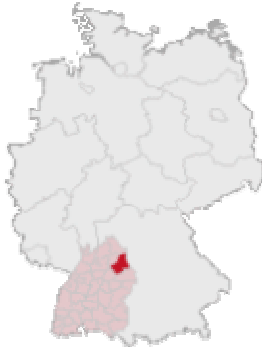


**Case Study “ Schwäbisch-Hällisches Qualitätsschweinefleisch”
(Schwäbisch-Hall quality pork)**

Name of the indication	Schwäbisch-Hällisches Qualitätsschweinefleisch	
Country	Germany	
Category	Fresh meat and meat products, sub-category pig	
Protection status under Regulation (EC) 2081/92	PGI	

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1 The Product and Its Region of Origin



Figure 1 *Schwäbisch-Hällische Landschweine* in their region. Source: www.besh.de.

1.1 Product Description

The PGI product "Schwäbisch-Hällisches Qualitätsschweinefleisch" (Schwäbisch Hall quality pork, SHQ) is fresh meat (pork) produced in the region of Hohenlohe on the basis of a typical local pig breed – "*Schwäbisch-Hällisches Landschwein*" (SHL). The breed was saved from extinction and is maintained and developed today by the farmers using traditional breeding methods.

Livestock keeping practices are appropriate to breed, and the animals are supplied with feed that is exclusively vegetable and does not contain genetically modified organisms (GMOs), pharmaceutical additives, or growth promoters. The keeping and feeding methods ensure a high quality and special taste of the pork.

The PGI for the product was applied for and is owned by a producers' association, the *Bäuerliche Erzeugergemeinschaft Schwäbisch Hall*. (BESH). The BESH, which currently comprises of about 1000 members, organises slaughtering and marketing of the SHQ, and in addition runs a number of other programmes (e.g. beef, organic farming) which cover a range of agricultural products. Associated with the BESH are a breeders' association (*Züchtervereinigung Schwäbisch Hällisches Schwein*) and an own farm advisory service (*Landwirtschaftlicher Beratungsdienst Schwäbisch Hall*).

1.2 History

The pig breed "*Schwäbisch-Hällisches Landschwein*" came into existence in 1820, when King Wilhelm I of Württemberg imported Chinese saddle-back pigs (*sus scrofa vitattus*) to be bred in with the existing wild pig population. Around 1840, the new breed became popular.

In the middle of the 20th Century almost all pigs – over 90% – in the region of Hohenlohe were *Schwäbisch-Hällische Landschweine*. However, mass production of pork changed the demands on pig breeding. Standardised keeping methods were introduced which aimed at producing high quantities of meat within short time periods; and meat with low fat content was preferred. The SHL was not compatible with these requirements and livestock declined sharply until the beginning of the 1980s when the breed was almost extinct. In 1984, the farmer Rudolf Bühler gathered the remaining seven original sows and two boars and re-established the SHL population. In 1986 he founded the breeders' association and in 1988 the producers' association (BESH) as a sister organisation for slaughtering and marketing. The BESH, which originally comprised of 8 founding members, has since developed into a

large company group in which over 1000 farms are associated (Zimmer 2006a). The marketing of the pork, which was registered as PGI in 1998, today only constitutes one element of a diversified production programme of the association. However, it was the initial project and provided the basis for the expansion that took place over the years.

1.3 Area of Production

Schwäbisch-Hällisches Qualitätsschweinefleisch is produced in the Hohenlohe region in Northern Baden-Württemberg. In administrative terms, the core area consists of the districts Schwäbisch Hall and Hohenlohe. According to the specification (see below), SHQ may also be produced in the adjacent districts Ansbach, Rems-Murr, Tauberbischofsheim and Ostalb.

Agriculture plays an important role in the Hohenlohe region. The share of the work force employed in agriculture and forestry is 4.5% which is way above the average in Baden-Württemberg; in the districts Schwäbisch Hall and Hohenlohe, agriculture and forestry make up around 3% of total gross value added in the region, which is 10 times higher than the Baden-Württemberg average. Population density is relatively low (Ribbe et al. 2006, data for 2004).

Pigs and cattle are traditionally kept in the region. In the district of Schwäbisch Hall alone, one fifth of the total pig livestock of Baden-Württemberg is kept. However, as in other regions, pig keeping has been subject to structural change. While the number of farms keeping pigs has been decreasing, an increase in animal numbers per farms has prevented a decline of sow numbers. Fattening livestock has increased in the last years.

The region of “Hohenlohe” is one of 18 model regions of the pilot project “*Regionen Aktiv – Land gestaltet Zukunft*” of the Federal Ministry for Consumer Protection, Food and Agriculture.¹ The aim of the project is to explore new ideas for development in agrarian regions, with an emphasis on consumer protection, quality of agricultural products, increase of the regional value added and of regional employment, and the protection of nature, landscape and biodiversity. The 18 model regions were selected out of 206 applicants during a competition in 2001, and received 45 Mio EUR funding from the Federal Government between 2002 and 2005. A second phase of the project runs from 2006 to 2007, and the Hohenlohe region is further developing its regional management.²

1.4 Alternative Land Uses and Possible Substitutes

Since pig keeping is common in the Hohenlohe region, the production of standard pork and industrial pig keeping are presented as substitute product and alternative land use for comparison with the traditional SHQ production process.

Intensive pig keeping generates considerable pressures on the environment, especially given the trend towards increasing livestock numbers and densities, and also entails negative social consequences (Schuler and Benning 2006). The main environmental concern in relation to pig keeping is the nutrient balance and the discharge of excess nitrogen to water bodies and the air. In industrial pork production, less than 50% of animal feed is produced on

¹ www.modellregionen.de.

² www.hohenloheaktiv.de.

the farm. The larger share of feed is often purchased at supra-regional or global markets, i.e. nutrients are imported. The feed may contain GMO crops.

Through the marketing of piglets or fatteners, only approximately 35% of the input nutrients are exported. The manure produced contains roughly 45% of input nutrients; emissions of ammonia and other gases account for the remaining 20% (Schuler and Benning 2006). Thus, two thirds of nutrients are discharged through air and soil. Excess nitrogen leads to acidification, eutrophication, pollution of groundwater, surface waters, and oceans.

These problems are aggravated by the fact that in industrial pork production, livestock density is usually high - livestock numbers are not adjusted to the available farm area. Due to the limitation of manure application on farm land, manure often has to be exported.

Other negative environmental impacts of industrial pork production (e.g. in the form of greenhouse gas emissions due to the transport of both feed and slaughtering animals over long distances) can be identified.³ Animal welfare standards are vehemently criticised by animal protection organisations, most prominently for the use of slatted concrete floors, insufficient lighting and space requirements. The floor area that has to be provided according to EU standards⁴ is 0.65 m² per rearing pigs of an average weight of between 85 and 110 kg.⁵

The intensification of pig keeping leads to a decrease of farm numbers and an increase in livestock numbers per farm. This contributes further to the decrease of jobs in farming, and to structural change and migration to cities from rural areas.

2 Legal Protection

2.1 Status of Protection/Labels and Certificates

When founded in 1988, the BESH drew up guidelines for production (*Erzeugerrichtlinien*) of the SHQ in co-operation with animal, environmental, and consumer protection organisations. These guidelines formed the basis for the registration of the product under Council Regulation (EEC) 2081/92. The registration process was finalised and the status of Protected Geographical Indication was granted in February 20, 1998.

The trademark for the product, which consists of the name and a logo, is also protected under the national patent law. The trademark label also indicates the PGI status (g.g.A. – *geschützte geografische Angabe*, see Figure 2).

³ Methane emissions from pig keeping play a smaller role – the bulk of agricultural methane emissions is attributable to ruminants. In 2003, of the 25.2 Mio. tonnes CO₂ equivalents methane emitted from livestock keeping, only 3% originated from pigs. See Bericht zum Klimaschutz im Bereich Land- und Forstwirtschaft, available at <http://www.bmelv.de/>.

⁴ Council Directive 91/630/EEC of 19 November 1991 laying down minimum standards for the protection of pigs (Official Journal L 340 of 11 December 1991), amended by Council Directive 2001/88/EC and Commission Directive 2001/93/EC.

⁵ Germany has not yet formally transposed the Directive 91/630/EC into national law, and there is currently no uniform legal basis for housing and protection of pigs in Germany, standards may vary between the *Länder* and in some cases exceed the requirements of the EU Directive. A Federal Ordinance (*Schweinehaltungsverordnung*) is currently in the legislative process; the draft version requires 0.75m² space area for pigs of an average weight between 50 and 110 kg. See AGRA-EUROPE 8/06, February 2006, Dokumentation.



Schwäbisch-Hällisches Qualitätsschweinefleisch g.g.A.

Figure 2 Trademark label. Source: www.besh.de.

2.2 Specification

In order to produce SHQ, farmers have to become members of the BESH and of the associated farm advisory service. The production guidelines, which constitute the product specification and are publicly available at the BESH website,⁶ lay down detailed rules concerning breeding, livestock keeping, feeding, transport, slaughtering, quality control, and marketing.

Breeding

The genetic basis for the production of SHQ is the old breed of the SHL. Traditional breeding methods are employed, i.e. the selection of the most healthy and robust animals for further developing the breed. Breeding methods making use of genetic modification are not permitted. The breeding animals have to be registered in the state-controlled herdbook.

A pure breed is maintained, but for the meat production SHL sows may be paired with boars of a different breed in order to produce meat of lower fat content which better meets consumer demands.

Livestock keeping practice according to breed

Feeding and keeping practices have to be according to breed (*artgerecht*). Feed should be produced on the farm; at least 80% must be from the Baden-Württemberg region. Carcass meal must not be fed to the pigs - foodstuff must be exclusively vegetable and free of GMOs and pharmaceutical additives or growth promoters. The use of sedatives is also prohibited, as is the prophylactic use of drugs. If animals have to receive drug treatment for medical reasons, they have to be identified by ear tags and may no longer be marketed as SHQ.

Livestock density is restricted to 2 livestock units per hectare farm area and year at a maximum. Animal husbandry in groups is mandatory. Animals have to be provided with straw, slatted floors and tethering are prohibited. Where possible, animals should have access to pasture. Minimum space requirements are 1.2 m² for each animal, which is approximately twice the area prescribed by legal standards.

Transport, slaughter, and marketing

Transport to the slaughterhouse may not take longer than one hour and has to be carried out by the farmers themselves. Animals must be slaughtered by the BESH, and at the

⁶ Verbindliche Erzeugerrichtlinien für Schwäbisch-Hällisches Qualitätsschweinefleisch g.g.A. aus kontrollierter und artgerechter Erzeugung. www.besh.de.

slaughterhouse in Schwäbisch Hall which is partly owned by the association. Stress-free handling of animals has to be ensured, and beating is prohibited.

The pigs delivered to the slaughterhouse are controlled by a veterinarian, and the quality of the carcass is controlled again by BESH staff after slaughter. Only if the meat fulfils the requirements is it marketed under the PGI label, otherwise it is marketed as conventional meat.

Sales and marketing of the SHQ are done by the BESH only; no other distributors are allowed in the supply chain. Farmers may, however, directly sell the meat products on their farms.

2.3 Monitoring

Through all steps of production, controls are carried out by various institutions. As an annex, the production guidelines contain a detailed list of control institutions involved (state authorities and accredited private control institutions) and their respective responsibilities. All farms that are members of the BESH are audited once per year by the accredited Lacon Institute in Offenburg.⁷

3 Environmental Effects

It is the declared aim of the BESH to promote environmentally and socially compatible production processes and to ensure that these merits are communicated to the consumers and valued in the form of higher prices.⁸

Pig keeping according to the production guidelines and the short distances between feed production, fattening, slaughter, and processing entail benefits for the environment compared to conventional pork production. In addition, the farmers associated in the BESH are active in projects on environmental and nature protection which go beyond the mere production of SHQ.

For instance, a pilot project has recently been launched which aims at establishing an advisory service on nature protection and conservation issues for farmers of the region at no charge (Zimmer 2006b). Apart from supporting interested farmers and sensitising them for ecological and conservation problems, the project aims at presenting the merits of agriculture for nature protection and involving and informing the public. The initiative is integrated in a research and development project of the Federal government which aims at developing and optimising farm advice on nature conservation on organic farms.⁹

3.1 Water

Pig keeping generates pressures on water resources mainly via the nutrient load discharged from the manure (see section 1.4). The keeping practices used for the production of SHQ, however, have some advantages over standard methods. For instance, the number of

⁷ <http://www.lacon-institut.com>.

⁸ Statutes of the BESH as available at www.besh.de: Satzung der Bäuerlichen Erzeugergemeinschaft Schwäbisch Hall, gültig ab 7.6.2004.

⁹ Naturschutzberatung für den ökologischen Landbau, www.naturschutzberatung.info.

animals that may be kept by a farmer depends on the available area (see section 2.2). This restriction of livestock density is beneficial in terms of water pollution since the overall nutrient load per hectare is limited.

Also, since a larger share of animal feed is produced on the farm, or at least purchased within the region, the production process is closer to a closed system with less import of nutrients than standard pork production.

3.2 Soil

As in the case of water, the effects of SHQ production on the soil can be considered less harmful than those of industrial pork production. While pig keeping on slatted floors produces liquid manure, the type of pig housing used by the SHQ farmers generates solid manure, which can be used to improve soil structure, contributes to the building up of humus and thus leads to reduced discharge of nitrate to waters (Bühler 2006a, Zimmer 2006a).

3.3 Landscape

The activities of the BESH contribute to the management and maintenance of the cultural landscape. The strengthening of regional production and marketing of meat ensures that large areas are grazed and that marginal grassland areas are kept open. The grassland and pasture areas that are maintained or have been re-established provide habitats for a number of species, e.g. Tree Pipit, Smooth Snake, and Scarce Swallowtail (BESH 2006). This landscape conservation is mainly provided by the cattle branch of the BESH, although some pig farms have also taken up pasture grazing. The SHL breed is better adapted to pasture grazing than standard pig breeds and is well able to digest grasses and clover.

3.4 Biodiversity

The re-establishment of the SHL population as an endangered animal livestock breed is a contribution to enhancing agro-biodiversity. Furthermore, the BESH does not permit the use of GMO crops in animal feed and has declared the Hohenlohe region a “gentec-free zone” in 2004, together with Euronatur, Greenpeace and other organisations (BESH 2006).

3.5 Energy/Resources/Waste

Transport distances in the production of SHQ are short, which implies that less greenhouse gases and air pollution is generated than by standard pork production. The largest share of feed is produced on the farm or within Baden-Württemberg and not, as is often the case, imported from developing countries. Also, transport distances to the slaughterhouse and processing companies are shorter than usual.

The BESH farmers have developed pig housing facilities that reduce energy demand to 10% of that of conventional stables (Bühler 2006a).

3.6 Air/Climate

As in the case of water pollution, the net emissions of ammonia and other gases to the air are smaller in SHQ production than for standard industrial pork due to the lower livestock densities and the large share of feed produced on the farm or within the region.

4 Economic Data and Relation to Regional Development

Marketing of SHQ is economically successful and contributes to establishing a positive regional image. It has been the basis for the expansion and diversification of the BESH's production, which today comprises of additional quality meat programmes (beef: "Boef de Hohenlohe", regional programme Hohenlohe). The BESH has also founded an organic farming association (Ecoland), and co-operates with the Unilever food company, to which it delivers pork and beef produced according to production standards similar to those for SHQ. Unilever's "Du darfst" sausage products exclusively use the BESH's meat.¹⁰ The partnership between Unilever and the BESH was set up in 2002 and involves the environmental foundation Euronatur.¹¹

From the beginning the BESH has placed a strong emphasis on the professional marketing of its products. Its activities are driven by the aim of enabling the socially and environmentally compatible production of quality products by making it economically profitable and ensuring that the benefits provided by farmers and the special quality is valued by consumers. According to its statutes the BESH aims at organising the market for quality products, promoting healthy agrarian structures by better income for farmers, promoting regional development, and advertising and informing consumers in co-operation with consumer and environmental protection organisations. The following sections show that it has already come a long way in achieving these goals.

4.1 Production and Costs

Currently, there is a population of 3,000 purebred SHL breeding animals. From 40,000 fatteners, 4,000 tonnes of SHQ are produced per year. Of the 1,000 members of the BESH, approximately 100 participate in the SHQ programme (Ribbe et al. 2006). The BESH as a whole today has a sales volume of 60 Mio EUR per year. Figure 3 shows the steep increase of sales since the founding year.

¹⁰ see <http://www.du-darfst.de/Produktwelt/QualitaetBeiDuDarfst/Partner/index.asp>.

¹¹ European Nature Heritage Fund, www.euronatur.org.

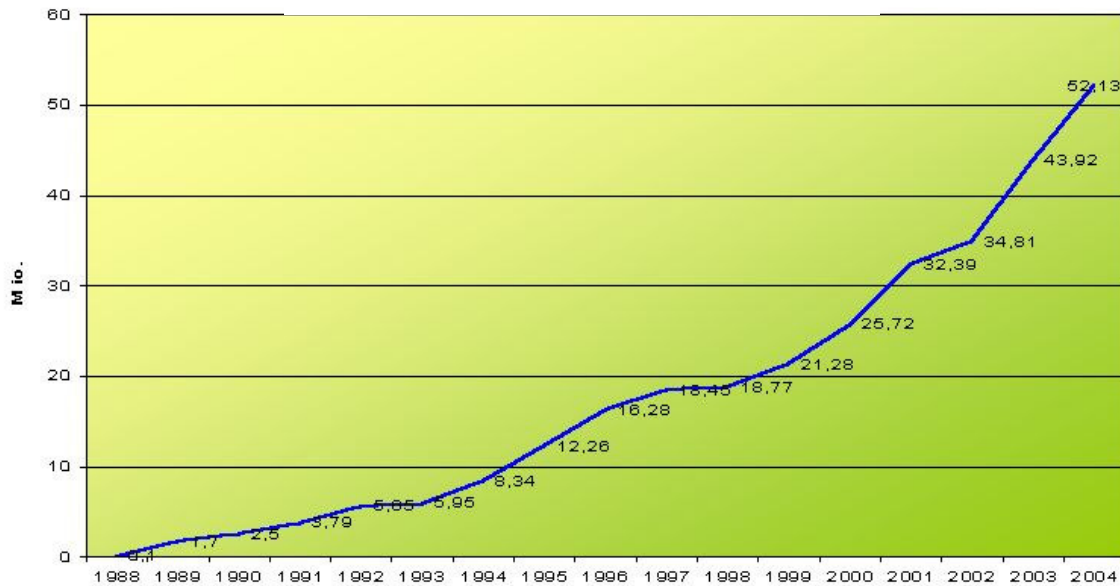


Figure 3 Development of BESH sales volume since 1988. Source: BESH.

The share of the BESH contribution to total gross added value across all sectors in the six districts where SHQ is produced is marginal and way below 1%. However, within the agricultural sector, the economic benefits to the region are still clearly noticeable. A recent study calculates that value added is generated by the BESH in the range of 2.5 Mio EUR per year, of which 1.7 Mio EUR can be assigned to the pork segment (Ribbe et al. 2006). Most of this value added remains within the region (see below).

Due to the special production standards, the costs for producing SHQ exceed those for standard pork by approximately 12% (0.16 EUR). The average costs for the production of pork in Germany are 1.3 EUR per kg carcass.

4.2 Marketing Channels

Apart from direct marketing on individual farms, all distribution of the SHQ products is organised by the BESH. From the slaughterhouse in Schwäbisch Hall the meat is delivered directly to the customers by the BESH.

More than half of the products are marketed via butcheries in Baden-Württemberg and across Germany. Approximately 250 butcheries are supplied by the BESH. A second important marketing channel is gastronomy. About 200 restaurants, many of them at gourmet level, offer meat produced by the BESH. SHQ is also offered at the restaurants of large business companies such as Lufthansa, Siemens Stuttgart, DaimlerChrysler Sindelfingen, and in the restaurant of the German parliament (*Reichstag*). In addition, the BESH runs several own shops and markets in the region.

4.3 Prices

The farmers who produce SHQ are paid a fixed price premium by the BESH of 0.33 EUR/kg carcass on top of the average market price for pork. Since market prices vary, currently in

the range between 1.10 and 1.50 EUR/kg, this amounts to a price premium of 20 to 30% (Zimmer 2006a). Acceptance of the pigs for marketing is guaranteed as long as they are produced according to the guidelines.

The prices at consumer level for the SHQ vary depending on the individual cuts and on the level of processing. Generally, the products are marketed at cost-covering and profitable prices, and there is sufficient demand for SHQ products to allow for an expansion of the programme and for new farmers to become members of the BESH. (Zimmer 2006a).

The comparison of the extra costs of SHQ production of 0.16 EUR/kg with the price premium of 0.33 EUR/kg shows that as a business activity, SHQ production is profitable and generates added value.

4.4 Subsidies and Sponsoring

The production of SHQ is generally self-financed and does not receive financial support apart from the usual agricultural subsidies. The BESH benefited from funding at two stages of its development. Support was granted for the build-up of the organisation in the founding years (Ribbe et al. 2006). The modernisation of the slaughterhouse in Schwäbisch Hall in 2002 was supported by the government of Baden-Württemberg and by the Federal government in the context of the project "Regionen Aktiv" (see section 1.3).

Furthermore, individual farms may receive investment subsidies for the conversion of their farms necessary for complying with the BESH production guidelines (e.g. for adapting pig housing).

4.5 Supply Chain and Employment

The production of SHQ in the region of Hohenlohe generates a transfer of income from urban areas to the producing farmers, creates employment, and contributes to ensuring jobs in related sectors. The BESH itself currently employs approximately 250 staff. However, its activities have far-reaching effects on employment and development in the region.

The producers' association organises more or less the complete supply chain throughout all stages of production, which not only guarantees that production standards are observed and products are safe, but also that the value added remains within the region. This is illustrated by the fact that today 50% of piglets produced are kept for fattening in the Hohenlohe region, while in the past, 70% of piglets were sold to Lower Saxony and other EU countries (Ribbe et al. 2006). The SHQ is produced in the region but marketed across Germany, which provides the basis for its economic success.

The BESH has an important function in improving farmers' access to markets for premium products and ensuring income from farming in the region. An essential achievement in this respect was the taking over of the regional slaughterhouse by the BESH in 2002. The slaughterhouse was formerly owned by the local government, who decided to close it down because it ran deficits and did not comply with EU standards. The BESH took the initiative to save the institution. In 2001, a public limited company was founded in co-operation with the local government, citizens, farmers, and animal and environmental protection organisations, of which the BESH owns the majority of stocks, and which took over ownership of the slaughterhouse. Between 2002 and 2006, the slaughterhouse was modernised at a cost of approx. 6 Mio. EUR, 28% of which was financed by subsidies (see section 4.4). The

slaughterhouse today is in the black and operates at full capacity. It is an essential infrastructure element for farmers and butchers in the region. With the majority of slaughterhouses being owned by few large companies, there is a general trend towards closure of regional facilities and concentration of slaughtering at fewer locations, which leads to longer transport distances and restricts access to markets.



Figure 4 The modernised slaughterhouse in Schwäbisch Hall. Source: www.besh.de.

The BESH member farms are predominantly small and medium-sized holdings. The price premium enables these farms to remain profitable. Also, owners of former farm holdings who had given up farming and work in the nearby cities of Heilbronn or Stuttgart have been encouraged by the BESH to resume part-time farming. They can afford to do so since the producers' association provides services such as the organisation of veterinary care and sales and marketing. The trend towards a decline of farm numbers and migration to cities is thus reversed in the Hohenlohe region (BESH 2006). Individual farms would not be able to organise the marketing of their premium products in this way and would have to fall back on direct marketing in order to communicate the special quality and achieve the price premium.

The BESH creates favourable conditions for small-scale and part-time farmers and for organic farmers. Unlike large slaughterhouses, it does not require minimum production quantities of farmers, and there is no differentiation in prices depending on numbers - small numbers of piglets or fatteners may be delivered to the company at the same prices. Thus, the contribution of small farms is acknowledged and appreciated.

Apart from thus securing income and jobs in farming, further employment effects along the supply chain can be identified that benefit the region. Between 50 and 70 butchers' shops in the region are supplied by the BESH. These butcheries can use the premium products to withstand the competition from discounters and their cheap meat offers, which helps to secure jobs. The high popularity of the meat and the associated promotion of the regional image also benefit the local gastronomy, which puts the products on their menus. This also contributes to securing jobs in the region. Finally, some processing steps are not carried out by the BESH itself. For instance, several regional firms produce ham, sausage, and Swabian ravioli from SHQ meat delivered by the BESH and are thus integrated in the supply chain.

Table 1 Summary of data on economics and effects on regional development

Production	
Production/year (Q)	40,000 fatteners, 4,000 tonnes of meat
%Regional GNP	marginal
Costs	
Cost of production (per unit)	0.16 EUR/kg additional costs (compared with standard pork production)

Sales (Q, EUR)	60 Million EUR (BESH total, 2005)
Sales Channels (%)	Butcheries (largest share), gastronomy (second largest), local and regional shops and markets, direct marketing
Prices	
Price on producer level (1st sale/direct marketing).	Approximately 1.45 to 1.8 EUR/kg carcass
Price on consumer level (meat cuts from butcher)	Vary depending on cuts and level of processing
Price Premium (if applicable)	0.33 EUR/kg carcass
Marketing Channels	
Sales within territory	Low relevance of direct marketing
Sales outside territory (national)	Butcheries and restaurants across Germany are supplied
Exports	minor
Supply Chain and Employment	
Number of firms	BESH: 1000 members, of which 100 produce SHQ
Level of Integration	High; centralised slaughtering and marketing by the BESH
Number of employees	250 (BESH), additional employment effects in the region
%Total Employment Region	Direct employment effect small in percentage terms, but noticeable indirect effects

5 Marketing/Consumer Perception

The key activities of the BESH are the professional marketing of its products, the information of consumers, and creating and strengthening awareness about the relationships between production processes, product quality and regional development. Different marketing initiatives involve regional actors from other sectors and attempt at making the SHQ and the corresponding logo a symbol for the region (Zimmer 2006a).

The company's website¹² provides a wealth of information on the producers' association and its products. A range of documents is available from the production guidelines and the statutes to an archive of articles that have been published about the BESH or by the BESH in the last decades. Short films can be downloaded which inform about the pig breed, keeping practices, environmental benefits, and marketing activities. The website also lists the addresses of butcheries and restaurants where products can be purchased. A fanshop exists which offers cookbooks and also several items such as watches, hats, aprons, and others showing the SHQ logo.

¹² www.besh.de.



Figure 5 BESH fanshop item. Source: www.besh.de.

Several large events are organised by the BESH that contribute to making the products known, strengthening the profile, and involving the public. A large party (*Hoffest*) and cook festivals are organised each year. The products are also presented at supra-regional trade fairs and exhibitions such as the Green Week 2006 in Berlin or *Biofach* 2006 in Nürnberg.

The BESH co-operates with business actors in the region, such as a local brewery and a local bank (Zimmer 2006a).

The SHQ products and the wider activities of the BESH have received considerable attention and a number of awards. The SHQ meat is highly valued by gourmet restaurants and received the highest possible rating (“very good”) from the German consumer organisation “*Öko-Test*”, which tests the ecological compatibility of products (Öko-Test 2003). In 2001, a 45 minute documentation on the BESH and its products was broadcast on ZDF, one of the main German public TV channels.

The BESH and its president, Rudolf Bühler, received an animal welfare award in 2005 (*Pro Tier Förderpreis*) which is issued by an alliance of animal, environmental and consumer protection organisations. Furthermore, the BESH features in the guidebook “Land of Ideas” that was issued by the Federal government and German business for the 2006 World Cup. It is one of 365 landmark initiatives chosen to reflect Germany’s wealth of innovation in all its facets and geographical regions that were selected from over 1,200 candidates in a nationwide competition.¹³

6 Synergies With Other Sectors

The evaluation of the BESH’s activities clearly show that they shape regional identity and create a large potential for synergies with other sectors.

The BESH co-operates with environmental NGOs¹⁴ in a number of projects which are related to campaigns against the use of genetically modified organisms, as well as to organic farming, farm advisory services on conservation, and other issues. Partnerships also exist with tourist offices. The BESH is involved in research projects that are carried out in co-operation with several German universities (Zimmer 2006a), e.g. the University of Gießen (breeding issues), the University of Göttingen (securing genetic resources), the Technical College of Triesdorf (internship programme, diploma and PhD theses), and the University of Kassel (livestock keeping according to breed).

¹³ See www.land-of-ideas.org.

¹⁴ e.g. Euronatur, Greenpeace, WWF, BUND, NABU.

The BESH carries out projects in education and training in Eastern and Southern European Countries. It supports the foundation and setting up of regional development projects and provides training for young Eastern European farmers. Public-private-partnership projects are carried out in Ukraine, South Russia and India.

7 Stakeholder

The main actor in relation to the SHQ is the producers' association *Bäuerliche Erzeugergemeinschaft Schwäbisch Hall*¹⁵ (BESH).

Several NGOs are involved in or associated with the BESH's activities, such as the Euronatur Foundation.¹⁶

The authority in charge according to the EU registration is the *Regierungspräsidium Karlsruhe*.¹⁷

Together with the representatives of other organisations that hold PGI or PDO registrations for their products or are in the application process, the BESH has founded an association for agricultural products and food with geographical indications and destinations of origin from Baden-Württemberg.¹⁸ This "*Geo-Verband*"¹⁹ aims at promoting regional products, supporting new applicants, and making the instrument better known among consumers.

8 Summary

The case of the SHQ shows that regional products and traditional production methods can be economically viable and even highly profitable. The key factors for the success of the initiative are the high level of organisation and the professional marketing strategy. A niche market was successfully established by the BESH and provided the basis for an expansion and a diversification of the product range. Both the regional and the environmental connotations of the product are used to strengthen its profile and to enhance market demand. A market situation could be created in which the increase in production costs due to the stricter environmental and quality standards is outweighed by the price premium that is achieved.

There are many indications of the environmental benefits of SHQ production compared to standard pork, but the individual benefits are difficult to delineate and quantify. The positive environmental impacts are largely associated with the regionalised production (less transport, more favourable nutrient balance of closed production systems) and the limited livestock density.

With respect to the regional economy, impacts are clearly beneficial. Especially in the agricultural sector, the production and marketing of the SHQ products and the wider activities

¹⁵ Haller Straße 20, D-74549 Wolpertshausen, www.besh.de.

¹⁶ Geschäftsstelle Radolfzell, Stiftung Europäisches Naturerbe – Euronatur, Konstanzerstr. 22, D-78315 Radolfzell www.euronatur.org.

¹⁷ Regierungspräsidium Karlsruhe, 76247 Karlsruhe. www.rp-karlsruhe.de.

¹⁸ Geo-Verband Baden-Württemberg, Press Release 1/2004, http://www.was-liegt-naeher.de/downloads/PM_Geo-Verband_1_2004.pdf.

¹⁹ Geo-Verband Baden-Württemberg e.V., Dr. Fank Thiedig, Breitscheidstr. 69, 70176 Stuttgart; Tel. 0711-66670-80, Fax 0711-66670-89, Email: geo-verband@mbw-net.de.

of the BESH contribute significantly to creating value added and to securing jobs and to positively shaping the development of the region. The trend towards closure of farms could be successfully reversed, and part-time farming has been revived. The SHQ adds considerably to the regional image and strengthens the identification of residents with their region. It is on the way of becoming a symbol for the region, which is illustrated by the fact that other business such as breweries and banks are interested in co-operating with the BESH and using logos or pictures of the SHL for advertising and marketing.

Although the SHQ logo refers to the PGI, the latter does not itself play a large role in the marketing strategy (Bühler 2006a), and consumers surprisingly rarely ask for an explanation of the abbreviation (Zimmer 2006a, see Figure 2). However, the protection of the indication is highly valued by the BESH as a tool to secure their investments and as a safeguard against abuse and free-riding. The BESH is committed to promoting the use of protected geographical indications and designations of origin in the region of Baden-Württemberg and to strengthen the competitive position of regional products and traditional methods vis-à-vis industrial agricultural production.

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