

GROWERTALKS

GT in Brief

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FloraHolland Flower Auction Figures Show No Growth, But Rebounding

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With annual sales of €3.8 billion (\$4.6 billion) in flowers and plants last year, the FloraHolland flower auction saw no growth in sales for the first time in years.

“The floricultural industry seems to be rebounding in the first few months of 2010,” says General Manager Timo Huges. “For growers, traders and the auction, 2009 was a difficult year, but it’s good to see that European consumers are continuing to buy plants and flowers this year, too. I trust that the Dutch floricultural

industry will retain its strong global position due to its resilience.”

In the first four months of 2010, auction sales increased by about 7%. Half of this was due to higher average revenue for growers. Much of the growth was attributed to two aspects of the auction: virtual purchasing and international supply.

Sixty percent of all cut flowers are already being sold at the export auctions in Aalsmeer, Naaldwijk and Rijnsburg based on information without the product being physically present in the auction hall. Using “Remote Buying”—a system enabling online purchasing outside the auction halls and by image auctioning—it also enables them to configure their commercial and logistical processes more efficiently, therefore saving on chain expenses, says Timo.

Digital day trading through the FloraHolland Connect intermediary organization is also increasing.

FloraHolland’s two electronic trading platforms (e-Trade for flowers and PlantConnect.nl for plants) are being expanded.

FloraHolland is also reinforcing its position in international flower channels by retaining international supply. The auction imports flowers from 60 countries, with about 25% of cut flower sales coming from other countries. In turn, about 60% of this is from international cooperative members and the share is growing. The auction’s clients (exporters and wholesalers) export flowers and plants to almost 140 different countries. Earlier this year, FloraHolland acquired the TFA import auction, making its product range more appealing.

Just across the border in Herongen, Germany, FloraHolland is working on a joint venture with the German organization Landgard to open the new Rhine-Maas auction. This will combine the auction clock supply of three auctions (including FloraHolland Venlo).

“Such a powerful marketplace in the Rhine-Maas greenport allows us to strengthen service just over the German border,” says Timo. **GT**