

## THE IMPORTANCE OF SUPPLY CHAIN DISRUPTION PLANNING

It is critical to have a plan in place prior to disruptions to your supply chain. The following checklist can help your company react to and prepare for disruptions.

### If your supply chain is already impacted:

- Let your local MEP Center know so we can advise of available resources or support.
- Consider short-term and long-term impacts when making decisions (your ability to make sales, impacts on production schedule, staffing, etc.).
- Realize alternative suppliers are probably getting similar requests from other companies and have capacity limits and/or higher prices.
- Contact your local MEP Center to see if we are aware of any alternative suppliers available nationally through the MEP National Network™.

### If you suspect there may be disruptions to your supply chain:

- Contact your suppliers, carriers, forwarders and brokers immediately to confirm.
- If possible, build inventories of your short raw materials and secure production and transport capacity from your supply chain partners.
- Start sourcing alternative suppliers as needed.
- Identify a resource at your company to monitor the crisis and potential impacts to your supply chain.

### Preparing for the next disruption:

- Conduct a Total Cost of Ownership (TCO) analysis to revisit overseas sourcing.
- Conduct a risk assessment of your supply chain and implement changes to handle risks.
- Consider dual sourcing (locally and overseas) for critical components.
- Have a disaster response plan in place.
- Have a process to monitor global events to identify potential supply chain disruptions early.

### Other Considerations:

- Communication is key—talk to your customers, suppliers, carriers, forwarders and brokers about potential supply chain disruptions, and how you can work together to mitigate issues.
- Remember that the impacts vary across the global supply chain, so local suppliers can also be affected based on their sources of supply.
- Travel and workforce issues overseas can impact your local supply chain.
- Remember that you face competition for global product and transport resources.
- Have a process to monitor global events to identify potential supply chain disruptions early.

*Original Source: The Center for Industrial Research and Service, [www.ciras.iastate.edu](http://www.ciras.iastate.edu).*