



● **distribution** N-UNCOUNT

distributor (distributors) N-COUNT

The **distribution** of goods involves supplying or delivering them to a number of people or places. A **distributor** is a company that supplies goods to shops or other businesses.

Scottish Courage will also take on distribution of all beers, cider and soft drinks to the pubs.

He admitted there had been distribution problems.

...Spain's largest distributor of petroleum products.

Theater owners lease films from film distributors.

● **distribution chain** (distribution chains) N-COUNT

distribution network (distribution networks)

N-COUNT

channel of distribution (channels of distribution) N-COUNT

A **distribution chain** is all the stages that goods pass through between leaving a factory and arriving at a retailer. A

distribution network is a set of distribution chains. A

company's **channel of distribution** is the method it uses in order to distribute its goods.

...all the companies in the distribution chain involved in bringing the mussels to Montreal.

Cadbury has widened its European distribution network.

They have to develop other channels of distribution, especially direct selling via the telephone and internet.

● **warehouse** (warehouses) N-COUNT

warehousing N-UNCOUNT

A **warehouse** is a large building where raw materials or manufactured goods are stored until they are exported to other countries or distributed to shops to be sold. **Warehousing** is the act of storing materials or goods in a warehouse.

Sainsbury will open a big warehouse this summer that will deliver groceries to households throughout London.

...the warehousing and distribution of consumer goods.

● **end user** (end users) N-COUNT

The **end user** of a product or service is the user that it has been designed for, rather than the person who installs or maintains it.

You have to be able to describe things in a form that the end user can understand.

... the final end-user of the finished product.

● **freight** N-UNCOUNT

□

Freight is the movement of goods by lorries, trains, ships or aeroplanes.

France derives 16% of revenue from air freight.

□

Freight is goods that are transported by lorries, trains, ships or aeroplanes.

...26 tons of freight.

90% of managers wanted to see more freight carried by rail.

● **forwarding** N-UNCOUNT

freight forwarding N-UNCOUNT

forwarding agent (forwarding agents) N-COUNT

freight forwarder (freight forwarders) N-COUNT

Forwarding or **freight forwarding** is the collection, transportation and delivery of goods. A **forwarding agent** or **freight forwarder** is a person or company that is involved in the forwarding of goods.

...Montreal, the great forwarding centre for wheat and flour.

Add costs for freight forwarding to Moscow – around \$4 a kilo.

You authorize Federal Express to act as a forwarding agent for you.

If a freight forwarder requests information from an airline, the airline's computer can immediately reply to the request.

● **wholesaler** (wholesalers) N-COUNT

A **wholesaler** is a person whose business is buying large quantities of goods and selling them in smaller amounts, for example to shops.

There were a lot more small wholesalers then, and competition was really keen for the business of the independent grocer.

GEHE is the largest drugs wholesaler in Europe.

● **factory shop** (factory shops) N-COUNT

A **factory shop** is a shop where a factory sells damaged or out-of-date goods to customers at reduced prices.

Quantities of fabric may be sold direct to customers in the factory shop.

We took advantage of visiting the factory shop where you can buy very fashionable shoes at cost prices.

● **agent** (agents) N-COUNT

An **agent** is a person who looks after someone else's business affairs or does business on their behalf.

You are buying direct, rather than through an agent.

...a written declaration, authorizing another person to act as his agent.

⇒ **retail outlet:** Topic 6.5; **consumer:** Topic 11.2;
customer: Topic 11.2



PRACTISE YOUR VOCABULARY

1 Use the terms in the box to complete the paragraph.

distribution network end users wholesalers factory shops distribution warehouse distributor agent

_____ is concerned with getting a product to the customers (or, for technical products, _____). The _____ makes the product available to the customers through various retail outlets. Products may be distributed directly to retailers, or through a _____ to _____ who store the goods in a _____. The wholesalers then forward the products to the retailers or retail outlets. Some businesses use an _____ to bring buyers and sellers together, who works on a commission basis. Some products may be sold directly to the consumer. One British shoe shop, for example, has several _____ where goods are sold direct to the public.

2 Label the diagram using the terms in the box.

manufacturers factory shop wholesaler end users agent warehouse



3 Read the text below, then decide whether the statements that follow are true or false.

Fizz, the company most of us recognize as an airline or music company, also owns cinemas. Through the distribution channel of its cinemas it is able to promote its own version of a cola soft drink. By controlling the channel of distribution it is able to be competitive in the cola market.

- a Fizz owns an airline, a music company, and a chain of cinemas.
- b Fizz promotes its own brand of cola through its airline.
- c Fizz's cola is competitive because the company controls the channel of distribution.

True	False
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

4 Read this dictionary entry (from the *Collins Dictionary of Economics*) and answer the questions.

Freight forwarder or forwarding agent a firm that specializes in the physical movement of goods in transit, arranging the collection of goods from factories, depots, etc., and delivering them direct to the customer in the case of domestic consignments and to sea-ports, airports, etc., in the case of exported goods. In the latter case, the forwarder also handles the booking arrangements and the documentation required by the customs authorities.

- a Find three terms that refer to a firm specializing in the movement of goods.
- b Which word is used in the text to mean freight?
- c In a domestic context the forwarding agent offers a delivery service to the customer from which two places?
- d Where does the freight forwarding company take goods for export?