

Welcome to the **FOODCOMM** Newsletter!

The consortium of the **FOODCOMM** project will provide you regularly with information regarding the project development and outputs. Furthermore, you will find news and links which are related to the research subject “Key factors influencing economic relationships and communication in European food chains”.

If you have any comments and suggestions concerning the newsletter, please contact us under the following email address: **foodcomm@ilr.uni-bonn.de**.

We hope you will enjoy the information of the newsletter!

Your **FOODCOMM** consortium
(<http://www.foodcomm-eu.net/consortium>)

Content of this Newsletter (Issue 06/08)

1. Third reporting period has ended
2. Cross-country, multi-commodity analysis completed
3. Country-specific research completed
4. FOODCOMM Booklet now available
5. Electronic Guide
6. Dissemination activity

1. Third reporting period has ended

The third year of the project was filled with analysing the data collected during the cross-country, multi-commodity survey of farmers, processors and retailers within the project's fourth work package (WP4), country-specific research within work package 5 (WP5) and, finally, evaluating all results and deriving policy and business recommendations within work package 6 (WP6).

The third year also involved many dissemination activities. Research findings have been disseminated through two peer-reviewed journal articles, four conference papers, a FOODCOMM Booklet aimed mainly at businesses and farmer/industry/trade associations and an electronic guide with benchmarking functionality. A final FOODCOMM workshop took place on May 27 and offered the opportunity of discussing project findings with associations and the EU Commission relating to the topics of the FOODCOMM project at EU scale.

2. Cross-country, multi-commodity analysis completed

In a world where business partnerships and alliances are generally thought to be increasingly crucial, the results show that in EU agribusiness repeated market transactions with the same buyer/supplier and formal written contracts have become more important during the last five years and will become even more important during the next five years. At the same time the importance of spot markets and vertical integration arrangements (financial participation) is not thought to have changed or will change during this time

period. This confirms that also in the European agri-food sector, “competing as a collaborative partnership” has become the new business paradigm.

The choice of used relationship types is mostly (on average in 75% of cases) free. It has also been found that the choice of the used relationship types is not systematic but highly chain and chain stage-specific and only to a minor degree influenced by company strategy-related factors (such as a general long-term orientation or a desire to remain independent).

The findings also have identified key determinants for good chain relationships, among which effective (“good”) communication is the most important one. More generally, it appears that relationship goodness in European agri-food chains is mainly determined by dyadic, relationship-specific factors (such as good chain communication) and that the goodness of chain relationships is independent of a chosen relationship type. These empirical findings confirm the perceptions from the literature and earlier interviewed sector stakeholders that no particular relationship type is superior to another since good, sustainable relationships can be found in all of them.

3. Country-specific research completed

To gain a clear picture of the individual country-specific social, economic and cultural factors influencing communication and coordination between food chain actors and also to identify ways to overcome obstacles, and to derive recommendations for future development, a more in-depth country research was conducted by the respective institutions of the FOODCOMM consortium. Besides a quantitative analysis in each country, a qualitative analysis was conducted with focus on:

- communication, trust and commitment in Finland
 - communication, trust, commercial reward and previous length of relationships in Germany,
 - farmer-processor relationships, nature of transactions, communication, and trust in Ireland,
 - distrust, middleman and increased quality pressure in Poland
 - large national retailer relationships in Spain,
 - relationship types, personal bonds, communication, and commercial reward in UK/Scotland.
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4. FOODCOMM Booklet now available

The FOODCOMM Booklet is an official output of the research project FOODCOMM and was developed to present the main findings and recommendations to businesses and associations of European agri-food chains. The FOODCOMM Booklet is based on a systematic review of the literature, qualitative interviews with key representatives from EU farming, food processing and retailing sectors, and quantitative analysis of data generated by a company survey in 13 agri-food chains in six countries. The key factors influencing the choice of relationship type and relationship goodness are presented and recommendations how to improve agri-food chain relationships are suggested. The FOODCOMM Booklet is available for free at www.foodcomm.eu.

5. Electronic Guide

An Electronic Guide (CD-ROM) has been developed which provides information on the FOODCOMM project for businesses, media, research community and policy makers. The CD presents detailed information on the obtained results and the research project. An additional feature of the CD is a benchmarking tool with which businesses can compare their relationship and communication quality relative to competitors. To receive the electronic guide, please contact the editorial staff indicated below or at www.foodcomm.eu.

6. Dissemination activity

The following printed publications have appeared:

- Fischer, C., Fritz, M. (2007): The role of trust in European food chains: theory and empirical findings. In: *International Food and Agribusiness Management Review*, Vol. 10, No. 2, Pages 141-163.
- Fischer, C., Hartmann, M., Bavorova, M., Hockmann, H., Suvanto, H., Viitaharju, L., Leat, P., Revoredo-Giha, C., Henschion, M., McGee, C., Dybowski, G., Kobuszynska, M. (2007): Business relationships and B2B communication in selected European agri-food chains – first empirical evidence. *International Food and Agribusiness Management Review*, Vol. 11, No. 2, Pages 73-99.

Papers presented on international conferences and seminars:

- Fischer, C., Fritz, M. (2007): The role of trust in European food chains – theory and empirical findings, International Food and Agribusiness Management Association (IFAMA), 17th Annual World Symposium, Parma, Italy, June 23 2007
- Fischer, C., Hartmann, M., Bavorova, M., Hockmann, H., Suvanto, H., Viitaharju, L., Leat, P., Revoredo-Giha, C., Henschion, M., McGee, C. (2007): Economic relationships and B2B communication in selected European agri-food chains – first empirical evidence, International Food and Agribusiness Management Association (IFAMA), 17th Annual World Symposium, Parma, Italy, June 24 2007
- Reynolds, N., Fischer, C., Hartmann, M. (2008): Determinants of Sustainable Economic Relationships in German Agri-food Chains, 2nd International European

Forum on System Dynamics and Innovation in Food Networks, Innsbruck-Igls, Austria, February 19 2008

- Fischer, C., Hartmann, M., Reynolds, N., Leat, P., Revoredo-Giha, C., Henschion, M., Gracia, A. (2008): Agri-food chain relationships in Europe – empirical evidence and implications for sector competitiveness, XII EAAE Congress in Gent, Belgium, August 27 2008
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Editorial details

The Newsletter is emailed to all subscribers or can be downloaded under www.foodcomm-eu.net/newsletter.html.

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Newsletter service: News and information which are related to the subject of FOODCOMM may be forwarded to the email address foodcomm-eu@ilr.uni-bonn.de. The send-in information will be published in the next newsletter.

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