

Sustainable distribution

Lessons from the UK

Late last year, the good people at HAL (Horticulture Australia Ltd) provided some funding for travel to a supply chain conference in London. There were some industry giants present. Senior managers from Tesco, ASDA (Wal-Mart's UK retailer) and Morrisons all gave presentations.

There was the usual palaver that you get from big retail management – low prices, squeezing suppliers harder, reducing supply chain costs and so on. The importance of fresh produce received an honourable mention, as did organics. This might have had something to do with the very big margins that these categories generate, but we didn't hear about that...

Interestingly, a topic that received a lot of coverage was sustainable distribution, which is coming to a supermarket near you – despite the fact that in Australia we are enjoying 'non-core' global warming! It isn't happening – it's not getting drier, it's not getting hotter and we're not running out of water!

However, other parts of the world, take the UK for example, appear to be suffering from 'core' global warming. I'm not a meteorologist or a climate change specialist, but it seems as though the weather over there is getting, as Alice cried, 'Curiouser and curiouser!'

Sustainable distribution is the organic equivalent of regular distribution! The British have a plan called the Food Industry Sustainability Strategy (FISS). We probably need a Produce Industry Sustainability Strategy, but I won't go there! A key goal of the FISS is 'to reduce the economic,

environmental and social impacts of food transport ... by 20 per cent by 2012.'

By 2012 we may be entering, or be well into, our second term of a Labor Government ... Then again, Peter Costello may be delivering his one-hundred-and-forty-sixth budget. Either way, we should be in a better position to understand the core of our environmental issues. If it is 'core', rather than 'non-core' we might want to check out what they're doing in the UK.

The central issues, according to the FISSers, are to do with transport utilisation



or, more correctly, mal-utilisation. The solution will be to travel fewer miles and to travel 'friendlier miles'. I understand the former but the latter has me a little confused. When you are dealing with big retail, you rarely get that 'friendly' feeling!


They have identified six key initiatives. Moving to larger capacity vehicles is high on the agenda. In the Australian context, we're pretty much already there, but the trucking industry is putting more pressure on government for even larger vehicles and fewer constraints on the

large ones we already have.

Making the vehicles more fuel efficient is also on the drawing board. We'll see engine specifications changing and more attention paid to emission control. Also, they want to see more out-of-hours deliveries at distribution centres and at local stores.

Other issues identified include vehicle telematics (remote monitoring of truck and driver), optimisation of logistics systems and transport collaboration.

In the UK, it is estimated that the food chain accounts for at least 22 per cent of total greenhouse gas emissions and 25 per cent of all heavy vehicle kilometres. Now, companies such as Coca-Cola and Boots (a large pharmacy chain) are working on 'collaborative green transport'. In a pilot study they claim they've taken 78 loads per week off the road. This equates to about 650 000km per year. That's more than 700 trips between Melbourne and Sydney.

So, what does it all mean to organic producers? In the long term, I suspect you'll have to consider the impact of your outputs. How do you get to market and what effect is that mechanism having on the environment. As though you didn't have enough to worry about! 

Tom Rafferty is the director of Supply Chain STO, 07 3843 5712, 04 0978 1264, tom@sto.au.com ©2005 Supply Chain STO. The contents of this document are copyright and may not be used or reproduced without the express written permission of Supply Chain STO.

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