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Crop Innovation & Business

# The horticultural value chain

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Let's plantify® the future. Together.



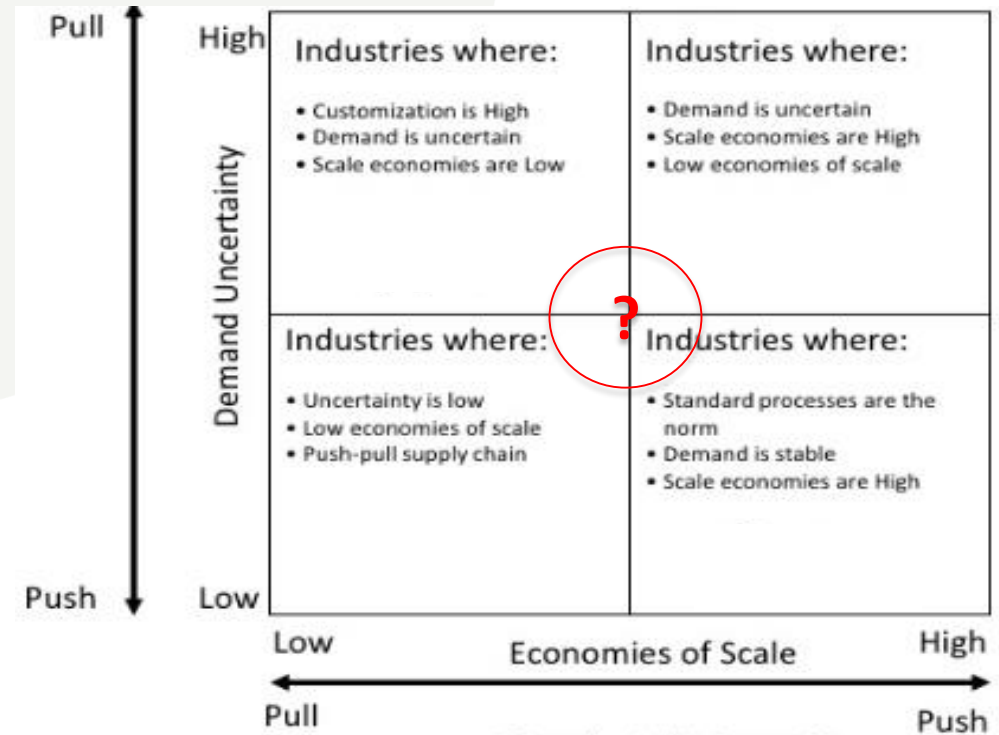
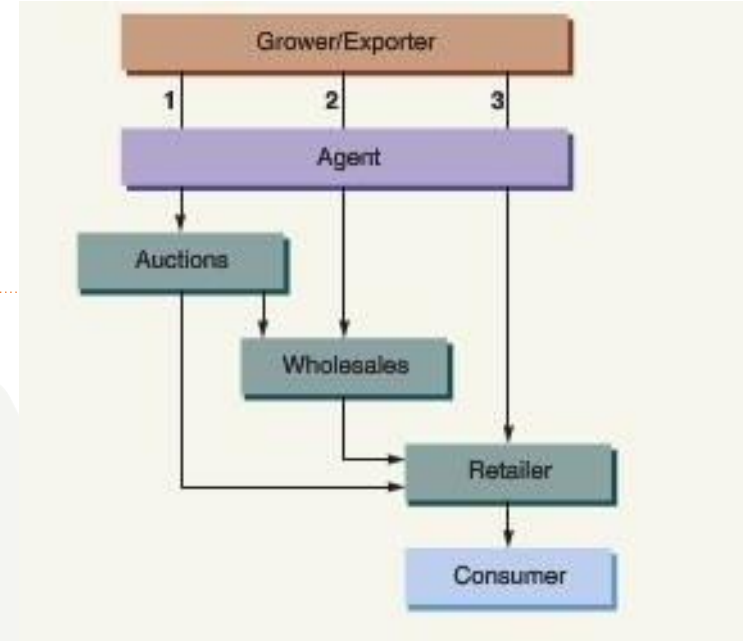
# The origin of supply chain management

- 1960's – Inventory management focus, cost control
- 1970's – Bill of Materials (BOM),  
Material requirements Planning (MRP) – Operations planning
- 1980's – MRP II, Just in Time (JIT) – Materials management, logistics
- 1990's – SCM – ERP – 'Integrated' purchasing, financials, manufacturing, order entry
- 2000's – Optimised 'value network' with real-time decision support;  
synchronised & collaborative extended network



# Supply chain dynamics

- Characteristics traditional floricultural supply chain
  - starts with growing
  - stops by retailing
  - Involves all actors (import, auction, export etc.)
  - Thinks in win-lose combinations
- Results of the traditional floricultural supply chain
  - High risks, high margins, high profits/losses
  - Low trust
  - High waste and scrapping rates



# Supply chain dynamics

OP ED

## The Future of Retail is the End of Wholesale

E-commerce will rapidly reshape the entire economic model of retail, spelling the end of wholesale, argues Doug Stephens, founder of Retail Prophet.



Burberry store in China | Source: Burberry

**TORONTO, Canada** — Retail is facing a monumental problem that no one seems to want to talk about. It's that the entire economic model of revenue and profitability for retailers and the suppliers they do business with is collapsing under its own weight and soon will no longer function.

## De veilingklok is bijna uitgetikt

### Bloemenhandel

**ARTIKEL** Valentijnsdag is wereldwijd een van dé bloemendagen. Maar in de Aalsmeerse veilinghal is de geur van bloemen haast verdwenen. Kopers en kwekers onderhandelen direct via internet.

Door: Jarl Van der Ploeg 12 februari 2015, 02:00



**D**e veilingmeester spreekt als een mitrailleur: 'Lengte vijf, catch, kleuuurrrrr, vier, drie, twee: 18 cent!' Op zijn eerste scherm ziet hij alle specificaties van de rozen, op scherm twee een grote veilingklok die binnen een seconde aftelt naar 18 cent per steel. Verkocht.

## Supply chain dynamics

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- Most potential for value creation is in breeding and selling
- Growers, auctions and traders should redefine their value proposition and supply chain position

But what will be the future?

Let's plantify the future. **Together.**

# Royal Lemkes positioning

Our mission

We strive for sustainable growth

We believe in plants

Royal Lemkes  
has a **green**  
hart

Our beliefs and  
ambitions

Our roots

Let's plantify the future. **Together.**





Let's plantify<sup>®</sup>  
the future.  
Together.



# The story of Royal Lemkes: our facts



**15.000**  
different  
kinds of plants



**850**  
dedicated  
growers



**950.000**  
plants per day  
in peak season



**28**  
countries  
in Europe



**30.000**  
square meters  
of warehouse



**100%**  
of our electricity  
is solar energy



Turn over 2016: € 265 mln.  
Employees: 200

Let's plantify the future. **Together.**



# Strategic framework: Our green mission

**We strive to create a better world with plants.**

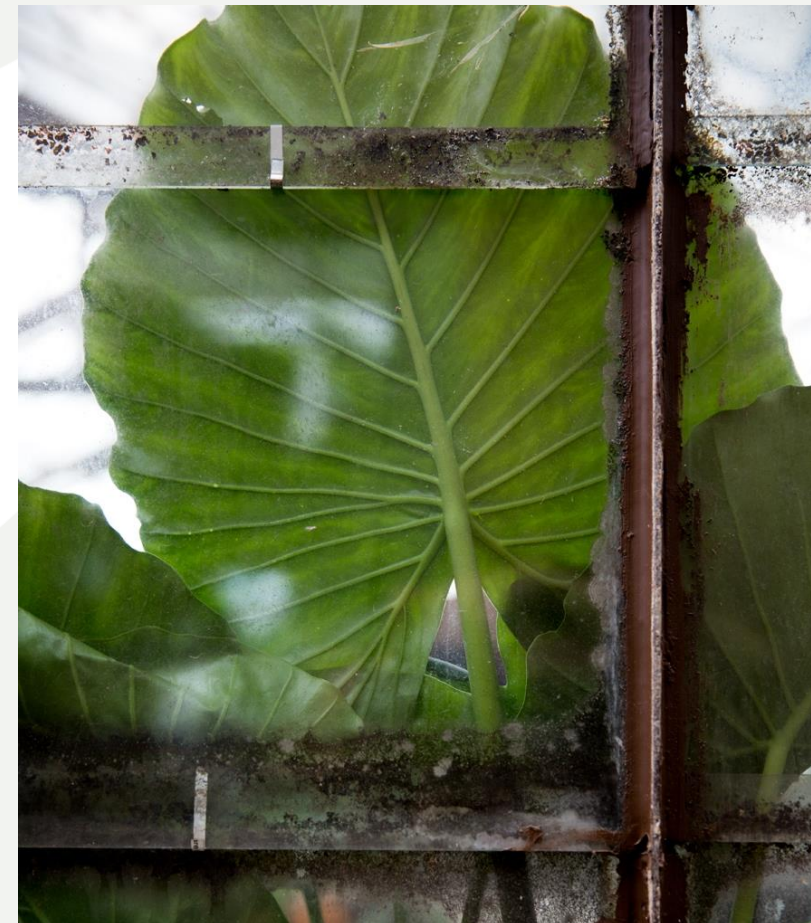
We want to play a frontrunner role in making the green sector more sustainable.

Six themes:

- Biodiversity
- Natural resources
- Climate
- Working conditions in the supply chain
- Health and society, welfare
- Our employees

Partnership with MPS, Global GAP, BON, FSI and MVO Nederland

Our premises are 100% self-sufficient in solar-generated power.



Let's plantify the future. **Together.**

A woman with dark hair tied back, wearing a white sleeveless top and dark overalls, is leaning over a large collection of indoor plants. She is holding a white watering can and watering a plant with reddish-purple leaves. The room is filled with various green plants, including a large vine on the left and a lemon tree on the right. A bright window in the background shows a sunny day outside, with a shelf of small potted plants visible on the windowsill. A large white speech bubble is overlaid on the left side of the image.

Questions?