

Lean Management for Enhancing Supply Chain of Cattle Based on Thai Cross-Border Trade

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Abstract

Global consumption of beef has been growing for decades continuously. However, the production of beef declines due to global warming problem. The mismatch between supply and demand means that global trade in cattle and beef need to boost to satisfy increasing demands worldwide. Especially, China has been facing the supply-demand state of imbalance. Even though China is one of the most potential beef producers, China consistently imports more live cattle from Australia and imports remain strong in subsequent years. In addition, Ministry of Commerce recognizes a great opportunity to export Thai live cattle crosses borders into China via overland routes through Laos. Furthermore, Thai Agriculture groups have strong potential to develop the quality of cattle to match the international standards and trade. The aim of this study is to propose the guidelines for enhancing Supply Chain of cattle based on Thai cross-border trade. The systems and non-value-added activities are evaluated by lean approach for system efficiency, production cost, and responsiveness in stakeholders' demands under market conditions. According to data collection, Thai cattle are imported via the overland routes significantly affecting the standards of cattle trade: weight and disease-free. The study reveals that the core problems are Supply Chain activities and Logistic cost. Therefore, the study suggests that 1) Animal Quarantine Base in Laos could decrease the possibility of mismatched standard cattle and control production cost and 2) Route Planning could increase energy-efficient transportation. Ultimately, the results of this study emphasize the importance of better-informed supply decisions for the future trade.

Keywords

Lean Management, Supply Chain, Cattle and Boarder Trade

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