

**SUPPLY CHAIN MANAGEMENT AND LOGISTICS**students gr. 101851 *Surmina A.V., Khomich L.S.**Supervisor - assistant Lapkovskaja P.I.*

The terms "supply chain" and "logistics" are often used inseparably within the transportation industry. They are, however, distinct areas, each involving specific processes, duties and responsibilities. The main difference between supply chain and logistics is that logistics is just a specialized part of the entire supply chain process. Supply chain management is the umbrella that covers all aspects of the sourcing and procurement of goods.

Three major reasons for forming supply chains are: the first - to reduce inventory investment in the chain, the second - to increase customer service, and the third - to help build a competitive advantage for the channel.

The comparison of the traditional methods of transportation management and supply chain management.

Element	Traditional methods	Supply Chain
Total Cost Approach	Minimize firm costs	Channel-wide cost efficiencies
Time Horizon	Short term	Long term
Amount of Coordination of Multiple Levels in the Channel	Single contact for the transaction between channel pairs	Multiple contacts between levels in firms and levels of channel
Joint Planning	Transaction-based	On-going

The participants of the supply chain make their functioning different contributions. Participants contributes to the stability of the activity, a more rational use of resources, reducing the risks. Manufacturer, as a member of the chain, which is largely dependent on its success, carries a greater risk, should be more proactive in building relationships, be a leader, unlike the mediator, as its services are used in other circuits.