

ENGLISH FOR WORK / DEMAND / SUPPLY / INVENTORY / MOVEMENT

# Supply Chain and Logistics English

Plan the demand. Confirm the movement.



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Eight practical lessons. Eleven extended conversations.

Vocabulary, phrase banks, guided speaking, and explained answers.

Revised 2026 edition / Upper-intermediate to advanced

# Your route through the book

## **01 Demand Planning and Forecast Bias, page 4**

Explain signed forecast error, distinguish bias from error size, and keep an unconfirmed promotional uplift separate from the baseline.

## **02 Procurement and Supplier Performance, page 16**

Request a usable supplier commitment by separating acknowledgment, quantities, shipment timing, arrival timing, and unresolved dependencies.

## **03 Inventory, Safety Stock, and Service Levels, page 28**

Explain item-level availability and service measures without treating a high total balance or safety-stock policy as proof of fulfillment.

## **04 Warehousing and Fulfillment, page 40**

Reconcile a changing order queue, distinguish gross completions from net reduction, and avoid unsupported claims about order age or service.

## **05 Freight, Routing, and Carrier Delays, page 52**

Give a useful delay update while separating a carrier estimate, confirmed transport events, appointment timing, and an authorized contingency.

## **06 Customs, Trade Compliance, and Documentation, page 63**

Raise a document discrepancy, request verified product facts, and arrange controlled correction without guessing classification or changing facts to fit a document.

## **07 Supply Risk and Business Continuity, page 77**

Compare supply options while separating quoted lead time, reserved capacity, qualification, and shared disruption exposure.

## **08 Executive S&OP Decisions, page 89**

Summarize a cross-functional planning disagreement as an explicit decision with quantified scenarios, constraints, and recorded ownership.

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[Professional communication notes, page 3](#)

[Three additional workplace cases, page 104](#)

[Answers and explanations, page 116](#)

[Phrase finder, page 174](#)

[Vocabulary index, page 176](#)

[References and publication notes, page 181](#)

Suggested study range: B2-C1. This is an editorial study range, not a certified proficiency assessment.

# Every commitment needs a clear basis.

Supply-chain work connects people who measure different things and promise different outcomes. Sales discusses demand; a supplier confirms an order; a carrier estimates arrival; a warehouse reports stock. None of those statements automatically answers all the others. These cases develop the language for distinguishing estimates, available resources, completed movements, and decisions that still need confirmation.

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## Name the demand evidence

Separate a historical result, a forecast, a sales target, and a confirmed order. An attractive promotion can justify a scenario without becoming booked demand or erasing an earlier forecasting pattern.

"The uplift is a scenario assumption, not an order on the books."

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## Follow the status of the movement

Order acknowledged, ready, collected, departed, arrived, and delivered describe different stages. Ask which event the date refers to and whose confirmation supports it.

"Is Wednesday the estimated warehouse arrival or the planned departure?"

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## Look below the total

A large inventory balance can hide shortages of particular items or stock that is allocated, blocked, or in another location. State which quantity is actually available for the relevant demand.

"The total is high, but these two items still have no available stock."

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## Make the decision and conditions explicit

A meeting should distinguish an approved action from an unresolved assumption. Name the owner, the evidence needed, and the next review without treating the absence of objections as a recorded decision.

"We have agreed the base plan; the promotion increment remains conditional."

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## Professional boundaries

Original fictional language practice, not customs, legal, financial, transport-safety, or inventory-policy advice. All figures, shipments, organizations, and negotiations are invented. Use applicable law, governing contracts, current trade rules, authorized decisions, and qualified review. US customs examples are identified; requirements differ by jurisdiction.

# A Read the situation

## LESSON 01 / DEMAND PLANNING AND FORECAST BIAS

Explain signed forecast error, distinguish bias from error size, and keep an unconfirmed promotional uplift separate from the baseline.

### Three optimistic forecasts and a new promotion

Demand planner Aisha and sales lead Martin review monthly forecasts of 120, 130, and 140 units against verified demand of 100, 110, and 120. For this case, signed error means forecast minus actual demand. Next month's baseline is 120 units. Sales proposes a 30-unit promotional uplift but has no order evidence for it. Aisha and Martin must describe the three-month pattern and preserve the promotion as a scenario without treating either historical bias or future uplift as a certainty forever.

People: Aisha, Demand planner; Martin, Sales lead.

### Read the record

Choose one answer per question using the facts above.

#### 1. What is each month's signed error under the stated convention?

- A. Plus 20 units
- B. Minus 20 units
- C. Zero units
- D. Plus 120 units

#### 2. What is the next-month baseline?

- A. 150 confirmed orders
- B. 30 units
- C. 390 units
- D. 120 units

#### 3. What supports the promotional uplift as confirmed orders?

- A. Three months of overforecasting prove the uplift.
- B. The baseline itself is a signed purchase order.
- C. A proposal automatically becomes booked demand.
- D. No order evidence is supplied.

[Answers and explanations, page 116](#)

# B Vocabulary in use

## CORE TERMS

### demand forecast

An estimate of future demand for a defined item and period.

*prepare a demand forecast*

### forecast bias

A tendency for forecasts to be systematically too high or too low.

*monitor forecast bias*

### mean error

The average signed forecast error across the defined observations.

*calculate mean error*

### mean absolute error

The average absolute error across the defined observations.

*report mean absolute error*

### underforecast

A forecast below the corresponding actual demand.

*investigate an underforecast*

### promotional uplift

Additional demand expected because of a promotion.

*qualify promotional uplift*

### actual demand

The observed demand under the stated measurement definition.

*reconcile actual demand*

### signed error

The forecast difference calculated with an explicitly stated direction.

*state the signed-error convention*

### absolute error

The size of a forecast error without its positive or negative sign.

*compare absolute errors*

### overforecast

A forecast greater than the corresponding actual demand.

*identify an overforecast*

### baseline forecast

The reference forecast before a separately identified adjustment.

*preserve the baseline forecast*

### incremental demand

Demand additional to the specified base rather than displaced from elsewhere.

*estimate incremental demand*

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## Say it in context

Stress the highlighted expression. Keep the surrounding words connected; pause at the end of the phrase.

### demand forecast DEMAND FORECAST

prepare a demand forecast

Keep the meaning precise: An estimate of future demand for a defined item and period.

### absolute error ABSOLUTE ERROR

compare absolute errors

Keep the meaning precise: The size of a forecast error without its positive or negative sign.

# **B** Precision and professional shorthand

## EXTEND YOUR RANGE

### cannibalization

A gain in one product's demand at the expense of another's.

*assess demand cannibalization*

### trend

A sustained directional movement in a series over time.

*distinguish trend from noise*

### forecast lag

The time between making a forecast and the period being forecast.

*compare forecasts at the same lag*

### consensus forecast

A forecast agreed through the relevant cross-functional planning process.

*review the consensus forecast*

### booked order

An order recorded under the organization's order definition.

*distinguish booked orders*

### forecast override

A deliberate adjustment to a model or baseline forecast.

*justify a forecast override*

### seasonality

A recurring demand pattern tied to a calendar or cycle.

*account for seasonality*

### forecast horizon

The future period covered by a forecast.

*define the forecast horizon*

### forecast snapshot

A saved version of the forecast at a specified time.

*preserve the forecast snapshot*

### demand signal

Information indicating demand behavior or potential change.

*evaluate a demand signal*

### scenario assumption

A premise used to construct a possible future case.

*document the scenario assumption*

### forecast value added

Improvement in a defined forecast measure from a specified planning step.

*evaluate forecast value added*

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## Say it in context

Stress the highlighted expression. Keep the surrounding words connected; pause at the end of the phrase.

### incremental demand INCREMENTAL DEMAND

estimate incremental demand

Keep the meaning precise: Demand additional to the specified base rather than displaced from elsewhere.

### forecast lag FORECAST LAG

compare forecasts at the same lag

Keep the meaning precise: The time between making a forecast and the period being forecast.

# Phrases that move the work forward

## State the convention

Here we define signed error as forecast minus actual demand.

## Name the average

Mean signed error is plus 20 units over these three months.

## Separate size and direction

Absolute error measures the miss without its sign.

## Identify the increment

Sales proposes a 30-unit promotional uplift.

## Ask for evidence

What order or response evidence supports the proposed increment?

## Use a consistent snapshot

Compare the forecast version that existed at the agreed planning point.

## Check displacement

Is the uplift additional demand or partly shifted from another item?

## Evaluate the contribution

Assess whether the adjustment improves the defined forecast measure.

## Describe the pattern

Each of the three forecasts exceeded actual demand by 20 units.

## Limit the conclusion

This pattern does not prove every future forecast will be high.

## Keep the reference

The next-month baseline remains 120 units.

## Qualify the scenario

That produces a 150-unit scenario, not confirmed demand.

## Avoid historical erasure

A future promotion does not change the earlier forecast errors.

## Distinguish a target

A sales target is not automatically an unbiased demand estimate.

## Record the override

Keep the adjustment, owner, and rationale visible.

## Close the discussion

Present baseline, upside, and supporting evidence separately.

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## Precision in real exchanges

**Purpose:** Limit the conclusion

**Useful wording:** This pattern does not prove every future forecast will be high.

**Purpose:** Separate size and direction

**Useful wording:** Absolute error measures the miss without its sign.

## **D** Choose the response that fits

Choose one response for each situation. Preserve the facts, the decision boundary, and the purpose of the exchange.

**1. A colleague says the promotion cancels the historical overforecast. Which correction is accurate?**

- A.** The 150-unit scenario becomes confirmed demand once the old errors are removed.
- B.** The proposed 30-unit increment does not change the three recorded errors of +20.
- C.** The total historical error falls from +60 to +30.
- D.** Mean historical error falls from +20 to -10.

**2. Two other errors are +10 and -10. What follows?**

- A.** Bias and error size are always identical.
- B.** Mean error is zero, but mean absolute error is 10.
- C.** Both forecasts were perfect.
- D.** Mean absolute error is zero.

**3. A colleague needs the term for this meaning: The forecast difference calculated with an explicitly stated direction. Which term fits?**

- A.** signed error
- B.** booked order
- C.** underforecast
- D.** trend

## **D** Choose the response that fits / continued

**4. Rebuild the exchange from "Three optimistic forecasts and a new promotion".**

**Martin:** "Let me check: plus sixty units in total, but plus twenty per month on average. Which figure belongs on the monthly performance slide?" **Aisha:** [missing response] **Martin:** "What if positive and negative errors cancel in a later period? A zero average could look excellent even when individual months still miss by a meaningful amount." Which response belongs in the gap?

- A.** Correct. The mean error is plus twenty units across these three observations. That describes this period without proving that every future forecast must be too high.
- B.** Compare mean absolute error as well. If the errors are plus ten and minus ten, the signed mean is zero but the average absolute miss is ten.
- C.** State the signed error convention beside it: forecast minus actual. Under this convention, each error is plus twenty; a different system may reverse that sign.
- D.** They show an overforecast of twenty units in each month. The forecasts were one hundred twenty, one hundred thirty, and one hundred forty against lower actual demand.

[Answers and explanations, page 116](#)

### **One useful distinction**

With error defined as forecast minus actual, the three errors are +20, +20, and +20 units. Total error is +60 and mean error is +20. Positive means overforecasting under this convention; other systems may reverse the sign.

# E Conversation

## Three optimistic forecasts and a new promotion

Three optimistic forecasts and a new promotion

Complete the numbered gaps. Use each bank entry once; some entries contain several words.

### WORD AND PHRASE BANK

overforecast / baseline forecast / forecast override / promotional uplift / forecast snapshot  
/ signed error / cannibalization / mean absolute error / mean error / booked order

- 01 **Martin:** Sales expects the promotion to improve demand next month. Before we add the uplift, can we agree what the last three months actually tell us?
- 02 **Aisha:** They show an <sup>1</sup> \_\_\_\_\_ of twenty units in each month. The forecasts were one hundred twenty, one hundred thirty, and one hundred forty against lower actual demand.
- 03 **Martin:** The dashboard uses a positive error number. I want to make sure everyone reads the direction correctly, because another report seems to use the opposite sign.
- 04 **Aisha:** State the <sup>2</sup> \_\_\_\_\_ convention beside it: forecast minus actual. Under this convention, each error is plus twenty; a different system may reverse that sign.
- 05 **Martin:** Let me check: plus sixty units in total, but plus twenty per month on average. Which figure belongs on the monthly performance slide?
- 06 **Aisha:** Correct. The <sup>3</sup> \_\_\_\_\_ is plus twenty units across these three observations. That describes this period without proving that every future forecast must be too high.

## **E** Conversation / continued

- 07 **Martin:** What if positive and negative errors cancel in a later period? A zero average could look excellent even when individual months still miss by a meaningful amount.
- 08 **Aisha:** Compare <sup>4</sup> \_\_\_\_\_ as well. If the errors are plus ten and minus ten, the signed mean is zero but the average absolute miss is ten.
- 09 **Martin:** For next month, the reference forecast is one hundred twenty. Sales proposes another thirty because of the promotion, but we have no supporting orders yet.
- 10 **Aisha:** Keep the <sup>5</sup> \_\_\_\_\_ visible. We can show the thirty-unit proposal separately so people understand what comes from the reference and what comes from the new commercial assumption.

Conversation continues on the next page.

# Three optimistic forecasts and a new promotion

## CONVERSATION / CONTINUED

- 11 **Martin:** That gives a scenario of one hundred fifty. I do not want the planning team to dismiss the opportunity, but we should avoid calling it confirmed demand.
- 12 **Aisha:** Exactly. The <sup>6</sup> \_\_\_\_\_ is an expectation to evaluate. Ask what evidence supports the increment and whether the demand is genuinely additional rather than shifted from another product.
- 13 **Martin:** The campaign could move some existing customers from a related item. If we count all those purchases as new demand, the aggregate plan could be overstated.
- 14 **Aisha:** That would require assessing <sup>7</sup> \_\_\_\_\_. We should distinguish additional demand from redistribution before treating the whole increment as growth in the overall demand plan.
- 15 **Martin:** Sales has a target, but nobody has placed an order for that extra quantity. I will keep those two fields separate in the planning record.
- 16 **Aisha:** Right. A <sup>8</sup> \_\_\_\_\_ has a different status from a forecast or target. We currently have no order evidence for the proposed thirty-unit increase.
- 17 **Martin:** When the next results arrive, let's evaluate the forecast version we actually used. Revising old numbers after seeing demand would make the performance comparison misleading.
- 18 **Aisha:** Preserve the <sup>9</sup> \_\_\_\_\_ and its planning date. We need a consistent lag and definition if we want to learn whether the adjustment helped.

# Three optimistic forecasts and a new promotion / continued

- 19 **Martin:** I will present one hundred twenty as baseline and one hundred fifty as the promotion scenario, with the evidence gap stated. The historical errors will remain unchanged.
- 20 **Aisha:** Good. Record the proposed <sup>10</sup> \_\_\_\_\_ with its owner and rationale. That gives the opportunity a fair assessment without disguising uncertainty or treating the scenario as a customer commitment.

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## CHECK THE GAPS

**1.** overforecast / **2.** signed error / **3.** mean error / **4.** mean absolute error / **5.** baseline forecast / **6.** promotional uplift / **7.** cannibalization / **8.** booked order / **9.** forecast snapshot / **10.** forecast override

[Why these answers fit, page 117](#)

# F Check accuracy and scope

## Three optimistic forecasts and a new promotion

### Return to the case

Demand planner Aisha and sales lead Martin review monthly forecasts of 120, 130, and 140 units against verified demand of 100, 110, and 120. For this case, signed error means forecast minus actual demand. Next month's baseline is 120 units. Sales proposes a 30-unit promotional uplift but has no order evidence for it. Aisha and Martin must describe the three-month pattern and preserve the promotion as a scenario without treating either historical bias or future uplift as a certainty forever.

Choose one answer per question. Use the case facts and keep any uncertainty or limits intact.

### 1. Which next-month statement is precise?

- A. Baseline 120; proposed uplift 30; upside scenario 150; no order evidence supplied.
- B. Confirmed orders total 150.
- C. Historical overforecasting proves the promotion cannot work.
- D. The promotion eliminates the need to keep a baseline.

### 2. Why retain the original forecast snapshot?

- A. To replace old forecasts with actual demand before scoring
- B. To ensure every override appears successful
- C. To treat targets as customer orders
- D. To evaluate the forecast actually available at the agreed planning point

[Answers and explanations, page 119](#)

### Listen for the distinction

Switch roles. Read turns 9-20, distinguishing the 120-unit baseline, proposed 30-unit uplift, and 150-unit scenario.

### Separate optimism from evidence

A sales opportunity can deserve attention without being entered as confirmed demand. Acknowledge the opportunity, then ask for the assumption and evidence. Keeping baseline and upside visible lets colleagues discuss the commercial case without rewriting historical results or pretending that a forecast is an order.

## **F** Say it / transfer to a new case

### The sign does not measure certainty

A forecast is 80 units and actual demand is 100. Error is defined as forecast minus actual. Next month has a 90-unit baseline and a proposed 15-unit uplift without orders.

Complete the four gaps. With a partner, read alternate roles, then switch. Studying alone, read both roles and pause before each response.

#### WORD AND PHRASE BANK

five / minus / underforecast / assumption

- 01 **Planner:** The signed error is <sup>1</sup> \_\_\_\_\_ twenty units.
- 02 **Sales:** That is an <sup>2</sup> \_\_\_\_\_.
- 03 **Planner:** The next-month scenario totals one hundred <sup>3</sup> \_\_\_\_\_ units.
- 04 **Sales:** The uplift remains an <sup>4</sup> \_\_\_\_\_, not booked orders.

#### CHECK THE GAPS

1. minus / 2. underforecast / 3. five / 4. assumption

[Why these answers fit, page 119](#)

### Rebuild the exchange

Choose the missing response. Read the completed three-turn exchange aloud, changing roles on the second reading.

**1. Rebuild the exchange from "Three optimistic forecasts and a new promotion". Martin: "The campaign could move some existing customers from a related item. If we count all those purchases as new demand, the aggregate plan could be overstated." Aisha: [missing response] Martin: "Sales has a target, but nobody has placed an order for that extra quantity. I will keep those two fields separate in the planning record." Which response belongs in the gap?**

- A.** State the signed error convention beside it: forecast minus actual. Under this convention, each error is plus twenty; a different system may reverse that sign.
- B.** Right. A booked order has a different status from a forecast or target. We currently have no order evidence for the proposed thirty-unit increase.
- C.** That would require assessing cannibalization. We should distinguish additional demand from redistribution before treating the whole increment as growth in the overall demand plan.
- D.** Preserve the forecast snapshot and its planning date. We need a consistent lag and definition if we want to learn whether the adjustment helped.

[Answers and explanations, page 120](#)

# A Read the situation

## LESSON 02 / PROCUREMENT AND SUPPLIER PERFORMANCE

Request a usable supplier commitment by separating acknowledgment, quantities, shipment timing, arrival timing, and unresolved dependencies.

### Acknowledged, but not scheduled

Buyer Keiko and supplier account manager Luis discuss purchase order P46 for 500 units. The supplier has acknowledged receipt but has given no shipping date. The buyer needs warehouse receipt by October 12. Capacity and transit timing are not confirmed. A supplier message promises an update tomorrow at noon, not dispatch tomorrow. Keiko must obtain a clear status and request line-level quantities and dates without treating the acknowledgment or update appointment as a delivery commitment.

People: Keiko, Buyer; Luis, Supplier account manager.

### Read the record

Choose one answer per question using the facts above.

#### 1. What has the supplier confirmed?

- A. Receipt of order P46, not a shipping date
- B. Dispatch of all 500 units
- C. Warehouse receipt on October 12
- D. Reserved capacity and transit time

#### 2. What does October 12 refer to?

- A. The date all units were already delivered
- B. Tomorrow's update appointment
- C. The buyer's required warehouse-receipt date
- D. The supplier's confirmed departure date

#### 3. What is promised for tomorrow at noon?

- A. Arrival at the warehouse
- B. A completed supplier audit
- C. An update
- D. Shipment of 500 units

[Answers and explanations, page 121](#)

# B Vocabulary in use

## CORE TERMS

### procurement

The process of sourcing and obtaining required goods or services.

*coordinate procurement*

### order acknowledgment

Confirmation that an order has been received or accepted as stated.

*clarify the order acknowledgment*

### committed date

A date a party has explicitly agreed to meet within stated terms.

*obtain a committed date*

### receipt date

The date goods arrive and are received at the stated location.

*specify the required receipt date*

### transit time

The time spent moving goods between specified points.

*confirm transit time*

### partial shipment

Delivery of only part of the ordered quantity in one dispatch.

*propose a partial shipment*

### purchase order

A buyer's order identifying goods, quantities, and relevant terms.

*issue a purchase order*

### requested date

The date a party asks another party to meet.

*distinguish requested and committed dates*

### ship date

The date goods leave the specified shipping point.

*confirm the ship date*

### supplier lead time

The time between defined order and supply events.

*verify supplier lead time*

### order line

A separate item-and-quantity entry within an order.

*review each order line*

### backorder

Ordered demand that cannot yet be fulfilled as required.

*track a backorder*

---

## Say it in context

Stress the highlighted expression. Keep the surrounding words connected; pause at the end of the phrase.

### procurement **PROCUREMENT**

coordinate procurement

Keep the meaning precise: The process of sourcing and obtaining required goods or services.

### ship date **SHIP DATE**

confirm the ship date

Keep the meaning precise: The date goods leave the specified shipping point.

# **B** Precision and professional shorthand

## EXTEND YOUR RANGE

### allocation

Assignment of limited supply to particular orders or customers.

*confirm supply allocation*

### expediting

Action to accelerate or closely follow a delayed supply activity.

*request expediting*

### request for quotation

A buyer's request for a priced offer against defined requirements.

*issue a request for quotation*

### supplier scorecard

A structured summary of supplier performance against defined measures.

*review the supplier scorecard*

### on-time in-full

Delivery meeting both the agreed timing and quantity requirements.

*measure on-time in-full*

### commercial escalation

Referral of an unresolved supply issue to the appropriate decision level.

*initiate a commercial escalation*

### capacity commitment

A confirmed assignment of production capability for a specified need.

*secure a capacity commitment*

### minimum order quantity

The smallest quantity a supplier will accept under specified terms.

*review the minimum order quantity*

### quotation validity

The period or conditions under which a supplier's offer remains open.

*confirm quotation validity*

### on-time delivery

Delivery within the agreed timing definition and tolerance.

*define on-time delivery*

### service-level agreement

An agreement defining specified service commitments and measures.

*review the service-level agreement*

### status checkpoint

An agreed point for obtaining an updated status.

*set a status checkpoint*

---

## Say it in context

Stress the highlighted expression. Keep the surrounding words connected; pause at the end of the phrase.

### backorder **BACKORDER**

track a backorder

Keep the meaning precise: Ordered demand that cannot yet be fulfilled as required.

### request for quotation **REQUEST FOR QUOTATION**

issue a request for quotation

Keep the meaning precise: A buyer's request for a priced offer against defined requirements.

# Phrases that move the work forward

**Name the order**

This concerns P46 for 500 units.

**State the required event**

We need warehouse receipt by October 12.

**Request the commitment**

Please confirm the quantity and committed ship date for each line.

**Ask about transit**

What transit assumption supports the proposed arrival?

**Keep planning honest**

We cannot enter a confirmed receipt date without a supported supply plan.

**Preserve the total**

Show how the proposed shipments add up to all 500 units.

**Escalate constructively**

Please involve the person who can confirm allocation and timing.

**Avoid an invented promise**

I will report the date as unconfirmed until your commitment is clear.

**Clarify acknowledgment**

Does your acknowledgment confirm receipt only, or specific quantities and dates?

**Separate dispatch**

A ship date is not the same as a warehouse-receipt date.

**Identify missing capacity**

Is capacity allocated to this order, or still under review?

**Clarify the update**

Tomorrow at noon is the response time, not a dispatch commitment.

**Explore a partial**

A partial shipment may help if quantities and the remainder are explicit.

**Ask for the constraint**

What prevents you from confirming the date now?

**Define the measure**

Are we scoring departure or receipt, and against which agreed date?

**Close the checkpoint**

Please send the status tomorrow at noon even if the final date remains open.

---

## Precision in real exchanges

**Purpose:** Separate dispatch

**Useful wording:** A ship date is not the same as a warehouse-receipt date.

**Purpose:** Request the commitment

**Useful wording:** Please confirm the quantity and committed ship date for each line.

## **D** Choose the response that fits

Choose one response for each situation. Preserve the facts, the decision boundary, and the purpose of the exchange.

### **1. Which internal status is accurate now?**

- A.** All 500 units dispatched tomorrow at noon.
- B.** The supplier has failed a confirmed date that is not supplied.
- C.** P46 acknowledged; ship date, capacity, and transit basis unconfirmed.
- D.** P46 confirmed for warehouse receipt October 12.

### **2. Which request would best clarify the missing commitment?**

- A.** Please repeat October 12 as the requested date without checking production allocation.
- B.** Please confirm noon tomorrow as dispatch because it is the next appointment.
- C.** Please identify the quantity, departure location, committed ship date, and transit basis for warehouse receipt.
- D.** Please confirm your acknowledgment number; we will derive arrival from that.

### **3. A colleague needs the term for this meaning: The date a party asks another party to meet. Which term fits?**

- A.** expediting
- B.** requested date
- C.** transit time
- D.** on-time in-full

## **D** Choose the response that fits / continued

**4. Rebuild the exchange from "Acknowledged, but not scheduled". Keiko: "Your note also says tomorrow at noon. Our planner read that as the time the order would ship, but I think you meant the next response." Luis: [missing response] Keiko: "Please call at noon even if the date is still open. Tell us what is unresolved and who is working on it so we can update production." Which response belongs in the gap?**

- A.** Correct. It is a status checkpoint. I will provide an update then; it is not a promise that five hundred units will leave at noon.
- B.** Understood. That is your required receipt date. We need a compatible dispatch plan and transit basis before I can tell you whether we can support it.
- C.** Agreed. On-time delivery needs a fixed basis. For now, report P46 as acknowledged with timing unconfirmed, and expect my status response tomorrow at noon.
- D.** I will. The capacity commitment is still under review. I need the responsible planning team to confirm what capacity can be assigned to this order.

[Answers and explanations, page 121](#)

### **One useful distinction**

Order acknowledged does not specify which dates or quantities have been accepted. Ask what the acknowledgment covers. A requested warehouse-receipt date needs a compatible dispatch plan and transit basis; neither is established in this case.

# Conversation

## Acknowledged, but not scheduled

Acknowledged, but not scheduled

Complete the numbered gaps. Use each bank entry once; some entries contain several words.

### WORD AND PHRASE BANK

transit time / order acknowledgment / status checkpoint / partial shipment / order line /  
capacity commitment / committed date / commercial escalation / receipt date /  
On-time delivery

- 01 **Keiko:** Thank you for acknowledging P46. We ordered five hundred units and need them at our warehouse by October twelve, but your message does not include a ship date.
- 02 **Luis:** The <sup>1</sup> \_\_\_\_\_ confirms receipt of the order. It does not yet confirm allocation or dispatch timing, and I do not want you to mistake it for that commitment.
- 03 **Keiko:** Just to be clear, October twelve is our required warehouse receipt date. A shipment leaving your site that day would not meet the request.
- 04 **Luis:** Understood. That is your required <sup>2</sup> \_\_\_\_\_. We need a compatible dispatch plan and transit basis before I can tell you whether we can support it.
- 05 **Keiko:** Your note also says tomorrow at noon. Our planner read that as the time the order would ship, but I think you meant the next response.
- 06 **Luis:** Correct. It is a <sup>3</sup> \_\_\_\_\_. I will provide an update then; it is not a promise that five hundred units will leave at noon.
- 07 **Keiko:** Please call at noon even if the date is still open. Tell us what is unresolved and who is working on it so we can update production.
- 08 **Luis:** I will. The <sup>4</sup> \_\_\_\_\_ is still under review. I need the responsible planning team to confirm what capacity can be assigned to this order.
- 09 **Keiko:** When you have that assessment, please identify the quantity and timing for each item line. A single general date could hide different availability across the order.
- 10 **Luis:** I will report each <sup>5</sup> \_\_\_\_\_ separately where timing differs. The total needs to remain five hundred, with any split clearly linked to the original order quantities.

Conversation continues on the next page.

# Acknowledged, but not scheduled

## CONVERSATION / CONTINUED

- 11 **Keiko:** A split could help our operations, but only if it is a real proposal with dates. Two hundred first and three hundred later would not be enough by itself.
- 12 **Luis:** Yes. A <sup>6</sup> \_\_\_\_\_ needs quantities, timing, and the remaining balance. I will not describe a possible split as though it has already been approved or dispatched.
- 13 **Keiko:** We also need to know the dispatch location and what the transport estimate includes. Otherwise a proposed departure date may not support the required warehouse arrival.
- 14 **Luis:** The <sup>7</sup> \_\_\_\_\_ basis must be explicit. We should identify the relevant route and conditions rather than assume a generic number covers every movement and receiving step.
- 15 **Keiko:** Then we can distinguish proposals from commitments. Our internal schedule should use the same status wording.
- 16 **Luis:** Exactly. I will label a <sup>8</sup> \_\_\_\_\_ only when the relevant commitment is established. Until then, the requested warehouse date and our unconfirmed supply timing must remain separate.
- 17 **Keiko:** If the planning team cannot resolve allocation, please involve the right decision maker. We need a practical next route without accusing anyone of breaking a date not yet promised.
- 18 **Luis:** I will use the <sup>9</sup> \_\_\_\_\_ process if needed. The update will identify the constraint and owner rather than replace the missing date with a vague assurance.
- 19 **Keiko:** For performance reporting later, let's also agree whether we measure dispatch or warehouse receipt. Moving between those definitions would make on-time performance misleading.
- 20 **Luis:** Agreed. <sup>10</sup> \_\_\_\_\_ needs a fixed basis. For now, report P46 as acknowledged with timing unconfirmed, and expect my status response tomorrow at noon.

## CHECK THE GAPS

1. order acknowledgment / 2. receipt date / 3. status checkpoint / 4. capacity commitment / 5. order line / 6. partial shipment / 7. transit time / 8. committed date / 9. commercial escalation / 10. On-time delivery

[Why these answers fit, page 122](#)

# F Check accuracy and scope

## Acknowledged, but not scheduled

### Return to the case

Buyer Keiko and supplier account manager Luis discuss purchase order P46 for 500 units. The supplier has acknowledged receipt but has given no shipping date. The buyer needs warehouse receipt by October 12. Capacity and transit timing are not confirmed. A supplier message promises an update tomorrow at noon, not dispatch tomorrow. Keiko must obtain a clear status and request line-level quantities and dates without treating the acknowledgment or update appointment as a delivery commitment.

Choose one answer per question. Use the case facts and keep any uncertainty or limits intact.

### 1. The supplier proposes 200 units first and 300 later. What still needs clarification?

- A. Whether no remainder exists
- B. Dates, locations, terms, and status for both shipments
- C. Whether 200 plus 300 equals 500
- D. Whether a partial shipment means all units already arrived

### 2. How should tomorrow's noon appointment be reported?

- A. Supplier status update due; shipment date still unconfirmed
- B. Guaranteed dispatch at noon
- C. Guaranteed receipt at noon
- D. Automatic order cancellation at noon

[Answers and explanations, page 124](#)

### Listen for the distinction

Switch roles for turns 11-20. Stress the requested shipment quantities, departure dates, and unconfirmed transit basis.

### A precise request is easier to answer

Instead of asking whether an order is on track, identify the quantity, location, event, and date you need. Separate a request for information from a claim that the supplier has already promised it. This keeps a firm commercial discussion accurate even when the missing date is inconvenient.

# F Say it / transfer to a new case

## An update is not a departure

A supplier acknowledges an order for 80 units. Receipt is requested on Friday. The supplier promises a status response on Tuesday but has not confirmed dispatch.

Complete the four gaps. With a partner, read alternate roles, then switch. Studying alone, read both roles and pause before each response.

### WORD AND PHRASE BANK

date / unconfirmed / delivery / response

- 01 **Buyer:** Friday is our requested receipt <sup>1</sup> \_\_\_\_\_.
- 02 **Supplier:** Tuesday is the promised status <sup>2</sup> \_\_\_\_\_.
- 03 **Buyer:** The ship date remains <sup>3</sup> \_\_\_\_\_.
- 04 **Supplier:** Acknowledgment alone does not establish <sup>4</sup> \_\_\_\_\_.

### CHECK THE GAPS

1. date / 2. response / 3. unconfirmed / 4. delivery

[Why these answers fit, page 124](#)

## Rebuild the exchange

Choose the missing response. Read the completed three-turn exchange aloud, changing roles on the second reading.

**1. Rebuild the exchange from "Acknowledged, but not scheduled". Keiko: "We also need to know the dispatch location and what the transport estimate includes. Otherwise a proposed departure date may not support the required warehouse arrival." Luis: [missing response] Keiko: "Then we can distinguish proposals from commitments. Our internal schedule should use the same status wording." Which response belongs in the gap?**

- A.** The transit time basis must be explicit. We should identify the relevant route and conditions rather than assume a generic number covers every movement and receiving step.
- B.** Yes. A partial shipment needs quantities, timing, and the remaining balance. I will not describe a possible split as though it has already been approved or dispatched.
- C.** I will use the commercial escalation process if needed. The update will identify the constraint and owner rather than replace the missing date with a vague assurance.
- D.** I will report each order line separately where timing differs. The total needs to remain five hundred, with any split clearly linked to the original order quantities.

[Answers and explanations, page 125](#)

# Review 1 / Meaning and context

Use language from the lessons you have completed. Choose one answer per question.

## Case file

Revisit "Demand Planning and Forecast Bias" and "Procurement and Supplier Performance". Choose precise terminology, then reconstruct the missing responses using both neighboring turns. The final two questions also revisit earlier conversations.

**1. A colleague needs the term for this meaning: A tendency for forecasts to be systematically too high or too low. Which term fits?**

- A. seasonality
- B. demand signal
- C. forecast bias
- D. overforecast

**2. A colleague needs the term for this meaning: The time between defined order and supply events. Which term fits?**

- A. supplier scorecard
- B. supplier lead time
- C. procurement
- D. allocation

**3. Rebuild the exchange from "Three optimistic forecasts and a new promotion".**  
**Martin: "For next month, the reference forecast is one hundred twenty. Sales proposes another thirty because of the promotion, but we have no supporting orders yet." Aisha: [missing response] Martin: "That gives a scenario of one hundred fifty. I do not want the planning team to dismiss the opportunity, but we should avoid calling it confirmed demand." Which response belongs in the gap?**

- A. Keep the baseline forecast visible. We can show the thirty-unit proposal separately so people understand what comes from the reference and what comes from the new commercial assumption.
- B. Compare mean absolute error as well. If the errors are plus ten and minus ten, the signed mean is zero but the average absolute miss is ten.
- C. They show an overforecast of twenty units in each month. The forecasts were one hundred twenty, one hundred thirty, and one hundred forty against lower actual demand.
- D. Exactly. The promotional uplift is an expectation to evaluate. Ask what evidence supports the increment and whether the demand is genuinely additional rather than shifted from another product.

# Review 1 / Meaning and context / continued

**4. Rebuild the exchange from "Acknowledged, but not scheduled". Keiko: "If the planning team cannot resolve allocation, please involve the right decision maker. We need a practical next route without accusing anyone of breaking a date not yet promised." Luis: [missing response] Keiko: "For performance reporting later, let's also agree whether we measure dispatch or warehouse receipt. Moving between those definitions would make on-time performance misleading." Which response belongs in the gap?**

- A.** I will use the commercial escalation process if needed. The update will identify the constraint and owner rather than replace the missing date with a vague assurance.
- B.** Yes. A partial shipment needs quantities, timing, and the remaining balance. I will not describe a possible split as though it has already been approved or dispatched.
- C.** I will report each order line separately where timing differs. The total needs to remain five hundred, with any split clearly linked to the original order quantities.
- D.** The transit time basis must be explicit. We should identify the relevant route and conditions rather than assume a generic number covers every movement and receiving step.

[Answers and explanations, page 156](#)

# A Read the situation

## LESSON 03 / INVENTORY, SAFETY STOCK, AND SERVICE LEVELS

Explain item-level availability and service measures without treating a high total balance or safety-stock policy as proof of fulfillment.

### Plenty of inventory, none of these items available

Inventory planner Elena and distribution manager Omar review a warehouse with a total inventory value of two million dollars. Item A has 40 units on hand, all allocated to existing orders. Item B has 80 units on hand, all blocked by a quality hold. New orders for both items remain unfilled. No available substitute or confirmed replenishment date is supplied. Elena must explain why the headline value does not resolve these shortages and distinguish physical stock from stock available to promise.

People: Elena, Inventory planner; Omar, Distribution manager.

### Read the record

Choose one answer per question using the facts above.

#### 1. How many A units are available to the new orders under the supplied facts?

- A. Zero, because all 40 are allocated
- B. Forty, because they are physically present
- C. Eighty, from item B
- D. Two million units

#### 2. How many B units are currently available under the stated quality status?

- A. An unknown amount automatically released by demand
- B. Zero, because all 80 are blocked
- C. Eighty, because the total value is high
- D. Forty, because A is allocated

#### 3. Why does the total value not resolve the shortages?

- A. Value aggregates different items and states and does not establish available A or B units.
- B. Dollars can be shipped as either product.
- C. All inventory must be physically absent.
- D. Every stockout proves the warehouse has zero total inventory.

[Answers and explanations, page 126](#)

# B Vocabulary in use

## CORE TERMS

### stock-keeping unit

A distinct inventory item identifier, commonly abbreviated SKU.

*analyze each stock-keeping unit*

### available inventory

Stock usable for the specified demand after relevant restrictions.

*confirm available inventory*

### blocked stock

Stock restricted from use under a defined status.

*identify blocked stock*

### available to promise

The quantity that can be committed under the defined supply-and-demand rules.

*calculate available to promise*

### safety stock

Buffer inventory intended to protect against specified uncertainty.

*review safety-stock assumptions*

### reorder point

The inventory level or position that triggers replenishment under a policy.

*review the reorder point*

### on-hand inventory

The quantity physically recorded at the stated location.

*reconcile on-hand inventory*

### allocated stock

Stock assigned to particular demand or orders.

*review allocated stock*

### quality hold

A restriction pending the required quality review or decision.

*respect a quality hold*

### inventory position

A defined balance considering on-hand stock, incoming supply, and demand commitments.

*state the inventory-position basis*

### cycle stock

Inventory supporting normal demand between replenishments.

*distinguish cycle stock*

### replenishment lead time

The elapsed time from a defined replenishment trigger to usable receipt.

*measure replenishment lead time*

---

## Say it in context

Stress the highlighted expression. Keep the surrounding words connected; pause at the end of the phrase.

### stock-keeping unit STOCK-KEEPING UNIT

analyze each stock-keeping unit

Keep the meaning precise: A distinct inventory item identifier, commonly abbreviated SKU.

### quality hold QUALITY HOLD

respect a quality hold

Keep the meaning precise: A restriction pending the required quality review or decision.

# **B** Precision and professional shorthand

## EXTEND YOUR RANGE

### stockout

Inability to supply an item when required from the relevant inventory.

*investigate stockouts*

### cycle service level

The probability of avoiding a stockout during a defined replenishment cycle.

*distinguish cycle service level*

### inventory turnover

A period's inventory usage or cost relative to the defined average inventory.

*interpret inventory turnover*

### slow-moving stock

Inventory used or sold less frequently than the defined threshold.

*identify slow-moving stock*

### ABC analysis

Grouping items by a selected importance measure, often annual consumption value.

*perform ABC analysis*

### inventory accuracy

Agreement between recorded and actual inventory under the defined measure.

*improve inventory accuracy*

### fill rate

The share of defined demand filled under the stated service measure.

*define the fill-rate basis*

### backorder

Demand retained for later fulfillment after it cannot be supplied as required.

*track backorders*

### days of supply

Inventory expressed as coverage of demand at a stated rate.

*calculate days of supply*

### obsolete stock

Inventory no longer suitable or expected to meet its intended demand.

*assess obsolete stock*

### item segmentation

Grouping items by relevant demand, supply, or service characteristics.

*refine item segmentation*

### reallocation

Authorized reassignment of stock from one demand to another.

*assess a reallocation request*

---

## Say it in context

Stress the highlighted expression. Keep the surrounding words connected; pause at the end of the phrase.

### replenishment lead time    REPLENISHMENT LEAD TIME

measure replenishment lead time

Keep the meaning precise: The elapsed time from a defined replenishment trigger to usable receipt.

### inventory turnover    INVENTORY TURNOVER

interpret inventory turnover

Keep the meaning precise: A period's inventory usage or cost relative to the defined average inventory.

# Phrases that move the work forward

**Start with the distinction**

The value total does not show availability for these two items.

**State B's restriction**

All 80 B units remain blocked by the quality hold.

**Avoid an unauthorized release**

New demand does not remove the quality restriction.

**Request item-level detail**

Show item, location, quantity, allocation, and status.

**Name the service measure**

Are we measuring units filled, complete orders, or stockout-free cycles?

**Check policy inputs**

Review demand variability and replenishment assumptions for the affected items.

**Define any reallocation**

A priority change needs an authorized allocation decision.

**State the missing date**

No confirmed replenishment date is supplied.

**State A's position**

All 40 A units are allocated to existing orders.

**Keep available quantity explicit**

Neither item has available stock for these new orders on the current facts.

**Avoid double-promising**

We cannot promise the same allocated stock to two orders.

**Clarify incoming supply**

A planned receipt is not yet usable on-hand inventory.

**Keep the buffer realistic**

Safety stock reduces exposure to specified uncertainty; it is not a universal guarantee.

**Separate slow stock**

High value in another item does not supply a missing unit of A.

**Avoid a premature policy fix**

A larger buffer proposal needs an item-specific basis.

**Close the explanation**

Report the headline value and the item-level shortage together.

---

## Precision in real exchanges

**Purpose:** Keep available quantity explicit

**Useful wording:** Neither item has available stock for these new orders on the current facts.

**Purpose:** Avoid an unauthorized release

**Useful wording:** New demand does not remove the quality restriction.

## **D** Choose the response that fits

Choose one response for each situation. Preserve the facts, the decision boundary, and the purpose of the exchange.

### **1. Which management summary is accurate?**

- A.** Two million dollars proves every order can be filled.
- B.** A and B have 120 freely available units.
- C.** B can be shipped because its units are physically present.
- D.** Inventory value is high, but A is fully allocated and B fully blocked, leaving no available stock for the new orders.

### **2. Another item has 60 on hand, 35 allocated, and 10 blocked, with no overlap. What remains free?**

- A.** 25 units
- B.** 45 units
- C.** 60 units
- D.** 15 units

### **3. A colleague needs the term for this meaning: Stock assigned to particular demand or orders. Which term fits?**

- A.** cycle service level
- B.** allocated stock
- C.** ABC analysis
- D.** safety stock

## **D** Choose the response that fits / continued

**4. Rebuild the exchange from "Plenty of inventory, none of these items available".**  
**Omar:** "Can we display the allocation beside the forty-unit count? At the moment, the first screen makes those units look available to anyone taking a new order."  
**Elena:** [missing response] **Omar:** "B has eighty units on hand, but the status is blocked. I assume the new order does not give distribution authority to remove that status." Which response belongs in the gap?

- A.** Define the fill rate basis explicitly. Units, order lines, and complete orders can produce different percentages, and none should be silently substituted for the others.
- B.** They are allocated stock. All forty belong to existing orders under the current allocation; promising them again would create two commitments against the same quantity.
- C.** Exactly. On-hand inventory and available inventory are different views. The same distinction matters for B, although its restriction comes from quality status rather than allocation.
- D.** Start at the stock-keeping unit level. Value across many items does not establish that the specific products requested are available in the right state and location.

[Answers and explanations, page 126](#)

### **One useful distinction**

Physical presence does not establish free availability. All 40 A units are allocated; all 80 B units are blocked. Neither group is available for the new orders on the supplied facts. A total dollar value cannot be substituted for an item quantity.

## E Conversation

### Plenty of inventory, none of these items available

Plenty of inventory, none of these items available

Complete the numbered gaps. Use each bank entry once; some entries contain several words.

#### WORD AND PHRASE BANK

stock-keeping unit / safety stock / reallocation / quality hold / allocated stock /  
cycle service level / fill rate / available to promise / replenishment lead time /  
On-hand inventory

- 01 **Omar:** We have two million dollars of inventory, yet new orders for A and B are unfilled. The total looks healthy, so I need a clear explanation.
- 02 **Elena:** Start at the <sup>1</sup> \_\_\_\_\_ level. Value across many items does not establish that the specific products requested are available in the right state and location.
- 03 **Omar:** The record shows forty units of A physically here. Why can those not satisfy the new demand if the items are already in the building?
- 04 **Elena:** They are <sup>2</sup> \_\_\_\_\_. All forty belong to existing orders under the current allocation; promising them again would create two commitments against the same quantity.
- 05 **Omar:** Can we display the allocation beside the forty-unit count? At the moment, the first screen makes those units look available to anyone taking a new order.
- 06 **Elena:** Exactly. <sup>3</sup> \_\_\_\_\_ and available inventory are different views. The same distinction matters for B, although its restriction comes from quality status rather than allocation.



## **E** Conversation / continued

- 07 **Omar:** B has eighty units on hand, but the status is blocked. I assume the new order does not give distribution authority to remove that status.
- 08 **Elena:** Correct. The <sup>4</sup> \_\_\_\_\_ remains in force. We cannot treat the eighty units as usable merely because they have value or are physically present.
- 09 **Omar:** So neither item has free stock for the new orders on the current facts. That does not mean the whole warehouse is empty or all our stock is obsolete.
- 10 **Elena:** Right. Our <sup>5</sup> \_\_\_\_\_ assessment must respect allocations and restrictions. We also have no confirmed replenishment date or available substitute in this briefing.

Conversation continues on the next page.

# Plenty of inventory, none of these items available

## CONVERSATION / CONTINUED

- 11 **Omar:** Should we simply increase safety stock for both items? The repeated shortages suggest a problem, but I do not know whether a larger buffer is the appropriate response.
- 12 **Elena:** Review the <sup>6</sup> \_\_\_\_\_ assumptions rather than assume the answer. Demand variation, supply timing, and the reason for unavailable stock need item-specific examination.
- 13 **Omar:** Lead-time assumptions may also matter. A receipt that arrives later than expected could undermine the intended buffer, even if the original quantity calculation looked reasonable.
- 14 **Elena:** Yes. Use the actual <sup>7</sup> \_\_\_\_\_ definition, including when stock becomes usable. A shipment in transit is not the same as inventory available at the required location.
- 15 **Omar:** Our service dashboard says ninety-five percent, but the label does not say whether that means units supplied or orders supplied completely. That makes comparisons difficult.
- 16 **Elena:** Define the <sup>8</sup> \_\_\_\_\_ basis explicitly. Units, order lines, and complete orders can produce different percentages, and none should be silently substituted for the others.
- 17 **Omar:** The replenishment report counts cycles with no shortage. Should that have a separate label so our teams stop comparing it directly with the demand-fill figure?
- 18 **Elena:** That is <sup>9</sup> \_\_\_\_\_. It is not automatically equal to a demand-fill percentage, so a shared label of service level can conceal an important difference.

# Plenty of inventory, none of these items available / continued

- 19 **Omar:** I will explain the two-million-dollar total alongside the item-specific restrictions. Any proposal to move A from existing orders will also need a clear priority decision.
- 20 **Elena:** Yes, any <sup>10</sup> \_\_\_\_\_ must be authorized and visible. For now, report A fully allocated, B fully blocked, and replenishment unconfirmed rather than imply the headline value resolves the shortages.

---

## CHECK THE GAPS

**1.** stock-keeping unit / **2.** allocated stock / **3.** On-hand inventory / **4.** quality hold / **5.** available to promise / **6.** safety stock / **7.** replenishment lead time / **8.** fill rate / **9.** cycle service level / **10.** reallocation

[Why these answers fit, page 128](#)

## F Check accuracy and scope

### Plenty of inventory, none of these items available

#### Return to the case

Inventory planner Elena and distribution manager Omar review a warehouse with a total inventory value of two million dollars. Item A has 40 units on hand, all allocated to existing orders. Item B has 80 units on hand, all blocked by a quality hold. New orders for both items remain unfilled. No available substitute or confirmed replenishment date is supplied. Elena must explain why the headline value does not resolve these shortages and distinguish physical stock from stock available to promise.

Choose one answer per question. Use the case facts and keep any uncertainty or limits intact.

#### 1. Which claim about safety stock is defensible?

- A. It buffers specified uncertainty but does not guarantee that every item will always be available.
- B. It guarantees no stockouts under all conditions.
- C. It removes the need to measure lead time.
- D. It turns blocked stock into available stock.

#### 2. A later report shows 95% unit fill rate. Which conclusion needs a separate measure?

- A. Five percent of measured demand units were not filled under that report's definition.
- B. The unit measure concerns the share of demand filled.
- C. The reporting definition matters when interpreting the result.
- D. Ninety-five percent of replenishment cycles had no stockout.

[Answers and explanations, page 129](#)

#### Listen for the distinction

Switch roles for turns 11-20. Keep fill rate, cycle service level, and an authorized reallocation distinct.

#### Answer the question at the right level

A manager may ask how shortages are possible when inventory is high. Start by separating value, item identity, location, and usability. This turns a seeming contradiction into a concrete allocation and replenishment discussion without implying that all existing stock is useless or every policy has failed.

## F Say it / transfer to a new case

### Free quantity has a status basis

An item has 100 units on hand. Sixty are allocated and 25 are blocked, with no overlap. No receipt is confirmed.

Complete the four gaps. With a partner, read alternate roles, then switch. Studying alone, read both roles and pause before each response.

#### WORD AND PHRASE BANK

unconfirmed / fifteen / hundred / sixty

- 01 **Planner:** The physical on-hand quantity is one <sup>1</sup> \_\_\_\_\_.
- 02 **Manager:** The allocated quantity is <sup>2</sup> \_\_\_\_\_.
- 03 **Planner:** The remaining free quantity is <sup>3</sup> \_\_\_\_\_.
- 04 **Manager:** Future replenishment remains <sup>4</sup> \_\_\_\_\_.

#### CHECK THE GAPS

1. hundred / 2. sixty / 3. fifteen / 4. unconfirmed

[Why these answers fit, page 129](#)

### Rebuild the exchange

Choose the missing response. Read the completed three-turn exchange aloud, changing roles on the second reading.

**1. Rebuild the exchange from "Plenty of inventory, none of these items available". Omar: "Lead-time assumptions may also matter. A receipt that arrives later than expected could undermine the intended buffer, even if the original quantity calculation looked reasonable." Elena: [missing response] Omar: "Our service dashboard says ninety-five percent, but the label does not say whether that means units supplied or orders supplied completely. That makes comparisons difficult." Which response belongs in the gap?**

- A.** That is cycle service level. It is not automatically equal to a demand-fill percentage, so a shared label of service level can conceal an important difference.
- B.** Start at the stock-keeping unit level. Value across many items does not establish that the specific products requested are available in the right state and location.
- C.** Yes, any reallocation must be authorized and visible. For now, report A fully allocated, B fully blocked, and replenishment unconfirmed rather than imply the headline value resolves the shortages.
- D.** Yes. Use the actual replenishment lead time definition, including when stock becomes usable. A shipment in transit is not the same as inventory available at the required location.

[Answers and explanations, page 130](#)

# A Read the situation

## LESSON 04 / WAREHOUSING AND FULFILLMENT

Reconcile a changing order queue, distinguish gross completions from net reduction, and avoid unsupported claims about order age or service.

### Shipments and the closing queue

Warehouse lead Pavel and customer-operations manager Zoe review a shift that began with 300 open orders. Fifty new orders arrived during the shift, and 220 orders were fully shipped and closed. There were no cancellations, reopenings, or partial closures. The data do not identify which shipped orders came from the opening queue. A report says 80 remain and the oldest orders are cleared. Pavel and Zoe must correct the balance and separate the known throughput from the unsupported age and service claims.

People: Pavel, Warehouse lead; Zoe, Customer-operations manager.

### Read the record

Choose one answer per question using the facts above.

#### 1. How many orders remain open?

- A. 130
- B. 80
- C. 220
- D. 350

#### 2. What is the net reduction from the opening queue total?

- A. 50 orders
- B. 300 orders
- C. 170 orders
- D. 220 orders

#### 3. What is unknown about the shipped orders?

- A. Whether 50 new orders arrived
- B. Whether cancellations occurred
- C. Which were from the opening queue
- D. Whether 220 were fully closed

[Answers and explanations, page 131](#)

# B Vocabulary in use

## CORE TERMS

### order backlog

Orders still awaiting the defined fulfillment completion.

*reconcile the order backlog*

### closing balance

The quantity at the end after all relevant movements.

*calculate the closing balance*

### gross completions

Total completed orders before accounting for new arrivals or other queue changes.

*report gross completions*

### fulfillment cycle

The steps from accepted order through the defined delivery or completion point.

*map the fulfillment cycle*

### wave picking

Grouping orders into planned picking batches or time windows.

*organize wave picking*

### pick accuracy

The correctness of selected items and quantities under the defined measure.

*monitor pick accuracy*

### opening balance

The quantity at the start of the reporting period.

*state the opening balance*

### order inflow

New orders entering the queue during a period.

*track order inflow*

### net reduction

The decrease in the total balance after additions and removals.

*distinguish net reduction*

### order release

Authorization to begin warehouse processing for an order.

*schedule order release*

### pick face

The location from which items are selected for orders.

*replenish the pick face*

### short pick

A pick that cannot supply the full requested quantity.

*investigate a short pick*

---

## Say it in context

Stress the highlighted expression. Keep the surrounding words connected; pause at the end of the phrase.

### order backlog ORDER BACKLOG

reconcile the order backlog

Keep the meaning precise: Orders still awaiting the defined fulfillment completion.

### net reduction NET REDUCTION

distinguish net reduction

Keep the meaning precise: The decrease in the total balance after additions and removals.

# **B** Precision and professional shorthand

## EXTEND YOUR RANGE

### packing verification

Checking packed items against order and shipping requirements.

*complete packing verification*

### partial fulfillment

Completion of only part of an order.

*flag partial fulfillment*

### due-date priority

Ranking work by agreed completion or delivery deadlines.

*assess due-date priority*

### warehouse management system

Software managing warehouse inventory and operations, abbreviated WMS.

*reconcile the warehouse management system*

### exception queue

Work set aside for problems requiring resolution.

*review the exception queue*

### labor capacity

The work volume supported by available personnel under stated conditions.

*review labor capacity*

### shipment confirmation

A recorded confirmation of the defined dispatch event.

*verify shipment confirmation*

### order aging

The time orders have remained open under the defined starting point.

*review order aging*

### cutoff time

The latest time for inclusion in a specified processing or dispatch cycle.

*confirm the cutoff time*

### scan event

A recorded identification action at a process step.

*trace scan events*

### dock capacity

The available capability for loading, unloading, and related dock work.

*assess dock capacity*

### order cohort

A defined group of orders, such as those open at the start of a shift.

*analyze an order cohort*

---

## Say it in context

Stress the highlighted expression. Keep the surrounding words connected; pause at the end of the phrase.

### short pick SHORT PICK

investigate a short pick

Keep the meaning precise: A pick that cannot supply the full requested quantity.

### due-date priority DUE-DATE PRIORITY

assess due-date priority

Keep the meaning precise: Ranking work by agreed completion or delivery deadlines.

# Phrases that move the work forward

**Define the starting queue**

We began the shift with 300 open orders.

**State completion precisely**

Two hundred twenty orders were fully shipped and closed.

**Separate gross and net**

We completed 220 orders, but the queue fell by 170.

**Keep the cohort open**

We do not know which completed orders came from the opening queue.

**Request the age view**

Show the remaining orders by age and due date.

**Preserve order units**

Do not mix orders, order lines, units, and cartons.

**Check exceptions**

Identify unresolved stock, documentation, or address issues separately.

**Keep the plan conditional**

The next-shift plan needs current capacity and priority information.

**Include arrivals**

Fifty new orders entered during the shift.

**Reconcile the ending queue**

The closing balance is 130 open orders.

**Explain the correction**

Eighty omits the 50 new arrivals.

**Avoid an age claim**

The total does not prove the oldest orders were cleared.

**Separate service measures**

Shipped volume does not by itself establish on-time delivery.

**Clarify partials**

This report counts only fully closed orders.

**Reconcile the system**

Match the completion events to the warehouse record.

**Close the report**

Present arrivals, completions, ending balance, and remaining exceptions together.

---

## Precision in real exchanges

**Purpose:** Reconcile the ending queue

**Useful wording:** The closing balance is 130 open orders.

**Purpose:** Separate gross and net

**Useful wording:** We completed 220 orders, but the queue fell by 170.

## **D** Choose the response that fits

Choose one response for each situation. Preserve the facts, the decision boundary, and the purpose of the exchange.

### **1. Which closing report is correct?**

- A.**  $300 + 220 - 50 = 470$  open
- B.** 220 closed means the opening queue is fully cleared
- C.**  $300 \text{ opening} + 50 \text{ new} - 220 \text{ closed} = 130$  open
- D.**  $300 - 220 = 80$  open, ignoring new orders

### **2. Why is net reduction not 220?**

- A.** Fifty new orders offset part of the 220 completions.
- B.** Closing an order always increases the queue.
- C.** The 220 shipments were all partial closures.
- D.** Cancellations account for the difference.

### **3. A colleague needs the term for this meaning: New orders entering the queue during a period. Which term fits?**

- A.** partial fulfillment
- B.** wave picking
- C.** order inflow
- D.** exception queue

## D Choose the response that fits / continued

**4. Rebuild the exchange from "Shipments and the closing queue". Zoe: "Should I reduce the shipment figure to one hundred seventy as well? That is how much smaller the queue is now." Pavel: [missing response] Zoe: "Understood. Two hundred twenty completed, fifty added, and the open queue fell by one hundred seventy. I will label each number separately." Which response belongs in the gap?**

- A.** I will reconcile them against the warehouse management system. Customer service will receive the corrected balance and the age and exception details, with any unresolved differences identified.
- B.** Call the last figure the net reduction. Otherwise the next shift may think one hundred seventy was our total output rather than the change in unfinished work.
- C.** No. Keep two hundred twenty as gross completions. Those orders really were completed. The extra fifty arrived during the same shift; they do not cancel completed work.
- D.** It omits the order inflow. Fifty new orders arrived after the opening count of three hundred. We also fully shipped and closed two hundred twenty.

[Answers and explanations, page 131](#)

### One useful distinction

300 opening orders plus 50 arrivals minus 220 completed orders equals 130 closing orders. Gross completions are 220; the net queue reduction is 170. Ignoring arrivals produces the incorrect balance of 80.

# E Conversation

## Shipments and the closing queue

Shipments and the closing queue

Complete the numbered gaps. Use each bank entry once; some entries contain several words.

### WORD AND PHRASE BANK

net reduction / shipment confirmation / exception queue / gross completions /  
warehouse management system / order aging / closing balance / partial fulfillment /  
order cohort / order inflow

- 01 **Zoe:** I am about to send customer service the shift report. It says eighty orders remain. Can you check it before I send the update?
- 02 **Pavel:** It omits the <sup>1</sup> \_\_\_\_\_. Fifty new orders arrived after the opening count of three hundred. We also fully shipped and closed two hundred twenty.
- 03 **Zoe:** Right, I subtracted the shipments but forgot the additions. Three hundred plus fifty, minus two hundred twenty. That leaves one hundred thirty, not eighty.
- 04 **Pavel:** Yes, that is the <sup>2</sup> \_\_\_\_\_. There were no cancellations or reopenings, so we do not need another adjustment to reconcile these totals.
- 05 **Zoe:** Should I reduce the shipment figure to one hundred seventy as well? That is how much smaller the queue is now.
- 06 **Pavel:** No. Keep two hundred twenty as <sup>3</sup> \_\_\_\_\_. Those orders really were completed. The extra fifty arrived during the same shift; they do not cancel completed work.
- 07 **Zoe:** Understood. Two hundred twenty completed, fifty added, and the open queue fell by one hundred seventy. I will label each number separately.
- 08 **Pavel:** Call the last figure the <sup>4</sup> \_\_\_\_\_. Otherwise the next shift may think one hundred seventy was our total output rather than the change in unfinished work.
- 09 **Zoe:** There is another sentence: all the oldest orders are cleared. The completed total is large, but I cannot find the order identifiers behind that claim.
- 10 **Pavel:** We need the <sup>5</sup> \_\_\_\_\_ detail. We cannot tell from these totals how many completions belonged to the opening queue or which were new arrivals.

Conversation continues on the next page.

# Shipments and the closing queue

## CONVERSATION / CONTINUED

- 11 **Zoe:** Then I will remove that sentence. Could you send the remaining order ages and due dates before customer service contacts individual customers?
- 12 **Pavel:** I will pull the <sup>6</sup> \_\_\_\_\_ report. It can show who is still waiting; the single remaining-order total cannot answer that question.
- 13 **Zoe:** Include the unresolved address and stock issues separately. Customer service needs to know whether an order is ready to process or waiting on somebody else.
- 14 **Pavel:** I will add the <sup>7</sup> \_\_\_\_\_ and its assigned owners. I will not describe those orders as ready until their blocking issues are resolved.
- 15 **Zoe:** One more point: does fully shipped mean delivered on time? The report heading currently calls these successful deliveries.
- 16 **Pavel:** No. A <sup>8</sup> \_\_\_\_\_ records dispatch under our definition. We need the agreed dates and the relevant delivery events before claiming on-time arrival.
- 17 **Zoe:** I will change that heading too. We are counting fully closed orders, not cartons, individual units, or customer deliveries.
- 18 **Pavel:** Correct. This count excludes <sup>9</sup> \_\_\_\_\_. Shipping one carton from an unfinished order does not make that order one of our two hundred twenty closures.
- 19 **Zoe:** I have corrected eighty to one hundred thirty, kept the completed count, and removed the oldest-cleared and on-time-delivery claims. Please check the underlying events.
- 20 **Pavel:** I will reconcile them against the <sup>10</sup> \_\_\_\_\_. Customer service will receive the corrected balance and the age and exception details, with any unresolved differences identified.

## CHECK THE GAPS

1. order inflow / 2. closing balance / 3. gross completions / 4. net reduction / 5. order cohort / 6. order aging / 7. exception queue / 8. shipment confirmation / 9. partial fulfillment / 10. warehouse management system

[Why these answers fit, page 132](#)

# F Check accuracy and scope

## Shipments and the closing queue

### Return to the case

Warehouse lead Pavel and customer-operations manager Zoe review a shift that began with 300 open orders. Fifty new orders arrived during the shift, and 220 orders were fully shipped and closed. There were no cancellations, reopenings, or partial closures. The data do not identify which shipped orders came from the opening queue. A report says 80 remain and the oldest orders are cleared. Pavel and Zoe must correct the balance and separate the known throughput from the unsupported age and service claims.

Choose one answer per question. Use the case facts and keep any uncertainty or limits intact.

### 1. What is the possible number of opening-queue orders still open after this shift?

- A. Zero, because gross completions exceed the new arrivals.
- B. Between 80 and 130; the exact count needs order identifiers.
- C. Exactly 80, because all 220 completions must belong to the opening queue.
- D. Exactly 130, because none of the 50 new orders can have shipped.

### 2. A later shift starts at 130, receives 40, and fully closes 90, with no other changes. What remains?

- A. 90 open orders
- B. 180 open orders
- C. 80 open orders
- D. 40 open orders

[Answers and explanations, page 134](#)

### Listen for the distinction

Switch roles for turns 11-20. Stress the phrases that withhold claims about the oldest orders and on-time delivery.

### Reconcile before celebrating

A strong output number deserves recognition, but the closing queue must include new arrivals and other changes. State the arithmetic openly and distinguish volume from customer service. A team can ship many orders while particular older or priority orders still need attention.

# F Say it / transfer to a new case

## Count every movement in the queue

A shift starts with 100 open orders, receives 30, and fully closes 80. There are no other changes, and shipped-order ages are not supplied.

Complete the four gaps. With a partner, read alternate roles, then switch. Studying alone, read both roles and pause before each response.

### WORD AND PHRASE BANK

thirty / eighty / unknown / fifty

- 01 **Lead:** The closing balance is <sup>1</sup> \_\_\_\_\_ orders.
- 02 **Colleague:** Gross completions are <sup>2</sup> \_\_\_\_\_.
- 03 **Lead:** The new-order inflow is <sup>3</sup> \_\_\_\_\_.
- 04 **Colleague:** The oldest-order status is still <sup>4</sup> \_\_\_\_\_.

### CHECK THE GAPS

1. fifty / 2. eighty / 3. thirty / 4. unknown

[Why these answers fit, page 134](#)

## Rebuild the exchange

Choose the missing response. Read the completed three-turn exchange aloud, changing roles on the second reading.

**1. Rebuild the exchange from "Shipments and the closing queue". Zoe: "Include the unresolved address and stock issues separately. Customer service needs to know whether an order is ready to process or waiting on somebody else." Pavel: [missing response] Zoe: "One more point: does fully shipped mean delivered on time? The report heading currently calls these successful deliveries." Which response belongs in the gap?**

- A.** I will add the exception queue and its assigned owners. I will not describe those orders as ready until their blocking issues are resolved.
- B.** Yes, that is the closing balance. There were no cancellations or reopenings, so we do not need another adjustment to reconcile these totals.
- C.** It omits the order inflow. Fifty new orders arrived after the opening count of three hundred. We also fully shipped and closed two hundred twenty.
- D.** We need the order cohort detail. We cannot tell from these totals how many completions belonged to the opening queue or which were new arrivals.

[Answers and explanations, page 135](#)

# Review 2 / Meaning and context

Use language from the lessons you have completed. Choose one answer per question.

## Case file

Revisit "Inventory, Safety Stock, and Service Levels" and "Warehousing and Fulfillment". Choose precise terminology, then reconstruct the missing responses using both neighboring turns. The final two questions also revisit earlier conversations.

**1. A colleague needs the term for this meaning: Stock usable for the specified demand after relevant restrictions. Which term fits?**

- A. obsolete stock
- B. inventory position
- C. fill rate
- D. available inventory

**2. A colleague needs the term for this meaning: Authorization to begin warehouse processing for an order. Which term fits?**

- A. order release
- B. packing verification
- C. order backlog
- D. warehouse management system

**3. Rebuild the exchange from "Acknowledged, but not scheduled". Keiko: "When you have that assessment, please identify the quantity and timing for each item line. A single general date could hide different availability across the order." Luis: [missing response] Keiko: "A split could help our operations, but only if it is a real proposal with dates. Two hundred first and three hundred later would not be enough by itself." Which response belongs in the gap?**

- A. I will use the commercial escalation process if needed. The update will identify the constraint and owner rather than replace the missing date with a vague assurance.
- B. The transit time basis must be explicit. We should identify the relevant route and conditions rather than assume a generic number covers every movement and receiving step.
- C. I will report each order line separately where timing differs. The total needs to remain five hundred, with any split clearly linked to the original order quantities.
- D. Yes. A partial shipment needs quantities, timing, and the remaining balance. I will not describe a possible split as though it has already been approved or dispatched.

## Review 2 / Meaning and context / continued

**4. Rebuild the exchange from "Shipments and the closing queue". Zoe: "I will change that heading too. We are counting fully closed orders, not cartons, individual units, or customer deliveries." Pavel: [missing response] Zoe: "I have corrected eighty to one hundred thirty, kept the completed count, and removed the oldest-cleared and on-time-delivery claims. Please check the underlying events." Which response belongs in the gap?**

- A.** Correct. This count excludes partial fulfillment. Shipping one carton from an unfinished order does not make that order one of our two hundred twenty closures.
- B.** I will add the exception queue and its assigned owners. I will not describe those orders as ready until their blocking issues are resolved.
- C.** We need the order cohort detail. We cannot tell from these totals how many completions belonged to the opening queue or which were new arrivals.
- D.** It omits the order inflow. Fifty new orders arrived after the opening count of three hundred. We also fully shipped and closed two hundred twenty.

[Answers and explanations, page 159](#)

# A Read the situation

## LESSON 05 / FREIGHT, ROUTING, AND CARRIER DELAYS

Give a useful delay update while separating a carrier estimate, confirmed transport events, appointment timing, and an authorized contingency.

### Wednesday is still an estimate

Logistics coordinator Nikhil and customer planner Dana review a fictional shipment. The carrier currently estimates warehouse arrival on Wednesday, but departure has not been confirmed. Dana needs the goods for a Wednesday 14:00 production start and asks for a guarantee. An expedited route is only being assessed; its capacity, extra cost, and arrival timing are unconfirmed. Nikhil has arranged a carrier status update for Tuesday at 16:00. He must state what is known without treating that update or the alternative route as a delivery promise.

People: Nikhil, Logistics coordinator; Dana, Customer planner.

### Read the record

Choose one answer per question using the facts above.

#### 1. What is the current arrival status?

- A. Confirmed warehouse delivery
- B. A completed departure proving every later milestone
- C. Estimated Wednesday warehouse arrival, with departure unconfirmed
- D. Guaranteed arrival before Wednesday 14:00

#### 2. What does Tuesday 16:00 represent?

- A. Guaranteed departure
- B. Guaranteed warehouse arrival
- C. Approved expedited transport
- D. A carrier status update

#### 3. What is known about the expedited route?

- A. It is booked and guaranteed free.
- B. It has already delivered the goods.
- C. It automatically meets Dana's production time.
- D. It is being assessed; capacity, cost, and timing are unconfirmed.

[Answers and explanations, page 136](#)

## B Vocabulary in use

### CORE TERMS

#### estimated time of arrival

A forecast arrival time for a specified destination, abbreviated ETA.

*qualify the estimated time of arrival*

#### actual departure

The confirmed time the shipment left the stated location.

*confirm actual departure*

#### carrier

The organization transporting goods under the relevant arrangement.

*request a carrier update*

#### consignor

The party sending goods under the transport record.

*identify the consignor*

#### bill of lading

A transport document evidencing receipt and carriage terms, with functions varying by type.

*review the bill of lading*

#### transport milestone

A defined event used to track shipment progress.

*confirm the transport milestone*

#### estimated time of departure

A forecast departure time from a specified location, abbreviated ETD.

*update the estimated time of departure*

#### actual arrival

The confirmed time the shipment reached the stated point.

*record actual arrival*

#### freight forwarder

A party arranging transport and related logistics services.

*coordinate with the freight forwarder*

#### consignee

The party named to receive goods under the transport record.

*confirm the consignee*

#### air waybill

A nonnegotiable document used for air-cargo carriage.

*verify the air waybill*

#### tracking exception

A reported departure from the expected shipment process.

*investigate a tracking exception*

---

### Say it in context

Stress the highlighted expression. Keep the surrounding words connected; pause at the end of the phrase.

#### estimated time of arrival ESTIMATED TIME OF ARRIVAL

*qualify the estimated time of arrival*

Keep the meaning precise: A forecast arrival time for a specified destination, abbreviated ETA.

#### freight forwarder FREIGHT FORWARDER

*coordinate with the freight forwarder*

Keep the meaning precise: A party arranging transport and related logistics services.

# **B** Precision and professional shorthand

## EXTEND YOUR RANGE

### transshipment

Transfer of goods between transport services during a journey.

*assess transshipment risk*

### last mile

The final transport leg to the delivery destination.

*coordinate the last mile*

### proof of delivery

Evidence documenting the defined delivery event.

*obtain proof of delivery*

### premium freight cost

Additional transport cost for a higher-cost or urgent service.

*authorize premium freight cost*

### demurrage

A charge for specified excess terminal or port use under applicable terms.

*review demurrage terms*

### Incoterms rule

An ICC trade rule allocating specified delivery obligations, costs, and risks.

*identify the agreed Incoterms rule*

### routing

The planned path and transport connections for a shipment.

*review the routing*

### delivery appointment

An agreed receiving time slot at the destination.

*confirm the delivery appointment*

### expedited freight

Transport arranged to reduce delivery time under specified conditions.

*assess expedited freight*

### capacity booking

A reservation of transport space under the applicable terms.

*confirm the capacity booking*

### detention

A charge for specified extended equipment use under applicable terms.

*check detention exposure*

### named place

The specific location stated with the relevant trade or delivery term.

*specify the named place*

---

## Say it in context

Stress the highlighted expression. Keep the surrounding words connected; pause at the end of the phrase.

### tracking exception TRACKING EXCEPTION

investigate a tracking exception

Keep the meaning precise: A reported departure from the expected shipment process.

### proof of delivery PROOF OF DELIVERY

obtain proof of delivery

Keep the meaning precise: Evidence documenting the defined delivery event.

# Phrases that move the work forward

## State the latest estimate

The carrier currently estimates warehouse arrival on Wednesday.

## Avoid an unsupported guarantee

I cannot confirm arrival before your 14:00 production start from the available information.

## Clarify the destination

This estimate refers to your warehouse, not merely the destination terminal.

## Separate appointment

A receiving slot is not proof that the vehicle will arrive in that slot.

## Keep cost visible

Any premium cost needs the appropriate authorization.

## Set the communication

The next carrier status update is Tuesday at 16:00.

## Do not relabel

A forecast departure is not actual departure.

## Report changes clearly

State which milestone, estimate, or condition has changed.

## Name the missing event

Departure has not yet been confirmed.

## Acknowledge the consequence

I understand that the uncertainty affects your production plan.

## Request a milestone

Please provide the confirmed departure event and its source.

## Describe the alternative

We are assessing expedited routing, not reporting a completed booking.

## Qualify capacity

Space must be confirmed before we rely on the alternative.

## Preserve update discipline

I will update you then even if the arrival remains uncertain.

## Separate trade terms

The agreed trade rule does not itself guarantee Wednesday arrival.

## Close with the planning basis

Use Wednesday as the current estimate, with the departure dependency explicit.

---

## Precision in real exchanges

**Purpose:** Acknowledge the consequence

**Useful wording:** I understand that the uncertainty affects your production plan.

**Purpose:** Clarify the destination

**Useful wording:** This estimate refers to your warehouse, not merely the destination terminal.

## **D Choose the response that fits**

Choose one response for each situation. Preserve the facts, the decision boundary, and the purpose of the exchange.

### **1. Which customer update is accurate?**

- A.** Warehouse arrival is estimated Wednesday; departure remains unconfirmed; next update Tuesday 16:00.
- B.** Delivery is guaranteed Wednesday before 14:00.
- C.** Goods have departed because an ETA exists.
- D.** The expedited route is confirmed at no additional cost.

### **2. The system shows ETD Tuesday 10:00 but no departure event. Which wording preserves the distinction?**

- A.** Departure is estimated for Tuesday 10:00; actual departure is unconfirmed.
- B.** The vehicle departed Tuesday 10:00, subject to arrival confirmation.
- C.** Departure was confirmed because the system contains a date and time.
- D.** Warehouse delivery is booked for Tuesday 10:00, pending unloading.

### **3. A colleague needs the term for this meaning: The confirmed time the shipment reached the stated point. Which term fits?**

- A.** bill of lading
- B.** actual arrival
- C.** last mile
- D.** demurrage

## **D** Choose the response that fits / continued

**4. Rebuild the exchange from "Wednesday is still an estimate". Dana: "Does the Wednesday estimate refer to our warehouse or just the destination terminal? That would make a significant difference to whether the goods can support production." Nikhil: [missing response] Dana: "We have a receiving slot available. I want to avoid treating that slot as confirmation that the carrier will reach us on schedule." Which response belongs in the gap?**

- A.** They are not. An Incoterms rule allocates specified obligations, costs, and risks. It does not itself prove shipment movement or guarantee that the current estimate will be met.
- B.** The carrier update is Tuesday at sixteen hundred. I will request the next confirmed transport milestone and tell you what changed, including if departure or the alternative still remains unresolved.
- C.** Once delivery occurs, we can obtain proof of delivery. Until then, I will distinguish estimates, bookings, confirmed events, and the next communication rather than combine them into a guarantee.
- D.** It refers to the warehouse, but the last mile remains part of the plan to verify. Arrival at an earlier terminal would not by itself complete that final movement.

[Answers and explanations, page 136](#)

### **One useful distinction**

An ETA is an estimate for a stated event and place. It is not proof of departure or a guarantee that goods will be usable for a production start. A warehouse appointment and a confirmed arrival are also different events.

# Conversation

## Wednesday is still an estimate

Wednesday is still an estimate

Complete the numbered gaps. Use each bank entry once; some entries contain several words.

### WORD AND PHRASE BANK

estimated time of arrival / expedited freight / transport milestone / last mile /  
delivery appointment / actual departure / premium freight cost / capacity booking /  
proof of delivery / Incoterms rule

- 01 **Dana:** Our production starts Wednesday at fourteen hundred. The carrier estimate says Wednesday, so can you guarantee that the shipment will reach our warehouse before then?
- 02 **Nikhil:** The current <sup>1</sup> \_\_\_\_\_ is Wednesday, but no time before fourteen hundred is confirmed. Departure itself has not been confirmed, which remains an important dependency.
- 03 **Dana:** Please put that in the update to production. They are planning around fourteen hundred, not simply some time on Wednesday.
- 04 **Nikhil:** I will state that <sup>2</sup> \_\_\_\_\_ is still unconfirmed. A planned departure or an arrival estimate does not establish that the goods have already begun that leg.
- 05 **Dana:** Does the Wednesday estimate refer to our warehouse or just the destination terminal? That would make a significant difference to whether the goods can support production.
- 06 **Nikhil:** It refers to the warehouse, but the <sup>3</sup> \_\_\_\_\_ remains part of the plan to verify. Arrival at an earlier terminal would not by itself complete that final movement.

## **E** Conversation / continued

- 07 **Dana:** We have a receiving slot available. I want to avoid treating that slot as confirmation that the carrier will reach us on schedule.
- 08 **Nikhil:** Correct. A <sup>4</sup> \_\_\_\_\_ describes the receiving arrangement. It does not turn an uncertain transport estimate into a confirmed arrival event.
- 09 **Dana:** The customer-service note mentions a faster alternative. Is that already arranged, or are you still checking whether it could actually improve this shipment's timing?
- 10 **Nikhil:** We are assessing <sup>5</sup> \_\_\_\_\_. Capacity, timing, and cost remain unconfirmed, so it would be misleading to describe the option as a booked recovery plan.

Conversation continues on the next page.

# Wednesday is still an estimate

## CONVERSATION / CONTINUED

- 11 **Dana:** Please show any extra cost before someone commits us to it. A faster route might help, but we need the actual proposal and the appropriate approval.
- 12 **Nikhil:** Any <sup>6</sup> \_\_\_\_\_ will be explicit. We should not assume that urgency supplies financial authorization or that a quoted service is already available for this shipment.
- 13 **Dana:** And is there actually space on that faster route? I do not want us to approve extra cost for a connection we cannot secure.
- 14 **Nikhil:** Exactly. We need the <sup>7</sup> \_\_\_\_\_ and supported timing. I will separate a booking request from an actual confirmation in the update.
- 15 **Dana:** The order also names a trade term. Someone suggested that this term guarantees arrival on the estimated day, but I do not think those are the same issue.
- 16 **Nikhil:** They are not. An <sup>8</sup> \_\_\_\_\_ allocates specified obligations, costs, and risks. It does not itself prove shipment movement or guarantee that the current estimate will be met.
- 17 **Dana:** What can you promise about the next communication? We need a reliable checkpoint even if the transport timing remains uncertain.
- 18 **Nikhil:** The carrier update is Tuesday at sixteen hundred. I will request the next confirmed <sup>9</sup> \_\_\_\_\_ and tell you what changed, including if departure or the alternative still remains unresolved.
- 19 **Dana:** That gives us an honest planning basis. We will treat Wednesday as the current estimate, keep the production dependency visible, and wait for the confirmed movement update.
- 20 **Nikhil:** Once delivery occurs, we can obtain <sup>10</sup> \_\_\_\_\_. Until then, I will distinguish estimates, bookings, confirmed events, and the next communication rather than combine them into a guarantee.

## CHECK THE GAPS

1. estimated time of arrival / 2. actual departure / 3. last mile / 4. delivery appointment / 5. expedited freight / 6. premium freight cost / 7. capacity booking / 8. Incoterms rule / 9. transport milestone / 10. proof of delivery

[Why these answers fit, page 137](#)

# F Check accuracy and scope

## Wednesday is still an estimate

### Return to the case

Logistics coordinator Nikhil and customer planner Dana review a fictional shipment. The carrier currently estimates warehouse arrival on Wednesday, but departure has not been confirmed. Dana needs the goods for a Wednesday 14:00 production start and asks for a guarantee. An expedited route is only being assessed; its capacity, extra cost, and arrival timing are unconfirmed. Nikhil has arranged a carrier status update for Tuesday at 16:00. He must state what is known without treating that update or the alternative route as a delivery promise.

Choose one answer per question. Use the case facts and keep any uncertainty or limits intact.

### 1. What is needed before relying on the expedited alternative?

- A. A customer request alone
- B. An Incoterms abbreviation without a booking
- C. Confirmed capacity, supported timing, cost, and the required authorization
- D. Only a route name in a message

### 2. Which statement about an agreed Incoterms rule is accurate?

- A. It allocates specified responsibilities, costs, and risks but does not itself prove arrival or guarantee the ETA.
- B. It always guarantees the next Wednesday delivery.
- C. It automatically replaces a carrier tracking event.
- D. It makes the named place irrelevant.

[Answers and explanations, page 139](#)

### Listen for the distinction

Switch roles for turns 11-20. Stress the unresolved cost, booking, and departure conditions and Tuesday's 16:00 update.

### Be useful without false precision

A customer asking for certainty often needs a planning decision. State the latest estimate, the missing milestone, the consequence for the customer, and the next update. Avoid filling the gap with a precise arrival time that no confirmed movement or service commitment supports.

## **F** Say it / transfer to a new case

### A scheduled pickup is not a completed pickup

Pickup is scheduled for Monday. Arrival is estimated Thursday. No collection event is confirmed, and the next update is Monday at 15:00.

Complete the four gaps. With a partner, read alternate roles, then switch. Studying alone, read both roles and pause before each response.

#### WORD AND PHRASE BANK

scheduled / confirmed / estimated / update

- 01 **Coordinator:** Monday's pickup is <sup>1</sup> \_\_\_\_\_.
- 02 **Customer:** Thursday's arrival remains <sup>2</sup> \_\_\_\_\_.
- 03 **Coordinator:** Actual collection is not yet <sup>3</sup> \_\_\_\_\_.
- 04 **Customer:** Fifteen hundred is the next status <sup>4</sup> \_\_\_\_\_.

#### CHECK THE GAPS

1. scheduled / 2. estimated / 3. confirmed / 4. update

[Why these answers fit, page 139](#)

### Rebuild the exchange

Choose the missing response. Read the completed three-turn exchange aloud, changing roles on the second reading.

**1. Rebuild the exchange from "Wednesday is still an estimate". Dana: "And is there actually space on that faster route? I do not want us to approve extra cost for a connection we cannot secure." Nikhil: [missing response] Dana: "The order also names a trade term. Someone suggested that this term guarantees arrival on the estimated day, but I do not think those are the same issue." Which response belongs in the gap?**

- A.** Exactly. We need the capacity booking and supported timing. I will separate a booking request from an actual confirmation in the update.
- B.** The current estimated time of arrival is Wednesday, but no time before fourteen hundred is confirmed. Departure itself has not been confirmed, which remains an important dependency.
- C.** We are assessing expedited freight. Capacity, timing, and cost remain unconfirmed, so it would be misleading to describe the option as a booked recovery plan.
- D.** Correct. A delivery appointment describes the receiving arrangement. It does not turn an uncertain transport estimate into a confirmed arrival event.

[Answers and explanations, page 140](#)

# A Read the situation

## LESSON 06 / CUSTOMS, TRADE COMPLIANCE, AND DOCUMENTATION

Raise a document discrepancy, request verified product facts, and arrange controlled correction without guessing classification or changing facts to fit a document.

### The invoice and packing list describe different goods

Trade coordinator Sofia and exporter contact Chen review a fictional US-bound shipment file. The invoice describes stainless-steel bolts; the packing list describes aluminum brackets. Both show 500 pieces, but matching counts do not establish which description is correct. The broker requests clarification before relying on the file. No verified product specification, classification, or origin determination is supplied. Sofia and Chen must obtain the underlying product facts and corrected authorized documents without simply copying one unverified description over the other.

People: Sofia, Trade coordinator; Chen, Exporter documentation contact.

### Read the record

Choose one answer per question using the facts above.

#### 1. What is the discrepancy?

- A. The invoice describes steel bolts while the packing list describes aluminum brackets.
- B. The piece counts differ.
- C. A classification has been confirmed.
- D. Both descriptions have been verified correct for identical goods.

#### 2. What do matching counts establish?

- A. Agreement on the stated count, not verification of the product description
- B. Proof both products are identical
- C. Automatic customs release
- D. A correct tariff classification

#### 3. What is missing before an accurate correction?

- A. Verified product facts and the appropriate document correction process
- B. A preferred lower duty rate to copy
- C. Permission to guess the material
- D. Proof that the broker can invent the goods' identity

[Answers and explanations, page 141](#)

# **B** Vocabulary in use

## CORE TERMS

### commercial invoice

A transaction document describing goods, value, parties, and relevant terms.

*verify the commercial invoice*

### merchandise description

The factual identification and characteristics of the goods.

*provide a precise merchandise description*

### material composition

The substances or materials making up a product.

*confirm material composition*

### tariff classification

Assignment of goods to an applicable tariff category under the governing rules.

*obtain a classification review*

### HTSUS

The Harmonized Tariff Schedule of the United States.

*consult the applicable HTSUS provision*

### country of shipment

The country from which goods are dispatched.

*distinguish country of shipment*

### packing list

A document describing how goods and quantities are packed.

*reconcile the packing list*

### product specification

Technical information defining a product's characteristics.

*obtain the product specification*

### end use

The purpose for which the product is intended or used.

*clarify the end use*

### Harmonized System

The international goods-classification framework commonly abbreviated HS.

*distinguish Harmonized System codes*

### country of origin

The country determined as the goods' origin under applicable rules.

*verify country of origin*

### customs value

The value determined under the applicable customs valuation rules.

*review customs value*

---

## Say it in context

Stress the highlighted expression. Keep the surrounding words connected; pause at the end of the phrase.

### commercial invoice **COMMERCIAL INVOICE**

verify the commercial invoice

Keep the meaning precise: A transaction document describing goods, value, parties, and relevant terms.

### end use **END USE**

clarify the end use

Keep the meaning precise: The purpose for which the product is intended or used.

# **B** Precision and professional shorthand

## EXTEND YOUR RANGE

### declared quantity

The quantity stated in the relevant customs or shipment record.

*verify the declared quantity*

### net weight

The weight of goods excluding the specified packaging.

*state net weight*

### importer of record

The party responsible for the import entry under applicable law.

*identify the importer of record*

### entry documentation

The records supporting the import entry process.

*review entry documentation*

### document discrepancy

A conflict between relevant records or stated facts.

*resolve a document discrepancy*

### revision history

A record of what changed, when, and why.

*preserve revision history*

### unit of measure

The basis used to count or measure goods.

*confirm the unit of measure*

### gross weight

The weight including the specified goods and packaging.

*distinguish gross weight*

### customs broker

A qualified intermediary conducting customs business under the relevant authorization.

*coordinate with the customs broker*

### supporting evidence

Records substantiating the information in a declaration or document.

*retain supporting evidence*

### corrected invoice

An authorized revised invoice addressing an identified error.

*request a corrected invoice*

### customs release

The customs decision permitting goods to proceed under applicable conditions.

*confirm customs release*

---

## Say it in context

Stress the highlighted expression. Keep the surrounding words connected; pause at the end of the phrase.

### customs value CUSTOMS VALUE

review customs value

Keep the meaning precise: The value determined under the applicable customs valuation rules.

### importer of record IMPORTER OF RECORD

identify the importer of record

Keep the meaning precise: The party responsible for the import entry under applicable law.

# Phrases that move the work forward

## **Name the discrepancy**

The invoice says stainless-steel bolts; the packing list says aluminum brackets.

## **Avoid choosing by convenience**

We cannot assume either description is correct without supporting facts.

## **Clarify composition**

Confirm the actual material rather than copying an unverified label.

## **Preserve document authority**

Ask the responsible issuer to correct the affected document.

## **Separate classification**

The product description does not by itself complete a tariff review.

## **Distinguish origin**

Country of shipment does not automatically establish country of origin.

## **Do not invent a code**

Classification needs the applicable facts and qualified review.

## **Check agreement and truth**

The corrected documents must match the verified goods, not merely each other.

## **Keep the count separate**

Both list 500 pieces, but that does not resolve the product identity.

## **Request the specification**

Please provide the verified product specification and relevant order details.

## **Check the packing basis**

Reconcile the item identifiers and package contents.

## **Keep history visible**

Retain the original and the reason for the correction.

## **Avoid a duty-driven description**

The wording must follow the goods, not a preferred duty outcome.

## **Coordinate review**

Provide the verified facts to the broker and responsible import team.

## **Limit the status**

The discrepancy is being resolved; customs release is not confirmed.

## **Close the handoff**

Send the authorized corrections with their supporting references.

---

## **Precision in real exchanges**

**Purpose:** Request the specification

**Useful wording:** Please provide the verified product specification and relevant order details.

**Purpose:** Clarify composition

**Useful wording:** Confirm the actual material rather than copying an unverified label.

## **D Choose the response that fits**

Choose one response for each situation. Preserve the facts, the decision boundary, and the purpose of the exchange.

### **1. Which message to the exporter is most appropriate?**

- A.** Please verify the actual product and material, then arrange authorized corrections supported by those facts.
- B.** Copy the invoice onto the packing list because invoices are always correct.
- C.** Use whichever description produces lower duty.
- D.** Keep both descriptions because the counts match.

### **2. A colleague changes both descriptions to metal parts without checking the goods. What remains unresolved?**

- A.** The actual product and material; matching vague wording does not verify them.
- B.** Only the number of pieces, because the material is now established.
- C.** Only the tariff rate, because any shared wording proves identity.
- D.** Nothing about the merchandise, because both documents now agree.

### **3. A colleague needs the term for this meaning: Technical information defining a product's characteristics. Which term fits?**

- A.** HTSUS
- B.** product specification
- C.** net weight
- D.** document discrepancy

## **D Choose the response that fits / continued**

**4. Rebuild the exchange from "The invoice and packing list describe different goods". Sofia: "Material is one of the conflicts, not just the item name. Steel bolts and aluminum brackets are not two harmless ways of saying the same thing." Chen: [missing response] Sofia: "The broker also needs a description that identifies the goods meaningfully. Making both documents say parts would remove the visible conflict while making the file less informative." Which response belongs in the gap?**

- A.** I will obtain the product specification and reconcile the order and packing records. We need facts linked to this shipment, not a similar product description from another file.
- B.** That gives the customs broker a factual basis for the required review. We should answer the clarification request directly rather than imply that matching counts settle the matter.
- C.** We must confirm material composition from the relevant source. I will not infer it from the document we happen to prefer or from the duty result someone expects.
- D.** Yes. Country of origin needs the applicable determination. We should not copy the dispatch country into the origin field merely because it is the only country readily visible.

[Answers and explanations, page 141](#)

### **One useful distinction**

Five hundred pieces on both documents confirms only agreement in the stated count. Bolts and brackets, and stainless steel and aluminum, are materially different descriptions. Neither document is established as correct by the supplied facts.

# E Conversation

## The invoice and packing list describe different goods

The invoice and packing list describe different goods

Complete the numbered gaps. Use each bank entry once; some entries contain several words.

### WORD AND PHRASE BANK

material composition / Customs release / merchandise description / Tariff classification /  
customs broker / Country of origin / corrected invoice / product specification /  
revision history / document discrepancy

- 01 **Sofia:** The invoice calls these goods stainless-steel bolts, while the packing list says aluminum brackets. The broker has asked us to clarify the file before relying on it.
- 02 **Chen:** That is a <sup>1</sup> \_\_\_\_\_. Both documents show five hundred pieces, but the matching count does not tell us which product description is accurate.
- 03 **Sofia:** Please check the actual shipment before editing either document. I cannot tell the broker which description is correct from these two conflicting records.
- 04 **Chen:** I will obtain the <sup>2</sup> \_\_\_\_\_ and reconcile the order and packing records. We need facts linked to this shipment, not a similar product description from another file.
- 05 **Sofia:** Material is one of the conflicts, not just the item name. Steel bolts and aluminum brackets are not two harmless ways of saying the same thing.
- 06 **Chen:** We must confirm <sup>3</sup> \_\_\_\_\_ from the relevant source. I will not infer it from the document we happen to prefer or from the duty result someone expects.

## **E** Conversation / continued

- 07 **Sofia:** The broker also needs a description that identifies the goods meaningfully. Making both documents say parts would remove the visible conflict while making the file less informative.
- 08 **Chen:** Agreed. The <sup>4</sup> \_\_\_\_\_ must follow the verified goods. A generic replacement would not resolve the underlying uncertainty about product identity and characteristics.
- 09 **Sofia:** Once the facts are established, the responsible issuer should correct whichever document is wrong. We should not silently overwrite an exporter document ourselves.
- 10 **Chen:** I will arrange a <sup>5</sup> \_\_\_\_\_ if the invoice needs correction, and the corresponding packing-list correction if needed. The verified facts determine which records must change.

Conversation continues on the next page.

# The invoice and packing list describe different goods

## CONVERSATION / CONTINUED

- 11 **Sofia:** Please retain the original records and the explanation. The next reviewer needs to understand why the descriptions changed instead of seeing an unexplained replacement.
- 12 **Chen:** We will preserve the <sup>6</sup> \_\_\_\_\_ and supporting references. Consistent documents are useful only if their consistency reflects the actual shipment rather than a convenient edit.
- 13 **Sofia:** We also should not invent a tariff code from this short conversation. We do not yet have the verified characteristics needed for the applicable review.
- 14 **Chen:** Correct. <sup>7</sup> \_\_\_\_\_ must follow the relevant facts and rules. A desired duty rate is not a reason to change the product description.
- 15 **Sofia:** The form names the dispatch country. What do we have to support the origin entry? I do not want someone copying the first country they see.
- 16 **Chen:** Yes. <sup>8</sup> \_\_\_\_\_ needs the applicable determination. We should not copy the dispatch country into the origin field merely because it is the only country readily visible.
- 17 **Sofia:** Once the verified information and authorized corrections are ready, I will send them to the broker and responsible import team with the supporting references.
- 18 **Chen:** That gives the <sup>9</sup> \_\_\_\_\_ a factual basis for the required review. We should answer the clarification request directly rather than imply that matching counts settle the matter.

# The invoice and packing list describe different goods / continued

- 19 **Sofia:** The status update will say the document discrepancy is being resolved. Even a corrected file would not justify telling the warehouse the goods are already released.
- 20 **Chen:** Exactly. <sup>10</sup> \_\_\_\_\_ must be confirmed as its own event. Our responsibility here is an accurate, authorized, traceable file, without inventing a classification or a clearance outcome.

---

## CHECK THE GAPS

1. document discrepancy / 2. product specification / 3. material composition / 4. merchandise description / 5. corrected invoice / 6. revision history / 7. Tariff classification / 8. Country of origin / 9. customs broker / 10. Customs release

[Why these answers fit, page 142](#)

# F Check accuracy and scope

## The invoice and packing list describe different goods

### Return to the case

Trade coordinator Sofia and exporter contact Chen review a fictional US-bound shipment file. The invoice describes stainless-steel bolts; the packing list describes aluminum brackets. Both show 500 pieces, but matching counts do not establish which description is correct. The broker requests clarification before relying on the file. No verified product specification, classification, or origin determination is supplied. Sofia and Chen must obtain the underlying product facts and corrected authorized documents without simply copying one unverified description over the other.

Choose one answer per question. Use the case facts and keep any uncertainty or limits intact.

### 1. Which origin statement is accurate?

- A. The broker may choose any country with lower duty.
- B. Shipment country alone does not determine origin; apply the relevant rules to verified facts.
- C. Origin always equals the loading port's country.
- D. An invoice correction automatically changes origin.

### 2. Which completion statement is supported after an authorized correction but before an agency decision?

- A. Customs has released the shipment automatically.
- B. No further review can ever be required.
- C. The corrected invoice proves all classifications worldwide.
- D. The file has been corrected; customs release still needs confirmation.

[Answers and explanations, page 144](#)

### Listen for the distinction

Switch roles for turns 11-20. Emphasize verified facts, authorized correction, and customs release as separate steps.

### Consistency is necessary but not sufficient

Two documents can match and still be wrong. State the discrepancy neutrally, then seek the facts that identify the goods. The goal is an accurate, traceable file, not just matching words that make the broker stop asking questions.

## F Say it / transfer to a new case

### Match the goods, not just the words

An invoice says plastic housings and the packing list says steel housings. Both list 40 pieces. Actual material and customs release are unconfirmed.

Complete the four gaps. With a partner, read alternate roles, then switch. Studying alone, read both roles and pause before each response.

#### WORD AND PHRASE BANK

material / correction / release / facts

- 01 **Coordinator:** The counts match, but the <sup>1</sup> \_\_\_\_\_ differs.
- 02 **Exporter:** We need verified product <sup>2</sup> \_\_\_\_\_.
- 03 **Coordinator:** The responsible issuer must authorize any <sup>3</sup> \_\_\_\_\_.
- 04 **Exporter:** A corrected file does not prove customs <sup>4</sup> \_\_\_\_\_.

#### CHECK THE GAPS

1. material / 2. facts / 3. correction / 4. release

[Why these answers fit, page 144](#)

### Rebuild the exchange

Choose the missing response. Read the completed three-turn exchange aloud, changing roles on the second reading.

**1. Rebuild the exchange from "The invoice and packing list describe different goods".**

**Sofia:** "We also should not invent a tariff code from this short conversation. We do not yet have the verified characteristics needed for the applicable review." **Chen:** [missing response] **Sofia:** "The form names the dispatch country. What do we have to support the origin entry? I do not want someone copying the first country they see." **Which response belongs in the gap?**

- A.** Agreed. The merchandise description must follow the verified goods. A generic replacement would not resolve the underlying uncertainty about product identity and characteristics.
- B.** That is a document discrepancy. Both documents show five hundred pieces, but the matching count does not tell us which product description is accurate.
- C.** Correct. Tariff classification must follow the relevant facts and rules. A desired duty rate is not a reason to change the product description.
- D.** I will arrange a corrected invoice if the invoice needs correction, and the corresponding packing-list correction if needed. The verified facts determine which records must change.

[Answers and explanations, page 145](#)

# Review 3 / Meaning and context

Use language from the lessons you have completed. Choose one answer per question.

## Case file

Revisit "Freight, Routing, and Carrier Delays" and "Customs, Trade Compliance, and Documentation". Choose precise terminology, then reconstruct the missing responses using both neighboring turns. The final two questions also revisit earlier conversations.

**1. A colleague needs the term for this meaning: The confirmed time the shipment left the stated location. Which term fits?**

- A. routing
- B. consignee
- C. capacity booking
- D. actual departure

**2. A colleague needs the term for this meaning: The international goods-classification framework commonly abbreviated HS. Which term fits?**

- A. Harmonized System
- B. declared quantity
- C. entry documentation
- D. commercial invoice

**3. Rebuild the exchange from "Shipments and the closing queue". Zoe: "There is another sentence: all the oldest orders are cleared. The completed total is large, but I cannot find the order identifiers behind that claim." Pavel: [missing response] Zoe: "Then I will remove that sentence. Could you send the remaining order ages and due dates before customer service contacts individual customers?" Which response belongs in the gap?**

- A. We need the order cohort detail. We cannot tell from these totals how many completions belonged to the opening queue or which were new arrivals.
- B. It omits the order inflow. Fifty new orders arrived after the opening count of three hundred. We also fully shipped and closed two hundred twenty.
- C. I will add the exception queue and its assigned owners. I will not describe those orders as ready until their blocking issues are resolved.
- D. Correct. This count excludes partial fulfillment. Shipping one carton from an unfinished order does not make that order one of our two hundred twenty closures.

## Review 3 / Meaning and context / continued

**4. Rebuild the exchange from "The invoice and packing list describe different goods". Sofia: "Once the verified information and authorized corrections are ready, I will send them to the broker and responsible import team with the supporting references." Chen: [missing response] Sofia: "The status update will say the document discrepancy is being resolved. Even a corrected file would not justify telling the warehouse the goods are already released." Which response belongs in the gap?**

- A.** I will obtain the product specification and reconcile the order and packing records. We need facts linked to this shipment, not a similar product description from another file.
- B.** That gives the customs broker a factual basis for the required review. We should answer the clarification request directly rather than imply that matching counts settle the matter.
- C.** Yes. Country of origin needs the applicable determination. We should not copy the dispatch country into the origin field merely because it is the only country readily visible.
- D.** We must confirm material composition from the relevant source. I will not infer it from the document we happen to prefer or from the duty result someone expects.

[Answers and explanations, page 162](#)

# A Read the situation

## LESSON 07 / SUPPLY RISK AND BUSINESS CONTINUITY

Compare supply options while separating quoted lead time, reserved capacity, qualification, and shared disruption exposure.

### A second supplier is not yet a ready backup

Risk planner Ren and sourcing manager Julia compare supplier A, with a quoted two-week lead time, and supplier B, with a quoted four-week lead time. B reports spare capacity, but none is reserved and qualification is incomplete. Both may depend on the same coating site; this is unverified. Current usable stock equals three weeks of the stated demand rate. The team must assess continuity without declaring B immediately usable or treating two supplier names as proof of independent supply.

People: Ren, Risk planner; Julia, Sourcing manager.

### Read the record

Choose one answer per question using the facts above.

#### 1. What is the status of B's capacity?

- A. A confirmed allocation already producing the order
- B. A guarantee of immediate usable supply
- C. Proof qualification is complete
- D. Reported spare capacity, not reserved for this buyer

#### 2. What does the potential shared coating site imply?

- A. Proven fully independent supply routes
- B. Proof both suppliers have already failed
- C. A guarantee that lead times are identical
- D. A possible common dependency that needs verification

#### 3. What stock coverage is supplied?

- A. An indefinite supply guarantee
- B. Two weeks of reserved B capacity
- C. Three weeks at the stated demand rate
- D. Four weeks under every demand pattern

[Answers and explanations, page 146](#)

## **B** Vocabulary in use

### CORE TERMS

#### single sourcing

Choosing to obtain a requirement from one supplier despite alternatives.

*review single-sourcing exposure*

#### dual sourcing

Using two sources for a defined supply requirement.

*assess a dual-sourcing strategy*

#### backup capacity

Potential supply capability intended for contingency use.

*verify backup capacity*

#### quoted lead time

A supplier's stated lead-time estimate or offer under specified conditions.

*verify the quoted lead time*

#### switching cost

The cost of moving a requirement to another source or arrangement.

*assess switching cost*

#### subtier supplier

A supplier further upstream than the directly contracted supplier.

*map subtier suppliers*

#### sole sourcing

Depending on the only available source for a requirement.

*identify sole-source constraints*

#### source qualification

Evaluation and approval of a source for a specified requirement.

*complete source qualification*

#### capacity reservation

A defined commitment setting aside supply capability for a buyer.

*negotiate a capacity reservation*

#### activation lead time

Time needed to make a contingency operational after a trigger.

*estimate activation lead time*

#### tooling transfer

Moving required production tools to another site or source.

*plan tooling transfer*

#### common dependency

A resource or facility on which multiple supply options rely.

*identify a common dependency*

---

### Say it in context

Stress the highlighted expression. Keep the surrounding words connected; pause at the end of the phrase.

#### single sourcing **SINGLE SOURCING**

*review single-sourcing exposure*

Keep the meaning precise: Choosing to obtain a requirement from one supplier despite alternatives.

#### capacity reservation **CAPACITY RESERVATION**

*negotiate a capacity reservation*

Keep the meaning precise: A defined commitment setting aside supply capability for a buyer.

# **B** Precision and professional shorthand

## EXTEND YOUR RANGE

### **correlated disruption**

A disruption capable of affecting multiple sources together.

*assess correlated disruption*

### **business continuity plan**

A plan for maintaining or restoring prioritized operations during disruption.

*test the business continuity plan*

### **time to recover**

The period needed to restore the specified supply or operational capability.

*estimate time to recover*

### **recovery objective**

A target for restoring a specified capability.

*define the recovery objective*

### **resilience**

The ability to prepare for, respond to, and recover from disruption.

*strengthen supply resilience*

### **scenario test**

An examination of a plan under specified hypothetical conditions.

*conduct a scenario test*

### **geographic concentration**

Supply dependence clustered in the same area.

*reduce geographic concentration*

### **contingency trigger**

A defined condition for activating an alternative action.

*set a contingency trigger*

### **time to survive**

The period operations can continue under a defined disruption scenario.

*assess time to survive*

### **buffer coverage**

The demand period supported by a stated usable buffer.

*calculate buffer coverage*

### **risk register**

A record of identified risks, assessments, owners, and actions.

*update the risk register*

### **continuity owner**

The person accountable for a defined continuity action or plan.

*assign a continuity owner*

---

## Say it in context

Stress the highlighted expression. Keep the surrounding words connected; pause at the end of the phrase.

### **common dependency** COMMON DEPENDENCY

identify a common dependency

Keep the meaning precise: A resource or facility on which multiple supply options rely.

### **time to recover** TIME TO RECOVER

estimate time to recover

Keep the meaning precise: The period needed to restore the specified supply or operational capability.

# Phrases that move the work forward

## **Compare like with like**

A quotes two weeks; B quotes four, under their stated conditions.

## **Qualify the backup**

B is not yet a fully ready alternative.

## **Reserve the resource**

Reported spare capacity is not capacity reserved for us.

## **Keep the fact open**

The common-site dependency is possible, not yet confirmed.

## **Name the coverage basis**

Current usable stock covers three weeks at the stated demand rate.

## **Test a bounded scenario**

State demand, receipts, and activation assumptions before calculating a gap.

## **Define the trigger**

Agree which event would activate the contingency review.

## **Keep action conditional**

Do not promise backup supply before the required conditions are met.

## **Separate speed and resilience**

A shorter quoted lead time does not answer every continuity question.

## **Check approval**

Source qualification remains incomplete.

## **Look upstream**

Verify whether both suppliers use the same coating site.

## **Avoid false independence**

Two supplier names do not prove independent disruption exposure.

## **Include activation**

Tooling, qualification, and allocation may affect when the backup becomes usable.

## **Separate target and estimate**

A recovery objective is not proof that recovery can occur that quickly.

## **Assign the owner**

Identify who will verify capacity and qualification status.

## **Close the risk review**

Record dependencies, evidence gaps, owners, and next checkpoints.

---

## **Precision in real exchanges**

**Purpose:** Check approval

**Useful wording:** Source qualification remains incomplete.

**Purpose:** Reserve the resource

**Useful wording:** Reported spare capacity is not capacity reserved for us.

## **D** Choose the response that fits

Choose one response for each situation. Preserve the facts, the decision boundary, and the purpose of the exchange.

### **1. Which comparison is most useful?**

- A.** Compare lead-time basis, qualification, reserved capacity, activation needs, and shared dependencies.
- B.** Select A solely because two is less than four.
- C.** Declare B ready because it reports spare capacity.
- D.** Treat two supplier names as proof of no common risk.

### **2. Stock covers three weeks. In a simplified no-receipts scenario, usable backup starts after four. Which statement is precise?**

- A.** The gap is permanently fixed at one week because the quotation is four weeks.
- B.** There is no gap because B reports spare capacity.
- C.** The gap is seven weeks because stock coverage and lead time must be added.
- D.** The conditional gap is one week; unverified activation requirements could change it.

### **3. A colleague needs the term for this meaning: Evaluation and approval of a source for a specified requirement. Which term fits?**

- A.** business continuity plan
- B.** resilience
- C.** source qualification
- D.** switching cost

## **D** Choose the response that fits / continued

**4. Rebuild the exchange from "A second supplier is not yet a ready backup". Julia: "The four-week number also may assume everything is ready to begin. If qualification or tooling work is needed first, it may not describe the whole switching period." Ren: [missing response] Julia: "We have another unresolved question: both suppliers may use the same coating site. I do not want to repeat that as fact until it is verified." Which response belongs in the gap?**

- A.** Exactly. A recovery objective expresses what we aim to restore and when. It should not be reported as an evidenced recovery estimate merely because management agreed it was desirable.
- B.** Correct. Correlated disruption is the concern. We need to understand the shared exposure rather than count suppliers and assume each protects us from every failure of the other.
- C.** Include the activation lead time. The time from deciding to switch to receiving usable supply may include steps that are not covered by the supplier's quoted lead time.
- D.** Exactly. A capacity reservation needs its own confirmation and terms. Reported availability can change before we need it, so it cannot be treated as a standing commitment.

[Answers and explanations, page 146](#)

### **One useful distinction**

B has a quoted lead time and reported capacity, not a completed qualification or a reserved production slot. A four-week quote is not necessarily the full time needed to activate the backup. The possible shared coating site remains an open fact to verify.

## E Conversation

### A second supplier is not yet a ready backup

A second supplier is not yet a ready backup

Complete the numbered gaps. Use each bank entry once; some entries contain several words.

#### WORD AND PHRASE BANK

scenario test / buffer coverage / common dependency / Correlated disruption /  
risk register / activation lead time / contingency trigger / recovery objective /  
source qualification / capacity reservation

- 01 **Julia:** Supplier A quotes two weeks and supplier B quotes four. B says it has spare capacity, so the team wants to list it as our ready backup.
- 02 **Ren:** That overstates <sup>1</sup> \_\_\_\_\_. B is not yet fully qualified for this requirement, and the capacity report does not establish an allocation to us.
- 03 **Julia:** I will ask whether any capacity is reserved for us. Spare capacity today is not the same as a committed slot when we need it.
- 04 **Ren:** Exactly. A <sup>2</sup> \_\_\_\_\_ needs its own confirmation and terms. Reported availability can change before we need it, so it cannot be treated as a standing commitment.
- 05 **Julia:** The four-week number also may assume everything is ready to begin. If qualification or tooling work is needed first, it may not describe the whole switching period.
- 06 **Ren:** Include the <sup>3</sup> \_\_\_\_\_. The time from deciding to switch to receiving usable supply may include steps that are not covered by the supplier's quoted lead time.

## **E** Conversation / continued

- 07 **Julia:** We have another unresolved question: both suppliers may use the same coating site. I do not want to repeat that as fact until it is verified.
- 08 **Ren:** Mark it as a possible <sup>4</sup> \_\_\_\_\_. If confirmed, a disruption there could affect both suppliers despite their separate names and customer contacts.
- 09 **Julia:** That would change the resilience argument. Two sources could still be useful, but we should not describe their risks as independent without examining the upstream connection.
- 10 **Ren:** Correct. <sup>5</sup> \_\_\_\_\_ is the concern. We need to understand the shared exposure rather than count suppliers and assume each protects us from every failure of the other.

Conversation continues on the next page.

# A second supplier is not yet a ready backup

## CONVERSATION / CONTINUED

- 11 **Julia:** Current usable inventory covers three weeks at the stated demand rate. How should that be compared with the four-week quote without creating a false recovery promise?
- 12 **Ren:** Use a clearly bounded <sup>6</sup> \_\_\_\_\_. Assume immediate supply loss, unchanged demand, no incoming receipts, and usable backup after four weeks only for that calculation.
- 13 **Julia:** Under those assumptions, the stock ends after three weeks and the backup starts after four. There is a one-week gap, not complete coverage.
- 14 **Ren:** Yes. The <sup>7</sup> \_\_\_\_\_ is shorter than the assumed wait. But actual activation could differ, especially while qualification and reservation remain incomplete.
- 15 **Julia:** Management wants a shorter recovery time. I will show that as a target, but what can we actually support with the evidence we have?
- 16 **Ren:** Exactly. A <sup>8</sup> \_\_\_\_\_ expresses what we aim to restore and when. It should not be reported as an evidenced recovery estimate merely because management agreed it was desirable.
- 17 **Julia:** The continuity plan needs a decision point too. Otherwise we may know a backup exists on paper but not know when to begin the required review.
- 18 **Ren:** Define a <sup>9</sup> \_\_\_\_\_ and the responsible owner. The trigger should lead to the agreed process, not authorize an unqualified source or an unsupported shipment promise.

# A second supplier is not yet a ready backup / continued

- 19 **Julia:** I will revise B from ready backup to candidate pending qualification, reservation, and dependency checks. The comparison will retain A's shorter quote without treating it as the only relevant factor.
- 20 **Ren:** Good. Update the <sup>10</sup> \_\_\_\_\_ with those conditions and checkpoints. That gives us a practical continuity discussion instead of reassurance based only on a second supplier name.

---

## CHECK THE GAPS

**1.** source qualification / **2.** capacity reservation / **3.** activation lead time / **4.** common dependency / **5.** Correlated disruption / **6.** scenario test / **7.** buffer coverage / **8.** recovery objective / **9.** contingency trigger / **10.** risk register

[Why these answers fit, page 148](#)

# F Check accuracy and scope

## A second supplier is not yet a ready backup

### Return to the case

Risk planner Ren and sourcing manager Julia compare supplier A, with a quoted two-week lead time, and supplier B, with a quoted four-week lead time. B reports spare capacity, but none is reserved and qualification is incomplete. Both may depend on the same coating site; this is unverified. Current usable stock equals three weeks of the stated demand rate. The team must assess continuity without declaring B immediately usable or treating two supplier names as proof of independent supply.

Choose one answer per question. Use the case facts and keep any uncertainty or limits intact.

### 1. Why investigate the coating site?

- A. Shared sites always mean both suppliers are already late.
- B. The same coating site proves every component is identical.
- C. It eliminates the need to qualify B.
- D. A common upstream dependency could disrupt both sources together.

### 2. What distinguishes a recovery objective from time-to-recover evidence?

- A. The objective is a target; the estimate needs support about actual restoration capability.
- B. A target automatically proves the capability exists.
- C. Both terms mean reserved inventory.
- D. A written objective removes qualification needs.

[Answers and explanations, page 149](#)

### Listen for the distinction

Switch roles for turns 11-20. Keep the one-week gap conditional on the printed simplified scenario.

### Turn backup into a list of conditions

A reassuring supplier name is not an operational continuity plan. Ask what must be qualified, reserved, transferred, or verified before the alternative can supply. This makes the resilience discussion concrete without assuming that the faster supplier is always better or the second source removes all common risks.

## **F** Say it / transfer to a new case

### A buffer and a delayed backup

Usable stock covers two weeks at unchanged demand. In a simplified scenario with no incoming receipts, usable backup begins after five weeks. Capacity is not reserved.

Complete the four gaps. With a partner, read alternate roles, then switch. Studying alone, read both roles and pause before each response.

#### WORD AND PHRASE BANK

guarantee / reservation / three / unchanged

- 01 **Planner:** The assumed supply gap is <sup>1</sup> \_\_\_\_\_ weeks.
- 02 **Buyer:** The scenario assumes demand stays <sup>2</sup> \_\_\_\_\_.
- 03 **Planner:** Backup capacity still lacks a <sup>3</sup> \_\_\_\_\_.
- 04 **Buyer:** The calculated gap is conditional, not a <sup>4</sup> \_\_\_\_\_.

#### CHECK THE GAPS

1. three / 2. unchanged / 3. reservation / 4. guarantee

[Why these answers fit, page 149](#)

### Rebuild the exchange

Choose the missing response. Read the completed three-turn exchange aloud, changing roles on the second reading.

**1. Rebuild the exchange from "A second supplier is not yet a ready backup". Julia: "Under those assumptions, the stock ends after three weeks and the backup starts after four. There is a one-week gap, not complete coverage." Ren: [missing response] Julia: "Management wants a shorter recovery time. I will show that as a target, but what can we actually support with the evidence we have?" Which response belongs in the gap?**

- A.** Mark it as a possible common dependency. If confirmed, a disruption there could affect both suppliers despite their separate names and customer contacts.
- B.** Use a clearly bounded scenario test. Assume immediate supply loss, unchanged demand, no incoming receipts, and usable backup after four weeks only for that calculation.
- C.** Yes. The buffer coverage is shorter than the assumed wait. But actual activation could differ, especially while qualification and reservation remain incomplete.
- D.** That overstates source qualification. B is not yet fully qualified for this requirement, and the capacity report does not establish an allocation to us.

[Answers and explanations, page 150](#)

# A Read the situation

## LESSON 08 / EXECUTIVE S&OP DECISIONS

Summarize a cross-functional planning disagreement as an explicit decision with quantified scenarios, constraints, and recorded ownership.

### Ten minutes left, one assumption unresolved

Planning lead Amara and executive chair Victor have ten minutes left in a fictional sales and operations planning meeting. Operations proposes 10,500 units next month; sales proposes 12,000 by adding an unconfirmed 1,500-unit promotion increment. Regular capacity is 11,000. No extra-capacity authorization or shared promotion assumption exists. A note says plan agreed despite the unresolved difference. Amara must clarify the decision request and separate the base case, upside case, capacity gap, and actual decision status.

People: Amara, Planning lead; Victor, Executive meeting chair.

### Read the record

Choose one answer per question using the facts above.

#### 1. What explains the numerical difference between the proposals?

- A. A 1,500-unit unconfirmed promotion increment
- B. A confirmed customer order for 12,000 units
- C. A reduction in regular capacity to zero
- D. A completed decision to add 2,000 units of capacity

#### 2. How much does the 12,000-unit scenario exceed regular capacity?

- A. 500 units
- B. 1,500 units
- C. No amount
- D. 1,000 units

#### 3. What decision status is supported at the start?

- A. The 12,000-unit plan is formally authorized.
- B. Extra capacity is already approved.
- C. The promotion assumption is shared and confirmed.
- D. The plan is not yet agreed on the supplied facts.

[Answers and explanations, page 151](#)

# **B** Vocabulary in use

## CORE TERMS

### **sales and operations planning**

A cross-functional process aligning demand, supply, and business plans, abbreviated S&OP.

*conduct sales and operations planning*

### **supply review**

Assessment of resources and constraints against proposed demand.

*complete the supply review*

### **executive S&OP**

The leadership review that makes or confirms the required planning decisions.

*chair executive S&OP*

### **base case**

The reference scenario used for comparison.

*establish the base case*

### **downside case**

A scenario with lower demand or another adverse outcome under stated assumptions.

*assess the downside case*

### **unconstrained demand**

The estimated demand before limiting it to available supply.

*state unconstrained demand*

### **demand review**

Assessment of the demand outlook and its assumptions.

*prepare the demand review*

### **pre-S&OP**

The reconciliation stage preparing issues and options for executive review.

*resolve issues in pre-S&OP*

### **aggregate plan**

A plan at a combined product-family or other summary level.

*review the aggregate plan*

### **upside case**

A scenario with higher demand or a more favorable outcome under stated assumptions.

*quantify the upside case*

### **assumption register**

A record of the premises, owners, and status underlying a plan.

*maintain the assumption register*

### **constrained plan**

A plan adjusted to the available or authorized resources.

*develop a constrained plan*

---

## Say it in context

Stress the highlighted expression. Keep the surrounding words connected; pause at the end of the phrase.

### **sales and operations planning** SALES AND OPERATIONS PLANNING

*conduct sales and operations planning*

Keep the meaning precise: A cross-functional process aligning demand, supply, and business plans, abbreviated S&OP.

### **aggregate plan** AGGREGATE PLAN

*review the aggregate plan*

Keep the meaning precise: A plan at a combined product-family or other summary level.

# **B** Precision and professional shorthand

## EXTEND YOUR RANGE

### capacity gap

The amount by which required capacity exceeds the defined available capacity.

*quantify the capacity gap*

### incremental capacity

Additional output capability beyond the defined base arrangements.

*assess incremental capacity*

### trade-off

A choice involving competing benefits, costs, or risks.

*make the trade-off explicit*

### inventory exposure

The risk or commitment associated with carrying the planned stock.

*quantify inventory exposure*

### decision rights

The defined authority to make particular choices.

*clarify decision rights*

### contingent approval

Approval that takes effect only when specified conditions are met.

*define contingent approval*

### regular capacity

Output capability available under the stated normal operating arrangements.

*confirm regular capacity*

### decision request

The specific choice or authorization sought from the meeting.

*frame the decision request*

### financial implication

The effect of a proposed plan on costs, revenue, or other financial measures.

*assess financial implications*

### demand trigger

A defined demand signal that prompts a specified planning action.

*agree a demand trigger*

### decision log

A record of actual decisions, rationale, conditions, and owners.

*update the decision log*

### planning handoff

Transfer of the agreed plan and conditions to the teams that execute it.

*complete the planning handoff*

---

## Say it in context

Stress the highlighted expression. Keep the surrounding words connected; pause at the end of the phrase.

### constrained plan CONSTRAINED PLAN

develop a constrained plan

Keep the meaning precise: A plan adjusted to the available or authorized resources.

### trade-off TRADE-OFF

make the trade-off explicit

Keep the meaning precise: A choice involving competing benefits, costs, or risks.

# **C** Phrases that move the work forward

**State the disagreement**

The proposals differ by an unconfirmed 1,500-unit promotion increment.

**Name the upside**

The sales scenario is 12,000 units if the promotion increment is used.

**Quantify the gap**

The upside case exceeds regular capacity by 1,000 units.

**Frame the choice**

We need a decision on the planning basis and how to handle the unconfirmed increment.

**Ask for the condition**

What evidence would trigger a review of the promotion increment?

**Separate cost analysis**

The financial effect needs its own supported assessment.

**Record the actual outcome**

Capture only the decision and conditions the chair confirms.

**Define the handoff**

Execution teams need one clear approved instruction and visible contingencies.

**Separate the reference**

The operations base case is 10,500 units.

**State the limit**

Regular capacity is 11,000 units.

**Avoid an implicit authorization**

No additional capacity has been authorized.

**Preserve the forecast**

A capacity constraint does not by itself erase possible customer demand.

**Clarify authority**

Who can authorize the additional capacity and its cost?

**Correct the minutes**

The note should not say agreed while the key assumption remains unresolved.

**Name the owner**

Assign the promotion evidence review to a specific person.

**Close without fiction**

If the decision is deferred, record the deferral and next review explicitly.

---

## Precision in real exchanges

**Purpose:** State the limit

**Useful wording:** Regular capacity is 11,000 units.

**Purpose:** Quantify the gap

**Useful wording:** The upside case exceeds regular capacity by 1,000 units.

## **D Choose the response that fits**

Choose one response for each situation. Preserve the facts, the decision boundary, and the purpose of the exchange.

### **1. Which summary puts the choice clearly?**

- A.** Base 10,500; upside 12,000 with unconfirmed promotion; regular capacity 11,000; upside gap 1,000.
- B.** Everyone agreed to 12,000 because the meeting was positive.
- C.** The capacity gap is 1,500 because that is the promotion increment.
- D.** Regular capacity proves demand cannot exceed 11,000.

### **2. What does the 11,000 capacity limit establish?**

- A.** That the promotion must produce exactly 500 units
- B.** The stated regular supply limit, not a ceiling on possible customer demand
- C.** That all forecasts above 11,000 are false
- D.** That extra capacity is already approved

### **3. A colleague needs the term for this meaning: The reconciliation stage preparing issues and options for executive review. Which term fits?**

- A.** decision rights
- B.** pre-S&OP
- C.** downside case
- D.** incremental capacity

## **D** Choose the response that fits / continued

**4. Rebuild the exchange from "Ten minutes left, one assumption unresolved". Victor: "So the promotion needs fifteen hundred extra units of capacity. Is that the approval request I should send to the operations director?" Amara: [missing response] Victor: "Thanks. Could we settle this by changing the demand figure to eleven thousand? That would make the spreadsheet balance without requesting extra resources." Which response belongs in the gap?**

- A.** Not quite. The capacity gap is one thousand. The base case already leaves five hundred units of regular headroom; fifteen hundred is the demand increment.
- B.** The base case is ten thousand five hundred. Sales adds fifteen hundred for the promotion. Regular capacity is eleven thousand, with no additional capacity authorized.
- C.** Nothing yet. The decision log is premature. Operations proposes ten thousand five hundred; sales proposes twelve thousand, including a promotion increment that remains unconfirmed.
- D.** Then define the demand trigger before recording that option as an instruction. What evidence starts the review, who supplies it, and who makes the subsequent decision?

[Answers and explanations, page 151](#)

### **One useful distinction**

The sales proposal is 10,500 plus 1,500, or 12,000 units. Regular capacity is 11,000, leaving a 1,000-unit capacity gap for that upside case. The base proposal is 500 below regular capacity. Neither arithmetic result approves a plan.

# E Conversation

## Ten minutes left, one assumption unresolved

Ten minutes left, one assumption unresolved

Complete the numbered gaps. Use each bank entry once; some entries contain several words.

### WORD AND PHRASE BANK

planning handoff / decision rights / decision request / assumption register / decision log / capacity gap / base case / contingent approval / demand trigger / unconstrained demand

- 01 **Victor:** The minutes already say plan agreed. Before I approve that wording, tell me what sales and operations have actually agreed to produce next month.
- 02 **Amara:** Nothing yet. The <sup>1</sup> \_\_\_\_\_ is premature. Operations proposes ten thousand five hundred; sales proposes twelve thousand, including a promotion increment that remains unconfirmed.
- 03 **Victor:** Then remove agreed. Show me the reference and the extra demand separately so we can see which assumption is causing the disagreement.
- 04 **Amara:** The <sup>2</sup> \_\_\_\_\_ is ten thousand five hundred. Sales adds fifteen hundred for the promotion. Regular capacity is eleven thousand, with no additional capacity authorized.
- 05 **Victor:** So the promotion needs fifteen hundred extra units of capacity. Is that the approval request I should send to the operations director?
- 06 **Amara:** Not quite. The <sup>3</sup> \_\_\_\_\_ is one thousand. The base case already leaves five hundred units of regular headroom; fifteen hundred is the demand increment.

## Conversation / continued

- 07 **Victor:** Thanks. Could we settle this by changing the demand figure to eleven thousand? That would make the spreadsheet balance without requesting extra resources.
- 08 **Amara:** It would conceal the <sup>4</sup> \_\_\_\_\_. A supply ceiling does not establish how much customers might request. Keep the demand scenario separate from the feasible production instruction.
- 09 **Victor:** All right. What choice needs a decision today, and what still needs evidence? I do not want execution teams choosing their own interpretation.
- 10 **Amara:** The <sup>5</sup> \_\_\_\_\_ concerns the planning basis and treatment of the promotion. We also need a supported cost assessment before requesting additional capacity.

Conversation continues on the next page.

# Ten minutes left, one assumption unresolved

## CONVERSATION / CONTINUED

- 11 **Victor:** We could use the base and return to the promotion when sales has stronger evidence. I am suggesting an option, not approving it yet.
- 12 **Amara:** Then define the <sup>6</sup> \_\_\_\_\_ before recording that option as an instruction. What evidence starts the review, who supplies it, and who makes the subsequent decision?
- 13 **Victor:** Sales can propose the evidence. I also need to verify who may approve the extra resources; I cannot infer that authority from attendance at this meeting.
- 14 **Amara:** I will confirm the <sup>7</sup> \_\_\_\_\_. A recommendation from this group cannot stand in for an authorization that belongs to somebody else.
- 15 **Victor:** The draft uses the words conditionally approved. Can we leave them while the trigger and authorizing person are still unidentified?
- 16 **Amara:** No. A <sup>8</sup> \_\_\_\_\_ needs actual approval and explicit conditions. At present we have an option under discussion, not permission to spend or produce the increment.
- 17 **Victor:** Then record the decision as deferred. I will own arranging the follow-up tomorrow morning; you will collect the promotion evidence and capacity-cost questions.
- 18 **Amara:** I accept that follow-up. The <sup>9</sup> \_\_\_\_\_ will show the unresolved promotion premise and those assignments, without claiming that tomorrow's review guarantees approval.

# Ten minutes left, one assumption unresolved / continued

- 19 **Victor:** Read back the outcome: deferred, no extra capacity authorized, evidence collection assigned, and follow-up tomorrow morning. The record must not invent a new production instruction.
- 20 **Amara:** Confirmed. The <sup>10</sup> \_\_\_\_\_ will report that status and refer teams to the existing authorized instruction. Neither proposal becomes an execution plan simply because we discussed it.

---

## CHECK THE GAPS

1. decision log / 2. base case / 3. capacity gap / 4. unconstrained demand / 5. decision request / 6. demand trigger / 7. decision rights / 8. contingent approval / 9. assumption register / 10. planning handoff

[Why these answers fit, page 152](#)

# F Check accuracy and scope

## Ten minutes left, one assumption unresolved

### Return to the case

Planning lead Amara and executive chair Victor have ten minutes left in a fictional sales and operations planning meeting. Operations proposes 10,500 units next month; sales proposes 12,000 by adding an unconfirmed 1,500-unit promotion increment. Regular capacity is 11,000. No extra-capacity authorization or shared promotion assumption exists. A note says plan agreed despite the unresolved difference. Amara must clarify the decision request and separate the base case, upside case, capacity gap, and actual decision status.

Choose one answer per question. Use the case facts and keep any uncertainty or limits intact.

### 1. What wording matches the outcome at the end of the conversation?

- A. Twelve thousand units approved, with cost analysis to follow later.
- B. Eleven thousand units approved because that is the regular capacity limit.
- C. Decision deferred; no extra capacity authorized; Victor arranges the follow-up and Amara collects the open questions.
- D. Base production approved now; the promotion is automatically approved tomorrow.

### 2. What should minutes show if the choice remains unresolved?

- A. Plan agreed without conditions
- B. All proposals simultaneously approved
- C. No record because the meeting ended politely
- D. Decision deferred, with the unresolved assumption, owner, and next review identified

[Answers and explanations, page 154](#)

### Listen for the distinction

Switch roles for turns 11-20. Contrast an option under discussion with the actual deferral and accepted follow-up.

### End with a decision, not an atmosphere

A constructive meeting can still finish without agreement. Record the actual choice, limits, unresolved conditions, owner, and review point. Do not substitute a positive tone or silence for a decision that affects inventory, capacity, and customer commitments.

## F Say it / transfer to a new case

### The increment and the gap differ

A base proposal is 800 units. A proposed promotion adds 150, making an upside case of 950. Regular capacity is 900. No decision has been approved.

Complete the four gaps. With a partner, read alternate roles, then switch. Studying alone, read both roles and pause before each response.

#### WORD AND PHRASE BANK

proposed / capacity / fifty / agreed

- 01 **Planner:** The upside case is nine hundred <sup>1</sup> \_\_\_\_\_ units.
- 02 **Chair:** That exceeds regular <sup>2</sup> \_\_\_\_\_ by 50.
- 03 **Planner:** The promotion increment remains <sup>3</sup> \_\_\_\_\_.
- 04 **Chair:** The record must not say the plan is <sup>4</sup> \_\_\_\_\_.

#### CHECK THE GAPS

1. fifty / 2. capacity / 3. proposed / 4. agreed

[Why these answers fit, page 154](#)

### Rebuild the exchange

Choose the missing response. Read the completed three-turn exchange aloud, changing roles on the second reading.

**1. Rebuild the exchange from "Ten minutes left, one assumption unresolved". Victor: "Sales can propose the evidence. I also need to verify who may approve the extra resources; I cannot infer that authority from attendance at this meeting." Amara: [missing response] Victor: "The draft uses the words conditionally approved. Can we leave them while the trigger and authorizing person are still unidentified?" Which response belongs in the gap?**

- A.** I accept that follow-up. The assumption register will show the unresolved promotion premise and those assignments, without claiming that tomorrow's review guarantees approval.
- B.** The decision request concerns the planning basis and treatment of the promotion. We also need a supported cost assessment before requesting additional capacity.
- C.** I will confirm the decision rights. A recommendation from this group cannot stand in for an authorization that belongs to somebody else.
- D.** Nothing yet. The decision log is premature. Operations proposes ten thousand five hundred; sales proposes twelve thousand, including a promotion increment that remains unconfirmed.

[Answers and explanations, page 155](#)

# Review 4 / Meaning and context

Use language from the lessons you have completed. Choose one answer per question.

## Case file

Revisit "Supply Risk and Business Continuity" and "Executive S&OP Decisions". Choose precise terminology, then reconstruct the missing responses using both neighboring turns. The final two questions also revisit earlier conversations.

**1. A colleague needs the term for this meaning: Using two sources for a defined supply requirement. Which term fits?**

- A. buffer coverage
- B. geographic concentration
- C. activation lead time
- D. dual sourcing

**2. A colleague needs the term for this meaning: A scenario with higher demand or a more favorable outcome under stated assumptions. Which term fits?**

- A. upside case
- B. sales and operations planning
- C. capacity gap
- D. inventory exposure

**3. Rebuild the exchange from "The invoice and packing list describe different goods". Sofia: "Once the facts are established, the responsible issuer should correct whichever document is wrong. We should not silently overwrite an exporter document ourselves." Chen: [missing response] Sofia: "Please retain the original records and the explanation. The next reviewer needs to understand why the descriptions changed instead of seeing an unexplained replacement." Which response belongs in the gap?**

- A. That is a document discrepancy. Both documents show five hundred pieces, but the matching count does not tell us which product description is accurate.
- B. Exactly. Customs release must be confirmed as its own event. Our responsibility here is an accurate, authorized, traceable file, without inventing a classification or a clearance outcome.
- C. I will arrange a corrected invoice if the invoice needs correction, and the corresponding packing-list correction if needed. The verified facts determine which records must change.
- D. We will preserve the revision history and supporting references. Consistent documents are useful only if their consistency reflects the actual shipment rather than a convenient edit.

## Review 4 / Meaning and context / continued

**4. Rebuild the exchange from "Ten minutes left, one assumption unresolved". Victor: "Then record the decision as deferred. I will own arranging the follow-up tomorrow morning; you will collect the promotion evidence and capacity-cost questions." Amara: [missing response] Victor: "Read back the outcome: deferred, no extra capacity authorized, evidence collection assigned, and follow-up tomorrow morning. The record must not invent a new production instruction." Which response belongs in the gap?**

- A.** I accept that follow-up. The assumption register will show the unresolved promotion premise and those assignments, without claiming that tomorrow's review guarantees approval.
- B.** The decision request concerns the planning basis and treatment of the promotion. We also need a supported cost assessment before requesting additional capacity.
- C.** I will confirm the decision rights. A recommendation from this group cannot stand in for an authorization that belongs to somebody else.
- D.** Nothing yet. The decision log is premature. Operations proposes ten thousand five hundred; sales proposes twelve thousand, including a promotion increment that remains unconfirmed.

[Answers and explanations, page 165](#)

# Language for the next case

## Twelve cartons are posted as twelve individual items

### unit of measure

The unit of measure identifies whether the recorded quantity means individual items, cartons, or another packaging level.

*Arun: Start with the unit of measure. Was the receiving entry made in cartons or individual items?*

### conversion factor

The conversion factor is eight individual items per carton in this case, making twelve cartons equal to ninety-six items.

*Arun: Good. The conversion factor is eight here. Do not use the supplier's other carton sizes as the basis.*

### SSCC

The Serial Shipping Container Code identifies the particular logistic unit, such as a pallet; it is not the product's item count.

*Arun: Yes, record the relevant SSCC, the Serial Shipping Container Code. That connects the logistic unit to its record; it is not a quantity.*

### pack quantity

The pack quantity states how many individual items belong in each carton; the conversion must match the actual product and packaging.

*Arun: Then verify the pack quantity against this product and the delivery. A label is a useful lead, but let us confirm what arrived.*

### goods receipt

The goods receipt records this delivery event; its correction should not falsely create a separate physical shipment.

*Arun: Follow the correction process for the original goods receipt. We need the right quantity without inventing a second delivery event.*

### stock ledger

The stock ledger records inventory movements and balances; it must reconcile with the corrected receiving event and physical quantity.

*Arun: Please do. After the authorized correction, verify the stock ledger and the alert so the error does not trigger unnecessary replenishment.*

Read the phrases aloud. Then complete the conversation on the following pages using the word bank.

# Conversation

## Twelve cartons are posted as twelve individual items

A delivery contains twelve cartons of eight items each, all of one product. The warehouse system records twelve individual items. The shipment notice also lists 96 items. The receiving lead and inventory controller must check the physical count and receiving entry without inventing an additional shipment.

Complete the numbered gaps. Use each bank entry once; some entries contain several words.

### WORD AND PHRASE BANK

unit of measure / goods receipt / conversion factor / SSCC / stock ledger / pack quantity

- 01 **Tessa:** The delivery is here, but the system shows only twelve items received. I counted twelve cartons, and each is labeled as containing eight.
- 02 **Arun:** Start with the <sup>1</sup> \_\_\_\_\_. Was the receiving entry made in cartons or individual items?
- 03 **Tessa:** The field says each. The operator entered twelve after counting the cartons, so I think we have mixed the packaging levels.
- 04 **Arun:** Then verify the <sup>2</sup> \_\_\_\_\_ against this product and the delivery. A label is a useful lead, but let us confirm what arrived.
- 05 **Tessa:** All twelve cartons contain eight items. That is ninety-six individual items, and it matches the shipment notice.
- 06 **Arun:** Good. The <sup>3</sup> \_\_\_\_\_ is eight here. Do not use the supplier's other carton sizes as the basis.
- 07 **Tessa:** Should I add a second receipt for eighty-four items? That would bring the system total to ninety-six.
- 08 **Arun:** Follow the correction process for the original <sup>4</sup> \_\_\_\_\_. We need the right quantity without inventing a second delivery event.
- 09 **Tessa:** I will link the count sheet and the shipment notice. Do you also need the pallet label?
- 10 **Arun:** Yes, record the relevant <sup>5</sup> \_\_\_\_\_, the Serial Shipping Container Code. That connects the logistic unit to its record; it is not a quantity.

Conversation continues on the next page.

# Twelve cartons are posted as twelve individual items

## CONVERSATION / CONTINUED

- 11 **Tessa:** The pallet carries a different code from the product cartons. I will keep those identifiers in their proper fields.
- 12 **Arun:** Exactly. The product identifier and logistic-unit identifier answer different questions. We must not copy one over the other to make the screen look consistent.
- 13 **Tessa:** Purchasing has already received a shortage alert for eighty-four items. I will tell them we are reconciling the posting, not requesting another shipment.
- 14 **Arun:** Please do. After the authorized correction, verify the <sup>6</sup> \_\_\_\_\_ and the alert so the error does not trigger unnecessary replenishment.
- 15 **Tessa:** The receiving screen defaults to each. We should also check whether the item setup needs a clearer carton option.
- 16 **Arun:** Agreed, through the master-data process. We should not change a conversion used by other transactions without assessing its effect.
- 17 **Tessa:** For today, I will retain the original entry, the recount, and the correction reference. That gives the next shift a clear explanation.
- 18 **Arun:** And I will verify that the final balance increased by ninety-six items in total for this delivery, not twelve plus another ninety-six.
- 19 **Tessa:** That avoids turning a shortage into an overstatement. I will ask you to confirm the corrected balance before I close the discrepancy.
- 20 **Arun:** Yes. Then purchasing can close the false shortage without changing the supplier's actual delivery performance.

## CHECK THE GAPS

1. unit of measure / 2. pack quantity / 3. conversion factor / 4. goods receipt / 5. SSCC / 6. stock ledger

[Why these answers fit, page 168](#)

# A correction creates an extra receipt

A delivery contains five cartons of ten items. Five individual items were posted, and a proposed additional posting of fifty would produce an incorrect total of 55.

Complete the exchange using each phrase once. Read both roles, then switch roles and repeat with the bank covered.

## WORD AND PHRASE BANK

items / process / count / event

- 01 **Receiver:** The physical delivery contains fifty individual <sup>1</sup> \_\_\_\_\_.
- 02 **Controller:** Correct the original receiving record through the approved <sup>2</sup> \_\_\_\_\_.
- 03 **Receiver:** Verify the final balance against the physical <sup>3</sup> \_\_\_\_\_.
- 04 **Controller:** Keep the correction linked to the same delivery <sup>4</sup> \_\_\_\_\_.

## CHECK THE GAPS

1. items / 2. process / 3. count / 4. event

[Why these answers fit, page 168](#)

## Keep the distinction audible

Reconcile receiving quantities across packaging levels and correct the transaction trail.

# Language for the next case

## A return authorization is not a restocking decision

### return authorization

The return authorization defines the approved return scope; it does not automatically cover an extra item or establish its condition.

*Joel: I will check with the customer. The return authorization should remain linked to the six listed units, not silently expand to seven.*

### observed condition

Observed condition records what was actually seen, without turning appearance into an unsupported conclusion about use, cause, or performance.

*Joel: Describe the observed condition and attach the appropriate photographs. Please do not label it customer damage before the review.*

### credit note

A credit note records a financial adjustment; it follows the applicable commercial decision rather than automatically arising from physical receipt.

*Joel: Not on my authority. A credit note has its own approval and amount under the agreed terms. I will ask finance what evidence they require.*

### receipt record

The receipt record documents what physically arrived, even when that quantity differs from the authorized or expected return.

*Joel: That is the right distinction. The receipt record must show the actual arrival, even though it does not match the authorization.*

### disposition

Disposition is the authorized decision about what happens to the returned goods, such as restocking or another route after the required review.

*Joel: No. We still need the applicable disposition. Permission to return goods is not evidence that they meet the criteria for resale.*

### case status

The case status describes the whole return's progress; completion of receiving alone does not establish inspection, disposition, and credit completion.

*Joel: Yes. Our case status should show the completed and pending stages separately.*

Read the phrases aloud. Then complete the conversation on the following pages using the word bank.

# Conversation

## A return authorization is not a restocking decision

A business customer has approval to return six unused pumps under return authorization R218. Seven pumps arrive, including one with a different serial number and signs of use. The returns coordinator and customer-service lead must reconcile the shipment. No inspection outcome or credit has been approved.

Complete the numbered gaps. Use each bank entry once; some entries contain several words.

### WORD AND PHRASE BANK

receipt record / credit note / disposition / observed condition / case status /  
return authorization

- 01 **Beth:** R218 covers six pumps, but receiving found seven. One serial number is outside the approved list, and that unit shows signs of use.
- 02 **Joel:** I will check with the customer. The <sup>1</sup> \_\_\_\_\_ should remain linked to the six listed units, not silently expand to seven.
- 03 **Beth:** Thank you. We have recorded all seven physically received and kept them out of saleable stock pending review.
- 04 **Joel:** That is the right distinction. The <sup>2</sup> \_\_\_\_\_ must show the actual arrival, even though it does not match the authorization.
- 05 **Beth:** The customer's note says unopened, but the seventh pump has marks on its housing. I have not tested it or identified the cause.
- 06 **Joel:** Describe the <sup>3</sup> \_\_\_\_\_ and attach the appropriate photographs. Please do not label it customer damage before the review.

# Conversation / continued

- 07 **Beth:** Understood. Can I route the six matching serial numbers for inspection while you clarify the extra item?
- 08 **Joel:** Yes, under the returns procedure. Keep the discrepancy separately visible so it does not disappear when the matching units move forward.
- 09 **Beth:** The sales team asks whether return approval means we can put those six straight back into available inventory.
- 10 **Joel:** No. We still need the applicable <sup>4</sup> \_\_\_\_\_. Permission to return goods is not evidence that they meet the criteria for resale.

Conversation continues on the next page.

# A return authorization is not a restocking decision

## CONVERSATION / CONTINUED

- 11 **Beth:** I will leave their status pending inspection. Should I also tell finance to issue the customer's full credit today?
- 12 **Joel:** Not on my authority. A <sup>5</sup> \_\_\_\_\_ has its own approval and amount under the agreed terms. I will ask finance what evidence they require.
- 13 **Beth:** The extra unit may have been sent by mistake. We should ask for its order reference rather than assume it belongs to this transaction.
- 14 **Joel:** Agreed. I will request the serial number history and the reason it was included, without promising acceptance or charging a fee we have not agreed.
- 15 **Beth:** Will you also explain that the warehouse receipt is complete but the return case remains open?
- 16 **Joel:** Yes. Our <sup>6</sup> \_\_\_\_\_ should show the completed and pending stages separately.
- 17 **Beth:** I can send the receipt count and photographs now. Inspection will provide its own findings when the authorized checks are complete.
- 18 **Joel:** That gives me a useful customer update: seven received, six matched, one under clarification, with inspection and credit decisions pending.
- 19 **Beth:** Please send any customer correction back to this case reference. We need the warehouse and finance teams working from the same record.
- 20 **Joel:** I will. Then we can resolve the physical and financial questions without one team treating another team's handover as final approval.

## CHECK THE GAPS

1. return authorization / 2. receipt record / 3. observed condition / 4. disposition / 5. credit note / 6. case status

[Why these answers fit, page 170](#)

# Five returned items do not prove five credit approvals

Five returned units have arrived. Inspection and the commercial credit decision are still pending.

Complete the exchange using each phrase once. Read both roles, then switch roles and repeat with the bank covered.

## WORD AND PHRASE BANK

disposition / receipt / pending / open

- 01 **Coordinator:** Receiving is complete, but inspection is still <sup>1</sup> \_\_\_\_\_.
- 02 **Service lead:** Do not call the units saleable before the required <sup>2</sup> \_\_\_\_\_.
- 03 **Coordinator:** Keep the financial decision separate from warehouse <sup>3</sup> \_\_\_\_\_.
- 04 **Service lead:** Tell the customer which stages remain <sup>4</sup> \_\_\_\_\_.

## CHECK THE GAPS

1. pending / 2. disposition / 3. receipt / 4. open

[Why these answers fit, page 170](#)

## Keep the distinction audible

Coordinate a customer return while separating authorization, receipt, inspection, and credit.

# Language for the next case

## The shipment arrived, but two cartons are crushed

### delivery exception

A delivery exception records a problem associated with the delivery, keeping the condition concern visible alongside the arrival event.

*Evan: Delivered records an event, not the condition of everything inside. Please open a delivery exception in our case system and identify the affected cartons.*

### packaging evidence

Packaging evidence can support a carrier's damage investigation; discarding it prematurely may prevent the requested inspection or documentation.

*Evan: Please preserve the relevant packaging evidence and contents while we confirm the carrier's requirements and our safe handling arrangements.*

### proof of value

Proof of value supports the amount being claimed under the applicable process; a quantity count alone does not establish that amount.

*Evan: The delivery record, item details, quantities, and relevant proof of value. I will confirm the carrier-specific requirements and deadlines promptly.*

### packaging damage

Packaging damage describes the observed condition of the cartons; it does not automatically establish damage to every item inside.

*Evan: State that clearly. We have visible packaging damage, but we do not yet know the product condition or whether both cartons contain affected items.*

### claim investigation

The claim investigation examines the relevant facts and terms; a damage report alone does not determine responsibility or payment.

*Evan: Then do not include it. The claim investigation needs observations and records, not an unsupported attribution.*

### replacement order

A replacement order is a separate fulfillment action whose approval and availability must be checked rather than assumed from a damage report.

*Evan: I will check stock and the authorized commercial options. A replacement order is not automatically approved just because we intend to file a claim.*

Read the phrases aloud. Then complete the conversation on the following pages using the word bank.

# Conversation

## The shipment arrived, but two cartons are crushed

A parcel delivery contains ten cartons. Two have visibly crushed corners, but their contents have not been inspected. The consignee contacts the shipping coordinator. They must preserve the facts, check the applicable carrier process, and keep replacement and claim decisions separate.

Complete the numbered gaps. Use each bank entry once; some entries contain several words.

### WORD AND PHRASE BANK

proof of value / packaging damage / claim investigation / delivery exception /  
packaging evidence / replacement order

- 01 **Mina:** All ten cartons arrived, but two have crushed corners. Our system says delivered, and the purchasing team thinks that means the order is fine.
- 02 **Evan:** Delivered records an event, not the condition of everything inside. Please open a  
1 \_\_\_\_\_ in our case system and identify the affected cartons.
- 03 **Mina:** I can send the tracking references and photographs of the outside. The contents have not been inspected yet.
- 04 **Evan:** State that clearly. We have visible 2 \_\_\_\_\_, but we do not yet know the product condition or whether both cartons contain affected items.
- 05 **Mina:** Should we throw away the damaged cartons once the contents are checked? They are taking up space in receiving.
- 06 **Evan:** Please preserve the relevant 3 \_\_\_\_\_ and contents while we confirm the carrier's requirements and our safe handling arrangements.
- 07 **Mina:** I will keep them identified separately. There is no visible spill, but receiving will follow our procedure if anything hazardous is found.
- 08 **Evan:** Good. Do not improvise handling for an unknown hazard. For the commercial record, describe what was observed without guessing where the damage occurred.
- 09 **Mina:** Purchasing wants me to say the driver caused it. I did not see any impact during unloading, so I cannot support that statement.
- 10 **Evan:** Then do not include it. The 4 \_\_\_\_\_ needs observations and records, not an unsupported attribution.

Conversation continues on the next page.

# The shipment arrived, but two cartons are crushed

## CONVERSATION / CONTINUED

- 11 **Mina:** What documents should I gather now, besides the photographs and tracking numbers?
- 12 **Evan:** The delivery record, item details, quantities, and relevant <sup>5</sup> \_\_\_\_\_. I will confirm the carrier-specific requirements and deadlines promptly.
- 13 **Mina:** We need the goods for a job tomorrow. Can you send replacements while the claim is being considered?
- 14 **Evan:** I will check stock and the authorized commercial options. A <sup>6</sup> \_\_\_\_\_ is not automatically approved just because we intend to file a claim.
- 15 **Mina:** Please give us the replacement position even if the carrier has not responded. Those timelines may be quite different.
- 16 **Evan:** Agreed. I will update you on the supply options today and show the carrier case as a separate open item.
- 17 **Mina:** For the record, ten cartons arrived, two have visible packaging damage, and the content inspection is pending. Is that the right starting summary?
- 18 **Evan:** Yes. Add the identifiers and photographs so nobody reads two damaged cartons as ten damaged products or a confirmed total loss.
- 19 **Mina:** I will send that now and keep the affected material identifiable while the responsible team decides the next steps.
- 20 **Evan:** Thank you. We will report the actual findings and decisions as they arrive, without promising reimbursement before the claim has been assessed.

## CHECK THE GAPS

1. delivery exception / 2. packaging damage / 3. packaging evidence / 4. claim investigation / 5. proof of value / 6. replacement order

[Why these answers fit, page 172](#)

# An arrival scan hides an unresolved condition check

A parcel is marked delivered. Its carton is torn, but the item inside has not been inspected and no claim outcome exists.

Complete the exchange using each phrase once. Read both roles, then switch roles and repeat with the bank covered.

## WORD AND PHRASE BANK

evidence / approval / unconfirmed / blame

- 01 **Receiver:** Delivery is recorded, but product condition is <sup>1</sup> \_\_\_\_\_.
- 02 **Coordinator:** Preserve the relevant carton and photographic <sup>2</sup> \_\_\_\_\_.
- 03 **Receiver:** Record what I observed, without assigning <sup>3</sup> \_\_\_\_\_.
- 04 **Coordinator:** Keep any replacement decision separate from claim <sup>4</sup> \_\_\_\_\_.

## CHECK THE GAPS

1. unconfirmed / 2. evidence / 3. blame / 4. approval

[Why these answers fit, page 172](#)

## Keep the distinction audible

Document a delivery exception and request evidence without promising a claim outcome.

# 01 / Answers and explanations

---

## A / Read the situation

**A1. What is each month's signed error under the stated convention?**

**A. Plus 20 units**

Each forecast exceeds its corresponding actual demand by twenty units.

[Return to the exercise, page 4](#)

---

**A2. What is the next-month baseline?**

**D. 120 units**

The brief states a baseline of 120 and a separate proposed uplift of thirty.

[Return to the exercise, page 4](#)

---

**A3. What supports the promotional uplift as confirmed orders?**

**D. No order evidence is supplied.**

The promotion is a proposed scenario, and the case explicitly supplies no supporting order evidence.

[Return to the exercise, page 4](#)

---

## D / Response choices

**D1. A colleague says the promotion cancels the historical overforecast. Which correction is accurate?**

**B. The proposed 30-unit increment does not change the three recorded errors of +20.**

Historical errors concern saved forecasts and actual demand for prior periods; a new proposal does not revise them.

[Return to the exercise, page 8](#)

---

**D2. Two other errors are +10 and -10. What follows?**

**B. Mean error is zero, but mean absolute error is 10.**

Signed errors cancel, whereas absolute errors retain the magnitude of each miss.

[Return to the exercise, page 8](#)

---

# 01 / Answers and explanations / continued

**D3. A colleague needs the term for this meaning: The forecast difference calculated with an explicitly stated direction. Which term fits?**

**A. signed error**

**A Correct.** signed error: The forecast difference calculated with an explicitly stated direction. The usual combination is "state the signed-error convention".

**B Not here.** booked order: An order recorded under the organization's order definition. The usual combination is "distinguish booked orders".

**C Not here.** underforecast: A forecast below the corresponding actual demand. The usual combination is "investigate an underforecast".

**D Not here.** trend: A sustained directional movement in a series over time. The usual combination is "distinguish trend from noise".

[Return to the exercise, page 8](#)

**D4. Rebuild the exchange from "Three optimistic forecasts and a new promotion".**  
**Martin:** "Let me check: plus sixty units in total, but plus twenty per month on average. Which figure belongs on the monthly performance slide?" **Aisha:** [missing response] **Martin:** "What if positive and negative errors cancel in a later period? A zero average could look excellent even when individual months still miss by a meaningful amount." Which response belongs in the gap?

**A. Correct. The mean error is plus twenty units across these three observations. That describes this period without proving that every future forecast must be too high.**

**A Correct.** This is Aisha's response in turn 6. It connects Martin's preceding point with Martin's follow-up. Mean error averages the three signed differences: plus sixty divided by three gives plus twenty units.

**B Not here.** This line belongs to turn 8, after Martin says: "What if positive and negative errors cancel in a later period? A zero average could look excellent even when individual months still miss by a meaningful amount." It addresses that point, not the missing turn in the supplied exchange.

**C Not here.** This line belongs to turn 4, after Martin says: "The dashboard uses a positive error number. I want to make sure everyone reads the direction correctly, because another report seems to use the opposite sign." It addresses that point, not the missing turn in the supplied exchange.

**D Not here.** This line belongs to turn 2, after Martin says: "Sales expects the promotion to improve demand next month. Before we add the uplift, can we agree what the last three months actually tell us?" It addresses that point, not the missing turn in the supplied exchange.

[Return to the exercise, page 8](#)

---

## E / Conversation

### 1. overforecast

**Turn 2.** Each forecast is twenty units above its corresponding actual demand, so each is an overforecast.

# 01 / Answers and explanations / continued

## 2. signed error

**Turn 4.** The signed-error convention here is forecast minus actual, making overforecasts positive.

---

## 3. mean error

**Turn 6.** Mean error averages the three signed differences: plus sixty divided by three gives plus twenty units.

---

## 4. mean absolute error

**Turn 8.** Mean absolute error preserves error magnitude, so opposite signed misses do not cancel each other.

---

## 5. baseline forecast

**Turn 10.** The baseline forecast remains the 120-unit reference against which the proposed promotional adjustment is shown.

---

## 6. promotional uplift

**Turn 12.** The promotional uplift is the proposed thirty-unit increment, not an already confirmed order quantity.

---

## 7. cannibalization

**Turn 14.** Cannibalization concerns demand transferred from another product, which may not increase total demand by the full uplift.

---

## 8. booked order

**Turn 16.** A booked order is recorded order demand, unlike the unsupported promotional expectation in this case.

---

## 9. forecast snapshot

**Turn 18.** The forecast snapshot records the version available at the agreed planning point so later information cannot rewrite its score.

---

## 10. forecast override

**Turn 20.** The override is the deliberate adjustment to the baseline, whose rationale and later contribution should remain visible.

[Return to the conversation, page 10](#)

---

# 01 / Answers and explanations / continued

---

## F / Accuracy and scope

### F1. Which next-month statement is precise?

**A. Baseline 120; proposed uplift 30; upside scenario 150; no order evidence supplied.**

The statement separates the reference forecast, proposed increment, scenario total, and missing order evidence.

[Return to the exercise, page 14](#)

---

### F2. Why retain the original forecast snapshot?

**D. To evaluate the forecast actually available at the agreed planning point**

A fixed historical version prevents later knowledge from changing the forecast being evaluated.

[Return to the exercise, page 14](#)

---

## F / Guided speaking

### 1. minus

**Planner:** The signed error is minus twenty units.

**Turn 1.** Eighty minus one hundred equals negative twenty under the stated convention.

---

### 2. underforecast

**Sales:** That is an underforecast.

**Turn 2.** Forecast demand is below actual demand in the supplied period.

---

### 3. five

**Planner:** The next-month scenario totals one hundred five units.

**Turn 3.** The baseline of ninety plus fifteen gives a scenario total of 105.

---

### 4. assumption

**Sales:** The uplift remains an assumption, not booked orders.

**Turn 4.** The proposed increment has no supporting order evidence in this case.

[Return to the conversation, page 15](#)

---

# 01 / Answers and explanations / continued

---

## F / Rebuild the exchange

**1. Rebuild the exchange from "Three optimistic forecasts and a new promotion".**

**Martin:** "The campaign could move some existing customers from a related item. If we count all those purchases as new demand, the aggregate plan could be overstated." **Aisha:** [missing response] **Martin:** "Sales has a target, but nobody has placed an order for that extra quantity. I will keep those two fields separate in the planning record." Which response belongs in the gap?

**C. That would require assessing cannibalization. We should distinguish additional demand from redistribution before treating the whole increment as growth in the overall demand plan.**

**A Not here.** This line belongs to turn 4, after Martin says: "The dashboard uses a positive error number. I want to make sure everyone reads the direction correctly, because another report seems to use the opposite sign." It addresses that point, not the missing turn in the supplied exchange.

**B Not here.** This line belongs to turn 16, after Martin says: "Sales has a target, but nobody has placed an order for that extra quantity. I will keep those two fields separate in the planning record." It addresses that point, not the missing turn in the supplied exchange.

**C Correct.** This is Aisha's response in turn 14. It connects Martin's preceding point with Martin's follow-up. Cannibalization concerns demand transferred from another product, which may not increase total demand by the full uplift.

**D Not here.** This line belongs to turn 18, after Martin says: "When the next results arrive, let's evaluate the forecast version we actually used. Revising old numbers after seeing demand would make the performance comparison misleading." It addresses that point, not the missing turn in the supplied exchange.

[Return to the exercise, page 15](#)

---

## 02 / Answers and explanations

---

### A / Read the situation

#### A1. What has the supplier confirmed?

##### A. Receipt of order P46, not a shipping date

The brief supplies acknowledgment only and explicitly leaves timing and capacity unconfirmed.

[Return to the exercise, page 16](#)

---

#### A2. What does October 12 refer to?

##### C. The buyer's required warehouse-receipt date

The requested event is receipt at the buyer's warehouse, which differs from dispatch.

[Return to the exercise, page 16](#)

---

#### A3. What is promised for tomorrow at noon?

##### C. An update

The message schedules a status response, not a physical movement of the goods.

[Return to the exercise, page 16](#)

---

### D / Response choices

#### D1. Which internal status is accurate now?

##### C. P46 acknowledged; ship date, capacity, and transit basis unconfirmed.

The status distinguishes known acknowledgment from the unresolved planning inputs without inventing a promise or breach.

[Return to the exercise, page 20](#)

---

#### D2. Which request would best clarify the missing commitment?

##### C. Please identify the quantity, departure location, committed ship date, and transit basis for warehouse receipt.

Quantity, event, location, timing, and transit assumptions address the actual planning gap; a receipt acknowledgment or response time does not.

[Return to the exercise, page 20](#)

---

## 02 / Answers and explanations / continued

**D3. A colleague needs the term for this meaning: The date a party asks another party to meet. Which term fits?**

**B. requested date**

**A Not here.** expediting: Action to accelerate or closely follow a delayed supply activity. The usual combination is "request expediting".

**B Correct.** requested date: The date a party asks another party to meet. The usual combination is "distinguish requested and committed dates".

**C Not here.** transit time: The time spent moving goods between specified points. The usual combination is "confirm transit time".

**D Not here.** on-time in-full: Delivery meeting both the agreed timing and quantity requirements. The usual combination is "measure on-time in-full".

[Return to the exercise, page 20](#)

**D4. Rebuild the exchange from "Acknowledged, but not scheduled". Keiko: "Your note also says tomorrow at noon. Our planner read that as the time the order would ship, but I think you meant the next response." Luis: [missing response] Keiko: "Please call at noon even if the date is still open. Tell us what is unresolved and who is working on it so we can update production." Which response belongs in the gap?**

**A. Correct. It is a status checkpoint. I will provide an update then; it is not a promise that five hundred units will leave at noon.**

**A Correct.** This is Luis's response in turn 6. It connects Keiko's preceding point with Keiko's follow-up. The noon checkpoint is a promise to provide information, not a promise that the goods will move then.

**B Not here.** This line belongs to turn 4, after Keiko says: "Just to be clear, October twelve is our required warehouse receipt date. A shipment leaving your site that day would not meet the request." It addresses that point, not the missing turn in the supplied exchange.

**C Not here.** This line belongs to turn 20, after Keiko says: "For performance reporting later, let's also agree whether we measure dispatch or warehouse receipt. Moving between those definitions would make on-time performance misleading." It addresses that point, not the missing turn in the supplied exchange.

**D Not here.** This line belongs to turn 8, after Keiko says: "Please call at noon even if the date is still open. Tell us what is unresolved and who is working on it so we can update production." It addresses that point, not the missing turn in the supplied exchange.

[Return to the exercise, page 20](#)

---

## E / Conversation

### 1. order acknowledgment

**Turn 2.** The acknowledgment confirms receipt of P46 here, not a shipping or delivery date.

---

## 02 / Answers and explanations / continued

### 2. receipt date

**Turn 4.** The receipt date concerns arrival and receipt at the buyer's warehouse, distinct from departure from the supplier.

---

### 3. status checkpoint

**Turn 6.** The noon checkpoint is a promise to provide information, not a promise that the goods will move then.

---

### 4. capacity commitment

**Turn 8.** The capacity commitment is not yet confirmed, so production capability cannot be treated as assigned to P46.

---

### 5. order line

**Turn 10.** An order line identifies a specific item and quantity, allowing different availability to be stated precisely.

---

### 6. partial shipment

**Turn 12.** A partial shipment sends only part of the order and requires a clear plan for both that quantity and the remainder.

---

### 7. transit time

**Turn 14.** Transit time describes movement between specified points and must be defined before deriving an arrival plan.

---

### 8. committed date

**Turn 16.** A committed date is an explicit agreed commitment, distinct from the buyer's request or an unconfirmed estimate.

---

### 9. commercial escalation

**Turn 18.** Commercial escalation routes the unresolved allocation and timing question to someone with the appropriate decision authority.

---

### 10. On-time delivery

**Turn 20.** On-time delivery needs a defined event, agreed date, location, and tolerance rather than a changing interpretation after the event.

[Return to the conversation, page 22](#)

---

## 02 / Answers and explanations / continued

---

### F / Accuracy and scope

**F1. The supplier proposes 200 units first and 300 later. What still needs clarification?**

**B. Dates, locations, terms, and status for both shipments**

The quantities reconcile, but a usable plan still needs the timing and conditions of both movements.

[Return to the exercise, page 24](#)

---

**F2. How should tomorrow's noon appointment be reported?**

**A. Supplier status update due; shipment date still unconfirmed**

The supplied promise concerns communication and must not be relabeled as a shipment event.

[Return to the exercise, page 24](#)

---

### F / Guided speaking

#### 1. date

**Buyer:** Friday is our requested receipt date.

**Turn 1.** Friday refers to arrival at the buyer's location, not confirmed dispatch.

---

#### 2. response

**Supplier:** Tuesday is the promised status response.

**Turn 2.** The supplier has promised information on Tuesday rather than movement of goods.

---

#### 3. unconfirmed

**Buyer:** The ship date remains unconfirmed.

**Turn 3.** No dispatch commitment is supplied in the scenario.

---

#### 4. delivery

**Supplier:** Acknowledgment alone does not establish delivery.

**Turn 4.** Receiving the order does not demonstrate that the goods were shipped or received.

[Return to the conversation, page 25](#)

---

## 02 / Answers and explanations / continued

---

### F / Rebuild the exchange

**1. Rebuild the exchange from "Acknowledged, but not scheduled".** Keiko: "We also need to know the dispatch location and what the transport estimate includes. Otherwise a proposed departure date may not support the required warehouse arrival." Luis: [missing response] Keiko: "Then we can distinguish proposals from commitments. Our internal schedule should use the same status wording." Which response belongs in the gap?

**A. The transit time basis must be explicit. We should identify the relevant route and conditions rather than assume a generic number covers every movement and receiving step.**

**A Correct.** This is Luis's response in turn 14. It connects Keiko's preceding point with Keiko's follow-up. Transit time describes movement between specified points and must be defined before deriving an arrival plan.

**B Not here.** This line belongs to turn 12, after Keiko says: "A split could help our operations, but only if it is a real proposal with dates. Two hundred first and three hundred later would not be enough by itself." It addresses that point, not the missing turn in the supplied exchange.

**C Not here.** This line belongs to turn 18, after Keiko says: "If the planning team cannot resolve allocation, please involve the right decision maker. We need a practical next route without accusing anyone of breaking a date not yet promised." It addresses that point, not the missing turn in the supplied exchange.

**D Not here.** This line belongs to turn 10, after Keiko says: "When you have that assessment, please identify the quantity and timing for each item line. A single general date could hide different availability across the order." It addresses that point, not the missing turn in the supplied exchange.

[Return to the exercise, page 25](#)

---

## 03 / Answers and explanations

---

### A / Read the situation

**A1. How many A units are available to the new orders under the supplied facts?**

**A. Zero, because all 40 are allocated**

The forty A units are already assigned, and no reallocation is authorized in the brief.

[Return to the exercise, page 28](#)

---

**A2. How many B units are currently available under the stated quality status?**

**B. Zero, because all 80 are blocked**

The quality hold blocks all eighty B units; demand does not supply release authorization.

[Return to the exercise, page 28](#)

---

**A3. Why does the total value not resolve the shortages?**

**A. Value aggregates different items and states and does not establish available A or B units.**

A high aggregate value can coexist with no available stock for specific requested items.

[Return to the exercise, page 28](#)

---

### D / Response choices

**D1. Which management summary is accurate?**

**D. Inventory value is high, but A is fully allocated and B fully blocked, leaving no available stock for the new orders.**

The summary distinguishes the aggregate value from the specific allocation and quality restrictions.

[Return to the exercise, page 32](#)

---

**D2. Another item has 60 on hand, 35 allocated, and 10 blocked, with no overlap. What remains free?**

**D. 15 units**

Subtracting the separate allocated and blocked quantities from sixty leaves fifteen units.

[Return to the exercise, page 32](#)

---

## 03 / Answers and explanations / continued

**D3. A colleague needs the term for this meaning: Stock assigned to particular demand or orders. Which term fits?**

**B. allocated stock**

**A Not here.** cycle service level: The probability of avoiding a stockout during a defined replenishment cycle. The usual combination is "distinguish cycle service level".

**B Correct.** allocated stock: Stock assigned to particular demand or orders. The usual combination is "review allocated stock".

**C Not here.** ABC analysis: Grouping items by a selected importance measure, often annual consumption value. The usual combination is "perform ABC analysis".

**D Not here.** safety stock: Buffer inventory intended to protect against specified uncertainty. The usual combination is "review safety-stock assumptions".

[Return to the exercise, page 32](#)

**D4. Rebuild the exchange from "Plenty of inventory, none of these items available". Omar: "Can we display the allocation beside the forty-unit count? At the moment, the first screen makes those units look available to anyone taking a new order."**

**Elena: [missing response] Omar: "B has eighty units on hand, but the status is blocked. I assume the new order does not give distribution authority to remove that status." Which response belongs in the gap?**

**C. Exactly. On-hand inventory and available inventory are different views. The same distinction matters for B, although its restriction comes from quality status rather than allocation.**

**A Not here.** This line belongs to turn 16, after Omar says: "Our service dashboard says ninety-five percent, but the label does not say whether that means units supplied or orders supplied completely. That makes comparisons difficult." It addresses that point, not the missing turn in the supplied exchange.

**B Not here.** This line belongs to turn 4, after Omar says: "The record shows forty units of A physically here. Why can those not satisfy the new demand if the items are already in the building?" It addresses that point, not the missing turn in the supplied exchange.

**C Correct.** This is Elena's response in turn 6. It connects Omar's preceding point with Omar's follow-up. On-hand inventory records physical quantity but does not by itself account for allocation or other use restrictions.

**D Not here.** This line belongs to turn 2, after Omar says: "We have two million dollars of inventory, yet new orders for A and B are unfilled. The total looks healthy, so I need a clear explanation." It addresses that point, not the missing turn in the supplied exchange.

[Return to the exercise, page 32](#)

## 03 / Answers and explanations / continued

---

### E / Conversation

#### 1. stock-keeping unit

**Turn 2.** A stock-keeping unit identifies the particular item, which the aggregate dollar balance does not distinguish.

---

#### 2. allocated stock

**Turn 4.** The forty A units are already assigned to existing orders, so they are not free for the new demand.

---

#### 3. On-hand inventory

**Turn 6.** On-hand inventory records physical quantity but does not by itself account for allocation or other use restrictions.

---

#### 4. quality hold

**Turn 8.** The quality hold blocks B from use pending the required decision and is not removed by customer demand.

---

#### 5. available to promise

**Turn 10.** Available to promise concerns what can be committed under the relevant supply and demand rules, not the gross physical balance.

---

#### 6. safety stock

**Turn 12.** Safety stock is a buffer based on uncertainty assumptions, not an automatic cure for allocations, holds, or every shortage.

---

#### 7. replenishment lead time

**Turn 14.** Replenishment lead time includes the defined interval to usable receipt, which can affect inventory-policy assumptions.

---

#### 8. fill rate

**Turn 16.** Fill rate measures fulfilled demand under a specified unit and timing definition, so the basis must be stated.

---

#### 9. cycle service level

**Turn 18.** Cycle service level concerns avoiding stockouts during replenishment cycles rather than the share of demand units filled.

---

## 03 / Answers and explanations / continued

### 10. reallocation

**Turn 20.** Reallocation changes which demand receives stock and requires an authorized decision rather than a second promise of the same units.

[Return to the conversation, page 34](#)

---

### F / Accuracy and scope

#### F1. Which claim about safety stock is defensible?

**A. It buffers specified uncertainty but does not guarantee that every item will always be available.**

A buffer depends on assumptions and cannot override status restrictions or every demand and supply outcome.

[Return to the exercise, page 38](#)

---

#### F2. A later report shows 95% unit fill rate. Which conclusion needs a separate measure?

**D. Ninety-five percent of replenishment cycles had no stockout.**

A unit-based fill rate and a stockout-free cycle measure use different denominators; one percentage cannot establish the other.

[Return to the exercise, page 38](#)

---

### F / Guided speaking

#### 1. hundred

**Planner:** The physical on-hand quantity is one hundred.

**Turn 1.** The physical record contains 100 units before restrictions are deducted.

---

#### 2. sixty

**Manager:** The allocated quantity is sixty.

**Turn 2.** Sixty units are assigned to existing demand in the supplied facts.

---

#### 3. fifteen

**Planner:** The remaining free quantity is fifteen.

**Turn 3.** 100 minus the separate 60 allocated and 25 blocked units leaves fifteen.

---

## 03 / Answers and explanations / continued

### 4. unconfirmed

**Manager:** Future replenishment remains unconfirmed.

**Turn 4.** The scenario supplies no confirmed incoming receipt or replenishment date.

[Return to the conversation, page 39](#)

---

### F / Rebuild the exchange

**1. Rebuild the exchange from "Plenty of inventory, none of these items available".**

**Omar:** "Lead-time assumptions may also matter. A receipt that arrives later than expected could undermine the intended buffer, even if the original quantity calculation looked reasonable." **Elena:** [missing response] **Omar:** "Our service dashboard says ninety-five percent, but the label does not say whether that means units supplied or orders supplied completely. That makes comparisons difficult." **Which response belongs in the gap?**

**D. Yes. Use the actual replenishment lead time definition, including when stock becomes usable. A shipment in transit is not the same as inventory available at the required location.**

**A Not here.** This line belongs to turn 18, after Omar says: "The replenishment report counts cycles with no shortage. Should that have a separate label so our teams stop comparing it directly with the demand-fill figure?" It addresses that point, not the missing turn in the supplied exchange.

**B Not here.** This line belongs to turn 2, after Omar says: "We have two million dollars of inventory, yet new orders for A and B are unfilled. The total looks healthy, so I need a clear explanation." It addresses that point, not the missing turn in the supplied exchange.

**C Not here.** This line belongs to turn 20, after Omar says: "I will explain the two-million-dollar total alongside the item-specific restrictions. Any proposal to move A from existing orders will also need a clear priority decision." It addresses that point, not the missing turn in the supplied exchange.

**D Correct.** This is Elena's response in turn 14. It connects Omar's preceding point with Omar's follow-up. Replenishment lead time includes the defined interval to usable receipt, which can affect inventory-policy assumptions.

[Return to the exercise, page 39](#)

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## 04 / Answers and explanations

---

### A / Read the situation

#### A1. How many orders remain open?

##### A. 130

Opening 300 plus 50 arrivals minus 220 completed orders equals 130 open orders.

[Return to the exercise, page 40](#)

---

#### A2. What is the net reduction from the opening queue total?

##### C. 170 orders

The open total falls from 300 to 130, a net reduction of 170 after new arrivals.

[Return to the exercise, page 40](#)

---

#### A3. What is unknown about the shipped orders?

##### C. Which were from the opening queue

The brief explicitly leaves the cohort identity of shipped orders unspecified.

[Return to the exercise, page 40](#)

---

### D / Response choices

#### D1. Which closing report is correct?

##### C. 300 opening + 50 new - 220 closed = 130 open

The correct balance includes both the new arrivals and the completed orders.

[Return to the exercise, page 44](#)

---

#### D2. Why is net reduction not 220?

##### A. Fifty new orders offset part of the 220 completions.

The case has fifty additions and no other adjustments, leaving a net reduction of 170.

[Return to the exercise, page 44](#)

---

## 04 / Answers and explanations / continued

**D3. A colleague needs the term for this meaning: New orders entering the queue during a period. Which term fits?**

**C. order inflow**

**A Not here.** partial fulfillment: Completion of only part of an order. The usual combination is "flag partial fulfillment".

**B Not here.** wave picking: Grouping orders into planned picking batches or time windows. The usual combination is "organize wave picking".

**C Correct.** order inflow: New orders entering the queue during a period. The usual combination is "track order inflow".

**D Not here.** exception queue: Work set aside for problems requiring resolution. The usual combination is "review the exception queue".

[Return to the exercise, page 44](#)

**D4. Rebuild the exchange from "Shipments and the closing queue". Zoe: "Should I reduce the shipment figure to one hundred seventy as well? That is how much smaller the queue is now." Pavel: [missing response] Zoe: "Understood. Two hundred twenty completed, fifty added, and the open queue fell by one hundred seventy. I will label each number separately." Which response belongs in the gap?**

**C. No. Keep two hundred twenty as gross completions. Those orders really were completed. The extra fifty arrived during the same shift; they do not cancel completed work.**

**A Not here.** This line belongs to turn 20, after Zoe says: "I have corrected eighty to one hundred thirty, kept the completed count, and removed the oldest-cleared and on-time-delivery claims. Please check the underlying events." It addresses that point, not the missing turn in the supplied exchange.

**B Not here.** This line belongs to turn 8, after Zoe says: "Understood. Two hundred twenty completed, fifty added, and the open queue fell by one hundred seventy. I will label each number separately." It addresses that point, not the missing turn in the supplied exchange.

**C Correct.** This is Pavel's response in turn 6. It connects Zoe's preceding point with Zoe's follow-up. Gross completions are the 220 fully closed orders, before the queue effect of new arrivals is included.

**D Not here.** This line belongs to turn 2, after Zoe says: "I am about to send customer service the shift report. It says eighty orders remain. Can you check it before I send the update?" It addresses that point, not the missing turn in the supplied exchange.

[Return to the exercise, page 44](#)

---

## E / Conversation

### 1. order inflow

**Turn 2.** The fifty new orders must be added when calculating the closing queue, not omitted from the balance.

## 04 / Answers and explanations / continued

### 2. closing balance

**Turn 4.** The closing balance is 300 opening plus 50 new minus 220 closed, which equals 130 open orders.

---

### 3. gross completions

**Turn 6.** Gross completions are the 220 fully closed orders, before the queue effect of new arrivals is included.

---

### 4. net reduction

**Turn 8.** Net reduction is the change in the open balance, 300 minus 130, after accounting for additions.

---

### 5. order cohort

**Turn 10.** An order cohort identifies a specific group, and the supplied totals do not show which shipped orders belonged to the opening group.

---

### 6. order aging

**Turn 12.** Order aging shows how long specific orders remain open, which cannot be inferred from the aggregate queue total.

---

### 7. exception queue

**Turn 14.** The exception queue groups unresolved problems for the appropriate follow-up rather than treating all remaining orders as identical work.

---

### 8. shipment confirmation

**Turn 16.** Shipment confirmation records the defined dispatch event, not whether a promised arrival or timing requirement was met.

---

### 9. partial fulfillment

**Turn 18.** Partial fulfillment is not counted as a fully closed order in this case, so the completion rule must remain explicit.

---

### 10. warehouse management system

**Turn 20.** The warehouse management system provides operational records to reconcile against the stated arrivals and completion events.

[Return to the conversation, page 46](#)

---

## 04 / Answers and explanations / continued

---

### F / Accuracy and scope

**F1. What is the possible number of opening-queue orders still open after this shift?**

**B. Between 80 and 130; the exact count needs order identifiers.**

At most 50 of the 220 completions can be new, so 170 to 220 can be opening orders. Subtracting that range from 300 leaves 80 to 130; age priority remains unknown.

[Return to the exercise, page 48](#)

---

**F2. A later shift starts at 130, receives 40, and fully closes 90, with no other changes. What remains?**

**C. 80 open orders**

The balance is 130 plus 40 minus 90, leaving eighty open orders.

[Return to the exercise, page 48](#)

---

### F / Guided speaking

#### 1. fifty

**Lead:** The closing balance is fifty orders.

**Turn 1.** One hundred plus thirty minus eighty leaves fifty open orders.

---

#### 2. eighty

**Colleague:** Gross completions are eighty.

**Turn 2.** Eighty orders were fully closed during the shift before accounting for new arrivals.

---

#### 3. thirty

**Lead:** The new-order inflow is thirty.

**Turn 3.** Thirty new orders entered the queue during the shift.

---

#### 4. unknown

**Colleague:** The oldest-order status is still unknown.

**Turn 4.** The totals do not identify the ages of the completed or remaining orders.

[Return to the conversation, page 49](#)

---

## 04 / Answers and explanations / continued

---

### F / Rebuild the exchange

**1. Rebuild the exchange from "Shipments and the closing queue".** Zoe: "Include the unresolved address and stock issues separately. Customer service needs to know whether an order is ready to process or waiting on somebody else." Pavel: [missing response] Zoe: "One more point: does fully shipped mean delivered on time? The report heading currently calls these successful deliveries." Which response belongs in the gap?

**A. I will add the exception queue and its assigned owners. I will not describe those orders as ready until their blocking issues are resolved.**

**A Correct.** This is Pavel's response in turn 14. It connects Zoe's preceding point with Zoe's follow-up. The exception queue groups unresolved problems for the appropriate follow-up rather than treating all remaining orders as identical work.

**B Not here.** This line belongs to turn 4, after Zoe says: "Right, I subtracted the shipments but forgot the additions. Three hundred plus fifty, minus two hundred twenty. That leaves one hundred thirty, not eighty." It addresses that point, not the missing turn in the supplied exchange.

**C Not here.** This line belongs to turn 2, after Zoe says: "I am about to send customer service the shift report. It says eighty orders remain. Can you check it before I send the update?" It addresses that point, not the missing turn in the supplied exchange.

**D Not here.** This line belongs to turn 10, after Zoe says: "There is another sentence: all the oldest orders are cleared. The completed total is large, but I cannot find the order identifiers behind that claim." It addresses that point, not the missing turn in the supplied exchange.

[Return to the exercise, page 49](#)

---

## 05 / Answers and explanations

---

### A / Read the situation

#### A1. What is the current arrival status?

##### C. Estimated Wednesday warehouse arrival, with departure unconfirmed

The carrier supplies an estimate, while a key preceding movement has not been confirmed.

[Return to the exercise, page 52](#)

---

#### A2. What does Tuesday 16:00 represent?

##### D. A carrier status update

The appointment concerns information, not the physical shipment event.

[Return to the exercise, page 52](#)

---

#### A3. What is known about the expedited route?

##### D. It is being assessed; capacity, cost, and timing are unconfirmed.

The alternative remains a proposal with multiple unresolved conditions.

[Return to the exercise, page 52](#)

---

### D / Response choices

#### D1. Which customer update is accurate?

##### A. Warehouse arrival is estimated Wednesday; departure remains unconfirmed; next update Tuesday 16:00.

The update preserves the carrier estimate, the missing milestone, and the separate communication commitment.

[Return to the exercise, page 56](#)

---

#### D2. The system shows ETD Tuesday 10:00 but no departure event. Which wording preserves the distinction?

##### A. Departure is estimated for Tuesday 10:00; actual departure is unconfirmed.

ETD is an estimated departure time. A populated estimate field is not evidence of completed movement or a receiving appointment.

[Return to the exercise, page 56](#)

---

## 05 / Answers and explanations / continued

**D3. A colleague needs the term for this meaning: The confirmed time the shipment reached the stated point. Which term fits?**

**B. actual arrival**

**A Not here.** bill of lading: A transport document evidencing receipt and carriage terms, with functions varying by type. The usual combination is "review the bill of lading".

**B Correct.** actual arrival: The confirmed time the shipment reached the stated point. The usual combination is "record actual arrival".

**C Not here.** last mile: The final transport leg to the delivery destination. The usual combination is "coordinate the last mile".

**D Not here.** demurrage: A charge for specified excess terminal or port use under applicable terms. The usual combination is "review demurrage terms".

[Return to the exercise, page 56](#)

**D4. Rebuild the exchange from "Wednesday is still an estimate". Dana: "Does the Wednesday estimate refer to our warehouse or just the destination terminal? That would make a significant difference to whether the goods can support production." Nikhil: [missing response] Dana: "We have a receiving slot available. I want to avoid treating that slot as confirmation that the carrier will reach us on schedule." Which response belongs in the gap?**

**D. It refers to the warehouse, but the last mile remains part of the plan to verify. Arrival at an earlier terminal would not by itself complete that final movement.**

**A Not here.** This line belongs to turn 16, after Dana says: "The order also names a trade term. Someone suggested that this term guarantees arrival on the estimated day, but I do not think those are the same issue." It addresses that point, not the missing turn in the supplied exchange.

**B Not here.** This line belongs to turn 18, after Dana says: "What can you promise about the next communication? We need a reliable checkpoint even if the transport timing remains uncertain." It addresses that point, not the missing turn in the supplied exchange.

**C Not here.** This line belongs to turn 20, after Dana says: "That gives us an honest planning basis. We will treat Wednesday as the current estimate, keep the production dependency visible, and wait for the confirmed movement update." It addresses that point, not the missing turn in the supplied exchange.

**D Correct.** This is Nikhil's response in turn 6. It connects Dana's preceding point with Dana's follow-up. The last mile is the final transport leg to the warehouse and remains part of the estimated arrival plan.

[Return to the exercise, page 56](#)

---

## E / Conversation

### 1. estimated time of arrival

**Turn 2.** The ETA is a forecast arrival at the warehouse, not a guarantee of a particular time.

---

## 05 / Answers and explanations / continued

### 2. actual departure

**Turn 4.** Actual departure requires confirmation that the goods left the stated point, which is missing in this case.

---

### 3. last mile

**Turn 6.** The last mile is the final transport leg to the warehouse and remains part of the estimated arrival plan.

---

### 4. delivery appointment

**Turn 8.** A delivery appointment reserves or agrees a receiving slot but does not prove the vehicle will arrive then.

---

### 5. expedited freight

**Turn 10.** Expedited freight is being considered as a faster option, but its practical conditions are not yet confirmed.

---

### 6. premium freight cost

**Turn 12.** Premium freight cost is the additional expense of the proposed service and needs the required authorization.

---

### 7. capacity booking

**Turn 14.** A capacity booking confirms reserved space under its terms, unlike an unconfirmed routing suggestion.

---

### 8. Incoterms rule

**Turn 16.** An Incoterms rule allocates specified obligations, costs, and risks; it does not itself guarantee an estimated arrival date.

---

### 9. transport milestone

**Turn 18.** A transport milestone is a defined shipment event whose confirmation can improve the status assessment.

---

### 10. proof of delivery

**Turn 20.** Proof of delivery documents the actual defined delivery event, unlike an estimate or appointment.

[Return to the conversation, page 58](#)

---

## 05 / Answers and explanations / continued

---

### F / Accuracy and scope

#### F1. What is needed before relying on the expedited alternative?

##### C. Confirmed capacity, supported timing, cost, and the required authorization

The alternative's practical conditions and approval remain unresolved in the brief.

[Return to the exercise, page 61](#)

---

#### F2. Which statement about an agreed Incoterms rule is accurate?

##### A. It allocates specified responsibilities, costs, and risks but does not itself prove arrival or guarantee the ETA.

Trade-rule obligations and physical shipment status are different questions that require different evidence.

[Return to the exercise, page 61](#)

---

### F / Guided speaking

#### 1. scheduled

**Coordinator:** Monday's pickup is scheduled.

**Turn 1.** A planned pickup date does not establish that collection already occurred.

---

#### 2. estimated

**Customer:** Thursday's arrival remains estimated.

**Turn 2.** The arrival is a forecast rather than a confirmed or guaranteed event.

---

#### 3. confirmed

**Coordinator:** Actual collection is not yet confirmed.

**Turn 3.** The case supplies no evidence of a completed collection event.

---

#### 4. update

**Customer:** Fifteen hundred is the next status update.

**Turn 4.** The time concerns communication, not guaranteed collection or arrival.

[Return to the conversation, page 62](#)

---

## 05 / Answers and explanations / continued

---

### F / Rebuild the exchange

**1. Rebuild the exchange from "Wednesday is still an estimate".** Dana: "And is there actually space on that faster route? I do not want us to approve extra cost for a connection we cannot secure." Nikhil: [missing response] Dana: "The order also names a trade term. Someone suggested that this term guarantees arrival on the estimated day, but I do not think those are the same issue." Which response belongs in the gap?

**A. Exactly. We need the capacity booking and supported timing. I will separate a booking request from an actual confirmation in the update.**

**A Correct.** This is Nikhil's response in turn 14. It connects Dana's preceding point with Dana's follow-up. A capacity booking confirms reserved space under its terms, unlike an unconfirmed routing suggestion.

**B Not here.** This line belongs to turn 2, after Dana says: "Our production starts Wednesday at fourteen hundred. The carrier estimate says Wednesday, so can you guarantee that the shipment will reach our warehouse before then?" It addresses that point, not the missing turn in the supplied exchange.

**C Not here.** This line belongs to turn 10, after Dana says: "The customer-service note mentions a faster alternative. Is that already arranged, or are you still checking whether it could actually improve this shipment's timing?" It addresses that point, not the missing turn in the supplied exchange.

**D Not here.** This line belongs to turn 8, after Dana says: "We have a receiving slot available. I want to avoid treating that slot as confirmation that the carrier will reach us on schedule." It addresses that point, not the missing turn in the supplied exchange.

[Return to the exercise, page 62](#)

---

## 06 / Answers and explanations

---

### A / Read the situation

#### A1. What is the discrepancy?

**A. The invoice describes steel bolts while the packing list describes aluminum brackets.**

The document descriptions differ in product and material even though both list five hundred pieces.

[Return to the exercise, page 63](#)

---

#### A2. What do matching counts establish?

**A. Agreement on the stated count, not verification of the product description**

The same number does not resolve a conflict over what the goods actually are.

[Return to the exercise, page 63](#)

---

#### A3. What is missing before an accurate correction?

**A. Verified product facts and the appropriate document correction process**

The file needs underlying evidence and authorized correction rather than selection of a convenient description.

[Return to the exercise, page 63](#)

---

### D / Response choices

#### D1. Which message to the exporter is most appropriate?

**A. Please verify the actual product and material, then arrange authorized corrections supported by those facts.**

The message seeks accurate underlying facts and controlled correction rather than an arbitrary choice between conflicting records.

[Return to the exercise, page 67](#)

---

#### D2. A colleague changes both descriptions to metal parts without checking the goods. What remains unresolved?

**A. The actual product and material; matching vague wording does not verify them.**

Agreement between documents is not verification against the goods. Replacing conflicting specifics with a vague shared label hides rather than resolves the discrepancy.

[Return to the exercise, page 67](#)

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## 06 / Answers and explanations / continued

**D3. A colleague needs the term for this meaning: Technical information defining a product's characteristics. Which term fits?**

**B. product specification**

**A Not here.** HTSUS: The Harmonized Tariff Schedule of the United States. The usual combination is "consult the applicable HTSUS provision".

**B Correct.** product specification: Technical information defining a product's characteristics. The usual combination is "obtain the product specification".

**C Not here.** net weight: The weight of goods excluding the specified packaging. The usual combination is "state net weight".

**D Not here.** document discrepancy: A conflict between relevant records or stated facts. The usual combination is "resolve a document discrepancy".

[Return to the exercise, page 67](#)

**D4. Rebuild the exchange from "The invoice and packing list describe different goods". Sofia: "Material is one of the conflicts, not just the item name. Steel bolts and aluminum brackets are not two harmless ways of saying the same thing." Chen: [missing response] Sofia: "The broker also needs a description that identifies the goods meaningfully. Making both documents say parts would remove the visible conflict while making the file less informative." Which response belongs in the gap?**

**C. We must confirm material composition from the relevant source. I will not infer it from the document we happen to prefer or from the duty result someone expects.**

**A Not here.** This line belongs to turn 4, after Sofia says: "Please check the actual shipment before editing either document. I cannot tell the broker which description is correct from these two conflicting records." It addresses that point, not the missing turn in the supplied exchange.

**B Not here.** This line belongs to turn 18, after Sofia says: "Once the verified information and authorized corrections are ready, I will send them to the broker and responsible import team with the supporting references." It addresses that point, not the missing turn in the supplied exchange.

**C Correct.** This is Chen's response in turn 6. It connects Sofia's preceding point with Sofia's follow-up. Material composition identifies what the goods are made of, resolving the steel-versus-aluminum conflict with evidence.

**D Not here.** This line belongs to turn 16, after Sofia says: "The form names the dispatch country. What do we have to support the origin entry? I do not want someone copying the first country they see." It addresses that point, not the missing turn in the supplied exchange.

[Return to the exercise, page 67](#)

---

## E / Conversation

### 1. document discrepancy

**Turn 2.** The discrepancy is a conflict in product and material descriptions, not merely a formatting difference.

## 06 / Answers and explanations / continued

### 2. product specification

**Turn 4.** The product specification can provide verified characteristics of the actual goods to support an accurate correction.

---

### 3. material composition

**Turn 6.** Material composition identifies what the goods are made of, resolving the steel-versus-aluminum conflict with evidence.

---

### 4. merchandise description

**Turn 8.** The merchandise description should accurately identify the goods rather than hide disagreement behind a vague label.

---

### 5. corrected invoice

**Turn 10.** A corrected invoice is an authorized revision if the invoice is affected, not an informal alteration by an unrelated recipient.

---

### 6. revision history

**Turn 12.** Revision history records the original information, authorized change, and reason so the correction remains traceable.

---

### 7. Tariff classification

**Turn 14.** Tariff classification requires the applicable product facts and rules; the conflicting file does not supply a completed determination.

---

### 8. Country of origin

**Turn 16.** Country of origin is determined under applicable rules and is not automatically the country from which the shipment departed.

---

### 9. customs broker

**Turn 18.** The customs broker receives the verified facts and corrected records for the appropriate customs review rather than being asked to guess product identity.

---

### 10. Customs release

**Turn 20.** Customs release is a separate actual customs decision, not the automatic result of correcting an internal document file.

[Return to the conversation, page 69](#)

---

## 06 / Answers and explanations / continued

---

### F / Accuracy and scope

#### F1. Which origin statement is accurate?

**B. Shipment country alone does not determine origin; apply the relevant rules to verified facts.**

Origin is determined under applicable rules and cannot be inferred solely from dispatch location or convenience.

[Return to the exercise, page 73](#)

---

#### F2. Which completion statement is supported after an authorized correction but before an agency decision?

**D. The file has been corrected; customs release still needs confirmation.**

Internal document correction and an actual customs release are distinct statuses.

[Return to the exercise, page 73](#)

---

### F / Guided speaking

#### 1. material

**Coordinator:** The counts match, but the material differs.

**Turn 1.** Plastic and steel are different material descriptions despite the matching quantity.

---

#### 2. facts

**Exporter:** We need verified product facts.

**Turn 2.** Underlying evidence is needed before selecting or correcting either description.

---

#### 3. correction

**Coordinator:** The responsible issuer must authorize any correction.

**Turn 3.** A document change should follow the appropriate authority and preserve traceability.

---

#### 4. release

**Exporter:** A corrected file does not prove customs release.

**Turn 4.** Document correction is distinct from a confirmed customs release decision.

[Return to the conversation, page 74](#)

---

## 06 / Answers and explanations / continued

---

### F / Rebuild the exchange

**1. Rebuild the exchange from "The invoice and packing list describe different goods".** Sofia: "We also should not invent a tariff code from this short conversation. We do not yet have the verified characteristics needed for the applicable review." Chen: [missing response] Sofia: "The form names the dispatch country. What do we have to support the origin entry? I do not want someone copying the first country they see." Which response belongs in the gap?

**C. Correct.** Tariff classification must follow the relevant facts and rules. A desired duty rate is not a reason to change the product description.

**A Not here.** This line belongs to turn 8, after Sofia says: "The broker also needs a description that identifies the goods meaningfully. Making both documents say parts would remove the visible conflict while making the file less informative." It addresses that point, not the missing turn in the supplied exchange.

**B Not here.** This line belongs to turn 2, after Sofia says: "The invoice calls these goods stainless-steel bolts, while the packing list says aluminum brackets. The broker has asked us to clarify the file before relying on it." It addresses that point, not the missing turn in the supplied exchange.

**C Correct.** This is Chen's response in turn 14. It connects Sofia's preceding point with Sofia's follow-up. Tariff classification requires the applicable product facts and rules; the conflicting file does not supply a completed determination.

**D Not here.** This line belongs to turn 10, after Sofia says: "Once the facts are established, the responsible issuer should correct whichever document is wrong. We should not silently overwrite an exporter document ourselves." It addresses that point, not the missing turn in the supplied exchange.

[Return to the exercise, page 74](#)

---

## 07 / Answers and explanations

---

### A / Read the situation

#### A1. What is the status of B's capacity?

##### D. Reported spare capacity, not reserved for this buyer

The supplier reports capacity but no reservation or completed qualification is supplied.

[Return to the exercise, page 77](#)

---

#### A2. What does the potential shared coating site imply?

##### D. A possible common dependency that needs verification

A shared dependency could expose both sources to the same disruption, but the fact remains unverified.

[Return to the exercise, page 77](#)

---

#### A3. What stock coverage is supplied?

##### C. Three weeks at the stated demand rate

The brief defines three weeks of usable stock coverage at a specified demand rate.

[Return to the exercise, page 77](#)

---

### D / Response choices

#### D1. Which comparison is most useful?

##### A. Compare lead-time basis, qualification, reserved capacity, activation needs, and shared dependencies.

Continuity depends on operational readiness and exposure, not only the nominal lead-time comparison.

[Return to the exercise, page 81](#)

---

#### D2. Stock covers three weeks. In a simplified no-receipts scenario, usable backup starts after four. Which statement is precise?

##### D. The conditional gap is one week; unverified activation requirements could change it.

Four minus three gives one week only under the stated scenario. A quotation, incomplete qualification, and unreserved capacity do not guarantee usable supply after four weeks.

[Return to the exercise, page 81](#)

---

## 07 / Answers and explanations / continued

**D3. A colleague needs the term for this meaning: Evaluation and approval of a source for a specified requirement. Which term fits?**

**C. source qualification**

**A Not here.** business continuity plan: A plan for maintaining or restoring prioritized operations during disruption. The usual combination is "test the business continuity plan".

**B Not here.** resilience: The ability to prepare for, respond to, and recover from disruption. The usual combination is "strengthen supply resilience".

**C Correct.** source qualification: Evaluation and approval of a source for a specified requirement. The usual combination is "complete source qualification".

**D Not here.** switching cost: The cost of moving a requirement to another source or arrangement. The usual combination is "assess switching cost".

[Return to the exercise, page 81](#)

**D4. Rebuild the exchange from "A second supplier is not yet a ready backup". Julia: "The four-week number also may assume everything is ready to begin. If qualification or tooling work is needed first, it may not describe the whole switching period." Ren: [missing response] Julia: "We have another unresolved question: both suppliers may use the same coating site. I do not want to repeat that as fact until it is verified." Which response belongs in the gap?**

**C. Include the activation lead time. The time from deciding to switch to receiving usable supply may include steps that are not covered by the supplier's quoted lead time.**

**A Not here.** This line belongs to turn 16, after Julia says: "Management wants a shorter recovery time. I will show that as a target, but what can we actually support with the evidence we have?" It addresses that point, not the missing turn in the supplied exchange.

**B Not here.** This line belongs to turn 10, after Julia says: "That would change the resilience argument. Two sources could still be useful, but we should not describe their risks as independent without examining the upstream connection." It addresses that point, not the missing turn in the supplied exchange.

**C Correct.** This is Ren's response in turn 6. It connects Julia's preceding point with Julia's follow-up. Activation lead time covers the contingency operational, potentially beyond the supplier's quoted production lead time.

**D Not here.** This line belongs to turn 4, after Julia says: "I will ask whether any capacity is reserved for us. Spare capacity today is not the same as a committed slot when we need it." It addresses that point, not the missing turn in the supplied exchange.

[Return to the exercise, page 81](#)

## 07 / Answers and explanations / continued

---

### E / Conversation

#### 1. source qualification

**Turn 2.** Source qualification is incomplete for B, so its approval to supply the required item is not established.

---

#### 2. capacity reservation

**Turn 4.** A capacity reservation commits capability to the buyer, unlike a general statement that spare capacity exists.

---

#### 3. activation lead time

**Turn 6.** Activation lead time covers making the contingency operational, potentially beyond the supplier's quoted production lead time.

---

#### 4. common dependency

**Turn 8.** A common dependency is a shared resource that could affect both sources, but the coating-site link remains unverified.

---

#### 5. Correlated disruption

**Turn 10.** Correlated disruption can affect multiple sources together when they share an upstream exposure.

---

#### 6. scenario test

**Turn 12.** A scenario test states hypothetical conditions explicitly rather than presenting an assumption-based result as a forecast.

---

#### 7. buffer coverage

**Turn 14.** Buffer coverage measures the demand period supported by usable stock, here three weeks under the stated rate.

---

#### 8. recovery objective

**Turn 16.** A recovery objective states a target, whereas an achievable restoration estimate requires supporting evidence.

---

#### 9. contingency trigger

**Turn 18.** A contingency trigger identifies the condition that starts the planned alternative action or review.

---

## 07 / Answers and explanations / continued

### 10. risk register

**Turn 20.** The risk register records the open exposures, evidence gaps, owners, and actions needed for the continuity assessment.

[Return to the conversation, page 83](#)

---

### F / Accuracy and scope

#### F1. Why investigate the coating site?

**D. A common upstream dependency could disrupt both sources together.**

Common infrastructure can make apparently separate sources vulnerable to the same event.

[Return to the exercise, page 87](#)

---

#### F2. What distinguishes a recovery objective from time-to-recover evidence?

**A. The objective is a target; the estimate needs support about actual restoration capability.**

A desired recovery time and an evidenced estimate are different planning statements.

[Return to the exercise, page 87](#)

---

### F / Guided speaking

#### 1. three

**Planner:** The assumed supply gap is three weeks.

**Turn 1.** Five weeks to usable backup minus two weeks of stock leaves three weeks.

---

#### 2. unchanged

**Buyer:** The scenario assumes demand stays unchanged.

**Turn 2.** The coverage calculation uses the fixed demand condition stated in the briefing.

---

#### 3. reservation

**Planner:** Backup capacity still lacks a reservation.

**Turn 3.** Reported capability is not the same as supply capacity committed to this buyer.

---

#### 4. guarantee

**Buyer:** The calculated gap is conditional, not a guarantee.

**Turn 4.** The result depends on stated assumptions and does not promise actual recovery timing.

[Return to the conversation, page 88](#)

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## 07 / Answers and explanations / continued

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### F / Rebuild the exchange

**1. Rebuild the exchange from "A second supplier is not yet a ready backup". Julia: "Under those assumptions, the stock ends after three weeks and the backup starts after four. There is a one-week gap, not complete coverage." Ren: [missing response] Julia: "Management wants a shorter recovery time. I will show that as a target, but what can we actually support with the evidence we have?" Which response belongs in the gap?**

**C. Yes. The buffer coverage is shorter than the assumed wait. But actual activation could differ, especially while qualification and reservation remain incomplete.**

**A Not here.** This line belongs to turn 8, after Julia says: "We have another unresolved question: both suppliers may use the same coating site. I do not want to repeat that as fact until it is verified." It addresses that point, not the missing turn in the supplied exchange.

**B Not here.** This line belongs to turn 12, after Julia says: "Current usable inventory covers three weeks at the stated demand rate. How should that be compared with the four-week quote without creating a false recovery promise?" It addresses that point, not the missing turn in the supplied exchange.

**C Correct.** This is Ren's response in turn 14. It connects Julia's preceding point with Julia's follow-up. Buffer coverage measures the demand period supported by usable stock, here three weeks under the stated rate.

**D Not here.** This line belongs to turn 2, after Julia says: "Supplier A quotes two weeks and supplier B quotes four. B says it has spare capacity, so the team wants to list it as our ready backup." It addresses that point, not the missing turn in the supplied exchange.

[Return to the exercise, page 88](#)

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## 08 / Answers and explanations

---

### A / Read the situation

**A1. What explains the numerical difference between the proposals?**

**A. A 1,500-unit unconfirmed promotion increment**

Sales adds 1,500 to the 10,500 base proposal, but that increment is not confirmed.

[Return to the exercise, page 89](#)

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**A2. How much does the 12,000-unit scenario exceed regular capacity?**

**D. 1,000 units**

The upside proposal of 12,000 exceeds regular capacity of 11,000 by 1,000.

[Return to the exercise, page 89](#)

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**A3. What decision status is supported at the start?**

**D. The plan is not yet agreed on the supplied facts.**

The scenario explicitly leaves the promotion assumption and authorization unresolved.

[Return to the exercise, page 89](#)

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### D / Response choices

**D1. Which summary puts the choice clearly?**

**A. Base 10,500; upside 12,000 with unconfirmed promotion; regular capacity 11,000; upside gap 1,000.**

The summary keeps the demand increment, available capacity, and resulting capacity gap distinct.

[Return to the exercise, page 93](#)

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**D2. What does the 11,000 capacity limit establish?**

**B. The stated regular supply limit, not a ceiling on possible customer demand**

Supply capability and unconstrained demand are different quantities even when a plan must reconcile them.

[Return to the exercise, page 93](#)

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## 08 / Answers and explanations / continued

**D3. A colleague needs the term for this meaning: The reconciliation stage preparing issues and options for executive review. Which term fits?**

**B. pre-S&OP**

**A Not here.** decision rights: The defined authority to make particular choices. The usual combination is "clarify decision rights".

**B Correct.** pre-S&OP: The reconciliation stage preparing issues and options for executive review. The usual combination is "resolve issues in pre-S&OP".

**C Not here.** downside case: A scenario with lower demand or another adverse outcome under stated assumptions. The usual combination is "assess the downside case".

**D Not here.** incremental capacity: Additional output capability beyond the defined base arrangements. The usual combination is "assess incremental capacity".

[Return to the exercise, page 93](#)

**D4. Rebuild the exchange from "Ten minutes left, one assumption unresolved".**

**Victor: "So the promotion needs fifteen hundred extra units of capacity. Is that the approval request I should send to the operations director?" Amara: [missing response] Victor: "Thanks. Could we settle this by changing the demand figure to eleven thousand? That would make the spreadsheet balance without requesting extra resources." Which response belongs in the gap?**

**A. Not quite. The capacity gap is one thousand. The base case already leaves five hundred units of regular headroom; fifteen hundred is the demand increment.**

**A Correct.** This is Amara's response in turn 6. It connects Victor's preceding point with Victor's follow-up. The 12,000-unit upside exceeds 11,000 regular capacity by 1,000, not by the full 1,500 promotion increment.

**B Not here.** This line belongs to turn 4, after Victor says: "Then remove agreed. Show me the reference and the extra demand separately so we can see which assumption is causing the disagreement." It addresses that point, not the missing turn in the supplied exchange.

**C Not here.** This line belongs to turn 2, after Victor says: "The minutes already say plan agreed. Before I approve that wording, tell me what sales and operations have actually agreed to produce next month." It addresses that point, not the missing turn in the supplied exchange.

**D Not here.** This line belongs to turn 12, after Victor says: "We could use the base and return to the promotion when sales has stronger evidence. I am suggesting an option, not approving it yet." It addresses that point, not the missing turn in the supplied exchange.

[Return to the exercise, page 93](#)

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## E / Conversation

### 1. decision log

**Turn 2.** The decision log should record actual choices, not claim agreement while the planning basis remains unresolved.

## 08 / Answers and explanations / continued

### 2. base case

**Turn 4.** The base case is the 10,500-unit operations proposal used as the reference for the promotion scenario.

---

### 3. capacity gap

**Turn 6.** The 12,000-unit upside exceeds 11,000 regular capacity by 1,000, not by the full 1,500 promotion increment.

---

### 4. unconstrained demand

**Turn 8.** Unconstrained demand describes possible demand before supply limits and should not be silently reduced to match capacity.

---

### 5. decision request

**Turn 10.** The decision request specifies the planning basis and treatment of the unresolved promotion increment that leadership must decide.

---

### 6. demand trigger

**Turn 12.** A demand trigger identifies the evidence or event that would prompt reconsideration of the promotion increment.

---

### 7. decision rights

**Turn 14.** Decision rights identify who can authorize the relevant capacity and cost choices rather than treating any recommendation as approval.

---

### 8. contingent approval

**Turn 16.** Contingent approval depends on specified conditions and must not be treated as unconditional permission before those conditions are met.

---

### 9. assumption register

**Turn 18.** The assumption register preserves the unresolved promotion premise, its owner, and review status rather than burying it in false agreement.

---

### 10. planning handoff

**Turn 20.** The planning handoff transfers only the actual agreed instruction and conditions to execution teams, not a presumed consensus.

[Return to the conversation, page 95](#)

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## 08 / Answers and explanations / continued

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### F / Accuracy and scope

**F1. What wording matches the outcome at the end of the conversation?**

**C. Decision deferred; no extra capacity authorized; Victor arranges the follow-up and Amara collects the open questions.**

The chair explicitly defers the production decision and assigns follow-up. Discussing options and holding a review do not authorize either proposed plan.

[Return to the exercise, page 99](#)

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**F2. What should minutes show if the choice remains unresolved?**

**D. Decision deferred, with the unresolved assumption, owner, and next review identified**

An unresolved decision should remain explicit so execution teams do not act on invented consensus.

[Return to the exercise, page 99](#)

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### F / Guided speaking

#### 1. fifty

**Planner:** The upside case is nine hundred fifty units.

**Turn 1.** Eight hundred plus one hundred fifty produces an upside case of 950.

---

#### 2. capacity

**Chair:** That exceeds regular capacity by 50.

**Turn 2.** The 950-unit scenario is fifty above the stated capacity of 900.

---

#### 3. proposed

**Planner:** The promotion increment remains proposed.

**Turn 3.** The briefing describes an unapproved proposal rather than confirmed incremental demand.

---

#### 4. agreed

**Chair:** The record must not say the plan is agreed.

**Turn 4.** No decision has been approved, so agreement cannot be claimed.

[Return to the conversation, page 100](#)

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## 08 / Answers and explanations / continued

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### F / Rebuild the exchange

**1. Rebuild the exchange from "Ten minutes left, one assumption unresolved". Victor: "Sales can propose the evidence. I also need to verify who may approve the extra resources; I cannot infer that authority from attendance at this meeting." Amara: [missing response] Victor: "The draft uses the words conditionally approved. Can we leave them while the trigger and authorizing person are still unidentified?" Which response belongs in the gap?**

**C. I will confirm the decision rights. A recommendation from this group cannot stand in for an authorization that belongs to somebody else.**

**A Not here.** This line belongs to turn 18, after Victor says: "Then record the decision as deferred. I will own arranging the follow-up tomorrow morning; you will collect the promotion evidence and capacity-cost questions." It addresses that point, not the missing turn in the supplied exchange.

**B Not here.** This line belongs to turn 10, after Victor says: "All right. What choice needs a decision today, and what still needs evidence? I do not want execution teams choosing their own interpretation." It addresses that point, not the missing turn in the supplied exchange.

**C Correct.** This is Amara's response in turn 14. It connects Victor's preceding point with Victor's follow-up. Decision rights identify who can authorize the relevant capacity and cost choices rather than treating any recommendation as approval.

**D Not here.** This line belongs to turn 2, after Victor says: "The minutes already say plan agreed. Before I approve that wording, tell me what sales and operations have actually agreed to produce next month." It addresses that point, not the missing turn in the supplied exchange.

[Return to the exercise, page 100](#)

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# Review 1 / Explanations

---

## Cumulative review

**1. A colleague needs the term for this meaning: A tendency for forecasts to be systematically too high or too low. Which term fits?**

**C. forecast bias**

**A Not here.** seasonality: A recurring demand pattern tied to a calendar or cycle. The usual combination is "account for seasonality".

**B Not here.** demand signal: Information indicating demand behavior or potential change. The usual combination is "evaluate a demand signal".

**C Correct.** forecast bias: A tendency for forecasts to be systematically too high or too low. The usual combination is "monitor forecast bias".

**D Not here.** overforecast: A forecast greater than the corresponding actual demand. The usual combination is "identify an overforecast".

[Return to the exercise, page 26](#)

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**2. A colleague needs the term for this meaning: The time between defined order and supply events. Which term fits?**

**B. supplier lead time**

**A Not here.** supplier scorecard: A structured summary of supplier performance against defined measures. The usual combination is "review the supplier scorecard".

**B Correct.** supplier lead time: The time between defined order and supply events. The usual combination is "verify supplier lead time".

**C Not here.** procurement: The process of sourcing and obtaining required goods or services. The usual combination is "coordinate procurement".

**D Not here.** allocation: Assignment of limited supply to particular orders or customers. The usual combination is "confirm supply allocation".

[Return to the exercise, page 26](#)

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## Review 1 / Explanations / continued

**3. Rebuild the exchange from "Three optimistic forecasts and a new promotion".**

**Martin:** "For next month, the reference forecast is one hundred twenty. Sales proposes another thirty because of the promotion, but we have no supporting orders yet." **Aisha:** [missing response] **Martin:** "That gives a scenario of one hundred fifty. I do not want the planning team to dismiss the opportunity, but we should avoid calling it confirmed demand." Which response belongs in the gap?

**A. Keep the baseline forecast visible. We can show the thirty-unit proposal separately so people understand what comes from the reference and what comes from the new commercial assumption.**

**A Correct.** This is Aisha's response in turn 10. It connects Martin's preceding point with Martin's follow-up. The baseline forecast remains the 120-unit reference against which the proposed promotional adjustment is shown.

**B Not here.** This line belongs to turn 8, after Martin says: "What if positive and negative errors cancel in a later period? A zero average could look excellent even when individual months still miss by a meaningful amount." It addresses that point, not the missing turn in the supplied exchange.

**C Not here.** This line belongs to turn 2, after Martin says: "Sales expects the promotion to improve demand next month. Before we add the uplift, can we agree what the last three months actually tell us?" It addresses that point, not the missing turn in the supplied exchange.

**D Not here.** This line belongs to turn 12, after Martin says: "That gives a scenario of one hundred fifty. I do not want the planning team to dismiss the opportunity, but we should avoid calling it confirmed demand." It addresses that point, not the missing turn in the supplied exchange.

[Return to the exercise, page 26](#)

## Review 1 / Explanations / continued

**4. Rebuild the exchange from "Acknowledged, but not scheduled". Keiko: "If the planning team cannot resolve allocation, please involve the right decision maker. We need a practical next route without accusing anyone of breaking a date not yet promised." Luis: [missing response] Keiko: "For performance reporting later, let's also agree whether we measure dispatch or warehouse receipt. Moving between those definitions would make on-time performance misleading." Which response belongs in the gap?**

**A. I will use the commercial escalation process if needed. The update will identify the constraint and owner rather than replace the missing date with a vague assurance.**

**A Correct.** This is Luis's response in turn 18. It connects Keiko's preceding point with Keiko's follow-up. Commercial escalation routes the unresolved allocation and timing question to someone with the appropriate decision authority.

**B Not here.** This line belongs to turn 12, after Keiko says: "A split could help our operations, but only if it is a real proposal with dates. Two hundred first and three hundred later would not be enough by itself." It addresses that point, not the missing turn in the supplied exchange.

**C Not here.** This line belongs to turn 10, after Keiko says: "When you have that assessment, please identify the quantity and timing for each item line. A single general date could hide different availability across the order." It addresses that point, not the missing turn in the supplied exchange.

**D Not here.** This line belongs to turn 14, after Keiko says: "We also need to know the dispatch location and what the transport estimate includes. Otherwise a proposed departure date may not support the required warehouse arrival." It addresses that point, not the missing turn in the supplied exchange.

[Return to the exercise, page 26](#)

# Review 2 / Explanations

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## Cumulative review

**1. A colleague needs the term for this meaning: Stock usable for the specified demand after relevant restrictions. Which term fits?**

**D. available inventory**

**A Not here.** obsolete stock: Inventory no longer suitable or expected to meet its intended demand. The usual combination is "assess obsolete stock".

**B Not here.** inventory position: A defined balance considering on-hand stock, incoming supply, and demand commitments. The usual combination is "state the inventory-position basis".

**C Not here.** fill rate: The share of defined demand filled under the stated service measure. The usual combination is "define the fill-rate basis".

**D Correct.** available inventory: Stock usable for the specified demand after relevant restrictions. The usual combination is "confirm available inventory".

[Return to the exercise, page 50](#)

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**2. A colleague needs the term for this meaning: Authorization to begin warehouse processing for an order. Which term fits?**

**A. order release**

**A Correct.** order release: Authorization to begin warehouse processing for an order. The usual combination is "schedule order release".

**B Not here.** packing verification: Checking packed items against order and shipping requirements. The usual combination is "complete packing verification".

**C Not here.** order backlog: Orders still awaiting the defined fulfillment completion. The usual combination is "reconcile the order backlog".

**D Not here.** warehouse management system: Software managing warehouse inventory and operations, abbreviated WMS. The usual combination is "reconcile the warehouse management system".

[Return to the exercise, page 50](#)

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## Review 2 / Explanations / continued

**3. Rebuild the exchange from "Acknowledged, but not scheduled".** Keiko: "When you have that assessment, please identify the quantity and timing for each item line. A single general date could hide different availability across the order." Luis: [missing response] Keiko: "A split could help our operations, but only if it is a real proposal with dates. Two hundred first and three hundred later would not be enough by itself." Which response belongs in the gap?

**C. I will report each order line separately where timing differs. The total needs to remain five hundred, with any split clearly linked to the original order quantities.**

**A Not here.** This line belongs to turn 18, after Keiko says: "If the planning team cannot resolve allocation, please involve the right decision maker. We need a practical next route without accusing anyone of breaking a date not yet promised." It addresses that point, not the missing turn in the supplied exchange.

**B Not here.** This line belongs to turn 14, after Keiko says: "We also need to know the dispatch location and what the transport estimate includes. Otherwise a proposed departure date may not support the required warehouse arrival." It addresses that point, not the missing turn in the supplied exchange.

**C Correct.** This is Luis's response in turn 10. It connects Keiko's preceding point with Keiko's follow-up. An order line identifies a specific item and quantity, allowing different availability to be stated precisely.

**D Not here.** This line belongs to turn 12, after Keiko says: "A split could help our operations, but only if it is a real proposal with dates. Two hundred first and three hundred later would not be enough by itself." It addresses that point, not the missing turn in the supplied exchange.

[Return to the exercise, page 50](#)

## Review 2 / Explanations / continued

**4. Rebuild the exchange from "Shipments and the closing queue".** Zoe: "I will change that heading too. We are counting fully closed orders, not cartons, individual units, or customer deliveries." Pavel: [missing response] Zoe: "I have corrected eighty to one hundred thirty, kept the completed count, and removed the oldest-cleared and on-time-delivery claims. Please check the underlying events." Which response belongs in the gap?

**A. Correct. This count excludes partial fulfillment. Shipping one carton from an unfinished order does not make that order one of our two hundred twenty closures.**

**A Correct.** This is Pavel's response in turn 18. It connects Zoe's preceding point with Zoe's follow-up. Partial fulfillment is not counted as a fully closed order in this case, so the completion rule must remain explicit.

**B Not here.** This line belongs to turn 14, after Zoe says: "Include the unresolved address and stock issues separately. Customer service needs to know whether an order is ready to process or waiting on somebody else." It addresses that point, not the missing turn in the supplied exchange.

**C Not here.** This line belongs to turn 10, after Zoe says: "There is another sentence: all the oldest orders are cleared. The completed total is large, but I cannot find the order identifiers behind that claim." It addresses that point, not the missing turn in the supplied exchange.

**D Not here.** This line belongs to turn 2, after Zoe says: "I am about to send customer service the shift report. It says eighty orders remain. Can you check it before I send the update?" It addresses that point, not the missing turn in the supplied exchange.

[Return to the exercise, page 50](#)

# Review 3 / Explanations

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## Cumulative review

**1. A colleague needs the term for this meaning: The confirmed time the shipment left the stated location. Which term fits?**

**D. actual departure**

**A Not here.** routing: The planned path and transport connections for a shipment. The usual combination is "review the routing".

**B Not here.** consignee: The party named to receive goods under the transport record. The usual combination is "confirm the consignee".

**C Not here.** capacity booking: A reservation of transport space under the applicable terms. The usual combination is "confirm the capacity booking".

**D Correct.** actual departure: The confirmed time the shipment left the stated location. The usual combination is "confirm actual departure".

[Return to the exercise, page 75](#)

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**2. A colleague needs the term for this meaning: The international goods-classification framework commonly abbreviated HS. Which term fits?**

**A. Harmonized System**

**A Correct.** Harmonized System: The international goods-classification framework commonly abbreviated HS. The usual combination is "distinguish Harmonized System codes".

**B Not here.** declared quantity: The quantity stated in the relevant customs or shipment record. The usual combination is "verify the declared quantity".

**C Not here.** entry documentation: The records supporting the import entry process. The usual combination is "review entry documentation".

**D Not here.** commercial invoice: A transaction document describing goods, value, parties, and relevant terms. The usual combination is "verify the commercial invoice".

[Return to the exercise, page 75](#)

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## Review 3 / Explanations / continued

**3. Rebuild the exchange from "Shipments and the closing queue".** Zoe: "There is another sentence: all the oldest orders are cleared. The completed total is large, but I cannot find the order identifiers behind that claim." Pavel: [missing response] Zoe: "Then I will remove that sentence. Could you send the remaining order ages and due dates before customer service contacts individual customers?" Which response belongs in the gap?

**A. We need the order cohort detail. We cannot tell from these totals how many completions belonged to the opening queue or which were new arrivals.**

**A Correct.** This is Pavel's response in turn 10. It connects Zoe's preceding point with Zoe's follow-up. An order cohort identifies a specific group, and the supplied totals do not show which shipped orders belonged to the opening group.

**B Not here.** This line belongs to turn 2, after Zoe says: "I am about to send customer service the shift report. It says eighty orders remain. Can you check it before I send the update?" It addresses that point, not the missing turn in the supplied exchange.

**C Not here.** This line belongs to turn 14, after Zoe says: "Include the unresolved address and stock issues separately. Customer service needs to know whether an order is ready to process or waiting on somebody else." It addresses that point, not the missing turn in the supplied exchange.

**D Not here.** This line belongs to turn 18, after Zoe says: "I will change that heading too. We are counting fully closed orders, not cartons, individual units, or customer deliveries." It addresses that point, not the missing turn in the supplied exchange.

[Return to the exercise, page 75](#)

## Review 3 / Explanations / continued

**4. Rebuild the exchange from "The invoice and packing list describe different goods".** Sofia: "Once the verified information and authorized corrections are ready, I will send them to the broker and responsible import team with the supporting references." Chen: [missing response] Sofia: "The status update will say the document discrepancy is being resolved. Even a corrected file would not justify telling the warehouse the goods are already released." Which response belongs in the gap?

**B. That gives the customs broker a factual basis for the required review. We should answer the clarification request directly rather than imply that matching counts settle the matter.**

**A Not here.** This line belongs to turn 4, after Sofia says: "Please check the actual shipment before editing either document. I cannot tell the broker which description is correct from these two conflicting records." It addresses that point, not the missing turn in the supplied exchange.

**B Correct.** This is Chen's response in turn 18. It connects Sofia's preceding point with Sofia's follow-up. The customs broker receives the verified facts and corrected records for the appropriate customs review rather than being asked to guess product identity.

**C Not here.** This line belongs to turn 16, after Sofia says: "The form names the dispatch country. What do we have to support the origin entry? I do not want someone copying the first country they see." It addresses that point, not the missing turn in the supplied exchange.

**D Not here.** This line belongs to turn 6, after Sofia says: "Material is one of the conflicts, not just the item name. Steel bolts and aluminum brackets are not two harmless ways of saying the same thing." It addresses that point, not the missing turn in the supplied exchange.

[Return to the exercise, page 75](#)

# Review 4 / Explanations

---

## Cumulative review

**1. A colleague needs the term for this meaning: Using two sources for a defined supply requirement. Which term fits?**

**D. dual sourcing**

**A Not here.** buffer coverage: The demand period supported by a stated usable buffer. The usual combination is "calculate buffer coverage".

**B Not here.** geographic concentration: Supply dependence clustered in the same area. The usual combination is "reduce geographic concentration".

**C Not here.** activation lead time: Time needed to make a contingency operational after a trigger. The usual combination is "estimate activation lead time".

**D Correct.** dual sourcing: Using two sources for a defined supply requirement. The usual combination is "assess a dual-sourcing strategy".

[Return to the exercise, page 101](#)

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**2. A colleague needs the term for this meaning: A scenario with higher demand or a more favorable outcome under stated assumptions. Which term fits?**

**A. upside case**

**A Correct.** upside case: A scenario with higher demand or a more favorable outcome under stated assumptions. The usual combination is "quantify the upside case".

**B Not here.** sales and operations planning: A cross-functional process aligning demand, supply, and business plans, abbreviated S&OP. The usual combination is "conduct sales and operations planning".

**C Not here.** capacity gap: The amount by which required capacity exceeds the defined available capacity. The usual combination is "quantify the capacity gap".

**D Not here.** inventory exposure: The risk or commitment associated with carrying the planned stock. The usual combination is "quantify inventory exposure".

[Return to the exercise, page 101](#)

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## Review 4 / Explanations / continued

**3. Rebuild the exchange from "The invoice and packing list describe different goods".** Sofia: "Once the facts are established, the responsible issuer should correct whichever document is wrong. We should not silently overwrite an exporter document ourselves." Chen: [missing response] Sofia: "Please retain the original records and the explanation. The next reviewer needs to understand why the descriptions changed instead of seeing an unexplained replacement." Which response belongs in the gap?

**C. I will arrange a corrected invoice if the invoice needs correction, and the corresponding packing-list correction if needed. The verified facts determine which records must change.**

**A Not here.** This line belongs to turn 2, after Sofia says: "The invoice calls these goods stainless-steel bolts, while the packing list says aluminum brackets. The broker has asked us to clarify the file before relying on it." It addresses that point, not the missing turn in the supplied exchange.

**B Not here.** This line belongs to turn 20, after Sofia says: "The status update will say the document discrepancy is being resolved. Even a corrected file would not justify telling the warehouse the goods are already released." It addresses that point, not the missing turn in the supplied exchange.

**C Correct.** This is Chen's response in turn 10. It connects Sofia's preceding point with Sofia's follow-up. A corrected invoice is an authorized revision if the invoice is affected, not an informal alteration by an unrelated recipient.

**D Not here.** This line belongs to turn 12, after Sofia says: "Please retain the original records and the explanation. The next reviewer needs to understand why the descriptions changed instead of seeing an unexplained replacement." It addresses that point, not the missing turn in the supplied exchange.

[Return to the exercise, page 101](#)

## Review 4 / Explanations / continued

**4. Rebuild the exchange from "Ten minutes left, one assumption unresolved". Victor: "Then record the decision as deferred. I will own arranging the follow-up tomorrow morning; you will collect the promotion evidence and capacity-cost questions." Amara: [missing response] Victor: "Read back the outcome: deferred, no extra capacity authorized, evidence collection assigned, and follow-up tomorrow morning. The record must not invent a new production instruction." Which response belongs in the gap?**

**A. I accept that follow-up. The assumption register will show the unresolved promotion premise and those assignments, without claiming that tomorrow's review guarantees approval.**

**A Correct.** This is Amara's response in turn 18. It connects Victor's preceding point with Victor's follow-up. The assumption register preserves the unresolved promotion premise, its owner, and review status rather than burying it in false agreement.

**B Not here.** This line belongs to turn 10, after Victor says: "All right. What choice needs a decision today, and what still needs evidence? I do not want execution teams choosing their own interpretation." It addresses that point, not the missing turn in the supplied exchange.

**C Not here.** This line belongs to turn 14, after Victor says: "Sales can propose the evidence. I also need to verify who may approve the extra resources; I cannot infer that authority from attendance at this meeting." It addresses that point, not the missing turn in the supplied exchange.

**D Not here.** This line belongs to turn 2, after Victor says: "The minutes already say plan agreed. Before I approve that wording, tell me what sales and operations have actually agreed to produce next month." It addresses that point, not the missing turn in the supplied exchange.

[Return to the exercise, page 101](#)

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# Additional case 1 / Explanations

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## Extended conversation

### 1. unit of measure

**Turn 2.** The unit of measure identifies whether the recorded quantity means individual items, cartons, or another packaging level.

---

### 2. pack quantity

**Turn 4.** The pack quantity states how many individual items belong in each carton; the conversion must match the actual product and packaging.

---

### 3. conversion factor

**Turn 6.** The conversion factor is eight individual items per carton in this case, making twelve cartons equal to ninety-six items.

---

### 4. goods receipt

**Turn 8.** The goods receipt records this delivery event; its correction should not falsely create a separate physical shipment.

---

### 5. SSCC

**Turn 10.** The Serial Shipping Container Code identifies the particular logistic unit, such as a pallet; it is not the product's item count.

---

### 6. stock ledger

**Turn 14.** The stock ledger records inventory movements and balances; it must reconcile with the corrected receiving event and physical quantity.

[Return to the conversation, page 104](#)

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## Transfer exchange

### 1. items

**Receiver:** The physical delivery contains fifty individual items.

**Turn 1.** Five cartons multiplied by ten items gives fifty items, not fifty-five.

---

# Additional case 1 / Explanations / continued

## 2. process

**Controller:** Correct the original receiving record through the approved process.

**Turn 2.** The correction must preserve the transaction trail rather than invent another delivery.

---

## 3. count

**Receiver:** Verify the final balance against the physical count.

**Turn 3.** The recorded total should reconcile to the actual fifty items received.

---

## 4. event

**Controller:** Keep the correction linked to the same delivery event.

**Turn 4.** The discrepancy concerns one receiving event, not a second shipment.

[Return to the conversation, page 106](#)

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# Additional case 2 / Explanations

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## Extended conversation

### 1. return authorization

**Turn 2.** The return authorization defines the approved return scope; it does not automatically cover an extra item or establish its condition.

---

### 2. receipt record

**Turn 4.** The receipt record documents what physically arrived, even when that quantity differs from the authorized or expected return.

---

### 3. observed condition

**Turn 6.** Observed condition records what was actually seen, without turning appearance into an unsupported conclusion about use, cause, or performance.

---

### 4. disposition

**Turn 10.** Disposition is the authorized decision about what happens to the returned goods, such as restocking or another route after the required review.

---

### 5. credit note

**Turn 12.** A credit note records a financial adjustment; it follows the applicable commercial decision rather than automatically arising from physical receipt.

---

### 6. case status

**Turn 16.** The case status describes the whole return's progress; completion of receiving alone does not establish inspection, disposition, and credit completion.

[Return to the conversation, page 108](#)

---

## Transfer exchange

### 1. pending

**Coordinator:** Receiving is complete, but inspection is still pending.

**Turn 1.** Physical receipt does not establish the condition assessment needed for later decisions.

---

# Additional case 2 / Explanations / continued

## 2. disposition

**Service lead:** Do not call the units saleable before the required disposition.

**Turn 2.** The authorized disposition determines the appropriate route after the required review.

---

## 3. receipt

**Coordinator:** Keep the financial decision separate from warehouse receipt.

**Turn 3.** The physical receiving event does not automatically approve a credit amount.

---

## 4. open

**Service lead:** Tell the customer which stages remain open.

**Turn 4.** A useful update identifies unresolved stages rather than announcing completion prematurely.

[Return to the conversation, page 111](#)

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# Additional case 3 / Explanations

---

## Extended conversation

### 1. delivery exception

**Turn 2.** A delivery exception records a problem associated with the delivery, keeping the condition concern visible alongside the arrival event.

---

### 2. packaging damage

**Turn 4.** Packaging damage describes the observed condition of the cartons; it does not automatically establish damage to every item inside.

---

### 3. packaging evidence

**Turn 6.** Packaging evidence can support a carrier's damage investigation; discarding it prematurely may prevent the requested inspection or documentation.

---

### 4. claim investigation

**Turn 10.** The claim investigation examines the relevant facts and terms; a damage report alone does not determine responsibility or payment.

---

### 5. proof of value

**Turn 12.** Proof of value supports the amount being claimed under the applicable process; a quantity count alone does not establish that amount.

---

### 6. replacement order

**Turn 14.** A replacement order is a separate fulfillment action whose approval and availability must be checked rather than assumed from a damage report.

[Return to the conversation, page 113](#)

---

## Transfer exchange

### 1. unconfirmed

**Receiver:** Delivery is recorded, but product condition is unconfirmed.

**Turn 1.** An arrival scan does not establish the condition of an uninspected item.

---

# Additional case 3 / Explanations / continued

## 2. evidence

**Coordinator:** Preserve the relevant carton and photographic evidence.

**Turn 2.** The packaging and photographs may be required to support the damage investigation.

---

## 3. blame

**Receiver:** Record what I observed, without assigning blame.

**Turn 3.** Observation of damage alone does not establish which person or event caused it.

---

## 4. approval

**Coordinator:** Keep any replacement decision separate from claim approval.

**Turn 4.** A replacement action and a carrier's claim decision are separate processes.

[Return to the conversation, page 115](#)

---

# Find a phrase by purpose

## Demand Planning and Forecast Bias

**State the convention:** Here we define signed error as forecast minus actual demand.

**Describe the pattern:** Each of the three forecasts exceeded actual demand by 20 units.

**Name the average:** Mean signed error is plus 20 units over these three months.

[Full phrase bank, page 7](#)

---

## Procurement and Supplier Performance

**Name the order:** This concerns P46 for 500 units.

**Clarify acknowledgment:** Does your acknowledgment confirm receipt only, or specific quantities and dates?

**State the required event:** We need warehouse receipt by October 12.

[Full phrase bank, page 19](#)

---

## Inventory, Safety Stock, and Service Levels

**Start with the distinction:** The value total does not show availability for these two items.

**State A's position:** All 40 A units are allocated to existing orders.

**State B's restriction:** All 80 B units remain blocked by the quality hold.

[Full phrase bank, page 31](#)

---

## Warehousing and Fulfillment

**Define the starting queue:** We began the shift with 300 open orders.

**Include arrivals:** Fifty new orders entered during the shift.

**State completion precisely:** Two hundred twenty orders were fully shipped and closed.

[Full phrase bank, page 43](#)

---

# Find a phrase by purpose / continued

## Freight, Routing, and Carrier Delays

**State the latest estimate:** The carrier currently estimates warehouse arrival on Wednesday.

**Name the missing event:** Departure has not yet been confirmed.

**Avoid an unsupported guarantee:** I cannot confirm arrival before your 14:00 production start from the available information.

[Full phrase bank, page 55](#)

---

## Customs, Trade Compliance, and Documentation

**Name the discrepancy:** The invoice says stainless-steel bolts; the packing list says aluminum brackets.

**Keep the count separate:** Both list 500 pieces, but that does not resolve the product identity.

**Avoid choosing by convenience:** We cannot assume either description is correct without supporting facts.

[Full phrase bank, page 66](#)

---

## Supply Risk and Business Continuity

**Compare like with like:** A quotes two weeks; B quotes four, under their stated conditions.

**Separate speed and resilience:** A shorter quoted lead time does not answer every continuity question.

**Qualify the backup:** B is not yet a fully ready alternative.

[Full phrase bank, page 80](#)

---

## Executive S&OP Decisions

**State the disagreement:** The proposals differ by an unconfirmed 1,500-unit promotion increment.

**Separate the reference:** The operations base case is 10,500 units.

**Name the upside:** The sales scenario is 12,000 units if the promotion increment is used.

[Full phrase bank, page 92](#)

---

# Vocabulary index

**ABC analysis**[Lesson 03, p. 30](#)**activation lead time**[Lesson 07, p. 78](#)**actual demand**[Lesson 01, p. 5](#)**aggregate plan**[Lesson 08, p. 90](#)**allocated stock**[Lesson 03, p. 29](#)**assumption register**[Lesson 08, p. 90](#)**available to promise**[Lesson 03, p. 29](#)**backup capacity**[Lesson 07, p. 78](#)**baseline forecast**[Lesson 01, p. 5](#)**blocked stock**[Lesson 03, p. 29](#)**buffer coverage**[Lesson 07, p. 79](#)**cannibalization**[Lesson 01, p. 6](#)**capacity commitment**[Lesson 02, p. 18](#)**capacity reservation**[Lesson 07, p. 78](#)**case status**[Case 2, p. 107](#)**closing balance**[Lesson 04, p. 41](#)**commercial invoice**[Lesson 06, p. 64](#)**common dependency**[Lesson 07, p. 78](#)**consignee**[Lesson 05, p. 53](#)**constrained plan**[Lesson 08, p. 90](#)**contingent approval**[Lesson 08, p. 91](#)**conversion factor**[Case 1, p. 103](#)**absolute error**[Lesson 01, p. 5](#)**actual arrival**[Lesson 05, p. 53](#)**actual departure**[Lesson 05, p. 53](#)**air waybill**[Lesson 05, p. 53](#)**allocation**[Lesson 02, p. 18](#)**available inventory**[Lesson 03, p. 29](#)**backorder**[Lesson 02, p. 17](#), [Lesson 03, p. 30](#)**base case**[Lesson 08, p. 90](#)**bill of lading**[Lesson 05, p. 53](#)**booked order**[Lesson 01, p. 6](#)**business continuity plan**[Lesson 07, p. 79](#)**capacity booking**[Lesson 05, p. 54](#)**capacity gap**[Lesson 08, p. 91](#)**carrier**[Lesson 05, p. 53](#)**claim investigation**[Case 3, p. 112](#)**commercial escalation**[Lesson 02, p. 18](#)**committed date**[Lesson 02, p. 17](#)**consensus forecast**[Lesson 01, p. 6](#)**consignor**[Lesson 05, p. 53](#)**contingency trigger**[Lesson 07, p. 79](#)**continuity owner**[Lesson 07, p. 79](#)**corrected invoice**[Lesson 06, p. 65](#)

# Vocabulary index / continued

**correlated disruption**[Lesson 07, p. 79](#)**country of shipment**[Lesson 06, p. 64](#)**customs broker**[Lesson 06, p. 65](#)**customs value**[Lesson 06, p. 64](#)**cycle service level**[Lesson 03, p. 30](#)**days of supply**[Lesson 03, p. 30](#)**decision request**[Lesson 08, p. 91](#)**declared quantity**[Lesson 06, p. 65](#)**delivery exception**[Case 3, p. 112](#)**demand review**[Lesson 08, p. 90](#)**demand trigger**[Lesson 08, p. 91](#)**detention**[Lesson 05, p. 54](#)**dock capacity**[Lesson 04, p. 42](#)**downside case**[Lesson 08, p. 90](#)**due-date priority**[Lesson 04, p. 42](#)**entry documentation**[Lesson 06, p. 65](#)**estimated time of departure**[Lesson 05, p. 53](#)**executive S&OP**[Lesson 08, p. 90](#)**expediting**[Lesson 02, p. 18](#)**financial implication**[Lesson 08, p. 91](#)**forecast horizon**[Lesson 01, p. 6](#)**forecast override**[Lesson 01, p. 6](#)**country of origin**[Lesson 06, p. 64](#)**credit note**[Case 2, p. 107](#)**customs release**[Lesson 06, p. 65](#)**cutoff time**[Lesson 04, p. 42](#)**cycle stock**[Lesson 03, p. 29](#)**decision log**[Lesson 08, p. 91](#)**decision rights**[Lesson 08, p. 91](#)**delivery appointment**[Lesson 05, p. 54](#)**demand forecast**[Lesson 01, p. 5](#)**demand signal**[Lesson 01, p. 6](#)**demurrage**[Lesson 05, p. 54](#)**disposition**[Case 2, p. 107](#)**document discrepancy**[Lesson 06, p. 65](#)**dual sourcing**[Lesson 07, p. 78](#)**end use**[Lesson 06, p. 64](#)**estimated time of arrival**[Lesson 05, p. 53](#)**exception queue**[Lesson 04, p. 42](#)**expedited freight**[Lesson 05, p. 54](#)**fill rate**[Lesson 03, p. 30](#)**forecast bias**[Lesson 01, p. 5](#)**forecast lag**[Lesson 01, p. 6](#)**forecast snapshot**[Lesson 01, p. 6](#)

# Vocabulary index / continued

**forecast value added**[Lesson 01, p. 6](#)**fulfillment cycle**[Lesson 04, p. 41](#)**goods receipt**[Case 1, p. 103](#)**gross weight**[Lesson 06, p. 65](#)**HTSUS**[Lesson 06, p. 64](#)**Incoterms rule**[Lesson 05, p. 54](#)**incremental demand**[Lesson 01, p. 5](#)**inventory exposure**[Lesson 08, p. 91](#)**inventory turnover**[Lesson 03, p. 30](#)**labor capacity**[Lesson 04, p. 42](#)**material composition**[Lesson 06, p. 64](#)**mean error**[Lesson 01, p. 5](#)**minimum order quantity**[Lesson 02, p. 18](#)**net reduction**[Lesson 04, p. 41](#)**observed condition**[Case 2, p. 107](#)**on-hand inventory**[Lesson 03, p. 29](#)**on-time in-full**[Lesson 02, p. 18](#)**order acknowledgment**[Lesson 02, p. 17](#)**order backlog**[Lesson 04, p. 41](#)**order inflow**[Lesson 04, p. 41](#)**order release**[Lesson 04, p. 41](#)**pack quantity**[Case 1, p. 103](#)**freight forwarder**[Lesson 05, p. 53](#)**geographic concentration**[Lesson 07, p. 79](#)**gross completions**[Lesson 04, p. 41](#)**Harmonized System**[Lesson 06, p. 64](#)**importer of record**[Lesson 06, p. 65](#)**incremental capacity**[Lesson 08, p. 91](#)**inventory accuracy**[Lesson 03, p. 30](#)**inventory position**[Lesson 03, p. 29](#)**item segmentation**[Lesson 03, p. 30](#)**last mile**[Lesson 05, p. 54](#)**mean absolute error**[Lesson 01, p. 5](#)**merchandise description**[Lesson 06, p. 64](#)**named place**[Lesson 05, p. 54](#)**net weight**[Lesson 06, p. 65](#)**obsolete stock**[Lesson 03, p. 30](#)**on-time delivery**[Lesson 02, p. 18](#)**opening balance**[Lesson 04, p. 41](#)**order aging**[Lesson 04, p. 42](#)**order cohort**[Lesson 04, p. 42](#)**order line**[Lesson 02, p. 17](#)**overforecast**[Lesson 01, p. 5](#)**packaging damage**[Case 3, p. 112](#)

# Vocabulary index / continued

**packaging evidence**[Case 3, p. 112](#)**packing verification**[Lesson 04, p. 42](#)**partial shipment**[Lesson 02, p. 17](#)**pick face**[Lesson 04, p. 41](#)**pre-S&OP**[Lesson 08, p. 90](#)**procurement**[Lesson 02, p. 17](#)**promotional uplift**[Lesson 01, p. 5](#)**proof of value**[Case 3, p. 112](#)**quality hold**[Lesson 03, p. 29](#)**quoted lead time**[Lesson 07, p. 78](#)**receipt date**[Lesson 02, p. 17](#)**recovery objective**[Lesson 07, p. 79](#)**reorder point**[Lesson 03, p. 29](#)**replenishment lead time**[Lesson 03, p. 29](#)**requested date**[Lesson 02, p. 17](#)**return authorization**[Case 2, p. 107](#)**risk register**[Lesson 07, p. 79](#)**safety stock**[Lesson 03, p. 29](#)**scan event**[Lesson 04, p. 42](#)**scenario test**[Lesson 07, p. 79](#)**service-level agreement**[Lesson 02, p. 18](#)**shipment confirmation**[Lesson 04, p. 42](#)**packing list**[Lesson 06, p. 64](#)**partial fulfillment**[Lesson 04, p. 42](#)**pick accuracy**[Lesson 04, p. 41](#)**planning handoff**[Lesson 08, p. 91](#)**premium freight cost**[Lesson 05, p. 54](#)**product specification**[Lesson 06, p. 64](#)**proof of delivery**[Lesson 05, p. 54](#)**purchase order**[Lesson 02, p. 17](#)**quotation validity**[Lesson 02, p. 18](#)**reallocation**[Lesson 03, p. 30](#)**receipt record**[Case 2, p. 107](#)**regular capacity**[Lesson 08, p. 91](#)**replacement order**[Case 3, p. 112](#)**request for quotation**[Lesson 02, p. 18](#)**resilience**[Lesson 07, p. 79](#)**revision history**[Lesson 06, p. 65](#)**routing**[Lesson 05, p. 54](#)**sales and operations planning**[Lesson 08, p. 90](#)**scenario assumption**[Lesson 01, p. 6](#)**seasonality**[Lesson 01, p. 6](#)**ship date**[Lesson 02, p. 17](#)**short pick**[Lesson 04, p. 41](#)

# Vocabulary index / continued

**signed error**[Lesson 01, p. 5](#)**slow-moving stock**[Lesson 03, p. 30](#)**source qualification**[Lesson 07, p. 78](#)**status checkpoint**[Lesson 02, p. 18](#)**stock-keeping unit**[Lesson 03, p. 29](#)**subtier supplier**[Lesson 07, p. 78](#)**supplier scorecard**[Lesson 02, p. 18](#)**supporting evidence**[Lesson 06, p. 65](#)**tariff classification**[Lesson 06, p. 64](#)**time to survive**[Lesson 07, p. 79](#)**tracking exception**[Lesson 05, p. 53](#)**transit time**[Lesson 02, p. 17](#)**transshipment**[Lesson 05, p. 54](#)**unconstrained demand**[Lesson 08, p. 90](#)**unit of measure**[Lesson 06, p. 65](#), [Case 1, p. 103](#)**warehouse management system**[Lesson 04, p. 42](#)**single sourcing**[Lesson 07, p. 78](#)**sole sourcing**[Lesson 07, p. 78](#)**SSCC**[Case 1, p. 103](#)**stock ledger**[Case 1, p. 103](#)**stockout**[Lesson 03, p. 30](#)**supplier lead time**[Lesson 02, p. 17](#)**supply review**[Lesson 08, p. 90](#)**switching cost**[Lesson 07, p. 78](#)**time to recover**[Lesson 07, p. 79](#)**tooling transfer**[Lesson 07, p. 78](#)**trade-off**[Lesson 08, p. 91](#)**transport milestone**[Lesson 05, p. 53](#)**trend**[Lesson 01, p. 6](#)**underforecast**[Lesson 01, p. 5](#)**upside case**[Lesson 08, p. 90](#)**wave picking**[Lesson 04, p. 41](#)

# References and publication notes

All cases, organizations, figures, and conversations are fictional teaching material, not transcripts. Communication practice does not replace qualified advice or current workplace procedures.

## **[1] Association for Supply Chain Management. Forecast Bias.**

Background on a forecast tending to be too high or low. The book states its own error-sign convention and uses original numerical cases. Source checked 10 October 2026.

<https://www.ascm.org/ascm-insights/dont-get-caught-in-the-bias-trap/>

## **[2] Association for Supply Chain Management. Sales and Operations Planning.**

Background on cross-functional alignment of demand, supply, and business planning. The meeting decisions and scenarios are fictional. Source checked 10 October 2026.

<https://www.ascm.org/topics/sales-and-operations-planning/>

## **[3] International Chamber of Commerce. Incoterms 2020.**

Background on allocating specified delivery obligations, costs, and risks. A trade term does not itself establish that a shipment moved or guarantee arrival. Source checked 10 October 2026.

<https://iccwbo.org/business-solutions/incoterms-rules/incoterms-2020/>

## **[4] Electronic Code of Federal Regulations. 19 CFR 141.86.**

US invoice requirements, including detailed merchandise descriptions. The document exercise does not classify goods, assign duty, or authorize a customs filing. Source checked 10 October 2026.

<https://www.ecfr.gov/current/title-19/chapter-I/part-141/subpart-F/section-141.86>

### **Companion course**

The website offers the eight-lesson course and related practice. This book can be used independently. No audio access or external account is needed for its exercises.

<https://englishladder.com/efsp-supply-chain-logistics.html>

# Plan the demand. Confirm the movement.

Eight conversations that turn forecasts, inventory records, supplier messages, and shipment updates into precise decisions.

## Demand Planning and Forecast Bias

With error defined as forecast minus actual, the three errors are +20, +20, and +20 units. Total error is +60 and mean error is +20. Positive means overforecasting under this convention; other systems may reverse the sign.

## Procurement and Supplier Performance

Order acknowledged does not specify which dates or quantities have been accepted. Ask what the acknowledgment covers. A requested warehouse-receipt date needs a compatible dispatch plan and transit basis; neither is established in this case.

## Inventory, Safety Stock, and Service Levels

Physical presence does not establish free availability. All 40 A units are allocated; all 80 B units are blocked. Neither group is available for the new orders on the supplied facts. A total dollar value cannot be substituted for an item quantity.

## Warehousing and Fulfillment

300 opening orders plus 50 arrivals minus 220 completed orders equals 130 closing orders. Gross completions are 220; the net queue reduction is 170. Ignoring arrivals produces the incorrect balance of 80.

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