From niche to volume with integrity and trust

CASE STUDY FACT SHEET

Upplandsbondens – Sweden

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Historical development

Upplandsbondens (UB) is a farmer-owned cooperative established in 2006 that has about 100 members. All member farms are certified under the Swedish organic label KRAV and are located in the county of Uppland, producing mainly beef (but also mutton and pork). Although UB has its own brand, it is used only when the meat is produced, slaughtered, and sold within Uppland.

Upplandsbondens package labelling. Reproduced with permission from Upplandsbondens.

The cooperative was selected for study because (1) while the organic food market is growing in Sweden, mid-scale initiatives such as UB are still very rare, as is the development of a regional brand, since the vast majority of (organic) food is sold via three major national level retail chains; (2) UB experiences significant obstacles reaching consumers with its brand, and (3) there is great potential for mid-scale initiatives such as UB in the Stockholm metropolitan area that will be interesting to follow.

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"When you buy meat from Upplandsbondens, you get a flavourful meat of high quality … and when you have a really good steak and you know some of the story behind it, it's not difficult to understand that everything is connected. When the animals feel good, we feel good. And then it tastes good.

(Upplandsbondens home page)

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Since 2006, UB has grown from 11 to 107 members (2014), meaning that the majority of organic meat farmers in Uppland County have joined the cooperative. The main objective of UB is to offer its members the best possible price for their organic meat. KRAV-certified organic production, animal welfare, and landscape stewardship through grazing are highly valued among the cooperative's members. Some farmers also value the cooperative's aspiration to keep meat production, processing, and consumption in the region. UB is successful in the sense that it manages to sell all animals the members raise for a premium price negotiated by the cooperative.

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Legal form:
Cooperative

Year of foundation:
2006

Homepage:
www.upplandsbondens.se

Logo:

Turnover:
The turnover grew from 2.1 million SEK (2007) to 24.3 million SEK (2013)

Product range:
Fresh meat products (beef, pork, mutton)

Number of Employees:
No employees, but board members are paid when working for the cooperative

Distribution channels:
Primarily via national wholesale partner (≈ 80%), regional processor (≈ 15%), and restaurant wholesaler (≈ 5%) (excl. public procurement)

Facebook likes:
365 (10 March 2015)

Google hits:
2,210 (10 March 2015)

Supply-chain organisation

The overall value chain involves over 100 member farmers, the UB cooperative, slaughterhouses, meat wholesalers, retail shops, and consumers. Market partners have changed over the years, and UB has not yet found a preferred way of working with its partners. The UB board is paid to negotiate prices and to help channel the meat not only from member farmers but also from almost 50 farmers north of Uppland County.

The meat produced by UB farmers is sold primarily via a large national meat wholesaler to supermarkets all over Sweden. This meat is sold mainly under the partner retailer's own organic brand and is thus not identifiable as UB meat. Only a minor part of UB's meat is sold under its own brand within the Uppland region. The reason for the limited sales of regionally branded meat is that the local wholesale partner still is in the start-up phase of cooperation. Smaller amounts of the meat have been sold directly to consumers in meat boxes (now discontinued) and are continuously sold to a restaurant wholesaler and in public procurement processes.

Among current challenges for UB are finding new people to join the board, making the regional value chain work in terms of reaching consumers with regionally UB-branded meat, and resuming cured meat production and meat-box deliveries.

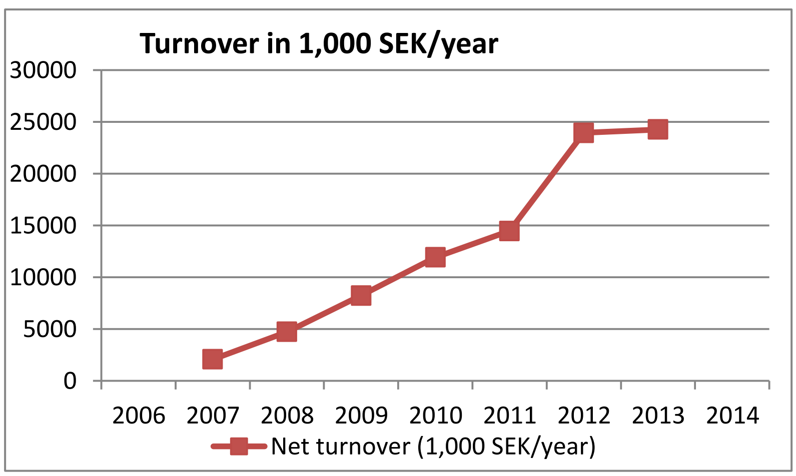

Figure 1: Turnover (2007–2013)

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For full reports, visit the HealthyGrowth [2013–2016] project website www.healthygrowth.eu