FloraHolland

Nieuwsbrief

Information for all suppliers, buyers and staff | 2 November 2010 | Page 1

Questions and Answers

General

- *What is my BI?*
  The ***B**etrouwbaarheids**I**ndex* (Reliability Index) has been a means of information and monitor the reliability of growers' information since 2000. See the explanation in the newsletter.

- *Why is a BI necessary?*
  The BI is used as an inspection monitor to identify precisely those products that are not reliable enough. It is also provides feedback for the grower and information for the buyer.

- *Why is a standard BI scheme necessary?*
  Standardising the BI system is seen by the directors as a condition to increasing the bonus norm. This standardisation is especially important to smaller (seasonal) growers.

- *Why hasn't a new BI group system been organised?*
  After extensive research with all interested parties, it was decided to introduce the existing BI scheme to Naaldwijk, Rijnsburg and regional locations in Aalsmeer in mid-2011. Setting up a whole new system was not feasible in the short term due to cost, ICT development resources and the organisation of broad support.

- *How is the standard BI actually calculated?*
  The BI is calculated on the last 100 lots. The number of lots deliverd with correct supply information is divided over all (100) lots. The maximum period to accumulate 100 lots will be a standard 52 weeks from next year.

- *Why is the 'old' FloraHolland going to use for its BI the 52-week accrual period instead of the 78-week period?*
  The 78-week period included errors from the previous season. Small and seasonal growers in particular are affected by this. A '100-lot accrual period' of 52 weeks is the most advantageous group-wide and does not require any system adaptations.

- *Who determines the composition of the product clustering?*
  FloraHolland and Plantion formulate them together based on VBN's crop level and market and growers' data.

- *Why wait until 2011 to introduce the standardisation?*
  This is due to the available ICT hours and the prioritisation of various ICT projects.

- *What exactly are the advantages of standardisation?*
  Suppliers ask FloraHolland to use the same method at all locations whenever possible. Therefore, the directors requested a standard BI and bonus system to be introduced throughout FloraHolland.

- *Do I have the same BI in Aalsmeer as in Naaldwijk? And vice versa?*
  No. You have a BI for each location and per product group or product cluster.

- *Why does Aalsmeer have a different bonus norm?*
  Because changes have to be made to the system first.

- *When will the bonus norm become standardised at all FloraHolland locations?*
  After the changes to the system in Aalsmeer in the summer of 2011. This will be done in consultation with Aalsmeer and implemented only after permission of the management.

- *To what extent is the quality of the growers' information improved because of the tightening and improving of the BI? Are concrete figures available?*
  The increase in the BI correction fees led to a clear improvement in reliability in the first instance. This fell slightly during 2010. It appears that growers with a lower reliability are now more motivated to change their quality system due to the higher fees.

- *Why did you choose the BI system of the 'old' FloraHolland?*
  This system best meets our objectives and it is easier and cheaper to implement.

- *What is the biggest difference with the current BI system at Aalsmeer?*
  The bonus norm per period and the product clustering.

- *What is the advantage of charging for each correction?*
  Each mistake is brought to the attention of the grower, meaning he can make the relevant adjustments immediately.

- *How are the fees charged?*
  Using the normal daily statement.

- *What is the biggest advantage for me as a supplier to Aalsmeer compared with the current system?*
  The chance to achieve the bonus norm every period and the fact that product clustering makes it easier to achieve the 100 lots.