Feasibility Study conducted for the Development of Routes to Market for Local Produce on The Dingle Peninsula: Key Findings

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Introduction

This Feasibility Study was commissioned by Dingle Hub to evaluate how micro-enterprises on the Dingle Peninsula can develop viable, resilient, and sustainable routes to market for locally sourced produce—specifically lamb, fish, and vegetables—through value-added processing and short supply chains, while communicating their environmental benefits to consumers. The feasibility study is co-funded by the Government of Ireland and the European Union through the ERDF Southern, Eastern & Midland Regional Programme 2021-2027.

The project brief asked to (1) establish an evidence base through primary research and real-world trials; (2) translate findings into practical, collective strategies for short supply chains; and (3) convert those strategies into enterprise-level plans for representative producer-led businesses.

In practical terms, over the year of the study this meant testing and learning in-market (e.g., lamb and seafood market trials), building a shared sustainability and commercial narrative, and producing actionable roadmaps for lamb, seafood, and vegetable-based enterprises. The outputs are intended for local processing-focused enterprises, community partners, retailers/foodservice buyers, tourism stakeholders, and relevant public agencies—providing a clear pathway from feasibility to proof-of-concept stage.

Feasibility Objectives

The feasibility objectives were set out as follows:

- To develop collective short supply chain business and sustainability strategies tailored to the Dingle Peninsula, including the potential for a virtual co-operative.
- To create individual business, sustainability, and communication plans for three local enterprises: a lamb co-operative, a fish producer organisation, and a vegetable growers organisation.
- To identify bespoke supports necessary for implementing both collective and individual enterprise plans.

Scope

Scope of Work 1: Research and Analysis

- Conduct comprehensive market research, including:
    - Stakeholder engagement events.
    - Local lamb trials and seasonal market trials.
    - Fish on the pier trial
    - Virtual co-op trial.
- Analyse consumer trends and assess sustainability practices related to short supply chains.

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Scope of Work 2: Strategy Development

- Develop collective short supply chain business and sustainability strategies.
- Develop a detailed communication strategy focused on conveying sustainability practices and the environmental benefits of short supply chains to consumers.

Scope of Work 3: Individual Enterprise Planning

- Develop tailored business, sustainability, and communication plans for three individual enterprises:
    - Lamb Co-op
    - Fish Producer Organisation
    - Vegetable Growers Organisation
- Outline specific activities, timelines, resource requirements, and expected outcomes for each enterprise.

Scope of Work 4: Application Development

- Identify the supports needed to enable the implementation of the collective and individual plans.
- Prepare a comprehensive funding application to provide these supports during the establishment phase.

Note: An additional research topic was added to the scope entitled Feasibility Study on Direct Sale of Milk from Farm to Consumer.

Methodology

The study's approach during the year-long feasibility combined stakeholder engagement, consumer insight, and operational planning. It considered market demand, pricing and margin structures, logistics and compliance, sustainability communications, and governance/capability needs for micro-enterprises engaged in value-added processing. The deliverables include a consolidated market assessment, strategic options with trade-offs, and enterprise plans with timelines and resource requirements to support initial rollout.

The study was broken into distinct phases and tasks included:

- Desk research on domestic and international short food supply chains, virtual shared service models, and technology enablers
- Interviews with local supply chain actors and processing-focused enterprises
- Interviews with stakeholders already supporting short food supply chains (e.g., Open Food Network)
- Interviews with stakeholders operating short food supply chains (e.g., Fiorbhia Farm, Kilmullen Farm, Ring of Kerry Lamb)
- Interviews with 10 milk vending and direct-to-consumer enterprises (e.g., Muchgrange Farm, Killadoon)
- Benchmarking with industry stakeholders (e.g., Burns Farm Meats, Green Earth Organics)
- Participation in COREnet Agora EU short food supply chain meeting

- Live consumer research on the Dingle Peninsula
- Policy/funding scan to identify supports for the model
- Live market trials for lamb and seafood
- Three stakeholder online information sessions and webinars with local supply chain actors
- Data collection on market dynamics in lamb, seafood, and vegetable sectors
- Financial modelling and projections
- Development of individual business, sustainability, and communication plans for three local enterprises: lamb, seafood, and vegetable-based businesses

Output Format

This report provides a summary overview of the broader feasibility study. To fully understand the project, it is recommended to review all accompanying support documents, as each contains detailed research, analysis, and evidence underpinning the conclusions and recommendations presented here.

The separate support documents are entitled:

1. **National and International Research on Short Food Supply Chains**
2. **Feasibility Study on Direct Sale of Milk from Farm to Consumer**
3. **Business Strategy for a Lamb Micro-Enterprise**
4. **Business Strategy for a Seafood Micro-Enterprise**
5. **Business Strategy for a Vegetable Micro-Enterprise**
6. **Organisational Structure & Support Options**
7. **Virtual and Physical Shared Services Models**

In addition to providing background and evidence, each supporting document is designed as a practical roadmap and toolkit for prospective food and drink micro-enterprises on the Dingle Peninsula. They set out step-by-step considerations, regulatory requirements, routes to market, and indicative financials so that a processing-focused enterprise can use them directly when planning or launching a value-added venture.

Context

This feasibility study was conducted over a 12-month period from 2024 to 2025. It included a comprehensive review of the current landscape for local food production on the Dingle Peninsula, assessing both the availability of and demand for locally sourced products among consumers and businesses. Findings show that most primary products are currently channelled through established supply chains to larger processing facilities at standard market prices.

The reasons cited for not supplying the local market included supply chain complexity, regulatory compliance requirements, and the need for new skillsets. These inefficiencies and challenges at small scale highlighted the need for a collaborative approach and shared resources to make local market supply viable.

Domestic and international research on Short Food Supply Chains (SFSCs) revealed similar

challenges globally. Many case studies demonstrated that success was more likely through collaborative models, where producers work collectively. Benchmark studies also indicated that Shared Services—covering marketing, sales management, invoicing, administration, and logistics—significantly improved outcomes for such collectives.

Interviews with retailers, foodservice operators, and consumers confirmed a strong interest in sourcing products directly from the Dingle area. Based on this research, the report concludes that a proof-of-concept trial is justified.

The following section summarises the findings set out in the seven supporting documents referenced above.

National and International Research on Short Food Supply Chains

Research for this study focused on Short Food Supply Chains (SFSCs), which link local food enterprises more directly with consumers, reducing intermediaries, food miles, and loss of provenance. SFSCs rely on local/regional sourcing, traceability, and strong storytelling to build trust. Consumers increasingly seek food that is local, fresh, seasonal, sustainably produced, and ethically sourced (animal welfare, low-impact systems, humane slaughter). SFSCs meet this demand while retaining more value within local economies.

The main benefits of SFSCs are:

- Economic: improved margins for small enterprises, diversification, and local multiplier effects
- Social: stronger community links, consumer–producer relationships, education
- Environmental: reduced transport, lower packaging, and scope for regenerative practices

Challenges include logistics and distribution costs beyond the immediate area, compliance requirements (HACCP, DAFM, SFPA), irregular supply due to seasonality or quotas, and consumer expectations for supermarket-style availability. Successful Irish and European examples often combine multiple channels—farm shops, box schemes, e-commerce, restaurants, and local hubs—to spread risk.

Irish examples such as The Urban Co-op (Limerick), Dublin Food Co-op, Cloughjordan Community Farm, Kilmullen Farm, and Castlemine Farm show that models mixing community ownership, education, and direct sales are durable. Internationally, initiatives like La Ruche qui dit Oui!, REKO Rings, Food Connect, and community-supported fisheries demonstrate that digital tools and shared logistics make SFSCs scalable. Technology platforms (Open Food Network, Local Line, Appetit) enable coordination but do not guarantee demand—ease of purchase and perceived value remain critical.

For the Dingle Peninsula, key learnings include:

- Keep the consumer message clear: local, quality, sustainable, supporting local food businesses
- Start with one or two channels suited to population density
- Organise shared services/logistics to reduce workload for small enterprises
- Use education and experiential events (e.g., boat visits, cooking demos, farm tours) to stimulate interest

Above all, collaboration and a shared-services or co-operative structure will make compliance and

branding easier for micro-enterprises. Local consumer research confirms strong interest in SFSCs and local sourcing.

In conclusion, SFSC research confirms that the Dingle Peninsula has a consumer environment actively seeking local, fresh, seasonal, and traceable food. Demand exists, but convenience and enterprise-level support for compliance, logistics, and availability are essential. Domestic and international SFSC models provide a roadmap that can be adapted for the Dingle context.

Note: The full detailed report on National and International Research on Short Food Supply Chains is contained in a separate document.

Feasibility Study on Direct Sale of Milk from Farm to Consumer

Although not part of the initial scope, it was agreed early in the feasibility process—following consultation with the producer group—that a desktop review of direct fresh milk sales should be undertaken. This report examined opportunities for micro-enterprises on the Dingle Peninsula to explore direct-to-consumer milk sales, drawing on experiences from several Irish businesses. Ten interviews were conducted with enterprises operating milk vending solutions or other short milk supply chains.

The main models reviewed include milk vending machines, supplying cafés, retail outlets, and limited on-farm sales. Milk vending offers strong retail prices (€1.70–€2.00 per litre achievable from the consumer) but requires significant investment (€60k–€150k), consistent footfall, and daily management. Café supply is attractive for steady volume, and new 'bag-in-box' and tank systems may reduce bottling costs, though these solutions are still evolving. Retail sales provide access to customer footfall but reduce margins due to retailer cuts. Direct farm sales build strong community ties but require substantial labour and facilities.

Interviewees highlighted the importance of social media, storytelling, tastings, and community engagement to build awareness. Regulatory compliance, hygiene, and logistics are essential. To achieve profitability, a minimum of 800 litres per week is required, with 1,500 litres seen as the ideal level. Some operators noted that three busy vending machines may be necessary for viability.

Grant supports from LEADER (most frequently mentioned), LEO, or DAFM can help offset equipment and setup costs. Diversification into products such as yoghurt, kefir, cheese, or ice cream has provided additional growth opportunities for some enterprises. Overall, the research indicates that local milk sales are promising but labour-intensive, with high entry costs and a need for careful planning around scale, location, and marketing.
Direct supply to cafés shows positive potential where suitable partners willing to pay a premium can be identified. Packaging formats remain under review, with some cafés preferring traditional two-litre plastic containers despite sustainability concerns. New bulk tank systems stored under counters are being explored.

In conclusion, this research suggests a cautious approach to milk vending and highlights the need for robust feasibility analysis for any direct café supply. Capital investment and market sales required for viability should be carefully considered. Most interviewees agreed this is an emerging category where the optimal model is still evolving.

Note: The full detailed report on the Feasibility Study on Direct Sale of Milk from Farm to Consumer is contained in a separate document.

Business Strategy for a Lamb Micro Enterprise

Dingle Peninsula Lamb (DPL) is a local initiative designed to enable micro-enterprises to process and sell lamb locally, optimising returns, strengthening sustainable food supply chains, and ensuring local businesses and consumers have access to high-quality, nutritional food. Lamb marketed under the DPL brand must meet agreed quality, size, and sustainability standards.

Market research in 2024 and follow-up research in 2025 confirmed strong consumer demand for local lamb, with willingness to pay a premium provided the retail experience is convenient. Two major supermarkets on the Dingle Peninsula indicated readiness to stock local lamb, with typical weekly demand of five full lambs each.

The Peninsula primarily rears two breeds: Scotch (traditional hill breed) and Texel (common on hills and lowlands). Taste differences arise from grazing, finishing regimes, and age at slaughter. Butchers advised that Texel/Suffolk lamb presents better at counters than Scotch lamb, influencing consumer preference.

Processing costs at abattoirs are approximately €25 per carcass, with an additional €25 for breakdown, packaging, and labelling for retail sales (€50 total). Foodservice processing without labelled packaging costs about €40. Transport adds complexity and cost due to the 70km distance to the abattoir, making economies of scale essential. Shared transport and centralised logistics can reduce costs.

Financial modelling shows that at low volumes, selling to factories remains more economical. At a minimum of 10 lambs per batch, retail returns become comparable to factory prices. Direct-to-consumer and foodservice channels offer higher returns—up to 55% and 30% above factory prices respectively—but introduce additional workload, risk, and variable costs. A centralised Shared Services function for administration, distribution, and compliance can mitigate these challenges.

Farmers expressed concerns about the administrative burden and reputational risk of local branding. Limited supply of Texel lamb and the established factory route highlight the need for a coordinated structure to manage supply, sales, and compliance, ensuring producer interests are protected.

Conclusion: There is confirmed demand for local lamb, creating an opportunity for a profitable micro-enterprise supplying seasonal lamb to retail, foodservice, and consumers for eight months annually. Success depends on supply continuity, collaboration with processing facilities, and a viable, self-funded coordinating role to manage compliance and market access. Lessons from other regional lamb enterprises underscore the importance of leveraging local breed identity and outdoor rearing as part of the brand narrative.

Note: The full detailed report on Business Strategy for a Lamb Micro-Enterprise is contained in a separate document.

Business Strategy for a Seafood Micro Enterprise

Dingle Peninsula Seafood (DPS) is a local initiative designed to enable small seafood enterprises to process and sell locally sourced seafood, optimising returns, strengthening sustainable food supply chains, and ensuring local consumers have access to high-quality,

nutritious food.

Seafood from the Dingle Peninsula enjoys a strong reputation for freshness and provenance, contributing significantly to the region's food tourism appeal. Market research conducted as part of this feasibility study—including a four-week market stall trial and consumer survey at Holy Ground, Dingle—confirmed demand for local seafood, generating over €1,000 gross sales per week (approximately 60% shellfish and 40% white fish). Consumers indicated strong support for a seafood enterprise provided the product is locally sourced, high quality, and offered through a convenient retail experience.

The market stall emerged as the preferred route to market for the trial participants, operating Fridays from March to October. However, key challenges include regulatory limits on unprocessed primary fish sales (30kg per week or €50 per day per consumer) and the requirement for compliant processing facilities for crab claws or filleted fish. A dedicated facility for two operators would not be viable; therefore, leveraging existing approved processing facilities on the Dingle Peninsula is recommended. Shared refrigeration solutions—such as a refrigerated van or market stall with ice or cooling units—will also be essential for compliance.

Post-trial feedback suggests that future seafood market operations would likely be individually led but coordinated through a shared stall and common infrastructure (e.g., weighing scales, wash facilities). Operators expressed the need for shared support services for marketing, social media, compliance, and logistics to reduce workload and ensure professional standards.

Financial modelling explored multiple routes to market and confirmed that while demand exists, frequency varies: white fish and crab claws may sell weekly, while live lobster and crab may be more suited to fortnightly or monthly sales. To justify investment in refrigeration and stall infrastructure, expanding to additional locations across the Peninsula and exploring business-to-business supply opportunities will be important.

Collaboration between existing seafood processors and market stall operators could unlock efficiencies, address processing challenges, and increase sales. Longer-term success will depend on access to compliant processing, shared services, and potential diversification into value-added products (e.g., ready-to-eat seafood, food trucks, or small-scale catering). This approach will help maintain the Dingle Peninsula's reputation for premium local food for both residents and visitors.

Note: The full detailed report on Business Strategy for a Seafood Micro-Enterprise is contained in a separate document.

Business Strategy for a Vegetable Micro Enterprise

Local research for this feasibility study included engaging with vegetable growers on the Dingle Peninsula to understand their business models, capacity, and current supply chains.

The findings reflected similar challenges to those seen nationally: grower numbers have declined significantly over the past five years, succession issues are evident with limited generational handover, and interviewees highlighted rising costs and elusive profitability.

A previous feasibility study, *An Garraí Glas* (2005–2006), which explored options for providing fresher local food and off-farm sales of fruit and vegetables, was also reviewed. While preparations were made to run a live trial with local growers during this study, it became clear that there were insufficient growers to support such a trial, and those still producing vegetables had existing outlets for their volume.

Interviews strongly indicated that growers would consider planting more—and younger family members might remain involved—if there were visible, reliable outlets offering fair local prices and promoting "grown on the peninsula" produce. A Dingle Peninsula short food supply chain, alongside lamb and seafood, could give vegetables the profile they currently lack, reduce the

marketing and administrative burden on individual growers, and create a pipeline of seasonal crop orders.

In conclusion, current vegetable volumes on the peninsula are too small to support a live trial. It was noted that successful trials would require considerable lead time, as preparing ground and growing additional crops for new markets must be planned well in advance. A short-term practical solution identified during the research, and now being implemented, is the creation of a WhatsApp group connecting growers with local consumers and businesses.

The research suggests potential to stimulate greater volume through a future Shared Services model, which would make it easier for growers to access markets and secure fair pricing.

Note: A more detailed report on a Vegetable Micro-Enterprise is contained in a separate document.

Organisational Structure & Support Options

Earlier sections of this report highlighted why Short Food Supply Chains (SFSCs) work and how a Shared Services model can enable multiple small enterprises on the Dingle Peninsula to operate collectively as one supplier. The legal entity underpinning this shared service will be critical for governance, risk management, and commercial activity.

Three multi-stakeholder organisational structure options were considered:

- Co-operative: Keeps control with participating enterprises (e.g., lamb, seafood, and vegetable businesses). Membership is open, voting is one-member-one-vote, and trading surplus can be returned in proportion to supply. This model suits a place-based food brand and facilitates collective buying, quality assurance, and logistics. Irish examples (e.g., Castletownbere) show how co-ops can manage processing and distribution while remaining producer-focused.

- Company Limited by Guarantee (CLG): Similar to a co-op but often perceived as a community or social-enterprise structure, useful when engaging with agencies such as LEO, LEADER, or BIM. Governance typically involves a 7–9 person board, which can approve pricing and pooling rules for local produce.

- Designated Activity Company (DAC): Offers the greatest flexibility and risk management. It can hold a brand such as “Dingle Peninsula Lamb & Seafood”, sign wholesale and tourism contracts, and create separate DACs for processing or visitor-facing ventures. Its narrow objects make it attractive to funders. Producers become shareholders/guarantors and elect directors.

Partnerships and sole trader structures were also reviewed but present challenges: personal liability, difficulty adding/removing members, and shared assets (e.g., vehicles, websites) sitting with individuals rather than a collective entity.

Whichever structure is chosen can later seek recognition as a Producer Organisation to unlock DAFM/EU supports for collective investment and marketing—aligning with the SFSC goal of retaining more value locally.

Stakeholders will require mentoring, coaching, and training to establish the enterprise, implement the Shared Services model, and recruit a coordinator. A list of potential funding partners is included in the supporting document.

Conclusion: Selecting the correct legal entity with robust governance will provide clarity, direction, and a vehicle for commercial activity. The final choice will depend on the number of enterprises involved and whether the entity is driven by individuals or a collective group.

Note: The full detailed report entitled Organisational Structure & Support Options is contained in a

separate document.

Virtual and Physical Shared Services Models

Building on the principles of Short Food Supply Chains (SFSCs), this proposal translates those concepts into a local, enterprise-focused Shared Services model. The aim is to enable multiple small food businesses on the Dingle Peninsula to access markets more effectively—without each enterprise having to build its own administrative, logistics, compliance, and marketing capacity.

The model envisages a single coordinating entity ("Dingle Peninsula Shared Services") managing sales to retail, foodservice, direct-to-consumer channels, and potentially a branded food truck. At launch, the model would operate virtually, leveraging existing processing facilities for kill, cut, pack, labelling, cold chain, and distribution. A full-time Shared Services coordinator (working remotely) would oversee weekly orders, route planning, invoicing/VAT, social media, PR, e-commerce, and communications with participating enterprises. Seafood would benefit from marketing and account-opening support, while delivery would remain "boat to restaurant" unless pre-packed in an approved facility.

Core Shared Services would include:

- Shared logistics: multi-temperature van, order aggregation, delivery runs
- Shared administration: billing, debtors, insurance, collective purchasing
- Compliance support: HACCP, DAFM, EHO, SFPA, traceability
- Marketing and sales: central brand, digital presence, consumer engagement events

A training strand would ensure alignment on standards and help enterprises communicate provenance—a key differentiator in SFSC settings.

Financially, the model is designed to start small (€211,770 projected sales, 10% shared-service fee) and scale to breakeven at €1.1m annual sales by year four, with lamb as the lead category and seafood, beef, food truck, and off-peninsula sales driving growth. Early years will require grant or loan support for the coordinator, vehicle, and digital infrastructure. If volumes justify, a phase-two physical hub could be introduced for storage, training, and meetings, but this is not required for initial proof-of-concept.

Conclusion: The SFSC logic—local, transparent, high-trust, and collaborative—will be delivered through one coordinated service, enabling multiple small enterprises to act as a single, market-ready supplier. A Shared Services function and coordinator are critical to overcoming the greatest barriers identified: compliance, administration, and market access. While initial funding support may be required, the model is designed to become self-financing as sales grow.

Note: The full detailed report entitled Virtual and Physical Shared Services Models is contained in a separate document.

Observations and Recommendations

The feasibility study confirms strong market demand—and therefore opportunity—for locally processed lamb, seafood, and other food products on the Dingle Peninsula. However, several operational and

structural challenges must be addressed to ensure long-term viability. It is recommended that a proof-of-concept phase for lamb and seafood be undertaken, leveraging existing businesses and infrastructure to minimise financial outlay and validate the model.

Key Observations

Collaboration Opportunities

- Existing processing facilities (e.g., abattoirs, seafood processors) can provide slaughter, processing, packaging, and distribution services—reducing capital investment and improving efficiency.
- Shared equipment (e.g., refrigerated counters, weighing scales) for seafood markets can lower costs.
- Local processors and service providers are open to collaboration provided compliance standards are met.
- A local CLG (e.g., Dingle Hub) could host the Shared Services function initially, subject to dedicated funding and staffing.
- Partnerships with agents for lamb and organic livestock sourcing could streamline supply and ensure brand standards.

Pain Points for Small Producers

- Administrative burden and regulatory compliance.
- Limited experience in retail contracting, marketing, and social media.
- Capital constraints for infrastructure and packaging.
- Lack of knowledge on branding, product presentation, and logistics.

Macro-Level Factors

- Current strong factory prices make traditional routes attractive.
- Direct-to-retail margins are minimal at low volumes, limiting incentive for change.
- Existing seafood processors have limited local supply but could collaborate to expand market reach.

Challenges for SFSC Models

- Dedicated processing facilities for small-scale enterprises are not financially viable.
- Meat transport costs are prohibitive unless scaled.
- Shared Services will require initial funding support before becoming self-financing.
- Legal limits on unprocessed seafood sales and compliance requirements for filleting and crab claw preparation.

- Established supply chains and guaranteed factory demand make direct-to-consumer models harder to adopt.

Positive Outcomes

- Collaboration with existing processors can reduce capital risk and sustain local jobs.
- Direct-to-market models can deliver premium returns for lamb and seafood when scaled.
- Opportunities exist for value-added products (e.g., mutton pies, spider crab dishes) and branded food experiences (e.g., food truck).
- Shared Services can reduce compliance and marketing burdens, making micro-enterprises more viable.
- Structured routes to market could encourage vegetable production and attract younger entrants.

Key Recommendations

Phase One: Proof of Concept

- Engage stakeholders (farmers, fishers, processors, retailers, foodservice) to validate interest and supply potential.
- Conduct demand validation with local businesses and consumers.
- Implement a six-month pilot focused on lamb and seafood using a simple operating model and minimal investment.
- Establish a steering group and use feasibility study roadmaps and templates.
- Secure limited funding for coordination and logistics.
- Explore collaboration with an existing food truck and trial virtual sales platforms (e.g., Fiorbhia).
- Review progress at months 3 and 6 to determine viability for scale-up.

Phase Two: Full Roll-Out

- Form a legal entity with appropriate governance (Co-op, CLG, or DAC).
- Secure funding for coordinator, logistics, and digital infrastructure.
- Launch e-commerce and social media platforms.
- Expand supply to include beef and additional seafood channels.
- Activate Shared Services fully, including compliance, marketing, and logistics.
- Board to oversee KPIs and report to project partners.

Acknowledgement

We would like to take this opportunity to thank the diverse local, national and international stakeholders who participated so willingly in this research and whose input contributed greatly to the findings of this report.