Fold each printed sheet in half lengthwise. The left side of the document will list the term and the right side will list the definition. Tape or staple the open edges of your flashcards. Cut out your flashcards on the solid lines indicated and fold them on the dotted lines.

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**Module 5**

*Section A: Logistics and Distribution*

**Term**
Fixed-location storage

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.

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**Module 5**

*Section A: Logistics and Distribution*

**Term**
Fourth-party logistics (4PL)

[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 tyep of] organization within its existing structure. See: third-party logistics.

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**Module 5**

*Section A: Logistics and Distribution*

**Term**
Line haul costs

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.

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**Module 5**

*Section A: Logistics and Distribution*

**Term**
Logistics

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.

**Module 5**

*Section A: Logistics and Distribution*

**Term**
Materials handling

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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 A: Logistics and Distribution*

**Term**
Random-location storage

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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.

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**Module 5**

*Section A: Logistics and Distribution*

**Term**
Risk pooling

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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.

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**Module 5**

*Section A: Logistics and Distribution*

**Term**
Third-party logistics (3PL)

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A buyer and supplier team with a third party that provides product delivery services. This third party may provide added supply chain expertise.

**Module 5**

*Section A: Logistics and Distribution*

**Term**
Total cost concept

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.

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**Module 5**

*Section A: Logistics and Distribution*

**Term**
Warehousing

The activities related to receiving, storing, and shipping materials to and from production or distribution locations.

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**Module 5**

*Section B: Distribution Services and Transportation Choices*

**Term**
Break-bulk

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.

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**Module 5**

*Section B: Distribution Services and Transportation Choices*

**Term**
Common carrier

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** | The concept of packing products on incoming |
| Section B: Distribution Services and Transportation Choices | 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. |
| **Term** Cross-docking | |
| APICS CSCP Learning System © 2024 | |

| **Module 5** | |
| Section B: Distribution Services and Transportation Choices | The physical transportation of inventory from one location to another within a facility. Movements are usually made under the direction and control of the inventory system. |
| **Term** Move | |
| APICS CSCP Learning System © 2024 | |

| **Module 5** | |
| Section B: Distribution Services and Transportation Choices | 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. |
| **Term** Order picking | |
| APICS CSCP Learning System © 2024 | |

| **Module 5** | |
| Section B: Distribution Services and Transportation Choices | Materials surrounding an item to protect it from damage during transportation. The type of packaging influences the danger of such damage. |
| **Term** Packaging | |
| APICS CSCP Learning System © 2024 | |

| **Module 5** | 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. |
|---|---|
| *Section B: Distribution Services and Transportation Choices* | |
| **Term** Packing and marking | |
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| **Module 5** | 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. |
|---|---|
| *Section B: Distribution Services and Transportation Choices* | |
| **Term** Put-away | |
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| **Module 5** | 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. |
|---|---|
| *Section B: Distribution Services and Transportation Choices* | |
| **Term** Receiving | |
| APICS CSCP Learning System © 2024 | |

| **Module 5** | The function that performs tasks for the outgoing shipment of parts, components, and products. It includes packaging, marking, weighing, and loading for shipment. |
|---|---|
| *Section B: Distribution Services and Transportation Choices* | |
| **Term** Shipping | |
| APICS CSCP Learning System © 2024 | |

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|---|---|
| **Module 5**<br>*Section C: Trade Considerations*<br><br>**Term**<br>ATR certificate<br><br>APICS CSCP Learning System © 2024 | 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. |
| **Module 5**<br>*Section C: Trade Considerations*<br><br>**Term**<br>Foreign freight forwarder<br><br>APICS CSCP Learning System © 2024 | An entity that picks up goods at the production site and coordinates transport to the foreign customer's location. |
| **Module 5**<br>*Section C: Trade Considerations*<br><br>**Term**<br>Freight forwarder<br><br>APICS CSCP Learning System © 2024 | The "middle man" between the carrier and the organization shipping the product. Often combines smaller shipments to take advantage of lower bulk costs. |
| **Module 5**<br>*Section C: Trade Considerations*<br><br>**Term**<br>Global trade management<br><br>APICS CSCP Learning System © 2024 | 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. |

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| **Module 5**<br>*Section C: Trade Considerations*<br><br><br>**Term**<br>Harmonized Tariff Schedule (HTS)<br><br><br>APICS CSCP Learning System       © 2024 | 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**<br>*Section C: Trade Considerations*<br><br><br>**Term**<br>Harmonized system classification codes<br><br><br>APICS CSCP Learning System       © 2024 | An internationally standardized description of goods that uses a system of numbers to provide increasingly detailed classification and descriptions. |
| **Module 5**<br>*Section C: Trade Considerations*<br><br><br>**Term**<br>Incoterms<br><br><br>APICS CSCP Learning System       © 2024 | 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. |
| **Module 5**<br>*Section C: Trade Considerations*<br><br><br>**Term**<br>Tariff<br><br><br>APICS CSCP Learning System       © 2024 | An official schedule of taxes and fees imposed by a country on imports or exports. |

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| **Module 5**<br>*Section C: Trade Considerations*<br><br>**Term**<br>Trade bloc<br><br>APICS CSCP Learning System © 2024 | An agreement between or among countries intended to reduce or remove barriers to trade within member countries. Frequently, but not always, those countries are geographically close. Examples of trade blocs are the European Economic Community and the North American Free Trade Agreement (NAFTA). Syn.: trading bloc. |
| **Module 5**<br>*Section D: Reverse Flow*<br><br>**Term**<br>40/30/30 rule<br><br>APICS CSCP Learning System © 2024 | 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. |
| **Module 5**<br>*Section D: Reverse Flow*<br><br>**Term**<br>Clean technology<br><br>APICS CSCP Learning System © 2024 | 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. |
| **Module 5**<br>*Section D: Reverse Flow*<br><br>**Term**<br>Globally Harmonized System of Classification and Labelling of Chemicals (GHS)<br><br>APICS CSCP Learning System © 2024 | 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 (HTS). |

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| **Module 5**<br>*Section D: Reverse Flow*<br><br>**Term**<br>Hazardous waste<br><br>APICS CSCP Learning System     © 2024 | Waste, such as chemicals or nuclear material, that is hazardous to humans or animals and requires special handling. |
| **Module 5**<br>*Section D: Reverse Flow*<br><br>**Term**<br>Responsible landfill<br><br>APICS CSCP Learning System     © 2024 | 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**<br>*Section D: Reverse Flow*<br><br>**Term**<br>Reverse logistics<br><br>APICS CSCP Learning System     © 2024 | A complete supply chain dedicated to the reverse flow of products and materials for the purpose of returns, repair, remanufacture, and/or recycling. |
| **Module 5**<br>*Section D: Reverse Flow*<br><br>**Term**<br>Reverse supply chain<br><br>APICS CSCP Learning System     © 2024 | 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. |

**Module 5**
*Section D: Reverse Flow*

**Term**
Total waste management (TWM)

A methodology that enables finding solutions to waste issues while keeping in mind financial elements and the business case.

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**Module 5**
*Section D: Reverse Flow*

**Term**
Waste

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.

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**Module 5**
*Section D: Reverse Flow*

**Term**
Waste exchange

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.

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**Module 5**
*Section D: Reverse Flow*

**Term**
Waste hierarchy

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.