



**NAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY**

FACULTY OF COMMERCE, HUMAN SCIENCES AND EDUCATION

DEPARTMENT OF MARKETING AND LOGISTICS

QUALIFICATION: BACHELOR OF LOGISTICS AND SUPPLY CHAIN MANAGEMENT	
QUALIFICATION CODE: 07 BLSC	LEVEL: 7
COURSE CODE: SCM711S	COURSE NAME: SUPPLY CHAIN MANAGEMENT
SESSION: JUNE 2022	PAPER: THEORY
DURATION: 3 HOURS	MARKS: 100

FIRST OPPORTUNITY EXAMINATION QUESTION PAPER	
EXAMINER(S)	MS. E JESAYA
MODERATOR:	MS. L ERIKSON

INSTRUCTIONS
<ol style="list-style-type: none">1. Answer ALL the questions.2. Read all the questions carefully before answering.3. Number the answers clearly

THIS QUESTION PAPER CONSISTS OF 5 PAGES (Including this front page)

SECTION A: MULTIPLE CHOICE AND TRUE/FALSE QUESTIONS

20 Marks

QUESTION 1: MULTIPLE CHOICE

Write the letter next to the correct answer.

2x5=10 Marks

1.1. Using the Total Cost formula and given the following data, what is the total Costs?

Price = \$100 Demand = 1,000 Ordering cost = \$10 Interest = 5% Holding cost = \$.50

Lag time = 5 days

- a) \$100,346
- b) \$90,028
- c) \$108,028
- d) \$118028

1.2. The purchasing cycle ends with:

- a) The purchase order.
- b) The receipt of the item in question.
- c) The selection of a supplier.
- d) The payment for the item in question.

1.3. Which of the following involves the bullwhip effect?

- a) Accurate forecasting
- b) Fluctuations in actual demand
- c) Distortions in the supply chain
- d) Total quality management

1.4. Why is consignment an appropriate inventory technique for an organization like Shoprite?

- a) Increase lag times when restocking products
- b) Transfer marketing to the retailer
- c) Transfer insurance to the retailer
- d) Offer a wider product range to customers without tying up capital

1.5. Which channel below is not defined as a direct hotel channel?

- a) Hotel website
- b) Email
- c) Fax
- d) Phone

Sub-total: 10 Marks

QUESTION 2: TRUE/FALSE

State whether the following statements are true or false.

2x5 = 10 Marks

- 2.1. The ABC Analysis inventory management techniques could ignore products that are just starting to trend upwards.
- 2.2. The EOQ assumes three relevant costs: ordering, carrying, and shipping.
- 2.3. Outsourcing is encouraged when shipment sizes are small, whereas owning the transportation fleet is preferable when shipment sizes are large, and responsiveness is critical.
- 2.4. Supply Chain Integration leads to Visibility, which leads to collaboration. Collaboration results in Variability.
- 2.5. Innovation strategy refers to a business's ability to harness the resources at its disposal in the best way possible to minimize costs and maximize profits.

Sub-total: 10 Marks

SECTION B: STRUCTURED QUESTIONS

(80 Marks)

QUESTION 3: CASE STUDIES

15 MARKS

Study the supply chain integration of companies operating in Namibia below and identify the TYPE OR LEVEL of Integration involved in each case. Please justify your answer!

3x5 = 15 Marks

- a) In 2013 Meatco formed a partnership agreement (Meatco-owned Cattle (MoC) Initiative) with its suppliers to secure more cattle for slaughter. The initiative helps secure animals earlier in the production chain by procuring weaners and raising them to slaughter animals.
- b) Over the last year, much time and effort have been invested by Meatco's Information Technology Department to integrate the corporation's supply channels and streamline the MoC initiatives, thereby ensuring that Meatco has full control over its biological assets.
- c) A Producer Classification System has also been introduced; this tool enables Meatco to interact with its producers and provide first-rate service delivery to those producers who have the greatest impact on the business.
- d) Namibia Dairies (ND) established a depot at Katima Mulilo to have the ND portfolio available to all Namibians in all areas of the country. According to the ND Managing director, "the depot will also provide a call and collect service to the Katima customer base to ensure stock availability; promote cross border trade, expand ND business, and

ensure synergies with our sister company Namibia Breweries Limited (NBL) at the Katima facility.

- e) The Kronen Brauerei (Swakopmund), The Omaruru Brewery (Omaruru), The Klein Windhoek Brewery (Windhoek), and the FassenKeller Brewery (Windhoek) were acquired by Hermann Ohlthaver and Carl List, who consolidated them to form South West Breweries (SWB) Limited in 1920.

Sub-total: 15 Marks

QUESTION 4: CASE STUDIES

15 MARKS

Identify the transportation network structure in each case study below. You are required to justify your answer: **3x5 = 15 Marks**

- a) FP Du Toit transports products from CIC Namibia in Windhoek to Metro Cash & Carry, Shoprite, and Spar Supermarket in Oshakati.
- b) A full truck loaded with Windhoek Lager Beer from Namibia Breweries Limited brewing plant to a warehouse at Ramatex. The Beer is packed into smaller shipments, and they are immediately dropped at Shoprite, Pick'n Pay Supermarket, and Checkers in Windhoek City Centre.
- c) A full truck loaded with Top Score Maize Flour from Namib Mills milling plant to its warehouse in the Northern Industrial area in Windhoek. The Top Score Maize Flour is stored at the warehouse until Metro Hyper and Woermann Brock Wholesalers place their orders.
- d) Namibia Dairies operates its fleets whereby it delivers dairy products such as fresh milk and yogurt just in time when their retailers need them. Namibia dairy runs a full production schedule, and once the products are produced, they are transported to its warehouse at Avis. The products are sorted out at the Avis distribution centre (DC) according to the customers' orders. Three trucks are assigned to drop dairy products directly to Metro Hyper, Spar, and Checkers, while two trucks drop off smaller shipments of dairy products to mini markets in the Katutura suburb at once. Dairy products are not stored at the DC, and they only stay for a maximum of eight hours.
- e) A full truck loaded with assorted cooldrinks from Coca-Cola Namibia Bottling Company (Pty) Ltd, Oshakati, to Metro Cash & Carry in Oshakati.

Sub-total: 15 Marks

QUESTION 5:

20 MARKS

Differentiate between vertical and horizontal distribution channels conflicts? Explain why each channel conflicts occur?

QUESTION 6:

15 MARKS

Assess the benefits of the Total Cost of Ownership (TCO) concept to the supply chain?

QUESTION 7:

10 MARKS

Compare and contrast supply chain with value chain based on the following?

- a) Meaning
- b) Origins
- c) Concept
- d) Sequence
- e) Objective

QUESTION 8

5 MARKS

Why should an organisation keep inventory?

SUB-TOTAL: 80 MARKS

TOTAL: 100 MARKS

THE END



 **UNAMBI**
UNIVERSITY
OF NAMIBIA
TECHNOLOGY

R/Bag 13388
Windhoek
Namibia

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**DEPARTMENT OF PRODUCTION
AND TRADE**