



Collective geographical marks as marketing and rural development tools: some insights from two case studies in Tuscany (Italy)

A.Brazzini, M.Nonnoni and A.Marescotti¹

Abstract – Collective geographical marks (CGMs) are a particular voluntary standard, employed to promote products linked to specific geographic areas. The aim of this paper is to explore actors' motivations, dynamics, and effects of the use of CGMs, through the analysis of two case studies: "Prosciutto del Casentino" (Casentino Cured Ham) and "Patata Rossa di Cetica" (Cetica Red Potato), products hailing from Casentino, a marginal valley of Tuscany and protected by a CGM.

INTRODUCTION

From latest 1980s, agro-food systems have experienced important changes. In particular, food system globalization has rapidly changed the traditional supply chains. Food enterprises have to face a new system, characterized by a large variety of complex relationships. Moreover, markets have been flooded with food products coming from all over the world, losing their own local and regional peculiarities.

In this context, public institutions have made several efforts to recovery local identity and traditions, through territorial promotion.

Collective geographical marks (CGMs) are a particular voluntary standard, employed to promote products linked to specific geographic areas. Voluntary standards have gained in importance around the world. The choice of voluntary standards setting-up and their consequent diffusion depended on the private stakeholders' need to give trust and security to consumers and agro-food actors, in particular as a consequence of the negative effects linked to the several food scares and the public incapacity to promptly and efficiently react to agro-food changes.

Collective marks are defined as signs which distinguish the geographical origin, material, mode of manufacture or other common characteristics of goods or services of different enterprises using the collective mark. EU regulation 40/1994 (Title VIII) introduces the Community Collective Mark, which may also serve, in trade, to designate the geographical origin of the goods or services. The Italian legislation as well, in the Industrial Property Code (2005), regulates the collective geographical mark (CGM). The owner may be either an association of which those enterprises are members or any other

entity, including a public institution or a cooperative. A collective geographical mark does not entitle the proprietor to prohibit a third party from using in the course of trade the same geographical indication. Therefore, the protection of the Geographical Indication (GI) may be considered as "lighter" as compared to the PDO-PGI system in the EU. The application for a CGM must be accompanied by a copy of the regulations ("a standard") which governs the use of the collective mark. The owner of the CGM is responsible for ensuring the compliance with the regulations by its members.

While the academic literature on the effects of the protection of GIs according to EU *sui generis* regulation (PDO-PGI) is quite wide and well documented, so far not much has been said about CGMs.

AIM, METHODOLOGY, AND STRUCTURE OF THE PAPER

The aim of this paper is to contribute to this debate by exploring actors' motivations, dynamics, and effects of the use of CGMs. Two CGMs have been analyzed in Tuscany: "Prosciutto del Casentino" (Casentino Cured Ham) and "Patata Rossa di Cetica" (Cetica Red Potato).

The research methodology consisted in some semi-structured interviews to the most representative actors involved in the constitution and use of the inspected CGMs: the Consortia's Presidents, some producers and the implicated local authorities' referents.

The paper proceeds as follows. First, we provide a brief background on the two CGM products, exploring their origin and their economic relevance. Second, we present the two case-studies. Finally, we discuss benefits and deficiencies linked to the two CGMs.

ORIGIN AND CHARACTERISTICS OF CETICA RED POTATO AND CASENTINO CURED HAM

Cetica Red Potato and Casentino Cured Ham are two products hailing from Casentino, a marginal valley of Tuscany, characterized by a low level of urbanization, industrialization and infrastructures. Due to this complex condition, several products, linked to this land, have progressively lost their importance, running the risk of disappearing. The efforts of producers, local administrations and public authorities made it possible to setting up the two CGMs in 2004,

¹ A.Brazzini is a PhD student at the University of Tuscia (brazzini.alessandro@gmail.com).

M.Nonnoni is graduated in Management at the University of Florence (monica_nonnoni@yahoo.it).

A.Marescotti is from the University of Florence, Dipartimento per l'Economia e l'Impresa, Italy (andrea.marescotti@unifi.it).



in hopes of protecting these products and stimulating local economy.

The Cetica Red Potato is farmed in this area since 1800s. After the Second World War, its importance quickly decreased, because of the depopulation of Casentino and the competition of potatoes imported from North America.

The Casentino Cured Ham is a particular ham obtained from the Casentino Grey Pork, which is the result of a recent attempt to reproduce an ancient race, extinct after the Second World War.

Both products played an essential role in the recovery efforts of local identity and territorial promotion incurred by public institutions. Indeed, the two CGMs raised from a project started from the early 2000s by the Province of Arezzo in collaboration with the Mountain Community and other local organizations and associations, with the aim to restore some historical local products' supply chains. First, their setting up allowed the recovery and protection of indigenous genetic animal and vegetable resources (the Casentino Grey Pork and the Cetica Red Potato), threatened with extinction, due to the progressive abandonment of the countryside and to the difficulties of farmers and processors to remunerate their activities obtaining relevant market prices.

Regarding the role of the two CGMs within the firm's marketing strategies and the distribution between collective and individual decisions on marketing mix, the two situations are extremely different, although both products are characterized by the presence of a consortium that manages the CGM. The 15 producers of Cetica Red Potato buy the seed-tuber from the Consortium and return to it the entire crop: the 4 P's of marketing are managed on a centralized basis by the Consortium, which plays on the market as the only actor, with an homogeneous product, a shared price and an exclusive package that ensures the absolute recognizability. The Casentino Cured Ham Consortium is composed by 12 breeders and 4 processors. The processors' strategies are very different from each other: they have different consumers targets, products with very differentiated organoleptic characteristics, different prices and packages.

DISCUSSION AND CONCLUSIONS

Results show how actors' motivations for applying and using the CGM may be highly different, according to the specificity of both production systems and marketing channels. Besides, the two CGMs had a different impact on rural development and cohesion among producers and a different interrelationship with firms private trademarks, thus bringing to different visions about product quality and identity.

The research underlines that the individualistic mentality that characterizes the inhabitants of the Casentino valley is a critical point, common to both collective marks, and it has prevented their development.

Among the main benefits obtained by the registration of the CGMs, the identifiability of the product quality and the guarantee of production processes

are the most important. In the case of Cetica Red Potato, quality assurance has allowed the application of more remunerative prices. On the contrary, the Casentino Cured Ham has not taken the same advantage, indeed its price is in line with those applied before the foundation of the CGM. Another important target, reached thanks to the Cetica Red Potato CGM setting up, is the chance to get into the mass distribution channel, which would not have arisen in the absence of a consortium structure that concentrate the different crops by individual growers, presenting to distributors with a package able to communicate the value of the product. Whereas, the Casentino Cured Ham Consortium has decided not to directly manage the distribution, leaving this possibility to the processors.

Regarding social effects, the two CGMs have formed a supplementary income for farmers and ranchers who are retirees and hobbyists. Moreover, through the recovery and promotion of the two products, the whole region has been valued and the local community of Cetica has regained vitality after it was abandoned and became a ghost town.

As for the effects on the environment, the protection of biodiversity is the most important, reached through the recovery of a potato native variety to erosion risk and the use of hardy native breeds to the creation of the hybrid of Casentino Grey Pork, used to produce the hams. Moreover, the activities of farming connected to the two products allow to maintain the productivity of mountainous terrain and preventing its impoverishment, following the same rules dictated by the regime of organic agriculture.

The main faults of the two CGMs are the shortage of supply and the organizational Consortia's weaknesses, which especially lacks in entrepreneurial mind-set aimed to medium-long term benefits. The commitment's lack of the Consortia's members and the minor financial resources invested by the provincial administration (which had heavily invested in the initial phase of promotion of local products) mine the survival of the two Consortia.

REFERENCES

- Albissini F., Carretta E., Corapi D. (2007). *Usa dei marchi collettivi geografici: problemi pratici e interpretativi*, Unioncamere.
- Di Iacovo F., Pieroni P. (2004). "Cetica, la storia di una comunità capace di comunicare valori", in: Brunori G., Così F., Pieroni P. (a cura di), *Sviluppo rurale e comunicazione. Processi organizzativi e strategie di valorizzazione nella nuova ruralità*, Edizioni Plus, Pisa
- Swiss Federal Institute of Intellectual Property, (07.11). *The effects of protecting Geographical Indications. Ways and Means of their evaluation*, Publikation/Publication No 7