

CLS2303

ภาษาอังกฤษสำหรับงาน

ชั้นพलयเ็นธุรกิจ 1

(English for Supply Chain 1)

Unit 3

Inventory

Management and

procurement



STARTER

Check your knowledge of key terms in inventory management and procurement by choosing the best definitions for these terms.

- 1 Economies of scale:
 - a Reducing costs per unit by increasing production
 - b Cutting costs by reducing output
- 2 Buffer stock:
 - a Goods kept in store to cover seasonal demand e.g. Christmas sale
 - b Goods kept in store to cover unforeseen shortages or fluctuations in demand
- 3 Factory gate pricing:
 - a Transport costs are not included in the purchase price of a product
 - b The price is lower because you buy directly from the manufacturer
- 4 Supply chain:
 - a The close co-operation of all parties involved in the making, selling, and delivering of a product
 - b Network of stores that supply customers with a wide variety of products
- 5 Tender:
 - a An assessment or calculation of the approximate cost or value of a product or service
 - b An offer for goods or services that follows a request for a quotation made by an official body, e.g. local government



Match the beginnings of the sentences

1. **Lead time** is the time.....
2. **Procurement** is.....
3. A **retailer** is a business.....
4. **Customer order cycle time** is the time.....
5. A **wholesaler** is.....
6. **JIT - just in time** is a concept.....

A. customers are prepared to wait for the delivery of their order.

B. of reducing inventories by co-ordinating the delivery of materials just before they are needed.

C. it takes to produce and supply a product.

D. an intermediary between manufacturers and retailers which buys in large quantities and resells in smaller quantities.

E. that buys products from wholesalers or manufacturers and resells them to the ultimate consumer.

F. the purchasing of goods (materials, parts, supplies, equipment) required to run an enterprise.

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2. **Procurement** is.....
3. A **retailer** is
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6. **JIT - just in time**

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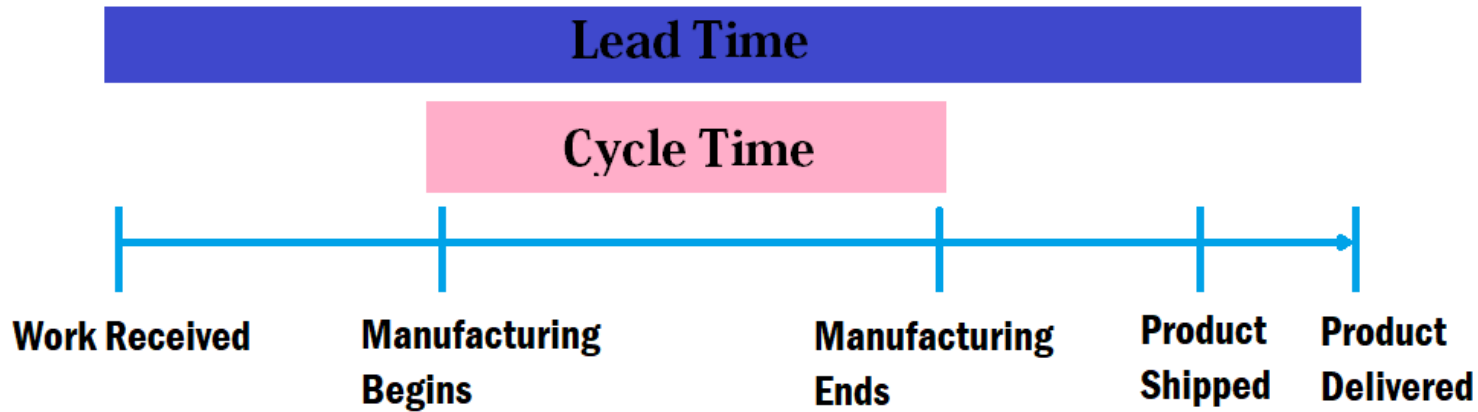
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Lead Time is the time between the initiation and completion of a production process.

Cycle Time is a part of the total Lead Time. Cycle Time only measures the production rate of the manufacturing process

Ex.3

Today, I'm going to tell you something about **1**. That means continuous replenishment. I'll also explain how it can be used to **2** and **3** and to **4** lead times. Let me start by **5** what CRP means. It is a system which is **6** by **7** and which co-ordinates the flow of information and goods in the logistic chain.

CRP is a **8** which works like this: first of all, you decide what products you want to order at what **9**. The system will use this information at the point of sale in the **10**. Then the order is processed at the warehouse. And finally the goods are delivered to **11**. To illustrate how this works in **12** I'll give you an example. The leading Russian clothes retailer Young fashion introduced continuous **13** three years ago. With the new system, all orders are **14** by computers, which process data received from cash registers. The computer program, which is extremely flexible, is called **15**. **16** The orders are sent to the warehouse by electronic data interchange, where they are processed and finally the goods are delivered to the different outlets according to a schedule.

Since the **17** of CRP system, Young Fashion have **18** to cut inventory and transport costs by about 15% and have **19** to only **20**. Moreover, errors in order processing have been reduced considerably by using **21** and EDI.



Ex.3 Listen to the following presentation and write which statements are True (T) or False (F).



1. The inventory system is called CPR.
2. It's a sales-based system.
3. The system co-ordinates the flow of information and goods in the logistic chain.
4. Young Fashion has used the system for six years now.
5. Orders are electronically transferred to the warehouse.
6. The store has reduced transport and inventory costs by about 25 per cent.

Passive Voice

โครงสร้างของประโยคที่เน้นประธานเป็นผู้ถูกกระทำ ไม่ใช่ประธานเป็นผู้กระทำ

Active Voice

- I eat rice. ฉันกินข้าว

Passive Voice

- Rice is eaten (by.....) ข้าวถูกกิน

โครงสร้าง Present Simple แบบ Passive Voice

Subject + is/am/are + Past Participle

ประโยคบอกเล่า

Sentence	Subject	Verb	Object
Active	Mom	praises	Anna
Passive	Anna	is praised	by mom

Active แม่ชมแอนนา

Passive แอนนาถูกแม่ชม (แอนนาถูกชมโดยแม่)

Sentence	Subject	Verb	Object
Active	The car	hits	the students.
Passive	The students	are hit	by the car.

Active รถชนเหล่านักเรียน

Passive เหล่านักเรียนถูกรถชน / เหล่านักเรียนถูกชนโดยรถ

Sentence	Subject	Verb	Object
Active	J.K. Rowling	writes	Harry Potter.
Passive	Harry Potter	is written	by J.K. Rowling.

Active เจเค โรว์ลิงเขียนหนังสือแฮร์รี่ พอตเตอร์

Passive หนังสือแฮร์รี่ พอตเตอร์ถูกเขียนโดย เจเค โรว์ลิง



Ex.4 Complete the sentences with the passive form of the verbs in brackets.

1. A system in which the inventory_____ (monitor), planned and managed by the manufacturer on behalf of the customer (often a retailer).
2. A system which is similar to CRP. It_____ (use, often) for products that need to be supplied frequently and in small batch sizes.
3. It means that orders_____ (transfer) electronically to the manufacturer. Then they_____ (deliver) to retail store.
4. Real-time demand_____ (identify) by electronic cash register and the product movement_____ (co-ordinate) from supplier to the retail store.
5. Products that have similar characteristics regarding their selling profile_____ (categorize) into 'families'.

**Ex.5 Match the planning technique below
with the definitions in Ex.4**

- a. DSD = Direct store delivery
- b. CM = Category management
- c. VMI = Vendor-managed inventory
- d. CRP = Continuous replenishment
- e. QR = Quick response

Ex.6 Complete the job advertisement for a corporate procurement manager with words below

fulfilment, negotiation, 3PL providers, procurement,
command, vendors, supply chain, relationship

We are looking for a proactive and dynamic professional to take care of our strategic procurement and supplier_____ (1) management.

Reporting to the Director of Corporate Procurement, the successful applicant will be responsible for managing both internal and external customers and for working with the appointed_____ (2).

While liaising with the _____ (3) team, _____ (4), and related stakeholders, you will also be involved in providing business support to optimize finance-logistics processes, order _____ (5), and logistics costs.

Other responsibilities include providing initiatives to help maximize company business profitability and efficiency.

The ideal candidate should have a degree in _____ (6) management or logistics management with a deep understanding and knowledge of the China logistic market. You should have at least 5 years' experience in a multinational companies and you should possess outstanding _____ (7) skills. Based in Macau, excellent _____ (8) of English and Cantonese is a must with Mandarin an advantage.

If you are interested in this role, please send your CV in Word format to....

Ex.7 Read the job advertisement again and answers the questions.

- 1. What area will the new corporate procurement manager head?**
- 2. What are the procurement manager's main responsibilities?**

List two or three.

- 3. Who will he/she collaborate with closely in his/her job?**
- 4. What qualifications are expected?**
- 5. What kind of experience is required?**

Ex.8 Three purchasing managers are discussing strategies for negotiating with a supplier. Listen to the discussion and answer the questions.

- 1. What kind of relationship do they want with the supplier?**
- 2. What would be the benefits of such a relationship?**
- 3. What market position does the company have?**
- 4. What kind of products do they make?**
- 5. What kind of agreement are they interested in?**



Ex.8

Robert: Ok, let's get started. You know that we need to discuss negotiation strategies with one of our medical equipment suppliers today. I suppose we all agree that we are interested in a more-operative relationship with our supplier, BAF. I think we would definitely benefit from a strategic partnership. How do you feel about that?

Peter: I agree I think we could lower costs considerably and work more efficiently if we co-operated more closely. But we need to think about reasons why they should enter into a partnership with us. What are your thoughts on that, Gisele?

Gisele: I think you're right. That's why we should tell them that it will be to their advantage to work with us because we are the market leader.

Peter: Yes, and I also suggest telling them that this is a good opportunity to associate with a major pharmaceutical brand like ours.

Gisele: That sounds good. In my opinion it would also be important to point out that we're interested in establish a long-term agreement.

Peter: Good idea. And why don't we say that it's their chance to enter the pharmaceutical market. So far they haven't had access to this market

Gisele: Yes, good point.

Robert: Excellent. Thanks for your comment. I'll work out a catalogue with the points we have covered today and will send it to you tomorrow.

Asking for Opinions

What do you think?

How do you feel?

What are your thoughts on that?

Do you agree?

Giving Opinions/Making Suggestions

I suggest that we...

In my opinion we should...

Perhaps we should...

Why don't we...?

Agreeing

That's a good idea.

That's sound good.

I agree.

That's right.

Ex.9 A Spanish Courier Company receives a quotation for packing labels and consignment notes. Put the words or phrases into the correct order to make sentences. The first parts have been done for you.

Dear Ana

1. Please **find attached** / for three new products / your request / our quotation / according to.
2. Our **prices**/ annual consumption figures / the basis of / your forecast of/ are calculated on.
3. As **requested** /pallets to/ we will deliver on / Barcelona or Madrid.
4. For a / we can offer you / of 2.5% / contract term of / a discount /at least two years.
5. **In the attached**/ all prices / have been listed in / your requirements / quotation sheet / column according to.
6. **If you have** / me know / any further questions / please let.
7. We **look** / hearing from / forward to / you soon.

Regards

Enrique

Quotations

When giving a customer a quotation it is necessary to include details on a number of things e.g. Prices. Discounts, and Delivery terms.

Here are some useful phrases for quotations:

Prices

- Please find attached our quotation for...
- We are pleased to quote as follows,
- We can quote you a gross/net price of....
- The prices quoted above include...
- We can offer you a price of...per...

Quotations

Discounts

- We can offer you 10% off the retail price.
- We allow a 2% cash discount for payment within 30 days.
- Our prices are subject to a 25% trade discount off net price.
- We grant a trade/ quantity / cash discount of ... % on our list prices.
- If your order exceeds 2,000 items, we can offer you a further 10% discount.

Quotations

Delivery

- Delivery can be effected immediately after receipt of order.
- As requested, we will deliver on pallets to ...
- We would be able to deliver within 10 days of receipt of order.

Ex.10 Match the beginnings (1-6) with the endings (a-f) of the sentences.

1. For orders exceeding 500 pieces
2. We grant a cash discount
3. The prices quoted
4. As requested, we
5. Our prices are subject
6. The net price

- a. will deliver on pallets to Rotterdam.
- b. to a 25% trade discount off net price.
- c. we grant a discount of 5 %.
- d. of this article is £25.00.
- e. above include transport charges.
- f. of 3 % on our list prices.