



GIs

Consumer preferences

And firm strategies

The case of Parmigiano-Reggiano

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Consorzio del Formaggio

Parmigiano Reggiano

Reggio Emilia (Italy)



The Parmigiano-Reggiano chain

Cheese plants

(461 and 112.855 tons 4413 milk producers)

Production and ageing until 12 months



Maturing companies-wholesalers

Ageing between 12 - 24 months and more

Whole cheese – Portions - Grated



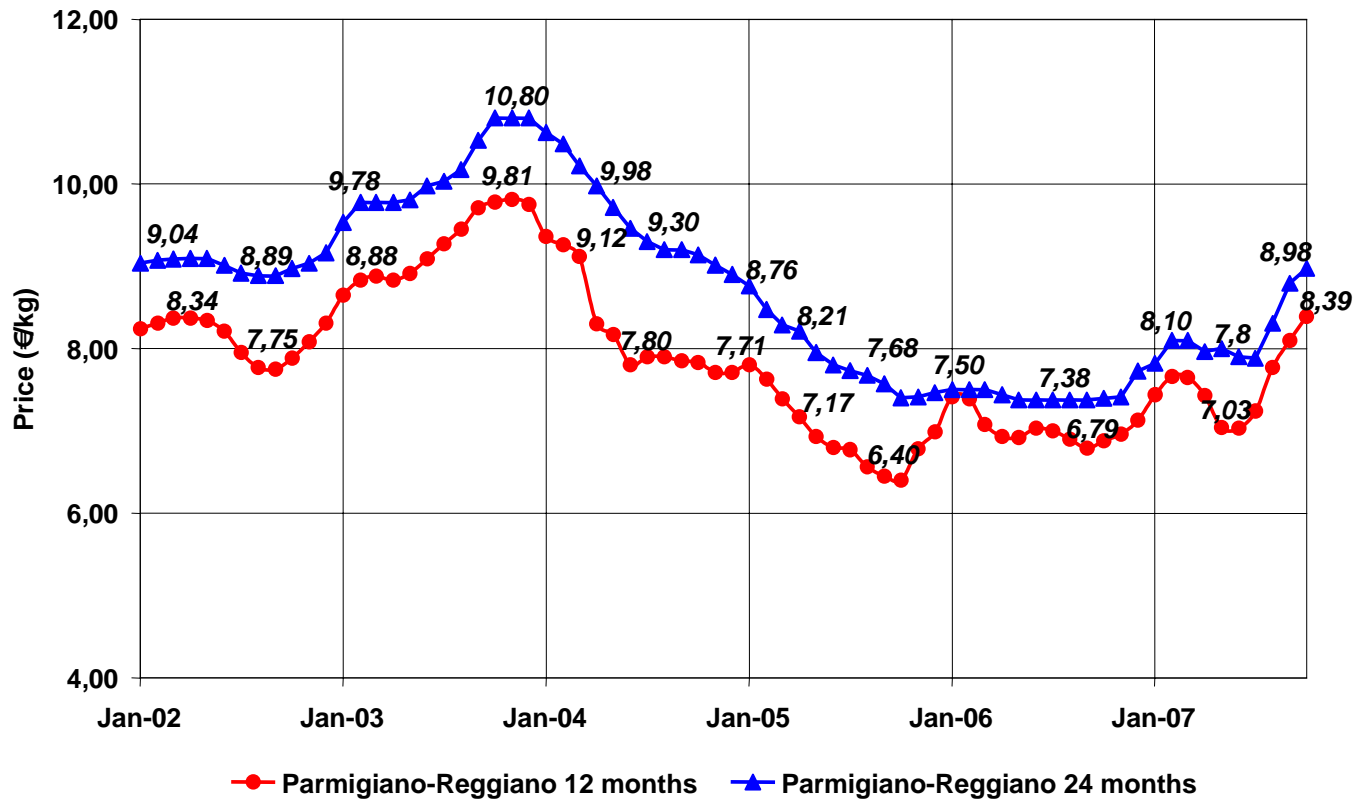
Market

(82% national 18% export)



Sales distribution according to the age of the cheese and to the ageing:

- **65%** Parmigiano-Reggiano 24 months
- **27%** Parmigiano-Reggiano 18 months
- **8%** Parmigiano-Reggiano 12 months “*Mezzano*”





The link with the area of origin: the necessary core of all its history
Natural and Human factors



Parmigiano Reggiano

a noble and historic designation

- Parmigiano Reggiano in Figures (2007)
 - 251.000 cows solely producing milk for Parmesan cheese
 - 4.413 producers of milk
 - 461 cheese dairies
 - 16 litres of milk to make 1 kg of Parmesan cheese
 - 600 litres to make one wheel
 - 30 Kg: minimum weight of a wheel
 - 38 Kg: average weight of a wheel
 - 12 months: minimum maturation period
 - 20-24 months: average maturation period
 - 3.089.732: wheels produced
 - 0 additives



Parmigiano Reggiano

- The strong and unique link with the “*terroir*”
 - the cows are fed predominantly with local fodder no silage
 - the milk is produced and transformed exclusively in the area of origin, it is collected twice a day; it is kept at min 18 °C
- The traditional process
 - solely raw milk, natural starter, calf rennet and salt
 - absolute prohibition of additives and conservative elements
 - copper vats, one cheese making per vat
- The ageing process:
 - minimum 12 months; flavour, grainy texture
 - the packaging in the area of production



THE MANAGEMENT OF THE PDO

1. The Custodian of the PDO: CONSORZIO DI TUTELA
Voluntary association of PDO producers representing at least 3/4 of the PDO
2. The Inspection system of the PDO: DCQ PR
Independent organisation responsible for auditing the adherence to the PDO's Code of Practice

The cost of the system: 6 Euro per cheese (550 litres of milk)
Paid by the producers



The “Consorzio del Formaggio Parmigiano Reggiano” and the use of the PDO Parmigiano Reggiano

1. The “Consorzio del Formaggio Parmigiano Reggiano”
 - Created in 1934;
 - Voluntary non-for-profit body in charge of the defence, promotion and safeguarding of the Protected Designation of Origin Parmigiano Reggiano;
 - Can be members of the Consorzio, on the condition that they are established in the area of origin:
 - Milk producing farmers of milk directed to the production of Parmesan;
 - Diaries producers of Parmigiano Reggiano;
 - Companies maturing and/or grating P.R., that hold the cheese until the end of the maturation period



The “Consorzio del Formaggio Parmigiano Reggiano” and the use of the PDO “Parmigiano Reggiano”

- In charge with the protection, safeguard and promotion of the PDO Parmigiano Reggiano, towards every one;
- Promotion tasks,
- Product specification
- Establishes the modalities/conditions for the use of the marks of origin and their correct use in respect of the specification;
- In charge with the protection of the Designation of Origin against any exploitation of its reputation, against imitation, misuse, etc. (article 13 Regulation 510/2006);
- In Italy, its supervisory agents have the qualification of policemen.



Parmigiano Reggiano on the market packaged in portions, grated





The composition of the Consorzio

- 461 associates (General Assembly). Elect 48 delegates
- Board of Administration (28 + 4 members))
- Executive Committee (10 members). It includes the president and 2 vice presidents
- Term: 3 years
- Members: legal representatives of the cheese plants



The Consorzio: a common interest & strategy

- 1934: Consorzio Grana Tipico CGT
- 1955: regulation for Parmigiano-Reggiano
- 1964: marking of origin
- 1979: feeding regulation
- 1983: annual production
- 1987: marking of origin
- 1991: extension to the grated form
- 2001: modification of producing regulation
(standard, feeding, marking)
- 2002: new statute
- 2003: modification of product specification (on going)
- 2005: amendment to the statute



International Convention of Stresa, 1st June 1951

Law 10 april 1954 n. 125

The protection of denominations of origin and typical names of cheeses

DPR 30 October 1955 n.1269

Recognition of the standards for Parmigiano-Reggiano

DPR 17 June 1957

Attribution to the Consortium for the inspection of the production and sale of Parmigiano-Reggiano

DPR 28 March 1958

Attribution of the qualification as agents of Public Safety to the inspection agents of the Consorzio

DPR 22 September 1981

Extension of the denomination of P-R from the entire wheels to parts of the product sold in pre-packaged form

DPR 4 November 1991

Extension of the denomination of P-R to grated types

Reg. (EEC) n.2081/92 of 14 July 1992

Law 526/99 and subsequent decrees

Reg. (EEC) 692/03

Reg. (EEC) n. 510/06

The control system in the PDO Parmigiano Reggiano

DCQ-Dipartimento Controllo Qualità P.R.



- Private Organism authorized by the Italian Ministry of Agriculture and in compliance with the Standard EN 45011;
- The printing of the selection marks on the rind is done by the Consorzio after the control made by the DCQ P.R. that guarantees the compliance with the product specification;
- Every cheese maker established in the area of origin has a right to the marks of origin and access to the control system: only in the case that the requirements in the specification are complied with. His cheese can than bear the Designation of Origin.



Girolamo Francesco Maria Mazzola (11 January 1503 – 24 August 1540), also known as **Francesco Mazzola** or more commonly as **Parmigianino** (a nickname meaning '*the little one from Parma*') or sometimes "**Parmigiano**", was a prominent Italian Mannerist painter active in Florence, Rome, Bologna, and his native city of Parma.



Parmesanino

Italian? from “Parma”?

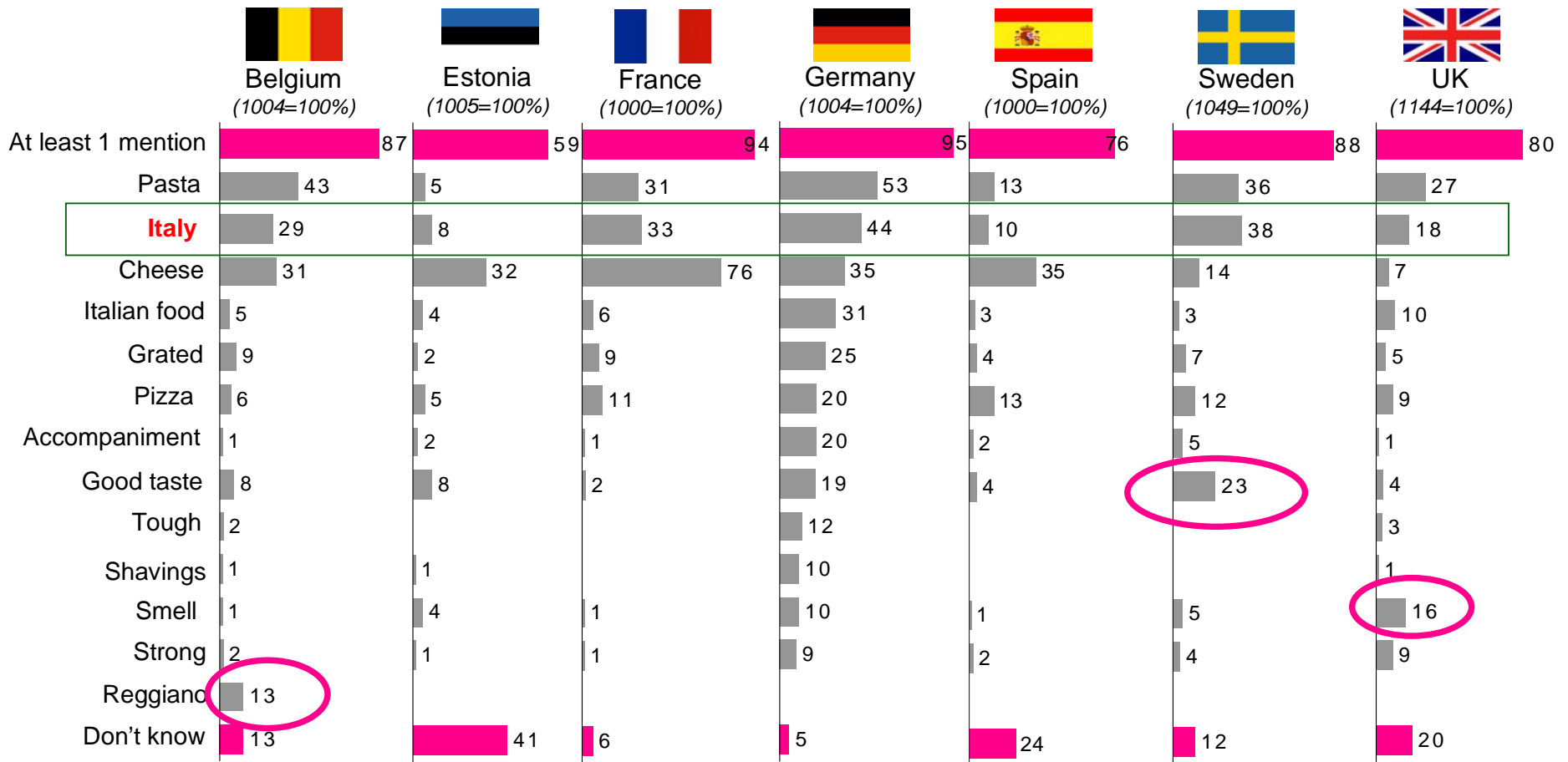


Main spontaneous evocations when «parmesan cheese» is mentioned



Wherever the question is asked **Italy**, **Cheese**, and **pasta** are top of mind mentions.
 To be noticed: many **Swedish** talking about a **good taste**, many **Brits** talking about **the smell** of parmesan (mainly to say they « don't like it, stinky »), and **only Belgium** mentioning **Reggiano**

Question Q0- Please tell me all the words or expressions that come to your mind when you think of « Parmesan cheese» (several answers)





...local, loyal and constant usages ...

The evolution process in agriculture

1. → 1945: the rural society
2. 1945-1960: the technical progress
3. 1960-1975: the apogeuem of growth
4. After 1975: the time of crises and interrogations

- over-production
- price support and (export) subsidies
- reduction of selling prices

1992: the PDO/PGI EEC Regulation

HOW TO BE COMPETITIVE

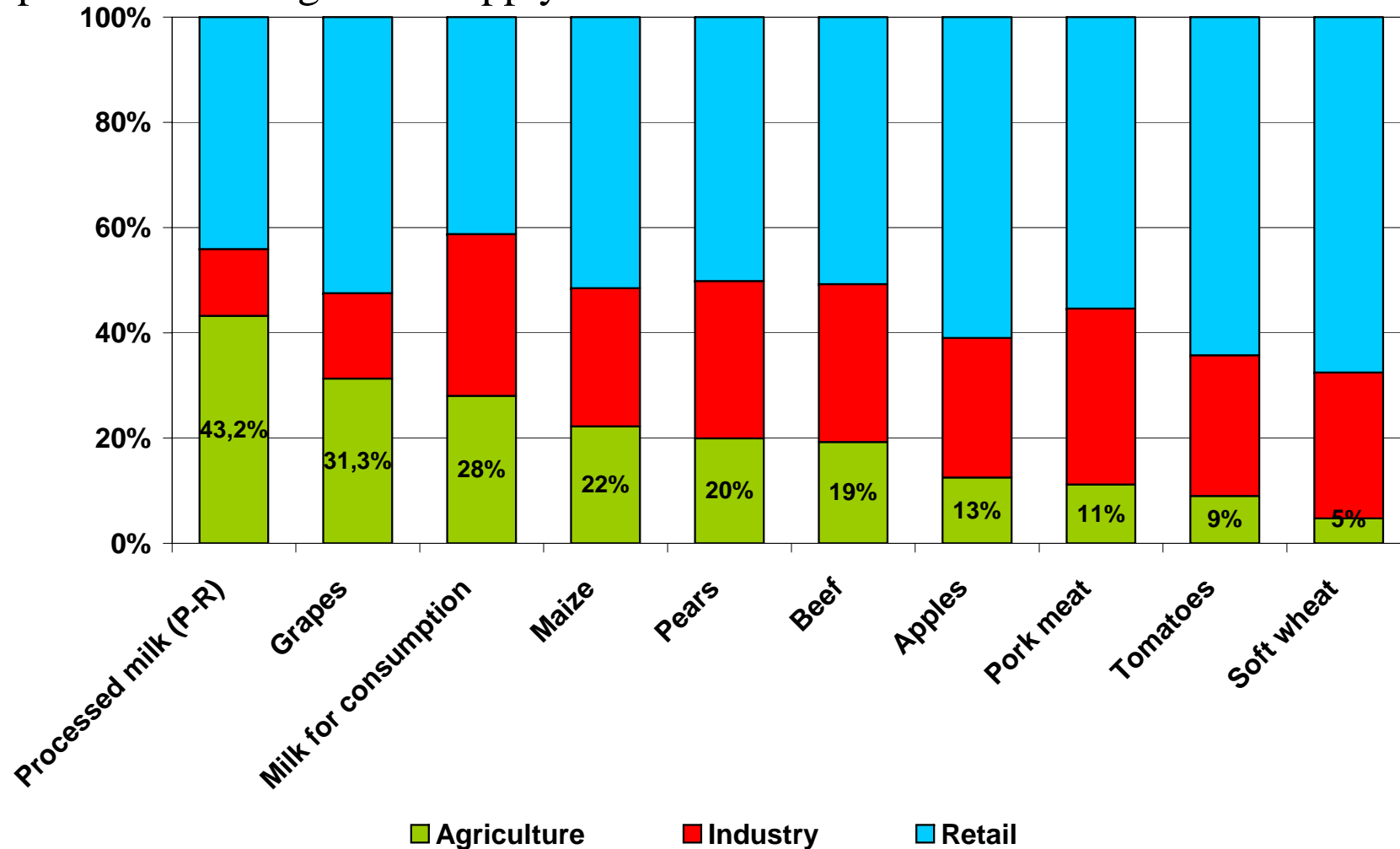


Price / Quality (specification, difference...)



Value added chain

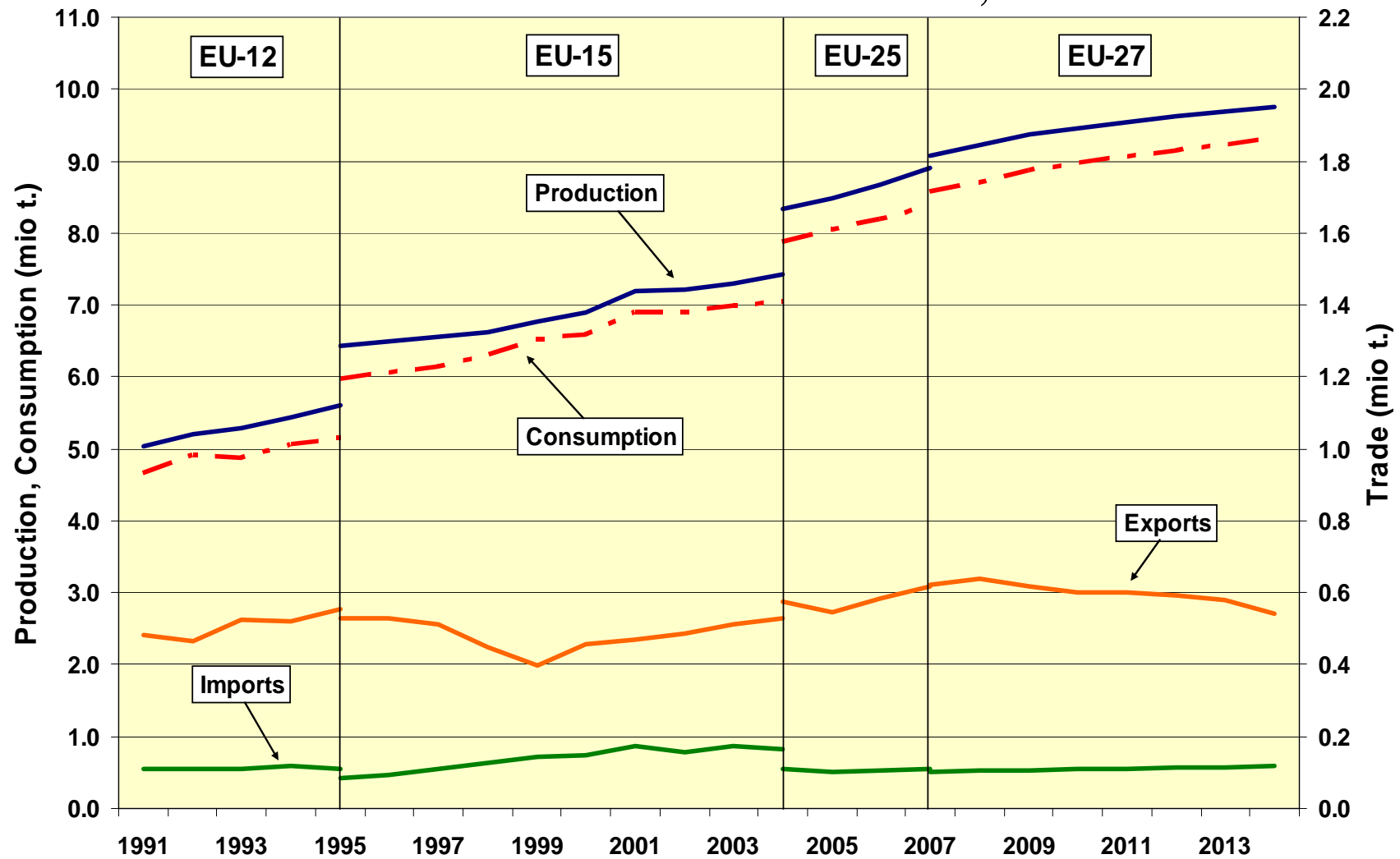
Agriculture captures 43% of the total value of Parmigiano-Reggiano cheese on the consumption market; the share of value created by the agricultural sector is the highest compared to other agrifood supply chains





- Cheese production in the EU 1991-2014: gradual increase

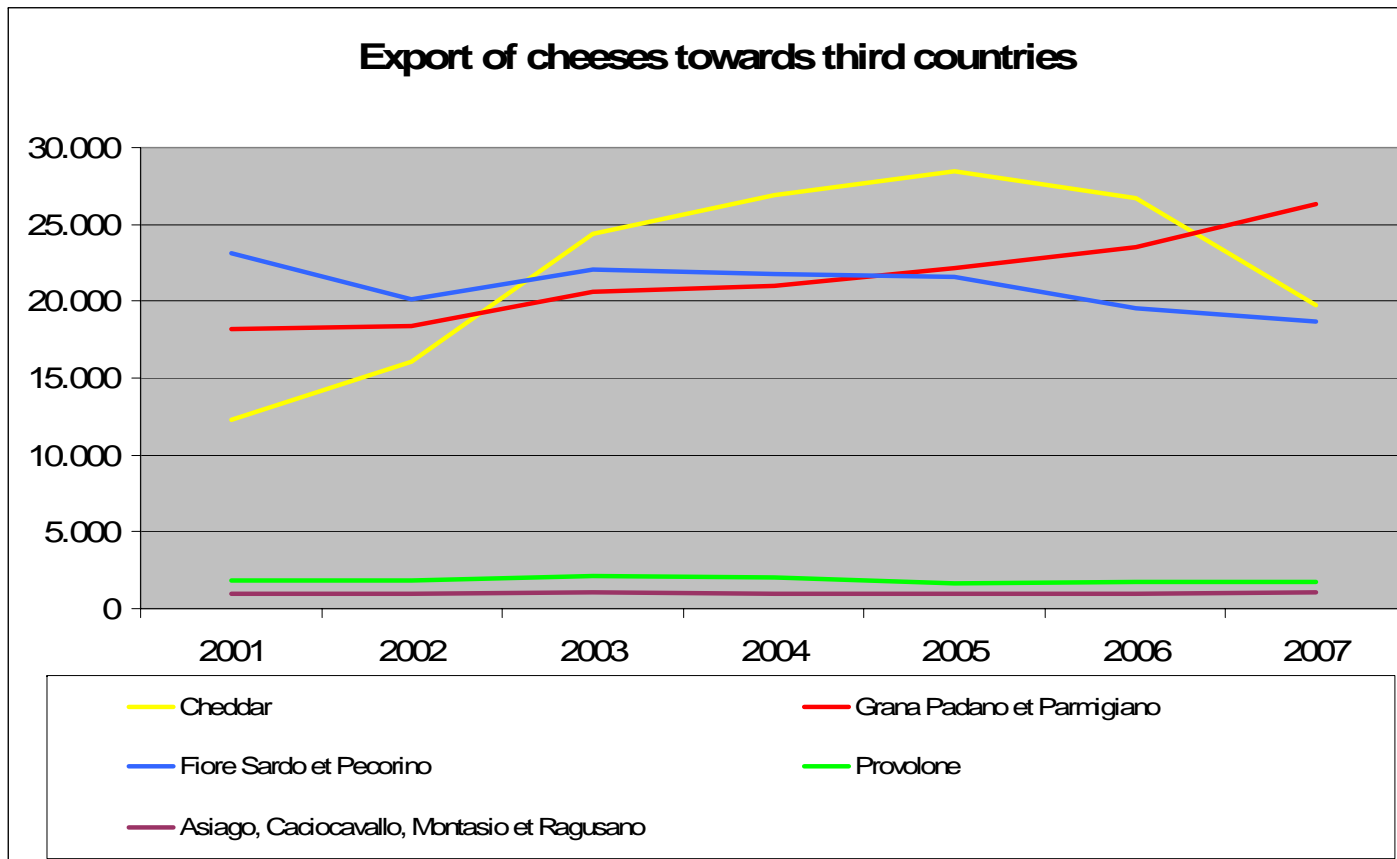
Cheese balance sheet in the EU-27, 1991–2014





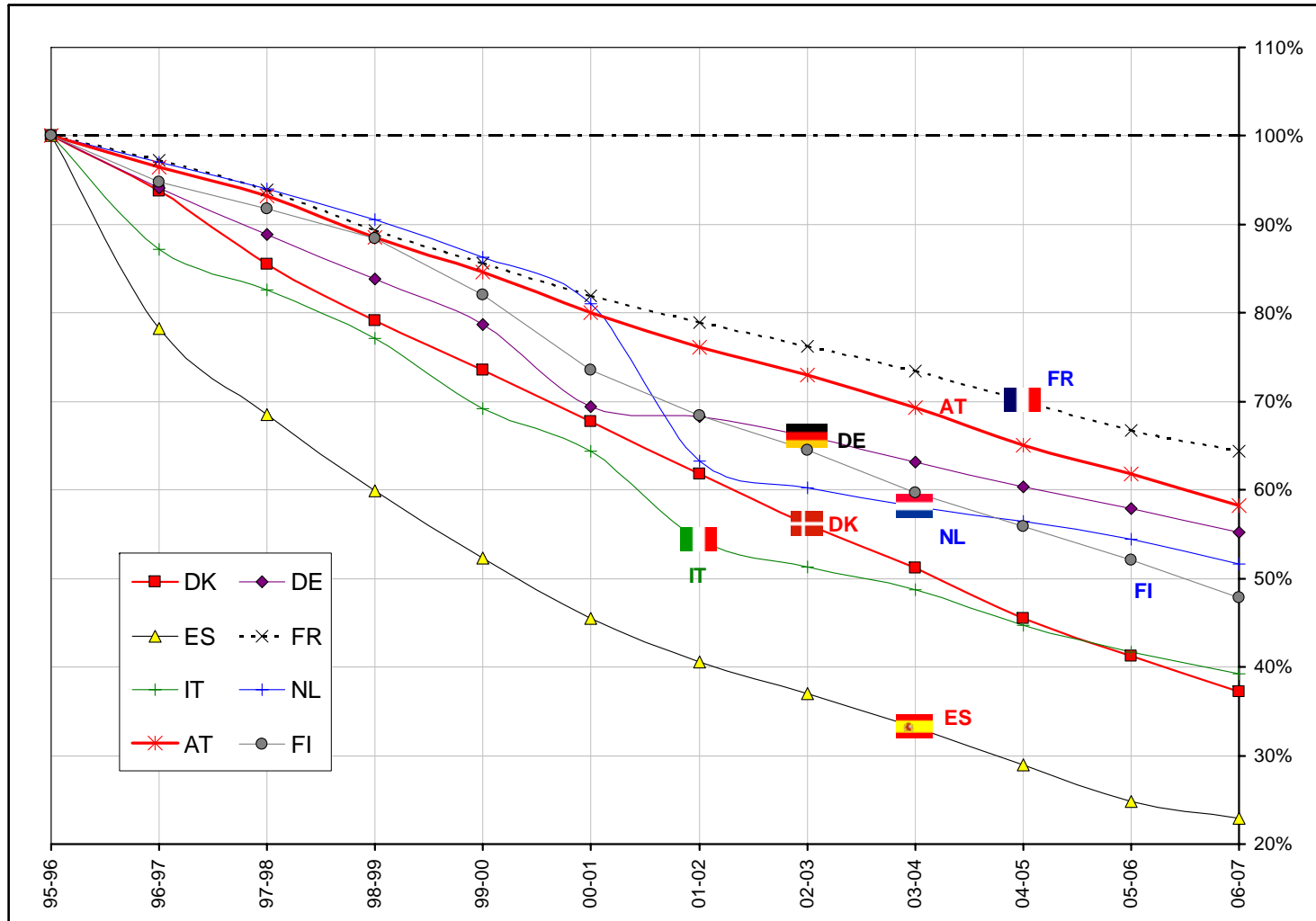
Total exports of EU cheeses

	2001	2002	2003	2004	2005	2006	2007
Total Export of Cheeses	469 336	487 297	509 881	545 252	546 038	584 206	594 158





Evolution of the number of producers





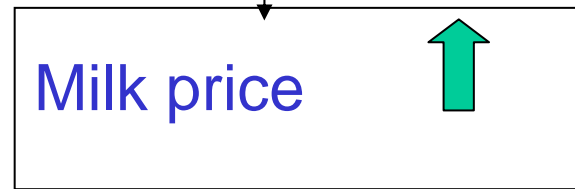
Factors affecting world dairy market

Drought Australia

Drought Southern Europe

Wet Northern Europe (climate change)

Export bans in India & Argentina



Increased Demand (Asia)

World milk consumption of 650 million tonnes is growing by roughly 2% per year (13 million tonnes)

Food versus Fuel



GI: Benefits and difficulties

Protection

Notoriety

Added value

Vigilance

Collective mark

Restrictions

Imitations

Costs

Control

Private brand



The Product Specification: a broad possibility

Animal Breed	Fontina
Silage	Asiago
Pasteurization	Gorgonzola
Additives	Grana Padano
Coatings	Provolone
Cheese packaging in the production area	Parmigiano-Reggiano



The challenge of Producing and marketing a PDO

- The Legal Protection
- *Ex officio protection of GIs*
- *Common regulation*
- *GI register*
- *Ext. art 23 TRIPs*
- The Market Access
- *Management of production*
- *Minimum price*

Grazie

