

## Who has the Top Consumer Goods Industry Supply Chains for 2008?

### Annual Cannondale Associates PowerRanking Survey for 2008 Names the Top 10

#### SCDigest Editorial Staff

**W**ho has the top supply chain chains in the consumer packaged goods industry?

That of course is a matter of subjective debate, but each year the market researchers and consultants at Cannondale Associates conduct a survey that provides one interesting data point on the subject.

The full Cannondale survey and report, which was released just a few weeks ago, covers a number of company performance measures for both consumer goods manufacturers and retailers, including such areas as brand power, marketing programs, sales teams, etc. The rankings are developed by asking retailers to rate manufacturers on each of these categories, and manufacturers that participate to rank retailers on a similar set of attributes.

The consumer goods companies are generally from the food and packaged goods sectors, and the retailers are correspondingly in the channels that support those manufacturers, such as mass merchandisers, grocers, and drug store chains. Categories such as hard goods, apparel, electronics and other consumer products are not included. Over 300 companies in total (manufacturers and retailers) participated in the study.

Of most interest to SCDigest of course are the rankings on supply chain management performance. This week, we look at the ratings of consumer packaged goods manufacturers by retailers. In our next issue, we will look at the retailer rankings by manufacturers.

***In Cannondale's view of a Full Tilt retail world, "Of all the areas measured in the PowerRanking, Supply Chain is probably the measurement most effected in the move to Full Tilt. As retailers look for ways to differentiate themselves and lower costs, the supply chain has come under fire for inefficiencies the retailers want to improve."***

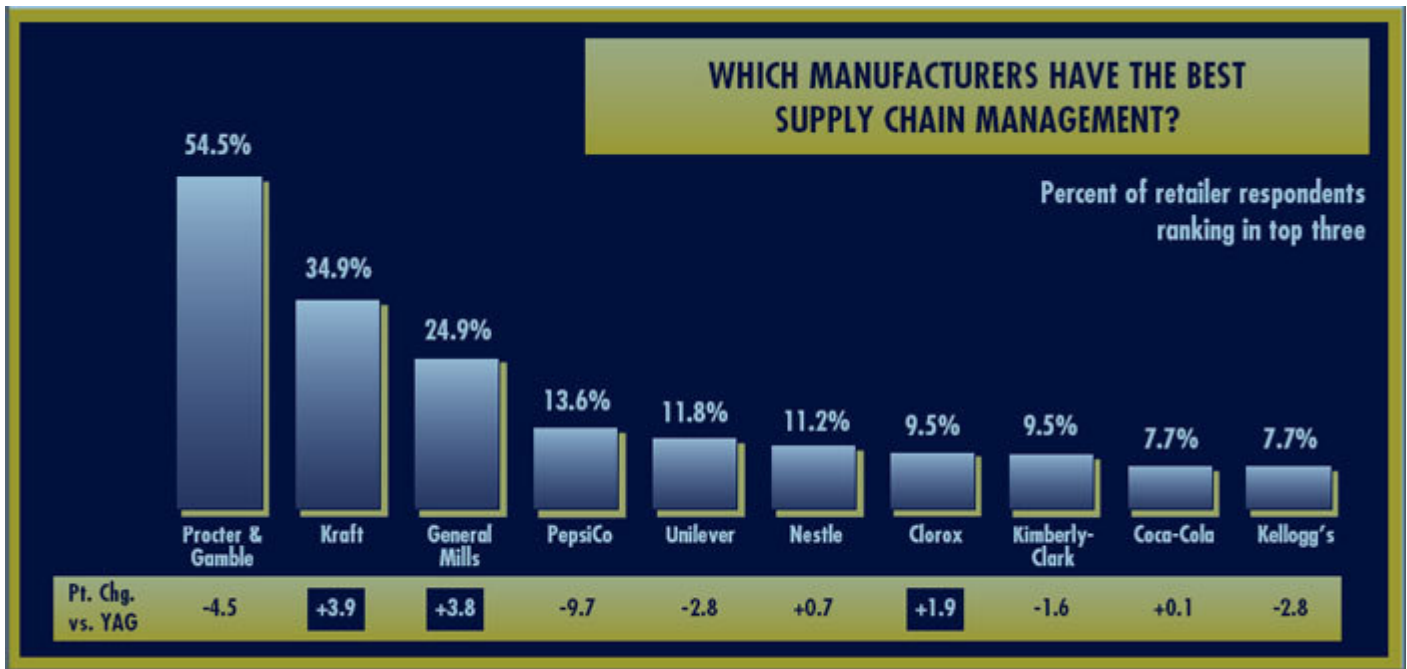
---

The theme of this year's overall report is "Full Tilt," which Cannondale says is a new era of retailing that is marked by increased sophistication in terms of customer segmentation, marketing, and other strategies.

In Cannondale's view of a Full Tilt retail world, "Of all the areas measured in the PowerRanking, Supply Chain is probably the measurement most effected in the move to Full Tilt. As retailers look for ways to differentiate themselves and lower costs, the supply chain has come under fire for inefficiencies the retailers want to improve."

This, Cannondale believes, is the key factor behind the more significant moves in rankings, at least in terms of percentages, in this year's survey versus most years.

**Who has the Top Consumer Goods Industry Supply Chains for 2008? (Con't)**



Source: Cannondale Associates PowerRanking 2008

**The Top Consumer Packaged Goods Supply Chains**

As shown in the graphic on the next page from the report, Procter & Gamble again led the list of manufacturers this year. The percentages represent the percent of retailers which names each company in the top three of manufacturing supply chains.

P&G, however, did see its percentage drop by a reasonably significant 4.5%, while Kraft and

General Mills both saw percentage gains of almost 4%. PepsiCo dropped, surprisingly, by almost 10%, for reasons that aren't clear, as the company is generally known for placing a high priority on supply chain management. Campbell's exited the top 10 in 2008.

One interesting comment from one retailer: "General Mills is innovative in scope and has mastered the art of supply chain management. They are by far the leading service level provider of the large CPG companies."

Next week – the retail rankings.