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Project acronym: Smart Food Supply Chains

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Template for good practice cases

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Dissemination Level		
PU	Public	
PP	Restricted to other programme participants	
RE	Restricted to a group specified by the consortium	
CO	Confidential, only for members of the consortium	

1. Title of the case description

Multi-channel sale

2. Indicate your role in the Smart Food Supply Chain:

individual member of the chain:

chain operator:

network operator:

association:

technical, scientific, or management expert:

advisor:

policy maker:

other:

3. Indicate the region (if applicable): global

4. WP2 Cross-reference table

Please indicate with an X in the relevant box of the matrix for which needs and the steps / functions of the supply chain the described innovative solution is applicable

		Individual steps of the SFSC							Short food supply chain as whole						
		1	2	3	4	5	6	7	8	9	10	11	12	13	14
Needs of the consumers (citizens)	food safety														
	food quality														
	trust		X				X	X		X		X			
	ethical aspects														
	accessibility		X				X	X		X		X			
Needs of the chain actors	fair price		X				X	X		X		X			
	increased negotiating power														
	shared use of available resources														
	product development support														
	access to markets and consumers		X				X	X		X		X			
	access to infrastructure														

- 1: Farming**
- 2: Primary production**
- 3: Transport**
- 4: Processing and packaging**
- 5: Storage**
- 6: Logistics**
- 7: Sale**
- 8: Product integrity, authenticity, transparency**
- 9: Marketing concepts**
- 10: Food chain management and networking for enhancing cooperation among chain actors**
- 11: Business modelling**
- 12: Policy environment**
- 13: Legal requirements**
- 14: Labelling**

5. Short description of the innovative solution

- **Describe the specific need or problem being addressed by the case and please explain what is the novelty of this innovative solution**

The fat market is the oldest way of marketing foie gras palmipeds. Less than an hour from Toulouse, and directly from producers, combining tradition and modernism, the fat halls of the department of Gers offer almost every morning of the week, fresh products: carcasses and foie gras of ducks and geese. Consumers' needs have changed, which means they want to buy not only fresh products but also ready-to-eat products.

Multi-channel sales mean that consumers can obtain the product through three different channels: at the farm, craftsmen (processors), other business(shops).

- **Describe the enabling function(s) and the practical benefit(s)-(e.g. for which types of problems and opportunities is used and can it be used, and how)**

The fresh and ready-to-eat products are sold via different sales channels. This gives direct access to the products to a wide range of customers.

- **Describe the method/procedure/technology/solution implemented. (Please explain, whether the innovative method is a product / service / process / marketing or organisational / management innovation) After completing the description, please indicate, whether this innovation is a technological or non-technological one.**

The Official Website of the Association Gersoise for the Promotion of Foie Gras provides detailed information on members of the sales channels (farmers, craftsmen and other business) such as: name, website, contact details, delivery, recipes, etc.

technological

non-technological

- **Describe the business, which implemented the innovated solution (size, country, region, location, type of food)**

The association law 1901 was created in March 1983. It operates as an interprofession at the departmental level. Every family in the Gers production (from incubation to the manufacturing company) is represented on the Board of Directors by at least one member.

The Gers with a unique heritage has since affirmed its specificity over generations of breeders:

- The local strains of initial geese are the goose of Masseube and Gimont which are at the origin of the race standard which one is called today the Goose of the Gers.

- The Gers goose is usually fattened with white corn even if the variety "Blanc de Pays" used by the former generations has disappeared. The Gers is the only department to have dedicated this tradition and therefore offers a unique product in France.

- The know-how acquired over generations that allows farmers to produce high quality foie gras, is based on specific techniques such as probing animals during fattening to determine the level of fattening of the liver.

In 1998, the establishment of the Red Label by the Goose Farmer's Association of the Gers allows to maintain the traditional production of geese in the Gers and also to meet the requirements of the Countess of Barry and the Dukes of Gascony who want premium quality products for their supplies of foie gras and goose meat.



- **Describe the distribution channels of the product(s)**

Three distribution channels:

- at the farm
- craftsmen (ready to eat)
- retailers (tinned meals, 'block of foie gras, etc.)



- Describe what makes the innovation work.

- **Describe the specific prerequisites for the business related to the implementation of the method and/or related to the location, method, procedure, solution**
 - a: **List the relevant necessary resources (including the estimated cost) for the specific innovation.**
Please list the relevant ones only (list is annexed)

Human: labour force for running the shops and joint marketing activity.

Technology: patents, know-how, trademarks,

Infrastructure: sale premises, IT infrastructure for web page

Financial: depends on the region, the size of the sales premises

- b: **List the relevant necessary capabilities for the specific innovation.**
Please list the relevant ones only (list is annexed)

Food safety: ability to understand what makes the product safe (the key controls, which ensure the safety of the product – biological, chemical and physical hazards, providing the safety shelf life of perishable products

Food quality:

- ability to define the product characteristics which are (tacit) basic requirements for the target,
- meeting (local) legal requirements, application of the labelling rules;
- ability to access the consumer willingness to pay for specific products of SFSCs.

Ability to consumers: ability to develop and implement new business models for ensuring access of consumers to products and augmented services.

Access to market: ability to access to required raw materials within a restricted geographical area.

6. Describe the results, achievements and typical failures

7. Summarize what makes the case to a good practice for the members of the SFSCs (e.g. lessons learned)

It is a good example when the cooperation of producers of the same product cooperate to produce a constant quality product.

8. Aspects, methods for transfer of methods for other SFSC members

9. Recommendations for members of other SFSCs for further applications

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10. More information is available at (web), if it is relevant

<http://www.foie-gras-gers.com/Default.aspx>

Annex

1. Checklist for necessary resources (tangible and non-tangible):

- materials (access to: raw materials/ ingredients - including volume, land – including size, packaging materials)
- human: labour force: size, knowledge & skills (production, technical, marketing, managerial, ICT, financial, etc.)
- technology: patents, know-how, trademarks, copyrights, trade secrets
- infrastructure, equipment, facilities, - size, minimum volume of production/sales, IT infrastructure
- information, reputation, brand, trust
- financial*

*: estimated cost:

0 - 10 000 Eur
10 001 - 50 000 Eur
50 001 - 100 000 Eur
100 001 - 300 000 Eur
300 001 – 1 000 000 Eur
1 000 000 Eur above –

- other specific necessary resources for the application of the specific innovation

2. Checklist for the necessary capabilities

- **food safety:**
 - basic skills to comply with the EU food safety regulations
 - ability to understand what makes the product safe (the key controls, which ensure the safety of the product – biological, chemical and physical hazards, providing the safety shelf life of perishable products)
 - food safety culture (motivation, responsibility for food safety) and basic skills for the implementation of HACCP

- **food quality:**
 - ability to define the target segments of consumers for SFSCs
 - ability to define the product characteristics which are (tacit) basic requirements for the target segment(s) of consumers;
 - ability to define which product attributes/levels and augmented services represent an added value for the target segments of consumers;
 - food quality culture (motivation, responsibility for food quality);
 - production experiences which help to provide the expected quality reliably, uniformly;
 - ability to provide distinguishable quality which meets the needs of the targeted consumer segment;
 - meeting (local) legal requirements, application of the labelling rules;
 - ability to access the consumer willingness to pay for specific products of SFSCs.

- **trust:**
 - ability to ensure product integrity, authenticity and transparent information for the consumers (including systems, tools);
 - ability to access external trust enhancers (third party certification, internal certification system, participatory guarantee systems);
 - application of the labelling rules and branding (mandatory and voluntary);
 - ability to meet third party certification requirements

- **ethical aspects**
 - ability to understand consumer needs for ethical behaviour related to the specific product(s) of the SFSCs;
 - culture for ethical food production and supply;
 - ability to implement necessary measures to ensure ethical food production and supply;
 - ability to access the consumer willingness to pay for products meeting ethical aspects

- **accessibility to consumers:**
 - ability to organize logistics efficiently and to exploit innovative solutions and distribution channels;
 - efficient, innovative sales methods;

- ability to develop and implement new business models for ensuring access of consumers to products and augmented services;
- **fair price:**
 - collecting marketing information;
 - ability to enhance and maintain cooperation among chain actors including the combined use of available complementary resources, capabilities, competences of SFSCs actors, networking, understanding the principles of food value chain management;
 - ability to define, develop or maintain unique quality of products and augmented services;
 - ability to develop and implement new business models;
 - ability to access the consumer willingness to pay for fair price
- **increased negotiation power:**
 - collecting marketing information;
 - ability to enhance and maintain cooperation among chain actors including the combined use of available complementary resources, capabilities, competences of SFSCs actors, networking, understanding the principles of food value chain management, cooperation culture;
 - ability to define, develop or maintain unique quality of products and augmented services;
 - ability to develop and implement new business models;
- **shared use of available resources:**
 - ability to enhance and maintain cooperation among chain actors including the shared and combined use of available complementary resources, capabilities, competences of SFSCs actors, networking, understanding the principles of food value chain management, cooperation culture;
 - the level of value chain management culture;
 - ability to access the consumer willingness to pay for food with reduced environmental impacts

- **input for R+D:**
 - ability to monitor, research, evaluate, and understand the needs and wants of customers and consumers;
 - ability to develop new products, processes, packaging, preservation techniques, systems and access to new markets, including in other categories;
 - access to innovative technologies; distribution and marketing solutions and methods. management systems;
 - access to local input for R+D covered by other aspects

- **access to markets: and market success**
 - effective promotion, customer service, efficient and innovative sales methods;
 - ability to understand consumer's needs;
 - ability to organise logistics efficiently and to exploit innovative solutions and distribution channels,
 - unique value propositions;
 - ability to develop and implement new business models for ensuring access of consumers to products and augmented services, develop the market accessibility for the suppliers.
 - stock control;
 - ability to access to required raw materials within a restricted geographical area

- **access to infrastructure:**
 - ability to use existing own infrastructure in a focused way to serve consumer needs or to combine it with complementary infrastructures of other SFSC actors, cooperation culture;

- **management:**
 - to implement management systems for vision, planning, implementing), coordinating, controlling, monitoring, continuously;
 - improving; ability to motivate, authorize staff;

- **production, processing:**
 - management system, production experience, specific controlling, monitoring, continuously;
 - willingness to consider and ability to evaluate the adoption of TECI and NTI in the current production processes;
 - any additional specific resources necessary for the application of the specific innovation.