Quality of Life and Management of Living Resources
Key Action n° 5
Sustainable agriculture, fisheries and forestry, and integrated development of rural areas including mountain areas

Development of Origin Labelled Products : Humanity, Innovation and Sustainability

DOLPHINS

Contract QLK5-2000-00593

WP5

Characteristics, evolution, problems and opportunities for OLP

Parma Meeting proceedings, Italy of September 2002

December 2002

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Summary

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WP 5 Program

The methodology

- In the Task2 UNIPR (Università degli Studi di Parma) is the co-ordinator of the WP5, with the assistant UNEW (University of Newcastle)
- In the first phase of the WP5, the co-ordinator, together with assistant partners and the responsible of each WP of the Task1 (and/or their assistants), will produce a synthetic document on the topic assigned, based on the discussions made during the meetings and work of Task1.
- According to the directions of the Technical Annex, these actions will take place.

1. Systematisation of the knowledge on OLPs definitions, characteristics, regulations and on their links with production and marketing systems, with rural development, and with the consumer/citizen.
According to this purpose, all the partners will have to classify their own bibliographical material respect to the contents previously said, with a small comment.

As you know, the organisation of the bibliographical materials concerns some main themes, already faced in the previous WP2 of Task 1. These main themes are:

Definition of the product OLP, characteristics of the OLP, analysis and comment on national and European legislation, Links with the raw materials of the OLPs, characteristics of the supply chains, management (governance) of the supply chains, the role of the Associations, of the Consortia, links with the marketing system, links with the territory and rural development policies, links with the citizens/consumers of the OLPs, analysis of the supply and demand. This list could be enlarged by your suggestions.

<table>
<tr><td>Definitions of OLP</td><td>Characteristics of the product</td><td>Regulations</td><td>Link with production</td><td>Link with marketing</td><td>Link with rural development</td><td>Consumer/ citizen</td></tr>
<tr><td colspan="7">**BIBLIOGRAPHICAL MATERIAL**</td></tr>
</table>

2. Systematisation of methodological approaches used according to the different theories proposed inside the bibliographical material such as: supply chain analysis, Transaction costs theory, theory of conventions, New-Institutional theory, Firm theory, SWOT analysis, Marketing theories, Consumer theory.
According to this purpose, all the partners will have to classify their own bibliographical material respect to the contents previously said, with a small comment.

<table>
<tr><td>Supply chain analysis</td><td>Transaction costs theory</td><td>Theory of conventions</td><td>New-Institutional theory</td><td>Firm theory</td><td>SWOT analysis</td><td>Marketing theories</td><td>Consumer theory</td></tr>
<tr><td colspan="8">**BIBLIOGRAPHICAL MATERIAL**</td></tr>
</table>

For both points 1 and 2 there will not have to be included new articles or references but only a systematisation of the bibliography, already existing.

At the end all the participants will have to write a small comment on the work done in relation of the relevant aspects and some eventual lacks. An Access masks (Data entry) will be provided and sent to all WP5 members in order to be filled up with the references and to create databases to systematise the knowledge and the methodologies in one week.

3. Identification of the success and failure conditions for OLPs, and of main threats and resources of the OLPs in the framework of economic globalisation.
According to this purpose all the participants will have to present some significant study case and examine them using the method proposed by B. Sylvander and D. Barjolle.
Every single partner will have to present a significative case of OLP.
For every country a case of study will be analysed. Inside this case two OLP will be presented.

- One OLP not very famous and traded at local level
- One OLP well-known at international level.

For both products the main issue of the singles WP, will have to be analysed:

- ✓ Legal and normative aspects
- ✓ Production system and supply chain analysis
- ✓ Aspects of the territory and rural development
- ✓ Aspects of marketing and consumers.

For every single product, in the meetings that will be organised in the next months, some debated will be held in order to work out common strategies, by means of indicators, to identify and characterise the product.
For example:

- Coppa Piacentina
- Prosciutto di Parma.

4. Dissemination of firsts results of the Concerted Action, by providing documents to WP8.
During this second phase of WP5 many specific seminars and meetings will be organised, in order to support discussion on the topic proposed.
The results and new database, created according to this new horizontal approach, will be published on the WEB site.

Timing of WP5 milestone

According to the dates fixed by WP6, the main appointments and expires are the following:

Step	Event	When
1 -	Synthetic document WP1-4	End of July 2002
2	Return of the filled database	End of August 2002
3 -	Parma meeting First workshop – Bibliographical analysis and case of study	23 September 2002
4	Paris - Enlarged Steering Committee Discussion	October 2002
5	- Meeting Second workshop – Discussion on the case of study	13 December 2002

The next 23 September, at Parma meeting, a synthetic document (WP1-4) and first results of the first part of the works of the Task2 (Draft 1-D5) will be presented.

In particular:

- New database with a document (obtained by all the comments) concerning the bibliography systematisation.
- Every single country will present a study case on two OLPs, which will be the raw base for discussion, and will chose the methodology that will be used to analyse, in the next months.

During the second period (Draft 2 - D5) some specific seminar upon the issue related with characteristics, evolution, problems and opportunities of OLPs will be organised in order to support discussion between all the participants.
(The Plenary Meeting will be useful to discuss these first works and to give indications to the Final Report D5 which will be presented by the co-ordinator and assistants on the basis of work done and meetings discussions).

To start, inside one week will be sent a database made in Access 2000 that will have to be filled before the end of August. The length of the comment on the classification of the bibliography will have to be no more than 5 pages.

In any case you can keep in mind the following summaries

WP5 Workplan Summary

Work is organised into 3 phases:

1. July 2002 – September 2002
   bibliographic reclassification and 5-page commentary;
   case study analysis;
   presentation of work at meeting in Parma
   first draft of D5 report

2. September 2002 – end January 2003
   Continuation of case study work
   Interim meetings, short exchanges between participants
   Preparation of second draft of D5 report
   Presentation of work at DOLPHINS plenary meeting

3. February 2003 – end March 2003
   Preparation of final D5 report

Phase 1. Tasks

1. A synthesis of the main points from WP1-4 will be circulated in the next few weeks as a summery document of the first phase of the project.
2. Each participant/institution/country undertakes a reclassification of the bibliographic material collected from WP1-4. A mask/template for this reclassification (on Access software) will be circulated in the next few days.
3. Each participant/institution compiles a 5-page commentary on the database, which highlights the key points arising, main debates, lacks, etc,
4. Each participant/institution chooses, and makes an introductory analysis of, two contrasting OLP case studies in their country. For example, one very famous product with PDO-PGI, another less famous product without PDO-PGI. The key dimensions or bases for this analysis will be set out in a introductory questionnaire that will circulate in the next few weeks, which will include things like supply chain usage, marketing, organisation, contribution to rural economy, etc.. A more complex questionnaire and a complete framework will be set-up during the next meeting in Parma.

It is anticipated that analysis will be on the basis of existing studies, secondary data etc. In countries where there is little existing data, participants may do a small amount of empirical work (but it is not expected that whole new research projects are undertaken!).

Deadlines for work related the phase 1:

31 August 2002	Return of the filled database and comments
31 August 2002	Confirm participation to Parma meeting and indication of the case study
23 September 2002	Parma meeting: Presentation of study case on the bases of the questionnaire

WP 5 Guideline
Case-studies analysis

This is the guideline to be used for analysing selected case-studies for WP5 with a common "language" and methodology. The guideline reflects the scheme and the topics analysed during the Task 1 (WP1-WP4). The aim is to produce a general overview on characteristics, evolution, problems and opportunities of OLP products on the basis of case-studies cross-readings.

0. General information:

- ✓ Name of OLP
- ✓ Type of product
- ✓ Type of denomination
- ✓ Country of origin
- ✓ Area of production

1. Definition, characteristics and legal protection (ex-WP1):

This part is devoted to the issue of legal protection systems, and to the way PDO-PGI (or other legal protection systems) intervene on the relationships between the product and its production system, modifying actors' interests and actions.

1.1 <u>Characteristics of the OLP and its production system</u>:

- ✓ Is OLP production process based on specific non-transferable local assets (both of material - i.e. specific plant varieties or animal breed - and immaterial kind - i.e. local knowledge and culture)?
- ✓ To what extent the OLP is made differently in the local area?
- ✓ To what extent there is an heterogeneity in production techniques, in production costs and in the characteristics of the firms involved in the supply chain (dimension, access to marketing channels)?

1.2 <u>The process of institutionalisation</u>

- ✓ Which were the problems faced by the OLP before the activation of the legal protection system?
- ✓ Who activate the request for protection? Which are the interests and economic actors?
- ✓ Which problems were to be faced in the drawing of the Code of Practices – *Cahier des Charges* (production area, techniques, product quality, etc.)?
- ✓ Which conflicts emerged?
- ✓ Was the solution reached a good compromise (accepted by all actors), or did it give way to an unstable equilibrium?

1.3 <u>Code of practice</u>:

- ✓ Relevant issues of the Code of practice (if it exists…)
- ✓ Relevant issues related on certification (product and process)

1.4 <u>Certification</u>:

- ✓ Description of certification procedures, subjects involved, certification costs, sanctions

1.5 <u>Legislative aspects – description of</u>:

- ✓ Laws that institute and regulate the denomination of this product
- ✓ Legal institutions concerned with it (in the definition of product characteristics, in the protection, in quality monitoring, etc.)
- ✓ Existence of trademarks and collective brands
- ✓ Existence of indications which can mislead the consumers
- ✓ Existence of jurisdictional case involving or concerning quality, imitation or denominations of the product

2. Link with production and marketing system (ex-WP2):

In this part we should analyse not only the characteristics of the local production system (vertical co-ordination mechanism among firms inside the supply chain and local agro-food system), but also the marketing system which can be conventional or typical of high quality food products.

2.1 Production chain aspect

- ✓ Short description of the supply chain
- ✓ Organisation of the supply chain with special reference to vertical co-ordination mechanisms
- ✓ Characters, typology and structure of the Actors involved
- ✓ Strategy of the main Actors (firms and other private/public institutions) involved in the supply chain
- ✓ Quality management
- ✓ Characters of the marketing channels
- ✓ Effects of PDO-PGI on prices, volumes, marketing channels, market structures, etc.
- ✓ On which basis do the firms decide weather to use PDO/PGI rather than sell the product without it?
- ✓ How are these effects distributed along the supply chain? And inside-outside the area of production?
- ✓ Do the PDO-PGI create different opportunities for industrial and artisanal firms, for small and big firms, etc.?
- ✓ Which kind of firms use PDO-PGI on OLP, and in which kind of marketing channels?
- ✓ Are there firms specialised in PDO-PGI production?

2.2 Consortia and Interprofessional bodies:

- ✓ Description of the origin and the structure of the Interprofessional bodies involved
- ✓ Role of Interprofessional bodies
- ✓ Issue related to the governance of the Chain

3. Link with rural development (ex-WP3):

In this part we should go into the connection between the OLP and the rural development dynamics. In particular, the analysis concerns not only the supply chain but mainly the relationships between the product and its economic and social context.

3.1 Area of production:

- ✓ Relevance of the OLP for the region (in terms of revenue, employment, land management, culture and local identity, etc.)
- ✓ To what extent OLP specificity comes from local natural resources?
- ✓ In which way PDO-PGI Code of practice (if it exists) take into account these relationships?
- ✓ Which are the links of the OLP with the local culture? (OLP festivals, gastronomy, traditions, etc.)
- ✓ Which are the stakeholders in the OLP others than firms involved in the supply chain (tourism associations, local and non local consumers associations, cultural associations, local and non local public institutions, research institutes, etc.?

3.2 The Effects of PDO-PGI ("institutionalisation"):

- ✓ How do the definition of production area, techniques, and characteristic of the final product in the Code of practice affect the value of local resources in the supply chain and outside it (externalities)?
- ✓ Have small and/or artisan firms difficulties in implementing PDO-PGI schemes? Which are the problems? (shortness of the resources and skills required, low flexibility in production schemes, hygienic problems, etc.).

3.3 Rural development tools:

- ✓ Are OLP important for stimulating the demand of other local products (both food and non-food, or services) in the rural area?

- ✓ Are there any tools for building networks between different local economic activities starting from the OLP, that can create diversification opportunities in rural areas (tourism, non-food craft products, environmental and recreational services ...)? (for example: "product routes")
- ✓ Which are the actions of rural development based on the OLP product? Which is their legal base? (for example: EU LEADER Initiative ...)
- ✓ Which are the actors involved (public/private, Consortia …)?
- ✓ Problems and results of these OLP-related development actions

3.4 Evaluation:

- ✓ Keeping in mind your case-study, which are the most appropriate methodologies, criteria and parameters to use when evaluating the economic, social, cultural, environmental impact of OLPs on rural development processes?

4. Link with consumer and citizens (ex-WP4):

In this part we should go into the attitudes of the consumers towards the OLP analysed and their habits and perceptions. Consequently we have to analyse even the marketing strategies related to this.

4.1 Image of the product:

- ✓ Description of promotion (advertising, packaging, use of trademark, use of Collective brand, etc)
- ✓ Perception by the consumer
- ✓ Image of the product VS competitors

4.2 Marketing differentiation:

- ✓ Capability of the consumers to recognise and perceive OLP Vs non OLP
- ✓ Competitive advantage and disadvantage of OLP against non OLP

4.3 Strategies:

- ✓ Influence of GDO on the chain
- ✓ Quality strategies: "Cost leadership" against "Focalisation": low/high quality, different techniques of productions and different prices.
- ✓ Most relevant actions of marketing supporting the product
- ✓ Strategy of diversification followed by the firm involved

Please add the following information:

- bibliographic references on the OLP analysed
- a copy of the Code of Practice
- internet websites on the OLP analysed (official website, firms' websites, etc.)
- any other useful information

DOLPHINS WP5 Seminar
Parma, Italy
Monday, 23rd September 2002

Agenda

8.30	Opening of seminar
8.30 – 8.45	Introduction
8.45 – 9.15	Presentation of the preliminary result of the reclassification bibliography and the database - *(Parma Unit)*
09.15 - 09.45	Discussion
09.45 - 12.30	Case Study presentation, discussion and coffee break. *(All Unit)*
12.30 – 14.00	Lunch
14.00 – 16.00	Case Study presentation, discussion and coffee break. (*All Unit*)
16.00 – 17.30	Discussion on common methodology for common guide-line on OLPs for next meeting *(All Unit).*

1. Opening of the Seminar

Filippo Arfini introduced the seminar and gave some ideas about the future analytical method in WP5.

In the discussion of these ideas, the following points were raised:

The usefulness of finding very similar cases in different countries, e.g. UK and Italy, and seeking to explain, across the WP1-WP4 dimensions, the variables that are different.

The importance of focusing on operator motivation – because this is the starting point for use of different tools and options, e.g. how producers choose to cooperate, how they decide to use trademarks etc.

The need for WP5 to seek to explain how and why the different situations in the case studies may be as they are, in addition to rich description.

2. Italy Case 1: Culattelo di Zibello

Filippo presented this case study. Some points from the case were…

There is a PDO Culattelo (since 1996), plus there is a generic one, which is made in a more industrial way, not according to the code of practice. The PDO producers operate in a consortium. Each producer tends to have their own shop and restaurant, and so use own brand rather than the collective mark. Pigmeat is sourced from 2 regions only – much more restrictive than Parma Ham. Also 'constructing' an ancient breed to further differentiation from the industrial type. Currently, there are 15 producers, of which 1 is industrial, 13 are in PDO. There was a massive increase in production of CdZ in the last 3 years, but data do not yet show whether this was by the industrial producer, or the PDO producers. It may be interpreted that it is the presence of the industrial producer which has stimulated the smaller producers to cooperate and specify the PDO.

The following questions/discussion took place…
Is tradition without any industry actually a good thing? Also, there is not clear differentiation and there is price confusion which may lead to problems. Slaughterhouses have a surprisingly strong role as the link in the supply chain. Who stimulated the PDO? It was a single individual, concerned about the industrial production. It is he who wants to construct the ancient breed to enhance differentiation. Is the collective brand an advantage? Who is winning in the supply chain? Because it is a very short supply chain, it is the producers who benefit.

3. Italy Case 2: Coppa Piacentina

Kees de Roost presented this case. Some points were…

Product has a PDO since 1996. There are 21 producers, 382 staff in the whole supply chain, generating €90million. There is a consortium. The differences between the PDO Coppa and the generic version are stressed – the PDO is a heavy cut of meat, hand salted, longer matured, etc. There was some disagreement between producers about the code of practice prior to PDO enforcement. The price doubled after the PDO designation. Three types of Coppa are observed. First, the PDO. Second, the firms who are eligible for the PDO but who don't use it because they have established clients and they don't want to pay the premium for participating in the PDO. Third, the Coppas that are destined for PDO but which get sold early because sometimes, firms judge that the lower productivity from the PDO isn't compensated by the higher end price. There are differences between firms regarding what is produced – some are PDO exclusive, others do some PDO, some non-PDO, and there are different levels of engagement in horizontal and vertical networks. The PDO can be used by small firms who want to go beyond the local market – the PDO is a mechanism for the broader market, as the local consumers have existing knowledge to differentiate between qualities, etc.

The following questions/discussion took place…

Producers tend to enter into PDOs with the expectation of immediate higher returns – there is a need to communicate that PDOs give medium to long-term returns. There is a conflict between 'small' and 'large' producers, but is this between 'artisan' and 'industrial' methods? The issue is about cost minimisation – reducing weight, reducing maturing period etc reduces cost, but also reduces differentiation. Issues of winners and losers – the definition of code of practice is negotiation process, some win, some don't, sometimes by process, but also by geographic delimitation (if a producer finds himself just outside the PDO boundary). Two competing logics – one force is the drive of the PDO to get lots of producers to help develop a whole area/region, but then there is the danger of diluting the reputation. The biggest problem is those firms who produce both PDO and non-PDO, because this causes conflict of objectives, lack of cohesion, etc.

4. Portuguese Case Studies: Queijo Terrincho PDO Cheese & Azeite Tras os Montes PDO Olive Oil

Mario Sergio Teixeira presented these case studies and made the following ponts…

ATM has a small production base, it could be a lot larger. The area is very rural, underdeveloped. Olive oil is a very important activity, the population is aging. The oil is organo-chemically different to the generic oil. Producers are small in size – five out of ten cooperatives are PDO (they do the processing and packaging), one is a mixed public/private organisation. There is a lack of human resources in chain management, and a lack of cooperation between firms – they act individualistically. In terms of rural development, some employment and added value can be observed, but big impact is in the contribution of the oil to the overall image of the region – PDO contributes to the overall strategy. Consumers do not differentiate between PDO and non-PDO, and the consortia lack marketing skills – for example, they distribute the oil to discount supermarkets. In QT, the chemical differences are not great, the differences are in the use of the special sheep breed, raw milk, etc. Producers are small, average 120 animals, and only two make the PDO – one is a cooperative, one is a small private artisan. The producer cooperative manages the whole PDO, and also makes some because many producers do not want to do the PDO. Similar supply chain problems and rural development issues can be observed as ATM. Problems is that other PDO cheeses in Portugal are much better known. QT is double the price of other non-PDO cheeses. The influence of one charismatic individual – in diversifying, getting into tourism etc – is observed.

The following questions/discussion took place…

What is the basis of the differentiation between PDO and non-PDO olive oil? Colour and taste are different, but you have to be an expert to tell. Very small proportion of total production in both oil and cheese, but perhaps only a small proportion could be? Actually, more could be PDO and organic? Consumer studies show Portuguese consumers don't like organic particularly, but organic production could be a possibility for the international market. In Greek context, it is the adherence to ISO9000 and use of innovative packaging, and segmentation by frequency of use which contributes to successful marketing of olive oil. Who was the initiator of the PDO in the cheese, producers, processors, or public authorities? Actually, the PDO application was made in a hurry over one weekend by a regional public official. There was very little involvement of producers – perhaps explains their reluctance to get involved now. How important are the olive oil and cheese productions in terms of rural development – are these the kind of activities which younger people will want to come back to the region to do? Typical products are very important because there are not many other options for development in these regions.

5. UK Case Study 1: PGI Specially Selected Scotch Beef

Ron Wilson and Kate Corcoran presented this case study. Some points were…

SSSB is the 'premium' of the PGI. There is no special feeding, breeding or post-management treatment of the product, but the differentiation comes from the use of the traditional system of upland-rearing, lowland-finishing. The basis of the PGI status is the Quality Assurance Schemes (7 in total) which certify quality, safety, welfare.

The umbrella body for these schemes is Quality Meat Scotland. 85-90% of all beef producers are in the scheme. QMS owns the certificate and does the promotion, but all the actual certification and monitoring and assurance is done by the separate bodies. A current proposal being debated is that public finds will be channelled to beef producers in future on the basis of membership of a quality assurance scheme – QMS, effectively.

The following questions/discussion took place…
Is the scheme going from individuals to a collective? What is the way forward now? Actually, producers do not see themselves as a collective, it is the abattoirs and meat plants who are really key, they control volumes, set prices, sell to supermarkets, who are 72% of the market. Point raised that the new EU regulations on beef may well cover all the assurance criteria in the scheme anyway. Also, that the assurance criteria relate to safety, traceability, but not to territory in a material way. Relationship to territory is symbolic rather than essential. Who funds the generic promotion? Funds are raised by the Meat and Livestock Commission, which draws on producer levies.

6. UK Case Study 2: PDO Beacon Fell Traditional Lancashire Cheese.

Angela Tregear presented this case study. Some points were…

Long-term political and economic circumstances have been adversarial to small-scale, artisanal cheese-making in the UK. The PDO comprises 9 producers, of which the largest is Singletons Dairy, employing 77 people and processing 80,000 litres of milk per day. However, the PDO product represents only a small proportion of total output. The PDO application process was led by the Singletons manager, who saw marketing advantage in the designation. The geographic delineation was relatively arbitrarily ascribed. The name 'Beacon Fell' was applied because Lancashire, on its own, is a generic name – Beacon Fell is a hill relatively equidistant from the 9 producers. Producers have their own strategies for sourcing milk – some have their own herd, others obtain through contract. Contribution to rural development depends upon the approach of the individual producers.

The following questions/discussion took place…

Do the individual producers compete with each other? Not much, because the larger producer has a big product portfolio, of which the PDO is a very small amount, so his business is not dependent upon this one product. The market for speciality cheese is also quite buoyant. Do the products get sold with the PDO label? Not really, the main basis for product identification is with the name of the producer – there is a strong personification of the product with the producer. Singletons have started using the PDO on their supermarket pre-pack version. This may be to anticipate increased awareness in the future, amongst consumers who aren't in the local market.

7. Spanish Case Study: Carinena Wine

Ana Sanjuan and Luis Miguel Albisu presented this case. Some points were…

The region is very rural, with a small population. There is a strict code of practice, both in terms of production of grapes and the wine-making process, bottling, labelling, etc. There are 3000 vineyards, 44 winemakers – 85% of total production comes from the cooperative sector, where there is very close vertical integration, then the rest is very small family firms. There are individual strategies of marketing and engagement in the supply chain. It is the biggest designation in the region, with a long history. 50% is exported outside Spain, total production is 20million litres in 2001. Note the designation covers very different types of wine – colour, maturation, quality – individual firms do their own marketing/labels. So competition between producers is intense within the region, as well as across other DOCs. Also historical problem of low quality image and individual strategies of going for low price approach. Attempt now to pursue a high quality route, but individuals change grape varieties, etc.

The following questions/discussion took place…

What difference does the DOC actually make, if individual producers pursue their own distribution and marketing strategies? DOC provides encouragement of overall raising of quality, setting standards. A cycle can be observed of individual vs collective action according to codes of practice. 'Old' producers tend to have collective build up over many years, so consensus to adhere to codes can be achieved. In situations where codes are imposed upon 'new' collectives of producers, often individuals will not meet them, so the codes themselves get relaxed.

8. Swiss Case Study: l'Etivaz

Stephane Boisseau presented this case study. Some points were…

The region is very small. There are 80 producers making 320 tons of cheese per year. There is one cooperative, which follows ISO and HACCP standards, the PDO was awarded in 2000. The supply chain dates from 1932 – an association was founded, then process of continued self-organisation. In the last 10 years, started producing organic, then the PDO. PDO can be seen as 'crowning achievement' of a long term process. A very high degree of information sharing exists between producers – religious links bind community together, although producers are also very open to new ideas, assisted by international community network of emigrants etc. Strong 'integrative competencies' are found in the community, and there is deep involvement in local life. Marketing is coherent, consensual approach is followed.

The following questions/discussion took place…

What factors explain the success of this case? Is it always so ideal? The area is very tiny, then the social/religious aspect helps – there are a number of 'multi-competency' individuals. It is an ancient region that has adopted new ideas from the outside. Does the social/economic/political climate of Switzerland help? The environment has been very protective, which means that maintenance of traditions etc could continue outside an otherwise adverse climate. Now, producers are in place for more widespread policy revalorisation of typical products. Do others outside the specific region not want to see the geographic limits enlarged? No, the geographic area is very specialised and has separate identity and administration, so there is little debate about this.

9. German Case Study 1: Bavarian Beer

Burkhard Schaer presented this case. Some points were…

The process was started by lots of little regions within Bavaria getting the PGI, then PGI obtained for 'Bavarian Beer' as a whole. Bavaria is a big region, very heterogenous. The product has very old traditions and old specification, but actually borrowed from northern recipe – later, adoption of English techniques. Bavaria later became synonymous with a beer region – more than 4000 individual brands exist. 'Bavaria' is a protected name since 2001, though pre-2001 brands can keep the name under certain conditions. There are 667 Bavarian breweries and all can use PGI. €4.3billion, 19000 jobs in total. The designation could go further in terms of making the link to ingredients, the purity/non-additive aspect. There is huge variation in styles, alcohol content, etc – the common feature is that the beers are all brewed in Bavaria, with at least 50% of barley coming from Bavaria. Bavarian purity laws are more stringent than Germany-wide, latter allow some sugar additive and also chemicals for export.

10. German Case 2: Schrobenhausener Asparagus

This is a Bavarian vegetable which will apply for a PGI this year.

Distinctive factor is extraordinary quality of the product, due to geographic conditions – the sandy soils allow quick growth and they impart flavour. Also long tradition of production, dating back to 1850, where it was sold to the royal palace of Munich, and cultivated in gardens, very small-scale. There are 267 farms, producing 620 hectares, although a very small number of farms produce a sizable proportion of total amount. 70% is sold direct, producers change higher prices than are charged by retailers. There are instances of retailers outside the region using the Schrobenhauser name when selling outside the region – about a third is abused in this way. It is this abuse which has stimulated the trademark creation by the Producers Association. Product has to be sold within 2 days to protect freshness.

11. French Case Study 1: Taureau de Camargue

Vanessa Persillet presented this case study. Some points were…

This is the first and only beef meat product in France to get a PDO. It is derived from the rearing of bulls for games, and the desire to find an alternative market for unfit bulls. Thus, there were no prior specific processing criteria, so specification was developed. Have found that though the carcases are unconventional, still succeeded in getting same price for TdC as conventional beef. It has a different taste.

The following questions/discussion took place…
The product is not in need of protection, so why is it needed? Who would want to imitate it? It is a marketing tool, 'Camargue' is a good way to sell – this qualification is a good way to get a good price.

12. French Case Study 2: Roquefort Cheese

Legalisation dates from 1925, PDO since 1996. There are 2500 milk producers, making 170million litres per year. There are 7 processing firms, of which the Roquefort Society is the biggest, processing 70% of the 18,000 tonnes of cheese per year. RS belongs to Lactalis, the biggest industrial dairy group in France. The Confederation of Roquefort acts as an interprofessional body. Only 50% of milk is processed into Roquefort, Feta, for example, is also produced. There is very careful specification of price at each stage. 1700 jobs linked to Roquefort activity, estimated 10,000 direct and linked jobs in total. But more could be done to maximise rural development activity, there is a lack of relationships between links in the supply chain and to other actors. There is a 'sector' mentality, and farmers get a lot of money for their milk, so there is no incentive to diversify.

The following discussion took place…

One firm really dominates here – is this a good or a bad thing? Actually, in Roquefort, producers are strong, the Confederation is old, so domination is not so great. Lactalis adopts different strategies for the different productions it is involved with.

<u>13. Closing Session</u>

Filippo Arfini led the discussion in the closing session. The way forward for WP5 was considered. The following points were raised…

The need to clarify overall objectives of WP5, and the 'audience' for the results (policymakers or practitioners?)

The need to find a common methodology to allow comparison across case studies (though it is difficult to take a quantitative approach with so few, diverse, cases)

The need to move from descriptive to explanatory accounts. Alternative approaches for this were suggested. Cases could be 'plotted' on appropriate axis, according to criteria such as level of industrialisation of production, market orientation, etc. Influential factors could be categorised according to level of proximity to case (macro to micro) or using PEST framework (political, economic, social, technological). Cases could move towards a modelling approach where 'number of jobs' and/or 'value added' could be the dependent variables in a model to which the influence of a set of other agreed variables could be assessed, broadly speaking.

The importance of recognising the costs of certification need to be recognised along with the benefits.

Angela Tregear made the following proposal for a 4 stage workplan:

1. Overall aim of WP5 is to assess the opportunity of OLPs. Objectives could be phrased in terms of addressing the following questions…

To what extent are the case OLPs competitive?
To what extent are the case OLPs contributing to local development?
To what extent are the case OLPs meeting consumer needs?

2. Checklist of Items

To gain common information from each case, a checklist is made, which each unit completes according to their case(s).

3. Explanatory/Analytical Work

To give assessment of 'how' and 'why' the case situation is the way it is, each unit discusses explanatory factors, according to a common framework (for example, PEST)

4. Recommendations

Each unit addresses the questions agreed in 1., in light of material presented in 2 and 3, with the aim of identifying 'what needs to happen' for the case to be more competitive, more contributing to rural development, better meeting customer needs, etc.

Final Agreement Points

Each unit to submit suggestions to Filippo for checklist questions
The next meeting takes place in Toulouse in February 2003.

WP 5 – Parma Workshop Guideline

Main findings of the final reports:

WP 1 - Origin Labelled Products: Definitions, characteristics, legal protection

WP 2 - Link between Origin Labelled Products: and local productions systems,supply chain analysis

WP3 - Link between Origin Labelled Products and rural development

WP 4 - Link between Origin Labelled Products and consumers and citizens

WP 5 – Followp up Parma

After the Parma meeting I had some suggestion on how to continue the work and especially how to prepare the work for Toulouse and, more important, the Task 3. More in detail we (myself and other colleague):

1. WORK TO BE DONE

Step	What?	Who?	When?
Step 1)	Deepening and refining the case-studies using a new version of the guideline that will be sent in a few days	EACH UNIT	end November 2002
Step 2)	Interact with a questionnaire that will be sent after the steering Committee in Geneva	EACH UNIT	end November 2002
Step 3	Interact with a PEST analysis for the case study	EACH UNIT	end November 2002
step 4)	Interpretation of the case-studies according to Task1 WPs	THEMATC CO-ORDINATORS	January 2003 and Toulouse Meeting
step 5)	Final systematisation of Task2-WP5 results	CO-ORDINATOR, ASSISTANT, others	WP5 Seminar Newcastle (7/03/2003?) + end Task 2

STEP 1-3) DEEPENING AND REFINING THE CASE-STUDIES (EACH UNIT)

Method	Each unit should prepare a final version of the case-studies chosen, taking into account:		
1	the synthesis of the WPs made for Task 1, and hopefully all the documents produced in Task 1	→	*see Dolphins web site*
2	An improved version of the "Guideline for organising the case study" Filippo sent to all us for the Parma Seminar. This new version should try both to reach a common format of case-studies presentations and specify the basic questions to answer to for each thematic area (WP1, WP2, WP3 and WP4).	→	*it will be sent soon to all WP5 members by the Co-ordinator*
3	A questionnaire aiming at "quantifying" some key-issues	→	*it will be sent to all WP5 members by the end of october*
4	A analysis using PEST approach will completed		*It will be sent a brief guideline on how to use it*
Output	Final version of case-studies		*10 (min) - 15 (max) pages each case*
Deadline	End of November 2002		

STEP 4) INTERPRETATION OF THE CASE-STUDIES ACCORDING TO TASK1 WPS

In this phase 4 "thematic co-ordinators" should be chosen to make a cross lecture (8-10 pages) of the case-studies analysed, trying to highlight the main issues and conclusions referred to each WP (legal aspects, supply chain, rural development, consumers), included policy implications (useful to connect to WP6).

Proposal (we accept candidates!!!): it's better to chose co-ordinators according to the WP he/she attended during Task1:

WP1 - legal aspects	Arfini / Sylvander
WP2 - supply chain	Albisu / De Roest
WP3 - Rural development	Marescotti - Belletti - Boisseaux - Montresor
WP4 - OLPs and Consumers	Tregear

STEP 5) FINAL SYSTEMATISATION OF TASK2-WP5 RESULTS

Two outputs might be done (by the coordinator, the assistant and other "volunteers"):

1. Improving Task1 results: a comprehensive interpretation of case-studies analysed on the basis of Work done in Task1, case-studies analysis and the four synthesis prepared during the second phase of Task2;
2. A "paper" elaborated on the basis of the questionnaire aiming at "quantifying" some key-issues (see point 3 in step 1).

TOULOUSE MEETING

We still do not know at present how it will be organised. Next Steering Committee (15th October) should give us inputs in order to organise WP5 parallel sessions (if any!). Anyway, in Toulouse (depending on time available) we could

- Let the thematic co-ordinators expose and discuss the synthesis made
- Discuss on how to evaluate success and failure of OLPs (which criteria, how to assess them)

NEWCASTLE SEMINAR

Though not for granted, Newcastle seminar should be held after Toulouse Meeting (15 days later) and permit the conclusion of Task 2. In that occasion a final version of the whole work is previewed (why not publishing it somewhere and somehow?), included:

- Case-studies
- Cross analysis by WP
- General synthesis
- Quantification on the basis of the questionnaires

A grid for the evaluation of success and failure of OLPs, to be improved with "how to evaluate the success or failure of policies (at different level) aiming at supporting OLPs"