

# FloriLog Business Case



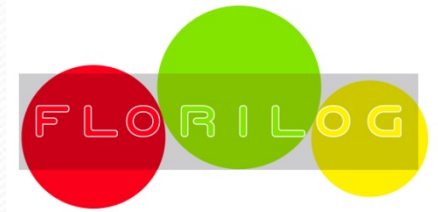
Commissioned by  
TransForum

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## Introduction



Early 2005 Transformum approved the proposal of Platform FloriLog and a group of scientific institutes to start a project called “FloriLog regie, development of the international orchestral competency in the horticulture sector, with an emphasis on potted plants”. This project was co-funded by Productschap Tuinbouw.

## Objective:

“How to transition the Dutch horticulture sector into a leading and directing role (orchestration) within a sustainable international service network?” as well as the “development of the international orchestration competency” itself.



## What made this project special?

- Project is considered a success, however ...
- There seemed to be no common agenda at the beginning of the project
- Ownership seemed not equally distributed and had elements of competition
- Business participants had no clear question to the scientists
- Defensive starting point
- Insight during the project lead to paradigm shift
- Coincide with unplanned events
- Creating an offensive challenge for the participants

This business case captures and describes this three year process, its results and the most important lessons learned.

# Business Case Review

➤ Business Case Review by



➤ Based on 8 interviews with 9 participants

➤ Main findings

➤ Reflection from interviews and lessons learned

➤ Personal reflection on the value of the conceptual outcome

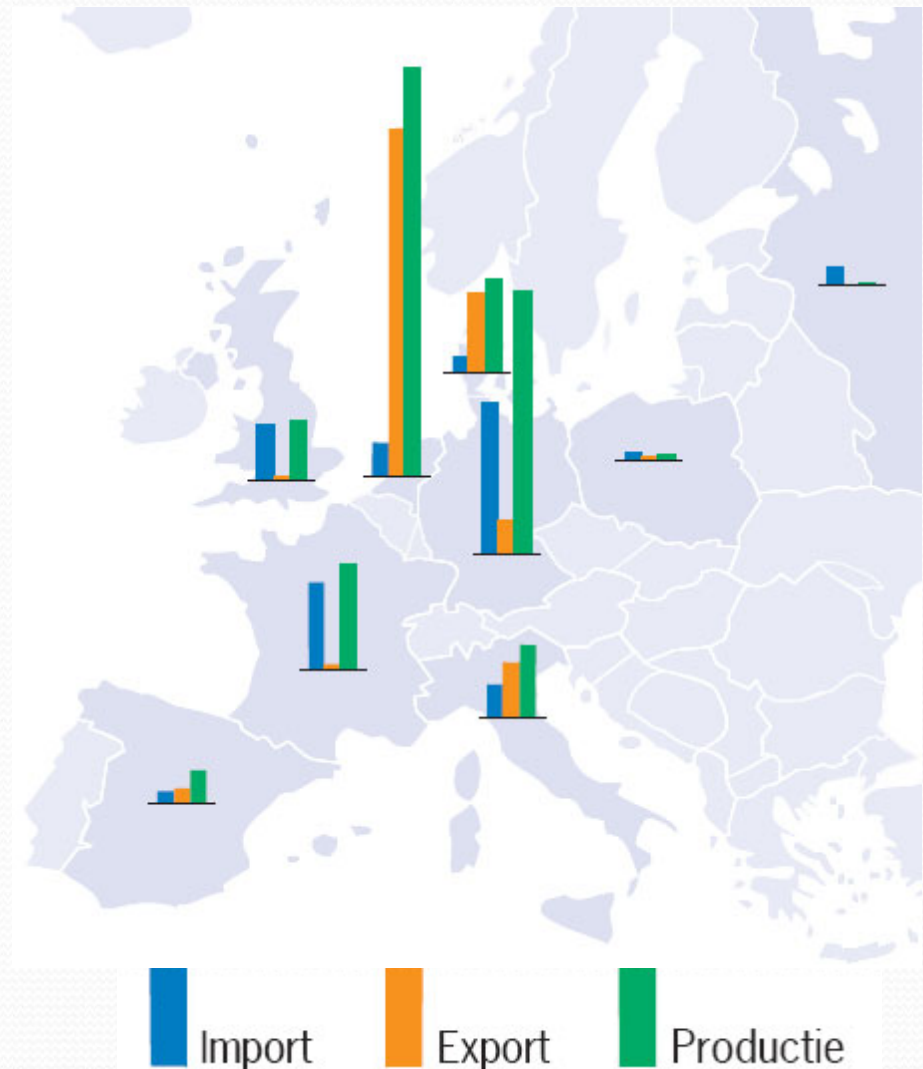


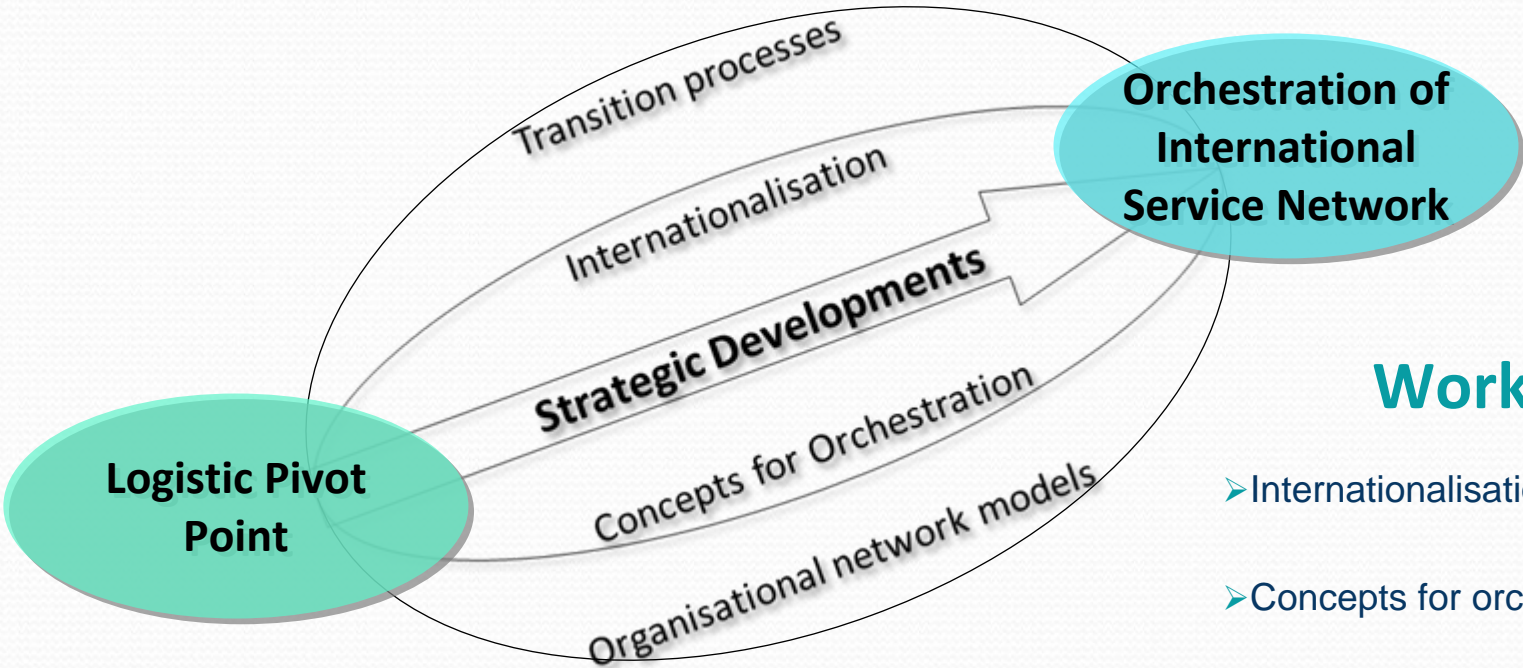
# FACT FINDING



## Project overview

- The Netherlands are not the central pivot point of the global horticulture
- Opportunity to expand business
- Orchestration of physical flows
- An important transition in the Dutch horticulture sector





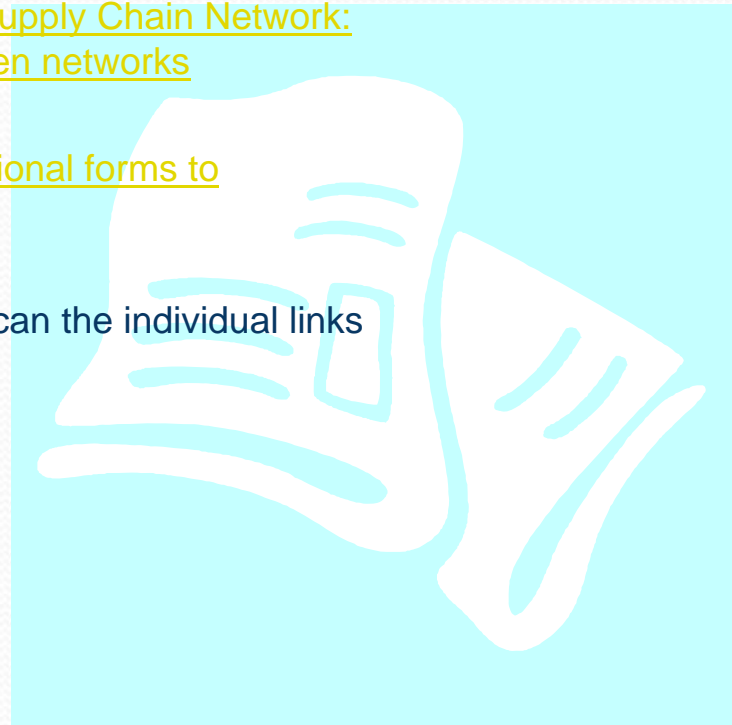
## Workpackages

- Internationalisation
- Concepts for orchestration
- Organisational network models



## Position papers

- [Network Orchestration in Global Business Networks: Towards Innovative Products and Responsive Chains in the Dutch Flower Industry](#)
- [Logistics Orchestration in the Ornamental Plant Supply Chain Network: towards responsive and differentiated demand-driven networks](#)
- [Organizing logistic networks: What new organizational forms to implement in Dutch horticulture?](#)
- The position papers can all be found [here](#) or you can the individual links above.





# “Exporting the Dutch reputation”

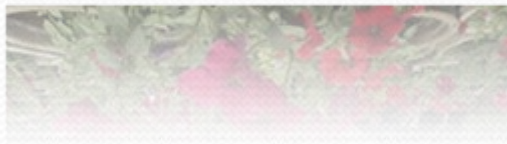
- Opportunity from more efficient logistics
- European network of Tradeparks
- Logistics, commerce, quality control and overall orchestration



## Results 3P: Planet, People and Prosperity



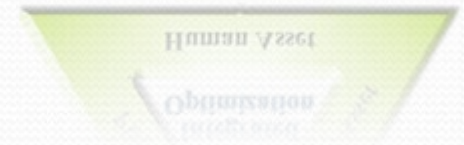
CO<sub>2</sub> reduction



Labour opportunities



Knowledge transfer



# Sector transformation



## 3P

- Disappointment over the level of tangible CSR outcomes
- Not a theme of the project
- Positive point is the acceptance and buy-in by individuals of the innovative outcomes
- Still a significant task to engage sector at large

**“If the net financial result is negative, market parties do not engage”**

## Science and position papers

- Collaboration of scientists and business participants took a long time to develop:
  - Difficult to get reliable data from abroad, contrary to the expectation
  - Scientists and business people need to find a common language and mode of communication
  - Confidentiality of data was hindering an open exploratory dialogue
  - Requirements for the scientific level of the position papers by the project versus a desire for practical outcomes by the business
  - The business people did not really know what they wanted to know, which left the scientists somewhat in the dark
- Collaboration improved by contextualising the initial data and a shift of ownership of the outcomes to the business partners

# What defined success?

## Defensive versus Offensive

- High conceptual project topic and context in a very 'down to earth' sector
- Inclusion of scientists “helps to stimulate thinking about the whole chain, not just one’s own position. It reduces the amount of politics in the debate”.
- Notwithstanding the tremendous work and energy that has been put into the project, it seems that a few rather unplanned and unintended events finally created synergy, cohesion, a converging agenda and drive to make it a success:
  - Hortifair incident
  - Merger of the two auctions, eliminating a significant amount of competition
  - “Aha”-awareness that The Netherlands are not the pivot point of the sector
  - Significant market opportunity in local-to-local markets abroad

**The defensive mindset turned into an offensive mindset and that created opportunity, focus and a compelling story**

# Value proposition

- Exporting the Dutch experience
  - How well does this fit local circumstances and cultural settings?
  - Who is waiting for this?
  - How will competition react?
- Translated into the shape of Tradeparks
  - How to orchestrate full service concept?
  - How many partners are actually involved?
- To capture local to local product flows
  - Are local parties prepared to engage?
  - How does competition for local product flows synergize with collaboration?

## From revolution to evolution

The Flor I log project shows how the need for

- Paradigm shifts
- Innovation
- Change

is translated into

- Profit driven development