



A collaborative supply chain approach helps Unilever growers ‘Cut the mustard’

‘EFFP made a real difference by driving this project forward by acting as an independent facilitator between growers and Unilever to get a fair and transparent way forward for all.’

Bob Walpole

Culinary and Crops Manager,
Unilever

Summary

EFFP was engaged by Unilever and their mustard seed growers to assess the implications and benefits of a more collaborative supply chain for Colman's English mustard seed production and then ensure its successful implementation. As a result the English Mustard Growers Co-operative has been formed, thus securing a locally grown long-term supply of mustard for Colman's Mustard.

The business challenge

Due to a decline of mustard seed yields and therefore profitability for the grower, Unilever was finding it increasingly difficult to meet demand from English suppliers and had to source increasing amounts of seed from overseas. Unilever were keen to maintain the strong ‘English’ brand of Colman's Mustard and the strong relationships with local growers their local growing base, so needed to look at ways to support and encourage farmers to keep growing the crop, whilst also maintaining their production efficiency and competitiveness

There were three different but interlinked challenges to be addressed: improving the profitability of the crop for farmers and the consistency of quality of seed delivered, maintaining the competitiveness of the supply chain and production process.

How we helped

EFFP was brought on board by both Unilever and the existing mustard growers to assess the implications and benefits of a more collaborative supply chain for Colman's English mustard seed production. This included an analysis of mustard seed growing costs, a feasibility study for the formation of a grower supply group and a review of the trading relationship between growers and manufacturer.

After the initial stage of research was completed, the second stage went on to make recommendations on how the new grower and Unilever relationship should be formed, to facilitate its establishment and the formation of the new growers co-operative and finally, helping the growers develop their business plan.



The outcome

As a result the English Mustard Growers Co-operative has been formed, with a business plan to re-establish mustard seed as an important and profitable crop within the East of England. This three-year plan will ensure that the majority of mustard seed for Colman's Mustard is grown locally to the production site in Norwich, which will support the English provenance message. It will also significantly help Unilever with risk management with regards to security of supply.

The group is now working closely with Unilever and other partners to develop yields and crop husbandry, improve the initial conditioning of the harvested crop so that the quality of seed does not deteriorate in store, and improve communication between all those involved in the crops production. Within a year of forming the group has invested in mobile crop drying and cleaning equipment and as a result it can now provide vendor assured delivery of the crop delivered into Norwich. This helps make sure that the production process for Colman's Mustard is as efficient as possible and thereby reducing unnecessary operational and supply chain costs. In addition, it simplifies contract management for Unilever as they are dealing with one group as opposed to many individual farmers.

The key benefits for the farmer are mainly improved long-term profitability and reduced risks, but most significantly they will be able to continue to grow, what is a very important break-crop, on a commercial basis. They will also be able to work with fellow members of the group to develop the crop further in terms of learning and sharing of information.

Strategic sourcing and supply solutions

Developing mutually beneficial strategic sourcing and supply solutions can be very challenging to get off the ground despite agreement by all that there are demonstrable benefits to be had.

Even if different parts of the chain or individuals have worked together for many years it is still beneficial to have an intermediary to give an objective and independent view on how to formally construct as well as building new relationships. Having an external resource at hand, focused on ensuring that the process is continually driven forward, is especially important when all involved are very busy doing the 'day job'. It is essential that key tasks and issues are not missed and the process is handled efficiently, allowing the key people involved in to concentrate on making the important strategic and operational decisions.

EFFP is able to provide this extra resource, knowledge, experience and independence needed to ensure that back-to-farm supply chain management lasts for more than one season and delivers value.

About EFFP

EFFP is a specialist agri-food business consultancy, working across the whole supply chain. We combine our farming knowledge with food industry expertise to address structural, commercial and trading relationship issues from an objective and independent viewpoint.

As a national organisation, with a dedicated team of highly experienced sector and regional specialists, we not only assist individual businesses but also promote new thinking and transformational change across the complete chain. We reinvest all our profits back into the industry to help make that change happen.

We offer

- strategic insights into what is happening both globally and nationally, and crucially the implications for UK businesses;
- a range of business development services to help deliver growth, organisational and structural improvements and continuing professional development;
- expert advice and practical solutions to strengthen and integrate the supply chain back to farm level.

Speak to us

To discuss how EFFP can support your business please contact us.

T 020 7332 2868

E info@effp.com

Mermaid House
3rd Floor, 2 Puddle Dock
London EC4V 3DB

www.effp.com