

Part 2:

Building a Brand

Geographic indicators offer a strong potential selling point in building a reputation for a brand.

by *Kindra Gordon*

Chicago is known for pizza, Philadelphia for cheesesteak, and you couldn't go to Texas without thinking about barbecue brisket and ribs.

These are just a handful of examples of how geographic indicators have been built into the history of particular foods. It's a geography lesson that some believe offers the agricultural industry branding options for the future.

Some examples already at work are Idaho potatoes, Washington apples and Minnesota wild rice. In the beef industry, geographic brands have included Oregon Country Natural Beef,[®] Nebraska Corn-Fed Beef[™] and, most recently, South Dakota Certified Beef.[™]

Learning from the French

Relating a product's reputation to a sense of place (or region) that adds individuality to the product is a branding concept called "terroir" (pronounced "te-wah") that originated in France in the late 1800s.

"Terroir is really geographic-based branding that makes something unique," says Mikkel Pates, a North Dakota-based journalist who has covered the agricultural sector in the U.S. and internationally for more than three decades.

Pates experienced France's geographic branding of products firsthand when he traveled to the country in 2006. Regulated by their government, the French currently have 580 branded products with geographic indicators — the most well-known including wine, cognac, cheese and champagne.

For instance, to be labeled "French champagne," grapes and the wine processing can only be from a historic wine region — near the town of Reims — in the northeast of France. The French government regulates the region, and anyone producing champagne from outside that area could be sued, Pates reports.

"If more people were allowed to produce French champagne from outside the region, it would devalue the product," Pates explains.

He adds that the French believe brands tied to geographic indicators are a way to keep people on the land because they add value to the products being sold. This in turn helps the farmer garner more of a profit to continue in agriculture.

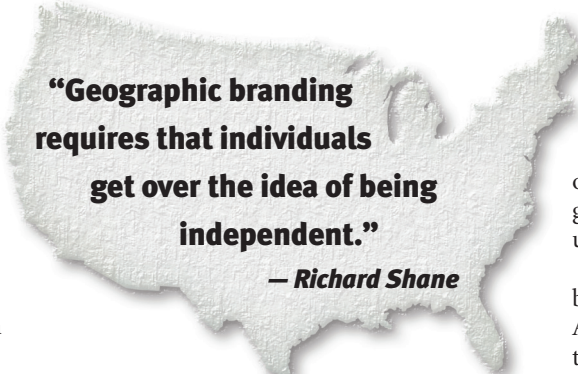
Pates adds that this model of terroir and regional agriculture has also spawned agricultural tourism in France. For instance, visitors to the country want to tour the exclusive agricultural region where French champagne can be produced. While they are touring that region, they like to eat at nice restaurants, shop, and stay in hotels and bed and breakfasts — all of which help boost the region's economy.

Opportunities in the U.S.

From his observations in France, Pates believes the terroir branding concept could work in the United States, too.

"Terroir can be an elusive term, but it is the magical aspects that make a product special," he says. Soil type, climate or set of production practices (like natural, organic, or feeding corn or peas) can all be geographic indicators that help make a brand unique.

Culture is another example he believes brands could hang their hat on — be it American Indian, Hutterite, German or even the farmer-rancher lifestyle. "I do think we



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— *Richard Shane*

have terroir and can capitalize on it," Pates says.

Likewise, former South Dakota Secretary of Agriculture Larry Gabriel has also traveled to France and believes its geographic branding concept has potential for U.S. agriculture — primarily because it is a way to add value to products through a unique brand.

That was his aim for South Dakota beef producers when he initiated the development of the South Dakota Certified Beef brand several years ago.

"I don't think I could attract any young people to ag today if they had to live as bare bones producers," Gabriel says. "Who wants to live that way? If the U.S. beef industry operates as low-cost producers, our competition is China, Argentina, Brazil, Australia and on and on.

"I think the better option is to develop loyalty with the consumer and put a high-quality branded product in front of them — like South Dakota Certified Beef — that they want. If we do that, I'm convinced there's a profit to be made for producers in our state," Gabriel concludes.

Working together

While the concept of terroir can work for

an individual business or producer — Pates gives the example of a French candy maker who used a special recipe that hadn't changed since the 1800s — the true meaning of geographic branding suggests that a number of individuals from a particular region work together.

South Dakota State University (SDSU) marketing specialist Richard Shane says, "Geographic branding requires that individuals get over the idea of being independent. It can be a bigger experience if more individuals from a region work together."

Meredith Redlin, associate professor of rural sociology at SDSU, agrees that terroir should be approached as a collective activity. "That's how it has strength, durability and economic stability. That makes it an experience connected to a region," she says.

She provides the example of a region that specializes in "Old West cowboy experiences." Here, the collective effort might be dude ranches, steak houses, and Western museums from a particular region working together to build their brand identity.

Another real-life example that Redlin cites is a group of farmers in Nebraska who are working together to provide what they call the "Heartland Experience."

Here, eight farms in Cedar and Knox counties in northeast Nebraska have banded together to promote country adventures and educate groups about where their food comes from. Their network offers everything from covered wagon rides out amidst the cattle to a chance to gather eggs or tour an organic vineyard. They also operate a farmer's market during the summer in an old schoolhouse in the area. Natural beef, homemade jelly, birdseed and other products produced on their farms are offered for sale.

The Heartland Experience web site, at www.heartlandexperience.com, touts, "We are unique and diverse as a group, offering visitors a one-of-a-kind glimpse into the diversity and breadth of agriculture in this region."

That is terroir, Redlin says. "They are selling the experience of place, product and people. It has potential in a lot of communities."



Editor's Note: *These branding remarks were made at the 2007 Value-Added Conference sponsored annually each spring in Brookings, S.D., by the South Dakota Value-Added Ag Development Center.*