



Case study: **TBS**  
**Vertical integration**

## TBS

### Vertical integration

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<b>Country</b>	Slovakia
<b>Region</b>	Podkylavsky region
<b>Farmer</b>	Ing. Vojtech Tíček, PhD.
<b>Age</b>	81
<b>Gender</b>	Man
<b>Agrarian education/level</b>	Education in agricultural economics/university degree
<b>Experience in agriculture</b>	55
<b>Specialisation farms</b>	Organic agricultural, plant and animal production
<b>Number members households</b>	8

### Region

The Trenčín region, especially the Myjava district and the Podkylava region, is characterised by a distinct agricultural landscape, where traditional subsistence farming still prevails. The mountainous relief and scattered settlements create specific conditions for extensive forms of agriculture. Podkylava, a small village with approximately 240 inhabitants, is an example of a sustainable countryside, where natural wealth combines with cultural heritage.

The climate is moderately warm and humid, with an annual temperature of 7–9 °C and precipitation of 700–900 mm. These conditions are favourable for grasslands, pastures, and the cultivation of potatoes, cabbage, and fruit. The altitude of around 246 m above sea level and the rugged terrain limit the possibilities for intensive farming, but create space for ecological approaches.

Picture 1 – Village Podkylava  
 Source: website Podkylava.sk



The soils are predominantly cambisols and rendzinas - moderately fertile, with good water retention, suitable especially for grasslands, orchards and pastures. Due to the sloping terrain, protection is essential.

Agriculture focuses on raising cattle, sheep, and poultry, and growing traditional crops. In recent years, organic farming and agrotourism have been developing. Podkylava preserves traditional crafts and folk buildings, and supports local producers, making it a model example of an ecologically and culturally sustainable countryside.

### **Historical farms, resources, technology and production farms**

TBS, led by Ing. Vojtech Tíčík, represents a unique example of the successful integration of traditional agriculture with modern approaches to sustainability, agritourism and short supply chains (SFSC) in Slovakia. Based in the village of Podkylava in the Kopanice region, TBS has evolved from a traditional agricultural enterprise into a comprehensive platform that combines production, processing, education, and tourism. This model not only strengthens the local economy but also contributes to the preservation of rural culture and biodiversity. TBS farms approximately 150 hectares of agricultural land and pastures and raises around 120 beef cows (Charolais and Highland breeds). Cattle).

Picture 2 - Company owner Ing. Vojtech Tlčík  
 Source: website penzion-adam.sk



Ing. Vojtech Tlčík is a personality who, through his life and work, proves that technical thinking, entrepreneurial courage and a deep connection to his native land can create a strong foundation for rural development. His story is not only a statement of personal success but also a vision of how the country can improve, with respect to its traditions and its future.

After studying at a technical university and having a successful career in mechanical engineering, Vojtech Tlčík returned to his native region, where he became the chairman of the JRD in Krajno. Already in the 1970s, he began introducing innovative approaches to agriculture - from modernising production processes to diversifying the cooperative's income. Under his leadership, for example, a modern rotating milking parlour made dairy farming more efficient, a moulded feed factory increased the cooperative's self-sufficiency, and the expansion of the vehicle fleet by dozens of trucks, which served not only agricultural purposes but also commercial transport of materials. In the 1990s, Tlčík focused on developing agrotourism as a tool for revitalising the countryside. Together with his team, he built the Adam agro-pension, which became the centre of rural experiences in the region. This project connects agricultural production with tourism and offers visitors authentic contact with nature, animals and traditional cuisine.

At the same time, he is educating the younger generation - he organises lectures for elementary school students, where he explains the principles of agrotourism, entrepreneurship and sustainable farming. His goal is to motivate young people not to be afraid to stay in the countryside and develop it in a modern way.

Charolais cattle from the USA in 1992. This step was unprecedented in Slovakia at the time - the embryos were implanted into rabbit uteruses, which made it possible to introduce new genetic lines into Slovak breeding. This project significantly improved the quality of beef cattle in the region and demonstrated the effective implementation of cutting-edge biotechnological innovations in rural areas.

In addition to his business activities, Tíčík remains an active member of the community. He organises folklore festivals, supports local crafts, and preserves the cultural heritage of the

*Picture 3 – Agro-penzion Adam  
 Source: website penzion-adam.sk*



Kopanica region. His philosophy is simple: "Success only makes sense if we share it with others."

In 1998, he founded TBS as a joint-stock company with the vision of creating a sustainable enterprise that would connect plant and animal production with added value.

TBS is a model for transforming Slovak agriculture. Its multifunctional model, based on the principles of SFSC, agritourism, and local cooperation, not only increases the region's competitiveness and diversifies its economic base but also contributes to social and environmental sustainability. In an era of global challenges such as climate change or biodiversity loss, TBS's approach is an inspiration for the entire Central European region.

Picture 4 – Folk festival on farm  
 Source: website penzion-adam.sk



### Reasons for integration into a short food supply chain

The integration of TBS Farm into the short food supply chain represents a strategic response to the current challenges of agriculture related to economic efficiency, ecological sustainability and social embeddedness. This model is not just a technical distribution solution, but a comprehensive approach that changes the way food gets from producer to consumer.

The economic motivation is to increase production's added value and gain control over the entire chain. The traditional system relies heavily on intermediaries, which reduces farmers' profitability. TBS transformed this model through vertical integration: it built its own processing plant, farm shop, restaurant, and guesthouse. As a result, it controls the entire value chain "from field to table", allowing it to retain a larger share of the profit, guarantee quality, and respond flexibly to demand.

Picture 5 – Fruit processing hall  
 Source: website penzion-adam.sk



Environmental sustainability is another pillar of SFSC. Short chains minimise transport distances, thereby reducing the carbon footprint. TBS products are distributed mainly within a 100 km radius, in line with the principles of the local market outlined in the Rural Development Programs of the Slovak Republic. In addition, the farm uses ecological practices – raising cattle without antibiotics, growing fruit without chemical inputs, and producing without preservatives. This approach not only reduces environmental burden but also increases consumer confidence in product quality.

The social dimension of SFSC lies in community building. TBS organises school excursions (10-15 excursions per year), folklore events (minimum 2 events), children's camps (5 camps per year), and educational activities, thereby strengthening regional identity and cultural heritage. The consumer becomes an active participant in the food system, which increases their engagement and loyalty.

Economic stability is another benefit. Direct sales enable flexible pricing and rapid responses to changes in demand. TBS is less dependent on wholesale prices, which are often volatile and influenced by global factors. Diversification of income – food sales, accommodation,

agritourism, educational services – creates a robust economic model that reduces risk in times of crisis.

Innovation and academic cooperation are key elements of development. TBS actively cooperates with the Slovak University of Agriculture in Nitra on the development of new products, recipes and technologies. SFSC enables rapid testing of innovations in practice, gathering customer feedback, and transferring knowledge from research to production. The result is original regional products – chocolates with fruit, seasonal beers, syrups – that are high-quality and add value.

### **Specifically, the way in which the farm connects to a short food supply chain: customer segments, channels and customer relationships**

TBS, in Podkylava, is a model example of how an agricultural enterprise can effectively use the principles of a short food supply chain (SFSC) to create a sustainable, economically stable and socially rooted system. This approach is not just a theoretical concept, but a practically implemented model that integrates production, processing, distribution, tourism, and education into a single functional unit. In the following text, we will focus in detail on three key areas: customer segments, distribution channels and customer relationships, which form the basis of TBS's success within the SFSC.

#### **Customer segments – diversification and connection to regional values**

One of TBS's greatest strengths is its ability to address diverse customer groups, each with specific needs and expectations. This segmentation approach allows the company to respond flexibly to market changes while building a stable customer base.

Residents and customers from the region form the core of SFSC. These are people who prefer fresh, local and organic products with guaranteed origin. For them, not only is quality important, but also personal contact with the producer. The farm shop in Podkylava has become a place where tradition meets a modern approach – the customer does not shop anonymously here, but knows the story of the food he consumes. This segment is key to maintaining the regional economy and strengthening local identity. In this way, the company sells an average of 6 tons of beef.

Families with children represent another vital segment. They are looking for experiential accommodation, contact with nature and the opportunity to participate in farm activities. For TBS, these families are not only customers, but also ambassadors of the value of "healthy soil - healthy nutrition". Thematic stays, schools in nature and children's camps allow children to learn about the principles of organic farming and create emotional bonds that translate into loyalty.

Schools and educational institutions use the farm's educational programs, which promote environmental awareness and practical knowledge of sustainable agriculture. Excursions and workshops are combined with product tastings and demonstrations of production processes, making education an experience.

Tourists and visitors to the region discover authentic experiences of the Kopanica region – folklore, traditional cuisine, and rural environment. The connection with the Adam

guesthouse allows the presentation of the farm's products through gastronomy and experiential tourism. The tourist thus becomes part of the region's story, thereby increasing his willingness to support local production.

Finally, customers oriented towards organic and artisanal products buy via e-shop or at regional markets. This segment values transparency of origin, quality and artisanal character of products – from meat to syrups to chocolates and beer. For TBS, this segment is strategic because it expands its reach beyond the region and strengthens the brand nationally.

### **Distribution channels – connecting traditional and modern forms of sales**

TBS uses a multi-channel system to ensure the availability of products and services across all segments. The foundation is the farm shop in Podkylava, which serves as the main point of contact for customers and where personal sales, communication, and trust-building take place. The shop is not only a place of business but also a centre of community life, where locals, tourists, and event visitors meet.

Another important channel is the Adam restaurant and guesthouse, which transforms farm products into a gastronomic experience. Guests have the opportunity to taste meat, cheese, and fruit products directly from the farm, reinforcing the concept of "from field to table". The guesthouse also offers accommodation in stylish rooms, themed stays and options for families, schools or corporate events, thus connecting product distribution with tourism.

Seasonal markets and regional events expand the farm's reach beyond Podkylava. Participation in folklore, fairs, and gastronomic festivals allows us to present our products to a broader public and to build the TBS brand as a bearer of regional identity.

Online sales via e-shop are a modern channel that ensures product availability outside the region. Customers oriented towards quality and ecological values appreciate convenient shopping and transparency of origin. E-shop complements personal contact and enables regular interaction through blogs, newsletters and social networks.

Finally, community networks and personal recommendations are informal yet extremely effective channels. In rural environments, personal relationships and trust are essential. Loyalty programs, special promotions, and customer engagement in events strengthen loyalty and create emotional bonds.

At TBS, customer relationships grow on the principles of personal contact, experience, and education. In the store and on the farm, customers meet producers, can participate in activities, taste products and learn about their origins. This direct contact creates trust, which is the basis of SFSC's success.

Experiential accommodation at the Adam guesthouse allows for a deeper contact with the farm, animals and nature. Guests become part of rural life, which strengthens their relationship with the TBS brand. Educational activities – workshops, nature schools, excursions – build awareness of organic farming and promote responsible consumption.

Community ties and loyalty programs are another pillar of relationships. TBS organises folklore events, regional celebrations, and special events that connect customers with the region's cultural heritage. Online communication through social networks and e-shops complements personal contact and enables regular interaction.

The integrated SFSC model in TBS creates a synergistic effect: the Adam guesthouse restaurant uses the farm's products, which strengthens customer trust; educational activities

for schools and families promote loyalty and raise awareness of organic farming; online sales expand the reach beyond the region, while personal contact maintains strong community ties. TBS thus transforms a classic agricultural enterprise into a multifunctional system that combines production, tourism, education, and community into a single sustainable model.

## **Conclusion**

The model implemented by TBS is, as such, a prime example of how an agricultural enterprise can be successful in the face of current economic, ecological, and social challenges. Thanks to vertical integration and the implementation of the principles of the short supply chain (SFSC), TBS has linked production, processing, distribution, agritourism, and education into a single functional system. This approach brings several synergistic effects: it increases the added value of products, strengthens regional identity, supports ecological sustainability and creates stable relationships with customers.

The key to success is TBS's ability to respond to the needs of different customer segments through multi-channel distribution and by building personal relationships based on trust, experience, and education. In addition, the connection with the Adam guesthouse allows the transformation of the farm's products into a gastronomic and tourist experience, making the enterprise a centre of regional development.

TBS proves that agriculture does not have to be an isolated sector but can function as an integrated ecosystem that connects the economy, culture, education, and environment. This model is an inspiration for other rural enterprises seeking a path to sustainability, competitiveness, and social responsibility. In the context of global challenges such as climate change or pressure on food quality, the TBS approach represents a promising direction for the future of the Slovak countryside.

Figure 1 – Business model Canvas

Source: Author

Key Partners	Key Activities	Value Propositions	Customer Relationships	Customer Segments
<p>Slovak University of Agriculture in Nitra (research and product development)</p> <p>Regional suppliers of fruits, herbs and ingredients</p> <p>Local governments and community organisations</p> <p>Customers and visitors as active participants in the system</p> <p>Tourism and agrotourism associations</p> <p>Distribution partners for local sales (markets, restaurants)</p>	<p>Organic cattle breeding (Charolais, Highland Cattle)</p> <p>Processing of meat, fruit, chocolate and beer</p> <p>Operation of a farm shop and restaurant</p> <p>Agrotourism and accommodation (Pension Adam, huts)</p> <p>Organisation of cultural and educational events</p> <p>Collaboration with academia and research</p>	<p>TBS bases its philosophy on high-quality, fresh, organically produced food; transparency of origin; personal contact with the customer; experiential accommodation in authentic countryside; support for regional identity and traditions; a sustainable SFSC model with a minimal ecological footprint; and innovative products with high added value.</p>	<p>Personal contact in the store and on the farm</p> <p>Experiential stays and interaction with the farm</p> <p>Educational activities for children and schools</p> <p>Loyal customers and community ties</p> <p>Online communication and e-shop</p>	<p>Residents and customers from the region (within 100 km) (40% share)</p> <p>Families with children looking for experiential accommodation (25% share)</p> <p>Schools and educational institutions (8% share)</p> <p>Customers preferring organic and artisanal products (17% share)</p> <p>Tourists and visitors to the Myjava – Podkylava region (8% share).</p>
	<p><b>Key Resources</b></p> <p>Agricultural land and pastures (150 ha)</p> <p>Cattle (approx. 120 cows)</p> <p>Processing plant and craft brewery</p> <p>Agri-Pension Adam and accommodation capacities</p> <p>Human resources – experts, artisans, farm workers</p> <p>TBS brand and customer trust</p>		<p><b>Channels</b></p> <p>Farm shop in Podkylava</p> <p>Restaurant and guesthouse Adam</p> <p>Seasonal markets and regional events</p> <p>Online sales via e-shop</p> <p>Personal recommendations and community networks</p>	

### Cost Structure

Costs of raising and feeding livestock

Operation of a processing plant and brewery

Salaries of employees and seasonal workers

Maintenance and development of infrastructure (guest house, huts, shop)  
Marketing, distribution and event participation

Investments in innovation and cooperation with universities

### Revenue Streams

Sale of meat and meat products

Sale of fruit products, chocolate and beer

Income from accommodation and meals

Income from agrotourism and educational activities

Online sales and special orders

Subsidies and grants for rural development and organic farming

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