analyze firm profitability. Grapes are compared with other agricultural crops and students learn basic strategies for brand differentiation. The over-arching course goal is that students learn the interaction of factors that determine business profitability in grape and wine production.