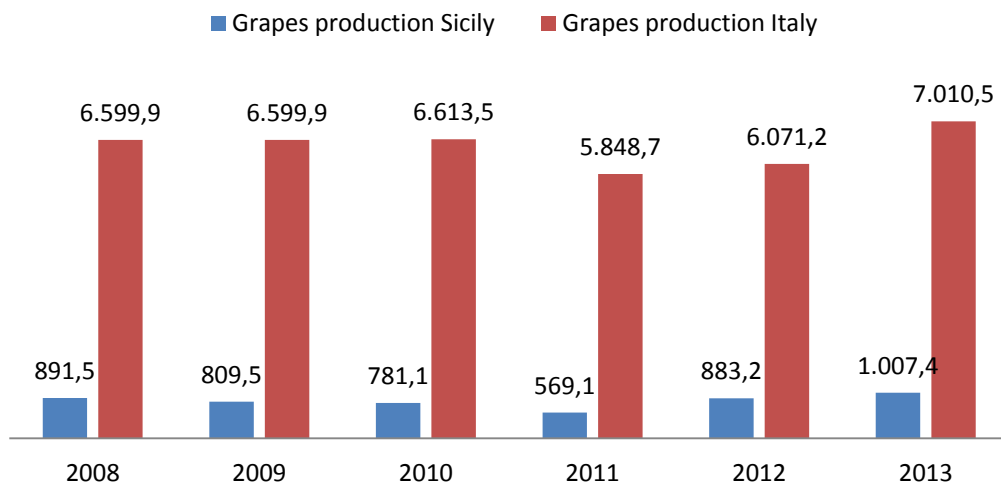


# **Sicilian wine sector: Structure and profitability**

***Antonino GALATI, Salvatore TINERVIA  
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Università degli Studi di Palermo (Italy)***

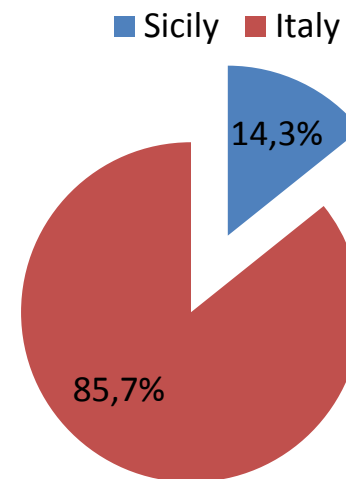
# **Wine production in Sicily**

### Trend of Italian and Sicilian grapes production - 2008-2013 period (thousand tonnes)



Source: ISTAT

### Importance of Sicilian grape production in Italy (year 2013)



Source: ISTAT

### Trend of grapes production (% var. 2013/2012)

Sicily	+14,1%
Italy	+15,5%

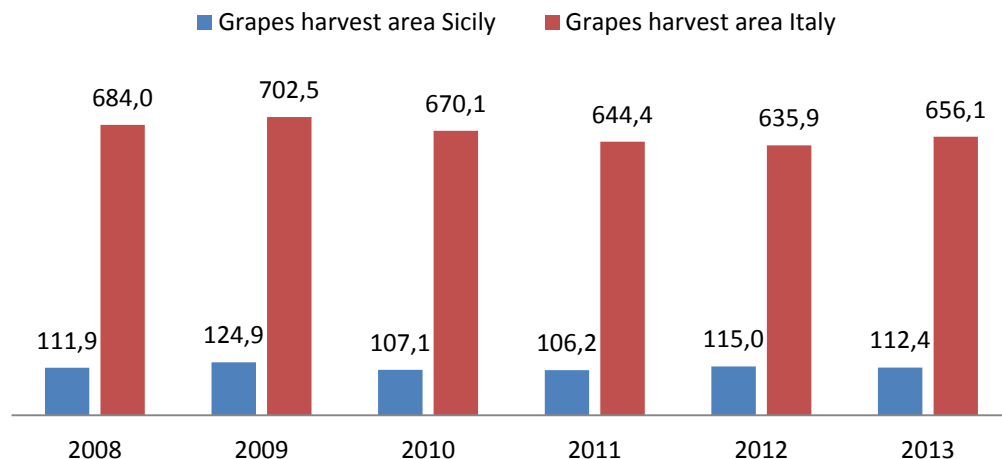
Source: ISTAT

### Trend of grapes production (% var. 2013/2008)

Sicily	+13,0%
Italy	+6,2%

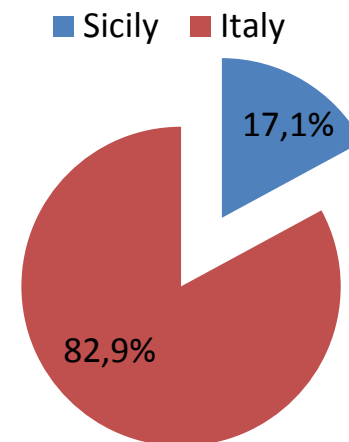
Source: ISTAT

### Trend of Italian and Sicilian vineyard area - 2008-2013 period (thousand hectares)



Source: ISTAT

### Importance of Sicilian vineyard area in Italy (2013 year)



Source: ISTAT

### Trend of Vineyard area (% var. 2013/2012)

Sicily	-2,3%
Italy	+3,2%

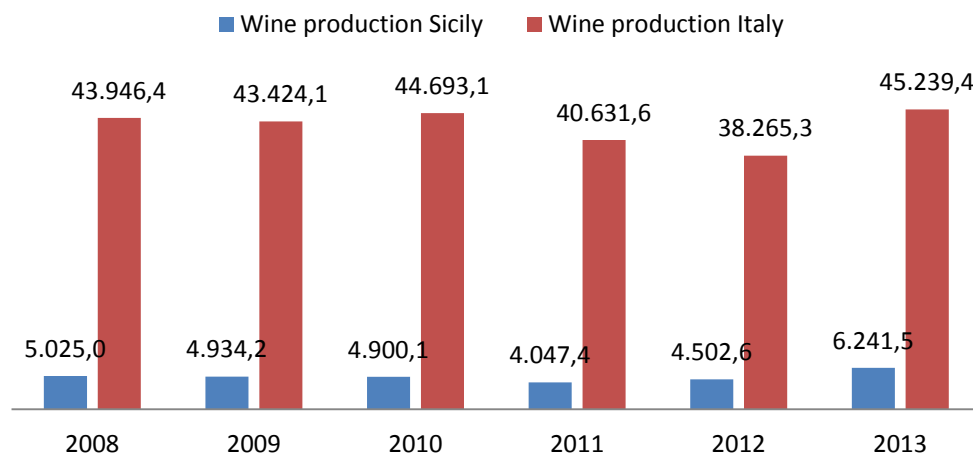
Source: ISTAT

### Trend of Vineyard area (% var. 2013/2008)

Sicily	+0,5%
Italy	-4,1%

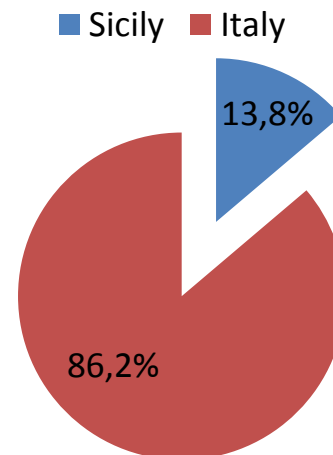
Source: ISTAT

### Trend of Italian and Sicilian wine production - 2008-2013 period (thousand hl)



Source: ISTAT

### Importance of Sicilian wine production in Italy (2013 year)



Source: ISTAT

### Trend of wine production (% var. 2013/2012)

Sicily	+38,6%
Italy	+18,2%

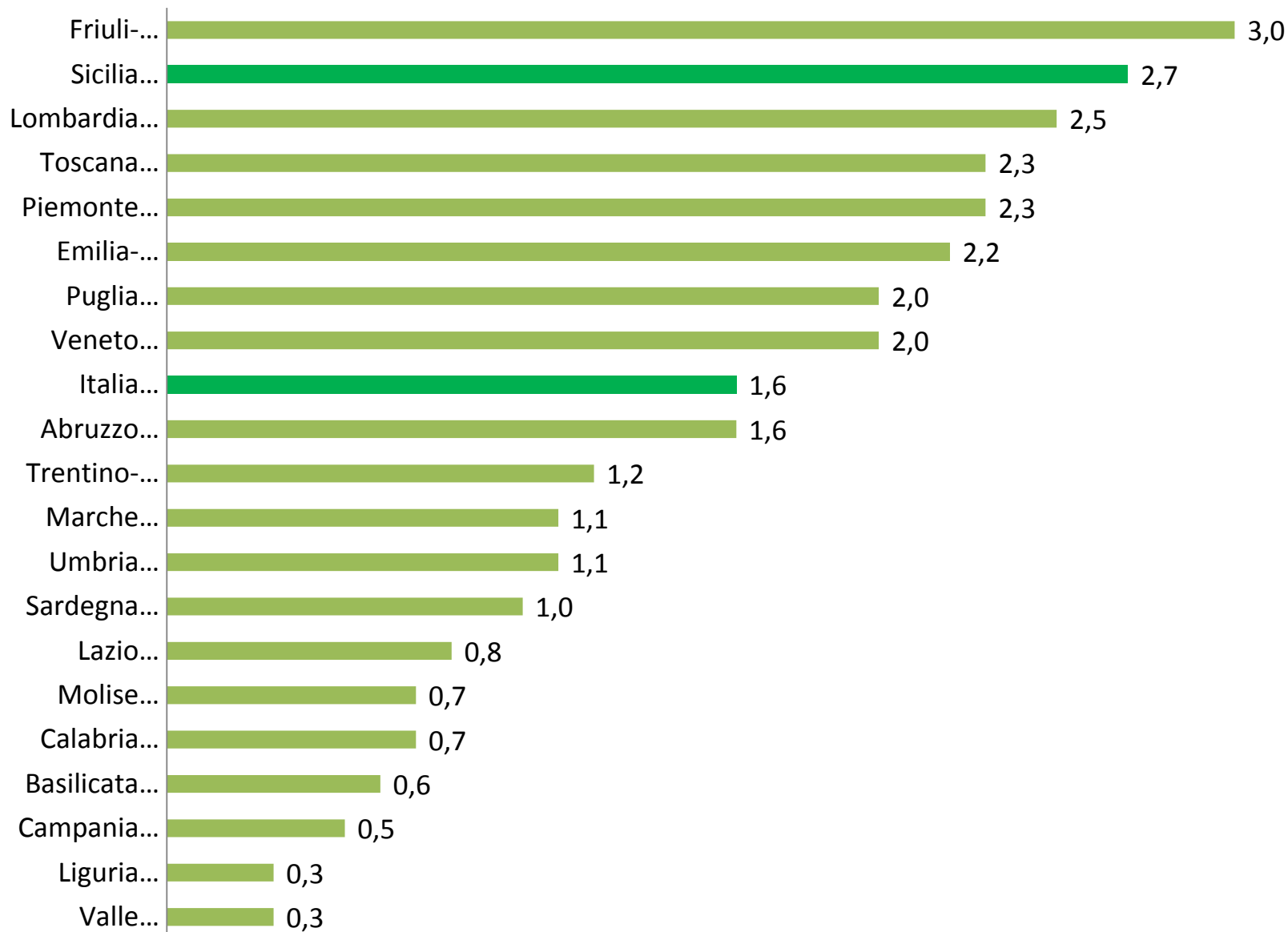
Source: ISTAT

### Trend of wine production (% var. 2013/2008)

Sicily	+24,2%
Italy	+2,9%

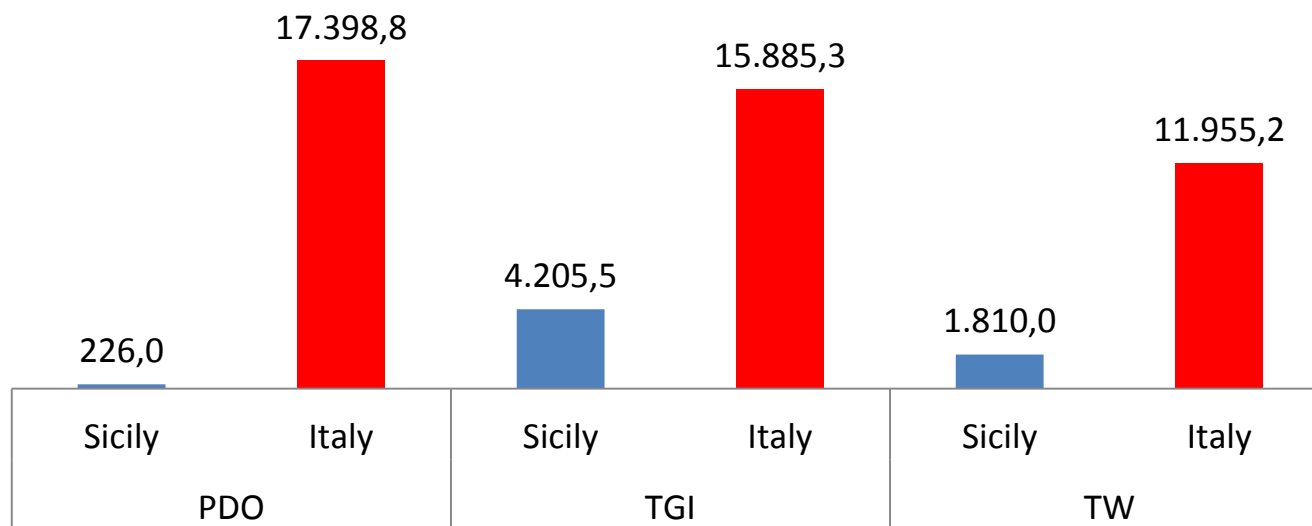
Source: ISTAT

### Average size of Italian vineyards year 2010 (ha)



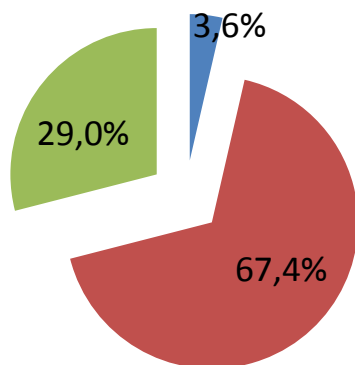
Source: 6° General Census General Agricultural Census 2010)

## Italian and Sicilian quality wine production in 2013 (thousand hl)

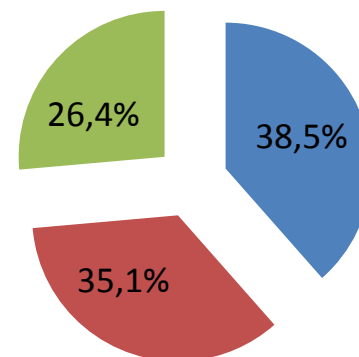


Source: ISTAT

### Sicilian quality wines (2013)



### Italian quality wines (2013)



Source: ISTAT

# Profitability of the vineyard in Southern Sicily, 2013

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## Balance sheet (€ per hectares)

<b>Sale of grapes</b>	<b>4.510,00</b>
<b>Explicit costs</b>	<b>2.975,00</b>
- Salaries	750,00
- Rent machinery	1.145,00
- Technical means (fertilizers, herbicides, etc.)	880,00
- Maintenance, insurance and amortization costs	200,00
<b>Net income</b>	<b>1.535,00</b>

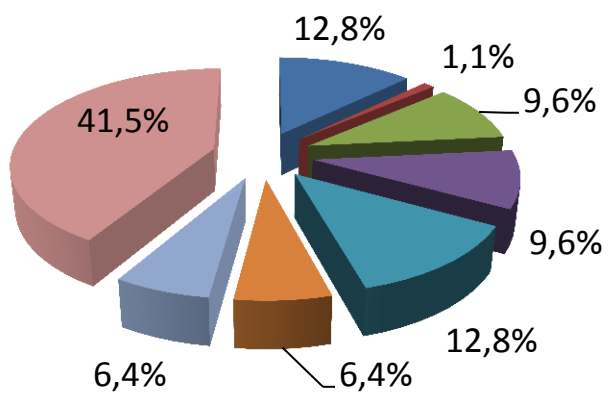
Source: Own elaboration based on collected data



# **An empirical investigation on Sicilian wineries (104 wineries)**

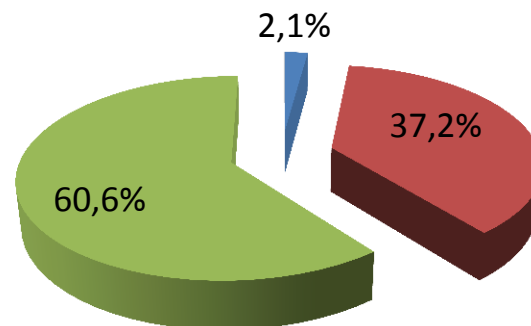
## Geographical distribution of the Sicilian wineries

■ Agrigento   ■ Caltanissetta   ■ Catania   ■ Messina  
■ Palermo   ■ Ragusa   ■ Siracusa   ■ Trapani



## Education level of the manager

■ Primary education   ■ Secondary education   ■ University and Post-graduate



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**Production year 2012 (n. bottles)**

<b>Tot</b>	<b>60.034.118</b>
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Min	2.000
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Average	638.661
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Max	24.000.000
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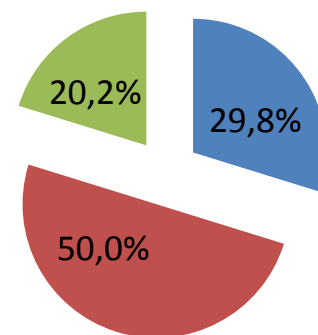
**Sales abroad year 2012  
(n. bottles and % on total sales)**

32.067.547	(53,4%)
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**Legal forms**

I.F. Soc. Coop.



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Market channels	Sparkling	Wines	Total
GDO		37,4%	37,4%
Hotel/Restaurant/Catering	0,1%	20,2%	20,3%
Wine shop/Wine bar	0,1%	9,1%	9,2%
Direct sale	0,0%	3,6%	3,6%
Other channels		29,3%	29,3%

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**Thanks for your attention**