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DISTRIBUTION STRATEGIES OF AGRICULTURAL FEEDS:  
THE CASE OF CAVITE FEEDS MILLING CORPORATION

CASE STUDY

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**DISTRIBUTION STRATEGIES OF AGRICULTURAL FEEDS:  
THE CASE OF CAVITE FEEDS MILLING CORPORATION**

**A Case Study  
Submitted to the Faculty of the  
Cavite State University  
Indang, Cavite**

**In Partial Fulfillment  
of the requirements for the degree of  
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(Major in Agribusiness)**



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## ABSTRACT

**GLEAN, EDLYN BENCITO, Distribution Strategies of Agricultural Feeds: The case of the Cavite Feeds Milling Corporation.** Case Study. Bachelor of Science in Business Management major in Agribusiness, Cavite State University. Indang, Cavite. April 2003. Adviser: Dr. Nelia C. Cresino.

A case study was conducted in Cavite Feeds Milling corporation from November 25 2002 to January 30, 2003 primarily to identify problems encountered in the distribution of products; describe the distribution strategies adopted by CAFCOR; and analyze the cost incurred by CAFCOR in the distribution of feeds.

The necessary data were obtained through personal interviews and observations. Relevant information were also secured from the company's records and files.

Descriptive method was used in analyzing the data. Frequency count and the percentage were used to determine the coverage number of the CAFCOR's products transferred and delivered to different areas.

CAFCOR is headed by the highest authority in the company, the President and Chief Executive Officers. This is composed of the major stockholders of the company.

The management did not encounter many problems with the employees due to the harmonious relationship practiced by the company. It provided and drive culture which supports people confidence, motivation and ambition to succeed.

The company uses two – channel in distributing their products. CAFCOR attempts to improve distribution channel to be able to reach company's goal.

The distribution strategy provides increase in company's sales and consumer convenience. The company also increases its sales and profits through price adjustment

strategy which attract the customers to increase orders. The distribution strategies of the company are ordering products, transporting, distribution channel and distribution cost.

Company has salesman who negotiates with the customers regarding their orders. Upon the approval of warehouseman, sales coordinator, delivery coordinator and accountant, the products are loaded depending upon on the order of customers. Company's truck and hired trucks, are used to distribute ordered products. It was found out that the firm was facing problems in distribution of products. Due to the laziness and irresponsible of driver, checker and helper, the delivery coordinator encountered problems. Distribution process should be closely monitored by the delivery coordinator and it should be strictly implemented. This problem can be solved through cooperation of employees and workers.

The company produces nineteen classes of feeds. Broiler Starter Mash has the highest volume of production with the total of 75,638 bags while Rabbit Pellet has the lowest volume of product with the total of 1,122 bags.

In terms of pricing, Hog Starter Crumble and Hog Starter Pellet Special are the most expensive which costs P685 per bag while Pigeon Pellet is the least expensive which cost P315 per bag.

CAFCOR is now an established company. However the feed mill lacks machine for production. The company has already a new building that will be used as warehouse for storage of feeds.

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**DISTRIBUTION STRATEGIES OF  
CAVITE FEEDS MILLING CORPORATION  
TRECE MARTINEZ CITY <sup>1/</sup>**

**Edlyn B. Glean**

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**INTRODUCTION**

Feedmilling is one of the most important industry in the Philippines. Productivity and profitability of a livestock or poultry venture are dependent on production efficiency and technology advancement of feedmilling industries. Feedmilling provides support to the livestock and poultry industry.

The country's mixed feed production steadily grew by an average of 18 percent for the last five years (1994 to 1998). Highest growth was experience in 1997 when production reach 2.7 million tons growth slowed down in 1998 due to the downsizing of the poultry industry. The bulk (36%) of 2.9 million tons produced in 1998 came from NCR. Other major producing areas were Southern Tagalog (21%) and Central Luzon (21%). Majority (95%) of feeds were used by the poultry and swine sectors and five percent by agriculture. (University of Asia and Pacific 2000).