

# 630-007

## ISM

### *C.P.M. Module 3: Value Enhancement Strategies*

*OfficialCerts.com is a reputable IT certification examination guide, study guides and audio exam provider. We ensure that you pass your 630-007 exam in first attempt and also get high scores to acquire ISM certification.*

*If you use OfficialCerts 630-007 Certification questions and answers, you will experience actual 630-007 exam questions/answers. We know exactly what is needed and have all the exam preparation material required to pass the exam. Our ISM exam prep covers over 95% of the questions and answers that may be appeared in your 630-007 exam. Every point from pass4sure 630-007 PDF, 630-007 review will help you take ISM 630-007 exam much easier and become ISM certified.*

*Here's what you can expect from the OfficialCerts ISM 630-007 course:*

- \* Up-to-Date ISM 630-007 questions as experienced in the real exam.*
- \* 100% correct ISM 630-007 answers you simply can't find in other 630-007 courses.*
- \* All of our tests are easy to download. Your file will be saved as a 630-007 PDF.*
- \* ISM 630-007 brain dump free content featuring the real 630-007 test questions.*

*ISM 630-007 certification exam is of core importance both in your Professional life and ISM certification path. With ISM certification you can get a good job easily in the market and get on your path for success. Professionals who passed ISM 630-007 exam training are an absolute favorite in the industry.*

*You will pass ISM 630-007 certification test and career opportunities will be open for you.*

<http://www.officialcerts.com/exams.asp?examcode=630-007>



<b>Exam Name:</b>	<b>C.P.M. Module 3: Value Enhancement Strategies</b>		
<b>Exam Type:</b>	<b>ISM</b>	<b>Exam Code:</b>	<b>630-007</b>
<b>Doc Type:</b>	<b>Q &amp; A with Explanations</b>	<b>Total Questions:</b>	<b>202</b>

**Question: 1**

What does the payment term "2% 10/net 30" mean?

- A. There is a 2% discount off the final price if paid within 10 business days from the date of the invoice. If not, the balance is due in 30 days from the date of the invoice.
- B. Two percent of the invoice is due within 10 days from the date of the invoice. The balance is due within 30 days from the date of the invoice.
- C. There is a 2% discount off the final price if paid within 10 days from the date of acceptance. The balance is due within 30 days of the date of the invoice.
- D. There is a 2% discount off the final price if paid within 10 days from the date of the invoice. If not, the balance is due in 30 days from the date of the invoice

**Answer: D**

**Question: 2**

Early supplier involvement (ESI) is advantageous PRIMARILY for which of the following reasons?

- A. It requires supplier input into product reconfiguration.
- B. It reduces the need for new technology.
- C. It ensures lower prices.
- D. It promotes higher quality

**Answer: D**

**Question: 3**

A technique for reducing financial risk when purchasing globally is to use

- A. currency contracts
- B. global market analysis
- C. inventory stockpiling
- D. offshore offices

**Answer: A**

**Question: 4**

Buyer Smith receives a requisition from XYZ, Inc.'s accounting department for a new photocopier. The current equipment needs immediate replacement, but has a residual value of \$600. XYZ has instituted a freeze on capital spending for all non-manufacturing related equipment. Smith calls a local distributor, who offers to lease XYZ a copier with one year free maintenance and supplies. The costs of such maintenance agreements typically average about \$.01 per copy. The distributor also offers XYZ \$450 for its current equipment. Given this information, which of the following is the BEST course of action for Smith to take?

- A. Sign a third-party lease through a bank, based on 100,000 copies per month
- B. Sign an operating lease through the distributor for payments of \$.015 per copy, based on 100,000 copies per month
- C. Purchase the equipment at a cost of \$16,000, minus a trade-in of \$1,200
- D. Sign a capital lease, based on 100,000 copies per month

**Answer: B**

**Question: 5**

Which of the following refers to the practice of identifying a selling price and subsequently working with a supplier to arrive at an approximate cost for achieving profitable sales?

<b>Exam Name:</b>	<b>C.P.M. Module 3: Value Enhancement Strategies</b>		
<b>Exam Type:</b>	<b>ISM</b>	<b>Exam Code:</b>	<b>630-007</b>
<b>Doc Type:</b>	<b>Q &amp; A with Explanations</b>	<b>Total Questions:</b>	<b>202</b>

- A. Long-term agreements with flexible increase and decrease in cost
- B. Price base costing for the target price
- C. A supplier-coordinated cost reduction program
- D. A reduced learning curve

**Answer: B**

**Question: 6**

Which of the following terms refers to material that is no longer needed due to changes in the reason for its acquisition?

- A. Excess
- B. Obsolete
- C. Scrap
- D. Surplus

**Answer: B**

**Question: 7**

In determining the most effective financing method for a piece of capital equipment that has a lead time of more than 12 months, the buyer should consider all of the following EXCEPT

- A. depreciation
- B. supplier financing
- C. interest rates
- D. cash flow

**Answer: A**

**Question: 8**

The use of early supplier involvement is likely to result in all of the following benefits EXCEPT:

- A. A reduction in cycle time from product design to production
- B. The ability to consider all supplier ideas equally
- C. The ability to consider cost and design options
- D. The consideration of supplier ideas prior to the finalization of specifications

**Answer: B**

**Question: 9.**

Which of the following factors will contribute the MOST to reducing a new product's time to market?

- A. Ease with which a firm can manufacture an item
- B. Component availability and economy at the time a firm needs an item
- C. Use of a single engineer rather than a design team approach
- D. Technical support suppliers provide in the early stages of design

**Answer: D**

**Question: 10**

Valuation of inventory may be done using all of the following EXCEPT

- A. LIFO
- B. FIFO

<b>Exam Name:</b>	<b>C.P.M. Module 3: Value Enhancement Strategies</b>		
<b>Exam Type:</b>	<b>ISM</b>	<b>Exam Code:</b>	<b>630-007</b>
<b>Doc Type:</b>	<b>Q &amp; A with Explanations</b>	<b>Total Questions:</b>	<b>202</b>

- C. the ABC concept
- D. lower of cost or market

**Answer: C**

**Question: 11**

A purchaser is negotiating a contract for which production and delivery will be stretched out over a 24-month period. If the purchaser wants to get the best price, the purchaser should include in the contract a provision to

- A. accept all material produced under the contract
- B. cover changes in rates for material and labor
- C. cover unforeseen production delays
- D. eliminate penalties for late deliveries

**Answer: B**

**Question: 12**

Economic forecasts can be obtained from all of the following EXCEPT the

- A. ISM Report On Business®
- B. Department of Commerce
- C. Bureau of Labor Statistics
- D. Thomas Register

**Answer: D**

**Question: 13**

From a management point of view, what are the two basic categories of costs associated with inventories?

- A. Obsolescence and deterioration costs
- B. Storage and incremental costs
- C. Supplies and services costs
- D. Carrying costs and acquisition costs

**Answer: D**

**Question: 14**

In a "make-or-buy" decision, which of the following favors making the part?

- A. When design secrecy is required
- B. When there is a desire to maintain a multiple-source policy
- C. When volume requirements are small
- D. When production facilities are limited

**Answer: A**

**Question: 15**

In the health care sector, the PRIMARY motivation to outsource is to

- A. reduce technological risk
- B. reduce labor costs
- C. implement JIT
- D. shift patient liability

## OfficialCerts.com Certification Exam Full Version Features;

- Verified answers researched by industry experts.
- Exams **updated** on regular basis.
- Questions, Answers are downloadable in **PDF** format.
- **No authorization** code required to open exam.
- **Portable** anywhere.
- 100% success **Guarantee**.
- **Fast**, helpful support 24x7.

View list of All exams we offer;

<http://www.officialcerts.com/allexams.asp>

To contact our Support;

<http://www.officialcerts.com/support.asp>

View FAQs

<http://www.officialcerts.com/faq.asp>

Download All Exams Samples

<http://www.officialcerts.com/samples.asp>

To purchase Full Version and updated exam;

<http://www.officialcerts.com/allexams.asp>



Shop now using **PayPal**



3COM	CompTIA	Filemaker	IBM	LPI	OMG	Sun
ADOBE	ComputerAssociates	Fortinet	IISFA	McAfee	Oracle	Sybase
APC	CWNP	Foundry	Intel	McData	PMI	Symantec
Apple	DELL	Fujitsu	ISACA	Microsoft	Polycom	TeraData
BEA	ECCouncil	GuidanceSoftware	ISC2	Mile2	RedHat	TIA
BICSI	EMC	HDI	ISEB	NetworkAppliance	Sair	Tibco
CheckPoint	Enterasys	Hitachi	ISM	Network-General	SASInstitute	TruSecure
Cisco	ExamExpress	HP	Juniper	Nokia	SCP	Veritas
Citrix	Exin	Huawei	Legato	Nortel	See-Beyond	Vmware
CIW	ExtremeNetworks	Hyperion	Lotus	Novell	Google	

*You have made the*  
**Right Choice**

You are becoming member of most comprehensive, accurate, highest quality and lowest cost certification resource in the world.

