

# THE INSTITUTE OF CHARTERED SHIPBROKERS

APRIL 2007 EXAMINATIONS

TUESDAY 24 APRIL - MORNING

## LOGISTICS AND MULTIMODAL TRANSPORT

**Time allowed – Three hours**

**Answer any FIVE questions – All questions carry equal marks**

1. What are the fixed and variable costs of a logistics/multimodal operator? How can a company control the cost elements, without compromising the service quality? Explain with examples and illustrations.
2. European and North American markets can be considered as mature and developed markets in logistics and multimodal business. Discuss how service providers could add value without any additional costs to customers in these countries with examples.
3. Container vessel capacity is increasing rapidly. Recently, vessels in excess of 11,000 TEU have entered service and in the next few years even larger vessels are expected. In this context, what are the prospects and implications for the small and medium size multimodal service operators?
4. Explain all INCOTERMS in full, discussing with examples why different terms are used in different circumstances.
5. Explain how a container freight station (CFS) situated in a port should be organised to service its LCL, import/export/transshipment customers? This must include warehouse, transport and yard management procedures/systems.
6. Unitisation and containerisation have become mature concepts. Describe the current level of developments in all transport modes and explain how they assist trade facilitation. Use different countries and trades in illustrations of your answer.
7. Discuss any two of the following conventions fully and highlight two key parts of each and their particular impact on the industry.
  - a) Warsaw Convention 1929
  - b) COTIF (Convention on Rail Transport) and CIM
  - c) CMR (Convention on the Contracts for the International Carriage of Goods by Road)
  - d) Hamburg Rules (The UN Convention on the Carriage of Goods by Sea 1978)
8. Using an International supermarket or departmental-store chain as an example, discuss the 'Integrated Supply-Chain Management Concept' with illustrations and examples. Why are these complex systems subject to continual change?