

In order to be a member of the TDC, up-country stores must be willing to abolish their former stock and ordering systems and be receptive to using computers and modems. They must also be willing to expand in terms of both store size and number of outlets operated. In return, the members are provided with complete stock control. Ordering takes place on a bi-weekly (soon to be daily) basis and is completely computerized. While the ordering is not currently tied into point of purchase inventory control, this idea is currently being examined. TDC also ensures that each store will not experience a shortage of goods.

The 12 members of TDC (which represents over 40 outlets), have experienced a remarkable rise in cost efficiency since joining this system, therefore freeing up capital for expansion. Sales volume in the first year of operation reached 1,200 million Baht (C\$63 million). Goods are received at a central warehouse located just outside of Bangkok where a stevedore assembles each order for each up-country location. Trucks leave the warehouse on a daily basis. Refrigerated space will be installed in the warehouse in the next 12 months.

Currently, only 5-7% of the products they distribute are imported items. However, the demand for foreign goods is strong and TDC is looking for additional foreign products which they will import directly.

TDC has set the stage for the future of food distribution in Thailand. Competition is expected soon. This will allow Canadian exporters of food products an ever broader choice of options for up-country grocery and food distribution. This is an ideal opportunity to get in on the "ground floor" and establish initial market share in the up-country markets and should not be overlooked by Canadians. Details on TDC can be found in Section II of this report.