

II - TYPOLOGY OF MOUNTAIN PRODUCTS AND KEYS TO SUCCESS IN DEVELOPMENT STRATEGIES DEPLOYED FOR SURVEYED PRODUCTS

A – CONTEXT: SPECIFIC MOUNTAIN FOOD PRODUCTION, PROCESSING AND MARKETING ISSUES

1/ Production and Processing Conditions

Mountain areas face specific constraints relating to elevation and climate. Vegetation cycles are shorter and natural conditions are harsher, which translates into lower vegetal yields, slower animal growth and higher production costs.

In some mountain areas, aging farming populations experience difficulties in transferring their estates to younger generations.

2/ Supply Chain Characteristics

Until recently, mountain areas were isolated and protected from the effects of in-depth restructuring in the food industry:

- 1- Processing often remains traditional;
- 2- Product variability is still high because of seasonal differences, diverse practices and individualised processing.
- 3- Commodity chains are often fragmented and spread widely over individual territories in which a great number of operators are active.
- 4- Businesses are small and deal with correspondingly small volumes, with a double consequence:
 - ✓ at technical level, product quality is extremely variable—i.e. not all products achieve the expected standard of quality, irrespective of either the existence of such a definition in technical specifications or of P.D.O. or P.D.I. protection.
 - ✓ in economic terms, financial support for research, technical assistance and quality control is limited, even though these activities—and especially the latter—are very expensive.

3/ Mountain Product Distribution and Trade

Production and consumption are often far removed, resulting in higher trading costs.

Products are identified in many different ways (trade marks, collective marks, official national or regional designations) and specific awareness of mountain products among consumers is low.

High production, processing and marketing costs combined with small volumes mean that consumer prices of mountain food products are high.

B –AIM OF THE SECOND SURVEY

This Euromontana survey confirms that the mountain area segment of the agro-food industry faces specific difficulties, taking the form of obstacles to the production and development of mountain products. Therefore, the aim of the second enquiry was notably to identify key factors that explain the comparatively good results and relative success of certain initiatives initiated to leverage mountain products.

C – TYPOLOGY OF SURVEYED MOUNTAIN PRODUCTS

Two broad categories of mountain products were identified, which are differentiated compared to competing products, and notably to products of non-mountain origin.

1 – In the first category of products, the sales claim is **“produced naturally in a specific protected mountain environment”**. This product category includes:

- ✓ Highlands lamb (Scotland);
- ✓ Highlands bovine meat (Scotland);
- ✓ mountain pork (France);
- ✓ apples and pears from Savoie (France);
- ✓ Basque bovine meat (Basque Country, Spain);
- ✓ rosehip tea (*Rosa canina*, Romania).

These products undergo little or no processing.

These food products also tend to be sold abundantly served and therefore highly competitive national or international markets: meat, fruits, etc.

• Besides the claim (“produced naturally”), the other two key factors are:

1/ operators’ management of and control over the different stages of the commodity chain (collection, slaughtering, and conditioning) as well as enterprises or their federations’ quality control systems;

2/ proper management and trading by firms involved with products.

2 – In the second category of products, the sales claim is **“unique product not to be found elsewhere because it calls upon specific know-how shared among productive system stakeholders in a restricted production area”**. This product category namely includes:

- ✓ *Tome des Bauges* cheese (France);
- ✓ *Mustardela* sausage (Italy);
- ✓ *Undredal* cheese (Norway);
- ✓ *Idiazabal* cheese (Basque Country);
- ✓ *Oscypek* cheese (Poland);

These are products in which, conversely, local processing and know-how play a very important role.

These food products adopt a niche market strategy: looking for a premium price on a very small market segment.

• The two key success factors are:

1/ exceptionally tasty typical product manufactured according to specific—i.e. local— know-how;

2/ collective structure of the supply chain, facilitating support in fields including research and development, technical assistance, quality control and product promotion—as protecting trade names is essential.

D – KEYS TO SUCCESS IN MOUNTAIN PRODUCT DEVELOPMENT INITIATIVES

In addition to product characteristics as such, the focus of this second survey also lay on initiatives of and resources invested by stakeholders.

The following notions featured prominently in development projects that arguably delivered value added for products:

Product characteristics and connection to mountain areas	<ul style="list-style-type: none"> ⇒ Product quality relates to specific natural and environmental conditions prevailing in production areas. ⇒ Products are deeply rooted in the history of individual production areas. ⇒ In social and cultural terms, there are close ties between individual products and production areas. ⇒ Production is based on extensive utilisation of natural resources.
Commodity chain organisation	<ul style="list-style-type: none"> ⇒ Stakeholders have set up an organisation whose double aim is to disseminate the know-how and technical knowledge associated with food products and deliver quality control. ⇒ Stakeholders are united in a collective organisation acting in a variety of fields including product name protection, technical advice, quality control, advertising, etc.
Public and external support	<ul style="list-style-type: none"> ⇒ Regional authorities provide economic support to cooperatives and other collective bodies. ⇒ Regional authorities play a key role in initiating and building cooperatives and other collective bodies.

Other success factors frequently (but not systematically) quoted includes:

Intrinsic product characteristics	<ul style="list-style-type: none"> ⇒ Products are very specific or manufactured using area-specific technology or know-how. ⇒ Product identity rests on unique—i.e. purely local—plant or animal species/breeds.
Initiative taken by the food chain	<ul style="list-style-type: none"> ⇒ Leveraging fairs and other events in and outside production areas for marketing and sales purposes. ⇒ Use of specific, institutionally-controlled labels or EU labelling and quality control systems.
Public and external support	<ul style="list-style-type: none"> ⇒ Support from public or local authorities in: <ul style="list-style-type: none"> - Deploying certification and quality control systems; - Delivering research and technological development.

Besides, the analysis of surveyed products reveals that success does not rest on individual product market shares of the local economy.

In some cases only can success be explained mainly by the following factors:

Intrinsic product characteristics	<ul style="list-style-type: none">⇒ Traditional (i.e. "craft-like") dimension of production.⇒ Products manufactured in regional or national parks.⇒ Promoting a specific impact of products, for instance on sustainable development and the preservation of the local environment, or on consumers health.
Trade	<ul style="list-style-type: none">⇒ Synergies with the tourism industry and direct sales to tourists, notably through restaurants.⇒ Strong local consumption.⇒ The promotion of direct sales or sales through dedicated networks of points of sale.