

ADAPTING TO GLOBAL SUPPLY DYNAMICS AND LOGISTICS CHALLENGES IS AS CRUCIAL AS EVER TODAY...

Clayton Plant Protection is a multi-faceted business offering growers valuable choice and flexibility across Agriculture, Horticulture and Amenity sectors, and as such, global logistics and supply dynamics play a critical role in the overall business. As an established business of 30 years Clayton has an experienced team and an effective, agile business model for challenges faced in the industry today, with the ability to adapt quickly to changing supply and regulatory environments.



Global logistics and supply; the current situation

Crop Protection is not immune to the logistics and supply difficulties seen recently globally in 2021 and featuring widely in the media.

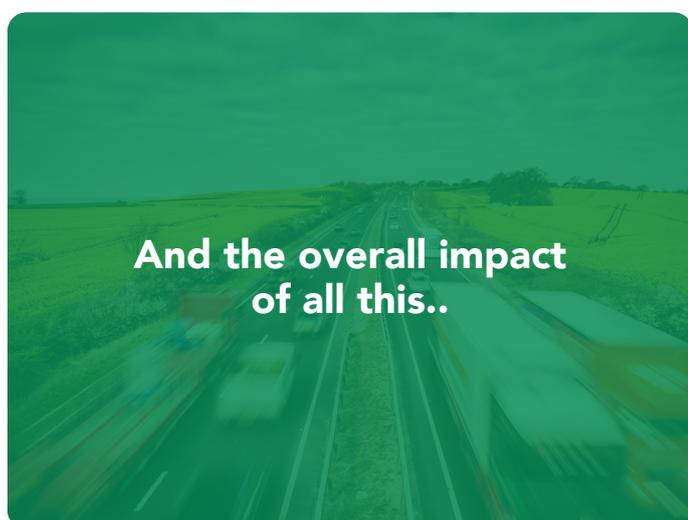


Specifically in crop protection, whilst there are few shortages of active ingredients currently, there is a global shortage of certain important co-formulants e.g. N,N-dimethyl decanamide which is common to many products including triazole fungicides. As a result, co-formulants can now be as expensive as the active ingredient in some cases!

Additionally, all oil-based products / co-formulants are also seeing big price increases due to the rise in oil prices globally. There are also shortages and price increases for all packaging products e.g. bottles, cardboard boxes, cans etc.



The cost of haulage within Europe / UK has also recently increased significantly especially if goods are classified as hazardous and require ADR classified drivers. On top of this there is a shortage of qualified HGV drivers as well in the UK presently. The cost of shipping raw materials from Asia has also increased significantly as a result of containers being stuck in the wrong places due to the Covid crisis.



As well as clearly resulting in pressure on pricing of finished products, lead times for supply of product are also significantly lengthened in many cases and forward planning is therefore essential to avoid issues in the 2021-22 growing season.

Global markets and currency fluctuations also have a role as most raw materials are purchased in USD so this adds further volatility to the mix.

Measures Clayton Plant Protection are putting in place.

Ensuring the highest quality standards, reliable sourcing engagement and supply consistency in technical AI and co-formulants for our formulations is a vital part of our customer offering today.

One of the starting points to this focus is our technical supply sourcing from overseas and careful management of the supply chain. Clayton has taken further steps to implement supply process improvement procedures this year to ensure that both the quality and consistency in supply of materials sourced from China and other countries is highly assured.

By building strong relationships and actively sourcing tech and co-formulants from multiple supply sources to mitigate risk, Clayton is working hard to minimise the supply impact and exposure for growers, agronomists and distributors, so that product is available when required. In addition, the company have put in place a network of agents to support its procurement in both China and Internationally.

These more direct relationships with major manufacturers are paying dividend in the ability to ensure a dynamic and reliable supply of high-quality materials for Clayton's generic formulations.

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Proper focus on international sourcing and supply enables Clayton to offer a range of top performance generics and central to the company's strategic focus is maintaining a smooth, efficient supply chain. This provides a solid platform to enable formulation and manufacturing excellence for their products in the UK and other markets in Europe.

"With effective supply chain planning, we are well positioned to continue to improve our overall service levels in Ag sectors in 2022 and provide our customers the kind of quality performance combined with cost-effectiveness and competitive advantage in the marketplace, which has become synonymous with Clayton brands."

David O'Mahony, Managing Director.

Find Out More

Further information on Clayton's product range including labels can be found at www.claytonpp.com

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