## FOOD FOR THOUGHT

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1. Why K&N has organized everything in house right from the beginning (acquiring eggs) all the way down to the final product placement at retail stores (raw chicken meat, frozen products etc.)?

K&N's competitive strategy is based on quality and food safety. By controlling the entire production process, they can ensure that their products are of the highest quality and safety standards. This is a very effective strategy, as it allows K&Ns to differentiate themselves from their competitors. Some of the specific benefits of K&N's vertically integrated business model are:

- **Better control over quality:** K&Ns can ensure that their products meet their high standards for quality by controlling every step of the production process.
- **Enhanced customer relationships:** K&Ns can build stronger relationships with their customers by providing them with a more transparent supply chain.
- **Reduced risk of contamination:** By controlling the entire production process, K&Ns can reduce the risk of contamination from third-party suppliers.
- 2. Can you identify some initiatives taken by K&N to halt or prohibit waste generation?

K&Ns has implemented several initiatives aimed at halting or prohibiting waste generation within their poultry supply chain. These initiatives are reflective of their commitment to sustainability and environmental responsibility:

- Environment-Controlled Poultry Houses: K&N has taken significant steps to ensure that their poultry houses are environmentally controlled. By doing so, K&Ns minimizes the chances of stress or disease among the birds, ultimately reducing the waste generated due to unhealthy animals.
- **Nipple Drinkers for Chickens:** One notable initiative is the installation of nipple drinkers for chickens. These drinkers release one sip of water at a time, preventing water wastage. This careful water management not only conserves water but also reduces the volume of waste generated from excess water usage.
- Hygienic and Automated Processing: K&Ns processes chickens in the most hygienic and automated manner possible. This automated processing ensures that every part of the chicken is utilized efficiently, minimizing waste. By reducing human involvement in the processing, the chances of contamination or mishandling are also minimized, further contributing to waste reduction.

3. Can you find out some clues regarding the "Sustainability Initiatives" taken by K&N? (Hint: Sustainability is comprised of three dimensions Economic (Profits), Social (People), Environmental (Planet).

#### **Economic (Profits):**

- **Product Availability:** K&N's products are available in stores and delivered to various food establishments, contributing to local economies.
- Individual Quick Freezing (IQF) Technology: IQF technology is efficient and helps maintain product quality, potentially reducing energy and resource consumption, which can impact profitability.

### Social (People):

- **Hygiene and Food Safety:** K&N's commitment to food safety ensures the wellbeing and health of consumers.
- **Halal Slaughtering Process:** The emphasis on humane treatment of animals aligns with social sustainability.
- MSG-Free Chicken Soup Cubes: Offering healthier food options by being MSG-free can be considered a social sustainability effort.
- **Quality Assurance Lab Tests:** Ensuring product quality and safety benefits consumers and supports social sustainability.

#### **Environmental (Planet):**

- Grain-Based Diet: Using natural ingredients and monitoring their quality can reduce reliance on resource-intensive feeds, promoting environmental sustainability.
- **Nipple Drinkers:** Using these drinkers reduces water wastage and is environmentally friendly.