

Sustainability certification: Why do vineyards participate?

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Issue

Viticulture is economically and culturally important to California but can have significant environmental impacts, including biodiversity loss, soil degradation, and dramatic streamflow reduction. Sustainability certifications have gained traction as a market mechanism to inform consumer choice and promote sustainable production, but little is known about why some winegrape growing operations adopt sustainability certifications while others do not. By identifying the factors that affect certification, programs can be effectively targeted to improve environmental performance without imposing unpopular regulations.

Policy Implications

Sustainability certifications are widespread among vineyards (Figure 1) and represent a viable way to improve environmental impacts of farming without imposing additional regulations on farmers. While certification is currently much more common among large vineyards (Figure 2), as the effects of outreach efforts ripple through grower social networks and reach more small growers, adoption of certifications among small vineyards will increase.

Growers who value information from trade associations are more than twice as likely to be certified as those who do not (Figure 3), so efforts directed through agricultural associations will likely be fruitful. Similarly, certified

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growers find agricultural advisors to be a particularly useful source of information, so they would likely be effective disseminators of certification information. Viticulturalists who get information primarily from publications are not particularly likely to be certified, so printed material may not be the most effective use of resources.

The vast majority of certified growers don't receive a price premium for their certification (Figure 4). They anticipate growth in the sustainability-certified wine market and are establishing leadership in the market, positioning themselves to reap future returns. As more wineries offer price premiums for certified wine, adoption of certification will spread. At the same time, growers who are not primarily economically motivated may find outreach efforts that focus on community and natural-world benefits especially useful.

Research Findings

We surveyed winegrape growers in Napa, Lodi and the Central Coast about their practices and conceptions of viticulture. Depending on the region, between a quarter and a third of vineyards have some sustainability certification (Figure 1) The regional certifications that are promoted by local grower associations are the most

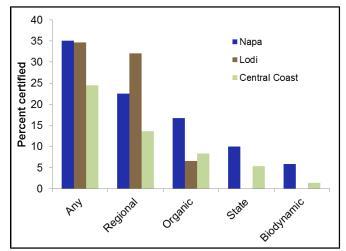


Figure 1. Percent of vineyards with certifications by region.



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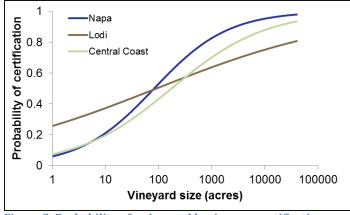


Figure 2. Probability of a vineyard having any certification by size and region.

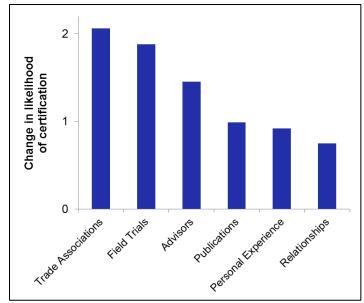


Figure 3. Change in likelihood of certification from a viticulturalist who says the resource (e.g. Advisors) is "not useful" to one who says the resource is "very useful".

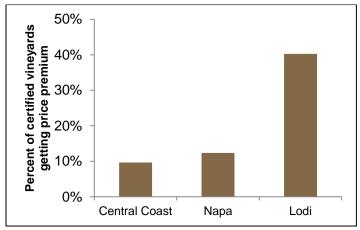


Figure 4. Of certified vineyards, percent that get a price premium for being certified.

common (Napa Green, Central Coast Vineyard Team's Sustainability in Practice, Lodi Rules), followed by USDA Organic. The California Sustainable Winegrowing Alliance's new statewide certification already has some adopters and will likely continue to grow.

Large vineyards are much more likely to be sustainably certified than smaller vineyards; however, this effect isn't uniform (

Figure 2). In Lodi, smaller farms are more likely to be certified than in Napa or the Central Coast, and this is especially true for the regional Lodi Rules certification, thanks—we suspect—to extensive outreach efforts of the Lodi Winegrape Commission.

Viticulturists group into six clusters based on who they get their information from. The learning pathways we identified are: agricultural advisors (such as county farm advisors), trade associations (such as local grower associations), publications, social connections (especially winery and farm personnel), field trials (both one's own and others), and personal experience. In general, those who learn via trade associations and field trials are the most likely to be certified, and those who learn from personal experience and social connections are the least likely to be certified (Figure 3).

Finally, in Napa and the Central Coast, less than 15% of certified growers receive a price premium for their certification, while in Lodi, 40% do (Figure 4).

Further Reading

For additional information and publications, please visit: <u>http://environmentalpolicy.ucdavis.edu/project/sustainab</u>le-viticulture-practice-adoption-and-social-networks