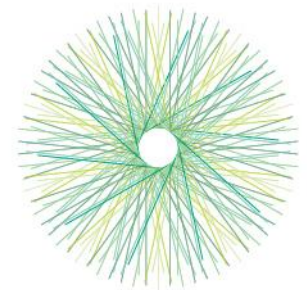


Inspirational ideas:

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eip-agri
AGRICULTURE & INNOVATION

Inspirational Idea: Smart logistics to connect farmers and consumers

DistriKempen, a group of five farmers from the Kempen region (Belgium) were searching for ways to deal with the transport of their fresh products to customers in the region. In 2013 they found the perfect people: Dorien Goris, and her brother Geert. Dorien: "Assisted by the Flemish Innovation Support Centre for Agricultural and Rural Development (Innovatiesteunpunt) we started an independent transport company called Distrego to help the farmers with their transport. But we do more, we also release them from the paper work that usually comes with distribution like sending price lists, taking orders, making packing slips and invoicing." The Innovation Support Centre helped to bring DistriKempen and Distrego together, showing the benefits, developing a model and creating a simple, effective and low budget ICT platform.



Challenges of logistics and distribution for small producers

The DistriKempen farmers sell their products directly to consumers. They are examples of 'short supply chains'. The term covers a range of direct selling: selling on the farm, at farmers markets, via internet, etc. Short supply chains are characterised by personal contact between the farmer and the customer and other values such as the food being fresh and locally produced. For small producers, transport logistics can be complicated and costly.

EIP-AGRI works to stimulate innovation in short food supply chains to increase income for farmers. To support this, a Focus Group of 20 European experts was established that looked at the potential of different forms and the factors that hamper the scaling up. One of the factors is definitely the distribution and logistics for small suppliers. Due to small quantities demanded by the consumer or available from the provider, the costs of distribution are relatively high. Read the [report](#) and [factsheet](#) from the [EIP-AGRI Focus Group on Innovative Short Food Supply Chains](#)

Saving money and reducing waste

"Cooperation was the key to saving money and reducing waste" says Patrick Pasgang from Innovatiesteunpunt. DistriKempen and Distrego together represent a logistics platform, in which the farmers from the region enter into a collaborative agreement to sustainably bundle their logistics flows. In a structured way, all orders are consolidated, sent through to the individual businesses, prepared, collected, picked up and delivered to the end customer in the region by a so called 'Circle Concept'. Participating farmers' administrative and financial flows are also consolidated. The system

operates sustainably, because both collection and delivery are dealt within the same round, thus reducing kilometres, stocks and risks. Food wastage through distribution is reduced to almost nothing. All the work is managed by Distrego, which is an independent profitable distributor, working exclusively for them on a fixed cost percentage.



Sharing Values

According to Patrick, it is crucial that the transporter shares the values and acts as ambassador for the total partnership. Dorien "I do the management and administration while my brother takes care of the transport. For administration we have developed a tailor-made computer programme that supports us in our daily operations. We use a refrigerated van to keep products fresh and deliver them in the right condition to our clients. In our set up we do not work with stocks; our van is our

warehouse. We really are the link between farmers and clients. Since we grew up on a dairy farm ourselves we have a good feeling for what is important for our farmers. We form a very good team!"

Cooperation as the key to growth

Setting up the Distrikempen and Distrego initiative required cooperation among the farmers but also help from outside. Patrick: "Besides the role of our centre we cooperated well with **RURANT** which supports regional craftsmanship and entrepreneurship. The **Coopburo** has specialists in cooperative models and they helped with the legal affairs." **VIL** is an organisation that specialises in logistic problems. "They did a study on the individual logistics trail from each farmer, showing them how many kilometres they drove, how un-economically they worked, how they all crossed each other in the same region and how time consuming it was for all of them. This study was a real eye-opener for most of them." The original group of five farmers ranging from goat's cheese production to apples and pears, was extended successfully with another seven farmers with very different products. The number of clients and the average spending by clients went up significantly in the second year of operation. Besides this growth, fruit grower Gunter Roes confirms the benefit for him. "For farmers, transport is not the first priority. I rather spend my time on my core business. Working together makes everyone stronger. One plus one is then three."

For more information: <http://www.distrikempen.be/>

Photos: RURANT