



PENINSULA
C O L L E G E
GEORGETOWN



UNIVERSITY OF
PLYMOUTH

FINAL EXAMINATION

Programme Name	:	BA (HONS) MARITIME BUSINESS AND LOGISTICS 3+0 IN COLLABORATION WITH UNIVERSITY OF PLYMOUTH
Course Code & Name	:	MAL 1032 PRINCIPLES OF LOGISTICS AND FREIGHT TRANSPORT
Duration	:	3 HOURS

INSTRUCTIONS TO CANDIDATES:

1. Please read the instructions given in the question paper **CAREFULLY**.
2. The question paper consists of **FOUR (4)** questions.
3. Answer **ALL** questions in the question paper.
4. Answers to the questions are to be written into the examination booklet.
5. Electronic dictionaries, lecture notes, files or any unauthorised materials except writing equipment are strictly prohibited.

This question paper must be submitted along with all used and/or unused rough papers and/ or graph papers (if any). Candidates are **NOT ALLOWED** to take any examination paper(s) used or unused out of the examination hall.

WARNING:

The Examination Board of Peninsula College Georgetown regards cheating as a very serious offence and will not hesitate to mete out the appropriate punitive actions according to the severity of the offence committed, and in the accordance with the clauses stipulated in the Students' Handbook, up to and including expulsion from Peninsula College Georgetown.

(This booklet contains 3 printed pages including this page)

DO NOT OPEN THIS BOOKLET UNTIL YOU ARE ALLOWED TO DO SO

Answer **ALL** questions on the separate sheet provided.

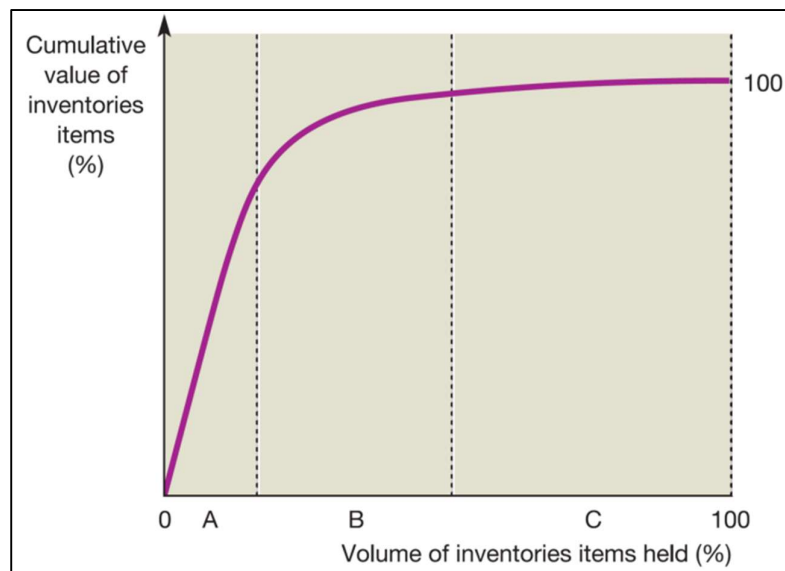
[100 marks]

1. a) Describe **TWO (2)** factors that influence the choice of marketing channel. (10 marks)

- b) Examine **THREE (3)** ethical issues that might be arise in distribution. (15 marks)
Total: [25 marks]

2. a) Aurora Trading sells mountain bikes at RM500 per unit. The annual demand is estimated to be 1,800 units. The ordering cost is RM40 per order and the holding cost is RM20 of the unit cost per year. It operates 300 days per year. The lead time is 5 days. Determine the solutions for the following:
 - i. Economic Order Quantity (EOQ) (3 marks)
 - ii. Number of orders (2 marks)
 - iii. Average inventory levels (2 marks)
 - iv. Annual ordering cost (2 marks)
 - v. Annual holding / carrying cost (2 marks)
 - vi. Total cost (2 marks)
 - vii. Reorder point (2 marks)

b)



Graph 1.0

According to the Graph 1.0;

- i. State the method used analyze inventory. (1 mark)

- ii. Based on your answer in (i), explain the method by referring to the Graph 1.0. Support your answer with appropriate examples. (9 marks)
Total: [25 marks]

3. a) Define the terms below. Support your answer with appropriate examples
- i. Outsourcing (4 marks)
 - ii. Insourcing (4 marks)
 - iii. Nearshoring (4 marks)
 - iv. Offshoring (4 marks)
- b) Explain **THREE (3)** reasons for insourcing. (9 marks)
- Total: [25 marks]
4. Discuss **FIVE (5)** implications to international logistics activities if companies pursue a strategy of planned obsolescence.
- Total: [25 marks]

- END OF QUESTIONS -