

Module 5: Section A: Logistics and Distribution	Module 5: Section A: Logistics and Distribution
Term logistics	Term total cost concept
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Module 5: Section A: Logistics and Distribution	Module 5: Section A: Logistics and Distribution
Term risk pooling	Term third-party logistics (3PL)
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Module 5: Section A: Logistics and Distribution	Module 5: Section A: Logistics and Distribution
Term fourth-party logistics (4PL)	Term warehousing
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Module 5: Section A: Logistics and Distribution	Module 5: Section A: Logistics and Distribution
Term random-location storage	Term fixed-location storage
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Definition In logistics, the idea that all logistical decisions that provide equal service levels should favor the option that minimizes the total of all logistical costs and should not be used on cost reductions in one area (such as lower transportation charges) alone.	Definition 1) In a supply chain management context, it is the subset of supply chain management that controls the forward and reverse movement, handling, and storage of goods between origin and distribution points. 2) In an industrial context, the art and science of obtaining, producing, and distributing material and product in the proper place and in proper quantities. 3) In a military sense (where it has greater usage), its meaning can also include the movement of personnel.
Definition A buyer and supplier team with a third party that provides product delivery services. This third party may provide added supply chain expertise.	Definition A method often associated with the management of inventory risk. Manufacturers and retailers that experience high variability in demand for their products can pool together common inventory components associated with a broad family of products to buffer the overall burden of having to deploy inventory for each discrete product.
Definition The activities related to receiving, storing, and shipping materials to and from production or distribution locations.	Definition [This concept] differs from third-party logistics in the following ways: (1) [this type of] organization is often a separate entity formed by a joint venture or other long-term contract between a client and one or more partners; (2) [this type of] organization is an interface between the client and multiple logistics services providers; (3) ideally, all aspects of the client's supply chain are managed by the [this type of] organization; and (4) it is possible for a major 3PL organization to form [this type of] organization within its existing structure. See: third-party logistics.
Definition A method of storage in which a relatively permanent location is assigned for the storage of each item in a storeroom or warehouse. Although more space is needed to store parts than in a random-location storage system, fixed locations become familiar, and therefore a locator file may not be needed. See: random-location storage.	Definition A storage technique in which parts are placed in any space that is empty when they arrive at the storeroom. Although this random method requires the use of a locator file to identify part locations, it often requires less storage space than a fixed-location storage method. Syn: floating inventory location system, floating storage location. See: fixed-location storage.

Module 5: Section A: Logistics and Distribution	Module 5: Section A: Logistics and Distribution
Term materials handling	Term line haul costs
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Definition Basic costs of carrier operation to move a container of freight, including drivers' wages and usage depreciation. These vary with the cost per mile, the distance shipped, and the weight moved.	Definition Movement and storage of goods inside the distribution center. This represents a capital cost and is balanced against the operating costs of the facility.
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Module 5: Section B: Distribution Services and Transportation Choices	Module 5: Section B: Distribution Services and Transportation Choices
Term receiving	Term put-away
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Module 5: Section B: Distribution Services and Transportation Choices	Module 5: Section B: Distribution Services and Transportation Choices
Term order picking	Term shipping
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Module 5: Section B: Distribution Services and Transportation Choices	Module 5: Section B: Distribution Services and Transportation Choices
Term packaging	Term packing and marking
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Module 5: Section B: Distribution Services and Transportation Choices	Module 5: Section B: Distribution Services and Transportation Choices
Term break-bulk	Term cross-docking
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Definition Removing the material from the dock (or other location of receipt), transporting the material to a storage area, placing that material in a staging area and then moving it to a specific location, and recording the movement and identification of the location where the material has been placed.	Definition The function encompassing the physical receipt of material, the inspection of the shipment for conformance with the purchase order (quantity and damage), the identification and delivery to destination, and the preparation of receiving reports.
Definition The function that performs tasks for the outgoing shipment of parts, components, and products. It includes packaging, marking, weighing, and loading for shipment.	Definition Selecting or "picking" the required quantity of specific products for movement to a packaging area (usually in response to one or more shipping orders) and documenting that the material was moved from one location to shipping. Syn: order selection. See: batch picking, discrete order picking, zone picking.
Definition The activities of packing for safe shipping and unitizing one or more items of an order, placing them into an appropriate container, and marking and labeling the container with customer shipping destination data as well as other information that may be required.	Definition Materials surrounding an item to protect it from damage during transportation. The type of packaging influences the danger of such damage.
Definition The concept of packing products on incoming shipments so they can be easily sorted at intermediate warehouses or for outgoing shipments based on final destination. The items are carried from the incoming vehicle docking point to the outgoing vehicle docking point without being stored in inventory at the warehouse. [It] reduces inventory investment and storage space requirements. Syn: direct loading.	Definition 1) Dividing truckloads, railcars, or containers of homogeneous items into smaller, more appropriate quantities for use. 2) A distribution center that specializes in [these types of] activities. 3) Unitized cargo in bales, boxes, or crates that is placed directly in a ship's holds rather than in containers.

**Module 5: Section B: Distribution
Services and Transportation Choices**

Term

common carrier

Definition

Transportation available to the public that does not provide special treatment to any one party and is regulated as to the rates charged, the liability assumed, and the service provided. [It] must obtain a certificate of public convenience and necessity from the Federal Trade Commission for interstate traffic. Ant: private carrier.

Module 5: Section C: Trade Considerations	Module 5: Section C: Trade Considerations
Term tariff	Term global trade management
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Module 5: Section C: Trade Considerations	Module 5: Section C: Trade Considerations
Term incoterms	Term freight forwarder
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Module 5: Section C: Trade Considerations	Module 5: Section C: Trade Considerations
Term foreign freight forwarder	Term ATR certificate
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Module 5: Section C: Trade Considerations	Module 5: Section C: Trade Considerations
Term Harmonized Tariff Schedule (HTS)	Term harmonized system classification codes
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Definition The management and optimization of shipments across international borders to improve operating efficiencies and cash flows; includes ensuring compliance with all international regulations and documentation and streamlining and accelerating the movement of goods.	Definition An official schedule of taxes and fees imposed by a country on imports or exports.
Definition The ""middle man"" between the carrier and the organization shipping the product. Often combines smaller shipments to take advantage of lower bulk costs.	Definition A series of pre-defined commercial terms published by the International Chamber of Commerce relating to international commercial law. These terms do not cover property rights.
Definition A certificate that is required for trade between the EU and Turkey. It grants zero duty to "free circulating" goods in the EU, which are goods originating in the EU or imported to the EU with all import duties and taxes paid. Agricultural goods, minerals, and steel are excluded and must use form EUR1.	Definition An entity that picks up goods at the production site and coordinates transport to the foreign customer's location.
Definition An internationally standardized description of goods that uses a system of numbers to provide increasingly detailed classification and descriptions.	Definition The US International Trade Commission's mechanism by which international tariffs are standardized. Importers and exporters classify goods moved across international borders using the harmonized system of the country of import. Then based on this classification the [this concept] is used to determine the amount of tariff they must pay.

Module 5: Section C: Trade Considerations	Module 5: Section C: Trade Considerations
Term trading bloc APICS CSCP Learning System © 2023	Term trade bloc APICS CSCP Learning System © 2023

Definition An agreement between countries intended to reduce or remove barriers to trade within member countries. Frequently, but not always, those countries are geographically close. Examples [...] are the European Economic Community and the North American Free Trade Agreement (NAFTA). Syn: trading bloc.	Definition An agreement between countries intended to reduce or remove barriers to trade within member countries. Frequently, but not always, those countries are geographically close. Examples are the European Economic Community and the North American Free Trade Agreement (NAFTA).
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Module 5: Section D: Reverse Flow	Module 5: Section D: Reverse Flow
Term waste	Term reverse logistics
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Module 5: Section D: Reverse Flow	Module 5: Section D: Reverse Flow
Term reverse supply chain	Term waste hierarchy
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Module 5: Section D: Reverse Flow	Module 5: Section D: Reverse Flow
Term clean technology	Term 40/30/30 rule
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Module 5: Section D: Reverse Flow	Module 5: Section D: Reverse Flow
Term responsible landfill	Term total waste management (TWM)
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Definition A complete supply chain dedicated to the reverse flow of products and materials for the purpose of returns, repair, remanufacture, and/or recycling.	Definition 1) Any activity that does not add value to the good or service in the eyes of the consumer. 2) A by-product of a process or task with unique characteristics requiring special management control. [The] production [of this] can usually be planned and somewhat controlled. Scrap is typically not planned and may result from the same production run as [this term]. See: hazardous waste.
Definition A tool that ranks waste management options according to what is most environmentally sound. Gives top priority to preventing waste in the first place and can be applied to various applications.	Definition The planning and controlling of the processes of moving goods from the point of consumption back to the point of origin for repair, reclamation, recycling, or disposal. See: reverse logistics.
Definition A rule that identifies the sources of scrap, rework, and waste as 40 percent product design, 30 percent manufacturing processing, and 30 percent from suppliers.	Definition A technical measure taken to reduce or eliminate-at its source-the production of any nuisance, pollution, or waste, and to help save raw materials, natural resources, and energy.
Definition A methodology that enables finding solutions to waste issues while keeping in mind financial elements and the business case.	Definition Landfill operations designed to turn waste into recoverable resources, minimize the amount of space consumed, and maximize the operational life of the landfill.

Module 5: Section D: Reverse Flow	Module 5: Section D: Reverse Flow
Term hazardous waste APICS CSCP Learning System © 2023	Term Globally Harmonized System of Classification and Labelling of Chemicals (GHS) APICS CSCP Learning System © 2023

Module 5: Section D: Reverse Flow
Term waste exchange APICS CSCP Learning System © 2023

Definition

An international standard, created by the United Nations Economic Commission for Europe (UNECE), for classifying chemicals according to their health, physical, and environmental hazards. The system defines and classifies the hazards of chemical products, and communicates health and safety information on labels and material safety data sheets. See: harmonized tariff schedule.

Definition

Waste, such as chemicals or nuclear material, that is hazardous to humans or animals and requires special handling.

Definition

1) Arrangement in which companies exchange their wastes for the benefit of both parties. 2) An exchange service of valuable information between generators and potential users of industrial and commercial wastes, whereby a beneficial use rather than disposal is the end result. This service identifies both the producers and potential markets for by-products, surpluses, unspent materials, and other forms of solid waste that is no longer needed.