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Austria became a member of the European Union on January 1st, 1995. Already before the membership had been formalized, the Austrian authorities took measures to reinforce the competitiveness of the firms in the countryside. One of the tools that was used was Protected Denomination of Origin (PDO) and Protected Geographical Indication (PGI) certification of a number of food products. This case study is the story of how a cooperative consisting of 14 cheese producing mountain chalets succeeded in creating a strong trademark by getting their product PDO-certified. This led to an increase in the profitability of the firms and reinforced their ability to survive. By organizing food-related festivals, tourism, gastronomy and trade became interconnected, which created an important regional value added. The currently regionally and nationally well-known product from the mountain pasturecooperative is marketed under the trademark “Gailtaler Almkäse”. The name of the product refers to the sparsely populated valley “Gailtal” in the federal state of Kärnten in southern Austria.

The presentation of the cheese production in Gailtal begins with a background description of the regional location of the area and its economic and demographic situation. Then, there is a short description of the historical organization of the system of mountain chalets in Kärnten, its conditions for production and its current extent. The actual period of study covers the period from the establishment of the PDO-project in 1995 – the year of Austrian entry into the EU – until the year 2010. Finally, a few examples are provided of how festivals focusing on locally produced food products have been created with the aim of increasing the regional value added of locally produced food products.

The aim is to describe how the project of applying for a Protected Designation of Origin for locally produced food products and other
related activities was introduced and carried out in the federal state of Kärnten. We would like to describe how this project was financed and what organizations were the driving forces in the process. With the answers at hand, we know that the project has been successful and viable. Thus, in various EU contexts, it has been emphasized as a best-practice project. Another reason why we chose to study this particular project is that it illustrates how a strategy against the negative effects of globalization on development in the countryside can be designed. Depopulation, closure of firms and a decrease in the competitiveness in the countryside as compared to cities have lately been subject to increased attention.

The project "Gailtaler Almkäse" is considered by local agents to have prevented the closure of agricultural firms and workplaces and to have succeeded in creating new activities within tourism, gastronomy and trade. The total yearly production of cheese is relatively modest and amounts to an annual total of about 60 000 tons. The value added of the cheese production is considered to be considerable for the 14 producing family firms since the closing down of farms is thus prevented. For the region as a whole, the economic importance of cheese production is considered to be relatively small. What is of economic importance for the region is the value added that is created by closely related food activities and their positive impact on tourism, restaurants and handicraft. Thus, the study also describes how, by organizing culinary festivals, the region has succeeded in connecting the production of locally produced food products to tourism, gastronomy, trade and handicraft. Consequently, a regional value added has been generated which, according to many evaluators, largely exceeds the value that is generated by the cheese production itself. The marketing activities were initiated and dealt with – just like in the earlier PDO application – by national government and regional authorities and organizations. These are some of the reasons why the project is often put forward as a "best practice" at the national and international level. One of the main reasons why we chose Gailtaler Almkäse as a case for our study is that Kärnten was awarded the prize for "best practice" within the EU-project "Interreg III Alpine Space Regio Market" 2006-2008. Interreg, financed by the European Regional Development Fund, helps regions of Europe share knowledge and transfer experience to improve regional policy supporting sustainable regional development. The aim of the Austrian Interreg project was to improve the regional economy by developing trademark- and marketing strategies for agrarian locally produced goods and to benefit small firms in the Gailtal
valley. 18 regions from seven different EU-projects participated in the project. Of interest in this context is that it was the federal state of Kärnten that took an entrepreneurial role in a proactive way. Already before the start of the Interreg project, the agricultural chamber of the federal government of Kärnten established an administrative unit with the task of preparing the participation of the country in the Interreg project in 1998 (www.regiomarket.org 2010).

Gailtal – geographical location, the economic and demographic situation

All 14 mountain chalets are located in a political administrative district called Hermagor. The administrativedistrict consists of 7 municipalities, one of which is a small town (Hermagor) and is located in a region that is called Ober Kärnten. The most important areas for interconnected habitation are situated in the valley along the river Gail and its tributaries (Lesach- and Gitschtal). In the north, Gailtal's border consists of Gailtaler Alpen and in the south; Karnische Alpen constitutes a natural geographical border towards Italy. There are only two minor regional passages across the frontier to Italy (Plöckenpass and Nassfeld).

Picture 1. The mountain chalets of Gailtal
The number of inhabitants in this barren, alpine part is far below the average for both the federal state of Kärnten and Austria. The capital of the region, Hermagor, is followed by the small market town of Kötschach-Mauthen, the most important center for employment in the area which is dominated by tourism (in particular by the skiing region Nassfeld). In total, 75 % of all employed individuals and 55 % of all inhabitants live in these two municipalities. Another disadvantage for the region is that its peripheral labor market does not have any connection to the supraregional and national traffic system.
As appears from table 1, Hermagor had 18 900 inhabitants (52 % of which were women) in 2012 which corresponds to about 3.4 % of the total population of Kärnten. In comparison, it can be mentioned that the population of Hermagor amounted to 20 350 individuals in 1961, which constituted 4.1 percent of the total population in Kärnten. The administrative district of Hermagor with its 806 km² (340 km² of which are rural areas and 185 km² alpine mountain chalets) is also the administrative district with the smallest area in the federal state. (Das ist Kärnten 1970).

The number of inhabitants in Hermagor and Kärnten fell under the last decades with a somewhat worse trend for women. Population-wise, the region of Hermagor was also the region with one of the worst population trends in Austria. According to Statistics Austria, the demographic long-term forecast for Hermagor also shows a pessimistic picture with a loss of –7 % and –12% until the year 2030 and 2050, respectively. (Die Woche 25, 2010). Decreasing birth rates, emigration especially of young and educated people and insignificant immigration are sources. The share of inhabitants with foreign citizenship was also low with 5.3%, i.e. far below the Austrian average (10.3 %) which is considered to be problematic (Schwarzfurtner 2009). The share of women is similar to other populations. The unemployment share is surprisingly low compared both with Austria and Kärnten. From table 1 it is evident that the district of Hermagor is only densely populated in both the Kärnten and Austrian context.

The mountain chalet system

Standardization is considered to be a form of coordination and governance in society and is at least as important as market and hierarchy (Brunsson & Jacobsson 1998, Brunsson 2000). Today, even agricul-
ture is very uniform and standardized. This applies to the major part of Europe, but it has not always been the case. Not that long ago, each district was still an isolated unit characterized by local conditions and traditions. Thus, each district developed its own characteristics, its own kinds of buildings, based on an individually developed organization of agriculture (Frödin 1926). Today, these individual characteristics have almost disappeared. As technology has developed and been standardized, the organization of agriculture and, finally, the actual agricultural districts, have become standardized. The government authorities were the driving forces of a transformation process that affected many countries in Europe, among other things through enclosure movements. In Sweden, it was the government authorities that transformed the agricultural districts in a revolutionary way, in particular through enclosure movement laws. This served to destroy the old Swedish village agglomeration and thus the geographical basis for the old Swedish village society. The laws regulation, the enclosure movements expressed was a new organizational principle, i.e. individual production. This new principle was in complete contrast to the idea that constituted the basis of the old village society, the idea of an organized, goal oriented and uniform cooperation in the work within the industry.

These reforms, which constituted the starting point of the transition from a preindustrial to an industrial society, led to considerable organizational changes in agriculture (Lütke 1956, Hemfrid 1961, Guteland et al 1975, Utterström 1975, Frödin 1929, Pettersson 1983, Gadd 2000). Together with progress in technology and transport services, they created conditions for economic growth and industrialization. These revolutionary changes have been described by other researchers and need not be repeated here (Phillippovich 1922, Guteland et al 1975, Pettersson 1983). Lately, the process has been speeded up by technological development, modernization, subsidy systems, scale rationalizations, and national and European agricultural policy, for example. The result is a "modern" form of agriculture that many people consider to be monotonous and impoverished when it comes to species.

A kind of settlement that has not been affected by this standardization to the same extent are the mountain chalets. A mountain pasture is often a remotely located pasture with one or more buildings that provided lodgings for labor that carried out dairy and watching duties of grazing animals. This function has not changed to any considerable extent over time. The system with mountain chalets is a kind of exten-
sive stock-farming which allows the animals to graze in different climate zones according to the seasonal changes. This means that the cattle are brought to summer chalets with land that is rich in grass that are more or less distant from the real agricultural district where the main farm is located. There is a technical term for this way of keeping animals called “transhumans”. A condition for the system is that the milk that is produced is preserved by being transformed into cheese or butter, in particular, and this needs be done on a continuous basis (Santillo-Frizell 2006, Larsson 2009, Möre 2010).

On the Scandinavian Peninsula, the mountain chalet system exists both in Sweden and Norway (Skappel 1926). The role of mountain chalets as an established and important sustenance system resulted in fixed, institutional cultural forms in, for example, working life, housing, types of buildings, kinds of tools and religious beliefs. The latter included the legend of Mother Earth and so-called vitror (in Sweden) and other supernatural beings causing mischief at the Alpine mountain chalets. One such folkloric creature is “Das Kasermandl”, a troll that moves into the barn during autumn and winter (Schipflinger 1931, Deutsche Alpensagen 1861). The importance of the system with mountain chalets as an economic and agricultural system in Sweden did almost entirely disappear during the era of industrialization. In 1907, it was still of great importance for agriculture in Sweden as a whole since as large a share as 23 of the whole stock of milk cows were being kept at the mountain chalets. In the same year, 50 000 – 60 000 people lived at the mountain chalets. When there was an increase in the costs for personnel and the processing of milk as well as for transporting the cattle and when modern dairies were introduced, the system with mountain chalets became limited or ceased to exist in Sweden. The system with mountain chalets is today still common in European countries with alpine landscapes. Those places that remain in Sweden only work due to various kinds of support. In the summer of 1980, there were a total of 272 different users that transported cattle to mountain chalets at 209 different places. However, many of the mountain chalets still remain and serve as mountain chalets for tourists or have been transformed into attractive recreation resorts (Skappel 1926, Fäbodväsen NE 2010).

In the alpine countries, where the system with mountain chalets is still common, mountain chalets are called Almen, Sennereien, Almwesen, Almwirtschaft (in Austria) or (in Switzerland) Alpen, Alpwesen and Alpwirtschaft. In the French Alps, the word Cababe is used and in Norway they are called Säter. Outside the Nordic and Alpine
countries, a similar system with mountain chalets exists in the Pyrenees, on the British Isles, in the Carpathians and in the Balkan countries. Outside Europe, the system with mountain chalets exists in Northern Africa (the Atlas Mountains) and Asia (the Hindukush and the Himalayas). The system with mountain chalets is one of the few real remnants of the old village society; it is based on a village- and agricultural organization, which, in turn, is built on interaction (Frödin 1926).

The mountain chalet system in Kärnten

In Kärnten, the system with mountain chalets has a history that can be traced far back in time. Pastures above the tree line were already being used in 5000 BE. Archeological findings of bones from cattle and goats that could be dated to the early Stone Age (about 2000 BE in Kärnten) indicate that these animals were already used in agriculture. It was mainly the meat from the cattle that was used, but earthenware vessels that have been perforated like sieves have been considered as evidence of cheese production. Through the use of burn-beating, the settlement was expanded from the top and downwards. The valleys lacked any permanent settlements, still had no roads, and were overgrown and swampy. Already in the eighth century AD, the system with mountain chalets began to be established and extended, and started to resemble its now familiar and traditional form. Despite the fact that the existence of mountain chalets is already mentioned as a supplement to larger farms in the tenth century, farms that are solely devoted to raising cattle (so-called "Schwaighof") can only be confirmed in Kärnten from the twelfth century and onwards. Accounts that remain from that time show that there were already mountain chalets with farm buildings (Alp) in alpine locations and that these were being used in the summer (Dinklage 1966).

From the thirteenth century and onwards, the system with mountain chalets in the alpine locations of Kärnten was expanded due to population growth and a milder climate. It appears from the accounts of estates that, already at that point in time, there were strict regulations of the number of animals that each farm could bring to the mountain chalets and the fees that the user had to pay. But there exists limited information on daily life in these mountains pastures. Dairymen, shepherds and farmhands belonged to the agricultural proletariat without land who has left no written accounts. It was only when more intensive methods of cultivation were introduced in the nineteenth cen-
tury that written information on the daily conditions at the mountain chalets began to be produced. (Steinmüller 1802). The system with mountain chalets had its golden era in the latter Middle Ages (the fourteenth and fifteenth century). Cheese in particular was produced at these mountain chalets. Some of the reasons for this were that cheese was used in exchange for other goods and as a means of paying tax according to the accounts of monasteries in Kärnten. Society was still dominated by self-subsistence, barter, local markets, insufficient roads for transport, lack of money, etc, which are reasons why, instead of money, payments were often made in kind with grain, salt, butter and cheese.

Another reason was that cheese soup constituted an important component of the daily diet. In the major parts of Kärnten, breakfast consisted of a soup made of cheese. A description of this soup, which was considered to be a cheap and nutritious breakfast (Suppenmachtet, Suppenkas, Kasmachtet), can be found in a recipe from 1578. The primary produce for this was a parmesan-like and probably very hard cheese. It had to be grated on a grater and put into a milk soup where the cheese was mixed with hard and stale bread that had become inedible. Cooking at the farms usually took place in so-called smoke cottages. A smoke cottage has a fireplace without a chimney, where the smoke exits through a hole in the roof. The idea is that the hot smoke is retained below the cottage ceiling, and that the thickness of the smoke is regulated using ventilators for both intake of air on the floor and air outlets through the roof. Smoke cottages were common all over Europe. They did still exist sporadically in Sweden in the eighteenth century, in particular in Skåne, but later also in the Finnmark (northern Värmland) where they were introduced in Sweden in the seventeenth century by immigrated Finns. The advantage of smoke cottages was that they kept the heat better than houses equipped with a chimney. The houses at the mountain chalets were characterized by the fact that they did not have a chimney and that the smoke was collected below the ceiling. This provided heating of the cottage and gave the soup a characteristic smoky flavor (Dinklage 1966).

**Forms of ownership at the Kärnten mountain chalets**

The system with mountain chalets can be considered to be one of the few real remnants of the old village societies, the old village system based on cooperation. In all places where the system with mountain chalets still exists, remnants can be found of this early, often locally characterized, form of organization and production. Written contracts
regulating the rights to keep animals at private/individual and collectively owned mountain chalets in Kärnten exist from the fourteenth century. The right of disposition to the land at the mountain chalets in Gailtal was characterized by three major types of rights of disposition (Werin 1982):

1) Exclusive (or individual) rights of dispositions that are reserved for certain subjects (a certain individual), while all other subjects are excluded. This type of mountain pasture is called "Einzel- or Privatalm" in Austria. These mountain chalets were subjected to private rights of disposition but in certain cases these were in turn subjected to limitations from the village collective or the landowner (so-called servitudes). This form is called "Servitutsalm". The private right of disposition to the mountain chalets could in certain cases be turned into a collective in the summer as concerns the pastures. Private mountain chalets are usually either cultivated by individual agricultural firms or by an individual. Usually, these are mountain chalets that are located at a lower altitude.

2) Collective rights of disposition, which belong to all individuals (or at least to a large number of individuals). These mountain chalets are usually owned by the state of Austria, the state owned railway company or by the federal state of Kärnten. This form is of no importance for the present study.

3) Collective rights of disposition, which belong to a relatively small, well delimited group of individuals, while other subjects are excluded. This form of rights of disposition to mountain chalets is considered to be the oldest form. In Kärnten it is called "Gemeinschaftslalm". The main rule is that an individual farm could bring as many animals to a mountain pasture as could spend the winter on the same farm. This rule was probably more favorable for larger production units. These mountain chalets owned by a community were used by a larger number of farms in a so-called "Nachbarschaft" (i.e. a neighborhood). These communities might consist of several villages and settlements so-called "Weiler". A so-called "Weiler" from Latin (villare = farm), i.e. a group of between 3 to about 20 farms and the corresponding small acreage. Basic service institutions such as churches, schools and shops are normally missing in this kind of settlement. In Kärnten, this kind of settlement emerged during the colonization of the area in the early Middle
Ages. Weiler is an early form of the latter village settlements. The size of these areas is shown in the example of Dellacher Alm in Gailtal: 62 farms in 11 villages had the right to bring animals to this mountain pasture (Koroschitz 2009).

The right of use to such areas of land was given to several individuals, farms and villages and could thus be used according to a complicated pattern (Haller 1969). This kind of co-ownership can be documented for Kärnten from the fifteenth century, but it is probably much older. The neighborhood regulated the running of the mountain pasture and jointly organized the labor. The neighborhood ensured and organized these rights and relations over the centuries, but also cemented injustices since individuals who settled in the area at later points in time were excluded from the right of disposition. Until the parcel- and agrarian reforms in 1848 (the so-called Bauernbefreiung), the legal basis for these rights of disposition was common law which sometimes generated conflicts. Shepherds and farmers tore down fences or took animals that had entered their land from other mountain chalets as pawns. The question of settling the borders between different village communities was solved in different ways (Pettersson 1987, Ostrom 2009). Sometimes these disputes also turned into physical violence and often kept the courts busy over several decades. Thus, there is, for example, a story about a conflict that emerged in a dispute about the border from Gailtal that turned into shooting between two villages. Several individuals were shot and others were thrown down a steep mountain slope in revenge (Ghon 1901).

The reforms of 1848 and 1853 resulted in the farmers becoming free citizens, but they had to buy their freedom through payments to landlords and the church. These reforms abolished the dependence of the farmers and the compulsory work, taxation and fees that these entailed. Through enclosure movements and other land reforms, the farmers’ right to use the land was transmitted to formal ownership. The exclusive rights of feudal landowners, i.e. the rights to decide on and impose punishments and exercise police tasks, were abolished. Common land became private land (Lütge 1967, Conze 1950, System der Volkswirtschaft 1888, Philippovich 1922).

Formally, Gemeinschaftsalmen are today juridical persons. This can be illustrated by an example of how these complicated rights are still distributed according to old patterns. In the Swiss village of Adelboden, farmers meet annually in order to decide on and distribute the grazing rights at the village mountain chalets. At this meeting, it is
decided how many animals per farm can be brought to the mountain chalets. It is the size of each mountain pasture that determines the number of grazing rights. A few rights are private and a few hundred belong to the municipality. The number of rights varies with the kind of animal: eight rights are, for example, required to keep a cow or three smaller calves at a mountain pasture during the summer. All grazing rights are distributed among the 141 farmers in the village, according to a distributional system that is considered to date back to the thirteenth century. The distribution of rights has been preceded by intensive negotiations during the year and most of it has been settled in advance. The rights are sometimes being leased for several years or even several generations. When the rights have been distributed, an intensive bartering procedure starts again (Süddeutsche Zeitung 2010).

Each form of right of disposition has its advantages and disadvantages. The owner of a Privatalm can probably adapt most quickly to changes in the framework conditions for the activity (change in the production and adaption to various forms of support). At the same time, each individual owner gets to finance all costs and investments on his own. Historically, the private mountain chalets in Kärnten have been run in an intensive way. Lately, they have been forced to abandon such intensive use, due to for example high costs for personnel, lack of personnel, and the change to a more extensive use of the mountain chalets. Among other things, this has led to a decrease in the number of milk cows, an increase in the number of animals that are being taken care of at the home farm, and that the people supervising the grazing disappeared from these farms. It has been easier for mountain chalets that are owned by communities and collectives to fund the necessary investments and carry out repairs. It has been easier for mountain chalets with collective rights of disposition to make larger investments (the purchase of new technical equipment, milking equipment etc) and carry out larger projects (cheese dairies, access roads). Moreover, the introduction, production and marketing of high-quality products have been easier for them. The disadvantage of the collective rights of disposition is considered to be that changes can only be made after long discussions, and when personal opposing views have been resolved, which has come to postpone projects for years (Koroschitz 2009, Lackner 2010). Already in 1873 a commission pointed out the servitude mountain chalets as the most mismanaged ones. This mismanagement was due to different interests as concerns the right of disposition:
While the landowner has an interest in taking care of the stock of trees at the mountain pasture, the individual who has the grazing right would like to destroy each growing tree already when it makes its first appearance, if he can do this and remain unpunished, in order not to decrease the area of grazing land. The landowner does nothing to take care of, clear or improve the land. Neither the landowner nor the individual with the grazing rights has any interest in taking such measures. Thus, these mountain chalets fall into decay and are further depleted every year. (Koroschitz 2009)

The extent of the various forms of ownership

The structure of the ownership rights and the rights of disposition at the mountain chalets in Kärnten is not uniform. We find a small-scale mixture of mountain chalets that are privately owned or owned by collectives and communities. The middle and eastern parts of the federal state are dominated by privately owned mountain chalets. The western, alpine parts of Kärnten (with Gailtal) are dominated by mountain chalets that are owned by communities or agrarian collectives. These mountain chalets are usually considerably larger, located at a higher altitude, and were used as grazing pastures in earlier historical times. Privately owned mountain chalets emerged later (often through burn-beating) and are located at a lower altitude. This can be illustrated by an example: Of the 1 986 agricultural pastures that were in use in Kärnten in 2009, 79 % were private mountain chalets, 18 % were owned by agricultural cooperatives, 2 % were other forms of mountain pasture collectives and 1 % was servitude mountain chalets. When the size of the land is considered, however, mountain chalets that were owned by various agrarian cooperatives constituted 51 % of the total area that is considered to be land of mountain chalets. Next in line were private mountain chalets with 36 % and servitude mountain chalets with 9 % of the available acreage in 2008 (Koroschitz 2009).

The ownership structure of the mountain chalets in Gailtal constitutes a contrast to the rest of Kärnten. We find a relatively uniform picture where four fifths of all mountain chalets are owned by agrarian collectives or communities (Ruppert & Mayer 1978). A mountain pasture that is profitable today requires a relatively large minimum size. It
is due to their larger size that the collectively owned mountain chalets have a comparative advantage in this context.

The mountain chalet system in Gailtal

The system with mountain chalets in the mountains around Gail and its tributaries, the so-called Carnia region (that is Gailtal, Gitschtal, Lesachtal, Weissensee and Nassfeld-Hermagor), has a long tradition. One of the first systematic written pieces of information on the use of grazing land in connection with dairies at mountain chalets is to be found among the accounts for farms concerning the county of Görz from 1375. The county of Görz came into existence at the beginning of the twelfth century, as the result of the attempts to obtain power by the Meinhardinians (i.e. a Bayern noble family) and their close connection to the patriarchate of Aquileia (a Catholic Papal State in the area that is today called Friuli and Istria). The county – which covered the areas from Tyrol and Kärnten in the north to the Adriatic coast in the south – was incorporated into the Habsburg Empire in 1363.

The production of "Almkäse" at the mountain chalets of Gailtal is already mentioned in these documents. For a long period of time, there is no information about the dairy production in this area. The few existing studies with aggregated figures on the production of milk and cheese in these mountain chalets are not to be found until the latter part of the nineteenth century. In 1870, 65 tons of cheese were produced at the mountain chalets of Gailtal. Besides cheese, several other by-products were produced: 13 tons of curd cheese, 6 tons of butter and 23 of milk that were consumed by those working at the mountain chalets. In 1949, there were still 39 mountain chalets in Gailtal with an ongoing active production. In order to control the development of the mountain chalets and be able to solve their future problems, a producer cooperative (Gemeinschaft der Almkäsereien Kärnten) was established in the same year with its headquarters in Kötschach. Due to the structural change in agriculture and the increasingly intensified agriculture in the more fertile valleys, the mountain chalets lost their economic importance from the 1960’s and onwards.

In 1960, 25 mountain chalets were still in use, producing 34 tons of cheese. In the 1970s, their number was further reduced to seven. A new way of thinking within agriculture, with a transition to organically oriented and quality-oriented methods of cultivation and thus to related economic subsidies, has then led to a new upswing in the cheese production at mountain chalets. Not least the insight that the
production at alpine mountain chalets also has an economic potential as concerns tourists has been a favorable factor. Production at the farm itself and the production of natural food products were encouraged and given a favorable treatment in Gailtal. A continuous use of the trade mark "GailtalerAlmkäse" can be verified from 1950 and onwards. In the 1970s, there was an increase in the number of mountain chalets to the present number of 14 (Der kärntner Bauer no 42). Today, the production of cheese amounts to about 65 tons, i.e. it has returned to the level of 1870.

In the nineteenth century, many of the mountain chalets in Gailtal had animals that came from Italian farmers. For example in 1872, there were more than 600 cows at Sattelalm that belonged in Italian barns. Trade agreements and customs agreements regulated this trade. The mountain chalets were often leased by Italian leaseholders who were producing cheese according to recipes with origins in the province of Friuli in northern Italy. When the north Italian provinces were separated from the Austrian monarchy in 1866, this resulted in a dramatic decrease in the number of Italian cows at the Gailtal mountain chalets. A detailed description of the conditions for the mountain pasture economy is for the first time provided in a report from 1873 (Die Alpenwirthschaft in Kärnten 1873). This report already provides an exact geographical, geological and meteorological division of all mountain chalets. Moreover, the vegetation that is considered to have been valuable for the favorable conditions for the Almkäse in Gailtal is described. Descriptions of the daily work at a mountain pasture as well as the economic importance of the mountain chalets provide a good insight into the economic conditions of that time. Already in 1908 did the Austrian government regulate the operation of in particular those mountain chalets that were owned by collectives or communities. The users had to send reports to the authorities on how the user rights were distributed, what the plans were for the care of the land and the forest and how the control was exercised of the fulfillment of the goal. The aim of the regulation was to improve the operation and the profitability of farms in alpine areas (Phillippovich 1922).

Despite the high level of ambition of the state to preserve and develop the system with meadow pastures, this was subjected to a decline due to the outbreak of World War I. The war front-line between Italia and Austria went through the mountaintops at Gailtal during World War I and had severe consequences for the mountain pasture settlements. Access roads and farm buildings were destroyed to a large extent. The new border towards Italy put an end to the Italian
cows that had earlier come to graze at the Gailtal mountain chalets in the summer. In the 1920s, the government tried to restart agricultural production through various funding programs. Alpine areas were then particularly taken into consideration. Repair work on buildings that had been destroyed and access roads as well as new constructions were financed by these government subsidies. The government financed reconstruction work also constituted a possibility to modernize and improve these production units so that they came to correspond to the contemporary requirements for a higher-quality cheese production.

Through infrastructural measures, the conditions for production were considerably improved. The mountain pasture settlements that were created in that period still characterize the alpine landscape in Gailtal. The size of the individual production units was then adapted to conditions that were more suitable, and more modern, for the economy of the mountain pasture. It is thanks to this reform that the production of cheese is today still possible in the given spatial structures. At the same time, one also started to pay more attention to training the personnel. These efforts to increase the competency were probably one of the reasons for the obvious improvement in the quality of Gailtaler Almkäse that occurred at that point in time.

Due to the fact that the cheese production in the area was rather unique for a long period of time, the association that was created in 1949 (Gemeinschaft der Almkäsereien Kärntens) − in connection with the application for an EU-certificate in 1996 − changed its name to one that was considered to have a more obvious connection to the regional origins of the product ("Verein der Gemeinschaft der Gailtaler Almserneien"). A protocol that continued the tradition from the medieval "Alpordnung" (that is, the regulations that determined which farms had the right to bring animals to mountain chalets etc.) was established by the activity group that had been active in the creation of the project Gailtaler Almkäse. The new protocol (Gailtaler Almprotokoll) came to play an important and binding part for future cooperation within the cooperative (Burgstaller 2010). The protocol that was drawn up by 76 people (9 of whom were women) active within the mountain pasture trade constitutes a binding guideline for all members. It consists of 20 pages and contains detailed regulations for how the production and quality control of cheese that is covered by the trademark is to be carried out. It also provides binding instructions concerning how to care for the animals and the organization of the operation at the mountain pasture. The most important thing might be the binding regulations for pricing for the members. A binding mini-
mum price for the members of the cartel per kg of cheese is stipulated. Furthermore, it is stipulated that the members are to carry out yearly controls of the prices and that there should be an annual increase of the prices. Finally, it is established that regional small firms should be used when carrying out investment assignments in the infrastructure of the mountain chalets (Gailtaler Almprotokoll 1994).

Table 2. The number of mountain chalets and the animal population in Kärnten in 1891, 1953 and 2008

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<th>1891</th>
<th>1953</th>
<th>2008</th>
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<tbody>
<tr>
<td>Dairy cows</td>
<td>13 265</td>
<td>11 273</td>
<td>1 889</td>
</tr>
<tr>
<td>Cattle – young animals</td>
<td>57 837</td>
<td>50 335</td>
<td>51 270</td>
</tr>
<tr>
<td>Horses</td>
<td>2 640</td>
<td>4 167</td>
<td>1 635</td>
</tr>
<tr>
<td>Sheep</td>
<td>54 781</td>
<td>49 734</td>
<td>15 347</td>
</tr>
<tr>
<td>Goats</td>
<td>10 876</td>
<td>3 474</td>
<td>1 162</td>
</tr>
<tr>
<td>Pigs</td>
<td>4 517</td>
<td>1 648</td>
<td>S</td>
</tr>
<tr>
<td>Number of meadow pastures</td>
<td>2 324</td>
<td>2 178</td>
<td>1 951</td>
</tr>
<tr>
<td>Mountain pasture acreage hectares</td>
<td>S</td>
<td>248 000</td>
<td>174 706</td>
</tr>
<tr>
<td>Pasture land hectares</td>
<td>S</td>
<td>154 000</td>
<td>72 750</td>
</tr>
<tr>
<td>Number of employed at the mountain chalets</td>
<td>3 146</td>
<td>2 146</td>
<td>609</td>
</tr>
<tr>
<td>Population in Kärnten</td>
<td>Men 1 785</td>
<td>Men 1 232</td>
<td>S</td>
</tr>
<tr>
<td></td>
<td>Women 1 361</td>
<td>Women 1 184</td>
<td>S</td>
</tr>
</tbody>
</table>

Source: Koroshit 2009. S= Information is missing

As appears from table 2, there was only a minor decrease in the total extent and importance of the system with mountain chalets measured as the number of meadow pastures in Kärnten between 1891 and 2008. The number decreased with only 16 percent from 2334 units 1891 to 1951 units 2008. There was a decrease in the total acreage by about 74 000 hectares and the pasture land decreased by about half. As appears from the table, there was a decrease in the number of milk cows in particular between 1953 and 2008 by 16 percent while the number of cattle and young animals remained constant. However, the decrease in the number of employed is salient.

In comparison, it can be mentioned that in 1980, there were only 200 mountain chalets in Sweden. When making a new inventory in 1990, only 139 mountain chalets were still active. In the evaluation of the goals for environmental quality by the Swedish Board of Agricul-
ture, “A rich agricultural landscape”, it is emphasized that only a few of the mountain chalets in any obvious way mirrored work at the mountain chalets in preindustrial society (Bill to Parliament 2009).

Old cheese is sold with new methods

The EU reformed its innovation policy at the beginning of the 1990s. Previously, all investments had been made in research and technical development of (industrial) firms. These investments were expected to automatically result in innovations and have an economic effect on the market. However, it is shown in evaluations that research is not turned into new products and market shares to a sufficient extent. The goal of the new innovation policy was that the regions were to get assistance in helping themselves. The regional and local level was considered to be the best unit for creating and implementing innovative measures. At this level – one thought – it would be easiest to interact with, in particular, small firms. It was also considered to be important to take the specific conditions and requirements of the region as a starting point. There was no recipe for business administrative success and factors that could create growth. The projects were to be the result of regional initiatives and not be imposed on regions from a higher level. Networks were to be established both within the region, between firms and the public administration and between regions. In order to be able to develop and turn important resources for innovation purposes, such as human capital and technical development, into economic success, it was considered to be important to create efficient regional and national support systems. These views were widespread within the EU when Austria obtained its membership in 1995 (Green Paper on Innovation 1995).

Efforts to create inventions were beginning to be considered as an increasingly important part of EU regional policy. A high potential for innovation in the European economy was to an increasing extent considered an important condition for creating welfare. It was assumed to be particularly important for agrarian and industrially less developed regions that had shown a relatively lower innovation capacity than more developed industrial regions. In order to avoid elimination, firms should be encouraged to create competitive advantages based on the production of better and different goods and services. In the same way, states were encouraged to supply national, regional and local support systems (Kinkel & Wengel 1998, Grote 1997, Jonsson et al 2000, NUTEK 2008). These views were widespread when a strategy
was developed at the federal state level in Kärnten in order to develop neglected regions.

With the aim of preparing agrarian organizations and other agricultural parties for an imminent EU entry, the federal state started a corporation: Kärntner Agrarmarketing AG. The aim of the corporation was to increase the production of value added among agricultural producers and regions that had been neglected and obtain subsidies for the planning of projects related to food products in connection with Austria's entry into the EU. Gailtaler Almkäse soon became one of the large projects of the new lobby firm.

The corporation prepared most things. A first step was to activate local activity groups, to obtain subsidies to finance their activity and to distribute these funds. According to the project leader for the application for an EU-certification of Gailtaler Almkäse at that point in time, the application was initiated by an inquiry from the federal government of Kärnten about possible potential candidates for certification among regional food products. The query targeted farmers, gastronomers and entrepreneurs within the area of tourism. It appeared clearly from the guidelines from the federal state that only a few products could be suggested. The answers were evaluated and Gailtaler Almkäse and Gailtaler Speck (a smoked ham) were agreed on. The initiative now went to the regional level. Local activity groups and networks between different interested parties were created. The applications were quite extensive and complicated. The firms involved would never have been able to do this on their own, so they were assisted by a consulting firm. The costs for the applications were borne by the Austrian nation-state and the federal state government in Kärnten and were counter financed by various EU funds.

The application for the cheese was considered to be one of the best and is still being emphasized as "best practice" in different contexts (Burgstaller 2010). The efforts were rewarded by the fact that two products from Hermagor, i.e. Gailtaler Almkäse and Gailtaler Speck were certified, (with PDO and PGI) in 1996 and 2006, respectively. The cheese almost immediately received a PDO-certificate while this turned out to be more difficult for the ham. According to the project leader, it was more difficult, based on historical and other regional factors, to prove that the pigs – from birth to slaughter – had traditionally been raised on fodder from the region. This was easier with the milk. Cows have unquestionably always existed at the geographically delimited mountain chalets where they grazed. These two products
became the figurehead products of the region in the marketing of other regional food products.

**Gailtaler Almkäse – product description**

Gailtaler Almkäse is a cheese that is produced using cow's milk and, in certain cases, with an addition of goat's milk (the share of goat's milk must not exceed 10 %). The milk that is used for the production of Gailtaler Almkäse can only be produced at certain specific mountain chalets (that are located at an altitude of around 1600 meters above the sea). The use of milk that has been produced in the valleys is explicitly forbidden. Only rennet (from calf stomachs) and lactic acid bacteria cultures can be added in the cheese production. The share of fat in the cheese is stated to be at least 45% (F.i.T), the share of water a maximum of 40 % and the dry matter at least 60%. The cheese is round and weighs 0,5 – 35 kgs. It has a closed natural golden crust. The curds themselves are yellow and of a supple texture, have small equally round holes and are exempt from "incorrect taste". The shortest maturing period for cheeses that are sold in stores is seven weeks. When there are special requirements, for example for sales at the mountain pasture, shorter maturing periods can be accepted – but the period must be at least five weeks. If the cheese is to be vacuum packed, the maturing period must not be less than 75 days (EU application 2081/92).

**The production of Gailtaler Almkäse**

In order to have a sustainable guarantee for quality, the so-called "Gailtaler Almprotokoll" was taken as a starting point for the production process. It contained guidelines for how a sustainable development of the system with mountain chalets, care for livestock, dairy work, processing of milk and cheese production can be achieved. How cheese was traditionally produced and how this changed due to the control connected to the PDO-marking is described by the dairyman at the mountain pasture:

The evening milk was originally kept in wooden troughs. These were never cleaned and were kept in the cellar at the mountain pasture where the temperature ranged between 15 and 20 degrees. This meant that the milk easily became acidic during the night since the wooden contai-
ners were never cleaned. Therefore, the troughs were wide. Formerly, the cream was floating on top. When milk was fetched from the farmer in those days, the cream was first skimmed off. It was then used to make butter. Today, we are no longer allowed to use wooden containers for storing milk. The inspectors of food products would never forgive us for that! Now, we are instead using large, stainless steel containers where the milk is kept overnight. In these large containers the cream is – like in former times – skimmed off the following day. This procedure is of course more hygienic and much cleaner. Unfortunately, it also prevents the start of the acidifying process. Thus, we are obliged to add bacteria in the evening. These are taken from older, sour milk. The evening milk can now become acidic overnight. The stiff requirements as concerns hygiene unfortunately prevent a natural acidifying process, which is why bacteria must be added. The cream is skimmed off the milk. The share of fat varies between days depending on the time of the year and the fodder and can thus not be exactly calculated as in a large industrial dairy. These are also some of the reasons why one cannot exactly state what the share of fat in the Gailtaler Käse is. In the summer, it is warmer in the cellar and the milk contains a great deal of cream. But in the autumn, the share of fat in the milk decreases. The cream is also skimmed off with a ladle and thus, there is no exact information about how fat our cheese is from day to day. The cream that is being removed in the morning is then used to produce butter. At the mountain chalets, butter is only produced using sour cream. Mass-produced butter that can be bought in a grocery store is usually produced using sweet milk. But butter produced using sweet milk would become rancid after 3 or 4 days at the mountain pasture (Oberluggauer 2008).

The size of production

The production is limited due to the geographical limitations of the area, the location of the mountain chalets at an altitude of about 1600
meters and the related climate conditions. Systematically uninterrupted series on the production of cheese at the mountain chalets of Gailtal are missing. However, there are a few existing cases. Already in 1872, about 49,000 kilos of fat cheese, 67,000 kilos of sheep cheese and 2,200 kilos of butter were exported annually from the mountain chalets of Gailtal, in particular to the closed located Italian cities of Udine and Palmanova. The mountain chalets in Gailtal were often leased to Italian leaseholders. Cheese was then produced according to traditional regional recipes with their roots in the Italian province of Friuli. The Austrian owners of the mountain chalets got their remuneration from Italian leaseholders in the form of money. As a basis for the estimate of this remuneration, the milk produced by each cow was measured each summer.

In 2010, the total yearly cheese production at the 14 mountain chalets in Gailtal was estimated at the fairly modest amount of 50,000 to 60,000 tons per year. There can be no particular increase in this production. Tressdorfer Alm, which is one of the 14 cheese producing mountain chalets, produces about 6 tons of cheese every year. Some of the reasons for this are, according to the dairyman and production manager at Tressdorfer Alm, the following:

Gailtaler käse is one of the few products that we have succeeded in establishing in the region and that has obtained a trademark according to the EU norm. Thus, we have very strong guidelines that regulate our production. We are not allowed to add any other kind of fodder, our cows are only allowed to eat the fodder that they find on our meadows. They must absolutely not be given any supplement in the form of concentrated fodder, silage, or anything else, which is otherwise very common within this line of business. This is one of the reasons why we can only spend 80 to 100 days at the mountain chalets. It is not possible to spend a longer period up here, we are at an altitude of 1600 meters and the vegetation is limited. Thus, we only have an average yield of milk amounting to 11 liters per cow and day. The same cow yields— if it grazes down in the valley — a daily average of 20 to 30 liters. This is due to the fact that it gets additional nutrition in the form of concentrated fodder and silage. Here at the mountain chalets, they only get what grows in the meadow! Mid-September, there is usually
no longer any food, the mountain pasture closes, we bring the cows back down and they are returned to their home farms. Then, their milk is once more delivered to the dairies. Therefore, "Gailtaler Almkäse" is only being produced during three months. Our production is not so large that we can sell cheese to the wholesale chains. We basically only produce for our own needs and those of the local market. Our mountain pasture is of the size of about 500 hectares.

Out of a daily production of about 120 liters of milk, I get about 10 kilos of cheese, the production manager continues his story. Of these, 5 kilos go to the farmers and 5 kilos are my own share. The farmers are still paid in kind and no monetary transactions are involved for those mountain chalets that are owned by communities or agrarian collectives. About 35 farmers own the approximately 70 cows at our mountain pasture Tressdorfer Alm. On average, each farmer has 2 cows at our place up here. A cow at a mountain pasture only produces about 1/3-1/2 of the milk that she would have produced at her home farm in the valley.

Regional economic related effects

Due to the ambition for regional economic growth, the interest groups of the government and firms in Austria have shown a strong interest in supporting the initiation and development of activities such as regional and local food festivities. The aim has been to create as many events focusing on regionally produced food products as possible and – with the aim of prolonging the tourist season – trying to develop a seasonally related culture of food festivals. In the following passage, three of these projects will be described.

*Gailtaler Speckfest*

According to the project leader Michaela Burgstaller, it all started in 1992 with a festival organized around a smoked ham "Gailtaler Speck" that was produced in accordance with local traditions. The speck festival has become very successful and is considered to be a case of "best practice" that runs over two days. The structure behind the festival is the following: 17 agricultural firms and a slaughterhouse annually produce about 10 tons of smoked speck according to strict regulations. Gailtaler Speck obtained a PGI marking upon Aus-
tria’s entry into the EU in 2006 (Decree EU No 510/2006). At the actual festival, about five tons or half of the yearly production of speck are sold. In 2010 about 18 000 homemade, smoked sausages were also sold. This has turned out to be of considerable economic importance for the development and survival of these 17 agricultural firms. Besides the real use for the involved producing firms, the regional value added that is generated during these days is considered to be considerable. According to the estimates of the municipality, the regional value added amounts to about 1 million Euro. In 2012, 30 000 people came to the festival and five tons of smoked ham was sold (Kleine Zeitung 2012). The festival also generates about 2 000 hotel nights for tourists in Hermagor and its surroundings. The tourists are from the region and other parts of Austria. They also come from other closely located countries such as Italy, Slovenia, Germany and Switzerland (Zerzer 2011).

This, at one point in time, innovative idea for the region was, in turn, created in imitation of an already established festival in northern Italy. The nearby Italian city of St. Daniele traditionally organizes a festival focusing on a smoked Parma-type ham. According to project leader Burgstaller, the idea was introduced by a master butcherer in Hermagor. He had been to St. Daniela and had been impressed by the number of visitors, realized the economic importance of the festival and ‘could then not get this idea out of his mind’. The Italian festival around the smoked ham that lasts for four days attracts about 500 000 visitors. During the festival, they buy and consume about 6 000 (à 60 kgs) pieces of the PDO-certified ham. It probably contributed to the success that 18 million Euro were invested in the marketing of the festival between 1988 and 2003 (www.prosciuttosandaniele.it).

The butcher became obsessed with the idea, "if they can do it, we can", and suggested to the village mayor that a similar festival should be organized in Hermagor. A meeting was arranged where representatives from agriculture, tourism, gastronomy, the chamber of agriculture and the project leader Burgstaller were present. "We also had a person who was full of ideas – an optician by profession – who participated in the meeting and who thought that the suggestion was a good idea. At an early stage, he set as the goal that the first festival was to attract a couple of thousand visitors to Hermagor. Everyone was laughing at him, but he did not give in and thus succeeded in persuading and involving many of us”. With the answers at hand, we know that the project has turned out to be successful and viable. The idea was then imitated by many others. Kärnten is today ‘a country of cu-
linary festivals that are organized around locally produced food products’. Only in the region of Hermagor (which has about 19,000 inhabitants) they start with a polenta festival in June, which is followed by a speck festival, a Frigga festival (Frigga = food made of corn), a festival when the first Almkäse is ready for consumption (Käseanstich), a honey festival, a bread festival and a cheese festival in the autumn. Moreover, there are a number of smaller local festivals focusing on potatoes, apples and other items. All of this thanks to the master butcher who did not give up on an idea that he believed in.

The cheese festival in Hermagor

This project was also being prepared before Austria's entry into the EU. An application for the funding of the project was submitted in 1995 at the same time as the application for the country's EU-membership. The project to start activities around the cheese could thus be financed by the nation-state and the federal state of Kärnten and the EU. The aim of the project was to promote a 'qualitative development of agriculture and the system of mountain chalets within the region'. With this aim, the project was to 'use high-quality food products that were produced in the region'. Further goals were to achieve improvements in the regional production structures of the mountain chalets and ensure the extent of the sales of the products (application agrarprojektpreis 1996). The cheese festival has become established and several hundred small cheese producers from Italy, Slovenia, Germany, Switzerland and Austria exhibit high-quality dairy and cheese products every year. Cultural events create a folkloric framework with dancing, traditional costumes and traditional handicraft around a festival that is visited by around 12,000 – 15,000 tourists every year depending on the weather (www.kaesefestival.at). In an attempt to improve the project and create a further regional value added, a related project was initiated in 2001 ("Gailtaler Kulinarium – Gailtaler Speck- und Käse Strasse).

Hemagor now had two leading products that had obtained an EU certificate (cheese and speck) but there was a desire to increase the visibility of other locally produced food products. The project, which was also on this occasion subsidized by the state, the federal state and EU (50 %) funding, started in 2001. Local interested parties had steadily worked on four food products for some years (besides cheese and speck also bread and polenta). The highlights of these activities are yearly festivals that have been created around these products in the valley (Woche 2010). In order to create synergies and improve its po-
sitioning in the region, it was decided to follow a common strategy. The main goal of the strategy is to try to create new markets for these locally produced food products within and outside of the region. Furthermore, the common efforts should be targeted at increasing the ability of the region to increase the value added. There were several means of obtaining these goals.

A common organization was created for selling and marketing the products. The purpose of this organization is to build a bridge between these products on the one hand and local agriculture, handicraft, trade, culture and folklore on the other. Already existing activities (such as for example the Gailtaler Käsefestival) are to be reinforced and developed into becoming the backbone of such cooperation. Extensive measures of an infrastructural nature were also introduced. Examples for this are welcome signs, signposts, own stalls for selling goods, flyers, posters, websites, public work, cooperation with the media, cooperation with companies for transport and tourism, participation in official festivals, cooperation with the credit card company Kärnten Card (www.kaerntencard.at). The target area of these activities is regionally delimited to the administrative unit of Hermagor with its surroundings. The yearly turnover for these activities was estimated at 5.8 million Euro in 2008, of which half could be related to products such as cheese and speck and half to tourist activities related to food products.

Food autumn in Kärnten (KärntnerHerbst)

This project is an example of how one has succeeded in extending the tourist season in the entire federal state with seasonal (autumnal) food festivals. The project is described by those by whom it is marketed as a symbiosis among culture, business life and tourism. The initiative was taken by the federal state also on this occasion. The aim was to make it possible for all regions to show off their "cultural heritage in its most beautiful colors".

The project seems to be successful as 74 municipalities had participated in organizing about 120 events during two months in the autumn of 2009 and 2010. The participants were restaurant keepers, farmers, craftsmen and members of folkloric organizations such as dance- and music groups, shooting clubs, etc. (with a total of 80 000 members). The picture that one wishes to convey is "the colorful Kärntner soul", which is to show its inner nature, and the guests are thus invited to a pleasant gathering. The target audience was domestic tourists and tourists from closely located countries coming for the day. This high
level of ambition has led to a rich supply in events. The number of visitors in 2009 was estimated at 220 000 (www.heimatherbst.at 2013).

The advantages and disadvantages of the PDO

In reply to the question about which advantages and disadvantages are related to an application for an EU-certificate, most involved agents replied that the regional-economic effects were only considered to be positive. The EU-certification and the marketing of other locally produced food products that were thus made possible were interpreted as a counter strategy to the negative effects of globalization. Many people thought that the closing down of existing agricultural firms had been prevented and that it had been possible to develop other existing firms at the same time as it had been possible to create new jobs within tourism and related activities. It is not surprising that those subsidies (from the EU, the nation-state, the federal state) that had been obtained for investments, for production, for organizing food related events and for marketing, were welcome. According to what emerged in the interviews, 70 percent of the costs for road constructions to the 14 mountain chalets at an altitude of about 1400 - 1600 meters were subsidized by different funds. Among the producers, there was awareness that the EU-certificate created a local monopoly which made agreements on cartel prices and resulting price premia possible. A collective locally connected trade mark cannot be sold to other firms or relocate its production to other parts of the world. The protection of the trade mark Gailtaler Almkäse that an EU-certificate guarantees was also of importance. The initially high costs for the application procedure and the costs for quality control were mentioned among the disadvantages.

Finally, we asked one of the key agents the question of whether it had been worth all efforts related to applying for an EU-certificate for Gailtaler Almkäse and got the following answer:

Think about it: what exists besides cheese in Kötschach? Nothing! If Gailtaler Almkäse had not existed we would have had nothing! What we did was simply to market an old product with new methods. The cheese was basically produced with the same methods as in the eighteenth century. It is still manually produced. There are more controls and the cheese is of better quality/…/ But it is a
great difference as compared to before when the farmers were dozing and did not fix anything. Now, they understand that they cannot continue with this and that they will be excluded if they do not fix the bad conditions. My answer to the question is that the EU-certificate for the cheese is priceless! It also fulfills an important function as an ambassador for the entire region (Lackner 2010).

Concluding remarks

The study divulges the potential possibilities for regions with structural weaknesses and other problems affecting sparsely populated areas, not only as a means of averting negative development, but also to create a regional value added. This occurs through the possible prevention of the closure of existing agricultural companies, and the subsequent creation of new companies and jobs in food-related businesses. To create powerful regional trademarks based around locally produced food – through ‘regional branding’ – could be one of several possible strategy for supporting an entire region, socially, culturally and environmentally.

By applying for the PDO certification for a locally produced food (Gailtaler Almkäse) that has been produced in the area for centuries, one has been able to create a significant regional value added in Kärnten. Gailtaler Almkäse operates as a regional umbrella band, with the purpose of strengthening the cooperation between agriculture, trade, craft and gastronomy. A trademark with a PDO certification tells, through its documentation, a history of the product’s cultural and technical tradition and quality. The story of Gailtaler Almkäse's past and the product’s attachment to centuries of traditional ownership and modes of production is an example of a kind of brand-strengthening storytelling.

A necessary condition for the project’s genesis was the Austrian government’s proactive stance. They prepared an application for PDO certification before the country ascended to the EU in 1995. State-owned and semi state owned companies were formed for the purpose. Together with public authorities on different levels and agrarian trade organisations, these succeeded in activating and uniting disparate local interest groups. The advantage of this activity – which, initially, was public – was that individual small-size producers were not burdened; this must have been a necessary condition for the completion of the
project. Because the Austrian state initiated and remained active in the opening phase, it bore an entrepreneurial function, i.e. it created both a new product and a new market.

Through its PDO certification, the regional brand Gailtaler Almkäse also functions as a regional cartel that not only guarantees its members minimum costs, but also higher gains than those that can be made by comparable products. Another advantage is the fact that the trademark cannot be sold off to other interested parties, and that production cannot be removed from the region. Taken together, these things can function as a strategy of resistance against the negative effects of globalisation. The development of regional brands can also be used as a strategy for collective marketing. The brand tells a story of a context between product, tradition, culture and quality. In Kärnten, food that has been certified by PDO or by PGI has – through food-related events that are created around the other types of products that lack that certification – become economical locomotives.

Unification in regional producer cooperatives, under a regional and collective brand, allows previously competing small-size producers a stronger platform for negotiation with larger customers, such as grocery stores. Through that unification, these small-size companies can attain scale advantages in marketing and brand strategy, as well as in logistics. The consequences of small businesses are transformed into advantages. In Gailtal, cooperation between authorities, on different levels, with interest groups for agriculture, trade, craft, gastronomy and tourism has created a regional value added that, according to assessors, significantly transcends the value of the groceries produced.

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