

## Cluster diamond - France

### Government

Production limits  
 Strict labeling – grades determined hundreds of years ago  
 Subsidy for grubbing-up and limiting excess production  
 Mandatory & voluntary distillation  
 Strict zoning and uses of vineyard land  
 Export refunds  
 Prohibited new planning and delayed re-planting

Terroir  
 Research institution  
 Well established research network  
 High input costs  
 Low mobility of factors

**Factor  
(input)  
conditions**

**Context  
strategy  
rivalry**

Fragmented structure (58000 growers)  
 Small vineries do not bottle or store their wine  
 Selling in bulk  
 Little experimentation with technology - Preferring feel vs. Industrial-formula  
 No incentives for innovation

**Demand  
conditions**

Very sophisticated  
 Quality-conscious customers  
 High level consumption, but declining

**Related  
and  
supporting  
industries**

**Institution for collaboration**  
 National Institute for Agronomic Research  
 Apprenticeship program

Insert according to the case info:  
 e.g. Tourism, Food  
 ...