

# Branding Agricultural Products

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# Overview

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- Reasons to brand agricultural products
- Examples and benefits
- Protection of brands
- Challenges
- “Made in Montenegro”

# Branding

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- Brand - a name, term, symbol
  - Identify the product of a seller
  - Differentiate a product from products sold by competitors

## Branding (cont.)

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- Form of intellectual property
- Different ways to brand
  - Trademarks – e.g., Nestle's
  - Farmer-owned brands – protection through more than one system

# Traditional Agricultural Production and Marketing

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- Individual producers cannot control supply or set price
- Product price = Market price
- Individual producer cannot afford costs of branding and marketing

# Traditional Agricultural Production and Marketing

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- Based on high volume and low cost
- Customers purchase product based on low price



# Traditional Agricultural Production and Marketing

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- High-quality product usually mixed with lower-quality products
- Producers do not receive higher prices for producing high quality or special product characteristics



# Traditional Agricultural Production and Marketing

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- If higher price is paid for high quality,  
Premium → producers increase output →  
oversupply → premium disappears.



# Branded Products

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- Identified and differentiated from competitors
- Differentiated products kept separate from regular products
- Products will be sold at much higher prices than commodity products
- Producers have greater ability to set price

# Kagoshima Kurobuta Pork



Source: Clemens 2008.

# Kagoshima Prefecture, Japan





# Charlevoix Lamb



Source: Chalbot 2004.



# Charlevoix, Quebec, Canada



# Cinta Senese Hogs

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Source: Hayes 2005.



# Tuscany, Italy

## 14<sup>th</sup> Century Fresco





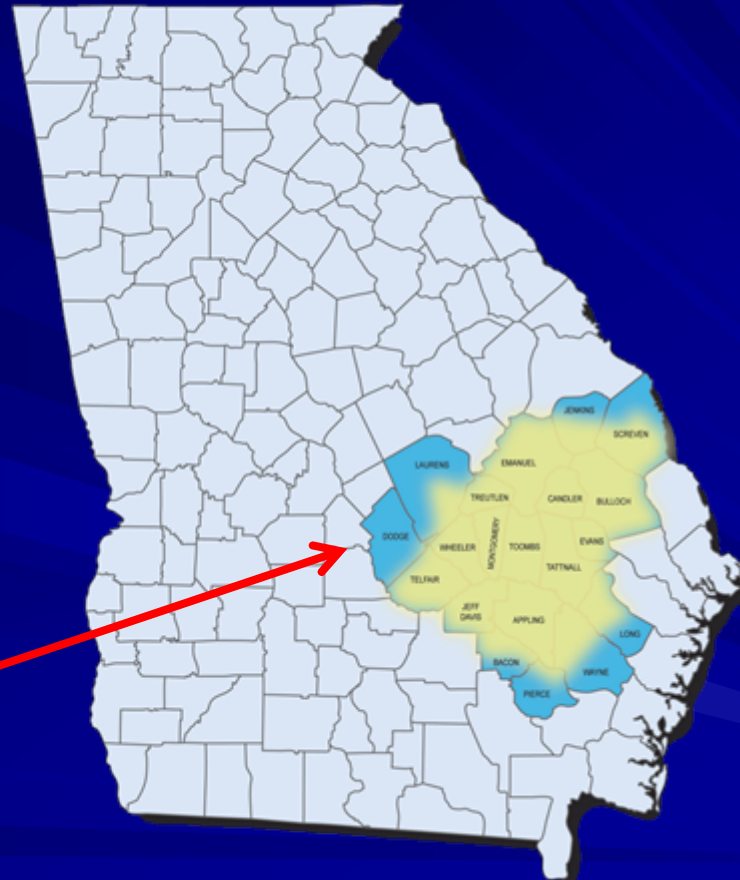
# Vidalia Onions



# State of Georgia, USA



Georgia, USA



All or part of  
20 counties



# Radicchio rosso di Treviso





VENETO

kilometres



Treviso

# Common Elements of the Examples

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- Customers
  - recognize products as having special qualities
  - associate special characteristics with origin
  - pay premiums
- Products have a story about what makes them special

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What agricultural products  
are special to this area of  
Montenegro?



# Farmer-Owned Brands (FOBs)

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- Agricultural products associated with geographical regions
- Technically, owned by third parties – government agencies, producer organizations, consortiums
- BUT, production rights belong to producers/processors and cannot be sold or moved to different area



## Farmer-Owned Brands (cont.)

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- High production and processing standards
  - differentiate product
  - ensure product consistency
  - prevent oversupply
- Price premiums received by all certified producers and processors

## Farmer-Owned Brands (cont.)

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- Processors can also apply their own individual brand labels
- Can be registered as geographical indications
- Can be registered through a trademark system

# FOBs Overcome Challenges of Small-Scale Production

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- Small volumes in high-value markets
- Premiums offset high production costs
- Producers (and processors) share costs of branding and certification and marketing

# The Story of Vidalia Onions

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- 1931 - Sweet, mild onions first noticed
- 1940s - Tourists bought onions at farmers' markets, spread the word
- 1980s - 2,430 ha. of onions, **imitators entered market**

# The Story of Vidalia Onions (cont.)

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- 1986 – Registered as trademark in Georgia; oversight by Georgia Dept. of Agriculture
- 1992 – Registered in U.S. trademark system
- 2000 – 6,556 ha of Vidalia onions

# Benefits

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- Employment: 150-200 growers and 120 handlers (grading, packing, distribution)
- Most farms are family-owned businesses
- Pool resources for marketing but remain independent businesses

## Benefits (cont.)

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- US \$60 million directly into Georgia economy; US \$200 million in related sales and activities
- Growers increase profits by selling related items such as processed products, recipe books, gift sets
- Tourism



# Food Branding and Tourism

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- Food is major component of tourism - cultural and social experience
- Tourists pay premium prices for unique dining experiences
  - purchase foods to take home
  - tell friends and family

# Agritourism

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Production  
location as  
tourist  
destination













# Role of Government

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Supportive regulatory environment

- protect against outside competition
- protect against domestic overproduction
- technical assistance

## **Role of Government (cont.)**

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- EU – Geographical Indications
- US – Certification Marks
  - Marketing Orders
- Certification systems
- Grading systems
- Technical services



# Geographical Indications (GIs)

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- Purpose of EU GIs
  - encourage diverse agricultural production,
  - protect product names from misuse and imitation,
  - give consumers information about the specific character of the products

# Three Types of EU GIs

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## ***PDO – Protected Designation of Origin***

The foodstuffs are produced, processed, and prepared in a given geographical area using recognized know-how.

## ***PGI – Protected Geographical Indication***

A geographical link must occur in at least one of the stages of production, processing or preparation. And, the product can benefit from a good reputation.

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## Three Types of GIs (cont.)

### ***TSG – Traditional Specialty Guaranteed***

Product has traditional character, either in the composition or means of production

Source: European Union, Agriculture and Development,  
[http://ec.europa.eu/agriculture/foodqual/quali1\\_en.htm](http://ec.europa.eu/agriculture/foodqual/quali1_en.htm).

# The Story of Radicchio rosso di Treviso

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- A PGI from Italy
- Red Treviso Chicory - early and late
- Description

The red chicory of Treviso is a special vegetable that undergoes a complex processing process, which is absolutely natural and is called "imbiancamento" (whitening). After the plant has been forced, the venation becomes very white while the blades of the leaves are a characteristic carmine red.





# Evidence of Origin

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The renown of red Treviso chicory is related to the locations where it was traditionally grown. Its history dates back to the development of a typical rural crop commonly grown in the production area.

For centuries, red Treviso chicory was the food of the poor. Towards the mid-16th century, this vegetable was first subjected to forcing to obtain a typical final product. There are historical references to it in the gastronomic traditions of the production area, which have been handed down to the present day.

## Labeling:

The product put on the market must be labelled "Radicchio rosso di Treviso", followed by the designation *precoce* (early) or *tardivo* (late), by the geographical designation and, where appropriate, by the corresponding mark.





Consorzio Tutela  
Radicchio  
Rosso di Treviso  
e Variegato  
di Castelfranco

*con noi sei sicuro*

# l'originale

Radicchio  
Rosso  
di Treviso  
IGP



**Tardivo**

Garantito dal  
Ministero delle Politiche  
Agricole e Forestali  
ai sensi dell'art. 10  
del Reg. CE 2001/92

Stagione 2003/2004

N. 000001

Radicchio  
Rosso  
di Treviso  
IGP



**Precoce**

Garantito dal  
Ministero delle Politiche  
Agricole e Forestali  
ai sensi dell'art. 10  
del Reg. CE 2001/92

Stagione 2005

N. 000001

Radicchio  
Variegato di  
Castelfranco  
IGP



Garantito dal  
Ministero delle Politiche  
Agricole e Forestali  
ai sensi dell'art. 10  
del Reg. CE 2001/92

Stagione 2003/2004

N. 000001

L'indicazione "Treviso" o "Castelfranco"  
è autorizzata solo per il Radicchio  
certificato e coltivato in area di tutela  
(55 comuni nelle province di Treviso, Padova e Venezia)



# GI Products Often Linked to Traditional Recipes

## Grilled Red Treviso Radicchio

- 12 heads of radicchio
- Olive oil
- Salt and pepper

Choose radicchio with firmly closed leaves, approximately 15 cm long. Pare down the root and cut the radicchio in half, then carefully wash and dry.

Marinate the radicchio for five minutes in the oil, salt, and pepper, then arrange on a sandwich grid and grill slowly on each side (with barbeque); or place under a hot grill (oven) making sure to turn the radicchio at least once. Take care to brush the radicchio leaves with oil before turning so that they do not dry out.

# Challenges in Developing Farmer-Owned Brands

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- Long-term commitment - think in terms of years rather than months
- Forming producer/processor groups with common goal of high-quality production
- Limiting supply

## Challenges (cont.)

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- Educating customers about product attributes. What is the product story? What makes the product special?

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# **“Made in Montenegro”**

**What are the products?**

**What are the stories?**

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