From niche to volume with integrity and trust
CASE STUDY FACT SHEET

Ekodar - Slovenia

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HealthyGrowth

Historical development

The "Ekodar" organic beef label was established in 2009 by the Šaleška Valley agricultural cooperative. Currently, 76 producers/farmers label their products with the Ekodar brand, which speaks to a connection of trust between producers and consumers. The meat is available in eleven large retailers, such as Mercator, two organic shops, two agricultural co'ops, as well as online, and delivery is available in twelve cities throughout Slovenia. Marketing and distribution is done via the central umbrella of the Šaleška Valley (owner of the brand) agricultural cooperative. The special characteristic

Using a smart phone to scan the QR code on the packaging to get information about producers.

of the "Ekodar" brand is its QR code, which allows consumers to trace the origins of their meat. In using a smart phone to scan QR codes on packaging before purchase, consumers can receive full information about their meat's farm location, the size of the farm, and the size of the cattle herd on the farm. The main (key) actor of the brand, the Šaleška Valley agricultural cooperative, usually describes the business logic of the food chain before inviting new actors to cooperate. Internally, business plans have been questioned, especially during the first two years of the Ekodar brand's existence, as there were difficulties involved in promoting it on the market (i.e., they were selling organic beef under the conventional price). Strategic decisions are usually made by the Šaleška Valley agricultural cooperative. The company's board is mainly concerned with the economic matters. We did not witness internal or external criticisms of the company's modes of management and governance.

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"The QR code represents trust between all stakeholders in the chain, and also adds more value."
(Ekodar director of Agricultural Šaleška Valley)

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Supply chain organization

In 2009 and 2010, the Šaleška valley agricultural cooperative was selling meat at the conventional price, whereas in 2011, they began selling their beef at an organic price. In this year,

the volume of organic beef sold at an organic price was 10%, with 90% sold at the conventional price. Today, these percentages have changed to approximately 70% and 30%, respectively. The cooperative's philosophy is to become the number one tenderer of organic beef meat in public institutions (e.g., kindergartens, schools, hospitals, etc.), and to buy/process at minimum 90% of all organic beef produce in Slovenia. The initial product range (in the year 2011) was 22.556 kg of organic beef to 465 kg sold, while in 2013 they bought 17.992 kg of organic beef from farmers and sold 15.809 kg. Among suppliers, there are approximately 70 to 80 certificated organic farms producing the organic beef. The main processor is Butcher in Rače, which is the only certificated processor in the chain. The producers (farmers) come from mountain areas, especially from the North, North-Eastern, and North-Western regions of Slovenia. The beef is bought from the farmers directly by the Šaleška Valley agricultural cooperative and transported to the processor. There is direct networking between the producers and the Šaleška Valley cooperative, as well as between the processor and the cooperative.
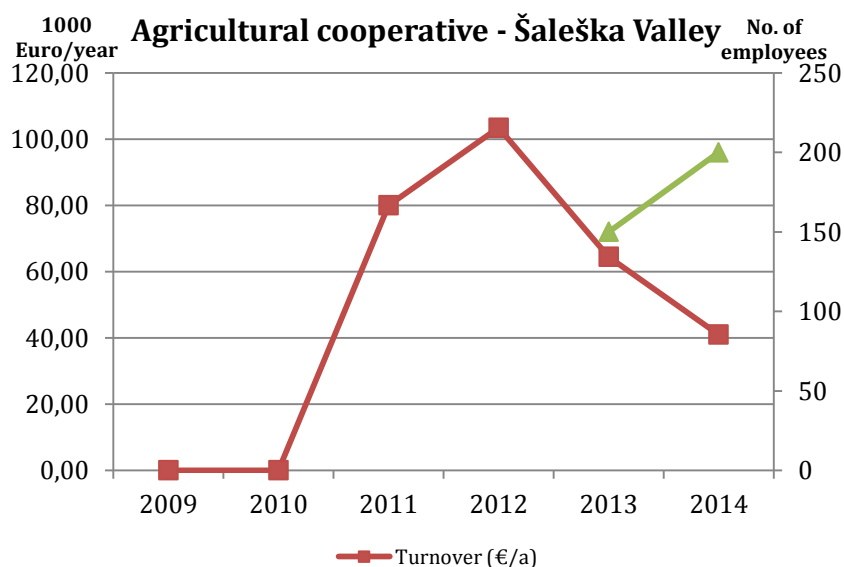

Figure 1: Table turnover and number of employees (2009-2014)