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**SUCCEED BY MAKING YOUR SUPPLIERS' PROBLEMS
YOUR OWN**

**SUCCEED BY TAKING RESPONSIBILITY ON YOUR
SUPPLIERS' PROBLEMS**

"TO EXPORT A SINGLE FRUIT, YOU NEED A COMPLETE, COMPETENT VALUE CHAIN"

*Although focused on mangoes as a model crop, the article tackles general problems common to the Agri value chain in rising economies.

"IF I ONLY HAD..."

You wouldn't believe how many times I have heard that sentence, "*I am not able to export/import mango/avocado because of the poor fruit quality I am getting.*"

Another phrase that I keep hearing is, "*If only I had more high quality produce, I would export ten times more.*"

WHO IS SAYING THAT?

Supermarkets, Importers (in premium markets), exporters, fruit traders, packinghouse managers, stakeholders, etc., sourcing their mangoes, avocados, etc. from farms located in the emerging markets of Africa, Latin America, and Asia.

Even food processors companies, who purchase fruits of **lower** quality, are saying that as well.

WHY DO THEY SAY THIS?

In the emerging markets, the common state of mind related to agriculture activities can be summarized as follow:

*"In the agricultural value chain, each component is acting as an independent professional and profit center. Each center is fully and solely responsible for its part, including issues concerning **quality!**"*

Let's call this attitude, ***The Individual Approach.***



That approach is perfectly fine as long as ALL components in the value chain are competent to deal with all issues concerning their role in the chain of delivering high quality produce, meeting the strict requirements for exporting.

“A Chain Is As Strong As Its Weakest Link Is.”

The downside of *The Individual Approach* is that once a single part in the value chain cannot reach the minimum Export Quality demands, the entire value chain collapses.

The limited ability to export from the emerging markets directly results from operating in frame of ***The Individual Approach*** method.

The Individual Approach gives the farmer complete professional and business freedom at the expense of minimal interest and readiness of their colleagues to help and support them.

* Think for a moment: How much freedom of action do you have when your business is not doing well, and you are poor?

The Individual Approach is suitable when applied by extremely successful and professional players in a value chain. It is very inappropriate for value chains where players are not professionals and struggle merely to survive.

Unfortunately, ***The Individual Approach*** is the most common in the emerging economies' agri-sector.

THE INTERMEDIATE ALTERNATIVE APPROACH

If we look at the countries where the agri-sector is developed and prosperous, we will see the following typical situation:

The export market is cartelized and controlled by one or more of the players at the high end of the value chain, i.e., packinghouse, exporter/importers, and supermarkets. Of course, there could be several value chains operating in the same market.

According to this approach, the Top Players' responsibility is to make sure they can export without restrictions, according to regulatory and market demands.

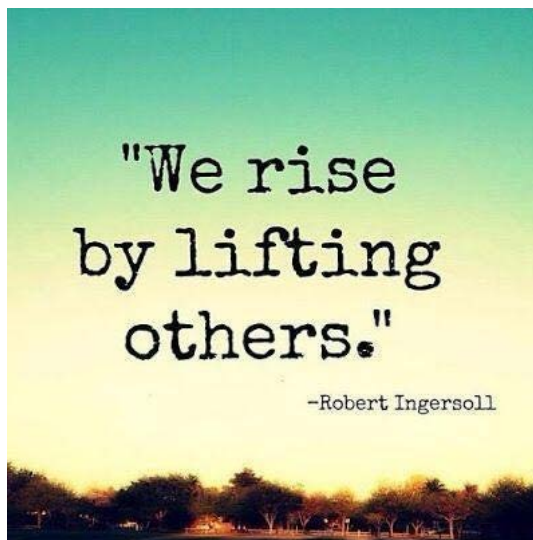
The Top Player is less interested in his chain links; instead, he is focused on his business success.

Let's call this attitude, ***The Comprehensive Approach***.

In the agri-industry, the produce quality and its business potential value are determined in the field, the day it is harvest.

From that moment and on, we can only preserve or damage its potential quality, but we can't improve it.

Often you see the Top Player risking far more than the others in the value chain do. The Top Player is leading and pushing others to improve and get better results.



In this scheme, not all participants are equal; some contribute far more than others, e.g., knowhow, financial, logistics, etc., to make the value chain smoothly operate and function.

The Top Player is taking an *Extreme Responsibility* on the entire value chain leading the rest of the participants or partners.

The Top Player is motivated by knowing that this is his best chance to ensure he receives the appropriate quality and quantity that he expects according to his strict, predetermined standards and specifications, knowing that this will enable his business success.

How is it done in practice?

For example, if the Exporter takes *Extreme Responsibility*, he will make sure and give field support to the packinghouse.

He will help the packinghouse to stand-up to the required standards, and if needed, to improve.

But that is not all. In this example, the Exporter will also give field support to the farmers, making sure they will supply the packinghouse with the right quality and quantity.



***SOMETIMES,
EVEN WHEN IT'S NOT YOUR FAULT,
IT'S STILL YOUR PROBLEM.***

Formally and in practice, the Exporter, packinghouse, and farmers are separated business units, but they work very closely from a professional aspect.

Hence, the Exporter has no surprises, since the farmers and the packinghouse are part of his professional operation.

Often, the more significant mutual commitment developed between parties in the value chain goes beyond professional aspects and extends to different business support aspects.

This approach's downside is the loss of a certain degree of freedom for each element (party) in the value chain.

The parties act as individual businesses while being tied “loosely coupled” by medium to long-term business agreements.

The upside is dramatically more significant, including, among others:

- No surprises at harvest time. The results are well known and in advance.
- Improvement in quality and increase in the quantity

- Quality control over partners - along the entire value chain.
- High confidence and predictability of financial and business results.
- Improved ability to commit to affiliates (up the value chain) regarding quality and quantity aspects.
- Building long-term mutual commitments and close relations.
- Increasing trust and respect among partners in the value chain.
- Increased stability and economic security in agricultural production and exports.
- Ability to build long-term joint development and investment plans.
- Transparency, and traceability, which in turn lead to improvements and accountability.

The Comprehensive Approach is prevalent among agri-sector export value chains in developed countries.

THE INTEGRATIVE APPROACH

There are cases where the entire value chain undergoes integration and operates as one tightly coupled professional-business unit, covering all aspects of the operation.

Let's call this attitude ***The Integrative Approach***.

Example,

a Western fruit importer, who does not trust the professionalism of part/all the local value chain (farmers, packinghouse, cold chain facility, logistics, etc.) in the sourcing geography, e.g., Africa, Asia, or Latin America, may decide to set up an entirely new value chain.

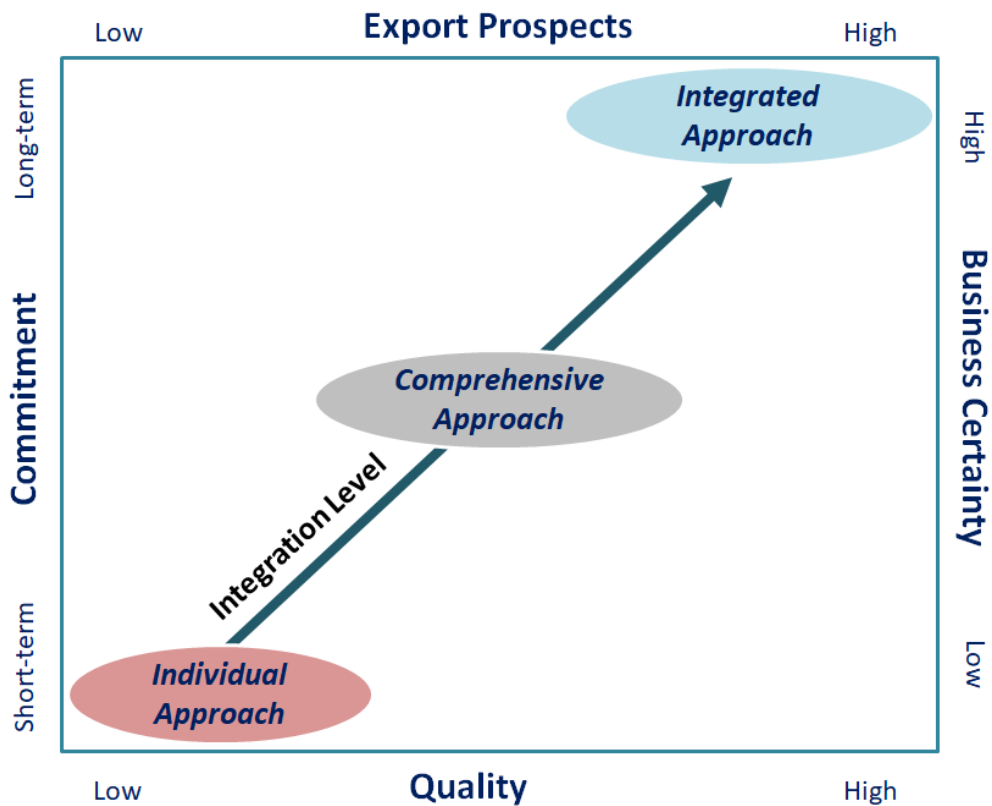
The Importer, now the owner of a company owning an entire value chain, is taking full responsibility to make sure the results are as he expects.

This is the importer way of balancing the financial risks he is taking with the business ones.

By elevating the produce quality and quantity, the importer increases the demand and value of the produce, hence, expanding the business opportunity and lower the financial risk.

The Integrative Approach is very common in segments of the markets where;

- (a) on the one hand, the market demands are highly predicted, quality requirements are strict, and agreements are for the long term, but
- (b) on the other hand, the local value chain's level of trust to deliver the quality and quantity required is low.



The impact of the value chain *Integration Level* on the produce Quality, the level of mutual Commitment in the value chain, Export Prospects, and Business Certainty. The *Individual Approach* is the most common in emerging markets, but the least appropriate to meet export requirements.

WHEN YOU HIT THE WALL

While quality demands were not as stringent as today, it was not decisively obvious which approach has a more significant advantage, the *Individual*, the *Comprehensive*, or the *Integrative*.

As times change and quality demands by consumers and regulators become stricter, it becomes clear that the **Individual** approach is no match to neither the **Comprehensive** nor the **Integrative** approach.

We see the most remarkable outcome difference in places where there is a need to implement a **Total System Approach Operation**.

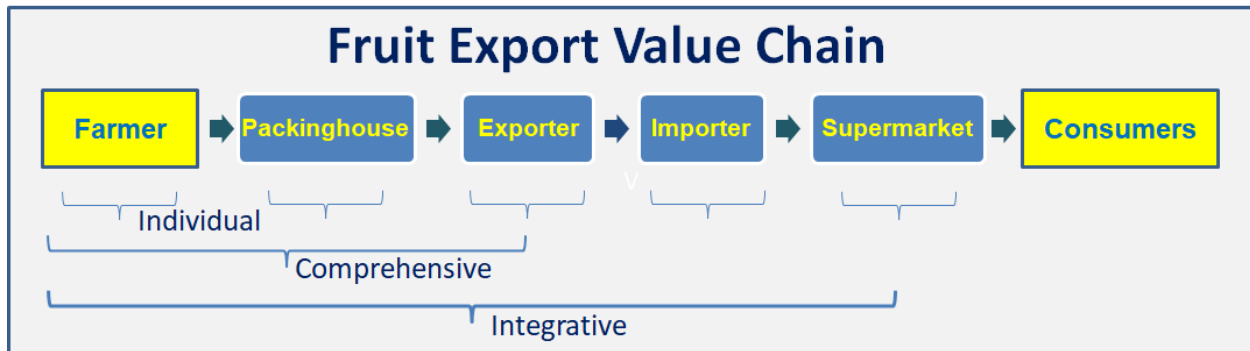


Illustration of three integration levels of the fruits' export value chain, e.g., mango, avocado, etc.

Such is the case with fruit flies, where the phytosanitary and consumers' quality demands are extreme.

Consumers' preference and expectations are strict and precise;

No fruit fly sprays, Zero fruit fly infestation, and Zero chemical residues.

If we want to build a high quality, long-term – profitable - export operation, we must acknowledge that fruit flies are a significant obstacle, which is of unique importance [>><<].

You will never reach high quality sustainably and continuously export if fruit flies are not effectively managed!

This is so fundamental that most importers keep away from countries where fruit flies are not exceptionally well managed, mostly under a nationally approved System Approach method.

The equation is simple;

No effective fruit fly management = No (or limited) export.

An effective fruit fly management is most often the result of a System Approach, resulting from the value chain *Integration Level*.

The *Integration Level* graph presents why exporters based on the *Individual Approach*, e.g., Africa and Asia, are no match to exporters based on higher-value chain integration levels, e.g., Europe and America.

As explained, fruit fly control requires a System Approach operation, which is easier to apply with a high level of value chain integration, and very difficult with the *Individual Approach*.

The *Integration Level* graph predicts why Mangoes, Avocadoes, etc., sourced from markets characterized by low integration of the value chain, will produce lower-quality fruits and, hence, get a lower price per kg, translated to an increased risk for all parties involved.

Currently, the ability to achieve perfect fruit fly control poses the most significant challenge the Mango value chain faces on its way to increasing the quality, and consequently, the export volume. The same is true with avocadoes and other fruits.

WHY LEADING?

Like a Swiss watch, when the ***Comprehensive*** or the ***Integrative Approaches*** are appropriately applied, the entire value chain is synchronized and can function well, and present far better business performance.

In a *Comprehensive* or *Integrated* market, you find Top Players, such as the State's Agriculture Ministry, Exporters, Importers, and Packinghouse, leading the efforts to combat fruit flies.

Why?

Their purpose is clear, to increase Quality, Quantity, and Availability (QQA) for export markets [[>><<](#)].

It happens when a Top Player understands that - when farmers cannot supply the required quality and quantity, then his business is in great pain and suffers a lot.

This moment of revelation, truth discovery, and reality acceptance, is the begging of a tremendous change that is about to come.

You finally accept the reality that you will never succeed without taking “personally” *Extreme Responsibility* on farmers' affairs, including the problems they are facing.

So when a stakeholder in Mango, Avocado, or other crops, contacts me saying:

*"the farmers supplying me with the fruits are having quality issues. It is a result of **the technical** problem of not being able to cope with fruit flies. Please help them to fix it."*

My reply is always the same:

*"The farmers' **technical** problems are your business problems. If you want to solve your business problem, you should be ready to take full and extreme responsibility of the farmer's problem. From now on, his problems are your problems, and hence you will relate to him as if he is an extension of your operation. You are one – tightly coupled operations with a common goal."*

ADVANCEMENT AND PROGRESS REVOLVES AROUND QUALITY

Biofeed's mission is *"to enable consumers to enjoy better and healthier food and life, while growing produce in a safe, eco-friendly environment, and improving farmers' livelihood."*

Green Valley [>>><<] is Biofeed's way to ensure that consumers will get the best experience when buying and consuming a mango, avocado, or other fruit, that came from a farm where our technology, protocol, or knowhow are used.

To achieve this, we see quality as the cornerstone of our activities and the main one related to fresh fruits' export.

In the case of Mangoes and Avocadoes, which are the current focus of Biofeed's professional and business interest and global activities, the need to effectively manage fruit flies is the **HARD PREREQUISITE** concerning export.

In my view;

IF fruit flies are not effectively managed, through a Total System Approach protocol.

THEN, it indicates that the business risks of exporting from that country will be too high and too costly for agri-business operation there.

This is the cue for companies, including Biofeed, to be careful, and often will drive them away from such a risky fruit export market.

EXPORT CAN BE EASY

The *Green Valley* [[>><<](#)] concept is designed to be "easy to implement and use."

It can be divided into separate self-contained parts that eventually can be consolidated or integrated into a whole program, dealing with the entire value chain's best interest, including consumers!

The *Green Valley* concept is built by starting with **the most critical element**, a technical one, the fruit fly management.

After that, it adds more layers and more value until reaching the final goal of satisfied consumers.

Layers of the *Green Valley*:

Fruit Fly Certified Trade Zone (FFCTZ). The purpose of the FFCTZ is to make sure that "*fruit flies infestation and insecticides residue not a problem anymore.*"

FFCTZ combines -

- (a)** in-depth knowledge and understanding of fruit fly ecology used for designing the FFCTZ.
- (b)** a state of the art, non-spraying fruit fly control technology, the *FreeDome*.
- (c)** intensive fruit flies' population and infestation monitoring scheme.

The outcome is a disruptive protocol, simple, fast, and cost-effective to apply, yet resilient even to extreme conditions and situations. More advantages of the FFCTZ, see [[>><<](#)].

Total Quality Management (TQM) approach – *Green Valley* model considers the entire value chain's quality as part of its responsibility. Just like with FFCTZ, this part, too, is designed and adjusted according to the need of each operation.

Quantity – to be profitable, there is always a need to ensure that the quality yield per hectare is high enough, and when needed to increase it. A too low yield per hectare may doom the entire operation due to a lack of economic viability.

Marketing to Consumers – this is the purpose of all efforts; to export a high volume of high-value fruits to premium markets. The *Green Valley* brand name represents our

values, assures the high qualities we are proud of, and resonance well with consumers' desires in premium markets.

Biofeed's business view is holistic and complete end-to-end. We believe in doing good by assisting our business partners in running profitable businesses according to the value chain integration level they choose.

When you collaborate and work with Biofeed, you increase your value chain integration, increase mutual trust and commitment of partners in the value chain, improve your produce quality, and consequently, the volume exported.

Furthermore, thanks to the *Green Valley* brand, you will increase the value of each kg mango, avocado, or other produce you are selling.

If you like this concept and you relate to it, then we should talk.

Contact me to discuss your options to kick-start your economy or national scale operation using advanced economic models, protocols, and field-tested proven agricultural technologies.

Let's see how together we can take a GIANT step forward and bring high-value business and market results.

Please E-mail me to nisraely@biofeed.co.il or text +972-5423425 (WhatsApp).

For web translation and sharing with friends - [press here](#).

*For a greener world
Free of sprays
Full of joy*

See you soon,
Nimrod

A handwritten signature in blue ink, appearing to be 'Nimrod', written over the bottom right corner of the portrait photo.

P.S.

Biofeed believes in making dreams come true, and we love to cooperate with people and companies with whom we share our *Values*–

To Improve Farmers' Livelihood By Increasing Quality Production, Free of Bio and Chemical Hazards, Grown In A Safe Eco-Friendly Environment, To Enable the Consumers to Enjoy Better and Healthier Food and Life [[>><<](#)].

P.P.S.

You can learn my *WHY, HOW, WHAT, WHO, WHERE, WHEN* that got me involved in a lifetime mission of #MakingADifference, and how that lead to establishing Biofeed [[>><<](#)].

P.P.P.S.

Biofeed long time experience brought us to understand that *a full solution* must include a state-of-the-art crop protection technology combined with suitable protocols. Therefore, we tailor-made customized per situation a Package solution containing *Technology, Protocol, and Qualified Support*.

The Biofeed *Green Valley* INITIATIVE [[>><<](#)] is based on critical Solutions, Methodologies, Protocols, and Models, which are ALL field-tested and results proven. The key elements are:

- 1) *FreeDome* – the core technology for fruit fly control, which enables export quality. It is used as part of the FFCTZ.
- 2) *Fruit Fly Certified Trade Zone (FFCTZ)* – a concept of a protocol and action to enable regulators, exporters, importers, and farmers to export produce from designated regions.
- 3) *Green Valley National Export Project* – this protocol is based on an Israeli model. It is designed for governments interested in adapting their country's agriculture to the 21st century.
- 4) *Green Valley Fruits* – designated fruit certification label of quality assurance protocol usage.

P.P.P.P.S.

Who is qualified for working with Biofeed? A local partner who can take part and advance the FFCTZ initiative, with a particular focus on mangoes, e.g., fruit growers' organizations, fruit traders, exporters/importers, governments, businesspersons, food chains, etc. [[>><<](#)]

IMPORTANT! Our investment in each project is enormous. Hence, it requires us to select those projects with the highest chances of success.

P.P.P.P.S.

Additional (on-line) information –

* Join me on [LinkedIn](#) for many more posts and updates. Please press the FOLLOW button (not CONNECT) [[>><<](#)].

* Previous articles [[>><<](#)].

* The unfinished historical series [The Agricultural Gap](#); discussing the 12,000 years history of agriculture, starting with The Agricultural Revolution, moving to nowadays and the Agri-industry Revolution [[>><<](#)].

And lastly – if you have not yet read my personal story and **the nearly fatal accident which changed my life**, then here is the opportunity to do so [[>><<](#)].

***Change Begins With A Decision
That The Existing Reality Is A Choice
And Not A Decree Of Fate***