

Lydia Yu

912328745

MAMD case

1. MAMD can produce premium milk either by processing raw milk into premium milk, or by combining butter and SMP (skim milk powder) into milk.
2. MAMD's objectives are to meet consumers' demand for milk at a reasonable price and to provide good remunerative price to milk-producing farmers while assuring year-round procurement of milk from the farmers.

3. The challenge in procurement is that many farmers would rather supply milk to private milk dairies instead of MAMD because private dairies pay the farmers in advance.

MAMD also faced challenges in meeting demand, especially because of the high perishability nature of milk. There were also supply fluctuations due to bovine diseases, farmers unwilling to improve cattle breeding, climatic conditions, and local consumption during peak seasons. Demand fluctuations resulted from urbanization, increased consumption during festivals, and farmers choosing between different dairies to supply raw milk. There was a lot of competition from private/local milk dairies as well, and rising production costs of premium milk. MAMD needs to accurately predict consumer demand and optimize its milk storage and production levels.