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SUBJECT IL&GLOBAL SCM

ASSIGNMENT ACE DAIRIES

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Q1. Explain the supply chain of milk ?

The challenges within the supply chain and the improvements, which can benefit the supply chain of milk.



The diagram above explains the Supply chain of milk with the different stages involved that includes Farmers, Cooperatives, Processors and the Supermarkets. Processing of Milk.

Stage 1: The cows at the dairy farm are milked for at least twice a day and the milk is stored in a refrigerated silo for up to 2 days.

Stage 2: The refrigerated tanker then collects the milk from the silo located in the dairy farm and transports the milk to a processing factory.

Stage 3: The processing factory pasteurizes the milk and is stored in the refrigerated silos after processing again.

Stage 4: The refrigerated milk is then transported in the refrigerated tanker on road to the manufacturers of milk.

Stage 5: The manufacturers produce different dairy products from the milk and the milk is packaged and induced into pallets and into refrigerated trucks.

Stage 6: This is final stage where the milk pallets are transported in refrigerated trucks to the supermarkets and retail outlets.

Q2. Where does Ace Dairies fit into this?

Ace dairies is fitting in this model in away that it lies in 1st tier as they are directly supplying the milk to the customer. There is no intermediaries between Ace dairies. Also all the other activities are perform by the themselves from producing milk till delivery to customer..

Q3. What particular activities form the logistics in Ace Dairies?

The logistic activities of Ace dairies are including few steps.

In first go the milk comes from farm and then deliver to depots for cold storage and then it moves further for deliveries when the order placed by the customer. In between this operations is performed at certain specifics timings to avoid any ambiguity. Because the milk is very sensitive product.

Q4. What are key problems that Ace Dairies has with logistics?

There ae number of logistic problem with Ace dairies. First the timings to move the product to the order is not good. Secondly Ace dairies do not have the specific vehicle for the deliveries that hold a temperature for milk. There is, for instance, some difference in daily demand, so Roger has to carry spare stock. He cannot carry too much, as dairy products have a short life and anything not delivered quickly is thrown away. There is also effort maintaining a service during holidays, or when Unigate has difficulties with their deliveries.