

True-False Questions: Transportation Systems

1. True-False (± 32 points)

To discourage guessing, each correct answer is rewarded with one point, each incorrect answer is penalized with one point, and a question left unanswered is neither rewarded nor penalized. For example, if you answer seven questions out of ten correctly and answer three questions wrong, then your final score will be four. On the other hand, if you had answered only the six questions of which you were sure and left the remaining four questions blank, then your final score would have been six. This policy makes the expected reward for guessing equal to zero.

The questions in each paragraph are always related to the same topic and any assumptions remain valid in this paragraph unless otherwise stated. Questions in different paragraphs have no relationship with each other and assumptions do not remain valid from one paragraph to the next.

Demurrage refers to the penalty charges imposed on a shipper if it retains a transportation carrier beyond an allowed free time period, (T/F) _____.(1).

The average amount of goods in a LTL shipment is larger than in a CL shipment, (T/F) _____.(2).

Piggyback refers to the shipment of over the road containers in a convoy of trucks, (T/F) _____.(3).

A trade zone is an area where goods might be imported, held, and re-exported without incurring any duties, (T/F) _____.(4).

Contract carriers hire themselves out to service all shippers that want to use their services, (T/F) _____.(5).

A transport broker functions as the middle man between the carrier and the shipper and assumes liability for the timely transportation of the goods, (T/F) _____.(6).

The fundamental principle of freight consolidation is to reduce costs by achieving economies of scale on the transportation moves, (T/F) _____.(7),

Consolidation is will yield relative greater benefits if the original shipment size was larger, (T/F) _____.(8).

A first order approximation of the weight capacity of an over-the-road trailer is 20 metric tons, (T/F) _____.(9).

In a Dial-A-Ride system vehicles have to serve individual shipment requests each with an origin and destination, (T/F) _____.(10).

The standard size for a full size intermodal containers is 8 by 8 by 40 feet, (T/F) _____.(11).

Low variable costs and high fixed costs create significant economies of scale in railroad transportation costs, (T/F) _____.(12).

The relatively low fixed costs of highway motor carriers tend to create a larger turnover of carrier corporations than for other transportation modes, (T/F) _____.(13).

A freight bill is a legal contract between the shipper and the carrier for the movement of the designated freight between the indicated sites, with reasonable dispatch, and without damage, (TF) _____(14).

F.O.B. pricing means that the sales price includes the transportation costs to the final customer. (TF) _____(15).

The rates for first class mail in the United States are an example of uniform or distance-invariant rates, (TF) _____(16).

The average delivery time is inversely related to the cost per flow unit per mile in the major transportation modes, (TF) _____(17).

Differentiated distribution allows for different distribution strategies and policies to the same customer, (TF) _____(18).

A slurry is transportation technology where solid products are suspended in liquid and then pumped between different locations, (TF) _____(19).

A adjustment factor of 1.2 is a good factor to approximate the relation between over the road distances in a developed network compared to Euclidean distances, (TF) _____(20).

Rail systems have a higher fixed cost but lower operating cost than a highway transportation system that can handle equivalent transportation requests, (TF) _____(21).

A freight bill for a shipment does not include prices and rate information for that shipment, (TF) _____(22).

For bulk transportation, a barge is about equivalent to 6 large, semi-trailer trucks, (TF) _____(23).

Empty container management, movement, and storage is a significant cost for the logistics systems using intermodal containers, (T/F)_____(24).

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