



Policy Brief #4

OPTIMISING PROCESSES BETWEEN PRIMARY PRODUCTION AND PROCESSING

The seasonal character of raw material.

WHY SEASONAL CHARACTER?

One of the intrinsic features of agriculture is the seasonality of production. As consequence, fresh food processing industry is highly dependent on the season availability of raw materials. Moreover, the emerging need for mass-customization, flexibility and responsiveness to consumer needs in the food industry have led to the development of flexible and optimized food processing units or methods. SMEs are not the only ones facing this challenge. Overall, there are generally poorly equipped and trained to manage the consequences of seasonal instability. In the designing process of collaborative business models, the interactions between the technical and organizational possibilities and constraints of SMEs with their supply chain and market environment will be taken into account. While large-scale production will always dominate some segments of the value chain, innovative manufacturing models, distributed small-scale local manufacturing, loosely coupled manufacturing ecosystems, and agile manufacturing are arising to take advantage of new opportunities. The key issues that have to be addressed in order to tackle this are: i) Logistics Systems, ii) avoiding the fragmentation of the supply chain iii) socio-technological design and clustering around strengths.



[SHEALTHY](#) is a H2020 project (2019-2023) which aims to assess and develop an optimal combination of non-thermal sanitization, preservation and stabilization methods to improve the safety, while preserving the nutritional quality and prolonging the shelf-life of minimally F&V products. This project also focuses on the business conditions enabling Small and Medium Enterprises to successfully adopt and exploit new technologies.

WHAT CAN YOU DO?

**WHAT
TO DO?**

-  FASTER AND MORE FLEXIBLE AND OPEN DISTRIBUTION NETWORKS
-  ON-LINE SALES
-  GROWTH



BUT HOW?

SHEALTHY is optimising logistics setting a system based on collaboration of key actors in different supply chain stages: ordering, production of collection routes from farmers, shared warehousing for consolidation, online sales and delivery to distribution stores or home deliveries. This solves the issue connected with the seasonality of fresh produce and opens new opportunities connected with F&V business: faster and more flexible and open distribution networks; on-line sales growth; higher expectations from customers. The collaborative BMs developed in the framework of SHEALTHY is leading to a better resource use, distribution improvement, and therefore will result in a market expansion and new investment generation.



The following recommendations emerged from SHEALTHY's work. They should not be considered a comprehensive guide on integrated governance, but provide indications of what can be done.

IMPROVED LOGISTIC SYSTEM

SHEALTHY makes significant advancement in terms of logistic system based on collaboration in different supply chain processes.

COLLABORATIVE BUSINESS MODELS

Guidelines on how to develop collaborative BM components starting from the elicitation of strategic, consumer driven goals.

TRAINING

Training with SME owners/managers to create, deliver, and capture value from the adoption of the collaborative business models.

COST SAVINGS

With the implementation of new technologies, we will allow cost-savings of 20% in the supply chain operation. set of principles to observe in the realization of new business.

