

# Logistics, Supplies and Provisions



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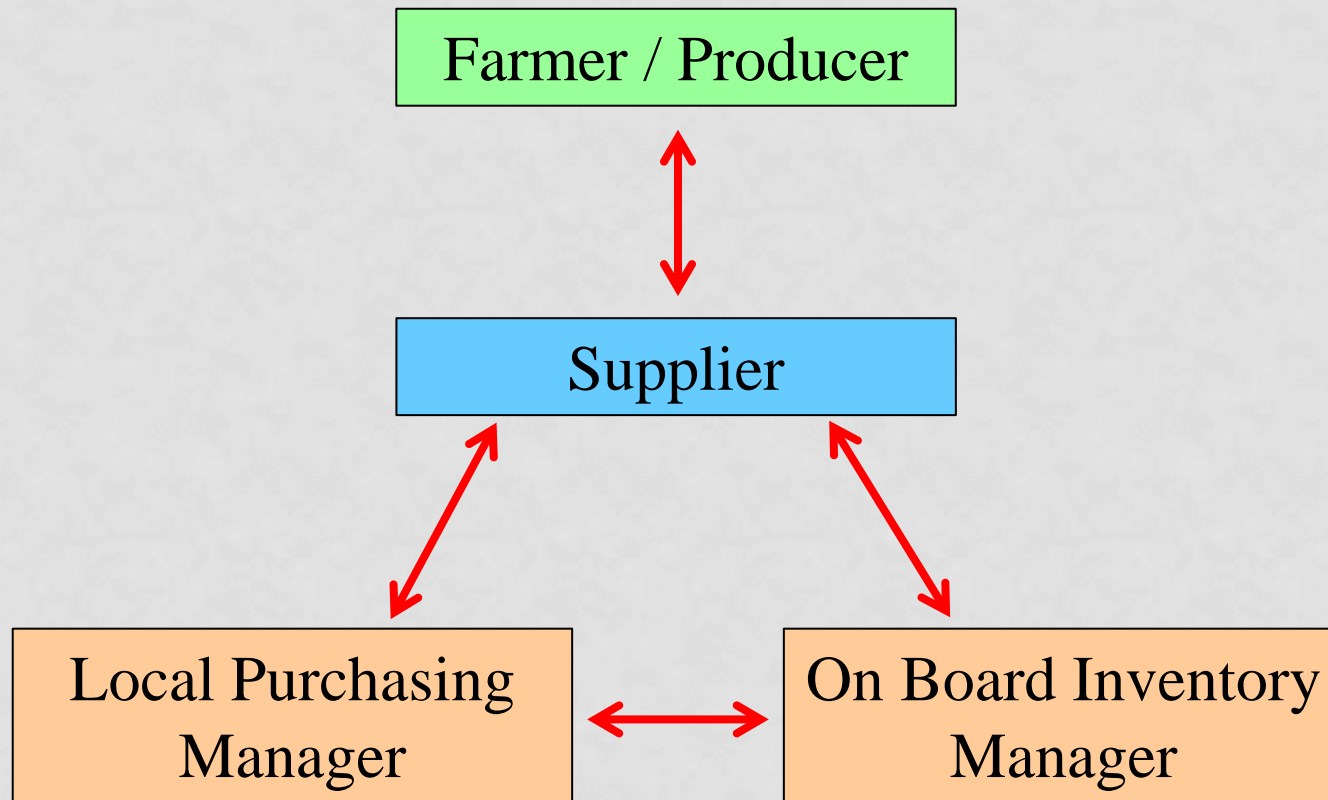


# The Ordering Process

- ❖ The on board Inventory Manager generates a master order based on the ships requirements, food costs etc. (while never compromising on quality)
- ❖ The order generates on the suppliers portal
- ❖ The supplier must then advise if they are able to provide the goods requested (if unable to meet the request, another local supplier will be contacted.)



# The Ordering Process



# The Ordering Process

- ❖ Once the order has been delivered to the pier, quality checks are performed by the on board Executive Chef and Purchasing Manager. If the product is unacceptable the supplier must rectify on the same day, or deliver to the next port of call at their own cost
- ❖ Brands are also checked, i.e. ordered Evian water but Mount Franklin was delivered, this will not be accepted and must be rectified by the supplier



# Locally Sourced Products

- ❖ Eggs
- ❖ Country Fresh lamb
- ❖ Grass fed beef
- ❖ Dairy products
- ❖ Fruits and vegetables
- ❖ Seafood
- ❖ Pantry items (i.e. flour, sugar etc.)
- ❖ Beverages (i.e. Coca Cola products, local beers, wine, spirits, etc.)



# Top 10 Locally Sourced Products

For an average 10 day voyage for Voyager of the Seas:

- ❖ Fresh eggs – 9,000 dozen  
(108,000 eggs)
- ❖ Potatoes – 10 tonnes
- ❖ Flour (high gluten) – 8 tonnes
- ❖ Tomatoes – 5.5 tonnes
- ❖ Onions (all varieties) – 2 tonnes
- ❖ Coke Cola range – 250 cases
- ❖ Bananas – 2 tonnes
- ❖ Beef Tenderloin – 1 tonne
- ❖ Beef Strip Loin – 4 tonnes
- ❖ Beef Inside Round – 2 tonnes

\*\*These figures will double for new generation ships such as Ovation of the Seas



# Internationally Sourced Products

- ❖ Corona – directly from Mexico through a local supplier. On an average 10 days sailing 5,422 cases will be consumed.

VB – 954 cases

XXXX – 951 cases)

- ❖ Replaceables, consumables and hotel stores come directly from the United States as they are brand specific



# Internationally Sourced Products

- ❖ Pork and chicken. Due to cost and ability of vendors to supply without depleting or affecting the market.
- ❖ Australian and New Zealand wines – some which are provided on board are export only and therefore need to be exported to the United States and sent back with our supply containers





# A Cruise Ships Impact on the Local Commodities and Communities

Some benefits of sourcing locally:

- Supporting the local economy and farmers.
- An authentic, local experience for international visitors.

Three years ago Royal Caribbean were purchasing 20% of Food and Beverage supplies locally. Now, due to increased availability of the produce required and support from the local market, this has increased to 60%.



# A Cruise Ships Impact on the Local Commodities and Communities

Another benefit for a cruise line to use local suppliers is to limit the number of containers shipped from the United States. On average it take 3 months to supply a container from the United States to Australia.

Historically this was 9-10 containers per ship, now by using local suppliers this number has reduced to 4-5 containers



# A Cruise Ships Impact on the Local Commodities and Communities

Ineffective purchasing from a cruise line may result in:

- ❖ No produce being available for local restaurants/hotels
- ❖ No produce being available for local supermarkets
- ❖ Unnecessary pressure on the local farmers to provide beyond their means



# A Cruise Ships Impact on the Local Commodities and Communities

For example:

On an average 10 day voyage for Voyager of the Seas

- A total of 4-5 tonnes of whole chicken
- 5 tonnes of chicken legs will be consumed.

If this was purchased locally without proper planning it would seriously deplete the market.



# Getting Your Product On Board

To get your product on board you must:

- ❖ Ensure that you can meet the demand of a cruise line, the local Purchasing Manager can provide historical figures if required (Dion Robinson : drobinson@rcclapac.com)
- ❖ Approach the local Purchasing Manager with your product and cost structure
- ❖ If the price is reasonable, the Miami culinary team will test the product and either approve or deny the supply



# Getting Your Product On Board

- ❖ All due diligence is done for potential new suppliers: quality of the product, ability to meet the demand, company background (i.e. history of bankruptcy, credit rating, reputation, who you have supplied to in the past etc.)
- ❖ Larger suppliers are preferred due to delivery restrictions at the pier, however smaller suppliers can always go through companies like Bidvest for delivery



# Getting Your Product On Board

If successful in obtaining a contract, the Purchasing Manager will conduct unannounced audits to check:

- ❖ HACCP
- ❖ Quality control
- ❖ Sanitation
- ❖ Humane practices if live stock is involved
- ❖ Certification is valid and current



# Getting Your Product On Board

- ❖ RCCL will continue to reduce international containers and increase local supply.
- ❖ This is also currency driven.
- ❖ Lower currency also brings challenges in that exports have increased and local supply diminished.
- ❖ Sydney currently has the most favorable costs for frozen and dry supplies.
- ❖ A ports ability to provision ships is based mainly on:
  - Tides
  - Pier height vs shell door
  - Available space on the pier.





# THANK YOU

