An Analysis of the Different Labelling Options for Traditional Method Sparkling Wines in the Region of Penedès

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CONTENTS

1.- SUMMARY

The Penedès region in Spain has been undergoing a period of controversy. Since 2002, several of its traditional method sparkling wine producers have decided to leave the Denominación de Origen ('DO') Cava.

There are currently four labelling options for producers of traditional method sparkling wine in Penedès: DO Cava, Clàssic Penedès, Corpinnat and Conca del Riu Anoia. This research paper sets out to:

(1) Understand the main reasons why producers left DO Cava;
(2) Identify the advantages and disadvantages to producers leaving DO Cava; and
(3) Analyse the strengths, weaknesses, opportunities and threats for each of the four labelling options.

This research shows that the desire to identify the specific origin of their wines was the most important motivation for producers to leave DO Cava, followed by not wanting to be linked with DO Cava because of its poor image.

Clàssic Penedès, Corpinnat and Conca del Riu Anoia initiatives are more suited to small estate wineries wishing to be part of a smaller group of like-minded individuals. DO Cava's improvement plans have addressed the perceived shortcomings of the appellation and could prevent further departures. DO Cava remains the only option for large wineries who buy in most of their fruit, *négociant*-style producers and cooperatives.

2.- INTRODUCTION

2.1.- The Role of Protected Designations of Origin

According to Regulation (EU) No 1151/2012, Protected Designations of Origin[1] ('PDOs') have three main objectives: to provide clear information to consumers of all products labelled under their umbrella, to protect against products from other regions wishing to take advantage of their reputation, and to ensure minimum quality levels and fair returns for producers. However, in recent times, several European wine PDOs have faced controversy, with high-quality producers choosing to label their wines outside of appellation rules.

In France, the Vin de France category is normally associated with low-priced, high-yielding wines made from grapes from different regions.[2] The category was created in 2010 to give producers more flexibility in the labelling of their wines, whilst enabling them to state the vintage and grape variety on the label.[3] However, Vin de France has also become the preference for a small number of leading, high-quality producers who do not feel represented by the values of certain appellations of origin. For example, Richard Leroy left the AOC Anjou Blanc in 2005 as he "did not want to be associated with an organisation that had no standards of quality".[4]

In Spain, leading Rioja producer Artadi, announced in December 2015 that they would withdraw all their wines from DOCa Rioja.[5] The main reasons given were the image of

[1] The Spanish equivalent of PDO is *Denominación de Origen Protegida* ('DOP'); however, wine producers may use the term *Denominación de Origen* ('DO'). Priorat and Rioja were awarded a superior status: *Denominación de Origen Calificada* ('DOCa'). The Italian equivalent to PDOs applied to wine are *Denominazione di Origine Controllata* ('DOC') and *Denominazione di Origine Controllata e Garantita* ('DOCG'). The French equivalent to PDO applied to wine is *Appellation d'Origine Contrôlée* ('AOC') (Robinson, 2006).
[2] Lewin, 2014.
[3] Budd, 2017.
[4] Feiring, 2014.
[5] Matthews, 2016.

cheap wine associated with Rioja and the fact that DOCa rules prohibited mention of any “local districts, villages or vineyard names on labels”.[6] López de Lacalle of Artadi hoped for an appellation system in Spain that would emphasise viticultural areas, as opposed to political borders.[7] He believes this would bring more heterogeneity to the commercial proposition, leading to higher demand for value-added products.

This issue is not exclusive to wine. For example, leading jamón ibérico producers Joselito and 5 Jotas, and olive oil producer Castillo de Canena, label their products outside of their respective approved Spanish PDOs. According to María Naranjo Crespo,[8] for leading producers (of wine or other foodstuffs), being part of a PDO can risk undermining their image as brands, leading to them bringing prestige to the region and not vice versa. This is due to *Consejos Reguladores*[9] of PDOs setting up quality standards that fit the average type of producer to attract a critical mass of brands under their umbrella. “Producers that consistently produce higher quality products than average for the appellation do not feel represented by the PDO’s values”, suggests Naranjo Crespo.[10]

[6] Hooke, 2015.
[7] López de Lacalle, 2020, pers. comm.
[8] Head of Food, Wine and Gastronomy at Instituto Español de Comercio Exterior.
[9] “Spanish term meaning ‘regulating council’. Spanish wine law is administered through a network of *Consejos Reguladores* representing each and every DO. They comprise vine-growers, wine producers, and merchants who between them decide on the ground rules for their region.” (Robinson, 2006)
[10] Naranjo Crespo, 2020, pers. comm.

2.2.- Traditional Method Sparkling Wine in Penedès

The Penedès wine region (Figure 1) is in the north-east of Spain, in the autonomous community of Catalonia and comprises 26,085 ha of vineyards.[11]

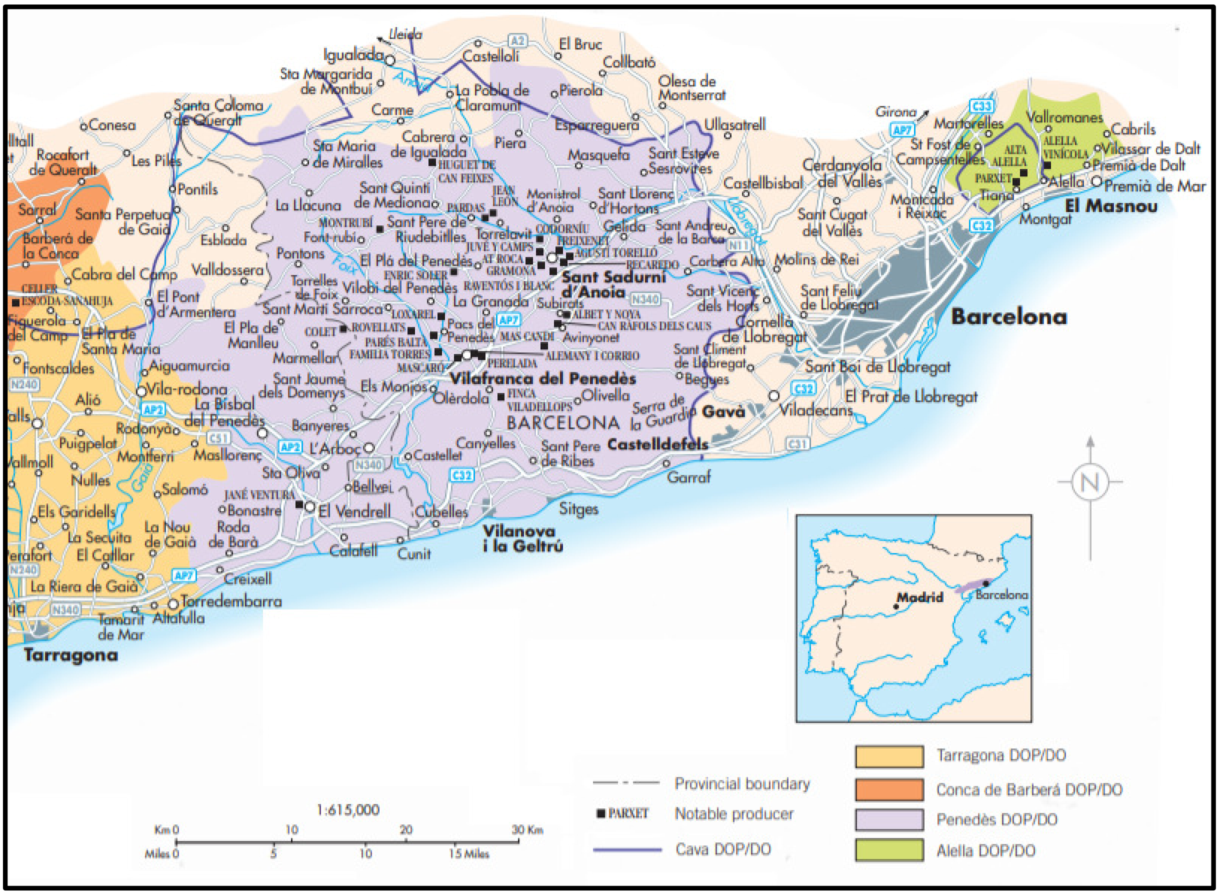

Figure 1 – Map showing the Penedès region in purple[12]

Traditional method sparkling wines were historically made in different parts of Spain under the name Champagne (or *Champán*), but when the country entered the European Union ('EU') in 1985, the name Cava was adopted. Despite Penedès being the main region producing Cava, there were also sparkling wine producers in other regions in Spain.[13] Consequently, DO Cava now covers all traditional method

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[11] Generalitat de Catalunya, 2020.
[12] Johnson & Robinson, 2019.
[13] For example, Almendralejo in Extremadura; Requena in Valencia; Rioja; and Alella, Empordà and Costers del Segre in Catalonia.

sparkling wines from these areas, and it is the only DO in Spain with vineyards in seven autonomous communities.[14]

In Penedès, several of the most prestigious producers have left DO Cava since 2002, creating a sense of division in the region. Currently, there are four different options to produce traditional method sparkling wine in Penedès, each with different criteria. Table 1 shows total 2019 production in bottles for each option.

Labelling Option	Production
Cava	249,544,696[15]
Clàssic Penedès	1,091,976[16]
Corpinnat	approximately 2,500,000[17]
Conca del Riu Anoia	approximately 500,000[18]

Table 1 – 2019 total production (in bottles) of each labelling option

2.2.1.- DO Cava

There are currently 214 producers making wine under DO Cava; however, three producers control most of the production: Codorníu, Henkell-Freixenet and García Carrión.[19]

In 2016, DO Cava introduced a top-tier echelon named Cava de Paraje Calificado. Initially, 12 wines were awarded the recognition;[20] however, five of those were made by producers that are no longer in DO Cava. Currently, there are 10 Cavas de Paraje

[14] DO Cava, 2019.
[15] DO Cava, 2020d.
[16] Olivella, 2020, pers. comm.
[17] Gramona, 2020, pers. comm.
[18] Raventós, 2020, pers. comm.
[19] The only unconfirmed information obtained prior to this research about total production by each of these three producers yielded the following data: Henkell-Freixenet 114m bottles, Codorníu 45m bottles and García Carrión 60m bottles. According to Hudin (2019), these three producers control 80-90% of total Cava production.
[20] Hudin, 2017.

Calificado on the market made by six producers, representing 0.01% of the total production.[21]

In July 2020, DO Cava approved a new set of regulations, focusing on two main aspects: zoning and segmentation.[22]

Table 2 summarises changes to the regulations.

Summary of DO Cava's Improvement Plans	
Zoning New regions and subregions	▪ Comtats de Barcelona - Valls d'Anoia Foix - Serra de Mar - Pla de Ponent - Serra de Prades - Conca del Gaià ▪ Valle del Ebro - Alto Ebro - Valle del Cierzo ▪ Viñedos de Almendralejo ▪ Altos de Levante
Segmentation Changes to the regulations	▪ Increase of minimum lees ageing for Reserva wines from 15 to 18 months. ▪ Compulsory organic certification for Reserva and Gran Reserva wines. ▪ Minimum vine age of 10 years for Reserva and Gran Reserva wines. ▪ Reduction in maximum yields from 12,000 to 10,000 kg/ha for Reserva and Gran Reserva wines. ▪ Compulsory vintage wines for Reserva and Gran Reserva wines. ▪ Prohibition of trading *en punta*[23] bottles for Gran Reserva wines. ▪ Introduction of an emblem to designate those wineries that produce 100% of their base wine.

Table 2 – Summary of DO Cava's improvement plans (Source: DO Cava)

[21] DO Cava, 2020a.
[22] DO Cava, 2020b.
[23] Spanish equivalent to the French term *sur pointe*. Bottles are traded after lees ageing and riddling have been completed.

Producers are now able to identify the origin of their wines based on four main areas, as shown in Figure 2. Origin identification will be compulsory for Reserva wines and above, but voluntary for generic Cava (now known as 'de Guarda').

Figure 2 – Map showing all DO Cava regions[24]

2.2.2.- Clàssic Penedès

Clàssic Penedès is the name given to sparkling wines made by 18 producers[25] under the regulations of DO Penedès.

2.2.3.- Corpinnat

Corpinnat is a private producer association from Penedès founded in April 2018 by six wineries, including prestigious brands such as Gramona and Recaredo.[26] In the following months, three more producers joined and, in January 2019, all nine

[24] DO Cava, 2020b.
[25] DO Penedès, 2020a.
[26] Hudin, 2018.

producers decided to leave DO Cava.[27] In January 2020, one more producer left DO Cava and joined Corpinnat,[28] taking the total to ten. Corpinnat producers currently bottle their wines as Quality Sparkling Wine, outside of any PDO.

Corpinnat's name comes from joining the words 'Cor', Catalan for heart, and 'Pinnat', from the ancient word Pinnae, from which Penedès derives.[29] The boundaries are a smaller area within Penedès region.

In September 2019, Corpinnat and Clàssic Penedès confirmed negotiations to create a new DO in Penedès by merging both initiatives.[30] Negotiations are currently stalled due to disagreements about production criteria.

2.2.4.- Conca del Riu Anoia

Conca del Riu Anoia is a one-producer initiative. In 2012, Raventós i Blanc decided to leave DO Cava, with the aim of creating their own DO in the future and labelling their wines outside of any existing PDO.[31] The name chosen for the DO they wish to form is Conca del Riu Anoia, which already features on their labels, but has no official recognition.

[27] Cervera, 2019; Centelles, 2020.
[28] Hudin, 2020.
[29] Corpinnat, 2018a.
[30] Corpinnat, 2020.
[31] Lawrence, 2012.

2.3.- Criteria

Providing certain criteria associated with each option are met, producers may choose which labelling option they wish to adopt. Tables 3, 4 and 5 outline the criteria for each labelling option, based on information gathered by the author during the process of this research.

Labelling option	Territory	Min. age of vines	Min. own grapes	Min. grape prices	Yields	Grape varieties	Type of viticulture	Harvest
Cava de Guarda	Demarcated by municipal boundaries.	No min.	No min.	No min.	12,000 kg/ha	All accepted by DO Cava.[32]	Conventional	Machine or manual
Cava Reserva	Demarcated by municipal boundaries.	10 years	No min.	No min.	10,000 kg/ha	All accepted by DO Cava.	Organic	Machine or manual
Cava Gran Reserva	Demarcated by municipal boundaries.	10 years	No min.	No min.	10,000 kg/ha	All accepted by DO Cava.	Organic	Manual
Cava de Paraje	Specific *lieu dits*.	10 years	No min.	No min.	8000 kg/ha	All accepted by DO Cava.	Organic	Manual
Clàssic Penedès	Demarcated by municipal boundaries and supplemented by a soil survey.	No min.	51%	No min.	12,000 kg/ha	All accepted by DO Penedès.[33]	Organic	Machine or manual
Corpinnat	Geographical and historical survey.	No min.	75%[34]	0.675 €/kg	12,000 kg/ha[35]	Indigenous plus 10% max. of exogenous.[36]	Organic	Manual
Conca del Riu Anoia	Geological survey.	No min.	80%	No min.	10,000 kg/ha	Indigenous.[37]	Biodynamic[38]	Manual

Table 3 – Vineyard parameters

[32] Whites: Macabeu, Xarel·lo, Parellada, Subirat Parent and Chardonnay; Reds: Pinot Noir, Trepat, Garnacha and Monastrell.
[33] Whites: Macabeu, Xarel·lo, Parellada, Subirat Parent, Garnacha Blanca, Moscatel de Alejandría, Moscatel de Grano Menudo, Malvasía de Sitges, Chardonnay, Sauvignon Blanc, Riesling, Gewürztraminer, Chenin Blanc, Sumoll Blanc, Viognier, Xarel·lo Rosat and Forcada.
Reds: Ull de Llebre, Garnacha Tinta, Samsó, Monastrell, Sumoll, Cabernet Sauvignon, Merlot, Pinot Noir, Syrah, Cabernet Franc, Petit Verdot and Moneu.
[34] 75% of own fruit or from growers with three-year contracts.
[35] 8000 kg/ha for vineyards registered as Cava *de Paraje* or with irrigation.
[36] Macabeu, Xarel·lo, Parellada, Subirat Parent, Garnacha, Sumoll and Xarel·lo Vermell. Maximum 10% of Chardonnay, Pinot Noir and Trepat.
[37] No specification of varieties.
[38] Bought-in grapes can be organic.

Labelling Option	Max. press yields	Method of production	Vintage	Min. lees ageing
Cava de Guarda	66.67%	Traditional method	NO	9 months
Cava Reserva	66.67%	Traditional method	YES	18 months
Cava Gran Reserva	66.67%	Traditional method	YES	30 months
Cava de Paraje	60%	Traditional method	YES	36 months
Clàssic Penedès	66.67%	Traditional method or *méthode ancestrale*	YES	15 months
Corpinnat	66.67%	Traditional method	NO	18 months
Conca del Riu Anoia	Not specified	Not specified	YES	18 months

Table 4 – Winery parameters

Labelling Option	Buy base wine?	Buy en punta bottles?	Differentiation of type of producer	Disgorgement date on label	Other wines on same premises?	Audits
Cava de Guarda	YES	YES	NO	NO	Only still wines	Public
Cava Reserva	YES	YES	YES	NO	Only still wines	Public
Cava Gran Reserva	YES	NO	YES	NO	Only still wines	Public
Cava de Paraje	NO	NO	YES	NO	Only still wines	Public
Clàssic Penedès	YES	YES	NO	YES	YES	Public
Corpinnat	NO	NO	YES	NO	Only still wines	Private
Conca del Riu Anoia	NO	NO	YES	YES	Only still wines	Private

Table 5 – Other parameters

3.- LITERATURE REVIEW

When Raventós i Blanc left DO Cava in 2012, there was increased focus on the region by the media. Other producers, such as Mas Comtal, Colet and Mas Bertran, had already left the appellation years before, labelling their wines as Clàssic Penedès,[39] but none had the reputation of Raventós i Blanc.[40] Subsequently, more producers also left DO Cava.

Although many news articles have reported the leaving of Corpinnat (and other) producers[41], very few explore the reasons behind their decision in any depth. For example, Cava expert Sedláčková suggests "DO Cava's rules favour large-scale producers and there wasn't enough rigour and specific origin focus to entice quality-minded producers to stay".[42]

Prior to their leaving, other articles had highlighted issues within DO Cava such as its poor image, low grape pricing or its geographical disparity. Francàs, local journalist with an expertise in Cava, expressed concerns about the low prices of generic Cavas and the rise in popularity of retailer brands.[43] Similarly, Raventós i Blanc's frustration at Cava being perceived as a cheap alternative to Champagne, a "sub-£10 trade-down", was also reported.[44] The low price of entry-level Cavas (the average retail price of a bottle of Cava is €3.96[45]) has consequently negatively impacted on the price paid to vine growers for grapes. In September 2019, growers' associations took strike action, as a result of grape prices offered by the big producers for the 2019 harvest.[46]

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[39] Melendo, 2012
[40] Pepe Raventós of Raventós i Blanc is the 21st generation of grape growers in Penedès, direct descendants of the first Cava make in history and founder of Codorníu (Gutiérrez, 2014).
[41] Centelles, 2020; Cervera, 2019; Hudin, 2019; Millar, 2019; Robinson, 2016; Woodard, 2019.
[42] Sedláčková, 2019.
[43] Francàs, 2014.
[44] Lawrence, 2016.
[45] Observatorio Español del Mercado del Vino, 2020.
[46] Eales, 2019.

The lowest price per kilogram of grapes was paid by Henkell-Freixenet at €0.30, prices not seen since 1998[47] and which compared badly with the average price of €6.30 per kilogram paid in Champagne in 2019,[48] the region to which many high-end Cava producers aspire.

The fact that DO Cava is a multi-regional appellation and does not relate to a specific origin[49] has been highlighted in the literature in recent years, as a possible cause for producers' dissatisfaction. Although 95% of production is concentrated in the Penedès region, the wide geographical distribution of vineyards undermines the purpose of an appellation of origin, which is for wines to be made in a single, limited territory.[50] Mata, owner of Recaredo, one of the founders of Corpinnat, expressed concern about the huge distances separating different permitted vineyards within DO Cava (1115 km between Empordà in Catalonia and Almendralejo in Extremadura).[51] Melendo also expressed regret at the decision by the Ministry of Agriculture in December 2017 to augment the vineyard surface in Almendralejo destined for the production of Cava.[52] An increase in vineyard surface in the appellation would likely lead to higher availability of grapes and subsequently lower prices.

Eighteen years after the first producer left DO Cava, no literature has been found analysing the advantages and disadvantages of being outside of the appellation. Additionally, the only attempt to compare different options available to produce traditional method sparkling wines in Spain was made in 2018 by Wasley, a specialist importer of Spanish wines in Australia. A comparative analysis was made between

[47] Borrell Giró, 2019.
[48] Batonnet, 2020, pers. comm.
[49] Ministerio de Agricultura, 1991.
[50] Cervera, 2014.
[51] Mata, 2015.
[52] Melendo, 2017.

Cava Reserva, Conca del Riu Anoia, Clàssic Penedès, Corpinnat and Vino Espumoso de Calidad from DOCa Rioja. The parameters analysed were time on lees, type of viticulture, source of grapes and grape varieties used.[53] However, the short report offers no insight into territory delimitation, maximum yields per hectare, press yields, price of fruit purchased or other parameters.

Although it is true that some producers have left their respective PDOs in other European regions, no region has experienced the exodus of 29 of their producers except DO Cava. Consequently, the current situation in Penedès merits further enquiry.

[53] Wasley, 2018.

4.- METHODOLOGY

4.1.- Introduction

This research was based on 55 semi-structured interviews and a small group discussion with traditional method sparkling wine producers, associations' representatives, journalists and industry experts. The aim was to gather qualitative data to understand the complexities of the current situation in Penedès. Interviews were selected as the main method of data gathering due to the political sensitivity of the topic under investigation.[54]

Field trips were arranged for December 2019 and February 2020. In-person interviews were the preferred method; however, for logistical reasons, as a result of the Covid-19 pandemic, some interviews were carried out by telephone.

Both types of interviews were recorded to allow for full attention to be given to the interviewee and to extract comments that could be useful to the research in question.[55]

Interview templates are available in Appendix B.

4.2.- Research Population

Group A involved all 29 producers of Clàssic Penedès, Corpinnat and Conca del Riu Anoia, assuming they all once made Cava, but decided to leave the DO. This was true for all Corpinnat producers and Raventós i Blanc. Of 18 Clàssic Penedès producers, seven left DO Cava between 2002 and 2013; the other 11 never made Cava, but decided to label their sparkling wines under DO Penedès. All interviewees were owners of each winery (Table 6).

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[54] The author needed to "gain insights into people's opinions, feelings, emotions and experiences", and thus, such a method was found to be suitable (Denscombe, 1998). Semi-structured interviews were chosen because they allowed for a pre-determined set of questions to be asked, along with discussions of other topics that emerged during the interview (Crabtree & Di Cicco-Bloom, 2006).

[55] Bell, 2005.

PRODUCER	INTERVIEWEE	LABELLING	MODE
Albet i Noya	Josep Maria Albet	Clàssic Penedès	In person
Aymar	Núria Ferrer	Clàssic Penedès	In person
Bonans	Quim Puig	Clàssic Penedès	Telephone
Celler Can Morral del Molí	Xavier Morral	Clàssic Penedès	Telephone
Celler Grapissó	Lluís Salvador	Clàssic Penedès	In person
Celler Puig Romeu	Salvador Puig	Clàssic Penedès	Telephone
Cellers AT Roca	Agustí Torelló	Clàssic Penedès	In person
Clos Lentiscus	Manel Avinyó	Clàssic Penedès	Telephone
Colet	Sergi Colet	Clàssic Penedès	In person
Finca Viladellops	Marcelo Desvalls	Clàssic Penedès	In person
Loxarel	Josep Mitjans	Clàssic Penedès	In person
Mas Bertran	Roser Carbó	Clàssic Penedès	In person
Mas Comtal	Marta Milà	Clàssic Penedès	In person
Mas dels Clavers	Josep Gallego	Clàssic Penedès	In person
Miquel Jané	Bernadette Miquel	Clàssic Penedès	In person
Mont Picolis	Dani Jové	Clàssic Penedès	In person
Plana d'en Jan	Joan Marrugat	Clàssic Penedès	In person
Torre del Veguer	Joaquin Gay	Clàssic Penedès	In person
Raventós i Blanc	Pepe Raventós	Conca del Riu Anoia	Telephone
Can Descregut	Marc Milà	Corpinnat	In person
Can Feixes	Joan Huguet	Corpinnat	In person
Gramona	Xavier Gramona	Corpinnat	Telephone
Júlia Bernet	Xavi Bernet	Corpinnat	In person
Llopart	Jesi Llopart	Corpinnat	In person
Mas Candí	Ramon Jané	Corpinnat	In person
Nadal	Xavi Nadal	Corpinnat	In person
Recaredo	Ton Mata	Corpinnat	In person
Sabaté i Coca	Marcel Sabaté	Corpinnat	In person
Torelló	Toni de la Rosa	Corpinnat	In person

Table 6 – List of Group A producers (ordered first by labelling option, and within that alphabetically by brand)

Group B involved nine current producers of DO Cava, covering the three highest volume producers and six smaller producers. This selection of smaller producers was made by comparing Pimecava's[56] list of members with Oriol Rossell's[57] recommendations, ensuring they complied with the following production criteria:[58]

- Owning vineyards and practising organic viticulture;
- Having a press at the winery and being able to produce base wine; and
- Focusing on Cava de Guarda Superior.[59]

Table 7 shows the total Group B population. Although this is a relatively small sample of producers,[60] their profile as both volume leaders and small estate wineries means they added balanced insights into the research.

PRODUCER	INTERVIEWEE	POSITION	MODE
Codorníu	Bruno Colomer	Head of Winemaking	In person
Codorníu	Emmanuel Pouey	Chief Marketing Officer	Telephone
Henkell-Freixenet	Gloria Collell	Global Wine Manager	Telephone
Henkell-Freixenet	Kinga Schonpflug	International Marketing Manager	Telephone
Henkell-Freixenet	Marta Raventós	PR and Communications Director	Telephone
García Carrión	Alejandro Gómez	Communications Manager	Telephone
García Carrión	Pere Escolar	Operations Director	Telephone
Jané Ventura	Gerard Jané	Owner	Telephone
Juvé y Camps	Meritxell Juvé	Owner	Telephone
Oriol Rossell	Toni Rossell	Owner	In person
Parató	Josep Elias	Owner	Telephone
Parés Baltà	Josep Cusiné	Owner	Telephone
Vilarnau	Damià Deas	CEO	In person

Table 7 – List of Group B producers (ordered alphabetically)

[56] Small- and medium-sized producer association of Cava producers.
[57] Oriol Rossell was recommended by Clàssic Penedès producer Colet as someone who could act as a "gatekeeper". Gatekeepers may represent any group of individuals who may be invaluable for gaining access primarily due to their knowledge, connections with or membership in a research population (Andoh-Arthur, 2019).
[58] These production criteria are compulsory for Clàssic Penedès and Corpinnat (Corpinnat, 2018b; DO Penedès, 2019).
[59] Defined as *Reserva*, *Gran Reserva* and Cava *de Paraje Calificado*. 18-, 30- and 36-month minimum ageing on the lees, respectively as well as other requirements (DO Cava, 2020).
[60] There are currently 214 wineries registered in DO Cava (DO Cava, 2020).

Group C involved the current President of DO Cava, Javier Pagés, and the former president, Pedro Bonet.[61]

Group D involved seven industry experts and associations' representatives (Table 8) as well as four Spain-based journalists (Table 9), who have written about Cava and the issues in the region, to give the broadest possible view. The template[62] shows a standard question set adapted to each respondent, depending on the organisation they represented, allowing for a more open-ended conversation.

ORGANISATION	INTERVIEWEE	POSITION	MODE
Associació de Viticultors del Penedès[63]	Santiago Vallés	President	In person
Conca del Riu Anoia	Pepe Raventós	Founder	Telephone
Corpinnat	Jaume Mata	Director	Telephone
Covides[64]	Ricard Gil	Director	In person
DO Cava	Luis Marco	Technical Director	Telephone
DO Penedès	Francesc Olivella	President	Telephone
Institut del Cava[65]	Damià Deas	President	In person

Table 8 – List of Group D (associations' representatives) interviewees (ordered alphabetically)

JOURNALIST	PUBLICATION	MODE
Amaya Cervera	Spanish Wine Lover	Telephone
Ferran Centelles	Jancis Robinson Purple Pages	Telephone
Miquel Hudin	Miquel Hudin	In person
Ramon Francàs	La Vanguardia and others	In person

Table 9 – List of Group D (journalists) interviewees (ordered alphabetically)

61 Pedro Bonet's mandate spanned between 2014 and 2018.
62 See Appendix B.
63 (AVP) Grape growers' association.
64 Largest cooperative in Penedès, obtaining 18,900,000 kg of grapes in 2018 (Borrell Giró, 2019).
65 Producers' association.

Lastly, a discussion with a panel of Cava experts (Group E) was undertaken with Sarah Jane Evans MW, Pedro Ballesteros MW and Lenka Sedláčková MW. Evans and Ballesteros were consulted by DO Cava to design their strategic improvement plan in 2019, and Sedláčková carried out her Master of Wine Research Paper on Cava. Despite a possible bias being anticipated from the participants, the aim of this discussion was to investigate the positives and negatives of DO Cava's improvement plans and how they compare with the other labelling options.

4.3.- Research Questions

This research paper addresses the following questions:

(1) <u>What are the main reasons why producers decided to leave DO Cava?</u>

(2) <u>What are the advantages and disadvantages of producers leaving DO Cava in the view of the interested parties?</u>

(3) <u>What are the strengths, weaknesses, opportunities and threats ('SWOT') of the different labelling options for traditional method sparkling wines in the region of Penedès?</u>

Figure 3 shows a flowchart with data sources used to answer the research questions.

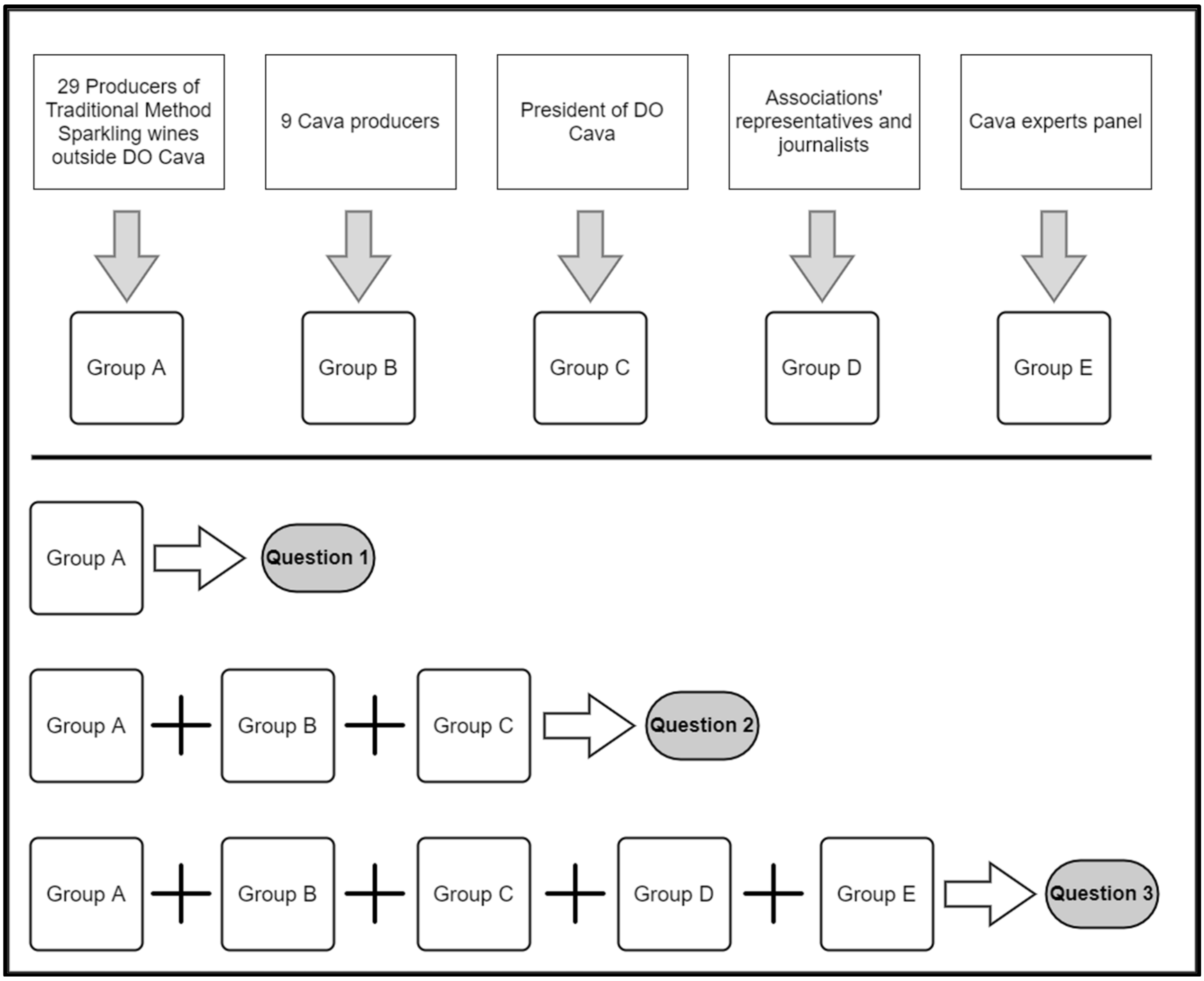

Figure 3 – Methodology flowchart

4.4.- Data Analysis

Using recordings from all interviews, a grid was created to allow the identification of trends, which were then analysed to see which answers were more frequently given by the respondents.

4.5.- Scope and Limitations

Cava is made in other regions outside of Penedès. Producers from such regions were not considered for this research, as they account for only 5% of production.[66]

[66] Robinson, 2006.

5.- RESULTS AND ANALYSIS

5.1.- What Are the Main Reasons Why Producers Decided to Leave DO Cava?

Figure 4 shows the primary motivations and the frequency at which they were mentioned. Other factors that informed producers' decisions to leave are discussed in Section 5.1.5.

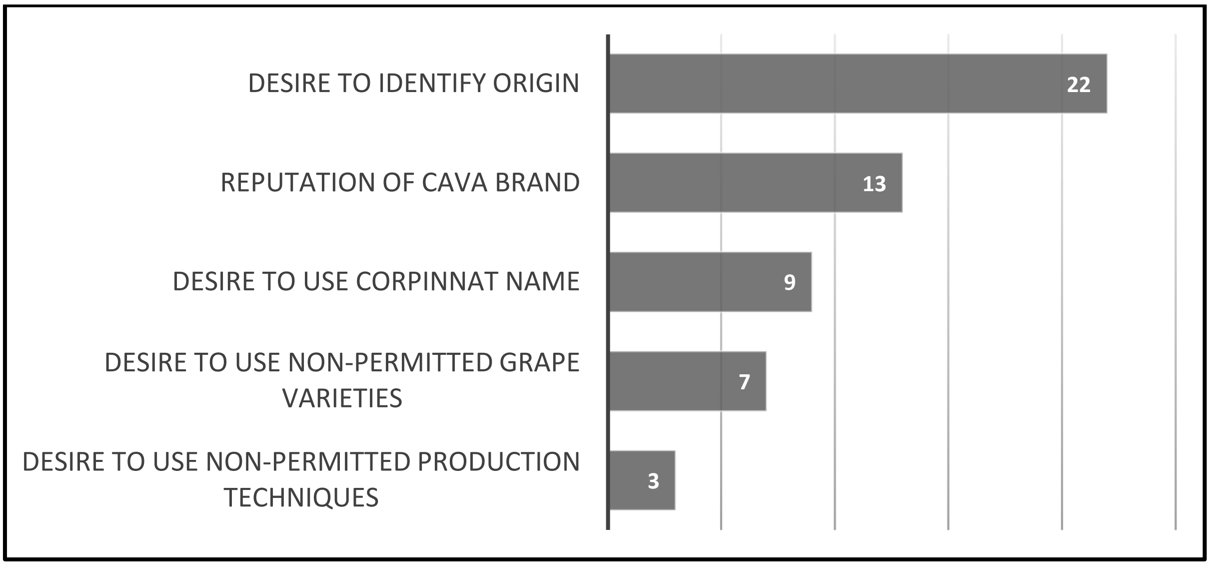

Figure 4: Primary Motivations for Leaving DO Cava

Of 29 producers interviewed, 23 mentioned more than one primary motivation with equal weight and the remainder mentioned only one primary motivation.

5.1.1.- Desire to Identify Origin

The fact that DO Cava rules precluded labelling their wines with a specific origin was stated by 22 producers as a primary motivation for leaving DO Cava.

According to _, producers in Penedès had been requesting DO Cava to allow them to communicate the origin of their wines on their labels since 2006. According to _, their requests were met with the *Consejo Regulador*'s "intransigence and immobilism" and confirmation they would not be considered. _ mentioned the contradictory nature of DO Cava, as the only appellation of origin in Europe that did not relate to a single region, covering more than 1000km and not allowing the specific origin of their grapes to be identified on the label. Instead, it related to a method of production without any transparent links to the origin of the grapes.

_ contacted DO Cava before launching their first wines in 2012 to ask if the *Consejo Regulador* would consider zoning before deciding how to label their wines. Since their enquiry was rejected, they opted for Clàssic Penedès, as it allowed them to label their wines with the region of origin. As stated in Section 2, two of the PDO's objectives are to provide clear information to consumers and to protect their products from others wishing to benefit from their reputation. The case of _ illustrates the comments from producers that DO Cava was not fulfilling its mission in this regard: producers from other regions outside Penedès are able to use the Cava name and take advantage of the global reputation created by Penedès' most prestigious wineries, supporting the point made by Naranjo Crespo.

Despite the current political tension between Catalonia and the rest of Spain[67], only _ expressed clear Catalan independence ideology, suggesting an element of political motivation behind the decision to leave DO Cava.[68] This is particularly relevant when Catalan products have allegedly been subjected to a second boycott[69] in the domestic market because of the recent Catalan independence movement.[70] Despite being impossible to qualify the exact reasons, sales of Cava outside of Catalonia dropped

[67] The Catalan independence movement began to grow in popularity in 2010, when Spain's Constitutional Court struck down Catalonia's statute, which had already been approved by Catalonia's Parliament. On 1st October 2017, the Catalan government held a binding independence referendum without consent from the Spanish central government, leading to civil unrest and dissolution of the Catalan parliament (Rodríguez, 2020).
[68] DO Cava covers multiple autonomous communities, and thus, is accountable to the Spanish Ministry of Agriculture in Madrid, unlike DO Penedès, which is accountable to its Catalan counterpart.
[69] Sales of DO Cava wines in the domestic market dropped by 6.6% in 2006, compared with 2005 (Cadena Ser, 2006), as a consequence of the first boycott which took place in 2005 as retaliation for the comments made by Catalan politician Carod-Rovira, who campaigned against Madrid's bid for 2012 summer Olympic Games (Tagliabue, 2006).
[70] Johannes, 2019.

14% between 2010 and 2012.[71] Consequently, _ have purposely focused their efforts on local and export markets over the last 10 years, to reduce the risk of a significant loss of revenue in the domestic market outside of Catalonia due to political reasons.

The remainder claimed their wish to communicate the origin of their wines responded to terroir-driven motivations: the idea that quality wine should show its sense of place and that their consumers should be entitled to know where their wines come from. According to _, their consumers are more "inquisitive" and require more information about the origin of their products than those who buy the "commoditised", cheaper Cavas in the market. However, Clàssic Penedès producers are the only ones that can put the very name of the region they represent on the label – neither Corpinnat nor Conca del Riu Anoia are permitted to use the word Penedès on their labels. No respondents appeared to have considered that the domestic sales of their products outside of Catalonia could be further jeopardised by clearly stating the Catalan origin of the grapes, considering the current political situation and possible future Catalan independence.

<u>5.1.2.- Reputation of Cava Brand</u>

The low prestige and poor image from which the Cava brand suffers due to the low prices of certain entry-level wines was stated by 13 producers as a primary motivation for leaving DO Cava.

The poor image of Cava wines in export markets was particularly emphasised by nine producers. _ found it "hard to justify the high prices of their wines,[72] whilst promoting them in USA under the Cava label". Indeed, Wine Intelligence's 2019 survey (n=2000)

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[71] DO Cava, 2020.

[72] Retail prices in the US range from 20 USD for their entry-level wines to over 120 USD for their most exclusive bottlings.

on sparkling wine drinkers in the USA showed that only 34% of respondents thought Cava was a high-quality wine and had the poorest reputation of the sparkling wine options (Prosecco, Asti, Champagne and other sparkling wines from the USA). Additionally, _ mentioned that their Japanese importer for still wines started buying their sparkling wines as soon as they were labelled as DO Penedès, as their importer did not want to list wines under DO Cava due to their poor image. The same survey in Japan (n=500) showed that only 27% found Cava fashionable; 22% thought of Cava as being of good quality and 21% said it made a good impression on others. Similarly, the same survey of UK sparkling wine drinkers (n=1010) showed that only 15% saw Cava as a fashionable brand.[73] These data suggest that the producers' claims were likely justified and Cava indeed has a poor image.

Contrarily, a survey undertaken by DO Cava in 2019 (n=2023) of sparkling wine consumers in Spain, the UK, Belgium and Germany showed that 59.7% of respondents knew nothing or very little about Cava, neither good nor bad.[74] Furthermore, Wine Intelligence's survey on UK sparkling wine consumers showed that Cava came second behind Champagne when asked about their perceived quality, and above English Sparkling Wine, Prosecco and Asti. Consequently, despite the poor image reported by 13 producers and a sector of the media[75], data suggest that only a selected number of consumers in certain markets perceive Cava as being an inferior product. However, research on the brand image of Cava was only conducted in a small number of markets; thus further research may be needed to obtain a better and more global picture.

[73] Park, 2020, pers. comm.
[74] Correia, 2020, pers.comm.
[75] Asimov, 2015; Gutiérrez, 2014.

5.1.3.- Desire to Use Corpinnat Name

Of the ten producers that form Corpinnat today, nine left DO Cava in January 2019, when DO Cava prohibited the use of the Corpinnat brand alongside the name Cava on labels, as confirmed by _ and _.[76]

In other countries, private producers' associations, such as the German Verband Deutscher Prädikatsweingüter ('VDP'), are used alongside PDOs' names without apparent coexistence problems. However, the VDP association's intentions, since the 1980s, have been to re-evaluate German vineyards from a terroir perspective, allowing producers from any region to apply for membership.[77] Corpinnat, conversely, refers to specific boundaries within Penedès, and thus is aimed at communicating the origin of the wines at a time when DO Cava's regulations did not allow it.

5.1.4.- Other Primary Motivations

The desire to use non-permitted grape varieties and the use of production techniques not allowed by DO Cava was stated by seven and three producers, respectively (all from Clàssic Penedès, predictably), as a primary motivation for leaving the appellation.

Despite claims being made by producers that other varieties and methods of production (such as *méthode ancestrale*) can have a positive effect on the final wines, it is the *Consejo Regulador*'s duty to ensure that a level of consistency within the different styles is accomplished in the interest of the brand's image.

5.1.5.- Secondary Motivations for Leaving DO Cava

The following factors were identified by producers but not stated as primary motivations, for leaving DO Cava.

[76] Can Descregut left DO Cava and joined Corpinnat in January 2020 (Hudin, 2020).
[77] Maurer, 2020, pers. comm.

Four producers expressed concern at the lack of information supplied by DO Cava about the type of business operation behind each label. Champagne producers are obliged to state the category[78] to which they adhere;[79] this legislation was not in place for DO Cava. These four producers claim consumers of their products require such information. However, no regulation exists preventing them from stating it on their labels. This might indicate their request is for other business operations, such as cooperatives, to be obliged to state it and therefore differentiate themselves from such operations.

Other secondary motivations include the extra bureaucracy involved for having wines in more than one DO[80] mentioned by one producer, and the minimum bottle ageing cellar surface requirements of 150 m^2 set by DO Cava[81], which two producers did not meet. This indicates that very small producers are precluded from entering DO Cava if their cellars do not meet the minimum surface requirements set by the appellation.

Lastly, _ and _ mentioned what they consider to be the "undemocratic nature" of the *Consejo Regulador*'s voting system. Of the six seats allocated to producers at the council, two have always been assigned to Codorníu and Henkell-Freixenet, who control most of the production, due to its weighted voting system.[82] Consequently, proposals put forward by smaller producers require their support for them to be successful, suggesting that the *Consejo Regulador* gives more importance to large-volume producers than to smaller ones. However, membership fees are paid by the

[78] NM: *Négociant-manipulant*; RM: *Récoltant-manipulant*; RC: *Récoltant-coopérateur*; CM: *Coopérative de manipulation*; SR: *Société de récoltants*; ND: *Négociant-distributeur*; MA: *Marque d'acheteur*.
[79] Comité Champagne, 2019.
[80] The three DOs available to producers in Penedès are DO Penedès, DO Cava and DO Catalunya.
[81] DO Cava, 2016.
[82] Two seats are allocated to representatives of wineries who produce more than 15% of the total production of DO Cava; two seats to those who produce between 1% and 15%; and two seats to those who produce less than 1%. Each seat carries equal weight and simple majority is needed for proposal to be approved (Boletín Oficial del Estado, 2018).

producers based on the number of bottles produced; consequently, in a DO where the great majority of production is controlled by three producers, it is inevitably difficult to listen to small-producers' demands, whilst keeping the major investment sources satisfied.

5.2.- What Are the Advantages and Disadvantages of Producers Leaving DO Cava in the View of the Interested Parties?

Interested parties are defined as those traditional method sparkling wine producers who choose to label their wines outside of DO Cava, those who label them as DO Cava and the *Consejo Regulador* of DO Cava (Groups A, B and C).

The advantages and disadvantages are reported and analysed in order of importance based on the frequency they were mentioned.[83]

5.2.1.- Advantages for Producers Outside DO Cava

Figure 5 summarises the advantages for Group A respondents.

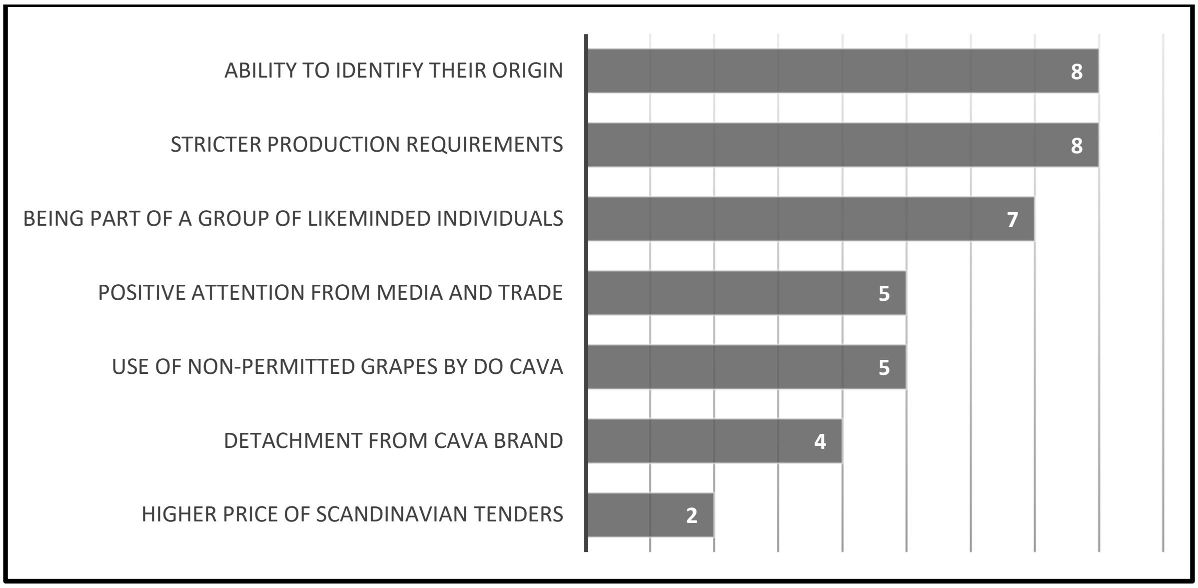

Figure 5: Advantages for Producers Outside DO Cava

5.2.1.1.- Ability to Identify Their Origin

Although the fact that producers were prevented from labelling their wines with a specific origin was cited by 22 producers as a primary motivation for leaving DO Cava, this reason was only mentioned by eight producers as an advantage of being outside

[83] Only those mentioned by more than one respondent will be subject to analysis due to space constraints.

the appellation. Clàssic Penedès is the only option that allows its producers to include the word ‘Penedès’ on their labels.[84] This suggests that all other producers that stated this as a primary motivation for leaving the appellation have realised that being outside it has not solved one of the main issues they reported about being inside DO Cava: not being able to state the region of origin on the labels.

Consequently, Corpinnat and Conca del Riu Anoia producers are only able to communicate their origin through highly involved consumer channels, where gatekeepers can explain the specific origins of each option. However, given the limited volumes of most of these producers and the premium nature of their wines (even before leaving DO Cava), their standard route-to-market channels were already those guarded by gatekeepers, who could communicate their origin to the final consumer. Therefore, producers within Corpinnat and Conca del Riu Anoia have arguably not gained anything by leaving DO Cava, regarding communicating the origin of their wines.

Additionally, the approval of DO Cava’s improvement plans in the summer of 2020 confirmed the subregional distinction and the use of the word ’Barcelona’ on the labels of the Catalan wines. This could then result in a clearer understanding of the origin of Cava in the export market, compared with other labelling options, not to mention the positive impact on the brand image itself.[85] Consequently, it could be argued that producers outside DO Cava are now at a disadvantage with those inside it, regarding communicating the origin of their wines.

[84] Olivella, 2020, pers. comm.
[85] Barcelona is considered the 7th city with the strongest tourism brand (Saffron, 2020).

5.2.1.2.- Stricter Production Requirements

The stricter production requirements that their new labelling options require was stated by eight producers as an advantage of being outside DO Cava. _ and _ stated as an advantage the obligation for organic and biodynamic certification in Clàssic Penedès and Conca del Riu Anoia, respectively. Although environmental credentials cannot be directly related to improved wine quality, there is a growing demand for “greener” and more sustainable products from consumers and a willingness to pay more for them.[86] The longer 15-month minimum lees ageing required by Clàssic Penedès, relative to that of DO Cava, was indicated by _ as having had a direct positive impact on the quality of all wines within Clàssic Penedès. Nonetheless, an increase of minimum ageing of up to six months for a large proportion of a producer’s wines would directly affect their stock holdings. Upon further enquiry, _ admitted that, although stricter requirements entailed additional storage costs, this was felt to be worth it. Other production requirements mentioned were the obligation for vintage-dated wines and stating the disgorgement date on labels. These add an extra element of transparency for those consumers who wish to know that information, the latter being particularly important when combined with non-vintage wines.[87]

_ also positively commented on the reception their brand had from specialist media and journalists,[88] regarding the strict production requirements of Corpinnat. _ mentioned that it had been easier to position their wines in “high-end channels such as Michelin-starred restaurants” since they left DO Cava. “Stricter requirements send

[86] Sellers, 2016.
[87] Robinson, 2019.
[88] Burgen, 2018; Cervera, 2018; Hudin, 2019.

a strong message of quality to trade, media and consumers which can help position a new brand at a higher status", as stated by _.

5.2.1.3.- Being Part of a Group of Like-Minded Individuals

Belonging to a smaller group of like-minded individuals was reported by seven producers as an advantage of being outside DO Cava. The profile of Group A producers is summarised in Table 10.

Parameters	Results
Mean vineyard surface ownership	45.21 ha.
Mean production	227,000 bottles.
Supply of grapes and wine	2 producers buy a percentage of base wine. 10 producers buy grapes. 17 producers make wine exclusively from own fruit. 28 producers produce all their own base wine.
Harvest	5 producers harvest a varying percentage of grapes by machine. 24 producers harvest all grapes by hand.
Type of viticulture	All producers are certified organic and six also work biodynamically.
Wines produced	All producers make wines of at least Reserva status.

Table 10 – Profiling of Group A producers

This profile diverges greatly from, for example, the 71 companies who only buy base wine and which account for 37% of Cava's production. Likewise, Reserva and Gran Reserva Cava only accounts for 12.3% of Cava's total production, compared with 100% of Group A respondents. Lastly, Organic Cava only accounts for 5.5% of total production, compared with 100% of the production of all Group A respondents.[89] These figures show that, predictably, different realities exist in a relatively large region like Penedès, where 72% of DO Cava wine is produced by three wineries who buy most of their fruit (mostly not organic) from growers and produce predominantly generic wines of nine months lees ageing.

[89] DO Cava, 2020.

5.2.1.4.- Positive Attention from Media and Trade

The positive attention from media and trade attracted to their brands and products after joining Clàssic Penedès and Corpinnat was reported by five producers as an advantage of being outside DO Cava. For example, _ claimed that "Clàssic Penedès was now better known after Corpinnat left DO Cava". Similarly, another three producers mentioned that they now have a "unique selling point" compared with other Cava producers. For instance, _ claimed that, since leaving DO Cava, sales of their sparkling wines increased by 15%. Similarly, a small producer like _, who only makes 40,000 bottles, admitted joining Corpinnat positively impacted on their brand positioning, especially in export markets and high-value channels such as fine dining restaurants. However, _, one of the bigger and more prestigious producers of Corpinnat, already showed dissatisfaction at having promoted smaller producers to become direct competitors within the same association. This suggests increased positive attention to a new category is not necessarily beneficial to all producers, but especially advantageous to those most unknown by the market.

5.2.1.5.- Detachment from the Cava Brand

Detachment from the Cava brand and its low-price reputation was stated by only four producers as an advantage, relative to the 13 who had given this reason as a primary motivation for leaving the appellation. This shows that abandoning a globally recognised brand to join a new and unknown initiative has its risks, which could explain the differential.

5.2.1.6.- Possibility of Using Non-Permitted Grape Varieties

Five producers commented on the possibility of using grapes not permitted in DO Cava as an advantage, compared with seven who gave this reason as a primary motivation.

All respondents were Clàssic Penedès producers, which are allowed to use a broad spectrum of grape varieties to produce their wines.[90] Three producers claimed the varieties they wanted to use[91] have a stronger historical association with the region than others accepted by DO Cava, such as Chardonnay or Pinot Noir. Conversely, two other producers wished to use non-indigenous varieties,[92] as this gave them a unique selling point. Whilst both viewpoints are valid from a viticultural perspective, DOs must set limits as to what varieties are allowed to simplify their marketing propositions.

5.2.1.7.- Higher Pricing of Scandinavian Tenders

The higher pricing set by Scandinavian monopoly tenders for Corpinnat wines was noted by two producers as an advantage. Systembolaget, Sweden's government-owned estate monopoly, confirmed a maximum published retail price of 300 SEK,[93] in line with Cava Gran Reserva listings.[94] Vinmonopolet, Norway's equivalent to Systembolaget, also confirmed Corpinnat's tender at "300 NOK[95] is around the highest prices we have ever had for Cava".[96] Alko, the Finnish monopoly, confirmed Corpinnat's tender, but would not comment on pricing. Although it is still too early to assess the relative success of Corpinnat on Scandinavian markets, the mere publication of tenders only months after Corpinnat's foundation confirms the positive attention of a specific trade channel to a private association labelling their wines outside DO rules.

[90] See Table 3.
[91] Malvasía de Sitges, Muscat, Samsó, Sumoll and Xarel·lo Vermell.
[92] Gewürztraminer, Riesling and Sauvignon Blanc.
[93] Approximately 31 USD.
[94] Dahlin, 2020, pers. comm.
[95] Approximately 30 USD.
[96] Furuholmen, 2020, pers. comm.

5.2.1.8.- Other Advantages

Other less frequently mentioned advantages include the possibility of using *méthode ancestrale*; more transparency regarding labelling;[97] freedom to work independently outside DO regulations; and the lack of weighted voting system at the *Consejo Regulador* council based on total production.

5.2.2.- Advantages for Producers Within DO Cava

None of the three big producers interviewed reported any advantage to them as a result of other producers leaving DO Cava. Nonetheless, four out of six smaller Cava producers were convinced that Corpinnat's departure was the catalyst for DO Cava launching their improvement plans, which was welcomed by all six as a good initiative. Conversely, _ said the plans were long overdue and blamed the slow bureaucracy in the *Consejo Regulador* for their delay. Corpinnat producer, _, even asserted that their departure from the appellation was beneficial to those producers who stayed, as "it served as catalyst for changes to finally be made within the DO".

5.2.3.- Advantages for the *Consejo Regulador* of Producers Leaving DO Cava

No advantages for the *Consejo Regulador* were reported as a result of producers leaving DO Cava. Indeed, _ admitted the appellation would be stronger with the most prestigious producers still inside it. Although both _ and _ said Corpinnat's departure was not the catalyst for the DO Cava's improvement plans consultation, _ respondents, five of nine Group B respondents (including an interviewee from _), as well as three Group D respondents and _ believed otherwise.

[97] Disgorgement date must be stated on the back label in Clàssic Penedès.

5.2.4.- Disadvantages for Producers Outside DO Cava

Figure 6 summarises the most common disadvantages for Group A respondents. Eight other disadvantages were mentioned by one respondent each.

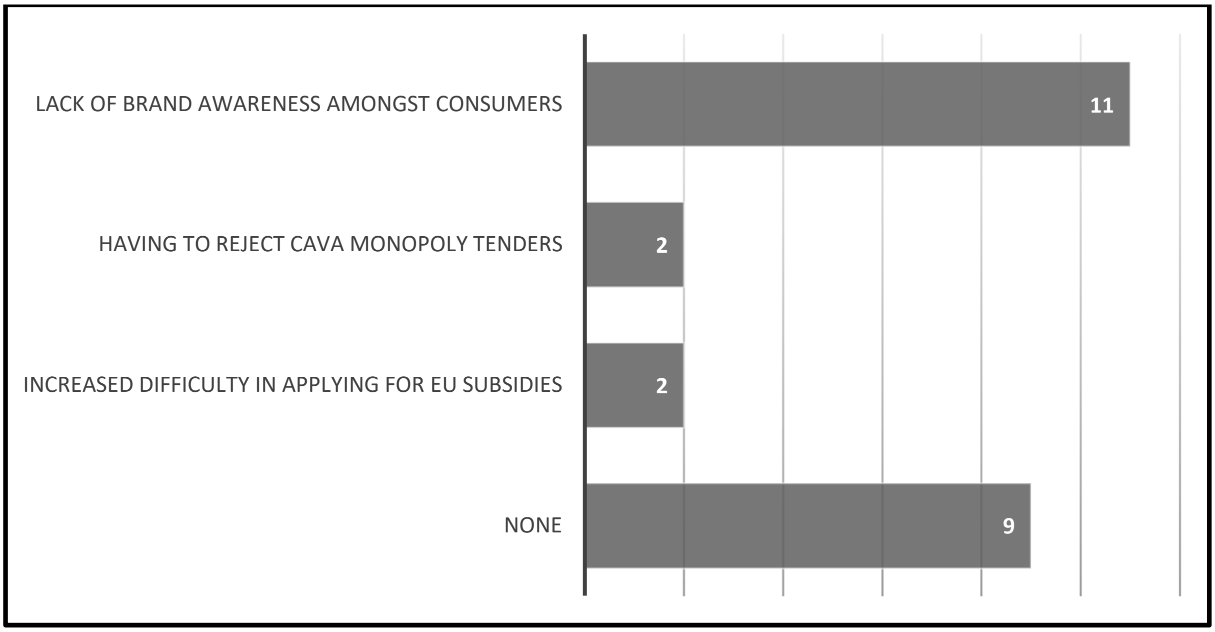

Figure 6: Disadvantages for Producers Outside DO Cava

Despite having had certain success in reaching specialist press and trade experts, 11 producers mentioned the current lack of brand awareness by the final consumer as a disadvantage of being outside DO Cava. This issue was highlighted by _ in 2019, stating a "potential headache for sommeliers with regards to wine list wording, and the need to hand-sell".[98] Market fragmentation, despite increasing the options available for consumers, can also lead to confusion. From the point of view of the producers, it can dilute their business propositions, leading to a subsequent loss of market share, particularly to those brands with greater market penetration. Nonetheless, a fragmented market can also help producers reach their target consumer and create opportunities through personalised marketing strategies.

98 Sedláčková, 2019.

Additionally, no respondents seemed to have considered the implications of abandoning a globally recognised brand, such as Cava, in favour of a new and unknown name like Corpinnat and the commercial risks involved. Should a subsequent boycott to Catalan products occur, as a result of the current political situation in the country, the Catalan-sounding name of the new brand could have negative repercussions on the domestic market outside of Catalonia. Nonetheless, DO Cava's choice of using Catalan names for their subregions in Catalonia presents similar risks.

Increased difficulty in applying for EU subsidies when not belonging to a DO was mentioned by two producers. Additionally, having to reject big-volume monopoly Cava tenders was mentioned by _ as a disadvantage; however, it is understood that they continued to operate a separate Cava brand[99] after leaving the appellation to have access to such tenders, showing a degree of bias in their answer.

Other disadvantages mentioned by one respondent each include the low credibility of Corpinnat's private auditing system; having to invest in larger amounts of stock due to extended bottle ageing; and the lack of a large marketing budget, as a result of being outside of a PDO.

Despite acknowledging several advantages, nine producers did not find any detriment to being outside of DO Cava, suggesting the possibility of an element of courtesy bias. Moreover, three producers showed an element of disenchantment with the *Consejo Regulador* of DO Cava, which suggests any possible disadvantage could have been deliberately omitted. The remainder are all small business operations (for example, _ produce 7000 bottles), who also commented on their differences in philosophy and

[99] La Vida al Camp (Raynolds, 2015).

commercial practices with larger Cava producers. This shows that small producers have business strategies that differ notably from those of large wineries and their marketing strategy will vary accordingly.[100]

5.2.5.- Disadvantages for Producers Within DO Cava

None of the three big producers expressed any worries about other producers leaving the appellation. According to _ from _ and _ from _, they operate in a different sector of the market and their sales have not been affected in any way. _ from _ admitted that Cava's image amongst professionals could have suffered, as a result of others having left the DO, but, according to them, the average consumer is not aware of the region's issues. However, all three big wineries expressed their regret at producers leaving DO Cava, as they prefer a united appellation with all producers in it.

Four of the six smaller Cava producers also expressed their regret at Corpinnat's departure, the producers in this group being some of the most prestigious in the region; "not having them associated with the same brand can be detrimental for the reputation of the rest of producers" highlighted _. Despite understanding some of their motivations, they believe the DO should remain united and undertake changes from within. Conversely, _ prefer the stricter requirements for quality at Clàssic Penedès and Corpinnat. Three producers, including _, would consider joining them in the future, but they think both initiatives are too small to represent powerful brands at present and could risk diminished sales in current strong markets for Cava. Another producer, who does not wish to be named, said DO Cava's improvement plans, although well-curated, came too late. They had made the decision to leave DO Cava and join Corpinnat before Covid-19 struck, which made them postpone their departure. They

[100] Olsen, et al., 2007.

believe Corpinnat are stronger in the on-trade channel than off-trade due to their "higher status and prices in the market", and their current Cava sales in the off-trade channel could maintain their business model during these uncertain times. Indeed, Cava sales by volume in the domestic market in 2019 were 79.4% off-trade,[101] indicating a high risk for producers tempted to leave the appellation during the current pandemic and beyond, should they have a strong presence in the off-trade channel.

5.2.6.- Disadvantages for the *Consejo Regulador* of Producers Leaving DO Cava

_ expressed his regret about producers leaving DO Cava. According to _, Clàssic Penedès producers leaving DO Cava did not affect the appellation's reputation, to a great extent for they were smaller producers with less international prestige. However, the strength and high-quality image of Corpinnat brands was confirmed by _, who asserted that DO Cava would be more prestigious with their membership. He does not think it will be easy to convince them, but, by creating stricter production requirements for premium products (e.g., older minimum vine age or lower yields), they might reconsider. It is in the *Consejo Regulador*'s interest to "keep their best producers inside the appellation whilst maintaining standards of quality and typicity for the entire region", as stated by _.

[101] DO Cava, 2020.

5.3.- A SWOT Analysis of the Different Labelling Options for Traditional Method Sparkling Wines in the Region of Penedès.

The following section explores the main issues highlighted during the interviews.

5.3.1.- Identification of Origin

DO Cava's new regional subdivisions were considered a strength by all interviewees, apart from _, who were against "further limitations regarding blending and bottling". However, only _, highlighted the risk of using Catalan names for the Catalan subregions and the negative implications it could have on the domestic market outside Catalonia. Conversely, the inclusion of the word 'Barcelona' in the main Catalan subregion could have very positive effects on subregional identity, for the standard inexperienced consumer, who might not know where Penedès, Corpinnat or Conca del Riu Anoia are, particularly in export markets.

The division of subregions within DO Penedès[102] was considered a positive by two Clàssic Penedès producers, claiming their consumers are entitled to have as much information about the origin of their wines as possible. However, ten different subregions with complicated Catalan names were stated as too difficult for consumers to remember or understand, and thus, seen as a weakness. Indeed, complex subdivisions of PDOs in the process of development risk further confusion for consumers, not least in a region already suffering from confusion due to fragmentation of labelling options. Whilst such producers might claim their consumers will benefit from the extra information, it is unclear how much attention the standard consumer will pay to these complex subdivisions.

[102] DO Penedès is divided into the following ten subregions: Alts d'Ancosa, Conca del Foix, Costers de l'Anoia, Costers de Lavernó, Costers del Montmell, Marina del Garraf, Massis del Garraf, Muntanyes d'Ordal, Turons de Vilafranca and Vall Bitlles-Anoia (DO Penedès, 2020b).

Notably, nobody stated as a positive the fact that Clàssic Penedès is the only labelling option to be able to state the word 'Penedès' on their labels. Indeed, nine Corpinnat producers mentioned being able to communicate their origin as a motivation for leaving DO Cava; however, they remain unable to identify the origin of their wines, other than by associating its brand to the old region's name, requiring further marketing efforts to reach the final consumer.

Conca del Riu Anoia now shares the word 'Anoia' with DO Penedès' subregion Costers de l'Anoia and DO Cava's subregion Valls d'Anoia Foix (despite having different boundaries), adding confusion to the current offering.

5.3.2.- Prestige

Notwithstanding the negative remarks about the prestige of the Cava brand made by 13 producers outside the appellation, its global recognition was viewed as a strength by 17 other respondents, such as _, _ and _. They claimed that, alongside Rioja and Sherry, it is the most recognisable Spanish wine. Conversely, other interviewees, such as _or _, identified the low price of Cava globally as contributing to the poor image of the appellation and saw no solution in DO Cava's improvement plans. They believe growers should be paid fairly for their grapes for a positive development of the region. Nonetheless, _ see the low prices as a positive, irrespective of the poor image it might reflect, for they have bought fruit at 22-year-low prices. However, if growers are not paid adequately for their grapes, there is a risk of turning to other crops or vineyard abandonment and requalification of land for industrial purposes.

Clàssic Penedès' relatively unknown nature in the trade and media was mentioned as a weakness by nine respondents such as _ or _, claiming not enough marketing had been done to promote the brand. Furthermore, the lack of uptake by prestigious producers meant the initiative had failed to establish itself as a higher-positioning alternative to Cava. Consequently, should Clàssic Penedès wish to increase their reputation, more prestigious producers might be needed to join their initiative. Further investment in promotional marketing and public relations can also be done by DO Penedès to promote brand awareness by the trade and consumers. However, the relatively small production of its members (around 1 million bottles in 2019) means that marketing budgets to carry out promotional activities will be limited, and therefore, other less costly actions should be identified.

Corpinnat's prestige was seen as a strength by all Corpinnat producers; Cava producers such as _; and other respondents, such _. According to them, the excellent reputation of producers such as Gramona or Recaredo has helped to position Corpinnat in a high-quality echelon and has brought them positive attention from the media and trade. However, ethos differences were already observed between producers of different sizes, thus efforts will need to be made to overcome them, should they wish to remain united and maintain the high level of prestige. Similarly, Raventós i Blanc's excellent own-brand promotion and exemplary market positioning of their products was only mentioned as a strength of Conca del Riu Anoia by one more respondent, other than Raventós i Blanc. This shows that belonging to a labelling option that has the strictest entry requirements of all is not enough to create a strong brand.

5.3.3.- Production Requirements

The stricter production requirements of Cava Reserva and Gran Reserva in DO Cava's improvement plans were highlighted as a strength by all Group B respondents (including the large producers), six Group D respondents and all members of the expert panel, some even commenting they were even stricter than Corpinnat's regarding yields or minimum lees ageing. Conversely, the 18-month minimum ageing of Cava Reserva, Corpinnat and Conca del Riu Anoia were seen as “too strict” by one Cava producer, risking alienating producers who do not have the storage or financial structure to cope with three months’ extra ageing, compared with Clàssic Penedès’ 15 months. _ recommended instead a reduction of minimum lees ageing for Generic Cava, as it would create a fresher style with “less bitterness”, which, according to them, is what their consumers want. However, despite working in different regions and with different grapes, Brad Greatrix, winemaker at traditional method sparkling wine producer Nyetimber in England, claims bitterness recedes with time on lees.[103] Consequently, this could indicate financial imperatives to reduce stock levels and release wines into the market earlier.

_ stated the clear quality hierarchy of DO Cava, emphasising time on lees of each stratum as a positive, especially “in a country that has historically communicated their wines’ quality through their length of ageing”. This hierarchy does not exist in Clàssic Penedès, Corpinnat or Conca del Riu Anoia, thus consumers are prevented from trading up within each category.

All journalists and those in the expert panel saw the introduction of a new emblem to differentiate those Cava wineries who produce their own base wine as a strength. They claimed that a specific differentiation of producer (similar to that of Champagne) should be implemented to give consumers as much information as possible. Nonetheless, Alexandra Tilling, UK Brand Manager for Louis Roederer Champagne, states that most consumers are unaware of what *récoltant-manipulant* means and how it differs from *négociant-manipulant*, having no effect on their brand image. According to Tilling,

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[103] Greatrix, 2020, pers. comm.

other buying cues, such as brand image and recognition, organic credentials, price point or house style, are much more important to their consumers than the distinction between *récoltant-manipulant* and *négociant-manipulant*. Such a distinction only matters to a small group of engaged sommeliers and industry professionals.[104] Similarly, Dom Pérignon's UK Senior Brand Manager, Marie Coussin, claims the rise in popularity of *récoltant-manipulant* Champagne has not had any negative impact on their brand image. This is because "the power of the brand and brand loyalty is such that it is not impacted by smaller independent producers".[105] Conversely, other more mainstream brands within the same portfolio, such as Moët & Chandon or Veuve Clicquot, did lose a small number of listings in restaurant wine lists in favour of smaller producers. Consequently, this differentiation could be beneficial to those Cava producers who qualify to regain market share in the on-trade channel. Interestingly, export sales by volume of *récoltant-manipulant* Champagne, relative to total production, have been waning over the last 10 years, from 22.7% in 2010 to 18.6% in 2019.[106] However, this could be explained by most successful growers, such as Bérêche & Fils, having to buy grapes to meet increasing demand due to the impossibility of purchasing vineyards because of their high prices.[107] According to Bérêche & Fils' UK importer, Vine Trail, sales were not affected by the transition in 2013. This supports the evidence that the importance of the brand is beyond the distinction between *récoltant-manipulant* and *négociant-manipulant*.

It is Clàssic Penedès' flexibility, regarding the use of *méthode ancestrale*, that respondents identified as a strength. According to _, it is a category growing in

[104] Tilling, 2020. pers. comm.
[105] Coussin, 2020, pers. comm.
[106] Comité Champagne, 2020.
[107] French Property, 2020.

popularity[108] and a “fantastic style to attract new consumers from other beverages to the category”. Conversely, the less strict requirements, in terms of accepted grapes varieties, yields and time on lees, were viewed as a weakness of Clàssic Penedès by producers such as _ or _, for they do not have a strong enough quality message. Despite Corpinnat’s highly prestigious tag, and Conca del Riu Anoia having the strictest requirements of all four labelling options (which no respondent other than Raventós i Blanc stated as a positive), both labelling options remain very small in the context of the region. According to _, “efforts should be made to become more inclusive if the categories are to be developed”; thus, their strict entry requirements are identified as a weakness. Nevertheless, since certain animosity has been observed from higher-prestige producers within Corpinnat towards lesser-known ones, there is the risk that lowering standards might exacerbate this sentiment. Consequently, each labelling option must, therefore, balance the difficult task of having a strong quality message with accessibility, in terms of production requirements.

All Corpinnat producers, Raventós i Blanc, and most industry experts stated a strength of Corpinnat is their minimum grape prices paid to growers. Higher grape prices can have a very positive effect on quality and further investments by the growers.[109] However, such minimum prices do not consider yields, allowing growers to maximise them, which could be considered counterproductive in terms of quality. A minimum price per hectare would be a better guarantee to ensure high-quality grapes are supplied.[110] _ alluded to Corpinnat’s “insignificance” in terms of relative volumes when enquired about this practice, which was deemed as unlawful by other respondents. Irrespective of its legality, which could be argued in court, depending on several

[108] Schiessl, 2020.
[109] Munson, 2020, pers. comm.
[110] Munson, 2020, pers. comm.

factors,[111] it would be more sustainable for grape prices to increase due to the change in the supply demand equilibrium, so that growers can make a living from their vineyards and not abandon them. If minimum prices are set in DO Cava, there is a risk that big producers, realising their brands are already stronger than the appellation itself, will decide to remove one or more products from DO Cava under pressure from rising costs, especially since their current stakeholders are made up of foreign capital with no links to the region.[112] This would allow them to source cheaper grapes from other regions resulting in large amounts of grapes from Penedès going unused and vineyards being abandoned. If grape prices are to increase, the supply demand balance must shift in favour of the grower, by limiting the supply of product and increasing its demand from buyers. Yield limits (in the vineyard and in the winery) and planting limitations, together with increased promotional activities to boost consumption, can help to achieve a sustainable rise in grape prices.

5.3.4.- Other Considerations

Despite subregional identity not always being a necessity for quality or reputation, DO Cava's improvement plans have not made any changes to the generic category, and thus, rely on the modifications to Reserva and Gran Reserva echelons to improve the overall brand image and increase demand.

Corpinnat's and Conca del Riu Anoia's private auditing system was acknowledged by _ as a weakness. Belonging to a private association was also remarked as not being reliable, as they are not subject to the same level of scrutiny by third parties. It is understood that _ concern went beyond audits and into not belonging to an official DO,

[111] Igartua, 2020, pers. comm.
[112] Espinoza, 2018; Hancock, 2018.

thus experiencing increased difficulty applying for EU subsidies and, more importantly, not having the credibility attributed to DOs.

The fact that Conca del Riu Anoia is a one-producer only association outside of any DO was identified as a weakness by respondents such as _, who claimed it lacked credibility, as its production criteria had been decided based on their own working practices and could be modified to fit their own needs. Coincidentally, freedom to work outside of appellation rules was stated by _ as an advantage of having left DO Cava, suggesting they are comfortable promoting their own brand without the restrictions and bureaucracy linked to being part of a PDO.

5.3.5.- SWOT Analysis

Tables 11, 12, 13 and 14 summarise the SWOT analyses for the four labelling options based on data obtained from interviews.

The strengths, weaknesses, opportunities and threats of each labelling option from the producers' perspective, will depend on each producer's business objectives and market positioning.

CAVA	
Strengths	**Weaknesses**
- Well recognised global brand. - Clear quality hierarchy enabling trading up. - Great majority of interviewees are happy with the improvement plans, having addressed the perceived shortcomings. - Biggest marketing budget. - It is already a DO. - Use of word 'Barcelona' in Catalan subregions.	- Currently associated with low prices in certain markets. - Weaker in on-trade channel. - Little flexibility to small operations.
Opportunities	**Threats**
- Already approved improvement plans could prevent more producers from leaving DO. - New plans could engage trade and media in a similar way to Corpinnat. - Strong in off-trade, so further lockdown restrictions as a result of Covid-19 could potentially benefit them. - New emblem could help to gain market share in on-trade channel.	- More producers could leave DO. - Number of regions and subregions (with unknown names) can make it more complicated for consumers to understand and remember. - Use of Catalan names in subregions could jeopardise sales in domestic market outside of Catalonia.

Table 11 – SWOT analysis for Cava

CLÀSSIC PENEDÈS	
Strengths	**Weaknesses**
- It allows *méthode ancestrale*. - It is already a DO.	- Different subregions, difficult to understand and with complex names. - Unfamiliarity in trade and media. - Some requirements such as time on lees or minimum percentage of base wine not strict enough. - No quality hierarchy.
Opportunities	**Threats**
- Implement a quality hierarchy to attract more high-quality producers. - Target right consumer through personalised marketing strategies. - Possible merge with Corpinnat.	- Remaining small and unknown. - Higher risk as a result of increased stocks.

Table 12 – SWOT analysis for Clàssic Penedès

CORPINNAT	
Strengths	**Weaknesses**
- Highly prestigious producers. - Positive attention from specific trade sectors and media channels. - Strict entry requirements can add value to the proposition.	- Lack of official scrutiny. - No DO. - Unknown to standard consumers. - No marketing budget. - No quality hierarchy.
Opportunities	**Threats**
- Attracting new members. - Possible merger with Clàssic Penedès and creating a new DO. - Target right consumer through personalised marketing strategies. - Create a quality hierarchy.	- Clash of egos between producers. - Remaining small. - Stronger in on-trade, so lockdown restrictions can continue to affect them. - Loss of market share in on-trade channel as a result of new Cava emblem.

Table 13 – SWOT analysis for Corpinnat

CONCA DEL RIU ANOIA	
Strengths	**Weaknesses**
- Strong producer brand. - Strictest requirements of all. - Positive trade and media attention.	- Requirements are too strict for new producers to join. - Lack of official scrutiny. - No DO. - No quality hierarchy. - Unknown to standard consumers. - Solo initiative without marketing budget.
Opportunities	**Threats**
- Applying for DO status. - Attracting new members. - Target right consumer through personalised marketing strategies. - Create a quality hierarchy.	- Stronger in On-trade so lockdown restrictions can continue to affect them. - Loss of market share in on-trade channel as a result of new Cava emblem.

Table 14 – SWOT analysis for Conca del Riu Anoia

5.3.6.- Recommendations to Producers

This research has shown that the profile of a producer that makes traditional method sparkling wine outside DO Cava differs greatly from the three largest producers of Cava, who account for the great majority of the volume produced. Consequently, different recommendations can be made for different types of producers.

DO Cava is the only option available to those producers who do not necessarily follow organic viticultural methods, harvest most of their grapes by machine, buy a large proportion of their base wine and/or *en punta* bottles and focus on generic Cava. They will benefit from the global recognition of the brand, as well as the scrutiny of being part of an officially recognised PDO. Additionally, they will have access to a strong marketing budget from a *Consejo Regulador* keen to improve the image of the appellation, which can also use the recent approval of improvement plans as an effective marketing campaign. Furthermore, they will also be able to use the new origin designations for their Reserva and Gran Reserva wines (should they produce them), as well as the use of the strong brand word 'Barcelona' on their labels. Those estate producers who vinify all their base wine are now able to use the new emblem on their labels, which might enable them to gain market share in the on-trade channel (and possibly off-trade, too), if they are able to convince gatekeepers to promote the new designation.

Conversely, those producers who follow organic (or biodynamic) viticultural methods, harvest their grapes by hand, own most of their vineyards, vinify all their base wine and make only wines of Reserva status and above might be tempted to join Corpinnat or Conca del Riu Anoia (providing they are situated within their respective boundaries). These initiatives could be particularly attractive to smaller producers who are relatively unknown to the trade and media and who prefer to be part of a smaller group of like-minded individuals. Despite their lack of marketing budget, campaigns can be narrowly targeted to the right consumer, as a result of the fragmented market. However, such producers would have to tolerate being outside of any PDO; the lack of scrutiny derived from such membership; and have a long-term plan with enough cash reserves to build value-added channels, such as fine-dining establishments.

Similarly, Clàssic Penedès could appeal to comparable producers regarding type of viticulture or focus on premium wines, but who would like more flexibility, in terms of purchasing base wine, harvesting grapes by machine or producing *méthode ancestrale* wines. Additionally, this initiative could be of interest to those who want to use the name Penedès on their labels, be part of a PDO and require a marketing budget (albeit small), but also prefer to be part of a smaller group of individuals, and can tolerate the current unknown nature of the initiative in the trade and media.

6.- CONCLUSIONS

This research has shown that the primary motivations for producers to leave DO Cava over the last 18 years are mostly twofold. Whilst the great majority of producers alluded to being prevented from stating their region of origin on labels as a key reason, only about a quarter of them stated this as an advantage once outside DO Cava. Indeed, neither Corpinnat nor Conca del Riu Anoia are permitted to use the word 'Penedès' on their labels, only Clàssic Penedès producers are allowed to do so, which may explain the differential.

Almost half of producers stated the poor image associated with DO Cava and the low prices of some wines as a primary motivation for leaving the appellation. However, only a small minority claimed being detached from the Cava brand as an advantage, and over a third admitted a lack of customer awareness of alternative labelling options. This suggests the Cava brand could be stronger than producers anticipated and factors other than prestige of an appellation are more closely allied to commercial success. Producers that have established a reputation for quality in Penedès, such as Gramona or Recaredo, had done so whilst inside of DO Cava and irrespective of the appellation's image.

The SWOT analysis of the four labelling options has shown that no initiative is clearly the strongest of all and its suitability depends on the type of operation. DO Cava is the only labelling option suitable for large producers, who focus on generic wines, *négociant*-style producers, and cooperatives. Since the approval of improvement plans in July 2020, DO Cava is now an option for small estate producers who wished to communicate the origin of their wines on their labels. This could prevent further departures from the appellation. However, DO Cava still has a strong focus on larger operations, showing little flexibility with smaller producers. The other three initiatives, though still small in terms of production, mostly benefit from having highly prestigious producers and being groups of like-minded wineries that can use specific marketing campaigns with a smaller budget to reach their target consumer.

The four labelling options currently have complex and similar subregional overlapping names, offering no clear guidance to the standard consumer and leading to further confusion. A degree of consolidation would be welcome should a clear and cohesive regional marketing proposition be desirable.

Seeing that DO Cava has addressed the perceived shortcomings in the appellation regarding subregional identity and producer segmentation, the option to come back to the appellation is now open for producers who left for those reasons. This would not only offer the consumer welcomed regional consolidation but would also enable producers to benefit from DO Cava's new strengths. Additionally, producers will be able to take advantage of bigger marketing budgets to promote their brand, and improve the image of the appellation in those markets where it might be considered poor.

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[Accessed 19 May 2020].

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[Accessed 26 November 2020].

APPENDIX A – Research Paper Proposal

IMW Research Paper Proposal Submission Form			
Student ID	**24485**	**Date of submission**	**20/11/2020**
RPP Version No	**3.0**	**Name of Advisor**	**Iain Munson MW**

Note: RPPs must be submitted via your Advisor to the IMW

Proposed Title

An analysis of the different labelling options for traditional method sparkling wines in the region of Penedès.

Research Questions: Define the subject of your Research Paper and specify the specific research questions you plan to pursue. (No more than 200 words)

Certain Spanish *Denominaciones de Origen* (DO) are undergoing a period of controversy as several high-quality producers are deciding to leave them.
In Penedès, twenty-nine traditional method sparkling wine producers are now choosing to label their wines outside DO Cava's regulations. Some of them are even considering the creation of a new DO[113].
This Research will examine the following questions:

(1) What are the main reasons why producers decided to leave the DO Cava?
(2) What are the advantages and disadvantages of producers leaving DO Cava in the view of the interested parties?
(3) What are the strengths, weaknesses, opportunities and threats of the different labelling options for traditional method sparkling wines in the region of Penedès?

Background and Context: Explain what is currently known about the topic and address why this topic requires/offers opportunities for further research. (No more than 200 words)

In the last 18 years several highly-regarded producers have chosen to leave the DO Cava. In 2002 Mas Comtal was the first winery to leave it, followed by Colet in 2004 and another five producers shortly after. They chose to label their traditional method sparkling wines under the umbrella of DO Penedès, naming them Classic Penedés in 2014 and setting higher and stricter quality requirements than DO Cava's[114]. In 2012, Raventós i Blanc abandoned DO Cava aiming to create their own DO (Conca del Riu Anoia) in the future and preferring to label their wines as Quality Sparkling Wine at present[115]. At the beginning of 2019, the nine Cava producers who had founded the association Corpinnat in late 2017 - including top quality brands such as Gramona and Recaredo - also left the appellation[116]. In

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[113] Eales, B., 2019. *Harpers Wine & Spirit Trade News.* [Online] Available at: https://harpers.co.uk/news/fullstory.php/aid/25910/Organic_sparkling_wine_DO_move_sparks_new_Cava_rift.html [Accessed 5 October 2019].

[114] Consell Regulador Denominació Origen Penedès, 2019. *Normativa Escumosos.* [Online] Available at: http://www.dopenedes.cat/pdf/normativaescumosos.pdf

[115] Lawrence, J., 2012. *Decanter Magazine.* [Online] Available at: https://www.decanter.com/wine-news/raventos-i-blanc-to-quit-cava-appellation-23901/ [Accessed 5 October 2019]

[116] Cervera, A., 2019. *Spanish Wine Lover.* [Online] Available at: https://www.spanishwinelover.com/conoce-360-corpinnat-se-va-de-do-cava-y-ahora-que [Accessed 5 October 2019].

September 2019, Classic Penedés and Corpinnat representatives confirmed meetings had been held during the summer of the same year with the aim of creating a new DO in Penedès parallel to Cava.

Sources: Identify the nature of your source materials (official documents, books, articles, other studies, etc.) and give principle sources if appropriate. (No more than 150 words)

People:

- Key producers in the region.
- Regulatory Bodies and other associations
- Industry commentators

Website articles:

- www.robertparker.com – *"Spain: Priorat and the Appellations of Cataluña – The Names of the Land and Corpinnat" (Issue 244, August 2019); "Spain: Highlights from Catalunya" (Issue 236, April 2018); "Spain: The Sparkling Wines from Cataluña - Where's the Spark?" (Issue 227, October 2016).*
- http://guiapenin.wine/ – *"¿Nueva Denominación de Origen para los espumosos de Penedès?" (23rd September 2019); "Corpinnat se va de la DO Cava" (30th January 2019); "Cava, wines from here and there" (28th February 2018).*
- http://elmundovino.elmundo.es – *"El gran cisma de las burbujas" (3rd February 2019); "Cava: ¿Del éxodo a la estampida? (29th November 2013)"; "Piquetes sindicales contra Codorniu, Freixenet y Torres (31st August 2005)"*
- www.spanishwinelover.com – *"Corpinnat se va de DO Cava. ¿Y ahora, qué?" (1st February 2019); "12 nuevos terruños para el cava" (20th July 2017); "¿Qué pasa con el cava?" (9th December 2014);*
- www.jancisrobinson.com – *"Spain in a pickle" (6th February 2016);*
- www.hudin.com – *"Big Cava flexes its muscles, to pay 30% less for grapes" (19th August 2019).*
- www.winesearcher.com – *Spanish Wine's Identity Crisis" (25th April 2019).*

Books:

- Marketing terroir: A conceptual approach, Stephen Charters MW.

Trade Magazines:

- Meiningers – *"Cava growers to take strike action" (1st September 2019); "The Cava paradox" (29th February 2016);*
- Drinks Business – *"Cava DO hires six experts to advise on zoning projects" (17th October 2019).*
- Harpers – *"Organic sparkling wine DO move sparks new Cava rift" (17th September 2019).*

Documents and articles:

- International standard for the labelling of wines, OIV.

Research Methodology: Please detail how you will identify and gather the material or information necessary to answer the research question(s) and discuss what techniques you will use to analyse this information. (No more than 500 words)
Question 1 – What are the main reasons why producers decided to leave DO Cava? Semi-structured interviews with all 29 producers (Group A) to gather qualitative data about the main reasons behind their decision of leaving the DO. Additional information about pros and cons of being outside DO Cava will also be obtained. Once all interviews are conducted, analysis will be carried out to determine primary motivations. **Question 2 – What are the advantages and disadvantages of producers leaving DO Cava in the view of the interested parties?** DO Cava will be contacted to obtain information about producers currently making wine within the DO of similar size/philosophy to those who have already left. Such producers could potentially consider leaving the DO in the future. Semi-structured interviews with a cross section of Cava producers (Group B) to gather qualitative data. García Carrión, Codorniu and Henkell-Freixenet will be contacted as the three main producers in terms of volume, in order to understand their point of view about other producers leaving the DO Cava. Furthermore, a selection of 3-6 producers who could potentially be inclined to leave the DO in the future will also be contacted. The aim is to obtain information about advantages of being part of DO Cava and whether they could be tempted to leave the DO in the future. In order to assure data quality, anonymity will be offered to the latter. Semi-structured interview with the current and former president of the Consell Regulador del Cava (Group C) to gather qualitative data. The aim is to obtain information about the viewpoint of the DO about these producers' departures and their vision for the future in the region. Information will also be obtained about their current improvement plans for the region. Once all information has been gathered, evidence from interviews with Groups A, B and C will be used to analyse leaving versus staying for producers. **Question 3 – What are the strengths, weaknesses, opportunities and threats of the different labelling options for traditional method sparkling wines in the region of Penedès?** Semi-structured interviews with representatives of DO Penedès, Corpinnat as well as producers' associations such as Institut del Cava and growers' associations such as Associació de Viticultors del Penedès (Group D). The aim is to obtain qualitative data from different stakeholders in order to have the broadest possible view about the issue. Expert panel discussion with Sarah Jane Evans MW, Lenka Sedlackova MW and Pedro Ballesteros Torres MW[117] (Group E) to obtain qualitative data about DO Cava's improvement plans. Using evidence from interviews with Groups A, B, C and E, a SWOT analysis will be made between DO Cava's new classification, Classic Penedés, Corpinnat and Conca del Riu Anoia. Data from interviews with Group D will be used to support the analysis.

[117] French, P., 2019. *The Drinks Business.* [Online]
Available at: https://www.thedrinksbusiness.com/2019/10/cava-do-hires-six-experts-to-advise-on-zoning-project/
[Accessed 19 March 2020].

Potential to Contribute to the Body of Knowledge on Wine: Explain how this Research Paper will add to the current body of knowledge on this subject. (No more than 150 words)
In the last few years, Spanish wine has been trying to redefine itself and a number of producers are vying for a return to terroir-driven wines. The Club Matador Manifesto, signed in 2016 by numerous personalities in the Spanish industry, served as a steppingstone for a structural change within the industry and as a wake-up call to many Consejos Reguladores. However, Spanish wine is still undergoing a period of controversy with numerous producers in different regions still considering leaving their respective DOs[118]. The recommendations as a result of this research could help producers to decide which labelling option is best suited to their needs. Given the continuous changing nature of the DO's structures in Spain, there is scope for further analysis in other regions.
Proposed Time Schedule/Programme: This section should layout the time schedule for the research, analysis and write-up of the Research Paper and should indicate approximate dates with key deliverables. *Dates of submission to both Advisors and the IMW must be those specified by the IMW.*
October 2019: RPP Submitted to Advisor. Initial informal interviews with main producers and DO representatives. **1st November 2019:** RPP submitted via Advisor to Institute **November 2019 – December 2019**: Review of RPP. **November – January 2020:** Collection and initial typing up of all literature review. **January – mid March 2020:** Official interviews with all producers, DO representatives and organisations' spokespeople. **Mid-March – April 2020:** Carry out Focus group, analysis of all results, implications and typing up of RP **13th April 2020:** Confirm submission of Final RP in June 2020 **Late April – Early May 2020:** final editing of RP with proof reading **13th May 2020:** Submission of Final RP to Advisor **25th June 2020:** Submission of Final RP to Institute **September - October 2020:** Carry out extra interviews **October – November 2020:** Rewriting of RP **November 2020:** Submit changes to RPP **November – December 2020:** Final editing of RP with proof reading

[118] Lawrence, J., 2019. *Wine Searcher.* [Online]
Available at: https://www.wine-searcher.com/m/2019/04/spanish-wines-identity-crisis
[Accessed 2 November 2019].

APPENDIX B – Interview Templates
Group A – Semi-structured interview to producers that have left DO Cava

Date:

Producer:

Name:

Position:

Did you ever make Cava? YES NO If so, when did you leave?

Type of viticulture:

Number of hectares owned:

Harvest: % MANUAL % MACHINE

Buy in grapes? YES NO

Sell grapes? YES NO

% of production vinified in property:

Minimum ageing of your wines:

Buy in any “en punta” bottles? YES NO

Total production in bottles:

% Export VS Domestic:

Reasons why left DO:

Advantages of being outside of DO Cava?

Disadvantages of being outside of DO Cava?

What are your thoughts about DO Cava’s strategic improvement plans?

What are your views over the other labelling options available to traditional method sparkling wine producers in Penedès?

Group B – Semi-structured interview with producers that are within DO Cava

Producer:

Name:

Position:

Organic certified? YES NO

If not, practicing? YES NO

If not, intending to? YES NO

Number of hectares owned:

Buy in grapes? YES NO If yes, how many kg:

Sell grapes? YES NO If yes, how many kg:

% of production vinified in property:

Production in bottles:

Buy “en punta” bottles? YES NO

Thoughts about producers leaving DO Cava:

Would you like them back?

Pros and Cons of producers leaving Cava:

Do you think their departure was the main catalyst for the implementation of DO Cava’s improvement plans?

What are your thoughts about new improvement/zoning plans of DO Cava? Are they strict enough? Is there anything else that could have been added?

Should the new zoning be implemented to all Cavas and not only Reserva and Gran Reserva?

Thoughts about price of grapes in Penedes:

Would you like new grapes varieties to be approved in DO Cava?

Would you like other sparkling wine production methods to be approved by DO Cava?

According to you, does DO Cava have a bad image?

What else could be done in DO Cava to improve the image of the appellation from your company’s point of view?

What are your views over the other labelling options available to traditional method sparkling wine producers in Penedès?

Group C – Semi-structured interview with the President of DO Cava

What do you think are the motivations for producers to decide to leave DO Cava?

Do you find these motivations sustained?

Do you think it would be better for the image of the appellation if they came back to DO Cava? Why?

What are the pros and cons (both for themselves and for DO Cava) of their leaving the appellation?

What do the new improvement/zoning plans of DO Cava consist of? Do you think they are strict enough or should be stricter?

What are your thoughts about the price of grapes in Penedes? Do you think setting up a minimum price is the best solution?

Would you like other sparkling wine production methods to be approved for DO Cava?

What are your views on organic grape growing? Do you think entire DO Cava should aim to become organic and not only Reserva and Gran Reserva wines?

According to you, does DO Cava have a bad image?

What else could be done in DO Cava to improve the image of the appellation from the Consejo Regulador's point of view?

What are your views over the other labelling options available to traditional method sparkling wine producers in Penedès?

Group D – Semi-structured interview with different stakeholders in the Penedès region

Organisation:

Name:

Position:

Thoughts about producers leaving DO Cava:

Do you think it would be better for the region if they came back to DO Cava?

What are your thoughts about Cava de Paraje? Do you think its implementation has been successful?

What are your thoughts about new improvement/zoning plans of DO Cava? Are they strict enough? Do you think zoning should be made obligatory also for generic Cava?

What are your thoughts about the price of grapes in Penedès? Do you think setting up a minimum price is the best solution?

Would you like more grape varieties to be approved in DO Cava?

Would you like other sparkling wine production methods to be approved for DO Cava?

What are your views on organic grape growing? Do you think entire DO Cava should aim to become organic and not only Reserva and Gran Reserva wines?

What are the pros and cons of your organisation compared to the other labelling options in Penedès?

According to you, does DO Cava have a bad image? What else could be done in DO Cava to improve the image of the appellation from your company's point of view?

Cava Experts Panel

Thoughts about producers leaving DO Cava:

Do you think it would be better for the region if they came back to DO Cava?

What are your thoughts about Cava de Paraje? Do you think its implementation has been successful?

What are your thoughts about new improvement/zoning plans of DO Cava? Are they strict enough? Do you think zoning should be made obligatory also for generic Cava? What do you think are their pros and cons?

What are your views over the other labelling options available to traditional method sparkling wine producers in Penedès?

What are your thoughts about the price of grapes in Penedès? Do you think setting up a minimum price is the best solution?

Would you like more grape varieties to be approved in DO Cava?

Would you like other sparkling wine production methods to be approved for DO Cava?

What are your views on organic grape growing? Do you think entire DO Cava should aim to become organic and not only Reserva and Gran Reserva wines?