

# Caseificio Val d'Aveto – Investing to sustain the local supply chain

**EAFRD-funded projects** 

A dairy company used RDP support to build a new wing on its factory in order to increase its production capacity. This investment strengthened the local supply chains and helps prevent the abandonment of the farming activity in the area.

# **ITALY**

# Agri-food chain ntegration & quality

## Location

Rezzoaglio

## Programming period

2014 - 2020

#### **Priority**

P3 – Food chain & risk management

#### Measure

M4 – Investments in physical assets

#### Funding (EUR)

Total 1 168 235 EAFRD 467 294 National/Regional 266 451 Other 434 490

# Project duration

2017 - 2018

#### Project promoter

Caseificio Val d'Aveto

#### Contact

alberto.sturla@crea.gov.it

#### Website

www.caseificiovaldaveto.co m/

# **Summary**

Cattle farming (both meat and dairy) is a significant economic activity in the Aveto Valley in the Apennines. Caseificio Val d'Aveto has been manufacturing quality cheese from local milk since 1991. The firm's management felt that product diversification was the only way to guarantee greater revenues and therefore, the survival of the local cattle farming sector.



Since 2007, Caseificio Val d'Aveto has been making Greek-style yoghurt. Growing demand meant it needed to increase production capacity. In 2017, RDP support was used to add a new wing to the factory building, devoted to the processing, packaging and storage of Caseificio Val d'Aveto's signature yoghurt.

#### Results

Despite having achieved significant sales volumes, the dairy has maintained an entirely local supply chain, thus contributing to a strong territorial identification of its products, to the point of becoming a key element of its reputation.

The dairy products factory employs 23 people from the Aveto Valley; 3 jobs were created by the investments made with the 2014 – 2020 RDP support.

Caseificio Val d'Aveto processed 25% more milk from local suppliers between 2016 and 2018.

It is too soon to the evaluate economic and territorial effects of the investment. It is worth noting that in 2017, 70% of the company's **3.6 million-euro** turnover came from sales of its yoghurt.

**ENRD Contact Point** 

Rue de la Loi, 38 Boîte n.4 - 1040 Brussels, Belgium Tel. +32 2 801 38 00 email: info@enrd.eu website: http://enrd.ec.europa.eu/





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#### Context

The Aveto Valley is an Apennine area located between the Provinces of Genoa and Piacenza. As in all the Ligurian mountain areas, the most widespread economic activity is cattle breeding, both for meat and milk production. The activity is carried out mostly by small farms, whose function of landscape maintenance is takes precedence over their productive potential, which can lead to low incomes. In this context, strengthening local supply chains appears to be the only way to avoid the abandonment of agricultural activities. An increase in the added value of the raw material through processing, is the only way to give to local milk a fair economic reckoning.

The dairy factory "Caseificio Val d'Aveto" is an important actor in the chain. It has helped to keep dairy farming alive in depressed mountain areas, by focusing on maintaining and improving the quality of its cheese and yoghurt. This has enabled the brand to develop a strong reputation.

# **Objectives**

Caseificio Val d'Aveto has been manufacturing quality cheese from local milk since 1991, and its signature Greek-style yoghurt since 2007. It purchased its first semi-automatic packer with the financial contribution of RDP 2007 – 2013. This further RDP support would enable it to add a new wing to the factory building, for the processing, packaging and storage of yoghurt.

#### **Activities**

2018: A new dairy factory is built from scratch with the financial contribution of 2014 – 2020 RDP:

- the production line is housed at the ground floor, and the administration upstairs;
- the machinery is renewed: a new set of inclined beds is purchased, the old packer is completely automated and a new automatic packer is purchased.

The investment enables Caseificio Val d'Aveto to produce 2.5 million jars of yoghurt per day.

#### Main results

Despite having achieved significant sales volumes, the dairy has maintained an entirely local supply chain, thus contributing to a strong territorial identification of its products, to the point of becoming a key element of its reputation.

The dairy products factory employs 23 people from the Aveto Valley; 3 jobs were created by the investments made with the 2014-2020 RDP support. The dairy collects milk from 20 cattle farms. In 2017, it collected 15 000 q. of milk,

Caseificio Val d'Aveto processed 25% more milk from local suppliers between 2016 and 2018.

It is too soon to the evaluate economic and territorial effects of the investment. It is worth noting that in 2017, 70% of the company's 3.6 million-euro turnover came from sales of its yoghurt.

Both the factory and the new offices are lit by LED lamps; the upper floor, which is office space, is wood-insulated, which should reduce gas consumption.

