



# Trading partners self-developing market linkages

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

FAO/VECO Workshop on enhancing capacities of NGOs  
and farmer groups to link farmers to markets

Bali, Indonesia, 9-12 May 2006



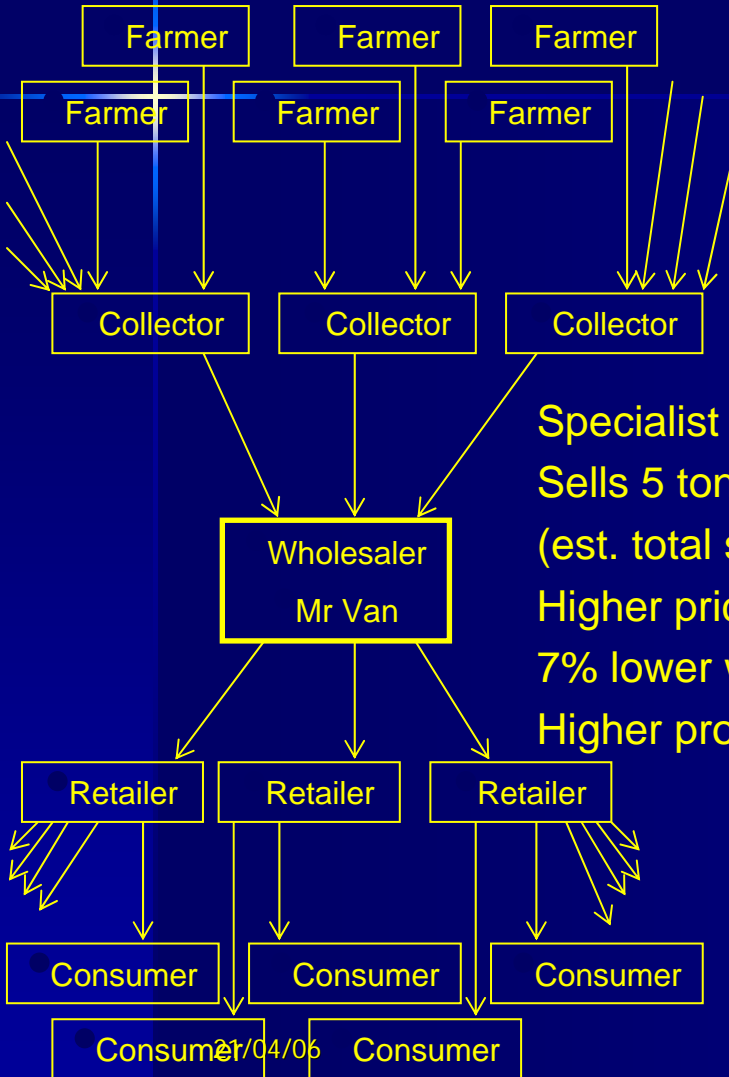
Market orientation of farmers can be initiated by market-orientated local traders



# 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