

Introduction to mother dairy

[Environment](#), [Air](#)



Facility location, also known as location analysis or k center problem, is a branch of operations research and computational geometry concerning itself with mathematical modeling and solution of problems concerning optimal placement of facilities in order to minimize transportation costs, avoid placing hazardous materials near housing, outperform competitors' facilities, etc. Although originated from location problems, the study also applies to data clustering, which in turn is related to unsupervised learning, classification, databases, spatial range-searching, data-mining etc.

The general facility location problem is: given a set of facility locations and a set of customers who are served from the facilities then:

which facilities should be used

which customers should be served from which facilities so as to minimise the total cost of serving all the customers.

The assignment required an inherent study of various companies in order to develop an intricate understanding of the facility location of the company.

The assignment explains the facility location of companies like:

Nestle

Mother Dairy

Mc Donald's

INTRODUCTION TO NESTLE

Nestlé S. A. is a Swiss multinational nutritional, snack food, and health-related consumer goods company headquartered in Vevey, Switzerland. It is the largest food company in the world measured by revenues.

Nestlé was formed in 1905 by the merger of the Anglo-Swiss Milk Company, established in 1866 by brothers George Page and Charles Page, and Farine Lactée Henri Nestlé, founded in 1866 by Henri Nestlé. The company grew significantly during the First World War and again following the Second World War, expanding its offerings beyond its early condensed milk and infant formula products. The company has made a number of corporate acquisitions, including Crosse & Blackwell in 1950, Findus in 1963, Libby's in 1971, Rowntree Mackintosh in 1988 and Gerber in 2007.

Nestle India Ltd in CP, Delhi

The 4 branch offices in the country help in assisting the sales and marketing of its products. They are Nestle Delhi, Mumbai, Chennai and Kolkata. The Nestlé India head office is located in Gurgaon, Haryana.

Nestle India Ltd, is a subsidiary of Nestle Switzerland. The company supplies a number of consumer products with seven factories and large numbers of packers spread across the country. All the products from the company meet international standards and pass all health and safety regulations before they are retailed across the stores. From Maggi or Milkmaid, their products today have become essential in Indian. Nestle in Delhi is situated at CP.

FACTORS INFLUENCING FACILITY LOCATION OF NESTLE IN DELHI/NCR REGION

Government policy

The influence of government policies and programmes on plant location is apparent in every country particularly in planned economies like ours. Nestle being a foreign company has to deal in a number of ways such as Licensing policy, Freight rate policy. Foreign companies are most attracted to situate their plant location in location like Delhi.

Nearness to the market

Cannaught place being the heart of delhi is well connected to market and is one of the biggest market in India. This nearness to the market reduces the cost of transporting finished goods to the market. Since nestle deals in most of the perishable products or bulky products its servicing units needs to be located near their markets.

Competition between states

States often compete with each other to attract new industries. Various states offer investment subsidies and sales tax exemptions to new units. The owners of these plants certainly consider incentive in selection of region.

INTRODUCTION TO MOTHER DAIRY

Mother Dairy was set up in 1974 under the Operation Flood Programme. A wholly owned company of the National Dairy Development Board (NDDB). Mother Dairy manufactures, markets & sells milk and milk products under the Mother Dairy brand (Milk, Cultured Products, Ice Creams, Paneer and Ghee), Dhara range of edible oils, Safal range of fresh Fruit & vegetables,

Frozen Vegetables, Processed Fruit & Vegetable Products, Fruit Pulps & Concentrates in bulk aseptic packaging and fruit juices at a national level through its sales and distribution networks for marketing food items.

Mother Dairy sources significant part of its requirement of liquid milk from dairy cooperatives. Similarly, Mother Dairy sources fruits and vegetables from farmers / growers associations. Mother Dairy also contributes to the cause of oilseeds grower cooperatives that manufacture/ pack the Dhara range of edible oils by undertaking to nationally market all Dhara products. It is Mother Dairy's constant endeavor to ensure that milk producers and farmers regularly and continually receive market prices by offering quality milk, milk products and other food products to consumers at competitive prices and uphold institutional structures that empower milk producers and farmers through processes that are equitable.

Mother Dairy markets approximately 3.2 million litres of milk daily in the markets of Delhi, Mumbai, Saurashtra and Hyderabad. Mother Dairy milk has a market share of 66% in the branded sector in Delhi where it sells 2.5 million litres of milk daily and undertakes its marketing operations through around 1400 retail outlets and over 1000 exclusive outlets of Mother Dairy.

Safal is the market leader in the organized fruit & vegetable retail business in Delhi NCR where it sells an average of 300 MT/day through a network of 350+ exclusive retail outlets under brand name Safal/ Safal Pure Veg, supported by a state-of-the-art large and ultramodern Central Distribution Facility located in Delhi with an annual capacity to handle and process 2,00,000 MT of fresh fruits and vegetables. Safal today operates the largest

number of F&V Stores in Delhi NCR and has further expansion plans in place. Retail Outlets are also present in Bangalore under the brand name Safal Daily Fresh.

FACTORS INFLUENCING FACILITY LOCATION OF MOTHER DAIRY IN DELHI/NCR REGION

Availability of raw materials

Mother Dairy, Patparganj, Delhi, is presently manufacturing & selling around 8.5 lakh litres of toned milk through bulk vending shops. As manufacturing company requires the raw materials to be converted into finished goods it must be located near the sources of their raw materials. Hence the Partparganj location serves as the main source of supply of various mother dairy products.

Availability of power

Industries using electricity have to be located at a place where electric power is available regularly and at cheap rates. Power is very essential factor to move the wheels of the industry. Delhi being the capital do not have any shortage of electricity. The electric power is cheaply available in plenty.

Availability of labour

Labour is an important factor in the production of goods. The development of the plantation industry in India has been mainly due to, among other things, the availability of adequate labour at cheap rates. There is an abundance of skilled labour in location like Delhi.

INTRODUCTION TO Mc DONALD'S

In 1971, Mc Donald's opened its first restaurant in a Sydney suburb called Yagoona. With more than 33, 000 locations across the world, McDonald's golden arches are among the most recognizable corporate logos in the world. Millions of people visit the fast food restaurant every day, attracted by convenience, product familiarity, competitive prices and the relative ease of finding a McDonald's location almost anywhere you find yourself. McDonald's began its franchise operations in 1955. For franchise owners, the company has very specific requirements for where a restaurant can be located.

FACTORS INFLUENCING FACILITY LOCATION OF Mc DONALD'S IN DELHI/NCR REGION

Location Requirements

The location of each unit is a major element of its potential success. For that reason, the company keeps a close watch on where its stores can be located. The ideal site for a stand-alone restaurant will be 50, 000 square feet, although units have been developed on both smaller and larger sites. A corner location with the option to put up signs visible from two major streets is considered optimal, as is a site near a major intersection with traffic signals. Ample parking space is required and must meet all applicable local parking codes. Size and space requirements are adapted for mall and some downtown locations.

Other Facility Considerations

McDonald's location will have to meet stringent inspections to ensure its food preparation, storage and counter areas are safe, clean and sufficiently

large to meet client demand. The seating area is subject to safety and health inspections, and will be reviewed in terms of traffic flow and maximum capacity. Each location is required to have restroom facilities for males and females. Drive-through locations must meet local traffic and safety requirements, including clear markings for drive-through lanes and vehicle size restrictions. Additional space is required for restaurants at which the franchisee wants to have a McDonald's Play Place. Space requirements vary depending on whether the play area is inside or outdoors.