



THURSDAY 17th MAY – MORNING

LOGISTICS AND MULTIMODAL TRANSPORT

Time allowed – three hours

Answer any FIVE questions – all questions carry equal marks

Please read the questions carefully before answering

1. Having a container at the right place at the right time for a customer's booking is a key objective for a container line in managing its fleet of containers.

Discuss the data and the management systems which a line needs to meet this objective, while at the same time minimising the costs of providing containers.

2. Answer **BOTH** parts of the question:

- a) Explain the role of an NVOCC as a provider of logistics and multi-modal transport services, and describe - with examples - the services they provide.
- b) What are the advantages and disadvantages to the exporter and importer of using an NVOCC, rather than contracting directly with ocean carriers?

3. Answer **BOTH** parts of the question:

Congestion can be a major problem both to the providers and the users of multi-modal transport services

- a) At what stages of a through transport movement is congestion commonly found, and what causes the congestion? Give detailed examples.
- b) Explain the consequences of congestion both for the providers and the users of a service, and the steps they can take to limit the impact on their business

4. Mergers and acquisitions between logistics companies and between ocean carriers has been a common feature of how the multi-modal transport industry has developed over the last few years.

Explain why these companies might decide to consolidate and the benefits and challenges for them when they do so, using examples of recent deals that have taken place.

PLEASE TURN OVER

5. Answer **BOTH** parts of the question:

- a) What is a documentary credit and what part does it play in the international trading and movement of goods using multi-modal services?
- b) Name three features of a bill of lading that are important to ensure its acceptance under a letter of credit, and explain why these features are important to the buyer of the goods

6. For each of the following INCOTERMS, explain in detail the responsibilities and risk to the buyer and seller in a contract of sale, including which costs are met by each party - where the cargo is moved by FCL door to door transport.

- FCA
- CIP
- DDP

What are the advantages and disadvantages for an importer in using each of these terms?

7. For a multi-modal transport service, with sea as the main leg, what are the important service factors to put forward to your customers as justification for paying a higher freight rate than that of competitors? Use examples, and explain why each service factor can provide a financial advantage for the customer.
8. Discuss the advantages and disadvantages for a business that is importing and selling finished goods; in holding an inventory of these goods, and what factors should determine the level of inventory held, using a specific business/supply chain to support your answer.