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Commercial Horticulture

Development Plan

Commercial Horticulture Development Plan

1.

Development of trade associations across all horticulture sub-sectors.

Trade Associations will play a critical role in the development of horticulture in N.Ireland. It is important that the sub-sectors are represented by strong industry bodies that are capable of providing strategic direction and effectively representing their sectors.

Priority Status

Immediate

Suggested Actions

- Continue to support development of the trade associations in apples and mushroom sectors
- Target potatoes, vegetables, nursery stock where no single point of representation currently exists.

Cost/Resource Required

DARD dedicated resource to initiate and lead development programme similar to work undertaken for apple and mushroom initiatives.

Responsibility

- *DARD/Invest NI to coordinate resources to encourage wide sector representation*
- *DARD to provide experience and guidance in initial set-up*
- *Sub-sectors to assume overall responsibility for on-going activity*

Sector input to appoint industry representatives.

Linkages

- *Vision Key Themes A and C*

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2. Establish role and credibility of trade associations

It is important for the longer term sustainability of the trade associations and their ability to recruit, maintain and get funding from their membership base that they are perceived to be adding value to their sub-sector. Based on our understanding of some of the needs that apply across the horticulture sector, the trade associations should focus on delivering short term value in some of the following areas:

Priority Status

Immediate

Suggested Actions

- Trade associations to develop and communicate a “Vision” for the sub-sector (Key objectives, priorities and tasks)
- Trade associations to reinforce role and gain member support through activities such as assessing
 - grant support to industry
 - current R&D initiatives
 - availability of training and support programmes

Cost/Resource Required

DARD/INI/Trade Associations to provide relevant information where appropriate.

Responsibility

- *Industry representatives to coordinate programme between membership and DARD/INI*
- *DARD/INI to support initiatives through provision of relevant information*

Linkages

- Vision Key Themes A and C

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3. Review labour needs

Labour shortage is a common problem across the sector. Trade associations should assess needs. This needs to be at a sub-sector level to ensure that the scale of shortages is identified.

Priority Status

Immediate

Suggested Actions

- Trade association to assess needs amongst membership base
- Coordinate with SAWS Programme to identify opportunities. The SAWS programme offers the industry an opportunity to partially resolve some of those shortages
- Manage collaboration and communication between members to access labour

Cost/Resource Required

Trade Association resources required to coordinate membership

Responsibility

- Industry representatives to coordinate programme between membership and SAWS management

Linkages

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4. Conduct baseline audit within each sub-sector.

Our review has highlighted the need within each sub-sector for a detailed audit of the resource and capabilities of the sector. This will act as a baseline against which performance improvement trends can be measured.

Priority Status

*Short - term
(3-6 months)*

Suggested Actions

- **Conduct detailed audit to examine physical resource and management capability within each sector as a baseline for building strategy and developing key performance indicators. Issues that need to be addressed include:**
 - **Product range**
 - **Physical infrastructure**
 - **Access to capital equipment**
 - **Management specific skills, training undertaken.**

Cost/Resource Required

Costs of data collection, database development, data analysis.

DARD support for data analysis

Responsibility

- *Trade Associations to manage process*
- *Third party support for data collection, database compilation and data analysis (DARD may also support data analysis)*

Linkages

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5. Linkages to cross-sector representative body

Many of the issues raised during the course of the review are common across the sub-sectors. Similarly, there are opportunities for horticulture to work more closely across the sub-sectors to identify solutions to common problems and to present a single, stronger voice on a range of issues.

Priority Status

*Short - term
(3-6 months)*

Suggested Actions

Cost/Resource Required

Responsibility

Linkages

- The Vision Steering Group recommended that Government and the Industry should establish a Food Body to deal with food marketing and supply chain issues. The Working Group established to consider the structure, responsibilities and functions of a Food Body in Northern Ireland and issued the Report of their findings for public consultation on 25 November 2002. The outcome of this consultation will determine whether a new Food Body will undertake this cross-sector representational role for the horticulture sector.

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6. Review and agree strategic R&D priorities (1)

Research and Development will play a critical role in the long term development of the sector. However, a more strategic approach to R&D needs to be adopted, ensuring that sector priorities are established and adequate resources provided to effectively meet the needs of the sector.

Suggested Actions

- Agree initiatives with member base – focus on initiatives to drive productivity, manage costs and improve efficiencies
- Coordinate activities with DARD
- Establish R&D programmes across research establishments
- Determine appropriate communication and technology transfer processes

Responsibility

- Trade Associations to assess R&D needs within the sub-sectors
- DARD to agree sector priorities and resource needs

Linkages

- Vision Key Theme H
- The outcome of consultations on the O'Hare Review and the Department's Modernisation Programme may influence the suggested actions within this action point

Priority Status

*Short - term
(3-6 months)*

Cost/Resource Required

Costs dependent on
agreed R&D priorities

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7. Develop initiatives to build trust and co-operation

In most of the sub-sectors reviewed, we have identified a lack of openness and cooperation that is undermining the competitiveness of the sector and its ability to fully develop market opportunities. Each sector must improve the level of coordination and communication throughout the supply chain to enhance its competitive position.

Priority Status

*Medium-Term
(6-12 months)*

Suggested Actions

- Initiate “Walk The Supply Chain” programme to expose price, cost, margin issues
- Initiate demand forecasting and production planning schedule between supplier and processor
- Develop and agree quality standards and pricing protocol between supplier and processor

Cost/Resource Required

Third party process and analysis support

DARD/INI staff resource

Responsibility

- *Trade Associations to manage initiatives – DARD/Invest NI to provide support and guidance where appropriate*

Linkages

- Vision Key Themes A and B

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Review sector logistics and cost management opportunities

The fragmented nature of the sector in Northern Ireland leads to structural inefficiencies that undermine cost competitiveness. We believe that there are opportunities to optimise resource, reduce cost and minimise waste both within and across the sectors.

Priority Status

*Medium - term
(6-12 months)*

Suggested Actions

- Undertake major study of waste and inefficiencies along the supply chain
- Assess opportunities to share resources on a cross sector basis
- Benchmark performance against best practice in local/national/international markets as appropriate

Cost/Resource Required

Third party process and analysis support

DARD/ INI staff resource

Responsibility

- Trade Associations

Linkages

- Vision Key Themes A and B

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9. Identify skills gaps and training priorities

The challenges of the marketplace and the increasing demands being placed upon the sector to produce quality products at optimum cost requires all employed within the sector to ensure that management and technical skills are constantly updated.

Priority Status

*Medium - term
(6-12 months)*

Suggested Actions

- Review existing programmes to ensure best fit with needs
- Identify further skills gaps and training needs
- Develop/amend as necessary, taking account also of preferred delivery methods
- Set targets for acquisition of skills at a sub-sector level and promote programmes

Cost/Resource Required

Potential cost involved in programme development

Programme delivery costs from DARD / INI

Responsibility

Trade Associations to encourage greater uptake of current programmes

- *Trade Associations to identify skills gaps and sector perceptions of current programmes/preferred methods of training delivery*
- *DARD/INI to review and amend programmes as appropriate*

Linkages

- Vision Key Theme G

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10. Provide the industry with relevant, reliable and timely market information

The review highlighted gaps in the availability of relevant market data which informs the sector of development opportunities and allows it to assess performance trends. The provision of basic market data - consumption trends, consumer demographics, retail/non retail performance indicators - will help focus development opportunities and strengthen customer relationships .

Suggested Actions

- Establish sub-sector information needs and identify potential sources – mix of published data, primary research requirements
- Agree contracts with information providers and develop appropriate methods to communicate market information around the sub sectors
- Provide information on a timely, relevant basis

Responsibility

- Trade Associations to identify existing information sources with DARD/INI
- Trade Associations to establish information needs and negotiate contracts with information suppliers
- Trade Associations to ensure timely dissemination of market data around the sub-sectors

Linkages

Priority Status

*Medium - term
(6-12 months)*

Cost/Resource Required

Dependent on information needs.

DARD/INI staff resource

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11. Develop sub-sector investment strategy.

There is clearly a need to build and maintain the capital infrastructure across the sector to ensure that production, storage, processing and distribution facilities meet the requirements of the market.

Priority Status

*Medium - term
(6-12 months)*

Suggested Actions

- Based on sector audit, develop investment strategy that will address infrastructure development and capital investment needs.
- Strategy to address impact on efficiencies, costs and market development.
- Submit to DARD/INI to assess potential for support

Cost/Resource Required

Dependent on output of investment needs assessment

DARD/INI staff resource

Responsibility

- *Trade associations to lead programme*
- *DARD/INI to provide comprehensive advice on existing/potential support measures*

Linkages

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12. Develop and agree sub- sector performance targets

Any investment in the sector must be capable of demonstrating a return in terms of improved performance, increased consumption levels, improvements in quality, etc. Specific goals for horticulture sub-sectors should be identified and investment priorities based on sector performance levels.

Priority Status

*Medium - term
(6-12 months)*

Suggested Actions

- Based on current output statistics, sector audits (Priority 4), develop and agree output and local market consumption targets
- Establish targets for import substitution, market sector penetration levels, share of exports in specific sectors.
- Set up processes to gather performance statistics
- Ensure targets and goals are shared with the sector and that investment strategies complement sector goals

Cost/Resource Required

Support of processors and producers necessary to gather required data.

Responsibility

- Trade Associations/Representative Body to work with DARD/INI to identify and agree sector targets
- Trade Associations/ Representative Body to ensure that processes are in place at sub-sector processor and producer level to gather necessary data.

Linkages

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13. Initiate generic domestic marketing programme

The domestic marketing programme is aimed at stimulating consumption of horticultural products in N. Ireland and ensuring that local producers and packers/processors develop and fully exploit local market opportunities across a range of market channels.

Priority Status

*Long - term
(12 months +)*

Suggested Actions

- **Develop range of marketing, promotion and other support material to provide generic support specifically to local vegetable, potato and nursery stock products.**

Cost/Resource Required

Funding support needs to be obtained from the sector.

Responsibility

- Trade Associations develop individual sub-sector material

Linkages

- Vision Key Theme A

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14. Assess opportunity to work with GB bodies on UK wide marketing initiatives

The domestic marketing programme does not address the sub-sectors where most local output is exported – apples and mushrooms. The challenge here is to identify cost effective ways of stimulating demand and then ensuring that the local industry can exploit the business opportunities that arise as a result of promotional activities.

Priority Status

*Long - term
(12 months +)*

Suggested Actions

- Forge links with Great Britain trade associations to benefit from GB marketing campaigns

Cost/Resource Required

Dependent on the scale of marketing campaigns and the level of commitment to these campaigns from the local industry

Responsibility

- Trade Associations to identify opportunities

Linkages

- Vision Key Theme A

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15. Review and agree strategic R&D priorities (2)

Whilst R&D priorities in the medium term need to focus on production efficiencies within the sector, in the longer term R&D resources need to be allocated to identifying and commercialising new product varieties or different categories of horticultural products that present opportunities for the local sector either domestically or in export markets.

Priority Status

*Long - term
(12 months +)*

Suggested Actions

- **Longer term initiatives to focus on new varieties, added value product opportunities**

Cost/Resource Required

Costs dependent on agreed R&D priorities

Responsibility

- Trade Associations to identify opportunities

Linkages

- Vision Key Theme H
- dependant on outcome of consultation on Modernisation Programme and O'Hare Report