



NordGen

Nordic Genetic Resource Center

Session 14

Marketing products based on breed in the Nordic region

By Benedicte Lund

Benedicte.lund@nordgen.org

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Why me?

- NordGen made a report in 2004 summing up factors that were identified as most important to include "breed" in the development of new products and brands
 - I presented that report at an ERF-Workshop in Iceland in 2009
- NordGen also arranged a Nordic seminar on the same subject September 2009

Overview of my presentation

- Short description of NordGen and Nordic activities on animal genetic resources (AnGR)
- What factors could be the base for marketing AnGR-products
- Success stories, and lessons from imperfections
- What does the farmer need to think through
- Recommendations to other stakeholders
- Examples from some Nordic projects
- ... to achieve conservation through utilization
...just like the GPA has told us to do..



NordGen - Farm Animals

- Nordic Genetic Resource Center – NordGen
- NordGen is a joint Nordic institution under the auspices of the Nordic Council of Ministers
- NordGen - Farm Animals is a coordination unit and a competence and information centre
- NordGen promote the Nordic competence and views on the value of animal genetic resources, both within the Nordic Region and internationally.
- Provides tools to maintain genetic variation
 - Workshops, seminars, Eva-program...
- Visit www.nordgen.org

Member countries



NordGen

More than 30 years of cooperation in genetic resources within the Nordic region

A merge in 2008 of :

- The Nordic Gene Bank (NGB)
- The Nordic Gene Bank Farm Animals (NGH)
- The Nordic Council for Forest Reproductive Material (NSFP)

Facts

- 30 employees, (3,2 people employed in AnGr)
- 33,5 mill EUR, offices in Sweden and Norway

NSFP
Nordiska skogsbrukets
frö- och plantråd




NGH



General trends in the European farm animal production...?

Increased production efficiency - decreased labor in primary production leads to:

- Reduced number of citizens in rural district
- Reduced number of farms, but bigger ones
- Reduced area of traditionally kept cultural landscapes
- Increased “distance” between farm animal production and the general public
- “Bulk-products”, large quantity standardized products to lowest possible price
- High input → high output systems

Farmer's choice of development strategy:

1. Volume strategy with specializations and increased production and focus on reduction of cost
2. Smaller scaled marketing concept, with specialty-focus and services such as landscape preservation



Nordic farm animal production - markets

- Few big manufacturing and grocer's companies dominate
- Both farmers owned cooperatives (most dominating), and private businesses in the manufacturing industry
- The power of the food store chains may be illustrated that the 4-5 biggest grocery chains have 79 % of the market in Denmark, 92 % in Finland, 94 % in Sweden and 99 % in Norway
- Traditionally, only a small share of the food market are food from local food production - "short travelled food", niche production, specialties etc
- Development of such niche products are of political interest and may receive some public stimulus and support.
- Market share for specialties are increasing!
- So, the focus on developing a more multifunctional agricultural sector is increasing

Multifunctional agriculture→ provide services and values such as:

- Food production primarily
- Decentralized living
 - Use of whole country
 - Keeping cultural landscapes both open and productive
 - For extensive production
 - And tourism
 - Satisfying basic human needs for activities such as recreation and contact with primary production and farm animals
 - Green care services
- Cattle of the Yakuts (K. Soini and U.Partanen, 2009) where the whole society's livelihood depended on keeping cattle
- Awareness of these often "non monetary" values increase



Success stories

and how to create them..?

- Such as the Iberian Ham..
- Or the Reggiana cheese
- Or the Norwegian brand "Wild sheep"
 - With slogan "slowfood on fast legs"
 - 400 farmers
 - Strong brand
 - Combining breed, traditional use of the landscape



Like my cousin..

World championship
(IFFA) in Frankfurt for
processed and cured
meat products!!

- Participating with 6 products → 3 silver and 3 bronze medals in 2010!
- Gold and bronze medal in 2007
- National championship in 2006
- Bought their farm in 1997
- 400 sheep, organic, mainly crossings of the short tailed old type Norwegian sheep



- The perfect example of the Product and service-oriented farmers

Product and service-oriented farmer

- Multi-user
 - Professionalism often from some other field
 - Local breeds constitute a part of economic activities (tourism and on-farm-selling etc.)
 - Quality of the production and products
 - Reasons for conservation are multiple
- Brand -makers
 - Coming from outside agricultural sector
 - Their production should be profitable business
 - Emphasis on the gastronomic quality of the products
 - Multiple and added values of the breed
 - Strong commitment to develop the business
 - Genes establish a base for good products

From the presentation by Katriina Soini, MTT, Finland, at the ERFP workshop yesterday on the diversity of farmer types

What factors could be promoted in trade marking of food products (a)

- In general: a lot to learn from other small scale/speciality/not conventional productions
- Additionally, traditional breeds often have an unique and special history to be told
 - Local belonging, history, culture, adaption to a certain climate or landscape
- But they also have special qualities such as
 - Easy recognisable appearance/phenotype, behaviour, fibre, milk and meat-qualities

Factors to be considered promoted as added values of food products (b)

- Sustainable breeding program
- High and stable quality
- Transparency from producer to consumers - open chains
- Health of the animals
- Animal welfare
- Aesthetical impression
- Historical use of nature
- Environmental sustainability
- Historical farm → historical breed
- Adapted to utilize natural resources
- Handicraft, maintenance of traditions and recipes
- National obligation!!



..questions to answer first

- Can the farmer's idea be the starting point of a regional concept, in cooperation with other producers?
- Is it possible to document the products unique quality?
- Are there brands, certification systems the farmers products could fit in to?
- Are factors such as expected profit, costs, need for marketing etc analyzed well enough?
- Does the farmer have financial strength to survive along the way?
- Is there some training, business development program the farmer can take part in ..?
- Are the farmer aware of all rules and regulations and how to adapt to them?
- Are there any specific research and science necessary to indentify and provide "promotable" traits?
- What will be the best sales channel for the products, initially and as the volume/market grows

Recommendations (1)

National AnGR-Authorities, national coordinators' responsibilities:

- Awake and maintain interest from politicians and markets
- Learn and use lessons from “success stories” and “failures”
- Contribute to develop necessary knowledge
 - Expand “characterization” to include
 - Relevant production traits AND product quality traits, animal behaviour etc
 - Initiate further research and trials to expand our knowledge
 - Map sources on further support
- Bridge necessary contact and understanding between farmers and authorities

General Authorities' and policy makers' responsibilities:

- Keep in mind that AnGR are a national obligation too! Just like animal health and trade regulations
- Stimulate political interest, and show enthusiasm by using available programmes for business development
 - Point out the importance of AnGR, biological diversity, landscape maintenance in plans and strategies
- Encourage the development of regional competence centres
- Develop guidelines on how to keep “small breeds” in a “big society” with regards to rules and regulations

Recommendations (2)

Industry and farmer organisations' responsibilities:

- Develop will and competence to market products based on local breeds
- Contribute to increase the status of the local breeds by promoting their added values
- Motivate farmer to build and use networks
- Challenge R&D institutions to build necessary knowledge for further development of new products

Farmer's – responsibilities:

- Search for inspiration and knowledge
- Build competence
- Be aware of quality demands
- Cooperate and build networks
- Build your business slowly, but surely..



With support from

- National programs for business development
- Agricultural development programs
- Farmers Market
- Local competence centers
- Branding schemes
- New Nordic Food
- Restaurants, hotels, local deli's, as quality demanding and interested customers/partners



Concrete projects

- Breed differences in preferences for types of vegetation (A.Norderhaug, Bioforsk, Norway)
- Breed differences in milk quality (J.Kantanen, MTT, Finland)
- Tenderness in meat of dairy-breeds (L.Aas, UMB, Norway)



Successes

- "Wild Sheep"
 - Finnsheep
 - "Ancient-cattle"
 - Eastern Finncattle
-
- But no one like the Iberian Ham..



And what to learn from..?

- Telemarkskyri Meieri
– "Telemark cattle" Dairy



- Or broilers from Sussex
and Barred Plymouth
Rock?



In the whole Nordic region we:

- Have a lot of public national support for developing new products, also based on breed, but markets are immature
- Us "AnGR-people" wish to continue to develop necessary knowledge about our breeds to assist the small scale farmers with high hopes and small breeds..
- Cooperate with and influence national authorities to remember their obligations towards the AnGR too!!

Strategic Priority 6, Action 4

- Promote the development of niche markets for products derived from indigenous and local species and breeds, and strengthen processes to add value to their primary products!

Thank youuuuoh!

