

Sastagrain - from Sastamala to the global market

Innovating a holistic grain chain model and developing an attractive brand for producing speciality oats and exporting them to international markets.

EAFRD-funded projects

Location: Sastamala, Finland

Programming period: 2014-2020

Priority: P6 - Social inclusion and local development

Focus Area: Local development

Measures: M07 - Basic services & village renewal

Funding: Total budget: 46 750 (EUR)

EAFRD: 17 672 (EUR)

National/Regional: 24 403 (EUR)

Private/Own: 4 675 (EUR)

Timeframe: 30/09/2015 - 02/10/2019

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Summary

Sastagrain was an innovative, collaborative project, aimed at producing locally farmed oats. Located in Sastamala, Finland, a group of 35 farmers was set up to produce specialised oats products. This involved establishing a farm laboratory for testing grain to verify its quality and safety, in line with different customer needs. It was therefore important to document the differences in variety and quality of the various grain batches, in view of the different purposes and usages in food and for cosmetic production.

As such, the project piloted and documented an oat supply chain from field to fork, engaging with farmers, the industry, and researchers. The aim was to find new farmer-driven solutions to the challenges of agriculture, such as specialisation in organic and gluten-free oats, and developing aspects such as safety, traceability, and production according to demand. As part of the project, the FarmTopOats brand was created for the global market.

Project results

- The project contributed to developing farmers' exports and marketing skills, refining the production process of pure quality documented oats, and producing quality products.
- The new brand, FarmTopOats, aimed at international markets, was established. The brand increased the competitiveness, sales, and income streams for the farmers.
- As a pilot activity, ten truckloads of grain were exported to Germany. The collaboration continued after the project concluded.
- Connections were made with ten companies from Central Europe, the UK, and the USA, and export measures are now piloted in two countries.

Key lessons and recommendations

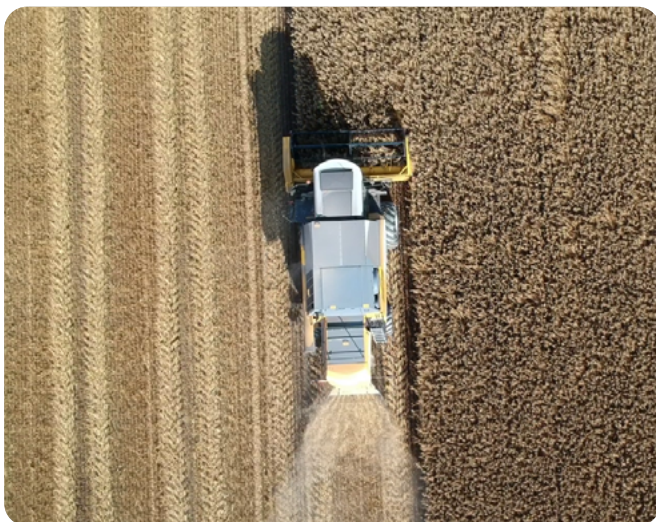
When the demand for high-quality products is focused on specific varieties to fit certain purposes, leveraging these special characteristics brings new requirements for managing the production process.



Context

Oats have been popular since the 2010s, and their consumption has tripled since 2000. Their popularity is driven by their health attributes, an increasing demand for gluten-free diets, and consumers' growing interest in more environmentally and climate-conscious diets. The increase in the range of oats-based products has also contributed to their increased popularity.

Buyers are interested in quality and variety-specialised grains and products, which means customers expect more information on the chemical and physical properties of the grain and its varieties. There has also been an interest in further specialising and optimising raw materials of different product categories to ensure consistent production quality. In addition, demand is growing for organic oats and pure oats, suitable for gluten-free diets.



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Due to the midnight sun, oats that are grown in Finland are of high quality and have a unique flavour. Finland also has the highest standards in food purity, traceability, and food safety. While the country is the smallest food exporter in the EU, it is the second largest exporter of oats in Europe. However, there is untapped potential for producing additional value from the grain and increasing the profitability of Finish cereal farming.

To tap into the potential of increasing the export markets for oats, there was a need to develop a holistic, customer-oriented grain supply chain and a grain-batch specific quality control to help producers increase their competitiveness and profitability.

Objectives

The Sustagrain project aimed to create a brand and story for oats produced in Finland, and to increase their popularity within different customer segments by using social media, along with contacting international customers and potential partners. It was important to build networks throughout the grain chain, between farmers, customers, industry, research and product developers. Through this, the project sought to help improve the development and production process of healthy, safe and traceable grain, increase the domestic processing rate of oats, and create added value from Finish food and grain exports.

A further objective was to participate in at least one international food fair to introduce the production of pure, quality-documented oats, and the quality of products made in Sastamala.

Activities

Project activities included:

- Setting up a group of 35 Sustagrain farmers to produce variety-specialised oats. In addition, a farm laboratory was established for testing the quality of grain batches in terms of technical (moisture, protein, volume weight) and safety (mycotoxins) aspects. Each batch needed to be documented clearly, showing the variety and quality of the grain, according to individual customer needs.
- Documenting the entire production process. Through this, relevant information could be provided to customers on specialised grains such as gluten-free oats or high beta-glucan oats suitable for cosmetics.
- Increasing the production and added value. The project worked with a development company that supported it in planning and defining an appropriate marketing approach to ensure that Sustagrain's strengths and story could be credibly marketed internationally.
- Creating a new brand of oats, FarmTopOats, by the farmers group. The added value from the branding consisted of variety-specialised farming, technical quality and safety, and production documentation in line with customers' needs.
- Participating in the Food Ingredients fair in Frankfurt (FIE2017) in late 2017.
- Pursuing business contacts. This included signing up an agreement with a German buyer for FarmTopOats produce to be transported by road from Sastamala directly to a German mill.



- Strengthening other valuable connections with German sales representatives on their Finland visit in June and August 2018. This was a significant event and success for the project. The visitors learned about farming in Sastamala, the special qualities of Finnish oats, and participated in an event held by the farmers group. The visits also provided further insights into international marketing.
- Organising communication activities, such as the farmers' network Facebook group. This contributed to establishing a shared vision, which was important for creating a shared brand. Information on project results was provided to stakeholders in farmer events and seminars linked to other projects.
- Collaborating with the Satafood Development Association's project on gluten-free crop rotation and attracting attention from the Finish media. Several articles were published on the project and the FarmTopOats brand.

Main results

The main results included:

- The creation of a new brand, FarmTopOats, for international markets. The brand increased the competitiveness, sales and income streams for the farmers. This is particularly due to the laboratory and its detailed documentation and quality verification process. The quality and safety of the product can now be communicated accurately in the marketing of the cereals, creating a competitive advantage. Additionally, the proof of quality allows for a substantial increase in price of the quality oats (this is estimated at 100%).
- As a pilot activity, ten truckloads of grain were exported to Germany. The collaboration continued after the project.
- Connections with ten companies from Central Europe, the UK, and the USA were created and export measures were piloted in two countries.
- Eight farmer events were organised and eight stakeholders participated in fairs.
- The project informed a number of new, successor projects, including an EIP project called 'Quality oats', and the Oathow project funded by Business Finland.

Key lessons and recommendations

- It is important to remember that the competitive edge and cost-effectiveness of farming are key for entering more specialised national and international markets.
- When the demand for high-quality products is focused on specific varieties to fit certain purposes, leveraging these special characteristics brings new requirements for managing the production process.
- Be sure to involve the entire production chain and learn about the matters that are important for the different operators in the chain.
- Ensure that collaboration in the farm-to-fork chains is continuously developed. The objectives of similar projects can vary, but all activities relating to the grain chain and its development contribute to taking better care of the environment, mitigating climate change, sustainability, and guaranteeing the well-being of humans and animals.

Quote

"Knowing the product details of your products is a strength for small operators. This expands the available markets and makes it possible to set a higher price for the product."

Project stakeholder



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Additional information:

<https://maaseutuverkosto.fi/hankkeet/sastamalasta-brandiviljaa-kansainvalisille-markkinoille-sastavilja/>

www.luke.fi/en/projects/sastagrain

<https://youtu.be/7zy32eWEwx0>



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