Teacher Answer Key

Case Study

1. They re-routed the refrigerated trailers south on open toll roads, paying more distance for an ETA they could count on instead of waiting on plows. They also pulled forward extra frozen turkeys and switched the ads to a frozen deal with thaw-time signage, which used stock already on hand rather than stock stuck behind a closure.

2. Buffer inventory only has to cover the gap between when a route fails and when a backup route delivers, so a modest amount of slack absorbs a storm without carrying a full season of extra stock. The rest of the year the cost stays low because the buffer is paired with pre-negotiated routes and carriers rather than with more warehouse space.

Multiple Choice

1. D

2. B

3. D

Matching

1-C, 2-E, 3-D, 4-A, 5-B

Fill-in-the-Blank

1) stored (accept: held, kept), 2) pull, 3) optionality (accept: redundancy, flexibility)

Short Answer (Sample Responses)

Q1: Transport: Re-route reefers on open corridors; pre-book backup carriers. In-store: Expand frozen displays with thaw guides; adjust digital shelf labels to steer demand.

Q2: Trade-off: Lean inventories cut costs but reduce slack; example—just-in-time pie shells minimize storage but risk empty shelves if a truck misses its window.

Q3: High ROI options include backup carrier contracts (protects perishables) or earlier canned deliveries (low temperature risk, frees docks for fresh freight in peak week). Justify with local constraints (dock doors, freezer capacity).