Editorial: The Judgment of Princeton and Other Articles

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At its 6th Annual Conference in Princeton, the *American Association of Wine Economists* organized a wine tasting that was modeled after the 1976 *Judgment of Paris*. Subsequently, this tasting has been called the *Judgment of Princeton*.

At the original Paris event in 1976, British wine merchant Steve Spurrier organized two blind tastings with nine French wine judges who were associated with the wine industry in various ways (wine journalists, critics, sommeliers, merchants or winemakers). In the first flight, the judges rated ten white wines—six from Napa and four from Burgundy. In the second flight, the judges rated ten reds—six from Napa and four from Bordeaux. In both tastings a wine from Napa, a then relatively unknown wine region, was declared the winner. George Taber of TIME magazine, the only attending journalist, reported the surprising results to the world, and helped to put Napa, a then nascent wine region, on the global wine map.

At the Princeton event, this time led by George Taber, nine wine judges from France, Belgium and the U.S. tasted French and New Jersey wines in a process designed to emulate what occurred in France in 1976. As in Napa in 1976, the quality wine industry in New Jersey is comparatively young. And the results were, again, an extraordinary surprise.

The judges rated the wines in two flights, the first with white wines and the second with reds, using a 20-point scale. The French wines selected were from the same producers as in 1976 and included Chateau Mouton-Rothschild and Chateau Haut Brion, with prices up to $650 wholesale per bottle. The New Jersey wines were selected by an informal panel of judges, who did not participate in the final tasting. The selections were made, from submissions by local wineries. In the case of the reds, the selections were made from wines made with New Jersey grown vinifera grape varieties that are commonly used in Bordeaux (cabernet, cabernet franc,

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Table 1
Wine Judges at the Judgment of Princeton

Jean-Marie Cardebat	Professor of Economics, University of Bordeaux 4
Tyler Colman	www.DrVino.com
John Foy	Wine Columnist, The Star Ledger; www.thewineodyssey.com
Olivier Gergaud	Professor of Economics, BEM Bordeaux Management School
Robert Hodgson	Fieldbrook Winery, California
Linda Murphy	Co-author of American Wine; Decanter
Danièle Meulders	Professor of Economics, Université Libre de Bruxelles
Jamal Rayyis	Gilbert & Gaillard Wine Magazine
Francis Schott	Stage Left Restaurant, New Brunswick; RestaurantGuysRadio.com

Table 2
Wines Tasted at the Judgment of Princeton

	White Wines		*Red Wines*
A	Heritage Chardonnay 2010 (NJ)	A	Ch. Montrose 2004 (F)
B	Unionville Pheasant Hill Single Vineyard Chardonnay 2010 (NJ)	B	Ch. Mouton Rothschild 2004 (F)
C	Puligny Montrachet Domaine Leflaive 2009 (F)	C	Silver Decoy Cab. Franc 2008 (NJ)
D	Clos des Mouches Drouhin 2009 (F)	D	Heritage Estate BDX 2010 (NJ)
E	Silver Decoy Black Feather Chardonnay 2010 (NJ)	E	Bellview Lumière 2010 (NJ)
F	Bellview Chardonnay 2010 (NJ)	F	Tomasello Cabernet Sauvignon Oak Reserve 2007 (NJ)
G	Ventimiglia Chardonnay 2010 (NJ)	G	Ch. Léoville Las Cases 2004 (F)
H	Meursault-Charmes Jean Latour-Labille 2008 (F)	H	Amalthea Europa VI 2008 (NJ)
I	Amalthea Chardonnay 2008 (NJ)	I	Four JG's Cabernet Franc 2008 (NJ)
J	Bâtard Montrachet Marc-Antonin Blain 2009 (FR)	J	Ch. Haut Brion 2004 (F)

merlot, and petit verdot). In the case of the whites, the selections were made from New Jersey grown chardonnay grapes.

Tables 1 to 4 list the wines in each flight and their respective letter ID, the names and affiliations of the judges and the raw results.

Although, the average of the point scores and the Borda (average rank order, based on "points against") winner in each category was a French wine (Clos de Mouches for the whites and Mouton-Rothschild for the reds) New Jersey wines received very similar scores. In fact, as several analyses in this issue show, the French and New Jersey wines at the tasting were, on average, statistically indistinguishable. This is a remarkable result given that the prices for the New Jersey wines averaged only 5% of these top French wines.

Table 3
Ratings for White Wines

Judge	A	B	C	D	E	F	G	H	I	J
Jean-Marie Cardebat	10	13	14	15	8	13	15	11	9	12
Tyler Colman	16	14	14	16	12	11	11	14	11	14
John Foy	16	17	16	15	14.5	14.5	16	17	15	17.5
Olivier Gergaud	14	19	12	10	19	18	17	16	18	14
Robert Hodgson	17	11	13	14	14	10	9	9	10	10
Linda Murphy	15.5	15	17	18	16	17	15	14	16	17
Danièle Meulders	10	15	12	12	15	14	15	12	15	12
Jamal Rayyis	16	15	14.5	17.5	16.5	14	12	15	13	12
Francis Schott	17	16	12	18	15	16	15	14	17	15

Table 4
Ratings of Red Wines

Judge	A	B	C	D	E	F	G	H	I	J
Jean-Marie Cardebat	15	11	12	16	14	11	14.5	13	10	14.5
Tyler Colman	14	11	16	12	14	13	14	12	13	11
John Foy	17.5	19	18	18	15	16	18	18	17	17.5
Olivier Gergaud	10	17	9	14	19	12	15	10	11	18
Robert Hodgson	13	17	13	16	12	15	10	12	8	11
Linda Murphy	13	14	17	16	15	17	14	15.5	13	18
Danièle Meulders	14	16	11	16	14	15	13	11	10	15
Jamal Rayyis	15	19.5	14	12	13	16	14.5	15	16	16
Francis Schott	19	18	8	15	15	12	15	16	7	17

In this issue of the *Journal of Wine Economics*, we publish several papers inspired by the *Judgment of Paris* and the *Judgment of Princeton*.

The first paper is by George Taber, the only journalist at the original 1976 Paris Tasting, and author of the bestselling book, *Judgment of Paris*. Taber, also host of the *Judgment of Princeton*, sheds light on the events that led to the Princeton wine tasting and relates them to the Paris Tasting.

A statistical evaluation of the tasting, conducted by Richard Quandt, shows that the rank order of the wines was mostly insignificant. That is, if the wine judges repeated the tasting, the results would most likely be different. Judged from a statistical viewpoint, most wines were undistinguishable. Only the best white and the lowest ranked red were judged significantly different from the other wines. Additional analyses by Quandt can be found on the website of *Liquid Assets* (Quandt, 2012).

Daniel Ward analyzes the judges' scores from the Princeton Tasting to test for differences among the wines, but also to estimate the effects of judges sitting at the

same table and to test for overall differences between wines from the two regions. The results indicate that the New Jersey and French wines do not, on average, differ in quality; and that the judges showed no signs of bias due to table seating.

Victor Ginsburgh and Israel Zang suggest a new game theory based ranking method for wines, in which the Shapley Value of each wine is computed, and wines are ranked according to their Shapley Values. Judges are not required to assign quality points or rank the tasted wines but only need to indicate their favorite wine(s). Ginsburgh and Zang apply the Shapley Value to the *Judgment of Paris* as well as to the *Judgment of Princeton*.

Drawing on several blind wine tastings Jeffrey Bodington analyzes whether the order of the wine within the flight influences the resulting rating. In contrast to, e.g., Ginsburgh and van Ours (2003), who found that the likelihood of winning a major piano competition is critically determined by the order of performance, Bodington does not find a similar effect in wine tasting.

The last three articles in this issue tackle issues that are unrelated to wine tasting and rating but focus on wine grape demand, wine's role in the development of economic thought, and on the U.S. beer industry.

Kate Fuller and Julian Alston examine the demand for California wine grapes. Employing a flexible-form inverse demand system model to estimate elasticities of demand for wine grapes from three grape-growing regions in California, representing three different price categories, they estimate own-price elasticities ranging from -2.6 for grapes in the low-price region to -9.5 for grapes in the high-price region.

Stephen Chaikind studies the role of wine in the development of economic thought and its contribution to modern economic theory. He highlights the role of enology and viticulture for the works of Adam Smith, David Ricardo, Karl Marx, John Stuart Mill, Léon Walras, Alfred Marshall, and others.

Jayendra Gokhale and Victor Tremblay analyze the relationship between price competition and market power for the U.S. brewing industry, especially for the time period after the mid 1990s. They find evidence that competition has diminished but not enough to substantially increase the market power of the few big players.

References

Ginsburgh, V.A. and van Ours, J.C. (2003). Expert opinion and compensation: evidence from a musical competition. *American Economic Review*, 93(1), 289–296.
Quandt, R.E. (2012). Tasting Report No. 161. Liquid Assets. Online at http://www.liquidasset.com/report161.html (last accessed October 29, 2012).