

Logistics management for successful agribusiness

Logistics management for agrifood products is about how organizations fulfill market demand by getting the right product, in the right quantity and quality, at the right time and place as efficiently as possible to meet customer requirements. Logistics management coordinates and optimizes all those activities and integrates them with marketing, sales, manufacturing, finance, and IT. Providing dependable, error-free logistics service while controlling costs is the primary goal of logistics and agribusiness managers. While no single model will fit the needs of all agribusinesses, safety, quality, and the environment should constitute an integral part of any strategy. For developing effective logistics, bottlenecks in transport, fleet, storage, warehousing and inventory, and supply/demand planning must be resolved, especially

in SMEs that constitute a large portion of Asian agribusiness but are often inefficient in logistics management. A well-designed logistics management scheme enables agribusinesses to minimize costs, maximize profits, and sustain operations.



Observing the processing of fruit and vegetable waste into cattle feed at Madan-e-Markazi Miveh va Tarebar.

To equip participants with skills and knowledge in designing

and conducting effective logistics management and enhance their understanding of emerging issues and critical factors in agribusiness logistics management, the APO in collaboration with the Iranian Ministry of Jihad-e-Agriculture and National Iranian Productivity Organization organized a training course on Logistics Management in Agribusiness, 28 January–3 February 2012, in Tehran. Eighteen participants from 10 member economies, along with five local observers, attended.

To observe good practices of logistics management in agribusiness, the participants visited Madan-e-Markazi Miveh va Tarebar (Central Market for Fruit and Fresh Produce, Tehran) and the milk-processing and packaging plant of Tehran Pegah Dairy Company. The participants also drafted a list of follow-up actions needed to develop efficient logistics systems for agribusiness in their countries. As one follow-up, Managing Director Chan Seng Kit of K-Farm Sdn. Bhd., Malaysia, suggested that there was a need for subsequent communication between the resource persons and participants to enhance the impact of the course on their job environment. He also recommended more detailed practical training during field/company visits with explanations of business models. As often noted, many, including Dr. Abdul Ghafoor of Pakistan, thought that the schedule was tight. Iranian Masood Malekhani was appreciated of both course content and the enthusiasm of the resource persons, while Indonesian Yuli Sri Wilantim felt that one of the high points was that the methodology encouraged actual application. 🌀