

WOMEN'S ENTREPRENEURSHIP: THE RISE OF WOMEN IN THE GLOBAL WINE INDUSTRY

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Abstract

Women's entrepreneurship is expanding all over the world. The growth of women's businesses is central to wealth creation, innovation and economic development in all countries. Although in theory, things seem to follow an upward slope, women representing 46% of Europe's working population, in fact entrepreneurship is still considered an activity reserved for men, and the lack of models emphasizes this perception.

Women and wine is an increasingly productive association, a trend that in many countries and regions took the form of a real phenomenon. No business or industry reaches further back in history or is more global in scope than the wine industry. And no other industry has so resolutely excluded women from positions of influence for so long. Despite the overwhelming male dominance of the wine industry, one hears repeatedly about individual unique women who have broken the barriers, who have conquered age-old prejudices in order to become winery owners, vine growers, winemakers, sommeliers, restaurant owners, consumers, and supply chain managers.

This article provides a general overview of the wine industry, particularly those aspects most relevant to understanding women's influence and proposes a research of the future of women in the world of wine and the impact of this trend on Romania's regional development.

Keywords: Women's entrepreneurship, wine industry, male dominance, trend, regional development.

JEL Codes: M12, L26

INTRODUCTION

Winemaking has inspired thousands of books over the years. But very little has been devoted exclusively to women's contributions to the world of wine. The book

Women of Wine: The Rise of Women in the Global Wine Industry of the Californian author Ann B. Matasari, appeared in 2006 at the University of California Press attempts to fill this gap, highlighting these contributions and creating greater visibility for the outstanding women influencing the current wine industry. The book is based on primary and secondary resources obtained through questionnaires applied during the author's long research trips; Roosevelt University contributed by giving the researcher an internship in the Southern Hemisphere to complete her work. After reading these well documented chronicles about the growing presence of women in the secular wine industry, we understand why wine is gaining in popularity over other alcoholic drinks:

wine ladies are passionate both about their professional trajectory and their product. Profiling all important women activating in the global wine industry, Matasari demonstrates that obstacles - gender bias, social mores, etc. - that women have to overcome to achieve success in this area historically dominated by men are not qualitatively different from those found in other professions. Matasari has interviewed representative women from the United States, Britain, France, Italy, Australia and New Zealand: they are owners of important vineyards and wineries, marketers, sommeliers, writers and teachers.

The interest of this paper is primarily to provide an overview of the wine industry, especially of the most relevant aspects for understanding the influence of women,

wishing to propose a research on the future of women in the world of wine and the impact of this trend on Romania's regional development. A country with an old tradition of vine cultivation and wine production, Romania falls however in the group of most delayed countries adopting a global trend that has already proved to be successful worldwide.

The question underlying this research proposal is formulated as follows: ***“Following the global model, encouraging female entrepreneurship in the Romanian wine-growing industry will be of future interest? It could be seen as a strategy to boost regional development?”*** We will demonstrate the viability of this research proposal by demonstrating the following hypotheses:

- **Hypothesis 1:** *In the wine industry, women are more influential than men.*
- **Hypothesis 2:** *Economy depends to a large extent on the continuity and success of family businesses.*
- **Hypothesis 3:** *Inspiring male models play a crucial role in encouraging women to become entrepreneurs.*

An entrepreneur is someone who routinely creates and innovates to build something of recognized value around perceived opportunities. In other words: he *innovates*, so he is able to overcome obstacles that would prevent the most, he is able to transform problems and risks into opportunities, to see and to deliver ideas; he *builds* something, so he describes the output of the process of creation and innovation; something of *recognized value*, so he produces economic, commercial, social or aesthetic value; he identifies *perceived opportunities* to exploit an idea more or less original. Women have all the qualities of an entrepreneur, which, along with the natural advantages can be used in order to build a managerial career in the wine industry. The advantage is that potential ladies of Romanian wine business can use the following four business strategies [1]:

1. The Fastest and the Mostest - to be the biggest gambler , targeting from the beginning the permanent leadership.
2. Hitting Them Where They Ain't - either by creative imitation , or

entrepreneurial judo , a Japanese concept that allows newcomers to catapult into a leadership position against entrenched, established companies.

3. Finding and occupying specialized ecological niches - obtaining a practical monopoly in a small region.
4. Changing the economic characteristics of the product, market, or industry - by creating utility, pricing, adapting to the social and economic reality of the client, or delivering real value to the customer.

The particularity of this research proposal is due to the lack of major works having addressed female entrepreneurship in the Romanian wine-growing industry, which makes it suitable for observation. We will base the arguments on the experience of successful models, the analysis of eloquent statistical data and the comparison of some practices, available in secondary data sources. This desk research is intended as a preliminary stage of a major initiative, a survey among networks and coalitions of women entrepreneurs in Romania.

1. WOMEN ENTREPRENEURSHIP AND THE ECONOMIC IMPACT BUSINESSES OWNED BY WOMEN

Female entrepreneurship extends all over the world. The influx of businesses run by women is essential for wealth creation, innovation and economic development in all countries. Although in theory, things seem to follow an upward trend, women representing 46% of the working population in Europe, entrepreneurship is actually still considered an activity reserved for men, and the lack of models emphasizes this perception.

Entrepreneurial activity contributes to employment, economic growth and prosperity and is an essential component of a thriving economy. A key element of government actions designed to spur entrepreneurship is supporting increased involvement of women in business and the creation of start-ups and unlocking the potential for wealth creation. The Academic Research Consortium Global Entrepreneurship Monitor (GEM), in the

2010 Global Report [2] points out that in the economies based on efficiency, Eastern European countries occupy the lower levels and the lowest rates in terms of women's participation to entrepreneurial activity located at the start stage. There are enormous benefits to be gained for the economy if women are encouraged to maximize the use of their skills in an existing business or a start-up.

Women entrepreneurs have played an important role in the modern economy. According to the Center for Women's Business Research (2009), women own 10.1 million businesses in the United States and account for 40% of all private enterprises. These companies provide jobs to more than 13 million people and generated sales of \$ 1.9 trillion in 2008. It is estimated that more than 10 million women are self-employed in Europe. Between 1981 and 2001, the number of women entrepreneurs has increased by 208% in Canada. This similar pattern can be observed in transition countries. For example, in 2001 women held 31.8% of independent businesses in Romania. [3] Qualitative and quantitative data and statistics are needed to outline the profile of women entrepreneurs (demographic information, barriers to start-ups and to growth). Networks created by female entrepreneurs are major sources of knowledge about women's entrepreneurship and are increasingly recognized as a valuable tool for their development and promotion.

2. THE CHANGING FACE OF THE WINE INDUSTRY

Keeping the linguistic register of tasters and wine lovers, complex is a sensory term evoking a myriad of flavors and bouquets associated with famous wines, but also successfully describes the wine industry, intriguing business, focused on a different product whose demand and value change according to the conditions of production, age and location of the vineyard; influenced by a dizzying array of social, political and economic forces; engaged in a commercial maze that includes global markets with prices ranging from inexpensive to exorbitant . [4] In the twentieth century, bound by tradition and severely restricted by protectionist regulations, Old World producers were the

unchallenged arbiters of quality, exporting, along with their wine, a mystical terroir, the unpredictable romance of each crop, and the charming pursuit of the perfect wine , the enological equivalent of the Holy Grail.

Currently, the wine industry employs 1% of the global workforce, with vineyards covering about 19 million acres and a production of over 27 billion liters. [5] According to the data provided by the Ministry of Agriculture and Rural Development, the Romanian viticulture is in the process of reconstruction, through restructuring and conversion programs. A special importance is given to quality crop varieties and thus to the production of premium and super premium wines. Annually, 3,500-4,000 hectares are planted with noble vine, reaching from 200 hectares annually by 1989, 3,500 hectares of new plantations per year since 2007. Romania is the only country so far that has absorbed 100% of the money offered by the EU. The community financial package exceeds 42 million euro, and each year the whole budget allocated for the wine field is used. [6] A strong reason for the entrepreneurial school type projects for women, women associations and business women coalitions in Romania to spearhead their attention towards this traditional sector, which according to the Wine Institute statistics, ranks our country 11th worldwide in surface vineyards, and 12th in wine production, after countries such as France, Italy, Spain, USA, Argentina, Chile, and Portugal.

We are witnessing the emergence of an industry that is changing in many ways, from vineyard management to winemaking and international sales. Women participate and lead these changes. Their collective experience offers an instructive paradigm for women seeking to progress through the business world. We stopped at this industry, because we believe that women entrepreneurs in the wine industry demonstrate significant innovation and determination. In Canada, approximately 100 wineries can nominate 54 women who own or co-own wineries. Tinhorn Creek, for example, was the first winery in Canada which fully adopted the Stelvin screw caps, and Blue Mountain Vineyard and Cellars in Okanagan Falls, owned by Jane and Christie Mavety, are experiencing the high-density

growth of grapes meant to enhance flavors. And Judie Barta launched Meadow Vista Honey wines of Kelowna, a winery that uses organic honey, which produced the first sparkling wine based on organic honey from Canada. Women in the industry have pioneered the introduction of concepts such as bed and breakfast establishments, restaurants and winery entertainment.

3. WOMEN AND WINE - AN INCREASINGLY PRODUCTIVE ASSOCIATION

Women and wine is an increasingly productive association, a trend that in many countries and regions took the form of a real phenomenon. No other industry has such roots firmly planted in history and does not have a so global horizon as the wine industry. And no other area has strongly excluded women in positions of influence for so long. Despite the overwhelming male domination, more frequently reach our ears stories of unique women who have broken barriers, who conquered ancient prejudices to become owners of vineyards, winegrowers, winemakers, sommeliers, restaurant owners, consumers, and supply chain managers. For centuries, prejudices, traditions, religious practices, superstitions, physical characteristics and social stereotypes conspired to prevent women from reaching positions of influence in the world of wine. As the wine industry has advanced and has spread from the Old World to the New World, one theme has remained constant: Women's needs aren't taken into account . [4]

- a) **Participation in the process of winemaking and tasting.** Winemaking has long maintained a division of labor based on gender. Only men were allowed to gather the grape harvest and to attend crush. Women were not allowed to crush grapes with your feet in the belief that their physical structure and reduced height would have blemished the extract. [7] The main obstacle was the lack of access to work in the cellar, a key area of expertise for anyone who wants to become a winemaker. Women were considered too weak to work in the cellar, which involves handling barrels, wine racking

and working with various equipments. Despite the emergence of modern technology, which reduced the need for physical force, this protection of women has become a subterfuge for discrimination. [4]

Ironically, there is at least one physical distinction that should have been beneficial to women: the sense of taste and the sense of smell. In two studies on olfactory sensitivity, one conducted at the Clinical Smell and Taste Research Center - University of Pennsylvania and one at the Social Issues Research Centre - University of Cardiff, Wales, women have consistently exceeded men in identifying odors and odor sensitivity, regardless of age, ethnicity, or cultural training. Wine tasting is a subjective experience, a skill that is corrected over time. Women can have the natural ability to be better tasters better, but their social exclusion from tasting and judging panels was an impediment to the maximum development of their competences. The opportunity, practice and training have allowed men to dominate an area where women have a natural advantage.

- b) **Professional stereotype** (more work, lower wages than men). Equality is not an illusion any more, but as said by many women in the Italian wine industry, they continue to search, recognizing that to achieve success, they must show a hundred times more talent and determination than men.
- c) **Social and psychological factors.** Women continue to face barriers related to social stereotypes, psychological factors and role conflicts. A wrong assumption is that women can't be effective managers because men will always refuse to work for them. To gender barriers are often added youth and inexperience. [4]
- d) **Reconciliation between work, family, maternity and childcare.** As with any profession, ambitious women often consider that their roles as wives and mothers may conflict with their career goals. But an important aspect to be appreciated when you run your own business is the ability to adapt to daily activities around other commitments, especially family ones.
- e) **Heritage.** Heritage had a huge impact

on women from families with a tradition of winemaking. Some women who inherited winegrowing domains had no brothers (Corinne Mentzelopoulos, Baroness Philippine de Rothschild, Lalou Bize-Leroy, Anne Gros). Others had brothers who proved unable to lead the family business (May-Eliane of Lencquesaing, Anne-Claude Leflaive) or who were not interested (Sylvie Spielmann). In many ways, they received a message that was unnatural for a woman to inherit a vineyard, which has caused them, unconsciously, to justify their legacy more than men. Women from families whose wealth was not traditionally associated with wine, as Paola Gloder and Sebastia Lorenza, had similar experiences. They were admitted to the wine world when their families have purchased wine-growing areas as investment, diversions, or shelter as a result of land reforms that followed the Second World War and the subsequent rural exodus. Women without property or distinguished domains such as Elisabetta Forada had to revive properties to compete successfully in the modern era of Italian wines. Advancement for all these women depended on a single ingredient - there were no siblings with whom to compete.

- f) ***Self-confidence and networking.*** Women's uncertainty in the wine industry is strikingly clear: the frequent reluctance of many women winemakers and owners to put their names on the labels of wines they produce caused by the lack of confidence or the reluctance to seem as promoting themselves.

Networking has become a key tool for the success of women in other countries, but not in the French culture. Fellowships have traditionally excluded women from rituals related to wine and tastings, which prevented women interaction with people governing the wine industry. As a result, women have established networks of women in the wine industry, such as *Le Donne del Vino* (Italy) or *Vinissima* (Germany), in order to promote equality and to support female professionals in the wine industry. Through special events such as seminars, tastings, talks, lectures,

panels and Vinitaly (the annual fair) networks promote a better understanding of wine, provide current information relevant to women involved in wine-related businesses, and provide a support for women in the industry.

- g) ***Risk-taking.*** Everyone involved in the wine industry takes risks. From the freaks of viticulture to the uncertain aspects of fermentation and aging in wooden barrels, winery owners and winemakers should have little of the spirit of gambling players. One of the myths about women, found mainly in France, is that they are reluctant to risk. In fact, women owners and winemakers have tried extraordinary luck to be successful. For example, in 1984 Colette Faller has seriously stood the risk of waiting until very late fall to harvest the grapes as cold, rainy weather was not favorable to the right ripening for the usual harvest in early autumn. While her men competitors in the Alsace region panicked and harvested at the usual time, Colette waited, risking losing the entire crop. The risk she assumed was rewarded when the grapes have enjoyed many sunny days in September, October and November.
- h) ***Education, the essential compensator.*** Linguistic talent, fluency in English and French, is another secret weapon on which many women put their success. Paola Gloder acquired knowledge about wine from her job at Poggio Antico, but the mastery of English has been obtained from Cornell University, and excellence in French came from a privileged education that included long trips in France. The opportunity to study wine, coupled with practical experience was probably the most important trigger to encourage women to enter the business of wine production. [8] As the education system has expanded to include women in wine programs, the number of women winemakers increased.
- i) ***Men - models and mentors.*** Women have benefited from the fact that most Italian wineries are family businesses, not corporate subsidiaries. Family members or staffs, most often male,

have provided the guidance and mentorship needed to translate the passion for wine in knowledge, self-confidence and success. Two generations of Antinori men have mentored Albiera: her grandfather, who encouraged her, and her father, who seconded her in the business. Paola Gloder's father plans and discusses finance with her. In a lengthy predominantly male industry, it is not surprising that both models and mentors were invariably men. For women who were the first generation of their family in the wine industry, the challenge was to find leaders in the industry to dare to overcome.

4. THE PROFILE OF THE WOMEN ENTREPRENEUR IN THE WINE SECTOR. CASE STUDIES

This article provides some case studies outlining the profile of women entrepreneurs from one end of the world to the other, as part of a commitment that not a long time ago began to thrive in Romania too, to support female entrepreneurship, to encourage projects encompassing everything women have learned in life, it is not about hobbies, or about fads, but about projects on which female initiators have reflected long. Historians report that in ancient Greece, around 1800 BC, only priest women could sell wine, but if they were caught drinking they were burned alive! At first glance, the influence of women in the wine industry seems to be of recent vintage. Hampered by the traditions of the nineteenth century that excluded them from the world trade, women have achieved global visibility in the wine industry only during the past thirty years. Women who dedicated earlier to this industry made it behind family business scenes. There were but few women who have managed to establish an independent reputation. *Veuve Clicquot* (Nicole-Barbe Ponsardin, inventor of the remuage method and yeast eliminate from Champagne), *Antonia Adelaide Ferreira* (Dona Ferreirinha, without who the story of the wine of Porto would not be complete) are not just names on the labels of wines. Strong, confident in their own strength, daring, with demonstrable business acumen, committed to quality, these ladies

have shown an uncanny understanding of marketing, which allowed them not only to recognize new opportunities, but also to capitalize on them. Although history has unfairly attributed their success to male excellent staff, these women deserve to be remembered as experienced employers, with an eye for finding talents, and as perfect entrepreneurs who run their businesses from modest debuts at levels of international importance. Their stories provide the historical background for women influencing nowadays wine industry.

Delia Viader, of Argentine origin, came to the United States as a student. Delia Viader found that was undeniably attracted to Old World wines, being impressed by the Château Cheval Blanc wines of St. Emilion, from whom she took the idea for her first mixture, VIADER 1989 production (40% Cabernet Franc, 60% Cabernet Sauvignon). Always "daring to be different", Delia decided to introduce Bordeaux style wine and vineyard cultivation on the hill in California by planting vines in rows facing up and down the mountain, following afternoon sun's path on the steep slopes of Howell Mountain.

At that time, she encountered fierce opposition and criticism for planting vines in this way simply because the practice was unusual. Shortly after the successful launch of her first annual production of wine, it was clear that her efforts to develop the vineyard had worth. With optimal solar exposure and a unique soil that allows natural drainage, vines struggle to survive in the rocky terroir and produce fruit of exceptional quality. Delia's story illustrates the importance of education and understanding coupled with following one's instincts. VIADER Winery and their wines have consistently reflected these strengths. [9]

The great gold medal at World Wine Competition in Brussels, 2002 edition, was given to *Aurelia Vi inescu*, the Romanian who had just turned 33, for a Pinot Noir, 1999 harvest, wine-made for Halewood Wine Cellars Romania. Aurelia graduated from the Faculty of Horticulture within the Academy of Agronomy in Bucharest, in 1993. Her passion for wine drove her in the elite of the wine-growing industry in Romania. Success came after practically applying the techniques learned in her trainings undertaken in the New World, Australia and

South Africa's wine cellars. On the 60 hectares surface of her own business, that she operates at S h teni, Dealu Mare, she focuses on the production of wines with personality, that represent her.

In 2001, *Anne Marie Rosenberg* was purchasing, with limited financial means, somewhere near the Olympus resort, a property in ruins, transformed into *Clos des Colombes Domains* - restaurant, wine cellar and vineyard. In the middle of vineyards with an age of 20 years and close to the sea, on the famous Romanian Riviera, Le Clos Des Colombes has all the advantages of an enchanted land. Coming from a family with tradition of wine production, Anne Marie Rosenberg had the opportunity to travel to over 12 countries and meet the great personalities of the wine world: specialists and vine growers, winemakers, tasters, academics, noting that especially in the New World countries (California, Australia and South Africa) and in Tuscany and Bordeaux, the luxury enotourism offer is huge, and rich people and connoisseurs not only have to invest in a wine area, but also to create the entire infrastructure that comes with marketing: restaurant, shop, show room, concert hall and charity actions.

CONCLUSION

Women are primarily a force that counts as consumers, the backbone of supermarket sales worldwide. On the world wine map, we find them in all professions related to the wine industry. Women hold famous wineries, make good wine, contribute to progress in viticulture and oenology, educate wine consumers and guide wine connoisseurs and market wine globally. As John Stimpfig noted in *Decanter*, wine, like many other things, was an exclusive world of men. The growing presence of women in the wine industry is a relatively recent phenomenon, shaped by globalization and social developments in the twentieth century. Most of the history, traditions, social mores, cultural practices, religious customs, superstitions and gender prejudices - often disguised behind the protectionism mask - were obstacles that didn't allow them to own wineries and vineyards, to produce wine, to drink it, to praise or to sell it. This is no longer available. Over the wine landscape,

women have created a mosaic of acceptance, achievement and influence.

Collectively and individually, enlightened women in the wine industry of the nineteenth century have shown that gender is not a factor in the winemaking process and that the wine industry was not intended to be an exclusively male field, and that some leaders are born women. Despite a gap of half a century or more, women around the world may find these pioneers as a source of inspiration to build their own legacy. Given the conclusion, we believe that **Hypothesis 1: In the wine industry, women are more influential than men**, has been demonstrated.

Entrepreneurship can survive, but the chances of establishing a new, elitist, successful wine domain is increasingly reduced. Scarcity of good land, skyrocketing real estate costs and huge investments required for technology, automation and advertising creates almost prohibitive barriers to entry in the industry. Drink corporate giants have positioned among top business, increasing competition in this market segment and supermarkets. Financing, a traditional problem for women without inherited wealth in the family, it remains difficult to obtain. Patience and determination needed to save money, to buy land and to build a field will be increasingly difficult to obtain in the future. Therefore, we believe in the fairness of **Hypothesis 2: The economy depends to a great extent on the continuity and success of family businesses**.

Despite the progress that has been made, women are still not able to overcome the presence of men in the world of wine. However, individually, women have achieved an indelible influence as entrepreneurs in all wine regions of the world, as winemakers of the most prestigious wines academics, journalists, or marketing specialists. Therefore, we consider **Hypothesis 3 of great importance: Inspiring male models play a crucial role in encouraging women to become entrepreneurs**, especially on a market such as the Romanian market, where female models have only begun to assert themselves.

Problems faced by women in Europe - inheritance, youth, balancing career and family life - are the same in all countries. What differs is the extent, not the nature of prejudices. In recognition of this, and

because strength resides in numbers, several national networks of women created the *International Federation of Wine Women*, reunited for the first time in February 2003 in Mainz, Germany, in order to promote the advancement of women in the wine industry. Prohibition left a scar in the U.S. wine industry, capsizing a thriving wine industry thriving at an early stage. Only those cellars and vineyards taking advantage of the three legislative gaps of Prohibition survived: the use of wine for medicinal purposes, with a doctor prescription; the use of wine in sacramental, ritual purposes; non-commercial use at home, in limited quantities. In a twist of history, Prohibition leveled not only the American wine industry, but also its field of play, creating opportunities for women to participate in the reconstruction of the industry and, ironically, revalidating the Woman's Christian Temperance Union (WCTU) slogan, *Never underestimate the power of a woman*. I tend to think that the Romanian wine-growing industry can become a fertile ground ... of women.

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