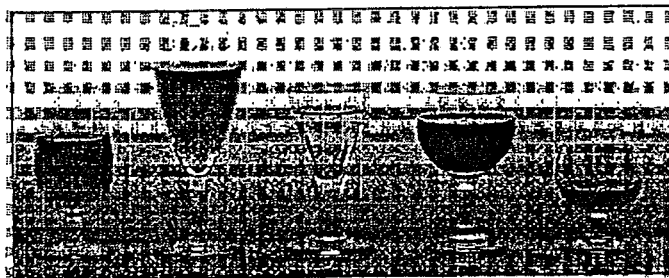


UNIVERSIDAD AUTONOMA DE BAJA CALIFORNIA

STRATEGIES FOR MARKETING THE WINES OF
BAJA CALIFORNIA, MEXICO, IN MEXICAN
AND INTERNATIONAL MARKETS

A REPORT SUBMITTED TO THE
SECCION DE VINICULTORES,
CANACINTRA, ENSENADA
BY THE EURO-LINK '93 WINE PROJECT TEAM



ENSENADA, BAJA CALIFORNIA, MEXICO, 12 AUGUST 1993.

TABLE OF CONTENTS

1	PREFACE	PAGE 1
2	EXECUTIVE SUMMARY	2
3	INTRODUCTION	3
3.1	Euro Link	4
3.2	The Teams	4
4	BACKGROUND	5
5	PROJECT	7
5.1	Brief Description	7
5.2	Objectives	8
5.3	Methodology	9
6	SURVEY RESULTS	11
6.1	Purpose of the Surveys	11
6.2	How the Surveys were accomplished	11
6.3	Statistical Results	12
6.4	Analysis and Conclusions	16

7	MARKET OVERVIEW AND COMPARATIVE COSTS	22
7.1	World Market	22
7.2	European Market	23
7.3	Germany	25
7.4	United States of America	30
7.5	Conclusion	31
8	THE MARKETING STRATEGY	32
8.1	The Principal Concept: Quality and its Components	33
8.1.1	Mexico	33
8.1.2	USA	36
8.1.3	Europe	39
8.2	Appendices as appropriate	40
8.3	The Logo Strategy	42
8.3.1	Questionnaires and Brainstorming Results Concerning the Logo	42
8.3.2	Logo	47
8.3.3	Slogan	50
8.3.4	Label	52
9	SUGGESTIONS FOR CONTINUED PROJECT DEVELOPMENT	53

10 APPENDICES

- 10.1 Team Members
- 10.2 Questionnaire
- 10.3 Market Overview and Comparative Costs
- 10.4 Suggestions for Pictures
- 10.5 German Article
- 10.6 Logos / Labels, Brochure
- 10.7 Winning Combination of Food and Wine
- 10.8 Invitation for Presentation
- 10.9 Resumen

11 BIBLIOGRAPHY

1 PREFACE

The members of the "EURO-LINK '93" Baja California wine marketing team wish to express sincere appreciation to all those in Mexico, Germany and the United States of America whose support and cooperation have made it possible to conduct the research project described in this report.

The team recognizes that each of these individuals has contributed immeasurably to our work. In addition, the team extends special thanks to Dr. Luis Llorens Báez, Rector of the Universidad Autónoma de Baja California (UABC), who authorized that UABC host the "EURO-LINK" program; to the Sección de Vinicultores de CANACINTRA, Ensenada, and its President, Licenciado Tomás Fernández, who facilitated the research of the team and provided it accommodations; to Professor Dr. Siegfried Kreuzer of the Fachhochschule Pforzheim, Pforzheim, Germany, who proposed that the "EURO-LINK" project for 1993 be conducted in cooperation with UABC to Dr. Frank Medeiros, vice-president for Academic Affairs, San Diego State University (SDSU), who authorized that university's participation in the project; to Dr. Paul Ganster, Director of the Institute for the Regional Study of the Californias of SDSU who coordinated his university's participation.

The team further acknowledges with gratitude all those who made it possible for the inauguration of the project to take place as the first event to be held in SDSU's new International Student Center.

The team also extends appreciation to the Deutscher Akademischer Austauschdienst for its financial support.

2 EXECUTIVE SUMMARY

The State of Baja California, Mexico, has long produced excellent wines of world class stature. The potential therefore exists to expand the sales of these wines in Mexican and International markets.

This report recommends that the marketing strategy used to promote such sales be based on the high quality of Baja California wines including their highly favorable price/value ratio, and that the wines be promoted on a regional basis.

The report provides marketing suggestions for three distinct markets: Mexico, the United States of America and Europe.

The most important suggestions pertain to a Baja California regional logo, a "Wine Country" brochure to guide tourists to the wineries in the Ensenada/Guadalupe valley region.

An information sheet describing regional wines, and suggesting wine and food combinations, which can be distributed at wineries and supermarkets, liquor stores, bars and others place where potential wine buyers are to be found.

An article describing Baja California wines, stressing their high quality, for publication in national and international media. These project deliverables also lend themselves to promoting a "wine culture" within national markets, similar to that existing in other cultures.

The report also recommends that the Wine Growers Association (Seccion de Vinicultores de CANACINTRA, Ensenada) continue to consolidate itself as a powerful marketing organization, and that it evaluate options for marketing wines and purchasing bottles, corks, labels, etc. on a co

RESUMEN

1. Este informe trata los siguientes temas:
2. Un plan de mercadotecnia general para los vinos de la region basandose en la excelente calidad de los productos, incluyendo una excelente relacion precio-valor.
3. Estrategias distintas para el mercado nacional, el mercado estadounidense y el mercado europeo, en cada caso considerando las particularidades de la region.
4. Una variedad de logos , de los cuales uno de ellos puede ser usado en todos los vinos producidos en Baja California; el logo refuerza el aspecto de la estrategia que enfatiza el deseo de comercializar los vinos de una perspectiva regional.
5. La estrategia para desarrollar en Mexico una cultura relativa al consumo del vino, como la que existe en algunos paises de Europa.
6. Un folleto para atraer turistas a las haciendas productoras de vino, como vehiculo para atraer turismo en general a la region (de acuerdo a las sugerencias que este equipo planteo al equipo Euro Link de turismo), para incluir la region vitivinicola en los paquetes que se estan desarrollando, para atraer turismo europeo a Baja California.
7. Un articulo acerca de los vinos bajacalifornianos que pueda ser publicado en Mexico, los Estados Unidos, Alemania, Italia y Francia.
8. Dicho articulo hace enfasis en la gran calidad de los vinos bajacalifornianos, el clima y otros factores regionales que coadyuban para la produccion de vinos excelentes, la avanzada tecnologia de produccion de vinos de la region y los conocimientos expertos de los enologos de Baja California.
9. Una cartilla que brinda al publico en general la informacion suficiente y clara para la eleccion de vinos bajacalifornianos y sugerencias para escoger el vino mas adecuado con respecto al platillo que se desee consumir. Por su diseno sera posible distribuirlo en la mas amplia gama de lugares donde se encuentren los consumidores potenciales, incluyendo supermercados, restaurantes, licorerias, discotecas, centros turisticos, congresos, etc..
10. Los resultados de muestra realizadas en la ciudad de Ensenada para obtener conocimientos acerca del comportamiento y preferencias del consumo de vino en clientes potenciales. Se incorporaron los resultados de la encuestas en la estrategia de mercadotecnia que se propone, incluyendo los logos correspondientes.

11. Sugerencias acerca del entrenamiento que deberían recibir meseros y vendedores de vino para que estén en mejores condiciones para promover la venta de vinos bajacalifornianos.
12. El reporte recomienda que la sección de vinicultores de CANACINTRA, Ensenada siga consolidándose, para que así pueda llevar de manera acertada las estrategias de mercadotecnia planteadas en el informe.

3 INTRODUCTION

One of UABC's priority academic objectives is the expansion of its programs of vinculación. These programs provide a wide variety of services to the community, especially to business and industry, while at the same time affording faculty and students the opportunity to acquire practical professional experience by participating in vinculación activities. Other universities in the United States and Europe are likewise strengthening their linkage programs, and among these, the Fachhochschule Pforzheim (FHP), in Pforzheim Germany, and San Diego State University (SDSU) in San Diego, California, USA, figure prominently.

Within this context, FHP has developed its "Euro-Link" program which permits faculty and students to participate in vinculación projects in developing countries. FHP proposed that "Euro-Link" be held in conjunction with UABC in the summer of 1993. After approval by UABC's rector, SDSU, which maintains a variety of collaborative relations with UABC, was invited to participate and graciously accepted to do so.

The three universities, including both faculty and students, planned and implemented two projects - one aimed at attracting European tourists to Baja California, and the other designed to promote the sale of Baja California wines in Mexican and foreign markets. Joint faculty-student teams were formed for each of the projects. The Wine Team's research project was conducted with the cooperation of the Sección Vinicultores.

This report contains the conclusions and corresponding recommendations of the Team which worked in the Ensenada area for approximately three weeks. The report is organized into sections according to the main topics addressed, and in conducting the research which underlies it, the Team took into account the traditional elements of the marketing mix: Product, Place, Promotion and Price.

The Team recognizes that the suggestions contained herein are the result of only three week's work and that in some cases the suggestions would benefit from additional evaluation.

3.1 EUROLINK

Eurolink was initiated by Prof. Dr. Kreuzer of Fachhochschule Pforzheim, Germany in order to offer to students an occasion to improve their practical experience in an international working surroundings.

This year, it was the first time that a Mexican university, the Universidad Autónoma de Baja California in Tijuana and Ensenada participated in this project together with San Diego State University and several German universities.

Therefore, 30 students from Mexico, the United States of America and Europe (Germany, Italy, Spain, the United Kingdom of Great Britain) had the chance to work on two projects in Mexico.

3.2 THE TEAMS

3.2.1 THE TOURIST TEAM

This team was asked by the Comité de Turismo y Convenciones de Tijuana to do a study on how to increase tourism into the Baja California Region.

3.2.2 THE WINE TEAM

The Wine Team (see Appendix 10.1) worked together with the Sección de Vinicultores de CANACINTRA in Ensenada, Baja California, on a study to investigate the possibilities to improve the notoriety of Baja California Wines in Mexico and overseas and to increase the sales figures.

4 BACKGROUND

A BRIEF HISTORY OF BAJA CALIFORNIA WINES

During the 16th century, wine first appeared in Mexico with the coming of Hernán Cortés and the Spanish conquest. By 1593, the first winery had been established. The Spanish crown, however, banned the production of wine in Mexico after Mexican wine began challenging the quality of Spanish wines.

For Baja California, wine reappeared in the early 18th century when Jesuit monks landed near Loreto and established Mision San Javier. As the missions moved northward, better areas for viniculture were discovered. By 1791, Dominican Padre José Lorieo founded Mision Santo Tomás and planted the first Spanish vinifera in the Valle de Santo Tomás. "Mission" wine was mainly produced for sacramental purposes but was highly regarded by padres throughout the missions.

Following secularization of this mission, Bodegas de Santo Tomás took over the vineyards and in 1888 started selling wine by the barrel to the growing city of Ensenada. In 1906, some 500 Russian immigrants settled in the Valle de Guadalupe and cultivated extensive vineyards brought from Italy, Spain, and France. The valleys of this region have thus developed into territory areas capable of producing grapes such as: Chenin Blanc, Chardonnay, Sauvignon Blanc, and Blanc de Blanc (white); Cabernet Sauvignon, Merlot, Barbera, and Colombard (red); Zinfandel and Grenache (rose). Santo Tomás transferred its winery to Ensenada ten years later and by 1934, it had established itself in the interior of the city. Today Hugo d'Acosta is certified general director and winemaker who trained in Montpellier, southern France. It is a well established company in Ensenada which took home the Bronze medal in the 1989 Los Angeles County Fair and which will soon be reaching its 100th anniversary. The international company, Casa Pedro Domecq, established its current hacienda style firm amongst vineyards which were originally planted by Russian immigrants. This daughter company, established in 1972, is only one of many companies that has evolved from the first Domecq Spanish Corporation (established in the 18th century). L.A. Cetto, a partner of Domecq, is located right across the Domecq plant and shares the vineyards left by Russian immigrants. The original founder, father of current owner Luis A. Cetto, established the first firm in Tijuana in 1934. Today these

two wineries, Domecq and Cetto, share the northern part of the Valle de Guadalupe better known as Valle de Calafia.

Valmar is one of the newer companies which opened 10 years ago. It is located on the outskirts of Ensenada. Part owner and winemaker, Fernando Martain, shares partnership with Gotran and Hector (uncles of his wife Yolanda Valentín). The name "Valmar" was derived from a combination of the last names Valentín and Martain. Martain is a certified chemical engineer who successfully introduced his first wine in 1985. Bodegas San Antonio, another young company of only five years, can be found as you first enter the Valle de Guadalupe. Raul Borquez, grandson of the original founder, remains direct administrator of this fairly new winery. The young winery is operated by certified winemaker, Octavio Jimenez, who is a former employee of Santo Tomás. The newest company, Monte Xanic, entered the wine industry four years ago. It is also located in the Valle de Guadalupe and is supervised by certified winemaker Hans Backoff. He is a native of Ensenada with a Ph.D in food science from Nottingham University, England. With the cooperation of major shareholder, Tomás Fernandez, Monte Xanic has demonstrated promising results. It not only won a gold medal at the Los Angeles County Fair in 1989 with its Cabernet Sauvignon, but it took home a silver medal in the meritage class for its 1989 Cabernet Merlot. Interestingly, "Xanic" is derived from a native Cora Indian language which signifies the first flower that blossoms after rain.

Today these wineries have formed the Baja California Wine Growers Association. The association was founded three years ago with the notion of combining efforts to create a strong cooperation among wine growers. This association reveals great potential and will surely aid in establishing Baja California as a major wine growing region for the rest of the world.

5 PROJECT

5.1 BRIEF DESCRIPTION

This study was proposed to the Seccion de Vinicultores (Baja California Wine Growers Association) to assist in promoting Baja California wines nationally and internationally. The project falls within the "vinculacion" activities of the Universidad Autonoma de Baja California (UABC) and, among other things, is intended to provide a tangible benefit to the association and its members.

The proposal to conduct this project resulted from several considerations, including:

1. The possibility of increasing wine sales based on marketing a strategy which emphasizes the consistently high quality of regional wines.
2. The potential benefits of implementing a systematic, strategic approach to marketing wines on a regional basis without loss of identity by individual growers.
3. The possibility of designing a regional logo which would create a regional identity for wines and serve as a marketing device for bottles, brochures, posters, backgrounds (escudos) at public events, etc.
4. The possibility of promoting better awareness of regional wines through a "visits to the wine country" approach targeted at Mexican and foreign visitors.

In consultation with the association, a project research plan was developed which established objectives, methodology and contained an action plan. In addition, several bases for proposed marketing strategies were identified: The historical background of regional wine production, results of field research, including surveys, comparative production costs, etc.

Finally, it was determined that different but related marketing strategies should be developed for Mexico, the United States and Europe, and that the strategies should be divided into short, medium, and long term options. In addition, it was deemed useful to provide specific project deliverables, including an article describing regional wines, emphasizing their quality, a suggested format for a wine information and food combination", information sheet, and a "wine country" tourist brochure.

5.2 OBJECTIVES

- Create short, medium, and long term domestic marketing strategies for the Baja California Wine Growers Association (BC WGA).
- Create short, medium, and long term marketing strategies for future expansion into North America and Europe.
- Write an article to promote Baja California wines in national and international markets.
- Create a logo to serve as a device for promoting Baja California wines on a regional and international basis.
- Provide information and suggestions for stimulating the development of a "wine culture" in Mexico.
- Conduct research on the wine purchasing habits of Ensenada residents, to include their knowledge about wines, in order to develop a wine marketing strategy for the region.
- Provide additional international wine production cost data for the BC WGA.
- Provide an additional element to the international vinculación activities of the Departamento de Vinculación of the Universidad Autónoma de Baja California.
- Provide the participating students a practical, professional experience to complement their university training, with emphasis on accomplishing a significant piece of relatively difficult work in a short period of time.

- Contribute to the economic development of Baja California by promoting the sale of regional wines.
- Establish the basis for further academic cooperation between the participating universities, their students and their professors, i.e., form an international or binational "young entrepreneurs club".

5.3 METHODOLOGY

An important methodology used in this project was the use of questionnaires for the following:

- Sample opinions of wine growers and their employees.
- Sample opinions of waiters and Ensenada residents on a random basis.

Other methodologies used were:

- Interviews.
- Collection and analysis of data from articles, books, and other publications relevant to this study.
- Brainstorming.
- Creative design for the development of logos and other visual materials.
- Integration and use of data derived from multinational sources.
- Adaptation and application of general marketing principles and strategies to the specific needs of the project target markets.

6 Survey Results

6.1 Purpose of the Surveys

To determine relative information and obtain data about potential consumers in order to design a realistic marketing strategy.

To assist the team members in charge of creating a common logo for the Baja California Wine Growers Association by investigating colors and symbols that could attract potential consumers both nationally and internationally.

6.2 How the Surveys Were Accomplished

Objective: Wine Consumption survey in Ensenada, Baja California, Mexico.

Surveyed: Residents of Ensenada.

Sample: sufficient and representative people of different socio-economic levels.

Locations of application: Restaurants, Hotels, Cultural Centers, Amusements Centers, Stores, Banks, Cultural events.

Designs of questionnaires: Closed and open questions systems and some questions relative to the characteristics of those surveyed to determine income level.

Tabulation: Separation by age group into four divisions, (18 - 29, 30 - 39, 40 - 49, 50+), gender, consumer and non-consumer. Final calculation of all answers given.

Evaluation Technique: Statistical analysis of results with graphic representation.

6.3 Statistical Results

Universe : 216	Men: 140	Consumers: 102	Non-Consumers: 38
	Woman: 76	Consumers: 51	Non-Consumers: 26

6.3 Statistical Results

Universe : 216 Men: 140 Consumers: 102 Non-Consumers: 38
 Woman: 76 Consumers: 51 Non-Consumers: 26

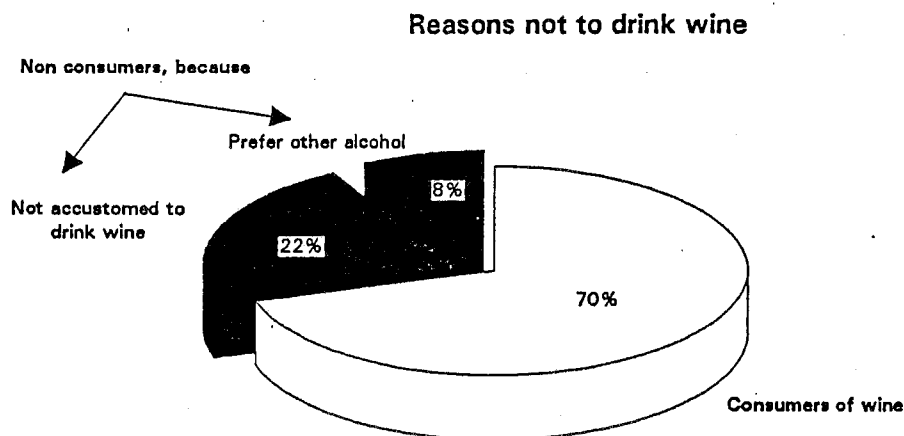
In percentages, the non-consumers are to be: Men: 17%, Woman: 12%

Explaining why they don't drink, 22% of the total sample, said it was because they were not used to it, and 8% said they prefer other alcoholic beverages. It was significant that for this matter age was not relevant to the nature of the answer.

Two points worth noting:

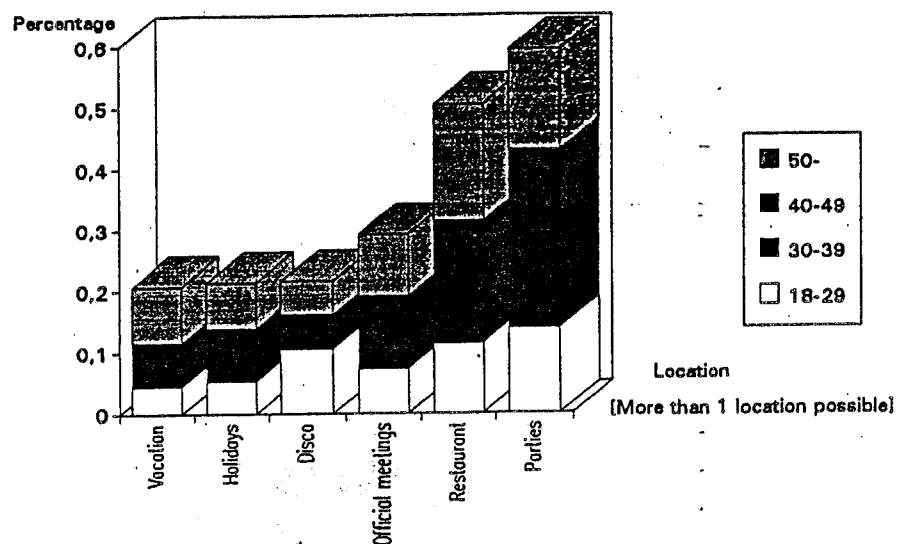
One in four men said they didn't drink wine.

One in three women said they didn't drink wine.



Those who drink wine, do so more at parties and restaurants independently of gender. But in the age group [18 - 29] both sexes mentioned discotheques as a third option.

Consumption by Location and Age

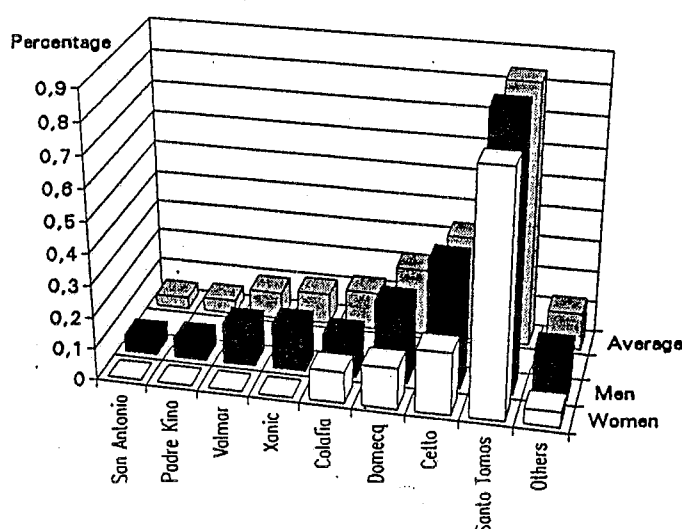


Regarding wine labels' names, men, independently of age or consumption, had more knowledge. The most mentioned brands were:

Santo Tomas (154 times mentioned)
 Cetto (61)
 Domecq (39)
 Calafia (22)
 Monte Xanic (18)
 Valmar (16)
 Padre Kino (8)
 San Antonio (7)

From the total of 76 women surveyed, none mentioned Xanic, Valmar, Padre Kino or San Antonio.

Knowledge of Baja California wineries

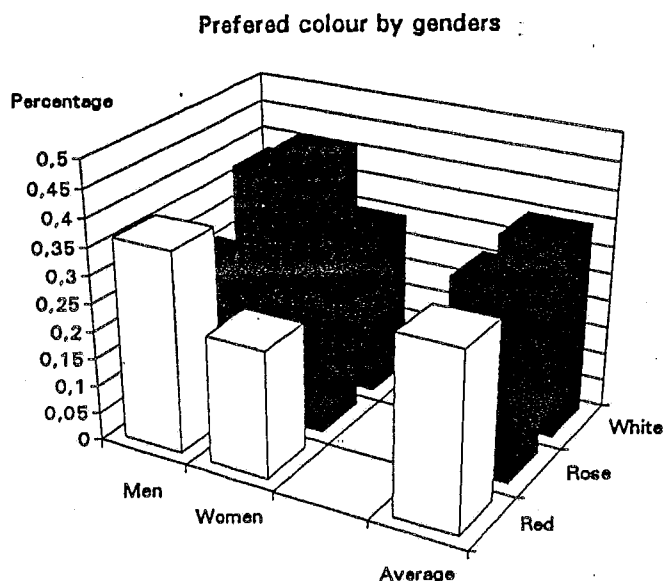


Of the 51 consuming females, preferences were:

Rose wine (41.18%)
 White (25.49%)
 Red (19.60%)
 No preference (13.73%)

Of the 102 consuming men, preferences were:

White (29.41%)
 Red (28.43%)
 Rose (20.58)
 No preference (21.58%).



Of the place of purchase of the products in closed bottles (when they buy the bottle, not a glass): 62% said supermarkets, liquor stores and infrequently, directly from the producer.

Of the consuming men the most mentioned job activities were: professionals (38 mentioned), employees, different activities (32), sales related activities (15), and cultural activities (11).

Of the consuming women: professionals (14), employees, different activities (14), students (9), home-makers (9).

Of the consuming men, the level of studies are as shown: University, (42.15%), High School (22.54%), Secondary (19.60%), Elementary School (15.68%). Of the non-consuming men, 34.21% had University, 31.57% elementary school, 21.05% Secondary, 13.15% High School.

Of the consuming woman, 43.13% had university, 23.52% High School, 19.60% Secondary, 11.76% elementary school. Of the non-consuming woman, 34.61% High School, 23.07% elementary, 19.23% university, 19.23% High School, 3.84% with out school.

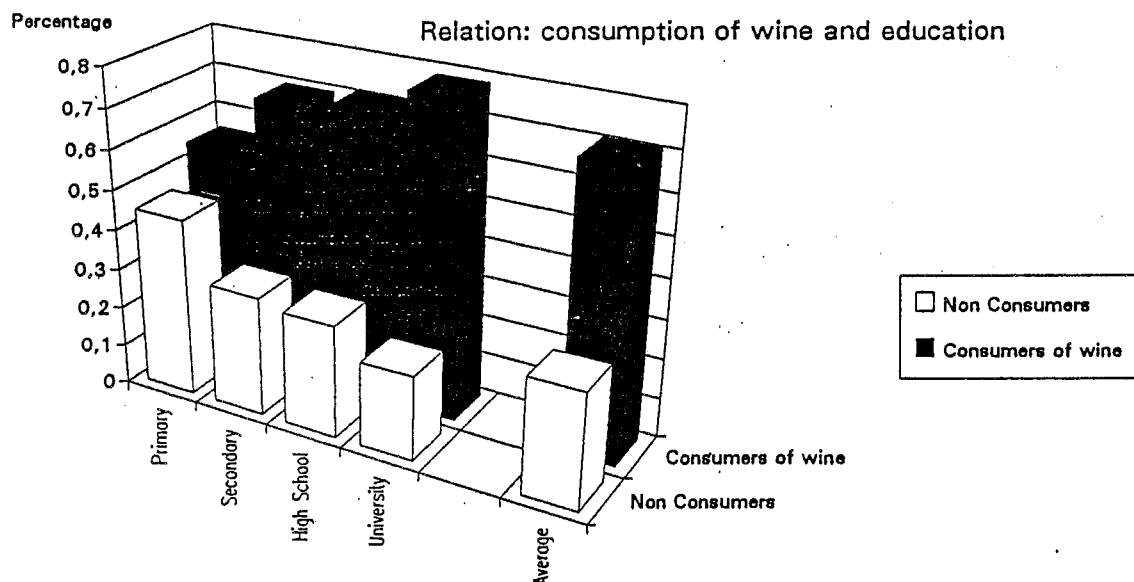
6.4 Analysis and Conclusions

First.

It seems there is a considerable consumption of wine in Ensenada, but people mentioned they very seldom drink wine. None mentioned drinking wine as a regular matter. It tends to show that there is a taste for the product but not a culture to drink regularly.

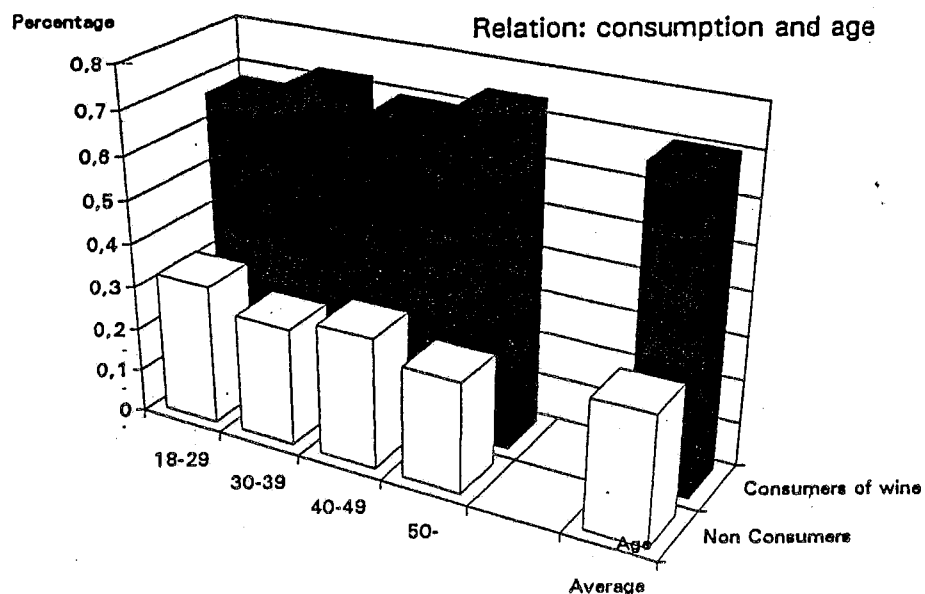
Second.

Education could be a factor influencing wine consumption. However, this should not imply that marketing strategies should be directed only at those with higher educations.



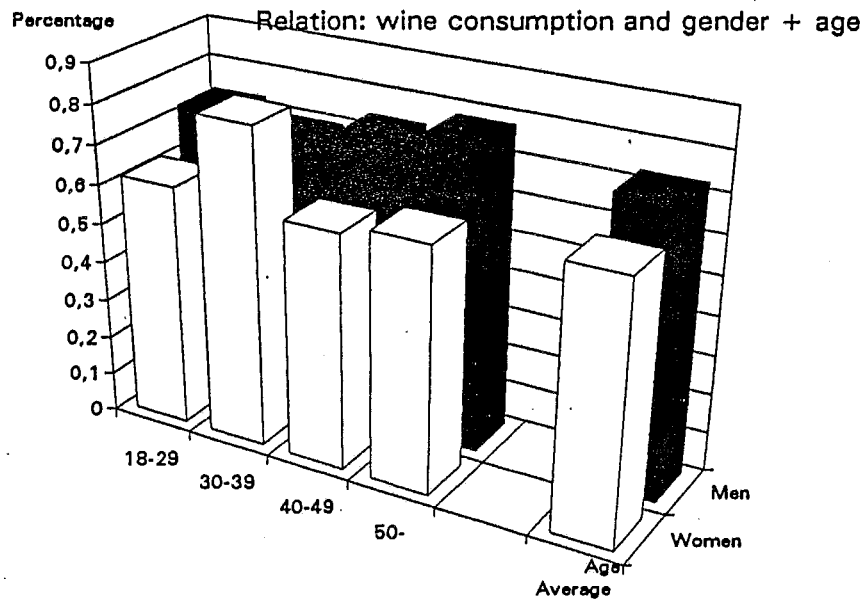
Third.

There is a difference between consumers and non-consumers in relation to age. In the first age group [18 - 29] the tendency is less in relation to older groups but it does not indicate that consumption levels varied with younger generations.



Fourth.

In relation to gender and age, there is an observable difference of wine consumption between men and women in the second age group [30 - 39]. In this age group only, males drink less than females. In all other age group males drink significantly more than woman.



Fifth.

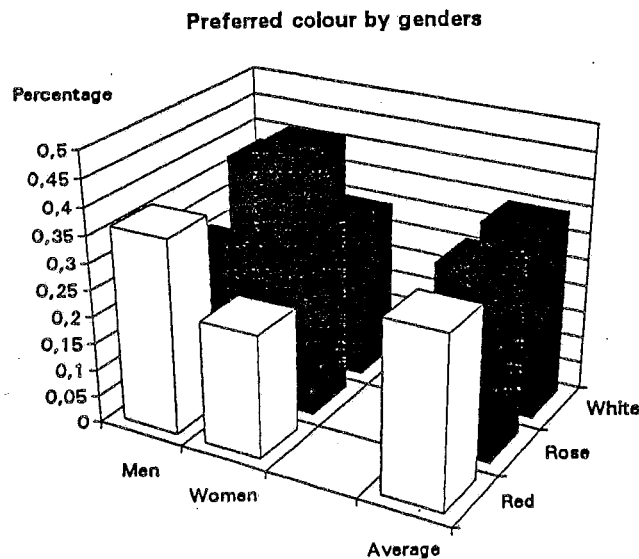
Of the 30 % of the total surveyed with reasons not to consume, 22 % said they do not drink because they are not accustomed to drink wine and 8% stated they preferred other alcoholic beverages. This result tends to show that there is not a culture of wine consumption as in Europe and some regions of the United States. 22 % of non- consumers mentioned believe that wine consumption is a health risk. We might therefore try to find a strategy to capture this population and promote a wine consumption culture. (See graph #1 in 6.3).

Sixth.

In relation to preferred location of purchase:

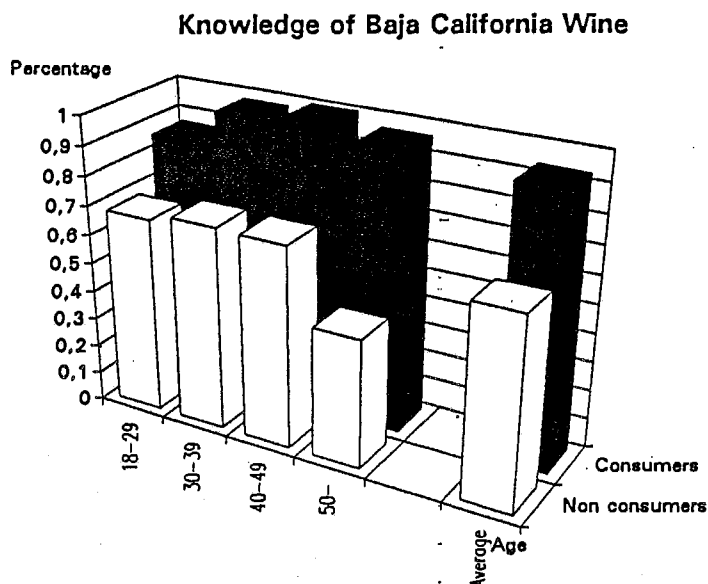
Supermarkets are the preferred sites of purchase for all age groups. Liquor stores are points-of-sales more so for the first age group [18 - 29] and only for a part of the older group [50+] who buy wine directly from the producer.

It seems that younger persons buy at liquor stores, which are open later, because of the longer working hours they have. The older age group buys their wine more often in supermarkets than in liquor stores because of more familiarity. The oldest group also buys more than the others directly from producers, perhaps because they feel more assured by purchasing directly from the producer.



Seventh.

The Baja California wine is more known with consumers than non-consumers. There are no differences between age groups of consumers while there is a big difference for age groups of non-consumers. The non-consumers in the oldest age group [50+] don't know the local wines as well as the other age groups.



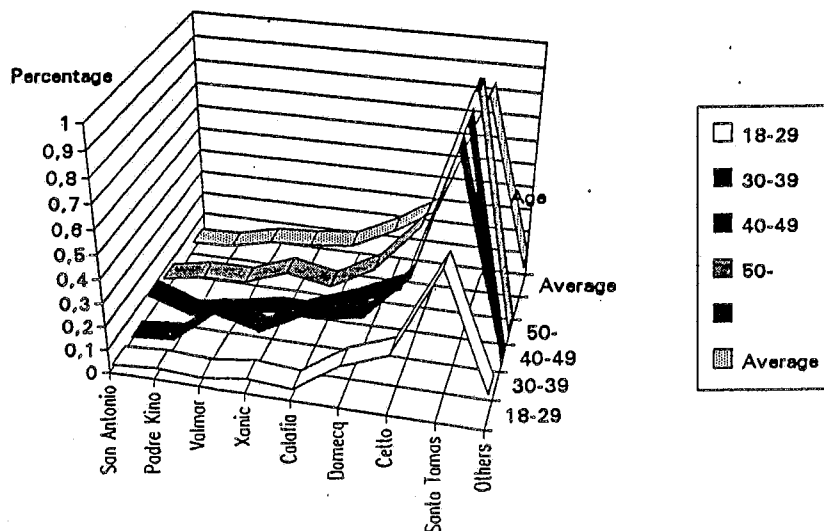
Eight.

With regard to gender, the consumers' recognition of local wineries by name shows that Santo Tomas is known by all, while L. A. Cetto, Domecq and Calafia are better known by men than women. Xanic, Valmar, Padre Kino and San Antonio are not well known by women. (See graph #3 in 6.3).

Ninth.

In relation to knowledge of wineries by age groups, the first age group [18 - 29] is less familiar with Santo Tomas and more so with Domecq and Calafia. The third age group [40 - 49] knew San Antonio, and the second knew Xanic and Valmar.

Knowledge of the wineries by the age



Tenth.

In relation to preferred color by genders it is observable that the red wine is more common with men than woman. Also:

Rose wine is liked more by women than men.

White wine is preferred more by men than women.

Male consumers preferred red wine more than white and rose.

Female consumers preferred rose more than others.

(See graphic #4 in 6.3).

7 MARKET OVERVIEW AND COMPARATIVE COSTS

Refer to appendices 10.3 for tables

7.1 WORLD MARKET (1990)

PRODUCTION

- The International Institute of Wine O.I.V. (Office Internationale de la Vigne et du Vin, Paris) is observing the development of the wine market.
- Worldwide production is about 300 mill. hl per year.
- Wine production and world wide vineyard areas are decreasing.
- The worldwide surplus in production is about 40 mill. hl corresponding to approximately 3 German harvests.
- In Germany vineyard surface has been stable during the last ten years, but production increased about 70 %.
- The largest wine production countries are France, Italy and Spain.

IMPORT

- The largest wine importing countries are Germany, Great Britain, France and the US.
- Wine import is rapidly growing in Europe.
- Denmark, Norway, Poland and Great Britain doubled their imports in the last ten years.
- Ireland, Luxembourg, Netherlands and Sweden increased imports on a lower level.
- Even wine producing countries like Spain, Italy and Portugal increased their imports.

EXPORT

- The largest wine exporting countries are Italy, France, Spain and the former USSR.
- Worldwide exports have increased 10 % within the last ten years.
- Germany, France, Greece, Netherlands and especially the former USSR increased their exports.
- The highest increase occurred in Austria and Romania, but from a lower level.

CONSUMPTION

- Worldwide consumption is slightly decreasing.
- The biggest markets are France, Italy and the USA.
- France, Italy and Luxembourg have the highest per capita consumption.
- Denmark and Great Britain doubled their per capita consumption within the last 10 years.

7.2 EUROPEAN MARKET (1990)

- European countries produce 220 mill. hl which represents 77 % of the worldwide production.
- Europeans consume about 190 mill. hl, or 76% of the wine sold throughout the world.
- Classification of European consumers by the French Center of Export (C.F.C.E):

Social drinker	30%
Gourmet	27%
Eclectic	7%
Traditionalist	10%
Occasional drinker	9%
Ritual wine drinker	17%

- European wine consumers and non-consumers:

Never drink wine 25%

Drink wine on a usual basis 18%

- Preferred colors of wine:

Prefer red wine 40%

Prefer white wine 37%

Prefer rose wine 9%

- For further information, contact:

Office International de la Vigne et du Vin

11 Rue Roquepine

75008 Paris

Centre Francais du Commerce Exterieur (CTCE)

10 Avenue d'Iena

75783 Paris Cedex 16

France

7.3 GERMANY (1990)

The outline of the German market is based on a survey of the Gesellschaft fuer Medienforschung in 1990(GfM).

7.3.1 THE MARKET

a) CONSUMERS

GENERAL FACTS

- The percentage of young consumers is steadily increasing.
- The percentage of buyer households increases in accordance to the rise of net income.
- Consumption per capita and amount spent on a bottle of wine is increasing uniformly to net income.
- Consumption per capita continues increasing up to the age group of 46 to 60 years.
- White wine represents 65% of the wine sold.
- Young consumers tend to prefer red and rose wines. Older consumers prefer white wines.
- Domestic wine represents 72% of the wine sold.
- German consumers tend to prefer domestic wine of their region.
- A relatively small group with a high per capita consumption dominates two thirds of the total market.

CLASSIFICATION

of German consumers in relation to total consumption:

Status oriented wine consumer	19 %
Indifferent wine consumer	21 %
Consumer of mild wines	16 %
Consumer of dry wines	15 %
Consumer of easy purchase wine	15 %
Individual consumer of wine	14 %

b) DISTRIBUTION CHANNELS

- 25% of the total wine consumed is served by restaurants.
- Foreign restaurants in Germany tend to serve their own foreign wines.
- 75% of total wine consumption takes place in homes.
- The most important distribution channels are grocery stores, supermarkets and discount food stores. The largest food discount in Germany sells 8 % of the total consumption.
- Most of the foreign wines are sold in supermarkets, grocery stores and discount food stores. Together, they capture about 80% of the market share.
- Expensive foreign wines are sold in special wine stores, special liquor stores, or by direct sales.

c) PRICES

- There is a slight tendency towards higher prices.
- Domestic wines achieve higher prices than foreign wines.
- Red wines are more expensive than white wines.
- Prices of domestic wine are not related to the location of purchase.
- Foreign wines succeed through price differentiation. From low prices at inexpensive discount stores, to high prices in special wine and liquor stores.

d) BOTTLE SIZES

- Restaurants prefer 0.75 liter bottles.
- Consumers prefer 1 liter bottles.

1 liter bottle	62 %
0.75 liter bottles	35 %
other sizes	3 %

7.3.2 THE COSTS

Prices are based on the report of a survey of Dipl.-Ing. S. Willner, Forschungsanstalt Geisenheim, in 1989. They are given in DM as full cost including the producers' margin, without sales tax.

Inflationrate between 1989 and 1993 was in Germany about 15 percent

Average production quantity of wine per ha of profit land: 9.6 hl

a) PRODUCTION COST BY PRODUCTION FACTORS

Total wine production

Full Cost / Liter	Amount in DM	Share in Percent
Capital Cost	1.71	31 %
Labor Cost	2.18	40 %
Material Cost	0.93	17 %
Maintenance Cost	0.16	3 %
Other Cost	0.53	9 %
Sum	5.51	100 %

Grape production

Full Cost / Liter	Amount in DM	Share in Percent
Capital Cost	0.65	31 %
Labor Cost	1.05	50 %
Material Cost	0.21	10 %
Maintenance Cost	0.08	4 %
Other Cost	0.11	5 %
Sum	2.11	100 %

b) PRODUCTION COST BY PRODUCTION STEPS

Cost for direct sales:

Full Cost / Liter	Amount in DM	Share in Percent
Production of Grapes	2.11	38 %
Crushing, Fermentation, Aging	0.81	15 %
Filling, Bottling	1.13	21 %
Equipment of Bottles	0.35	6 %
Sales Proceedings	1.11	20 %
Sum	5.51	100 %

c) AMOUNT AND COST OF WORK FORCE

Need of Work / 1000 Liter	Amount in hours	Wages in DM
Production of Grapes	60 - 80	16
Crushing, Fermentation, Aging	11	20 DM per hour
Filling, Bottling	13	
Equipment of Bottles	12	
Sales Proceedings	22	

Wages increased from 1988 to 1993 by approximately 30%.

d) COST OF SPECIAL EQUIPMENT

CORK

Cost for 1000 pieces in DM:

Min.	Max.	Quality
45.60	85.50	low
85.50	137.00	medium
137.00	343.00	high

BOTTLES

Cost for 1 bottle in DM:

Min.	Max.	Size
0.32	0.35	1.0 liter
0.27	0.30	0.75 liter
0.51	0.51	0.5 liter
0.375	0.45	0.375 liter

7.4 UNITED STATES OF AMERICA

Source: Assembly Select Committee on California's Wine.

Numbers are focused on small wineries in 1989.

7.4.1 PRODUCTION COST BY PRODUCTION STEPS

Cost / Liter	Amount in US\$	Share in Percent
Production of Grapes	1.37	25 %
Crushing, Fermentation, Aging	1.12	21 %
Filling, Bottling	0.88	16 %
Shipping & Warehousing	0.17	3 %
Excise Taxes	0.06	1 %
Selling Expenses	1.23	23 %
General Expenses	0.61	11 %
Sum	5.44	100 %

7.4.2 SELLING PRICES BY DISTRIBUTION CHANNELS

Price in US\$	To consumers	To retailers	To wholesalers	Average
Price per Liter	10.70	7.10	5.30	6.33
% of total sales	11 %	22 %	67 %	

7.5 CONCLUSION

SUITABLE CONSUMER CLASSES FOR BAJA CALIFORNIA WINE

Dry wine consumers

- Preferred wine: dry, full body, naturally produced, no additives.
- High consumption of foreign wines.
- High per capita consumption.
- On average, a higher portion of younger individuals up to 44 years old.
- On average, more men.
- A higher percentage of people buying through direct sales or special wine stores.

Wine Connoisseurs

- Preferred wine: decent, less tannic acid, dry, high prestige.
- No price awareness.
- High per capita consumption.
- On average, high income.
- On average, a higher portion of individuals between the ages of 45 and 59.
- High consumption of foreign wine
- A higher percentage of people buying through direct sales, in special wine stores, or in special liquor stores.

COMPARATIVE COSTS AND DISTRIBUTION

- German wines are generally sold on a lower price level.
- The share of direct sales is much higher in Germany than in US
- Cost for grapes, filling, and bottling are almost the same in Germany as in US.
- US wineries spend a notable higher amount for selling expenses, crushing, fermentation, and aging.

8 THE MARKETING STRATEGY

8.1 THE PRINCIPAL CONCEPT: QUALITY AND ITS COMPONENTS

We are convinced that Baja California wine should be marketed on the basis of its superior quality and its unique, very appealing characteristics. This quality and the characteristics result from the following:

1. The Baja California wine region is located in the wine producing belt of the world;
2. The perfect combination of climate and soil;
3. The favorable weather conditions; there is no rain in the final stages of grape maturing before harvesting; during long summer days the sun shines continuously, resulting in ripe, intensely flavored grapes.
4. The use of the most advanced wine making technology;
5. Emphasis on high sanitary standards and the use of natural ingredients in wine production.
6. Highly competent and experienced wine makers possessing academic degrees and practical knowledge of the European and Latin American, and North Americans wine industries.

8.1.0 POTENTIAL TARGET MARKETS

Mexico; USA; Europe

8.1.1 MEXICO

WHY MEXICO IS CONSIDERED THE FIRST POTENTIAL MARKET

1. Baja California wine is an existing product with excellent qualities, yet fairly unknown within the national market; it offers a significant potential for growth.
2. The increased consumption of wine can be viewed as an indicator of Mexico's modernization and development.
3. Mexico is rapidly developing. The Gross National Product (GNP) is increasing and the general standard of living is improving. Wine is considered a part of a higher lifestyle which appeals to those achieving correspondingly higher socio-economic status.
4. Mexican people are very proud of their country and will be proud of Baja California wines because they have proven to be among the best in the world.
5. The Mexican market is well known to Baja California wine makers and is more readily accessible to them than the U.S. or European market.

STRATEGY FOR THE MEXICAN MARKET

To increase the awareness of Baja California wines which have excellent quality and are notably superior to lower quality imports. Strategic activities should be pursued in the following regions in Mexico:

- a.- The State of Baja California,
- b.- Other relevant States or regions of Mexico because of their purchasing power, standard of living, population, etc., such as, Jalisco, Nuevo Leon, Aguas Calientes.

Recommended Marketing Activities:

SHORT TERM (one to two years):

- Display signs at the entrance to Ensenada indicating that this is a wine region.
- Introduce new types of special events like "Wine Nights" in places where young people meet, for example discotheques like "Baby Rock", "OH Laser Club" in Tijuana or restaurant-bars like "Senor Froggs", also in Tijuana.
- Establish agreement between the wineries, wholesalers/distributors and liquor stores on attractive displaying Baja California wines. They should not be mixed with foreign wines or be overshadowed by hard liquor.
- Try to buy or establish larger data bases about consumers and their habits; keep the customer informed about the wineries and their activities (Newsletters).
- Provide waiters schools with suggestions on how the wine should be served and with what kind of foods it can be combined.
- Evaluate the further use of billboards and if possible change the information periodically to maintain public attention.

MEDIUM TERM (two to three years):

- Analyze the price strategies of international competitors in Mexico and convince Mexicans of the higher quality and the excellent price/value ratio of Baja California wines. Accomplish this through a pamphlet that explain the wines, and tells people what food goes with what wine. Initiate international wine tasting in Mexico and publish the results in newspapers and magazines.
- Have similar but smaller (maybe a weekend) events like the "Fiestas de la Vendimia" in larger cities on National Holidays and broadcast them in large-audiences media like radio stations.
- Evaluate the cost benefits of creating a special shape bottle to be used as a limited edition for special events.

LONG TERM (three to five years):

- Consider setting up a Wine Store/ Wine Bar, first in Ensenada, to promote the sale and consumption of the local wines,
- Create and edit a magazine for "Food and Wines of Baja California" - perhaps together with cooks or restaurant owner associations - to use as a media for articles and promotions. Consider the possibility of publishing articles in magazines such as "Campestre", printed in Tijuana.
- Evaluate the idea of a wine product specially designed for women, like white or rose wines with slightly lower alcohol content and a "light" flavor.

8.1.2 USA:

WHY THE UNITED STATES IS CONSIDERED A POTENTIAL MARKET FOR BAJA CALIFORNIA WINES:

- Relatively low transportation/ shipping costs.
- Close proximity; accessibility.
- Large existing wine market .
- Consumers are willing to try new products.
- NAFTA and existing trade between U.S., Canada, and Mexico.
- Availability of information about markets.
- Ability to enter regions with greatest potential, thus saving money and effort.
- Excellent distribution systems.
- Potential costs savings through partnerships.
- Many wine festivals and contests where Baja California wines could gain notoriety.
- Large media availability.
- Large number of Mexican-Americans, and Mexican- American restaurants which could sell Baja California wines.
- Existence of associations that may be useful for publicity.
- More educated waiters and bartenders in hotels, and restaurants.

STRATEGY FOR THE US MARKET

To bring Baja California wines and the Baja California wine industry in an excellent starting position once the import laws for bringing wine into the USA - especially into California - will be less restrictive. The most forward way would be seeking the competition and comparison with wines produced in the US as well as with premium import wines, thus attracting the highest possible attention.

Recommended Marketing Activities

SHORT TERM:

- Provide pictures of promotional literature (winery logo) or pixie picture to distributor.
 - Provide a tasting book which lists all wines origin, and how to contact the wine and association. Describe the wineries and what products are sold.
 - Locate market niches: Specialty stores like Trader Joes, Boneys, bread and cheese shops etc..
 - Consider potential on-line bulletin board network (BBS) publicity.
 - Make mailing addresses available to Baja California Wine Growers Association.
 - Invite California competitors to bi/ multinational wine tasting and publicize results nationwide.
 - Identify and evaluate (various) common distributors to reduce costs.
 - One merchant broker could handle all distribution and marketing. It is least expensive in order to gain access to U.S. market, but the association will not have control of its product.
 - Expand contest participation in U.S. wine tasting.
 - Offer best wines of the association to be judged by retailers in order to gain additional positive reviews which representative of the high quality of regional wines. Instant recognition can greatly enhance the popularity and image of the Association and the wines of its members.
 - Promote Baja California wines in Mexican government offices during special events in North America.
 - Test the market to learn as much as possible before full entry into the region. This should be done by combining promotional blitz and competitive prices and sampling of consumer opinion.
 - Continue effort to lobby against regulations which limits wine imports by tourist.
 - Join appropriate trade groups (wine associations, importer associations, etc.).
 - Associate high quality with the word Baja California.
-

MEDIUM TERM

- Meet with wine makers and arrange dinners where wine makers could donate their wine and explain its qualities to attendees while answering questions. It should be titled "Meet the Wine makers," and should target a specific clientele chosen by the association.
- Promote events in different target markets. For instance, sponsored charity events, concerts, sports events, Alba 81, the Hispanic Chamber of Commerce. This will attract targeted customers and increase name recognition.
- Purchase potential consumer names for a database to send newsletters or other promotional literature.
- Organize wine seminars or participate in selected seminars in North America.
- Create media attention and publicize Baja California wines by press releases.
- Gather names of consumers within specific target niches. (young adults, highly educated, couples with double income.)
- Invite potential importers/distributors to the Fiestas de la Vendimia to wine tours, and other promotional events.
- Create promotional video/literature for prospective importers which capitalize on high quality, and high technology

LONG TERM

- Continue/ increase participation in international seminars or conferences.
 - Travel as an association to further promote wines of Baja California.
 - Insure that Mexican wines are available on cruise ships that visit Mexican waters.
-

8.1.3 EUROPE

WHY EUROPE IS A POTENTIAL MARKET:

- A large consumer base and an increasingly affluent eastern market could result in high sales.
- The high income per capita and the relative high educational level could make increased sales possible.
- Europe has a long tradition of wine production and consumption.
- European wine consumption per capita is extremely high.
- European consumers are open to trying new products and new life-styles. They are curious and like to be special, exotic and very international.
- Highly developed infrastructure
- Existing distribution systems, e.g. special wine stores, Mexican restaurants, increasing number of hotels, etc.
- Need for new products as an alternative to European wines.
- Existing wine promotion, e.g. wine festivals, fairs, competitions, wine tours.
- Already existing relationships between Baja California wine growers and various countries in Europe.
- Large Spanish speaking population, including Mexicans.
- Grapes used for Baja California wines are well known in Europe, so the wine can easily be compared.
- European people are interested in how European grapes have been developed in Mexico.
- The Baja California wine meets European taste and quality standards.
- Wine consumption is increasing within all age groups.

STRATEGY FOR THE EUROPEAN MARKET

For Europe and its main target markets a high price strategy is recommended. Baja California wine with its proven superior quality is a product, which is so far widely unknown there. Yet European consumers are always curious and are willing to pay high prices for excellent import wines, especially from countries like South Africa or New Zealand, where the climate is well-known as a provider for phantastic conditions for fruits or other agricultural products. Baja California's Mediterranean climate fits perfectly into this picture.

POSSIBLE TARGET MARKETS WITHIN EUROPE

Germany

The increasing number of Mexican restaurants in Germany reflects a growing demand for Mexican products. This can be seen by the great success of Corona beer in Germany. The weekly news magazine "Der Spiegel" recently published an article stating that Germans are very open towards new, exotic products coming from overseas such as food, drinks, spices, fruits and even interior decorations.

United Kingdom

As the UK produces only a few wines they strongly depend on wine imports. However, for further penetrating the British market we recommend concentrating on internationally-influenced of Greater London; concentrating on high quality restaurants and hotels.

Scandinavia

High quality wines consumed in the Scandinavian countries have to be imported as the geography of the land does not favor wine growing there (only Finland produces a very small amount of wine). The average income per household is one of the highest in Europe, allowing a good lifestyle which includes wine. Although there is a strong openness towards foreign wines an increase in exporting wine to Scandinavia is also a matter of careful calculation as taxes on alcohol are very high in comparison to other European countries.

France, Italy, Spain

These are the main wine producing countries in the world with a long heritage in wine making. Wine import very low. Only France shows higher import figures. Before entering one of these markets, extensive market studies should be done.

Existing Relationships

During our research we learned that almost every Baja California winery already has business with various European countries. We therefore would suggest to intensify these contacts so that a steady sales relationship can be established to achieve an increase in sales.

Recommended Marketing Activities

SHORT TERM:

- Sales in Mexican restaurants all over Europe, supported by promotional activities, such as:
 - a) Walls decorated with posters of Baja California wine
 - b) folder giving information Baja California wine and the region
- Wholesaler should serve all distribution channels selling to end consumers, such as
 - restaurants, bars, hotels
 - wine stores
- Department Stores: add Mexican wines to specialized Mexican food displays (Mexican corner)
- Baja California wines should be offered on special occasions and as promotional gifts (e.g. a Christmas present in an attractively decorated wooden box) by
 - Mexican Embassies
 - Subsidiaries of international companies within Mexico
 - Subsidiaries of Mexican companies worldwide
 - Mexican and international airlines

- Articles and advertisements about Baja California wines and wineries and the region should be published in Special interest magazines (Vinum, Essen & Trinken, Gourmed, etc.)
Prospectuses
Magazines in airplanes
International and national fairs and exhibitions and during
Food fairs (Grüne Woche in Berlin)
Tourism fairs (Tourismus Börse in Berlin)
Hotels and restaurants (HoGaKa in Karlsruhe)
- Create and intensify relation to Deutscher Hotel- and Gaststättenverband, DeHoGa (German Hotel and Restaurant Association)
- Make Baja California wines available to German wine schools (Weinfachschulen),
- The association could give courses at several "Weinfachschulen"
- Special actions like Mexican Week in the cafeterias of big companies or cafeterias of universities, etc.

MEDIUM TERM

- Serve Baja California wines at
Vernissages (opening of an arts exhibition)
Poetry readings
Receptions (e.g. at Cultural Institutes, etc.)
- Sell Baja California wine in student and "Yuppie" bars and restaurants
- Ensure that travel guides describe the Baja California region and its wines
- Use videos to promote wine (e.g. for TV stations, travel agencies, etc.)
- Common advertising of wine makers together with owners/cooks of first-class restaurants in specialized magazines

LONG TERM

- Supply party service companies (e.g. Käfer in Munich) with Baja California wines
- Combination of food and wine presented at
Cook schools
Evening classes for the Public (similar to Open University in the U.K)
Offer visits to Baja California - wine tasting included - to managers of big hotels / hotel chains owners/managers of first class restaurants and other volume buyers/sellers

General comments

Potential opportunities do exist in the European markets. People enjoy drinking wine with their meals while a considerable percentage go to restaurants several times a week.

Target groups

The group we believe would provides the best potential market for Baja California is the well-educated adults. They vary between the ages of 25 and 45. These young-middle aged consumers enjoy eating in good restaurants, traveling overseas and are interested in different cultures and their products.

Suggested price range of wines to be marketed

According to the target groups mentioned above the medium and higher priced wines should be marketed. This will underline the excellent quality of Baja California wines.

8.3 THE LOGO STRATEGY

8.3.1 QUESTIONNAIRES AND BRAINSTORMING RESULTS CONCERNING THE LOGO

a) QUESTIONNAIRES

Question 4: Colors

"Que colores piensa usted pudiera representar/ identificar al
vino de Baja California?"

Responds of 216 questionnaires:

green	90
blue	79
red	54
white	44
yellow	31
brown	25
pink	20
beige	12
gold	9
black	9
purple	8
gray	6
orange	5
violet	3

Question 5: Symbols

"Que imagen o simbolo cree que puede representar a Baja California en el exterior?"

Responds from 216 questionnaires: 300 enumeration's resulted in 56 different symbols.

1.	peninsula	45	15.0%
2.	ocean	28	9.3%
3.	vine	26	8.7%
4.	grapes	25	8.3%
5.	fish	23	7.7%
6.	cactus	22	7.3%
7.	sun/ sunset	14	4.7%
8.	dessert	12	4.0%
9.	ram	10	3.3%
10.	wales	9	3.0%
11.	beach	8	
12.	flowers	7	
13.	mountains	5	
	la bufadora	5	
	trees	5	
	dove	5	
	climate	5	
14.	wine leaf	4	
	dolphins	4	
	eagle (acteca)	4	
15.	seashells	3	
	seagull	3	
	cachanillas	3	
	Mexican girl	3	
	flag	3	

16.	snake	2
	lobster	2
	plants in general	2
	olive tree	2
	cliffs	2
	cities	2
	Ruffo	2
	car	2
	picturas rupestres	2
17.	seaport	1
	houses	1
	dunes	1
	tomato	1
	wheat	1
	rosebush	1
	palm tree	1
	shrimp	1
	parrot	1
	bear	1
	pelican	1
	person picking grapes	1
	los gringos	1
	star	1
	open arms	1
	escudo	1
	TV	1
	surfing	1
	cog-wheel	1

b) BRAINSTORMING WINE TEAM
(11 group members)

Question 1: "What colors come to mind when you think of Baja California?"

green	8
brown	6
blue	5
beige	5
red/ orange	4
yellow	3
gray	2
white	2
silver	2
violet	1
apricot	1

Question 2: "Which symbol/ picture do you think represents Baja California?"

1.	ocean	8
2.	sun/ sunshine	7
3.	mountains	4
	sombrero	4
	cactus	4
4.	architecture	3
5.	dry soil	2
	desert flowers	2
6.	exotic fruits	1
	happiness	1
	romanticism	1
	women	1
	tiles	1
	variety of colors	1
	agriculture	1
	dust	1
	lonely roads	1
	desert	1
	bushes	1
	rattle snakes	1
	sandy beaches	1
	valleys	1
	sky	1
	tourism	1
	peninsula	1
	wine/ alcohol	1
	seagull	1
	barren landscape	1
	fish	1
	wale	1
	nature	1
	warm climate	1
	fog	1

8.3.2 LOGO

WHY IS A COMMON LOGO IMPORTANT FOR BAJA CALIFORNIA WINES?

- A logo will help the consumer to recognize the unique quality of Baja California wines.
- A logo will differentiate the wines of this region from other areas.
- The individual members of the Association will benefit from a common logo that can gain international notoriety.
- A logo can signify the high standards, qualities and competencies of the association.

WHAT SHOULD BE COMMUNICATED BY THE LOGO?

- superior taste
- consistent quality
- unique climate and geography
- exclusivity
- beverage for educated consumers/ well balanced life-style
- unique culture of the Mexican people
- special discovery for wine connoisseurs

CRITERIA TO BE FULFILLED BY THE LOGO

- representative of Baja California and its wineries
- recognizable and easily understood
- unique and memorable
- avoids common stereotypes
- clear and understandable in black and white as well as in color
- reproducible in different advertising media/ promotion media
- reproducible in different materials
- acceptable cost outlays
- comply with legal regulations
- accepted by all members of the Association
- combinable with the different labels of the wineries in terms of style and color

SUGGESTIONS FOR LOGO USAGE

- The logo should be placed on each of the wineries' bottles in one standard position.
- Place logo on all literature published by the Association and the wineries.
See a brochure example in the appendix 10.6.
- Place logo on all point-of-sales displays.
- The logo could be printed on promotional items, such as T-shirts, and sold during the "Fiesta de Vendimia" as well as at the individual wineries and gift shops.
- Wine glasses with the logo could be used at events such as Fiesta de Vendimia.
- Packaging material could be decorated with the logo, e.g. by using stickers.
- Jerseys of Baja Californian sports clubs could be decorated with the logo, as well as at the sports stadium.
- Balloons could be decorated with the logos at festivals.
- Postcards could show the logo and/or the different labels.
- Key chains in the form of the logo, attached to bottles, could be offered in the introduction phase.
- Put the logo on billboards in strategic places (like the German "Weinstraße").
- Road signs showing the way to different wineries, containing the logo.

FEEDBACK CONCERNING FIRST DRAFTS

To enable the Baja Californian Wine Association to gain international recognition we set out to design a logo which would represent the unique characteristics of the Association and their wines. Based on our own ideas which were based on initial impressions and information we gathered from the wine growers and our tours of the wineries, we designed various drafts of logos. In addition, we received information on various colors and symbols indicative of Baja California from questionnaires answered by natives of the Ensenada area (see results of questionnaires and brainstorming).

We presented several drafts of logos representing an array of styles, colors, and symbols, to the Association. Those members present examined our work and offered several specific critiques and suggestions:

Critiques:

Sun	connotes hotness which is not beneficial to wine production.
Grapes	the wineries are not selling grapes, but wine.
Exotic image	the logo should not support the common cliché of Mexico.
Letters "BC"	could be misunderstood as British Columbia

Suggestions

Peninsula	unique shape the whole peninsula should be shown it highlights not only the uniqueness of the wine valleys but also defines Baja California as a region.
Sun and ocean	the contrast between warm/cold and dry/humid could depict the special climate of the area.

OUR COMMENTS TO THESE CRITIQUES AND SUGGESTIONS

Sun	for many European consumers, the sun has no negative effects, but expresses positive things like happiness, life, growth, etc.
Exotic image	European consumers have positive attitudes towards new products of foreign countries.
Grapes.	for the average consumer grapes represent wine.
Sun and ocean	are stereotypes relating to beach, fun, holidays, tourism.
Peninsula.	many Europeans, and others not as familiar with the region may not initially grasp the concept. by combining the peninsula with the words "Baja California" foreign consumers might realize its geographical position; this may however cause confusion with California wines.

See appendix 10.6 for presentation of the logos

8.3.3 SLOGAN

WHY?

- The slogan should be the verbal expression of the logo.
- The Slogan is not designed to be used exclusively with the logo.
- When using the logo for promotion activities (e.g. displays, etc.) the slogan can strengthen the communication.
- The slogan should not be printed on the label.
- A slogan can be an important part of an advertising campaign.

CRITERIA TO BE FULFILLED BY THE SLOGAN

The slogan has to be:

- unmistakable
- easily remembered
- easily understood
- short - average length is six words
- without regard to standard grammatical structures

SPANISH AND/ OR ENGLISH?

- The slogan should be in Spanish to further connote the Mexican heritage of the wine.
- Certain markets (e.g. USA, Japan, etc.) may require translations into native tongues. This could be determined on an individual basis before entering a market country.

EXAMPLES

- El vino que no llueve del cielo
- Vino del Sol
- La seduction ternura
- Salud!
- El sabor de vivir - vino de Baja California
- Baja California alta calidad
- No es suficiente probarlo!
- Variedad por la calidad!

-
- Wine of the sun
 - Sunny wines of Baja California
 - (Sunny) taste of Baja California
 - Taste the sun in your glass
 - Flavor of the sun
 - Spirit of the Baja Californian valleys
 - Baja California invites you to try its excellent wines
 - The everlasting seduction
 - Tender seduction
 - The worlds new seduction
 - Baja California, fruity taste of sunshine
 - Baja California, a touch of love at your reach
 - Baja California, a touch of sun at your reach
 - The wines we offer the world
 - Baja California wines, a symbol for quality
 - A symbol for the quality of Baja California wines
 - Baja California, the result of sun and ocean
 - Unique climate creates unique quality
 - The completion of good taste
 - The final taste
 - Unique shape, unique climate, unique wines of Baja California
 - An oasis of taste
 - From Baja California to the world
 - Baja California wine, a fresh breeze from the ocean
 - Naturally pure
 - Wine born by the ocean
 - Wine born by sun and ocean
 - The flavor of the ocean
 - Taste mix of ocean and desert
-

8.3.4 LABEL

SUPPLEMENTARY SUGGESTIONS FOR THE LABELS:

- All labels and back labels should contain information on where the wine is produced and bottled (see D.O.C. used in Italy)
- A backlabel could briefly give the consumers further information about the wineries, the wine and Baja California.
- An address should be printed on the label or backlabel for the consumer to be able to contact the winery.
- Recommendations about the serving temperatures and storage will help to educate the consumer, so that the wine can be fully enjoyed.
- Recommend dishes that would be appropriate for the wine.
- The vintage should always be printed on the label.
- "Baja California" should always be written on the label and on the backlabel.
- The series production number should be printed on the labels.
- Offer a guarantee of quality: e.g. "If for any reason you are not satisfied with the product, please let us know".
- Awards won should be shown at the label.
- Personalized labels for special occasions (e.g. weddings), restaurants and hotels.
- Labels designed by artists for limited editions (maybe in special shaped bottles).

See examples of German and Mexican labels in appendix 10.6.

9 SUGGESTIONS FOR CONTINUED PROJECT DEVELOPMENT

EXPLORE THE FOLLOWING POSSIBILITIES

- Use the Association as a cooperative in order to negotiate better prices for bottles, corks, barrels, shipment, etc.
- Train sommeliers and insure that waiters in best restaurants know about wine and food combinations.
- Add Baja California wine tours to existing tourist packets, and develop new packets based on the "wine country"..
- Build a Wine Country Inn to attract and accommodate visitors.
- Expand the market research program.
- Provide Baja California wine country information in visitors' centers, hotels, tourist-frequented restaurants, etc. in San Diego, Tijuana, Rosarito, Tecate, Mexicali, and Ensenada.
- Create a special bottle for the Association member wineries to promote during special occasions and holidays.
- Continue to monitor developing countries which might be clients, (i.e., the "Cuenca del Pacifico").
- Prepare a booklet on Baja California wines which can be distributed free or at very modest cost.
- Evaluate pooling resources to continue the marketing strategy based on promoting Baja California wines.
- Evaluate use of outside marketing consultation to strengthen wine Association. Contract full time staff in Association management.
- Assure the availability of wine price lists so all members of the Association have access to data when needed.
- Consider the formation of a soccer team among friends, family, and employees to create team spirit and cooperation. (The Wine Association would sponsor this gaining further recognition from the community and promoting Baja California wines through T-Shirts, stickers, pins, etc.)

Isabel LOPEZ

Currently studying at San Diego State University. She is a senior pursuing a Bachelor's Degree in International Business and specialising in Latin American Studies and Spanish. She will graduate in December 1993.

Janice NICHOLS

She attends San Diego State University and will be graduating in December of this year with a Bachelor's Degree in International Finance.

Simone OESTERLE

After having finished a banking apprenticeship she started studying Business Administration majoring in Marketing and Sales at the Fachhochschule Pforzheim. Last year she participated in an exchange program with the Leeds Metropolitan University, UK and plans to do another exchange in Ancona, Italy, beginning in October.

Tiziana POLIMANTI

Student of the University of Ancona, Italy. She will be graduating in Business with specialisation on Taxes and Accounting. Currently she is participating in an one year educational program with the Fachhochschule Pforzheim, Germany.

Gary REINBRECHT

Currently studying at San Diego State University for a Master's Degree in Business Administration with an emphasis in Marketing. He will be graduating in December 1993.

Markus SANDHÖFNER

After having graduated in Mechanical Engineering at the University of Karlsruhe, Germany, he began his studies in International Business Administration focussing in Export. He will continue his studies in the United Kingdom preparing for a Master's Degree.

Jersone SILVA

Recently graduated with a Master's Degree in Economics from San Diego State University. He will be starting to work in the U. S. before going back home to Brazil in July 1994.

Mtro. Giacomo COULD BEI, Instituto de Investigacion y Desarrollo Educativo, UABC, Team Coordinator

10.2 CUESTIONARIO DEL VINO

1. BEBE USTED VINO ? NO _____ SI _____

1.1 Porque no ?

por que es caro _____

por que prefiero otra bebida _____

por que no tengo costumbre _____

1.2. Cuando ? A menudo _____ De vez encuando _____

1.2.1. En que ocasion ? Comida formal _____

Fiestas _____

Festividad _____

Discoteca _____

Vacaciones _____

Restaurante _____

Otros _____

2. CONOCE USTED EL VINO DE BAJA CALIFORNIA ?

SI _____ NO _____

2.1. Que vino prefiere usted ? (pais y marca) _____

2.2. Cual de los vinos de Baja California CONOCE/HA TOMADO ?

2.3. Prefiere el vino ? Blanco _____ Tinto _____

Rosado _____ Otro _____

3. DONDE COMPRA USTED EL VINO ?

Licoreria _____

Supermercado _____

Vinicola _____

4. QUE COLORES PIENSA USTED PUDIERA REPRESENTAR/
IDENTIFICAR AL VINO DE BAJA CALIFORNIA ?

5. QUE IMAGEN O SIMBOLO (por ejemplo planta, sol etc.) CREE QUE
PUEDE REPRESENTAR/ IDENTIFICAR A BAJA CALIFORNIA EN EL
EXTERIOR ?

SUS DATOS PERSONALES (OPCIONAL)

Hombre _____ Mujer _____

Nacionalidad _____

Edad _____

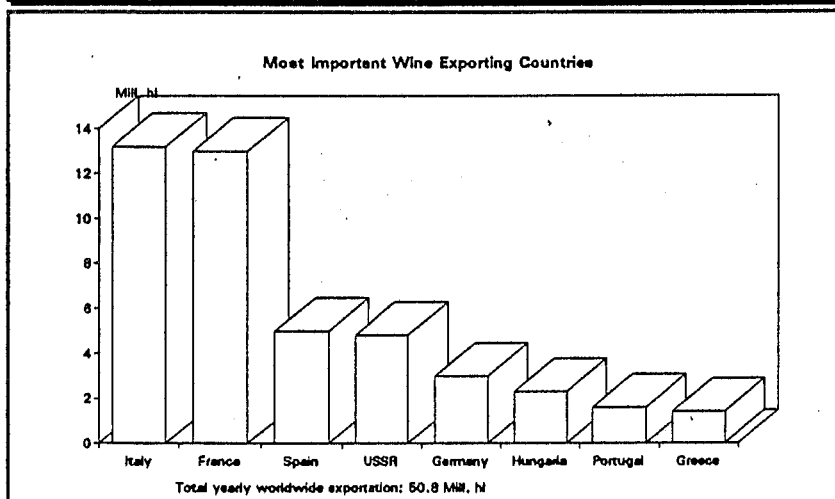
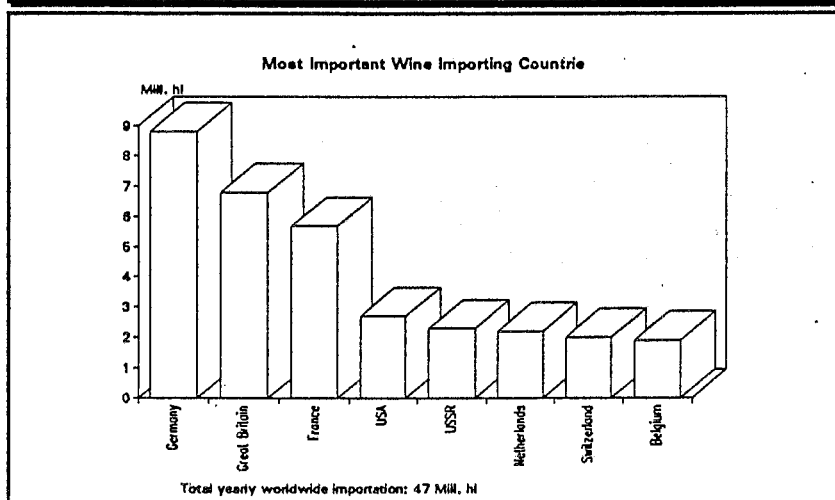
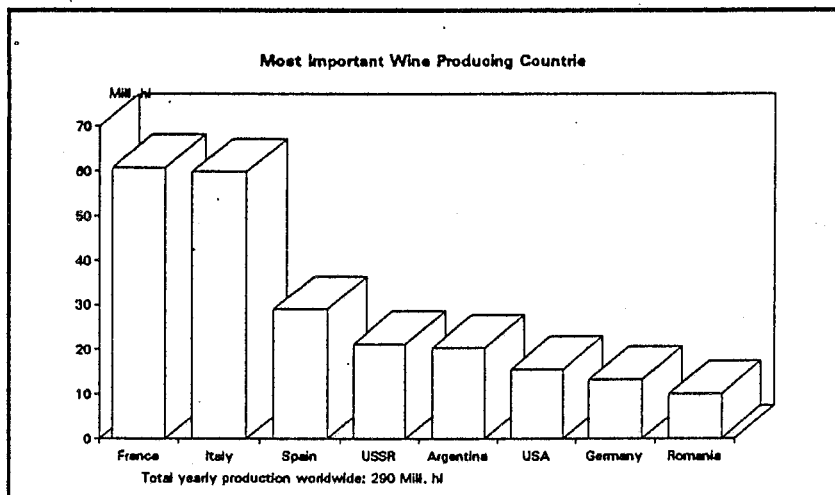
Anos de estudio _____

Ocupacion _____

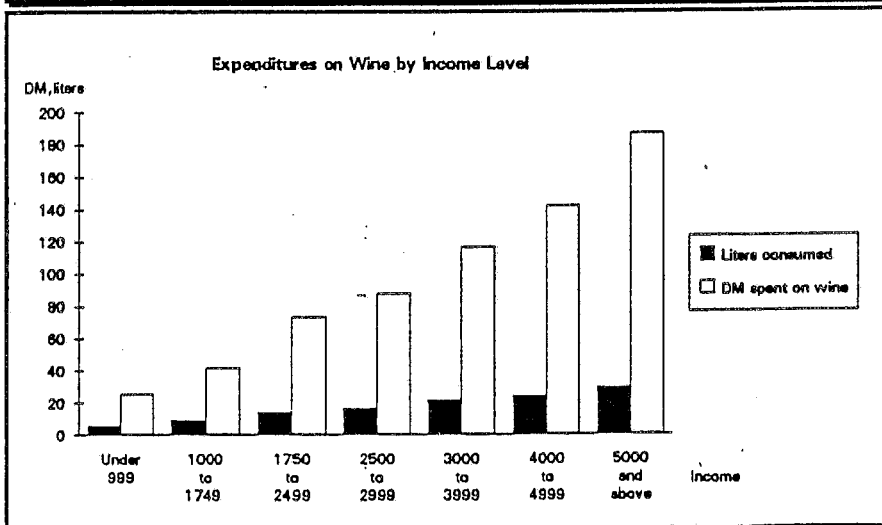
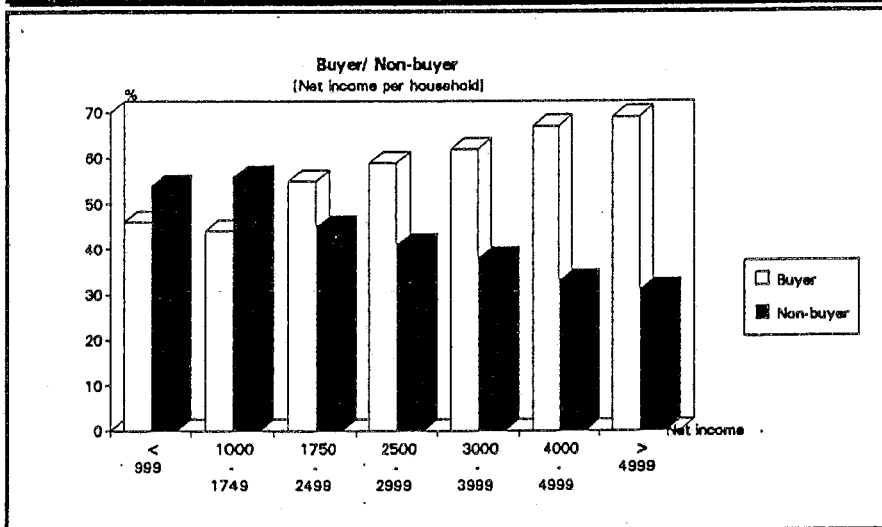
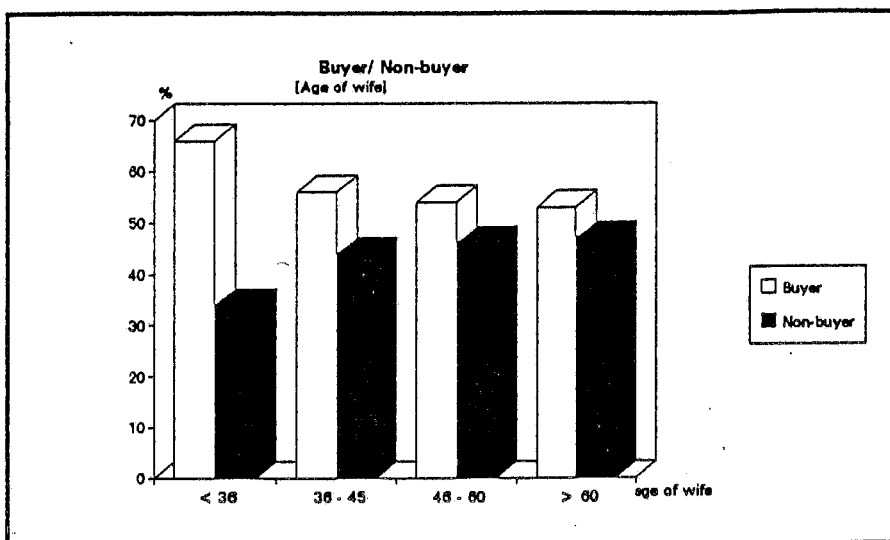
10.3 MARKET OVERVIEW

COMPARATIVE COST

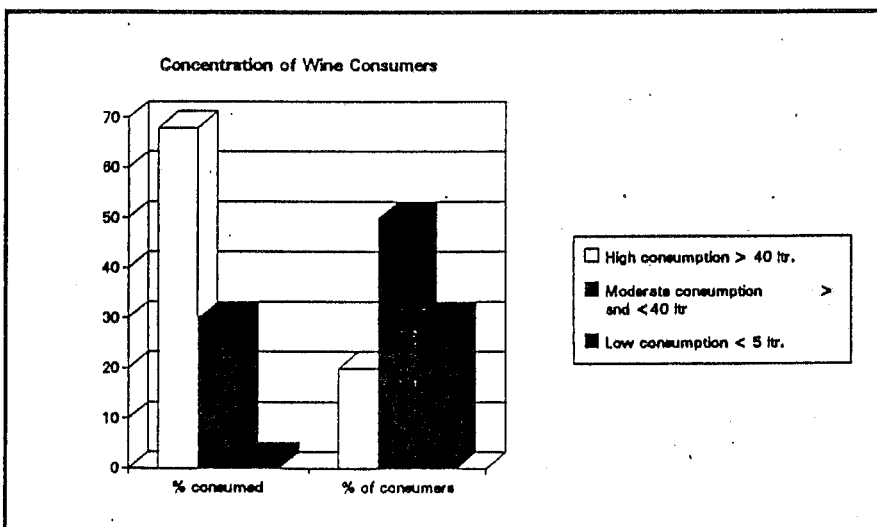
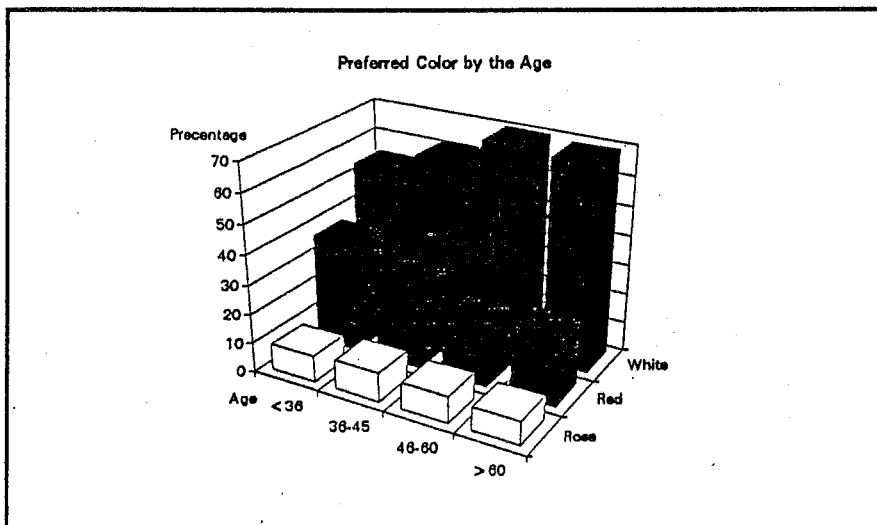
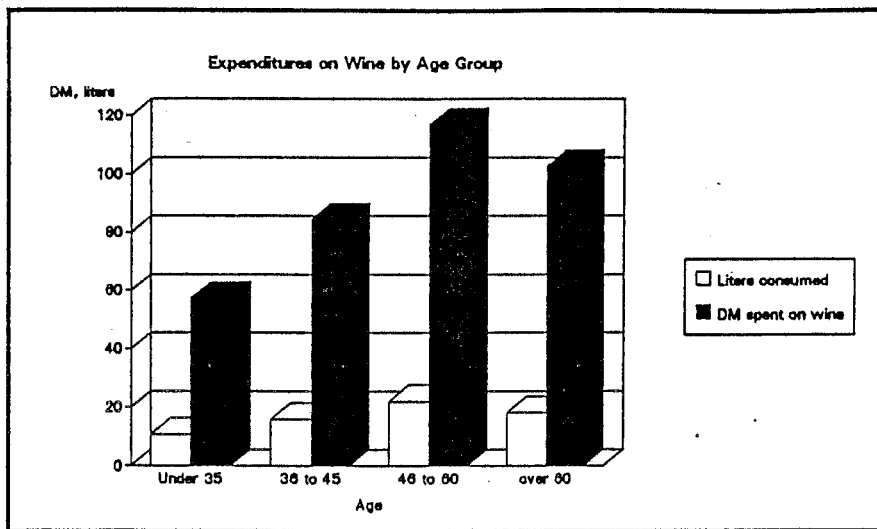
WORLD MARKET:

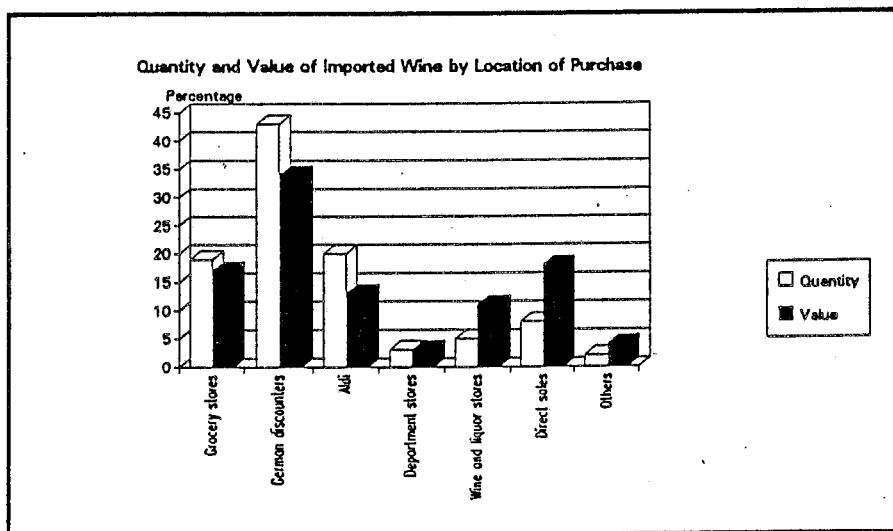
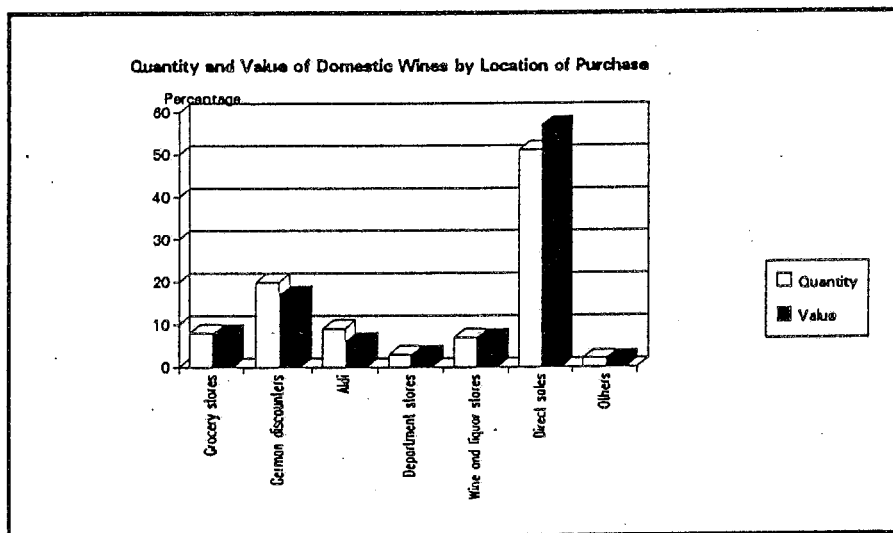
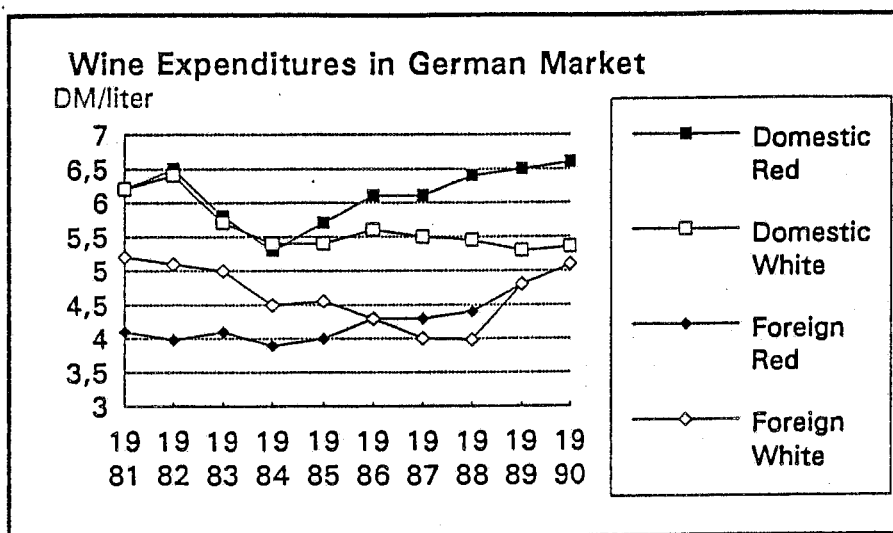


GERMAN MARKET:

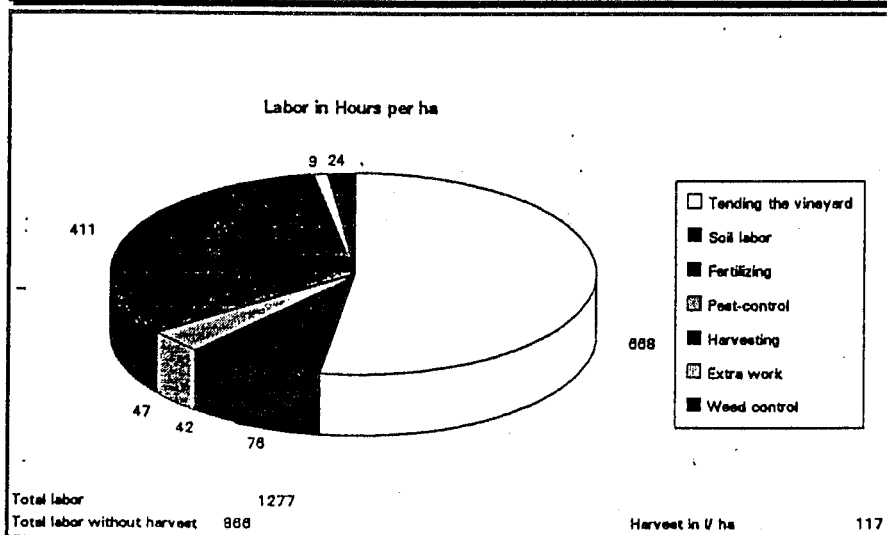
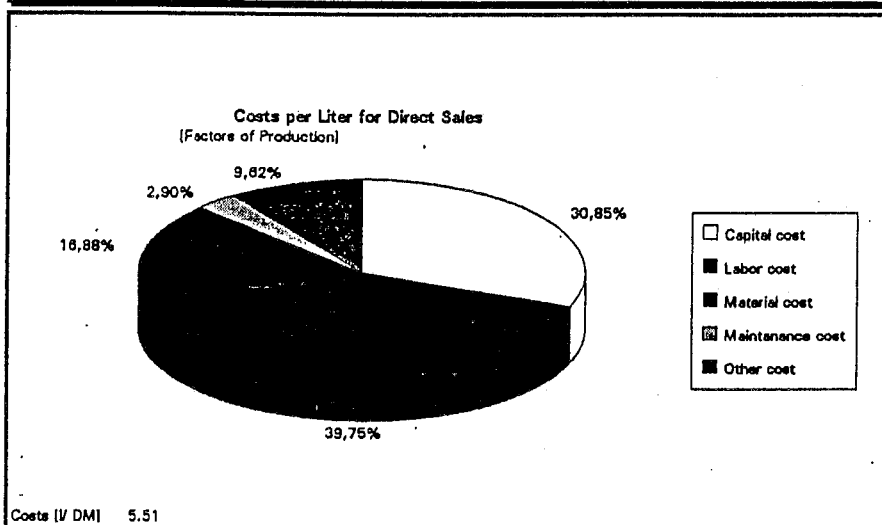
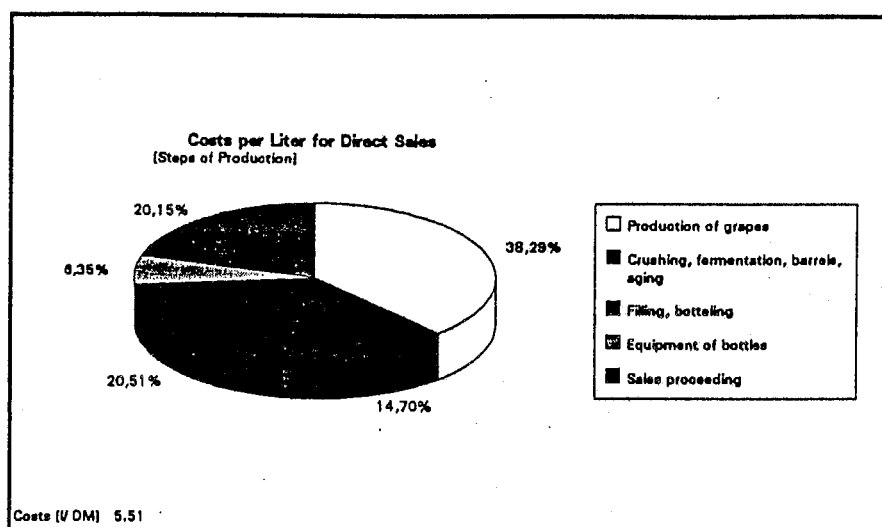


10 Appendices

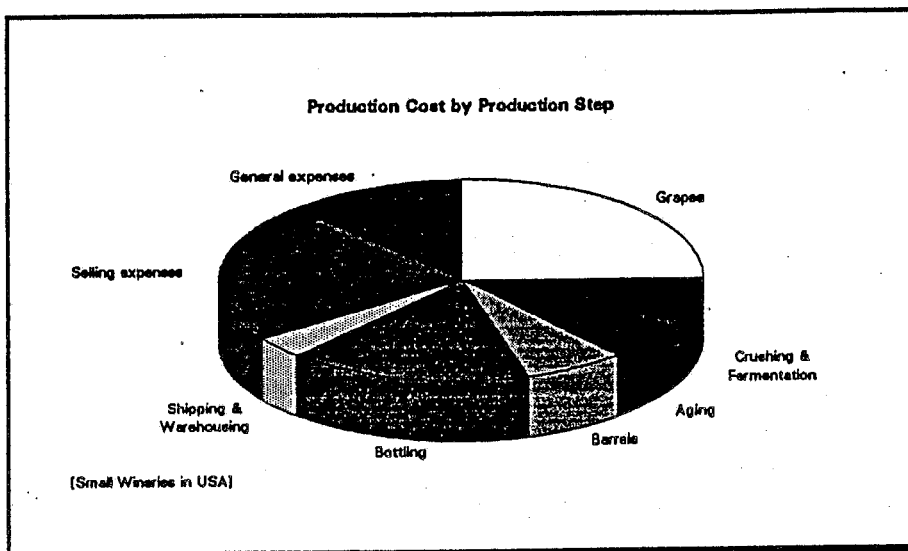




PRODUCTION COST IN GERMANY:



PRODUCTION COST IN USA:



10.4 SUGGESTIONS FOR PHOTOGRAPHS TO BE PUBLISHED WITH THE ARTICLE:

1. Map of Baja California showing main points such as San Diego, US-mexican border, Tijuana, Ensenada, the important valleys (Guadalupe Valley, etc.) plus Mexico City and the Rio Grande
2. Group of young people (age 25 - 45 years) in a vineyard
3. Production line using latest technologies, if possible showing engineer in picture
4. Winemakers in front of a poster of the Wine festival 1993. Each of them should present a bottle of premium red and white wine with labels readable.
5. A couple enjoying dinner and wine in a romantic scenery with sunset, beach and nice hotel
6. Map showing location of the wineries
(added to sidebox giving address, telephone-numbers and visitors' information)

10.5 GERMAN ARTIKEL

Entdecken und genießen Sie die erstklassigen Weine aus Baja California, Mexiko!

Ungefähr eine Autostunde südlich der mexikanisch-amerikanischen Grenze bei San Diego, entlang der atemberaubend schönen Pazifikküste, liegt der mexikanische Bundesstaat Baja California (Niederkalifornien) mit seiner Hauptstadt Ensenada. Die Hafenstadt ist eingebettet in grüne Bergrücken, die zum Meer hin sanft abfallen. Hinter diesen Hügeln verbergen sich fruchtbare, zum Teil bewässerte Täler mit mediterranem Klima und idealen Bedingungen, um jedes Jahr das beste der mexikanischen Getränke anzubauen, den Wein von Baja California.

Die für den Weinanbau wichtigsten fünf Täler (Valle) sind: Valle Guadalupe mit seinem Seitental Valle San Antonio de las Minas und Valle Calafia im Norden, Valle Santo Tomás im Süden von Ensenada, Valle Santa Isabel und Valle San Vincente.

Wer seinen Blick über diese Täler schweifen läßt, sieht, daß die Natur in diesem Teil Mexikos hervorragende Voraussetzungen geschaffen hat, um Wein anzubauen. Eine kühle, aber weiche Ozeanbrise, fruchtbare Böden und das ganze Jahr über Sonnenschein vom späten Vormittag bis zum frühen Abend. Zusammen mit den kühlen Wintermonaten entsteht hier ein Mikroklima, in dem die hochwertigen Trauben Chardonnay, Chenin Blanc, Sauvignon Blanc für Weißweine, Zinfandel und Grenache für den Rosé und für die Rotweine Cabernet Sauvignon, Colombard und Merlot in immer gleichbleibender Qualität angebaut werden können.

Die Reben, die von führenden Weingütern Europas stammen, haben hier ihr Aroma entwickelt, das für die Weine dieser Region typisch ist. Sie duften nach tropischen Früchten und zeichnen sich aus durch ihr volles Buquet und den ausgereiften Geschmack mit eleganter Säure. Diese Charakteristika werden erreicht durch Umsetzung der profunden Kenntnisse der hiesigen Kellermeister, die häufig ihr Wissen in Europa erworben haben. Mit neuester Technik werden auch bewässerte mit unbewässerten Trauben gemischt, um damit die unkonventionellen, anregenden und immer harmonischen Weine zu kreieren. Der ganze Prozeß - vom Pressen der Trauben über die Gärung bis zur Abfüllung in Flaschen - vollzieht sich auf natürlichem Wege, selbst ohne Zusatz von Zucker oder Alkohol. Es werden auch keine chemischen Zusatzstoffe beigemischt, was in Mexiko ohnehin gesetzlich untersagt ist.

Der Weinanbau in Mexiko hat eine lange Tradition. Bereits im 16. Jahrhundert brachte Hernando Cortéz die ersten Trauben in die spanische Kolonie und gründete 1593 die erste Weinkellerei. Nach der Prohibition folgten im 18. Jahrhundert jesuitische Mönche, die erneut mit dem Weinanbau begannen, diesmal in Baja California. Weitere Trauben aus Spanien, Frankreich und Italien folgten. Sie wurden hier weiterentwickelt und bringen heute exzellente Chardonnays, Sauvignon Blancs, Cabernet Sauvignons, Merlots oder Barberas - um nur einige zu nennen - hervor.

So verwundert es nicht, daß die Weine aus Baja California bereits zahlreiche internationale Auszeichnungen erhalten haben. Der Cabernet Sauvignon, Jahrgang 1989, von Monte Xanic erhielt 1992 auf der Los Angeles County Fair, bei der 100 Weine vorgestellt wurden, die Goldmedaille und die interessante Kombination Cabernet Sauvignon-Merlot, ebenfalls Jahrgang 1989 aus der gleichen Kellerei, wurde gleich mit zwei Silbermedaillen bedacht. Auch der Cabernet Sauvignon von Santo Tomás wurde prämiert. Er erhielt die Bronzemedaille. Auf der "Gault Millau", der 4. Weinolympiade wurde der Cabernet Sauvignon 1984 von Pedro Domecq in den Kreis der 15 weltbesten Weine aufgenommen.

Warum sind diese hervorragenden Weine jedoch nur einem kleinen, wenn auch internationalen Kreis von Weinliebhabern bekannt? Die Hauptkunden sind Restaurants der gehobenen Preisklasse und spezialisierte Weinhandlungen. Der Wein aus Baja California ist deshalb im Handel nicht immer leicht erhältlich. Wenig bekannt ist auch, daß die Weinproduzenten in Baja California die Lieferung frei Haus anbieten, da wegen der Entfernung zum europäischen Kontinent die schönste Art Wein zu kaufen, nämlich bei einem Besuch der Kellereien, nicht immer leicht zu realisieren ist. Wegen der Nähe zum amerikanischen Bundesstaat Kalifornien lohnt sich von dort aber immer ein Abstecher nach Ensenada, wo der Besucher nicht nur den Wein, sondern auch die Atmosphäre auf den Weingütern genießen kann.

Jedes Jahr im August wird in Ensenada mit der "Fiestas de la Vendimia" der Beginn der Traubenlese gefeiert. Das Fest dauert 10 Tage und bietet zahlreiche Veranstaltungen, zu denen die Winzer auf ihre Weingüter einladen. Die Palette reicht von Weinproben bei Santo Tomás über einen Kochwettbewerb bei Valmar, einer Carne Asada (einem mexikanischen Picknick) bei San Antonio bis zu einem klassischen Konzert in Monte Xanic. Karten gibt es in der Regel ab Ende Juli beim Veranstalter.

Veranstalter ist die "Cofraído del Vino de Baja California", der Verband, in dem sich alle Winzer der Region vor drei Jahren zusammengeschlossen haben. Obwohl sich die Mitglieder in Größe und Management stark unterscheiden, haben sie doch mehrere gemeinsame Ziele. Eine einheitliche Identität soll geschaffen und Mexikos Weinkultur gefördert werden. Vorrangig ist jedoch, die Weine einem größeren Kundenkreis in Europa und den Vereinigten Staaten vorzustellen. Tomás Fernandez, Präsident des Winzerverbandes ist überzeugt: "Unsere Weine sind bereit für den Weltmarkt".

Die Mitglieder des Winzerverbandes "Cofraído del Vino de Baja California"

In Baja California gibt es sechs Weinkellereien. zwei Familienbetriebe, Bodegas San Antonio und Cavas Valmar, zwei mittelständische Betriebe, Monte Xanic und Bodegas de Santo Tomás sowie zwei Großunternehmen, L.A. Cetto und Casa Pedro Domecq. Alle Weinkellereien bieten Führungen und Weinproben an.

Bodegas San Antonio

Der Weinliebhaber Borquez kaufte vor 15 Jahren ein Anwesen bei Ensenada, machte daraus ein Weingut und benannte es nach dem Namen des Tales, in dem sich das Gut befindet: San Antonio de las Minas. Die Kellerei liegt auf der Spitze eines Bergrückens, malerisch umgeben von den dazugehörigen Weinfeldern. Ihre Weißweine (Cabernet Sauvignon, Chenin blanc) zeichnen sich aus durch angenehme Säure und ein tropisch-fruchtiges Buquet. Die Rotweine (Cabernet Sauvignon, Merlot) sind angenehm trocken und vollmundig. Empfehlenswert ist auch der Rosé (White Zinfandel und Grenache).

Cavas Valmar

Die Weinkellerei in Ensenada wurde von den Familien Valentín and Martain gegründet, die ihre jeweiligen Nachnamen zum Firmennamen kombinierten. "1983 begannen wir den Weinverkauf mit 300 Kisten à 12 Flaschen. Heute werden 12.000 Kisten pro Jahr verkauft und die Nachfrage wächst ständig", berichtet uns Fernando Martain, der heutige Besitzer. Damit seine Weine ihren typischen Geschmack erhalten, läßt er sie in Eichenholzfässern aus Frankreich und den USA reifen.

Bodegas Santo Tomás

Das älteste Weingut in Baja California wurde 1888 in Ensenada gegründet. Seine Weinberge liegen nicht weit entfernt in den Tälern Valle Santo Tomás und Valle San Vicente und produzieren jährlich circa 100.000 Kisten. In den Kellern am Stadtrand von Ensenada, die auch besichtigt werden können, lagern 6,8 Mio. Liter der bekannten Weine Blanc de Blancs, Chardonnay, Sauvignon Blanc, Cabernet Sauvignon und Merlot.

Monte Xanic

Diese Kellerei liegt im breitesten Teil des Valle Guadalupe. Ihr Name stammt aus der Sprache der Cora-Indianer und heißt übersetzt "die erste Blüte nach dem Regen". Dr. Hans Backhoff, Direktor und Önologe des Weinguts, benutzt jedes Jahr neue Eichenfässer aus Frankreich, um seine ausgezeichneten Rotweine (Cabernet Sauvignon und Cabernet Sauvignon-Merlot), die als die besten der Region gelten, einzukellern. Auch die Weißweine bestechen durch ihr exzellentes Aroma. Besonders der Sauvignon Blanc, der Chardonnay und der Chenin Colombard sind sehr zu empfehlen. Zur Strategie des Hauses Monte Xanic gehört es, traditionelle Methoden der Weinherstellung mit modernster Technik und neuesten Erkenntnisse zu verbinden und für die Weinherstellung zu nutzen. Die Jahresproduktion des vor 5 Jahren gegründeten Weingutes liegt zur Zeit bei 25.000 Kisten pro Jahr mit ständig steigender Tendenz.

Casa Pedro Domecq

Der spanische Konzern mit mexikanischen Teilhabern produziert 18 Mio. Liter Wein pro Jahr. Bekannt sind in Mexiko vor allem die weißen Tafelweine (Val de Pena und Chateau), die wie die roten Tafelweine überwiegend in Supermärkten verkauft werden. Für den internationalen Markt werden Spitzenweine in kleinen Mengen produziert. Das Weingut liegt im Valle Calafia, direkt gegenüber von

L. A. Cetto

Der Nachkomme einer italienischen Familie gründete diese Kellerei vor 17 Jahren. Inzwischen hat das Unternehmen zu einem modernen Weingroßbetrieb entwickelt, der auf dem mexikanischen Weinmarkt einen Anteil von 50 % hält. Die Trauben werden in vier Tälern auf einer Fläche von 1000 Hektar angebaut und 10 % des daraus gewonnenen Weines, hauptsächlich Qualitätsweine (Blanc de Zinfandel, Cabernet Sauvignon, Fumé Blanc, Nebbiolo) nach Europa, Canada und in die USA exportiert.

Ausblick

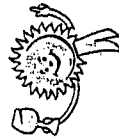
Auch wenn die hohe Qualität des Weines aus Baja California, die wegen des günstigen Mikroklimas von Jahr zu Jahr garantiert ist, bisher nur wenigen Weinliebhabern bekannt ist, so zeigt doch die Anzahl der Wiederbestellungen, daß der Wein seine Kunden überzeugt. denn er läßt sich nicht nur zu mexikanischen Gerichten gut trinken, sondern findet vor allem in der internationale Küche seine ideale Ergänzung. Es bleibt zu hoffen, daß er den europäischen Weintrinkern nicht mehr lange vorenthalten wird.

10.6 LOGOS, LABELS AND BROCHURE

LOGOS OF GERMAN WINE ASSOCIATIONS



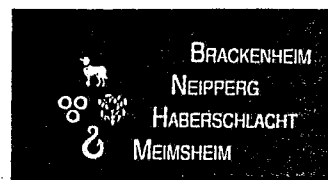
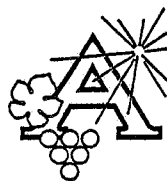
Weinland Baden



BADISCHER WEIN
von der Sonne verwöhnt



Kenner trinken
Württembergischer Genossenschaftsverband



Weingärtnergenossenschaft
EBERSTADT ^{EG}

Stromberg
Kellerei

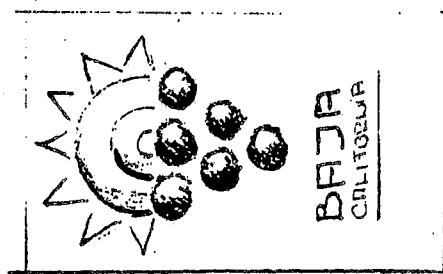
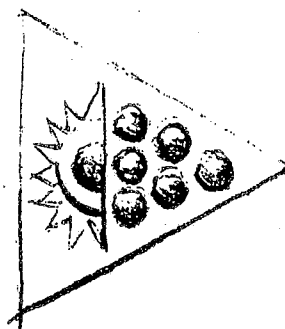
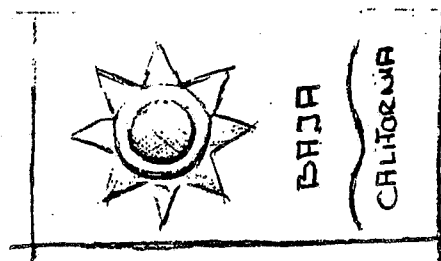


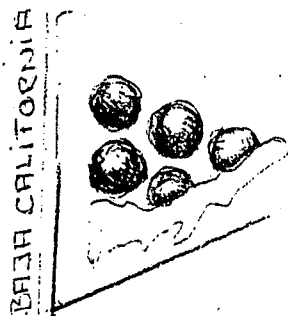
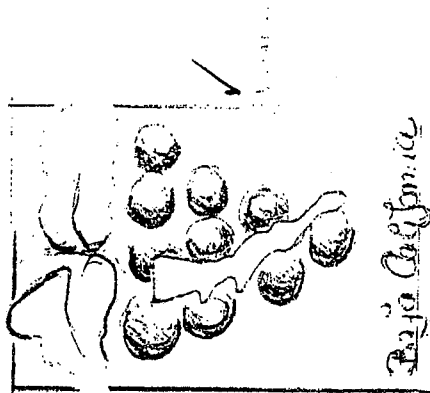
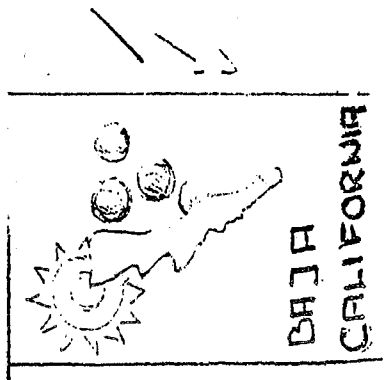
DER WÜRTTEMBERGER ROTWEIN MIT TROCKENEM PROFIL.

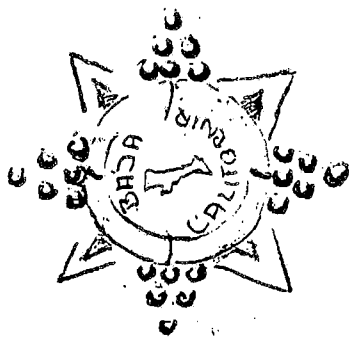
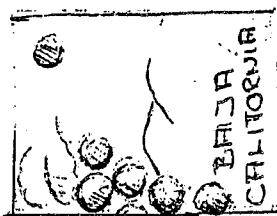
LOGOS FOUND IN BAJA CALIFORNIA

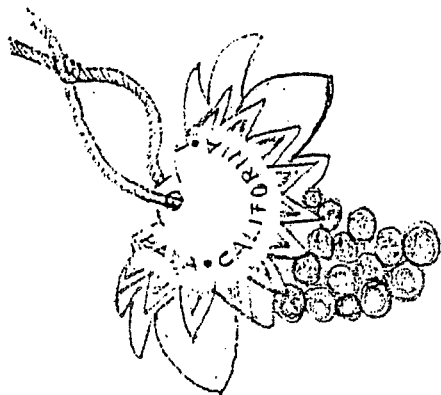


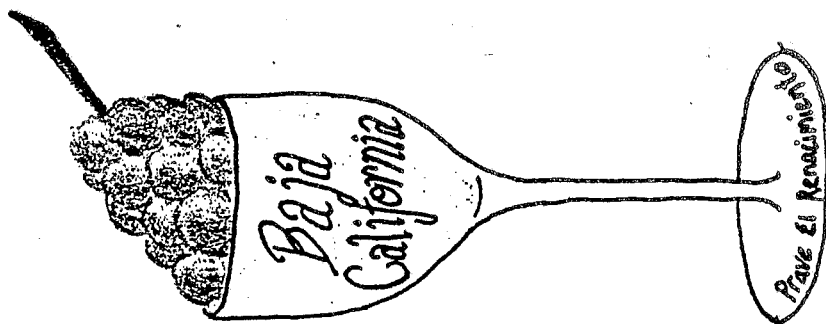
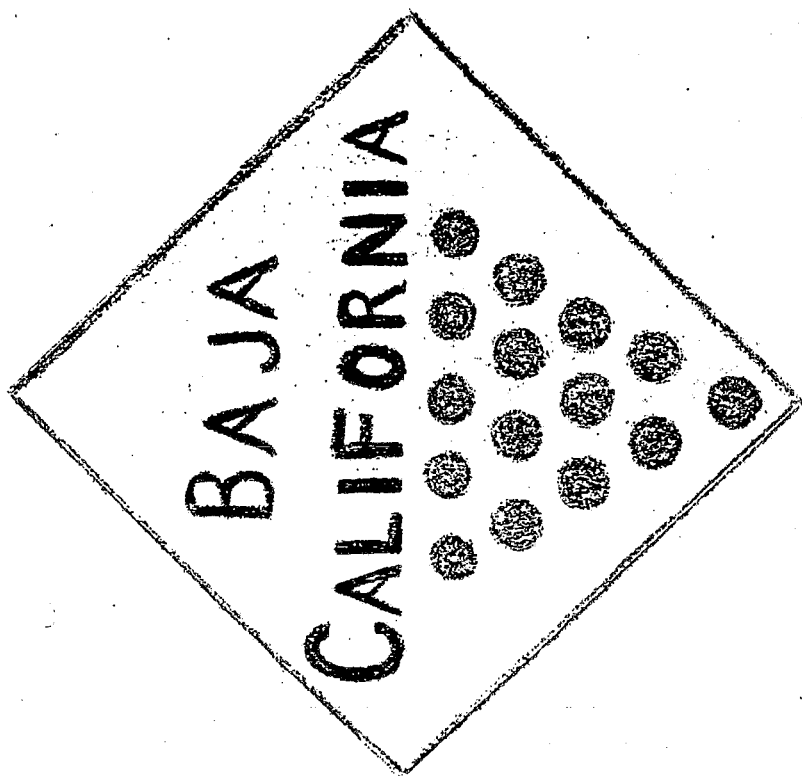
ROUGH DRAFTS



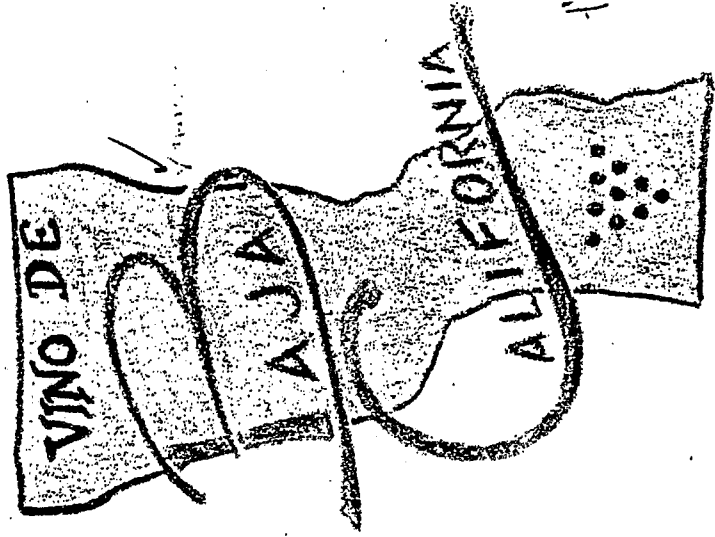
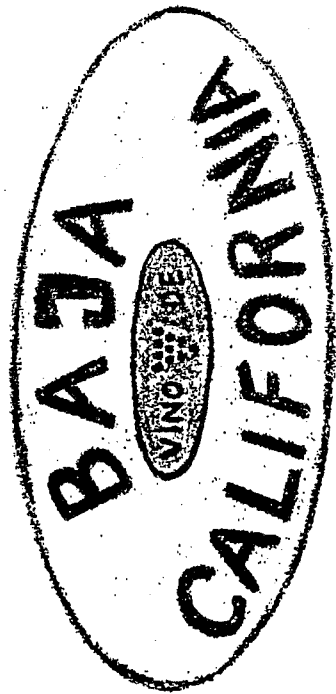




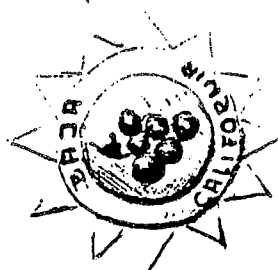
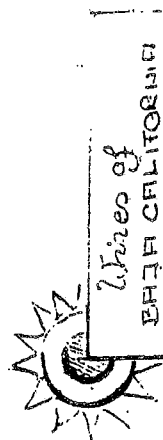
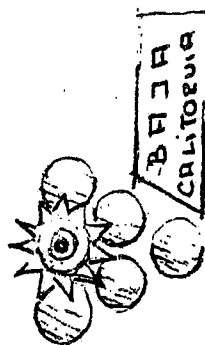


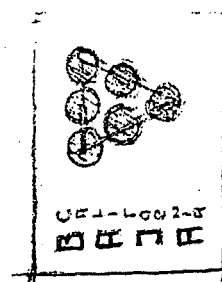
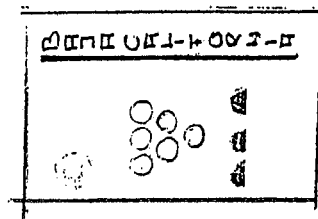


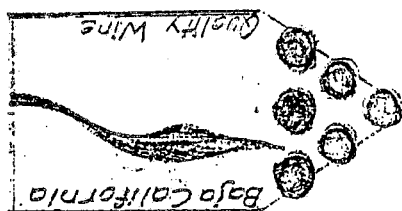
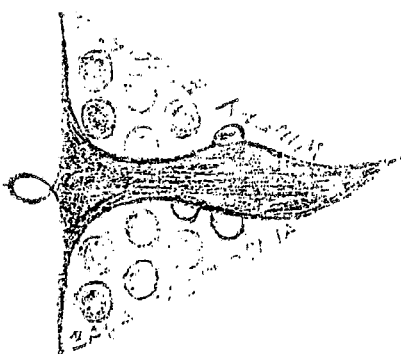
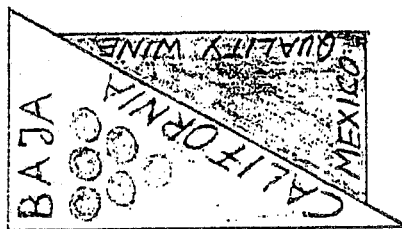
Baja
California

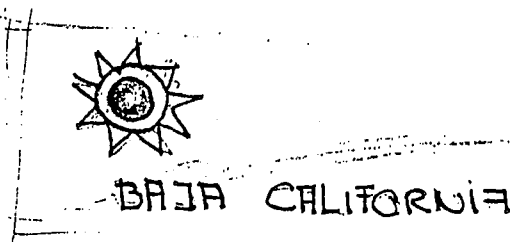
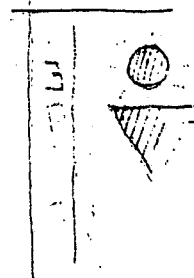
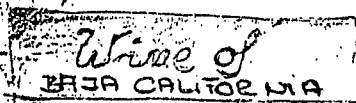
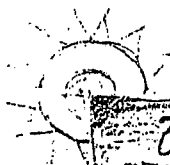
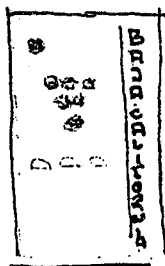
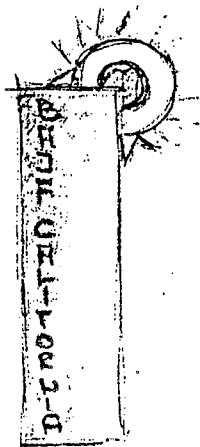
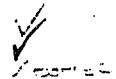
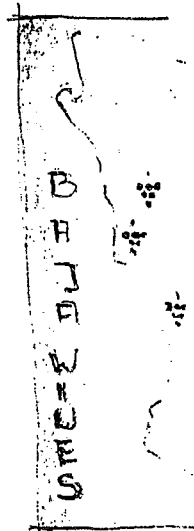
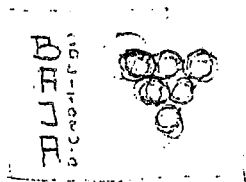
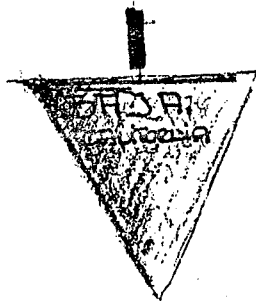


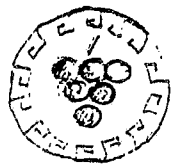
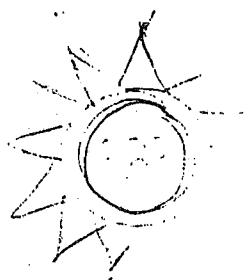
Handwritten signature





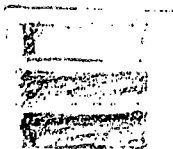
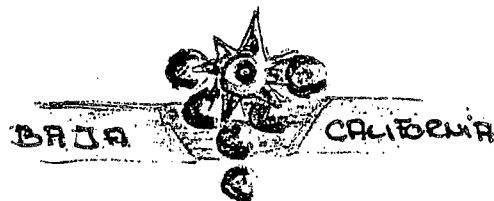




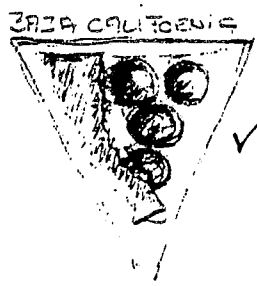
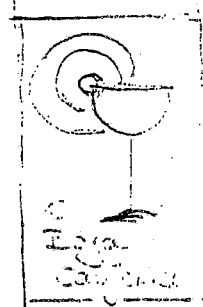
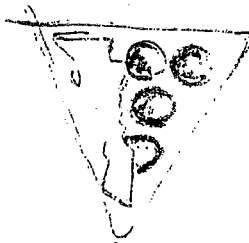


B California

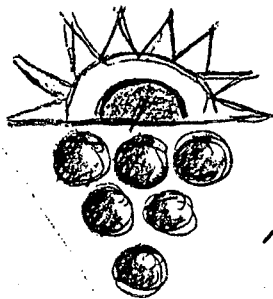
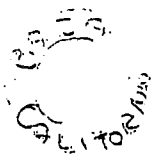
B California



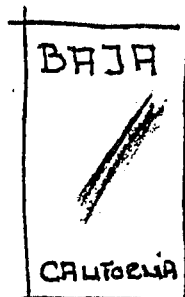
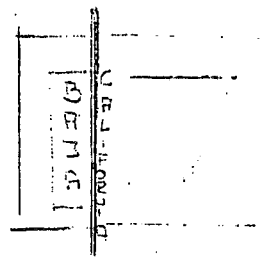
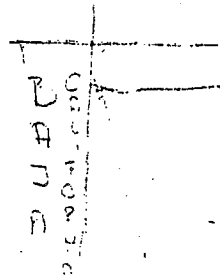
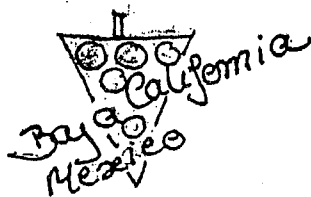
BAJA
CALIFORNIA



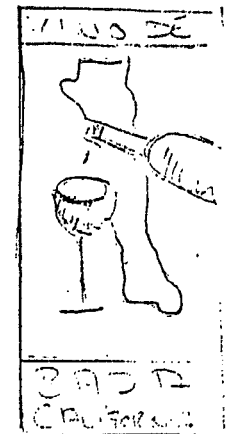
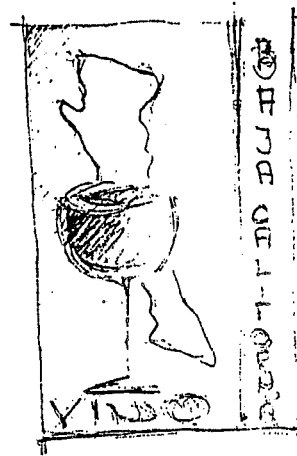
BAJA CALIFORNIA



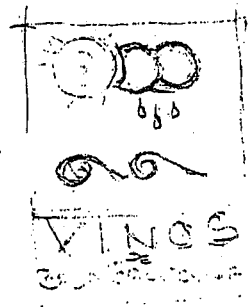
BAJA
WINES



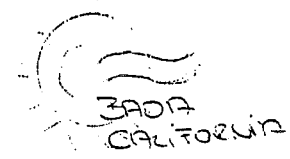
EDITED REVIEW



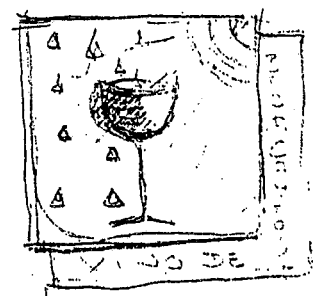
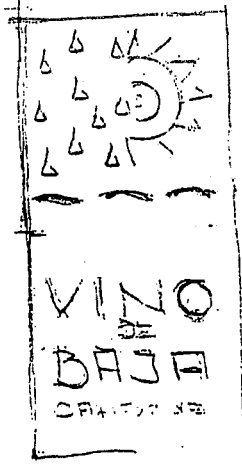
VINO
BADA
CALIFORNIA



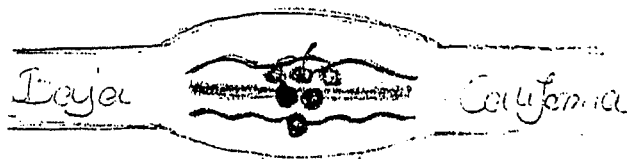
BADA

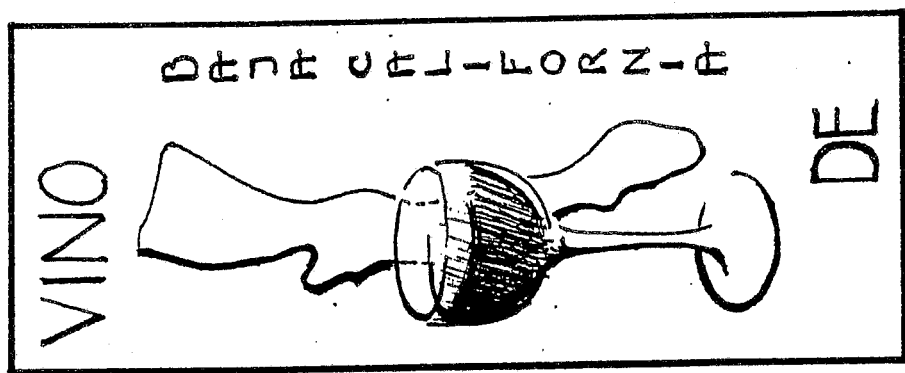
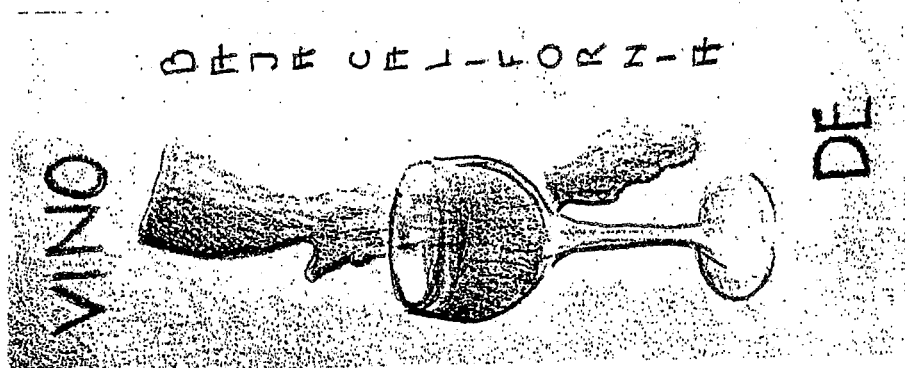


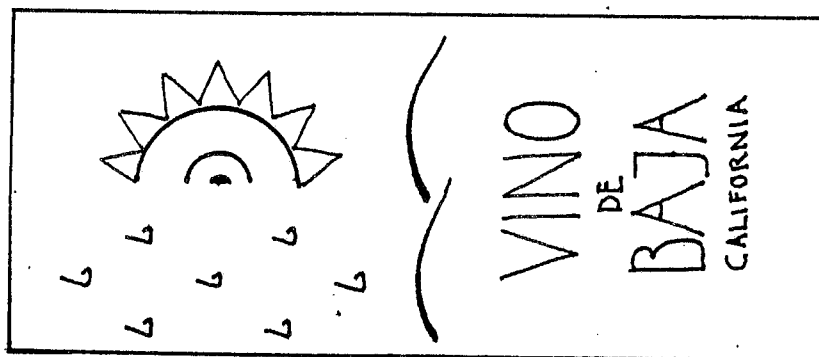
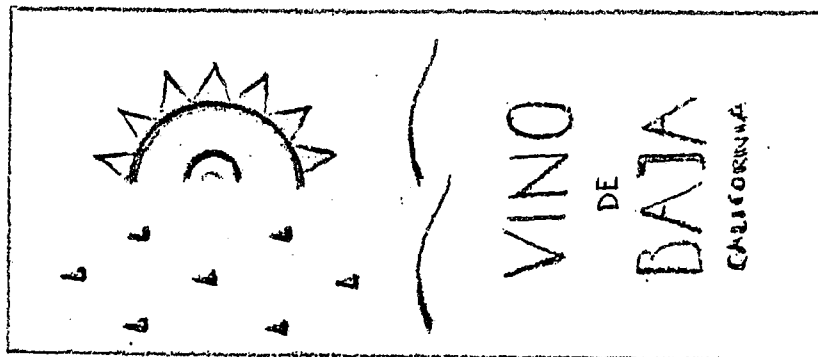
BADA CALIFORNIA



BADA CALIFORNIA



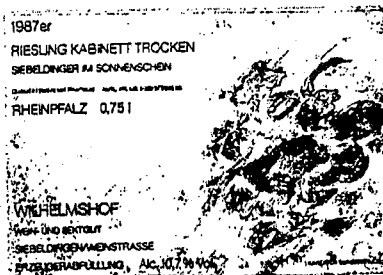
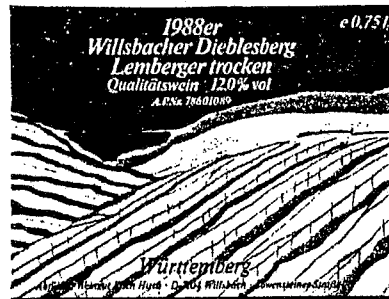
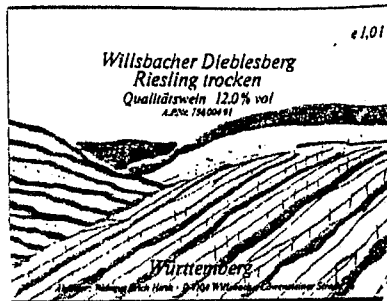






GERMAN WINE LABELS





BADEN 1991er



WEINGARTENER
KATZENBERG

*Spätburgunder
Weißherbst
Trocken*

11,5% vol

QUALITÄTSWEIN
A.P.Nr. 059/74/92

0,75 l

ERZEUGERABFÜLLUNG

WINZERGENOSSENSCHAFT WEINGARTEN EG
D-7504 WEINGARTEN BEI KARLSRUHE

BADEN 1991er



Weingartener
Katzenberg

GRAUER BURGUNDER
TROCKEN

QUALITÄTSWEIN

11,5% vol

A.P.Nr. 059/033/92

0,75 l

ERZEUGERABFÜLLUNG

WINZERGENOSSENSCHAFT WEINGARTEN EG
D-7504 WEINGARTEN BEI KARLSRUHE



WEINGARTENER KATZENBERG

1990 RIESLING

KABINETT TROCKEN

B A D E N

Qualitätswein
mit Prädikat

A.P.Nr. 059/48/91

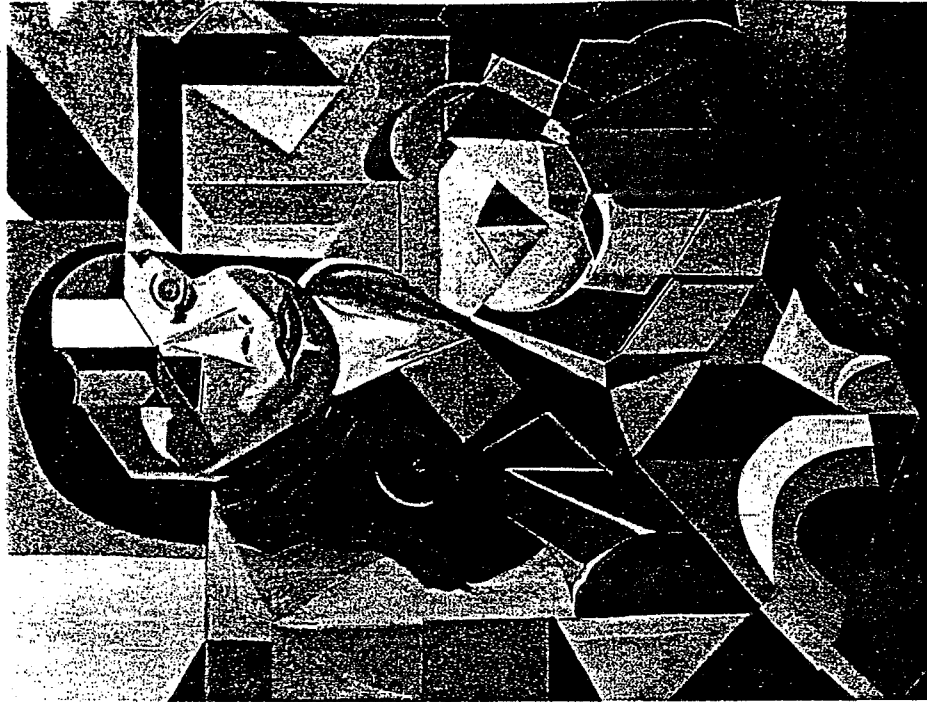
Erzeugerabfüllung

Winzergenossenschaft

Weingarten eG

D-7504 Weingarten

bei Karlsruhe



WEINGARTENER PETERSBERG

1991 SPÄTBURGUNDER ROTWEIN

QUALITÄTSWEIN

B A D E N

A.P.Nr. 059/41/92

Erzeugerabfüllung

Winzergenossenschaft

Weingarten eG

D-7504 Weingarten

bei Karlsruhe



Weingartener Katzenberg

1988
RIESLING
KABINETT
TROCKEN

Qualitätswein mit Prädikat
A.P.Nr. 059 39 89

Erzeugerabfüllung
Winzergenossenschaft Weingarten eG
D-7504 Weingarten/Baden

B A D E N

0,75l 10,5% vol



1988
GRAUER BURGUNDER
KABINETT
TROCKEN

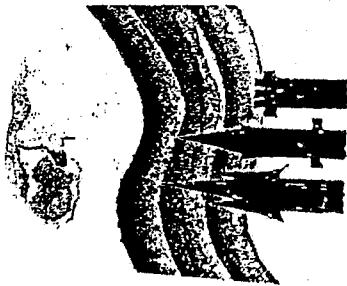
Qualitätswein mit Prädikat
A.P.Nr. 059 37 89

Erzeugerabfüllung
Winzergenossenschaft Weingarten eG
D-7504 Weingarten/Baden

*Weingartener
Katzenberg*

B A D E N

0,75l 11,5% vol



1992

WEINGARTENER
KATZENBERG

Riesling

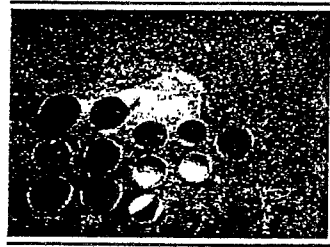
SPÄTLESE
TROCKEN



12,5% vol · 0,75 l

Qualitätswein mit Prädikat
Erzeugerabfüllung - A.P.Nr. 059/45/93
Winzergenossenschaft Weingarten eG
D-7504 Weingarten bei Karlsruhe

BADEN

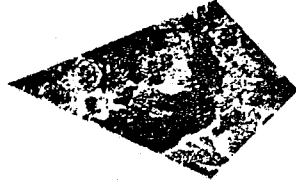


BADEN

WEINGARTENER

Spätkabinger
ROSE

1992 TROCKEN

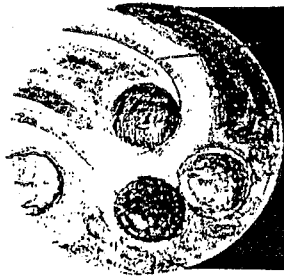


1992 BADEN
WEINGARTENER
KATZENBERG
GEWÜRZTRAMINER
KABINETT



Qualitätswein mit Prädikat - A.P.Nr. 059/57/93
Erzeugerabfüllung Winzergenossenschaft Weingarten eG
D-7504 Weingarten bei Karlsruhe

11,5% vol · 0,75 l



Karl Schmid

B A D E N
WEINGARTENER
KATZENBERG

Karl Schmid

BADEN
1992
Weingartener
Katzenberg

Qualitätswein
mit Prädikat
A.P.Nr. 059/33/93
Erzeugerabfüllung
Winzergenossenschaft
Weingarten eG
D-76353 Weingarten
bei Karlsruhe

0,375l 8,5% vol

Karl Schmid

BADEN
1992
Jöhlinger
Hasensprung

Qualitätswein
mit Prädikat
BEEREN
AUSLESE
A.P.Nr. 059/35/93
Erzeugerabfüllung
Winzergenossenschaft
Weingarten eG
D-76353 Weingarten

9,5% vol
0,375l

Karl Schmid

1990
Weingartener
Katzenberg

Qualitätswein
mit Prädikat
A.P.Nr. 059/61/91
Erzeugerabfüllung
Winzergenossenschaft
Weingarten eG
D-76353 Weingarten
bei Karlsruhe

B A D E N

Wir bedanken uns
recht herzlich für
die Aufmerksamkeiten

zu unserer

Vermählung

am 19. Juni 1993



**Anette und Harald
Welker**

Baden	1992er	0,375l
Weingartener Weißer Burgunder		
A.P.-Nr.: 059-030-93	Qualitätswein trocken	11,5 Vol. %
Erzeugerabfüllung		
Winzergenossenschaft Weingarten EG, 7504 Weingarten anlässlich der Hochzeit von Anette und Harald		



= Joachim



Hochzeit
12.6.93

Heide

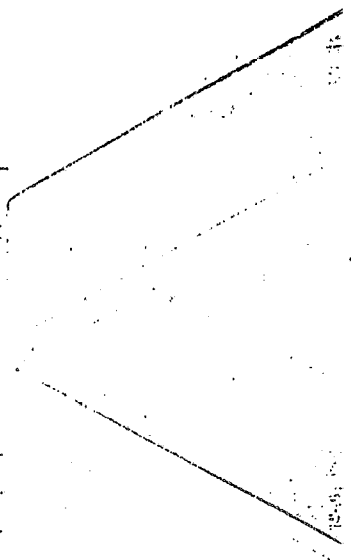
Bader 1991er.

Weingartener Grauer Burgunder

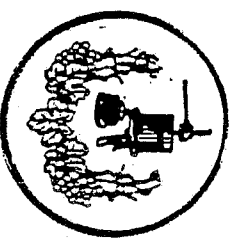
A.P.-Nr. 059-117-92 Qualitätswein trocken 11,5 Vol. %

Erzeugerabfüllung
Winzergenossenschaft Weingarten 7504 Weingarten

LABELS OF BAJA CALIFORNIA WINERIES



19



92

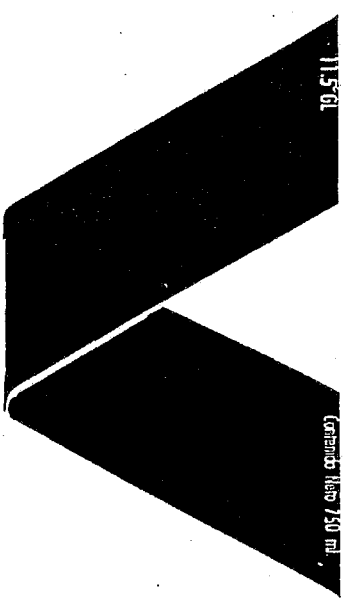
Valmar

CHEENIN BLANC

BAJA CALIFORNIA

WHITE TABLE WINE
ALC. 11.5% BY VOL.

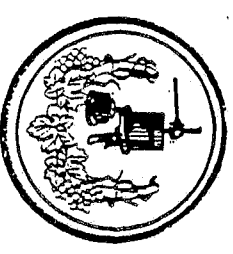
NET CONTENTS 750 ML.
PRODUCT OF MEXICO



11.5 GL.

(Contains 11.5 fl. oz.)

19



89

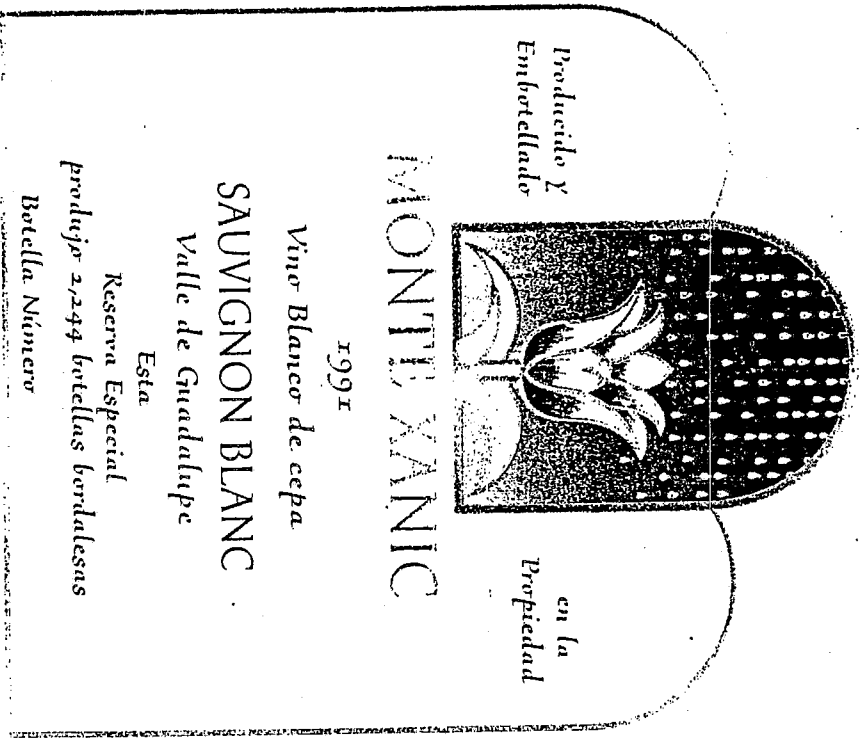
Valmar

CABERNET SAUVIGNON

BAJA CALIFORNIA

RED TABLE WINE
ALC. 11.5% BY VOL.

NET CONTENTS 750 ML.
PRODUCT OF MEXICO



13° GL.

HECHO EN MEXICO

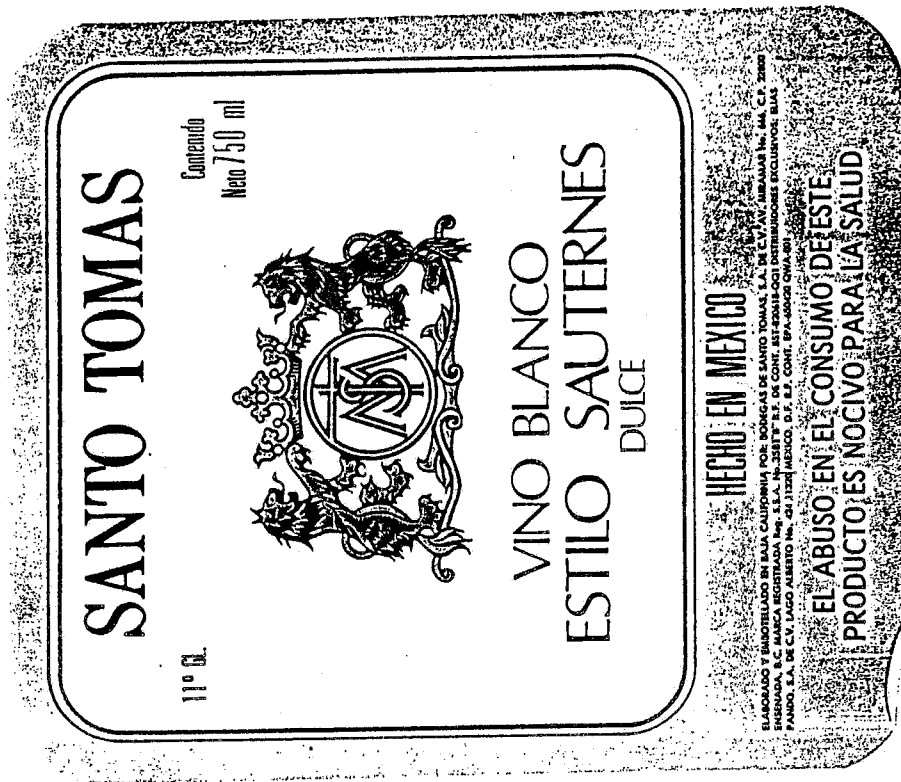
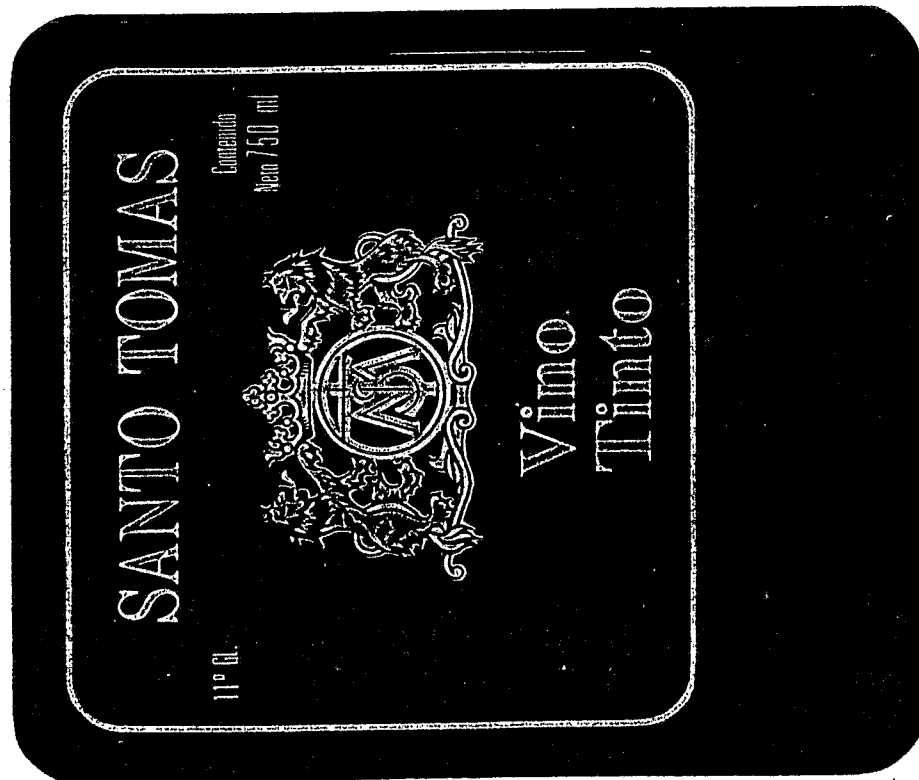
CONTENIDO
NETO 750 ml.



13° GL.

HECHO EN MEXICO

CONTENIDO
NETO 750 ml.



SANTO TOMAS

11° GL.

Contenido

Neto 750 ml

vino tinto de uva
Barbera

HECHO EN MEXICO

ELABORADO Y EMBOTELLADO EN BAJA CALIFORNIA POR BODEGAS DE SANTO TOMAS S.A. DE C.V. AV. MIRAMAR No. 666 C.P. 22800
ENSENADA, B.C. MARCA REGISTRADA Reg. S.A. No. 71108 "B" R.F. DE CONT. BST-820618-QQ1 DISTRIBUIDORES EXCLUSIVOS: ELIAS
PANDO, S.A. DE C.V. LAGO ALBERTO No. 424 11320 MEXICO, D.F. R.F. CONT. EPA-650420 QWA-Q01

17° GL.

SANTO TOMAS

Contenido Neto
750 ml.

**VINO GENEROSO SECO
TIPO JEREZ**

ELABORADO Y EMBOTELLADO EN BAJA CALIFORNIA
POR BODEGAS DE SANTO TOMAS S.A. DE C.V.
AV. MIRAMAR No. 666 ENSENADA, B.C. C.P. 22800
MARCA REGISTRADA Reg. S.S.A. No. 98128 "B"
REG. FED. DE CONT. BST- 820618-QQ1
DISTRIBUIDORES EXCLUSIVOS: ELIAS PANDO, S.A. DE C.V.
LAGO ALBERTO 424, COL. ANAHUAC, MEXICO, D.F.
11320, R.F.C. EPA-650420 QWA-Q01

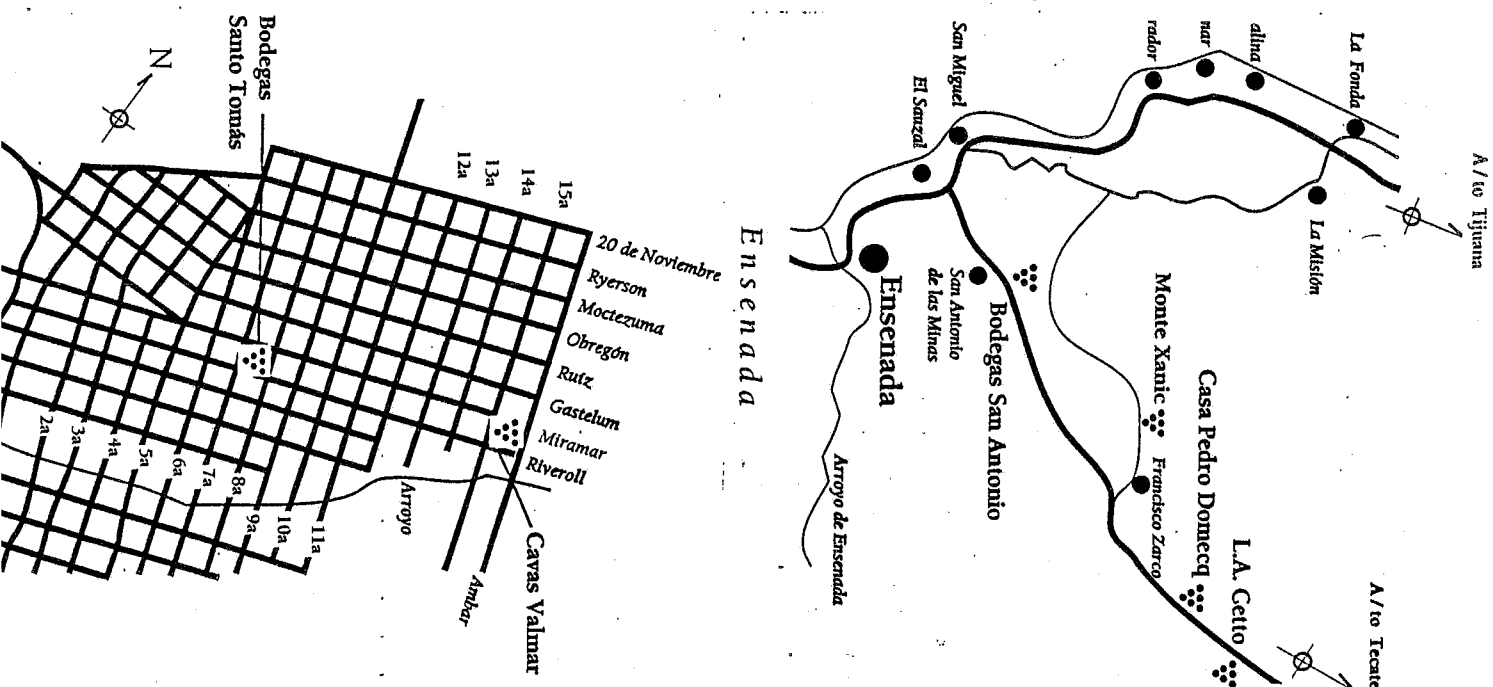
HECHO EN MEXICO

**EL ABUSO EN EL CONSUMO DE ESTE
PRODUCTO ES NOCIVO PARA LA SALUD**

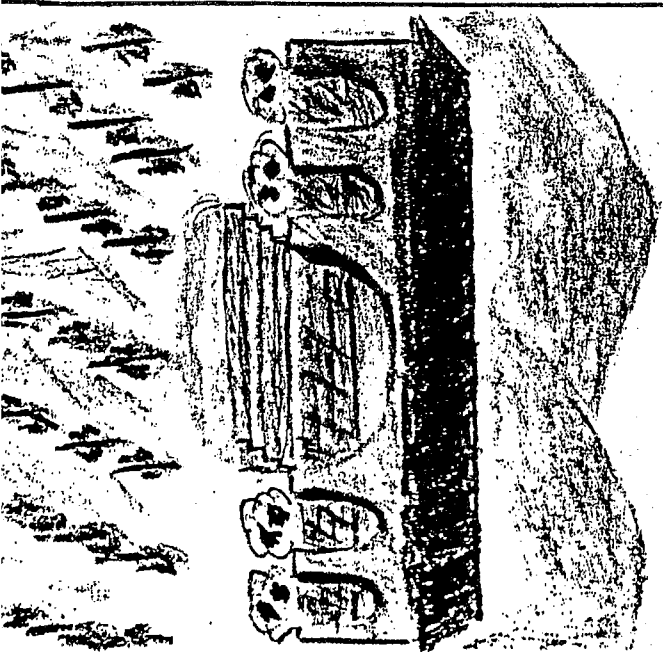
BROCHURE

- Bodegas de Santo Tomás
Ave. Mícaran 666
Ensenada Tel. 01152 (667) 833333
Tours: Daily 8am - 5pm
- Bodegas de San Antonio
Calle 2a, 364 Ensenada
Tel. 01152 (667) 83939
- Casa Pedro Domecq Winery
Vides de Guadalupe Winery
Mexico 3, Guadalupe Valley
Tel. 01152 (662) 38384
Tours: Mon-Sat 10am-6pm; Sun 10-2
- Cavas Valmar
Ambar 810, Ensenada
Tel. 01152 (667) 84405
Tours: By appointment.
- Monte Xanic
Ave. de la Marina, 10
Ensenada
Tel. 01152 (667) 40028
Tours: By appointment.
- Vinicola L.A. Cetto
Office: Ave. Cañon Johnson 208
Tijuana
Tel. 01152 (668) 54450
Guadalupe Valley Winery
Tours: Mon-Sat 10am-4pm

LOGO



VISITING THE WINE REGION - OF - Baja California



10.7 WINNING COMBINATIONS OF FOOD AND WINE

10.7.1 INTRODUCTION

1. Part of the strategy for marketing the wines of Baja California in the Mexican national market involves furthering the development of a "wine culture" in which people understand, purchase, serve and enjoy wine. Gastronomy, as the art of eating and drinking is known, is perhaps the most important element of such a culture.
2. The pairing of wine with food, and the rules for which wines go with which foods, are realities best approached with as much flexibility as possible. Nevertheless, in promoting the culture of wine and the gastronomy of which it is a part, it is desirable to encourage those just learning to purchase and enjoy wine to follow a few simple rules: Drink inexpensive, table wines with daily meals which are not extravagant, drink gentle wines with delicate foods, drink expensive wines with elegant meals, and combine robust wines with hearty foods. Experimentation with combining wine and food should begin with just a few wines at a time, perhaps a Cabernet Sauvignon and a Zinfandel with a meal that offers both pasta in a hearty meat-tomato sauce and roast beef, and a Chenin Blanc and a Chardonnay with a meal that offers a mild cheese course and fish.
3. Those who are being encouraged to drink wine with food should understand that certain foods fight wines by ruining or nullifying its flavor. Vinegar, pickles, mustard, mayonnaise, anchovies, citrus fruits and desserts laden with chocolate and sugar are best avoided when attempting to combine wine and food.

10.7 WINNING COMBINATIONS OF FOOD AND WINE

10.7.1 INTRODUCTION

1. Part of the strategy for marketing the wines of Baja California in the Mexican national market involves furthering the development of a "wine culture" in which people understand, purchase, serve and enjoy wine. Gastronomy, as the art of eating and drinking is known, is perhaps the most important element of such a culture.
2. The pairing of wine with food, and the rules for which wines go with which foods, are realities best approached with as much flexibility as possible. Nevertheless, in promoting the culture of wine and the gastronomy of which it is a part, it is desirable to encourage those just learning to purchase and enjoy wine to follow a few simple rules: Drink inexpensive, table wines with daily meals which are not extravagant, drink gentle wines with delicate foods, drink expensive wines with elegant meals, and combine robust wines with hearty foods. Experimentation with combining wine and food should begin with just a few wines at a time, perhaps a Cabernet Sauvignon and a Zinfandel with a meal that offers both pasta in a hearty meat-tomato sauce and roast beef, and a Chenin Blanc and a Chardonnay with a meal that offers a mild cheese course and fish.
3. Those who are being encouraged to drink wine with food should understand that certain foods fight wines by ruining or nullifying its flavor. Vinegar, pickles, mustard, mayonnaise, anchovies, citrus fruits and desserts laden with chocolate and sugar are best avoided when attempting to combine wine and food.

10.7.2 CONCEPT

1. It is proposed that Baja California Winery Association prepare and distribute in restaurants, liquor stores and super markets a one-page marketing tool which provides suggestions for combining food and wine on one side, and basic information about the wine of Baja California on the other. the document could also be distributed at special events such as wine festivals, trade fairs, meetings of professional and social organizations, and at places where beverage consumption is common, i.e., bars, discos, etc. A version could be published in newspapers and magazines.
2. The document could contain a brief introductory statement¹ tips on starting a basic wine cellar of Baja California wines², information on bying, storing and serving wine, and the matrix³ which contains suggestions for combining food and wine as well as other instructive, helpful information. Both Spanish and English versions can be prepared initially, and later, a simplified edition, focused mainly on the wine of Baja California and omitting information already known in countries having a wine culture, could be published in a single document in French, Italian, and German.

¹"The wineries of Baja California, Mexico, produce a wide variety of excellent wines comparable to the best wines of the world. This information sheet is designed to provide information which will help you buy, store, serve and enjoy the wines of this region whose location, climate and modern wine-making facilities are so conducive to producing the very best of red, rose and white wines. The Wine Growers Association of Baja California welcomes the opportunity to answer any question about our wines and to help arrange any purchases you may desire. The Association has its offices at _____, and can be reached by phone at _____. Offices hours are from __ to ____ daily."

²Suggestions for a "Beginner's Wine Collection" of Baja California Wines:

- 4 bottles cabernet sauvignon
- 4 bottles zinfandel
- 4 bottles St. Emilion
- 6 bottles "vino tinto" (for everyday drinking)
- 6 bottles chardonnay
- 4 bottles chenin blanc
- 6 bottles Riesling
- 6 bottles blanc de blanc or "vino blanco" (for everyday drinking)
- 4 bottles rose/ blanc de zinfandel
- 2 bottles "rosado" (for everyday drinking)
- 4 bottles champagne
- 3 bottles sherry (dry, medium dry, cream).

³ matrix see appendix 10.7.

SERVING AND ENJOYING THE WINES OF BAJA CALIFORNIA, MEXICO

Type of wine	Grape	Taste	Serving Temp.	Glass	Foods to be served with	Tips
RED WINES						
Cabernet						
Sauvignon						
Zinfandel						
St. Emilion						
"Vino Tinto"						
Etc.						
WHITE WINES						
Chardonnay						
Chenin Blanc						
Blanc de Blanc						
"Vino Blanco"						
ROSE WINES						
Grenache						
Blanc de Zinfandel						
"Vino Rosado"						
Etc.						
SHERRY						
CHAMPAGNE						

- 2.1. The "Glass" column of the matrix has a decorative as well as a practical purpose- each glass would be appropriate to the wine and exhibit and appealing glass of wine, Champaign, or sherry. Appropriate glasses could be available for purchase at the visitor centers of the BC wineries.
- 2.2. The "Foods to be served With" column should suggest both Mexican and international dishes.
- 2.3. The "Tips" column could contain helpful, important information, such as "chill your favorite vino tinto for your next carne asada" (even though one would never want to chill elegant Cabernet Sauvignon!)
- 2.4. Some of the information sheets could be produced in plastic laminate.

10.7.3 ADDITIONAL COMMENTS:

- Waiters play a crucial role in promoting the culture of wine and CONALEP or CANIRAC could provide training courses which teach them the rudiments of wine and such things as:
 - Which wines should be served at room temperature and which chilled.
 - Exactly which wines to recommend with which menu items:
 - Effective wine sales techniques, e.g., "Our Chenin Blanc would go perfect with your fish:"
 - The correct manner for presenting, opening and serving the wine:
 - Which wines are dry, medium dry, etc.
 - How to describe each wine in few words (such descriptions should also be on the menu and wine list)
- The necessity to present the menu and wine list at the same time.

1. Merchants must also know how to recommend and sell wine, including a clerk or two in supermarkets where much wine is sold. Those who sell wine must know how to serve the customer's needs if they are specific or to offer helpful suggestions if the customer is uncertain; how much of which type of wine should be served to guests at a party; how long wine once opened and recorked (whites or roses) can be kept in the refrigerator; how to highlight wines in retail establishments (for example, a display that singles out BC wines); how to display wines to attract the attention of those who might be encouraged to learn about wines (e.g., display wines that are interesting to compare, along with wineglasses and a tasting sheet); how to promote wine through seasonal displays (e.g., champagne for New Year's and chilled, light table wines for summer).
2. It is helpful to offer the community a series of wine tastings, some in connection with both regional and international menu items. Each tasting should have a specific objective and target market, participants should be asked for their names and addresses for future marketing initiatives, and it should be convenient to purchase the wines offered at the tasting, although there should be no pressure to do so.
3. To promote the culture of wine, potential purchasers must be enticed and encouraged to experiment with different wines, but without risking too great a sum. As the Baja California wine industry expands, it would be useful to consider offering half-bottles featuring the wines considered most apt to be preferred by customers who might then purchase large bottles.

10.8 Invitation to Presentation of Final Report of the Wine Marketing Team to the Wine Makers' Association

La Universidad Autónoma de Baja California (UABC) a través de su Departamento de Vinculación, y el Equipo de Mercadotecnia de Vinos del programa de intercambio académico internacional "Euro-Link," invitan al acto donde se entregará el informe final de la investigación de mercadotecnia internacional a cerca de la comercialización de los vinos de Baja California en los mercados nacionales e internacionales que se ha realizado en conjunto con la Sección de Vinicultores de CANACINTRA Ensenada.

El evento se llevará a cabo el día jueves, 12 de Agosto de 1993, a las 12:00 horas en la Sala de Conferencias (cuarto nivel) del Centro de Cómputo Universitario de la Unidad Ensenada de la UABC.

11 BIBLIOGRAPHY

1. Adams, Leon D. *The Wines of America*. New York: MacGraw-Hill Book Company, 1985.
2. Alvares, Carlos Eduardo Mendez. *Metodologia: Guia para Elaborar Disenos de Investigacion en Ciencias Economicas, Contables Administrativas*. Bogota: McGraw-Hill LatinoAmericana, S.A., 1988.
3. Blij, Harm Jan de. *Wine Regions of the Southern Hemisphere*. Totowa, NJ: Rowman and Allanheld Publishers, 1985.
4. Camillus, John C. *Strategic Planning and Management Control*. Lexington: Lexington Books, 1986.
5. Ensrud, Barbara. *Wine with Food: A Guide to Entertaining through the Seasons*. New York: Congdon & Weed, Inc., 1984.
6. Evans, Joel R. and Berman, Barry. *Marketing*. New York: MacMillan Publishing Company, 1990.
7. Ganster, Paul and Valenciano, Eugenio O. *The Mexican-U.S. Border Region and the Free Trade Agreement*. San Diego: Institute for the Regional Studies of the Californias, 1992.
8. Grossman, Harold J. *Grossman's Guide to Wines, Beers and Spirits*, rev. ed. New York: Charles Scribner's Sons, 1977.
9. Hoffman, D. and Budenbender, P. M. *Segmentierung des Verbrauchemarktes fuer Wein in der Bundesrepublik Deutschland*. Geisenheim: Forschungsanstalt Geisenheim, 1985.
10. Hornickel, Michael and Lind, Bettina. *Marketing Jahrbuch Wein*. Neustadt an der Weinstrasse: Meininger Publikationen, 1991/1992.
11. Paine, Frank T. and Anderson, Carl R. *Strategic Management*. New York: College Publishing, 1983.
12. Schoell, William F. *Marketing: Contemporary Concepts and Practices*. Boston: Allyn and Bacon, Inc., 1985.

-
13. Thompson, Arthur A. and Strickland, A.J. *Strategic Management: Concepts and Cases*. Boston: Richard D. Irwin, 1990.
- ___ "Baja is turning into Wine Country". The San Diego Union Tribune, by Robert Whitley, July 6, 1993.
- ___ "Bitter taste of Free Trade" Los Angeles Times, by Juanita Darling, February , 22, 1993.
- ___ California Legislature Senate Committee on California's Industry. Public Hearing. Wine and the Consumer: Health and Social Issues, December, 1989.
- ___ California Legislature Senate Select Committee on California's Wine Industry. Public Hearing on California Wine Marketing Strategies, 1987.
- ___ Assembly Select Committee on California's Wine Production and Economy. Issues Facing California's wine Industry, 1988.
- ___ California Legislature Senate Select Committee on California's Distribution and Marketing Issues Concerning Small Wineries. Interim Hearing, 1989.
- ___ "The West's other Country". Sunset by Mathew Jeff. August 1993.
- ___ "Toros y Vinos". Vinum, April, 1993.
- ___ "Tracking Baja's Wine Pioneers". The Los Angeles Times, by Barbara Hansen, March 4, 1993.
-