

INDIAN INSTITUTE OF MATERIALS MANAGEMENT

JUN-2010 Post Graduate Diploma in Logistics Management

Paper –3

Strategies and Organization in Logistics

Date: 14.06.2010

Max. Marks: 100

Time: 10.00 am to 1.00 pm

Duration: 03 Hrs.

Instructions:

1. From Part - A, answer all questions, each sub question **BLANKS** carries 1 mark
 2. From Part – B, answer any three questions out of five questions. Each question carries 16 marks.
 3. Part –C is a case study of 20 marks.
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Q.1. Fill in the blanks.

Marks(8)

- a) Basic goal of inventory management is the achieve maximum _____.
- b) The area of physical distribution concerns _____ of a finished product to consumers.
- c) Marketing mix considers _____ p.s.
- d) During the _____ stage of a new product availability and logistical flexibility are required.
- e) Self directed work _____ (SDWT) is nothing but a teaming.
- f) FOB pricing means “Free on _____.”
- g) GATT means General Agreement on _____ & _____.

Q.2. State True or False

- a) Customer satisfaction is as good a definition of quality.
- b) The mission of the Logistical system is measured in terms of total cost and performance.
- c) Logistical Service is a balance of service priority and cost.

d) Manufacturing support concentrates on managing work in process inventory.

e) Procurement is concerned with purchasing and arranging out- bound movement.

f) Logistics information involves two major types of flow coordination flows and operational flows.

g) Rapid response is concerned with firms ability to satisfy customer service.

h) TQM is one of the major force for logistical renaissance.

Q.3. Match the following.

Sr.No.		Sr.No.	
A	L I S	I	Vendor Managed Inventory
B	J I T	II	Based on EOQ logic
C	C R	III	Control & Measure of logistics activities
D	Transit Inventory	IV	U S Postal Service
E	Inventory carrying cost	V	Aims of elimination of WI
F	U P S	VI	Transport and handling of hazardous material
G	P O Q	VII	Cost for Holding
H	D O T	VIII	Stock in transportation

Q.4. Explain the following.

i) D R P.

ii) M R P.

III) QR.

IV) P O Q.

V) SS

VI) SKU

VII) LTL

VIII) RPS.

PART – B

Q.5. What are the operational objectives for achieving improved Logistical performance?

Q.6. How Logistics serves to the different stages of product life cycle, explain in details?

Q.7. What are the objectives of globalization in Logistics?

Q.8. The horizontal corporation : it's about managing across, not up and down, explain?

Q.9. What are the objectives for developing and implementing performance measurement systems?

PART- C

Q.10. Case Study.....

Tasty Noodles Company was planning to introduce 100gms pack of noodles into the Indian market at Rs. 8/- per pack, during the test marketing period of one month. During this period the company wanted to flood the market with their noodles.

In the subsequent month, tasty noodle company planned to increase the price to Rs.12/- and change the packaging to a size of 120gms, with a free toy car attached to the pack.

One month before the product introduction the marketing department brought out advertisement in the print, FM Radio, and Television media. There were also competitions arranged for children with prizes sponsored by tasty noodle company.

Production for the introduction of the product was to be started 2 months earlier. Demand for the product was estimated to be 1 Lakh packs for the first month and 1.2 lakhs packs in the second month. Production had to be started earlier in order to meet the estimated demand as also to account for the changeover in the pack size for the second month.

Questions:

- 1) What coordination is required between the marketing, production and logistics department to integrate the activities towards the success of the introductory campaign?

- 2) Explain the role of logistics department in the introductory phase?
- 3) Explain the information sharing that needs to take place between marketing, production and logistics department for efficient and effective results?
- 4) Explain the role of the logistics department in the changeover to the new packaging in the second month?