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WYE COLLEGE, Dept. of Marketing
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The Distribution of Fresh Fruit and Vegetables from Markets to Shops

by

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The Distribution of Fresh Fruit and Vegetables from Markets to Shops

A study of alternative methods and systems, the principal ones being procurement by retailers through their attendance at markets, and deliveries to rounds of them by distributing wholesalers.

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Copies of this Report may be obtained, price 7s. 6d. post free from the Secretary, Marketing Department, Wye College, near Ashford, Kent

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FOREWORD

This Study is concerned with the two main alternative methods by which home-grown and imported fresh fruit and vegetables find their way from market to shop. Rather more than a quarter of the total by-passes markets altogether, and of this the greater part is handled by the so-called distributing (or travelling) wholesaler. Of the remainder (nearly three-quarters of the total), delivery by the distributing wholesaler from the market, and direct procurement by the retailer at the market account for roughly equal shares.

At first sight the relative efficiencies of these two latter systems may appear to concern only those who operate them. Both distributing wholesaler and retailer earn their livings by buying, handling and selling produce, and inefficiencies or redundancies in either system will show up in losses and bankruptcies. There are, however, wider interests involved in the large sum of at least £200 millions a year which is spent on the movement and selling of this produce from market onwards. In the first place, any reduction in this cost by structural improvements in the trade should be well worth considering. The same applies to any improvements in the freshness of produce offered to consumers and to reductions in traffic flow around markets in congested cities—though as we shall see these two may be conflicting objectives.

Throughout, the authors' concern has been primarily with the consumer and the British grower, between whom there is, in this case, no conflict of interest. The grower is concerned to see that his produce reaches the shops as cheaply and in as fresh a condition as possible, so as to produce the maximum volume of sales and highest possible price ex farm, and counteract the static or in some sectors declining trend in consumption per head. He will also have a secondary interest in the efficient distribution of fresh fruit and vegetables in contrast with their canned and frozen competitors.

This Study has been financed by a grant from the Agricultural Marketing Development Executive Committee, made in the first instance to the Horticultural Marketing Research Association and passed on to Wye College, for which the College are most grateful. Most studies financed by A.M.D.E.C. are expected to result in definite recommendations or, at all events, clear-cut findings in favour or against some particular development. This Study has not by its nature been capable of yielding much in the way of definite conclusions or recommendations. We will, however, be disappointed if its discussions do not lead many wholesalers and retailers to re-examine their methods and systems for both their own and the public good.

J.H.K.

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Chapter I

STRUCTURE OF THE TRADES IN FRESH FRUIT AND VEGETABLES

The procurement of supplies for or by the retailer of fresh fruit and vegetables must be studied against the structure and organization of his trade. The numbers of retailers and the extent to which the trade is in the hands of specialists (greengrocers, etc.) are factors inevitably influencing the means by which supplies reach the shops. There are marked differences between several of the highly developed countries, for example between the U.S.A. and both Britain and France, and between the latter two and Germany.

In order not to delay consideration of the main material and argument of this Study, most of this background information has been relegated to an Appendix (Appendix A). The following are the salient points:

The Retail Trade

Table 1 shows the relative importance of the various sectors at the last enumeration in 1961:

Table 1

Establishments Retailing Fresh Fruit and Vegetables

	Number	Percentage of value of turnover
Greengrocers and fruiterers (including those selling fish and also including stallholders)	42,000	72·9
Grocers and provision dealers	100,000	19·6
Other food retailers	5,000	1·5
Non-food shops	6,000	6·0
	153,000	100·0

Of the 42,000 specialists, 72·3 per cent. were one-shop or one-stall establishments. Measured in any way most of these are very small businesses.

In proportion to the population there is the greatest density of greengrocers and fruiterers in Yorkshire and Lancashire, but the establishments here are smaller than average. Many are in fact stallholders. Highest turnovers per shop are registered in Greater London, and the South-Eastern, Southern and Midland Regions. Scotland has the smallest number of greengrocers per 100,000 of the population.

The very many grocers and provision merchants selling fruit and vegetables have only 3·2 per cent. of their turnover in these commodities. But as a class they perform an important function in securing the widespread distribution of fruit and vegetables, enabling the produce to reach the remoter areas of the country (and even parts of towns) that would not sustain a specialist. They also enable sales to be made to consumers, who for one reason or another or at a particular time, would not be willing to make a special visit to a greengrocer merely to buy one or two kinds of fruit or vegetables.

The Wholesale Trade

The number of businesses recorded by the Board of Trade in 1961 was 2,153, but this is certainly a substantial undercount.

There are three main functions of wholesaling—the assembly of supplies, their distribution, and the determination of prices. To some extent the assembly of supplies is carried out in the production areas by country merchants (who are often large growers) or by associations of growers in co-operatives. But in Britain the assembly of supplies in the production areas, while by no means unimportant, is less developed than in other countries such as France and the U.S.A., where much of the production is carried on in areas remote from the main centres of population. In this country the production areas are for the most part within relatively easy reach of the main markets so that the growers can consign their produce direct to merchants there. To this extent therefore, the wholesalers in the town markets are carrying out assembly as first handlers from the growers. For this reason they are often designated as primary wholesalers to differentiate them from other wholesalers who are to a greater extent engaged in distribution. The latter are called secondary wholesalers, and the more important section of these can be more appropriately described as distributing wholesalers. There are not however clear cut distinctions between any of the classes as many wholesalers perform functions both of assembly and distribution.

The Ministry of Agriculture has recorded a total of 3,982 wholesalers in England and Wales grouped as follows:

Primary wholesalers	1,132[1]
Secondary wholesalers	2,057[2]
Grower wholesalers	793[3]
	3,982

For Scotland the Department of Agriculture has made a slightly different classification more in accordance with conditions there:

A.	Wholesalers (including grower wholesalers) selling in the main market areas	204
B.	Wholesalers (including potato merchants and grower wholesalers) outside the main market areas	690
C.	Provision merchants selling fruit and vegetables and growers selling to local shops[4]	451
	Total	1,345

Markets

The total number of wholesale markets in Britain is not much greater than 30, all of which are to be found in the thickly populated areas. Of these, a few of the smaller ones only barely justify being designated as markets in the real sense. There are several other towns where a few wholesalers are congregated together but which cannot be considered as coming within the definition of a market.

The main function of a market is the determination of price, and without doubt the larger the market the better this function is performed. The Runciman Committee put it in the following way:

> "When he is buying, a distributor—whether secondary wholesaler or retailer—wants to know that the prices he is paying are not out of line with those that his competitors are paying, otherwise they may be able to undercut him, and either he will lose business as a result, or be forced to reduce his own prices to levels which give him no profit. If there is no general price recognized as determining the general level at which individual purchases are made, many distributors may be tempted to buy only those quantities of produce that they know their customers

[1] Four hundred and fifty-seven are in London, 406 are in the eleven largest provincial markets and the remaining 257 in the smaller markets and elsewhere.

[2] One hundred and ninety-two are in London, 280 are in the eleven main provincial markets and the remaining 1,585 are partly in the smaller markets but mainly scattered between 700 and 1,000 separate distribution points thoughout the country.

[3] Mainly outside the large markets, but 245 within them. Some of these, and perhaps also some secondary wholesalers, will be "country merchants".

[4] Central depots of large retail firms are also included in C.

will take almost regardless of price. If, on the other hand, a general price be established, distributors will be able to assess what their own selling price and that of their competitors must be, and will then be able to buy with confidence as much produce as they can expect to find a sale for at that price, knowing that they cannot be substantially undercut. Produce will therefore be distributed more freely if a general price level is established. Because horticultural produce is so subject to changes in supply and demand the importance of establishing a market price is particularly great.

The major markets for horticultural produce have developed naturally at places where imported and home-grown supplies can be assembled easily and then distributed to many outlets. These markets—the primary markets—having grown up at centres of communications serving large populations, are convenient buying points for local retailers and for secondary wholesalers. There is thus at the markets a concentration of buyers and sellers dealing in a wide range of commodities and conscious of movements in supply and demand. It is the interplay between them that enables a general market price to be established."

Almost as important as its price setting function is the ability of a market to clear large and fluctuating arrivals of produce, and once again the larger the market the better is this function carried out. Although there are a number of circumstances in which direct trading links between producers and buyers are possible and competitive, and indeed 28 per cent. of the total of fresh fruit and vegetables (including imported) by-passes markets altogether, we feel that there are compelling reasons why markets can be expected to hold nearly three-quarters of the trade, or at all events two-thirds, for as long as can reasonably be foreseen. These reasons should really be the subject of a separate study, but our view can be summed up by saying that there is nothing to compare with a large market as a satisfactory sponge to mop up the inevitable, large and frequent fluctuations in supply and demand.

Chapter II

THE RETAILER'S MEANS OF PROCUREMENT

The Problem

Of the total quantity of fresh fruit and vegetables consumed in the United Kingdom rather more than two-fifths of the fruit and four-fifths of the vegetables are home grown. By value one-third of the fruit and two-thirds of the vegetables are home-grown. Of the imported fruit at least 75 per cent. comprises kinds not grown in this country, largely citrus and bananas, while the remainder consists almost entirely of apples and pears entering for the most part in the off-season from the southern hemisphere. The imported vegetables to the extent of almost four-fifths are composed of two items, tomatoes and dry bulb onions. The former are largely a winter import from Spain and the Canaries, although about one-fifth of the summer supplies are imported from outside the British Isles, almost entirely from Holland.[1] Apart from onions, which need dry conditions for ripening, the climate of Britain is favourable for the growth of a wide range of vegetables, and while the winter restricts the season for the more delicate crops, it is seldom so severe as to interfere with the growth and marketing of the hardier vegetables. It follows from the above that supplies of fresh fruit and vegetables are readily available throughout the year.

The normal greengrocery establishment handles from 40 to 50 kinds of fresh fruit and vegetables during the year. Including different varieties the items can number as many as 150. Grocers and other non-specialists usually handle far fewer, and seem as a rule to make their selection from the following list: oranges, bananas, apples, carrots, cauliflowers, cabbages and potatoes. They are of course concerned mainly with offering staple lines of fresh fruit and vegetables to customers who frequent them mainly for grocery purchases, though in country districts which are too sparsely populated to support specialist greengrocers, the grocer (or general purpose store) may extend his lines to include most fruits and vegetables in season. Both greengrocers and grocers may also maintain refrigerated cabinets from which they sell frozen vegetables, especially peas, along with frozen fish and other foods, while grocers

[1] From the point of view of the U.K. grower, Channel Island tomatoes are also an import, but they are not now so treated in the Trade and Navigation Accounts.

(but to a much less extent greengrocers) also carry many lines of canned fruit and vegetables.

For both classes of trader, and particularly for the greengrocer, whose living depends on being able to satisfy his customers with the variety, condition and price of his fresh fruit and vegetables, efficiency in procurement must rank equal with efficiency in selling. Indeed, owing to the rapid turnover the two are so closely connected as to be almost one and the same. This is in contrast to some other classes of business where the presence of large stocks, acting as a buffer between purchases and sales, and the widely different sizes of average purchase and sale, create such a divorce between them that they are handled by different classes of staff, and any inefficiency of the one class may in some cases be capable of being corrected by the other. The typical fruit and vegetable retailer, however, is bound to sell what he himself has bought no more than one or two days earlier; he can as a seller correct his mistakes as a buyer only by the limited means of juggling with his labels and price tickets; and he has only himself to blame if he has bought what he cannot sell, or cannot sell what his customers want because he has failed to buy it.

Procurement, then, falls into four categories of service and requirement—amount, variety, quality and condition, and price. The retailer has to attend to all four as a simultaneous operation, and where they are not compatible (e.g. low price and high quality) he has to perform a balancing act. As already indicated, this Study is concerned chiefly with alternative *sources and means* of procurement (e.g. should the retailer organize his own procurement or rely on others), but whichever choice he makes, he has to relate it to his requirements under all four of the headings given, and a method which may be by far the most satisfactory for one, may score less well for the others.

So far as we have been able to estimate, the systems of procurement which have in practice been evolved can be summarized in the following Table, which subdivides among them the total of retail sales by value of fresh fruit and vegetables, including potatoes.

This Table shows that retailers of all kinds rely for 38 per cent. of their produce on direct deliveries from market (usually though not always produce selected by themselves in person and conveyed from market in their own vehicles), and for 54 per cent. on distributing wholesalers (including both what these latter distribute from markets and what they obtain direct from farm or port). As indicated the Table includes potatoes, and since distributing wholesalers handle the bulk of these, it is possible that their omission would to some extent increase the figure of 38 per cent. (and depress

TABLE 2

Summary of the Relative Importance of Sources of Supplies for the Retail Trade

To Retailers		Per cent.
1. Direct from growers		8
5. From growers (and importers) and thence direct through distributing wholesalers		20
3. Through market		
(a) Direct to retailers	38	
(b) Through distributing wholesalers	34	
	—	72
		—
All sources		100

both components of the 54 per cent.). However that may be, it is clear from the Table that both the main systems of procurement we are concerned with are substantial, almost certainly competitive and viable, and capable of giving service and satisfaction to retailers of some classes according to the nature and circumstances of their individual trades. The above is, however, only a very broad statistical generalization, and we must now probe a little deeper.

THE METHODS OF THIS STUDY

By means of a questionnaire and by visits to retailers we have aimed to discover in detail the means by which retailers obtain their supply of fresh fruit and vegetables and to learn the reasons for their individual choices.

Information was obtained as follows:

(a) By visits to the wholesale fruit and vegetable markets;

(b) By inquiries by letter to market authorities and market wholesalers;

(c) Visits to distributing wholesalers;

(d) By visits to some 250 retailers;

(e) By a postal questionnaire to retailers not covered by personal visits.

Some fifty wholesalers engaged in distribution were interviewed mainly in the Eastern, South-Eastern, Southern and South-Western Divisions. About 250 retailers were interviewed in the following regions:

London and South-Eastern Eastern Southern South-Western	These retailers are located mainly in districts easily accessible from Wye College

A questionnaire was sent to 600 retailers in 137 towns in Great Britain, whose names and addresses were supplied by the Secretary of the Retail Fruit Trades Federation Ltd. In the main these retailers were greengrocers and fruiterers, although some were grocers with significant sales of fresh fruit and vegetables.

As has already been indicated in general terms, the following methods of procuring are available:

(a) Produce may be purchased and collected from a grower;

(b) Supplies may be delivered by the grower to the retailer;

(c) Distributing wholesalers may bring produce to the retailer;

(d) The retailer may attend a market for the purpose of purchasing supplies and bringing the produce back to the shop in his own vehicle;

(e) Having attended a market for the purpose of purchasing supplies a retailer may either:

(i) have all the produce delivered to him by the wholesaler, or

(ii) take in his own van the more perishable items and leave the heavier and less perishable produce to be delivered by the wholesaler;

(f) The retailer may order produce from one or more commision buyers in the main markets (especially in London) who arrange the carriage of the produce to him.

All of these methods were found to be used, but (c) and (d) predominated. Mixtures of (c) and (d), with some preference for (d) for the more perishable produce, were also important.

The Specialist Greengrocer and Fruiterer

Local Supplies. Apart from its great variety, the main characteristic of the produce the specialist handles is that most of it is highly perishable. It begins to lose value from the moment that it is harvested, and for some produce the rate of loss is very rapid (e.g. lettuce, watercress and radishes). Therefore the retailer has a very strong incentive to buy the more perishable kinds as soon as possible after the produce has been harvested. For this reason local produce is at a premium (other things being equal) over that which comes from a distance, except for those items which are less perishable, e.g. apples. Because of the additional value gained by buying local grown produce, most greengrocers make an effort to secure local supplies so far as these are available. The retail inquiry revealed that 75 per cent. of those answering obtained from between 1 per cent. and 40 per cent. of their fresh fruit and vegetables direct from local growers. For the most part the produce so obtained tends to be the more perishable kinds, especially the salad items such as lettuce and tomatoes. Compared with produce bought in the markets the conservation of value arising from the time saved is considerable. The latter can hardly be much less than 24 hours and is probably more for some items.

Information about the price levels at which this direct trade between grower and retailer takes place is scanty. The usual practice seems to be that both parties use the market prices as a guide and where the grower is in a strong position in relation to buyers, he can usually extract a premium over the market price from the retailer, though even if the price the grower receives is a little less than this, his net return may be higher on account of the saving in transport costs, wholesalers' commision, and other market charges. Another advantage to both parties arises from the fact that there is less damage from handling and no losses from pilfering. In addition the cost of containers is reduced because returnable types can be used and they can be retrieved more cheaply than from a market.

On the basis of the information given by the retailers we can estimate that in value terms not less than 16–18 per cent. of home grown produce (including potatoes) is obtained direct from growers. If the intensive market garden crops were considered separately, the proportion sold direct by growers to retailers would be considerably greater. This comes about partly because of the exclusion of potatoes as non-intensive and partly because the market gardening areas tend to be near the towns, whereas the field scale crops (e.g. carrots, peas, cabbages) are mostly grown in the main arable areas which lie on the eastern side of the country.

Some of the remarks made by greengrocers about locally grown produce are given in Table 3 overleaf.

Supplies from Markets. Different greengrocers have different classes of trade, especially in respect of grade, quality and condition of produce, and must be able to cater for them to a large extent separately. The distributing wholesaler cannot easily set out to meet the requirements of retailers with widely varying needs. For this reason the retailer situated too far from a market to be able to buy his supplies by personal inspection is limited in the width of his choice. To a degree he may be able to overcome this by ordering from a commission buyer in a market, but even this does not provide him with as much choice as he can get by visiting the market himself.

Also important is the opportunity which one's presence in the market provides for making decisions on the quantities of different kinds of produce to be bought according to relative prices and

TABLE 3

Situation of Retailer	Proportion of total supplies obtained from local growers		Retailer's Remarks
	Collected by Retailer	Delivered by Grower	
	%	%	
Weston-Super-Mare	5	25	"Value of a local grower is immense if only for the fact of freshness—the main part in my opinion for any greengrocer."
Bridgewater	—	35	"Always more reliable and fresh. My local growers supply me with 75 per cent. of my lettuce, tomatoes, spring onions, broad beans and soft fruit. One of the main advantages of local growers is continuous supply, they deliver not only early morning, but during the day."
Carlisle	17½	2½	"Age of produce is known to be only a matter of 24 hours. Produce from further afield can be days old".
Northampton	—	50	"Because it is fresher, not pilfered or damaged. If we have to buy from our local wholesalers produce which has come from the markets, we find a vast difference in quality (stale looking and damaged)."
Chester	—	35	"Direct contact with the grower allows advice to be given on long term requirements. Local produce is much fresher and much better graded".

volumes of supplies. Thus, if cauliflowers suddenly become plentiful (as they often do following changes in the weather), the consequent sharp fall in market prices make them an attractive prospect compared with, say, brussels sprouts. The retailer visiting the market can quickly increase his purchases of the one vegetable relative to the other. But if he depends on a distributing wholesaler to bring produce to him he partly forgoes these opportunities because the distributor cannot foresee with sufficient precision how his retailer customers will react to different price situations. Naturally the distributing wholesaler is alive to changes in the supply situation and adapts his purchases accordingly, but all the same a retailer's buying decisions are less capable of adjustment when he is dependent on someone else then when he is able to go and see what is available. For example, a quick change to warm weather in the summer brings about a sharp rise in the consumption of salads. Retailers may become aware of this while actually in the market and can then buy more lettuce and tomatoes. Those, however, who are dependent on the distributor can only buy what he has on his lorry, and it may well happen that by the time the wholesaler reaches the retailer he may have no salads left.

The following remarks by the proprietor of one of the larger greengrocery businesses in the country add point to all this:

"(a) Nobody can know, better than we ourselves, what our shops require, and nobody can be more interested in supplying those requirements than our own buyers—a secondary wholesaler will not be more interested in us than in any other of his customers.

(b) By dealing through secondary wholesalers who call on each shop we can only buy what they have to offer and this may not be either of the quality or size which we prefer. We are forced to take what the wholesaler has on offer, not what we want.

(c) Our own buyers who talk to each shop manager personally three times a week when taking orders for Covent Garden, can build up a picture of what is selling and what is not and this enables them to take advantage of market fluctuations, either to increase a purchase on account of a price reduction, or to reduce it if the price rises. This reduces the chance of being caught with heavy stocks on a falling market or vice versa. This is impossible when buying through a secondary wholesaler. Similarly, when our buyers in the market come across a bargain line, even though they may have no order for it, they know from their experience with our shops how many packages of this line can be sent to each shop, thus we gain an advantage by having a 'special offer' to attract our customers. Very unlikely to occur through a wholesaler.

(d) Our staff are flexible and can do several jobs if required, lorry drivers help in shops, buyers drive lorries—flexibility is vital in our company as we are not large enough to specialize.

In conclusion, it is not a question of pounds, shillings and pence in comparing the two methods. We feel that it is vital for us to retain control over our own buying and to use our own transport to deliver it and that while it might be able to be shown on paper that it is cheaper to buy 'at the door', the advantages of doing it ourselves are so overpowering in terms of building our trade that our increased turnover more than covers any possible extra cost."

As the remarks that have just been quoted are rather forceful perhaps it would be as well to add the warning that there is more to be said for purchases from a distributing wholesaler than this particular retailer will allow.

In the Greater London area within a radius of about 15 miles from the centre, none of the greengrocers interviewed failed to visit regularly one or other of the London markets. They depended on distributors for little except bananas and potatoes. Farther out, however, there were some dependent on local supplies being delivered either by growers or grower merchants. Still proceeding outwards from the centre, outside the 15 mile radius, the number of those attending the markets began to decline slowly, the first to drop out being those with the smallest turnovers. At a distance of 25 miles however, the proportion attending markets was still very high, and at 35–40 miles (including such places as Maidstone, Tunbridge Wells, Reading, Rochester and Guildford), most of the larger businesses having a turnover of £10,000 and more, attended the London markets three or four times per week. Even as far afield as Folkestone (70 miles), Brighton (53 miles) and Ipswich (72 miles) the largest retailers were found to be making the journey to the London markets with about the same frequency, even though this means leaving home at 3.30 a.m. or earlier and an absence of between six and seven hours.

It was clear from conversations with the greengrocers that the markets have an attraction for them which is not wholly commercial. They seem to get enjoyment not only in the process of bargaining itself but also from the bustle of the market and from their long standing contacts with the market men. This is no doubt a factor to be reckoned with in considering likely developments in markets and retailing.

In the south-west, however, greengrocers are in a very different position from those in London and the south-east, or for that matter those in the other closely populated parts of the country. The only wholesale fruit and vegetable market is at Bristol, which is situated almost at one end of the region and from which Penzance at the other end is 184 miles distant. There are groups of wholesalers at Plymouth, Exeter, Torquay and Gloucester, but these places do not have the characteristics of primary markets, nor most of those of secondary markets. Greengrocers in Devon, Cornwall and parts of Somerset and Dorset have therefore not the opportunity to go to a wholesale market for their produce. Some may go to the premises of distributing wholesalers to fetch some of the produce they buy, but the incentive is much less than that which drives retailers to fetch when they are near enough to a market.

It follows that distributive wholesaling is well developed in the south-west. Altogether there are some 290 wholesale fruit and vegetable establishments, of which a small number with multiple establishments are dominant. Apart from local supplies these firms obtain the bulk of their produce from the London markets, Southampton, Bristol and from the Evesham area. These wholesalers carry out frequent deliveries—daily in the towns and twice weekly in the more remote country districts. Some of them act as country merchants taking produce (especially swedes) to the London markets from which they return mainly with imported supplies.

Of some compensation to greengrocers in the south-west is the fact that there are good supplies available from many growers in the area, especially of cauliflowers, spring cabbage, swedes, salads, soft fruit and flowers.

It is clear that in the remaining parts of the country, north of the Thames,[1] where greengrocers are situated within reach of markets, they endeavour on the whole to go to them, though their attraction is less strong than that of the four large London markets and particularly Covent Garden. At the same time ease of access to a market is very important to the volume of business done there. Time is a dominant factor not merely on account of its cost, but because the value of the produce is dwindling away as time passes. The congestion of the old markets is to some extent a repellent. Yet on the whole the more thickly populated parts of Britain are for the most part well served by the existing markets, and they do a good trade with retailers direct.

Summary of replies by specialists in answer to postal questionnaire

Of 210 returns analysed:

157 (75 per cent.) were from firms with only one establishment; 30 (14 per cent.) were from firms with two establishments; 23 (11 per cent.) were from firms with more than two establishments.

Of the 210 firms:

121 (58 per cent.) attended a market for the purpose of purchasing supplies but of these only 14 obtained all their supplies of fresh fruit and vegetables from a market; 173 firms (82 per cent.) had some produce delivered to them by distributing wholesalers; and 56 firms (24 per cent.) collected produce from distributing wholesalers.

[1] This paragraph anticipates the analysis of the postal questionnaire results. Our visits were more or less confined to southern counties.

Also of the 210 firms,

70 collected produce from local growers; 109 had produce delivered to them by growers; but only 9 firms used agents to buy produce for them in the markets.

Of the 121 attending a market;

64 were up to 10 miles distant from the market; 31 were from 10–12 miles distant, and 20 were 20 or more miles distant.

Of the 89 firms not attending a market:

5 were up to 10 miles distant from a market; 21 were from 10–20 miles distant; and 63 were 20 miles or more distant.

These figures cannot represent the exact pattern of the behaviour of greengrocers throughout the country, since our postal sample was not only too small but was so selected as to exclude those within the very large towns, including London. Without doubt, however, it points positively to certain features in the attitude of greengrocers. The importance of markets to them is clearly established. They also put much store on being able to obtain local produce. But less than one out of five did not depend on getting some supplies delivered to him either by a primary or distributing wholesaler.

We infer that the size of a firm's turnover of fruit and vegetables is one of the important factors in determining whether it is worthwhile for the owner or manager to go to a market. Just as there is a certain distance (or a certain amount of time) beyond which a retailer deems it too far (or that it would take too long) to get to market, so when the turnover of a business falls below a certain figure, it no longer becomes worthwhile to incur the expense and spend the time. The circumstances are however so varied that it would be pointless to attempt to show "break even" points either as regards distance from market or the amount of turnover at which it is desirable to choose one method or the other.

It can, however, be stated as a general rule that specialist retailers of fruit and vegetables are strongly influenced by forces impelling them to go to the wholesale markets to buy their produce but that the effect of these forces is reduced as:

(i) The market available to them is smaller;
(ii) As the distance to the market and the time involved in-increases;
(iii) As the size of the retail business diminishes.

Procurement for the Non-Specialist Retailer of Fruit and Vegetables

For the non-specialists numbering at least 111,000 (of whom 100,000 are grocers and provision merchants), and who handle about 27 per cent. of the total retail value of fresh fruit and vegetables, procurement presents (for most of them) very much less of a problem than that of a greengrocer.

The average sale of fruit and vegetables by grocers, for example, was only £725 per annum in 1961, a figure far too low to justify attendance at markets. Moreover, they, together with the other non specialist retailers, seldom set out to be general providers of fruit and vegetables.[1] In selling this produce they probably regard themselves as being of some convenience to their customers although at some profit. They can therefore limit the produce they handle to those kinds they can expect to sell most readily and with the least loss and inconvenience to themselves. Thus they do not need the same opportunity to choose as does a greengrocer, because they are generally dealing in only a few safe lines and to an extent not likely to incur much waste. They are therefore one of the main classes of customer of the distributing wholesaler.

[1] By and large the larger multiple grocers, co-operative societies and departmental stores differ considerably from small grocers. They may handle a wider range of fresh fruit and vegetables than a grocer does, but even when they do not, some of them, especially the supermarkets, tend to have developed special systems of procurement which reflect both their volume of turnover (which can be very large for a national chain) and their special class of trade. In several leading instances, this is based on uniformity of produce at a high or fairly high level of quality over a rather limited range. In some important instances their requirements have been found to be best met by contractual relationships with large growers, who are asked to produce as far as possible to a specification, or with co-operatives of growers, or importers. Thus, although this branch of the horticultural retail trade is quite large and of much importance as a growing point, the main choices with which this Study is concerned hardly arise. Procurement direct from market is important only for those of them that stock a wider range of fresh fruit and vegetables than can be covered by direct contacts with growers or importers, and so far as we have been able to discover, procurement from distributing wholesalers is important only in the case of certain multiple grocers.

This footnote does not, of course, relate to multiples that are primarily concerned with horticultural produce: these are a branch of the specialist greengrocery trade. We have not gone into the special problems of the eleven organizations in this group (with 20 or more establishments) which between them account for less than 5 per cent. of the trade.

CHAPTER III

SOME PARTICULAR ASPECTS OF SOURCES OF SUPPLY

THE WHOLESALE MARKETS

It is usually accepted that there are about thirty wholesale fruit and vegetable markets in Britain (including six in London) of which from 11–17 (depending on definition) are regarded as primary markets (including four in London). Selling on commission for growers and importers is usually regarded as the prime function of the market, but for every seller there must be a buyer too, and our chief concern with the markets is that they are places frequented for purposes of procurement by retailers, caterers, buying agents on behalf of both of these and, not least important, by distributing wholesalers. The role of the last class has hitherto been underestimated because they have tended to be lumped together with other secondary wholesalers. Our inquiries have suggested that while there certainly are many secondary wholesalers whose only or main function is to transport and resell produce acquired in primary markets, a great many of these, especially in the smaller centres of population, both do this and then "sell" much of their produce to themselves for delivery to those retailers who prefer a delivery service.

Markets obviously tend to be established where business is most active. Hence, when the location of the wholesale markets is studied in relation to the concentration of population in Great Britain, it becomes apparent that about two-thirds of the people live within 20 miles of a market. Because this is so the task of distribution is very much easier than in a country such as France where the population is spread more evenly. Similarly, from Table D (Appendix A), which shows the number of greengrocers in the different regions in Britain, we can infer that of the total sales of fruit and vegetables by greengrocers 75 per cent. by value takes place in establishments situated within 20 miles of a market.

Not all greengrocers within this limit will go to markets. But if we assume that about 50 per cent. of greengrocer establishments are in the hands of those who go to market for their supplies, and that these are on the whole the larger ones, it would seem to be a fair guess that this number represents not less than 75 per cent. of the total fruit and vegetable turnover of greengrocers within 20 miles of a market.

From one point of view this finding is dismaying. Even if we disregard all retailers attending market from outside the 20 mile radius, we are left with a picture of some 20,000 retailers sending up their individual vehicles at least three times a week. Each vehicle requires at least one man, whose time must be paid out of the sales margin on not a very large quantity of produce. The contribution to traffic congestion must be quite substantial, even granted that travel to market is usually completed before the ordinary morning rush hour. Similarly this system must make for confusion and congestion and place great strain on the availability of parking space.

The main reasons why retailers are prepared to take this trouble and incur this expense have already been given. Assuming that they will continue to do so, how can it be mitigated?

One such method is delivery to retailer by the market wholesaler in the latter's vehicle after the retailer has attended the market to make his own selection. This differs from distributing wholesaling, which imples that the retailer has not so attended. As he does, there is little or no reduction in the number of vehicles entering the market, but the retailer who is not going to take back with him all that he has bought will use the smallest vehicle that will serve, and will save parking space and time by doing little or no loading. The wholesaler who afterwards delivers will use a comparatively small number of large vehicles at some later time past the traffic peak.

Our inquiries have shown that delivery by selling wholesalers is the rule rather than the exception in the smaller provincial markets, such as Coventry, Bradford, Blackburn and Brighton. In these markets the wholesalers act also as distributing wholesalers to retailers who have not attended market, and who may have placed their orders by telephone. In some cases the retailer who has attended may divide his order, taking the lighter and more perishable items back with him, and leaving the heavier ones, such as potatoes, to be delivered later.

In the larger markets delivery by selling wholesalers is much less common, though at some there are a handful of firms who specialize in deliveries to hotels and caterers. Birmingham seems to be in the lead of the provincial markets in which delivery to retailers is becoming frequent. There is little or no spread of this system into London markets. Our observation would suggest that a wider spread, including London, would be generally beneficial. It would improve the service given to the retailers and through them to the public; it would make some contribution to the relief of traffic congestion; and from the wholesalers' own point of view, it can be argued that only by developing ancillary services will they succeed in arresting the continuing decline in the volume of trade passing through markets.

Retailer attendance at market also becomes less of a nuisance to the public generally as markets themselves become reconstructed and relocated on new sites. This reconstruction and relocation is part of the policy of the Government, which has made substantial sums available. Two new markets have opened with benefit of grant, and two without; others are under construction or planning. Experience to date of operations at the new markets in Cardiff and Leeds shows a substantial speeding up of purchasing and loading, and a virtual elimination of street parking, since the provision of adequate parking space in the market precincts is one of the most important features in the reconstruction. Moreover the sites chosen have managed to avoid the main lines of traffic. It seems therefore that retailers attending these markets are able to get away much quicker and, as often as not, back to their shops before the real beginning of the day's selling. The produce they buy is likely to be fresher, partly because it has spent less time wilting, and partly because the retailer has a better chance of selecting what has only just arrived in the market. Naturally these circumstances are attracting more retailers to attend, so that the total number of vehicles actually increases; but taking into account the greater speed and ease of movement in and around the market, there is a saving of congestion on balance.

The Distributing Wholesaler

As we have seen, there are some 110,000 non-specialist retail establishments selling fresh fruit and vegetables, and the proportion of produce they obtain by attendance at markets is believed to be very small indeed. Apart from supermarkets and some of the large multiples and chain stores, they rely primarily on the distributing wholesaler. This class of trader also delivers to some 100,000 catering establishments. He is the main source of supply for a quarter of the 30,000 specialist retailers who trade within 20 miles of a market, and we would guess for about two-thirds of produce handled by the 12,000 retailers who are outside that radius. All told, therefore, the distributing wholesaler plays a very important role in the marketing of horticultural produce, supplying some 230,000 establishments several days a week, and indeed a more important one than was acknowledged by the Runciman Report.

The total number cannot be known with any precision, because there are so many small firms which possess little more than a lorry, and which may hardly have any premises, that it is difficult to trace them. In most of these businesses vehicles represent by far the greater part of the capital employed, and the development of road transport, both of roads and vehicles, has been the main force behind the spread of the system over the last forty years. The great majority are smallish firms serving 50–200 outlets, but in a few parts of the country some large firms have become dominant, each serving up to 4,000 outlets. These will run vehicles of several different types and sizes, ranging from heavy lorries to light vans, according to the nature of each particular round. Needless to say, firms of this size, and indeed a fair number of the smaller ones as well, have adequate and secure warehouses, some of them of modern construction and in some cases including cold storage and banana ripening rooms. These larger firms probably account for more than half the total business.

Distributing wholesalers of all sizes are located primarily (though not always) in consumption areas, and seem to be very well scattered in these. For instance in the Eastern Region there are some 300–400 establishments operating from nearly as many separate towns and villages. Some have their headquarters in market towns, though this is far from being the rule, and even where they do, their premises are likely to be outside the market proper, in some place where site values are lower. One class of distributing wholesaler, operating in country districts, has such close contacts with growers, that it is virtually impossible to distinguish him from the grower-merchant or so-called country merchant.[1]

As the ordinary distributing wholesaler aims to supply his customers with a full range of produce, this must include both home grown and imported items. The methods by which the distributing wholesaler supplies himself differ substantially in these two cases. In the case of imported produce, mainly fruit, he obtains supplies mainly by buying in the market (including in some cases transhipment from a primary market to a secondary market more convenient to his retail round). The main exception is that of bananas. So far as we have been able to ascertain, those banana importers who entrust their retail banana rounds to other interests

[1] Grower-merchants, located in production areas, assemble produce of their own growing and that of their neighbours, for despatch to market or for sale to distributing wholesaler, local retailer, or any one else with whom they can make contact. This type of trader is especially prominent in Lincolnshire, Bedfordshire, Worcestershire and Lancashire. A country merchant does not himself grow but performs similar functions for the growers of his locality: the chief of these is collection from and selling for them. As indicated, a distributing wholesaler operating in a country district is virtually the same as a country merchant, apart from operating a retail round as well.

(instead of employing subsidiary firms of their own) deliver to them direct from their banana ripening depots, and do not as a rule make use of a market as an intermediary.

The home grown produce handled by distributing wholesalers may come either from a market or directly from country districts. In terms of value it is possible that supplies from market make up three-fifths, but because the market supplies consist of the more valuable items, the proportion of distributing wholesalers' vehicles, in terms of capacity, that visit markets is probably less than half. In terms of bulk and weight direct supply is the more important—probably more than two-thirds. This is largely due to the inclusion of potatoes in distributing wholesalers' offerings. The delivery of potatoes to retailers was originally one of the prime purposes of the distributing wholesaling system, and these wholesalers often deliver potatoes (or potatoes plus bananas) to retailers who obtain the rest of their supplies by attending market. Although no doubt there are distributing wholesalers who buy potatoes ex market, the chief source of their supply for this commodity is the potato depot either in country district or town terminal.

Potatoes are, however, only the leading case of direct supply of home-grown produce. Of all fresh fruit and vegetables of home origin reaching retailers, perhaps one-fifth by value and two-fifths by bulk is handled by distributing wholesalers who have dealt direct with growers or with their representatives outside markets. This produce includes a substantial proportion of all the root crops and the heavier types of leafy green vegetables, such as cabbages, cauliflowers and sprouts, together with lettuce and some other salad crops in season. So far as we have been able to discover, direct procurement of apples, pears, plums, cherries, and cucumbers is less common, though by no means absent.

The reasons for the importance of this class of procurement by distributing wholesalers are twofold. First is the fact that some of them originated as growers, grower-merchants, or country merchants and have always had the right sort of contacts for direct procurement. Second, by going direct to the production area the wholesaler saves handling costs because the produce has to bear one less stage of loading and unloading. This also conserves its value, both by subjecting it to less disturbance and by saving time. The wholesaler also gains a further benefit because, having dis-discovered a reliable source of supply, he can maintain it. He can be surer of maintaining his reputation for quality, and he can avoid dissipation of time and effort through searching the markets for produce, concluding bargains and moving vehicles from place to place.

So far as distributing wholesalers do procure from markets, our inquiries have shown that those using the London markets spend up to five and six hours per visit, and those using provincial markets rather less. The time taken for the round trip, including travel from the wholesalers' premises or loading point, naturally varies with distance. Some distributing wholesalers seem to be able to economize time in so far as while they may buy in markets they do not necessarily take delivery there. If the produce is imported they may go the port and pick it up at dockside. This is possible if the produce is so graded that what is "bought" in the market is a fair sample of what is to be had at the docks. Apart from London, the ports that have most often been mentioned in this connection are Shoreham, Dover and Sheerness, where London market wholesalers have representatives, and Southampton and Liverpool.

Distributing wholesalers, in contrast to primary wholesalers and other market wholesalers, are almost invariably outright buyers of the produce they handle. This applies both to home grown and imported produce, and operations on commission are confined to a few cases of purchases from growers. Clearly, therefore, the distributing wholesaler can afford but a few mistakes in buying. He must be certain of being able to resell what he has bought at prices covering his outlay and expenses.

Some firms handle their selling by taking orders from retailers (and caterers, etc.) rather than by offering what they happen to have when the vehicle actually arrives. They may use travellers for taking orders or accept telephone calls. The orders so received are then totalled up to find the quantities of the various kinds of produce needed to be purchased. Other firms proceed by estimating from experience how much they are likely to sell, and buy accordingly. Some firms use both methods.

Where the distributing wholesaler buys direct from grower or his representative in a country district, it seems that the prices paid are generally stated to be market prices less a percentage. That a percentage is knocked off, even if the growers' produce is fresher, is understandable since the produce is ex farm and the wholesaler collects it. Both parties avoid market charges, market damage and market pilferage.

Chapter IV

THE RELATIVE MERITS OF THE TWO MAIN FORMS OF RETAIL PROCUREMENT

As we have seen, the determination of greengrocers to secure supplies by their own action, either from markets or from growers, is such that 46 per cent. by value of what they obtain is obtained in this way. The proportions where the retailers are in fairly close proximity to markets or growers are of course much higher.

At first sight, this form of procurement, especially from market, seems distinctly uneconomic. Although we have had no great success in measuring the costs, they can easily enough be classified under several headings:

(a) The retailer's own time in visiting market—or the cost of employing and sending a deputy. The time taken for a round trip can rarely be less than two hours and is usually longer. Driving as such is a relatively unprofitable use of time for a trader. So far as he is away from his shop after it has opened, it will lose the benefit of his supervision.

(b) The depreciation, interest, and running costs of the vehicle itself, especially bearing in mind that during part of the time it is simply parked. Most of the vehicles are small, and the costs are therefore high—at least in comparison with lorries—per ton of produce transported.

(c) The extra costs falling on the market system because of the presence of swarms of small buyers, buying in relatively small quantities. Far more market salesmen are required than if there were a smaller number of bigger buyers, and the number of recording and bookkeeping transactions is similarly multiplied. Probably, also, the sellers need more space, and are impeded by the multiplicity of transactions from making the use they should of mechanical handling devices. We would suppose that if selling wholesalers could sell the same quantities of produce to one-quarter as many buyers, their commission charges, at present usually of the order of 10 per cent. of the wholesale price, could be significantly reduced.

(d) Rather more speculatively perhaps, a substantial reduction in the number of buyers in the market would in turn reduce the number of selling wholesalers. It has been remarked by other writers[1] that the selling trade would benefit in its use of manpower and in other ways from closer concentration, which might well be accompanied by specialization as well. An example of the kind of thing we have in mind is that of the C.W.S. wholesale fruit and vegetable department adjoining the market at Manchester. This department serves buyers who are mostly large retail co-operative societies, placing large orders, and has been so able to organize itself that space is plentiful, mechanical devices are fully used, loading and unloading is done under cover, and cold storage and banana ripening facilities are provided.

(e) Market congestion—if, to imagine an extreme case, all retailers were barred from markets, the number of traders and vehicles would be reduced by some four-fifths. It is obvious, amongst other advantages, that there would be a great gain in speed.

(f) A considerable reduction in the number of retailers attending might make it possible to arrange evening markets (as at Toulouse) instead of morning markets. The precondition for this is that all business in the market can be completed in about three hours: the advantage is that the evening market handles produce that has been harvested that day (not the previous day), and its travel from market is done in the cool of the night.

It must be conceded that some of these arguments against retailer attendance at market can be overdone. The retailer uses valuable time in attending market, but seldom finds himself in the position of having to pay an extra man, either to go to market or look after the shop in his absence. The vehicle he uses may be needed in any event to deliver produce from shop to customer. Several of the arguments against retailer attendance are essentially social arguments[2]—arguments over traffic congestion or an inferior organization of the market structure; and although these are real enough, the retailer himself may suffer little, or not be aware of suffering, from the congestion that his presence imposes, or the inferior system of trade caused by the smallness of his transactions.

Nevertheless, the most important arguments in the retailer's mind are not concerned with cost at all. He naturally likes to see produce handled cheaply but the dominating factors for him are variety, and condition of produce, and the snap opportunity of

[1] "Distribution Costs of Fresh Fruit and Vegetables", (para. 42), Report of National Board for Prices and Incomes. Cmnd. 3265, 1967.

[2] In this Study we have to distinguish between private and social considerations. The word "social" is not intended to have any philosophical connotations but is simply a convenient word to distinguish those costs and benefits that do not fall only on the individuals operating markets, considered one by one, but spill out over others, including the general public. The use of roads and parking spaces is a classic case in which private and social advantage may diverge.

making a good buy. He feels that only his own presence can guarantee him this selection and these opportunities. That is, at all events, the point of view of the retailer who attends the market.

But what of the remainder? Most of these, and they account for some three-quarters by number, have no real choice. The greengrocer who is far from market, and the grocer who is handling only a few lines of fruit and vegetables, have only a theoretical choice. Except in the case of the remoter retailer who may travel long distances to market to pick up special lines, these classes normally look to the distributing wholesaler. Of the trade passing through markets he does rather more than half.

There must then be very substantial arguments for the distributing wholesaler. In the first place his larger vehicle economizes in cost per ton mile, and unlike many retailers' vans, it will naturally start its journey full. Secondly, the wholesaler has the opportunity to become a specialist buyer whereas the retailer must divide his talents and energies more equally between buying and selling. Thirdly, the wholesaler can, if he is in a fairly big way of business, share his patronage among several markets, to take advantage of price differences, and use his organization to search out supplies in the growing districts. Lastly, he has the advantage of being almost indispensable for the distribution of potatoes, and particularly useful in the distribution of bananas too; and if he can get his vehicle well loaded with these two, they will go far towards bearing his total costs.

Some of these advantages do not in practice amount to very much. It is not specially economic to use a large lorry on a stopping round, so that it is nearly empty towards the end of its round, and apart from used containers quite empty on the return trip. Much of the time it will be standing still while small quantities are delivered to small greengrocers, and during part of the time it will be occupied in backing down alleys. If the driver is to act as a salesman too, he will have to be paid much more than a driver's wage. The alternative of using travellers to canvas retail orders, or of employing a girl to take their orders by telephone, may improve the service given by the distributing wholesaler, but can only add to his costs. The produce itself is bound to be less fresh than that procured by retailers from market. The wholesaler cannot make it up into suitable loads, capable of being unloaded at retailers' shops in proper sequence, unless he has just assembled it somewhere—either at the market or his own warehouse. This probably involves an extra handling and is bound to take time. Even at the beginning of the wholesaler's retail round the produce is likely to be several hours older, and towards the end, at least half a day older. It follows moreover that retailers who receive the produce in the afternoon, at the end of the round, will have had to do most of their morning's business by selling yesterday's supplies.

No distributing wholesaler can hope to have on his lorry as wide a selection as the retailer could have made in the market, and for the retailer to put in his orders in advance is only half an answer to the problem, because if he does not himself go to market, he will have only an incomplete knowledge of what is to be had. Similarly, although the distributing wholesaler may be as well placed as the retailer to make "good buys"—and indeed better since he can use the size of his purchase to force down the price—the attitude of the retailer is that no one can make a better bargain than he himself. Certainly the bargain that he did not see, because he did not himself negotiate it, will weigh less with him than the one he did.

Trends and Developments

Among the factors likely in the future to tend in the direction of favouring retailers' purchases at market are:

(a) The reconstruction and resiting of old markets. As we have seen, the speeding up of operations and relief of traffic congestion attract more retailers to attend, and from greater distances. The better the choice of sites and designs for new markets, the greater will the effect be.

(b) Retailers will also be attracted to use markets if they can get delivery and other ancillary services there. As we have seen, these services are becoming more common in Birmingham and other provincial markets. Hitherto market wholesalers seem to have seen little need to lay themselves out to attract buyers. This may change.

(c) Decreased consumer acceptance of tired and wilted vegetables, and greater appreciation of fresh salad crops, should favour procurement direct from market.

On the other side:

(d) We think it probable that grocers will continue to expand their sales, though as a result of a greater consumption in total rather than by encroaching on sales by greengrocers, and that they will supply themselves through distributing wholesalers.

(e) We have been impressed by the enterprise of many distributing wholesalers, particularly in developing and strengthening their direct commercial contacts with growers and growers' organizations. In proportion as they succeed in this, they not only save the cost of market handling, but conserve the freshness of produce. This consideration may go far to neutralize (c) above.

(f) Statutory grading systems are to be introduced for apples, pears, tomatoes, cucumbers and cauliflowers, and in due course this grading will no doubt be extended to a wider variety of produce. This will indeed be an obligatory development if the U.K. should join the European Economic Community. On the whole we think these developments will tend to favour buying by description rather than by inspection, and in particular buying by telephone, and thus diminish the retailer's incentive to attend market himself. But the change is not, we think, likely to be great. The statutory grades are necessarily somewhat wide in their permitted tolerances, and the minimum grades are low ones, so that most retailers will consider it still worth their while to select consignments within grades.

(g) The cases of apples, pears, oranges, mushrooms and water-cress, show that organized sales promotion is likely to play a larger part in the future. "Promoted" produce will be likely to be found in containers bearing the names of the sources of supply, and perhaps also fancy names describing the produce. These are circumstances that will on the whole favour the direct routing of supplies, with less recourse to markets, and probably more through distributing wholesalers, though it is only fair to say that up to the present mushrooms are the only instance in which this has occurred to a significant extent.

Chapter V

SUMMARY AND CONCLUSIONS

Nearly 40 per cent. of the final price of fresh fruit and vegetables consists of the costs of getting them from market to shop and then selling them. The sum of money involved is of the order of £200–£250 million a year. There is therefore reason for general interest in the efficiency of the system or systems by which this movement and merchandising are accomplished. Our main object has been to compare alternative systems of movement, but the word "movement" has to be interpreted broadly, since it is meaningless without a consideration of the selection of the produce to be moved and subsequently sold.

The two main systems that have been reviewed are

(a) attendance by retailer at market to make his own selection and bring back what he has chosen in his own vehicle; and

(b) procurement by the retailer from a distributing wholesaler who works a round of retail "drops". This wholesaler will in most cases both have bought from the market and direct from growers or their local representatives: he may offer the retailer only what he has or be prepared to take orders.

We have also given some attention to direct retailer procurement from growers, and to procurement by multiples—but these branches of the trade, taken together, amount to no more than about 15 per cent. of the total. The remaining 85 per cent. is in the hands of individual greengrocers ((a) above) to the extent of about 60 per cent. (of the 85 per cent.), and of individual grocers ((b) above), to the extent of about 40 per cent.

Few grocers (or general purpose shops mainly selling groceries) have the means, time or inclination to attend horticultural markets. Virtually the whole of this trade thus falls to the distributing wholesaler. He also has the greater part of the greengrocery trade where the greengrocer is situated more than 20 miles from market. But apart from the south-west the bulk of the greengrocers (weighted by value of turnover) are so situated within 20 miles of a market. In the country as a whole 66 per cent., by value, are within that radius, and they obtain the bulk of their requirements by personal attendance. Although 20 miles is a convenient dividing line for statistical purposes, we have found examples of retailers travelling regularly up to 40, 50 or even 70 miles, and similarly a good many others who are little interested in attending markets only one or two miles away. Some retailers who attend market to select the more valuable, sophisticated or perishable of their produce, nevertheless rely for the bulk lines on the distributing wholesaler or, less commonly, on delivery from the market by the selling wholesaler. Personal attendance by the retailer also tends to be more common if he is in a high class of business or is operating several shops or perhaps one particularly large one.

The circumstances determining choice of system therefore include size and character of enterprise and distance from market. Our interviews and questionnaires have shown that the majority of greengrocers seem to have a preference for personal attendance at market, unless the factors telling against it are particularly strong, because of the opportunities it gives for precise selection of produce. The retailer reckons he can improve his choice with regard to variety and quality and the opportnunity to secure bargains.

Nevertheless there is a great deal to be said for procurement by means of the distributing wholesaler, and he is very far from being a *pis aller*, to be used only by those retailers who are for one reason or another prevented from going to market. Where precise selection is relatively less important he can offer an adequate range of produce, delivered to shop, often in response to the retailers' orders, and at reasonable prices; and above all, a substantial economizing of the retailer's time. Socially, the concentration of orders in the hands of distributing wholesalers and their vehicles, as an alternative to many thousands of retailers attending market in their own vehicles, contributes to relief of traffic congestion around markets and the speeding up and streamlining of operations with them. It is also a strong point in favour of the distributing wholesalers that they are an active and progressive branch of the horticulture trades, and have shown much enterprise in developing contacts with growers: these both economize in movement and merchandising costs, as compared with the passage of the produce through markets, and give the wholesaler the opportunity of providing a proportion of his wares in a condition of unquestionable freshness.[1]

Which then should be regarded as the preferable system?

[1] Neither this paragraph or the next are intended to be an argument against the existence of markets. We have acknowledged earlier that markets perform indispensable services and can be expected to continue to handle at least two-thirds of the total trade. What we are discussing here is some enlargement of the share which takes the grower–distributing wholesaler–retailer route, from its present 15 per cent. or thereabouts. The text also indicates that this enlargement would consist primarily of salad crops and the more perishable kinds of fruit and vegetables.

For the purpose of answering this question let us assume ourselves to be charged with devising a new system from scratch, taking the existence, location and condition of markets as a datum, but being free to disregard the preferences and private business interests of retailers. The answer must be in favour of the distributing wholesaler system, mainly because of its social advantages. It makes a decisive contribution to the relief of congestion in markets and on the roads, conduces to concentration and rationalization of trade within the markets, and, as we have seen, to the development of direct links with growers.

We see no need to question the sincerity and accuracy of retailers who contend that distributing wholesaling is inferior in respect of variety and quality of produce, and that for that reason attendance at market is to be preferred. But this is a preference related to the existing state of affairs, and not the assumed clean slate. Under existing circumstances retailers attend markets in the hope of skimming the cream of the produce available, and naturally their customers get that cream. If distributing wholesaling were virtually the only system allowed, the public would still get what cream there was, but it would be differently proportioned among retailers and customers. It may be argued that there would be rather less cream (i.e. really fresh produce) because distributing wholesaling interposes another stage of handling and a retail round, and hence delay. But we think that, given time, this could be balanced out completely by a more orderly and quicker conduct of operations in the markets if the retailers and their vehicles were not there.

The interests of growers (and importers) seem to us to march with what we have called the social interest in favour of the distributing wholesaler. The case for the alternative of retailer attendance at market is primarily that it serves the interests of the consumer and of the retailer himself: it seldom serves the grower, though on the other hand we would not care to argue that the grower is appreciably prejudiced.

We must of course acknowledge that retailer attendance at market is a deeply entrenched system, most unlikely to be forbidden or curtailed; and that it is one of the main means by which retailers display enterprise and compete with each other, with all that this means in terms of service to the customers of individual shops and the weeding out of the less efficient traders. Thus, the right note on which to end is that two systems of distribution exist, and will continue to do so, but both can be improved. Retailer attendance, being the system which adds to social costs, is the more in need of such improvement. This will come about to some extent with the improvement and relocation of markets that is already under way.

We also attach much importance to the development at as many markets as possible of delivery systems by ordinary wholesalers for at least part of the produce that the retailers have selected and bought.

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It is particularly satisfactory to record the interest taken in the Study and the trouble taken to explain the methods of conducting their business by the several scores of wholesalers and hundreds of retailers who were either interviewed or who filled up the questionnaire.

Especial mention should be made of Mr. F. J. Baden-Fuller (of Messrs. Bodsham Farm Shops, Folkestone) who threw much light on the practical problems of greengrocers.

Appendix A

Statistics and Comments relating to the Numbers, Structure, Organization and Location of Fresh Fruit and Vegetable Retailers in Great Britain; together with figures of the size structure of the wholesale fruit and vegetable trade.

(A) *General*

Much statistical information has been provided by the Board of Trade and particularly by the Censuses of Distribution in 1950, 1957 and 1961. That of 1950 dealt with both wholesale and retail distribution, but those of 1957 and 1961 were concerned only with the retail section. In recent years the wholesale trades have been dealt with, in less detail, by means of special inquiries, the results of which, together with those of some special studies of the retail trade, have appeared from time to time in the Board of Trade Journal.

All but two of the fourteen volumes of the 1961 Census give information for the different regions of the country together with details for towns with populations of 20,000 or more. On a national scale there is information both for organizations (businesses) and establishments (shops, stalls or other selling points). Satisfactory returns were received from 88 per cent. of all establishments, covering 93 per cent. of the total turnover. For some classes of information estimates were made for non-responses.

Different classes of retailers. In 1961 the Census gave a firm figure of 42,070 as the total number of establishments attributable to the class described as greengrocers and fruiterers in Great Britain. This figure includes stall-holders and also greengrocers selling fish. As for the other kinds of retail outlets for fresh fruit and vegetables, (of which grocers and provision merchants are the most important), data was given in Table 9 of Part 1 of the Census Report. The figures were, however, only shown for those firms completing outlet data, and it has therefore been necessary to make estimates in order to arrive at the total numbers handling fresh fruit and vegetables. For broad classes of retailers the following figures are believed to be reasonably accurate.

Table B shows how sales of fresh fruit and vegetables are divided between the broad classes of retailers. (The sales of co-operative societies, which are shown separately in the Census tables, have

Table A

Numbers of Establishments selling Fresh Fruit and Vegetables in Great Britain in 1961

1. Greengrocers and fruiterers (including those selling fish)	42,000
2. Grocers and provision dealers	100,000
3. Other food retailers	5,000
4. Non-food retailers	6,000
Total	153,000

Table B

Fresh Fruit and Vegetable Sales by Main Type of Business

Type of Business	£ million	Per cent.
Grocers and provision dealers	72·5	19·6
Greengrocers, fruiterers	269·9	72·9
Other food retailers	5·3	1·5
Non-food shops	22·2	6·0
Total	370·0[1]	100·0

[1] The comparable figure at the present time is believed to be nearly £500 million.

been allocated proportionately among the other classes of food shops.) The dominance of the greengrocery shop in Britain stands out, as 73 per cent. of total sales fall in this category. Of the 42,070 greengrocers and fruiterers (including those selling fish) shown in the 1961 Census 8,461 were stall holders, leaving 33,609 for the number of those with shops. In Britain not only are the specialist shops much the most important class, but relatively their numbers are greater than in other European countries, where much of the trade is either in the hands of stall-holders or multiple food retailers. Thus, in France it is estimated that there are 25,000 stall-holders in street markets and other such places, 9,000 specialist fruit and vegetable shops, 100,000 general food shops and 25,000 branches of multiples selling fruit and vegetables.

In terms of fresh fruit and vegetables sales per shop per annum, the Great Britain figure for greengrocers and fruiterers is approximately £6,400 compared with only £725 for the grocery and provision dealers, and £1,060 for the other food shops. For non-food shops the average is £3,700. This last figure reflects the fact that this group includes not only shops such as florists selling only small amounts of fruit and vegetables, but also, more importantly, large general stores of the departmental store type, whose sales of fresh fruit and vegetables have increased considerably in recent years.

(B) *Organization of the Specialist Retail Greengrocery Trade*

Smallness of organization prevails among retail greengrocers and fruiterers to an extent greater than in all the other branches of retailing except "confectioners, tobacconists and news-agents". As much as 72·3 per cent. of greengrocery establishments belong to organizations having only one establishment, and these 24,885 are responsible for 66·5 per cent. of the total fresh fruit and vegetable turnover of retail greengrocers and fruiterers. By contrast, in the retail trade for all commodities, businesses comprising one establishment (62·4 per cent. by number) are responsible for only 40·6 per cent. of the turnover.

At the other end of the scale, there were in 1961, excluding co-operative societies, only 11 retail greengrocery organizations possessing 20 or more establishments, and these are responsible for less than 5 per cent. of the total turnover of all greengrocers. For the retail trade for all commodities (excluding co-operative societies) the comparable proportion is 31 per cent. In the food trades, compare greengrocers with butchers (13·8 per cent), dairymen (49·5 per cent.), grocers and provision merchants (33·9 per cent.) and bread and flour confectioners (33·3 per cent.).

The structure of the retail greengrocery trade is also shown in Table C, which groups the establishments, organizations and turnover according to the number of establishments in each group.

(C) *Numbers of Greengrocers and Fruiterers in the Different Regions*

Table D gives the numbers and total turnover (including sales other than those of fresh fruit and vegetables) of specialized greengrocery shops (including those selling fish) in the several regions of Great Britain. This shows that of the 42,070 greengrocery establishments, 7,053 or one-sixth of the total were in the Greater London area, with almost as many—6,703—in the north-west.

In proportion to population the greatest number of greengrocers and fruiterers are in Yorkshire (East and West Ridings) and Lancashire, where in 1961 the numbers of establishments per 100,000 of the population were 107 and 102 respectively. In both cases however, the turnover per establishment was substantially below the national average of £7,620 (see Table D). As already mentioned these sales include all types of produce and not merely fruit and vegetables. From observation it appears that sales of other types of produce (especially fish, canned goods and some groceries)

Table C

Census of Distribution 1961

Greengrocers' and Fruiterers' Retail Organizations by Number of Establishments, with Turnover and Gross Margins

	Organizations		Establishments		Turnover		Purchases	Gross Margin	
	Number	Per cent.	Number	Per cent.	£'000	Per cent.	£'000	£'000	As Percentage of Turnover
Totals (in respect of returns received)	28,353	100	34,435	100	256,561	100	202,945	53,929	21·0
Organizations having 1 establishment	24,885	87·8	24,885	72·3	170,651	66·5	136,341	34,484	20·2
2 to 4 establishments	3,275	11·6	7,488	21·7	55,917	21·8	43,951	12,037	21·5
5 to 9 establishments	156	0·6	941	2·7	12,286	4·8	9,813	2,499	20·3
10 to 19 establishments	26	—	307	0·9	5,249	2·0	4,076	1,186	22·6
20 to 49 establishments	5	—	158	0·5	2,761	1·1	1,919	844	30·6
50 establishments and over	6	—	656	1·9	9,696	3·8	6,845	2,879	29·7

Table D

Census of Distribution 1961

Retail Trade Establishments by Regions

Numbers of Greengrocers, Fruiterers (including those selling Fish) and Turnover in Great Britain and by Regions[1]

	Population	Establishments	[2]Turnover	Establishments per 100,000 popln.	[2]Turnover per establishment	[2]Turnover per head of popln.
	millions		£'000		£	£
Great Britain	51·25	42,070	320,749	82	7,620	6·26
Northern	3·25	2,566	18,538	79	7,220	5·70
East and West Ridings	4·17	4,471	28,462	107	6,370	6·83
North-Western	6·57	6,703	44,288	102	6,610	6·74
North Midland	3·63	3,268	20,411	90	6,250	5·62
Eastern	3·74	2,707	19,007	72	7,020	5·09
Midland	4·75	3,884	35,326	81	9,100	7·44
South-Western	3·41	2,686	19,311	79	7,190	5·67
Southern	2·82	1,811	16,057	64	8,870	5·70
London and South-Eastern						
1. Greater London	8·17	7,053	63,874	86	9,060	7·82
2. Rest of Region	2·92	2,139	19,406	73	9,070	6·64
Wales	2·64	2,203	15,617	83	7,090	5·91
Scotland	5·18	2,579	20,451	50	7,930	3·95

[1] From Table 2, Part 2, of the Census Report.

[2] This includes all types of produce sold by these establishments.

tend to be higher by northern greengrocers than by those in the south. This does not apply however to stallholders. There are no separate figures for these, but they are obviously much more numerous in the north, where provision is generally made for them in covered markets, such as those at Leeds, Blackburn, Bolton, Wigan, Newcastle and many other towns. For the most part stallholders selling fruit and vegetables tend to concentrate on this produce almost to the exclusion of any other kinds.

Turnover per shop is higher in the Greater London, South-Eastern, Southern and the Midland Regions. In all four, the figure is well above the national average. Scotland has the smallest figure for the number of greengrocers per 100,000 of the population. The number is only 50 compared with the national average of 82, which is no doubt a reflection of the fact that, apart from potatoes, the consumption of fresh fruit and vegetables in Scotland is very much lower than the average for the whole of Britain. The average turnover per establishment for greengrocers and fruiterers is however rather above the national average at £7,930.

As the Census of Distribution does not distinguish on a regional basis the different kinds of produce sold by retailers, we have no indication of regional variations in the amount of fresh fruit and vegetables sold by those retailers not within the category of greengrocer or fruiterer. The number of these is in excess of 110,000, most of whom are grocers.

This lack of information is to some extent compensated by the details of regional differences in consumption which are given in the annual reports on Domestic Food Consumption and Expenditure (published by H.M.S.O.). These reveal large differences in food habits between one part of the country and another. Taking the River Trent as roughly the dividing line between the north and south, the consumption of both fresh fruit and fresh green vegetables is lower than average to a very marked degree in the northern part of Britain. Consumption of both groups is lowest in Scotland and rises towards the south, being highest in the London, South-Eastern and Southern Regions. (See Table E). The causes of such large differences in consumption can at present be only speculative. The availability of nearby supplies may possibly be a predisposing cause of differing consumption habits, particularly if this cause has persisted over a long period of time, because these habits seem to be carried on from one generation to another. Thus as far as green vegetables are concerned, the most populated parts of the south are within comparatively short distances of the main centres of production, while the north (especially Scotland) is deficient in supplies although there is heavy local concentration in

Table E

Geographical Variations in Household Consumption of Potatoes, Fresh Fruit and Vegetables in Great Britain (1960–1964) Percentage Deviation from the National Average

	Potatoes	Fresh Fruit	Fresh Green Vegetables	Other Vegetables
Northern	*	—10	—35	+10
East and West Riding ..	*	*	— 9	*
North-Western	*	—13	— 5	*
North Midland	*	— 8	+16	*
Eastern	*	+11	+19	*
Midland	+ 6	*	+18	— 8
South-Western	*	*	+40	*
South-Eastern and Southern	—10	+11	+31	*
London conurbation ..	*	+28	+31	*
Wales	+ 9	*	+ 7	*
Scotland	+ 6	—23	—60	*

* Between 95–100 per cent. of the national average.
Source—"Domestic Food Consumption and Expenditure, 1964." H.M.S.O.

parts of Lancashire and Yorkshire. This deficiency is mainly due to climatic reasons, the colder northern parts being less favoured for the production of some crops, especially spring cabbage, brussels sprouts and cauliflowers.

On the other hand the consumption of "other vegetables" (which consists largely of root crops), does not show any clear difference between the regions. Yet their production is more strongly localized than are green vegetables. Carrots and parsnips which represent the bulk of the root vegetables are confined largely to the Eastern Region. The explanation may be that root vegetables are much less perishable than greens, so that distribution of the former can penetrate more deeply into the deficiency areas without incurring excessive costs of deterioration.

Regional differences in fresh *fruit* consumption are less than for fresh green vegetables, but are still very noticeable and show much the same broad difference between north and south. Of the home grown fruit (representing rather more than a third of the total supplies of fresh fruit) nearly all is grown in areas south of the Trent, and most of it in the south-east where consumption of fresh fruit is highest. Of the imported fruit, not much more than a quarter enters ports (mostly Liverpool and Glasgow) in the northern half of the country.

For potatoes, while consumption in the regions varies more than that of "other vegetables", the differences are far less than for either fresh fruit or fresh green vegetables. Although there is some concentration in Lincolnshire and the eastern counties, the production of potatoes is far more widespread than either that of fruit or green vegetables.

(D) *Non-Specialist Retailers Selling Fresh Fruit and Vegetables*

Grocers and Provision Merchants. As indicated in Tables A and B, non-specialist retailers selling fresh fruit and vegetables are estimated to number 111,000, of which 100,000 are grocers and provision merchants. The group as a whole accounted in 1961 for 27·1 per cent. of total sales, 19·6 per cent. being attributable to grocers and provision merchants. For the latter class the average annual sales per establishment of fresh fruit and vegetables was £725, a figure representing only 3·2 per cent. of total sales per establishment. Also, as can be seen from Table F, there is a substantial number of multiple organizations among the grocers and provision merchants, for whom there are special problems of the procurement of fresh fruit and vegetables.

Co-operative societies. According to the 1961 Census, co-operative societies accounted for 8·2 per cent. of the total sales of fresh fruit and vegetables. The number of establishments selling this kind of produce was not revealed, but they are included among the figures for the kinds of retail businesses which have been given in Table A. For example, they are included among the 42,000 greengrocery establishments and 100,000 grocery establishments selling fresh fruit and vegetables.

The numbers of establishments of co-operative societies selling

TABLE F

Grocers and Provision Merchants (by Number of Establishments)[1]

	Organizations	Establishments	Turnover
	Number	Number	£'000
Organizations having 1 establishment	89,960	89,960	875,706
2 to 4 establishments	5,050	11,577	157,278
5 to 9 establishments	298	1,867	50,493
10 to 19 establishments	113	1,501	52,675
20 to 49 establishments	68	2,068	85,552
50 to 99 establishments	22	1,540	50,561
100 and over	35	9,885	445,664
	95,546	118,428	1,717,928

[1] "Census of Distribution 1961" (as per returns received). This return presumably excludes organizations and establishments with grocery and provision departments not accounting for the bulk of their business.

this produce must run into several thousands, but in the main the organizations are large. Thus while 835 societies made returns, one half of the total turnover of these was in the hands of the 67, each with 100 establishments and more.

Other food shops selling fresh fruit and vegetables. The 5,000 or so food selling establishments other than greengrocers and grocers, which the Census indicated as selling fresh fruit and vegetables, are likely to be mainly fishmongers and butchers. Very largely therefore they will be small businesses.

Non-food shops selling fresh fruit and vegetables. Of the 6,000 establishments in this group florists and seedsmen may be the most numerous, but no doubt the figure of £22·2 million given as the fresh fruit and vegetable sales of this group (6 per cent. of the total sales of fresh fruit and vegetables) can be attributed largely to the departmental stores with "foodhalls", and especially those with multiple establishments.

(E) *The Organization of the Wholesale Trade*

The last inquiry of the Board of Trade into the Wholseale Trades was held in 1959. Of those handling fruit and vegetables in Great Britain, satisfactory returns were received from 2,153, a number very much smaller than the figure of 5,327 provided by the Agricultural Departments in 1967.

For the 2,153 businesses from which the Board of Trade collected information in 1959, the following Table shows numbers and total receipts according to size of business.

TABLE G

Wholesale Fruit and Vegetable Businesses, 1959

Businesses with receipts of	Business Units	Receipts
	Number	£'000
Under £5,000	99	217
£5,000 and under £10,000	70	526
£10,000 and under £20,000	111	1,673
£20,000 and under £50,000	346	12,074
£50,000 and under £100,000	511	37,760
£100,000 and under £200,000	517	73,256
£200,000 and under £500,000	354	108,595
£500,000 and under £1,000,000	94	61,774
£1,000,000 and under £2,000,000	28	37,576
£2,000,000 and under £5,000,000	15	45,160
£5,000,000 and under £10,000,000	3	21,972
£10,000,000 and over	5	177,100
Total	2,153	577,686

Appendix B

Methods of the Study

Retailers

From the specialist retailers we wished to find out by visiting them their different sources of supply and the reasons they chose one source and method rather than another. To keep expenses within our means we were obliged to confine most of our interview inquiries to London and the south-eastern counties, but of a total of about 250 retail firms visited at least 100 were in south-western England. Greengrocery shops visited were of various sizes, including a small number with multiple establishments, and the size description corresponds well with the Census. With few exceptions, they were willing to talk freely about their businesses, and many gave us the size of their turnover. From these inquiries we were soon able to establish some definite habits and attitudes concerning methods of obtaining their supplies, and could relate these to such factors as size of business and location in relation to markets.

As it was not possible to visit retailers in all parts of the country, we also used a postal questionnaire. We chose 137 towns of moderate to small size outside the main market towns and at varying distances from them. For these towns we asked the Retail Fruit Trades Federation to supply the names and addresses of 550 retailers to whom we sent the questionnaire. Approximately 250 forms were returned, most of which contained full replies to our questions. In addition many retailers amplified their replies by notes on the back of the form.

The purpose of the questionnaire was by no means a statistical one. We did not aim to obtain a random sample of the 40,000 or so specialized establishments engaged in selling fruit and vegetables. The object was to widen our sources of information, so that we could assess, modify and extend these where necessary. By and large our first impressions were confirmed and they were also supported by the results of our inquiries from the wholesale trade.

Wholesalers

For the most part our information was obtained by visiting them, although for answers to some special questions we wrote to both a number of firms and to the secretaries of some local associations of wholesalers.

Wholesalers were visited at the following markets:

London Markets

Covent Garden	The Borough	Spitalfields
Stratford	Brentford	Greenwich

Provincial Markets

Bristol	Manchester	Preston
Cardiff	Nottingham	Coventry
Leeds	Derby	Bolton
Sheffield	Brighton	Blackburn
	Wigan	

The numbers interviewed in the above markets, varied from two to five in each. In addition to those in the markets, we interviewed about 50 distributing wholesalers located elsewhere. The wholesalers were no less willing than the retailers to answer our questions, but there was some difficulty in making contact with the smaller firms, as the nature of their business keeps them on the move. For this reason some of the visits made were unsuccessful.

Retailer Postal Questionnaire

SURVEY OF DISTRIBUTION OF HORTICULTURAL PRODUCE
(U.K. grown and imported)

CONFIDENTIAL Code:

Before answering the questions please read the explanatory notes on accompanying sheet.

I. How many shops does your firm operate? [ ]

In which towns or suburbs are they situated?

II. If the firm attends wholesale fruit and vegetable markets please state:

(a) Which markets are attended ....

(b) The frequency of the visits ....

(c) Whether the firm owns the transport normally used for collecting this produce. [ ]

(d) Whether the firm makes substantial use of this transport for any purpose other than produce collection (e.g. retail deliveries, private) [ ]

(e) What proportion of the supplies are obtained by these visits to market (approx.). [%]

III. If the firm normally obtains produce from sources other than in II (above), *estimate* percentage of yearly supplies of fruit and vegetables obtained from:

(a) Primary and secondary wholesalers who *deliver* to your premises (No.) [%]

(i) If these wholesalers deliver only bananas or potatoes, please put B and/or P in the box, otherwise leave blank. [ ]

(b) Secondary wholesalers from whom your firm *collects* [%]

(c) Agents in the market [%]

(d) Local growers from whom your firm *collects* [%]

(e) Local growers who *deliver* to your firm's premises [%]

(f) Any other source (state type, e.g. distant grower, home-grown) [%]

Total IIe and III approx. [100%]

IV. Does your firm prefer local produce, if obtainable, in preference to that obtained via "normal" market channels? [ ]

If so, why? ....

V. What is the total turnover of the firm per year (approx.)? £

How much of this represents the sale of fruit and vegetables? £

SURVEY OF DISTRIBUTING WHOLESALERS

I. 1. Name and address of firm (head office):

2. Is the firm independent? YES/NO

If not, name and address of parent firm: 1.

2.

What is the relationship?

3. Name and address of branches and area of service:

1.	3.
2.	4.

4. Type of business outlets:

1. Retailers	No.	5. Factory canteens	No.
2. Hotels	No.	6. Public authorities, schools, etc.	No.
3. Other wholesalers	No.		
4. Hospitals	No.	7.	No.

5. If catering establishments supplied

1. Does the firm "like" doing this trade? YES/NO
2. Are any vegetables prepared before sale to 1? YES/NO
3. If YES in 2, what proportion of the supply to catering establishments is the prepared produce?

6. (i) Frequency of deliveries of distributing lorries

(ii) Time lorries are back in depot after deliveries

7. Is the business carried out by:

(a) Orders taken from retailers, the previous day YES/NO

(b) Orders taken from retailers, the same day YES/NO

(c) By forecasting the retailers' demands YES/NO

If (a) by what method (i) Separate salesmen

(ii) 'Phone

(iii) Lorry-driver salesmen

8. Could you see any scope for more pre-ordering by retailers, etc.?

9. To what type of retailer are you mainly delivering

—general store,
specialist, etc.?

II. 10. Were the premises especially constructed for the purpose? YES/NO

11. Situation (1) Central
    (2) Outskirts
    (3) Country

12. Access by road (i) Easy
    (ii) Difficult

13. Have you especial
    (1) Loading bays
    (2) Handling equipment
    (3) Cold storage
    (4) Banana ripening rooms
    (5)

14. Staff employed at one/all depots
    (1) Total staff
    (2) Lorry drivers

15. Transport.	Cars:	No.	
	Vans	type	size
	Lorries	type	size

III. 16. From which markets is produce purchased?
    1.
    2.

17. Are purchases at these markets made by:
    1. Personal visits
    2. Telephone to commission salesmen
    3. Telephone to a buying agent

18. (a) How long does the return trip take?
    (b) How long spent *in* market?

19. Is own or hired transport used for market purchases?

    (a) own/hired

    (b) No. of lorries

    size of lorries

20. If any produce is obtained *direct* from growing areas, state

    Crop

    The area

    Purchased from Country merchants

    Grower merchants

    Growers

21. How is the price for this produce fixed?

    before or after sale/commission

22. (a) Do you prefer to purchase from these areas or from markets?

    (b) Is this produce generally obtainable at lower than "published" market prices?

23. What is the minimum size load from each grower?

24. Are you an importer?

    If so, what crops?

25. In which markets do you purchase your imported produce?

26. How do you view the situation, that so many retailers go to the markets, many of them purchasing only small amounts?

27. What percentage of your produce is delivered to chain stores and supermarkets?

    Has this changed in the last 5 years?

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