

CASE STUDY

June 2013

Meals in Mongolia

An overview of Supreme's first Mongolian commercial catering project project, located in the South Gobi Desert

THE SITUATION

Supreme's Mongolian operations were established in 2012. To facilitate better business opportunities, Supreme formed a joint venture between a local Mongolian company and Global Supreme Group Mongolia LLC, a subsidiary of Supreme Group.

New Gobi Supreme provides end-to-end supply chain, construction and site service solutions in Mongolia and the broader Gobi region. The partnership's unique advantage is that it combines Newcom Mining Services' local Mongolian capabilities with Supreme's global strength and proven expertise. The company leverages the proficiencies of both companies to offer full supply chain solutions.

In May 2013, New Gobi Supreme was awarded a contract for the provision of food supply and camp services to workers in a construction camp in the South Gobi Desert. The project was awarded by a subsidiary of one of Mongolia's largest industrial holding companies.

THE CHALLENGE

The camp is located in a remote region of Mongolia, around 17 hours' drive from the capital Ulaanbaatar and 22 kilometers from the Chinese border. This extreme isolation is compounded by the poor road infrastructure; only 30 per cent of the journey from the capital can be made over sealed roads, and the rest through the desert – taking up to 27 hours in some instances.

Furthermore, as it was New Gobi Supreme's first project in Mongolia, a full supply chain had to be established. Suppliers had to be identified and accounts created; multi-temperature transportation vehicles needed to be arranged; the volume of the storage warehouses at the camp needed to be established; and skilled local national employees had to be recruited. All communication including official documents, tenders, permits, employment contracts, quality assurance standards, hygiene manuals, menus and order forms, had to be in the Mongolian language.

Notwithstanding these significant challenges, an 11 day period of mobilization was granted before the first meals were to be served.



Dining facility in Mongolia

THE SOLUTION

The team quickly mobilized with an action plan to address each challenge.

A team of New Gobi Supreme employees immediately travelled to the site to inspect the camp, which was previously used by another company and supposedly left in good condition. It was discovered that the camp was in need of major maintenance work, as it had no power, no water, no sewage, no storage and no doors in the dining facility.

A tradesman promptly restored the power supply and checked the kitchen equipment. Although it was not part of the contract, the water storage tanks were also cleaned and the water pipes were repaired; a process that took more than six days. The plumbing and sewage system also took six days to be repaired. At the same time, the reefers and chillers had never been maintained, so the motors had to be urgently serviced before they could be used for refrigeration.

The freezer was the major issue with a new compressor and condensing unit required. The food and water supplies arrived before the freezer was repaired, so alternative storage for frozen items had to be sourced. Unfortunately, the nearest village, around 45 kilometers away, did not have the necessary parts required to repair the damage. To address this, New Gobi Supreme approached another local mining company who agreed to temporarily share their freezer space.

Simultaneously, the local team negotiated partnerships with suppliers, established credit lines and located transportation vehicles. Food and bottled water supplies were sourced from a local company in a town around 320 kilometers away, and a

Meals in Mongolia

two-month supply was procured and delivered immediately. The fresh fruit and vegetables were sourced from the same town and delivered every 10 days. Despite having no warehouse to consolidate the orders from the different vendors, New Gobi Supreme created an innovative just-in-time delivery solution by consolidating food items as they arrived directly on the back of the transportation vehicles in Ulaanbaatar.

A team of local National Mongolian employees were recruited, including camp managers, cooks and cleaners. More than 130 Mongolian cuisine options were compiled, which enabled New Gobi Supreme to provide a complete Mongolian menu for the customer. Daily menu items were sourced, ordered, delivered and prepared.

Two translation agencies were appointed to translate all documents into Mongolian so local employees could follow New Gobi Supreme's Standard Operating Procedures (SOPs) and requirements. Supreme's high Quality Assurance standards were introduced and implemented across the whole operation; with the translated SOPs making this task much more effective.

THE SUCCESS:

Despite an extremely tight timeframe, unexpected maintenance requirements and challenging environmental factors, the mission was achieved in a total mobilization period of only eight days. The client was extremely satisfied with the results and provided an outstanding letter of recommendation. A combination of rapid reaction and forward planning ensured project success.

This project demonstrates how Supreme successfully leverages decades of expertise gained from working alongside the world's leading military forces and applies these unique skills to the



Members of the local catering team

mining, construction and energy sectors in Mongolia. It also proves why Supreme's excellent reputation is built on the three pillars of delivering where others cannot, implementing rapid response solutions, and creating fully integrated supply chain solutions.

Today, around 95 per cent of New Gobi Supreme's employees in Mongolia are local Nationals, as the company takes a 'local first' approach to supporting community development by providing local employment opportunities. This also extends to working mostly with Mongolian suppliers and Mongolian transport companies. The benefits of the New Gobi Supreme joint venture are local Mongolian capabilities combined with global best practices.

We are proud to offer integrated supply chain solutions in even the most remote environment; delivering excellence, reliability and proven results.



The camp is located in a remote area of Mongolia