



(New, rural) business models, their mechanisms and impacts

BM name	Regional quality labels
Type	Territorial development
Sector	Food
Organisational scale	Territorial
Short description	EU quality policy aims at protecting the names of specific products to promote their unique characteristics, linked to their geographical origin (Protected designation of origin, PDO) as well as traditional know-how. Product names can be granted with a 'geographical indication' (Protected geographical indication, PGI) if they have a specific link to the place where they are made. Other EU quality schemes emphasise the traditional production process or products made in difficult natural areas such as mountains or islands.
Mechanism	Regional quality labels enables consumers to trust and distinguish quality products while also helping producers to market their products better. GIs, PDOs and PGIs protect the name of a product, which is from a specific region and follow a particular traditional production process. Product names registered as PDO are those that have the strongest links to the place in which they are made. PGI emphasises the relationship between the specific geographic region and the name of the product, where a particular quality, reputation or other characteristic is essentially attributable to its geographical origin. Recognised as intellectual property, geographical indications play an increasingly important role in trade negotiations between the EU and other countries.
Innovativeness	Regional quality labels are an integrative approach linking business and territory.
Value creation	Mixed
Customers, product/service, revenue streams and main cost items	Customer(s): Consumers and tourists, typically short stay/weekends Product(s)/service(s): Food, restaurants, arts and crafts Revenue stream(s): Food sales Main cost items: Basic production costs, organisational costs like joint marketing, quality controls
Societal impact	Beneficial (e.g. energy transition, new jobs, empowering women to do business): <ul style="list-style-type: none"> • Safeguarding existing jobs • Providing new job opportunities • Avoiding desertion of villages • Attaching meaning to formal, legal nature protection Negative (e.g. pollution, spoiling the landscape, over-exploiting natural resources): <ul style="list-style-type: none"> • Attracting visitors who tend to use cars instead of public transport
Rural-urban synergies	Regional quality labels reconnect consumers with local and quality products. They can make remote rural areas attractive for visitors from urban areas. Synergies between local production, cultural landscapes, nature conservation, rural income generation and economic development.
Connections with labour market and employment effects	Mainly appreciating existing regional skills. Providing opportunities for creating market niches, thus providing incentives for people to stay, or to move in. Especially more remote rural areas are prone to depopulation if there are no such initiatives.



Enabling factors	<ul style="list-style-type: none"> • Landscape qualities • Product qualities • Traditions • Specific skills • Tangible success as a motivating factor
Limiting factors	<ul style="list-style-type: none"> • Distance from urban centres limiting the possibility of for example weekend stays • Insufficient political will and lead • Competition with lower cost bulk production and lower cost imports • Economic viability
Key partners and actors directly involved	Individual businesses Marketing association
Role of (local) government	Facilitator
Connections with the institutional / policy environment	Given EU legislation related to GIs, PDOs and PGIs is critically important. UNESCO Biosphere Reserves provide particularly favourable conditions. Regional governments and authorities have an enabling role.
Internal/network governance arrangements	Often organised as a producer organisation.
A typical example	" <i>Verein Dachmarke Rhön e.V.</i> " is a registered association umbrella brand in the Biosphere Reserve Rhön. The Board consists of 10 members, 5 of which are entrepreneurs, the other 5 are the <i>Landräte</i> (elected heads of the district administrations, 5 NUTS 3 entities). Operations are carried out by the <i>Dachmarke Rhön GmbH</i> , and umbrella brand limited company, on behalf of the <i>Verein</i> . "Dachmarke Rhön", UNESCO-Biosphärenreservat Rhön
BM references	https://dmr.marktplatzrhoen.de/
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