



WEDNESDAY 29th APRIL 2015 – MORNING

LOGISTICS AND MULTI-MODAL TRANSPORT

Time allowed – three hours

Answer any FIVE questions – all questions carry equal marks

Please read the questions carefully before answering

1. Answer **all** parts of the question:
 - a. Explain how e-commerce products have changed the way in which business is carried out between providers and users of logistics services.
 - b. Give **three** examples of these products, explaining how the provider and the user have each benefited from them.
 - c. Suggest a new e-commerce product which a logistics provider might develop, and the benefits which would follow.

2. Explain in detail what **four** of the following terms/abbreviations mean, and their importance in the logistics and multi-modal transport sector:
 - a. ISPS
 - b. IMO
 - c. Hamburg Rules
 - d. UCP 600
 - e. CMR
 - f. 3PL

3. Answer **both** parts of the question:
 - a. Describe the main features of (i) a contract of sale and (ii) a contract of carriage, and the role that each plays in international trade, giving examples where relevant.
 - b. What is a Documentary Letter of Credit, and how does it relate to these two types of contracts?

PLEASE TURN OVER

4. All businesses which are importing and selling finished goods need to hold a level of inventory. With reference to a business and country of your choice, discuss this statement, and describe how you would decide on:
 - a. the level of inventory and
 - b. where to hold the inventory.

5. You are a logistics company, providing a multi-modal transport service for an importer of consumer goods from China to Germany. Your client asks you to recommend which container line offering services in the Asia/Europe trade to use.
 - a. What advice would you give your client on the factors which differentiate the services offered by these container lines, and how would you decide which line to recommend to this client?
 - b. What other modes of transport are available from China to Germany and in what circumstances might these be attractive to an importer?

6. Answer **both** parts of the question:
 - a. Explain the role of an NVOCC in logistics and multi-modal transport and describe, with examples, the services which they provide.
 - b. What are the advantages and disadvantages to the exporter and importer of using an NVOCC rather than contracting directly with carriers.

7. Explain, with examples, the difference between fixed and variable costs for a multi-modal transport operator. Show how the split between these types of costs may differ for different types of operators.

What steps might an operator take to reduce the costs of providing containers to meet its business requirements, without harming the profitability of the business?

8. Answer **both** parts of the question:
 - a. Describe, with examples, the services which container ports and terminals provide in the context of multi-modal transport services, and how they ensure that these services make their ports attractive to their users.
 - b. What challenges do these ports/terminals face as a result of the significant increase in the size of container vessels, and how will they meet these challenges to ensure that their ports remains attractive?