

Bp oil spill



**ASSIGN
BUSTER**

BP OIL SPILL (Affiliation) BP OIL SPILL ANALYSIS Introduction Apart from the mobilization of a supply chain consisting of emergency goods of an unmarked value, the BP team in charge of supply chains had to depend on global chain suppliers following the 2010 deep-water horizon spill of oil catastrophe. The accident that happened at the Gulf of Mexico received response from many organizations aiming to contain the situation. The supply chain team played a key role. According to Waters (2011), the main challenge that the supply chain faced was to secure the nearby regions and the offshore response. Several actions were done by the team to prevent the natural ecosystem from being affected by the oil spill. 6500 vessels had been used in the process to clean the sea making BP spend \$14 billion on the disaster and response.

Global Supply Chains

The supply chain experienced a major challenge in that the goods later produced by the company could not meet the overwhelming demand that existed in the market. In addition, its requirements met an alteration of terms and agreements. Dispersants were among the goods whose production was low at 500 weekly gallons as opposed to the required 50000 gallons a day demand. The company also had a problem with some of its affiliate suppliers who claimed to be capable of providing certain commodities but inflated their prices (Waters, 2011). There had been no plan to handle such disaster hence the company suffered hugely in the global supply chain index.

Medium of transportation comparison

Sea transport for commodities like oil is a cheaper alternative than air, rail or road transport. Transport links between continents are limited. Road and rail

<https://assignbuster.com/bp-oil-spill/>

are convenient ways to transport oil inland while sea shipping remains the cheaper and most efficient way to transport oil between offshore countries or continents (Waters, 2011). Air transport is expensive and risky. It also cannot accommodate and guarantee a large quantity supply.

References

Waters, D. (2011). Supply chain risk management: vulnerability and resilience in logistics. Kogan Page Publishers.