

Frozen Food Industry Supply Chain



An Infant Industry

Until the 1950's, the frozen food industry was in its infancy. Many homes and retailers did not have freezers and frozen foods were considered a luxury. Birds Eye revolutionized the industry by owning and operating most stages in the supply chain. Upstream, farming & harvesting was executed via contract, allowing them to minimize transaction costs and control for product, yield, and quality. Downstream, Birds Eye demanded retailers to buy freezers.

Maturity

With the foundation laid, Birds Eye should divest their cold storage and logistics services, allowing competitors to drive costs downward. Then, refocus on their core competencies of packing and marketing.

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