

Challenges Facing Small and Medium-Sized Entrepreneurs in Emerging Cool Climate Wine Regions

Northwest Michigan WineGrape Kickoff Meeting

Traverse City, MI

April 1, 2011

Introduction

- Joined MSU in June 2008 as an Assistant Professor of Food Industry Management, affiliation with MSU Product Center
- PhD in Food and Agribusiness Management, University of Illinois at Urbana-Champaign
- Teaching courses in Food Marketing and Business Strategy
- **Research interests in:**
 - Emerging agri-food systems
 - Mechanisms to enhance agri-food entrepreneurial performance (contracts, collective action, social networks, etc.)

Relevant Work

- Survey of “**Challenges Facing Small and Medium-Sized Entrepreneurs in Emerging Cool Climate Wine Regions**”
 - Grant from the North Central Regional Center for Rural Development
 - Collaborative effort between Michigan State University, Cornell University and the University of Missouri-Columbia
- **Objective(s):**
 - Exploratory study to identify challenges faced by rural entrepreneurs
 - Economic, Business, and Marketing
 - Firm-level (winery) vs. cluster (region)

Survey

- **Focuses of four areas:**
 - Demographic data of Michigan, NY, Missouri wineries
 - Marketing practices
 - Supply chain governance
 - Collective behavior
- **Expected Outcomes:**
 - **Long-term – increase the success rate (i.e. survival and growth) of Michigan wineries**
 - Identify strategic issues, particularly with respect to wine distribution
 - Ultimately, strategies to enhance winery performance and economic clusters to facilitate wine-based economic development

Future Work

- **“Rural Entrepreneurship In The Wine Industry: Identifying Success Factors Among Start-Up Wineries In Emerging Cool Climate Regions”**
 - Grant with National Institute of Food and Agriculture
 - Collaborative effort between Michigan State University, Cornell University and the University of Missouri-Columbia
- **Objective(s):**
 - Address issues of market legitimacy for cool climate wines
 - Facilitate use of alternative governance structures to procure inputs
 - Develop marketing strategies to enhance performance of MI, NY and MO wineries