



Trading partners self-developing market linkages

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Mr Van's lettuce supply chain to HCM City (Viet Nam)

FAO-CRS Workshop on linking small farmers to markets:
intermediation models, policy and networking
Hanoi, Viet Nam, 17-20 November 2008



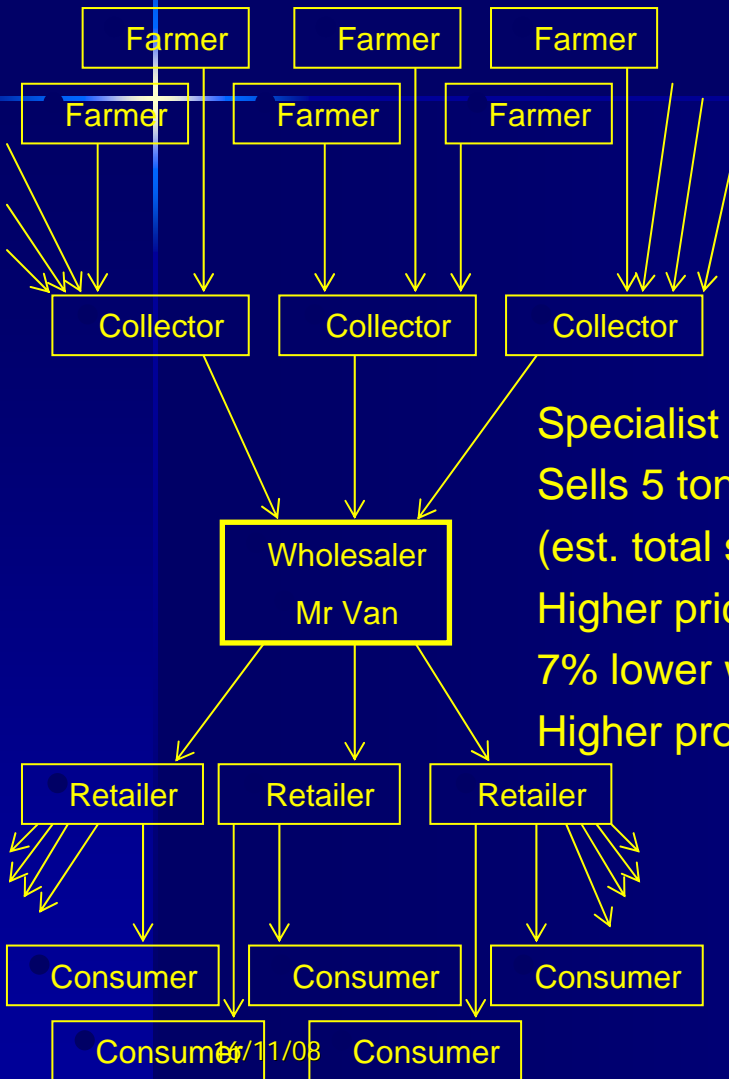
Market orientation of farmers can be initiated by market-orientated local traders



Required quality attributes of butterhead lettuce for HCMC consumers

- Very fresh
- Small and round like a bud
- No spots or marks
- Inside leaves clear-coloured
- Thin leaves
- Hygiene and safety are taken for granted !!??

How does Mr Van link farmers to consumer markets?



Collectors train farmers and harvesting labour to grow and reap high quality lettuce
 ⇒ More product reaches high quality grade

Collaboration, investments and forward planning with regular suppliers ⇒ Mr Van only gets high quality

Specialist in butterhead lettuce
 Sells 5 tonnes/day, around 8.6% market share
 (est. total sales by 120 HCMC butterhead wholesalers: 58 tonnes/day)
 Higher prices than competitors
 7% lower waste than competitors
 Higher profits than competitors

Collaboration and information sharing with regular customers
 ⇒ Awareness of specific quality demands

Collaboration with suppliers

Crop tending

Harvesting

Packaging

All done to Mr Van's specifications



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Lessons learned from Mr Van

- Traditional traders can help improve the quality in their F&V supply chains
 - Market orientation
 - Quality-focus
 - Supplier training
 - Specific investments
 - Collaboration and joint-planning
- Advantages for all supply chain stakeholders:
 - Better quality produce
 - Higher value of sales
 - Lower levels of waste
 - Higher profits
 - Interdependency of stakeholders
 - Increased satisfaction



Thank you for your attention
Expecting your feedback!