

Unit 14

Logistics



Vocabulary: **Logistics**
 Language: **Passives**
 Career skills: **Dealing with questions**
 Writing: **Letter replying to a request for information**

Language check

1 Read the article about logistics. Use the headings to make notes comparing past and modern-day practices.

logistics in the past

logistics now

batches of products used to stay in warehouses until needed then sit in warehouses once dispatched

The Economist

Business

A moving story

A wider view of logistics

Logistics is a word that ¹*is seen / sees* most often on the side of trucks. But it has a bigger meaning: how the flow of materials through an organisation, from raw materials to finished goods, ²*is managed / manages*. Logistics might sound a simple enough business of moving things around, but it ³*is growing / is being grown* more complex as customers demand better services, and as new technology and greater use of the internet ⁴*are opened up / open up* new ways of passing around information.

The Japanese-led methods of lean production and just-in-time supplies tended ⁵*to be kept / to keep* within factory walls. Following production, outgoing products ⁶*were delivered / delivered* to distributors in batches, only to sit around in warehouses. Now, however, companies are more demanding, seeking to eliminate both incoming and outgoing inventory. This ⁷*does / is done* in several ways. For example, in order to simplify what ⁸*goes / is gone* into the

factory, companies ⁹*buy / are bought* in sub-assemblies rather than individual parts. Companies are also trying to build to order (BTO) only, rather than guessing what will be in demand and supplying orders from existing stocks. But to cut inventories and introduce BTO, a comprehensive, flexible freight operation ¹⁰*requires / is required*. This is such a challenging task that companies are reluctant to do it all themselves, which is why more and more of them are ¹¹*outsourcing / being outsourced* delivery and logistics to third parties.

This movement ¹²*is forcing / is being forced* the freight transport industry to change. Manufacturers want custom-designed delivery systems, using all types of transport: land, sea and air. The distinction between postal, express and logistics services ¹³*has almost vanished / has almost been vanished*. And the fastest growing area of business is outsourced third-party logistics.

2 Now underline the correct active or passive forms in italics.