

TECH.FOOD

Solutions and interventions for the technological transfer and the innovation of the agro-food sector in South East regions

Activity 7.2 - TRANSNATIONAL FOCUS GROUP

Innovative Solutions in Food Logistics

14 April 2011, 14:00-17:30 pm

Budapest, Hungary

Hosted by: Corvinus University of Budapest, Faculty of Food Science

1118 Budapest, Villányi út 29-43. Building K., Presidential room

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Innovative Solutions in Food Logistics

The **concept of logistics** covers the whole spectrum of the company activities. Its main purpose is to optimize and analyse the company processes as a whole and give a complex approach of the business. Logistics is the planning and fulfilment of the raw material, semi-finished or finished products and the information flow in a cost effective way. It is nothing else but application of system approach in the material flow. It is a **network** of raw material suppliers, subassembly production facilities, manufacturing locations and customer sales points connected together by transportation systems and warehouse storage points. Thus logistics contributes to the competitiveness of a company.

Food supply chains connect businesses responsible for production of vegetable and animal products. Challenges for food producers are the strong competition, increasing effectiveness, and outsourcing of the logistic functions. In the whole supply chain logistic activities consider customers' needs through food quality, safety and the necessary information.

Two main **types of the food supply chain** are the supply chain of the fresh agricultural products, and the supply chain of processed food products. There is an array of special flow and product characteristics of the food supply chain. Seasonality in production needs global stocks. Yield of processes differ in their quality and quantity that are affected by biological differences, weather, diseases and other infections. Raw materials, semi-finished or finished food products are getting closer to their date of expiration while they flow over the food supply chain. On the basis of expiration date it can happen that the product has to be moved from the stock, as well. Tools that can ensure the controlled transportation and warehousing such as refrigeration are needed. Monitoring systems enable to monitor the quality and environmental effects on food products.

In relation to the above mentioned characteristics **problems** can be identified in the fields, such as decreasing stocks versus availability of products (bull-whip effect), the importance of e-business in the ordering process, or keeping minimum level of stock in retailers' shops or regularly being late in order fulfilment by the suppliers. Solving the problems in food industry Quick Response Partnership could contribute to decreasing ordering time and enable frequent order and monitoring. Application of Just in Time systems can decrease the risk born from transportation. Using the latest IT solutions can support the effective information flow in the food supply chain.

Functions of logistics are transportation, storage, packaging, materials handling, order fulfilment, forecasting, production planning, purchasing. In the logistics segments technology innovation can contribute to the company solutions. Technology is how available resources are combined to produce output. Technology can be industry sector and/or business specific and is generally regulated by management or community processes. It can involve the latest innovation or something that has been around for sometime. Technology can be product specific, such as how we produce a good or service by combining inputs, or it can be process specific such as new ways of dealing with workers or decision-making.

Draft Agenda

12.30 – 14.00 Buffet lunch

- 14:00 – 14.15 Introduction of the Faculty of Food Science, Corvinus University of Budapest
Mrs. Csilla Mohácsi-Farkas Ph.D., vice dean
- 14.15 – 14.20 Introduction, the aims of the Transnational Focus Group Meeting
Mr. Zoltán Lakner Ph.D./Mr. Szilárd Podruzsik Ph.D.
- 14.20 – 14.50 Opening speech
Invited speaker from the Logistics Promotion Centre of Hungary
- 14.50 – 16.00 Enterprises introduction (5' each)
- 16.00-16.30 Coffee Break*
- 16.30 – 17.30 Moderated Roundtable Discussion
Moderator: Mr. Zoltán Lakner Ph.D./Mr. Szilárd Podruzsik, Ph.D.