1. One could argue that Alcoa is not the first entity in the supply chain because other companies supply it with the tools and materials to get the aluminum out of the ground. Other suppliers for Anheuser-Busch would be the company that provides the hops and grains required to make its beer, and the supplier of brewing equipment. Anheuser-Busch needs to share sales information and forecasts with its suppliers so that they can plan capacity and production levels. All of the companies within the supply chain need to be as transparent with their data as possible so that products can be made and shipped out to the customers with a minimum of waste.
2. While it is true that operations management and supply chain management are integral to manufacturing firms, it is false that operations and supply chain apply only to manufacturers. Service industries also source products and services, and in some cases, need to consider how these will be delivered to the final customer. Amazon, which uses UPS to make deliveries, is a *prime* example.
3. There are many different supply chains that support grocery retail chains such as Tesco. Tesco’s major focus has been on sourcing and delivery of products to make sure the right item arrives to the right warehouse or store at the right time. Home-delivery option offered by Tesco needs a major logistics network. Tesco’s expansion in e-commerce has given customers various options of mobile shopping, Click and Collect, and so on. To manage the whole process of online shopping, Tesco manages a comprehensive supply chain of service activities, such as stock management, loyalty card systems, and so on, that are well integrated with its operations.
4. There are numerous examples of where poor supply chain management undercuts a business. For example, a product may be well-designed, but if the company cannot source quality inputs, cannot produce the product to cost or quality targets, and cannot deliver it in a timely manner, the product will fail in the marketplace.