

Szomor-Farm Hungary Hungary

Campden BRI Hungary

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Project acronym: Smart Food Supply Chains

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

1. Title of the case description

Szomor-Farm Hungary

2. Indicate your role in the Smart Food Supply Chain (the role of the case study):

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

3. Indicate the region (if applicable): Hungary, Apajpuszta

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														
	food quality		X					X		X					
	trust														
	ethical aspects														
	accessibility														
Needs of the chain actors	fair price		X												
	increased negotiating power														
	shared use of available resources														
	product development support														
	access to markets and consumers		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**

The Hungarian Grey cattle was the most sought-after supply of beef in the 17th century, but by the 1970s they almost extinct. Nowadays it is regaining its old reputation thanks to a handful of dedicated breeders in the Hungarian National Parks a herd of several thousand cattle are directorate.

- **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)**

The Szomor family have managed new farming methods, regarded to the weeding with the grass-seed mixture they have experimented and produced the undisturbed environment for the animals. During the winter the Hungarian Grey only eats forage grown on the **organic farm** thus the beef is devoid of chemicals. The meat has less water in its marbled fibrous than the venison or a wild boar, it guarantees a gastronomical experience.

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

The secret of their uniqueness is that in their handicraft products (cured salami and sausages) from the first piece of grass eaten by the animals to all the spices added, everything comes from a **clean, healthy environment**.

With the **ENAR code** indicated on the package consumers can make sure that the product they bought is indeed from Hungarian Grey cattle

Slaughter and processing of the meat is done locally mostly by hand in the butchery of the farm. During production the meat is carved up into large pieces. In the Szomor butchery almost 30 types of salami, sausages and other beef products are produced. Base materials such as the paprika (Hungarian pepper) are also grown on the premises thus it is guaranteed that the products are free from chemicals routinely used in the food industry. The salami and sausages are cured for between 60 and 120 days. This procedure coupled with the prime beef of the Grey cattle gives an unparalleled excellent taste to the products. The secret of their uniqueness is that in their handicraft products from the first piece of grass eaten by the animals to all the spices added, everything comes from a clean, healthy environment.

technological X

non-technological

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

In 1989 the Szomor Farm was founded in the Kiskunság National Park. In the area of the former state farm. The Szomor family have managed to work out new farming methods that they have been following ever since. Thanks to the weeding with the grass-seed mixture they have experimented and produced and the undisturbed environment, the number of bustard stock in the region has increased from 300 to 600 in number. They opened their meat processing plant with the main profile of processing of Hungarian Grey Cattle meat in Apajpuszta.

- **Describe the distribution channels of the product(s)**
 - Own shop
 - webshop
 - via distributors
- **Describe what makes the innovation work.**

The beef of the Hungarian Grey cattle is rather different from intensively bred domestic cattle. It is more like that of venison or wild boar because there is a lot less water in its marbled fibrous meat. Hungarian Grey beef guarantees lasting gastronomic experiences.

- **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 (raw materials/ ingredients)
 - human: knowledge & skills
 - IT infrastructure
 - financial
 - b: List the relevant necessary capabilities for the specific innovation.**
Please list the relevant ones only (list is annexed)

6. Describe the results, achievements and typical failures

Typical failure: when the producers ensure do not the steady-quality products and the trust of the consumers cannot be built up.

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

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

One of the hidden needs of the producers is to make the products available for the consumers and find the proper logistic solutions.

9. Recommendations for members of other SFSCs for further applications

The problems of the producer are the trust of consumer and the access to market and consumers.

One of the hidden needs of this is to make the products available to consumers and find the proper logistic solutions.

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

<http://www.szomordezso.eu/>

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.