

2. Case study - "Willem and Drees" (The Netherlands)

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Type of short food chain addressed

Dutch supermarkets provide floor space for the products. Willem&Drees take care of the most vulnerable part of alternative food networks and short food supply chains and regional/local food systems in general: distribution. All the vegetables and fruits are packed and delivered in Willem&Drees wooden crates. At the moment Willem&Drees are using what they call a hybrid distribution system with one hub (in Cothen, which is a small town near the city of Utrecht) and several vans and drivers who collect the products bring them in to the company's headquarters. Here the products are sorted, labelled and organized into parcels for the different stores. The same drivers redistribute the prepared pallets in the supermarkets. Apart from being the drivers the men also serve as the eyes and ears of the company, checking the visibility of the products, stocks and freshness.

Willem and Drees



The main idea is that the developed business model can be copied and diffused all over the

Netherlands and even beyond the country's borders. Willem&Drees are providing an interface for both consumers and producers. Consumers know where their food comes from and the farmers know where their produce is going to. This creates mutual trust, respect, better fit between supply and demand, supports local communities and economies. Also the company is stimulating the participating farmers to grow special local species of fruits and vegetables in order to preserve the biodiversity and local traditional varieties. This is also a business opportunity for the supermarkets to offer something unique and special to their customers. Willem&Drees work with different types of farmers and not necessarily only with the organic ones.

Starting from January 2013 Willem&Drees are going to introduce a new logistical system in their distribution channel: cross-docking. The new system should significantly bring down the transportation costs of the initiative. This will allow liberation of cash flow which Willem&Drees want to invest in new campaigns, better services, and prices for the farmers. Also cross-docking opens up access to the supply chains of the supermarkets for local products.

Apple storage



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Area and territory where the initiative takes place

The company was started with a dream: to deliver local food to the supermarkets, with convenience for the consumers. According to Willem and Drees local is a farm from within a circle of 40 kilometers from the supermarket, but

local also depends on the availability of the products. At the moment Willem&Drees are mainly active in the middle and southern part of the Netherlands and are slowly expanding their activities into the western part of the country.

Number of actors/producers/farmers involved

The initial investors were Triodos Bank, LTO Noord (farmers` union) and Stichting Doen (a NGO foundation). Today the company employs 14 staff members and distributes products from almost 100 farmers to Jumbo supermarkets (more than 180 locations), the second largest supermarket chain of the Netherlands.

Type of products delivered

Fresh fruits and vegetables (seasonal, local and sometimes organic)

Time length of the initiative

The company has been in operation since 2009 and is 100 % owned by Willem Treep and Drees van den Bosch.

Growers



Picture taken from website <http://www.willemendrees.nl/onzetelers> (consulted on 10/10/2013)

In relation to the Evidence Document

Ch 1: Identification of SFSCs.

One of the main problems within alternative food networks and short food supply chains is that farmers wish to deliver small quantities of their harvest while most supermarket chains prefer steady and large supply quantities of produce on

a year round basis for all of their shops. The retailers remain the main points of sale for fresh fruits and vegetables in the Netherlands and therefore small hold farmers face a problem of entering the retail market. Willem&Drees have designed an alternative distribution system to solve this problem. Their dream is a problem as well as a great opportunity, as the same supermarkets were responsible for the destruction of local food systems in the past. Simplifying the reality it can be said that the supermarkets rely on mass supply chains and focus primarily on supply consistency and quality and to a lesser extent on localness of food. But the dream appealed to the sentiment of the founders` vision, ideals and educational background but was approached with marketing and sales skills and experience of working for a multinational firm.

Ch 2: Sustainability and health aspects of SFSCs.

Willem&Drees clearly believe in the strength and ability of SFSCs to provide fresh and diverse produce to Dutch consumers. Also they look for farmers who are able to grow fruits and vegetables in a sustainable way, meaning using less fuel and fewer chemicals or even no chemicals at all. Also the seasonality factor is emphasized through the Willem&Drees sales channel. This should lead to a more sustainable production of food and a healthier lifestyle of Dutch consumers.

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Ch 3: Organizational patterns for SFSCs.

Willem Treep points out that there are two dilemmas, which Willem&Drees faces at the moment. First, creating a match between alternative food networks and conventional supply chains. Clearly the alternative food networks affect conventional businesses but it is difficult to find the right balance when you want to be profitable. Second, the distribution chain requires integration with the conventional wholesale system in order to “beat” the economics of distribution.

At the moment the distribution goes through the following steps: farmer selection; aggregation; order selection and storage; distribution to the supermarkets; presentation and storytelling. Selection of the right farmers (based on reputation and intuition) and storytelling are the two core competencies of the company according to Willem. And the main driver of innovation is the question how Willem&Drees can enrich the assortment of supermarket chains.

The story telling happens through different communication channels. First of all on their home page Willem&Drees present what they call their heroes: excellent farmers who are showing their product and share their visions. Secondly the information is spread via the shop floor

through flyers and QR codes that can be “read” by consumers if they use smartphones...at least this was the plan.

Also Willem&Drees in cooperation with the supermarkets to which they supply the produce organize once in a while special dinners on special locations. These events are used to target specific groups of people who are invited as guest at the W&D table. And finally, in the weekends Willem&Drees organize farmer markets together with their suppliers in front of the supermarkets, which they supply with the local products. This is a good promotion of both Willem&Drees themselves as well as the farmers cooperating with them.

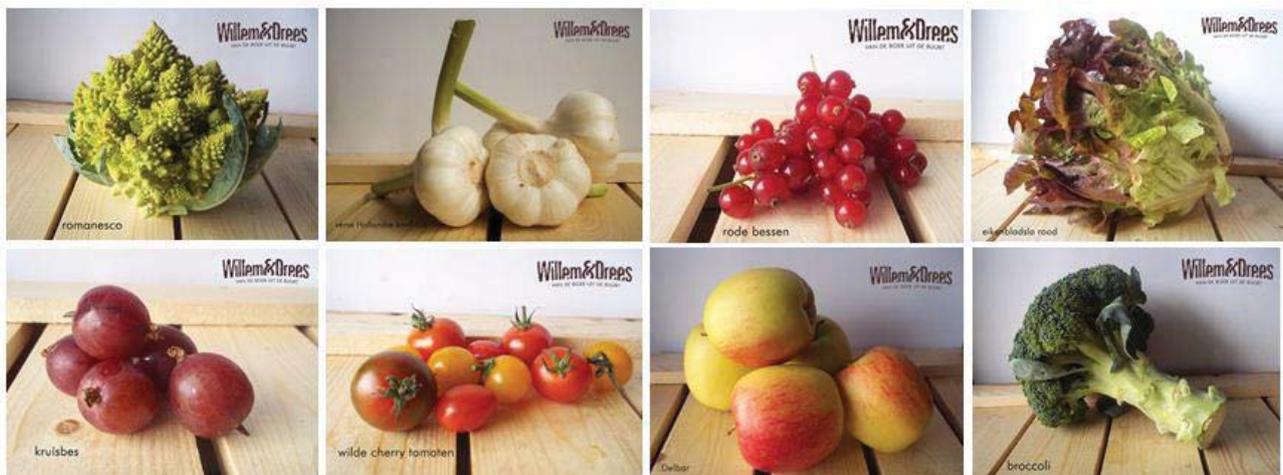
Key questions emerging from the case study analyzed.

How to manage the integration of this SFSC into the mainstream and keep its unique advantages compared to the conventional chains?

How to optimize the logistics and distribution model for a better service within the entire country in order to meet the growing demand?

Here is link in English summarizing their story: <http://cookingupastory.com/willem-and-drees-local-for-local-distribution>

Products



Picture taken from website (<http://www.willemendrees.nl/>)