

**CAMBRIAN COLLEGE**  
**of Applied Arts and Technology**  
**Sault Ste. Marie**

COURSE OUTLINE

MANAGEMENT

OF

TRAFFIC

8c

PHYSICAL DISTRIBUTION

MKT 206-3

## MANAGEMENT OF TRAFFIC & PHYSICAL DISTRIBUTION

AIM: To provide the student with overall practical knowledge of the principles and latest practice to methods of Traffic & Distribution management as a part of the Marketing Concept.

### METHOD:

- (1) Student participation, both individually and in teams will be encouraged as much as possible
- (2) Both discussion and case studies will be introduced to encourage the individual student to apply principles in a practical problem - solving situation,
- (3) The students will be required to read supplementary current material and/or other textbooks on the subject and prepare written reports thereon.

### TEXT

Management of Traffic & Physical Distribution, Charles A. Taff, 4th Ed (Richard D. Irwin, Inc.)

### REFERENCE MATERIALS:

Management of the Physical Distribution Function, American Management Association, Inc., New York, 1960.

Industrial Traffic Management, T. W. Van Metre, (McGraw-Hill)

Modern Materials Handling / Monthly periodicals  
Modern Packaging

MANAGEMENT OF TRAFFIC

&

PHYSICAL DISTRIBUTION

<u>Topic No.</u>	<u>Periods</u>	<u>Topic Description</u>
1	1	Concepts and principles: Definitions Costs and importance of Physical Distribution. Traffic vs. Distribution Management» Inventory, Warehousing, Packaging, Material Handling, as part of whole concept,
2	2	<u>Organizational Structure</u> Types of Management Organization; Line Organ- ization. Line and Staff Organization. Functional Organization. Use of Committees in Line and Staff Organizations. Types of Traffic Department Organ- izations. Organizations of Physical Distribution.
3	3	<u>Management and Analytical Methods</u> Management Policies: Implementation of Policies. Cooperative Relationships with Other Departments or Divisions, Staffing. Budgeting: Responsibil- ities in Capital Investments. Reports. Analytical Methods: Research, Computers, Operations Researc Systems Analysis. Linear Programming. Critical Pa Methods.
A	5	<u>The Transportation System</u> Rail: LCL Services. Motor: Common Carriers. Con- tract Carriers. Exempt Motor Carriers. Private Motor Carriers. Local Cartage Package Service- Water: Domestic Water Transportation. Foreign Water Transportation. Air: Trunk-Line Carriers, Local Service Carriers. Certified Cargo-Only Car- riers. Supplemental Carriers. Air Taxi Operators and Helicopters. Chargers, Deferred Air Freight. Air Express. International Air Carriers. Pipeline Types of Petrolexmi Pipelines. Natural Gas Pipeline Coordinated Service: Trailer on Flatcar or "Piggy- back". Container on Flatcar. Trailership or "Fish back". Motor-Air Service. Freight Forwarders: Surface Freight Forwarders, Air Freight Forwarders Parcel Post Express, Brokers. Company-Owned or Coompany-Leased Equipment
5	1	<u>Warehousing</u> Systems Approach: Distribution Centers. Types of Warehousing: Stock Location. Types of Public Ware- houses. Warehouse Receipts. Licensing of Ware- houses. Warehouse Services: Spot Stocks. Handlin of Pool-Car Shipments, Distribution-Center Public Warehousing and Storage in Transit. Rates and Char

<u>Topic No.</u>	<u>Periods</u>	<u>Topic Description</u>
6	2	<u>Material Handling and Packaging-</u> Objectives of Material Handling. Material Handling to Facilitate Shipping and Receiving. Containerization. Industrial Packaging: System Elements of Packaging. Packaging Management.
7	2	<u>Locational Factors</u> Principal Factors- Decentralization of Industry. Departmental Role in Plant Location- Evaluation of Factors- Establishing the Center of Distribution
8	2	<u>Classification;</u> Development of Freight Classifications. Uniform Freight Classification. National Motor Freight Classification. The Role of the Physical Distribution Manager- Exceptions to the Classification.
9	3	<u>The Effect of Rates on Physical Distribution</u> Computerization of Rates- Kinds of Rates and Motor Rates- Line-Haul Rates- Accessorial Charges- Allowances. Rate Structures. Factors Affecting Rate Levels- Motor Contract Rates- Water Rates. Air Cargo Rates. Pipe-Line Rates- Freight Forwarder Rates, Express- Air Express Rates. Parcel Post Rates, Physical Distribution or Traffic Department Rate Forms.
10	2	<u>Tariffs and Rate Formulation</u> Tariffs: Tariff Simplification, Types of Tariffs: Rate Ascertainment- Priority of Rates- Pertinent Principles of Tariff Interpretation- Unofficial Tariffs. Tariff Utilization, Rate Formulation.
11	3	<u>Routing</u> Reciprocity, Rail: Determination of Rail Routing. Open Routing via Rail Motor. Water. Air, Freight Forwarders, Clearances. Physical Distribution Management Routing Policy.
12	3	<u>Document Processing</u> Commercial Bills of Lading- Government Bills of Lading- Other Documents: Waybill- Arrival Notice Delivery Receipt- Freight Bill, Auditing Freight Bills: Internal Audit Procedure- Outside Audits. Procedural Simplification- Terms of Sale-
13	2	<u>Special Transport Services</u> Diversion and Reconsignment. Stopping in Transit- Protective Services- Elevation. Storage- Tracing Expediting, Nature of Transit Privileges-

<u>Topic No.</u>	<u>Periods</u>	<u>Topic Description</u>
14	2	<u>Terminal Services, Demurrage, and Detention-</u> Terminal Services: Pickup and Delivery. Weighing and Reweighing. Weight Agreements. Estimated Weights. Loading and Unloading. Transfer and Drayage. Lighterage and Floatage. Gar Service. Demurrage and Detention.
15	1	<u>Carrier Liability</u> Risk Management. Causes of Claims. Loss and Damage Claims. Overcharge and Reparation Claims. Undercharge Claims.
16	3	<u>Private Transport Operations</u> Motor: Advantages. Feasibility of Conversion to Private Carriage. Equipment Purchase or Lease. Equipment Selection and Maintenance. Driver Selection. Scheduling. Safety.
17	4	<u>Facilitating International Distribution</u> Terms of Sale. Exporting: Direct Export Selling. Types of Direct Exporting, Physical Distribution Responsibilities. Packaging, Packing, and Marketing for Export. Use of Containers. Documentation. Indirect Exporting. Types of Indirect Exporting. Importing: Direct Importing. Customs Entries. Indirect Importing. International Channels of Supply Customhouse Brokers. Forwarding from Port. Ocean Freight Forwarders. Foreign-Trade Zones, Marine Insurance. Rights and Liabilities of Ocean Carriers Types of Losses. Kinds of Insurance Coverage. International Air Shipments.