

**Title** Role of quality management in strategic planning of Hungarian producers' organizations (POs)  
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**Citation** ISHS Acta Horticulturae 804:651-658. 2008.  
**Keywords** vertical integration; transaction costs; decrease; willingness for cooperation

### **Abstract**

Producer's Organizations (POs) play a decisive role in the rather fragmented European fruit and vegetables sector. Experiences of recent years have confirmed that their role in coordination of production and sales is indispensable in the mitigation of market problems. They also play an important role in integration and quality management activities in production chain, product manipulation, sales, and as well as representing a professional and financial background for the producers. This paper evaluates the possibilities of vertical cooperation in the special field of integrated horticultural production, technological developments, investments and financing, based on a former survey, through the example of Hungary, a Central-Eastern European country with a small territory, that is integrated into a large, common market with high quality standards. This cooperation reduces the costs of the operation and transaction, verifying the principles of vertical integration, with the main motivation of cooperation being the need for the reduction of costs.