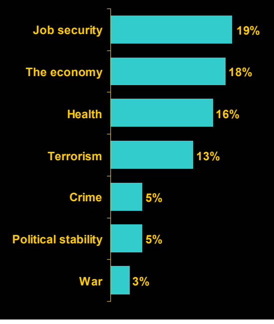
Trends, problems & solutions, Europe, Major concerns

according to A.C. Nielsen

- Organic World Café, OTF BioFach Nürnberg, February 23rd 2005,
- Carol Haest



Trends, problems & solutions, Europe

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40 per cent of consumers in Europe think their economy deteriorated over the last six months, 41% thought it had stayed the same, and 35% expect it to deteriorate further over the next year. = no consumer confidence

Expenditure after paying essentials:
1. Out of home entertainment (more than in USA or Asia Pacific)
2. Savings

NB. UK: 1. paying off credit card debts

A.C. Nielsen, October 2004

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- It's freezing:
- Consumers tired
- Consumers indifferent
- Retail tired/disappointed
- Retail indifferent
- Authorities disinterested

Market stagnating
Market receding

Unreasonable price pressure & dumping
Loss of organic area (Belgium 20% during last 3 years) or of organic market (Italy)

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- It's thawing

2004 was way better than 2003 and we are here to make 2005 into a turning point.

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- It's burning!

- Most organic supermarkets do well.
- In Europe they are truly organic.
- REWE, one of the foremost mainstream retailers in Germany, starts its own chain of organic supermarkets. A landmark.
- tegut Wiesbaden up to 20% organic sales.
- Thanks to government programmes, Albert Heijn in Holland gets going.

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- The problem 1

We (supply chain) have lost the initiative and depend on the retailers and on government programmes.


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• The problem 2
• Organics remains for the consumer at large unknown or unsafe territory. (lack of communication & consequently of confidence)


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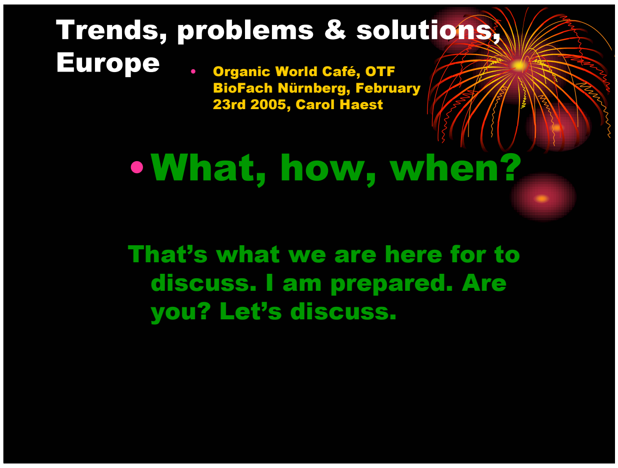
The solution
The supply chain* must grab the initiative:
– offer programmes & services
– e.q. generic & personalised communication on paper & web
*including the Fair Trade and other Sustainable Sectors but leaving aside the terrible bureaucracy.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• What, how, when?
That's what we are here for to discuss. I am prepared. Are you? Let's discuss.