

MOUNTAIN TEA-ALTHEA ESTATE

Elatoxori | www.teaofolympus.com | althaia@hotmail.gr

Key Company Facts

Get to know the company:

- **Products:**

Mountain tea

- **Main Activities:**

Local varieties, Vertical and Sustainable farming

- **No. Of Employees:** 3

- **Production Volume:** (4.5 t/year)

- **Type of Ownership:**

Private

- **Mission and Vision:**

Production of traditional herbs through fair and sustainable processing practices, and promotion rural development through agro-tourism

Company's ecosystem

Farmer —> Processor —> Retailer —> Consumer

Company's competitive advantage

- Organic and sustainable products
- Production based on indigenous species growing in the area
- Marketing of the product is based on traditional ethnobotany and scientific data
- Vertical production



Business Model(s) and Stakeholders

Business Operations

- **Cooperative Model:** AMAPs operates as a cooperative, where members—primarily smallholders—own and actively participate in the governance and strategic decision-making of the association. This structure empowers members and ensures their direct involvement in policy and operations.
- **Marketing Strategy:** AMAPs markets its products by emphasizing the quality, uniqueness, and certified status (PDO, PGI) of Greek aromatic and medicinal plants. Marketing efforts focus on promoting Greece as a destination for aroma-tourism and highlighting the sustainable practices adopted in the cultivation of these plants.
- **Sourcing and Finance:** Inputs are sourced primarily from member producers who adhere to the cooperative's quality standards. Financial support likely comes from membership fees, sales revenue, grants, and potentially strategic partnerships focused on research and development.

Alignment with a Fair Business Model

- **Cooperative Principles:** AMAPs' business model is rooted in cooperative principles, focusing on member ownership, democratic governance, and equitable profit sharing. The model promotes fair compensation, community development, and sustainable agricultural practices, all essential elements of a cooperative committed to ethical and equitable operations.

Integration of Business Model Characteristics

- **Member Ownership and Democratic Control:** Reflects the core principles of a cooperative, ensuring that each member has a say in significant decisions and benefits equitably from the association's success.
- **Education, Training, and Information:** AMAPs commits to educating its members about sustainable practices and high-quality production methods through partnerships with research institutions, enhancing the overall knowledge base and capabilities of its members.
- **Concern for Community:** The cooperative model supports local agriculture and the growth of the community by stabilizing local economies and preserving cultural agricultural practices.

Sustainability, health & Fairness

Fairness attributes

- **Fairness in Revenue Redistribution:** The pilot ensures fair revenue distribution among stakeholders by setting optimized contract prices that allow equitable sharing of profits within the value chain. This is aimed at ensuring that farmers and other producers receive fair compensation for their contributions.
- **Organic, Intensive, Traditional Cultivation:** The pricing strategy supports sustainable and organic farming practices, which are often more costly than conventional methods. By offering higher prices for these products, the pilot promotes agricultural methods that are perceived as fairer and more environmentally friendly.
- **Enterprise, Family, and Farmer Association:** The pilot supports diverse business types within the agricultural sector by facilitating higher investments in technologies and practices that enhance the growth and sustainability of these enterprises. This approach ensures fairness in business operations and offers growth opportunities across different farm types and sizes.
- **Eshop, Local Markets, and Supermarkets:** By investing in a variety of sales channels, the pilot ensures that products are available more broadly, reaching different consumer segments. This distribution strategy promotes fairness by ensuring that all market segments have access to the products, regardless of their shopping preferences.
- **Extensive Nutrient Content, Health Claim:** Investments aimed at enhancing product quality and health benefits reflect directly on the fairness perception by offering consumers better value. By improving the nutritional content and backing it with health claims, the pilot enhances consumer trust and satisfaction.

Food quality & Labelling

- Nutritional quality (Carbohydrate, Sugars, Dietary fibre, Crude protein, Total and saturated lipids, salt and energy content, Antioxidant capacity of extracts, Prebiotic potential)
- Chemical profile (36 different aromatic compounds)
- DNA traceability (Plant species, Tracing the raw material across the entire value chain)
 - *Sideritis scardica* verified by genotyping

Polyphenol (total)	56.03 mg eq. caffeic acid 100/g
Thunbergol	14.6%
N-nonadecanol-1	12%
Isophyllocladene	10.6%
α -cadinol	8.1%
Pesticides residues	0
Antioxidant capacity: EC50	1.5

Environmental attributes based on primary data obtained during a field visit

Cultivation:

- Organic cultivation
- No irrigation
- No use of heavy machinery
- One cut at around march to unify the structure of the field
- Herbs growing on the field are not completely removed, only cut back
- Manual harvest around 1t/hectare

Low environmental burdens from cultivation expected as there is no use of heavy machinery and the cultivation is organic.

Drying and further processing:

- Air drying, with protection against direct sunlight to conserve the aromatics
- Cutting and packaging by hand. No Machine used for cutting.
- no/low environmental burdens from processing expected as there is no use of electricity or heat, and everything is done by hand.

Socio-Economic attributes

Strengthening Rural Communities:

- Local Farming Support: Althaia upholds traditional and sustainable practices, stabilizing rural incomes and preserving jobs.
- Community Engagement: Minimal industrialization and traditional methods foster community cohesion and sustain cultural farming traditions.

Cultural Heritage:

- Traditional Variety Conservation: Dedicated to preserving *Sideritis* through organic methods, maintaining biodiversity and cultural heritage.
- Local Product Promotion: Boosts regional product awareness and appreciation through direct sales and trade fair participation.

Value proposition

Fairness

Equitable Revenue Distribution:

- **Benefit:** Ensures that all stakeholders, especially farmers, receive a fair share of the economic returns, which are critical for sustaining their livelihoods and encouraging continued participation in the cooperative.
- **How It's Delivered:** By implementing optimized contract prices that reflect the true value of the products, based on their quality, origin, and the sustainable practices used in their cultivation. This method ensures that revenue is distributed more equitably among all members of the supply chain.

Support for Sustainable and Organic Farming:

- **Benefit:** Promotes agricultural methods that are environmentally sustainable and socially responsible, which align with consumer expectations and global sustainability goals.
- **How It's Delivered:** Through higher price points for products cultivated using organic and traditional methods, which often incur higher production costs. The pilot facilitates investments in these practices, thereby supporting farmers in transitioning to or maintaining sustainable farming techniques.

Enhanced Stakeholder Engagement and Empowerment:

- **Benefit:** Empowers stakeholders by actively involving them in decision-making processes and ensuring that their needs and voices are heard and addressed.
- **How It's Delivered:** Through democratic governance structures and transparent communication channels within the cooperative, which promote participation and collaboration among all members.

Broadening Market Access and Improving Product Availability:

- **Benefit:** Increases the accessibility of high-quality, sustainably produced aromatic and medicinal plants to a wider market, including through e-commerce platforms and local markets.
- **How It's Delivered:** By optimizing investments in diverse sales channels, which helps ensure that these products reach different consumer segments effectively and fairly.

Promoting Health and Wellness Through High-Quality Products:

- **Benefit:** Offers consumers products with enhanced health benefits and quality, underpinned by certifications and rigorous standards.
- **How It's Delivered:** By reinvesting in the community and the cooperative to further improve production capabilities and product offerings, ensuring that the products not only meet but exceed market standards for health and quality.

Environmental aspects

- **Use of Marginal Land:** Althaia utilizes land that may not be suitable for conventional agriculture, effectively using marginal areas to cultivate Sideritis, thereby optimizing land use and reducing pressure on more fertile areas.
- **Diversification of Agriculture (Agro-diversity):** By cultivating a traditional variety like Sideritis, Althaia contributes to agricultural diversification, promoting ecological stability and resilience in the local farming system.
- **Reduced Environmental Vulnerability:** The cultivation of Sideritis shows high resistance to pests and drought, minimizing the need for chemical interventions and enhancing the sustainability of agricultural practices in vulnerable ecosystems.
- **Protection of Ground Water:** The low-intensity, organic cultivation methods employed by Althaia result in minimal nutrient and pesticide runoff, safeguarding groundwater quality and contributing to overall environmental health.

Socio-Economic aspects

- **Strengthening of Rural Communities:** Althaia's cultivation of traditional and medicinal plants like Sideritis supports rural economies by providing stable employment opportunities and maintaining agricultural skills that are passed down through generations, thereby bolstering the economic backbone of these communities.
- **Reduced economic vulnerability of farms through diversification of agricultural products.** This diversification allows farmers to tap into premium markets, offering a buffer against the price volatility and crop failures associated with more conventional agricultural practices.
- **Preservation of traditional beverages.**

Food quality

- Diversity of aromatic compounds
- High polyphenol content
- High antioxidant capacity
- DNA Traceability

Improvement Strategy and Suggestions

Enhance VC Functionality:

Blockchain Technology: Implement blockchain technology to enhance traceability and authentication of the organic medicinal plants. This can help verify the organic status and origin of each batch, providing transparency and building trust with consumers.

Business Model Adjustments:

Subscription Model: Introduce a subscription service for regular deliveries of herbal products, which can stabilize revenue and enhance customer retention.

Use social media and local excursions to promote activities related to MAP products in connection with the local agro-ecosystem (Agrotourism)

Expand Product Range: Develop new products such as essential oils or herbal extracts to diversify offerings and tap into new market segments.

Packaging Innovations:

Barrier-Enhanced Packaging: Utilize foil-lined pouches or vacuum-sealed containers to better preserve the freshness, aroma, and medicinal properties of the herbs.

Use packaging materials that provide a good barrier against air, moisture, and light. Consider using resalable bags, foil-lined pouches, or vacuum-sealed container.

Small Packs for Premium Pricing: Offer premium small packs or tea bags that command a higher price per kilogram, appealing to niche markets looking for convenience and quality.