

Abstract:

To ensure that the highest and appropriate quality of product is available for consumers, it is critically important that all parties involved in the production, packing, storage, transport, distribution and marketing of fresh fruits and vegetables do everything correctly in the chain from farm to plate. Over the past decade a major transformation has occurred in the way firms undertake business. Those that understand how the supply chain can be optimised and logistic processes can be improved have obtained enhanced customer satisfaction and loyalty, lower costs and improved market share and profitability. Supply chain management [SCM] has become a key business process; adopting key principles of developing strategic alliances; optimising organisational structures; developing the human resource to embrace the corporate vision and commitment to excellence; continually improving tools available in information technology have all had a major impact on company success. Can such principles be applied to the fresh fruit and vegetable industry that tends to be characterised by large numbers of small growers in dispersed locations with disparate products of variable quality, and who exist in an environment of mistrust and dubious loyalties? Examples from New Zealand of success (ZESPRITM International Ltd) and opportunity (the stone fruit industry) are used to demonstrate some of the difficulties that must be overcome to bring about necessary changes in the chain. It is suggested that those sectors that do not implement appropriate SCM systems run a real risk of failure in the foreseeable future.