The Language of Supply Chain

Supply Chain	Whole journey from sourcing raw materials through to final sale
Logistics	Part of the supply chain that focuses on physical distribution of materials, product components or finished products
Freight Transport	Movement of goods, people and animals from one location to another by air, rail, road or water.
Warehouse	Large storage centre to house stock in bulk for a longer period of time.
Distribution Centre DC/ Fulfilment Centre FC	Similar to warehouse but is a continuous movement of goods in and out and is demand driven.
Inventory	Detailed list of stock, goods in the warehouse, DC, FC or retail store. (computerised)
RFID scanners	Used to scan barcodes to locate (pick)items in a warehouse or DC
SKU	Stock Keeping Unit is a code assigned to a product and how you keep track of how many items you have in stock at any one time.
Pallet	Used to stack, store, protect and transport materials and goods
Reach Stacker	Vehicle handling cargo containers at Ports or to place and retrieve pallets from a height in a DC.
3-PL	Third Party Logistics – companies outsource services like warehousing and distribution to another company
Blockchain	Electronic ledgers which is a software that records and confirms all transactions
IoT	Internet of Things – system of physical objects (things) interconnected with built in sensors, software and other devices – needed to transfer data from one device to another or devices via internet
E-commerce	Shopping done online and can be direct from DC or retail shop
Import	Goods coming into your country from another country
Export	Goods leaving your country to another country
Primary Production	Production of raw materials for an industry ie Wool/Wheat
Processing	Putting raw materials through a series of actions to create a product
Manufacturing	Process of turning raw materials or parts into finished products
Wholesaler	Buys large quantities of goods from a manufacturer and a discounted price and sells to a retailer at a higher price
Retailer	Person or business that sells goods to the public for use of consumption

Talking Finances

Invoice	Legal record of sale
Accounts Payable AP	Money company owes to its suppliers for goods and services
Accounts Receivable AR	Money owed to company by its customers for its goods and services
Working Capital	Difference between company's current assets and debts
Profit & Loss Statement P&L	Lists your sales and expenses
Return on Investment ROI	Measures profitability and efficiency of investments
Inventory Turnover	Rate stock is sold, used or replaced
Cash Flow	Net balance of cash moving into and out of a business at a point in time
Overhead Costs	Additional costs to supply items can be fixed or variable eg. salary/ taxes/rent/repairs
Landed Cost	Most goods are purchased overseas so goods are purchased in that countries currency, you then convert that to Australian Dollars and add freight, duty, handling and delivery costs to the product that is your landed cost. To make a profit you add a % to that cost this is your selling price for that item.
Trade Credit	Supplier allows buyer to purchase goods or services with a payment at a later date
Triple Bottom Line TBL	Measure of financial, social and environmental performance of a company
Forecast	Look at previous sales and data with the current market trends and make a prediction for the future
Sustainability and Ethics	Carbon footprint of a company and the decisions they make on where they may get goods manufactured as to the working conditions.

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