

WINERIES STRATEGIES IN SÃO PAULO, BRAZIL: A STUDY OF MULTIPLE CASES

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Wine production in Brazil is part of a recent history of 50 years, when grape producers started of producing wines by cultural influences, especially from Italy, in south of Brazil and in the region near of Sao Paulo city. The Sao Paulo region, are producing wine by traditional knowledge, in a rudimentary fashion, using a common varieties of grapes as Izabel, Niagara and Bordo. Nowadays, many wineries in Sao Paulo began to buy the grapes from other regions as south of Brazil and some of wine producers are starting to produce wines with grapes *vitis vinifera* and hybrids developed by research institutes in Brazil. The purpose of this study was to identify strategies adopted for the wineries in the state of São Paulo, specifically in the region where are located the towns of San Roque, Jundiaí, Louveira and Sao Paulo city. The methodology was the multiple cases studies in order to identify and analyze who is the manager of the wine producing in the region of São Paulo and identify the strategies adopted for conducting the business. The research is exploratory and seeks to verify the hypotheses that there are relationship between the wine tourism activities and market strategies (Ying, 2004). To achieve the proposed objectives it was held several in depth interviews with entrepreneurs and owners of wineries, it was conducted visits at the wineries and the local tourism infrastructures. The interview was taped, transcribed and analysed in order to identify the owner's perception about wine market and the strategies that they adopt to survive and grow in this peculiar market. Also applied a questionnaire with closed and semi-structured questions to obtain information about the company. The research has a multidisciplinary nature and therefore was used as a theoretical field of strategic management, marketing, entrepreneurship, new institutional economics concepts. It was

considered the entrepreneur as schumpeterian version and he is primarily a creative destroyer and innovator. The meaning of the term entrepreneurship does not meet consensus in the scientific community. For some authors (Gartner, 1985, 1989) says that the word "entrepreneurship" comes down to the creation of new organizations, while others (Carland et al. 1988; Veciana, 1999) also include aspects with the development of small firms and innovative projects in large companies - corporate entrepreneurship or intrapreneurship (Diniz and USSMAN 2006). In local wine productive arrangement in this region of San Paulo the wineries are organized in associations, rural unions and tourism council with goals of promoting regional wine and explore the wine tourism, together with the rural tourism present in the Circuit of the Fruits, which one is located in the same region, about 100 km from the city of Sao Paulo. The rural tourism is the main channel of distribution of fruits, wines, liqueurs and sweet stuffs produced in the region. The diversification of activities as stores, visitation and restaurants are present in the wineries. The non recognition of the artisanal wines for the government is the main problem in the region and the producers are contacting the research centers, as EMBRAPA and IAC (Agronomic Institute of Campinas) to start the operation of fine grapes and hybrid grapes. Recently it was implemented the Sectorial Chamber of Grapes and Wine, at the State of Sao Paul, in order to seek solutions for sector problems. The associations present in the region are: AVIVA (Association of Wine Producers of Valinhos), AVIVI (Association of wine and grape producers), AVA (Association of Artisan Wines Producers) and ALVI (Louveirens Association of wine producers). The survey results six case studies: 1- Lucano winery, located in the city of Sao Paulo, in Penha district, and explore the local Italian restaurants and pizzerias, with 30 mil liters/ annual , 2- Goes Winery, located in San Roque, 9 milion liters, has a partnership with wine Venturini winery and they are investing in its brand through wine tourism, 3- Vinhas Santa Cecilia, which exploits the niche of kosher wines, 100 mil liters/annual, 4- Winery Bella Aurora, located at the San Roque Wine Road, 300 mil liters/annual, 5 - Brunholi Winery, which has diversified to the services such as restaurant and shops, 100 mil liters/annual and 6- Winery Micheletto, which is exploring fine grapes as Shirah and Sauvignon Blanc, seeking a superior quality for the wines, 6 mil liters/annual. In general, all the wineries has a strong

direction for wine tourism. They are small producers, except Goes, the managers are Italians descents and the families are in the winery activities for 2 or 3 generations. The wineries search to recreate the rural landscape and they have the same vineyards to the visitation. Most of all wineries buy the grapes from the others producers and in some cases they buy the wine and just make the bottelling. The region can be characterized as a small wine cluster and the territory is represented by the formal and informal network of different levels of relationships in order to finding solutions for the market and production problems.

Key-words: wine, strategies, Sao Paulo, brazil.