

GERJAN SNIPPE, CO-FOUNDER OF BIO BRASS

‘You’ve got to understand the motives of the supermarket buyer and the consumer’

Farmer’s son Gerjan Snippe learned in Wageningen to take carefully considered decisions based on thorough calculations. Now he heads an enterprising organic vegetable company with 2000 hectares. What the customer wants is key at Bio Brass. ‘We get to see the sales statistics of the large supermarket chains.’

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The company Gerjan Snippe heads in Zeewolde in the province of Flevoland directly supplies large supermarket chains across Europe. With its cauliflower and broccoli, beetroots and sprouts, Bio Brass is one of the largest organic vegetable growers in the Netherlands. ‘In Wageningen I learned to base my decisions as an entrepreneur on a firm foundation,’ says Snippe. ‘I never just say, this feels good, we should just do it. I always want to see the calculations.’

Snippe grew up on a dairy farm near Almere, with two younger brothers and three sisters. ‘It was a nice, big farming family. I loved the farm and I worked a lot on it, but I wasn’t

very keen on milking cows. My father said in that case I should think of something else to do.’ Snippe considered doing a degree in economics at Erasmus University in Rotterdam. ‘But the idea of leaving the farming fraternity put me off. So I did Agricultural Business Studies at the Agricultural University of Applied Sciences in Dronten, in the middle of farming country.’

BIG TRACTORS

After about three years, he began to notice how one-sided the world he was now part of was. ‘At secondary school, I also had friends whose parents worked in other sectors such as IT; in Dronten we talked an awful lot

about big tractors and potatoes. That has its charm, but it has its limitations too. You can learn a lot from other sectors.’ So it appealed to him to do an internship abroad. ‘I had never travelled and never flown. Through contacts I got the address of a seed potato exporter in Elgin, on the north coast of Scotland. When I didn’t get any replies to my letters I just took a chance and went over there for a weekend.’ Apparently, his pluckiness made an impression and the business offered him an internship that came with his own apartment and a company car. ‘I noticed that farming was definitely my thing. I learned a lot from the contacts with the farmers’ cooperatives that grew the seed >



‘I noticed that my heart wasn’t in the sciences’

potatoes, and with international customers. There is a lot more going on in the supply chain than just that primary production.’ After graduating in Dronten in 1997, Snippe considered doing an MBA. The seed potato company offered to fund him if he contracted to work as a management trainee in Elgin for three years after that. But in the end the farmer’s son – by now engaged to a Dutch girl – opted for a Master’s in Agricultural Economics and Management in Wageningen, where several of his secondary school friends were already studying. ‘As an applied sciences student I had learned to get things done, above all. Now it was time to learn how to explain why you are doing what you do, and to justify business decisions.’



PHOTO: VIDIPHOTO

GERJAN SNIPPE (1976)

Studied: Agricultural Business Studies at the HAS in Dronten (1997) MSc in Agricultural Economics and Management in Wageningen (2000)

Works: managing director and co-owner of Bio Brass (2005)

He lived with three others in a student house for 18 months. ‘It was a great time. A wonderfully diverse group of people too. Some of my fellow students were from Africa, for instance. And suddenly you found yourself visiting big companies and having discussions with them. Wageningen’s a nice little town too, that has a village feel to it. And then those beautiful walks along the dyke towards Rhenen. I would love it if one of my children goes to university in Wageningen later,’ says Snippe.

EXPORT OPPORTUNITIES

‘My studies went well,’ he says. ‘I took some extra courses, but I noticed that my heart wasn’t in the sciences. Scientists can be so far removed from reality. I’m more of a doer.’ His final project, still for the same Scottish seed potato business, focused on export opportunities to Eastern Europe, and he got his Master’s degree in 2000. ‘After that I was going to get married and move to Scotland but suddenly that company went bankrupt. That’s life, I thought, get used to it.’ Luckily he got a job with an export marketing bureau in Dronten. ‘That wasn’t quite the international career I had in mind. But I soon came across an Austrian exporter of organic vegetables and herbs who was looking for export opportunities to the UK. That market was a revelation. Until then I was used to farmers always being saddled with surpluses, but in Britain there was a huge demand for organic products. And organic farmers turned out to be nice people: open, spontaneous and innovative. Some of their farms were a bit messy, but their ideas about keeping the soil healthy just do make sense.’ It was just at this time that his parents’ farm near Almere was bought up by a project developer. The Snippe family thought about

emigrating to Canada, but ended up staying in Flevoland. They bought land to start a mixed farm. Snippe’s younger brothers took over the dairy and arable sides from their parents, and he gave up his job to take care of the vegetable growing, the trading and the marketing.

It turned out that growing organic vegetables on a large scale was quite a challenge and the young entrepreneur worked day and night for the first three years. ‘Products that are delivered fresh every day are so difficult. It is never right. When you have loads of cauliflower, broccoli and lettuce, there isn’t much demand. And when the market wants broccoli, you can’t supply it. The supermarket buyers get annoyed by that, and then you don’t stand a chance of getting your stuff onto their shelves.’

At first, Snippe followed the same business approach his parents took. They had always worked with a fixed price for milk, and the only option for increasing their earnings was to work very hard, do as much as possible themselves and keep running costs low. Only after about three years did he realize that if you want to develop a new business, you might have to invest quite a lot, and incur more costs.

Nowadays, his organic vegetables are cut, washed, sorted, cooled, packaged and labelled on the farm, and go straight from the fields to the supermarket. ‘That way your product is fresher, cheaper and more attractive. The supply chain is shorter, you don’t need intermediate traders, and you avoid unnecessary logistics and handling costs.’ The company also supplies ready-cooked beetroot, some of it even already seasoned, with honey and ginger, for instance. Waste matter from the vegetables goes to the cows.

COLLABORATION

In 2005, Snippe started collaborating with two other growers. That was the start of Bio Brass. A fourth shareholder joined the limited company later. Now about 35 permanent employees and 125 seasonal workers grow 18 million vegetables a year on 2000 hectares. ‘Using each other’s land demands trust and a long-term vision. By cooperating in a



PHOTO WIDPHOTO

The organic vegetables produced by Bio Brass are processed by the company and go straight from the farm to the supermarket.

bigger group you get better land use and a stronger market position. We also noticed that our cost price wasn't right. When you are self-employed you can quite easily think, well, that tractor is sitting there anyway, and my wife doesn't mind helping a bit. Only when you have to settle up with partners do you really see what your costs are.' Snippe says himself that he is the price maker for many of his products. 'I get the price I need. That is possible because I'm producing something there is a demand for. We get to look at the sales statistics of our customers, the big supermarket chains, every year. We see from their data scans how much they sold every week. The trick is also to make

sure you get the planning right. I have learned not to think too much like a farmer. So I don't say: this vegetable is growing so fast now, you'll just have to take it. You've got to understand what makes the supermarket buyer and the consumer tick. Likewise, the key to solving the world food supply problem is not to go on producing more and more, but above all to understand what goes on in the supply chain everywhere.'

LITTLE NATURE

Organic vegetable growing is alternated with fallow crops such as grain, and clover for Snippe's brother's cows. There is little

'I get the price I need, because I produce something there is a demand for'

role for nature on the farm. Snippe: 'I would love to have more woodland but when you grow vegetables, woods are just a nuisance: shade, birds and caterpillars. In the shade your crops stay wet for longer and rot faster. But in Brazil I saw that farmers plant trees to extract phosphates that have sunk deep into the ground, and to use them for wood production. I do think that could be interesting. It is difficult to close the phosphate cycle.' 'We are also experimenting here with strip cultivation, because we like a challenge. But actually, large blocks with just one crop on each are easier. I like the transition model. I like to introduce change in small steps. And nowadays I notice that we human beings want more and more. Bigger houses, bigger cars, foreign holidays, pig feed imported from tropical countries... We are always trying to fill some kind of inner emptiness. If you eat more healthy organic vegetables, the soil stays healthy, you throw away less, you become healthier, and you maintain a closed cycle in a sustainable manner.' ■

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Gerjan Snippe is one of the guest speakers on the Executive MBA in Food & Agribusiness of WUR and TIAS Business School.
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