

## **Conventions and competitiveness in the production chain of Norwegian salted fish industries aimed at the Spanish markets**

### **1. Name of research leader and project participants:**

Project leader, Knut Bjørn Lindkvist, Finnmark University College (HiF) and the University of Bergen (UiB); Conny Grauman, HiF; Research assistant Siren S. Juliussen, and the master students Anita Pleym Henriksen and May-Britt Drage Bakke, UiB.

### **2. Project objectives**

- Investigate structural changes in the Norwegian salted fish industry.
- Discuss innovations and market initiatives which may strengthen the competitiveness of Norwegian salted fish industry.
- Examine rules and practices within the Norwegian-Spanish production chain and its frameworks which establish barriers to the exportation of Norwegian salted fish to Spain.
- Discuss necessary activities to establish a market-oriented governance system for the Norwegian salted fish industry.

### **3. Background**

Norwegians have exported salted fish to Spain for centuries, but lately Norway has experienced a decrease in the market share from 34% in 1998 to less than 10% in 2005. The most exported Norwegian products are conventional salt fish products, which meet with a reduced demand in Spain, yet, The Norwegian producers have not reformed their production structure to match new market demands, and new products are almost absent.

Recent discussions have focused on the fragmentation of the production chain as a reason to why a more consumer-oriented salted fish industry has not developed in Norway. Both producers' institutions and authorities', play a crucial role in establishing shared rules and values which restructure and attune the production chain to prevalent market trends and conventions. The updating of the mix of conventions (production rules and practices) constitutes then, an institutional requisite to improve competitiveness at the industry level.

### **4. Research problems**

Which conventions (formal and informal) are governing the Norwegian salted fish industry? What is the historical background to the Norwegian conventions? How do the Spanish differ from the Norwegian conventions? Which of the Norwegian and the Spanish conventions create barriers to the improvement and recreation of Norwegian competitiveness in the Spanish markets? Which Norwegian and international frameworks are necessary to stimulate more market-related conventions? What are the possibilities for the Norwegian salted fish industry to improve its market innovativeness?

### **5. Theories and methodologies**

The project relies on evolutionary and institutional economic theories focused on production systems, internationalisation practices and theories on conventions and governance institutions. Methods will include internet-distributed questionnaires, in-depth interviews, analysis of central regulation documents with relevance for the industry and analytical, structure equation based modelling.

### **6. Relation to the tasks of the main project:**

Tasks 2.1, T 4.2, T 4.2A (New) , T 4.5

### **7. Time schedule:**

October 2008 to October 2009. In full time, three months.