



Food Manufacture

Purchasing Department

Lesson 1

Improve your knowledge of the purchasing department and the various purchasing processes completed in food manufacture.





Learning Objectives

- State the key roles of the purchasing department
- List the types of products purchased
- Define the key factors to be considered when purchasing goods
- Identify how goods are purchased in food factories





Learning Objectives

- Explain the different methods of purchasing
- Recognise the importance of product samples and equipment/machinery trials
- Summarise the checks performed on product samples





Learning Objectives

- Describe the purchase order process
- Understand what is involved in supplier approval requirements and the importance of supplier audits
- List the areas that are looked at during a supplier audit





In a food factory the purchasing department is also known as procurement department and purchase department.





Benefits of having a purchase department:

- Lower costs – supplier relationships reduce costs without compromising safety or quality
- Reduce risk and create security of supply – suppliers who are best able to supply to demand
- Manage relationships – long term working relationships can be beneficial
- Improve quality – working to a specification
- Pursue innovation – source of innovative products which may help with price, quality and convenience
- Leverage technology – identify technology solutions which help with supply chain problems



The purchasing department manage relationships internally with marketing, finance, logistics, processing and technical to make sure manufacturing runs smoothly.



There are many different types of products the purchasing department need to purchase such as:

1. Ingredients
2. Products
3. Machinery/equipment
4. Consumables
5. Chemicals
6. Packaging
7. Stationary/office goods
8. Training courses
9. Licencing/ accreditations
10. Technology items



The purchasing department are required to purchase goods in a number of situations for example:

- Normal manufacturing orders
- Replacing products/ingredients due to recalls and quarantine
- NPD trial runs including products, equipment, packaging and machinery
- Need to change supplier due to obstacles in fulfilling orders correctly
- To satisfy audit requirements
- Upgrade or replace breakages and faults





There are several key factors the purchasing department must consider when purchasing goods:

1. Ethically sources
2. Safety
3. Country of origin
4. Use of pesticides
5. Use of non-GM foods
6. Packaging
7. Fairtrade



Ethically Sourced

Making sure the products are from responsible, sustainable methods.

The workers involved in obtaining or making the products are treated fairly paying particular attention to modern day slavery and child labour issues.





Safety

Is the product safe to use or consume for example have specific food safety regulations been followed.





Country of Origin

The country of origin of the product must be considered as every country will have its own standards and regulations that they adhere to. These may be different to the country which the product is purchased.

This must also be considered when a product is being sold by a food factory to another country.





Use of Pesticides

The use of pesticides on products can be toxic to humans so sourcing products with guarantee's of no pesticide residues is essential.





Use of Non-GM Foods

A GM (genetically modified) food is a product which has had its genetic material (DNA) altered in a way which is not natural. Although some GM foods have been approved for use there are still some food safety issues associated with GM foods.





Packaging

The packaging of a product needs to be considered when purchasing for example is the packaging appropriate for protecting the product.

It is also important to consider the use of environmentally friendly packaging where possible.





Fairtrade

The Fairtrade of a product ensures that a fair price is given for products. This also makes sure that a fair wage can be given to workers and farmers.





Revision Activity 1

Name three types of products a food factory purchasing department may be required to order?