

LOGISTICS

Check if you know the meaning of these words:

appropriate; suppliers; manufacturers; distributors; raw; enormous; warehouses; inventory; average; directly; components; in advance; consumers; advertisements; breathtaking; per; demands

Complete the text with the following words:

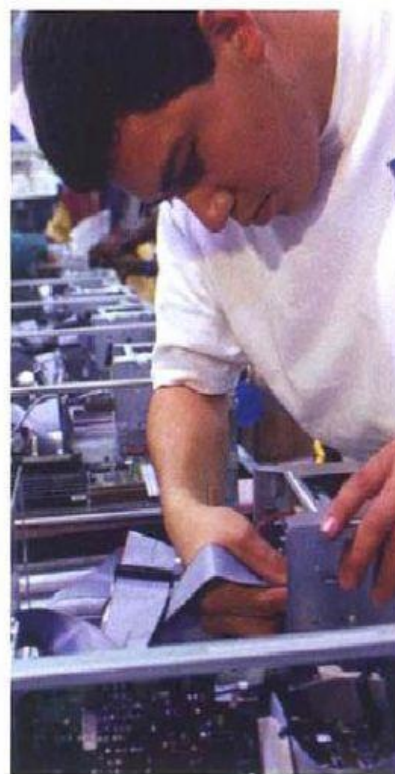
appropriate; suppliers; manufacturers; distributors; raw; enormous; warehouses; inventory; average; directly; components; in advance; consumers; advertisements; breathtaking; per; demands:

Dell does it differently

Conventional [redacted] have to keep supplies of [redacted] materials in order to produce their goods. Ordinary retailers too, have to keep the [redacted] stock levels to satisfy their clients' needs.

[redacted] sums of money are tied up in this [redacted]. By contrast, Dell only builds once it has received an order and delivery takes on [redacted] seven to ten working days from the date the order is placed. By dealing [redacted] with [redacted] through mailshots, [redacted] and the Internet, it bypasses

[redacted] and shopkeepers. And Dell's performance is truly [redacted]: its factories construct 80,000 machines [redacted] day and it can operate without [redacted]. When an order is placed, the firm orders [redacted] from their [redacted]. In addition, suppliers are expected to give credit even though Dell is paid [redacted]. This means that Dell has already been paid by its customers before it has to pay its own bills. Everything is so streamlined that it [redacted] expert logistics and management of the supply chain.



3 Match the words in bold from the text in 2 to definitions 1–11.

- 1 people who sell products to the public: _____
- 2 stock: _____
- 3 the place where goods are stored: _____
- 4 parts you need to construct something: _____
- 5 designed for optimal efficiency: _____
- 6 the series of processes and companies involved in making and selling a product: _____
- 7 customers: _____
- 8 the 'middleman' between the manufacturer and retailer: _____
- 9 providers of goods: _____
- 10 producers: _____
- 11 the basic substances used to make something: _____

4 Work with a partner. Talk about the differences between Dell and a traditional supply chain. Use words from the list to complete the two flow charts.

distributor retailer manufacturer (x2) customer (x2) supplier (x2)

1 Traditional supply chain

supplier _____ _____ _____ _____

2 Dell supply chain

supplier _____ _____

1 We don't need to store any _____ on site because they are delivered when we need them.

2 It's possible to keep a constant check on the _____ using bar codes.

3 There's a _____ on the phone complaining about a late payment again.

4 Everything is _____ to our retailers using private logistics firms.

5 One way to ensure quality is to begin by checking the _____ materials that we buy in.

1 Complete these sentences. Use the answers to complete the crossword.

- 1 A French manufacturer of electrical goods is outsourcing its production to China.
- 2 We need a more reliable _____. We can't afford to wait for spare parts.
- 3 We don't deal directly with shops. We let our _____ handle that.
- 4 Such a level of _____ costs money. We should only produce to order.
- 5 We need to _____ our supply chain. It has too many stages and is too inefficient.
- 6 We need to look at each step in the supply _____, to check that we are operating efficiently.
- 7 _____ is managing the supply chain, from production to the end-user.
- 8 We try to treat each _____ as an individual – that way they come back to us.
- 9 They stock their finished goods in a _____ the size of an aircraft hangar.
- 10 Problems with just one tiny _____ meant they had to recall 50,000 machines.
- 11 The chocolate factory relies on regular deliveries of _____ materials, such as cocoa and sugar, to maintain production levels.
- 12 Internet shopping has made life harder for the traditional _____.

3

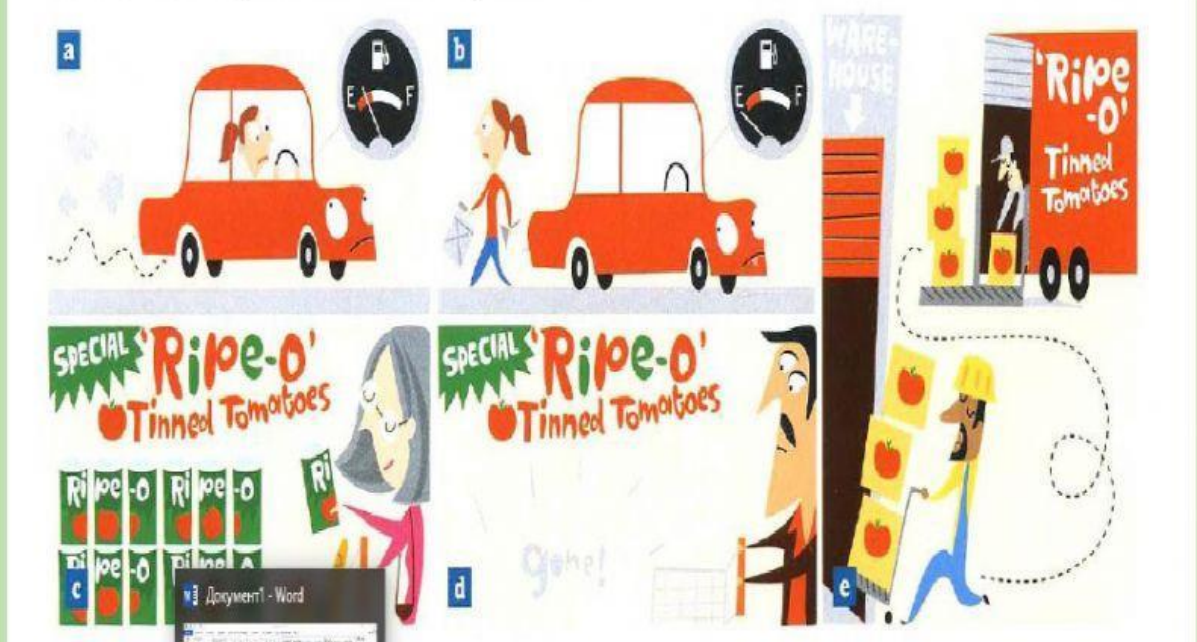
5 36▷ Steve Zackon also works in the computer business. Listen to this interview and answer questions 1–3.

- 1 What are the main differences between his business and Dell?
- 2 How does he keep control of his stock?
- 3 How does Steve follow the progress of his orders?

6 36▶ Listen again. Complete the phrases in *italics*.

- 1 We have to keep a lot of components _____ *stock*.
- 2 How do you make sure that you don't *run* _____?
- 3 It tells us what we have left, if it's _____ *order* ...
- 4 You never want to *run* _____ of basic items.
- 5 It's really not good to be _____ of *stock*.
- 6 It just warns us we're *low* _____ stock.
- 7 You don't want to *stock* _____ on components ...
- 8 If there's an essential package, I _____ *track* of it very closely.

7 Match five of the phrases in *italics* from 6 to pictures a-e.



Complete these sentences with the missing word.

- 6 You should give them a call and find out where our order is. We don't want to run _____ again like last time and be left with nothing.
- 7 How _____ are we running on replacement mother boards?
- 8 I've called three places now and they all say they are _____ of stock.
- 9 If you log on to the site, you type in this reference number and it'll keep track _____ your order.
- 10 For this party I think we'll need to stock up _____ more of that chocolate ice cream. It was really popular last time and went within five minutes!
- 11 You're in luck. We have one left _____ stock. How would you like it delivered?

2 Choose the correct answer from the words in *italics*.

- 1 The book is currently out of stock, but it is *on* / *out of* order, so we'll have it soon.
- 2 We need to *stock up on* / *run out of* headed paper. Could you put an order in?
- 3 I ran *low on* / *out of* ink, so I couldn't print out the report.
- 4 We can keep *track of* / *on track* our order by satellite.
- 5 Let's stop at the next service station. We are *running low* / *running out* on petrol.

Complete the questions with key vocabulary and answer them:

- Have you got anything *on* _____ at the moment?
- What important supplies are you running _____ on?
- How often do you _____ out of something essential?
- When was the last time something you wanted to buy was out of _____?
- What do you like to stock _____ on?
- How do you _____ track of your spending?