

# AUTOMATIC DISTRIBUTORS OF FARM PRODUCTS

CTCPA

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<b>PU</b>	<b>Public</b>	
<b>PP</b>	<b>Restricted to other programme participants</b>	
<b>RE</b>	<b>Restricted to a group specified by the consortium</b>	
<b>CO</b>	<b>Confidential, only for members of the consortium</b>	

**1. Title of the case description**

AUTOMATIC DISTIRBUTORS OF FARM PRODUCTS

**2. Indicate your role in the Smart Food Supply Chain:**

- individual member of the chain:
- chain operator:
- network operator:
- association:
- technical, scientific, or management expert: X
- advisor:
- policy maker:
- other: .....

**3. Indicate the region (if applicable):** [France](#)

#### 4. WP2 Cross-reference table

Please indicate with an X in the relevant box of the matrix for which needs and the steps / functions of the supply chain the described innovative solution is applicable

		Individual steps of the SFSC							Short food supply chain as whole						
		1	2	3	4	5	6	7	8	9	10	11	12	13	14
Needs of the consumers (citizens)	food safety														
	food quality														
	trust														
	ethical aspects														
	accessibility	X	X					X	X						
Needs of the chain actors	fair price	X	X					X	X						
	increased negotiating power	X	X					X	X						
	shared use of available resources	X	X					X	X						
	product development support														
	access to markets and consumers	X	X					X	X						
	access to infrastructure														

**1: Farming**

**2: Primary production**

**3: Transport**

**4: Processing and packaging**

**5: Storage**

**6: Logistics**

**7: Sale**

**8: Product integrity, authenticity, transparency**

**9: Marketing concepts**

**10: Food chain management and networking for enhancing cooperation among chain actors**

**11: Business modelling**

**12: Policy environment**

**13: Legal requirements**

**14: Labelling**

## 5. Short description of the innovative solution

- **Describe the specific need or problem being addressed by the case and please explain what is the novelty of this innovative solution**

Consumers are more and more calling for local products. However, they also want the convenience and ease to access of these products. Moreover, on-farm sales require a lot of time and organization for producers.

The automatic distributor provides fresh and local products to consumers, available at any time of the day. The producer only has to drop off his products.

- **Describe the enabling function(s) and the practical benefit(s)-(e.g. for which types of problems and opportunities is used and can it be used, and how)**

The producers drop off their products in the automatic distributors. The consumers can buy and pick up the products they want at any time of the day.

- Ease to access for consumers
- Local products available at any time of the day
- Fair prices for the producer: he decides the prices of his product and there are no intermediary fees
- Time saving for the producer

- **Describe the method/procedure/technology/solution implemented. (Please explain, whether the innovative method is a product / service / process / marketing or organisational / management innovation) After completing the description, please indicate, whether this innovation is a technological or non-technological one.**

This innovative method is a service innovation. The distributor is composed of several compartments. Each producer can drop off his products every day in his compartment, arrange them and determine their prices. The consumer can see the products through a glass door, select them and pay by cash or by card. After payment, the compartment door is unlocked. In some cases, the producer is notified of the purchase in real time and can restock his locker if necessary. These distributors can provide a large diversity of products: chicken, fruits and vegetables, milk, flour, honey etc. but also homemade ready meals. They are coupled to a cold room to guarantee the freshness.

They can be located next to the farm or in the city centres, where the demand is high.



technological X

non-technological X

This innovation is both technological and non-technological. The distributor/equipment is a technological innovation with connected systems, cooling systems etc.

It is also a non-technological innovation because it is a new way to buy local products (new distribution channel).

- **Describe the business, which implemented the innovated solution (size, country, region, location, type of food)**

Five rivals provide automatic distributors. One of them, the Filbing society has set up 600 automatic sale points of local products in France.

Producers, craftsman but also municipalities in need of shops invest in these automatic distributors.

- **Describe the distribution channels of the product(s)**

The distributor allows to avoid intermediary between producers and consumers. Consumers collect the product directly from the producer.

- **Describe what makes the innovation work.**

- Simplicity of use for consumers and producers
- Access to local products every day of the year at any time
- Fair prices for the producer, no intermediary is required
- Time saving for the producer, a sale point on-farm often requires a full-time person
- Attractiveness of city centres

- **Describe the specific prerequisites for the business related to the implementation of the method and/or related to the location, method, procedure, solution**

**a: List the relevant necessary resources (including the estimated cost) for the specific innovation.**

**Please list the relevant ones only (list is annexed)**

- Material resources: fresh local food from farmers
- Human resources: producers from the farms to supply the distributor (once or twice a week) and consumer to pick up their products at any time of the day
- Infrastructure: the automatic distributor which could be different depending on the number of compartments, the number of choices for payments etc.
- The estimated cost is included between 10 000€ to 50 000€ (the distributor price is around 30 000€).

The time of return on investment is about 2 years.

- **b: List the relevant necessary capabilities for the specific innovation. Please list the relevant ones only (list is annexed)**

Food safety:

- Basic skills to comply with the EU food safety regulations
- Ability to understand what makes the product safe

Trust:

- Ability to ensure product integrity, authenticity and transparent information for the consumers

Accessibility to consumers:

- Ability to organize logistics efficiently and to exploit innovative solutions and distributions channels
- Ability to develop and implement new business models for ensuring access of consumers to products and augmented services

Fair prices:

- Ability to access the consumer willingness to pay for fair prices

• Access to markets:and market success

- - ability to understand consumer's needs;
- input for R+D
- ability to monitor, research, evaluate, and understand the needs and wants of customers and consumers;

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- **The method/technology was established by**

NAME: Filbing Distribution SARL (For France)

ADDRESS: 1 rue du Rettig - 67410 ROHRWILLER

PROVIDES SOLUTION FOR: Farmers, consumer

## **6. Describe the results, achievements and typical failures**

In 2008, Filbing Distribution was the only one to sell automatic distributors of farm products. Today they are 5 rivals, and Filbing Distribution has installed more than 600 automatic distributors in France.

This type of distributor was tested in Paris on 5 sites: only tomatoes and salads were sold. The target the most interesting seems to be medium-size cities where shops are closed early on the evening and in the rural area where there is a need of shops.

## **7. Summarize what makes the case to a good practice for the members of the SFSCs (e.g. lessons learned)**

The success of the automatic distributors proves that there is an increasing demand from consumers for local products. The automatic distributors propose a new way of short circuit distribution, easy for both the consumer and the producer.

## **8. Aspects, methods for transfer of methods for other SFSC members**

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.....  
.....

## **9. Recommendations for members of other SFSCs for further applications**

All producers or municipalities can invest in this type of distributors. It seems to be better to install the distributor in small cities or in a rural area.

## **10. More information is available at (web), if it is relevant**

<https://www.filbing-distribution.com/>



## **Annex**

### **1. Checklist for necessary resources (tangible and non-tangible):**

- materials (access to: raw materials/ ingredients - including volume, land – including size, packaging materials)
- human: labour force: size, knowledge & skills (production, technical, marketing, managerial, ICT, financial, etc.)
- technology: patents, know-how, trademarks, copyrights, trade secrets
- infrastructure, equipment, facilities, - size, minimum volume of production/sales, IT infrastructure
- information, reputation, brand, trust
- financial\*

\*: estimated cost:

0 - 10 000 Eur  
10 001 - 50 000 Eur  
50 001 - 100 000 Eur  
100 001 - 300 000 Eur  
300 001 – 1 000 000 Eur  
1 000 000 Eur above –

- other specific necessary resources for the application of the specific innovation

## **2. Checklist for the necessary capabilities**

- **food safety:**
  - basic skills to comply with the EU food safety regulations
  - ability to understand what makes the product safe (the key controls, which ensure the safety of the product – biological, chemical and physical hazards, providing the safety shelf life of perishable products)
  - food safety culture (motivation, responsibility for food safety) and basic skills for the implementation of HACCP
  
- **food quality:**
  - ability to define the target segments of consumers for SFSCs
  - ability to define the product characteristics which are (tacit) basic requirements for the target segment(s) of consumers;
  - ability to define which product attributes/levels and augmented services represent an added value for the target segments of consumers;
  - food quality culture (motivation, responsibility for food quality);
  - production experiences which help to provide the expected quality reliably, uniformly;
  - ability to provide distinguishable quality which meets the needs of the targeted consumer segment;
  - meeting (local) legal requirements, application of the labelling rules;
  - ability to access the consumer willingness to pay for specific products of SFSCs.
  
- **trust:**
  - ability to ensure product integrity, authenticity and transparent information for the consumers (including systems, tools);
  - ability to access external trust enhancers (third party certification, internal certification system, participatory guarantee systems);
  - application of the labelling rules and branding (mandatory and voluntary);
  - ability to meet third party certification requirements
  
- **ethical aspects**
  - ability to understand consumer needs for ethical behaviour related to the specific product(s) of the SFSCs;
  - culture for ethical food production and supply;
  - ability to implement necessary measures to ensure ethical food production and supply;
  - ability to access the consumer willingness to pay for products meeting ethical aspects
  
- **accessibility to consumers:**
  - ability to organize logistics efficiently and to exploit innovative solutions and distribution channels;
  - efficient, innovative sales methods;

- ability to develop and implement new business models for ensuring access of consumers to products and augmented services;
- **fair price:**
  - collecting marketing information;
  - ability to enhance and maintain cooperation among chain actors including the combined use of available complementary resources, capabilities, competences of SFSCs actors, networking, understanding the principles of food value chain management;
  - ability to define, develop or maintain unique quality of products and augmented services;
  - ability to develop and implement new business models;
  - ability to access the consumer willingness to pay for fair price
- **increased negotiation power:**
  - collecting marketing information;
  - ability to enhance and maintain cooperation among chain actors including the combined use of available complementary resources, capabilities, competences of SFSCs actors, networking, understanding the principles of food value chain management, cooperation culture;
  - ability to define, develop or maintain unique quality of products and augmented services;
  - ability to develop and implement new business models;
- **shared use of available resources:**
  - ability to enhance and maintain cooperation among chain actors including the shared and combined use of available complementary resources, capabilities, competences of SFSCs actors, networking, understanding the principles of food value chain management, cooperation culture;
  - the level of value chain management culture;
  - ability to access the consumer willingness to pay for food with reduced environmental impacts

- **input for R+D:**
  - ability to monitor, research, evaluate, and understand the needs and wants of customers and consumers;
  - ability to develop new products, processes, packaging, preservation techniques, systems and access to new markets, including in other categories;
  - access to innovative technologies; distribution and marketing solutions and methods. management systems;
  - access to local input for R+D covered by other aspects
  
- **access to markets: and market success**
  - effective promotion, customer service, efficient and innovative sales methods;
  - ability to understand consumer's needs;
  - ability to organise logistics efficiently and to exploit innovative solutions and distribution channels,
  - unique value propositions;
  - ability to develop and implement new business models for ensuring access of consumers to products and augmented services, develop the market accessibility for the suppliers.
  - stock control;
  - ability to access to required raw materials within a restricted geographical area
  
- **access to infrastructure:**
  - ability to use existing own infrastructure in a focused way to serve consumer needs or to combine it with complementary infrastructures of other SFSC actors, cooperation culture;
  
- **management:**
  - to implement management systems for vision, planning, implementing), coordinating, controlling, monitoring, continuously;
  - improving; ability to motivate, authorize staff;
  
- **production, processing:**
  - management system, production experience, specific controlling, monitoring, continuously;
  - willingness to consider and ability to evaluate the adoption of TECI and NTI in the current production processes;
  - any additional specific resources necessary for the application of the specific innovation.