

APPROVAL FORM

- 1) An approval Form must accompany each proposal.
- 2) A proposed catalogue description of the course must accompany the proposal as a separate page.
- 3) Results of all consultations must be attached to the proposal.

Proposal Title Physical Distribution and Channel Management

Sponsor(s) Dr. Charles J. Welsh, Co-Chairman Dept. Administrative Studies

Check One { Course Credit/Level/Title Change _____ Other _____
 Concentration _____ Specialization _____ Major Program _____ Certification _____
 Graduate _____ Undergraduate No. of Credits 3

REVIEWS

Department Curr. Comm.

Division Curr. Comm

Dean of Division

Reviewed 4/8/79
Date

Reviewed 4/6/79
Date

Reviewed 4-16-79
Date

Approved as amended*
 Not Approved 4/6/79
 Date

Approved as amended
 Not Approved 4/6/79
 Date

Raymond J. Barnett
 Chairperson Dept. Curr. Comm.

Raymond J. Barnett
 Chairperson Div. Curr. Comm.

[Signature]
 Signature

addition of behavioral objectives

SENATE CURRICULUM COMMITTEE

SCC # 78-79-66 Proposal Received 4/4/79 Open Hearing Held 4/26/79

Returned to the department for the following reason(s):

*signature signed in marketing course
 the letter to the committee*

Approved by the Curriculum Committee: Date 4/26/79

Presented to Executive Committee of the Faculty Senate as information: Date 4/27/79

Notifications forwarded: Vice President for Academic Affairs: Date 5/21/79

[Signature]
 Signature: Chairperson, Curriculum Committee

Academic Dean

I have reviewed the final documents as approved and concur with same. Budget, faculty, library allocations and Academic Support Services are adequate for immediate implementation.

I have reviewed the final documents as approved and concur with same. Budget, faculty, library allocations and Academic Support Services for the current academic year are inadequate for immediate implementation or implementation in the next fiscal year. The earliest that the proposal might be implemented would be

HEGIS TAXONOMY NUMBER: _____

[Handwritten Signature]
Signature: Academic Dean

Date 6-19-79

Copies forwarded: Chairperson, Curriculum Committee, Department Chairperson, Registrar

REGISTRAR

Approved course description received

Signature: Registrar _____

DATE _____

Vice President for Academic Affairs

Official copy and approval sheet filed

[Handwritten Signature]
Signature: Vice President for Academic Affairs

DATE 7-2-79

*Note: program 0509, 375
I agree*

C O U R S E P R O P O S A L

1. Course Title: Physical Distribution and Channel Management
Sponsor: Dr. Charles J. Welsh, Co-Chairman, Administrative Studies
Key Personnel: Prof. Drew Hall (presently part-time) and other divisional personnel

2. Essence:

- a. Undergraduate course offering
- b. Semester hour credit: three
- c. Course level: junior, senior
- d. Prerequisite: Principles of Marketing (0509.300)
- e. Effect of the course on the current and planned departmental curriculum pattern:
Presently, the Division's specialization in Marketing that covers the "place" portion of marketing strategy is Logistics (0509.375). Its sole concern is physical distribution; therefore, channels, the other major topic under "place" receives little or no coverage. The objective of the proposal is to replace Logistics (0509.375) with Physical Distribution and Channel Management in order to give equal attention to the two major components of "place," physical distribution and channel systems.
- f. Suggested time and scale of implementation: Fall 1979, two sections

. Other Details:

- a. Adequacy of present staff and resources:
Logistics (0509.375) has been offered on a regular basis since the inception of Administrative Studies. The replacing of Logistics by Physical Distribution and Channel Management will present no staffing change.
Savitz holdings adequately support the proposed offering. The Text selection for the course is Contemporary Physical Distribution, Johnson and Wood; Marketing Channels, Sims, Foster, and Woodside.
Special Needs: None inasmuch as the classroom space provided for Logistics, 0509.375, (two-and-one-half hours per week) can be used for Physical Distribution and Channel Management.
- b. Uniqueness of course:
Logistics (0509.375) will be dropped entirely as a college course; Physical Distribution and Channel Management is designed to replace it.
- c. Specific objectives:
The course gives students needed tools to implement effectively a marketing strategy; strategy implementation is a major duty of a marketing manager. (See Attachment 1 for behavioral objectives.)

d. Evaluation:

At minimum, two essay-type examinations, term paper, oral report, and class performance.

Topical Outline or Syllabus:

- a) Overview of Physical Distribution
- b) Elements of a Physical Distribution System
- c) Planning and Implementing a Physical Distribution System
- d) Overview of Marketing Channels
- e) Selection and Control of Marketing Channels
- f) Managing the Marketing Mix in Channel Systems
- g) Planning and Implementing a Channel System

5. Rationale:

Currently the marketing program's coverage of "place" was somewhat short of complete. The proposed course, by giving equal attention to physical distribution and channel systems, will provide students with a complete set of tools to understand the role of "place" in the marketing mix.

6. Results of Consultation:

Marketing faculty members (Dean Beebe, Prof. Bradway, Prof. Hall, Dr. Morgan, and Prof. Leshay) were consulted; they support the proposal.

The course does not conflict or overlap with other College-wide offerings.

This course is modelled on the approach used at the Wharton School and other business administration programs such as at Drexel. We consulted with Dr. Charles S. Goodman, then Chairman at the Marketing Department at Wharton. The marketing requirements at Wharton are outlined in Attachment 2; our proposed course is similar to their "Channel Management."

7. Additional information: none.

8. Catalogue description: Physical Distribution and Channel Management, 3 sh., 0509.385
Managerial orientation is used in examining essential elements of physical distribution and of channel systems. Among physical distribution topics are traffic, inventory analysis, warehousing, and location of productive and storage facilities. Some topics of channel systems are wholesaling, middlemen selection, and controlling marketing channels.

Physical Distribution and Channel Management
Behavioral Objectives

All marketing managers are responsible for two major duties:

a) Marketing strategy planning which includes the plan itself, plan implementation, and plan control; b) finding for the firm potentially attractive opportunities. To carry out effectively these duties, the marketer must understand the nature and elements of the four major variables with which he works: product, price, place, and promotion management. At the completion of the proposed course, Physical Distribution and Channel Management, students will be equipped with needed tools to handle effectively place management duties such as inventory control, selecting optimal transport modes, and negotiating middlemen contracts plus organizing physical distribution and channels systems that minimize company costs yet meet target customer needs.

Listed below is a sample of specific objectives:

1. It is not unusual to find that 1 to 5 per cent of the units in inventory account for more than 50 per cent of the total sales value of all items carried by firms. In view of this fact, students should be able to employ some methods of sound inventory management, one of which is ABC management. Using it, they will rank inventory from the highest dollar-volume usage to the lowest dollar-volume usage for a specific time period, ordinarily one year. Such analysis shows them on what items to concentrate varying degrees of managerial effort ranging from the least to the most.
2. Selection of optimal transport mode for order routing is a function of cost and other criteria such as speed, reliability in meeting delivery schedule, and nature of the product. Students will be able to determine for a given shipment the optimal transport method based on relative importance assigned by the customer to each criterion.
3. Securing channel members is often a two-way street. Intermediaries at both the wholesale and retail levels, particularly the well

established ones, feel that they must be selective of whom they represent. Students will be knowledgeable of major types of inducements such as sales instruction and advertising commitments that have been successfully used by many firms in securing first-order channel members.

4. While no complete theory of market geography relative to channel design has yet emerged as a basis for guiding channel design strategy, a partial theoretical model developed by Louis P. Bucklin can be of some practical value to the channel manager. Students will be able to employ the model for a given geographic location to determine which is cheaper--the cost for using a direct channel or the channel cost for using intermediaries.
5. Evaluation of channel member performance is just as important as the evaluation of employees working within the firm. Students will be able to describe and explain three basic phases of an evaluation: a) developing appropriate criteria for evaluating performance, b) applying criteria to actual performance, and c) recommending measures to reduce the number of poorly performing channel members.
6. No exact method for choosing an optimal channel structure exists; however, some pioneering attempts at developing one can be found. Students will look at Aspinwall's approach and Lambert's financial approach in order to sharpen their ability to evaluate variables affecting channel structure. Armed with this knowledge, students are then better prepared to choose channel structures which at least approach an optimal allocation of distribution tasks.

