

Assessment 2: Individual Assignment, 40% of Module Weighting

1.0) INSTRUCTIONS:

no carrier / 3PL (third party logistic)

- i) **Assignment Submission:** All assignment copies are to be handed in to lecturers on the specific due date agreed upon.
- ii) **Assignment Brief:** Select an organization that you are familiar with and assume that you are the transportation manager of this organization. Analyse the effectiveness of these three aspects of the transportation management, namely incoterms selection consideration, carrier selection criteria, and carrier relationship management. You are required to consult and fully reference a MINIMUM of 10 references (e.g., book; www; journal article from the full-text databases; current affairs magazine; newspaper etc.). The use of WIKIPEDIA online encyclopedia is NOT allowed. The word range of this essay is about 2,000 words.

The report must fulfill the following requirements:

- More marks will be awarded for reports which provide **more detailed discussion and in-depth analysis** with **adequate referencing to the transportation theories, concepts and models**.

iii) Assignment Format:

The report should be presented as follows:

- **Introduction - Outline** you're the purpose of this essay (about 100 words) and provide the key information about the selected organization (about 200 words), information includes products, markets, competitors, organizational goals and strategies etc.
- **Incoterms Selection Consideration - Analyze** the effectiveness of transportation capability of the selected organization and its relevant information. Recommend the appropriate Incoterm(s) to be used (about 500 words).
 - provide 2 incoterms explain with diagram*
 - 1968-74*
- **Carrier Selection Criteria - Analyze** the transportation goals and needs of the selected organization and the relevant information. Recommend the appropriate criteria to be considered when selecting carrier(s) (about 500 words).
 - How many percentage for 2 follows*
 - no need to explain the company*
 - 1) Rate*
 - 2) Capacity*
 - 3) Trans Time*
 - 4) Reliability*
 - provide 2 incoterms (explain in diagram)*
- **Carrier Relationship Management - Analyze** the transportation goals and needs of the selected organization and the relevant information. Recommend the appropriate type(s) of relationship to be built with the carriers and the process of building the relationship (about 500 words).
 - recommend type of relationship*
- **Conclusion - Reinstates** all of the significant parts of this report and refers the reader back to the focus that have outlined in the introduction and to the central topic. This gives the report a sense of unity (about 200 words)

TRANSPORTATION AND DISTRIBUTION MANAGEMENT

- **Referencing** - All sources referred to in your essay, including any diagrams, must be referenced to in-text and be included in a full reference list at the end of the assignment, according to the APA system of referencing. Use the following Kaplan resource to assist
- you to do this accurately and consistently:

All KAPLAN Higher Education Diploma and Diploma Bridging modules use the APA referencing and citation format. Please make yourself familiar with this style at the beginning of your studies so you are able to use it to keep track of source material during research.

COMPULSORY GUIDE TO READ AND APPLY IN ALL ACADEMIC WRITING:

KAPLAN Academic Works and APA Guide: Follow this link to download and save-
http://kaplan-diploma.s3.amazonaws.com/Kaplan_Singapore_Academic_Works_and_APA_Guide_2013_v2.pdf

iv) **Assignment Style**

The reference above will also supply you with the Assignment Style rules followed in Kaplan. In short, the main things to apply are as follows:

1. Write your name clearly on the cover page using the Lecturer's Comment Form
2. Your assignment should be type-written.
3. Spacing 1.5 with font size 12 using Arial font style.
4. Include page no.
5. Include a Reference Page at the end of your assignment.

v) **Policies**

(For detailed policy information, please consult your Study Guide)

- The penalties for plagiarism and collusion per Kaplan Singapore Academic Policy (found in your Student Handbook) will apply for any breaches.
- Late submission of assignment copies handed in to program managers will have marks deducted in accordance to the Kaplan Singapore late submission policy.
- Assignments must be submitted in **Soft copy** via Turnitin and in **Hard Copy* to the lecturer on the due date**. The hard copy must include the printout of the Turnitin Receipt which shows the 'similarity' percentage breakdown.

****When submitting to Turnitin do not include the assignment cover sheet or reference list. However, these must be submitted in the hard copy submission***

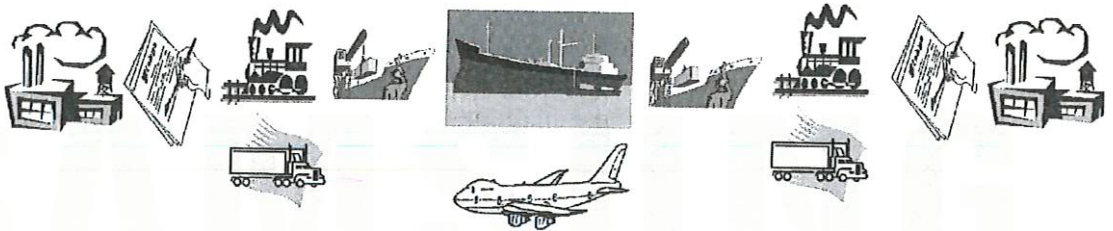
APPENDIX 2A

EXW

Ex Works...(named place)



| Seller/ Exporter Premises | Export Documents Formalities | Delivered at named place of: Frontier/ Terminal/ Quay | Loading Port of Shipment | Onboard Ship Rail Plane | | Discharging Port of Arrival | Delivery at named place of destination: Frontier/ Terminal/Quay | Import Documents Formalities | Buyer/ Importer Premises |
|---------------------------|------------------------------|---|--------------------------|-------------------------|-------------|-----------------------------|---|------------------------------|--------------------------|
| | | | | Ship's Rail | Ship's Rail | | | | |
| Seller's Risks | | | | | | | Buyer's Risks | | |
| Seller's Cost | | | | | | | Buyer's Cost | | |



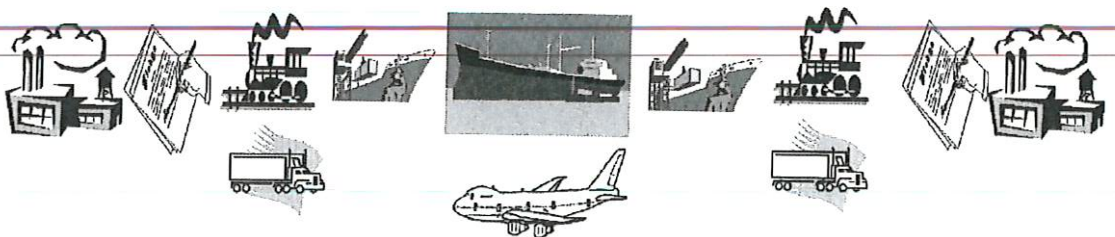
APPENDIX 2B

FCA

Free Carrier...(named place)



| Seller/ Exporter Premises | Export Documents Formalities | Delivered at named place of: Frontier/ Terminal/ Quay | Loading Port of Shipment | Onboard Ship Rail Plane | | Discharging Port of Arrival | Delivery at named place of destination: Frontier/ Terminal/Quay | Import Documents Formalities | Buyer/ Importer Premises |
|---------------------------|------------------------------|---|--------------------------|-------------------------|-------------|-----------------------------|---|------------------------------|--------------------------|
| | | | | Ship's Rail | Ship's Rail | | | | |
| Seller's Risks | | | | | | | Buyer's Risks | | |
| Seller's Cost | | | | | | | Buyer's Cost | | |



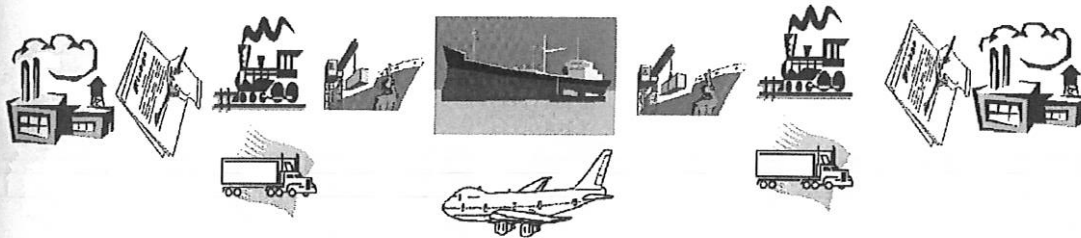
APPENDIX 2C

FAS

Free Alongside.. (named place)



| Seller/ Exporter Premises | Export Documents Formalities | Delivered at named place of: Frontier/ Terminal/ Quay | Loading Port of Shipment | Onboard Ship Rail Plane | | Discharging Port of Arrival | Delivery at named place of destination: Frontier/ Terminal/Quay | Import Documents Formalities | Buyer/ Importer Premises |
|---------------------------------|------------------------------------|--|--------------------------------|----------------------------------|----------------|-----------------------------------|---|------------------------------------|--------------------------------|
| | | | | Ship's Rail | Ship's Rail | | | | |
| Seller's Risks | | | | | | | | | |
| Seller's Cost | | | | | | | | | |
| Buyer's Risks | | | | | | | | | |
| Buyer's Cost | | | | | | | | | |



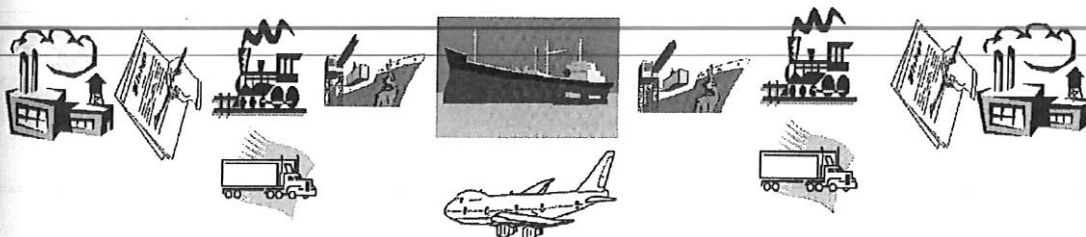
APPENDIX 2D

FOB

Free On Board.. (named port of shipment)



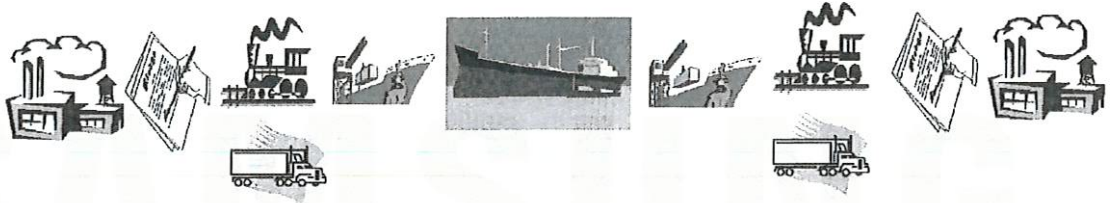
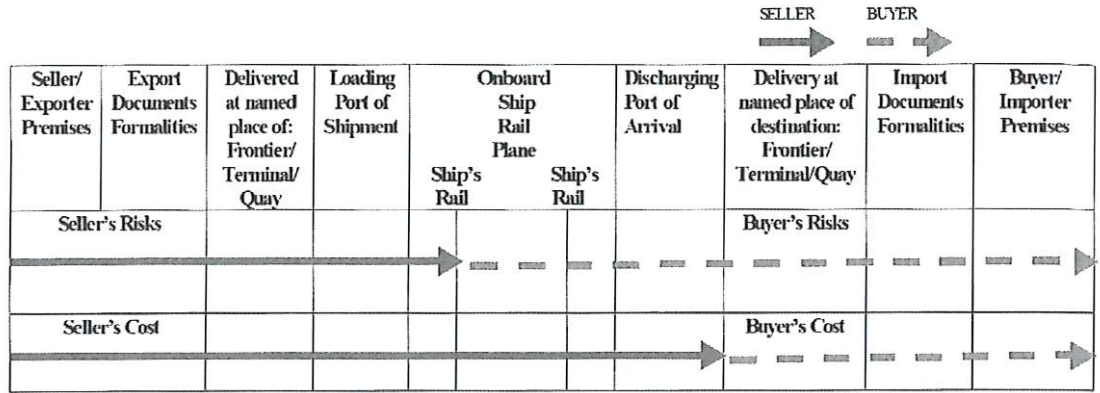
| Seller/ Exporter Premises | Export Documents Formalities | Delivered at named place of: Frontier/ Terminal/ Quay | Loading Port of Shipment | Onboard Ship Rail Plane | | Discharging Port of Arrival | Delivery at named place of destination: Frontier/ Terminal/Quay | Import Documents Formalities | Buyer/ Importer Premises |
|---------------------------------|------------------------------------|--|--------------------------------|----------------------------------|----------------|-----------------------------------|---|------------------------------------|--------------------------------|
| | | | | Ship's Rail | Ship's Rail | | | | |
| Seller's Risks | | | | | | | | | |
| Seller's Cost | | | | | | | | | |
| Buyer's Risks | | | | | | | | | |
| Buyer's Cost | | | | | | | | | |



APPENDIX 2E

CFR

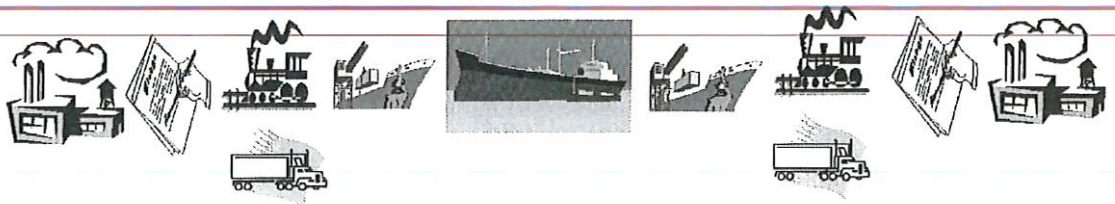
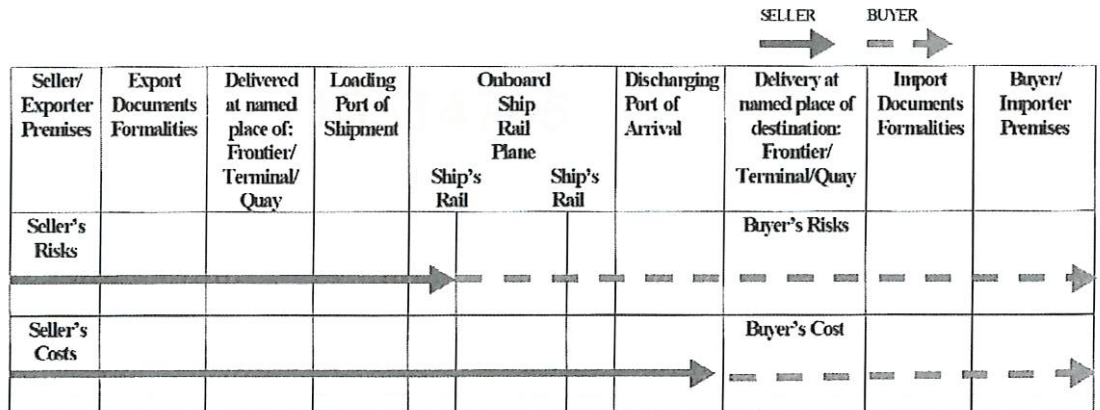
Cost and Freight .. (named port of destination)



APPENDIX 2F

CFI

Cost, Insurance and Freight .. (named port of destination)



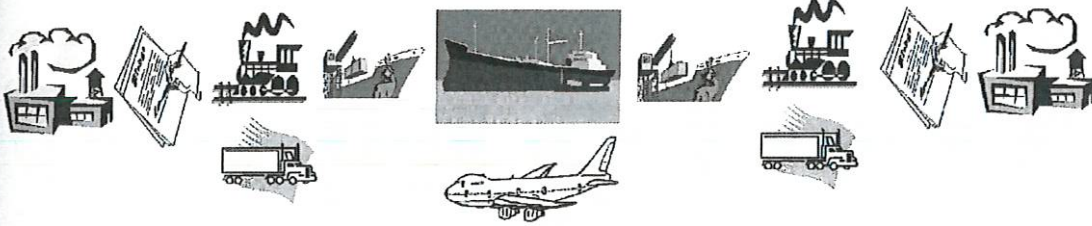
APPENDIX 2G

CPT

Carriage Paid To ... (named port of destination)

SELLER → BUYER →

| Seller/ Exporter Premises | Export Documents Formalities | Delivered at named place of: Frontier/ Terminal/ Quay | Loading Port of Shipment | Onboard | | Discharging Port of Arrival | Delivery at named place of destination: Frontier/ Terminal/Quay | Import Documents Formalities | Buyer/ Importer Premises |
|---------------------------------|------------------------------------|--|--------------------------------|----------------|-----------------|-----------------------------------|---|------------------------------------|--------------------------------|
| | | | | Ship's Rail | Ship's Plane | | | | |
| Seller's Risks | | | | | | | Buyer's Risks | | |
| Seller's Cost | | | | | | | Buyer's Costs | | |



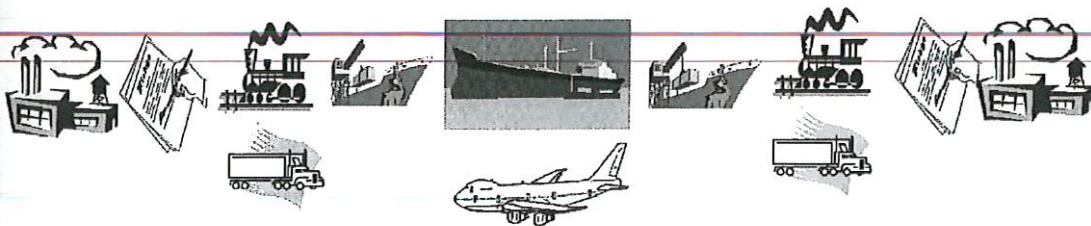
APPENDIX 2H

CIP

Carriage and Insurance Paid To ... (named port of destination)

SELLER → BUYER →

| Seller/ Exporter Premises | Export Documents Formalities | Delivered at named place of: Frontier/ Terminal/ Quay | Loading Port of Shipment | Onboard | | Discharging Port of Arrival | Delivery at named place of destination: Frontier/ Terminal/Quay | Import Documents Formalities | Buyer/ Importer Premises |
|---------------------------------|------------------------------------|--|--------------------------------|----------------|-----------------|-----------------------------------|---|------------------------------------|--------------------------------|
| | | | | Ship's Rail | Ship's Plane | | | | |
| Seller's Risks | | | | | | | Buyer's Risks | | |
| Seller's Cost | | | | | | | Buyer's Cost | | |



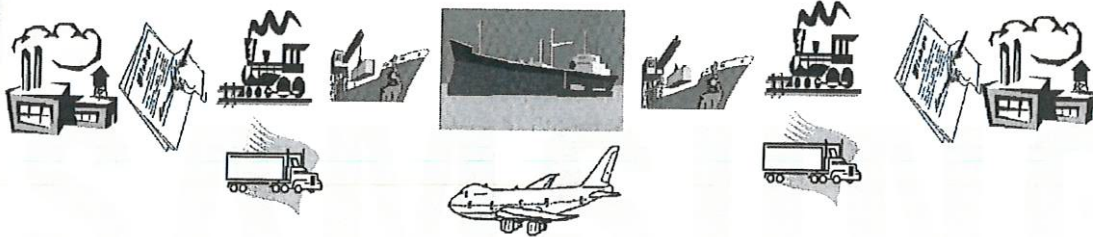
APPENDIX 2K

DDP

Delivered Duty Paid...(named place of destination)



| Seller/ Exporter Premises | Export Documents Formalities | Delivered at named place of: Frontier/ Terminal/ Quay | Loading Port of Shipment | Onboard | | Discharging Port of Arrival | Delivery at named place of destination: Frontier/ Terminal/Quay | Import Documents Formalities | Buyer/ Importer Premises |
|---------------------------------|------------------------------------|--|--------------------------------|----------------|-----------------|-----------------------------------|---|------------------------------------|--------------------------------|
| | | | | Ship's Rail | Ship's Plane | | | | |
| Seller's Risks | | | | | | | | | Buyer's Risks |
| Seller's Cost | | | | | | | | | Buyer's Cost |



APPENDIX 2L

| TASK | EXW | FCA | FAS | FOB | CFR | CIF | CPT | CIP | DAT | DAP | DDP |
|--------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Export Packing | X | X | X | X | X | X | X | X | X | X | X |
| Inland Freight | I | X | X | X | X | X | X | X | X | X | X |
| Export Clearance | I | I | X | X | X | X | X | X | X | X | X |
| Arrange Carrier | I | I | I | I | X | X | X | X | X | X | X |
| Load onto Carrier | I | I | I | X | X | X | X | X | X | X | X |
| Pay Carrier | I | I | I | I | X | X | X | X | X | X | X |
| Unload Carrier | I | I | I | I | | | I | I | X | I | X |
| Pay Insurance | | | | | | X | | X | | | |
| Import Clearance | I | I | I | I | I | I | I | I | I | I | X |
| Pay Duty | I | I | I | I | I | I | I | I | I | I | X |
| Pay Inland Freight | I | I | I | I | I | I | I | I | I | I | X |

APPENDIX 2M

| Role of Incoterms | |
|--|---|
| <p>Incoterms are used to define the relationship between Exporter and Importer regarding:</p> <ul style="list-style-type: none"> • Mode of delivery • Arrangement of customs clearances and licenses • Passage of title • Transfer of risk and insurance responsibilities (i.e., who has to insure goods during transport) • What the delivery terms are • How transport costs are shared between the parties • When a delivery is completed | <p>Incoterms will not:</p> <ul style="list-style-type: none"> • Define contractual rights • Specify transport details regarding delivery of goods • Define liabilities and/or obligations between the parties • Dictate how the title of the goods will pass (although Incoterms dictate when they transfer) • Dictate obligations with regards to the goods prior to and after delivery • Protect a party from his/her own risk of loss |
| <p>Source: Transportgistics, <i>Deciphering Incoterms</i>. Available from http://www.transportgistics.com/decipheringincoterms.htm.</p> | |

APPENDIX 2N

| International Terms of Payment | | | | |
|--|--|----------------------------------|---|---|
| METHOD | USUAL TIME OF PAYMENT | GOODS AVAILABLE TO BUYER | RISK TO SELLER | RISK TO BUYER |
| Cash in Advance | Before shipment | After payment | None | All - relies on seller to ship goods exactly as quoted and ordered |
| Letter of Credit | After shipment is made, documents presented to the bank. | After payment | Gives the seller assurance of payments. Depends on the terms of the letter of credit | Assures shipment is made but relies on exporter to ship goods as described in documents. Terms may be negotiated to alleviate buyer's degree of risk. |
| Sight Draft | On presentation of draft to buyer | After payment to buyer's bank | If draft not honored, goods must be returned or resold. Storage, handling, and return freight expenses may be incurred. | Assures shipment but not content, unless inspection or check-ins is allowed before payment |
| Time Draft | On maturity of the draft | Before payment, after acceptance | Relies on buyer to honor draft upon presentation. | Assures shipment but not content. Time of maturity allows for adjustments, if agreed to by seller. |
| Open Account | As agreed, usually by invoice | Before payment | Relies completely on buyer to pay account as agreed | None |
| <p>Source: Adapted from Foreign Trade On-Line, <i>International Terms of Payment</i>. Available from http://www.foreign-trade.com/reference/payment.cfm</p> | | | | |