Preface and acknowledgments

A reasonable motivation for writing a book is answering the question to oneself and selected colleagues over time: “Why has no one written a book about that?” After asking for years, I started this book. Since the literature seems young (note the dates on most of the items in the Bibliography section) and somewhat unsettled, I have not been looking for a research survey directed at scholars entering or in the field. I also wanted something more cohesive than an edited volume of papers. My interest has been a discussion of some of the connections between wine and basic economics directed primarily at serious students of wine and economics, both formal and informal, and, to a lesser extent, economists seeing if something interesting is happening.

I came at this subject from unusual origins. Food was important, but wine culture was not in my background. Aside from recalling the rumor that our neighbor drank too much Four Roses, my clearest childhood memory of adults and alcohol is from an annual visit to a locally famous Italian restaurant: once I outgrew babysitters, my mother, sister, and I would join our best family friends, and the three parents would share one *fiasco* of Chianti with their wonderfully fragrant pasta while the four children watched with mild curiosity. The bottle was more interesting than its contents. Compared with some of my school friends, I was not interested in alcohol; and, while it was forbidden, I never thought of it as “forbidden fruit”.

When I think of wine books that started in the author’s childhood, Sergio Esposito’s *Passion on the Vine* (2008) comes to mind. Mine does not.

My interest in wine economics arose from a variety of other sources. I grew up in a region with a strong culinary tradition that excluded wine—except perhaps dandelion wine—but mealtimes were important as was good cooking. The first time I heard someone say that “you eat with those you love”, it was an epiphany. Mealtimes were the most consistently enjoyable events in my upbringing. The vision of the possibilities expanded many years later when a Banfi sales representative hosting a tasting noted how good wine could transfigure a meal of hamburgers.

My earliest memory of truly enjoying wine is sharing it during college

with the parents of a friend. They seemed to love good food and wine and life. I had never eaten and drank so well in a family setting and seen older people seem to savor a meal so much.

Another early influence emerged as I left graduate school for my first faculty position in Vancouver. Knowing his interest in wine from sharing meals with visiting speakers in some of Trenton's good Italian restaurants, I asked my advisor Orley Ashenfelter if I should stock up on wine before moving to Canada: in addition to providing much of my technical training, Orley added some practical details for good living that my formal education had missed (e.g., warning me about the Canadian system of provincial beverage monopolies). He directed me to a wine shop outside Chicago that was both on my AAA Triptik and one of his favorites. I stocked up on deeply discounted '73 Bordeaux—a poor recent vintage at the time but still worth \$5 a bottle for Classified Growths. Orley encouraged my interest (and subscribing to *Liquid Assets*) during my years in Vancouver and beyond. Collecting and studying wine were completely beyond my money and time budgets, but I had other sources and serious influences.

That was primarily my father-in-law. Bernard Hoeter was the wine columnist for the *Vancouver Sun* for several years when I was there. Through various means—primarily by investing heavily in relationships with other local wine aficionados that ranged from other postwar European immigrants to early Okanagan Valley wine pioneers—Bernard had developed a deep network of contacts, extensive access to wine sources, a respectable cellar for the time and place, and a strong local reputation. He had a wealth of wine knowledge from his hundreds of books, numerous magazine subscriptions, and extensive travels, many of which resulted from his wine journalism. While he rarely invited discussion of wine with me, he frequently shared knowledge, complete with pop quizzes after dinner. He patiently answered some of my naïve questions but, more importantly, helped me see how an interest in wine fed so many other interests such as travel, culture, and history.

Orley's advice was instrumental when we moved to Wisconsin and lived just up the Lake Michigan shoreline from two major wine auction operations in Chicago that Orley knew (Michael Davis and Chicago Wine). He also connected me to Bruce Kaiser of Butterfield and Butterfield wine auctions in San Francisco: having left Canada, it was now legal to fax bids to wine auctions and actually take delivery without paying punitive duties. Primarily through *Liquid Assets*, Orley taught the appeal of buying fine wine at auction during the 1990s. Through Orley, I learned that fine wine could be more affordable than I thought (at least in the early years of the US consignment auctions)—one of his themes not lost on economists. Aside from learning some of the technicalities of auctions

and bidding, I learned many powerful lessons from my experience with wine auctions—for example: (1) when you are bidding with real money, do your homework; (2) doing your homework and seeing the results increases knowledge; (3) government regulation permeates wine markets (and alcoholic beverage markets more generally); and (4) the correlation between wine enjoyment and price is positive but weak, in part because quality is subjective.

Also, fine wine opens doors. After a successful bid at a Michael Davis auction in 1995, I took a bottle of '75 Ch. Ducru Beaucaillou to a fine dining restaurant in Madison, Wisconsin, for an anniversary dinner. For the first time in my life, a server and a maître'd served our table all evening—and I saw the connection that sharing a glass with a knowledgeable aficionado could create. More generally, wine can serve as a remarkable entrée. It seems that everyone wants to talk about wine, especially in international settings. Usually more exciting to discuss than the weather, it can provide a deep well of common interest, especially if one respects the varieties of past experience, information, and knowledge.

Wine economics was emerging as an area of research in the 1990s. After presenting a paper on wine auctions at a Vineyard Data Quantification Society (VDQS) conference in Macerata in 2005, I began to see numerous opportunities. While papers on wine economics had appeared in various journals earlier, the introduction of the *Journal of Wine Economics* (JWE) in 2006 increased considerably both the opportunity to publish in and the visibility of the field.

One appeal of writing a book is that one has the opportunity to write a formal Acknowledgment, think about past influences and pivotal events, and thank at least some of those who have contributed to my interest. As my most durable influences, I would first thank Orley and Bernard. While providing different kinds of technical knowledge and encouragement that stoked my interest, I also saw through them a common influence of wine research and shared experience that is more difficult to measure or even identify—perhaps wine's mellowing influence and encouragement of conviviality.

While Orley is very much alive, Bernard died while I was writing this book. He knew I was writing it and encouraged it, and I think he would have been interested in seeing it.

More recently, I have others to thank. Karl Storchmann has been a leader in the development of the field and a good colleague for many years. He has been a tireless colleague as the chief organizer and cat herder of the American Association of Wine Economists (AAWE) and the Managing Editor of the JWE. He was the reason I had a fruitful visit to the University of Trier and the Mosel Valley during a sabbatical in 2009.

The other participants in the AAWE and VDQS conferences and, more recently, the Association of Wine Business Research (AWBR) over the last decade have contributed immeasurably to my intellectual development. If I start naming the stalwarts, then this section gets long, and I risk omitting someone important. The repeat attendees know who they are and can now know that the shared experience has enriched my professional and personal life.

My neighbor historian Philip Naylor of Marquette University has been particularly encouraging through his innate interest in good scholarship and finding and answering important questions. Another neighbor, economist Dennis Jesmok, has also been encouraging and invigorating during our animated conversations about everyday wine economics and the consumer's problem whether on the sidewalk or sharing a delicious feast (with complementary wine) from Janet Jesmok's *cuisine*. Though I have never met Professor James Thornton from Eastern Michigan University, it was helpful to learn of the publication of his *American Wine Economics* (2013) as the most comprehensive discussion of wine economics that I have seen. I learned much from his approach to the subject as well as the reviews of his book. I wonder why these first books on wine economics are coming from authors working in the vineyard-challenged Upper Midwest of the US. Perhaps, like the best vines, we do our best work when challenged by the environment.

I have enjoyed access to affordable housing near St. Emilion for the past dozen years through Professor Edward Clark, Emeritus of Royal Holloway, University of London. Ed and I met at conferences in the Czech Republic on the future of Central and Eastern Europe after the end of the Soviet era. A new chapter in our relationship opened when he and Mary-Anne invited Tessa and me to visit their new property in southwest France. Annual access to that *terroir* has had an unmistakable influence upon my interest in wine. Ed's neighbors, Philippe and Mylène Poivey, owners of Ch. Tour Montbrun, have provided invaluable knowledge and wisdom to me as they have shared their experience of operating a small French winery and allowed me on occasion to work with them in harvesting the grapes and making the wine, especially "Cuvée Denton (moelleux)" in 2009.

Various industry people have encouraged or inspired this work, perhaps without knowing it or inviting it—Rick Laev from Ray's Wines and Spirits in Milwaukee, Ray Denton from Binny's (Ivanhoe Castle—Chicago), Bruce Kaiser from Butterfield and Butterfield, and Michael Davis and John Hart from Michael Davis and Co.

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at the University of Wisconsin-Whitewater have supported me by approving my course on the Economics of Alcoholic Beverages, various leaves of absence for writing, and travel to wine economics conferences. Conversations with beverage licensees and colleagues Professors David Bashaw and Russell Kashian have been helpful. I appreciate the cooperation from my home department, college, and university.

Moving this work from an idea to a published book has involved a number of important people from Edward Elgar Publishing Ltd. This would never have happened without the initial interest from Edward Elgar at the AAWE meetings in Reims and subsequent discussions with him, Joanne Betteridge and Alex Pettifer. Of those, Alex, Editorial Director and, for this volume, Commissioning Editor, has stayed with the project throughout, even allowing extra time for the initial submission when my employment and family responsibilities slowed my progress. After the initial submission, a number of professionals employed by or associated with Edward Elgar have gently but firmly held my hand as we walked (and sometimes sprinted) through the process of revising, editing, and polishing the text to get it into its current form. I am grateful for the help of Managing Editor Caroline Phillips, Copy Editor Sarah Cook, Deputy Managing Editor Jane Bayliss, Marketing Executive Sue Sharp, and especially Editorial Assistant Harry Fabian and Desk Editor Chloe Mitchell. I cannot know who was doing what behind the scenes on the other side—any omissions are certainly unintended—but most of the everyday hand-holding seemed to come from Chloe and Harry.

My wife Tessa has been a patient partner and a wonderful companion through a vast range of tastings, travels, blending and tasting experiments, and other wine adventures. She has been a constructive critic and constant supporter all along the way. While my mother Frances Marks shaped the almost-wineless childhood environment described earlier, her contributions include a lifelong dedication to education, critical thinking and communication, and the spirit that, I hope, shapes this work.

ABOUT THE AUTHOR

Denton Marks has taught at the University of British Columbia, Simon Fraser University, and the University of Wisconsin-Whitewater with sabbatical teaching at the Technical University of Brno (Czech Republic), Umeå University (Sweden), and the University of Trier (Germany). He has published journal articles beyond wine economics in a variety of fields including labor economics, urban and housing economics, law and economics, transition economies, and the economics of higher education.