

“BALATONI KÖR”

BALATON CIRCLE SOCIETY

BalatonWine and HillWine Trademarks

D2.1 Template for description of innovative solutions for Short Food Supply Chains (draft prepared by Campden BRI Hungary)

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Template for good practice cases

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

1. Title of the case description

“BALATONI KÖR”- BALATON CIRCLE SOCIETY
BalatonWine and HillWine Trademarks

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

- individual member of the chain:
- chain operator:
- network operator:
- association:
- technical, scientific, or management expert:
- advisor:
- policy maker:
- other: trademark

3. Indicate the region (if applicable): located at the Lake Balaton

4. WP2 Cross-reference table

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

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

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

5. Short description of the innovative solution

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

Scattered producers in the gastronomy and wine sector in the region around the Balaton are connected due the Balaton Circle Society. The good quality grapes of the wineries and wine cellars are buying up in favorable price, thereby built up a market and a brand for the produced high-quality wines of the Balaton region.

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

“By creating the Balaton Circle we have set ourselves the goal to realize an association based on value protecting around the lake. Our members are such representatives of quality winery and gastronomy who are open and expect their guests all year around.

Our aim is to found a circle with local resources and built on the basis of local services that will make the region attractive and liveable in every season. We want to create demanding things in a demanding environment, on Lake Balaton, which, as I believe, means the foundation of our entire existence.” – Bence Laposa, Chairman

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

The Balaton CIRCLE is a society for the association of 3 counties and 6 wine regions belonging to the lake. Among its members there is a **local restaurant**, a **cake shop**, a **wine bar**, several **wineries** and **hotels**. The main driving force of the association lies in the union, in common thinking, so they kindly recommend each other either, so the guests can “Taste Round” the recommended HORECA stations at the Lake Balaton.

The BalatonWine – Protected Geographical Indication:

it is a regional product, made from **Olaszrizling**. Its goal is to stabilize the market position of the wine-growers in the Balaton region and to strengthen them. This is the first regional winegrowing brand in Hungary, so we are entitled to say, “The Wine of Balaton”. This is the product of the BalatonCIRCLE and the Riesling Generation. It can only be made from wines which pass the judgement. By the packaging everyone must use the uniform bottle, the uniform design and uniform bottlecap. (Only the name of the producer is the difference.)

The HillWine – Protected Designation of Origin:

it is made from **Olaszrizling**. This is a product of the BalatonCIRCLE and the Riesling Generation, but can be made by everyone, who pass the criteria. By the packaging everyone can use their own design, but the uniform logo, the uniform bottle and bottlecap must be used.

technological

non-technological

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

The association has 45 members from the Balaton-highland Gastronomy. They are enterprises with high quality products, like famous Hungarian wineries, wine cellars, valleys, restaurants, hotels with catering, yacht clubs around the Lake Balaton.

The services are restricted in the region of the Balaton with the aim to join forces the Hungarian Gastronomy of the region.

Otherwise, the BalatonWine and HillWine demarked with trademark are purchasable in many stores and retails.

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

The products are distributed from the producers themselves, locally in the restaurants, in wineries etc., or the packaged products are purchasable in the retail shops.

- **Describe what makes the innovation work.**

With the creating of the BalatonWine regional product and HillWine, the common goal is to stabilize the market position of the wine growers in the Balaton region and to strength them. Buying up their good quality grapes at a favorable price, thereby creating a fair-trade product for all market participants, build up a market for the wineries and increase the growing around the Lake Balaton. The mark trade with the association of the Balaton wine regions reflects quality and attraction for the products.

The Balaton Circle Society makes a collaborative system for the wineries, for the products of the wineries and for the restaurants by the Lake.

- **Describe the specific prerequisites for the business related to the implementation of the method and/or related to the location, method, procedure, solution**

a: List the relevant necessary resources (including the estimated cost) for the specific innovation.

Please list the relevant ones only (list is annexed)

MATERIALS:

- wine and grapes from the Balaton region

HUMAN:

- wineries, valleys, wine cellars, restaurants around the Balaton

FINANCIAL

- estimated cost:
it is described in the participative terms

b: List the relevant necessary capabilities for the specific innovation.

Please list the relevant ones only (list is annexed)

FOOD SAFETY AND QUALITY:

- guaranteed by the services themselves

TRUST:

- collaboration between the society members with trust
- the mark trade gives trust for the customers

ACCESS TO MARKETS AND MARKET SUCCESS:

- the association and the brand system open a market strategy due the highlight of quality-value for the public customers

- **The method/technology was established by**
NAME: “BALATONI KÖR”- BALATON CIRCLE SOCIETY & TRADEMARKS FOR GEOGRAPHICAL INDICATION and TRADE OF ORIGIN
AREA: The region of the Lake Balaton
IT PROVIDES SOLUTION FOR:
each member of the wineries and members in the gastronomy around the Lake Balaton

6. Describe the results, achievements and typical failures

- A society, what embrace the wine gastronomy around the Lake Balaton
- A mark trade with geographical indication and the mark trade of origin, what assign high quality meaning for the products

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

The BalatonWine is much more, than a common wine. It's a symbol, a brand of a society, what transmits value.

The BalatonWine is a first brand of the society in the wine sector, where the quality of the wine is a main factor, otherwise it expresses the community thinking and the collaboration.

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

The method can be used by all sectors from a special, individual region, which are ready to work in a collaboration and which can emphasize some value of the products/services.

9. Recommendations for members of other SFSCs for further applications

The Society and Trade Mark System is a good practice for the creation of the quality assurance system. It should be used as a complex framework of the individual segment of the food chain. With the use of the trade mark the product belongs to a special category inside the food chain, which means special quality, marketing and network.

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

<https://balatoni-kor.hu/hu-HU/Fooldal>

Annex

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

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

*: estimated cost:

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

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

2. Checklist for the necessary capabilities

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

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

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

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

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

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

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

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

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

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

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