



Tyson

Tortilla Industry Association

**COVID caused Inbound Logistics
Challenges & Solutions**

July 9, 2021



COVID driven Challenges



■ Demand Shifts

■ Equipment "Displacement"

■ Supply Interruptions



- **Supply Interruptions:**

- Idling of Production Capacity – both Domestic & International.
- Suppliers shifting production capacity to more lucrative products.
- Existing production capacities overstretched.

- **Equipment Displacement:**

- Container traffic backlogs & reduction in Container Fleet headcount.
- Shifting domestic truck freight demand.
- Declining domestic truck freight workforce.

- **Demand Shifts:**

- Consumers initially adjusting to pandemic altered Goods & Services demand.
- Longer term changes to the demand landscape.



Areas of Opportunity



■ Production Planning

■ Supplier Chain "Deep Dives"

■ Internal Education

■ Ongoing due diligence



- **Supply Chain Deep Dives:**

- Develop a thorough understanding of your “Tier 1” Supplier’s capabilities & limitations.
- Develop a robust understanding of your “Tier 2” Supplier’s capabilities & limitations.
- Work with appropriate Supply Base to address capacity concerns & limitations.
- Regularly refresh above approaches.

- **Production Planning:**

- Work VERY closely with Production Planning activities – improving demand “line of sight.”
- Become a Trusted Partner with Production Planning.

- **Ongoing Due Diligence:**

- Regularly engage with Internal Stakeholders regarding Supply Chain “education.”
- Regularly review & update above activities – insuring efforts don’t simply become a “PowerPoint thrown in the desk drawer.”
- Be willing to “lean in” and provide solutions to address opportunities as they arise.