

HIGHLIGHTS OF ROMANIAN AND FRENCH WINE MARKETS: THE EXAMPLE OF FRENCH CHAMPAGNE MARKET

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Abstract: *The market is a dynamic market in which the European Union plays a leading role as the main producer and exporter of vine products. In this area, four countries with strong agricultural and viticultural tradition dominate the market: France, Italy, Spain and Germany. But among the new eastern EU members, countries as Romania, with a favorable geography and climate and also a viticultural tradition, some may also play a more prominent role.*

Romania is part of the top 12 wine-producing countries, however Romania penalty to export large-scale production of wine. In contrast, France is the main producer and exporter of wine country. This situation is primarily due to the strategic choice of a very strong geographic labelisation of wine production and the emphasis on quality and even the excellence of its products, in particular thanks to a promotion policy.

Two major non-exclusive solutions seem to emerge for Romania. On the one hand, it can copy to a certain extent the French solution by leveraging labelisation its wines. The French wine market is also the reference of the European Union in particular as regards the creation of the label: Appellation of Origin (PDO). The example of champagne is, in this context, remarkable. This product alone largely not only the volume and value of exports of wines, but also the volume and value of exports of all agricultural products. It can also try to increase its exports to emerging countries outside the European Union.

Non-European areas are both a promise of growing opportunities in a context of economic crisis or post-crises and a threat to the European wine sector: in particular we think about America, Asia and Oceania. Indeed, the main third countries also wine producers are trying to increase their market share. This explains the new measures taken by the European authorities aimed at deep modernizing European wine sector.

Introduction: This paper is a preliminary study of a comprehensive study of Romanian and French viticoles markets, including the market for Champagne wine as regards France, as part of a future partnership of French-Romanian research. The purpose of this introductory paper is to provide some salient features of these two markets that are part of a broader and highly competitive environment, both within Europe and in third countries. This paper is constructed in three parts: the first part deals with the wine market at European and global level. The second part highlights the main characteristics of French and Romanian markets. While the third part is devoted to the study of the champagne market. The wine industry is an important sector of the European économie both in terms of production, export, at the social level. This activity is indeed a great source of employment, especially in the Champagne region who practice a traditional mode of production with high demand for labor. The share of wine exports in European Union, and in particular in France and Romania allows this region to significantly improve its foreign trade balance. In addition, this market remains a promising market with the entry of emerging countries, which have already begun to revitalize the sector.

Keywords : Common Market Organization ; wine ; production and exports ; Champagne

- WorldwiEU wine market

The European Union EU-27 (EU now includes 28 member states, Croatia entered the EU in 2013, but data from Croatia are not included) is the world's leader in wine production, with almost half of the global vine-growing area and about 60 percent of production by volume, according to USDA (2013) data. 2012 EU-27 wine production is estimated at 141 Million Hectoliters. France, Italy, and Spain represent about 80 percent of total EU-27 output, as can be seen in the Table 1 for the last six years :

Table 1 : Wine production trend (1000 hectoliters)

	2007	2008	2009	2010	2011	2012
France	45.672	41.640	46.269	45.669	50.757	40.609
Italy	42.514	46.245	45.800	46.737	42.705	39.300
Spain	36.408	35.913	36.097	35.363	33.397	31.500
Germany	10.261	9.991	9.228	6.906	9.132	8.903
Portugal	6.074	5.620	5.872	7.133	5.610	5.857
Romania	5.289	5.159	6.703	3.287	4.213	4.059
Greece	3.511	3.869	3.366	2.950	2.750	3.150
Austria	2.256	2.628	2.672	2.352	1.737	2.815
Hungary	3.222	3.460	3.198	1.762	2.750	1.874
Other EU-27 countries*	3.853	3.604	3.034	2.616	3.177	2.773
EU-27*	159.060	158.129	162.238	154.775	155.671	140.840

*Volume of product removed from fermenters after the first natural fermentation of the must of fresh grapes (juices and other musts excluded) 2011 (provisional) – 2012 (estimates)

** Author's calculation

Source: OIV (International Organization of Vine and Wine); Eurostat; FAS Europe Offices, quoted by USDA (2013)

In 2012, EU-27 wine production declined of about 9 percent from the previous year. In fact, EU-27 vine-growing area has been declining over the past few years due to shrinking margins and the grubbing-up policy of Common Market Organization (CMO) since April 2008. Grape growers producers are compensated for alternatives, they received a financial incentive to voluntarily pull up their grape vines.

Table 2: continental areas under vines and continental grapes production

	Europe		America		Asia		Oceania		Africa	
	2000	2012	2000	2012	2000	2012	2000	2012	2000	2012
Continental area under vines as % of global vineyard	62.5	55.6	12.0	13.3	19.4	23.4	2.0	2.7	4.3	5.2
Continental grapes production as % of global vineyard	62.5	39.0	12.0	21.0	19.4	31.2	2.0	2.7	4.3	6.3
World production of wine %	72.7	62.3	17.0	19.8	4.5	6.9	3.1	5.9	4.3	5.1
World consumption of wine %	69.3	62.0	6.0	10.0	19.8	22.0	3.0	3.0	1.9	3.0
World wine import		45.2a 8.3b		22.5c		14.5				

a UE b Rest of Europe c North America

Source : Castelucci F. (2013), « World vitiviniculture situation in 2012 », XXXVIth World Congress of Vine and Wine, OIV (International Organisation of Vine and Wine), Bucarest, 3rd June.

The new CMO strategy aims to reduce production of uncompetitive wines, regain market share on the world market, cut surpluses, phase-out expensive market intervention measures. EU wine producers would be too small and their production not large enough for the needs of large-scale retailers. To reach those goals the main

proposed actions include grubbing-up, issuing planting rights, abolishing crises distillation, reevaluation of enrichment practices and labeling rules, and possibly more flexibility in oenological. Labeling concerns for example origin and geographical indications, traditional terms and so on. CAP (Common Agricultural Policy) is organized into two pillars. The first one is the "direct aid". Rural development measures which are managed and financed by the regions constitute the second one.

The EU has prohibited any new plantings until at least December 31, 2015. Replanting is allowed only to renew or replace areas where producers voluntarily pull up the vines. Planting right may be considered as a tool to keep stability in the wine market.

Crisis distillation of wine was an important way for the EU to get rid of surplus production. However, the distillation scheme of surplus wine has been gradually phased-out over the last four years concluding in July 2012. Beginning August 1, 2012, Member States were allowed to grant national aid to wine producers for the voluntary or mandatory distillation of wine but only in justified cases and with the approval of the European Commission. Distilled alcohol must be used in the industrial sector.

Promotion in third country markets has become widely used by the wine sector, supporting the growth in exports of wines with PDO/PGI (Protected Denomination of Origin/Protected Geographical Indication) in recent years. The main target markets are the U.S., Canada, Japan, and Switzerland. China, Brazil, and India are being also developed as new promising markets.

Overall EU-27 wine production decreased in wine year 2010/11 but not in the Member States that had grubbed up the largest area: Spain (68 447 ha), Italy (20 532 ha) and France (16 674 ha). Some of the reduction in productive capacity can be offset by an increase in yields. The EU-27 wine production decrease in wine is mainly due to a decrease in Germany and Romania where the total area grubbed up was respectively 56 ha and 185 ha for the two first wine years of enforcement of the scheme. In wine year 2011/12, wine production continued to increase compared to 2010. Taking account of the climatic conditions, grubbing-up did not yet cause the expected reduction in wine production.

According to the EU Commission, 175,000 hectares (Ha) were taken out of production between 2009 and 2011. However, EU-27 area wine still accounts for 46 percent of the world area under vines (Table 3).

Table 3: Continental areas by countries and region in 2012 *

Continental Countries	areas	viticulatural superficie	
		1000 Ha	%
U.E. à 27		3 492	46,1%
	Of which FRANCE	800	10,6%
	ITALIE	769	10,2%
	ESPAGNE	1 018	13,4%
	PORTUGAL	239	3,2%
	GRECE	110	1,5%
		102	1,3%
ALLEMAGNE		205	2,7%
	ROUMANIE	44	0,6%
	AUTRICHE	64	0,8%
	HONGRIE	78	1,0%
	BULGARIE	4 212	55,6%
EUROPE		1 009	13,3%
AMERIQUE (**)		378	5,2%
AFRIQUE (**)		1 770	23,4%
ASIE (***)		206	2,7%
OCEANIE			
TOTAL MONDE		7 575	100,0%

Some Reductions in the vine surface areas in EU are also the result of declining climate conditions, stagnation of EU alcohol consumption, vine diseases, and health concerns campaign. Europe has one of the highest levels of alcohol consumption per capita. Henceforth, targeted measures aimed at limiting drunk-driving, and improved education and information campaigns are taken. Taking the case of climate, for example, Romania's grape wine production has been hardly affected by the heavy frost in February 2012 and the severe heat and drought over the summer that damaged the main crop areas. Already, during 2011, winter freeze and summer's scorching temperatures made drop the production about 30 percent.

Table 4: EU-27 Production, Supply, and Demand (1000 Hectoliters)

	2011	2012	2013 (forecast)	2011	2012	2013 (forecast)
Production	155.671	140.840	154.706	91.95%	91.18%	91.95%
Imports	13.625	13.620	13.550	8.05%	8.82%	8.05%
TOTAL SUPPLY	169.296	154.460	168.256	100.00%	100.00%	100.00%
Exports	22.474	22.300	22.400	13.27%	14.44%	13.31%
Total domestic use, including:	151.260	151.665	151.979	89.35%	98.19%	90.33%
<i>Human consumption</i>	126.000	125.000	126.000	74.43%	80.93%	74.89%
<i>Other</i>	25.260	26.665	25.979	14.92%	17.26%	15.44%
Changes in inventories	-4.438	19.505	-6.123	-2.62%	-12.63%	-3.64%
TOTAL DISTRIBUTION	169.296	154.460	168.256	100.00%	100.00%	100.00%

Author's calculation from FAS Europe Offices data quoted by USDA (2013)

The EU-27 remains the world's leading wine exporter in 2012, exporting 22.3 Mhl valued at \$11.3 billion. According to the latest EU Commission data, intra-EU trade has

increased 14 percent from 43 Mhl in 2007 to 49 Mhl in 2011. However, the share of exports is only 13 to 14 percent of the total demand of EU-27 wine. In 2012, the United States remained the leading EU-27 export market, representing 24 percent of the total volume and 28 percent of the total value. EU-27 export volumes to China, valued at \$978 Mln, climbed 9 percent in 2012.

France's 2012 exports, valued at \$10.4 billion, remained flat compared to 2011. The balance of french trade balance of wines in 2012 recorded a surplus of almost € 7.2 billion. In value terms, the United Kingdom, the United States, and Germany are the main destinations for French wines. Germany, the United Kingdom, Spain, China, and Estonia are the top Romanian wine destinations.

Wine production is estimated to represent approximately 5 % of the EU agricultural output.

During the financial years 2009 and 2010, expenditure in restructuring and conversion was particularly notable in Italy (168,7 million euro), France (148,6 million euro), Spain (134,7 million euro) and Romania (83,2 million euro).

- **Comparison of Romanian and French wine market**

2.1 Romanian wine market

According to Fulconis and Viviani (2006), « Rich of 250.000 hectares of vines producing 13 millions hectoliters of wine, Romania is among the first wine countries of the world. It occupied, in 2004, the rank of 12th world wine producer, just after Portugal. It is also a country of old wine tradition, if we can read that vine would be cultivated there since Antiquity. The Romanian wines were affected during the XIXe century by epidemic of phylloxéra. It is the principal explanation of the fact that current type of vines were imported from France, Germany and Italy, and acclimatized to Romanian conditions (grey pinot, pinot noir, chardonnay, Italian Riesling, merlot, white sauvignon, cabernet-sauvignon, etc), during XXe century. But some autochthones type of vines remained.

During the communist era, Romanian vineyard export was turned towards the only USSR and the policy of rationalization did not always aim wine quality. Even now, about half of the production is still ensured by large co-operatives. However, there is recent evolutions in terms of surface planted and especially of quality. Quality had increased since the retrocession of the land to the former owners began during the 1990's.

According to official data, white varieties occupy about 85 percent of the total vineyard area, while red varieties account for the remaining 15 percent. *Feteasca Alba* and *Feteasca Regala* are the main white varieties, followed by *Riesling*, *Aligote*, *Sauvignon*, and *Muscat*. Leading red varieties are *Merlot* and *Cabernet Sauvignon*. In 2010, PDO and PGI wines represented 10 and 18 percent of the market, respectively. Wineries can apply to EU funded reconversion programs to replace the hybrid vineyard with noble vineyard. In Romania, The vineyard area has been on a downward trend for the last three years, falling from 184,400 Ha in 2009 to 175,000 Ha in 2012.

Romania have eleven wine-producing regions (Cotnari, Dealu Mare, Jidvei, Murfatlar, Panciu, Odobesti, otesti, Recas, Târnave, Vânju Mare, Bucium), with a classic continental climate: hot summers and very cold winters, and very diverse landscape.

Romania is the sixth-largest wine grower in the European Union and with its 180,000 hectares of vineyards. Romania produced as of 2009 around 610,000 tons of wine. In

recent years, Romania wine market began to attract European business people and wine buyers, due to the affordable prices of both vineyards and wines compared to other wine producing nations such as France, Germany, and Italy. Wine market is one of the very few sectors of the Romanian economy that is attracting EU development funds. Nevertheless, Romanian wine activity suffers of a bad reputation for widespread graft, cumbersome commercial practices and shaky political foundations. However, product quality has increased, the area of vineyards has shrunk, new investments and new players have entered the market. Romanian winery, exports a meagre five percent of its wine to Canada, Belgium, Sweden and Germany and plans to expand its export base to United States and across northern Europe. Imports were nine times larger. On April 6, 2012, the Romanian Association of Wine Producers and Wine Products "Dobruzha", in cooperation with the Bulgarian State Fund "Agriculture" and the Bulgarian Regional Vine and Wine Chamber ("Trakia") agreed to implement a multinational program to promote PDO and PGI wines in Russia and China. The EU approved program will last three years (March 2012- March 2015), with a total budget of 3.2 millions of Euros. Half of the budget is provided by the European Union (EU), 30 percent by the State budget, while the remaining 20 percent is paid by the beneficiary. A third EU funded project aims to promote wines with Geographical Indication from Southern.

2.2 French wine market

France ranks as the world's largest wine producer in 2012, with 16 percent of the global market share, and nearly 29 percent of the EU-27 market. The Romania share in EU-27 for the same year is 2,88 percent. EU-27 wine production in 2012 is estimated at 141 Million Hectoliters (Mhl), 9 percent below from the previous year. A significant decrease of 19 percent occurred in France, against a decrease of only 3.6 percent in Romania.

In France 2010, vineyard area was officially reported at 774,000 Ha. Approximately 45 percent of French vineyards are devoted to AOC (Appellation d'Origine Contrôlée) and VDQS (Vin D'origine Contrôlée) wines; 28 percent to IGP (Indication Géographique Protégée) wines, 11 percent to table wines and 16 percent to *brandy* production (mostly *cognac*). On average, 85,000 farms produce 42 Mhl of wine per year (42.4 Mhl in 2011).

France is a large producer with high specialisation in GIs, Romania is rather a medium producer with a low share of GIs by sales. Labelling with Geographical Indication (GI) gather the two following labellings: Protected Designation of Origin (PDO), Protected Geographical Indication (PGI). In the wine sector, PDOs and PGIs were introduced in 2009 with the 2008 Common Market Organisation reform (Reg. (CE) No 479/2008).

Table 5 - Average sales volume of wine (2010) per category and % per category
(1000hl)

	Total	PDO	PGI	Non-GI	% PDO	% PGI	% non-GI	% total
IT	49 213	11 795	11 795	25 624	24%	24%	52%	100%
FR	46 109	21 141	9 147	15 822	46%	20%	34%	100%
ES	24 602	10 813	1 198	12 592	44%	5%	51%	100%
DE	9 578	8 041	199	1 338	84%	2%	14%	100%
PT	6 299	2 485	1 068	2 746	39%	17%	44%	100%
RO	5 018	423	1 229	3 367	8%	24%	67%	100%
HU	3 158	2 088	735	335	66%	23%	11%	100%
UE27	173 497	60 072	27 135	86 289	35%	16%	50%	100%

Source: DG AGRI and AND-International study quoted by Chever T., Renault C., Renault S., Romieu V. (2012)
 Hl : hectolitres

The sales value of GI wine was €30.4 billion in 2010; PDOs represented 85% of the sales value and 69% of the sales volume under GI. The five largest GI wine producers (France, Italy, Spain, Germany and Portugal) gathered 89% of the sales volume under GI and 93% of the sales value under GI.

Considering the PDOs and Germany in term of sales volume and sales value, France (respectively 35% and 54%) is ahead of Italy (20% and 4%) , Spain (18% and 3%) and Germany (13% and 9%). Romania gathered only 1% and about 0%. But, Italy was ahead of France, Considering PGIs. PGI sales were very concentrated: these two countries gathered 77% of the volume and 81% of the value. The high valorisation of French wine was partly due to PDO Champagne.

According to Chever T., Renault C., Renault S., Romieu V. (2012), with a total value around €5 billion in 2010, PDO/PGI wines represented 74% of the total value of extra-EU exports of wine, including 80% of PDO wines and 20% of PGI wines. Exported GI agricultural products came mainly from France, the United Kingdom and Italy. Products originating from these 3 countries represented 86% of total extra-EU exports of GI products with 40%, 25% and 21% respectively. In the three cases, exports were pulled up by a very small number of designations, like Champagne and Cognac in France; Scotch Whisky in the UK; Grana Padano and Parmigiano Reggiano in Italy. The GI wine sales value is very important in France, with 75% of total French GI sales, in 2010. French wines represented 29% of the total EU 27 agricultural sales value under GI in 2010. France is the leading EU member state in sales value of GI wines, with 54% in 2010 of all PDO/PGI wine exports. France and Italy alone accounted for 86% of those exports.

Around a third of extra-EU exports of PDO/PGI wines went to the United States. Next was Switzerland, followed by Canada, Hong-Kong and Japan. Overall, EU-PDO/PGI wines were mostly sold in their national markets (63% of sales). Intra-EU market and extra-EU market respectively 21% and 16% in 2010.

Table 6: Shares of Extra-EU exports of PDO/PGI wines by EU member states (2010)

	% Extra-EU exports
France	17%
Italy	28%
Spain	9%
Germany	8%
Portugal	13%
Hungary	2%
Romania	1%
Bulgaria	4%
Total UE	16%

Source: AND-International survey for DG AGRI

Wines contributed 65% (€19.3 billion) of the total value premium of EU-27 GIs (€29.8 billion). The value premium is related to the specific characteristics of the products or/and the product's fame. GIs in France, Italy and Spain represented 82% of the EU sales value in the wine scheme. GIs in Germany, Portugal, Austria and Hungary another 15% and the GIs in the other MS accounted for the 3% left. The French wine model has indirectly inspired the EU schemes; together with Italian and Spanish wines, the share climbed to a 59.9% of the EU value premium.

The French GI wine sector recorded one of the highest value premium rates, thanks to its very famous and rather huge vineyards such as Champagne, Bordeaux and Burgundy. For instance in the Champagne supply chain, branding works together with the PDO scheme.

2.3 The example of Champagne

Sparkling-wines production from 2002 to 2003 is near 20 percent relative to world wine production. France remains the main sparkling-wines producer before Italy, Germany, Russia and Spain. According to FranceAgimex (2013), in France, champagne production amounted to 7 percent of total wine production in volume and 29 percent in value against, respectively, 4 percent and 3 percent for the other sparkling wines, and 26 percent in volume and 10 percent in value for the PDO still wines

The Champagne appellation represents 0.4% of world vineyard acreage and 4% of France's total vineyard area. The industry directly employs 30,000 people, of which 15,000 salaried staff, plus some 120,000 seasonal workers at harvest time or for vine pruning, trimming and trellising. Champagne exports its wine to more than 190 countries, representing 13% by volume of world consumption of sparkling wines. There are more than 15,000 growers in Champagne and between them they own roughly 90% of the vineyards.

Table 7: Champagne actors

	Number s	Harvest volume sold *	Volume shipped **

wineries selling grapes	13 014		
winemakers, growers and harvesters manipulants cooperators	4651		67,7
Cooperatives	137		27,7
Traders	391		213,4

* vintage 2011

** million of bottles, 12 months to 31 December 2012

Source : Champagne en pocket (2013) – SGV(Syndicat Général des Vignerons de la Champagne - General Union Winegrowers Champagne)

In Champagne area, Farms are family-run, small and medium size. More than half of them highlights less than 1 ha and the average operating area is less than 2 hectares. Cooperation plays an important role in the Champagne vineyards : 137 cooperatives and cooperative unions, bringing the total 13,800 wineries are spread throughout the wine country. They provide benefits pressing and vinification on behalf of their members. 43 of them sell champagne.

Wineries and cooperatives employ approximately 11,000 permanent employees plus a heavy reliance on seasonal jobs during work in the vineyard (about 115 000 seasonal harvesters).

Champagne area is a AOC area. Appellation of Controlled Origin (AOC) is a French certification system. The AOC system tries to define a product based on a geographic area, of which the product must be typical and culturally-linked. It sets rules as to how the product is grown, raised or made. The system has been administered since 1990 in France by the INAO (Institut National des Appellations d'Origine.).

The European PDO (Protected Designation of Origin) system was based on the French AOC system and is equivalent to a French AOC. Nevertheless, the French system continues to run in parallel, and for a French product to apply for a PDO, it must apply for an AOC at the same time.

Only three grape varieties may be used to produce champagne:

Table 8: average share of grape varieties used

Grape varieties	Pinot	Noir	38 %
		Meunier	32 %
	Chardonnay		30 %

Source : Comité Interprofessionnel du Vin de Champagne (2014)

http://www.champagne.fr/assets/files/economie/QUELQDS_2013GB.pdf

Champagne market actors have historically relied on export markets. Some famous champagne houses export more than half of their production since the eighteenth century. They even had received the complicity of celebrity clients such as tsars or presidents. The Champagne actors have always aimed luxury in their activity. This particular strategy could serve as models for other European regions seeking to strengthen the reputation and quality of their products.

The main buyers of champagne are in the EU, headed by Britain. However, exports outside the EU tend to develop. According to an interview with the CFO of Laurent Perrier published by Reuter Tuesday, December 24, 2013, Champagne sales are expected to decline in volume for second consecutive year. It is not sure that the

increase in average selling price could always offset lower volumes. Very hit by the crisis of 2008, champagne has experienced positive year since then, but never regained the record levels achieved in 2007, when 339 million bottles had been gone for a turnover of 4.5 billion euros. The economic situation is still difficult in Europe and particularly in France, while it remained buoyant outside Europe. So, the champagne professionals hope to stabilize their revenues with export to distant markets.

Table 9: Champagne Top ten export markets (bottles) 2012

United Kingdom	32,4
United States of America	17,7
Germany	12,6
Japan	9,1
Belgium	8,3
Italy	6,2
Australia	5,4
Switzerland	5,4
Spain	3,1
Sweden	2,3

Source : http://www.maisons-champagne.com/orga_prof/statistiques/acteur_economique_majeur.htm

According to the same source, the markets of Australia, Nigeria, Japan, Denmark, Hong Kong, Finland, United Arab Emirates and Mexico have experienced strong growth (over 10%) in 2012.

As the industry leader in French wine and spirits, Champagne makes a vital contribution to the national economy. Champagne is a major economic player in the export market for French wines and spirits.

300 traders have sold 213.4 million bottles, 43 cooperatives have sold 27.7 million bottles, and 4722 winemakers, growers and harvesters manipulant cooperators, sold 67.7 million bottles.

The French market accounts for 56% of sales of Champagne bottles with 171.4 million and a turnover of € 2.13 billion. The European Union accounts for 25% of sales, with 76.4 million bottles and a turnover of € 1.14 billion. And the great export accounts for 20% of sales, with 60.9 million bottles and a turnover of € 1.11 billion.

The Champagne growers union (Syndicat Général des vignerons de la Champagne - SGV) established in 1904, is a powerful union of the champagne region. This union represents 5000 growers and grower cooperatives.

The Champagne market knows a bit difficult situation since the beginning of the 2008 crisis. But the high price level of champagne has so far offset the lower level of production volume. With increasing competition in the market for sparkling wines, the future remains uncertain. Actors in the region therefore trying to export more to emerging markets by focusing on international reputation of champagne.

Conclusion :

The European Union and some countries in particular have an advantage or have assets that they can better use in the future in the wine sector. Despite the gloom of European economies, the wine sector keeps the level of EU exports to third countries. Historically, wine is the best representing the European culture. Market faces many challenges as it has become very competitive. But the size of the market continues to grow outside Europe. The cooperation between European vineyards to target new markets is to explore and develop.

In the comparison between markets and Romanian French wine, it appears that France has relied greatly on the quality of its wines and the geographical labelling. Romania try to erase some recent past characteristics like negligence of quality criterion in the communist period. This is Romania the best way to increase the value of its wines and increase its export potential. The French strategy in the wine sector remains a model for the main EU wine producers. French strategy in the wine sector was particularly developed in the region of champagne.

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