Rural Enterprise Development & Sustainability

Innovative approaches to the needs of rural areas

Adding Value by Networking
in the Agri-Food Sector

Technical Report

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Executive Summary

Changes in agricultural and rural policies have enabled and empowered rural people to take greater control over their own destinies through bottom-up integrated rural development approaches.

Supporting the development of food networking initiatives has emerged as a key role of many rural development agencies in recent years. This case study has focused on the role agencies play and how they involve themselves in developing initiatives to encourage added value through food networking in rural areas. It recognises the move away from primarily national sectoral based development policy to an area-based, multi-sectoral approach and views this as a means to explore the different developments required in different localities. Agencies have identified the importance of local and regional based approaches to solving rural problems. The establishment and promotion of food networking initiatives not only address economic needs, but equally enhance the region’s environmental, social and cultural resources.

The production of organic or speciality food products provides an opportunity for producers to increase the value of their products through further processing or direct marketing. The participation of food producers in a network is of paramount importance to the overall success of the programme. The research shows that the greater the level of participation among producers the greater the success of the network.

The promotion of food networking initiatives in rural areas supports an integrated approach to rural development. This means that greater emphasis is placed on rural people to take greater control over the future of their areas through bottom-up integrated rural development.

The case study method using both qualitative and quantitative data is particularly suited to this type of analysis where a number of diverse groups are involved in the network. Operating at various stages along the value added food chain, three cases were selected and analysed. The first case, Western Organic Strategic Initiative (WOSI), was chosen as a network involving organic producers with the aim of increasing the level of organic production in the region and developing links with the market place. The Clare Good Food Circle case features restaurants that aim to source local products from food producers, and to raise the quality and culinary standards of catering establishments. The third case, the West Cork Regional Branding Initiative incorporates quality food and tourism products. It aims to raise brand awareness of locally produced foods and improve access to and build relationships with key retail multiple groups and stores.

All three cases present their own idiosyncrasies. They are unique in their own right and present a rich basis for comparison and contrast. For example, while different development agencies have been involved in different cases, LEADER groups have been in all three, but to varying degrees: The West Cork Branding Initiative is synonymous with the West Cork LEADER Co-operative and defines much of what it does, whereas funding from Leader groups was important in the WOSI case and work done by RRD(Rural Resource Development) in Co.Clare complemented that of other agencies involved in the Clare Good Food Circle.
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**Introduction:**

This study entitled ‘Adding value by networking in the agri-food sector’ has examined the concept of added value and networking in regional development within the context of a changing rural development and agricultural policy environment.

The case study was the method chosen to carry out detailed analysis of innovative approaches to enterprise development. This research is set within context of area-based rural development policy and focuses on strategies that aim to add value through networking. In terms of rural development policy, regional and area based development initiatives have recognised that the needs and opportunities of rural areas cannot always be addressed through individual projects. There is a need for programmes that address specific economic, environmental, social and cultural issues. The bottom-up approach underlying many of these programmes allow local people to make decisions for their own area. The production of high quality speciality food regularly sold through short food supply chains and enriched with local or regional identity is characteristic of many rural areas in Europe. The production of organic or speciality food products allows producers the opportunity to increase the value of their products by further processing or direct marketing. Organic and speciality food production contribute significantly to rural development in Ireland. These activities help maintain population levels through diversification of the local economy, dispersal of employment and promotion of rural enterprise. These enterprises seek to add value to local produce and local resources contributing to the development and sustainability of rural areas.

The report is divided into four main sections. The first section introduces the research area and the methodology used. The second section reviews the relevant literature on the research area and provides some of the principal results from the case study. Section three outlines the main conclusions drawn from this piece of research. Section four provides a list of recommendations.

**Research Objectives**

This study examined how Irish agencies adopt a programmatic approach to promote the development of food networks at local or regional levels. To achieve this, five interrelated objectives were set as follows:

- **Objective I:** To identify food networking programmes supported by agencies and to examine how and why such programmes are promoted in rural areas.
- **Objective II:** To examine how such programmes are best implemented or supported by the agency and identify the main beneficiaries (Agency Objective).
- **Objective III:** To investigate why individuals became involved, how they have benefited from food network involvement and to identify how food networks seek to add value to food products (Producer Objective).
- **Objective IV:** To explore how these programmes contribute to the development of the surrounding rural areas (economic, social, cultural and environmental impacts) and to identify/establish the reasons for their success and their overall applicability in the Irish context (Policy Objective).

**Methodology**

The case study method was deemed the most effective means of examining how and why agencies promote networking initiatives at local and regional levels. The case study method is designed to identify and gather both qualitative and quantitative data and is particularly suited to this type of analysis where a number of diverse groups are involved in the network, from the individual business at ground
level to the organisations running the network, to the agencies funding and facilitating the network. It was deemed necessary to establish a number of common key selection criteria or indicators of success of the cases to be studied. The primary criterion was that each case must be agency driven and operate under a programme approach as promoted by rural development agencies. Other selection criteria included: (i) increasing the value of primary food products and contributing to the rural area, (ii) aim to increase collaboration between members of the network, (iii) be innovative from a funding point of view – a new idea or approach and (iv) employ a professional co-ordinator.

It was decided to select cases that were operating at various stages along the value added food chain. The first case, Western Organic Strategic Initiative (WOSI) was chosen as a network involving organic producers with the aim of increasing the level of organic production in the region and developing links with the market place. The Clare Good Food Circle case features restaurants that aim to source local products from food producers, and to raise the quality and culinary standards of catering establishments. The third case, the West Cork Regional Branding Initiative, incorporates quality food and tourism products. It has the aim of raising brand awareness of locally produced foods and improving access to, sales in and relationships with key retail multiple groups and stores.

A two-stage approach was adopted. The aim of the first stage was to build a profile of the case study based on a review of available secondary data and telephone conversations with relevant respondents in each case. The case was selected if it met the criteria and fieldwork was carried out during the second stage. Primary data was collected from three main sources of data – in-depth interviews, documentation and survey of network members. The interview questionnaire centred around five main themes: (i) characteristics and profile of organization, (ii) role in the network/programme, (iii) adding value, (iv) networking and (v) rural development and sustainability. Relevant documentary evidence for each case was collected and included such items as annual reports, newsletters, feasibility studies, letters of correspondence and newspaper articles.

The third source of data was the survey of participants. A telephone survey was used in the case of organic producers. A postal survey was used in the other two cases. A follow up telephone call was made to outstanding respondents. The survey used Likert type statement (on a scale of 1 to 5, where 1 = very unimportant and 5 = very important) to investigate the reasons why enterprises joined the network (10 statements) and their level of satisfaction with the network since joining (4 statements).

**WOSI:** Seven in-depth semi-structured interviews were conducted with key members of WOSI. Representatives from the private and public sector were interviewed. Using a telephone questionnaire 35 out of a total of 59 members of the Western Organic Network (WON) were surveyed during the months of June and July 2004.

**Clare Good Food Circle:** In-depth interviews were conducted with all three agencies supporting the network. A survey of members of the food circle was also conducted using a postal questionnaire. 58 questionnaires were posted out, of which 19 were returned. Different questionnaires were sent out to food producers and restaurants. Telephone calls were made to all outstanding members and a further 17 were surveyed over the telephone. Results from both postal and telephone questionnaires were consistent with each other, although all questions

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were answered using the telephone survey. Results from food producers and restaurants have been analysed separately.

**West Cork Regional Branding Initiative:** Five interviews were carried out with key informants. Two interviews were carried out with West Cork LEADER Company to give the agency perspective and three retail members of the Retail Affiliate Scheme were interviewed to give an understanding of retail views. A postal survey of all members of the retail affiliate scheme was also carried out.

**Background & Context:**
*This section has two main aims. The first presents a review of literature on agricultural and rural policies relevant to this research. The second presents a review of the growth of food SMEs in rural areas and the emergence of food networking among speciality and organic food producers.*

**Agricultural and rural policies**
This section looks at some of the aspects of agricultural and rural change in Ireland within the context of the policy framework of the European Union (EU). A brief review of the agricultural sector before Ireland became a member of the European Economic Community (ECC) in 1973 is given. This is followed by a review of the development of rural areas in Ireland since accession to the ECC. Agriculture and rural development are treated as analytically distinct topics, although they are both part of the same rural reality. This approach is used partly for the ease of treatment, but also to reflect the fact that the activities have tended to be compartmentalised from an EU policy perspective (Davis and Shortall, 1999). The section has three main aims. Firstly, to explore the role of the agri-food sector in Ireland and some of the key changes since EU accession. Secondly, to provide an overview of the consequences of EU membership for the farm sector and the wider rural society. Thirdly, to examine the emergence of EU prompted rural development policy and practice in Ireland, and to identify important issues related to the implementation of this policy (in the form of programmes) in the country.

**Agri-food in Ireland**
Agriculture and food industry are key elements to the Irish economy. The agri-food sector accounted for 8.9% of Gross Domestic Product (GDP) and 9% of employment in 2003 (Dept of Agriculture and Food, 2004). While primary agriculture accounted for 2% of GDP in 2003, compared to almost 17% when Ireland joined the EU in 1973, it is still above the EU-15 average of 1.6%. At €7 billion agri-food exports account for 8.3% total Irish exports. However, when the low import content of agriculture and the low repatriation of profits are taken into account, the agri-food sector still accounts for around 25% of net foreign earnings (Dept of Agriculture and Food, 2004). While agri-food sector’s share of GDP and employment, will most likely continue to fall as new sectors of the economy grow, the sector will remain a significant source of national wealth (Dept of Agriculture and Food, 2000).

**Changes in the agri-food sector**
Prior to joining the EU the agri-food sector was based on small-scale private and cooperative businesses, operating in a market where there was an on-going shift, from exporting live animals to commodity marketing (e.g. beef and lamb). Accession to the EU began a period of market expansion, rationalisation of production facilities,
technological development, diversification, product innovation, overseas acquisitions and consequent improvement in market access and distribution systems. (McDonagh & Commins, 2000).

During the mid 1980s there was concern over declining farm incomes, overproduction of numerous agricultural products, animal welfare concerns and environmental and food quality issues. This shift in opinion has been categorised as the ‘post-productivist transition’ and it resulted in a comprehensive transformation of the Irish agri-food industry (Callanan et al. 2003). There was a reduction in food output, a retraction of agricultural subsidies, food products became more internationally competitive and agricultural systems became more sustainable (Ilbery & Kneafsey, 1998). Frawley & Phelan (2001) identified the major changes in agricultural structures and policy environment in Ireland during the nineties. These can be summarised as (i) continued decline in farm labour force, (ii) increase in part-time farming and multiple income farm households, (iii) the continuing decline in farm numbers, (iv) changes in systems/sizes, (v) demographic changes and (vi) at a more general level the changing policy environment in which farming operates. These changes are seen to have both positive and negative effects on rural development. The contribution of part-time farming to the maintenance of farm families in their local communities has a positive effect on rural development. However the decline in farm numbers can have a negative effect on local employment, balanced development and the environment, which are three important dimensions of rural development as noted in the white paper of rural development (Dept of Agriculture and Food 1999).

Given these structural changes the food industry has had to become more competitive, more value has been added to food and the industry has become more innovative and market orientated. The Irish food industry now boasts high technological production systems, New Product Development (NDP) and more diverse food chains.

The current trend in the agri-food sector is away from a ‘supply-driven’ food market to one that responds to values, perceptions and preferences of consumers. This is accompanied by a consumer emphasis on processes that are environmentally friendly, on products that are produced ‘naturally’, or are deemed to be unique, authentic and identifiable with particular places (McDonagh & Commins, 2000). The traditional emphasis on primary processing and bulk products for export has given way to the development of value-added goods for domestic and overseas markets (McDonagh & Commins, 1999). This has been one of the bases for the emergence of markets for speciality and organic foods.

Developments at EU and international level, as well as changing market trends, present challenges for the agri-food sector if it is to continue to grow (NDP 2000-2006). In the future the Irish agri-food sector will have to be increasingly competitive in the EU and international markets (Dept Agriculture and Food, 2002)\(^1\). The Agri-food 2010 report sets out a long-term strategy for both agriculture and the food industry and reports on changes that are needed to ensure the best possible outcome for the agri-food sector in Ireland. This sector is viewed to have a significant capacity to contribute to sustainable rural development (Dept of Agriculture and Food, 2000).

**Emergence of rural development**

While there are now numerous policy documents and reports on rural development in Ireland and beyond, there is still no agreed definition. There is

\(^1\) [http://www.agriculture.gov.ie/publicat/review02-03/Dept_%20Agri_Review02_03.pdf](http://www.agriculture.gov.ie/publicat/review02-03/Dept_%20Agri_Review02_03.pdf).
little consensus as to a precise definition or meaning of rural development or how it is measured (Frawley and Phelan, 2001). Davis and Shortall (1999) note that rural development is generally assumed to embody social, economic and environmental advancement. O’Reilly and Gough define rural development as an approach integrating the development of rural economy and society, with due consideration of culture and environment (O’Reilly and Gough, 2002).

It may be argued that an increasing degree of on-farm processing may facilitate a transition from a traditional agricultural policy, mainly characterised by price supports and direct income payments, to an integrated rural development policy (Ekman and Andersson, 1997). While the CAP has undergone significant reform in recent decades, it continues to have a strong agricultural focus. Davis and Shortall argue that the change in emphasis is evident in the difference between the Cork Declaration, which placed great emphasis on rural development, and the finally agreed Agenda 2000 document, which more pointedly tied rural development to agricultural diversity. Davis and Shortall also note that rural development programmes signal an attempt to move away from sectoral support measures such as primary agriculture, towards an area based or territorial approach.

**History of rural development**

The foundations for the agricultural policies that operate today in Western Europe were laid in the 1880s and the 1930s when protection of agriculture from foreign competition was either imposed or increased (Sheehy, 2000). The objectives of protection and subsidisation have varied somewhat between countries but four general motives can be identified as follows: (i) to raise prices received by farmers and thereby support their incomes; (ii) to stabilise agriculture prices; (iii) to promote economic growth and food “security”; and (iv) to preserve rural society. The fourth objective, namely, the preservation of rural society has been receiving increased attention over the last two decades, but it is not a new objective. Ireland had a “save the West” campaign as far back as the mid-1960s, and the long defunct Congested Districts Board was established in 1891 for a similar purpose but was abolished in 1923 (Sheehy, 2000).

During the 1960s public debates and government policies began to focus on the idea of developing the rural economy (O’Reilly and Gough, 2002). The need for widespread development as a response to rural problems became an important issue during this decade. However, with Ireland’s accession to the EEC many of these policies did not get the chance to emerge. Furthermore, membership of the EEC changed the context of national policy formation for agriculture and rural development.

Between 1973 and the mid 1980s there was a marked change in Irish agricultural and rural development policies. This period saw the demise of any continuation of an integrated approach to rural development (O’Reilly and Gough, 2002). The main reasons why rural development policies of the sixties did not come into effect were: (i) entry into the EEC, (ii) regional policy and (iii) economic situation. During this period the Common Agricultural Policy (CAP) focused attention on supports for production agriculture and Irish regional policy was reduced as Ireland was classified as an Objective 1 region. Economic conditions were deteriorating during the 1970s and the government shifted emphasis from rural development to macro-economic activities. Apart from the Industrial Development Authority’s

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1 Objective 1: This objective was concerned with the development and structural adjustment of the less developed regions. Regions with a GDP less than 75% of the EU average qualified for this category of top level funding.
programme of industrialisation, rural development was not a priority in Ireland and it was not until the latter half of the 1990s that rural development re-emerged.

**The need for reform:** The Irish agricultural sector had benefited enormously from the CAP during the 1970s and 1980s in that guaranteed prices provided the stability to plan and expand, something that had traditionally been absent (Dept of Agriculture, 2003). The role of the CAP has changed: in the aftermath of the Second World War the CAP was mainly aimed at achieving self-sufficiency in food products and stabilising the turbulent agricultural markets. By the 1980s, the CAP had met these goals, in particular eliminating food shortages. However, some initial goals were over-achieved. Productivity rose so sharply resulting in milk lakes and beef mountains and the negative impact of intensive agriculture on the environment, animal welfare and food quality were some of the costs of CAP (European Commission, DG for Agriculture, 1998).

Various measures were taken to curb the growth in production and to contain the CAP budget, including the introduction of milk quotas in 1984 (Lowe et al, 2001). The need to reform CAP had become obvious, and the move to a Single European Market (SEM) in 1992 contributed to a major shift in emphasis at EU level (O’Reilly and Gough, 2002). In 1988 the Commission produced its first major document on rural development ‘The Future of Rural Society’. This document played a prominent role in bringing about new rural policies in Ireland. It stated that rural development could not continually depend on agriculture alone and advocated the introduction of an effective policy for rural areas by “creating a legal framework which stimulates initiatives and enterprise in rural areas”. From the mid 1980s to the mid 1990s an integrated approach to rural development re-appeared on the Irish policy agenda (O’Reilly and Gough, 2002).

**CAP Reform**

The CAP has been the subject of incremental reforms since the mid 1980s, responding to political and budgetary pressures arising from food surpluses and costs of storing and disposing them (Lowe et al, 2001). The first major reform of the CAP, known as the MacSharry Reforms represented a huge challenge to Irish farmers and to policy makers, especially if agriculture was to retain its central role in the rural economy and rural life in general. Responding to the external and internal pressures, the MacSharry Reforms involved much lower price support levels for some major products (especially cereals, beef and oilseeds), set-aside and quota mechanisms, together with the introduction of direct payments (arable aid and headage payments for livestock) to compensate for price reduction. More importantly there was also a set of accompanying measures incorporating an agri-environmental action programme, an early retirement scheme for farmers and afforestation of agricultural land. MacSharry underlined the new importance of the environment by proclaiming that farmers now have a dual function, namely the traditional one of commodity production and a new one as guardians of the countryside (Sheehy, 2000). Thus, there was a fundamental shift away from price guarantees, supported by trade policy, towards lower guaranteed minimum prices, direct payments and rural development measures. The growing emphasis on rural development from this time onwards was also indicated by the launch of the LEADER project in 1991 and its further enhancement in subsequent years (Dept of Agriculture, 2003).

Agenda 2000 was the next major reform of the CAP. Agenda 2000 decisions were made against a background of continuing over-production. In effect
Agenda 2000 was a second tranche of the MacSharry reforms containing the same basic ingredients of support price reduction, compensation, supply control and funding for rural public goods (Sheehy, 2000). Agenda 2000 is still seen as a further major step towards supporting the broader rural economy. It recognised the multifunctional role of agriculture, and also ensured that farmers were rewarded not only for what they produced but also for their general contribution to society (Dept of Agriculture and Food, 2003). The Agenda 2000 agreement aimed to ensure the competitiveness of the EU agricultural sector; promote ways of farming that contribute to the maintenance and enhancement of the rural environment and landscape; and contribute to sustaining the livelihood of farmers while promoting the economic development of the wider rural economy. These aims were achieved by further reducing guaranteed prices, partially offset by direct payments to farmers; encouraging more environmentally friendly farming practices; focusing on quality and safety of food, environmental protection and animal welfare in farming; and promoting an integrated approach to rural development. Such changes represented a policy that promoted a competitive, multifunctional agricultural sector as part of an integrated strategy for rural development. This policy took forward the idea of the promotion of a sustainable rural policy within the CAP through a flexible and programmed approach that would be responsive to the diversity of the needs of rural areas and environmental circumstances across the EU (Lowe et al, 2001).

From the perspective of transforming the CAP from a sectoral policy of farm commodity support into an integrated policy for rural development and environmental improvement, the most significant feature of the Agenda 2000 reforms is the Rural Development Regulation (1257/99) (Lowe et al, 2001). This is often referred to as the “second pillar” of the CAP.

Probably the most radical reform of the CAP since its establishment occurred in 2003 with the Agenda 2000 Mid-Term Review agreement. With this reform CAP is now firmly based on the principles of market orientation, sustainability and environmental awareness. The modified CAP has separated or “decoupled” agricultural production from EU subsidies and has completely changed the way the EU supports its farm sector. The new CAP will be geared towards consumers and taxpayers, while giving farmers the freedom to produce what the market wants (http://europa.EU). In the future the vast majority of subsidies will be paid without reference to the volume of production. Known as the Luxemburg Agreement, the new “single farm payments” will be linked to environmental, food safety and animal welfare standards. Severing the link between subsidies and production will make EU farmers more competitive and market oriented, while providing the necessary income stability.

There will be a strengthened rural development policy with more EU money, including new measures for the environment, quality and animal welfare to help farmers meet EU production standards starting in 2005 (Irish Examiner Farming, 17.07.03) There will be a reduction in direct payments (“modulation”) for bigger farms to finance new rural development policy.

Towards Sustainable agriculture
The recent reforms of the CAP, lays down the parameters within which the CAP will function until 2013. Rural development policy reflects the EU’s vision on the role of agriculture in society and how this role is valued by society. Promoting sustainable agriculture and improving regional development
pose important challenges for policymakers. Matthews (2002) evaluated the extent to which the EUs agricultural policy post-Agenda 2000 as implemented in Ireland, has helped to encourage more sustainable and environmentally aware agricultural production. As a regional development vehicle organic farming and food production have been recognised as appropriate ways forward at national and EU levels. Two broad motivations for the acceptance of organic farming into general agricultural policy in Europe have been identified by the Western Development Commission (WDC, 2001). The first has an ecological perspective in that in recent years there has been increasing focus on the environmental impacts of farming and organic farming has gained attention as an environmentally friendly production system. The second is an economic perspective and is focused on whether organic production will lead to higher incomes for farmers, particularly for smaller farmers.

**Rural development programmes**

Irish and EU policy statements have placed greater emphasis on enabling and empowering rural people to take greater control over their own destinies through ‘bottom-up integrated rural development’ approaches (Davis et al, 1999). In this review of rural development in Ireland the focus is on those programmes that emphasise a participative structure as there is increasing EU emphasis on these programmes.

**Reasons for introduction of these programmes**

Population decline and relatively low income levels, arising from reductions in farm prices and from limited opportunities for off-farm employment, were some of the main problems that faced rural areas in Ireland in the 1980s. These trends reflected large-scale and widely distributed losses of populations from rural Ireland. The underlying reasons for these losses included the limited employment potential of many small farms under conventional farming systems, and the absence of adequate non-farm employment opportunities to absorb out migration from agriculture (Cawley and Keane, 1999).

It was towards the end of the 1980s and the beginning of the 1990s, which saw the introduction of a broad range of programmes with the express intention of relieving such pressures on rural society (O’Reilly and Gough, 2002). Overcoming the symptoms of social and economic weaknesses that existed in large areas of rural Ireland resulted in action through a series of policies and agencies introduced during the later 1980s and the 1990s (Cawley and Keane, 1999, Davies 1999). These included the EU assisted Operational Programmes for Rural Development, Forestry, Tourism and Fisheries which formed part of the National Development Programmes, LEADER I, LEADER II and LEADER + EU programmes, area based partnership initiatives, the establishment of 36 County Enterprise Boards to support small-scale enterprise in 1994. The establishment of the Western Development Commission (WDC) in February 1999 to foster and promote economic and social development in the seven counties of the region.

**Current issues in rural development**

The rural development process is moving forward and slowly evolving into a more comprehensive policy (O’Reilly and Gough, 2002). The White Paper on Rural Development sets out a vision and a framework for the development and structure of rural Ireland. The government’s vision of rural development is to maintain vibrant, sustainable communities and the general headings under which this vision will be implemented are (i) the development of institutional arrangements to empower rural communities; (ii) to ensure balanced regional development; (iii) employment maintenance and creation; (iv) to enhance the human
resources in rural areas particularly education and training and community development; (v) to promote social inclusion; (vi) to support and foster the heritage and culture of rural areas; and (vii) to protect and enhance the rural environment. (Frawley and Phelan, 2002).

As a result of LEADER and the operational programmes, there is currently a wide range of institutions and initiatives in place to support rural and area-based development. However, there are some doubts or questions about what is feasible and sensible in economic terms in this area, within the framework of wider demands which hinder the pace and overall national development (Cawley and Keane, 1999). Referring to work by Matthews, these authors review how Matthews suggests that it makes sense to invest in rural development initiatives only if they can contribute added value in ways, which are not available to mainstream agencies.

Throughout the 1990s, rural areas of Europe embraced local action and local development solutions to face the challenge of the continued re-structuring of the agricultural industry (Scott 2003). In parallel to this, a policy discourse has emerged which visualises a fundamental shift in support policies for rural areas from a sectoral approach (essentially agricultural) to one that is territorial (Scott, 2003, Davies and Shortall, 1999). Front-lining these developments has been the European Commission’s (EC) LEADER programme for integrated rural development. In his analysis of the role of the LEADER II programme in building institutional capacity in rural Northern Ireland, Scott notes that this programme enabled a fundamental review of the rural resource base, involving a shift from single sector agriculture support to a wider multi-sectoral approach for the rural economy. He also notes that the projects developed under this programme have acted as demonstration projects, providing an ability to develop a rural vision, which will be important in managing future change.

**Summary**

The evolution of both agricultural and rural development policies since EU accession has been one of the main contributors to the success of Irish economic and social development. This above section has looked at the main aspects of agricultural and rural change and development in Ireland over the last three decades. The CAP, including structural funds measures to promote rural development, remains by far the largest common policy programme in the EU. Therefore, the CAP is a very important source of support for Ireland’s agricultural sector and rural society (Davis and Shortall, 1999). The regional and area based development projects and programmes that have been promoted have recognised the fact that not all needs or opportunities of rural areas can be dealt with, at a very local level through individual projects. There is a need to support projects and programmes that address specific economic, environmental, social or cultural issues on a wider geographic basis. The bottom-up approach underlying many of these programmes means locals make decisions for their own area. The partnership approach of these rural development programmes, such as LEADER, adds value through building shared knowledge and understanding, generating opportunities for creative synergy, and developing the capacity among shareholders to work together to solve common problems (Scott, 2003).

**Networking and adding value**

This section has two main aims. It firstly aims to review the theory behind SME food networks in Ireland. The growth of food SMEs in rural areas and the emergence of food networking among speciality and organic food producers with particular emphasis on alternative food networks and short food supply
chain networks are reviewed. The review tends to focus on those theories that are most immediately and evidently applicable to rural areas. The second aim is to examine value adding within the context of current trends in rural development by reviewing relevant organic and speciality food literature and policy statements.

**Growth of speciality and organic enterprises**

Similar to other European countries the number of registered organic producers in Ireland has been growing rapidly throughout the 1990s albeit from a very low base. The past 25 years has also seen the emergence of individual speciality food producers, growers and retailers who have slowly integrated into friendships, networks and organisations with wider market demand for their products (Sage, 2003). These primarily rural-based food enterprises focus on the production of niche, high quality, artisan type products (Meehan et al, 2001).

The emergence of alternative or ‘new’ food networks in globalised agricultural economies can be seen against the background of a number of fundamental changes in the agri-food sector as discussed earlier. On the consumption side important transitions in consumer perceptions of food and farming have occurred (Renting et al, 2003), where the public image of agriculture has become dominated by an ongoing stream of food scandals, ranging from salmonella to bovine spongiform encephalopathy (BSE) to the introduction of genetically modified organisms (GMOs). Such circumstances have added to the debate on food source and quality. Also in the Irish context there is a trend away from a ‘supply-driven’ food market to one which responds to the values, perceptions and preferences of consumers and a trend towards purchasing more speciality foods as a result of rising disposable incomes and foreign holidays encouraging more adventurous eating (McDonagh and Commins, 2000). On the production side of the agri-food sector, the emergence of alternative food supply chains should be seen in the light of the continuous and increased pressure on farm incomes where a growing number of producers are willing to try their luck with alternative forms of production and new ways of marketing (Renting et al, 2003). Producers are encouraged to establish more collective forms of market organisation (product market groups, networks, partnerships, etc) to increase their market power, avoid fragmented and costly marketing arrangements, and lobby for policy supports appropriate to their needs.

**Promoting networking at agency level**

It has become increasingly clear that networks within a business community are an extremely important factor in sustaining small food businesses. Kneafsey and Ilbery (2000) identified that network building is important in the speciality food sector given the fierce competition between supermarkets and small delis and speciality food stores. However assistance is required to bring people together in order to encourage networking. According to McDonagh and Commins (1999), while the general rural policy environment has been favourable to local enterprise development without any direct focus on speciality foods, newer models of rural development have been instrumental in supporting the emergence of small-scale quality food production. This is the basis of the support given to the sector by the LEADER programme in Ireland. Many small food enterprises in Ireland have received support from the LEADER I, II and + programmes on an individual and group basis. An Bord Bia² has facilitated networking among speciality food producers as part of its strategic response to the key issues facing speciality food producers in Ireland. Consumer and promotional

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² Bord Bia is the Irish Food Board
events are important forms of strategic marketing viewed to help boost sales of speciality foods in Ireland and Britain.

**The emergence of food networks**
The creation, operation and evolution of new or alternative food supply chains are some of the key aspects of new rural development patterns now emerging (Marsden et al 2000, Renting et al, 2002, Sage 2003). The production of high quality speciality food often sold through short food supply chains (SFSCs) featuring local markets and embedded within a local or regional identity has become a feature of many rural areas in Europe (Sage 2003). A new rural development dynamic (Ilbery et al, 1998) supports the development of SFSCs, with the focus on economies of scope and synergy of operation rather than on economies of scale. This new dynamic in rural development also focuses on the importance of ‘new associations’ that involves interactions between producers and various external actors and institutions.

The process of network building between the producer and consumer is very important for the speciality food producer, with the personal contact and ‘word of mouth’ two of the most cited methods of marketing products (Ilbery and Kneafsey, 2000). From the perspective of the speciality food producer, securing repeat purchases depends not only on offering a kind of personal guarantee of quality, but also on the maintenance of trusting relationships between the buyer and the supplier. This trust is based on the characteristics of the product itself, along with the whole set of circumstances and networks surrounding the purchase of the product (Ilbery and Kneafsey, 2000).

**Types of Speciality food networks**
Research and policy agendas under the productivist food systems that dominated most of the second half of the last century found that embedded food networks were quite resilient in the face an intensification of agriculture and globalisation of food markets. Despite such challenges these food networks continued to operate and have strengthened and grown (Whatmore et al, 2003:389). Murdoch et al (2000) observe the various “alternative”, “quality” or “local” food networks that are emerging and developing in rural areas. Ranging from organics and fair trade to regional and artisanal products these food networks represent some of the most rapidly expanding food markets in Europe over the last decade (Whatmore et al, 2003:389).

**Vertical and horizontal networks**
Murdoch has outlined two main network approaches in rural development and differentiates between ‘vertical’ networks and ‘horizontal’ networks. Vertical networks such as commodity chains and actor theory networks are seen to link rural spaces into the agro-food sector while horizontal networks link rural spaces into more general and non-agricultural processes of economic change (Murdoch, 2000). Through vertical networks the agro-food sector has succeeded in drawing attention to the way that economic, social, technical and natural resources are grouped together within food chains. Commodity chains and actor theory networks allow interaction with the various components that make up rural areas. The continuing problems faced by farmers and others in rural areas highlight the extent to which agriculture is a declining part of rural society and the food sector. Rural development strategies are now more focused on non-agricultural areas and can be characterised as horizontal or spatial strategy as opposed to vertical. These horizontal networks promote innovation and learning and focus on areas of flexibility, trust and diversity. Murdoch (2000) also assesses whether networks provide a new paradigm of rural development. He argues that any
consideration of networks in rural development must attend to the ways that new network forms interact with pre-existing socio-economic structures.

**Alternative Food Networks and Short Food Supply Chains**

AFN has been defined as a broad embracing term to cover “newly emerging networks of producers, consumers and other actors that embody alternatives to the more standardised industrial mode of food supply” (Renting et al 2003: 394). It has been suggested that AFNs may act as a potential solution to the cost price squeeze of farm enterprises (Renting et al, 2003) and have been advocated as a solution to the problems of peripheral and lagging rural regions (Ilberry and Kneafsey 1998). Within the context of recent food scares and growing mistrust of industrial food, the emergence of quality food products has given rise to a growth in interaction between the producer and consumer and thus establishing a base for network building. Sage found that AFNs have enabled the trust factor to be recovered between producers and consumers where “the high level of personal interaction.. offers an utterly novel experience to customers accustomed to retail interaction reduced to barcode scanning” (Sage, 2003).

In general speciality enterprises are small-scale and rural-based and often have problems accessing markets. As a result various distribution channels are used by such enterprises to access markets both locally and further away (O’Reilly and Haines, 2003). Marsden et al (2000) identified three types of short food supply chains: face-to-face, spatial proximity and spatially extended. The first is essentially based on face-to-face interaction as a mechanism for aligning producer – consumer networks. It involves a consumer purchasing a product direct from a producer or a processor on a face-to-face basis. The second category of SFSCs extends its reach beyond direct interaction and is essentially based on relations of proximity. These networks are mostly based on spatial proximity which means that products are produced and retailed in the specific region of production, and consumers are made aware of the local nature of the product at the point of retail. The third category further enlarges the reach of SFSCs to extended relations in time and space (Renting et al, 2003). Extended relation allows value and meaning laden information about the place of production and producers to be translated to consumers who are outside the region of production and may have no personal experience of that region. In most cases the products, e.g. speciality foods, are exported from the region to national markets.

**Embeddedness and the turn to ‘quality’**

The production of high quality food often sold through SFSCs is often characterised by a high degree of embeddedness (Sage, 2003). In the food sector concerns relating to risk, safety and traceability are placing increased emphasis on embeddedness. Drawing on the work of Murdoch et al (2000), Sage notes how the simplistic attachment of embeddedness to spatial proximity, can lend itself to a fetishizing of localness, while playing down the significance of the qualities embedded in the product itself. Sage notes that while local food production offers opportunities for capturing and retaining economic value, there is also a growing awareness of the socially embedded character of AFNs (Sage, 2002). On the other hand Hinrichs (2000) suggests that social embeddedness should be qualified by elaborating two related concepts - marketness and instrumentalism – where marketness expresses the relevance of price in a transaction and instrumentalism captures the nature of individual motivation. Producers selling at farmers’ markets may give customers “good weight”, and this is
viewed as an indication of the embeddedness of the market.

In broad terms, the underlying theme of European literature on alternative food networks is the perception of a ‘turn’ by consumers away from the supply of industrial food towards quality food products (Sage, 2003, Murdoch et al, 2000). A partial list of the production and institutional innovations associated with the quality ‘turn’ would include conversion to organic and low external input farming practices, new premium quality food production, multi-functional farm enterprises, place-based production and marketing initiatives, new modes of food provision, such as short food supply chains (SFSCs) and farmers’ markets (Goodman, 2004). Within the mainstream food industry and regulatory agencies quality has become synonymous with safety (Sage, 2003) and has become wrapped in a discourse of assurance (Ilberry and Kneafsey, 1999). Sage notes that somewhat different notions of quality are formed within AFNs “but are generally more explicit about the embodied characteristics of the product – its taste, appearance and other sensual attributes – which give it distinction” (Sage, 2003).

Types of adding value activities
Value is added by transforming a product but it is only realised when the product is sold (Slee, 1989). Adding value has been defined as anything done to further prepare a product/commodity for the consumer, such as processing, packaging or marketing (Dalton et al, 2002). A primary producer can add value to a product in a number of ways. First, alternative marketing channels can be employed which yield a higher return than those used normally. This approach can be seen clearly in direct marketing and the increment to producers’ incomes from cutting out the wholesaler’s margin. Second, value can be added by further processing a raw product. Other types of adding value include ensuring product freshness, providing after sales service and something as simple as washing the product. Adding value to food products may also involve promotion of the local or regional environment and quality. Thus, adding value can be based on supply side factors, such as the ability of an enterprise to add ‘uniqueness’ to its product or it can rely on demand side factor by being dependent on the understanding of the needs, wants and perceptions of customers and consumers (McDonagh and Commins, 2000). Adding value to a product normally takes the producer closer to the final consumer so the need to adopt a marketing
approach and the perils of neglecting it, are all the more apparent (Slee, 1989). Rural SMEs tend to lose competitiveness in the context of weak promotion and marketing (McDonagh and Commins, 2000). While on-farm production of high quality ‘value added’ foods plays a somewhat minor role in rural development in Ireland currently, its relevance is seen more in its potential role and in the development of the vital linkages between the agriculture and food sectors (O’Connor and Gorman, 2003). This is emphasised in the Irish Government’s White Paper on Rural Development (1999) and is also supported by the fact that Teagasc, the Irish Agriculture and Food Development Authority, has actively promoted food enterprise as a key element of its rural enterprise strategy (Teagasc, 1998).

**Implications of adding value:**
Adding value to a product is important from a socio-economic and environmental viewpoint. Producers and representative organisations have looked at the concept of added value as a means of recovery from the problems of the cost-price squeeze and the threat of lower prices of conventional products (Slee, 1989). Producers increasingly have to recombine the productive resources of land, labour and capital both within and outside the farm business and a wide range of accumulation and survival strategies is emerging (Bowler et al, 1996). The agri-food sector is faced with mixed prospects, where the agricultural sector is challenged with continuing decline and the potential growth for the food-processing sector. The sector is encouraged to adapt to such market changes by focusing on the development of higher value added food processing activities. The diversity and distinctiveness of rural Ireland is one of the country’s most enduring assets and is a local product that rural enterprises can develop. Rural areas can capitalise on their particularly distinctive features: indigenous products and services, attractive environments, cultural heritages, and separate territorial identities (McDonagh & Commins, 2000).

**Constraints against adding value**
As identified earlier in the section the shift from long to short food supply chains may help producers recapture the value in the supply chain. However, particular attention has been drawn towards concepts of “relocalisation” and the emergence of “alternative food networks” in recent literature, where it “sounds fine in theory” but “in practice it is far from clear what will actually happen, where and how” (Renting et al, 2003). These authors note how socio-economic values can be gained by localising, shortening and synergising the food chain but also recognise a number of barriers that question the emergence of such an “agrarian based rural development dynamic”. Factors identified that may constrain the emergence of such a dynamic, including: the small number and size of alternative producers operating in rural regions; the restrictive and constraining influence of bureaucracy on forms of alternative production where expanding activities on a small farm to continue adding value may prove too risky financially; the shortfall of key intermediaries in rural regions that are able and willing to conform to such alternative forms of production; the poor provision of key physical infrastructures e.g. roads, railway and telecommunications (Ilbery et al, 2003).

**Adding value on farm – organic production**
This section seeks to look at the growth in organic production, particularly in the 1990s, and the respective emergence of a new consumption market – the organic one. It aims to describe the development of the market for organic products and the growth of organic production in Ireland. Organic farming is increasingly being recognised as a potential solution to many of the policy problems facing agriculture in both developed and developing countries (Lampkin, 1994). It is also seen as part of
a wider movement to strengthen the place of farmers in food chains by highlighting issues of quality, especially as this notion is linked to the local environment of production (Murdoch, 2000). Supporters of organic production point to it producing a wide range of benefits including improved environmental management and a positive impact on employment. It is also argued that organic production is well placed to support local and regional economies. Lampkin and Measures (1999) define organic farming as an approach to agriculture where the aim is to create integrated, humane, environmentally and economically sustainable agricultural production systems.

The organic sector in Ireland is very small and well below the EU average, both in production and consumption (Dept Agriculture and Food, 2002). The number of registered organic producers in Ireland grew rapidly in the 1990s albeit from a very low base and peaked in 1999 at just over 1,100. However, the number of registered organic producers has decreased to 923 in 2002 (Dept of Agriculture and Food, 2003). This lack of growth in the Irish supply base has meant that as demand increases, processors are becoming more dependent on finding alternative sources of supply in order to meet customer demands (Bord Bia, 2003). Total land under organic production in 2002 accounted for 0.7% of utilised agricultural area, which is only one third of the EU average. Most product categories within the sector have averaged growth levels of over twenty per cent over the last five years which has resulted in the market value of the organic sector reaching approximately €38 million in 2003 (Bord Bia, 2003). However, the trend over the last two years has been one of a slow down in annual growth rates to a moderate level of around ten per cent. Fruit and vegetables remain the product categories most likely to be bought by consumers followed by meat, poultry and dairy products. There has been an increase in the product range available on the Irish market in recent years with Irish processors all experiencing increased product lines. However suppliers are finding it increasingly difficult to meet the growing demand by consumers. This has led to the increased reliance on imported ingredients given the limited scale of the Irish supply base, as highlighted in by The Organic supply base, as highlighted in by The Organic Development Committee in their report to the Dept of Agriculture & Food in 2002.

**Adding value post farm – speciality food production**

*Small food producers are a new force of wealth creators – a source of innovation, employment, and rural and urban development as well as key leaders in the positioning and image of Ireland as a food island internationally* (Bord Bia, 2003)

There has been a rapid expansion in speciality foods over the last decade, many involving the rediscovery of traditional foodstuffs and techniques on the part of small-scale producers, as a response to a growing and discerning market at home and abroad. Generally these foods are produced in rural areas (McDonagh and Commins 1999). Bord Bia identified 298 small food firms in Ireland, which can be classified as small\(^3\) or micro\(^4\) and have an estimated output of €450 million (Bord Bia, 2003).

South West Ireland in particular the western part of County Cork, is strongly represented in the number of small-scale artisanal food enterprises. One of the distinctive features of this sector is that a majority of them are outsiders, principally non-nationals, but also Irish people from other parts of the country (Sage, 2003). SMEs in rural areas tend to target

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\(^3\) A small enterprise is defined by the EU as one which has: fewer than 50 employees; and has either an annual turnover not exceeding €8.98 million or an annual balance sheet not exceeding €8 million; and is independent (where 25% or more of the capital or the voting rights is not owned externally).

\(^4\) A micro enterprise conforms to the definition for a small enterprise, except that it has fewer than 10 employees.
market segments not served by larger producers. Such ‘niching’ allows food producers to attain in-depth knowledge of customers’ needs, and identifies opportunities for high margins because of the perception of added value (Ilbery and Kneafsey, 1999).

Regional imaging
Both the EU and Organisation for Economic Co-operation and Development (OECD) have identified that regional imagery has an important contribution to make to the niche marketing of products of rural economies. Across the EU formulised links between products and their geographic origins have a long tradition in some sectors, such as wine and cheese, particularly in countries such as Italy and France. The use of regional images in Ireland for overseas marketing of tourism and food is well established, but this forms part of national rather than regional branding (RIPPLE). In their study of small-scale speciality food producers Henchion and McIntyre (2002) found that links between region and quality production in Ireland are underdeveloped. They also found that there is a relatively low level of awareness and understanding among consumers of many of the regional based marketing initiatives that do exist. However this study also reported that two thirds of respondents identified region of origin as an important factor when deciding to purchase quality food products.

Summary
SFSCs with their focus on the needs of consumers and sustainable modes of production (Renting et al, 2002) may form the basis of future development for some European producers in a context where policy reforms seek to liberalise trade and promote sustainability. The network approach is useful as it allows development issues that are internal to rural areas to be linked with problems and opportunities that are external (Murdoch, 2000). However the same author notes that the network type must be linked to the distinct set of economic, social, cultural and natural conditions that exist in given rural areas. The promotion of networking at agency level is clearly evident under the LEADER programme with local areas being offered the opportunity to devise and carry out integrated area based strategies. However, SFSC represent active attempts by producers to recapture value in the supply chain in ways which can hopefully improve the conventional problems of the price squeeze (Renting et al, 2003). Both organic and speciality food production have contributed to developing rural areas in Ireland. They seek to maintain population levels through diversification of the economy, dispersal of employment and promotion of rural enterprise. Such enterprises play an important part in the development of rural areas contributing to sustainability. These enterprises represent local ‘bottom-up’ approaches to rural development, as distinct from ‘top-down’ approaches. Principally using local resources, generating new product lines and adding value they help to diversify local economies.
Case Analysis

This section has analysed the main findings from each case and the implications of these findings. The findings of each case are presented in four main sections.

The first presents an overview of the case study. This section outlines the development of the initiative over time, identifying key influences and roles played by various participants. Interview and survey results are presented in sections two and three, these results focus on the types of value adding and networking activities promoted by the programme. The fourth section considers how the network has contributed to rural development.

Case I Western Organic Strategic Initiative / Atlantic Organics Ltd.

The overall objective of this case study on the Western Organic Strategic Initiative (WOSI) is to examine how various organisations and agencies supported the development of the initiative.

Background:
The case study is set in the West, Northwest and Border areas of Ireland. WOSI has four key objectives: (i) to significantly increase the level of production and improve the quality of organic produce in order to meet market demand for organic produce from the private sector, mainly processors and retailers; (ii) to develop links with the market place through contracts to ensure the dispersal of organic production; (iii) to improve and develop supply base linkages; and (iv) to increase the level of information, training and advice to organic producers. WOSI arose out of recommendations put forward in a blueprint on organic agrifood production published by the WDC.

Western Development Commission (WDC) – the catalyst

The WDC is a semi-state body established by the government to promote, foster and encourage economic and social development in the seven counties of the Western Region. There are three divisions in the WDC structure: Policy, Regional Development and Investment, reflecting its three principal functions and objectives. Agriculture and tourism are two sectors that benefit from strategic initiatives in regional development. Consultation and networking are highlighted as vital elements of the work of the Regional Development Division. It is through this that the WOSI initiative emerged.

Stage I: Pre-development of WOSI:
The WDC’s Blueprint for Organic, Agri-Food Production in the West, published in April 2001 (WDC, 2001) set out 86 recommendations for the development of the organic sector at both national and regional level. Organics was identified as a sector with considerable potential to provide an important option for farmers and rural areas in the Western Region. The region was seen to have significant competitive advantage due to the scale of the activity already in organic production and a history of less intensive methods of production in agriculture.

Stage II: Development of WOSI:
In response to these recommendations the Western Organic Strategic Initiative (WOSI) was established in December 2001. Facilitated and co-ordinated by the WDC this dynamic new partnership has a cross border dimension. Figure 1 shows how representatives from three organic organisations were involved in WOSI: North West Organic Co-operative, Leitrim Organic Farmers’ Co-operative and The Organic Centre Rossinver. Referred to as

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5 The Western Region is defined by the WDC Act 1998 as counties Donegal, Sligo, Leitrim, Roscommon, Mayo, Galway and Clare.
the ‘catalyst’ of WOSI the Western Development Commission played an important role in bringing together these main organic groups in the North West/ Western Region. The member co-ops represent over 250 organic producers in the counties Sligo, Leitrim, Donegal, Roscommon, Tyrone and Derry.

**Figure 1. Structure of WOSI**

One of the first actions taken during this stage was the preparation of a feasibility study where all partners were actively involved. Funding was provided under an interterritorial project involving four LEADER + companies (Mid South Roscommon, Arigna, Donegal Local Development Company (LDC) and Inishowen Rural Development Ltd (IRDL)) (€55,000) to carry out this study. The WOSI management committee contracted three different consultants to develop an overall business plan for the WOSI programme and its 234 organic farmers. Three significant outcomes of this work are outlined in table 1. Over €900,000 was secured to initiate the three projects.

**Stage III: Establishment of Atlantic Organics Ltd.:** The four years of development work culminated in the registration of WOSI as a limited liability company named *Atlantic Organics Ltd.*, in March 2004. The partnership’s operate on a cross border basis and promotes cross border trade and business development activities.

The objectives are: (i) to increase the level of production, (ii) to add value to organic products, (iii) improve the quality of organic produce, (iv) develop marketing initiatives and (v) increase the level of information and training to the organic sector.

**Adding Value** through the WOSI programme can be viewed from a number of perspectives. Most of the key informants referred to added value in terms of increasing the value of primary produce while others referred to it in terms of training and skills. Adding value is perceived to benefit producers mainly by achieving better prices as well as improving access to a greater number of markets. The added value organic food project proposed under *Atlantic Organics Ltd* has outlined a number of areas that will be examined. One such area is the identification of new added value organic food products that can be developed using local organic produce.
**Western Organic Network Skillnet** developed and commenced in September 2003 under the Skillnet Programme and supported by The Dept. of Enterprise, Trade & Employment. A training and education co-ordinator has been employed and will deliver training throughout the Northwest/West region.

**Funding**

€270,000

**Added Value Organic Food Project** – This is a two-year project that aims to explore the market opportunities for development of added value organic food products utilising organic farm produce sourced regionally. The project will also employ a Product Development Co-ordinator and the project has been approved for 75% funding by INTERREG.

**Funding**

€292,901

**WOSI Co-ordinator/Development Manager** who will be responsible for the management and delivery of actions and programmes initiated by Atlantic Organics Ltd. This is a three-year project and has been approved for 75% funding by INTERREG.

**Funding**

€338,741

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**Table 1: Outcomes of WOSI funding**

(Source: Adapted from Working Paper on the Western Organic Strategic Initiative. March 2004)

Participation in training courses and in local food events were added value activities that offered many benefits to organic producers. These allow producers to attain additional skills and to increase their knowledge about organics. Highlighting the region’s organic culture is an important benefit of the WOSI programme. The region has more local produce available and there is greater awareness of it. In conjunction with a number of other programmes in the region, this region is aiming to establish itself as a green destination where the link between organic food and green tourism is being supported. Network 315 and the Green Box are two programmes that WOSI has collaborated with.

There is clear evidence that added value activities are viewed as important from both an agency and private sector point of view. The WDC and the co-operatives recognised the importance of adding value in terms of raising the profile of organics in the Northwest/West region, thus improving the relationship between the region’s tourist and food attractions. Likewise the organic co-operatives identified the value of the WOSI initiative in terms of raising producer knowledge and skills as a result of participation in training courses and attending meetings. This is discussed in the following section on networking. Networking within the WOSI programme takes place on two distinct levels. At level one the three participant groups have come together and created the formal structure of WOSI and on a second level between organic producers in the Western Organic Network Skillnet programme. At level one networking arises from physically bringing together different organic groups in the Northwest/West region who have a common agreed aim. These groups are in regular contact with each other through meetings and telephone. Although there was some level of interaction between these groups prior to forming WOSI, more formalised co-ordination was achieved with the launch of the initiative.

*It is pulling together three organisations with different aspirations and finding common areas of development for all three*  

(Co-op 2).

The organic sector in the Northwest/western region is benefiting from networking at this level. The participant groups are also benefiting from working closely together.

**Level II: Western Organic Network Skillnet (WON):** An important spin-off of WOSI has been the Western Organic Network (WON), a Skillnets programme which facilitates networking among

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6 Network 315 (named after the latitude of the area) is a network of food producers in the region.

7 The Green Box is Ireland’s first eco-tourism initiative developed by the Western Development Tourism Programme in association with the WDC and the Organic Centre. It features activities such as walking and cycling and promotes locally produced organic food.
organic producers. This network delivers training and information to organic farmers and growers and those who are thinking of conversion to organic farming. A training networks grant under the Skillnet Programme was secured in early 2003 from the Dept. of Enterprise, Trade & Employment. Skillnet was set up in 1998 by the Department of Trade and Industry to mobilise and support groups of enterprises by establishing training networks. Skillnet approach to training is innovative in that networks are created in similar industries and then each network develops its own policies and training needs which are supported by funding from Skillnet. A co-ordinator was hired in September 2003 and training commenced with a number of public information evenings across the Northwest/Western region.

**Structure and operation of the Western Organic Network Skillnet (WON)**

Figure 2 outlines the structure of the Western Organic Network Skillnet (WON). It shows how there are five member businesses with between 10 and 15 members in WON and a training co-ordinator. WON comprises of the following networks (member businesses): South West Donegal network; Sligo / Leitrim network; North Donegal network; Carrick-on-Shannon network and Roscommon network. The following section presents the main results obtained from the survey of WON members.

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**Figure 2. Structure of Western Organic Network Skillnet (WON)**

**Results from survey of WON participants**

**Reasons for joining WON:** With the establishment of WON producers were offered a range of benefits including: monthly meetings, sharing information with others, learning with others, new contacts and friendships, high quality training, new business opportunities and mutual support and collaboration (The Western Organic Network Skillnet brochure, 2004). Although still in its early stages of existence the member survey helped establish why individuals joined. The reasons why producers joined the network were investigated under the following areas: (i) training, (ii) networking and (iii) business factors. Access to both training courses and professional advice were identified as important reasons for join the network, while less importance was placed on the availability of training at a reduced cost. When asked about networking respondents identified solidarity with other organic farmers in the region and ‘reduced uncertainty and
isolation’. Important business and marketing factors included access to information and help to improve enterprise competitiveness.

Outcomes of joining the WON: Although in operation only since September 2003, WON has helped address some key issues in the organic sector of the Northwest/West. Members have benefited from network participation in a variety of ways. The four statements presented to participants were set in terms of the network’s objectives and helped examine some important outcomes of joining WON. Participation in training courses has offered many benefits to organic producers. Due to the scattered nature of organic farming in the region, WON has brought organic producers from across a wide region together, many for the first time. Thirty eight percent of producers strongly agreed that they have more contact with other growers and producers since joining the network, while a further 21% agreed with this statement. Sixty five per cent of WON members either agreed or strongly agreed that they have improved their knowledge and skills of organics since joining WON. Only 13% of respondents agree that they have increased their level of production since joining the WON while only 28% agreed that the quality of their produce has improved since joining the network. In fact the level of agreement to the statement on quality was almost equally divided since 28% agreed, 25% were unsure and 25% disagreed that the quality of their produce has improved since joining the network.

Meetings: Networking groups have meetings on a monthly basis. At the time of fieldwork eight monthly meetings had been held with members attending an average of five and 23% attended all eight meetings. Such meetings provided members with the opportunity to be in contact with other producers from the region as well as offering them the chance to share information.

Training courses: Almost half (49%) of those surveyed had participated in at least one training course, while 23% had completed two training courses. One third of farmers had not participated in a training course and among the reasons for this was that some of the members had joined only recently and were planning to take in a training course. Results from the WON survey also revealed that the majority of farmers (72%) agreed with the annual membership fee of €110 with 25% feeling that this fee was too much. A high percentage (89%) of respondents indicated that they would continue to participate in WON.

Rural Development: The WOSI programme is deemed to have contributed to rural development in many ways. It has raised the profile of the organic sector, and contributed to human resource and skills development, particularly through the Skillnet programme.

Summary
The above analysis shows that the WDC was the main driving force behind the establishment of WOSI, particularly with regard to its role as a facilitator or catalyst. The work both on a professional and voluntary level of the participant groups is perhaps a vital influence on the development of WOSI. The availability of cross border funding also influenced its development. Adding value in terms of produce and training were two important activities in the network emphasised by almost all respondents. Facilitated by the WDC the development of organic production in the region has progressed significantly in recent years with recommendations from the Organic Blueprint laying the foundations for such development. The WOSI programme has facilitated such progress and responded to both national and regional strategy for the development of the organic sector.
Case II Clare Good Food Circle

The overall objective of this case study on the Clare Good Food Circle is to examine how agencies promote the development of the food circle.

The case study is based in the S&E region and covers all of County Clare. For the purpose of this case study a Food Circle is taken as an alternative method for achieving and monitoring quality of locally produced food, while at the same time promoting and developing the region in which the good food is located, and so serving the dual purpose of benefiting both the area and the people/businesses involved. Food Circles comprise of a number of small-scale food producers and restaurants working co-operatively for the overall benefit of the group. All members of the food circle are encouraged to highlight the local produce of the area and raise the standards of the food quality and service of their establishments.

The Clare Good Food Circle was established in 1997 under the co-ordination of Shannon Development.

The Clare Good Food Circle has a membership of 35 restaurants and 23 food producers from across the county and has the following aims: (i) to source local produce in restaurants; (ii) to raise the quality and culinary standards of catering establishments; and (iii) to raise the status of eating out and to present casual dining as affordable and accessible.

The following section describes the development of the Clare Good Food Circle and the key role played by Shannon Development.

Pre-development stage: Shannon Development – Food Circle Founder

The Limerick Food Festival was first held in 1995 as part of a series of food promotional events organised by Shannon Development. The idea was to promote local produce and to introduce this food to locals and visitors to the region. The World Banqueting Competition was held as part of the Limerick Food Festival in 1995, during which selected restaurants in the region were evaluated. The success of this competition spurred the idea for a continuous evaluation of restaurants in the region, resulting in the establishment of the Limerick Good Food Circle by Shannon Development. The co-ordinator of the food circle noted how the idea arose:

"We wanted evaluation by independent assessors from outside the region to look at us on a regular basis, rather than a competition where there is only one winner. That is how the Good Food Circle came about." (Shannon Development)

Both restaurants and food producers could benefit from the exposure they would receive, while restaurants could also gain from the evaluation process. The region could also benefit from increased recognition and promotion of its as its food culture and status.

Development of Clare Good Food Circle

The success of the Food Festival and the World Banqueting Competition laid the foundations for the Limerick Good Food Circle which was established in 1996. This was the first of four food circles to be initiated in the region by Shannon Development. Three others: Clare Good Food Circle (1997), North Tipperary Good Food Circle (1998) and North Kerry Good Food Circle (1998) developed following the success of the Limerick Good Food Circle. In all there were up to 100 restaurants in the Shannon Region Good Food Circle that were evaluated every two to three years.

Establishment of Clare Good Food Circle

The Clare Good Food Circle was established in 1997. The original food circle comprised mainly of businesses from the Ennis and Shannon areas. However, this gradually changed as restaurants and...
Food producers from across County Clare became members of the Good Food Circle which resulted in more rural businesses becoming involved. In recent years Rural Resource Development Ltd (RRD) through the LEADER programme, has played an important role in expanding the food circle into more rural areas.

**Funding of the Clare Good Food Circle:**
Initiated by Shannon Development, the Clare Good Food Circle secured funding from the local LEADER Company and the County Enterprise Board (CEB). LEADER funding was secured through Rural Resource Development Ltd (RRD) in 2001 where innovation, sustainability and financial viability were key criteria that had to be met in order to secure funding.

_We supported a lot of small food enterprises over the years and we saw potential for that to link in also, so you are not just supporting the areas and the restaurants but you are also supporting some of the small food businesses that have started up and giving them a bit of boost._

(RRD)

RRD provides funding towards food promotional events and plays an important role in encouraging new food producers to become involved in the food circle. Similarly the Clare County Enterprise Board (CEB) had grant-aided some of the food circle members on an individual basis over the years and therefore thought it appropriate to support the food circle. More importantly, the CEB saw the food circle as moving away from the idea of grant aiding individuals and towards the idea of improving the value of local produce. Figure 3 shows the operational structure of the Clare Good Food Circle. It shows how the food circle is supported by the various agencies and the interaction that takes place between the different members. Grant aid of €12,000 was secured under the Clare LEADER programme which was matched by Shannon Development. The Clare CEB grant aided a sum of €5,000 towards the Clare Good Food Circle Guide.

![Figure 3. Operational Structure of Clare Good Food Circle and support by agencies](image)

**Operational structure of Clare Good Food Circle**

Food producers and restaurants achieve membership of the Clare Good Food Circle by paying an annual subscription fee. Unlike restaurants, selection for inclusion in the food circle is not as strict for food producers who can apply for membership if their product falls under the speciality foods category. Restaurant membership of the Clare Good Food Circle is achieved by satisfying a set of criteria.
Restaurants undergo an assessment procedure before inclusion in the circle. When accepted, members are assessed periodically (usually every two years) to ensure standards are maintained.

Restaurants are categorised according to the choice of dining they offer, including: Country House; Fine Dining; Bistro / Casual; Daytime Casual and Ethnic Casual. The Clare Good Food Circle has a broad range of food producers that fall into various categories: cheese; seafood; jams, beverages; confectionary; mushrooms, poultry, chocolates, herbs, wine importers, meat, ice cream and food production.

**Reasons for joining the Clare Good Food Circle:**

The following examines the factors that the food circle participants considered important when joining. The factors examined the importance each producer placed on business, marketing and quality issues.

**Food producers:** The factors that food producers considered most important when joining the good food circle were increasing consumer demand, improving product promotion, access to new type of market outlets and solidarity with similar producers in the region. Most food producers did not join the food circle to increase their opportunity to train employees or improve access to public funds. Fifty per cent of food producers regarded increasing consumer demand as an important factor and a further 42% regarded it as a very important factor. Forty six per cent of producers considered the factor ‘improving product promotion’ as a very important factor with 23% considering it an important factor. Thirty nine per cent of food producers regarded access to new market outlets as a very important factor. Solidarity with similar businesses in the region was viewed as an important factor by 25% of food producers with an additional 25% regarding it as a very important factor and only 8% regarding it as a very unimportant factor. Sixty seven per cent of food producers did not join the food circle to improve access to public funds and support while only 8% of food producers regarded increasing the opportunity to train employees as an important factor.

**Restaurants:** Similar to food producers, most restaurants joined the food circle to improve the promotion of their restaurant and to increase consumer demand. Improving access to public funds and increasing the opportunity to train employees were among the least important factors. A majority (55%) of restaurants considered the factor ‘improving restaurant promotion’ as an important factor on joining with a further 41% regarding this as a very important factor. Increasing consumer demand was regarded as important by 41% and very important by 32% of restaurants. Solidarity with similar businesses in the region was another factor deemed important (36%) and very important (14%) by restaurants and influenced their decision to join the good food circle.

**Outcomes:** The following examines some of the important outcomes of the Clare Good Food Circle since its establishment.

**Food Producers:** Most food producers either agreed (23%) or strongly agreed (31%) that local produce has been promoted a lot more since the establishment of the Clare Good Food Circle. Forty six per cent agreed that they have more contact with similar businesses since joining the food circle while 29% were unsure and 21% disagreed with this statement. Only 31% of food producers agreed that their business was promoted and 31% agreed that the quality and standard of their food has increased as a result of joining the Clare Good Food Circle. Food producers were almost equally divided
regarding the promotion of their business as a result of joining the food circle where 37% strongly agreed, 31% disagreed and 31% were unsure.

Restaurants: Half of the restaurants agreed that their business had been promoted as a result of joining the food circle, with 27% unsure and 14% disagreed. Fifty per cent either agreed or strongly agreed that local produce had been promoted since the establishment of the food circle while 23% were unsure and 18% disagreed. Only 10% of restaurants agreed with the statement that the quality and standard of food and service had improved since joining the food circle, while 33% of restaurants strongly disagreed, and 14% disagreed that they have more contact with similar businesses since they joined the food circle.

Adding Value: The good food circle adds value in a number of ways. It provides a market outlet for many of the food producers in County Clare, it encourages improvement in the quality of food and acts as a promotional tool for its participants. Food promotional events are organised each year and a Clare Good Food Circle Guide is produced every two years.

Clare Good Food Circle Guide
The Clare Good Food Circle Guide provides an opportunity to showcase participating restaurants and food producers. The guide was first produced by Shannon Development in 1997 and focused on restaurants in the Shannon/Ennis area. Since then there has been a significant growth in the number of restaurants throughout Clare and this is reflected in the 2003-04 edition of the Guide, which has entries from Carrigaholt, Kilkee, Spanish Point, Ennistymon, Doolin, Ballyvaughan, Ennis, Quin and Scarriff. The Good Food Circle Guide is an important promotional support for the restaurants and food producers of county Clare.

Promotional Activities
To further assist the development of Clare’s good food reputation, a number of food festivals and other promotional activities have been organised by Shannon Development and RRD through the Clare LEADER programme. These jointly supported food festivals have been organised in rural towns and villages across County Clare. Locally produced foods and local restaurants are promoted, attracting a wide variety of customers and helping boost tourism in these areas.

“The idea behind the initiative is to involve local restaurants in developing menus that feature local produce” (RRD LEADER News, 2003).

Survey results revealed that over half the restaurants (55%) and most food producers (71%) had attended at least one food promotional event.

These promotional activities raise the profile of local food producers and restaurants. These activities offer food producers the opportunity to increase business sales and attract new customers. On another level, the profile of County Clare as a good food area is raised. Clare is probably better known for its tourist attractions than its food culture so the Food Circle helps to promote the County as a good food area. The use of networking to integrate food and tourism activities is discussed in the next section.

Networking
Most of the networking takes place on an informal level. The food circle does not actively promote itself as a network, but through the promotional events held, networking has emerged as an important activity. In theory the Clare Good Food Circle is seen as a network that encourages food producers and restaurants to work together and achieve higher sales and increased business profiles. The most effective means of networking in the circle has been through the organisation of commercial activities. The food promotional events, which are held in various towns around the county, are good
examples of commercial networking. Producers and restaurateurs attend these events and the level of informal networking is significant. Producers get to meet new customers and also get to know each other.

_ I think the commercial route is better than the discussion route. People get a chance to meet when they are selling products or when they are displaying their product._ (Shannon Development)

Clare is recognized for its tourist attractions and not so much for its food culture, but linking these two important sectors can be of significant value. The Good Food Circle has helped promote Clare as a quality place in which to eat out. Integration between food and tourism sectors is perceived as a key opportunity by the organisers of the Clare Good Food Circle and is something that could be further promoted in the future.

_It is vital to address networking in this county, given that Clare is very distinguished by its division north and south. The north has massive attractions such as the Cliffs of Moher, the Burren and the fine beaches. The south has very little. The sharing of activities and the interaction that goes on amongst the food circle members is vital._ (CEB)

A feasibility study commissioned by RRD examined the possibility of developing a support network for small food businesses in the county. The study also examined the potential for the development of a farmers’ market and how to increase the level of Clare produce in local retail outlets. Such initiatives are seeking to develop an integrated and inclusive food development strategy for Clare, but will require significant input from a large number of development agencies and individual stakeholders (Gleeson, 2003).

Most key respondents agreed that the food circle has been a success but are unclear about its future. The main reason for this success has been the central role played by Shannon Development and the input of Shannon Development in terms of its time, finance and the work and commitment of key individuals was highlighted. The non-sustaining nature of the circle indicates that without agency involvement, the Clare Good Food Circle would have difficulty in surviving. Shannon Development has approached its final stages as co-ordinator of the food circle; in this context the involvement of LEADER and the CEB is particularly welcome. While the involvement of these agencies promoting various sectoral groups (such as farmers’ markets, slow food movement projects and producer exhibitions) emphasises the role of speciality food producers, the network to sustain itself must also emerge as an entity in its own right.

**Rural development**

The Clare Good Food Circle has contributed to rural development in County Clare. It has helped rural towns and villages, not usually associated with ‘good food’ or tourism become recognised as attractive places to visit. Food promotional events have further promoted these more rural areas in addition to contributing to general business in the areas. The small food producers and restaurants contribute to the local economy through raising the incomes of many food producers, improving the quality of locally produced food and providing employment. In the later stages of development the Clare Good Food Circle has taken an integrated approach to the development of the food sector in the county. Shannon Development has succeeded in bringing the local CEB and LEADER Company together under the good food circle concept, which resulted in the organisation of food promotional events and the launch of the 2003-04 Clare Good Food Circle Guide.

**Summary**

The above analysis illustrates how Shannon Development was the key driver of the Clare Good Food Circle. As initiator and co-ordinator of the food circle, Shannon Development paved the way
for raising the status of food in County Clare. However, after such a development period, the emergence of a network as a self-managed entity that actively pursues specific goals and seeks funding (self-financing and/or public finance) is important to network sustainability in the long-term.

Case III West Cork Regional Branding Initiative: Retail Affiliate Scheme

The West Cork Regional Branding Initiative was devised and implemented by West Cork LEADER Co-operative in partnership with local food and tourism sectors.

The principal objective of the regional branding initiative was to promote the West Cork region by developing a branded identity for local goods and services through greater collective action between public and private sectors. From the outset the regional brand has primarily promoted both food and tourism products and services and in more recent times crafts and a retail affiliate scheme. In 2004 the brand had forty-one food producers and ninety-two tourist establishments approved to use the Fuchsia logo, with affiliated food retailers. This research focused on the food users of the Fuchsia logo, particularly on the retail stores that are members of the Retail Affiliate Scheme and the food producers supplying into these stores.

The West Cork Regional Branding Initiative comprises a range of food producers which comprise mainly of dairy, confectionary and seafood producers. The majority (76%) of food producers have a turnover of less than €1.55 million (O’Reilly, 2001). Fuchsia food producers can also be segmented according to the market that they supply. Many of the food producers supply into independent and multiple retail outlets, speciality food stores and delicatessens. However some of food producers export their products, while others supply direct to the food service sector or to the consumer. The range of markets served by Fuchsia food producers has influenced that inclusion of selected local food retailers in the Retail Affiliate Scheme.

The role of West Cork LEADER Co-op.

West Cork LEADER Co-op. (WCLC) was established in 1991 when four organisations jointly coordinated a submission for EU LEADER I Programme funding. Local groups could for the first time control significant funding over a reasonably long period of time. The food and tourism sectors were identified as key strengths in that an integrated approach to the development of the region. The development of the West Cork regional brand became a fundamental initiative during the LEADER II programme that operated between 1995 and 2000. The objective was to build a branded identity that would exploit the market potential offered by the positive associations held in the West Cork name. The brand image emphasised the clean, unspoilt environment and the richness and diversity of the area. The Fuchsia represents a symbol of quality for the food and tourism products of the region and:

“reflects positive local characteristics, such as environmental quality, as well as the richness and diversity of the heritage, culture and landscape”

(Fuchsia Brands, Tourism & Food Brochure, 2004).

The West Cork branding initiative benefited significantly under the LEADER II programme

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8 South Western Farm Services Ltd, West Cork County Development team, the West Cork Educational Institute for Rural Development and Teagasc
where an estimated €2.5m was channelled into the initiative in various supports to the brand and its member companies in the form of capital, training, marketing and research (McCUTCHEON, 2001). The West Cork Regional Brand has also benefited from funding under the most recent LEADER Programme known as LEADER + and the National Mainstream Rural Development Programmes (2001-2006). The Fuchsia flower was chosen to represent the brand as the centrepiece of the logo.

**Stages of development:** Three stages of development of the West Cork Regional Branding Initiative were identified by O’REILLY (2001): (i) pre-development stage; (ii) Development stage and (iii) establishment stage. And the most recent phase could be categorised as operational.

**Pre-development stage (1991-1994):** O’REILLY (2001) observed how during this stage linkages within and between sectors were established, although as he also points out this stage “did not yield a clear vision of what the regional brand should encompass”. The strong ties between food and tourism and their joint dependency on the regional environment were fundamental to the development of the common branding strategy. The tourism sector benefited mainly during this stage and the formation of a West Cork Tourism Group/Council. In the food sector development was slower although a number of individual projects were funded. The establishment of the West Cork Food and Alternative Farm Enterprise Partnership by the WCLC encouraged the entrepreneurial activity in the area of food and alternative farm enterprises.

**Development stage (1995-1998):** O’REILLY described how ‘development’ was promoted around a series of discussions both within and between sectors. These discussions allowed the whole regional branding concept to be more clearly defined. Three main areas of development were identified: research, dissemination and promotion of the concept of the regional brand; the emergence of a development agenda; and the establishment of structures, membership criteria and financing.

**Establishment stage (1998-2000):** A separate legal entity was established to implement the initiative – Fuchsia Brands Ltd. This company set about defining eligibility criteria for use of the brand. This stage saw the implementation of training courses that supported member eligibility and these that contributed to the overall development of the brand. When the brand was launched commercially in 1998 it had a membership of 26 food producers and 17 tourism providers.

**Operational stage (2000-2004):** During this stage, promotional activities were extensive in a bid to make the brand more recognisable in the region. Important promotional developments during this stage included: the publication of A Taste of West Cork: the launch of the Retail Affiliate Scheme; the launch of a DVD ‘West Cork – A Place Apart, An Introduction to the West Cork Regional Branding Initiative’. Indeed it was during this stage that retailers became more involved in the branding initiative with the launch of the Retail Affiliate Scheme. During 2003/4 craft makers were also approved to use the Fuchsia logo. Figure 5 outlines the structure of the West Cork Regional Brand and its main areas of focus. The development of the Regional Brand can also be viewed as a timeframe that is used by WCLC. This timeframe shows the five main stages of development of the Regional Brand between 1995 and 2002: Planning and Development, Concept Launch, Commercial Launch, Subscription Income and LEADER + funding.
Adding Value
The Retail Affiliate Scheme has been one initiative launched as part of the promotion of the West Cork Regional Branding Initiative. Changes in the Irish food retail market prompted WCLC to develop a scheme whereby retailers could qualify as members under the branding initiative. There had been a growing concern that due to the success of centralised distribution many small food producers would find it difficult to access the larger retailers. However, WCLC saw this as an opportunity for involving selected retail outlets in the regional branding initiative. Other important factors influencing the development of the Retail Affiliate Scheme was the growing trend towards the purchasing of speciality foods among consumers. Likewise there was a growing interest in the Fuchsia brand among the retail sector in more recent years to the extent that many retailers sought to become members.

The Retail Affiliate Scheme
Launched in March 2003 the Fuchsia Retail Affiliate Scheme was described as an “innovative new development in the branding initiative” (Fuchsia News, Issue 5) that aimed to incorporate quality local produce in the retail stores of the region. Figure 6 provides an outline of the structure of the Retail Affiliate Scheme. Under the Retail Affiliate Scheme WCLC has provided support in a number of ways. Training is grant aided by LEADER. Stores are audited every twelve months and this cost is covered by WCLC. All in-store promotional material is provided and all food promotional events are supported by WCLC. WCLC are in constant contact with food producers and food retailers offering advice. Member stores pay an annual fee based on the size and turnover of the business. Retailers have been subject to similar criteria as food members and must adhere to a strict code of practice. Participation in the scheme was also based on the support these retailers offered to local food producers. Many of the retailers were keen on becoming members of the Retail Affiliate Scheme. It was interesting to observe how many of the retailers had been supporters of the Fuchsia Brand before the scheme was developed.

*We have always carried Fuchsia Brand produce in the shop. We have always supported local producers* (Retailer 3).
The Retail Affiliate Scheme was implemented in two phases. Eleven stores joined the scheme in phase one followed by another 6 stores in phase two.
In August 2004 there were 17 stores participating in the Retail Affiliate Scheme. Survey results indicated that 73% of retail stores were family owned. The survey also revealed that half of these businesses were established between 1960 and 1980, 21% before 1960 and 29% were established since 1990.

**Figure 5. Structure of Retail Affiliate Scheme**

**Expectation on joining the RAS:** The factors examined the importance the retailer placed on marketing, business and networking issues. This gave a good picture of the expectations of retailers before they became members of the brand. Increasing product range and business promotion were the two most important factors considered by retailers.

**Marketing Issues:** The majority of retailers joined the RAS to promote their business with 64% finding it very important and a further 14% finding it important. For 29% of members ‘access to information on artisan foods’ was a very important factor when joining the scheme. A similar 29% were indifferent while only 7% felt it was an unimportant factor.

**Business Issues:** The majority (60%) of respondents identified an increase in product range as a very important factor. Almost half of members joined the RAS to attract new customers to the business, with 47% regarding this as a very important factor and a further 27% regarding it as an important factor.

Seventy three per cent of members joined to ‘help increase sales’ with 40% considering it important and 33% considering it very important. Forty per cent joined the RAS to help the business become more competitive. Most members did not join the RAS to access grant aid from development agencies with 54% regarding this as a very unimportant factor. Only 21% of retailers regarded access to training courses as an important factor with 36% indifferent.

**Networking Issues:** Solidarity with similar retailers in the region was regarded by 33% as important and by 20% as a very important factor when joining the network. Many retailers did not view participation in network events as an important factor when joining, in that 29% viewed it as unimportant and 21% were indifferent.

**Benefits of the Retail Affiliate Scheme (outcomes):** Important outcomes of the Retail Affiliate Scheme have included the listing of Fuchsia Branded products in stores not previously listed in and the allocation of greater shelf space to
Fuchsia products. Each member store designated one member of staff to assist customers with enquiries about the local branded products. These representatives have played an important role in liaising with consumers, food producers and WCLC. An interesting achievement of the scheme has been the fact that some members became involved in the production of own produce has allowed them to use the Fuchsia brand as food producers.

The retail stores have benefited from the promotional and training activities. Training of Retail Liaison Officer in each store has increased their knowledge of Fuchsia products and they have learned to communicate this to the consumer. The survey revealed that 27% of retail members agreed that their business has been promoted a lot since joining the scheme while an additional 20% strongly agreed. A majority of RAS members agreed (27%) or strongly agreed (33%) that their level of sales of Fuchsia branded products has increased since joining the network.

Seventy-four percent of respondents indicated that they improved their knowledge and skills in the speciality food sector since becoming members. The training courses provided and promotional events increased awareness among RAS stores who gained more knowledge on speciality and locally produced foods. Consumers have also benefited and are more aware of these products as a result of the RAS in-store signage and promotional events. These outcomes have been further examined in the following section on networking in the West Cork Regional Brand. Table 2 provides a summary of the main characteristics of the RAS.

Table 2: Characteristics of the West Cork Regional Branding Retail Affiliate Scheme

<table>
<thead>
<tr>
<th>No. of members</th>
<th>Food Producers 41</th>
<th>Food Retailer 17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Criteria for membership</td>
<td>Accreditation is based on the acceptance of and adherence to a set of criteria</td>
<td>Affiliation to the scheme is based on adherence to a code of practice</td>
</tr>
<tr>
<td>Membership fee</td>
<td>Based on size of business</td>
<td>Based on size of the store</td>
</tr>
<tr>
<td>Type of support</td>
<td>WCLC provides support in the form of start up grant aid, advice, training</td>
<td>Support provided by WCLC in the form of training and promotional materials</td>
</tr>
<tr>
<td>Training</td>
<td>HACCP training courses</td>
<td>Retail Liaison People participate in a training course. Introduced to the Fuchsia concept and to the importance of stocking local produce</td>
</tr>
<tr>
<td>Promotion</td>
<td>Food Products displayed at various events in the West Cork Region. In-store tastings, food fairs, banquets. Advertised on the press, brochures, books, DVD, etc.</td>
<td>Fuchsia products promoted using in store signage. Retail Liaison Person in contact with consumer, food producer and WCLC</td>
</tr>
</tbody>
</table>

Networking:
The West Cork Regional Branding Initiative has supported networking activity. O’Reilly (2002) also identified interaction with other members as an important outcome of networking, with the exchange of information and relationship building emerging as key benefits. The development of a strong working relationship between WCLC and the individual enterprises was also an important network feature.

The level of interaction in the Retail Affiliate Scheme is also evident and has influenced the success of the scheme. Three main features have been identified as contributing to the networking process in the West Cork Regional Brand: influence of West Cork LEADER Co-op, training programmes and food events.

Influence of West Cork LEADER Co-op: As driver of the Retail Affiliate Scheme WCLC has provided on-going support and coordination.
Individual commitment and motivation on the part of the development agency (WCLC) is a major factor behind the success of the scheme. Working with start-up enterprises helped WCLC to establish relationships with food producers as many were approved aid on an individual basis. This contributed to the high level of contact that has developed between WCLC and individual enterprises.

There appeared to be a significant amount of contact between WCLC, through the Retail Liaison Executive, and the retail stores. WCLC was in regular contact with stores to ensure the scheme was operating effectively. Interestingly, contact between the retailers and food producers is minimal and generally only occurs if a problem has arisen.

**Training:** Survey results indicated that all in store representatives participated in a three-day training course run by WCLC that consisted of visits to the premises of a number of food producers. The purpose of these visits was to facilitate in building relationships between food producers and the in store representatives. This improved understanding of the type of product available under the West Cork Regional Branding Initiative. This has been informative and increased the know awareness of products available.

*I suppose it may be that somebody who is producing cheese or yoghurt or something locally makes the assumption that everybody knows that they are doing it. The reality frequently could be that people don’t know that it is going on* (WCLC 1).

The in store reps advise customers, including locals and tourists, about what is available. The local atmosphere and ‘personal touch’ in the stores of West Cork are viewed as vital ingredients in marketing local produce.

**Food events** have played a key role in further promoting Fuchsia branded products. Such events have provided food producers with the dual opportunity of reaching new customers and also increasing their opportunity of getting listed by the larger stores. One larger retailer noted how customer reaction to some Fuchsia products sampled at a local food fair encouraged the retailer to stock the products. A quote from the latter illustrates this:

*Customer feedback would encourage us to source some new Fuchsia Branded products. For example we did not list Pádraigins Pizzas but due to positive customer feedback we decided to stock them and they are going very well.*  (Retailer 2).

This illustrates how small food producers can still access food retailer shelves.

**Rural Development**

The bottom-up approach to rural development exercised by WCLC has resulted in the promotion of West Cork as a regionally branded area. Through the LEADER programme many of the Fuchsia food producers have been supported by WCLC on an individual basis. Bringing these producers and many others together under the West Cork brand has allowed many producers access to markets that clearly could not be done on an individual basis.

*We would take the view that it is allows producers access to markets that they couldn’t obtain on an individual basis. It has allowed people access to multiples outside of central distribution*  (WCLC 1).

The exercise of this bottom-up or ‘holistic’ approach to rural development has allowed West Cork to develop not only in economic terms but also in terms of a place highlighting the image and identity of the region. The West Cork Regional Branding Initiative through the WCLC has placed a greater emphasis on the role of local food producers, tourism providers and in more recent times on local food retailers. The RAS was an important development and helped promote the branded products. West Cork is renowned for its tourist and food attractions and these two sectors proved vital in the establishment and success of the RAS. Tourists are an important
customer group for many of the retail stores and local produce is an important attraction for tourists.

**Summary**

Branding the region as “A Place Apart” has been a hugely successful initiative of the WCLC with focus on the food and tourism sectors. On the tourism side West Cork has a variety of unique attractions and include “stunning scenery, an unspoiled environment, a warm welcome, as well as culture and history” (West Cork A Place Apart, 2004). On the food side West Cork is long renowned for its excellent produce. The branding initiative has promoted the availability of quality local food produce to locals and visitors to the region. The Retail Affiliate Scheme has increased awareness and experience of the range and quality of local food in the West Cork retail outlets. Local retailers are supported by food members and WCLC in communicating the West Cork brand to their customers. Available throughout the region West Cork Branded products can be found in supermarkets, independent and speciality stores and in some cases, online or direct from the producer. The products also feature on menus in local hotels, restaurants and cafes. Finally, the role of the WCLC has been crucial in the establishment and operation of the West Cork Regional Branding Initiative. Co-operation between the WCLC, food producers and retailers has been a noteworthy feature in the successful promotion of the brand.
Cross Case Analysis

This section seeks to analyse the cases according to their contribution to their surrounding rural areas. It seeks to address the policy issues associated with forming and developing food networks in rural areas and in particular focused on the manner in which economic, social and environmental issues are addressed. For ease of analysis each objective is addressed separately and a summary of the main conclusions follows.

Agency Objective
The agency objective sought to examine how such programmes are best implemented or supported by the agency and identify the main beneficiaries. The agency role as a catalyst within changing marketing and business environment, the partnership approach taken by agencies and the role of regional development are considered.

a. Agency as a Catalyst within changing marketing and business environment
It is fair to say that agency involvement in all three cases was a positive factor in the formation and development of the food network. It is also evident that each case is strongly influenced by at least one agency at some if not at all stages during its development. The lead agency in each case has been referred to as the ‘catalyst’, ‘driver’ and ‘facilitator’ behind the initiative. The agency acted as the catalyst in a series of events that led to the establishment of the network. They coordinated network activity and promoted a partnership approach to development. The WDC, WCLC and Shannon Development saw opportunities for the development of the agri-food sector in the respective regions. All three cases are similarly constituted with broadly similar objectives to promote their respective region’s food products. The overall aim of WOSI was to spearhead the growth of the organic sector in the Western Region through a partnership approach under the guidance of the WDC. The Clare Good Food Circle Case aimed act as a promotional tool for local food in the county, focusing on restaurants and food events. The West Cork Regional Branding Initiative differs from the other cases in that it promoted the region across a broad spectrum of food, tourism, crafts and retail.

The market and business environment in which rural development agencies operate has changed significantly in the past decade. Among such changes include: (i) an increasingly competitive market place, (ii) the reform of the CAP which has provided less support for products and markets and more assistance has been directed towards socio-structural and environmental objectives, (iii) a greater move towards rural diversification as rural economies have become to be less dependent on traditional agriculture and other primary activities; and (iv) increased consumer concern about health, food safety and the environmental outputs of rural areas (RIPPLE, 1999). Such changes have an important influence on the operation and achievement of the food networks promoted by the various agencies. In the context of a constantly evolving policy environment and changing marketing conditions the demands facing many small food enterprises are considerable and pose many challenges for the development of rural areas.

The WDC in its annual report has recognised such changes,

“in an increasingly globalised environment the future of the Western Region rests on its ability to be competitive – to attract and retain investment, jobs and people”  
(WDC, 2002).
West Cork LEADER Co-op also acknowledged such changes and the primary objective of the LEADER programme is to

“demonstrate the development initiatives in rural areas and to further develop an environment and culture conducive to and supportive of local enterprise” (www.westcorkleader.ie).

Shannon Development has encouraged regional development at urban and rural levels to ensure economic inclusion and balanced spatial development.

b. Partnership Approach through Development Stages

Assistance is required to bring the various groups together in order to encourage partnerships and this analysis seeks to explore how the co-ordinating agency facilitated this type of networking. A central role played by the coordinating agencies during the network evolution has been the partnership approach. This has succeeded in bringing together various groups to form the network. Both public and private sector groups have collaborated to form these networks at various stages of development. This was identified as level one networking and includes the formation of a network between all relevant groups.

A significant amount of networking has taken place between agencies in the three cases, although this is more evident in the WOSI case than the other two. Networking at an agency level fosters a belief that a partnership approach creates a positive working environment. A key role of the WDC in the WOSI case was to ensure that all agencies concerned with economic and social development worked together.

A very important part of facilitation is trying to get other agencies that should be involved in doing it on board as well and working with us (WDC).

In the initial stages the WDC succeeded in bringing together the main organic groups in the region to form WOSI. Subsequently, WOSI succeeded in getting support from other agencies and programmes. The company secured funding from the Interreg initiative and under the Skillnet Programme which resulted in the creation of three jobs. In terms of training and advice, WOSI focused on a partnership approach to delivery and this is clearly evident with the establishment of the Western Organic Network (WON).

Networking at this level became evident in the Clare case in recent years when the CEB and the local LEADER came on board. As part of the Clare Good Food Circle, Shannon Development has worked with both agencies in delivering the Good Food Circle Guide and organising promotional events. The West Cork Regional Branding Initiative has succeeded in bringing together key public and private sectoral organisations in a single structure known as Fuchsia Brands Ltd.

Partnership at this level has taken place over a number of stages which are referred to as stages of development in individual case analysis. All cases evolved through a series of stages that were referred to as pre-development, development and establishment stages. The evolution of the various cases was dependent on a number of factors. In all cases, the pre-development stage was a result of various actions and recommendations by agencies that saw potential for the development of the initiative based on the use of indigenous resources across the different sectors. During the development these actions and recommendations turned into actual operational entities, each with a set of objectives or principals and in the cases of West Cork and WOSI the formation of a company. During the establishment stage these initiatives progressed, established various structures and pursed their various objectives. Throughout each stage the adoption of a partnership approach between producers and agencies developed as a result of intense work by the co-ordinating agencies.
Partnerships developed as the network advanced though each stage and new groups joined as the network evolved. For example, in the Clare case it was during the establishment phase that the local CEB and LEADER Company came on board and this was as a result of hard work by Shannon Development. Similarly, in the WOSI case it was during the second (development) stage that Skillnet and Interreg funding was secured from the appropriate agencies with a high level of support from WDC.

It is apparent that the partnerships are the result of organised integration on the behalf of agencies and must be viewed as important in dealing with rural needs and as a useful mechanism to deliver integrated policy initiatives and actions themselves.

c. Regional Development
All three cases emerged as a result of regional development initiatives. The co-ordinating agency in each case shared the common view of enhancing and promoting regional development. In each case important features affecting the performance of small food enterprises were identified by the co-ordinating agencies as key drivers of network establishment. In each case environmental and cultural resources were harnessed to help address the natural and structural disadvantages of the areas. The use of indigenous resources was a key factor in the development of the food networks. Organic agri-food production was identified as a sector with enormous potential and the WDC

“has been to the forefront in highlighting why the Western Region, with its green image, should tap into this potential market”

(WDC Annual Report, 2002).

A regional branding identity for selected locally produced goods and services was chosen by WCLC to exploit the market potential offered by the positive association with the West Cork name, including its clean and natural environment, and also to emphasise excellence and quality. In the Clare case Shannon Development’s initial objective was to create a market for locally produced and speciality foods and this resulted in the establishment of the Clare Good Food Circle. The Clare case differs from the other two cases because it operates on a county level with Clare being promoted and developed as a good food county rather than a region. West Cork Regional Branding Initiative while a relatively large area is based in a county, whereas WOSI promoted a cross-county and cross-border initiative.

d. Use of Regional Imagery and Regional Branding
The West Cork case focused on regional branding to support the development and marketing of products and services and it was clear this was of immense value. However, all three cases have utilised ‘local’ place names in their titles. As a result of the four years of development work by WOSI, ‘Atlantic Organics Ltd., was formed taking its name from the Atlantic Ocean, creating a pure and natural image also associated with organic food. Similarly the phrase ‘West Cork A Place Apart’ has given the brand a distinct advantage with the positive associations held with the West Cork name nad tourism, while food products have been presented as a ‘taste of West Cork. The Clare Good Food Circle is an attempt to integrate perceptions of quality and good food standards in County Clare and link the production and restaurant sectors.

All cases are located in areas that have assets in terms of their distinctive products, environments, cultural heritage and territorial identity. The extent to which such assets were developed varied from case to case. West Cork has done much to exploit these potential assets through the use of regional imagery.
Producer Objective
This objective was to investigate why individuals became involved, how they have benefited from food network involvement and to identify how food networks seek to add value to food products. This objective is analysed under two headings: (i) the role of the entrepreneur and strategies used by producers within the network and (ii) interaction at producer level.

a. Role of the entrepreneur and strategies used by producers within the network
A number of strategies used by producers in the establishment and promotion of the respective networks were identified. These strategies differed from each other to a significant extent ranging from achievement of objectives and agency assistance in all cases to more sophisticated strategies that include internal quality monitoring, use of regional images and high levels of training.

Before these strategies are considered a brief review of the network members is given with particular focus on the importance of the entrepreneur in the development of food networks. It is true to say that the successful development and promotion of food networks by agencies in rural areas is highly dependent on entrepreneurship. Entrepreneurship is reflected in a set of personal characteristics which include innovativeness, commitment, willingness to take a risk, production and marketing skills, the ability to provided capital and adaptability to changing production and marketing situations. If food networks are to be developed the efforts of individual entrepreneurs need to be supported in a manner sensitive to their specific needs and products (McDonagh and Commins, 2000). The individual entrepreneur plays a key part in the formation of food networks and therefore must be considered as major contributors to good producer strategies.

Numerous producer strategies can be seen in the West Cork case which is characterised by high levels of training, use of regional images, internal quality monitoring and agency assistance. The strategies used in WOSI were based on the achievement of assistance from a wide range of groups, both public and private, and the delivery of high levels of training to organic producers. Current producer strategies used in the Clare case are not as developed as in the other cases. However, with LEADER coming on board in recent years an integrated producer strategy is in the pipeline. Already, RRD has conducted a feasibility study to examine the possibility of developing an integrated and inclusive food development strategy for Clare, which will require considerable input from a large number of development agencies and individual stakeholders (Gleeson, 2003). These strategies also often require additional assistance from agencies and this further underlines the need for area-based and partnership approaches.

b. Interaction at producer level
This section focuses on the interaction at producer level and pays particular attention to the benefits associated with such interaction. In this regard the two most important activities were training and food promotional events. Training has offered participants the added value benefits of sharing information, learning with others and developing new contacts and friendships with other members. The network approach to training has helped WOSI to sustain itself by bringing organic producers together from across the region to form networks and avail of training as a group. Support for such training could not be achieved without the formation of a training network.

Training has played an important role in establishing forums for communication and informal networking among participants. In both the WOSI and West
Cork cases, on-going training has become an established feature in the development of the initiative. Although not compulsory, training offered to producers under the WOSI programme has recognised the fact that a network based approach to training can offer greater benefits to the producer than on an individual basis. The training structures operated under WOSI (through the Western Organic Network - WON) and the West Cork Regional Branding Initiative also provided a useful ground for interaction. Offered on a group basis training allows producers to interact and communicate with each other. Participation in training courses also allowed for a level of contact to develop with the agencies delivering the training. A high level of direct contact among producers and training providers can be clearly seen in West Cork and WON. This type of interaction is significant as it allows networking to take place on a more formal basis. Training under the West Cork Regional Branding Initiative offered meeting occasions for producers and retailers where members not only benefited from information provided by training instructors but also the exchange of experience and knowledge between members. WON offered organic producers the opportunity to meet other organic producers from their locality. While many members knew others prior to joining the network, there were some that did not know anyone. Formal networking occurred through the training network where organic producers could share information with other producers and seek advice from the WON co-ordinator. Representatives at committee level could further share relevant information with other organic networks across the region.

Food promotional events have also offered producers the added value of interaction with other producers, customers and agencies. It is interesting to note that promotional events were common in all cases and provided suitable meeting occasions for network members at which they became familiar with each other and improved their market knowledge and market position. Food producers in West Cork have benefited from food events held under the Retail Affiliate Scheme with their products presented to retailers and customers. Similarly, this was the main medium for interaction in the Clare Good Food Circle with food producers interacting among themselves and with customers where personal contacts were established.

Policy Objective
This objective sought to explore how the programmes contribute to the development of the surrounding rural areas (economic, social, cultural and environmental impacts) and to identify/establish the reasons for their success and their overall applicability in the Irish context. The policies and strategies that are used to promote the particular food networking and added value activities are analysed in this section. This section focuses on the strategies employed by the various agencies and the contribution each case has made to the surrounding rural area. The close link that exists between local food enterprises and rural development agencies at ground level is examined in terms of promoting a sustainable rural economy through the development of the chosen initiative.

a. Current strategies used by agencies
The strategies employed in each of the cases have both similarities and differences. Each case has emphasised a greater role for local people and rural development organisations in the implementation and operation of these programmes. From the outset it has been clear that WDC, WCLC and Shannon Development felt that there was a need to build on inherent strengths within the region and identified food and tourism sectors as key areas for
development. The bottom-up approach is evident in all cases and is the principle that has driven the EU LEADER programme, from which the three cases have benefited. However, the cases differ in the focus and approach taken to pursue such integrated, bottom-up and sustainable approaches to rural development.

In the West Cork case the strategy was to support the creation and management of regional imagery and actions facilitating contacts between producers, agencies and consumers. The principal sectors of the West Cork region, agri-food and tourism, resulted in the formation of an integrated marketing and enterprise development strategy by WCLC. The West Cork Regional Branding Initiative has developed and operated successfully as a result of the efforts and support from the LEADER programme through WCLC. In fact the brand has developed almost exclusively under the LEADER I, II and LEADER + programmes. The LEADER programme allowed the regional brand to develop and promote the clean, natural and unspoilt image of a tourism and food region as: “West Cork A Place Apart” and “A Taste of West Cork”. Such a rural development strategy has worked favourably in the West Cork case. WCLC had worked with and developed relationships with many of the producers prior to the establishment of the network. The ongoing contact at ground level between WCLC, producers and more recently retailers has been a key factor in the success of the brand.

The bottom-up approach to rural development can also be seen in the WOSI case. Operating in a cross border area covering a number of counties helped secure funding under the LEADER and THE INTERREG programme. Inter-territorial funding under the LEADER programme proved crucial in the development of the WOSI programme to the operational stage – Atlantic Organics Ltd. The employment of three specialists helped address key issues in the development of the WOSI programme. Skillnet has focused on the training of organic producers; the Product Development Co-ordinator has begun identifying the use of local organic produce in added value products; while the Development Manager will be responsible for the management and delivery of actions and programmes initiated by Atlantic Organics Ltd.

The Clare Good Food Circle case differs from the other two in the sense that support from LEADER came in the later stages of development. Shannon Development was the main supporter of the food circle until LEADER became involved. The following quote illustrates how Shannon Development identified the opportunity and invited other to join:

*We didn’t start from the bottom, we started at the absolute top .... The opportunity came and we took it* (Shannon Development).

The adoption of a LEADER style strategy in recent years has helped to develop and promote the concept at producer level in more rural areas of Clare, where the RRD has developed relationships with small food producers across the county.

**b. Contribution to sustainable development**

The following is an analysis of the cases in relation to their contribution to the long-term development of the surrounding rural areas. A central issue of this research is to assess the degree of sustainability that can be attached to the various cases. The assessment is based on different issues resulting from the adoption of rural development strategies and focuses on analysing the basic mechanisms that drive development of the selected networks. In that sense, the analysis focuses on economic, social and environmental issues and the relationships that exist between each. The sustainability of these food
networks and the interaction between agency and producer will be influenced by (i) the future policy environment, (ii) how the network supports producer strategy and (iii) broader private and public goods created.

Such initiatives provide additional profit making opportunities, while at the same time spreading the cost base and providing a more secure base for future development through economies of scale. These initiatives provide an alternative for small farmers and food producers and have the potential to generate additional income. Furthermore, as networks develop at different stages with varying degrees of expertise and experience in the organic and speciality foods sector, all members will have a lot to gain both individually and as a partnership. In addition, the formation of networks among food producers and organic farmers gives members a competitive advantage over other individuals in the sector. Participation in such initiatives offers members clear benefits as they can gain in a variety of ways. Firstly, members can avail of the opportunity to train together and thus gain knowledge and information from the training course and other producers. In addition, members can gain from the increased levels of interaction among similar producers. The collective approach to marketing is another obvious benefit for network members. The use of different marketing strategies is dependent on the objectives of the initiative where the use of regional branding and imagery is a good example of successful marketing.

Local, natural and environmentally friendly product characteristics are increasingly valued by the consumer and these networks do much to enhance the interaction with the consumer, provide access to local products and create dialogue along the food supply chain. It is likely that such ‘embedded networks’ and ‘short food supply chains’ will be increasingly important in the future. Therefore, the future development of organic and speciality food networks is likely to depend not only on how they respond to producer needs, but also how they interact with and respond to consumer needs.

Conclusions

*Rural development policy is still in its early stages and the vision set out by the White Paper on Rural Development on the long-term future of Irish rural society is slowly coming to light.*

The fruits of all the work over the last decade or more are beginning to impact on rural areas. The following section draws some general conclusions in relation to how the promotion of food networking initiatives by rural development agencies contributes to rural development. It seeks to address the policy issues associated with forming and developing food networks in rural areas and particularly focuses on the manner in which economic, social and environmental issues are addressed.

**General Conclusions**

**Objective 1:** This case study set out to examine the concept of added value and networking in regional development within the context of a changing rural development and agricultural policy environment. The first objective was to identify food networking programmes supported by agencies and to examine how and why such programmes are promoted in rural areas. Initial research indicated that food networking programmes supported by agencies in rural areas were not widespread, bearing in mind that there were specific criteria to be met.

**Objective II:** The agency objective sought to examine how such programmes are best implemented or supported by the agency and who were the main beneficiaries.
The promotion of food networking initiatives that emphasise a participative structure are a valuable means of developing rural areas. Agencies have recognised the importance of bringing all the relevant groups together to form networks including individuals, businesses, communities, voluntary groups, public and private groups. Agencies have identified the importance of local and regional based approaches to solving rural problems. By identifying key problems that limit the development of rural areas agencies can develop innovative solutions that contribute to sustainable change for rural communities. The establishment and promotion of food networking initiatives not only address economic needs, but also enhance the environmental, social and cultural richness of the region. These initiatives have succeeded in relieving the pressures normally associated with rural areas. Bottom-up integrated approaches used to promote food networking have been successful in overcoming many of the symptoms of social and economic weaknesses that existed in large rural areas. Agencies have played an important role in the implementation of innovative partnerships and have taken key roles in the co-ordination of such initiatives. It is true to say that a partnership approach can be an efficient way to achieve effective development now and in the future.

**Objective III:** The participation of food producers in a network is of paramount importance to the overall success of the programme. The research shows that the greater the level of participation among producers the greater the success of the network. Working together at producer level, whether at training courses or food promotional events, have considerable benefits for those participating individually and collectively. Individually network members enjoy the benefits of attending training courses in that they can increase the knowledge and skills and they also benefit from interaction with other producers. Regular, organised interaction at producer level is a key to the success of the network and agencies play an important role in actually bringing producers together. Finally, it must be noted that the success of networking initiatives is largely due to the members themselves who can be classified as innovative individuals who were willing to take the risk to come together and try something new.

**Objective IV:** The policy objective aimed to explore how the selected programmes contribute to the development of the surrounding rural areas and to establish the reasons for their success and their overall applicability in the Irish context.

The promotion of food networking initiatives in rural areas supports an integrated approach to rural development. This means that emphasis is placed on rural people taking greater control over the future of their areas through integrated rural development. The implications of the networks studied in relation to rural development can be summarised from a number of standpoints. Firstly, they are a response to the need to diversify the rural economy in the wake of fundamental changes in the agri-food sector. Secondly, these networking initiatives enhance the use of indigenous resources which play a central role in the improvement of the socio-economic viability of the respective regions. Thirdly, while the regions of concern are not densely populated there is a degree of clustering in the location of the cases studied. This means that they have a significant impact in the local economy, thus the effect on employment is more pronounced at local level. Fourthly, these networks helps to counter rural depopulation as it offers producers an
alternative to the increasing trend towards urbanisation.

It may be suggested that new directions for policy revolves around measures which build on the existing skills and resources available in rural areas and which encourage the development of niche markets based on those assets. More specifically, these niche markets can be based on aspects of regional imagery. As yet, however, many rural areas are not achieving their full potential in terms of making efficient use of available resources and marketing products to consumers.

**Summary:**
To conclude, this examination of food networking initiatives has come at very opportune time. At national level, the changes in agricultural policies are increasingly transforming CAP from a sectoral policy of farm commodity support into an integrated policy for rural development and environmental improvement. Furthermore, in both Ireland and the EU, rural policy statements have placed greater emphasis on enabling and empowering rural people to take greater control over their destinies through ‘bottom-up integrated rural development’ approaches (Davis and Shortall, 1999). There is currently a wide range of institutions and agencies promoting initiatives that emphasise a participative structure to rural development. The evolution of both agricultural and rural development policies in Ireland and the EU has influenced Irish economic and social development. Regional based development initiatives have recognised that not all needs or opportunities of rural areas can be dealt with at a very local level through individual projects. The support and promotion of initiatives through a partnership approach can address specific economic, social and environmental issues on a wider geographic basis. The LEADER strategy has played a key role in the development of partnership approach initiatives and has helped build relationships and seek connections in the local economy, creating a capacity to pool resources and coordinate across public, private and community sectors.

**Recommendations:**
It was very evident throughout the entire research that benefits can occur through networking between producers and agencies. It is generally agreed that food networking programmes offer many benefits to participants and the surrounding rural areas which are not fully exploited by producers or agencies here in Ireland. The following recommendations are based on the results of the three case studies reported:

- Promote the development of intra and inter-sectoral synergies. There is great potential to link tourism with regional speciality products, in many cases regions that have different structures and approaches to tourism and food. Efforts should be made to strengthen the link or relationship between these two sectors.
- Encourage co-operation, networking and partnerships among producers. This offers solutions for producers in terms of enhanced knowledge and contacts, increased bargaining power, easier access to markets, reduced costs and greater competitive advantage.
- Encourage more cooperation between agencies across sectors.
- Develop strategies to encourage producers to take a participative role in the development of networking programmes and guide policy towards a wider range of producers.
- Promote the benefits of networking on a regional basis support with adequate funding and encourage more producers to adopt such strategies.
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