



COVID-19 Pandemic Special Issue

Welcome to our COVID-19 Pandemic Special Issue of the *Vine to Wine* newsletter! **Oregon Wine Research Institute** faculty and staff are ready and willing to work with the Oregon wine industry in these difficult times. We offer this special issue with two goals - first, to help envision what the future might look like, post-pandemic, and second, to identify potential real-time action steps and learning opportunities that are emerging as a consequence of our current situation. First, we have to acknowledge the obvious - we really do not know what will emerge post-pandemic. For that matter, even "knowing" what next month will look like is an exercise in speculative judgment. Radical uncertainty defines the context for all current business decisions. Yet, operators, marketers, managers and owners still have to get on with what they do. Alternatives have to be considered. Risks have to be taken. Choices have to be made. We hope that the following articles help you ask the right questions, even if there are no clear answers, and to help crystalize "lessons to be learned" as you work through this crisis. We welcome your feedback and inquiries, so contact **OWRI team members** as we strive to understand how today's events are transforming production, market and economic conditions for all of us.

Distribution and Marketing

Anticipating Changes in Distribution - Hard times can lead to fundamental changes. At the extreme, revisions to or even complete elimination of the three-tier system could be up for consideration. Other opportunities for change are already emerging in terms of new collaborations, marketing opportunities and market outlets. Anticipating potential changes is one of the biggest challenges in these uncertain times. Possible changes and their implications are discussed by OWRI team member, Dr. James Sterns, Associate Professor in Applied Economics at Oregon State University. [Read more](#)

Shifting Approaches for Direct-to-Consumer Marketing - For Oregon wineries, D-t-C marketing has become a critical component for many, but social distancing and stay-at-home orders have created the need to re-think how wineries can stay connected to their customers. How to respond is a two-fold challenge. First, there's the immediate question, What do we do now to maintain current sales and customer relations? Second, anticipating where the wine-buying consumer will be post-pandemic is just as critical, so there's also a need to ask, What do we need to do now in order to be well-positioned for those future market conditions? [Read more](#) for suggestions and ideas for thinking through those two questions.

Financial and Strategic Management

Recalibrating Costs of and Returns to Capital - January is ancient history and any expectations about interest rates, debt burdens and returns on investments that were calculated then are no longer relevant. The economic impact of this pandemic will completely alter capital markets for years to come. An understanding of the underlying economic conditions that will be dragging down both the cost of borrowing and the potential returns to investments can help guide decisions about how best to finance operations through these difficult times. This article provides a general overview of what to expect in capital markets and critical issues to consider. [Read more](#)

Strategic Thinking is Needed Now More than Ever - Like a rhetorical 100-year flood, this pandemic has the potential to wreck the landscape and alter the very structural foundations upon which the Oregon wine industry has been built. Business models that have been well suited for market conditions and consumer demand pre-pandemic may be woefully mismatched for what is to come. Prior competitive advantages will be lost while new opportunities for creating sustained advantages will emerge. Taking time now to envision strategic priorities and future possibilities will offer managers and owners insights into how their vineyard and wineries will compete and be viable in the years to come. Learn suggestions for how to begin this process of thinking strategically about the future [here](#).

Further Readings

The goal of this special issue is to provide starting points for asking informed questions and for setting managerial priorities during this pandemic. You are strongly encouraged to take a deep dive into the following suggested readings, most of which were referenced and/or quoted in one or more of the articles in this Special Issue.

- **It's the End of the World Economy as We Know It** | *The Upshot*, *New York Times*
- **Social Commerce: The Hottest Retail Trend of 2019** | *MDG Advertising*
- **The New Dot Com Bubble is Here: It's Called Online Advertising** | *The Correspondent*
- **The Normal Economy is Never Coming Back** | *Foreign Policy*
- **Longer-run Economic Consequences of Pandemics** | *National Bureau of Economic Research*
- **Record Government and Corporate Debt Risks 'Tipping Point' After Pandemic Passes** | *The Washington Post*
- **Strategy in a 'Structural Break'** | *McKinsey Quarterly*
- **Inside Story of How H-E-B Planned for the Pandemic** | *Texas Monthly*
- **A Familiar Rhyme: What the Spanish Flu and the Roaring Twenties Tell Us About What Comes After Covid-19** | *Vine Pair, Inc.*

Stay Connected



Have a particular topic or question you would like to see addressed in the *Vine to Wine*? Please [contact us](#).

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