

WASTE IN DISTRIBUTION

When we talk about distribution we mean wholesale as well as retail. Clearly the retail phase is more visible to the consumer and more documented in terms of quantifying waste.

In the USA in 2008 it has been estimated that about 19,5 millions tons of food produces have been wasted in retail distribution, which is equal to 10% of sales in this sector (Buzby, 2011). This enormous number doesn't cover all aspects of the issue. As a matter of fact, retail requires very strict supply contracts, requires very strict qualitative standards and it is therefore responsible, partly at least, for a much higher percentage for total food losses occurring in other sectors.

The majority of waste and losses in this sector concern perishable products – baked products, meat, fish, vegetables and fruit, and more and more, ready meals. The Ministry of Agriculture in the USA estimate that supermarkets throw away 15 billions dollars of fruit and vegetables per year. In 2005 and 2006 fruit losses in supermarkets, as a yearly average, were at 11,4% of the goods, whereas vegetables losses were at 9,7%. (Buzby, 2009).

The current sales model for food produces, in wholesale distribution, consider waste as an integral part of the way they do business. As a matter of fact, according to a former Trader's Joe president, "If a retail point has a low level of waste, this could be a sign of low sales activities". The management in distribution sees the appropriate production of waste as a sign that the retail point has an effective management of shelves and supplies, and that there is an effective goods rotation (Alvarez, 2011).

According to the final report of the European Commission (European Commission, 2011), food waste in distribution in Europe would correspond to about 4% of the total European waste, equal to 8kg of thrown away food pro capita, for a total of 3,6 millions of tons.

As for Italy, (Falasconi, 2013) quantifying waste in distribution can be divided in to two reference targets: wholesale markets (food produces centres and fruit and vegetables markets) and the retail system (cash&carry, megastores, supermarkets and small retail).

In food and farming centres, every year between 1 to 1,2% of fruit and vegetables is managed as waste. In terms of weight, it has been estimated that in 2012 in this sector 118,317 tons of produces have been wasted and disposed.

The estimate for food waste originated by the distribution channel is aprox 270,776 tons, generated by the different actors in distribution, as reported in table 1. What it is important to underline is that also during the crisis, the waste tend to remain constant or to grow slightly. In could seem like a contradiction. But it is enough to enter a supermarket to explain the reasons for this trend. On one side we have shelves that are always full (for marketing reasons), on the other side we have sales going constantly down.

If we put together these two facts, it is easy to understand that food grows "old" and reaches the expiry date and the consumers' preferences on the shelves. This is why we have a phenomenon which seems to contradict itself.

Table 1: Distribution waste in 2012

<i>TYPE OF SALE</i>	<i>Retrievable Quantities (t)</i>
CASH & CARRY	4.911
MEGASTORES	55.080
SUPERMARKETS	138.159
SMALL RETAIL	72.626
TOTAL	270.776

SOURCE: Falasconi, 2013

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