



Healthy growth of values-based organic food chains

Managing major challenges of expansion: Business strategies and instruments ensuring the maintenance of core organic values and consumers' trust

Workshop at Biofach Conference 2015, Wednesday 11/02/2015

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Outline

Value chains of organic food products tend to converge either towards higher value niche products or towards conventionalisation when they start growing more significantly. If they expand, organic businesses and initiatives face specific challenges that, if not managed well, can lead to failure.

The workshop will focus on two particular aspects. Firstly, the business strategies of growing organic businesses and initiatives, and secondly, the specific instruments used in organisation and management that help to meet the diverging objectives related to growth in turnover on the one hand, and organic values, quality, integrity and trust on the other. In the workshop we will look at these challenges and management options from the perspective of practitioners in the agri-food industry.

We will invite six speakers. Each of them will give a short presentation and contribute to the panel discussion which will be the core element of the workshop. The speakers will represent a variety of organic food businesses and initiatives which are part of values-based food chains:

- 1) Short value chain with a close connection between primary producer and consumer; Landwege represents an integrated chain that connects primary producers, processing and organic food marketing under the umbrella of a consumer-producer-cooperative. (German cooperative, Erzeuger-Verbraucher-Gemeinschaft Landwege e.G., City of Lübeck and surrounding farm areas, Northern Germany)
- 2) Producer cooperative with a variety of partners, dairy and meat processors, wide product range, several marketing channels. 'Bio vom Berg' is a regional brand, managed by the producer cooperative Bioalpin. (Austrian producer cooperative with organic label, Innsbruck, Tyrol, Western-Austria)
- 3) Organic mill with bakeries and shops, a medium-size processor that cooperates closely with primary producers and wholesale/retail business) (Rural area south of Stockholm, Sweden)
- 4) Family business with expansion strategy in south-eastern Europe, the medium-size business is a member of a value chain with fruit growers, own fruit processing and packaging. Sales partners are wholesalers, processors in Western Europe and a national retailer. The food business managed successfully a significant growth in the values-based food chain or is planning further investments in processing plants (Kölcse, East Hungary)

The four entrepreneurs will be joined by 1-2 researchers who will give a short introduction into business strategies and instruments that are commonly applied by organic businesses

and initiatives. The introduction will be based on the results of comparative analysis of a set of value chains across Europe.

A core element of the workshop will be the panel discussion. Each entrepreneur will be asked to present the own experiences and lessons learned. The presentations will help to better understand different development pathways with their particular challenges and the most helpful management strategies and instruments.

Focus will be on typical problems and risks of growing food chains, businesses and initiatives and the ways these challenges and risks can be managed.

Agenda (90min session, on Wednesday, 11.2.2015, around 2-4pm)

- 1) Welcome and setting the scene (5 min)
- 2) Introductory presentation with selected findings from the comparative international level analysis (10 min)
- 3) Four entrepreneurs briefly (5 min) their particular value chain and discuss the management of the growth process of the business (20 min)
- 4) Panel discussion (30 min)
- 5) Open floor for discussion with panel participants and the audience (20 min)
- 6) Resume and outlook by the facilitator (5 min)

The workshop will be held in English.

Speakers

- Björn Rasmus, Bioalpine eGen, Austria, bjorn.rasmus@bioalpin.at (<http://www.biovomberg.at/>)
- Klaus Lorenzen, Erzeuger-Verbraucher-Gemeinschaft Landwege e.G., Germany, k.lorenzen@landwege.de (<http://www.landwege.de/>)
- Johan Ununger, Saltå Kvarn AB, Schweden, Johan.ununger@saltakvarn.se (<http://www.saltakvarn.se/>)
- Gyula Németh, OrganicAppleman, Hungary, organicappleman@gmail.com; (<http://www.organickingdom.hu>)
- Prof. Dr. Anna Häring, comparative analysis of business strategies and instruments www.hnee.de/ahaering
- Dr. Susanne v. Münchhausen, organization and facilitation of the panel discussion; www.hnee.de/svmuenchhausen

Eberswalde, 8.12.2014

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For more information on the Core Organic II-Project: www.hnee.de/HealthyGrowth