

Spring 2021 Econ 349 A WINE ECONOMICS

INSTRUCTIONS FOR WINE FIRM CASE STUDY ASSIGNMENT

The purpose of this assignment is to learn as much as possible about the organization and behavior of a wine firm. Choose any wine firm that you want to study. You must clear this with Professor Parcels first. Find as much information as you can about this wine firm. Possible sources of information are as follows.

- 1) Wine firm website.
- 2) Direct contact with the wine firm by email, telephone, or in person.
- 3) Articles in magazines or on the web about the firm.
- 4) Scholarly articles about the firm.
- 5) Books with information about the firm.

Use the information you obtain from your research to discuss the nature of this wine firm. To do this you should address the following sorts of questions.

- 1) What do you believe motivates the owners or managers to make business decisions? Do you believe their objective is to maximize profit, or do you believe they may have non-profit objectives? If so, what non-profit objectives might they be pursuing?
- 2) What sorts of wine products and wine brands does the firm produce and sell?
- 3) In what segment or segments of the wine market does it sell its products: commodity, premium, and/or luxury segment(s)? Why do you think it prefers to sell wine in this segment(s)?
- 4) Discuss the activities that are required to produce and sell its wine product(s), economic decisions related to these activities, and how the winery organizes and coordinates these activities.
- 5) Identify activities that are performed within the wine firm and activities that are outsourced, if any. Try to provide an economic explanation for why the wine firm makes the insourcing and outsourcing choices that it does.
- 6) Do you believe this wine firm is a well-run and successful winery? Why or why not?

The case study has no required length and will be evaluated in terms of substance and not the number of pages.

Study is to be turned in no later than Tuesday May 11, 2021