

# Healthy growth: From niche to volume with integrity and trust

Working group 3 at the ESRS-Conference 2013,  
Theme 1 'Agriculture and farming', Florence, 30th of July 2013

**Convenors:**

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Value chains of organic food products tend to converge either towards higher value niche products or towards conventionalisation. Smaller and more local organic food businesses and farmers tend to find it easier to communicate multiple values and build on trust than larger businesses and whole sale driven organic food chains. Smaller businesses and local marketing initiatives, however, have inherent problems in moving from niche to volume successfully. The challenge for all involved in a food chain is to maintain and advance quality, integrity and trust all along the way from the producer to the consumer.

Our working group aims to discuss successful approaches of managing increasing quantities of organic food produce - successful in terms of maintaining product quality, trust, integrity and higher value while at the same time increasing turnover. We will focus on two aspects in particular, firstly, the kinds and quality of cooperation of farmers with processors such as dairies, mills, bakeries or oil presses, and secondly, the successful management of growth in value chains including strategies, communication and limiting and enabling factors.

The working group aims at a joint review of the state-of-the-art regarding growth in food value chains and networks as well as the strengths and weaknesses of relevant methodological approaches. The discussion will highlight the main challenges related to growth processes that the practitioners had to deal with.

## Programme WG 3 on Tuesday, the 30.7.2013, Room 1.02

### 11.00 – 12.30 Session I - Introduction and scientific papers

#### 1 Introduction (10 min)

Egon Noe, University Aarhus, Denmark and Susanne von Münchhausen, HNEE  
Welcome, framing the discussion, focus of the workshop, a brief overview of papers to be presented, the role of contributing practitioners, short reference to the HealthyGrowth (Core Organic II project). Introduction of Christoph Furtschegger (facilitation)

#### 2 Volume Growth in Quality Food Firms – Lessons and Reflections from Norway (10 min presentation + 2 min discussion)

Hilde Bjrkaug and Gunn-Turid Kvam, Centre for Rural Research, Trondheim, Norway

A review of research on growth processes in quality food chains in Norway shows that only a few studies have focused on growth in such chains. Studies look at food businesses as the focal unit and discover many challenges for local firms with growth ambitions. The main issues seem to concern distribution and sales follow-up.

#### 3 Beating the Economies of Scale through Local Food (10 min presentation + 2 min discussion)

Leo Dvortsin, Department of food, agriculture and environment University of Pisa, Italy

In the recent past mass-production and standardisation of food production was the hallmark of the food system. Nowadays, the consumption preferences seem to change once again. Willem&Drees, an initiative from the Netherlands, has designed an innovative short food supply system in order to meet the changes. The company started with a dream to deliver local food to the local supermarkets, with a convenience of 'one stop' shopping opportunity for the consumers. Willem&Drees is an interface for both consumers and producers.

#### 4 Making the Most of Local Producers Markets - Growing Capacity, Confidence and Quality (10 min presentation + 2 min discussion)

Eifiona Thomas Lane, Siân Pierce, School of the Environment , Natural Resources and Geography, Prifysgol Bangor University, North Wales, UK and Rebecca Jones

Food from local producers is a vital part of the sustainable economy of the locality upon which this paper is based. The rural area under examination (North West Wales) is highly designated for landscape protection; small scale farming - and as such – the development of new food traditions. The establishing of a local producers market in a rural hub settlement is investigated in terms of the emerging opportunities. The co-operation of the market association is investigated, as it provided security and a solid base for the food and drink innovators to diversify production within their niche markets and thus build upon the capacity of the other producers.

## **5 The Emergence and Development of Organic Agriculture in a Rural Region of Switzerland (10 min presentation + 2 min discussion)**

Emilia Schmitt, Dr Dominique Barjolle, Loredana Sorg Institute for Environmental Decisions IED, ETH Zürich, Zuerch

To trigger innovation processes in farming systems, not only financial incentives play an important role, but also complex social interactions between farmers, extension officers, researchers, retailers and consumers. This study therefore aims at identifying and analysing the stakeholder network of the organic sector in the Canton of Grisons, a mountainous region of Switzerland.

## **6 Questions related to scientific papers (15 min discussion)**

Open discussion facilitated by Christoph Furtscgegger

### **14.30 – 16.00 Session II - Scientific papers and practical experiences**

## **7 The Solution is beyond the Opposition - Breaking down the Fence between Conventional and Organic Values to Secure Trust and Integrity (10 min presentation + 2 min discussion)**

Sibylle Bui, Claire Lamine and Marianne Cerf, INRA Ecodeveloppement/SenS, Avignon, France

Organic farming is a good candidate to analyse sociotechnical transition processes towards sustainable agriculture. Our hypothesis is that mid-scale food business forms can allow niches to gain enough momentum to bring deep changes in the sociotechnical conventional regime, triggering a transition process. Studying the case of a French agricultural cooperative whose organic grain collection improved from 10% to 70% in the past twenty years, we analyse the role of agency in niche-regime interactions

## **8 Value(s)-based Supply Chains to meet Organic Consumers' Expectations - a Case Study from Austria (10 min presentation + 2 min discussion)**

Markus Schermer, Christoph Furtscgegger, University of Innsbruck/Austria, Department of Sociology, Mountain Agriculture Research Unit, Austria

This contribution revisits the results of a case study in Austria, eliciting quality aspects within a midscale-value based supply chain. It shows how organic values may be combined with new forms of relationships in enlarged food supply chains beyond direct marketing. Actors along the supply chain employ similar quality argumentations and a similar understanding of fairness and social sustainability. Moreover their perceptions comply to a large extend with the expectations of consumers. Regional embeddedness and special proximity is a key element to achieve this synergy.

## **9 Panel discussion with the external guests and selected authors of the working group (Ch. Furtschegger, S. v. Muenchhausen) 45 min**

Since we aim to facilitate an enlightening discussion focusing on practical problems related to growth processes, we invited practitioners who represent successful businesses or food initiatives to join our sessions. Firstly, the representatives will present the particular experiences the enterprise or initiative made during the process of growing of their business and of the related supply chain. The contributions of the practitioners will - in the dialog with some of the authors of the scientific papers - widen our horizon when we try to understand the issues of growing organic enterprises and initiatives.

External guests with practical orientation:

- I. Abafoods, Badia Polesine, Italy: Silvia Gava, Quality Management. Abbafoods Ltd produces organic drinks from all sorts of crops. The production is based on creative recipes realised with high technology and quality management.
- II. Livia Ortolani works for AIAB, ABBA is the Italian association for organic farming since 2003. Livia will present two interesting Italian cases from the organic industry.
- III. Dr Juliana Lutz, Institute of Social Ecology Vienna; <http://www.aau.at/sec/> Juliana will present one interesting Austrian case. (She is author in working group 6, see ESRS-Conference Proceedings)

Scientific authors participating in the panel discussion (due to organisational issues, not all authors can participate):

- IV. Markus Schermer, representing experiences from Bioalpin (Austria);
- V. Gunn-Turid Kvam, adding her experiences from review of growth processes in value-based food chains
- VI. Claire Lamine, representing the producers' cooperative Drome Valley (France)
- VII. Leo Dvortsin, representing Willem&Drees (NL)

## **10 Lessons learned: Main messages from the scientific papers and the panel discussion – Overall conclusions of the workshop (S. v. Muenchhausen, E. Noe) 10 min**