PALTRADE Seminar
EU market exploring certain fruits and vegetables
by Raymond Tans, The Netherlands
PALTRADE Seminar Fruit and Vegetables

Content presentation:
• Fruit and vegetables in The Netherlands
• Imports and exports in/to The Netherlands
• Distribution channels
• Competitors and positioning
• Examples of niche marketing
Fruit and vegetables in The Netherlands:

- 4.700 ha greenhouses (Tomatoes, cucumbers, sweet peppers)
- 91.000 ha fruit and vegetables in the open air
- 19.000 ha fruit, mainly apples and pears
- 70 ha mushrooms (Netherlands and Poland are main producers in EU)
- Fruit and vegetables are being marketed by 14 PO”s (almost 100%)
Fruit and vegetables in The Netherlands:

- Production value € 2.9 billion
- Import value € 4.6 billion
  - From 107 countries
    - Spain number 1
- Export value € 13.9 billion
  - To 150 countries
    - Germany number 1
Totaal exportaandeel Nederlandse vruchtgroenten 85 procent
Export Nederland naar vier landen: (DU, UK, FR, SW) 72 procent

Export NL → EU:

- Tomaten: 97%
- Paprika: 99%
- Aubergine: 94%

Export focuslanden 2005-2015² Cijfers in miljoen kilo; incl. re-export

<table>
<thead>
<tr>
<th>Fruit</th>
<th>2004-05</th>
<th>2013-15</th>
<th>Toeαframe</th>
<th>Tomaat</th>
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<tbody>
<tr>
<td>Nederland</td>
<td>613</td>
<td>766</td>
<td>28%</td>
<td>Netherlands</td>
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<tr>
<td>Spanje</td>
<td>989</td>
<td>962</td>
<td>-2%</td>
<td>Spain</td>
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<td>471</td>
<td>126%</td>
<td>Morocco</td>
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<td>Polen</td>
<td>55</td>
<td>97</td>
<td>78%</td>
<td>Poland</td>
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<td>Turkije</td>
<td>274</td>
<td>536</td>
<td>95%</td>
<td>Turkey</td>
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<table>
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<th>Groente</th>
<th>2004-05</th>
<th>2013-15</th>
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<tbody>
<tr>
<td>Tomaten</td>
<td></td>
<td></td>
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<tr>
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<td>400</td>
<td>581</td>
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<tr>
<td>Marokko</td>
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<tr>
<td>Polen</td>
<td>23</td>
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<td>-61%</td>
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<tr>
<td>Turkije</td>
<td>37</td>
<td>64</td>
<td>127%</td>
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</table>

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<th>Fruit</th>
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<th>2013-15</th>
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<tbody>
<tr>
<td>Aubergine</td>
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<tr>
<td>Spanje</td>
<td>80</td>
<td>145</td>
<td>81%</td>
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<tr>
<td>Marokko</td>
<td>1</td>
<td>1</td>
<td>0%</td>
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<tr>
<td>Polen</td>
<td>0</td>
<td>2</td>
<td>+</td>
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<tr>
<td>Turkije</td>
<td>5</td>
<td>10</td>
<td>250%</td>
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Bron: Comtrade; Nederland bron KCB (= NL product)
Fruit and vegetables in The Netherlands:

- The Netherlands is “world player” fruit and vegetables
- Second exporter of tomatoes in the world
- 75% of home production is being exported
  - Tomatoes, sweet peppers, cucumbers, apples
- 80% of imported vegetables and 70% of imported fruit are re-exported
- Logistic is key issue with Rotterdam as important harbour
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EU suppliers/competitors

Tomato

EU supplier/competitors Sweet Peppers
Distribution channels:

– From producer to supermarket

– From importer to exporter to supermarket
Distribution from producer to supermarket:

– Producers are organised in PO’s
– PO’s are responsible for the sales of the produce of their members (sometimes also from non-members from abroad)
– PO’s are selling directly to retailer/supermarket
– PO’s are selling to wholesaler/exporter
– Wholesaler/exporter to retailer/supermarket
Distribution fruit and vegetables:

- Wholesale markets are playing a very limitative role in The Netherlands in marketing fruit and vegetables
- Only Amsterdam and Rotterdam have wholesale markets
- In general all fruit and vegetables are sold directly or via wholesaler to retailer and supermarket
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Sales of fruit and vegetables by supermarkets

[Bar chart showing sales percentages through discounts and large retail chains for different countries: DK, FI, FR, DE, IT, NL, SP, SE, UK, PL, CZ.]

Legend: % sales through discounts, % sales through large retail chains
Distribution fruit and vegetables:

Export/re-export:

– For export there are some 120 companies involved.
– They differ in size: the 10 largest exporters are exporting 50% of total export volume!
– Some are allround exporters trading in all fruit and vegetables
– Some are specialised in product and/or destination
Distribution fruit and vegetables:

**Import/re-export:**

- There are some 130 importing companies
- 20 companies realise about 70% of import volume
- Importers are sometimes also exporters or wholesalers
Example of importing/exporting company with specialities:

- BUD Holland ([www.bud.nl](http://www.bud.nl))
  - Exotic fruit and vegetables
  - Specialities of fruits and vegetables
  - Nuts, seeds and super foods
Example of exporting/wholesale company with specialities:

• Eminent Holland (www.eminenttholland.com)
  – Exclusive greenhouse vegetables
  – Eminent Seeds for development special exclusive
Distribution fruit and vegetables:

Wholesalers:

– There are some 450 wholesalers
– Most of the specialised companies have direct links to PO’s
– The larger ones are operating on behalf of the supermarket chains
– In general they are logistic service supplier/distribution centre
Distribution fruit and vegetables:

Conclusions:

- A wide range of importers and exporters with a large network of contacts
- Intensive competition on the European market
- Main suppliers are from EU with additional suppliers from abroad
- No specific suppliers for cities
- Possibilities for niche (?) products; traders are always in for new products
- One have to find the right importer for product and MS
Competitors and positioning

- Price structure: free market so negotiating point supplier/importer/whole saler
- Timing: in winter time less EU produce on the market → higher prices
- Supply potential: during whole winter time/several years?
- Importers/re-exporters like stable trading relation → invest in relationship
Competitors and positioning

- Attractive offers provided? In principle not. Part of negotiating deal
- Promotional activities: Is possible, however costs have to be bear by supplier
- Promotion and marketing are important tools in positioning the produce
Competitors and positioning

• Consumer preferences: all consumers are different; food habits differ per MS
• Important knowledge role for importers/re-exporters
• Bio/ECO demand is increasing all over EU
• Bio/ECO from abroad is being questioned as sustainable
• Local for local gets more attractive
Competitors and positioning

• Own brand: In general importers/whole salers/ retailers will like that as being high quality trade mark

• Risk: brand can be connected to political and/or social circumstances

• In over supplied market brand can make the difference. Many producers are working ont it
Examples of niche marketing

- Looye tomato producers
- Family company headoffice Naaldwijk
- Greenhouses The Netherlands and Spain
- No member PO; independent
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Examples of niche marketing

• Export sweet peppers to China
• Brand name: Dutch Valley
• Start this year
• Difficult market to get in
• Sweet pepper from selected producers
Thank you for your attention