

SUPPLY CHAIN COST STRUCTURE AND TRAVEL TIME

REGION 02

COMMODITY: Tomato

AVERAGE YIELD PER HA. (kgs): 18,834

FARMGATE PRICE (P/K): 30.00

DESTINATION: Metro Manila

As of July 12, 2007

COST ELEMENTS	Unit	Quantity	Unit Price	Value	COST/ KILO P/K	% vs Customer Level price
PRODUCTION						
Material Inputs						
Seeds (25grams/can)	cans	4.0	600	2,400	0.13	
Fertilizer						
14-14-14	bags	4.4	700	3,045	0.16	
46-0-0	bags	6.4	940	5,969	0.32	
0-0-60	bags	2.0	790	1,580	0.08	
Foliar	pack	6.3	130	813	0.04	
Pesticides						
Benlate (250g/box)	box	6.0	260	1,560	0.08	
Lannate (425g/box)	box	6.0	550	3,300	0.18	
Selecron	liter	4.0	1,500	6,000	0.32	
Dithane	pack	4.0	475	1,900	0.10	
Karate	liter	3.0	870	2,610	0.14	
Trellising Materials				4,000	0.21	
Labor						
Seedbed Preparation	md	1.0	300	300	0.02	
Seed sowing	md	0.5	150	75	0.004	
Care of seedlings	md	7.0	150	1,050	0.06	
Land Preparation				7,900	0.42	
Furrowing	mad	3.0	300	900	0.05	
Fertilizer application	md	9.5	150	1,425	0.08	
Transplanting	md	10.0	150	1,500	0.08	
Watering/irrigation	md	22.0	150	3,300	0.18	
Replanting	md	1.0	150	150	0.01	
Trellising & pruning	md	16.0	150	2,400	0.13	
Off-barring	mad	3.0	300	900	0.05	
Hilling-up	mad	3.0	300	900	0.05	
Weeding	md	15.5	150	2,325	0.12	
Spraying	md	15.5	150	2,325	0.12	
Harvesting	md	46.0	150	6,900	0.37	
Hauling -inputs	bags	10.5	9.5	100	0.01	
Interest Expense (2% for 4 months)				3,712	0.20	
Production loss (5%)				28,250	1.50	
PRODUCTION LEVEL				97,589	5.18	10.36%
POST-PRODUCTION						
Hauling (farm to assembly area Nvizcaya)	kilos	18,834	0.93	17,515	0.93	
Sorting	md	19	150	2,850	0.15	
Plastic bag	pcs	628	5.00	3,139	0.17	
Postharvest losses (2.5%)				13,419	0.71	
POST-PRODUCTION LEVEL				36,923	1.96	4%
TOTAL PRODUCTION COST				134,511	7.14	14.28%
FARMGATE PRICE					30.00	
MARGIN					22.86	
DISTRIBUTION (LEVEL 1)						
Transport (assembly area to NVAT)	kilos	18,834	0.92	17,233	0.91	
PRICE PAID BY TRADER 2 to TRADER 1					31.91	
MARGIN					1.00	
WHOLESALE PRICE NVAT					32.91	
MARGIN					1.00	
DISTRIBUTION (LEVEL 2)						

Hauling/Transport*	kilos	18,834	1.40	26,367	1.40	
Postharvest Loss (2.5%)				13,083	0.69	
DISTRIBUTION LEVEL					35.01	70%
PRICE PAID BY BUYER in MLA to TRADER 2					36.01	72%
RETAILER'S MARGIN					13.99	28%
CUSTOMER LEVEL (Manila)					50.00	100%

Assumptions:

Tomato supply chain cost structure : average of the cost structure in the Provinces of Nueva Vizcaya and Isabela

Land Preparation : 1 ha = 16 (625sq.m) @ P800.00/625 sq.m = P12,800 for N.Vizcaya (expensive bec. of its terrain); Isabela = P3,000.00/ha..

Postharvest losses (Source: DA C.O-HVCC): production 5%; postproduction 2.5%; distribution 2.5%

Hauling: ranges from (P.80-1.00/kilo) expensive in Nvizcaya because of its terrain. In Isabela harvesting & hauling is done by the same person

*Includes tollgate, parking fee & loading fee in Metro Manila

		18,834	
5%		942	28,250
		17,892	
2.5%		17,892	
		447	
		17,445	
		17,445	
		436	
		17,008	

