



Scottish Shellfish
Marketing Group



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Market Driven Supply Chain
January 2017

SAOS 



INTRODUCTION TO SSMG



- **Membership**
 - **17 Mussel Farms**
 - **2 Oyster Farms**
 - **Located up the West Coast of Scotland, Western Isles and Shetland**
 - **Varying in size from 50T p.a. to 4,000T**
- **Factory**
 - **2 sites, one in Shetland, one in Bellshill**
 - **Shetland c. £5M of wholesale trade**
 - **Bellshill c. £20M of retail trade**



IDENTIFYING THE PROBLEM (OPPORTUNITY)



Several issues around the farming operations were identified by members, as part of the MDSC initial phase; but two issues were highlighted as the biggest potential opportunities to help members and the cooperative grow;

- **Under-utilisation of available farm capacity**
 - **Un-used licences / Varying practices / Site yields**
- **Inconsistent Spat Supply**
 - **Good years and bad years for spat collection made forward planning difficult and caused farms cash-flow issues**

We then had to consider;

- **Why do these issues exist?**
- **What could be done to exploit the opportunity?**



Under-utilisation of available farm capacity



As we started to analyse and investigate this area, it became clear that we were not in a position to compare farm data. Each member was in a different place when it came to recording data, making comparison between farms unworkable as part of a 6 Σ process

- **Spin Off (potentially game changing);**
 - **Database system being created**
 - **This will capture data in “real time” from the farms**
 - **In turn, this will provide historical data for analysis**
 - **And provide more accurate forecasts for future production**
 - **Volume**
 - **Cash**
 - **Quality**
- **This allowed us to focus all our effort on the spat issue**



Inconsistent Spat Supply



Member communications and follow up meetings highlighted the “spat issue” across the group

while it may be surprising that this was not happening – it wasn't

•Outcome;

- Almost finalised formal trading agreements for an “internal market” for spat**
- We have sourced some spat from outwith the group to assist capacity in the short term**
- In the longer term, we are working, with several other bodies, on a commercial shellfish hatchery in Shetland**



What is the “Commercial Impact”?

We need continuity of supply to plan production efficiently

This allows us to service our existing customers

Surety (and growth) of supply is essential to pursue new customers

Unlikely that we will receive more for our product

Therefore, we need to produce more product, more efficiently