PEPERIKSAAN AKHIR SEMESTER KEDUA SESI 2011/2012
FINAL EXAMINATION SECOND SEMESTER SESSION 2011/2012

KOD / NAMA KURSUS : BPMG 2013/ TEORI DAN PRAKTIS PENGANGKUTAN
COURSE CODE / NAME : BPMG 2013 / TRANSPORT THEORY AND PRACTISE
TARIKH : 24 Jun 2012 (Ahad) / 24 June 2012 (Sunday)
DATE
MASA : 9.00 - 11.00 am (2 jam/hours)
TIME
TEMPAT : DSB K. TM
VENUE

ARAHAN
INSTRUCTION

1. Kertas soalan ini mengandungi SERATUS (100) soalan objektif dalam DUABELAS (12) halaman bercetak tidak termasuk kulit hadapan.
   This exam paper consists of ONE HUNDRED (100) objectives questions in TWELVE (12) printed pages not including the cover page.
2. Anda dikehendaki menjawab KESEMUA soalan dalam kertas OMR yang disediakan.
   You are require to answer ALL questions in the OMR sheet provided.
   This exams paper is being PROHIBITED to be taken out from the exams hall.

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| TABLE NO. |   |   |
Please answer all questions in the OMR answer sheet. Use only 2B pencil.

1. Please pick the correct formula for elasticity:
   a. % change in quantity / change in price
   b. price/quantity
   c. % change in price / % change in quantity
   d. % change in quantity / % change in price

2. Landed cost is:
   a. The fee associated with landing an aircraft at an airport
   b. The total cost of a product to include the transportation cost of getting it to market
   c. The cost of transportation
   d. Port charges

3. Which of the following is not listed as one of the value of service characteristics for transportation?
   a. Landed cost
   b. Transit time
   c. Insurance rate
   d. Reliability

4. Reliability in transportation is defined as:
   a. the ability to get the freight from a specific origin to a destination.
   b. consistency of transit time
   c. the ability to move specific types of freight
   d. the ability to keep freight safe

5. One key reason for increasing importance of transportation from a supply chain perspective is:
   a. cost of gas
   b. increased emphasis on global collaborative relationships and outsourcing
   c. decrease in the amount of imports
   d. green supply chain

6. Which of the following is not one of the listed supply chain flows?
   a. information
   b. reverse logistics
   c. financial
   d. waste

7. Which of the following is likely to have inelastic demand?
   a. Ambulance service
   b. Movie tickets
   c. LCD televisions
   d. Delivered pizza

8. Which of the following is likely to have elastic demand?
   a. Gasoline
   b. Fire department service
   c. Starbucks coffee
   d. Electricity

9. Which technology is used to locate specific trailer and even pallets?
   a. RFID
   b. GPS
   c. ERP
   d. GIS
10. What was the primary reason for the creation of the U.S. interstate road way system?
   a. commerce
   b. defense
   c. create depression era jobs
   d. promote manufacturing

11. If a product costs $10 to produce, the firm expects 10% margin on the cost to produce and transportation per unit costs $2, what is the least price the firm is likely to accept for the product?
   a. $12.99
   b. $12.00
   c. $13.00
   d. $12.01

12. Based upon Lardner's Law, if transportation cost is cut in half, how much does the relevant market area increase?
   a. 200%
   b. 50%
   c. 400%
   d. 600%

13. What key element is supporting the ability to sell products made in large scale production facilities?
   a. efficient transportation
   b. highly technical production
   c. just in time sourcing
   d. high quality design

14. What chemical emissions from internal combustion leads to acid rain?
   a. sulfur dioxide
   b. arsenic
   c. carbon dioxide
   d. methane

15. What environmental event significantly increased the visibility of industrial transportation safety?
   a. Chernobyl meltdown
   b. Three mile island
   c. Exxon Valdez
   d. Iraqi oil field fires

16. Ozone reduction is a concern due to what compound used in refrigeration?
   a. carbon dioxide
   b. chloroform
   c. chlorofluorocarbons
   d. chlorophyll

17. Which of the following is considered a transportation supply trend?
   a. higher fuel charges
   b. increased use of third party services
   c. more international transportation
   d. leasing of containers

18. Who determines which transportation services are available?
   a. government
   b. consumer
   c. the service providers
   d. manufacturers
19. With respect to global transportation, the events of 9/11 and subsequent pirate attacks
   a. have had little impact.
   b. have caused severe hardship for rail and motor carriers
   c. shown that there is a delicate balance between trade and security
   d. have caused shippers to shy away for international trade

20. A key NAFTA stumbling block has been the inability to resolve U.S. concerns with:
   a. Improved free trade between the U.S., Mexico and Canada
   b. Balance of trade between Canada and Mexico
   c. Reduction of duties
   d. Mexican truck safety

21. What is a Maquiladora plant?
   a. a plant grown for packing fragile shipments
   b. a truck terminal on the border where shipments can be transloaded
   c. a manufacturing facility in Mexico where products can be assembled and returned to the
      U.S. without duty being paid
   d. a manufacturing facility in U.S. where products can be assembled and returned to Mexico
      without duty being paid

22. What is the major service characteristic of air transportation?
   a. speed
   b. careful handling
   c. very reduced paperwork because of special rules which apply to air carriers
   d. door-to-door service

23. The trucking issue that almost de-railed NAFTA in 1995 dealt with?
   a. Rates levied by Mexican Firms
   b. Tariffs charged by the U.S. government
   c. Safety and smuggling
   d. Use of U.S. trucks on Mexican roads.

24. Which of the following is not classified as a Logistics Channel Activity?
   a. Risk-Reward Channel
   b. Transaction Channel
   c. Communication Channel
   d. Distribution Channel

25. Which of the following is not identified as a key global transportation challenge?
   a. Carrier consolidation
   b. Trade level fluctuations
   c. Shifts in regional sourcing
   d. Environmental impact

26. Which of the following is not one of the export preparation activities?
   a. Terms of trade
   b. Cargo Insurance
   c. Mode Selection
   d. Terms of payment

27. Which of the following Terms of Payment has the least risk to the seller?
   a. Letter of Credit
   b. Cash in Advance
   c. On presentation of draft to buyer
   d. On maturity of the draft
28. Which transportation mode provides high capacity and low cost?
   a. Air
   b. Pipeline
   c. Water
   d. Truck

29. Which term means the ability to reach origin and destination considers the freight modes?
   a. Transit time
   b. Capacity
   c. Accessibility
   d. Reliability

30. What is the second step in transportation planning?
   a. Carrier selection
   b. Mode Selection
   c. Route Planning
   d. Customer approach

31. Which of the following is not a risk management option?
   a. Risk retention
   b. Risk transfer
   c. A Mixed approach
   d. Elimination of all risk

32. What are the FOUR elements of transportation?
   a. way, terminal, motive power and unit of carriage
   b. terminal, way, infrastructure and operation
   c. way, cost, operation and unit of carriage
   d. cost, revenue, operation and motive power

33. Under transportation regulation, the amount found in a Tariff as payment to a carrier for performing a
given transport service is called a
   a. price
   b. rate
   c. demand charge
   d. supply charge

34. Price is a concept relating to how post-deregulation transportation firm, determine and impose
charges for their services. Which is a distinguishing feature of this concept of price?
   a. the amount found in a Tariff Book as payment to a carrier for performing a transport service
   b. a lawful charge imposed by a carrier on a commodity movement
   c. a value or level that is determined based on prevailing market forces
   d. a charge determined primarily by considering a carrier’s costs only

35. The difference between pure competition and monopolistic competition is:
   a. slight as the conditions for each are quite similar.
   b. under pure competition there are many sellers and the product is homogeneous
   c. while there many sellers, there is some differentiation in the product
   d. not as great as there are with an oligopoly
36. The relevant market structure under deregulation is described by a theory which substitutes potential competition for the active participation of many sellers. What is this theory called?
   a. the law of supply and demand
   b. marginal utility
   c. monopolistic competition
   d. contestable markets

37. For the theory of contestable markets to work, four conditions have to be met: no barriers to market entry, no economies of scale present, consumer willingness to switch between carriers, and
   a. sellers and buyers of such small size that price or supply cannot be influenced.
   b. existing carriers prevented from responding to new entrants' lower prices.
   c. mutual interdependence between various sellers.
   d. no one seller controls a significant portion of the market.

38. How is the Relevant Market Structure in transportation described?
   a. by comparing fixed costs with variable costs
   b. by determining all the areas which the carrier can serve effectively
   c. by generally describing all possible origin and destination points for each commodity
   d. by identifying the relevant market area for one commodity moving between two points

39. There are two separate concepts in Cost of Service pricing. They are:
   a. head haul, back haul and extent of competition
   b. commodity and density
   c. prices based on average or marginal cost
   d. competition and direction of travel

40. What is a liner ship?
   a. an ocean going ship that travels a fixed route on a published schedule
   b. a ship that travels inland waterways on a demand schedule
   c. an ocean going cruise ship that handles passengers on specific routes
   d. a ship owned or leased on a long-term, basis by the company moving the goods

41. A break bulk ship:
   a. handles only bulk cargo
   b. would require that shipments be crated for handling
   c. sails in lanes where liners do not operate
   d. allows vehicles to roll on or roll off

42. A charter ship is:
   a. provided by ships that are hired for a specific voyage or amount of time.
   b. an older ship which is in poor condition
   c. a foreign flag vessel seeking to become a U.S. flag vessel
   d. a ship where the crew is hired from various countries where wage rates are very low

43. A Ro-Ro ship is:
   a. a special type of ship that can serve underdeveloped harbors
   b. a type of ship which has a power plant that can be operated manually
   c. a ship which handles local shipments to and from a LASH vessel
   d. a type of ship where vehicles can be driven on and off
44. Which is the major service characteristic of international air transportation?
   a. speed
   b. careful handling
   c. very reduced paperwork because of special rules which apply to air carriers
   d. door-to-door service

45. Which is the international air carrier rate bureau for passenger and freight movements?
   a. IATA
   b. FMC
   c. ICAO
   d. DOT

46. An NVOCC is:
   a. a company which handles rail freight which will be loaded on a ship
   b. a company which handles international shipment but does not own any ships
   c. a company which assembles and disperses small shipments and moves these shipments in containers.
   d. a company subject to unique government controls and can handle licensed cargos

47. A land bridge is a type of transportation used to:
   a. move marine containers by rail in substitution for all water routings
   b. move marine containers by rail in substitution for local water service
   c. move marine containers by rail to an inland, non-port city
   d. avoid crossing large inland bodies of water such as Lake Michigan

48. What is the purpose of "Shipping Conference"?
   a. It allows ship owners to meet and discuss problems and lobby government.
   b. The Conferences sets rates for the member carriers
   c. It sets sailing schedules and assigns port berths
   d. The Conference does none of the above.

49. What is the purpose of the international Air Transport Association?
   a. represent carriers before various governmental agencies
   b. set rates for member carriers
   c. set safety standards for air carriers
   d. promote the use of air transportation for freight and passengers

50. Which of the following is not a standard container length?
   a. 20 Feet
   b. 40 Feet
   c. 65 Feet
   d. 63 Feet

51. Containerships are built specifically for the purpose of moving:
   a. 20 and 30 feet containers
   b. 30 and 40 feet containers
   c. 30 and 53 feet containers
   d. 20 and 40 feet containers

52. What air freighter is used to carry oversized loads?
   a. B-747
   b. Airbus 380
   c. An-124
   d. C-141
53. In terms of thousands of tons per year, what is the busiest seaport?
   a. Long beach
   b. Singapore
   c. Shanghai
   d. Houston

54. In terms of metric tons shipped, what is the biggest cargo airport?
   a. Hong Kong International
   b. Atlanta
   c. Ted Stevens Anchorage International
   d. Memphis International Airport

55. What is one of the primary reasons for the growth of trucking after World War II?
   a. Trucks became larger and faster
   b. Shippers liked the door to door service which trucks could provide
   c. The Interstate Highway System was constructed which allowed trucks to give faster service over longer distances.
   d. The railroads gave up on truck type freight and stopped seeking it.

56. What is the primary division between motor carriers?
   a. Local and long haul
   b. LTL and Truckload
   c. Intrastate and interstate
   d. For hire and private

57. What is a Private Carrier?
   a. a trucking firm whose stock is not listed on any of the stock exchanges
   b. a trucking firm whose name does not appear on the equipment
   c. a trucking operation that only hauls freight for the firm which owns it
   d. a trucking firm that is not registered with the FMCSA

58. What is one of the service characteristics of the trucking industry?
   a. Trucks are built to fit on existing highways
   b. Trucks have a speed advantage for shipments less than 500 miles
   c. Truck rates are cheaper than rail or air
   d. Trucks are easier to load than rail cars

59. What do the users of truck service benefit from?
   a. lower inventory levels due to smaller shipments that other modes
   b. trailers come in a variety of configurations which fit to most types of freight
   c. the fact that drivers will load and unload shipments
   d. are the largest of the four modes

60. The trucking industry is characterized by having:
   a. small investment requirements
   b. easy sources of financing
   c. high variable and low fixed costs
   d. costly government requirements

61. What is the largest single expense item for trucking firms?
   a. Fuel and taxes
   b. Equipment purchases and maintenance
   c. labor
   d. Insurance and management salaries
62. "There are _____ economies of scale in the trucking industry."
   a. significant
   b. no major
   c. management driven opportunities for
   d. some government suggested

63. Looking at your profit and loss statement you note that you have operating expenses of $10M and operating revenue of $14M, what is your operating ratio?
   a. 140.00
   b. 68.12
   c. 71.41
   d. Not enough information to tell

64. Intramodel competition is:
   a. the joint use of trucks and railroads to serve common customers
   b. trucking companies underbidding other modes to secure business
   c. various modes seeking to gain market share from other modes
   d. a government sponsored activity

65. Which is a major reason for the decline in the number of rail companies in the US?
   a. mergers and unification occurring in the railroad industry
   b. government restrictions on rail ownership
   c. loss of business to other modes
   d. desire of management to invest in other areas of business

66. One of the benefits of a railroad mergers is:
   a. there are fewer grade crossings
   b. less frequent interchanges between companies means faster service
   c. cities and towns get back land once used for railroads
   d. The STB does not have as many companies to regulate.

67. What do the majority of rail movements involve?
   a. manufactured goods
   b. bulk liquids and coal
   c. low value, heavy commodities
   d. consumer goods

68. The demand for transport:
   a. originates when the carrier asks for the business
   b. starts when the shipper calls the railroad to provide equipment to move a shipment
   c. is a derived demand based demand for products
   d. is based upon government quotas

69. What is the difference between TOFC and COFC service?
   a. TOFC is slower and cheaper
   b. not all railroads can handle COFC
   c. that COFC is more costly
   d. one method move the trailer on its wheels and the other moves only the "box" or the container.

70. Railroad per unit costs decline as traffic increases. What is the reason for this cost behavior?
   a. A high proportion of variable costs in the cost structure
   b. A low proportion of fixed costs in the cost structure
   c. A large proportion of fixed costs in the cost structure
   d. Limited capital investment by the railroads
71. Intermodal expanded by _____ from 1980 to 2007.
   a. 100 percent
   b. 365 percent
   c. 484 percent
   d. 300 percent

72. Railroads are:
   a. more energy efficient than most other modes
   b. more likely to haul energy producing materials than other modes
   c. not as energy efficient as most other modes
   d. buying more energy efficient locomotives

73. What led to the erosion of rail dominance in U.S. transportation?
   a. Passenger air service in the 1920s
   b. Government funded construction of roads
   c. Steel price increase
   d. Coal price increase

74. The major cost element borne by the railroad industry is the:
   a. Rolling Stock
   b. Fuel costs
   c. Rights of way
   d. Insurance

75. Which event marked the beginning of the modern airline industry?
   a. The Wrights' first flight at Kitty Hawk in 1903
   b. The U.S. Post Office's examination in 1908 of the feasibility of air mail service
   c. Lindbergh's flight to Paris in 1927
   d. The use of airplanes for mail transport

76. Air carrier revenues are concentrated in which group of carriers?
   a. all-cargo, exempt, commuters and private
   b. commuters, charters, all-cargo
   c. major, nationals, regionals
   d. private, regulated, exempt

77. Most airline revenues arise from:
   a. freight shipments.
   b. baggage shipments.
   c. passenger travel.
   d. aircraft leasing and support services to private aviation

78. Deregulation of the airlines, in 1978, led to expectations that the number of carriers would increase.
    What has been the actual result of deregulation regarding the number of carriers in the market?
   a. The numbers of carriers did increase initially but has remained steady of late.
   b. The numbers of carriers did initially increase and the numbers continue to grow.
   c. The numbers of carriers initially decreased but increased by 1994.
   d. The numbers of carriers initially decreased and have continued to decrease.

79. Which is the best reason for the increase in airline intramodal competition since deregulation in 1978?
   a. substitution of smaller aircraft for larger aircraft
   b. U.S. carriers forming alliances with foreign airlines such as United with Air Canada
   c. increased use of discount fares in lieu of full fares
   d. new air carriers entering given markets
80. What is the primary method of service competition between air carriers?
   a. frequency and timing
   b. in-flight cabin service and added amenities.
   c. serving new cities to force more competition
   d. advertising

81. Which of the following commodities would be most likely to be shipped on an air carrier?
   a. commodities in high volume
   b. low-value finished goods
   c. raw materials and partially-finished goods
   d. high-value and time-sensitive goods

82. Air freight transportation is attractive to shippers because of the lower packaging costs associated with the transport of cargo. Which air transportation characteristics allow reduced packaging by shippers?
   a. relatively smooth ride and automated ground handling systems
   b. higher liability assumed by the air carriers and prompt payment of claims
   c. quick acknowledgment of liability by the air carriers and prompt payment of claims
   d. strict safety regulation by the FAA and higher liability limits required by the STB

83. Which government agency specifies acceptable flight operations and the hours of service for pilots?
   a. FAA
   b. STB
   c. DOT
   d. FMCSA

84. Why do business people pay more for airline travel?
   a. The expense of the travel is paid for by their company and the business traveler demands more services than the leisure traveler.
   b. They usually arrive and depart during low-demand periods.
   c. They have to keep more rigid schedules.
   d. Their travel expense is tax deductible and they can afford higher fares to offset the lower fares charges to leisure travelers.

85. What major factor is the main determinant in air cargo pricing?
   a. discounts from full price levels as is done with motor carriers
   b. weight
   c. empty space on the aircraft
   d. direction of travel of the shipment

86. Shippers using air cargo transport may have to pay an over-dimensional charge. The charge is assessed by the carrier to gain a more appropriate revenue in which situation?
   a. when the cargo shipped does not weigh much but takes up a lot of space.
   b. when the cargo is of a gaseous nature rather than a solid.
   c. when the cargo is a solid rather than a gas.
   d. when the shipment takes up all the available cargo space in the aircraft and matches the allowable load weight for the aircraft.

87. How much did the U.S. airlines spend on fuel in 2007?
   a. $60B
   b. $42B
   c. $50M
   d. $60M
88. Which air carrier had the highest operating revenue in 2007?
   a. American
   b. FedEx
   c. UPS Airline
   d. Alaska

89. If aviation fuel is at $2.60 a gallon, what is the price of fuel consumed per hour on a B747?
   a. $2,000
   b. $6,822
   c. $7,163
   d. $8,869

90. Which best describes the domestic water carrier industry?
   a. a limited number of small firms
   b. large businesses with some offshore ownership
   c. the carriers that report to the Surface Transportation Board’s water section
   d. the regulated carriers account for approximately one-fourth of the industry’s total carriers

91. 3PLs are typically categorized based upon their foundational service offering such as:
   a. Transportation, Distribution, and Marketing
   b. Forwarder, Distribution, and Human Resources
   c. Transportation, Distribution, and Forwarder
   d. Human Resources, Marketing, and Distribution

92. What type of 3PL traces their origin to freight movement via truck, rail, or other?
   a. Forwarder based
   b. Financial based
   c. Transportation based
   d. Distribution based

93. What type of 3PL originated from the public or contract warehousing business?
   a. Forwarder based
   b. Financial based
   c. Transportation based
   d. Distribution based

94. What group of 3PLs do not own equipment, they instead arrange transportation services?
   a. Forwarder based
   b. Financial based
   c. Transportation based
   d. Distribution based

95. What types of 3PLs provide services such as online freight brokerage services as well as cargo
    planning?
   a. Forwarder based
   b. Information based
   c. Transportation based
   d. Distribution based

96. In Europe 3PLs are used most often for:
   a. Domestic transportation
   b. International transportation
   c. Reverse logistics
   d. Customer service
97. Which of the following is considered the top customer challenge in dealing with a 3PL?
   a. Lack of continuous improvement
   b. Service level commitment not realized
   c. Cost reduction not realized
   d. Lack of global capability

98. This strategic challenge involves determining the extent to which the company will rely on a 3PL?
   a. Service requirements
   b. Coordination role
   c. Technology integration
   d. Goal cohesion

99. What type of service involves local transportation of containerized cargo?
   a. Merge in transit
   b. Surface freight forwarding
   c. Intermodal marketing
   d. Dryage

100. What type of special service involves uniting shipments from multiple suppliers and avoids the need for traditional warehousing?
    a. Dedicated contract carriage
    b. Household goods movement
    c. Merge in transit
    d. Dryage

END OF QUESTIONS