GEOGRAPHICAL INDICATIONS A different way to access the global food market



THE QUALIVITA FOUNDATION





The Qualivita Foundation was established in 2002 in Siena. Sensitive towards the defense and dissemination of rural culture, Qualivita's priority is to valorize the quality of food, and therefore PDO, PGI and TSG products, through its various activities.



The Qualivita Foundation is recognized by the Italian Ministry of Agricultural Food and Forestry Polices for its extensive scientific and technical experience within the agri-food sector.

MAIN ACTIVITIES















MAIN OBJECTIVE

To develop an innovative e-learning program to improve the knowledge of European citizens about PDO products.

▶ OUTPUT

The first e-learning course on GI products for consumers

- Available in 6 languages: English, Italian, Portuguese, Spanish, Finnish, French. Beneficiaries: 150 trainees in 5 countries, Spain, Italy, Portugal, Finland, France. An on-line format allowing participants to interact through the course platform. A training program focused on the "guided tasting" of GI products in order to better valorise the products through the appreciation of their sensory characteristics





PARTNER









QUALIGEO.EU OPENDATA PLATFORM





► Qualigeo.eu is the very first database of PDO PGI TSG Geographical Indications

OBJECTIVES

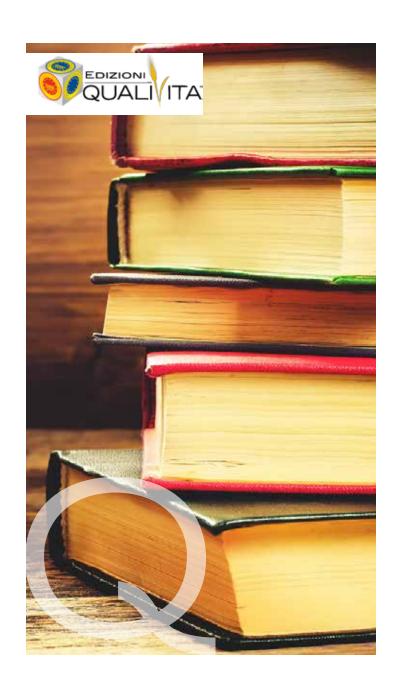
- To organise various types of information to create effective communication for the certified quality food system
- To create a single communications tool for transmitting GIs agri-food quality to consumers
- To create a Geographical Indications network and a corresponding database

► RESULTS

The Qualigeo database is the very first tool in the Geographical Indications sector that is able to provide the consumer with complete information about each single product, including where it is found and where to purchase it.

QUALIVITA EDITIONS





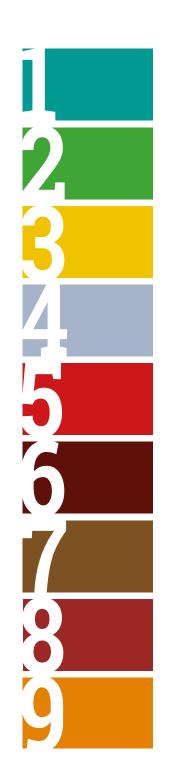
- Multi-language editorial project to promote and valorise Italian and European PDO, PGI, TSG agri-food products.
- ► The Qualivita Editions series includes:
 - Atlas
 - Guides
 - Notebooks
 - Digital Editions











GIs FIGURES IN EUROPE

THE GIS SYSTEM IN ITALY

THE GIS SYSTEM IN THIRD COUNTRIES

WHAT ARE GEOGRAPHICAL INDICATIONS

CASE HISTORY MELA VAL DI NON PDO

CASE HISTORY VITELLONE BIANCO APPENNINO CENTRALE PGI

CASE HISTORY CAFÉ DE COLOMBIA PGI

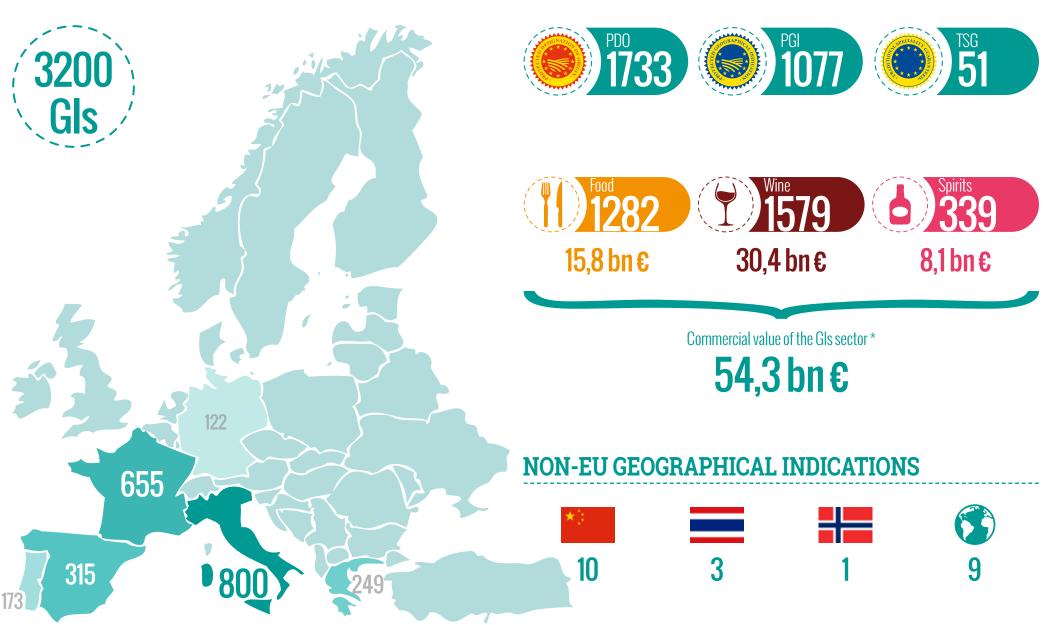
THE DISTRIBUTION OF GIS IN ITALY

CONCLUSIONS



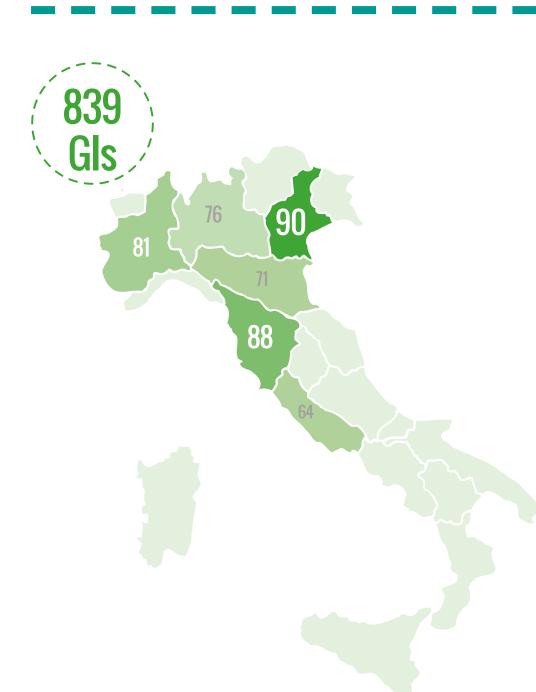
GEOGRAPHICAL INDICATIONS





GEOGRAPHICAL INDICATIONS IN ITALY



















DATA FOOD&WINE SECTOR











1,27 mn ton

90.000

121

2,4 bn €



22 mn ы

200.000

93

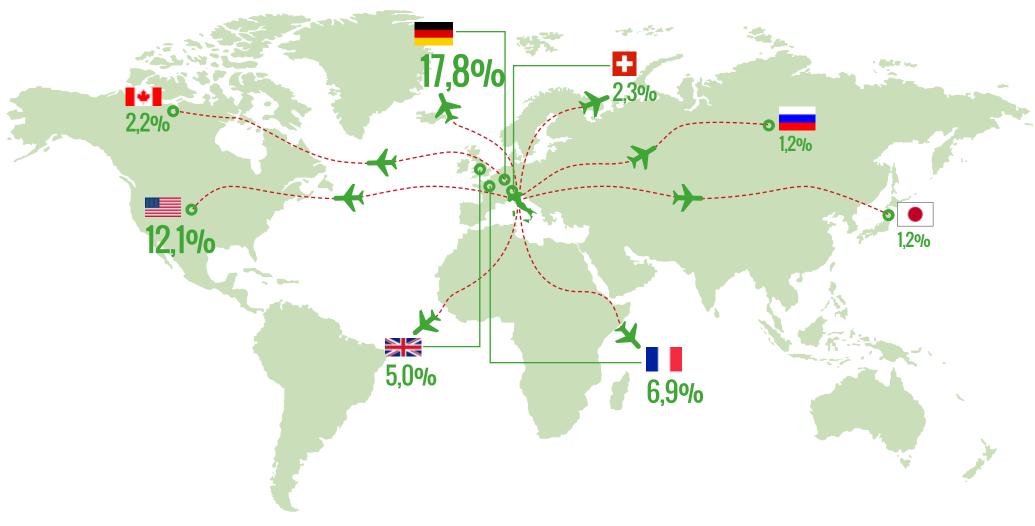
4,4 bn €

*Source: Qualivita-Ismea 2014

ITALIAN PDO PGI FOOD EXPORTS 🔵 💿











TOP 10 ITALIAN GIS EXPORTS





Grana Padano PDO **\$ 530 mn €**



Parmigiano Reggiano PDO **3 464 mn €**



Aceto Balsamico di Modena PGI **370 mn €**



Prosciutto di Parma PDO **241 mn €**



Mela Alto Adige PGI **37 mn €**



Pecorino Romano PDO **122 mn €**



Gorgonzola PDO



Mozzarella di Bufala Campana PDO

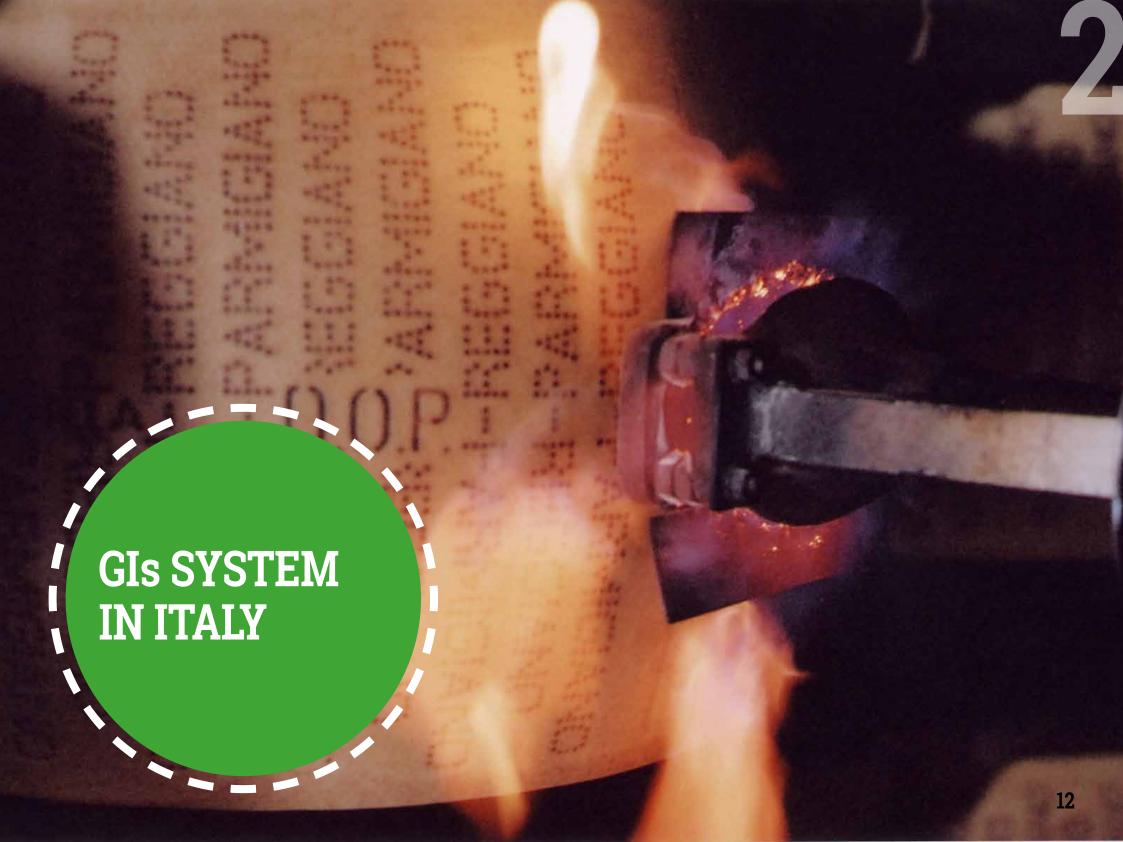


Prosciutto di San Daniele PDO



Mela Val di Non PDO **\$55 mn €**







Quality & Safety Authorities





GIs QUALITY CONTROL



















PUBLIC SURVEILLANCE: CONTROL BODIES













PROTECTION CONSORTIA



► Protection Consortia are ufficially recognised by Mipaaf in accordance with M.D. 14/10/2013 and M.D. 12/04/2000



They include producers representing at least ³/₄ of the production of the Gl.



They represent at least 40% of the wine producers and 66% of the certified product.

THE ROLE OF CONSORTIA





► The role of Protection consortia is to:

- protect;
- promote;
- build reputation;
- provide correct information to consumers;
- generally safeguard the Gls

CONTROL BODIES





► Independent Control Bodies

- Accredited by Accredia (Private bodies)
- Authorised by Mipaaf (Public and Private bodies)

▶ Control activities:

- Verification of compliance with Gls product specification requirements
- On-site inspections
- Product controls
- Preparation of Gls "control plan"

THE PRODUCT SPECIFICATION





► This is the product's ID Card and it must include at least the following:

- Product Denomination
- Product Description (raw materials, main characteristics)
- Definition of the geographical area
- Evidence of product origin within the geographical area.
- Description of the production methods
- Evidence of the link with the geographical area or geographical origin
- References relative to the quality control body
- Specific rules concerning labelling in regard to the acronym PDO or PGI
- Regulations and conditions in compliance with national/EU provisions

CONTROL PLAN





- This is a document that specifies how to guarantee compliance with the product specification: it sets out the controls and checks that must be performed.
- ► This document is prepared by the designated Control Body
- ► It must be approved by Mipaaf
- ► It specifies the control activities to be carried out by the Control Body in order to issue PDO/PGI certification
- ► The cost of the controls is usually borne by the producers.
- ► The Member States can choose to contribute to the costs.



REGISTRATION AND PRODUCT SPECIFICATION





► EU Reg. 1151/2012 - references to GIs in third countries

- *Prerequisite:* The GIs of a third country recognised by the national system of the same country can apply to be registered in the EU register of PDOs and PGIs
- Art. 11, par. 2 Register of PDOs and PGIs
 Geographical indications pertaining to products of third countries that are protected in the EU under an international agreement to which the EU is a contracting party may be entered in the register.
- Art. 49, par.5 Application for registration of names
 The application shall be lodged with the Commission, either directly or via the authorities of the third country concerned.
- Art. 37, par. 2 Compliance with product specification
 The verification of compliance with the specifications before placing the product on the market shall be carried out by:
 a) one or more of the public authorities designated by the third country; and/or
 - b) one or more of the product certification bodies.

RULES CONCERNING LABELLING





- Art. 12, par. 6 Names, symbols and indications (on the label)
 In the case of products originating in third countries marketed under a name entered in the register, the following may appear on the label:
 - · Union symbols associated with the products: PGI / PDO logo (obligatory)
 - the registered name of the product should appear in the same field of vision (recommended but not obligatory)
 - the indications 'protected designation of origin' or 'protected geographical indication' or the corresponding abbreviations 'PDO' or 'PGI' (optional)



► EU regulation 1151/12 guarantees protection against unfair competition within a market of over 480 million Europeans

• Ex officio: art. 45, 1. "a group is entitled to: (a) contribute to ensuring that the quality, reputation and authenticity of their products are guaranteed on the market by monitoring the use of the name in trade and, if necessary, by informing competent authorities as referred to in Article 36, or any other competent authority within the framework of Article 13(3)".



PERCEPTION AMONG CONSUMERS





► 69% of italian consumers are willing to pay more for a certified PDO PGI product



("Conoscenza e percezione delle denominazioni di qualità" - 2015)

► 71% of European consumers want to know the Geographical Origin of the food they eat



("Europeans' attitudes towards food security, quality and countryside" - European Commission - 2012)

ARKET TRENDS





- **▶** Current market trends confirm the importance of knowledge, origin and authenticity:
 - "ethical well being"
 - "trust & transparency"
 - "authenticity"
 - "ethical luxury"





GLOBALIZED FOOD MARKET





Geographical Indications permit small companies to also enter the globalized food market.

PERCEPTION OF THE GIS MARK



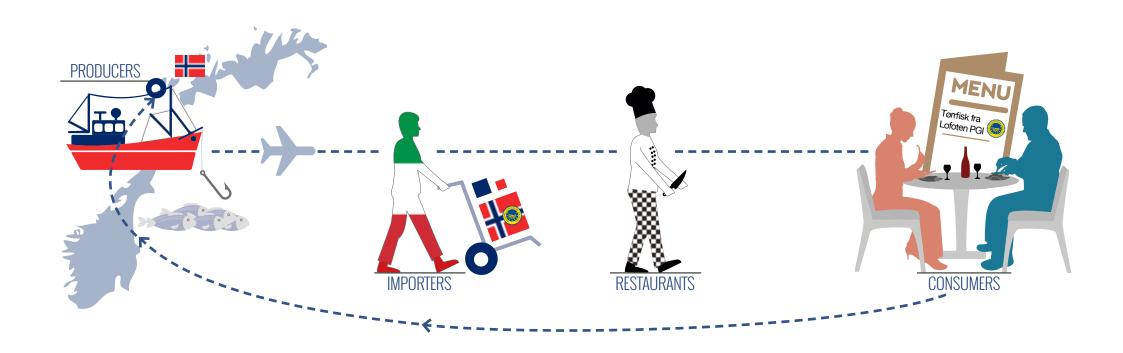


Brands are produced by large companies and usually associated with standard food products

Geographical Indications are the marks of small-medium sized companies and they are associated with quality products connected to a specific area.

GIs CONNECTING CONSUMERS AND PRODUCERS





A Geographical Indication strengthens the connection between the producer and the consumer, creating a strategic leverage for negotiations between the first and importers and distributors



MELINDA CONSORTIUM







PRODUCTION 200.037 tons



OPERATORS 3.794



TURNOVER 250 mn €

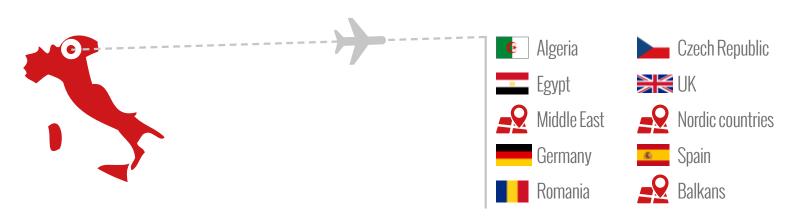




EXPORT 55 mn €



MAIN COUNTRIES FOR EXPORT





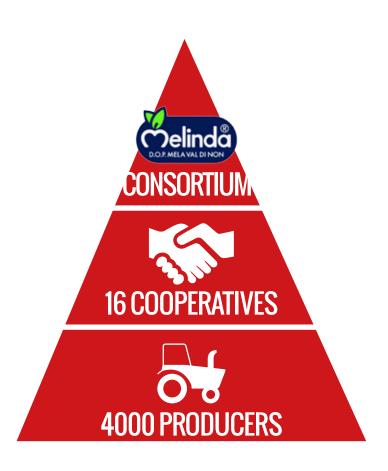






PRODUCERS ORGANISATION





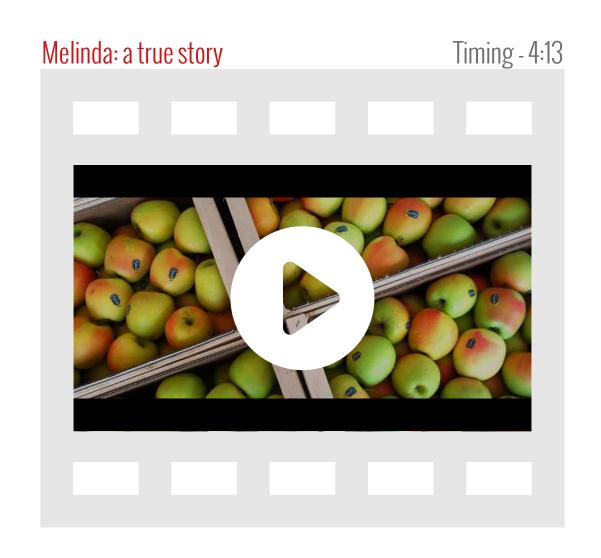
► All fruit-farmers within the PDO Production area are members of the Consortium

- Average surface area for family-run companies: 1,6 ha
- Quantity produced per company: 62 Ton. per ha
- Storage centres: 17
- Processing and packaging facilities: 7
- Average number of Consortium employees: 1300



INSTITUTIONAL VIDEO









- The combination of the private mark color and the public quality mark gives the product an important competitive advantage in all communication and marketing activities.
- The concrete advantages of the Consortium's complete identification with the 'Mela val di Non' Protected Designation of Origin guarantee a unified production chain.

CO-BRANDING













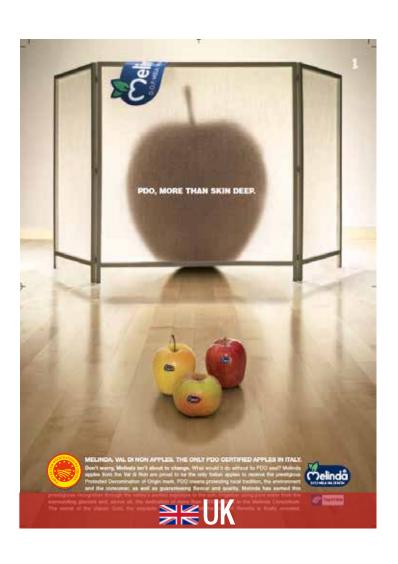


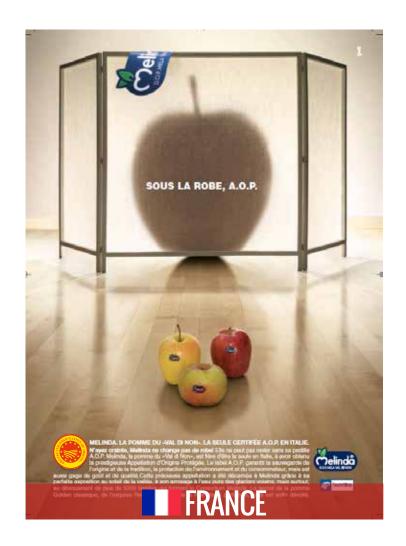
- Over the past few years, the Consortium has focused on foreign markets and has invested more in marketing and retail channels:
 - In the last 4 years more than 90 million EUR has been invested in distribution channels with high quality standards in terms of products and services.
 - 'Ad hoc' international promotional campaigns, based on innovation and creativity.
- The result is an increase in the percentage of production destined for foreign markets, from 12% in 2011 to 25% in the last 3 years, in 47 countries

EXPORT









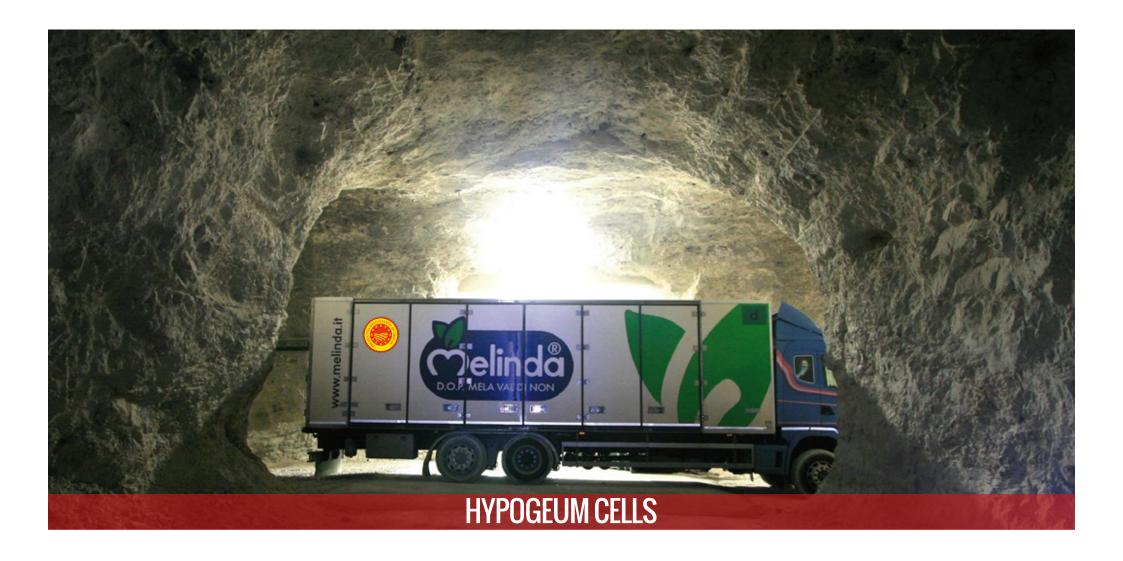






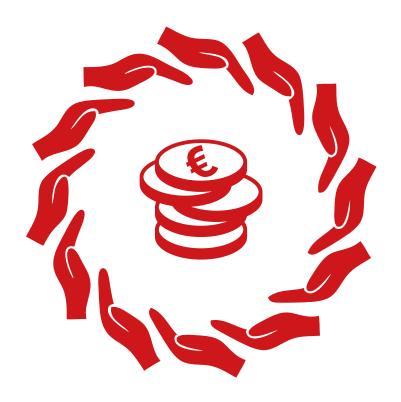
- Focus on environmental impact, implementing concrete actions in order to preserve the natural factors of production.
 - Construction of innovative «Hypogeum cells» that benefit landscape preservation, energy saving, water saving, disposal of chemical material and gas, cost efficiency, local economy.
 - In recent years, 99% of producer members use organic methods that respect the environment, for example, the sexual confusion process.





SHARING ECONOMY





- It is the only Italian Consortium that manages its own marketing.
- Members are paid with fixed annual bi-monthly payments based on the "Sampling". At the end of the year they receive the balance.
- The price of the product is fixed according to market conditions, demand & supply, product type, transport and packaging.



VITELLONE BIANCO CONSORTIUM







PRODUCTION 8.350 tons



OPERATORS 4.206



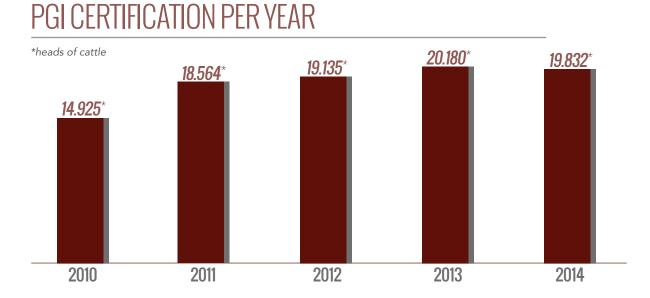
TURNOVER 49,26 mn €





TURNOVER TREND 2009 - 2013 + 31%











COMPUTERISED TRACEABILITY SYSTEM



TRAINING



VOLUNTARY RESTAURANT AGREEMENTS



CREATING ADDED VALUE IN DISTRIBUTION



PREMIUM PRICE



COMPUTERISED TRACEABILITY SYSTEM

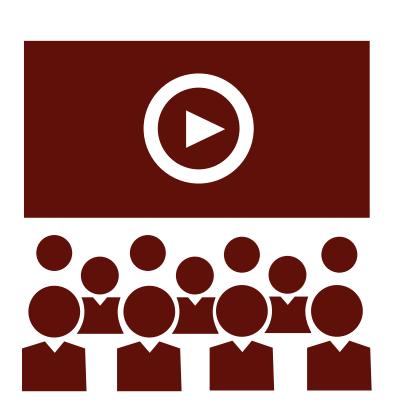




- The Consortium manages a real time traceability system that is guaranteed throughout the entire supply chain, using an online system that can be accessed by anyone.
- ► A database is available on the Consortium's website, with information about all of the operators in the supply chain: butcher shops, commercial operators and restaurants that use the PGI product.
 - For each operator there is a register of the meat for sale and all the traceability data.
 - The system offers consumers the opportunity to check the PGI certification of the product they have purchased by entering its identification code.



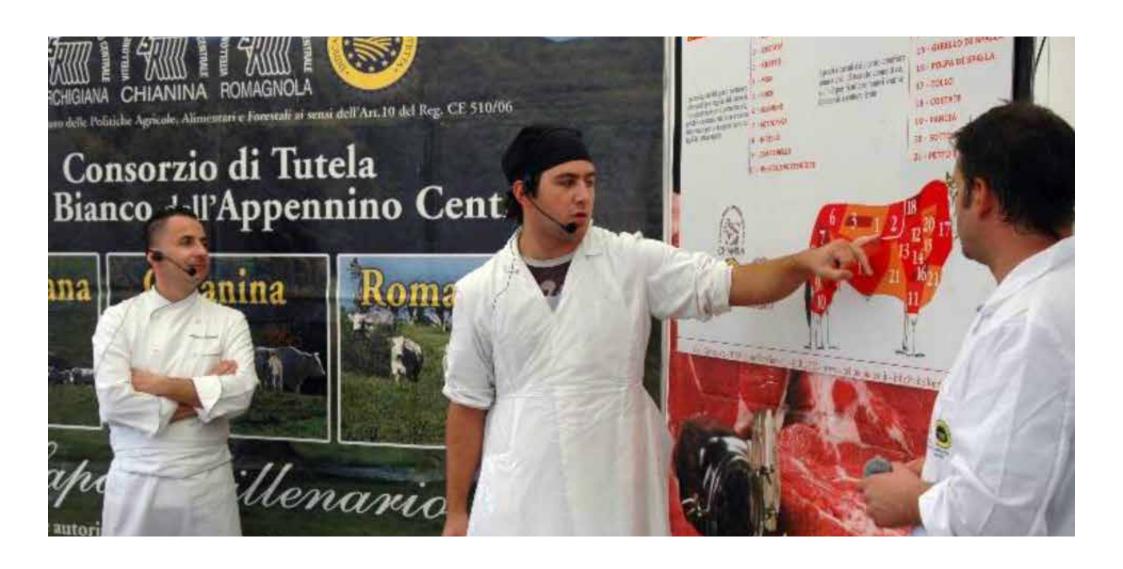




- ► The Consortium's marketing activities are focused on the direct training of consumers and stakeholders :
 - Activities and workshops on food education for children attending kindergarten, for students in primary and secondary schools.
 - Vocational training courses for students at vocational and hotel management schools
 - Cooking shows and events to demonstrate the different cuts of PGI meat destined for consumers
 - Guided tastings for the public aimed at introducing people to the various tastes of the different cuts of PGI meat

TRAINING

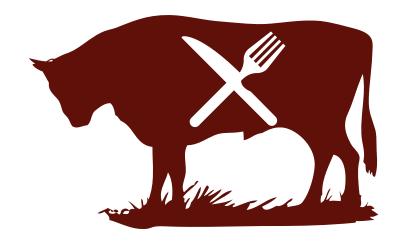






VOLUNTARY RESTAURANT AGREEMENTS





► Promotional activities through an agreement based on an information exchange: the restaurant informs its customers about the traceability (batch and quantities) of the product, and the consortium provides promotional support for the product and associates its quality image with the name of the restaurant.





VOLUNTARY RESTAURANT AGREEMENTS







CREATING ADDED VALUE IN DISTRIBUTION







- ► In a limited edition menu, McDonald's has included a hamburger with Vitellone bianco dell'Appennino, promoting it as a high quality ingredient.
- ► The explicit reference to the PGI mark and the Consortium in the advertising and promotional activities is used to qualify McDonald's offer.



INSTITUTIONAL VIDEO











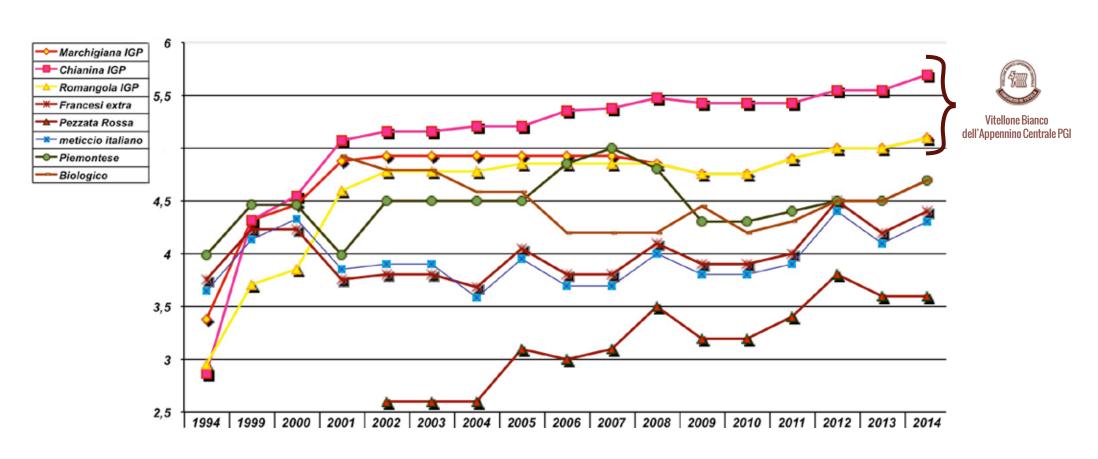
► The effectiveness of a strategy based on strict quality control is revealed in the perception of quality among consumers, thereby justifying the premium price, which is constant over time in respect to most of the competitors.



PREMIUM PRICE



PGI PRICE TREND





CAFETEROS DE COLOMBIA CONSORTIUM







PRODUCTION 728.000 ton



OPERATORS 550.00 families



TURNOVER 1,69 bn US \$

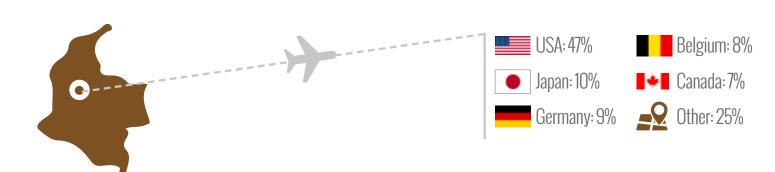




EXPORT 2,69 bn US \$



MAIN COUNTRIES FOR EXPORT









ORGANISATION OF THE FEDERATION



PRODUCT STRATEGY



MARKETING IN THIRD COUNTRIES



GLOBAL COMMUNICATION STRATEGY

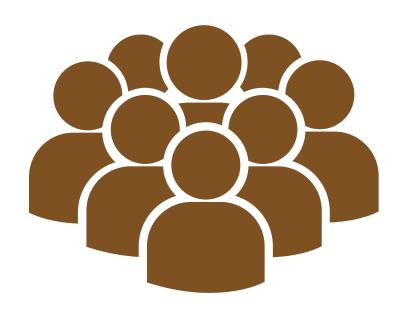


RESEARCH AND DEVELOPMENT



ORGANISATION OF THE FEDERATION





- ► The organisation involves various different players, both public and private, in a producer-based federation:
 - 550.000 farming families producing coffee with an average of 1.6 ha area per family
 - Partnership with the Columbian Government
 - Public investment funds for financing
 - Private «Non-governmental organizations» financed by public funds.







- The product policy covers the segmentation of the offering deriving from the origin. 6 regional sub-areas of production are linked to different distinctive organoleptic characteristics.
- ► Promotion, at international level, is based on pairing the type of coffee with food, created with a foodpairing analysis, for specific consumer targets.

PRODUCT STRATEGY QUALI<mark>/</mark>ITA **NEVADA** Coffee Low acidity **Cultural SANTANDER** Landscape High-Medium Medium body body CAUCA Medium acidity Medium acidity General Caribean Sea Characteristic: A Beverage with Character Global balanced impression Pacific Ocean NARIÑO HUILA Medium High body Medium High acidity Notes impression Global balanced



MARKETING IN THIRD COUNTRIES





► The market penetration strategy for third country markets is based on selling the product and the association of the PGI mark with the major private brands in the target countries.

• Europe: 113 brands

• Italy: 13 brands



MARKETING IN THIRD COUNTRIES















GLOBAL COMMUNICATION STRATEGY





- Communication activities are focused on knowledge of the territory and its material (Raw materials) and immaterial (production Methods) qualities.
 - Information based on emotions connected to specific origins
 - Information based on technical-scientific analysis







Virtual Trip Nariño





RESEARCH & DEVELOPMENT





- ► The central role of Research & Development in the production plan strategy and in the diffusion of the values of natural production factors
 - With PGI certification, regional environmental characteristics have been mapped for the very first time: from dewpoint to solar radiation
 - A scientific link has been established between the production environment and the quality of the product, using specific parameters



DISTRIBUTION PDO PGI FOOD







47,2%

Large-scale retail trade Channel



31,8%

Wholesalers Channel



6,7%

Traditional retail Channel



4,9%

HO.RE.CA. Channel



2,7%

Direct sales Channel



6,7%

Other channels

LARGE-SCALE RETAIL TRADE

QUALI ITA



LARGE-SCALE RETAIL TRADE





FIOR FIORE COOP





- ► Launched in 2002
- ► Around 400 «Fior Fiore» products
- ► Revenue: 53 million (estimate 2015) just for PDO and PGI products in the «Fior Fiore» line of products
- ▶ 50 PDO PGI Products in the «Fior Fiore» line of products

FIOR FIORE COOP









SAPORI & DINTORNI CONAD





- ► 245 typical Italian products
- ► Revenue: 189 million EUR (in 2014)
- ► Increase of +5% vs 2013
- ▶ 131 PDO and PGI products, mainly cured meats (17), cheeses (31) and fruit and vegetables (20), as well as 15 DOCGs

SAPORI & DINTORNI CONAD















ESSELUNGA TOP





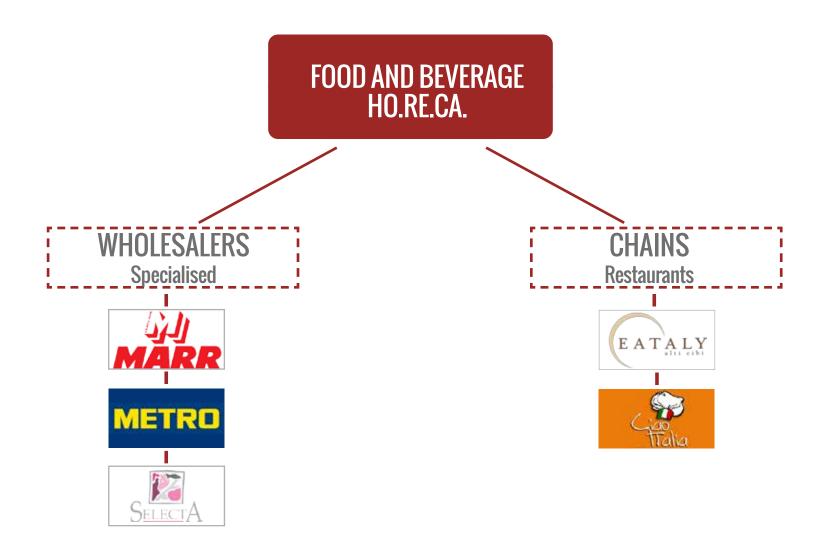


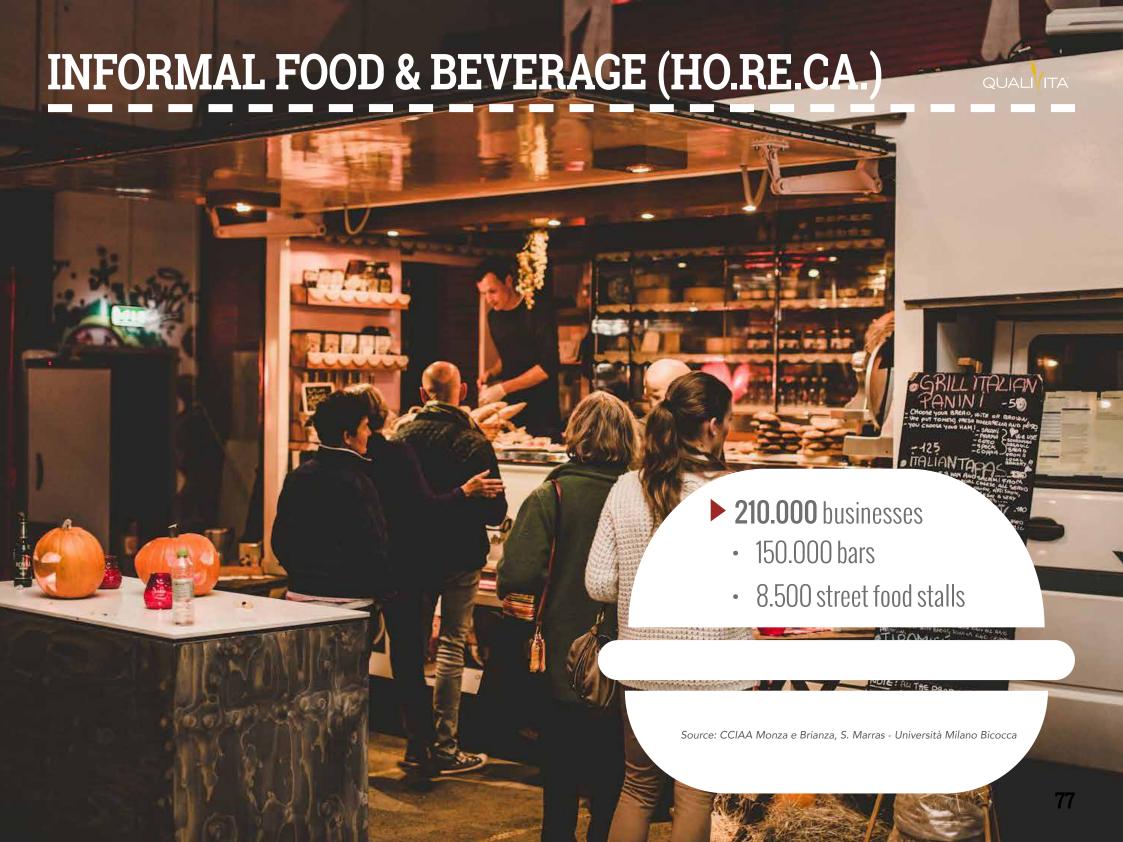
- Launched in 2007
- ► 60 "Top" products
- ▶ 154 sales outlets in 7 regions



FOOD AND BEVERAGE (HO.RE.CA.)

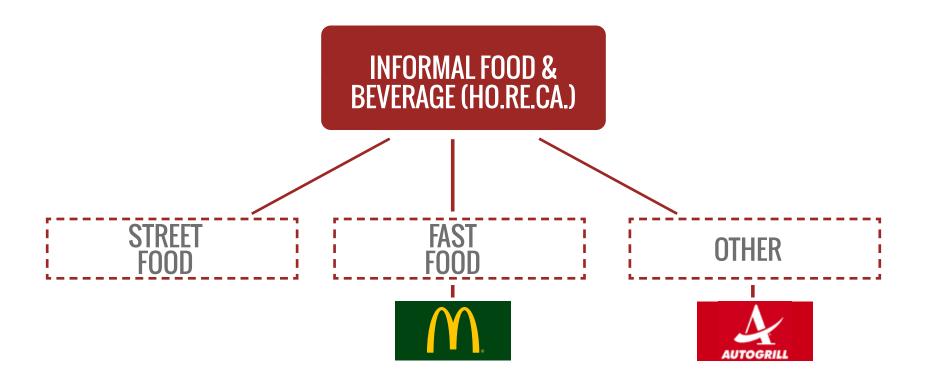






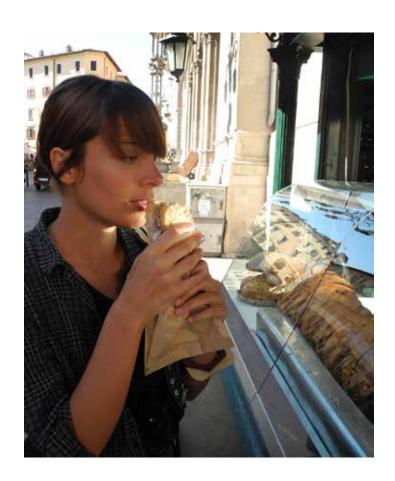
INFORMAL FOOD & BEVERAGE (HO.RE.CA.)





STREET FOOD





High quality street food represents the new promotional channel for Geographical Indications, capable of reaching the most difficult market segment for traditional products i.e. young consumers

- 570.000 consumers
- 61.000 activities involved
- 8.500 street food stallholders
- +10% annual growth
- +27% annual growth of young people

STREET FOOD QUALITY







Piadina Romagnola PGI



Focaccia di Recco col Formaggio PGI



Pizza Napoletana TSG





Hamburger di Vitellone Bianco dell'Appennino Centrale PGI



Pizza e mortazza con Mortadella Bologna PGI

PRODUCTS WITH GI INGREDIENTS



Squaquerone di Romagna PDO



Parmigiano Reggiano PDO



Porchetta di Ariccia PGI



OTHER GI INGREDIENTS





- ► The added value created for a product with a PGI mark can also be enjoyed in fast food establishments.
- ► McDonald's Italy has adopted a strategy to diversify its menus, including several PDO/PGI products in McItaly, using them to promote the quality of the offering and to build a communication campaign to promote the values of PDO/PGI marks

GIs ON THE McDonald's MENU











▶ Restaurants

- 15 PDO and PGI products
- 6 million sandwiches per year

► Products on the shelves

- 33 PDO products
- 7 PGI products

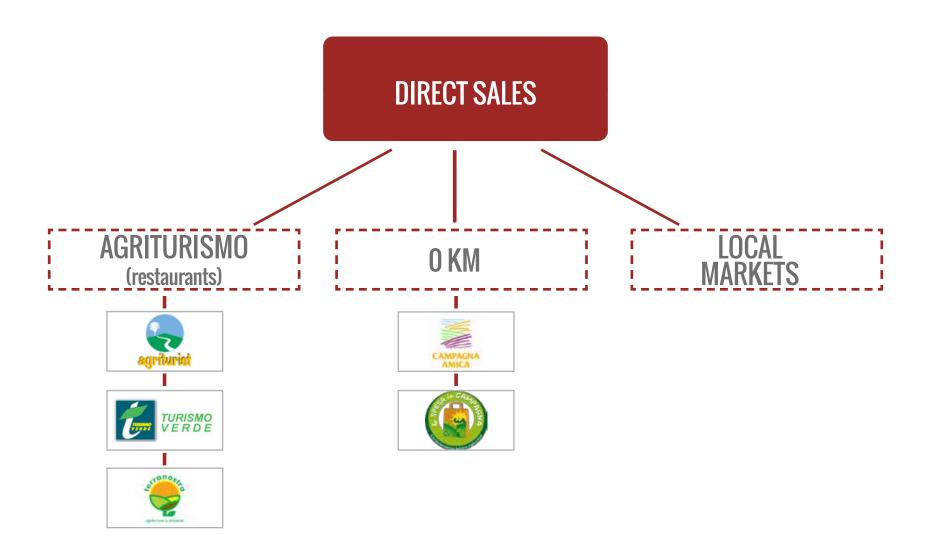
DIRECT SALES





DIRECT SALES







CAMPAGNA AMICA





Farms: 8.814

• Agriturismos: 2.019

• Producers: 6.795

► Local Markets: 1.105

► Local Shops: 157

► Restaurants: 434



RESPONSIBILITIES & TOOLS IN A GIS SYSTEM QUALITY





► To guarantee a quality product

Responsibilities

- Clear transparent and information
- Credibility in the sense of the . Adequate market protection distinguishing and qualitative !! characteristics of the product

|| Tools

- Credible production control system

WHAT IS A GIs PRODUCTION SYSTEM





Aproduction system that is recognised as being a Geographical Indication is the capacity of the local production fabric to establish regulations for the common management of collective resources.

COLLECTIVE RESOURCES





► Natural resources

• Sea, Rivers, Climate, Pastures etc.

▶ Immaterial resources

- Historic reputation
- Collective reputation
- Traditional knowledge
- Gls mark

PLANNING PRINCIPLES FOR A GIs SYSTEM

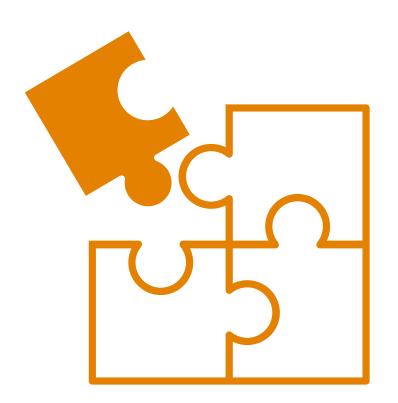




- ► Clear definition of the "boundaries"
- ► Regulations on the collective appropriation of resources
- ► Collective decision-making methods
- ► Production monitoring
- ► Graduated sanctions
- ► Internal conflict resolution mechanisms
- Minimum recognition

INTERDEPENDENCE & REPUTATION

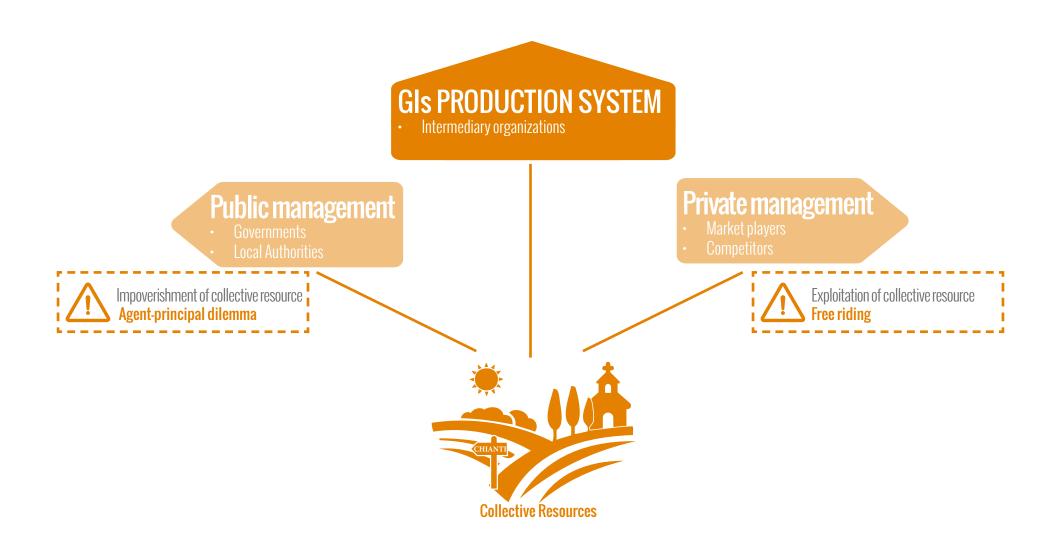




- One company's fidelity to promises of quality is not enough to maintain its high reputation within a GIs production system; it is necessary that all companies are equally committed, thereby creating interdependence between them.
- In a GIs production system the reputation of each company is entrusted to the collective reputation of the Geographical Indication, and this in turn depends on the quality of the product sold by individual companies, and therefore on their individual behaviour

THE THIRD WAY





AGIs production system managed by an intermediary organisation is the third way between the public and private management of collective resources, and is based on interdependence and reputation





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