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RESEARCH ON THE TOP ROMANIAN TRADEMARKS IN THE MILK AND DAIRY PRODUCTS' MARKET

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Abstract

The paper analyzed the position of the top Romanian trademarks in milk and dairy products market. Using the Ministry of Finance Database regarding the turnover of all the 472 dairies, in the period 2011-2013, it was established the hierarchy of the brands based on the Average Turnover, Point Ranking Method and Market Share. Of the 472 trademarks in the milk and dairy products market, a number 255 brands (54%) are concentrated in 10 counties: Constanta, Suceava, Bistrita Nasaud, Maramures, Botosani, Tulcea, Braila, Bucharest and Sibiu. The turnover achieved by all the 472 brands of dairy products accounted for Euro million 882.6 in 2013. A number of 175 brands (37%), belonging to 10 counties (Cluj, Bucharest, Mures, Alba, Covasna, Suceava, Timis, Bistrita Nasaud, Arges, Botosani) contributed by 83.89% to the turnover of milk processing industry. The average turnover/brand was Euro million 1.87. The top 10 brands based on the number of points for the turnover carried out in the period 2011-2013 were the following ones: Danone, Friesland, Albalact, Napolact, Fabrica de lapte, Hochland, La Dorna, Simultan, Industrializarea laptelui Mures and Covalact. Based on the market share in 2013, the top 10 brands in dairy products market were Danone (12.11 %), Albalact (10.65 %), Friesland (9.09 %), Fabrica de lapte (6.07%), Napolact (5.61 %), Hochland (5.43 %), La Dorna lactate (4.42 %), Simultan (4.04 %), Covalact (3.31 %) and Industrializarea laptelui Mures (3.22 %), all together totalizing 63.90 % market share. The abolition of milk quota in April 2015, the increased stocks of dairy products and the lower purchasing price of milk and dairy products in other EU countries are the main factors which could affect the position of the Romanian brands, when the market will be invaded by cheaper foreign products, taking into account the low purchasing power of the consumer. Only the top powerful Romanian brands with a good endowment, production capacity and diversity, financial resources, a good management will be able to resist to the market pressures.

Key words: *domestic market, milk and dairy products, Romania, top brands, trends*

INTRODUCTION

A trademark is identified with the goods or services which offer functional benefits and value added that clients appreciate the most in their decision to buy a product/service (Bradley, 1995) .[2]
The brands functions for the consumer have been presented by various authors along the time, but a comprehensive critical overview on branding emphasizing the definition, functions, characteristics, branding models was made by Guzman (2005). [6]
In Romania, the brand as "capable of being represented graphically, serving to distinguish the goods or services of a natural or legal person from those of others. May be trademarks or signs such as words, including personal names, designs, letters, numerals, figurative elements, three-dimensional shapes and, particularly, the shape of the product and its packaging, colour combinations, and any combination of these signs ".[8]
The firm trademarks could have subcategories or related brands called "trademarks families" with deep effects on the market value and market share of a company.[1]
Many companied enlarge the trademark protection of various characteristics of the product such as color, odors, sounds and shapes.[3]
The orientation of the consumer behavior especially to the food products, care products and household appliances for improving health and living standard was an incentive to set up this research. Starting from the fact that milk and dairy products are among the current food purchased almost every day by

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consumers, the research work was focused on the Romanian trademarks operating in this field of activity.

Table 1. The Trademark Functions for the Consumer

TRADEMARK FUNCTION	CONSUMER BENEFIT
IDENTIFICATION	TO BE CLEARLY SEEN, TO MAKE SENSE OF THE OFFER, TO QUICKLY IDENTIFY THE SOUGHT- AFTER PRODUCTS.
PRACTICALITY	TO ALLOW SAVINGS OF TIME AND ENERGY THROUGH IDENTICAL REPURCHASING AND LOYALTY.
GUARANTEE	TO BE SURE OF FINDING THE SAME QUALITY NO MATTER WHERE OR WHEN YOU BUY THE PRODUCT OR SERVICE.
OPTIMIZATION	TO BE SURE OF BUYING THE BEST PRODUCT IN ITS CATEGORY, THE BEST PERFORMER FOR A P ARTICULAR PURPOSE.
CHARACTERIZATION	TO HAVE CONFIRMATION OF YOUR SELF-IMAGE OR THE IMAGE THAT YOU PRESENT TO OTHERS.
CONTINUITY	SATISFACTION BROUGHT ABOUT THROUGH FAMILIARITY AND INTIMACY WITH THE BRAND THAT YOU HAVE BEEN CONSUMING FOR YEARS.
HEDONISTIC	SATISFACTION LINKED T O THE ATTRACTIVENESS OF THE BRAND, TO ITS LOGO, TO ITS COMMUNICATION.
ETHICAL	SATISFACTION LINKED TO THE RESPONSIBLE BEHAVIOR OF THE BRAND IN ITS RELATIONSHIP TOWARDS SOCIETY.

Source: Guzman Francisco (2005)[6]

In this context, the goal of the study was to analyze the position of the top Romanian brands in the field of dairy products market using empirical data regarding the turnover of the 472 companies and its distribution in the territory, the market share and brand ranking. The main trends and problems in Romania's dairy products market have been also identified.

MATERIALS AND METHODS

The empirical data were collected from the Ministry of Finance, regarding the turnover of the 472 dairies operating in food industry and in the market in the period 2011-2013.[12]
The following aspects were approached: (a)the number of the Romanian brands in milk processing industry and their distribution by county in 2013, (b)the calculation of the turnover of the Romanian brands in milk processing industry and its distribution by county in 2013 and also (c) the market share of the counties in the market, (d) the top 30 Romanian Brands in Milk Processing Industry based on their turnover in the period 2011-2013 and using the Point Method, (e) calculation of the market share for the top 20 Romanian brands in milk processing industry based on their turnover in 2013.
The following methods were used to carry out this study: statistical average, Point Ranking Method, Comparison Method, Market Share method.
The main formulas used in this research work were the following ones:
(a)Average of the variable, $\overline{X}$, where $X_{1, 2..,n}$ are the terms of the data series.

$$\overline{X} = \frac{X_1 + X_2 + ...X_n}{n}$$

(b)Market share, $M_{s\ (\%)} = (T_i / \sum T_i) *100$, where T_i = the turnover of the company i and $\sum T_i$ = the total turnover of all the companies operating in the field of milk processing industry in Romania.
(c)Point Ranking Method, which allowed to classify the dairies from the highest to the lowest, based on the turnover. For each level, 1,2,...n, of the turnover, there were allotted points in a scale where: 1 means the top position and the higher figures means the lower positions. The Point Rankling method was applied for each year from the reference period:2011-2013, and finally the positions obtained were cumulated for each dairy. Finally, it was established the hierarchy of the Romanian brands in milk and dairy products' market for the whole analyzed period, 2001-2013.

RESULTS AND DISCUSSIONS

The number of the Romanian brands operating in the milk processing industry. In the year 2013, there were 472 trademarks representing milk and dairy products. Their distribution in the territory reflected that on the top positions with the highest number of brands there were the following counties: Constanta County with 65 trademarks (13.77% of the whole number of brands), Suceava County with 43 brands (9.11%), Bistrita Nasaud County with 25 brands (5.29%), Maramures County with 24 brands (5.08%), Botosani County with 22 brands (4.66%), Tulcea County also with 22 brands (4.66%), Braila County with 20 brands (4.23%), Bucharest with 19 brands (4.02%), and Sibiu County with 15 brands (3.17%).

All these 10 counties concentrated a number of 255 brands, representing 54 % of all the number of dairy products' trademarks.

The lowest number of brands was recorded by Dambovita County 1 brand (0.21 %), Mehedinti County 1 brand (0.21 %), Dolj County 2 brands (0.42%), Giurgiu County 2 brands (0.42%), Gorj County 3 brands (0.63%), Hunedoara County 3 brands (0.63%) and Vaslui County also 3 brands (0.63%).(Table 2)

Table 2.The number of the Romanian brands in milk processing industry and their distribution by county in 2013

COUNTY	NUMBER OF BRANDS	SHARE (%)	COUNTY	NUMBER OF BRANDS	SHARE (%)
ALBA	8	1.69	IALOMITA	4	0.84
ARAD	6	1.27	IASI	4	0.84
ARGES	8	1.69	ILFOV	4	0.84
BACAU	8	1.69	MARAMURES	24	5.08
BIHOR	8	1.69	MEHEDINTI	1	0.21
BISTRITA NASAUD	25	5.30	MURES	14	2.97
BOTOSANI	22	4.66	NEAMT	10	2.12
BRAILA	20	4.23	OLT	5	1.05
BRASOV	13	2.75	PRAHOVA	9	1.90
BUZAU	6	1.27	SALAJ	6	1.27
CALARASI	6	1.27	SATU MARE	6	1.27
CARAS SEVERIN	7	1.48	SIBIU	15	3.17
CLUJ	14	2.97	SUCEAVA	43	9.11
CONSTANTA	65	13.77	TELEORMAN	9	1.90
COVASNA	13	2.75	TIMIS	9	1.90
DAMBOVITA	2	0.42	TULCEA	22	4.66
DOLJ	2	0.42	VALCEA	4	0.84
GALATI	5	1.05	VASLUI	3	0.63
GIURGIU	2	0.42	VRANCEA	4	0.84
GORJ	3	0.63	BUCHAREST	19	3.97
HARGHITA	12	2.54	TOTAL	472	100.00
HUNEDOARA	3	0.63			

Source: Ministry of Finance Database, 2014. [12] Own calculations.

According to the MEMRB survey on the power of the Romanian brands in the retail market, the following positions were occupied in the milk and dairy products market in 2008: [13]

-In the milk market, the top Romanian brands are: La Dorna (1st position), Zuzu-Albalact (the 3rd position), Fulga-Albalact (the 5th position), Brenac-Brailact (the 7th position), Primulact (the 9th position).

-In the yoghourt market, Napolact is on the 10th position.

-In the process cheese market, the top Romanian brands are: Gordon (the 2nd position), La Dorna (the6th position), Paulact (the 7th position), Therezia (the 8th position), and Tihuta-Carmolact (the 10th position).

-In the sana and kefir market, the top

Romanian brands are: Napolact (1st position), Big Panda-Almera International (the 2nd position), Primulact (the 4th position), Natura -SCIL Dambovita (the 10th position).

-In the butter milk market, the top Romanian brands are: Napolact (1st position), Big Panda-Almera International (the 4nd position), Monor-Carmolact (the 5th position), Zuzu -Alabalact (the 6th position), Paco International (the7th position), Bucovina (the 8th position), Simultan (the 9th position), Natura -SCIL Dambovita (the 10th position).

-In the butter market, the top Romanian brands are: Albalact (the 1st position), Covalact (the 3rd position), Napolact (the 4th position), La Dorna (the 7th position), Tramar-Risk com (the 8th position), Bucovina (the 9th position), Paco International (10th position). [10]

La Dorna is the leader in the UHT milk, ecological milk, with a large variety of products with high value added: milk, cheese, cottage cheese, cheese cream and pearls, process cheese. It is on the 3rd position for process cheese and butter. [7, 9]

Albalact is a leader in butter production, and Covalact comes on the 3rd position. Zuzu has the top position in milk, sana and kefir. Napolact is a leader in sana, kefir, butter milk, butter and yoghourts. Big Panda is a leader in sana, kefir and butter milk. Gordon is a competitor for Hochland for process cheese. The most powerful competitor for UHT milk for La Dorna and Friesland. Primulact este in top in cea mai mare categorie de lactate. [10]

The distribution of the turnover achieved in 2013 in the territory by milk processing industry. the total turnover registered by milk processing industry in 2013 accounted for Lei 3,972,098,229, that is Euro 882,688,495 at an average exchange rate 1 Euro= Lei 4.50.

The contribution of the brands of dairy products from various counties to the turnover at the industry level was different from a county to another as follows: Cluj County 15.35 %, Bucharest 13.77%, Mures County 11.45%, Alba County 11.32%, Covasna County 9.80%, Suceava County 9.43%, Timis County 4.43%, Bistrita Nasaud County 2.91%, Arges County 2.84% and Botosani County 2.59%. All these 10 counties achieved 83.89 % of the turnover in milk processing industry.

The lowest sales were recorded by Bacau County, despite that there were operating 8 dairies in this county. (Table 3)

The average turnover in milk processing industry recorded at national level accounted for Lei 8,415,462.34 in the year 2013.This indicator changed the position in the hierarchy of the counties as follows: on the top position came Alba County with an average turnover of Lei 56,222,695.5, on the 2ndf position came Cluj County with an average turnover Lei 43,555,024.64, on the 3rd position came Mures County with Lei 35,510,150.57 average sales, Covasna County came on the 4th position with Lei 29,959,866.76 sales, on the 5th position came Bucharest with Lei 28,790,610.47 sales, on the 6th position came Dambovita County with Lei 21,915,492, on the 7th position was placed Timis County with Lei 19,575,632.11 sales, on the8th position was situated Arges County with Lei 14,117,168.50 sales, on the 9th position was Harghita County with Lei 12,679,430.25 sales and finally, on the 10th position was situated Galati County with Lei 12,351,129 sales.

Two aspects can be noticed:

-counties which were not situated on the top 10 positions regarding the number of brands, such as Dambovita, Harghita and Galati are in the top 10 for average turnover;

-counties like Suceava, Bistrita Nasaud were in the top 10 for the number of brands, but they are not in the top 10 for the turnover.

The lowest average turnover was achieved by Ilfov County, Lei 359,250.75.

A number of 12 counties registered an average turnover over Lei 8,415,463.3, the average sales in milk processing industry.

Besides the counties: Alba, Cluj, Mures, Covasna, Bucharest, Dambovita, Timis, Arges, Harghita, Galati, there are still other two, more exactly Suceava and Vaslui.(Table 3)

The positions of the Romanian brands representing milk processing industry, based on the turnover achieved in the period 2011-2013.

Using the Point Method in each year of the

analyzed period and totalizing the number of points, a new ranking of the Romanian brands was established as shown in the last column of Table 4.
In the top 10 position were situated the following brands, in the decreasing order: Danone, Friesland, Albalact, Napolact, Fabrica de lapte, Hochland, La Dorna, Simultan, Industrializarea laptelui Mures and Covalact.
In the following group situated on the positions 11-20, there were placed Dorna, Carmolact, Almera International, Gordon, Lactate Harghita, Raraul, Nordex Food, Indlacto Mures, Lacto-Solomonescu and Five Continents Group.

Table 3.The turnover of the Romanian brands in milk processing industry and its distribution by county in 2013

COUNTRY	TURNOVER OF THE BRANDS FROM MILK PROCESSING INDUSTRY (LEI)	AVERAGE TURNOVER (LEI/BRAND)	MARKET SHARE OF THE BRANDS BY COUNTY (%)	COUNTRY	TURNOVER OF THE BRANDS FROM MILK PROCESSING INDUSTRY (LEI)	AVERAGE TURNOVER (LEI/BRAND)	MARKET SHARE OF THE BRANDS BY COUNTY (%)
ALBA	449,781,564	56,222,695.50	11.32	IALOMITA	2,275,822	568.955.50	0.05
ARAD	18,083,495	3,013,915.83	0.45	IASI	8,057,954	2,014,488.50	0.20
ARGES	112,937,348	14,117,168.50	2.84	ILFOV	1,437,003	359,250.75	0.03
BACAU	705,375	88,171.87	0.01	MARAMURES	29,270,736	1,219,614.00	8.28
BIHOR	8,616,831	1,077,103.87	0.21	MEHEDINTI	3,107,637	3,107,637.00	0.07
BISTRITA NASAUD	115,960292	4,638,411.68	2.91	MURES	455,142,108	35,510,150.57	11.45
BOTOSANI	102,950,059	4,679,548.13	2.59	NEAMT	12,097,853	1,209,785.30	0.30
BRAILA	8,897,560	444,878.00	0.22	OLT	2,771,650	554,330	0.06
BRASOV	47,879,876	3,683,067.38	1.20	PRAHOVA	31,047,998	3,449,777.55	0.78
BUZAU	20,177,662	3,362,943.66	0.50	SALAJ	2,305,015	384,169.16	0.05
CALARASI	5,590,834	931,805.66	0.14	SATU MARE	10,613,509	1,768,918.16	0.24
CARAS SEVERIN	4,740,621	677,231.57	0.11	SIBIU	14,489,200	965,946.66	0.36
CLUJ	609,770,345	43,555,024.64	15,35	SUCEAVA	374,593,941	8,771,487.00	9.43
CONSTANTA	72,517,927	1,115,660.41	1.82	TELEORMAN	24,980,759	2,775,639.88	0.62
COVASNA	389,478,268	29,959,866.76	9.80	TIMIS	176,180,689	19,575,632.11	4.43
DAMBOVITA	21,915,492	21,915,492	5.58	TULCEA	11,626,835	528,492.50	0.29
DOLJ	1,337,236	668,618.00	0.03	VALCEA	2,485,634	621,408.50	0.06
GALATI	61,755,645	12,315,129.00	1.55	VASLUI	25,732,769	8,755,589.66	0.64
GIURGIU	11,852,760	5,926,380.00	0.29	VRANCEA	9,637,318	2,409,329.50	0.24
GORJ	4,738,126	1,579,375.33	0.12	BUCHAREST	547,021,599	28,790,610.47	13.77
HARGHITA	152,153,163	12,679,430.25	3.83	TOTAL	3,972,098,229	8,415,462.34	100.00
HUNEDOARA	5,381,721	1,793,907.00	0.13				

Source: Ministry of Finance Database, 2014. [12] Own calculations.

Lactag SA Arges is the only company which went up in the hierarchy in 2013, being placed on the 12th position due its turnover, but because of the 28th position recorded in 2011 and teh 26th position in 2012, it was evaluated for the 21st position base on its turnover achieved for the period 2011-2013.
In the last group of the Romanian brands, situated on the positions 21-20, there were: Lactag Arges, Lactate Natura, Ilvas Vaslui, Ecolact Prod, Five Continents Trading, Therezia Prodcom, Prodlacta Brasov, Lacto Baron Constanta, Sanlacta Mures and Paulact Harghita.(Table 4)

The market share for the top 20 Romanian trademarks in milk processing industry. On the top position it is Danone with 12.11 % market share, followed by Albalact with 10.65 % and Friesland with 9.09 %. They are followed by Fabrica de lapte with 6.07% market share, Napolact 5.61 %, Hochland 5.43 %, La Dorna lactate 4.42 %, Simultan 4.04 %, Covalact 3.31 % and Industrializarea laptelui Mures 3.22 %. All these top 10 trademarks totalized 63.90 % market share.
In the following positions 11-20, there were situated companies whose market share was lower than 2 %. All these 10 brands together had 12.93 % market share.
All the top 20 trademarks of the milk processing

industry registered 76.83 % market share in 2013, reflecting that they are the most powerful Romanian brands in this field.(Table 5)

Table 4.Top 30 Romanian Brands in Milk Processing Industry based on their turnover in the period 2011-2013

	BRAND NAME	2011		2012		2013		SUM OF POSITIONS	FINAL RANKING FOR 2011-2013
		TURNOVER LEI	POS.	TURNOVER LEI	POS.	TURNOVER LEI	POS.		
1	SC DANONE PDPA SRL BUCHAREST	502,998,666	1	506,400,194	1	481,065,058	1	3	1
2	ALBALACT SA OIEJDEA, ALBA	338,250,651	3	343,844,878	3	423,185,187	2	8	3
3	SC FRIESLAND CIMPINA RONANIA SA, CLUJ-NAPOCA	382,720,738	2	407,116,059	2	361,368,289	3	7	2
4	FABRICA DE LAPTE BRASOV SA, BARAOLT, COVASNA	97,112,904	10	169,381,143	5	239,131,953	4	19	5
5	SC NAPOLACT SA, CLUJ-NAPOCA	222,374,112	4	224,502,870	4	222,864,517	5	13	4
6	HOCHLAND, SIGHISOARA, MURES	197,954,114	5	197,444,322	6	216,040,409	6	17	6
7	LA DORNA LACTATE SA, DORNA CANDRENILOR, SUCEAVA	185,200,945	6	182,010,865	7	175,770,125	7	20	7
8	SIMULTAN SRL, FAGET, TIMIS	127,754,068	7	96,471,864	10	160,655,455	8	25	8
9	SC COVALACT SA, SFANTUL GHEORGHE, COVASNA	90,434,113	11	118,526,463	9	131,853,427	9	29	10
10	INDUSTRIALIZAREA LAPTELUI MURES SA, TG.MURES	124,344,812	8	135,054,888	8	128,059,668	10	26	9
11	DORNA SA, VATRA DORNEI, SUCEAVA	104,414,981	9	92,652,187	11	78,556,940	11	31	11
12	LACTAG SA, COSTESTI, ARGES	15,705,984	28	19,587,002	26	60,947,171	12	66	21
13	LACTATE HARGHITA SA, MIERCUREA CIUC, HARGHITA	42,015,624	15	34,777,394	19	56,677,254	13	47	15
14	SC CARMO-LACT PROD SRL MONOR, BISTRITA NASAUD	47,831,233	12	55,339,217	12	56,076,562	14	36	12
15	SC ALMERA INTERNATIONAL SRL, GALATI	44,494,711	13	52,876,400	13	51,739,904	15	41	13
16	GORDON PROD SRL, BISERICANI, HARGHITA	42,664,986	14	45,929,516	14	51,641.863	16	44	14
17	RARAUL SA, CIMPULUNG MOLDOVENESC, SUCEAVA	34,541,901	17	37,329,034	16	46,638,838	17	50	16
18	NORDEX FOOD ROMANIA SRL, CIMPULUNG, ARGES	30,203,285	19	39,929,994	15	38,987,306	18	52	17
19	INDLACTO MURES SRL, TG.MURES	35,248,619	16	35,297,079	18	38,817,673	19	53	18
20	FIVE CONTINENTS GROUP SRL, RACHITI, BOTOSANI	24,205,168	23	26,641,878	20	35,324,651	20	63	20
21	SC LACTO-SOLOMONESCU SRL COSTIN, BOTOSANI	29,231,999	20	35,318,191	17	31,866,439	21	58	19
22	LACTOBARON SRL, HIRSOVA, CONSTANTA	11,141,706	30	18,494,228	28	31,328,207	22	80	27
23	PRODLACTA SA BRASOV	18,190,357	27	9,175,548	30	25,621,264	23	80	27
24	FIVE CONTINENTS TRADING COMPANY, BUCURESTI	18,772,371	25	19,863,765	25	25,621,264	24	74	25
25	THEREZIA PRODCOM SRL, PANET, MURES	18,694,626	26	21,454,524	24	24,293,376	25	75	26
26	PAULACT SA, SINPAUL, HARGHITA	11,202,205	29	13,263,175	29	23,225,797	26	84	29
27	ECOLACT PROD SRL, PAULESTI, PRAHOVA	27,641,964	22	21,018,071	23	23,103,777	27	72	24
28	SC ILVAS SA, VASLUI	27,708,363	21	24,008,539	21	22,862,894	28	70	23
29	LACTATE NATURA SA, TIRGOVISTE, DAMBOVITA	32,545,143	18	23,799,000	22	21,915,492	29	69	22
30	SANLACTE SA, SINTANA DE MURES, MURES	19,322,344	24	19,502,085	27	19,654,848	30	81	28

Source: Ministry of Finance Database, 2014. [12] Own calculations.

The major problems of the dairy products Romanian brands are the following ones:
-The higher market pressure by foreign trademarks which are prepared to invade the Romanian market after the embargo imposed by Russia, which increased their stocks of dairy products and then, after the abolition of the milk quota starting from April 1st, 2015;
-The increased competition in the domestic market between the dairies brands and supermarkets brands; the supermarkets used and will continue to import dairy products at a lower price from abroad, mainly from Austria, Germany, Hungary, Poland, Slovakia; also they will continue to import cheap raw milk and sell their own products on the shelves at lower prices, which do not include the shelf tax;
-The high shelf tax practiced by supermarkets which does not allow many producers to exhibit their products in this kind of shops;

Table 5.The market share of the top 20 Romanian brands in milk processing industry based on their turnover in 2013

CRT. NO.	BRAND NAME	MARKET SHARE (%)	CRT. NO.	BRAND NAME	MARKET SHARE (%)
1	SC DANONE PDPA SRL	12.11	11	DORNA SA, VATRA DORNEI, SUCEAVA	1.97
2	ALBALACT SA OIEJDEA, ALBA	10.65	12	LACTAG SA, COSTESTI, ARGES	1.53
3	SC FRIESLAND CIMPINA RONANIA SA, CLUJ-NAPOCA	9.09	13	LACTATE HARGHITA SA, MIERCUREA CIUC, HARGHITA	1.42
4	FABRICA DE LAPTE BRASOV SA, BARAOLT, COVASNA	6.02	14	SC CARMO-LACT PROD SRL MONOR, BISTRITA NASAUD	1.41
5	SC NAPOLACT SA, CLUJ-NAPOCA	5.61	15	SC ALMERA INTERNATIONAL SRL, GALATI	1.30
6	HOCHLAND, SIGHISOARA, MURES	5.43	16	GORDON PROD SRL, BISERICANI, HARGHITA	1.30
7	LA DORNA LACTATE SA, DORNA CANDRENILOR, SUCEAVA	4.42	17	RARAUL SA, CIMPULUNG MOLDOVENESC, SUCEAVA	1.17
8	SIMULTAN SRL, FAGET, TIMIS	4.04	18	NORDEX FOOD ROMANIA SRL, CIMPULUNG, ARGES	0.98
9	SC COVALACT SA, SFANTUL GHEORGHE, COVASNA	3.31	19	INDLACTO MURES SRL, TG.MURES	0.97
10	INDUSTRIALIZAREA LAPTELUI MURES SA, TG.MURES	3.22	20	FIVE CONTINENTS GROUP SRL, RACHITI, BOTOSANI	0.88
	TOTAL TOP 10	63.90		TOTAL TOP 20	76.83

Source: Own calculations.

-The invasion of foreign dairy products coming from other EU countries where their price is lower because of the cheaper raw milk, lower production costs and increased stocks of dairy products; [4]

-The embargo imposed by Russia has negatively influenced the demand/offer ratio of dairy products in the EU, creating a growth of the stocks and a reduction of the selling price;

-The high production cost in dairy farming and milk processing industry will determine an increase of dairy products price;

-The limited purchasing power of the Romanian consumers will encourage the increase of the demand for imported milk and dairy products which are cheaper, coming from the countries where agriculture is strongly subsidized;

-The low financial support given by the Romanian Authorities to dairy farmers who are in danger to lose their business and to look for other deals;

-The high stocks of dairy products at the dairies will determine milk processors to keep the farm gate price at a lower price, deeply affecting dairy farmers' income and profitability; [10]

-Some of the dairies will be oblige to close, so, their brands will disappear because they could not resist to the market pressure. In 2014, over dairies representing one third of the production capacity disappeared for this reason.[11]

-However, the most powerful Romanian brands will be able to survive, even thou they will be obliged to retrain their production capacity. [5]

-Also, it is expected as the foreign investors to continue to penetrate in milk processing industry.

CONCLUSIONS

In 2013, in the milk and dairy products market, there were 472 trademarks, of which 255 brands (54%) were concentrated in 10 counties (Constanta, Suceava, Bistrita Nasaud, Maramures, Botosani, Tulcea, Braila, Bucharest and Sibiu.

In the same year, the turnover achieved by all the 472 brands of dairy products accounted for Euro 882,688,495, of which 83.89% was achieved by 175 brands (37%), belonging to 10 counties (Cluj, Bucharest, Mures, Alba, Covasna, Suceava, Timis, Bistrita Nasaud, Arges, Botosani).

The average turnover/brand was Euro Lei 1,870,102.74 in the dairy products sector.

Taking into account the number of points received for the turnover carried out in the period 2011-2013, a number of 10 brands Danone, Friesland, Albalact, Napolact, Fabrica de lapte, Hochland, La Dorna,

Simultan, Industrializarea laptelui Mures and Covalact were situated in the top 10 positions.
Based on the market share in 2013, the top 10 trademarks in dairy products market were the following ones: Danone (12.11 %), Albalact (10.65 %), Friesland (9.09 %), Fabrica de lapte (6.07%), Napolact (5.61 %), Hochland (5.43 %), La Dorna lactate (4.42 %), Simultan (4.04 %), Covalact (3.31 %) and Industrializarea laptelui Mures (3.22 %), all together totalizing 63.90 % market share.
The main restraining factors which is expected to affect the position of the Romanian brands in the future are: the abolition of milk quota starting from April 1st, 2015, the increased stocks of dairy products and the lower purchasing price of milk and dairy products in other EU countries, the invasion of raw milk and dairy products from Germany, Austria, Poland, Hungary, the low purchasing power of the consumer.
Only the top powerful Romanian brands with a good endowment, production capacity and diversity of products, financial resources, and a good management will be able to resist to the market pressures.
Taking into consideration the market pressures on milk and dairy products sector, the Romanian Government should take some measures in order to diminish the negative effects.
Among the these important measures that we propose there are:
-the allotment of a financial support on the whole milk chain in order recover dairy farming and milk processing sectors;
-the identification of new markets where the Romanian products to be commercialized;
-the VAT reduction to encourage the decrease of the price and a recover of the consumption of dairy products;
-the labeling of the dairy products for an easier identification of the product origin according to the principles of traceability and in order to avoid the falsification of the products;
-the innovation focused on product in order to offer a large variety of products, encourage consumption and sales; [14]
-a more intensive marketing promotion by specific measures like advertising by mass media, web sites, detailed information in the shops and at the shelf level, a better visibility of the products, promotions, tastings etc;
-an increased role for promoting the Romanian brands is e-commerce which allows producers and retailers to keep a close contact with their trade partners, suppliers and clients; it is an efficient tool for market studies destined to identify consumers' needs and demand, and also for brands promotion in the market.[15]

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