

# MARKET CAPITALIZATION OF FRESH HORTICULTURAL PRODUCTION ON IASI TRADE

## VALORIFICAREA ÎN STARE PROASPĂTĂ PE PIAȚA IEȘEANĂ A PRODUCȚIEI HORTICOLE

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**Abstract.** Valorized agricultural products in general, and horticultural products, in particular, represent aspects from organizational activities, technical, economic and legal, through which the increased value of production and circulation of goods, from fruit farms as producers, representatives from various consumer direct beneficiaries (the stores), commercial companies, enterprises and industrial processing of fruits, etc. The purpose of this work is that for finality of fruit production must be planned character. In Iasi, exist 8 farmers' markets through which supplies over 400,000 customers, take advantage of the fresh horticultural products and fruits – vegetables processing and preserved. Depending on the number of places of sale, employment and the volumes traded, Iasi markets are divided into two categories: large markets: market Alexandru cel Bun, Nicolina Square, Central Market Hall, Independence Square.; Small Markets: Dacia, CUG, Tatarasi; Pacurari. From a functional perspective, markets include various facilities for traders, such as commercial areas, administrative areas, bathrooms, stalls for vegetables - fruit surfaces for wholesale directly from the machine. Based on the analysis of balance sheets of companies that sell fruits and vegetables (about 43 companies), 7 are companies that have more than 84% of total turnover. Most wholesalers in this category of transactions are the sale of bananas and citrus, as there Iasi market wholesalers to sell only vegetables and fruits indigenous kind.

**Key words:** market, horticultural production, organizational, technical, economic activities

**Rezumat.** Valorificarea produselor agricole, în general, și a produselor horticole, în special, reprezintă aspecte dintr-un ansamblu de activități organizatorice, tehnice economice și juridice, prin care se realizează creșterea valorii și circulația producției marfă, de la fermele pomicole în calitate de producători, la diverși beneficiari reprezentați de consumatori direcți (prin magazine proprii), firme comerciale, întreprinderi de prelucrare și industrializare a fructelor etc. În orașul Iași, cele 8 piețe agroalimentare prin intermediul cărora se aprovizionează peste 400.000 de consumatori, valorifică produse horticole atât în stare proaspătă precum și fructe – legume semiprosesate și conservate. În funcție de numărul de locuri de vânzare, gradul de ocupare și volumul de marfă tranzacționată, piețele orașului Iași sunt împărțite în 2 categorii: Piețe mari: Piața Alexandru cel Bun; Piața Nicolina; Piața Hala Centrală; Piața Independenței. Piețe mici: Dacia; C.U.G.; Tătărași; Păcurari. Din punct de vedere funcțional, piețele cuprind diferite facilități pentru comercianți, cum ar fi: spațiile comerciale, spații administrative,

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*sanitare, tarabe pentru legume – fructe, suprafețe pentru vânzarea en-gros direct din mașini. Pe baza analizei bilanțurilor firmelor ce comercializează fructele și legumele proaspete (aproximativ 43 de societăți comerciale), 7 sunt firmele ce cumulează peste 84 % din cifra totală de afaceri. Cea mai mare parte a tranzacțiilor angroșiștilor din această categorie o reprezintă vânzarea de banane și citrice, deoarece pe piața orașului Iași nu există angroșiști care să vândă exclusiv legume și fructe de tipul celor indigene.*

**Cuvinte cheie:** piață, producție horticola, activități organizatorice, tehnice, economice

## INTRODUCTION

In the period 1990-2012, numerous structural transformations occurred in the Romanian agriculture, that created imbalances on farm size, level of equipment with mechanical means, ensuring the production factors with direct effects on economic performance.

In the next stage, it is necessary to achieve a modern agro-industrial system of production by creating competitive organizations within EU agriculture.

One way to revive the Romanian agriculture from the productive and economic point of view is the organization of agricultural production in an integrated system. The effects that determine this process are many, both economically and socially. (Ciurea et al., 2001 & 2005).

Valorized agricultural products in general, and horticultural products, in particular, represent aspects from organizational activities, technical, economic and legal, through which the increased value of production and circulation of goods, from fruit farms as producers, representatives from various consumer direct beneficiaries (the stores), commercial companies, enterprises and industrial processing of fruits etc (Constantin et al., 1997).

The purpose of this work is that for finality of fruit production must be planned character. In Iasi, exist 8 farmers' markets through which supplies over 400,000 customers, take advantage of the fresh horticultural products and fruits – vegetables processing and preserved.

Depending on the number of places of sale, employment and the volumes traded, Iasi markets are divided into two categories: large markets: market Alexandru cel Bun, Nicolina Square, Central Market Hall, Independence Square; Small Markets: Dacia, CUG, Tatarasi; Pacurari.

From a functional perspective, markets include various facilities for traders, such as commercial areas, administrative areas, bathrooms, stalls for vegetables - fruit surfaces for wholesale directly from the machine.

Based on the analysis of balance sheets of companies that sell fruits and vegetables (about 43 companies), 7 are companies that have more than 84% of total turnover.

Most wholesalers in this category of transactions are the sale of bananas and citrus, as there Iasi market wholesalers to sell only vegetables and fruits indigenous kind.

## MATERIAL AND METHOD

A study make a diagnosis on the situation of vegetable area and secondly, the design of an integrated processing and trading of horticultural production in the Iasi county.

## RESULTS AND DISCUSSIONS

From a functional perspective, markets include various facilities for traders, such as commercial areas, administrative areas, bathrooms, stalls for vegetables - fruit surfaces for wholesale directly from the machine.

The main markets are: Alexandru cel Bun and Market Square Nicolina, which are the most popular and due to cheaper products and diversified supply of vegetables and fruit.

Scale and diversification of recovery define a complex organizational structure processing subsystems, packaging, storage and transport.

Table 1

Recovery of horticultural food markets in Iasi (characteristics)

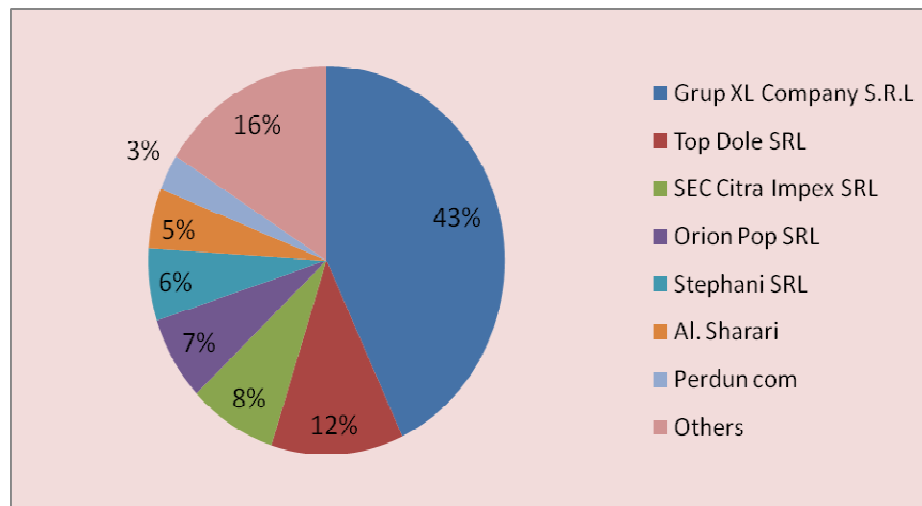
Market name	Total area (square meters)	area (sqm)	Places of wholesale sales	Selling Seating (stalls)		Selling Seating (stalls)		Selling Seating (stalls)
				SC**	Producers	Covered	Uncovered	Vegetables/ fruits
Alexandru cel Bun	9860	2233	40	40	253	210	83	203
Nicolina	4778	2000	20	39	223	222	40	183
Central hall	2024	NA	NA	NA	NA	NA	NA	NA
Independence	958	NA	NA	NA	NA	NA	NA	NA
Dacia	3027	2148,9	0	0	70	NA	NA	64
CUG	4506	3677,92	NA	NA	NA	115	0	115
Tătărași	5091	NA	NA	NA	NA	NA	NA	NA
Pacurari	1430	352	0	0	20	20	0	20

Selling vegetables in the food markets of the country is more profitable due to higher sales price per unit, which horticultural practice in mining areas which have smaller family members are more able to work and grow more diverse assortment of vegetables .

Selling in organized wholesale markets in each city ad hoc or on the main access roads and horticultural practice holding larger areas cultivated with vegetables, where the number of family members to participate in this process is less productive, resort to seasonal workers and sold the same day or next day harvesting, primary attention is given to crops and less recovery process.

As this is a problem of optimization of results, the manager initiates the decision process by listing the possible options. Thus, agricultural products can be sold through the following channels:

- distribution by ultra-short channel (directly to the final consumer), known in economic practice as "trade to stall", is a disorganized form of trading that farmers obtain immediate revenue from direct sales to market agricultural products, packaged properly transported in their vehicles;
- distribution by short channel runs between the farmer and retail stores - less common system in Romania - or between farmers and speculators in the market, buying agricultural products and farmers calls himself not to enter the category of traders and being forced thus pay taxes;
- long distribution channels is practiced by companies in the agriculture, manufacturers, wholesalers and retailers;
- the wholesale distribution of specific ongoing since 1998, when it was founded Wholesale of vegetables, fruit and other perishable agricultural products in Bucharest;
- choosing the optimal utilization of agricultural products obtained is a decision that depends on a variety of factors, most important being the nature and size of farm product;
- based on the analysis of companies that sell fruits and vegetables (about 43 companies), 7 are companies that have more than 84% of total turnover, as shown in the figure below.



**Fig. 1 - Wholesale of fruit and vegetables**

*Table 2*

**Direct costs for raw materials and packaging for cucumbers in vinegar  
- production of 600 t / year**

No	Name of products	U.M.	Quantity	Price (rol)	Value (rol)
1	Cucumbers	kg	230.000	0,6	138.000
2	Vinegar 9o	l	33.000	1,4	46.200
3	Bay leaf	kg	500	5,9	2.950

4	Pepper	kg	500	5,9	2.950
5	Mustard seeds	kg	500	1,5	750
6	Dill	kg	600	2,0	1.200
7	Onions	kg	1.000	1,2	1.200
8	Salt	kg	8.000	0,26	2.080
9	Twist-off 720 ml jars.	pieces	583.000	0,53	308.990
10	Twist-off caps	pieces	583.000	0,12	69.960
11	Labels	pieces	583.000	0,05	29.150
12	Foil packaging	kg	1.850	5,71	10.563
13	Strechfoil	kg	375	4,2	1.575
14	Total				615.568

The raw materials used to manufacture canned vegetables will come from their farms and of the six recipes for manufacturing emerges above the general structure of plant materials.

Table 3

**Need of vegetables used as raw materials for canned vegetables for 1700 tons proposed for a year**

Name of products	Cucumbers	Onions	Egg-plant	Pepper gras-njel	Parsley leaves	Dill	Cap-sicum	Courgettes	Carrot	Parsnip	To-matoes	Parsley Parsnips I
Cucumbers in vinegar	230	1				0,6						
Red peppers in vinegar							120					
Courgettes in brine								132				
Root vegetables in water									107	47		83
Vegetable stew of eggplant		19	160				80				60	
Vegetable stew		30		115	2,5				22		100	
Total general	230	50	160	115	2,5	0,6	200	132	129	47	160	83

The analysis of table 3 for recipes and quantities of finished goods proposed to be made; there is an annual consumption of vegetables needed by 1309.1 tons production process, which represents 3% of annual production of vegetables in the village queen made in 2009 and 1.72% of the annual review conducted in the micro area.

To achieve the production of vegetables were determined labor costs for the period of a year. (Ungureanu et al., 2004).

## CONCLUSIONS

1. The small size and dispersion of farm vegetables and vegetable products that increase value through processing and recovery requires favorable conditions need to integrate the vegetable industry. Practice advanced countries the

advantages of gardening in vegetable production structure integrated within the pathways.

2. Branches of agriculture, vegetable growing is most suitable for integration. Variety of vegetable products, their timing during the growing season, the possibility in protected vegetables and processed products are diverse elements favoring integration.

3. Wholesale distributors and supermarkets in Romania imported a lot of vegetables directly, and the main reasons for significant import volumes are:

- local production cannot meet demand in the season;
- prices for imported vegetables are competitive with local production;
- imported products are homogeneous in terms of quantity, quality and punctual delivery.

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