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UNITED NATIONS INDUSTRIAL
DEVELOPMENT ORGANIZATION

Distr.
LIMITED

UNIDO/IOD.314
15 November 1979
ENGLISH

UNIDO STUDY TOUR ON AGRO-INDUSTRY DEVELOPMENT
IN THE UNITED STATES OF AMERICA*

held from 23 September to 3 October 1979

UF/INT/77/063

by

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id.79-9171

UNIDO STUDY TOUR ON AGRO-INDUSTRY DEVELOPMENT
IN THE UNITED STATES OF AMERICA

HELD FROM 23 SEPTEMBER to 3 OCTOBER 1979

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1. INTRODUCTION

The Study Tour was held in co-operation with the General Foods Corporation and with the assistance of the Cornell University; American Management Association; American Packaging Institute and the Port of New York Authority.

This Study Tour was designed for high-level executives from developing countries and representatives from Brazil, Egypt, Mexico, Sudan, Thailand and Tunisia participated. The main objective was to enable participants to learn the basic concepts of integrated agro-industry development and the inter-relationships between factors affecting the production of processed foods from agricultural production up to the final product distribution.

For about ten years, UNIDO has been active in promoting the concept of integrated agro-industry as a basic condition to produce processed foods. Being an organization with the aim of promoting the industrial development of the developing countries, UNIDO's scope is to promote the establishment and operation of successful food processing industries which implies adequate supply of raw materials, proper processing and distribution of final products at the market absorption capacity with respect to quantity, quality and price.

The integration is a basic condition, however, the type of integration or relationship between agriculture, processing, distribution and marketing varies from country to country in accordance with the socio-economic conditions prevailing. Therefore, the ultimate goal of the work being done by UNIDO and several national organizations dealing with integrated agro-industry development is to find out the agro-industry models that better fit to the prevailing conditions mentioned above.

During the Study Tour, high-level specialists gave lectures to the participants on the main subjects of agro-industry. The participants also visited the field to observe harvesting methods; visited industrial plants in operation, research centres dealing with all aspects of the food industry from the seed to packaging, and market centres for local and export food products distribution. The participants had the opportunity to discuss particular aspects of the food industry in their respective countries and were advised on the best way to face their problems. Therefore the study tour was a useful experience which will lead to follow-up action aimed at improving food processing industry development in the developing countries.

2. THE PROGRAMME

The participants were received by Mr. E.A. Leonard, Packaging Manager, General Foods Corporation on 24 September and made a tour to the Research Centre visiting laboratories for microbiology, processing and packaging etc. They visited the library and information centre. Finally lectures were given on the subjects of packaging, microbiology and food preservation.

On 25 September the participants visited a wholesale food products distribution warehouse in New York where a rail-siding and truck-loading platform with mechanized equipment was observed by them and the operation explained to them with the help of the company's directors. Following that, the participants were received in the UNIDO Liaison Office in New York and had the opportunity of visiting the UN Headquarters. Later they visited the Port of New York authority and a film showing how the port operates, was presented.

The next day, 26 September, was devoted to completing the visit to the General Foods Research Centre especially the pilot plants for processing foods, packaging experiments and agriculture research green houses. Following that, a series of lectures were presented by leading American experts on packaging, management and the ways and means of minimizing food losses through improvement of distribution.

On 27 and 28 September, the participants visited the Cornell University campus and University research centres where they were informed about the University Food Programmes especially those concerned with international food problems. In addition, lectures were presented on milk quality, fruit and vegetable packaging, cow-pea processing, apple storage, new foods and food processes and seed and vegetable sciences. The participants had the opportunity of visiting pilot plants, a milk and dairy products industrial plant and one winery. Special attention was paid to the methods of co-operation between industry and university.

On 1 October, a key day on the programme, the participants were received at the General Foods Industrial Plant. At this time of the year, the plant produces sweetcorn frozen products. The participants had the opportunity of visiting a field where sweetcorn was being harvested and where beet was being harvested and graded. Information was given on the main subjects concerning the relationship between the farmers and General Foods Corporation. This enterprise does not have a farm and all the production is made under contract between General Foods and farmers. General Foods provide the seeds, agronomical assistance, help in harvesting, disease control etc. The farmers, under contract with General Foods can negotiate bank loans, and the system works in such a way that General Foods have an adequate supply of quality raw material at the time required.

2 October was dedicated to a visit to the General Foods Corporation Distribution and Sales Service Centre in Syracuse, New York. All aspects of storage, distribution and sales were described and the participants visited the warehouse.

Finally, on 3 October the last meeting was convened at the General Foods Research Centre where a film about production of packaging material and market research was shown. Following that, the participants pointed out their main observations, indicated the most important problems faced in each of their respective countries concerning agro-industry development and how they could benefit by developing the food industry on the basis of integrated agro-industry development.

3. CONCLUSIONS

This Study Tour was aimed at exposing high-level executives from developing countries to successful experiences in the U.S.A., so they could learn and influence their respective countries in agro-industry development, taking into account basic and fundamental conditions required for a successful enterprise of this nature.

Various similar exercises have been implemented by UNIDO in Austria, Brazil and Yugoslavia, and in co-operation with ESCAP in the USSR. The type of integration is very much different from country to country. A successful enterprise has always been based on a steady supply of raw materials in such a way that the processing facilities produced at full capacity and in accordance with a plan previously established. The duration between harvesting and starting the processing should be as minimum as possible, in some cases, for example, peas, not more than about 40-50 minutes is the optimum time. The peas should all have the same degree of ripeness and the quantity cannot be more than the processing facilities can absorb. All this and other technical conditions must be strictly adhered to in order to have an adequate marketable product. The above remarks make it clear that successful food production needs integration and should be planned from the agricultural production to the market requirements.

The candidates of this Study Tour have had the opportunity of making a factual assessment, analysis, discussions and elaboration of recommendations aimed at helping their respective developing countries to progress in the field of integrated agro-industry development.

Concerning promotional activities, special mention should again be made to the study tours held in Yugoslavia, U.S.S.R. In Yugoslavia their activities are based on agro-industry combines; in the U.S.S.R. on the state farmers. In the U.S.A. agriculture and industry are completely separate organizations. However, in all these three different methods, the ways and means are assimilated in such a way that the agriculture produces what is required by the industry in respect of time, quality, quantity and price. No matter what kind of model is adopted, the only way the food industry can produce

properly and progress, is when an adequate agricultural set-up exists to supply the necessary raw material for processing, and that the final products are in accordance with the market requirements.

This is the reason why UNIDO is so much in favour of the integrated concept. Our experience in assessing numerous factories established in many developing countries indicates that most of the failures are due to inappropriate planning, in which the basic conditions of raw material supply, processing and marketing were not properly taken into consideration. This is also why we insist that the establishment of a food processing industry should start by planning with a rational analysis from the market level (to define products most needed) through to agriculture to ascertain the raw materials that could be produced and then considering the processing facilities required.

The participants of the Study Tour could see for themselves how all these factors are important and taken into consideration by a large successful enterprise. This experience will be most valuable for them in planning and/or influencing the decisions made by their respective Governments, on matters related to agro-industry development.

The Study Tour was conducted by Mr. Leonard, Manager, Packaging Development, General Foods Corporation and Messrs. J.S. Crooke and W. Moreira-Dias from UNIDO.

The following people contributed to the success of the Study Tour:-

Mr. Nino Insalata	General Foods Corporation
Dr. William Romig	
Mr. Harry Fariel	
Ms. Ellie Cohen	
Ms. S. Garcia	
Mr. Richard Harrington	
Mr. Charles Ebeling	
Mr. Thomas Fearins	
Ms. Nancy de Forest	
Mr. John McArthur	AMA International
Mr. Paul Reuman	Packaging Institute
Mr. Ed O'Mara	Union Camp Corporation
Mr. Michael Prevor (Vice President)	Prevor-Mayrsohn International, Inc.
Mr. Anthony Ilardi	Regional Trade Development Office
Dr. Lambert F. Hood	Cornell University

Annex 1

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Annex II

UNIDO-GENERAL FOODS AGRO INDUSTRY

STUDY TOUR PROGRAM

Sunday 23 September 1979

12:00 noon onwards - Participants arrive at Hilton Inn, Tarrytown, New York and check into rooms which are reserved in their names.

Monday 24 September 1979

8:30 a.m. Participants convene at the General Foods Technical Centre Conference Room, 555 S. Broadway, Tarrytown, New York. Continental breakfast will be served, courtesy of General Foods. Orientation programme, introduction, Birds Eye tour, Luncheon, discussion and welcome reception.

5:00 p.m. Return to Hilton Inn.

Tuesday 25 September 1979

8:30 a.m. Departure from Tarrytown Hilton Inn, Tarrytown, New York for visits to Port Authority, Hunts Point Market and New York Trade Center, New York City.

5:00 p.m. Return to Hilton Inn.

Wednesday 26 September 1979

8:30 a.m. Participants convene at General Foods Technical Centre Conference Room. Presentations by the American Management Association and Packaging Institute on total management and packaging technology.

5:00 p.m. Return to Hilton Inn.

Thursday 27 September 1979

8:30 a.m. Departure from Hilton Inn, Tarrytown, New York for visit to Cornell University's Food Science Department at Ithaca, New York.

5:00 p.m. Proceed to hotel at Syracuse, New York.

Friday 28 September 1979

8:30 a.m. Departure to Geneva, New York for a visit to Cornell's Agricultural Experimental Station.

5:00 p.m. Proceed to hotel in Geneva, New York.

Saturday 29 September 1979

8:30 a.m. Departure from Geneva, New York to Letchworth State Park in Castile, New York (near Geneva).

5:00 p.m. Return to hotel in Geneva, New York.

Sunday 30 September 1979

8:30 a.m. Departure to Niagara Falls, New York.

5:00 p.m. Return to hotel in Geneva, New York.

Monday 1 October 1979

8:30 a.m. Departure to visit General Foods, Birds Eye Plant in Avon, New York (near Geneva).

5:00 p.m. Return to hotel in Geneva, New York.

Tuesday 2 October 1979

8:30 a.m. Departure from hotel in Geneva to visit General Foods Distribution Centre in Liverpool, New York.

5:00 p.m. Return to Hilton Inn, Tarrytown, New York.

Wednesday 3 October 1979

8:30 a.m. Participants convene at General Foods Technical Centre Conference Room for summary and round-up discussion. Farewell luncheon.

2:00 p.m. Participants check-out of Hilton Inn and depart for Kennedy Airport.



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