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Hjalager, Anne-Mette

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Rural-urban business partnerships - towards a new trans-territorial logic

Anne-Mette Hjalager
Professor
Institute of Entrepreneurship and Relationship Management
University of Southern Denmark
Universitetsparken 1, DK-6000 Kolding, Denmark
Hjalager@sam.sdu.dk

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Rural-urban business partnerships - towards a new trans-territorial logic

Abstract
These years, rural-urban business partnerships emerge in a new trans-territorial logic, surpassing normal trade alliances. Such partnerships embrace social issues, benefits related to place branding, knowledge dissemination etc. This contribution scrutinizes 11 rural-urban business partnerships in Denmark within fields of food, film, green care, media, retail, teleworking, education, and tourism. The degree of structural and legal formalization varies, but in many cases the formalization is fairly low. Partnership transparency formats depend on interrelationships with volunteering communities. When analyzing resource composition of the rural-urban business partnerships it becomes clear that there are multi-faceted value flows consisting of products, production capacity, market access, knowledge, capital, waste products and amenities. The creation of productive business partnerships often takes a long time, and they are matters of continual change. The successful examples transform positively the value chain and rearrange the nature and power of transactions in a territorial framework, and they accommodate for entrepreneurial forces in disadvantaged regions.

Key words
Partnership; Business enterprises; Rural-urban; Trans-territorial; Rural viability; Denmark

Introduction
The purpose of this article is to describe and analyze a number of specific examples of partnerships between actors in rural and urban areas in Denmark. Actors in rural areas are business enterprises and entrepreneurs. Actors in urban locations may be business corporations, but also NGOs, authorities or groups of citizens. Inquiries into rural-urban partnerships are emerging in regional research, but available studies mainly focus on relationships between governmental bodies and policymakers at different levels. In order to enrich the understanding of rural-urban partnerships, this research contributes with an emphasis on rural enterprises as primary agents in partnership building, and it demonstrates new trans-territorial logics. Evidence from cases reveals the background, participation, formats, scope, development processes, flows and implications of rural-urban business partnerships, and it leads to reflection on the potential of such partnerships in rural and regional development strategies with wider span and more differentiated purpose. Hence, the study provides a focused business angle to the flourishing research in trans-territorial developments.

Business enterprises are decisive for a vigorous development in rural and peripheral areas. The availability of job and entrepreneurial opportunities is an essential precondition for in-migration and population growth (Leigh & Blakely, 2013; Ryser & Halseth, 2010). However, rural businesses need to overcome the limitations of small markets and the inconveniences of distance (Tamásy & Diez, 2016). For this reason there is a considerable attention on business related policy measures and initiatives that attempt to transcend territories in a variety of ways. However, Denmark is a geographically small country, and peripheral areas are fairly diverse in terms of business sectors and types of enterprises (Larsen, 2013). Entrepreneurship is also prevalent in rural areas, and new enterprises pop up in agricultural, manufacturing and not the least service fields. Even though the past decades have led to reduced business representation as a result of restructuring and outsourcing, particularly in manufacturing enterprises, there are also in some respects positive dynamics and upcoming business opportunities. Many rural areas can be considered as economically viable as more densely populated areas.

It is critically important to investigate foundations and prerequisites for business growth and development in rural and peripheral areas. Rural and regional research projects focus on a number of competitive aspects such as for example the availability of indigenous tangible or intangible resources, the regulation systems, the existence of qualified labor etc (Christoffersen, 2003; Horlings & Marsden, 2014; Neumeier, 2012). Further, the development of business enterprises in rural and peripheral setting may depend on the investment climate and local and wider market opportunities (Larsen, 2013).

However, enterprises do not live in a vacuum. They interact with a range of other actors, and collaboration appears to be a significant and independent factor for progress and success (Delgado et al, 2014; James & David, 1999). Spatial propensity and the opportunity of established partnerships are matters of research interest (Fonte, 2008; Hjalager, 2013; OECD, 2013), and quite uniformly research demonstrates that dense networks and multitudes of collaborative formats bring distinct benefit for enterprises thus engaged. Regional cluster policies have become customary in many countries, and they aim at nurturing synergies between actors. Trust based cooperation and trade relations result in both intensive knowledge transfer and prospective and advanced business specialization. Hence, collaboration can improve competiveness and promptness to exploit emerging changes and opportunities. Collaboration may compensate for spatial disadvantages that enterprises face.
The literature about business networks and clusters illustrates the strategic importance of partnerships. Partnerships can advance business development, push innovativeness, renew market access, and ensure quality measures. These effects of partnerships are found in operations in the wind energy cluster in the western regions of Denmark (Karnøe & Garud, 2012), the fishery cluster in the northern part of Denmark, the logistics cluster in the southern part of Denmark, and a medical cluster in around the metropolitan area (Andersen & Bøllingtoft, 2011). Dabson et al (2013) present a more distinct rural focus on partnerships, examining the North American clusters in biomaterials, timber and food.

The assumption that rural and peripheral areas can pursue indigenous development is challenged by the impacts of globalization. Even small enterprises have to rely on markets and supplies from a wider geographical area (Roelandt & den Hertog, 1999), and consumption patterns also transcend spatial hierarchies (Hoggart et al, 2014). With digital developments, knowledge transfer is not a matter of closed local communications patterns, and ideally distances do not hinder the establishment and maintenance of relations. Territorial frameworks are still of importance and do provide a distinct meaning for business enterprises, but in a modern world enterprises must address and exploit resources outside their local area to remain competitive (Dubois et al, 2012).

There are good reasons to assume that enterprises in rural and peripheral areas have as many and as intensive external relations as enterprises located in more densely populated areas. It can also be assumed that they are dependent on partnerships and alliances to drive the business success, and that such partnerships are bound to be local as well as external. The term “neo-endogeneous” development is sometimes used to understand how rural areas creatively exploit external alliances and complementarities (Shucksmith, 2010). Business enterprises in rural areas are not isolated, and rural and urban are in perpetual contact and deep mutual dependency (Dubois et al, 2012; Young, 2010). When investigating interrelationships there is often a focus solely on trade based exchange of products and services. However, in recent years, more facets are added. Thus, the literature examines the extent and nature of denser collaborative rural-urban relationships, which are characterized by more subtle and refined resource exchanges. Knowledge and information is often a key resource in partnerships, including sometimes the resources of the educational system. In addition, the linkages between producers and consumers tend to widen in scale and scope (Heley & Jones, 2012).

This article deals with rural-urban business partnerships. The study is based on cases, and it describes and analyzes 11 Danish examples. It is essential for the development of relevant policy instruments to be able to establish consistent categorizations, and widen the knowledge about attributes, development patterns and implications. The research in this area is emerging (Brickell & Datta, 2016; Copus, 2013), but there is still a limited insight into the nature of the exchanges and the processes of translocal action (Hedberg & Carmo, 2012). Accordingly, partnerships will benefit not only rural actors, but also and equally important urban partners. Thus, the partnerships massively transcend the simple exchange of goods/service for monetary payment.

**A definition of rural-urban business partnership**

Many researchers and practitioners have worked with the partnership concept, and it is widely applied in economics, law, social work, etc. Partnerships are also often used about relationship between rural and urban areas, but here mainly to describe the management of alliances and territorial development forums for knowledge and experience transfer (Artmann et al, 2012; OECD, 2013;
Thuesen, 2011; Zonneveld & Stead, 2007). There is, however, no pre-fixed and agreed definition of a "rural-urban business partnership", and it was necessary to develop one for this particular research project. Inspired particularly by theoretical approached by Brinkerhoff & Brinkerhoff (2011) and Andersen (2006), the following criteria for a rural-urban business partnership were launched:

- The partnership consists of at least one partner in a rural area and at least one partner in a larger city, adjacent or not to the rural area in question. The partners in the rural area are businesses and organizations with business economic activities.
- The partners in the urban area can be commercial businesses, public authorities, institutions and associations, individuals or groups of citizens.
- The partnership must have joint targets, agreed upon from both sides.
- The partnership's content and process is based on cooperation and a considerable degree of consensus.
- The partnership is characterized by involvement and participation.
- Agreements may be formalized or non-formalized. The partnership should aim to benefit both the countryside and the urban area.
- There is a high degree of shared responsibility to achieve the targeted results.

The relatively broad definition entails that a rural-urban business partnership can accommodate many types of industries and activities, but it must have a clear economic objective for the rural area. In addition, relationships go beyond the simple exchange of goods and services, and this extra dimension is precisely what is significant in this analysis.

In terms of territoriality, this definition accommodates for types of alliances that transcend traditional rural-urban hierarchies. Partnerships are not necessarily established between actors in cities with partners in the immediate hinterland (Dubois et al., 2012).

Research methods

The research is based on eleven exploratory case studies. As such cannot be considered as all-encompassing for rural-urban business partnerships in Denmark. It is possible to select cases based on various criteria (Seawright & Gerring, 2008). In this study, the examples are chosen so that they cover different aspects of rural-urban business partnerships, and the cases were specifically chosen in a way to represent different industry focus, objectives, organization, scope and geography. Following the same philosophy of a diverse collection of examples, some partnerships have been underway for some time, and others are recent initiatives. Some are initiated by local actors themselves and started from the bottom; others demonstrate an external initiating force.

Resource persons among rural actors and organizations, for example from local action groups and regional development agencies, have helped to identify relevant partnerships. Internet, media and other sources have supplemented the identification as well as the fact-finding.

The study was conducted in a qualitative and explorative research set-up. Key partners were contacted, e.g. chairpersons, project managers and the like. Interviews were accomplished so that both rural and urban perspectives could be addressed, including respondents from both sides. In total, 28 interviews lasting between one quarter and one hour were conducted. The interviews were conducted with a semi-structured interview guide, established on the base of initial literature reviews on partnerships and trans-territoriality. Themes covered in the interviews were: The history of the ru-
ral-urban partnership, activities undertaken, choice of relationships and reasons hereof, processes in trust building and contract formalization, difficulties envisaged, flows and transfers exchanged, prospects for the partnership, impacts for the rural and for the urban localities, and other issues that partners found of relevance. Some of the interviews were face-to-face, others were conducted by telephone. Detailed notes were taken during the interviews, but they were not taped or transcribed. Instead, draft case descriptions (4-7 pages) were sent for review and comments by the informants, which in many cases led to additional information and documents.

Background data was retrieved from the respondents who kindly provided a range of relevant documents for the research. In addition, all cases were sought in the Danish media database Infomedia, which revealed supplementary information, used prior to the planning of the interviews and in writing up of the cases. After the inclusion of comments from respondents, these case documents were the main source for the analysis, where the issues to be covered were marked with colors to allow for an overview and cross-case analysis.

Eleven examples – an overview

The selected cases are briefly portrayed below.

(Figure 1: Locations of Danish rural-urban business partnerships – about here)

**Fejø Fruit – pear boats from the island.** The urban-rural business partnership consists of fruit growers and the Fejø Business Council on the one hand and Nyhavn Business Association in Copenhagen on the city side. Each year, boat cruises in open historical ships are organized from Fejø to Copenhagen in order to transport the fruit. The partnership contributes to the visibility of local food in a spectacular city location and to the testing and developing of new products, market relations and communication strategies for the fruit producers. For the city, this is a treasured event which strengthens Nyhavn's restaurants businesses. The year of establishment was 1993.

**Black Safari in a media partnership.** Black Safari is a private company which offers nature adventures in the marshes and the Waddensea. Black Safari cultivates an intensive collaboration with stakeholders in the local area, for example with hotels, restaurants, transport and communication enterprises, etc. The focus of this case is the cooperation with the major provincial newspaper JydskeVestkysten, located in Esbjerg. As a result of the collaboration, the rural area achieves as an extra-ordinary exposure and marketing, since the newspaper JydskeVestkysten often writes about outdoor activities. Jydske Vestkysten offers tours with discounts to subscribers in ‘club’ setup, where the newspaper also earns additional incomes. The launch of the agreement was in 2004.

**Torup Bogby.** Torup is the first Danish ‘book town’, started in 2006. Antiquarian books are sold on many sites, and Torup Bogby organizes author events, writing courses, festivals, etc. The relation to urban areas includes in particular alliances with writers and book professionals from Copenhagen and major cities mainly in the Nordic countries. There is a sizable commitment of volunteers. The professional and commercial dimensions are still relatively limited, although growing. The benefit to the rural area amounts to an attractiveness for settlement and tourism, while urban areas achieve an enhanced cultural capital and author promotion.
**COOP Lendemark and local producers.** From 2013, the large Danish cooperative retail grocery chain with head office in Copenhagen has launched a campaign that will increase local and regional food products onto the shelves. The village COOP Lendemark is one of the pioneering stores. The partnership with COOP makes it economically and logistically feasible to supply the shop with a variety of local products. The result is a more exciting shop and enhanced viability. COOP's role in the community is re-formulated with synergy effects for both rural and urban retail outlets. More informally and indirectly, partnerships accentuate member democracy and almost forgotten cooperative social and community values.

**Agritainment facility for children.** The facility in Serridslev, established in 2012, offers a variety of experiences and learning opportunities for children, mainly kindergarten groups. A central operating unit is a voluntary association, which is responsible for a range of alliances with people in the village as well as actors in the larger towns in the vicinity, mainly social departments with public authorizes and in the job centre in Horsens. The property is owned by a farmer, who is also involved in the facility in a variety of ways. The initiative is a business opportunity that enhances rural multifunctional use of village resources. For urban partners the site contributes with social services in new formats.

**Poppelgården.** The farm Poppelgården on the island Ærø is a green care institution established in 2005. It provides agricultural training to young people with special needs. Poppelgården cooperates with Dalum Agricultural College in Odense and associations in green care and social work, including the National Association for Equality in Aarhus. Municipal social services collaborate with Poppelgården. Poppelgården has created jobs on the island, and it is a dynamic actor in local business networks and associations. Urban partners are helped with solutions to social problems.

**Film Fyn** is one of the five Danish regional film funds, in operation since 2003 with the aim of promoting film production and related activities in the Fyn region. Film production is very project and network oriented, and relationships with metropolitan producers, knowledge environments and funding organizations are crucial. This applies also to the large number of smaller companies, which have been established in the wake of a series of film productions. Local enterprises are able to react quickly and flexibly in these rural-urban business relationships, and contribute to the articulation of the national film production environment, where the urban actors have a significant voice. Urban film makers, mainly located in Copenhagen, are supplied with locations as well as coordinating and facilitating services.

**Ejstrupholm fashion shop.** Retailing is under pressure in many smaller towns and villages. The large and internationally oriented fashion manufacturer Micha from Herning is a counterbalance to the trend. Micha buys shops in selected small towns, and in close collaboration with local managers the shops are continued with an assortment adapted to the local demand. Cooperation in for example Ejstrupholm contributes to a lively main street. Thanks to a very active manager, the store is a microcosm of local community activities. The collaboration began in 2011. For urban actors this initiative represents an adaption of sales channels and resource optimizing.

**Distance work houses in Bronderslev, Tranum and Klitmøller.** Many professionals can work flexibly and sometimes also from home. The houses offer attractive office space and a collegial atmosphere close to home. The availability of such space is of importance for employers in large cities (mainly, but not exclusively, Aalborg and Aarhus), as they may benefit from a wider geogra-
phy in their recruitment efforts. The initiative represents a work-life-balance policy and advantage for employers as well as for employees. The work space idea first opened in 2013 and has expanded since. The rural areas benefit from a larger viability and attraction value for potential settlers.

**Thorupstrand Fishermen’s Guild and the Merkur Bank.** Merkur is in ethical banking. It operates a financial model where the bank's savers are helping to fund projects with a sustainable profile in many parts of the country. As in crowdfunding the customers, mainly of urban origin, are acquainted with and personally related to projects. One of the projects is Thorupstrand Fishing Guild. A partnership with Merkur and its customers has helped to maintain a sustainable coastal fishery from Thorupstrand and related jobs. Since 2009 Thorupstrand has, as a side effect of this purely commercial investment operation, built up a clientele for fresh fish in Copenhagen, where the community owns a fishing boat furnished for retail fish sales. City residents can purchase fresh fish, but are also offered a place of identification. The boat is entitled “our rural embassy”.

**ECCO and VisitDenmark.** ECCO is a successful and globally oriented shoe-producer, and the enterprise head office is located in rural southwestern Jutland. The company has established a strong co-branding partnership with VisitDenmark, Copenhagen. Together the partners communicate Danish design-intensive lifestyle with photos of coastal tourism destinations. A competition and a charity event, Walkathlon matches the urban audience’s preferences for social and ethical profiles. ECCO is rooted in the local area. Significant successes in sales and image promotion help create good local jobs and community spirit in Bredbro and Tønder. Since 2010, the cooperation with VisitDenmark has been intensified, the urban benefit being related to leisure activities and entertainment.

**Rural-urban business partnership structures**

Partnerships can be understood and examined as organizational setups. In this case the analytical attention is directed towards the constellations of actors and the formation of organizational structures, as well as on the mechanisms, roles and agreements that bind the partners together. The article considers the formalization degree, openness policy, roles, continuity and duration.

**The degree of formalization.** Some partnerships are highly formalized, for example as a joint corporation in which the activities are embedded. There may be legal contracts between partners that regulate the mode of cooperation and the anticipated outcomes. In such situations both joining and leaving will be associated with significant costs. At the other end of the formalization scale trust based agreements and looser alliances are found. Under such circumstances, it may be easier to vary the extent of commitment and accommodate for partner organizations with unstable access to monetary or labor resources, for example community NGOs etc.

Looking at the eleven cases in this study, substantial structural variation is observed. The cooperation between Thorupstrand Fishing Guild and Merkur Bank is strongly formalized, and the same goes for Micha’s commitment to the fashion store in Ejstrupholm. There are also contracts between COOP and local suppliers, but shop managers have considerable discretion. Also Black Safari has a fairly rigid agreement with JydskeVestkysten. ECCO and VisitDenmark collaborate on an annual project basis, but the partnership has been so successful that it has been possible to repeat and expand. The Agritainment facility engages in contracts with Horsens municipality social services. Green care in the case of Poppelgården is regulated with contracts concerning the individual clients,
and also the relationship with the educational vocational training institution is individualized to the single student and not general in nature. In the distance work house, the employee is the “contract carrier”, and the contract is highly correlated to the employee's contract with his or her urban employer.

Other examples in this study are characterized by a much lower level of formalization where benefits and compensatory measures are not specified in agreements in any detail. Annually, Fejø Business Council discusses plans with partners in Nyhavn, but there is never anything whatsoever put on paper. The relationships in Torup Book Town are also short term and guided by the themes of the event. Film production is a very rootless industry, and working relationships among business partners are extraordinarily fluctuating, bilateral and project-dependent.

Closeness versus openness. Another dimension of organisational structure relates to whether the partnership is open to new members. In closed partnerships agreements are typically firmly specified to the capacities of partners and the goal of the partnerships. Members will be wary of letting others in, as it might compromise power balances, competitiveness, or efficiency. Contrarily, some partnerships are characterized by the ability to absorb new entrants and increase diversity. There are many variations in-between. Sometimes partnerships will implicitly distinguish between core actors and "b-members".

Some partnerships in this study possess a distinctive transparency. COOP invites local food producers, and it is inherently part of the cooperative philosophy. The distance work houses are also open structures where the urban businesses employees are welcome in a reality of continuous change.

Several of these partnerships have a supplementary stakeholder crowd in the community, involved occasionally in voluntary associative structures, as seen in the cases of Agritainment facility and Torup Book Town. ECCO and VisitDenmark employ local suppliers in a very flexible manner, and the same happens within film production on Fyn and in the guiding enterprise in Black Safari. Open and more closed member arenas co-exist. The fishermen in Thorupstrand are core members of the closed guild, but the community solidarity is so strong that many others join community associations that crucially augment the command of the coastal fishing community internally as well as externally.

In the fashion shop example the contract between Micha and the local shop is clear-cut business, and the partnership between Black Safari and the media house likewise. Fruit producing Fejø actors collaborate with a metropolitan supermarket chain, and this collaboration has given rise to attractive trademark agreements, but this development has, however satisfactory, limited other locals in their use of the name “Fejø Fruit”.

The distribution of roles is yet another issue of importance for the understanding of rural-urban business partnerships. Roles concern the location of initiative and leadership, and the distribution of specific tasks and obligations. For instance a partnership can ensure a dedicated leadership by choosing a chairperson, a project manager, a council or other role distributing formations. Subcommittees can be formed to take on board specific tasks, for example practical obligations in the implementation phases. Often in partnerships, structures are flat and non-hierarchical, so that all partners are well involved, suggesting a democratic influence (Bergquist et al, 1995).
Role distribution among the 11 rural-urban business partnerships differs greatly. The energy in Black Safari, Torup Book Town and Poppelgården is substantially with enterprising individuals, who have succeeded in involving others. The structuring of the collaboration lies mainly with those influential and charismatic entrepreneurs. COOP food activities are highly dependent on local CO-OP managers, but the central COOP administration has a supportive role. Several of the examples illustrate the importance of voluntary organizations and their members, and association board member often cover a whole range of more or less formalized roles, as clearly seen in the Agrotainment facility, Fejø Fruit, Torup Book Town and Thorup Beach Fishing Guild. These partnership arrangements ensure a fair division of influence among those who have a regular business involvement and those whose commitment is of another nature.

ECCO Shoes and VisitDenmark collaborate in a project setup where the process management and coaching is mainly with VisitDenmark. ECCO’s departments and shops have nevertheless accepted to undertake implementing roles, as staff enjoy the entertainment element. The distance work houses involve municipal actors as important collaborators, as municipalities own or organize building facilities and support with manpower. Also Film Fyn includes public partners as key actors for image promotion purposes, even if the foundation invests its funds entirely on business risk fund conditions.

Continuity and stability. Permanence and perpetual benefits over time are found to be a prerequisite for the development of the partnership and the building of mutual trust (Klitgaard & Treverton, 2004). Over time advantages beyond simple trade relations can develop genuinely, including a range of social benefits and innovations.

Some of the partnerships in this research have a long history, such as the partnership between the island Fejø and the Copenhagen partner Nyhavn, in existence since 1993. In spite of this permanence, the partners claim that it can be terminated immediately, if they for some reason do not want to continue.

Partnerships may intensify over time, which is observed with ECCO and VisitDenmark, where annual project negotiations allow new ideas to be pursued. Being an educational institution, Poppelgården depends on legislation within the field of green care, and such regulatory frameworks are decisive for the opportunities to maintain ongoing collaborative constellations with the municipalities.

In these cases, a critical prerequisite for continuity is that the business purposes are supported by community backing such that the community finds the arrangement ethically proper and balanced. Synergies between the business agenda and the ambitions of volunteer cultures are particularly evident in the Agrotainment facility, Torup Book Town and Fejø Fruit. Voluntary community work is also, but less directly, included in the COOP’s collaboration with the local food producers and in the extended fishing guilt activities of Thorupstrand. Even ECCO and VisitDenmark can activate an indisputable voluntary commitment in the Walkathons, considered a very enjoyable side effect of the partnership. It is difficult to close partnerships if the locals are heavily involved and if they expect interesting activities and a subtle reciprocity.
A resource analysis

No matter the specific constellation, a partnership between rural and urban actors implies the exchange of material and immaterial resources. A flow will be created in which such resources are traded. Often, the assumption is that one place has a surplus, the other place a deficit. Thus, the partnership will for mutual benefit result in a better balance for mutual benefit, and will increase an economically feasible specialization (Eisenhardt, & Schoonhoven, 1996; Wernerfelt, 1984). An exchange of resources leads to scale advantages and division of labour in new ways, where resources are exploited more efficiently and complementarily, and the weak region will benefit more than if remained in isolation (Champers, 1983). The partnership may aim at matching resources innovatively and thereby adding value in such ways that are difficult to imitate for competitors. Exchanging resources across rural and urban environments may reflect the place identity, where resources cannot be removed to another location without significant loss of value (Westhead et al, 2001).

As we already know from the literature analysis resources for rural-urban business partnerships are quite wide-ranging and mixed, for example: physical goods, production capacity, market access, market influence, knowledge, capital, legitimacy, waste products or amenity values. This is also illustrated in the case studies. The most important resources identified in the studies are the following:

**Physical goods.** Very frequently there is a particular and intuitively logical emphasis on the fact that rural areas produce natural products, taking into account that they are climatically and in other ways in a favorable position compared to urban areas and thereby in possession of specific comparative advantages. Food, fiber, energy supplies come up as essential in partnerships. In recent years food movements and food alliances make relationships very tangible and comprehensible both in urban and rural areas (Amin, 2013).

Fejø Fruit and Thorupstrand Fishing Guild both supply urban populations with high quality food products, and also the COOP partnership is about redirecting the flow of agricultural goods. In the case of the fashion shopping the goods move from urban zones to the rural areas.

**Production capacity** may consist of land space, building facilities, machine and equipment capacity, but could also be surplus capacity of human resources. Ongoing restructuring of agricultural facilities and related businesses in Denmark has rendered a large proportion of the building capacity in rural areas superfluous. A revitalization of some of this capacity takes place, for example the recycling of dairy facilities for juice, beer or spirits production. Likewise, an increasing emphasis is placed on bio-economy opportunities, the hope being to reposition rural areas in energy production, pharmaceuticals and tourism (Copenhagen Economics, 2012; Sundbo & Sørensen, 2013).

There are several examples in this collection of this way of thinking. The distance work houses provide employees with desk and ICT-capacity, and thus they “stock” enterprises in the large cities. Film Fyn identifies and mediates “locations”, here understood as a local production capacity. The Agritainment facility and Poppelgården demonstrate that derelict agricultural buildings can be recycled for education, here with continuation of the era of rural atmosphere and wisdom.

**Market access.** Market access is a tradable resource. Through alliances with urban partners small rural scale actors, who do not have the capacity to establish marketing and distribution channels,
can get access to larger markets (Eisenhardt & Schoonhoven, 1996). Market access also consists of rural areas connecting to recognized product brands from the urban area. These resources are not always uniformly in the hands of urban actors. They may sometimes need to put their faith into branding values of rural origin, for example freshness, cleanliness, tradition and other rural qualities (Rausch, 2009). Collaboration in partnership embraces the development and augmentation of narratives and images, and hence, there is a cross-fertilisation of reputation between partners. (Wernerfeldt, 1984).

The partnership between ECCO and VisitDenmark is an example of a meticulous exchange of market access values. ECCO’s shops world-wide are showrooms for Danish coastal tourism. Conversely, ECCO’s product placement in VisitDenmark’s campaign provides extra visibility for the shoe products. Both partners find that there is an excellent match with Danish lifestyle and rural life quality.

As a major retailer COOP is also an actor with a very considerable market access. Local producers benefit, and the collaboration provides them with a platform for a wider market test of their products. With the partnerships COOP wants a continuous development of the product variety for all supermarkets in the chain. Likewise, as a consequence of many years of presence in Nyhavn, Fejø has increased the image of the island as a distinctive fruit brand, and the island has moved its products massively onto the shelves of the metropolitan high class supermarket chain Irma.

**Competence and knowledge.** A deep appreciation has been developed for the fact that rural areas need knowledge resources from urban business and educational environments, and that dissemination of knowledge proceeds through strategic collaboration. However, it is also an unmistakable fact that rural areas possess valuable forms of knowledge and competences needed in urban settings (Fonte, 2008). For instance, some rural areas have been pioneers in the development of digital solutions in health and education (Nielsen et al, 2013; Matthiesen, 2013; Stein, 2014). Hence, the rural population and enterprises in rural locations are important suppliers of knowledge productions, inter-mediated sometimes through new ways of crowdsourcing (Goetz & Zipf, 2013).

Also this research provides examples of knowledge flows between rural and urban environments. Very pragmatically, Poppelgården and the Agritainment facility let knowledge benefit children and young people at early stages of their life training. Knowledge about food is embedded in the fish from Thorupstrand and the fruit from Fejø, and the knowledge is actively disseminated in the city, where there is an audience for alternatives to standard commercial promotions. Nature interpretation delivered by Black Safari is exported via the newspaper Jydske Vestkysten to much wider audiences than those who choose to participate in outdoor experiences.

Partnerships are also channels of information flows. The distance work houses are prerequisites for urban employers to recruit well qualified staff who are residents and who want to remain residents in rural areas, and consequently, there is a two-way flow of knowledge in this situation. The film production environment in Fyn is closely linked to Copenhagen, as well as to international film environments. Collaboration with the urban fashion manufacturer Micha provides the rural shop with a multitude of inspiration and business inputs. Volunteers are very indispensable carriers of information and knowledge in the cases of the Agritainment facility, Thorupstrand and Torup Book Town.
Capital resources. Financing rural initiatives is also an issue for partnerships. However, in a post-crisis era banks have become more concerned with the risks related to rural investments, and that has increased the focus on other financial models such as crowdfunding, business angels commitments and venture capital forms. These forms are challenging the customary perception of urban-rural capital flows (Hemer, 2011). Collaboration between Thorupstrand Fishing Guild and the ethical banking institution Merkur is an example of an emerging crowdfunding arrangement to which urban citizens openly can choose to allocate their savings.

Some forms of access to capital are well integrated in partnership contract constructs, for example in COOP partnerships with suppliers, where small businesses are given a privilege vis-à-vis larger ones, provided that they can meet price and quality requirements. Thus, COOP’s initiative represents a redistribution of purchasing power for the benefit of small scale rural suppliers. Also Film Fyn investment resources are tied to the local area, and beneficiaries must guarantee a certain amount of local purchase of services and products.

Several of these partnerships have been supported by EU regional and LEADER funds. Some of the funding opportunities could not have been successfully triggered without the rural-urban business partnership constellations, for example Poppelgården and the Agritainment facility.

Legitimacy and recognition are also tradable resources in this context, of critical importance for either the rural or the urban partner. Legitimacy and recognition are prerequisites for getting access to other advantages. For example such traded immaterialities can lead business enterprises towards new markets or other advantages more directly and efficiently (Eisenhardt & Schoonhoven, 1996).

The Agritainment facility is an example of an entity that, after a professional start and genuine recognition, has successfully applied for additional funding. The distance work house in Klitmøller attempts very directly to ensure a recognition of a surfer lifestyle community without compromising the recognition of the users as professionals and dedicated employees in city based enterprises. Legitimacy and recognition also appear as distinct tradeable resources in the Film Fyn example. TV and movie successes make it easier for the local area Fyn to manifest itself as a suitable location for all kinds of activities, also beyond movies.

Waste. Waste or residual products are essential resources, not the least in rural areas. Collaboration about the exploitation of waste may be the core of rural-urban business partnerships. Symbiosis projects (Chertow, 2007; Paquin et al, 2015) embrace the recycling of residuals for new strands for businesses and activities. Contemporary requirements for sustainable energy production and the concerns for scarcity of raw materials encourage innovativeness in this field.

Secondhand books in creative recirculation through Torup Book Town are probably the single waste related example in this collection of cases.

Amenity values. Rural areas possess a variety of ”public goods”, most often not supplied with commercial money values: clean air, beautiful nature, silence, space, low crime rates, freedom etc. Such values are key arguments in rural migration policies (Hall et al, 2004; Mettepingen et al, 2012). Indeed, the rural-urban differences in amenity values may be the foundations for partnerships.
Landscape amenity values are included in several of these partnerships, most unmistakably in Black Safari, where storytelling is distinctly related to unique natural phenomena in the Wadden Sea. Agricultural landscapes constitute the rationales for the Agritainment facility and Poppelgården’s relationships with social authorities in the cities. Very intensely, Film Fyn promotes rural beauty in the areas. Thorupstrand and Fejø Fruit use storytelling about freshness when they bring food to city dining tables.

To conclude, the cases chosen for this analysis show the particular variety of the resources, the flows to and from rural areas, and the business related potentials. As illustrated, many types of resource flows take place simultaneously. It is unequivocally the essence of rural-urban business partnerships that the exchange concern a broader sum of resources than usually the case in traditional trade based relationships.

**Rural development processes and partnerships**

Examining structural features and characterizing resource exchanges, as done above, is hardly a sufficient prerequisite to explain rural-urban business partnerships. It is as important to study the partnership creation process, and thereby to find answers to what may stimulate or hamper their formation.

Andersen (2006) defines partnerships as strategically imperative types of collaboration, which go beyond narrow economic motives and which require continuous articulation and negotiation. Partnerships challenge normal world views, and they entail a high degree of ambiguity. The actors must feel that they are allowed a reasonable degree of influence. Managers of partnerships must also offer the participants a meaningful level of reciprocity. Accordingly, the satisfaction of personal and collective ambitions for participants is as important as the operational goals of the partnership.

The success of business partnerships is ensured by genuine and continual assessment of the location of value creation. Partnerships are complex, and they will mainly develop according to the value creation that partners prioritise. (Argawal, 2012). It might be necessary to adjust processes and activities accordingly. If participants experience that they do not gain value any longer, they may neglect the partnership or engage in conflicts. Changes imply redefinitions of rural qualities and profiles, and this interpretation process is quite complex (Healey, 2006).

In translocal development processes it is essential to analyze whether power is shifted from the urban to the rural actors. In many situations, rural actors are given the opportunity to grasp power potential and use it. Networks are the new morphology of society because networks can contest production processes, experience, power, and culture.

As illustrated below, the implications of rural-urban business partnerships can be analyzed as multidimensional transformations, namely transformation of spatial relations, value chains, capacities for change, language, and identity.

**The transformation of spatial relations.** In urban-rural partnerships, habitual spatial hierarchies tend to dissolve. Rural actors are as vigorous as urban actors in terms of taking initiatives, and rural actors are not secondary to urban ones. Rural partnerships are not solely oriented towards the nearest larger city, but possibly also to distant urban centres.
There are several examples of widening geographies in the rural-urban business partnerships. Torup Book Town and Film Fyn actively seek international alliances, although such alliances were hardly likely to emerge without a foundation of well-established Danish rural-urban coalitions. Also Black Safari has a narrative value beyond national borders. The partnership between ECCO and VisitDenmark is “born global”, because both of the main active partners are intrinsically international, but with the collaboration between them new aspects have been added, which also includes a better valorization of the local identity in the international context. The international consumers are not only potential buyers of shoes and tourism products, but also potential followers in a health and lifestyle strategy.

However, also within the national borders, rural-urban business partnerships tend to be constantly geographically reinterpreted. Fejø Fruit and Thorupstrand have “captured” small portions of Copenhagen by anchoring in the harbor. The boats are resilient symbols of the rural-urban business partnerships.

**Transformations in the value chain.** Value chains encompass no longer just one single string from raw product to final place of consumption. Business partnerships are clearly multiple, and it affects the value chain by an emergence of supplementary and complementary products and services (Dabson et al., 2012). There is a focus on the needs and demands from the often many categories of consumers and traders (Humphrey & Schmitz, 2002). Thus, the value chains in business partnerships can be shortened, prolonged or displaced in parallel, depending on both the needs of communities, the demand of customers and more rigidly business opportunities.

Shortened value chains emerge in the case of COOP, where the distances between producers and consumers shrink dramatically. The shortened value chain is monitored by the producers themselves as they are provided with much more immediate opportunities to follow the shelf flow within the supermarkets and to control the consistency of COOP’s quality measures.

The collaboration between Black Safari and the newspaper has caused a supplementary link in the value chain, i.e. a loyalty link. In order to accommodate for subscribers’ needs as well as the desires of the partners, the value chain has become more complex and longer. This case is a prominent example of the fact that value added is redistributed among the partners. All partners tend to comprehend this as a win-win game.

Endeavors in Thorupstrand are not only to maintain a sustainable coastal fishing community for the benefit of the locals, but also to deliver fish as directly to the consumers as possible and to give memorable experiences. Thorupstrand actors work intensively on creating overlapping and parallel value chains.

**Transformations of the rural capacity for change.** A partnership is an institutional framework with a capacity for change (Scott, 2004). But a rural-urban business partnership can also be an engine for spin-offs, based on the fact that actors enter into distinctive learning processes.

Over the years, the small island Fejø with only 500 inhabitants has expanded fruit activities dramatically, and this growth is coinciding with the positive image effects of the fruit boat tours to Copenhagen. The island has attracted new citizens, and some of them dedicated to work with berry and fruit production.
The Agritainment facility has also amplified its role in the local community by inviting volunteers to participate in a range of different goings-on. Thereby the farm has manifested its role, but during this process the expansion has also caused some controversies with locals who would rather see a quieter environment at a slower pace. Torup Book Town is a fairly recent initiative, but it has succeeded in mobilizing the locals who enjoy participating as hosts at the annual big event and at smaller happenings during the year. Collaboration with the volunteering population is very crucial for the expanding trajectory.

**Transformation in the language about the rural.** At best, rural-urban business partnerships tip the language about the rural, replacing often depreciatory metaphors with more prospective ones. Communication is essential to keep partnerships alive and to win community sympathy.

There are several examples of changed narratives and styles that emphasize the worth and the particularity of the rural in ways that positively match urban lifestyle articulation, but with rural significance. Black Safari guides are masters of words. They use many passionate terms so as to create an interest for natural phenomena. For example they assert the movements of birds as a “ballet”, the collection of oyster as “safaris” etc. The Agritainment facility calls its stable the “cow lounge”.

In order to embrace a higher level of ambition in a globalised geography the distance work house in Klitmøller labels itself a “match making zone”, proactively suggesting and ultra-openness of modern labor markets. Walkathlon, an expression used by ECCO and VisitDenmark, suggests movement and engaged social activity. Film Fyn and related businesses are experts in the utilization of words and pictures, and they expose the rural as well as the links with the urban distinctly via the movies.

In Torup Book Town visitors and locals are reminded about the book identity in the townscape, as books are accessible everywhere. Likewise, the fishing boats are symbols for Thorupstrand, and the young fishermen are keen on demonstrating that fishery is not a derelict life mode, but absolutely compatible with a youth culture of the 21th century. The young fishermen cultivate alliances with metropolitan youth for this purpose. With the local products COOP supports its historical and cultural heritage as a consumer owned player in rural Denmark and attempts to distance itself from the more commercially operating supermarket chains. Also ECCO reminds us that consumer product can be used as tools for the narratives about the identity of the rural.

**Conclusions and perspectives**

This research project examines 11 Danish cases with the purpose of analyzing the nature of rural-urban business partnerships. The cases are selected so as to include different geographies and sectors: food production and distribution, retail trade, cultural activities, welfare and health, finance, and tourism. It is obvious that they operate in ways beyond normal business trading logics and with wide tangible and intangible flows between the countryside and the cities. The characteristics of the partnerships in this collection can in some ways be compared, but they are not identical. They illustrate a remarkable and intriguing variety of visions, goals, membership, and forms of organization. Both actors from rural and urban areas contribute with creativity and innovative power. What unifies these cases and what may be decisive aspects to consider in theoretical work is the suspension, to some extent, of spatial hierarchies. The trans-territorial alliances do not necessarily take place between the larger city and the rural hinterland, thus illustrating the permeability of space and the importance of actors’ personal relations and preferences. Features of significance are:
• A convincing viability of the rural-urban business partnerships. As with other organizational constellations, however, they cannot fully avoid crises or challenges. Some of them may exist for a long period of time, while others have a shorter life span. The cases illustrate that relations can be terminated or rearranged with a remaining overarching vision.

• The partnerships provide a value for the business partners and for other engaged partners. It becomes clear that value is a term with many connotations, including other dimensions than money gains and employment. It is not possible with any precision to assess the economic contribution to rural or urban geographies as the boundaries of the partnerships are fuzzy. All of them do to some extent contribute to normal business activities. Essentially, benefits are higher than if actors had operated in isolation, and that is true for rural as well as urban actors.

• Value and employment is generated in forms beyond the money economy. A large number of volunteers deliver an immense effort, and in return they obtain quality of life, optimism, social relations, recognition, and other benefits. Local areas attain dedicated ambassadors, who will amplify the total effect. It is a clear conclusion in this research that rural-urban business partnerships with the inclusion of the volunteer dimensions can nurture a dynamic progress.

• Power and influence and driving forces for economic development are found in both rural and urban environments. A high extent of spatial equality is in operation and contributes to the translocality, and the rural actors are respected in urban constellations for their competences and enthusiasm. “Urban hegemony” is not observed in the cases.

In a variety of ways, the cases illustrate that the creation of partnerships can be a long and cumbersome process, and actors may face variety of barriers, for example changed regulation or local controversies. No guarantees are given for successful developments of partnerships. The substantial research based knowledge about partnerships from managerial and policy disciplines can, to some extent, be used in rural-urban business partnerships. Nevertheless, it should be observed that rural-urban business partnerships are, to a greater extent, based on informal agreements and trust based relations, but, as in other partnerships, open-minded leadership and continuity determine success (Caffyn & Dahlström, 2005).

Can rural-urban business partnerships become instruments in the economic development in rural and peripheral areas? Frequently, policy practice and measures include the stimulation of collaborative relations. However, the main focus in research is often on partnerships and clusters within the regional boundary (Copus, 2013; OECD, 2013), less across boundaries. Increasingly, however, policy agendas invite actors to exploit a cross-regional transcendence and connections – a “nexogenuous” development trajectory (Bock, 2015). Predominantly, though, these policy efforts attempt to connect rural areas with knowledge environments in cities. This indicates that there is still an understanding that rural areas are depositories of raw materials, while cities contain the competence essentials. As established here, this perception is much too simplified. The exchange of knowledge is far more balanced than this.

Methods to stimulate relations in rural development policies comprise trust creation measures (Bergquist et al, 1995) and the insertion of reflexive practices (Huxham & Vangen, 2005; Kawka,
When analyzing the development history of the cases in this collection, there is substantial evidence of prospects connected to rural-urban business partnerships. However comprising a small number of cases in only one country, this study has limits. There is a need to address a range of questions in studies of greater depth, also mapping development processes over longer periods of time. In particular, the following aspects appeal to intensified research based inquiries:

- Which specific and multi-faceted needs can the rural possibly fulfill in in collaboration with urban areas?
- How does the rural area strategically interpret its own resources, competences and capabilities in an urban context?
- How to adapt a partnership model to complex and ever changing relationship and actors with different agendas, and how to build and maintain trust under such circumstances?
- How to understand the exchange balances so that rural as well as urban actors benefit both in the short and the long run?
- How to engender sustainable and competitive spin-offs and loci of intrinsic entrepreneurship?
- How to compose managerial capacity and how to delegate responsibility and influence to partners who can affect processes, including the engagement and maintenance of voluntary contributions?
- How to design creative communications formats between rural and urban partners?
- How and with what criteria to measure the successes of rural-urban business partnerships?

Further, it is an open question whether the models can be reproduced in other countries and contexts. The cases do, however, tend to align with international findings about new and multidimensional socio-spatial relationships, where positive and negative developments in urban areas have to be seen in tandem (Coutard et al, 2014; Franklin & Morgan, 2014; Pato & Teixeira, 2016).

Rural development and growth challenges compel an effort to enhance translocal relationships (Harvey et al, 2012; Healey, 2006; Tamásy & Diez, 2016) and to widen sectoral scope and outlook (Googins et al, 2000; Zasada et al, 2013). Resource and climate constraints are, for instance, topics that require much attention, and they are potential areas for future rural-urban business partnerships. (Artman et al, 2012). Rural potentials are being redefined, for example within bio-resource contexts, and potentially rural actors will augment their influence vis-a-vis urban actors, and new symmetries may be created. Demographic developments are often seen as disadvantages for rural areas, but in a partnership perspective the variation of settlement patterns in primary, secondary and tertiary housing arrangements can create new business opportunities. Such embryonic forms of new rural-urban business practices and entrepreneurial opportunities are contained in all the examples in the analysis, and all of them a demonstrate room for further developments and policy approaches that can enforce novel ways of organized proximity.

References


Figure 1: Locations of Danish rural-urban business partnerships