

COMMERCIAL ASPECTS OF TRANSPORTATION AND LOGISTICS INDUSTRY

Course Duration: 20 sessions

Course Faculties: Prof. Binilkumar Amarayil Sreeraman & Prof. Poonam Singh

Overview of the Course:

The transportation and logistics industry are the lifeline of economies across the Globe as they are very important for different economic sectors, particularly production and trade. Manufacturing industries can procure raw materials as well as ship their products to the end users on timely manner with the support of the transport and logistic sector. As a result of globalization and expanding international trade between nations, the logistics capacities in those countries and global level increased significantly. But the higher scale of growth in this sector brought various operational challenges and one of the critical challenges is the associated commercial aspects. The complexity increases with the changing market dynamics, multi-modal transportation and everchanging policy at the domestic and global levels. Hence, an in-depth understanding the commercial aspects of the transportation and shipping sector will provide a competitive edge to the managers working in the sector to frame appropriate strategies. Given this backdrop, this programme is designed to offer a holistic understanding of the various commercial aspects, covering demand and supply, transportation and logistics costs, leasing, warehousing and trucking costs, Incoterm, Insurance, and trade policies. The course covers the topics with relevant cases from various industries. The course offers highly interactive sessions with situational activities, opportunities for experience sharing and reflections with specialised and experienced faculty.

Course Objective:

- To understand the commercial aspects of transport, logistics and supply chain.
- To assess the commercial feasibility of multimodal transports, trade patterns as well as to analyse transportation and logistic policies

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Target Audience: Mid-level Managers from Rail/Road/Waterways/Airways/Bulk transport/ Cargo/ Multimodal/ Port/ Warehouses Sectors

Topics: Trade and logistics-Demand and Supply, Transport logistics cost, Logistic and Supply Chain-market conditions, Incoterms, Insurance in Logistics and Supply chain, Trade Barriers and Policy Analysis

Reference Materials:

- Shuo Ma 2020 Economics of Maritime Business, Routledge

Detailed Session Plan :

Session No.	Topic	Detailed Content	Cases, Notes and Videos
1-3	Trade and logistics Demand and Supply	<ul style="list-style-type: none"> • Logistic demand and Supply scenario (Domestic & Global) • Global Value Chain • Trade and Logistics-Gravity model • Sector-Specific Cargo 	<ul style="list-style-type: none"> • Note on Canadian Transportation Industry (W16233-PDF-ENG) Fraser Johnson` Video-Economics of Shipping
4-8	Transport logistics cost	<ul style="list-style-type: none"> • Cost structure of Logistics and transport(mode-wise) • Warehouse Leasing • Types of logistic costs (Fixed, Variable, Tangible, Intangible, etc) • Linear and Tramp shipping and freight costs 	<ul style="list-style-type: none"> • Cathay Pacific(B): Implementing Integrated E-freight Solution (ST19B-PDF-ENG) Ronald Lau, Kenny Yiu, Gary Chung • Supply chain coordination and contracts in the sharing economya case study at cargo (CU215- PDF-ENG) Maxime Cohen, C. Daniel Guetta; Wenqiang Xiao • Video: How Amazon Beat Supply Chain Chaos With Ships, Containers And Planes

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9-10	Transport logistics cost II	<ul style="list-style-type: none"> • Cargo Bundling • Shipping Contracts and Shipping Integration • Truck Hiring • Break-even Analysis 	<ul style="list-style-type: none"> • Kunvarji Group (A00078-PDF-ENG) Debjit Roy, Atul Maheshwari • The Indian Logistics and Warehousing Industry (IMB791- PDF-ENG) R. Srinivasan, Sreecharan Rachakonda, Raj Kovid KR
11-14	Logistic and Supply Chain market conditions	<ul style="list-style-type: none"> • Transport and Logistic and Market Structure • Competitiveness in Transport and Logistic Sector • Anticompetitive trends and regulation 	<ul style="list-style-type: none"> • Uniqlo: A Supply Chain Going Global (HK1085-PDF-ENG) Benjamin Yen; Davide Lentini • Exel plc–Supply Chain Management at Haus Mart (605080-PDF-ENG) Zeynep Ton; Steven C. Wheelwright <p>Video: How Maersk Dominates the Global Shipping Industry Video 2: Alibaba Challenges Amazon with a Promise: Fast Global Shipping</p>
15-16	Incoterms	<ul style="list-style-type: none"> • Incoterms in International trade and logistics Significance • Modal-wise relevance and application of Incoterms 	<ul style="list-style-type: none"> • UBollore Logistics Canada and the Use of Incoterms in International Maritime Shipping (HEC160- PDF-ENG) Leo Vincenti; Jacques Roy
17-18	Insurance in Logistics and Supply chain	<ul style="list-style-type: none"> • Different Types of Risks in Logistics and Supply chain • Insurance for Risk Mitigation • Moral Hazard issues in Logistics and Supply Chain Risk Management 	<ul style="list-style-type: none"> • Supply Chain Risk Management (BEP554- PDF-ENG) Matthew J Liberatore; Tan Miller <p>Video: Why Global Supply Chains May Never Be the Same</p>
19-20	Trade Barriers and Policy Analysis	<ul style="list-style-type: none"> • Different Types of Trade barriers and its implications on Logistics and Supply chain • Tariff and Non-tariff Barriers • Exim-policy and trade pattern • Logistic and transportation policy 	<ul style="list-style-type: none"> • Nike versus New Balance: Trade Policy in a World of Global Value Chains (HEC087- PDF-ENG) Simon Brodeur, Ari Van Assche

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Learning Outcome:

After completion of this course, participants will be able to:

- Assess the global trade patterns and its implications on logistics and transport.
 - Understand the commercial terms and contract in domestic and international trade
 - Application of gravity model of international trade for logistic planning.
 - Assess the tariff and non-tariff barriers to trade and its commercial implications on the logistics
 - Discuss impacts of global integration on trade, logistics and supply chain commerce
 - Assess the commercial aspects of different trade and logistic policies to frame appropriate policies
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