Resolving Production & Marketing Issues in Trinidad and Tobago
16th December
PA Training Session

Theme: “Crossing the Marketing Bridge”

Presented by
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Producers
- Phillip Lewis
- Osborne George
- Himraj Maharaj

- The Trinidad and Tobago Tropical Greenhouse Growers Association

Buyers
- Hi Lo Food Stores,
- Tru Valu,
- JTA
- Xtra Foods

- Hyatt Regency
- Hilton Trinidad
- Marriott Courtyard
- Crowne Plaza
- Coco Reef
- Grafton Beach Hotel/ Le Gran Courlan
1. Present the facts about the market
2. Present the actions growers must take to cross that bridge
3. Demonstrate how “the marketing bridge” can be crossed and
4. Propose how we can work with and for you the growers
Four Key Areas of Focus for an Improved Marketing System

1. Grading and Packaging
   - 3.1 New Physical Methods
     - Reduce Significant Physical Movement
   - 3.2 New Electronic Methods
     - Direct Delivery to Buyer
     - Direct To Buyer

2. Trading Linkages
   - Public Based (Fee for service)
   - Institutional Based

3. Production and Marketing Database

4. Market Analysis, Decision Making, Research & Extension
Facilitate the Partnership Required for Market Development

Industry Players/Clusters

- Image
- Quality
- Safety
- Reliability
- Use of Technology

Market Facilitation Agencies

- Market Effectiveness
- Market Efficiency

Market Development Agencies

CARDI
1.0 Assumptions

Opportunities
<table>
<thead>
<tr>
<th>ASSUMPTION</th>
<th>OPPORTUNITY</th>
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<tbody>
<tr>
<td>1. The domestic market can be quantified and accessed</td>
<td>1.1 Quality production could be organized</td>
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<tr>
<td></td>
<td>1.2 Customer Appeal should be the focus</td>
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<td>1.3 Customer Confidence can be developed</td>
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<td>2. The export market exists but needs development</td>
<td>2.1 Profiling of foreign Buyers</td>
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<tr>
<td></td>
<td>2.2 GAP Certified Sellers</td>
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<td>2.3 Stable Contract Prices can exist</td>
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<td>2.4 Development of Web-Based Trading Tools to expand market access –very possible</td>
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</table>
2.0 Marketing Team Actions
<table>
<thead>
<tr>
<th>Activity</th>
<th>Key Success Factors</th>
<th>Area of Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Branding by Grading and Packaging</strong></td>
<td><strong>1.1 Quality and Quantity</strong></td>
<td>Price Stability</td>
</tr>
<tr>
<td></td>
<td><strong>1.2 Customer Appeal</strong></td>
<td>Volume</td>
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<td></td>
<td><strong>1.3 Safety</strong></td>
<td>Reliability</td>
</tr>
<tr>
<td></td>
<td><strong>1.4 Customer Confidence &amp; Consistency</strong></td>
<td>Long term contracting</td>
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<td><strong>2. Agency actions to facilitate Trading</strong></td>
<td><strong>2.1 Profiling of Buyers</strong></td>
<td>Database Creation and Usage</td>
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<td></td>
<td><strong>2.2 Certified Sellers</strong></td>
<td>TTTGA Cluster Development</td>
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<td></td>
<td><strong>2.3 Introducing Contract Pricing</strong></td>
<td>Long Term Market Stability</td>
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<td><strong>2.4 Introduction of grades and Standards</strong></td>
<td>Increase trading volume</td>
</tr>
<tr>
<td>Activity</td>
<td>Key Success Factors</td>
<td>Area of Impact</td>
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<td>----------------------------------</td>
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</tr>
<tr>
<td>3. Production and Marketing</td>
<td>3.1 Simplicity</td>
<td>High Level of Usage</td>
</tr>
<tr>
<td>Database Development</td>
<td>3.2 Accessibility</td>
<td>High Level of Usage</td>
</tr>
<tr>
<td></td>
<td>3.3 Availability</td>
<td>High Level of Usage</td>
</tr>
<tr>
<td>4. Market Analysis and</td>
<td>4.1 Constantly improve Percent (%) Usage</td>
<td>Facilitation and Support</td>
</tr>
<tr>
<td>Decision Analytical Tools &amp; Skills</td>
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</tr>
<tr>
<td></td>
<td>4.2 Organize dedicated Institutional Support</td>
<td>Facilitation and Support</td>
</tr>
<tr>
<td></td>
<td>4.3 Ensure Quality Reporting</td>
<td>Facilitation and Support</td>
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</table>
3.0 The Market Facts

Check it out.
The market survey which was carried out from mid-October to mid-November, 2011 covered thirty nine (39) outlets and two (2) distributors in Trinidad and Tobago.
The type and number of outlets surveyed were as follows:

- Supermarkets – Twenty two (22)
- Hotels - Eleven (11)
- Restaurants – Five (5)
- Distributors – Two (2)
The National Market Survey
Supermarkets

- Hi Lo Food Stores
- Tru Valu
- JTA and
- Xtra Foods.
The National Market Survey
Hotels

**Trinidad**
- Hyatt Regency
- Hilton Trinidad
- Marriott Courtyard
- Crowne Plaza

**Tobago**
- Coco Reef and
- Grafton Beach Hotel
The major “restaurant” chains were
- Mario’s Pizzeria
- Pizza Hut
- Papa Johns
- Ruby Tuesday
- Subway
Annual Requirements

- The top three items purchased by the various buyers were tomatoes, followed by cucumbers and sweet peppers.
- Based on production capability, these are the products best suited for production under PA.
The total annual demand for all types of tomatoes was estimated at 445,399 kgs (979,877.8 lbs). The breakdown by type is as follows:

- **Slicing**: 289,637 kgs (637,201.4 lbs) – 65%
- **Cooking**: 133,202 kgs (293,044.4 lbs) – 29%
- **Imported**: 25,560 kgs (56,232 lbs) – 6%

**Total**: 448,399 kgs (877.8 lbs)
Green Peppers

Red: 9,261 kgs (20,374.2 lbs) – 4%

Yellow: 7,573 kgs (16,660.6 lbs) – 4%

Green: 169,996 kgs (373,991.2 lbs) – 81%

Mixed: 23,580 kgs (51,876 lbs) – 11%

Total 210,410 kgs (462,902 lbs)
Cucumber and Patchchoi

The total cucumber requirements by the outlets surveyed was 253,986 kgs (558,769.2 lbs). Usage of the local variety was predominant (99.7%).

The total patchchoi demand was 44,016 bundles, all of which was locally produced.
The annual cauliflower usage was 36,289 kgs (79,835.8 lbs), of which 55% was imported and the balance was of local origin.

Overall Purchases of zucchini were small, 5,774 kgs (12,702.8 lbs) for the year.
# Melons

<table>
<thead>
<tr>
<th>Type</th>
<th>Weight (kgs)</th>
<th>Weight (lbs)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cantaloupes</td>
<td>30,384</td>
<td>66,844.8</td>
<td>67%</td>
</tr>
<tr>
<td>Honeydew</td>
<td>13,720</td>
<td>30,184</td>
<td>30%</td>
</tr>
<tr>
<td>Muskmelon</td>
<td>977</td>
<td>2,149.4</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>45,081</strong></td>
<td><strong>99,178.2</strong></td>
<td></td>
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</tbody>
</table>
# Herbs

<table>
<thead>
<tr>
<th>Herb</th>
<th>Quantity</th>
<th>Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shadon beni</td>
<td>24,056</td>
<td>large bundles</td>
</tr>
<tr>
<td>Dill</td>
<td>624</td>
<td>bundles</td>
</tr>
<tr>
<td>Cilantro</td>
<td>660</td>
<td>bundles</td>
</tr>
<tr>
<td>Rosemary</td>
<td>2,796</td>
<td>small bundles</td>
</tr>
<tr>
<td>Thyme</td>
<td>5,364</td>
<td>small bundles</td>
</tr>
<tr>
<td>Oregano</td>
<td>408</td>
<td>bundles</td>
</tr>
</tbody>
</table>
# Lettuce

<table>
<thead>
<tr>
<th>Variety</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bronze</td>
<td>2,400 heads</td>
</tr>
<tr>
<td>Local</td>
<td>16,200 heads</td>
</tr>
<tr>
<td>Iceberg (imported)</td>
<td>347,256 heads</td>
</tr>
<tr>
<td>Iceberg (local)</td>
<td>140,136 heads</td>
</tr>
<tr>
<td>Specialty</td>
<td>1,020 heads</td>
</tr>
<tr>
<td>Romaine</td>
<td>54,084 heads</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>561,096 heads</strong></td>
</tr>
</tbody>
</table>
4.0 Grading Packaging and Expected Results
### Establishing a Grading and Standardization System

<table>
<thead>
<tr>
<th>Class</th>
<th>Criteria</th>
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<tbody>
<tr>
<td>Class A</td>
<td>80% - Size, Colour, Shape, Defect tolerances, Weight, Stage of Development, Similarity of Characteristics</td>
</tr>
<tr>
<td>Class B</td>
<td>60% - Size, Colour, Shape, Defect tolerances, Weight, Stage of Development, Similarity of Characteristics</td>
</tr>
<tr>
<td>Class C</td>
<td>40% Size, Colour, Shape, Defect tolerances, Weight, Stage of Development, Similarity of Characteristics</td>
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</table>
Good Agricultural Practices are a collection of principles to apply for on-farm production and post-production processes, resulting in safe and healthy food, while taking into account economical, social and environmental sustainability. For PA producers this should be sufficient.
4.1.1 Packaging, Grading and Standardization

Instilling Confidence in the Marketing System
THE SEVEN (7) KEY CONFIDENCE ISSUES ADDRESSED BY PACKAGING, GRADING & STANDARDIZATION

1. Brand Quality
2. Food Safety
3. Appearance
4. Nutritional Value Information
5. Differentiation
6. Value for Money
7. Repeatability in purchasing
A, B and C by Width
A, B and C by Height
A Grade Tomatoes – 8.9 cm (3.5 in) in Diameter
B Grade 7.6 cm (3 in) in Diameter
C Grade 6.4 cm (2.5 in) Diameter
5.0 Future Contracts
The price of a futures contract is determined through a competitive auction.

**BUY!! vs. SELL!!**

Someone who wants to buy the commodity will **bid**  
Someone who wants to sell the commodity will **offer**
What is a Futures Contract?

An obligation to buy, sell, or cash-settle a commodity that meets set grades and standards on some future date.

Futures contracts are standardized based on:

**Commodity**: What is being traded including grade and quality specifications

**Contract month**: When the contract will expire. Open contracts must be delivered or cash-settled.

**Quantity**: The size of one contract pounds, bushels, barrels, etc.
The Agricultural Knowledge Information Network

The Example of Thailand
Users

Databases

Application

Sources of data
• NAMIS
• JAMIS
• FEWS NET
• DAMS

Community

Front-end

Data Input

Information Pool

Agency

Information Push

Users

Information Brokers

Locating the Databases

Auto processing

Manual feedback

Charges
6.0 Web-Based Trading
Buyers and sellers meet on the electronic trading board.
Pilot Project Methodology

1.1 Initial Meetings
1.2 Work out projects with CR and NC
1.3 Consultant Visits Farmers Groups & Propose Pilot

2. Revisit and Establish Pilot/NC Establishes Pilot

3. Implementation!

Consultant Visits as necessary

4. NC Monitors Pilot

5. Results Achieved
THANK YOU
FOR
YOUR ATTENTION
AND LET’S CONTINUE OUR IMPROVEMENT PROCESSES