

AIDV Conference 2018

October 2, 2018

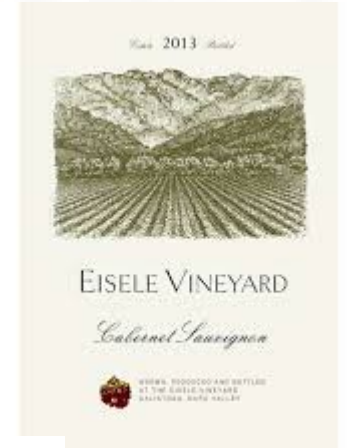
CIA at Copia, Napa,
California

**NEW ADVENTURES &
JOINT VENTURES**
Case Studies

Wine – A Global Market

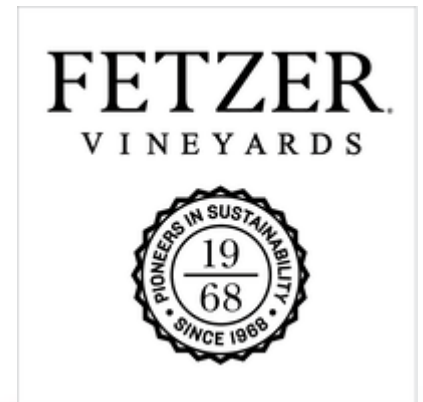
- Major Players in the Industry Seek to Grow and Diversify Their Offerings
 - Price Point
 - Category
 - Geography
 - Supply Risk Mitigation
 - Prestige Positioning
- Other Buyers
 - Financial Investors
 - Conglomerates

RIDGE
VINEYARDS



ESTD **B** 1876
BERINGER.

 **KENWOOD.**
VINEYARDS



Basic
International
Portfolio
Diversification
Alternatives



Acquire Distribution
Rights to Foreign Wine

Distribution Agreement



Develop a New Brand
Custom Produced by a
Foreign Winery

Custom Wine
Production Agreement



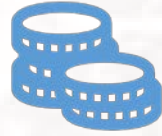
Foreign Direct
Investment

Ownership of
Foreign Company
Greenfield v. Brownfield
Investments



Rule of Law Generally

Transparency
Consistency
Predictability
Corruption



Economic Risks

Currency Fluctuation
Capital Controls
Trade Agreements



Deterrents or Incentives

Tax Incentives
Restrictions on Foreign Ownership
Competition Laws
Local Politics



Local Legal Issues

Labor Laws
Environmental Regulations
Intellectual Property
Dispute Resolution
Taxation

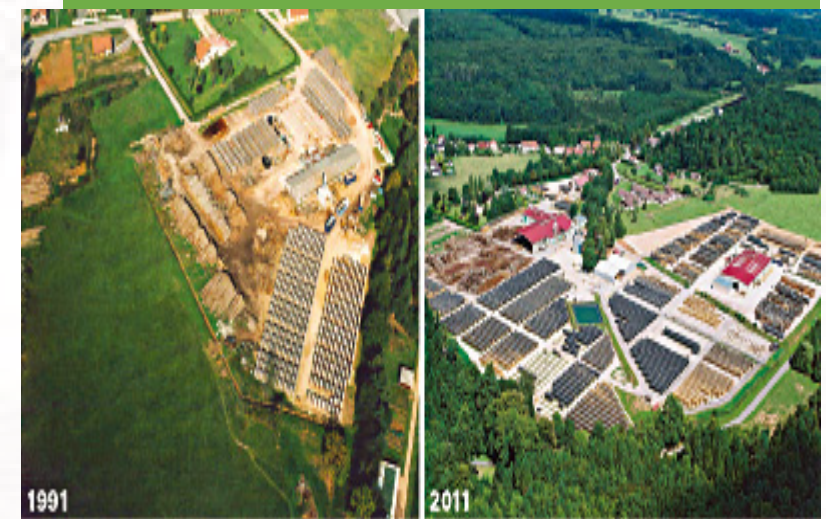
Foreign Direct Investment

Case Studies



Mondavi Family – Languedoc

David Pearson
CEO, Opus One



Jackson Family Wines
France, Australia and Others

Viviann Stapp
SVP & General Counsel