1. Define the following terms:

|  |  |
| --- | --- |
| Availability |  |
| Logistics |  |
| Procurement |  |
| Trust |  |

2. What are the five factors at the heart of the relationship between a company and its suppliers?

3. Complete the table below which considers the advantages and disadvantages of Just in Time production.

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| --- | --- |
| Advantages of Just in Time | Disadvantages of Just in Time |
|  |  |
|  |  |
|  |  |

4. S+C

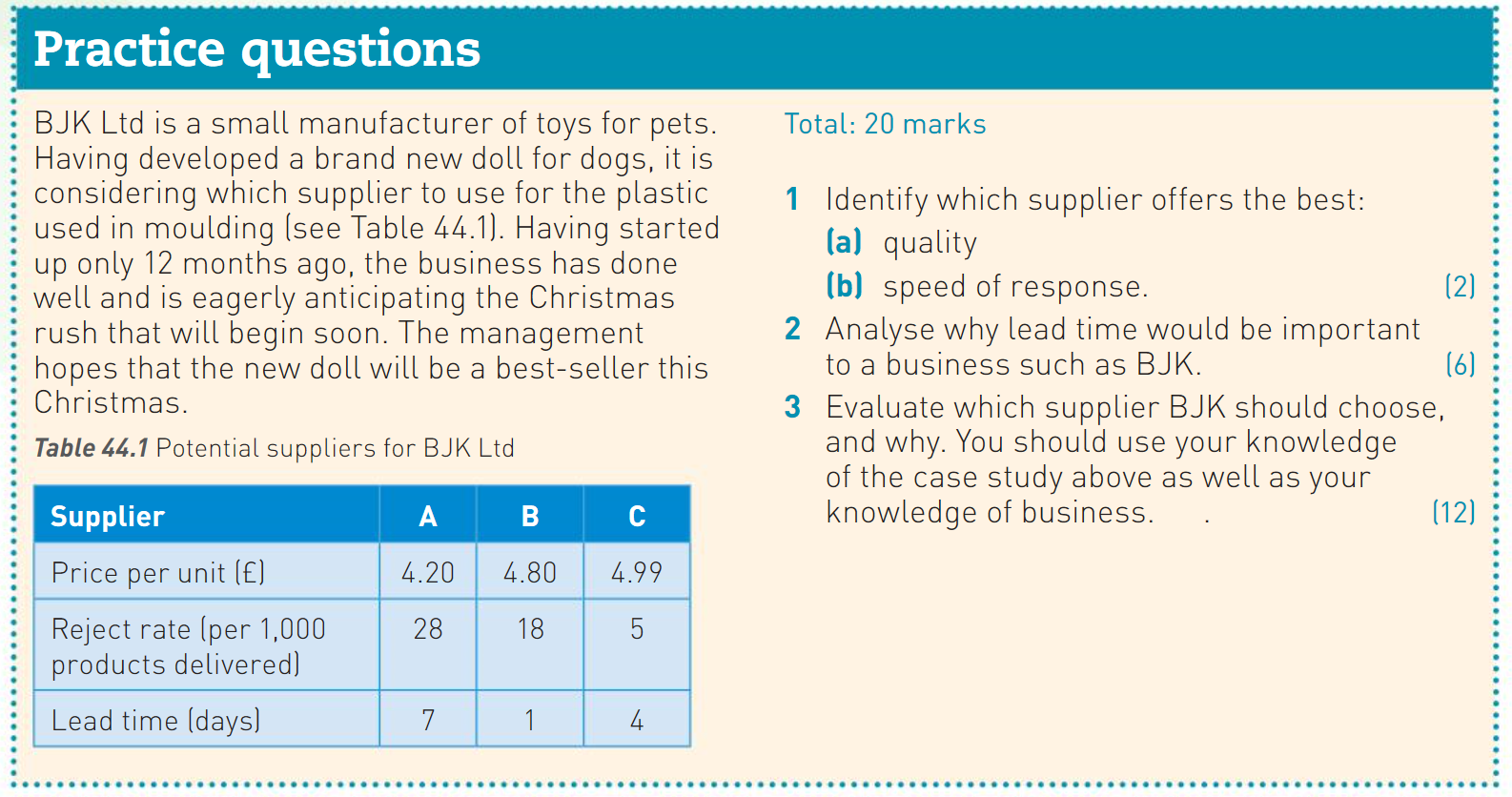
A local café sells a selection of lunch products included Walkers Salt and Vinegar crisps. It sells on average 200 bags of crisps each week. The Café owner does not like to see its stock fall below 50 bags, but due to stock room and cash flow places a maximum stock level of 850 bags. The wholesaler delivers crisps to the café but requires a lead time of 1 week.

What is the reorder level for the café?  units

5. Why might the owner of the café like to ensure a minimum stock level or buffer stock of 50 bags of crisps?

6. Using the space below, draw a bar gate stock graph which covers 3 months of trading. Assume that the café starts trading with 850 bags of crisps in stock.

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