

ITALY – MATERA

Collective local trademark ‘Lamb of Dolomiti Lucane’

1. Project details

Nature of the project

Purpose: The main objective of the project was to organise a micro-manufacturing base in order to support production, sale prices and accessibility of the consumer to the final product. Specific objectives include:

- Establish a strong link between manufacturers, the product and the territory.
- Use training courses to ensure recognition of the product quality by the final consumer.
- Promote the quality of production of the area to highlight the higher value of the lamb of the Dolomites in comparison to similar products from other international markets.
- Improve competitiveness and therefore surpass other competitors in the market.
- Create a voluntary trademark of the area for ovine production of the territory. It is a certification experiment of ovine meat totally innovative in the context of national production.

Content: The project was implemented in the Apennine mountains of Lucania, a territory which has always shown a high vocation towards breeding ruminant livestock which are well suited to the pastures characterising the area. The project followed a detailed and gradual path to develop a certified trademark of lamb produced in the territory through 6 phases:

1. Characteristics (biological and technical) of the ovine breed “merinizzata”. This involved field survey of sheep in the farms of the territory covered by the LAG to collect information and business parameters (breeding techniques, improvement plans, commercial destination of the product, structural needs of farmers, etc.) in order to assess the characteristics of the territory and the environment for breeding. Questionnaires were sent to 200 companies while the LAG with the support of the Provincial Breeders’ Association engaged in an awareness raising campaign to inform farmers of the project and secure participants in the pilot project. As a result, 18 companies joined the pilot which involved registration and follow up of the weight of the animals from birth to slaughter stage.
2. Slaughter and assessment of meat quality. Meat quality was assessed to define the optimal commercial size while some potential customers were also selected to test (through tasting) the characteristics of meat.
3. Drafting of the specifications for the production of high quality ovine meat. Based on the data collected from the previous phase, a draft specification for production was elaborated and was discussed at various thematic meetings while opinions and suggestions of the industry’s operators were also collected. With the help of the certification company FORIM of the Chamber of Commerce, Industry and Crafts, a collective trademark of the area was developed to apply on a voluntary basis (i.e. only farmers who wish to do so would register for certified lamb production under this trademark). The trademark concerns pasture, meat, breeding system, age, slaughter in addition to compliance with Community rules on hygiene and animal welfare.
4. Study and definition of the trademark- training. Membership of the trademark is voluntary and must cover all stages of the production chain: selection of the merinizzata breed, slaughter in

communal slaughter houses and marketing. In parallel training and information on breeding techniques was given to producers participating in the system with the objective to standardise the product and raise awareness of all stakeholders in the sector.

5. Support to producers participating in the system. Following the pilot phase, 33 farms became eligible for funding and purchased equipment to improve the quality and competitiveness of their farm. The LAG offered incentives for certification and promoted genetic improvement, the use of indigenous raw materials, information on the market, the strengthening of existing sales channels as well as seeking new business opportunities.
6. Financing of the commercial structure and launch of marketing. This last phase established the link between producers and the markets. The LAG promoted the set up of a "commercial secretariat" that follows commercial relations with local and extra-local channels and has been the link between farmers, the common slaughterhouses and supermarkets. At the same time, beneficiaries must also portray visibly the trademark which was registered in the Chamber of Commerce in 2006. The agricultural cooperative "Ivy Lucanum" which participated in the pilot was the first one to obtain the trademark.

Inspiration: The sheep and goat sector is of particular importance from an economic and social point of view for the area of the Dolomites in the Basilicata region, mainly a mountainous area located in the province of Potenza, with a population of just under 150,000 inhabitants. In the area covered by the project there are approximately 130,000 goats and sheep and 1,186 farms breeding herds of goats and sheep. Despite the fact that goat and sheep breeding is a traditional activity that dates back to the ancient history of the area, there has been a progressive decline in sheep breeding in recent years. This is mainly due to lack of competitiveness of production even if this is a sector with strong potential. The main factors that determine this low competitiveness are the difficulties of marketing the products outside the strictly local territory and the non-profitable price of meat.

Against this background, it was deemed necessary to examine the possibilities of expansion of the sector and remove the obstacles to the development of the production and the market. These obstacles relate mainly to marketing difficulties (excessively seasonal consumption, focused around the Christmas and Easter periods) and fragmentation of the large manufacturing base with individual producers unable to develop individually a pricing policy that would benefit them. It was therefore considered crucial to recognise and promote the high value of the local meat production, create a strong and competitive market for it, while at the same time promote not only the product (lamb) but also the territory where it is produced. These objectives have inspired the pilot project sponsored by the Local Action Group (LAG).

In addition to improved competitiveness and image of the local product and territory, the project also addressed a demographic issue, namely depopulation of rural areas and gradual abandonment of farms (once the strength of the territory). In response to these structural problems the LAG also intended to increase the attractiveness of rural areas and encourage farmers to stay by promoting a strong and competitive sheep breeding and food-manufacturing industry.

Links between agriculture and the rest of the economy

Main agricultural sub-sectors involved: Animal husbandry and meat processing is the main sub-sector involved. Other local sectors involved include trade and transport.

Description of these links: The project establishes a link with the local production chain of the sector, by setting up a cooperative of producers. The objective of the project was promoting the territory and establishing the links within the actors of the chain vertically and horizontally (within the sector and

within other sectors). In addition the project was promoted with the perspectives to improve the links with the territory and the promotion and diversification of the activities of the beneficiary involved in the project.

Scale of the project

Size: Large size project implemented in the territory of the LAG Basento Camastra covering 16 communes in the Basilicata region in Italy.

Time scale: The project was implemented between June 2004 and December 2007.

Coverage: Local/regional coverage

Initiators and supporters

Beneficiary: LAG Basento Camastra

Supporters: All members of the LAG supported it. These include 16 communes in the region of Basilicata and other actors such as associations, trade unions; NGOs and other non-profit organisations.

Finance

Funding: The LAG supported the most significant project expenses such as entertainment, expenses relating to animals slaughtered (reimbursement to companies that have joined prior to testing) and costs of slaughter. It has also funded feasibility studies and definition of the trademark and incentives to improve production of the selected companies. Other project partners offered contributions in kind (the University, the Provincial Breeders' Association), while local authorities contributed between 10,000 EUR and 15,000 EUR each.

Budget: Total 425,093.60 EUR, of which public 241,661.50 EUR.

Results

Direct results: The most notable result is the creation and registration of the trademark "Lamb Dolomiti Lucana". The sector was reorganised through the creation of a collective trademark of the area that can guarantee quality, visibility and value of a typical product on the market. 5,000 animals were slaughtered and marketed, two slaughterhouses certified and sales contracts signed with the GDO.

Another significant result is the creation of the agricultural cooperative "Ivy Lucanum" which associated internally about 20 farmers, of which 70% are young. In addition to providing a means of dialogue among farmers of the inland areas, the cooperative is unique as it is the first cooperative in the meat industry in Lucania.

There are also positive effects in terms of trust generated through joint actions: a stronger link between manufacturers, the product and the territory all connected through a trademark that affirms the value of local lamb meat; developing a symbol of the area relating the territory and food.

Economic benefits are also substantial for those farmers who were involved in the pilot. Evidence of the economic benefits is also the increased interest for membership of the trademark expressed by more farms. The selling price of lamb meat is determined through a price-quality grid which crosses several parameters and is built on the basis of the average weekly price of the Chamber of Commerce of Foggia and the average yield from slaughter, as well as other factors.

Main beneficiaries: The farmers that participated in the pilot of the project and all farmers in the territory who may apply for membership of the trademark.

Wider benefits: There are wider benefits to the territory through increased attractiveness for farmers which may reverse the depopulation trend.

2. Relevance of case study experiences for others

Problems: An inherent problem of the project was the individualistic culture that prevailed amongst entrepreneurs in the territory. Different needs and scepticism amongst farmers were common at the beginning. The project has managed through the intensive awareness raising efforts of the LAG and the pilot experience that acted as demonstration to transform individual interests into common interests and product quality the priority objective of each partner.

Another problem was consultation with organisations that had deep rooted ideas and a poor attitude towards cooperation. They eventually signed the same protocol and worked actively to achieve the project objectives.

Other difficulties were linked to the territorial jurisdiction of LAG Basento Camastra: the latter while promoting a trademark project for the whole territory Montano Lucano, could only bear the costs for farmers living in their areas. This problem was overcome thanks to the intervention of the Basilicata region partner, who reached an agreement with other LAGs (Lucani horse dell'appennino-GAL AKIRIS, CSR Marble Melandro, Vulture Development High Bradano), who formally joined the project and committed to support farmers who operate in their territories and who decide to adhere to the trademark specification.

Transferability and mainstreaming potential: The detailed and phased approach used for developing the trademark is an example that can be followed by other territories who wish to improve competitiveness of their local products. Similar chains (breeding – slaughter - marketing) can be developed for other local products.

A broader agreement was initiated that concerns the inclusion of animal products in a single regional brand (so-called umbrella brand) called "Horizons Lucana", supported by the Department of Agriculture of Basilicata.

The project has contributed to mainstreaming in the new programming period 2007-2013 since the experience was used in the elaboration of the new rural development programme (RDP).

Innovation: This is a first experience in the territory of creating a certified ovine chain (from production all the way to the market) through a collective trademark that distinguishes the product and the territory. It is the first of its kind for testing a brand that links the territory and its product.

The cooperative "Ivy Lucanum" that was created as a result of the project is innovative for its composition. It is composed mostly of young people and has a female president. The latter is a highly innovative for the area where women have normally a modest role, usually working in the farm.

Institutional aspects: The project was based on a partnership that managed its diversity and complexity. The LAG Basento Camastra brought together the productive, economic, institutional and also the academic world because of the scientific aspects that were involved in the production process and certification of meat. Participation of the Provincial Breeders Association brought industry knowledge and acted as a liaison between food producers and manufacturers. Other stakeholders include the Chamber of Commerce with a key role in meat certification, the University of Basilicata, Department of Animal Production with a role in sampling and measurement of quality parameters required by the product, other communities, confederation and associations.

The partnership made available its experience, knowledge and skills. More specifically, the LAG provided four animators directly involved at the stage of search and identification of companies to be involved in the pilot. It has also been a key disseminator of the project in national events. The Provincial Breeders' Association provided another three resources in the process of dialogue with farmers in the area. The University collaborated with around 20 researchers and the Chamber of Commerce participated actively in the progress meeting of the project.

Social aspects: The project contributes to rural depopulation, a trend that can have detrimental effects for the quality of life in rural areas and the maintenance of the social tissue.

In addition, it has an impact on young farmers by providing with options through the set up of the "Ivy Lucanum" cooperative. From a gender perspective also, the cooperative promotes the involvement of women in higher posts than just everyday farming.

Sustainability: It is envisaged that trade agreements will be signed with other entities for further promoting local products. The trademark is now owned by the LAG Basento Camastra which supervises its proper use. The agricultural cooperative "Ivy Lucanum" has been established and is now autonomous. The goal for the immediate future is to strengthen it.

Lessons to pass on:

- Publicize local products outside the strict local boundaries can be a first step towards creating a critical mass to support the domestic market.
- The project followed a detailed, phased approach to develop the trademark during which all aspects were carefully examined and support from local farmers obtained through a pilot.
- Piloting tested the validity of the approach/idea, increases local support and creates a demonstration effect for the non-participants to the pilot.
- The role of LAGs as animators is critical for bringing local stakeholders/beneficiaries together even if they have conflicting views/perspectives at the beginning.
- The LAG had a strategic role to integrate all relevant territorial and sectoral actors, propose the development of a local trademark based on an analysis of the area and its strengths. It motivated, directed and accompanied producers in the path to certification and stimulated the creation of a new cooperative composed of young farmers.