



**NAMIBIA UNIVERSITY  
OF SCIENCE AND TECHNOLOGY**

**FACULTY OF COMMERCE, HUMAN SCIENCES, AND EDUCATION**

**DEPARTMENT OF MARKETING AND LOGISTICS**

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

<b>SECOND OPPORTUNITY EXAMINATION QUESTION PAPER</b>	
<b>EXAMINER(S)</b>	<b>MS. E JESAYA</b>
<b>MODERATOR:</b>	<b>MS. L ERIKSON</b>

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

**THIS QUESTION PAPER CONSISTS OF 4 PAGES (Including this front page)**



**SECTION A: MATCHING QUESTIONS****30 MARKS****QUESTION 1:****30 MARKS**

Match the sentences in column A with a corresponding term in column B. Write only the number and the corresponding letter as the correct answer. **2X15=30 MARKS**

Statements/ definitions	Terms
1. This is where the perception of a channel member is that its goal attainment is being impeded by another, resulting in stress or tension.	i. Value Chain
2. Collectively organisations that combine to enable offerings to reach end-users quickly and efficiently constitute a marketing channel,	ii. Inbound logistics
3. These store goods for moderate to long periods	iii. Horizontal integration
4. These sell directly to end consumers and may purchase directly from manufacturers and deal with wholesalers	iv. Total Cost of Ownership
5. McDonald's and KFC are good examples of?	v. Cycle Counting
6. Aims maintain multiple sources of supply and use long-term contracts to assure continuity of supply.	vi. Volume consideration
7. Strategic items and services that involve a high level of expenditure and are important to organization's success	vii. Leverage Purchases
8. Organisations should reduce the buying effort on these purchases to reduce the cost.	viii. Critical purchases
9. Little risk of supply; however, the amount of money spent on these items is relatively high, and there is potential to consolidate purchases with a limited number of suppliers to generate procurement savings.	ix. Routine purchases
10. This strategy allows the supplier to invest in capacity or processes to improve customer service.	x. Bottleneck purchases
11. An inventory solution allows businesses to sum several items in several areas within the warehouse without tallying the entire inventory.	xi. Franchising
12. A philosophy for really understanding all supply chain-related costs of doing business with a supplier for a good or service.	xii. Retailers
13. It is a strategy where a company acquires, mergers, or takes over another company in the same industry value chain. Example: Telecom and Leo.	xiii. Storage warehouses
14. Involve relationship with suppliers and include all the	xiv. Distribution channel



activities required to receive, store and disseminate inputs.	
15. The range of activities adds value at every single step in designing, producing, and delivering a quality product to the customer.	xv. Channel conflict

**SECTION B: STRUCTURED QUESTIONS**

**70 MARKS**

**QUESTION 2: CASE STUDIES**

**18 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! **3x6=18 Marks**

- a) In order to ensure success in its operations, Meatco upgrades, streamlines, and makes sure its systems work. Meatco has reliable and efficient systems as a meat processor, making interaction with producers and customers user-friendly and effective.
- b) Namib Mills acquired Otavi Milling in 1996, which operates as a milling facility and a depot and currently employs 62 staff members. The mill generates 13.5 tons of maize per hour.
- c) In 2003, Namibia Breweries Limited formed a strategic partnership with Diageo, the world's largest distiller, and brewer Heineken. Brandhouse Beverages (Proprietary) Limited locally facilitated the partnership. In 2004, NBL started producing Heineken for Namibia and exporting it to South Africa.
- d) In 2017, Namibia Dairies (ND) enriched the lives of five local farmers with three cows each (heifers) and fridges as part of its Farmers Development Program aimed at diversifying the Namibian farming community. The donation is valued at N\$190 000.00 and will help the farmers to kick-start their dairy farming.
- e) Namib Mills acquired the Gordonia Mill in Upington, Northern Cape, South Africa, in 1998. The Gordonia facility has six concrete silos with a 1050-1100 tons per silo storage capacity. Local farmers bring their maize and wheat, where the same grading procedures as Klipparani are performed.
- f) In 2016, Namibia Breweries Limited partnered with Stellenbrau, a Stellenbosch-based craft brewer, strengthening NBL's association with a craft-style beer positioning.

**Sub-total: 18 Marks**





**QUESTION 3: CASE STUDY**

**20 MARKS**

Zara is a fashion label and fashion chain store established in 1975 by the Spanish group Inditex owned by Amancio Ortega. Zara tripled its profit and stores during the last two decades and ranked the third biggest retailer worldwide (Zhang, 2008). Zara has been struggling with managing inventories accumulated because its retail outlets are accumulating the demand and leading to inaccurate demand forecast orders. Zara also has a free return policy allowing customers to overstate demands due to shortages intentionally and then cancel when the supply becomes adequate again.

a) Identify and discuss the supply chain term associated with Zara's inventory accumulation problem in the supply chain? **12 Marks**

b) Advise how Zara can resolve the inventory accumulation problem in its supply chain?

**8 Marks**

**Sub-total: 20 Marks**

**QUESTION 4: CASE STUDY**

**20 MARKS**

Zara is a fashion label and fashion chain store established in 1975 by the Spanish group Inditex owned by Amancio Ortega. Zara tripled its profit and stores during the last two decades and ranked the third biggest retailer worldwide (Zhang, 2008). Zara wants to penetrate the Namibian Fashion industry and looking forward to working with an established fashion retailer in Namibia. Assess the factors that Zara should evaluate when choosing a distribution channel?

**QUESTION 5**

**12 MARKS**

Discuss four categories of inventory in the supply chain? Give one example of inventory in each category?

**SUB-TOTAL: 70 MARKS**

**TOTAL: 100 MARKS**

**THE END**

*[Handwritten signature]*

