CAAP – THE FOOD COOPERATIVE (sustainable local food supply)

LOOKING FOR AN EFFECTIVE LOCAL ECONOMIC EXCHANGE

WHO WE ARE?

The Dobrina Cooperative was established with the purpose to form linkages between small farms from the outskirts of Maribor, especially from the central region of Slovenskegorice, where farmers organized in a coherent unity are somewhat more able to defy the demands of the global market.

The basic purpose of the Dobrina cooperative has very little to do with making profit and a lot to do with the development of small farms, fair food trade and ensuring just payment for crop growers and producers. The cooperative also seeks to form linkages between countryside and urban centres, promotion and development of organic farming and the principles of sustainable local food supply as well as social entrepreneurship in the areas of food growing and processing together with the preservation of cultural, technical and natural heritage in local farming.

Driven by the desire to offer fresh, seasonal and local products, the farmers have joined forces and thus a conversion period of organic and integrated farming has begun in order to enter the market with a collective supply. Today the cooperative is in charge of providing locally grown foods to numerous public institutions, whereas it also offers the produce to the citizens of Maribor in the form of the fresh fruit-and-vegetables baskets system, also available in their online shop. Last but certainly not least, the cooperative also offers local goodies in the form of rural catering at parties, events and other occasions.

WHAT WE DO?

The cooperative has 43 members, 5 out of which are dedicated to organic farming and 12 undergoing the conversion period. In average, the farms will have about 1-3 hectares of land available for producing crops. The calculations done by the Agricultural Institute of Slovenia with regard to separate crops were helpful in determining the market prices, however in most cases the prices suggested in the calculations are only a very faint approximation of the expense actually required to produce crops in small farms, where most of the work is done with bare hands.

The cooperative runs a store with local products and crops, but it is not located in the high frequency area, which is why the sales numbers in the store are far from ideal. The weekly, fortnightly and monthly fruits and vegetable baskets are a much greater source of income for the cooperative. The rural catering isn’t a particularly profitable service either, as the demand for it very rarely appears. Food delivery to public kitchens stands on a positive zero.
However, it is nevertheless encouraging to see that most of these crops are being sold to public institutions, which at least repays the efforts invested by the farmers. It is essential to increase the sales also with this particular activity. The crops and other products are being collected on field with a pick up vehicle and then delivered to consumers and institutions directly.

THE PROBLEM

Without the financial help of project-related funding, the cooperative would be unable to run its activity and survive doing so. Which is why new solutions for sales increase, promotion strategies and job preservation measures should be found and adopted. When it comes to organized sales, the farmers in the cooperative are faced with the problem of determining market prices. The prices of imported crops are too low, especially if the quality of locally grown produce is being considered. The purchasing capacity of the citizens is diminishing day by day and the result is low sale of crops, a considerable liquid loss of the crops in the storage, the vegetables remain unpicked on the land of the producers. The problem with prices only increases because Slovenia as a country doesn’t really have a crop price market, which allows big companies/stores/supermarkets to determine the prices on their own.

Constant exposure in the media and promotion does indeed trigger a sales increase, and for that reason highly low-budget and highly effective approaches of continuous promotion should be sought.

THE MAIN CHALLENGE

How to determine a good selling price for both, the consumer and the farmer? Which approaches should be adopted in promotion of the cooperative in order to increase product sales?