

## #002 HOW CAN WE EXPLAIN SO MANY DISRUPTIONS IN THE FOOD SUPPLY CHAIN SINCE THE ANNOUNCEMENT OF THE CONTAINMENT ?

Supply Chain

GMS

Industry

Forecasts

Logistics

Transport

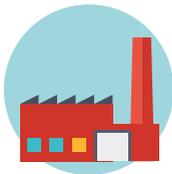
Several factors have led to disruptions in the food supply chain in the last two weeks.

### TRIGGERING FACTOR : political decisions and changes in mass behaviour

From the first announcements, with the first school closures, the famous **“bullwhip effect”** was observed on **several basic food** products (pasta, rice, sugar, oil...) and **necessities** (toilet paper, paper towels, hygiene products...).

This rush of the population towards these products caused many disruptions, because no forecasting model could have anticipated such a drastic upheaval in orders.

### FROM THEN ON, THE 3 MAIN LINKS OF THE CHAIN WERE PUT UNDER TENSION :



Factories



Warehouses



Transport



### FACTOR 1 : Increase in orders

Out-of-store breakdowns have led retailers to **increase their supply volumes** to manufacturers.



### FACTOR 3 : Increase in deliveries

Carriers were heavily requested to **move the goods to warehouses**.



### FACTOR 2 : Increase in production

Industrialists have **increased their production rate and have massively destocked**.



### FACTOR 4 : Warehouse saturation

For most of the live sectors, **the bottleneck has been the "warehouse link"**. It is very complicated for a warehouse to digest such a boost on so many references.



### AGGRAVATING FACTOR : displacement of populations from cities to the countryside

In addition, the announcement of the containment caused a **mass exodus of the urban population** to the province within 24 hours. This overnight redistribution of population **was not part of the forecast and planning scenarios of industry and distributors**. It took several days for the actors in the chain to integrate the new situation.



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Experienced Co-Founder with a demonstrated history of working in Consulting & SaaS companies. Skilled in Leadership, Operations Management, Supply Chain Optimization, Computer Science, and Artificial Intelligence. Serial Entrepreneur in Freight, Internet, SaaS and AI companies.

### | About ASLOG

**ASLOG brings together more than 400 companies from all sectors**, with 2,000 professionals working together to promote and build tomorrow's Supply Chain. ASLOG is a neutral and independent association that addresses Supply Chain issues.

**As early as 1972, visionary men sensed that this function would be decisive for all companies.** For almost fifty years, professionals in the sector have made ASLOG the reference partner.

ASLOG is the privileged interlocutor of institutions and public authorities on all questions relating to the sector.

### | #supplychain4good

The **#SupplyChain4Good** community was created at the initiative of Michelin and ASLOG, as part of the Movin'On ecosystem, in favor of a more sustainable mobility of goods.

**#SupplyChain4Good's** ambition is to federate the actors who work for Supply Chains that are simultaneously good for the planet, the people and the business performance. The members of this community are «shippers» (industrial and commercial companies), «operators» (transporters, logisticians, shipping companies, ports...), «support functions» (academics, consultants, information systems, regulators, NGOs...).

They cover all economic sectors and all regions of the world. Their work takes place throughout the year and culminates in the annual Movin'On Summit, the world summit on sustainable mobility.