

WC Supplier-buyer relationships

- Not look at exporter-importer relationship only
- The supplier needs a fair relationship with the farm operators
 - They with the land owners, the input suppliers, employees
- The price is dictated by what
 - the feed manufacturer pays for similar ingredients, other countries;
 - the poultry farmer can pay for the feed;
 - the slaughterhouse wants to pay per chicken;
 - the margin and market share the supermarket wants to achieve;
 - the consumer is willing to pay for an organic egg or chicken.
- Retailers are suppressing prices. Not aware of risk of reputation damage. Retailers to be involved in the discussion about fair pricing.
- In feed business margins are small, hence need to go into large volumes
- 2 ct/tonne may make the difference. Makes it difficult for buyers to make long term commitments.