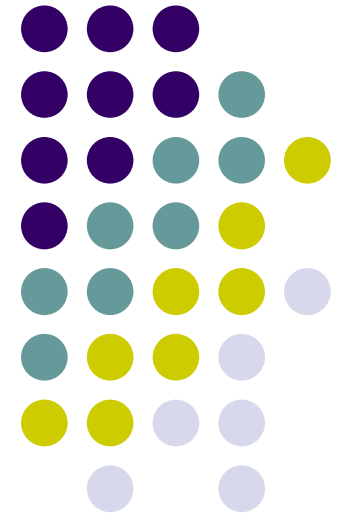


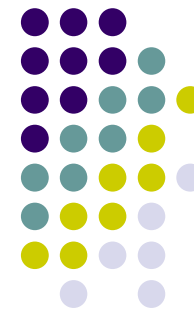
# **In search of new marketing initiatives: geographical indication products in Latvia**

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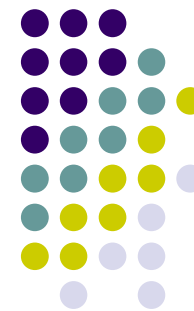
**Aija Zobena,  
University of Latvia**

**ESRS Conference  
WG17: Collective Farmers Marketing Initiatives  
20-24 August, 2007  
Wageningen**

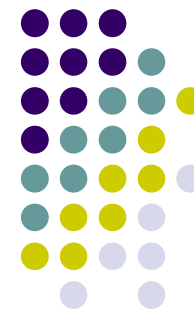




- 1. Collective strategies in rural development**
- 2. The latest trends in the food sector**
- 3. Collective marketing experience: case of the Latvian Beef Cattle Breeders Association**
- 4. Geographical indication products in Latvia**
- 5. Some conclusions**

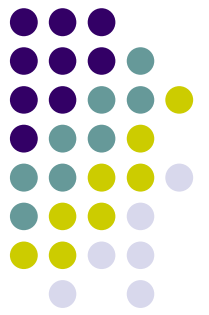


- SUS-CHAIN - Marketing sustainable agriculture: An analysis of the potential role of new food supply chains in sustainable rural development (2003-2006)
- Siner-GI Strengthening International Research on Geographical Indications: from research foundation to consistent policy (started in 2005)



## Collective strategies in rural development

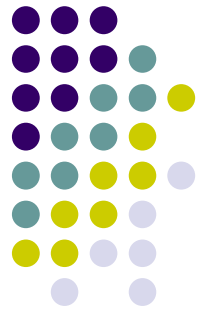
- Collective strategies and partnerships are new discourses in rural development in Latvia.
- Influence of SAPARD (Special Action for Pre-Accession for Agricultural and Rural development) and EU structural funds programmes for regional and rural development.
- Producers' associations are active and in quite influential at national as well as regional levels.
- Organic farmers associations.
- Who could be possible actors in promotion of collective marketing initiatives?



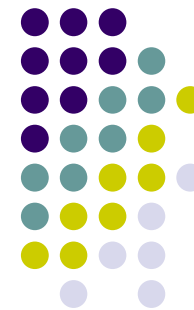
## The latest trends in the food sector

- technological modernisation,
- market concentration,
- consumer awareness and attitudes towards food safety,
- political measures,
- the EU common agricultural policy.

## The latest trends in the food sector: the results of the further diversification of rural economy



- development of new rural businesses;
- expansion of agri-tourism;
- small-scale niche productions;
- rising popularity of local brands.



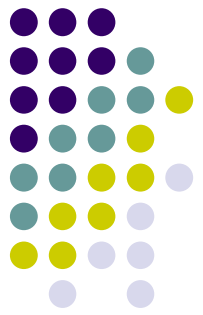
## The latest trends in the food sector

- Association of Latvian Organic Agriculture and biological food label “*Latvijas ekoprodukts*”



- Other popular food label - *Qualitative Latvian Product* so called *Green Spoon*



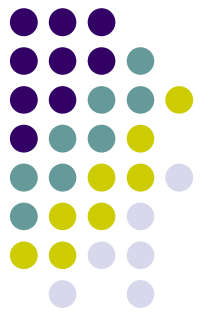


## Collective marketing experience: case of the Latvian Beef Cattle Breeders Association (LCBA)

Founded in 1998 uniting 64 members, (102 in 2006):

- small scale agricultural producers in unspecialized semi-subsistence farms – mixed beef/diary cattle farmers;
- large scale intensive cattle breeders;
- hobby farmers – owners of pedigree cattle;
- cooperatives, shareholding companies;
- organic farmers

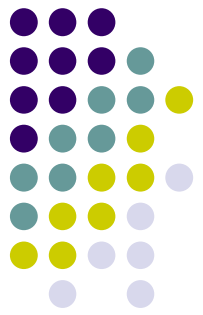




## Collective marketing experience: case of the Latvian Beef Cattle Breeders Association (LCBA)

### LBCBA activities:

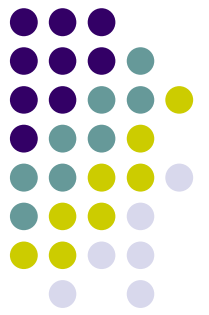
- To provide advice for cattle breeders;
- To elaborate proposals for the Ministry of Agriculture;
- To organize the pedigree cattle import and export;
- To certify pedigree cattle;
- Acquaintance with new cattle breeding technology;
- Establishment of a pedigree cattle register;
- To represent the interests of producers.



## Collective marketing experience: case of the Latvian Beef Cattle Breeders Association (LCBA)

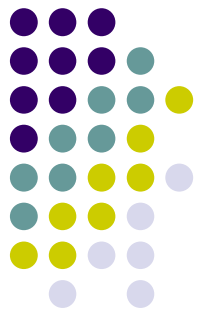
### From **Consumers' survey**:

- Are not sure about the quality of meat
- Preparation of beef requires more time in comparison with another kind of meat.
- Beef is more expensive than other sorts of meat.
- Young people prefer ready-to-cook beef products
- Most respondents do not care about origin of meat, they rely on retailers who should control the quality of meat and the adequacy of the price.
- Most respondents are of the opinion that “There should be an advertising campaign about organic meat. Perhaps, then people would begin to buy it more”.



## Collective marketing experience: case of the Latvian Beef Cattle Breeders Association (LCBA)

- The association does not have necessary resources to finance an advertising campaign.
- The leaders of the association believe that restaurants and dietologists are the one who advertise beef best, who speak about healthy food (less fat than in pork).
- Most cattle breeders hardly understand the idea of “food citizenship”.



## Collective marketing experience: case of the Latvian Beef Cattle Breeders Association (LCBA)

Some lessons about farmers cooperation from the SUS-CHAIN study:

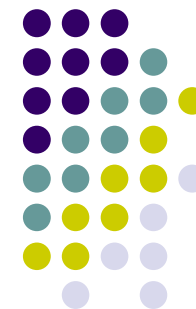
- many farmers have limited financial, intellectual and social resources for cooperation;
- cattle breeding farms are dispersed and farmers do not have necessary skills for regional cooperation.
- farmers often are quite many passive members in the association.



## Geographical indication products in Latvia

- Latvia has common legislation system as other EU countries on geographical indications (GI)
- There are several Latvian products that could be registered as GI, but none of them is really applicated for registration (f.e., *Jāņņu siers*, *klona maize*)

**Traditional style rye bread  
called *klona maize***



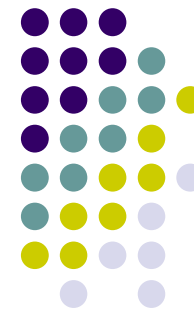
- Specific know how - method of preparation of dough and the old way of baking
- Link with other high quality products and rural services
- In bread market there is a lot of imitations of traditional style rye bread
- Registration of rye bread and other products as GI would reorient the product from “domestic market” to “international market”.



## Geographical indication products in Latvia

### Producers' face following problem/factors related to GI:

- Documentation process is complicated, time and work consuming;
- Producers are oriented to local market and are interested in local food quality recognitions;
- Producers don't realise economic benefits of GI;
- Part of producers are not informed about GI;
- Lack of governmental support for producers towards GI;
- Difficulties in getting the group of producers to cooperate;
- Producers feel self-secure and don't aware that someone could counterfeit their products or use the origin title as trademark;
- Export of unlabeled raw material and large export to CIS where GI is improperly evaluated.



## Some conclusions

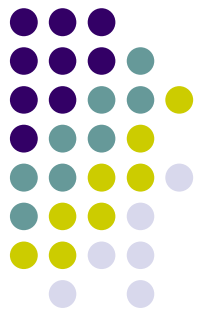
- A wide range of Latvian products could enjoy quality and origin recognition.





## Some conclusions

- In Latvia producers still are oriented to local market and are interested in local food quality recognitions and do not realise economic benefits of GI.



## Some conclusions

- Social communication, existence of active producers associations, NGO initiatives help to develop and promote collective marketing initiatives, but at the same time there are difficulties in getting producer groups to cooperate.