

## Saint Leo University

### MGT 342

### Transportation and Distribution Management

#### Course Description:

An introduction to the field of transportation and distribution management, including logistics interfaces with transportation and distribution, distribution systems and cost and service optimization, packaging and materials handling, and the special characteristics, advantages, and limitations of the different modes of transportation.

#### Prerequisites:

MGT 309 and GBA 334

#### Textbook:

Novack, R. A., Gibson, B., Suzuki, Y., & Coyle, J.J. (2019). *Transportation: A Global Supply Chain Perspective* (9th ed.). Mason, OH: Cengage. ISBN-13: 9781337406642

Or

#### eBook (Access)

Novack, R. A., Gibson, B., Suzuki, J., & Coyle, J. J. (2019). *Transportation*. (9<sup>th</sup> ed.). Mason, OH: Cengage. ISBN-13:

#### Learning Outcomes:

Upon completion of this course, students will be able to:

1. Explain the role of transportation and logistics in both the national economy and global economy.
2. Describe each of the major modes of transportation in terms of their characteristics, their inherent advantages and disadvantages, and their place in the industry.
3. Identify the operations, financial considerations, rate determination, packaging, materials handling auxiliary equipment, and types of services peculiar to each transportation mode.
4. Display confidence in using software to support the selection of the routing of logistics movements, the most suitable means of transport, and the optimal storage locations for a distribution system by analyzing the costs and time constraints of various storage locations, materials sources, and transport options.
5. Internalize and practice the Saint Leo core values of excellence, responsible stewardship, and integrity.

#### Core Values:

*Excellence:* Saint Leo University is an educational enterprise. All of us, individually and collectively, work hard to ensure that our students develop the character, learn the skills, and assimilate the knowledge essential to become morally responsible leaders. The success of our University depends upon a conscientious commitment to our mission, vision, and goals.

*Responsible Stewardship:* Our Creator blesses us with an abundance of resources. We foster a spirit of service to employ our resources to university and community development. We must be resourceful. We must optimize and apply all of the resources of our community to fulfill Saint Leo University's mission and goals.

*Integrity:* The commitment of Saint Leo University to excellence demands that its members live its mission and deliver on its promise. The faculty, staff, and students pledge to be honest, just, and consistent in word and deed.

**Evaluation:**

	<b><u>Total</u></b>
Discussion (8 at 2.5%each)	20%
Case Studies (3 at 10% each)	30%
Homework (4 at 5% each)	20%
<u>Final Exam</u>	<u>30%</u>
	100%

**Grading Scale:**

<b>Grade</b>	<b>Score (%)</b>
A	94-100
A-	90-93
B+	87-89
B	84-86
B-	80-83
C+	77-79
C	74-76
C-	70-73
D+	67-69
D	60-66
F	0-59

**Assessment Details:**

**Discussion Questions:** Each module will include a discussion question assignment. The discussion questions may stem from the text, the Audio Visual Presentations, or from independent Internet searches. For each discussion question, you are required to post an initial response (worth 2.0 points), as well as substantial responses to at least two classmates (worth 0.5 points).

**Case Studies:** There will be three case studies in this course. Case studies require the ability to assess the presented situation and then synthesize this information to make recommendations that minimize the risk for other organizations. After an introductory paragraph, students should provide a summary of the situation. In subsequent paragraphs, the student should present the key learning that came out of the situation and make recommendations to improve the situation presented. The paper should conclude with a summary paragraph that answers the question, “why should anyone care” about this situation.

Although there are no limitations to the length of the paper required for the case study assignments, in general, the paper should be at least two pages with double spacing. Please be sure to follow all APA requirements.

<b>Case Study</b>	<b>Assigned</b>	<b>Due</b>
Case Study #1 – <i>Clearfield Cheese Company Case; A Sequel</i> (Choose one) <i>Highways Galore</i>	Module 2	Module 3

Case Study #2 – *Hardee Transportation, p. 196*

Module 4

Module 5

(Choose one) *Squire Transportation*

*CBN Railway Company*

*Railroad Regulation*

Case Study #3 – *Young Again Pharmaceuticals*

Module 6

Module 7

(Choose one) *Techno Shades*

### Case Study Grading Rubric

Element	Criteria	Grade				
		F	D	C	B	A
Introduction (5%)	Grasp of the issue; tell what you will cover.	0-1	1-2	2-3	3-4	4-5
Analysis (45%)	Coherent flow; adequate research; presentation of the key issues and concerns related to the situation.	0-20	21-28	29-35	36-40	41-45
Recommendation (20%)	Provide recommendations for improvement or risk avoidance in future situations.	0-5	6-12	12-15	16-17	18-20
Summary, Structure, and Organization (30%)	Logical development of ideas; appropriate order; grammar, appropriate order; grammar, parallel structures, punctuation spelling, APA formatting, proper citation and references.  Saint Leo core value of respect.	0-7	8-14	14-20	20-25	25-30

**Homework Assignments:** Within each homework set, you will have the opportunity to assess your understanding of the important concepts presented in the textbook. Not only will the homework assignments help in your understanding of the key concepts, this work will help prepare you for the open book Final Exam and ultimately for the opportunity to sit for the accreditation exams offered by APICS and/or the Supply Chain Council.

For credit, you will have to work to the answers and provide all your work to the instructor via the appropriate Assignment box by the day and time specified. Most students work their problems by hand and then scan and attach them via a .pdf file. Others, typically without a scanner, work their problems in

Word and attach them as a .doc/.docx file. Your homework will be assigned a module early, but will be due for posting to the appropriate Assignment box in the next module.

<b>Homework:</b>	<b>Assigned</b>	<b>Due</b>
Homework Assignment #1	Module 1	Module 2
Homework Assignment #2	Module 3	Module 4
Homework Assignment #3	Module 5	Module 6
Homework Assignment #4	Module 7	Module 8

**Final Exam:** The Final Exam will test your knowledge of several key theories that surround transportation and distribution management along with your ability to calculate key transportation and distribution metrics. Although few people enjoy final exams, this exam will help prepare you to sit for accreditation status with organizations like APICS or The Supply Chain Council.

**Course Schedule:**

**Module 1                      Transportation and Distribution Management**

**Objectives**

At the conclusion of this module, students will be able to:

- Relate the five forces to the field of transportation that is revolutionizing the field of transportation.
- Explain why transportation is a derived demand.
- Explain why aggregate demand is inelastic while mode demand is elastic.
- Verify the importance of an efficient landed cost in transportation.

**Assignments**

<b>Items to be Completed:</b>	<b>Due No Later Than:</b>
Post an introduction to the class	Thursday 11:59 PM EST/EDT
Read Chapters 1 and 2	
Post an initial response to the discussion question	Thursday 11:59 PM EST/EDT
Post responses to at least two classmates	Sunday 11:59 PM EST/EDT
Begin Homework Assignment #1	Sunday 11:59 PM EST/EDT of Module 2

**Module 2                      Transportation and Society**

**Objectives**

At the conclusion of this module, students will be able to:

- Relate the advances in transportation technology to our improved economic conditions and standards of living.
- Explain how transportation achieves economies of scale that result in efficiencies and improved access to materials and markets.
- Relate some of the problems faced by transportation.

## Assignments

Items to be Completed:	Due No Later Than:
Read Chapter 3	
Post an initial response to the discussion question	Thursday 11:59 PM EST/EDT
Post responses to at least two classmates	Sunday 11:59 PM EST/EDT
Submit Homework Assignment #1	Sunday 11:59 PM EST/EDT
Begin Case Study #1	Sunday 11:59 PM EST/EDT of Module 3

## Module 3

### Government Regulation and Transportation Pricing

#### Objectives

At the conclusion of this module, students will be able to:

- Explain why governments regulate and subsidize transportation.
- Explain how the interplay of contestable market theory and oligopolistic market theory can provide the benefits of high efficiency and low prices along with industry profitability and growth in the transportation industry.
- Explain how the interplay of cost of service and benefit of service result in a marketing clearing price for transportation services.
- Define the following terms: granger laws, user charges, existence charges, unit charges, relative use charges, value of service pricing, differential pricing, headhaul and backhaul, stowability and handling fees, LTL/TL rates, multiple car rates, unit train rates, FAK rates, spot market rates, FOB/Origin/Freight Collect, FOB/Origin/Freight Prepaid, FOB/Origin/Freight Prepaid and Charged Back, FOB/Destination/Freight Collect, FOB/Destination/Freight Prepaid, FOB/Destination /Freight Collect and Allowed, and marketing mix.

#### Assignments

Items to be Completed:	Due No Later Than:
Read Chapters 4 and 12	
Post an initial response to the discussion question	Thursday 11:59 PM EST/EDT
Post responses to at least two classmates	Sunday 11:59 PM EST/EDT
Submit Case Study #1	Sunday 11:59 PM EST/EDT
Begin Homework Assignment #2	Sunday 11:59 PM EST/EDT of Module 4

## Module 4

### Road and Rail Transportation

#### Objectives

At the conclusion of this module, students will be able to:

- Explain the structures of the road cargo industry and the current issues facing the industry.
- Explain the structures of the rail cargo industry and the current issues facing the industry.

- Define the following terms: Eisenhower Interstate Highway system, pickup and delivery (PUD) vehicles, line-haul movements, TL (Total Load) and LTL (Less than Load) carriers, peddle and stem runs, consolidation and break bulk operations, slip seat driving, driving time regulations, operating ratios, Motor Carrier Act of 1980, Class I, II and III railroads, side-by-side and end-to-end railway mergers, COFC (container on flatcar) intermodal services, TOFC (trailer on flatcar) intermodal services, double stacked container cars, and the Staggers Act of 1980.

**Assignments**

<b>Items to be Completed:</b>	<b>Due No Later Than:</b>
Read Chapters 5 and 6	
Post an initial response to the discussion question	Thursday 11:59 PM EST/EDT
Post responses to at least two classmates	Sunday 11:59 PM EST/EDT
Submit Homework Assignment #2	Sunday 11:59 PM EST/EDT
Begin Case Study #2	Sunday 11:59 PM EST/EDT of Module 5

**Module 5**

**Air, Water, and Pipeline**

**Objectives**

At the conclusion of this module, students will be able to:

- Explain the structures of the air cargo industry and the current issues facing the industry.
- Explain the structures of the water cargo industry and the current issues facing the industry.
- Define the following terms: all cargo carriers, hubs, economies of scale, economies of density, operating ratios, coastal carriers, user charges, TennTom project, gathering lines, and trunk lines.

**Assignments**

<b>Items to be Completed:</b>	<b>Due No Later Than:</b>
Read Chapters 7 and 8	
Post an initial response to the discussion question	Thursday 11:59 PM EST/EDT
Post responses to at least two classmates	Sunday 11:59 PM EST/EDT
Submit Case Study #2	Sunday 11:59 PM EST/EDT
Begin Homework Assignment #3	Sunday 11:59 PM EST/EDT of Module 6

**Module 6**

**Transportation Risk Management**

**Objectives**

At the conclusion of this module, students will be able to:

- Explain the nature of transportation risk and disruptions.
- Explain the general process for managing transportation risk.
- Discuss the four techniques for managing transportation risk.
- Identify the challenges in balancing transportation security and global trade efficiency.
- Define these terms. business continuity planning, risk identification, product pilferage, shipment jettison, piracy and hijacking, freight damage, freight contamination, carrier bankruptcy, labor disruption, capacity shortages, supply chain resiliency, freight visibility, risk proximity, risk mitigation, risk hedging, postponement strategies, buffering strategies, insurance, third party logistics, container security initiative, advance manifest rules, container security initiative, C-TPAT initiative, and fast and secure trade (FAST).

**Assignments**

Items to be Completed:	Due No Later Than:
Read Chapter 10	
Post an initial response to the discussion question	Thursday 11:59 PM EST/EDT
Post responses to at least two classmates	Sunday 11:59 PM EST/EDT
Submit Homework Assignment #3	Sunday 11:59 PM EST/EDT
Begin Case Study #3	Sunday 11:59 PM EST/EDT of Module 7

**Module 7****International Trade Agreements****Objectives**

At the conclusion of this module, students will be able to:

- Discuss the relationship between international trade and global transportation.
- Describe the three critical flows in global supply chains: information, finance, and trade.
- Explain the role of incoterms in determining transportation responsibilities, risks, and costs.
- Describe the payment term options available to exporters and importers.
- Recognize the importance of intermodal service in global transportation.
- Define the following terms: free trade agreements, maquiladoras, accessorial services, fuel surcharges, incoterms, EXW, FAS, FOB, CFR, CPT, CIF, CIP, DAF, DES, DEQ, DDU, DDP, jettison, risk retention, risk transfer, insurable interest, open account, letter of credit, sight draft, time draft, commercial invoice, pro-forma invoice, consular invoice, export license, shipper's export declaration, certificate of end use, certificate of origin, certificate of manufacturer, certificate of inspection, phyto-sanitary certificates, certificate of analysis, certificate of certification, manifest, bill of lading, ocean bill of lading, air waybill, through bill of lading, intermodal bill of lading, packing list, shippers letter of instruction, electronic data interchange, total landed cost, direct service, indirect service, TEUs, land bridges, flag of convenience, Panamax ships, bulk carriers, shipbrokers, unit load devices, international freight forwarders, stevedores, longshoremen, chandlers, customs brokers,

known shipper program, bonded warehouses, and foreign trade zones.

**Assignments**

<b>Items to be Completed:</b>	<b>Due No Later Than:</b>
Read Chapter 11	
Post an initial response to the discussion question	Thursday 11:59 PM EST/EDT
Post responses to at least two classmates	Sunday 11:59 PM EST/EDT
Submit Case Study #3	Sunday 11:59 PM EST/EDT
Submit Homework Assignment #4	Sunday 11:59 PM EST/EDT of Module 8

**Module 8**

**Third Party Providers**

**Objectives**

At the conclusion of this module, students will be able to:

- Describe the concept of third party logistics and its role in the movement of goods.
- Identify the different types of third party logistics providers.
- Evaluate the reasons for outsourcing and the results achieved.
- Summarize the process for outsourcing transportation and logistics activities.
- Define the following terms: 3PLs, dedicated contract carriage, freight forwarders, asset based providers, non-asset based providers, freight brokering, drayage companies, merge-in-transit, order cycle time, and service reliability.

**Assignments**

<b>Items to be Completed:</b>	<b>Due No Later Than:</b>
Read Chapter 9	
Post an initial response to the discussion question	Thursday 11:59 PM EST/EDT
Post responses to at least two classmates	Sunday 11:59 PM EST/EDT
Submit Homework Assignment #4	Sunday 11:59 PM EST/EDT
Complete Final Exam	Sunday 11:59 PM EST/EDT