

Grape and wine producers' Cooperation in Hungary

The case of the Arany Sárfehér Grape and Wine Producers' Cooperation

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Main data on the Arany Sárfehér Cooperation:

- Building on the local traditions of viticulture, the **overall aim** of the initiative was to maintain the role of agriculture in local employment through enhancing its profitability. To reach this overall aim, the **most important goal** is to hold together farmers in order to achieve higher prices for the vine produced in the region.
- **Main activities** of the Cooperative involve administrative support, training, operating a weather and plant-protection forecast system and also processing and marketing of grapes and wine.
- The cooperation was established in 2002.
- The **members** are local farmers.
- The cooperative produces wine and other products made of wine and grape. Its main target is to sell the regional products on the **internal and international markets**.

The key for the COFAMI's innovative nature is that it **combines traditional knowledge and cultivation methods with the latest technology** and business strategy; in the same time it combines different local and extra local resources as well, in order to **construct the image** of the traditional Arany Sárfehér grapevine. This results in innovative products: champagne and wine of protected origin that have both good quality and a special intrinsic value.



On cooperation

The question of **trust/mistrust in cooperation** is a popular topic in Hungary. Collectivisation, as all over the country, was not popular in the region, there was a general mistrust toward socialist-type cooperatives.



However, it was **evident** that the collectives and the State Farm **modernised local grape cultivation**: planted new grape plantations suitable for using machines in different works, improved the whole system of production and **reorganised marketing**. The loss of these results was kept unfavourable. On the one hand there are negative experiences of cooperation and collective action, on the other hand **farmers experienced the advantages of cooperation**, and the present processes encouraged them to find a new, appropriate form of cooperation.

The newly established cooperative developed new brands. It **rebuilt** former markets, **external relations** and **strengthened local community** as well.

