Improving the Performance of Supply Chains in Transitional Economies

Sofitel Plaza Hotel,
Hanoi, Vietnam
September 23-27, 2007

This symposium seeks to address various means of improving the performance of supply chains in transitional economies. We shall welcome papers that discuss any one or more than one of the following themes:

- Power/dependence
- Quality management systems
- Trust and social capital
- Consumer sovereignty
- Market information systems
- Supply chain management
- Export market development
- Food integrity and food safety
- International competitive advantage
- Development policy
- Transport and logistics
- Finance and infrastructure
- Packaging and branding
- Grower cooperatives and alliances
- Good agricultural practice
- Environmental stewardship

Submission of papers

An abstract of no more than 500 words should be submitted electronically to the conference organiser by January 30, 2007. Abstracts must include the title of the paper, the authors name(s) and institution(s) along with telephone, fax and email address. Please indicate whether you wish the paper to be submitted for oral presentation or a poster. Submitted papers must be no longer than EIGHT A4 pages including all tables and references. Further details on the submission of papers is available from the ISHS website: http://www.ishs.org/wri/pap1.htm

Electronic copies of the abstract and papers are to be submitted to Dr Peter J. Batt via email at p.batt@curtin.edu.au


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Newsletter Contributions

To ensure that this newsletter is distributed twice in each year it is essential that members send items of interest to me at regular intervals. Items of interest could include:

- Copies of papers or abstracts,
- Web sites of interest,
- Opportunities for collaboration,
- News of individuals,
- Requests of any nature,
- Employment opportunities,
- Details of work in progress,
- Forthcoming Conferences,
- Photographs of interest etc. etc.

Please send all contributions to:

peter.oppenheim@deakin.edu.au as soon as possible and no later than April 1st., 2007

Information and Communication Technology (ICT) Adoption in Horticulture

At the last ISHS-symposium of the Commission Economics and Management in Berlin in 2004 I distributed a questionnaire on adoption on ICT in horticulture. I would like to thank all the participants who filled out the questionnaire.

The results were published in following paper:


This paper was published as a chapter in the e-book: ICT in Agriculture: Perspectives of Technological Innovation, E. Gelb & A. Offer, supported by the European Federation for Information Technologies in Agriculture, Food and the Environment (EFITA) and the Samuel Neaman Institute for Advanced Studies in Science and Technology in Jerusalem. This e-book is available for free at following website:

http://departments.agri.huji.ac.il/economics/gelb-main.html

This year I presented a paper at the '2nd Workshop on Family Firm Management Research', organised by the European Institute for Advanced Studies in Management (EIASM) in Nice on June 1-2, 2006:


(Editors Note: An abstract of the paper is presented on page 3 while the full paper is available on request.)

Best regards from Belgium,
Nicole Taragola
In Flanders glasshouse vegetables and ornamental plants are typically produced at family businesses. According to agricultural economics literature at this type of holdings the objectives and long-term firm developments are influenced by the so-called ‘family-firm life cycle’. The objective of the paper is to investigate the impact of the ‘family-firm life cycle’ on the personal and business characteristics and the objectives of the firm manager. The empirical research was performed at 138 glasshouse holdings selected from the Flemish Farm Accountancy Data Network (FADN), permitting to couple accounting data collected during the period 1996 - 2003 to the results of a questionnaire measuring the importance of several personal and business objectives. Principal component analysis (PCA) of the personal objectives resulted in the dimensions ‘Instrumental objectives’, ‘Expressive objectives’, ‘Familial/social objectives’, ‘Intrinsic objectives’ and ‘General objectives’. For the business objectives the dimensions ‘Financial independence of the firm’, ‘Creativity and innovation’, ‘Growth’, ‘Stabilisation’ and ‘Profitability’ were distinguished. The glasshouse holdings in the different phases of the ‘family-firm life cycle’ show significant differences in age and education level of the firm manager, firm size, modernity of durable goods, solvency and investment pattern. At many businesses in the growth, consolidation and exit phase the instrumental objective ‘High level of income’ belonged to the top 3 at the start of the business while at the moment of the interviews ‘Satisfactory income to continue the business’ was a more important objective. The average scores for the ‘Expressive objectives’ are high and show significant differences according to the phase in the ‘family-firm life cycle’. They are more important at businesses with a long-term perspective. ‘Familial/social objectives’ do have a moderate importance and receive a significantly higher score at holdings with an age of 20 years or older with a successor compared to those in the growth and consolidation phase. ‘Intrinsic objectives’ are important ‘third rank order’ objectives, ranked after the ‘Expressive’ and ‘General’ objectives. The business objective ‘Financial independence’ is important at each stage of the ‘family-firm life cycle’. Firms in the start and growth phase are attaching a higher importance to ‘Productivity’ than firms in the other phases of the ‘family-firm life cycle’. No significant differences among the groups could be detected for the business objective ‘Creativity and innovation’. At many businesses ‘Growth’ belonged to the top 3 at the start of the business, independent of the current phase in the ‘family-firm life cycle’. ‘Survival’ is an important top 3 business objective, especially at the glasshouse holdings in the consolidation and exit phase. At many glasshouse holdings independent of the phase of the ‘family-firm life cycle’ ‘Profitability’ is classified as one of the three most important business objectives. The insights derived from this research show that the concept of the ‘family-firm life cycle’ is a useful concept in explaining the objectives and strategic behaviour of small family firms.

Keywords: ‘family firm life cycle’, objectives, strategic management, glasshouse horticulture
Quality and Safety in Traditional Horticultural Marketing Chains of Asia

Andrew Shepherd recently published "Quality and safety in the traditional horticultural marketing chains of Asia". It is available to be downloaded at:


Also at the same site is a downloadable report of the workshop FAO organized late last year in Bangkok to discuss this topic.

Andrew Shepherd
Agricultural Marketing Group

Ecological-economic life cycle management of perennial tree crop systems.


Available at http://e-collection.ethbib.ethz.ch

Abstract

A contribution to sustainable agriculture is to improve farm management. It is known that economic and ecological performance can differ widely in otherwise comparable farms. In attempting to understand the reasons causing these differences, this study analysed (1) the variance of full cost variables and their contribution to successful income risk management (2) the potential to decrease environmental impacts and (3) the relationship between income and environmental impacts. A total of 445 annual data sets of apple orchards collected over four years on twelve Swiss fruit farms, were utilised for both full cost analysis and environmental impact assessment using life cycle analysis methodology. According to distributional risk analysis the relationship between mean (M) and standard deviation (s) of farm results were analysed. Successful income risk management was associated with a strong negative correlation between M and s of the income per labour hour, indicating that the best performing farms not only exhibited higher values of M but also lower values of s, compared to poor performers. The management potential to decrease environmental impacts (i.e. the ratio of the highest and lowest mean impact observed) were of the order of factor 6 for the three impact categories energy use, aquatic ecotoxicity and aquatic eutrophication, when measured per receipts. The correlations between environmental and income indicators showed that even when farms increased their income, environmental impacts did not necessarily increase. The implications of these results for understanding the wide differences between the fruit farms’ performance are discussed in a pyramid-shaped management model, including prescriptive management rules and implied cognitive competences.

Keywords: Farm management; Full cost analysis; Life cycle assessment (LCA); Risk assessment; Apple orchards; Sustainable farming
Management influence on environmental impacts in an apple production system on Swiss fruit farms: Combining life cycle assessment with statistical risk assessment.


Abstract

In this study we assessed to what extent management of apple-growing within a well defined farming system affects environmental impacts. A four-year data set of 12 fruit farms from eastern Switzerland was analyzed using the life cycle assessment (LCA) method to evaluate the variability of different environmental impacts. For the total of 445 annual data sets of apple orchards eight impact categories were assessed. A principal component analysis (PCA) was performed to group the eight impact categories according to their correlation. A three component solution turned out to be adequate. It indicated that the three impact categories energy use, aquatic ecotoxicity and aquatic eutrophication were influenced independently of each other to a high degree. These three key impacts can be managed by keeping the inputs of machinery, pesticides and fertilizers low. Production constraints were highly homogeneous within the sample. Because of this, we were able to define the management influence on environmental impacts as the ratio of the maximum and minimum observed. On a per hectare basis, the effect of management for energy use was factor 2, for aquatic ecotoxicity factor 4 and for aquatic eutrophication factor 1.1. In contrast, when measured per receipts, the management influence was greater than per hectare, indicated by a range of factor 6 for each of the three key impact categories. Further insight into the effect of management was attained by statistical risk assessment. A positive and significant correlation between mean value (M) and the coefficient of variance (CV) indicated that the expected risk could be reduced by a low level of variability. Such a M–CV correlation was found for the two key impact categories energy use and aquatic eutrophication if calculated per receipts. No M–CV correlation was found for aquatic ecotoxicity. It was on the other hand observed that farms with low aquatic ecotoxicity also practiced low energy use and low eutrophication on a per receipt basis. We conclude that the promotion of environmentally sound apple-growing is not only a question of choosing one or the other farming system (e.g. organic versus integrated farming) but that an understanding of the system specific management influence is crucial.

**Keywords:** Farm management; Environmental management; Life cycle assessment (LCA); Environmental impact assessment; Statistical risk assessment; Principal component analysis (PCA); Integrated apple-growing
Life cycle management on Swiss fruit farms: Relating environmental and income indicators for fruit growing.


Abstract

Integrated fruit production (IFP) has been practiced in Switzerland on a large scale basis since the late 1980s, with the aim of improving sustainable farming. The guidelines of IFP emphasise an ecosystem approach that is based on scientific knowledge about self-regulatory mechanisms at the tree and orchard level. Empirical studies at the farm level are rare. An understanding of the relationship between income and environmental impacts at the farm level is a prerequisite for devising a robust system for orchard portfolio management. An income analysis based on full cost principle and environmental life cycle assessment were applied to 445 annual data sets of apple orchards, recorded on 12 specialised fruit farms over a period of 4 years. The main result was that environmental impacts such as ecotoxicity, eutrophication and non-renewable energy use did not necessarily increase when farms increased their income. A higher input level of pesticides, fertilisers and machinery did not lead to increased yields and receipts. In contrast, the choice of apple cultivars and high investment in pre-harvest labour hours were significantly correlated with high eco-efficiency and high farm income. The results of this study were summarised in a pyramid-shaped management model, providing key issues of successful orchard farming and attributing management rules to master them. The management pyramid indicates that cognitive competences such as distributional, conditional and non-linear thinking are crucial when knowledge from tree and orchard management is integrated at the farm level. A main recommendation is that more attention should be paid to improving management competence in order to contribute to sustainable farming.

Keywords: Farm management; Life cycle assessment (LCA); Environmental impact; Income analysis; Integrated fruit production (IFP); Sustainable farming; Apple orchards

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Gather ye rosebuds while you may, Old time is still a-flying: And this same flower that smiles today, Tomorrow will be dying.

Robert Herrick (1591-1670)

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The application of the theory of market segmentation on characteristics of foliage plant consumers


AB This study developed conjoint models to examine consumers’ preferences for foliage plants and to compare the relative importance of foliage plant attributes that may influence consumers’ choice behaviour, then segmented the respondents into four groups. The respondents were asked to make trade-offs between four attributes, and gave preference ranking to nine alternatives. The conjoint model was used to estimate the preference ranking data. The degree of cultivation difficulty was the most important attribute, followed by performance duration, price and appearance. As to market segmentation, consumer segments were constructed by using cluster analysis to examine the preference differences among the segments. It was found that consumers in segment 1 were price sensitive; consumers in segment 2 weighted cultivation difficulty; consumers in segment 3 paid much attention to performance duration; and consumers in segment 4 weighted the appearance of foliage plants.

The wine market worldwide


AB Competition on the world wine market is becoming increasingly centred around two groups of producer countries: Europe and the wider New World, including Australia, New Zealand and South Africa as well as the Americas. New World producers have markedly increased export sales during the past five years. Demand is increasing in the USA, Canada, Japan, and China. The world market is likely to be affected by a major surplus in the years ahead, with competition among New World producers themselves. Argentina is likely to expand exports further, given sufficient investment. Viticulture is becoming an increasingly significant source of employment in South America. Europe faces a major challenge from New World imports, which may soon exceed exports. However, quality European wines continue to enjoy demand, especially among more affluent younger consumers. The new and prospective EU countries, such as Hungary, Romania, and Bulgaria, may face serious competition from Spain and south Italy on their traditional markets in Ukraine, Russia, and Poland. Germany remains world leader in terms of wine imports, at 13 million hl, with consumer preferences shifting from whites to reds. Nevertheless quality German whites have recently regained some attractiveness and have been fetching good prices.

Banana (Musa spp.) is an important fruit representing approximately 40.00% of the world trade in fruits. It is also the fourth most important commodity at global level, it follows rice, wheat and dairy products. It is widely grown in India and has great socioeconomic significance. Tamil Nadu ranks first under area and production. However, it ranks only second next to Maharashtra in terms of productivity. Increased productivity is greatly dependent on available technologies and extent of adoption by farmers. Findings of several studies revealed that adoption of banana production technologies was low, in spite of special efforts taken to transfer message related to banana cultivation practices. Hence, a study was taken up to assess the extent of adoption of recommended banana cultivation practices among 120 banana growers of Thiruvannamalai district. Out of fifteen variables, eleven variables viz., age, educational states, occupation, farm size, farming experience, social participation, extension agency contact, mass media exposure, credit orientation, risk orientation and scientific orientation showed a positive and significant association with adoption of banana growers. The regression analysis revealed that information sharing behaviour and economic motivation had positive and significant contribution towards the adoption level of respondents.
Characteristics of the declining U.S. agricultural trade surplus


AB The U.S. agricultural trade surplus has fallen from $26.9 billion in 1996 to $7.3 billion in 2004, and it is shrinking even further in 2005. The objective of this paper is to examine the characteristics of the decreasing agricultural trade surplus and determine the factors causing this decline. U.S. imports from Canada and Mexico have more than doubled under NAFTA, and imports from non-NAFTA countries have also increased considerably. Most increases in imports are consumer-ready and horticultural products. U.S. exports to Canada and Mexico have also been increasing steadily, but exports to other important markets have been stagnant or declining. Much of the declining trade surplus can be accounted for by trade with the European Union. Results from an econometric analysis indicate that an increase in disposable income and free trade agreements have contributed significantly to the increase in U.S. imports of consumer-oriented products. U.S. exports are found to be significantly influenced by per capita income and free trade agreements. Moreover, a strong U.S. dollar is found to have had a negative impact on the value of exports of consumer-oriented products, but not bulk or intermediate products. Results show that exports of bulk and intermediate products have been trending downward while exports of consumer-oriented products and imports of intermediate and consumer-oriented products have been trending upward.

Another Site to Visit
Detailed planning for the XVIth International Horticultural Economics and Management Symposium scheduled for August 2008 is underway. The first announcement will be sent to all members of the Commission in January 2007.

Delegates at the 2006 IHC — Seoul, Korea.

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visit the following site for full details
http://www.royalfloraexpo.com/Int_Conference/INT_SYMPOSIUM.asp