## Master tag case

**Economics** 



The key benefit to the revised approach is that the tags are being sent directly to the customer that needs them, the growers. The growers are then able to order another batch of tags once the plants have grown if they have a surplus in plants. Thus the reasoning for the revised approach is fulfilled by not having an abundance of un needed tags being shipped to the grower from the seed companies.

The pros of the revised approach is the seeds will be planted with the tags and the tag wont leave the seed all the way from plantation until it reaches the retail customer. Also, if the grower is able to clone plants they would have the accessibility of ordering any new tags directly from MasterTag. The pro for the seed company is that they don't have to sort tags to send off their order to the growers.

Another pro is the seed companies wont have a surplus of tags in their warehouse, however, if the plant doesn't survive from the growth of the seed the grower may build up a surplus of tags. Although still, the grower would be better to utilize the process of order from MasterTag because they would know what plants survived from the seed. The cons of the plan is that it adds an extra step to the Growers manufacturing process. They now have to do forecasting and planning with two companies MasterTag and the seed companies, rather than just with the seed companies.