



Blueberries Supply Chain in Cañete, Peru: Challenges, Strategies and Results

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Peru: Latin America Country



Peru



Background of Peru



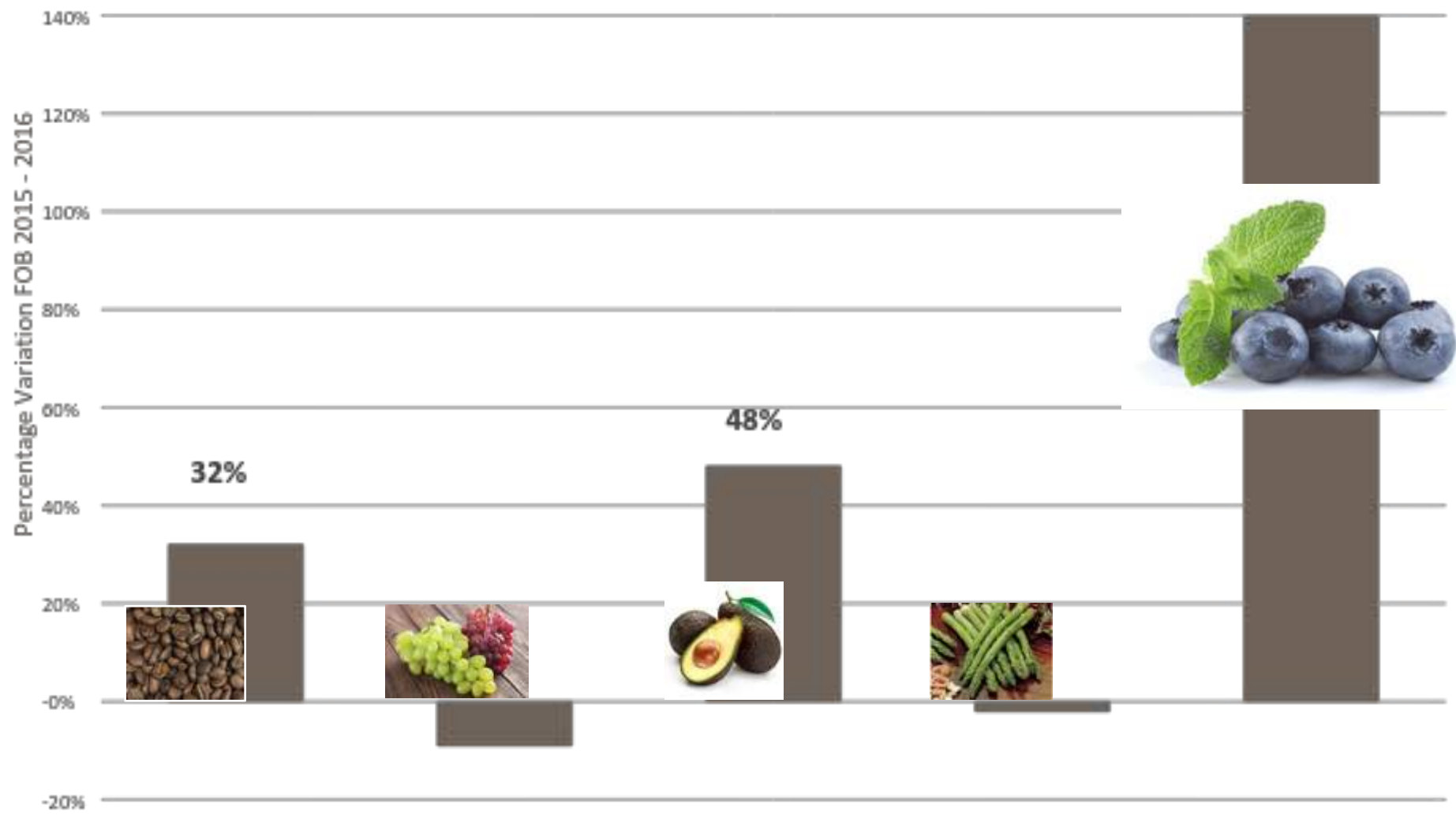
Peru by the numbers



- Population 31.2 million
- GDP \$192.1 billion
- GDP growth 3.3%
- GDP expected 2017 3.0%
- Inflation 4.4%

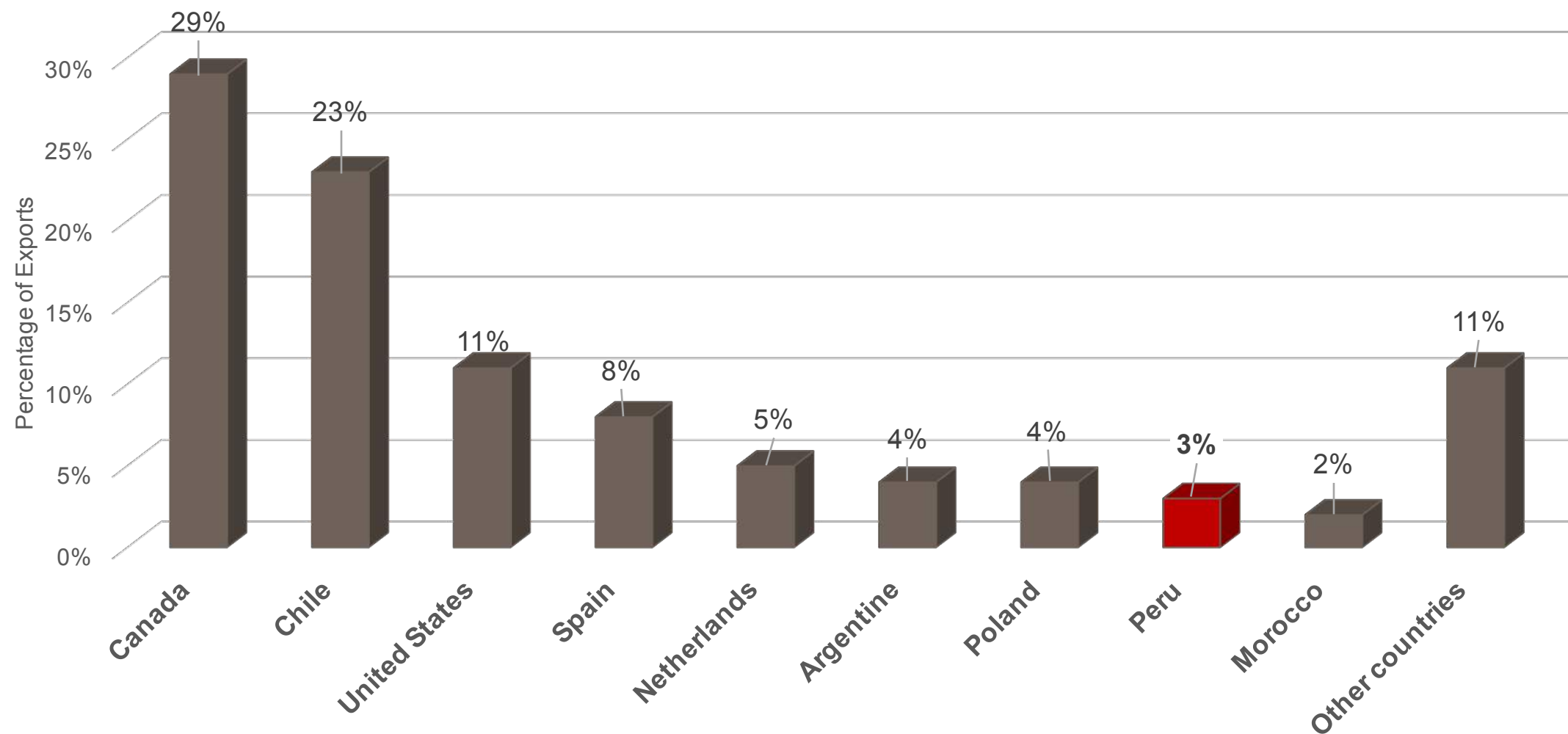
Source: Banco Central de Reserva del Peru, 2015

Important product exports to the global market



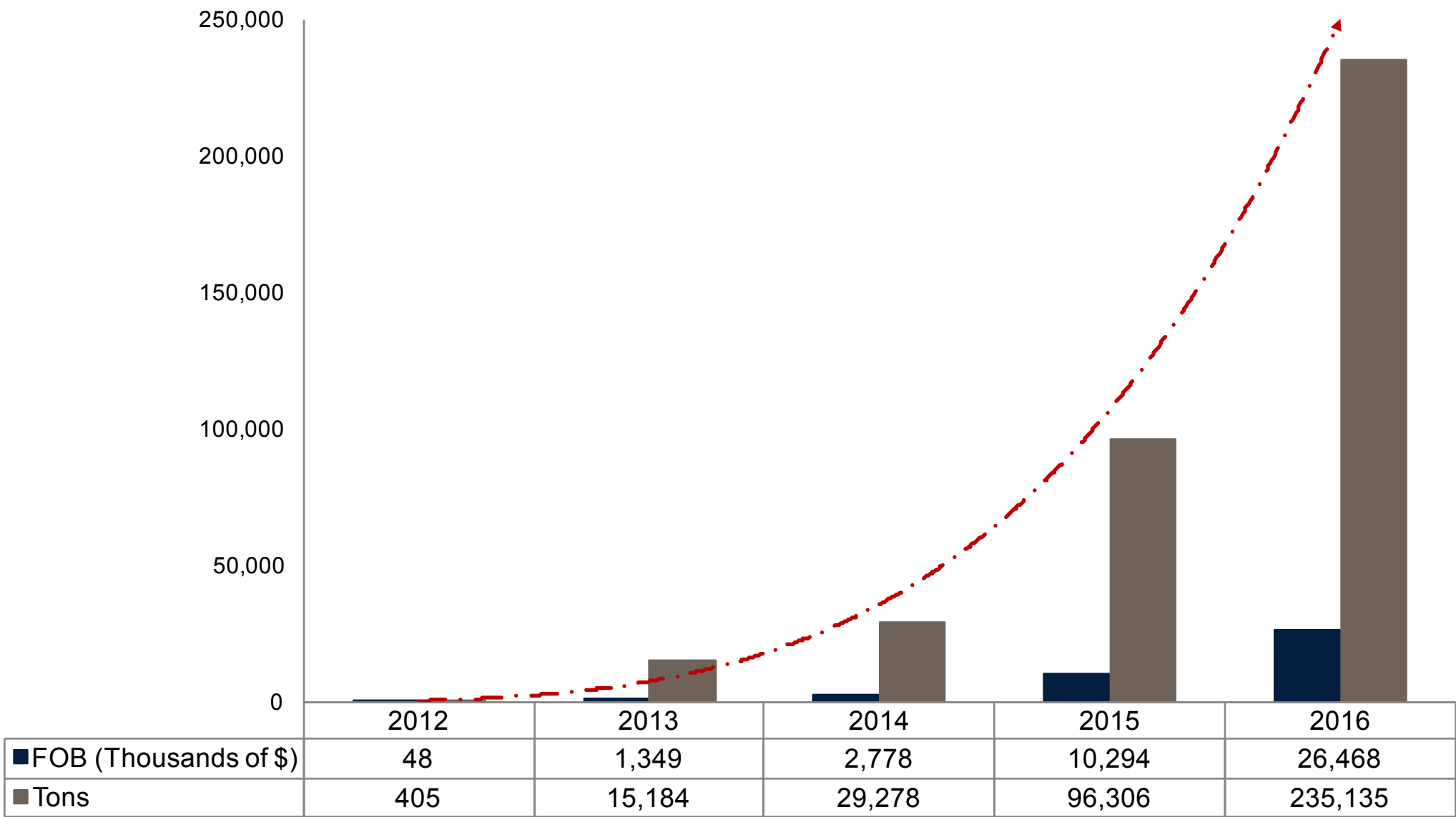
Source: Blueberry in Peru and the World: Production, Trade and Perspective; MINAGRI 2016.

Peru: Top 7th exporter for berries



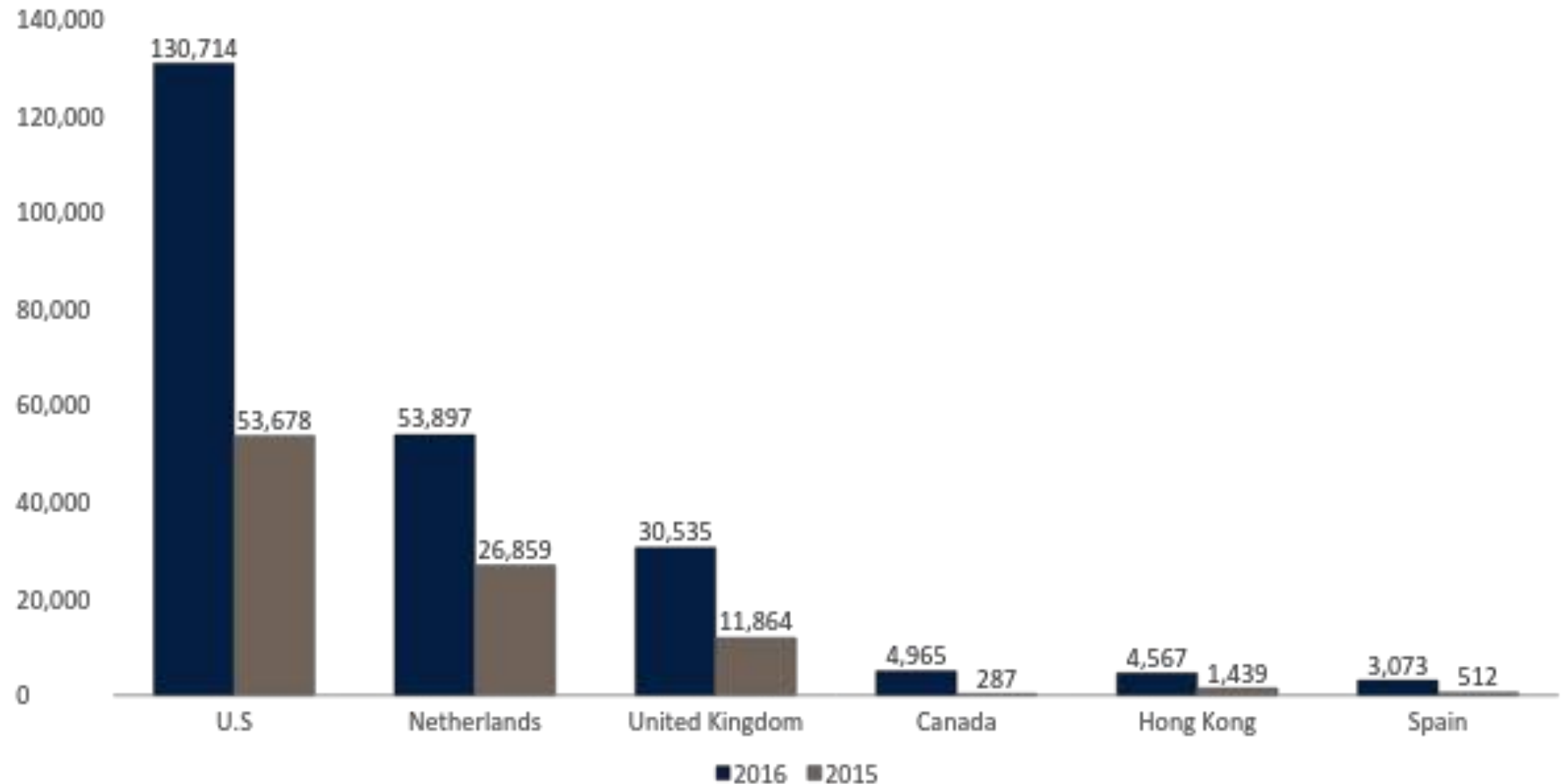
Source: UNCONTRADE (2015)

Berry exports in Peru



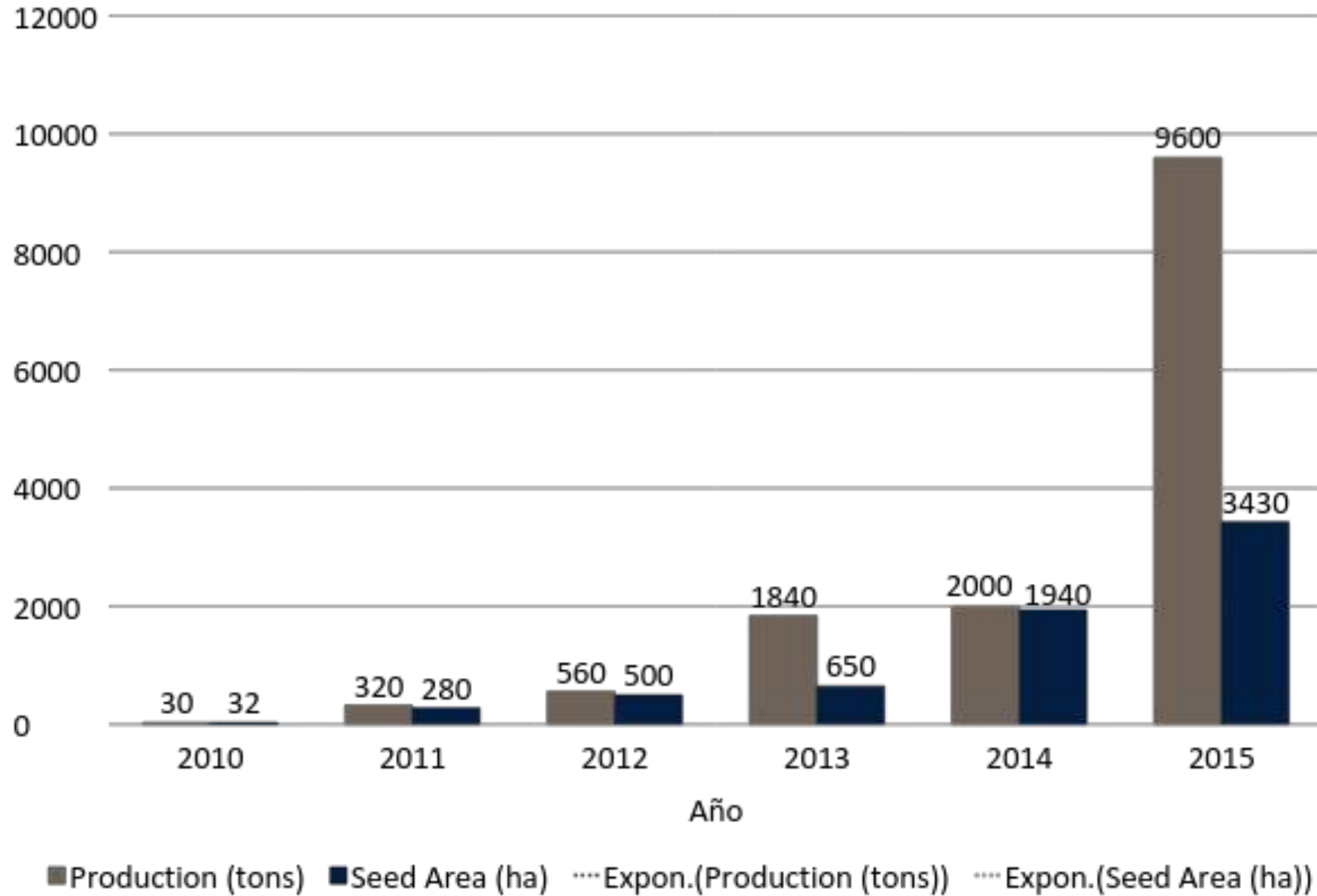
Source: AGRODATAPERU (2017)

Peruvian Blueberries in the world



Source: AGRODATA (2016)

Seed Area in Perú



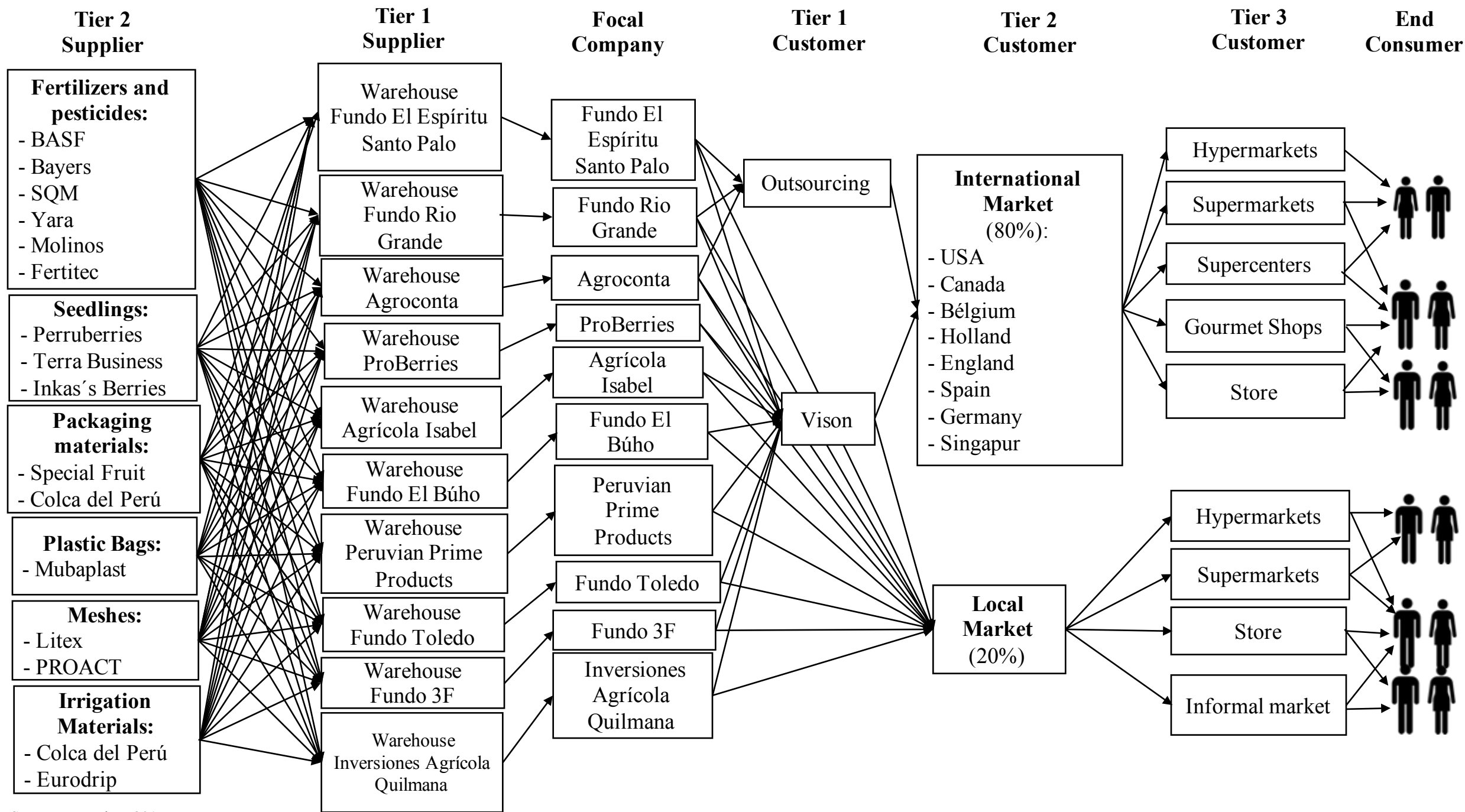
Timeframe for exports of Peruvian Berries



MONTH	JAN.		FEB.		MAR.		APR.		MAY.		JUN.		JUL.		AUG.		SEP.		OCT.		NOV.		DEC.	
Weeks	1	4	6	8	10	12	14	16	18	20	23	25	27	29	32	34	36	38	40	42	45	47	49	51
EEUU / Canada																								
Chile																								
Spain																								
France / United Kingdom																								
Germany																								
Poland																								
Australia																								
New Zealand																								
Argentina																								
Mexico																								
Peru																								

Source: MINAGRI (2016)

Blueberry Supply Chain in Cañete, Lima



The Agriculture Value Chain



Inputs for Agricultural Production

Seeds, fertilizers, farming equipment, animals, and other products that serve as inputs to the production of food

Farming

Planting, growing, and/or harvesting food products

Storage

Storage and warehousing of farmed products

Processing/Manufacturing

Packing or processing of farmed goods into finished products for sale to customer

Retail/Consumer Delivery

Selling and delivering finished goods to consumers via physical, online or omnichannel markets

Supply Chain Management: The orchestration of activities involved in buying, conversion, and logistics

Source: Technology in Agribusiness, Stanford 2017

Inputs for Berries Supply Chain



Source: www.blueberriesperu.com

- The farmer must work for minimizing the supplier risks and avoid issues with the materials in relations to quality and organic requirements, strictly demanded by international market
- Critical factor is lead time, it's affected the production, in quantity or quality
- Supplier Relationship Management need to improve: strategic and operational perspective

Farming



Source: www.diariouno.pe

- Quality control is critical, is empirical situations is made in the farming.
- The fungus is frequently affected.
- Don't have qualified workers

Storage



- The farmer must work for minimizing the operational risks:

- Fungus
- Insects
- Bacterias
- Birds
- Climate change
- Natural Disasters



Source: www.proberriespe

- Variations in farming make very difficult to apply some inventory models for maintain some quantities in stock of source materials.

Processing/Manufacturing



Source: senasa - peru

- Processing plants are so far from the farmers and the perishability is critical situation with berries.
- Apparently easy activities for dispatch, sorting the size and color the blueberries, but sincronization is important, need to align the packaging activities and dispatch to local or international transportation

Retailer/ Consumer Deliver

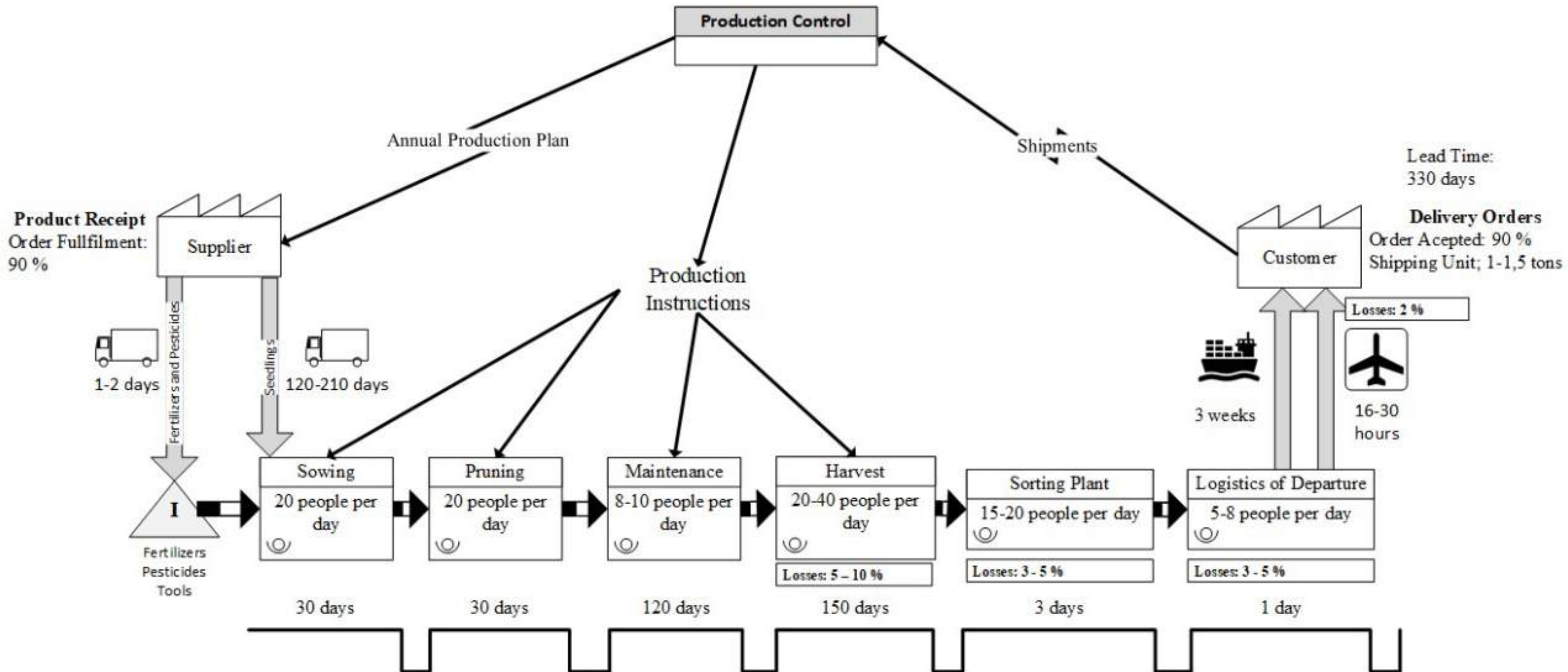


- The perishability is critical situation - with berries they use refrigerated container.
- Typical presentation (plastic container) for berries, provider is from Chile.

Source: www.constran.com.pe

Blueberry Value Stream Mapping in Cañete, Lima

International Customer



Best Practices in Peru: Leaders and Followers



Inputs

Camposol
Trujillo
North of Peru



Farming



Storage



Farmers
Cañete
Center of Peru



Best Practices for minimize the operational risk



- 1st Question:
How to reduce the damage in the farming from birds?
- Best practices:
Contract one specialist : The Hawk
- 2nd Question:
Determine the number of Hawks for eliminate the damage and minimize the operational cost?



Challenges for Supply Chain



- Develop supply chain strategies and operations aligned with source and distribution process
- Adopt the best practices for plan and execution from the best Peruvian companies
- Small farmers or Associations need to work together, in order to share the information and improve the process standards.

Challenges for Supply Chain ...*(continuation 1)*



- Various varieties must be introduced: Biloxi, Misty, Legacy
- The quality aspect is critical for Food Supply Chain, it has affected several times to production, but **SCQM** is recently introduced in the Peruvian industry.

Challenges for Supply Chain ...*(continuation 2)*



- Supply Chain need will be agile and lean.
- Infrastructure is necessary to transform for become more competitive

The future and solutions!



- The China market is important for the Peru Super foods SC
- Peru will be a global leader in Super Food Supply Chain (2025)
- The Peruvian SC become more competitive but to find the road map and industrial engineers will be very important!



Questions and Answers





***Thank you!
or
!Muchas Gracias!***



Source: www.proarandanos.org