



**STREAMLINE
YOUR
OPERATIONS
WITH LOGISTICS
SERVICES**



Guide to Logistics Outsourcing

Many businesses find it not only necessary, but very advantageous to outsource some or all of their supply chain functions. In fact, in a recent study by Aberdeen, nearly half of the companies surveyed are planning to increase their use of third-party logistics services during the next two years as part of their strategy to improve supply chain performance.

Third party logistics, also known as 3PL, include services such as warehousing, shipping and order fulfillment, and can be a valuable resource to help your company deliver products to your customers. With the help of a third party logistics provider you can effectively streamline your operations and control your costs.

Choosing the right 3PL provider or providers is a vital step in successfully outsourcing your supply chain operations. This guide is designed to help you decide whether logistics outsourcing will benefit your business and give you some helpful guidelines to follow when selecting a provider.

Can Outsourcing Logistics Benefit Your Company?

Keeping track of orders, shipping, inventory and returns, along with various other supply chain functions can be extremely time-consuming and expensive for many companies. Outsourcing these processes can be the ideal solution. Supply chain service providers are equipped to efficiently manage all aspects involved in fulfilling customer orders, from taking the initial order to delivering the product to your customer. With experienced, professional logistics service providers to handle these tasks you will be free to focus on growing your business. Here are a few other benefits you'll experience with logistics outsourcing:



- With logistics resources worldwide your company can **expand internationally** and operate on a much larger scale. You can do business wherever the opportunity presents itself by setting up delivery operations in another country within a relatively short time frame.
- Outsourcing 3PL functions **reduces your risk** when you're first starting to do business in a foreign country. Your provider, being more familiar with the location, will be able to assist and advise you during the expansion process.
- 3PL providers possess the **expertise, experience, and infrastructure** required to help you with all of your logistics needs.

How to Choose the Best 3PL Provider for Your Company

Shipping

Getting your products delivered to the right destination on time is vital to the success and reputation of your company. Outsourcing your shipping needs to a reliable provider is one of the best ways to ensure the safe and timely delivery of your products.

Your risk with shipping outsourcing is relatively low. Since you own the inventory, you won't lose it if the company goes bankrupt. Your contract should reinforce this, as well as protect you from loss if the company should change ownership. A comprehensive three to five year contract should also secure your pricing arrangement in case the company is sold.

Make sure your business insurance covers loss of inventory from fire, flood or other disasters, just as you would if you used your own shipping facility.

If you have special shipping needs, shop around to find a company that can provide the services your business requires. Most of the smaller fulfillment companies are owned by a sole proprietor or partners. These businesses serve many direct response clients and are well known to companies that have call centers. Asking for references from several of their clients should give you clear picture of a vendor's reputation.



Some factors to consider if you choose to outsource shipping and handling: Some shipping providers specialize in international product delivery. Other carriers are ideal for businesses that need to ship in large volumes. These offer cargo charter services, freight consolidation, warehousing and other services for high capacity enterprises. Below are some additional benefits of outsourcing your shipping needs:

- **Savings.** National companies who ship large quantities of goods around the world can often give volume discounts, even to smaller customers, with additional discounts to clients who ship frequently. Many also offer packages that include pick-up and delivery, packaging, and insurance. Plus, you'll save money on wages, benefits and overhead that would be paid if you attempted to handle the work yourself. You can spend that money on research and development, technology updates, or qualified employees who are focused on your business - not the shipping business.
- **Professional Packaging.** Larger shipping companies often use the latest technology, such as liquid foam injection systems and special packaging materials that protect sensitive products from moisture and light. They also offer crating services and truck lifts for very large items. They can build custom shipping containers for shipping especially fragile or heavy items.
- **Productivity.** If your company rarely needs to ship products you might be tempted to have your employees do the work. But diverting the time of your skilled workers to such tasks as packaging products and running to the post office or other package delivery service can prove counter-productive. With an outside shipping provider to handle these jobs, you can keep your own employees where they are most needed.
- **Professional Service.** Hiring unskilled laborers could result in improperly packed goods or inadequately insured shipments. Outsourcing your product shipments, even if you only ship occasionally, will ensure the job is done efficiently and correctly.
- **Pick-up.** Most shipping companies provide very prompt service, and can easily schedule pick-ups and deliveries on a regular or as-needed basis.
- **Additional services.** Many companies offer free price quotes on services such as door-to-door delivery, as well as a choice of ground or air shipment.



Warehousing

Selecting a warehousing vendor is a critical decision for your company. Your warehouse and logistics provider is one of several vital links in the supply chain that connects your products with your customers. Your company's reputation is built on the quality of your products and service, but when those products leave your site, you are in effect placing your reputation in the logistics provider's hands. It is worth taking the time to find a reliable vendor, however, because the benefits of outsourcing your warehousing needs are many:

- Using an outside warehousing provider eliminates the need for costly real estate to house your inventory.
- Outsourcing can save your company the time and expense involved in developing your own resources and expertise to effectively manage a distribution center.
- Leveraging the experience of supply chain experts can give you an advantage over your competition.
- Outsourcing allows you to save on capital expenditures for equipment, software, and infrastructure.
- Many warehousing companies have access to discount pricing on transportation, and can pass the savings on to you.
- Outsourcing can be the best way to optimize your company's fulfillment and supply chain processes.
- Your warehousing provider may offer value added services such as kitting or final assembly and labeling services.
- Your company can benefit from advanced technology and software used by warehousing companies--without the expense of acquiring and maintaining it yourself.
- Warehousing services can provide flexible and scalable customer service representation for your shipments and deliveries.
- Utilizing a warehousing provider with multiple distribution centers can improve shipment speed and reliability.



Tips for Choosing the Right Warehousing Provider for Your Company

Location

Your first step should be to choose a location that will suit your company's needs. The answers to the following four questions will help you find a facility that meets your access and transportation requirements.

1. What is the warehousing provider's proximity to major highways and railway systems?
2. Is the location close enough to your company's manufacturing facility?
3. How far will the provider be willing to transport your goods--and how quickly?
4. Is the facility strategically located in relation to your end users?

Facility Condition and Capabilities

It is a good idea to visit to the facility you're considering, to obtain first-hand answers to the questions below:

- What is the condition of the building in which your products will be housed? The roofing, framing, insulation, lighting, ventilation, drainage and flooring should all be in excellent condition.
- Look at the ceiling heights and loading docks. Is there sufficient capacity to adequately house and manage your products?
- Is there indoor rail access?
- Is there sufficient space to house your products?
- Can the facility capably and safely store a variety of products without the risk of contamination or adverse effects?
- If housing food-grade products, does the provider have USDA and FDA approval?
- Does the warehouse offer sufficient turning space and flow for products it houses?
- What kind of warehouse management system is used--will it enable you to retain records and keep track of inventory?



Safety and Security

Another key factor to consider is how will the warehousing provider ensure the safety of your products.

- Is there an adequate security system installed?
- Does the warehouse use cameras, electronic locks and door alarms?
- Are their sprinkler systems in good working condition?
- Does the facility have a temperature control system to optimize the storage conditions for various types of products?
- Is their sufficient weatherization to protect your products?
- Does the warehouse have adequate pest control systems in place?

Management and Staff

It is also important to get a feel for how the facility is operated. Find out who will be responsible for loading, unloading, guarding and transporting your products. If merchandise is damaged, delivered late or arrives with inaccuracies and omissions, your company's reputation can be affected. That is why it's vital to know who will be in charge of your products.

- Check references. The management should be able to provide you with reliable references to validate their claims.
- What is the provider's financial status--do they have a stable financial history?
- Does the company have a good reputation as an employer or is there a high turn-over rate or labor related difficulties?
- Observe the workers in action--do they appear competent as they carry out their tasks? Does the overall morale in the workplace seem positive?

Pricing

You will need to exercise caution here, making sure you don't base your decision on price alone. If you have found a provider who meets all of your other criteria, as listed above, that is much more valuable than finding the lowest-cost provider; often the service or facilities accompanying such a price will be inferior.

When discussing pricing with your provider, be as clear as possible about your needs and expectations. This will enable the vendor to give you an accurate and realistic estimate of what it will cost to pick up, store and deliver your products safely and in optimum condition.



Fulfillment

Whether your order fulfillment needs are large or small scale, it requires experience to coordinate front-end sales systems with back-end fulfillment mechanisms, establish a warehouse or stockroom, and handle shipping and returns. If you lack the expertise or training in fulfillment processes, especially if you plan to ship perishables or large quantities of goods, outsourcing could be the answer.

Below are a six key points you will want to consider when deciding whether to outsource your company's order fulfillment needs:

1. Order fulfillment is a critical process involving many factors. Does your organization possess the **expertise** to integrate sales with order fulfillment to handle shipping and returns? Can you monitor your inventory well enough to assess how many orders you can fill for a particular item? A fulfillment system should be able to quickly abort a sale if the item becomes unavailable. If your system is inadequate, orders may go unfilled for long periods, frustrating your customers. Professional fulfillment houses are experienced in avoiding such situations.
2. Consider your **product type**. If you sell customized products you may find it best to fulfill each unique order in-house, since your product will need additional manufacturing prior to being shipped. However, simple, non-perishable, easily stored, items that you sell in large quantities lend themselves more readily to outsourcing.
3. What is your monthly **order volume**? You will need to analyze your own accounts to decide whether your order volume is high enough to make outsourcing advisable for your business. Expected growth will bring increases in order volume. It is important to project how fast this could happen and whether the demand will difficult for your in-house fulfillment department to meet. If you anticipate a spike in sales in the near future, and will require outside help, it might be wise to secure an outsourced vendor ahead of time.
4. Even if you aren't expecting rapid growth, a temporary lull in business can give you the opportunity to develop affiliate relationships or pursue other marketing avenues. Outsourcing your fulfillment could allow you the **free time** to pursue such opportunities for expansion.



5. How is your in-house **order status reporting**? A good fulfillment system will be able to readily report on the status of an order to any department requiring the information. You may possess all the data but you might not be as capable of compiling a particular report as quickly and efficiently as a fulfillment vendor would. A professional fulfillment house with a comprehensive, integrated order fulfillment system will have the capacity to easily generate reports and verify order status. Your volume will be the determining factor when deciding how much focus you should place on this issue.
6. Will you be able to provide adequate **customer service**? This is a key factor in the success of any business, and one of the most important aspects of retaining customers. Don't let filling your orders deplete your customer service resources. Many fulfillment houses have expert customer service staff and can do an excellent job handling your customer care issues.

Tips for Choosing the Best Fulfillment Provider for Your Company

Finding a good fulfillment outsourcing provider is a logical, step-by-step process. You begin by gathering facts and figures regarding your present and projected order fulfillment needs. You will then be able to gather several and proposals from established fulfillment houses and compare them in an organized manner.

Gather Information About Your Fulfillment Needs

- What is your average SKU (stock-keeping unit) per order?
- What is the average number of items in each order, and the average package weight? What are your "ship via" percentages (the number of first class mail vs. priority mail packages or UPS/FedEx ground vs. air packages)?
- How many inventory SKUs and item counts will need to be warehoused? Your provider will want an estimate of how many cubic feet of warehouse space will be required.
- What is the estimated dollar value of your inventory (for the warehouse's insurance coverage)?
- Can your web site shopping cart or accounting system export your fulfillment data as CSV or XML files?
- Will you be needing any extra services, such as COD processing, kitting, international shipping or assembly labor?



Location

Make sure your fulfillment vendor is located as close to your customers as possible. This will minimize zone-based shipping charges. A simple way to determine this is to enter the zip code of each fulfillment house you're considering into the UPS online system to create a zone map for each potential shipping location.

Questions to Ask

What specific services does the fulfillment vendor offer?

What type of software system do they use?

Will you be able to easily access and check inventory, customer records and other important data online?

How long will your contract be?

One important item to discuss with a potential fulfillment vendor is which type of order processing they use and how your company's products would be handled within their system.

- ***Pick-to-order processing*** - Individual items are picked for each order in totes and then packaged and shipped. This is ideal for projects averaging more than four SKUs or items per order. Bear in mind, however, that this process has the highest per order labor input.
- ***Batch picking*** - All the SKUs and items required for a group of orders are gathered; then the individual orders from that collection of merchandise are packed. This expedites picking time and provides a built-in error trap between picking and packing functions. This system is typically used for projects with three or fewer SKUs or items per order.



- **Bulk processing** - Used for high volume orders involving fewer than 10 SKUs. The entire picking, packing and shipping operation is essentially consolidated into a single work station. This is a good system for processing volume sales of books, electronic media and diet supplements because labor cost is minimized.

Carefully interview your select list of prospects and visit their facilities. Your due diligence when considering a fulfillment house will involve researching, networking and following up on referrals. Finally, tour the facility and ask for references and referrals from current clients. Don't settle on a single vendor you've spoken with at least three of their satisfied clients.

Additional Tips

1. **Analyze your contract.** - The Mailing and Fulfillment Service Association provides an industry model contract to which you can compare each proposed fulfillment contract.
2. **Check the storage fees.** - Be alert to per-pallet storage (warehousing) quotes. Some companies have a single SKU minimum per pallet, resulting in a minimum monthly charge for each SKUs regardless of the actual number of items. This could become especially costly if your SKU list is expected to increase.
3. **Consider package sizes.** - It's important to note the range of stock carton and Jiffy mailer sizes the fulfillment house offers. Use of excessively large envelope mailers or cartons can result in a huge increase in postage or UPS and FedEx charges due to unnecessary package weight.
4. **Avoid split orders.** - The fulfillment house should be willing to use special cartons that you provide if its largest stock carton is inadequate. Splitting orders into smaller boxes because larger cartons are not available can lead to excessive shipping costs.
5. **Obtain specialized cartons.** -You may need to use a special-size carton to avoid DIM surcharges. Even a fraction of an inch can make a substantial difference in your monthly shipping costs if you ship low-density products in large cartons.
6. **Returned merchandise options.** - Be sure your fulfillment house gives you the choice of having your customers send returns directly to you or to the fulfillment vendor. With food and dietary supplements, for example, it costs less to have returned merchandise sent directly to you, since re-selling the item is not possible.



7. **Consider your shipping account.** - Some fulfillment vendors will use your shipping account and others prefer to use their own UPS, FedEx and USPS accounts. Rates and fees will be adjusted accordingly. You might prefer to close your own shipping accounts and take advantage of the buying power and resulting discounts offered by your fulfillment house.
8. **Analyze the terms of service.** - Established fulfillment houses guarantee their work and will compensate you for errors that they make but it is a good idea to check the written terms of service for each potential vendor to make sure there is no misunderstanding.
9. **Ask about digital photography services.** Some fulfillment houses offer on-site digital photography services, which can be helpful if you frequently have products drop-shipped.
10. **Find out about gift-wrapping.** Few fulfillment houses offer gift-wrapping, but some allow you to pre-wrap and package selected merchandise and list these as separate SKUs in the fulfillment center's inventory. When you receive an order for a gift-wrapped product you can then substitute the gift-wrapped item for the regular SKU item.

You can begin on a small scale by sending just a few SKUs in small quantities to sample the services of a potential fulfillment partner before entering a long-term contract. This is especially helpful if you will be automating the fulfillment data/export process from your online store to the fulfillment house control panel, as you will be working with the fulfillment center's technical staff to resolve the details. You could also start out by hiring a vendor for a specific task, such as managing your returns or pulling items from the warehouse shelves and packing them for shipment.

Outsourcing options are varied and abundant. Many fulfillment vendors are equipped to fill the needs of small and medium businesses and can carry out the entire fulfillment process from shopping cart to doorstep.



Glossary

Accessorial Charges

A carrier's charge for services such as loading, unloading, pickup and delivery.

Activity-Based Costing

A method of expense management that identifies business activities performed, accumulates costs associated with these activities, and uses various cost drivers to trace costs of activities to the products.

Ad Hoc Reporting

Custom-designed data queries that may be used to extract and manipulate customer's data; often a one-time inquiry.

Advanced ShipmAdvance Shipment Notice (ASN)

A list transmitted to a customer or consignor designating items shipped. May also include expected time of arrival.

Agency Tariff

A rate bureau publication that contains rates for many carriers.

Agent

An enterprise authorized to transact business for, or in the name of, another enterprise.

Agglomeration

The net advantage a company gains by sharing a common location with other companies.

Aggregate Tender Rate

A reduced rate offered to a shipper who tenders two or more class-related shipments at one time and one place.

Air Cargo

Freight that is moved by air transportation.



Air Carrier

An enterprise that offers transportation service via air.

Air Taxi

An exempt, for-hire air carrier that will fly anywhere on demand; air taxis are restricted to a maximum payload and passenger capacity per plane.

Air Ride Suspension

Suspension which supports the load on air-filled rubber bags rather than steel springs. Compressed air is supplied by the same engine-driven air compressor and reservoir tanks which provide air to the air brake system.

Air Waybill (AWB)

A bill of lading for air transport that serves as a receipt for the shipper, indicates that the carrier has accepted the goods listed, obligates the carrier to carry the consignment to the airport of destination according to specified conditions.

Aircargo Agent

A representative appointed by an airline to solicit and process international airfreight shipments.

Aircargo Containers

Containers designed to conform to the inside of an aircraft. There are many shapes and sizes of containers. Aircargo containers fall into three categories: 1) aircargo pallets, 2) lower deck containers, 3) box-type containers.

All Water

Term used when the transportation is completely by water.

Any-Quantity (AQ) Rate

A rate that applies to any size shipment tendered to a carrier; usually means that no discount rate is available for large shipments.

Accounts Receivable (A/R) Management

Business functions including the management of credit risk and limits, payment terms, invoicing and collections.



Arrival Notice

A notice from the delivering carrier to the Notify Party indicating the shipment's arrival date at a specific location (normally the destination).

Asset Tagging

Data label adhered to a product for the purpose of asset tracking at the end customer location.

Assignment

The transfer of rights, duties, responsibilities, and benefits of an agreement, contract, or financial instrument to a third party.

Auction

Selling of goods or services to the buyer with the highest offer at the time of a sale. Usually at the time of return approval, the product owner may elect to route the product to an auction service after receipt at a returns processing center.

Automated Broker Interface (ABI)

The U.S. Customs program to automate the flow of customs-related information among customs brokers, importers, and carriers.

B2B

Business-to-Business; usually refers to business or servicing transactions between two business entities.

B2C

Business-to-Consumer; usually refers to business or servicing transactions between a business and individual consumers.

Backhaul

A vehicle's return movement from original destination to original point origin.

Basing-Point Pricing

A pricing system that includes a transportation cost from a particular city or town in a zone or region (even though the shipment may not originate at the basing point).



Bill of Lading (BL, BOL or B/L)

A document issued by a carrier for the receipt of goods for shipment which also describes the terms of shipment.

Bill of Lading, Through

An interim bill of lading to cover goods from point of origin to mid-point to final destination when interchange or transfer from one carrier to another is necessary to complete the journey.

Blanket Rate

A rate that does not increase according to the distance a commodity is shipped.

Bond, In

Goods are held or transported In-Bond under customs control until either import duties or other charges are paid. Sometimes used to avoid paying the duties or charges until a later date.

Bonded Warehousing

A type of warehousing in which companies place goods in storage without paying taxes or tariffs. The warehouse manager bonds himself or herself to the tax or tariff collecting agency to ensure payment of the taxes before the warehouse releases the goods.

Booking

The act of requesting space and equipment aboard a vessel for cargo which is to be transported.

Booking Number

The number assigned to a certain space reservation by the carrier or the carrier's agent.

Boxcar

An enclosed railcar, typically forty- to fifty-feet long, used for packaged freight and some bulk commodities.

Bracing

To secure a shipment inside a carrier's vehicle to prevent damage.



Break Bulk

The process of reducing large receipts of product to separate and different SKUs, to allow stocking by case pack or single units.

Break Bulk Cargo

Cargo that is shipped as a unit or package (for example palletized cargo, boxed cargo, large machinery, trucks) but is not containerized.

Break Bulk Vessel

A vessel designed to handle break bulk cargo.

Broker

There can be multiple definitions for the term "broker", including: 1) an enterprise that owns and leases equipment, 2) an enterprise that arranges the buying & selling of transportation, goods, or services, 3) a ship agent who acts for the ship owner or charterer.

Bobtail

Tractor operating without a trailer. Also refers to straight truck.

Brokerage

A business that provides broker services; or the fee paid to a broker.

Cabotage

(1) A federal law that requires coastal and intercoastal traffic to be carried in U.S.-built and registered ships, or (2) An international trade restriction limited the transportation origins and destinations available to non-national transporters.

Cab-Over-Engine (Cabover or COE)

Truck or tractor design in which the cab sits over the engine on the chassis.

Cab-to-End (CE, CF, LP)

Distance from back of a truck's cab to the end of its frame.



Capacity Load

A condition wherein the freight fills a truck or trailer before approaching the weight limits of the vehicle. Normally resulting in higher freight rates being assessed by the carrier.

CAPS Access

Standard daily reporting of activity on open orders, shipments, and inventory position. Reports will be available via a web portal for FTP download.

Cargo

The freight carried by a ship, aircraft, truck or other vessel or vehicle.

Cargo Weight

Combined weight of all loads, gear and supplies on a vehicle.

Carload (CL)

A shipment in which the freight completely fills a container or railcar.

Carrier

A business that transports people or goods.

Carrier Liability

A common carrier is liable for all shipment loss, damage, and delay with the exception of that caused by act of God, act of a public enemy, act of a public authority, act of the shipper, or the goods' inherent nature.

Cartage

To carry by truck.

Cartage Company

Company that provides local (within a town, city or municipality) pick-up and delivery by truck.

Case pack Break Bulk

The process of reducing product on pallets to stocking into individual, smaller packages [case packs] or single units.



Certificate of Insurance

A negotiable document indicating that insurance has been secured under an open policy to cover loss or damage to a shipment while in transit.

Certificate of Origin

A document containing an affidavit to prove the origin of imported goods. Used for customs and foreign exchange purposes.

Chargeable Weight

The shipment weight used in determining freight charges. The chargeable weight may be the dimensional weight or, for container shipments, the gross weight of the shipment less the tare weight of the container.

Chassis Weight

Weight of the empty truck, without occupants or load.

Claim

A charge made against a carrier for loss, damage, undue or unreasonable delay, or overcharge for freight costs.

Claims Damage Ratio

Measured in two ways: 1) by the number of damage occurrences per 1000 shipments or 2) claims dollars paid as a percentage of Cost of Goods.

Class I Carrier

A classification of regulated carriers based upon annual operating revenues: Motor carriers of property - \$5 million; Railroads - \$50 million; Motor carriers of passengers - \$3 million.

Class II Carrier

A classification of regulated carriers based upon annual operating revenues: Motor carriers of property - \$1-\$5 million; Railroads - \$10-\$50 million; Motor carriers of passengers - \$3 million.



Class III Carrier

A classification of regulated carriers based upon annual operating revenues: Motor carriers of property - \$1 million; Railroads - \$10 million.

Class Rates

A grouping of goods or commodities under one general heading. All the items in the group make up a class. The freight rates that apply to all items in the class are called "class rates."

Classification

An alphabetical listing of commodities, the class or rating into which the commodity is placed, and the minimum weight necessary for the rate discount; used in the class rate structure.

Collect Freight

Freight payable to the carrier at the port of discharge or ultimate destination. The consignee does not pay the freight charge if the cargo does not arrive at the destination.

Co-Location (Mobile Warehouse)

"Warehouse in a box" concept where specialized equipment can go to almost any location to process outbound shipments.

Commercial Invoice

An official document created by the seller is used to indicate, among other things, the name and address of the buyer and seller, the product(s) being shipped, and their value for customs, insurance, or other purposes.

Commodity Code

A code describing a commodity or a group of commodities pertaining to goods classification. This code can be carrier tariff or regulating in nature.

Compliance

Meeting the standards established by law, regulation, international trade practice or other standard widely accepted in the industry. Failure to meet compliance standards places parties at risk for loss, or violation of statutes with resulting penalties.



Consign

To entrust with or place something in the care of another.

Consigned Warehousing

Storage of inventory for the purpose of sale to the customer upon shipment.

Consignee

The person or carrier to which a shipment of goods is entrusted.

Consignor

One who places something such as goods and merchandise in the care of another.

Consolidated Shipping

The consolidation of all products into one shipment, regardless of the products' stocking location within the distribution network.

Consolidation

Collecting smaller shipments to form a larger quantity in order to realize lower transportation rates.

Consolidation Point

The location where consolidation takes place.

Consolidator

An enterprise that provides services to group shipments, orders, and/or goods to facilitate movement.

Consolidator's Bill of Lading

A bill of lading issued by a consolidator as a receipt for merchandise that will be grouped with cargo obtained from other shippers. See also House Air Waybill.

Container Freight Station (CFS)

The location designated by carriers for receipt of cargo to be packed into containers/equipment by the carrier. At destination, CFS is the location designated by the carrier for unpacking of cargo from equipment/containers.



Container(1)

Standard-sized rectangular box used to transport freight by ship, rail and highway. International shipping containers are 20- or 40-feet long, conform to International Standards Organization (ISO) standards and are designed to fit in ships' holds. Contain

Container Chassis

Single-purpose semi trailer designed to carry a shipping container.

Container Load (CL)

A shipment in which the freight completely fills a container.

Container Number

the unique identification number of a freight container, normally referring to a container used in ocean mode transportation/multi-modal transportation

Container On Flat Car (COFC)

Method of moving shipping containers on railroad flat cars.

Contract Carrier

Company that transports freight under contract with one or a limited number of shippers.

Contract Warehousing

Fee-based service of receiving, managing and storing of client-owned inventory so that it is available to the rapid pick, pack and ship distribution engine. Product is stored accurately and efficiently in multiple forms and selling units.

Converter Dolly

Auxiliary axle assembly equipped with a fifth wheel (coupling device), towed by a semi trailer and supporting the front of, and towing, another semi trailer.

Conveyance

A means of transportation.



Cost and Freight (C & F)

The seller quotes a price that includes the cost of transportation to a specific point. The buyer assumes responsibility for loss and damage and pays for the insurance of the shipment.

Cost, Insurance and Freight (CIF)

The price quote that the seller offers to the buyer, which includes cost of the goods, insurance of the goods, and transportation charges.

Country of Origin

The formal identification of the place of origin or location of last substantial transformation (defined under Customs Regulations) of a product. Required information on all international transaction documentation and also marking on the article itself.

Courier Service

A fast, door-to-door service for high-valued goods and documents; firms usually limit service to shipments weighing fifty pounds or less.

Cradle-to-Grave

Logistics planning, design, and support which take into account logistics support throughout the entire system life cycle.

Creation / Transmission of Invoices

Create invoice documents (or transmissions) based on outbound shipments to the client's end customer. Invoices may include mailing addresses, terms and pricing.

C-TPAT

Program introduced by the Bureau of Homeland Security to partner with importers, forwarders, ocean, air and truck carriers and others involved in international trade to introduce additional screening and counter-terrorism measures.

Cube/Cubic Capacity

Interior volume of a truck body, semi trailer or trailer, measured in cubic feet.



Curb Weight

Weight of an empty truck, without occupants or load.

Custom Cycle Count

A custom designed program of inventory cycle counting developed to ensure the highest inventory accuracy

Customs

The place or process of inspecting imported or exported goods to determine if and how much duty is required; or an agency that performs said duties.

Customs Broker / Customhouse Broker

A firm that represents importers/exporters in dealings with customs. Normally responsible for obtaining and submitting all documents for clearing merchandise through customs, arranging inland transport, and paying all charges related to these functions.

Customs Clearance

The act of obtaining permission to import merchandise from another country into the importing nation.

Customs Invoice

A document that contains a declaration by the seller, the shipper, or the agent as to the value of the shipment.

Customs Value

The value of the imported goods on which duties will be assessed.

Customs Duties

Taxes collected by states upon imports to their territory. Abolished within the EC, they have been retained at EC external borders as a common external tariff (CET) and are regarded as EC own resources.

CY

Container Yard, a location where empty ocean freight containers are staged for re-dispatch to customers of the steamship lines.



Dangerous Substances

Products regarded as potentially dangerous and/or toxic whose classification, use, labeling and marketing are regulated by EC legislation.

D.D.G.

Declaration of Dangerous Goods (Hazardous Materials as defined in regulations) declaration document

Dead-Heading

Operating a truck without cargo.

Delivery Date

The date on which a shipment is expected to be delivered (ETA) or actually delivered.

Delivery Receipt

This is a document tendered by the carrier making a delivery of a shipment, handed over at the time of delivery to the consignee that identifies the shipment, quantities of cartons, etc., for the receiver to confirm and if any variances exist at that time they are to be noted on the document and acknowledged by signature of both parties (driver & receiver)

Dimensional Weight

The calculation of a shipment's chargeable weight based upon the dimensions and cubic size of a shipment rather than by consideration of the actual weight (which will be a lesser amount). Factors are used to establish the dimensional weight.

D.O

Delivery Order, a release document used to claim goods from clearance for delivery to an identified consignee & destination

Demurrage

The penalty for exceeding free time allowed for loading/unloading under the terms of the agreement with the carrier. Demurrage is the term used in the rail and ocean industry; detention is used in the motor industry.



Density

The physical characteristic measuring a commodity's mass per unit volume or pounds per cubic foot; an important factor in ratemaking, since density affects the utilization of a carrier's vehicle.

Density Rate

A rate based upon the density and shipment weight.

Destruction

Destruction of product may be chosen as a means of disposition after product is received at returns processing center. Destruction may be standard or "green" and is typically done in conjunction with a bonded outsource partner.

Detention

The penalty for exceeding free time allowed for loading/unloading under the terms of the agreement with the carrier. Detention is the term used in the motor industry; demurrage is used in the rail and ocean industry.

DeVanning

Unloading of truck, trailer container or rail car by forklift, slip-sheet lift or by hand.

Discharge Port

The name of the port where the cargo is unloaded from the export vessel. This is the port reported to the U.S. Census on the Shipper's Export Declaration, Schedule K, which is used by U.S. companies when exporting.

Dispatching

The carrier activities involved with controlling equipment; involves arranging for fuel, drivers, crews, equipment, and terminal space.

Dock

A platform for loading or unloading trucks, trains, ships, or aircraft; or an aircraft hangar.



Dolly

Auxiliary axle assembly equipped with a fifth wheel (coupling device), towed by a semi trailer and supporting the front of, and towing, another semi trailer.

Domestic

Of or relating to trade, affairs, or business within a country.

Door-to-Door

The through-transport of goods from consignor to consignee.

Door-to-Port

The through transport service from consignor to port of importation.

Draw Back

A program under which 99% of import duties paid are recovered when goods are re-exported or in other ways comply with Customs regulations allowing recovery of duty tax payments made.

Drop Shipment

A request for the goods to go to the retailer directly from the manufacturer when the invoice comes from another party in the transaction, typically the distributor from whom the retailer would normally receive the goods.

Doubles

Combination of a tractor and two semi trailers connected in tandem by a converter dolly.

Drayage

A service offered by a motor carrier for the cartage of rail or ocean containers from a dock to an intermediate or final destination, or the charge for such cartage.

Driver Team

Team of two drivers who alternate between driving and resting.

Dry Van

An enclosed trailer (box) used for the purposes of hauling containerized commodities.



Durables

Merchandise, commodities, or supplies for sale to consumers.

Duty

The tax paid on imported goods.

E-Commerce Enabling

Enhancing an existing web site to allow secured buying

ECCN

Export Commodity Classification Number Designation within the United States Department of Commerce, Bureau of Industry & Security applied to articles subject to export controls by the United States government.

EDI (Batch)

Electronic Data Interchange; a standard format for exchanging business data. The standard is ANSI X12 .

EIPP

Electronic Invoice Presentation and Payment, a method employed by carriers to bill parties for freight shipments and receive payment for the carriage electronically without the need for hard copy documentation or checks.

End of Line Terminal (Satellite Terminal)

A carrier facility that services only local deliveries and pick-ups in a specific geographic area.

En Route

A term used for goods in transit or on the way to a destination.

Estimated Delivery Date (EDD)

The date and time a package or shipment is expected to be delivered to a given destination.



Estimated Time of Arrival (ETA)

The date and time a package or shipment is scheduled or expected to arrive at a given destination; or the date and time a vehicle is expected to arrive at a given destination.

Estimated Time of Departure (ETD)

The date and time a vehicle or shipment is expected to depart on a journey.

Exclusive Use

Vehicles that a carrier assigns to a specific shipper for its sole use.

Exempt Carrier

Company which transports commodities exempted from Interstate Commerce Commission (ICC) economic regulation.

Export

Ability to ship from the United States to locations around the world with the required documentation, following government regulations and restrictions. (DPL compliant, all necessary inspections, tariffs, VAT, APO/FPO, Duties)

Export Declaration

A document required by the U.S. Treasury Department and completed by a shipper indicating the contents, value, and destination of an export shipment.

Facility Management

Assumption of the operation of a customer's warehouses facility. Can include purchase of the facility or taking over the lease. Can include assumption and management of the customer's associates.

FCL

Full Container Load, a term used to describe either a 20 foot or 40 foot ocean container shipment.

Feeder

The operation of moving parcels from one terminal to another; synonymous with Line haul.



Fifth Wheel

Coupling device attached to a tractor or dolly, which supports the front of a semi trailer and locks it to the tractor or dolly. The fifth wheel's center is designed to accept a trailer's kingpin, around which the trailer and tractor or dolly, pivots in turning.

Fixed Tandem

Assembly of two axles and suspension that is attached to the chassis in one place, and cannot be moved fore and aft.

For-Hire Carrier

Company in the business of transporting freight belonging to others.

Foreign Trade Zone

An area designated by the government of a country for free trade; a port, city, or region designated for free trade.

Free Along Side (FAS)

The seller agrees to deliver the goods to the dock alongside the overseas vessel that is to carry the shipment. The seller pays the cost of getting the shipment to the dock; the buyer contracts the carrier, obtains documentation, and assumes all responsibilities.

Free House Delivery

International Shipments wherein the delivery terms are to have the goods delivered cleared through customs at the country of destination at the designated consignee location.

Free Trade

Trade between nations without customs duties or tariffs.

Free Zone/Free Trade Zone (FZ)

An area designated by the government of a country for free trade; a port, city, or region designated for free trade.



Free on Board (F.O.B.)

This expression follows an exchange point where the transition of responsibility (risk) from the buyer is made to the seller. For example, "F.O.B. Origin" means the seller agrees to deliver the goods to the point of origin.

Freight-All-Kinds (FAK)

An approach to rate making whereby the ante is based only upon the shipment weight and distance; widely used in TOFC service.

Freight Bill

The carriers invoice for payment of transport services rendered.

Freight Charge

The rate established for transporting freight.

Freight Collect

The freight and charges to be paid by the consignee.

Freight Forwarder

An enterprise that provides services to facilitate the transport of shipments. Services can include documentation preparation, space and equipment reservation, warehousing, consolidation, delivery, clearance, banking and insurance services.

Freight Prepaid

The freight and charges to be paid by the consignor.

Full Truck Load (FTL or FCL)

A shipment in which the freight completely fills a container or railcar. Acronym FC relates to Full Car Load.

Gaylord

A container used to hold bulk commodities, frequently 1 cubic meter in size.

Glad-hands

Connections between a semi-trailer and the powered tractor for purposes of controlling the air brake system.



Gross Combination Weight (GCW)

Total weight of a loaded combination vehicle, such as a tractor-semi trailer or truck and full trailer(s). Acronym GCW.

Gross Tonnage

The total carrying capacity of a vessel in units of 100 cubic feet.

Gross Vehicle Weight (GVW)

Total weight of a vehicle and everything aboard, including its load.

Half-Set

A term used to describe a 28 foot long trailer, normally transported in pairs (e.g. "a set"). The smallest increment available for a "truckload" rate offering.

Harmonized Code/Harmonized Commodity Description & Coding System

An international classification system that assigns identification numbers to specific products. The coding system ensures that all parties in international trade use a consistent classification for the purposes of documentation and statistical control.

Harmonized System

An international classification system for import and export commodities.

HAZMAT

Hazardous Materials, as classified by the U.S. Environmental Protection Agency (EPA). Transport of hazardous materials is strictly regulated by the U.S. Department of Transportation.

High Security Cages

Product is stored, picked and packed in a secure, limited-access environment. Shipments are escorted directly from cage onto carrier's transport.

Hosting

Housing, serving, and maintaining files for the customer's web site. Connection to the Internet via T-1 or T-3 lines.



Hot Seat

A term used to describe the methods employed to switch drivers on equipment without running teams or stopping for long periods of time.

Hours-of-Service

U.S. Department of Transportation safety regulations which govern the hours of service of commercial vehicle drivers engaged in interstate trucking operations.

House Air Waybill (HAWB)

A bill of lading issued by a forwarder to a shipper as a receipt for goods that the forwarder will consolidate with cargo from other shippers for transport.

Hub

A central location to which traffic from many cities is directed and from which traffic is fed to other areas.

In Bond

A shipment status in which goods are permitted to enter a country and temporarily stored for transport to a final destination where the duty will be paid.

Incentive Rate

A rate that induces the shipper to ship heavier volumes per shipment.

Independent Trucker

Trucker who owns and operates his own truck(s).

Inland

A term used to differentiate between the land and water segments of a transshipment; the domestic segment of a transshipment; a domestic shipment; on land; by land; over land; within the boundaries of a body of land; within a continent, country or region.

Inland Bill of Lading

The carriage contract used in transport from a shipping point overland to the exporter's international carrier location.



Inland Carrier

An enterprise that offers overland service to or from a point of export.

Inside Line (Real Time)

Real-time link to a providers' mainframe system.

Interchange

The transfer of cargo and equipment from one carrier to another in a joint freight move.

Interline

Two or more motor carriers working together to haul a shipment to a destination. Carriers may interchange equipment but usually they re-handle the shipment without

transferring the equipment. Intermodal Transportation

The use of two or more transportation modes to transport freight; for example, rail to ship to truck.

Inventory Control

Inventory management processes to ensure shrinkage is minimized, and product is handled efficiently and accurately. Physical inventories are conducted and discrepancies reported to inventory owner.

Inventory in transit

Inventory in a carrier's possession, being transported to the buyer.

Issuing Carrier

The carrier whose name is printed on the bill of lading and with whom the contract of carriage exists.

Jockey

Person who operates a yard tractor.

Joint Rate

A rate over a route that requires two or more carriers to transport the shipment.



Just-in-Time (JIT)

Manufacturing system which depends on frequent, small deliveries of parts and supplies to keep on-site inventory to a minimum.

Just-In-Time Inventory (JIT)

A method of controlling and reducing direct and work-in-process inventory by having suppliers deliver material "just in time" to manufacturing. (May also be applied to other areas such as "just in time training".

Kingpin Trailer

Anchor pin at the center of a semi trailers' upper coupler which is captured by the locking jaws of a tractor's fifth wheel to attach the tractor to the semi trailer.

Kitting

Physically combining and storing multiple products into bundle or kit to be sold as a single unit. Physical combining can be accomplished by banding items together or putting them in a separate box. Can also include documentation.

Land Bridge

The movement of containers by ship-rail-ship, such as on Japan-to-Europe moves where ships move containers to the U.S. Pacific Coast, rails move containers to an East Coast port, and ships deliver containers to Europe.

Landed Cost

The total cost of a product delivered at a given location; the production cost plus the transportation cost to the customer's location.

Landing Gear

Retracting legs which support the front of a semi trailer when it is not coupled to a tractor.

Leg

A leg has an origin, destination, and carrier and is composed of all consecutive segments of a route booked through the same carrier. Also called "Bookable Leg".



Less Than Carload (LTC)

A shipment in which the freight does not completely fill the container or railcar; or a particular consignor's freight when combined with others to produce a full carload.

Less Than Container Load (LCL)

A shipment in which the freight does not completely fill the container; or a particular consignor's freight when combined with others to produce a full container load.

Less Than Truckload (LTL)

A shipment in which the freight does not completely fill the trailer or container; or a particular consignor's freight when combined with others to produce a full truckload or full container load.

Lessee

Company or individual which leases vehicles.

Lessor

Company which leases vehicles.

Letter of Credit (LOC)

A letter from a bank or lending institution that authorizes an account holder to draw drafts within set limits, and requires the repayment of such drafts by the account holder.

Lift On, Lift Off (LO/LO)

A method by which cargo is loaded onto and unloaded from an ocean vessel, which in this case is with a crane.

Light Assembly / Modification

Providing service to modify a product from its original state. The modifications will be limited to services that can be performed without opening the casing (i.e. cell phone programming).

Line-Haul Shipment

A shipment that moves between cities and over distances more than 100 to 150 miles in length.



Linear Foot Rule

A standard tariff provision in motor carrier pricing designed to compensate carriers for shipments that take up floor space in equipment without offering much weight or ability to load other freight on top to achieve an optimal load. Normally adds significant cost to the freight bill from the carrier.

Liquidation

After receipt of unsaleable product at returns processing center, product owner may chose to sell or dispose of product for nominal pricing.

Load Tender (Pick-Up Request)

An offer of cargo for transport by a shipper. Load tender terminology is primarily used in the motor industry.

Loading Allowance

A reduced rate that carriers offer to shippers and/or consignees who load and/or unload LTL or AQ shipments.

Logistics

The science of planning, organizing and managing activities that provide goods or services.

Logo & Watermark

Branded shipping documentation which can include: customer logo printed on packing slip and shipping label, logo watermark, inclusion of recurring message about customer's business and personal message for specific end user recipients.

LTL Carrier

Trucking company which consolidates less-than-truckload cargo for multiple destinations on one vehicle.

Manifest

An itemized list of all passengers and cargo onboard a ship or aircraft; a listing of goods carried by a truck or train; or a listing of railcars in a train. Acronym



Materials Requirements Planning (MRP)

The process used to determine the amount of material to purchase and when to purchase it.

Merchandising Pallets

Building retail store displays. Unit is built on a pallet, has a false bottom and product(s) are display ready for the retail store.

Mileage Rate

A rate based upon the number of miles the commodity is shipped.

Minimum Charge

This is the lowest price that will be invoiced by a carrier for transportation services, no matter what the weight of the shipment was.

Non-Vessel Operating Common Carrier (NVOCC)

A firm that consolidates and disperses international containers that originate at or are bound for inland ports. Often a firm that offers the same services as an ocean carrier, but which does not own or operate a vessel. NVOCCs usually act as consolidator.

Next Flight Out

A phrase used to describe a requested air express shipment priority to utilize the next available direct flight to carry cargo or small express packages from one point to another with the cost for such service being a premium levels.

Ocean Bill of Lading

The bill of lading issued by the ocean carrier to its customer.

Ocean Carrier

An enterprise that offers services via ocean (water) transport.

OSA

Ocean Shipping Advice

OSD

Over, Short, and Damaged.



Outbound Serial Number Capture

The scanning and capture of product serial number on outbound shipments for reporting and tracking purposes.

Over-the-Road

A motor carrier operation that reflects long-distance, intercity moves; the opposite of local operations.

P&D

Pickup and delivery.

P.O. Management (Inbound)

Purchase Order Management. To allow receiving of Contract Warehouse inventory, Purchase Orders (at \$0) are sent by inventory owner and mirrored in systems.

Packing List

A document that accompanies a shipment and fully describes the contents of the shipment, pieces, weight and consignee. Normally used to confirm goods delivered are the same as what was said to be shipped.

Palletization

The assembly of received product onto pallets to facilitate optimum storage efficiency or replace non-compatible pallets.

Payload

Weight of the cargo being hauled.

Performance Pricing

A pricing model that offers greater discounts for heavier shipments and/or shipments traveling greater distances.

Physical Segregation of Inventory

Storage of customer product in a physically separate area away from other owner's product.



Piggyback

Semi trailer built with reinforcements to withstand transport by a railroad flatcar.

Pilferage

The theft in small amounts of goods, merchandise, or inventory.

Pintle Hook

Coupling device used in double trailer, triple trailer and truck-trailer combinations. It has a curved, fixed towing horn and an upper latch that opens to accept the drawbar eye of a trailer or dolly.

POE

Port of Entry, generally referring to the place at which goods imported are cleared through the customs process.

Positive Pay

The methods employed by financial institutions to ensure the validity of a check prior to funding or clearing the check for payment to the party making the demand. Normal methods employed confirm validity of the check number, account number, amount on the check, date range and other specified (negotiated) elements. Used in freight payment auditing activities.

Pre Shipment Inspection

A requirement by either a consignee, or the destination country, to have goods inspected prior to dispatch to ensure conformity with purchasing conditions. Normally performed at the shipper's location and performed by an authorized third party organization approved by the destination party.

Pre-Authorized RMA Form

Order shipping documentation which includes returns information and ship label with authorization for return. Used in instances when product can be returned without contacting a customer for authorization to return product.



Prepaid Freight

Freight paid by the shipper to the carrier when merchandise is tendered for shipment that is not refundable if the merchandise does not arrive at the intended destination.

Private Carrier

Business which operates trucks primarily for the purpose of transporting its own products and raw materials. The principle business activity of a private carrier is not transportation.

Product Disposition

Returned product can be dispositioned a number of ways, including as new to customer's inventory, return to vendor as stock balance or defective product, utilize auction, liquidation, destruction and "Green" disposal.

Pro Forma Invoice

An advanced-notice invoice used for customs requirements, or to provide shipment information to a buyer or receiver.

Pup Trailer

Short semi trailer, usually between 26 and 32 feet long, with a single axle.

Quality Assurance

The process of evaluating the condition of product upon receipt, often based on the returns authorization reason code, to manage any discrepancies and ensure product standards are met.

Rail Trailer/Trailer on Flat Car (TOFC)

Acronym for the method of transporting specially outfitted trailers that can be lifted onto a railcar specifically designed to carry trailers.

Rate Basis Point

The major shipping point in a local area; carriers consider all points in the local area to be the rate basis point.



Re-Box

In case of damage or wear from shipping, product is repacked with all materials included into manufacturer boxes.

Receiving

Arrival of inventory at a distribution center; the process of receiving involves door logging of delivery, visual inspection, count confirmation, recording of discrepancies and checking receipt against a Purchase Order.

Reconsignment

A carrier service that permits a shipper to change the destination and/or consignee after the shipment has reached its originally billed destination and to still pay the through rate from origin to final destination.

Reefer

Refrigerated trailer with insulated walls and a self-powered refrigeration unit. Most commonly used for transporting food.

Relay

Common practice in the less-than-truckload industry, in which one driver takes a truck for 8 to 10 hours, then turns the truck over to another driver, Pony Express style.

Relay

Terminal A motor carrier terminal that facilitates the substitution of one driver for another who has driven the maximum hours permitted.

Repack

Packing of non-shippable containers into larger shippable boxes, protecting with void fill and sealing with shipping tape. Protects product during shipment and combines several smaller items into a single shipment to customer.

Repair/Refurbish

Evaluating and testing returned goods with certified technicians to restore to working order and sell as refurbished. Product can be made available for sale through standard channels or auction sites, and is then warehoused.



Reserved Inventory

Systematic ability to set aside quantities of inventory by removing it from general availability.

Restock

Saleable returned product put back into inventory.

RMA

Returns Management Authorization; the process of providing an authorization number for returned product via call center, fax, web or e-mail. Criteria would be established and adhered to ensure returns guidelines are followed.

RoadRailer

Semi trailer specially designed to travel both on highway and on rails.

Routing

An instruction as to how to ship or decide to ship a consignment from a place of origin to a destination, with consideration to size and weight in addition to priority and additional conditions (e.g. no trucking services to Hawaii)

2nd-Day Shipping

Orders printed in Distribution Centers by 5pm local time for shipping the next day.

SCAC code

'Standard Carrier Alpha Code' Issued to identify a specific carrier

Schedule B

The descriptive listing published by the United States Government (Customs) to identify goods being imported or exported from the USA. Very similar to the Harmonized System.

SED

Shipper's Export Declaration, a U.S. Census Bureau form used to report export transactions to various governmental agencies (e.g. Customs, Department of Commerce, Homeland Security, State & Defense Departments, & Treasury).



Shipping Advice

A communication provided to consignees and other interested parties that gives information on a particular shipment prior to the delivery of the shipment.

SLI

Abbreviation used to describe the "Shipper's Letter of Instruction", a document used with Freight Forwarders to dispatch shipments internationally.

Semi trailer

Truck trailer supported at the rear by its own wheels and at the front by a fifth wheel mounted to a tractor or dolly.

Ship Complete

Ensures that all the necessary parts of an order are available and will ship at approximately the same time. All shipments associated with an order are held until all of the product shipping from any distribution center location is available.

Shipment Available Date

The date the shipment will be available for transportation.

Shipment Point

A specific location from where goods will depart for movement.

Shipper

An enterprise that fulfills the request for goods or services.

Shipping Container

Standard-sized rectangular box used to transport freight by ship, rail and highway. International shipping containers are 20 or 40 feet long, conform to International Standards Organization (ISO) standards and are designed to fit in ships' holds. Containers may also be 'high cube' capacity.

Stock Keeping Unit (SKU)

Product identity, usually referring to the labeling and tracking numbers which can include description, dimensions, weight and vendor (owner) code and UPC. Does not include Tech Notes or Vendor Authorizations.



Sleeper

Sleeping compartment mounted behind a truck cab, sometimes attached to the cab or even designed to be an integral part of it.

Sleeper Team

Team of two drivers who alternate driving and resting.

Slip Sheet Breakdown

Unloads trailers or container which use slip-sheet pallets and breaks into individual units or complete standard pallets.

Spares Management

Ability to locate spare parts for a manufacturer's warranty program.

Speedsource Access

Utilization of Baserate, a freight rating and routing tool which will estimate the cost of the shipment by taking into account the shipment weight, dimension, origin and destination points, and shipping service level data.

Staging

Setting aside discrepant returned product for timely disposition by partner

Static Message

Allows a text message to be defined and printed on every packing slip.

Storage

The housing of inventory in a secure, climate controlled facility.

Straight Bill of Lading (SBL)

A bill of lading that is non-negotiable and for which the consignment is made directly to a particular consignee.

Straight Truck

Vehicle which carries cargo in a body mounted to its chassis, rather than on a trailer towed by the vehicle.



Tandems

Pair of axles and associated suspension usually located close together.

Tare/Tare Weight

The weight of an item's container and packing; or the empty weight of a vehicle or container.

Tariff

The formal document published by a carrier to identify their pricing for services and also to publish the rules under which they will perform the services they hold themselves out for.

Terms of Sale

The conditions under which the seller quotes a price to a buyer.

Through Bill of Lading

A single bill of lading covering both the domestic (inland) and international carriage of an export shipment.

Ton-Mile

A freight transportation output measure that reflects the shipment's weight and the distance the carrier hauls it; a multiplication of tons hauled and distance traveled.

TL Carrier

Trucking company which dedicates trailers to a single shipper's cargo, as opposed to an LTL (Less Than Truckload) carrier which transports the consolidated cargo of several shippers and makes multiple deliveries.

Tracking Number

A term most commonly utilized in relation with FedEx. A tracking number can be the waybill number, air bill number, bill of lading number, or other unique reference number for identifying a particular shipment. In motor carriage it would be referred to as a "Pro Number."

Tracing

Determining a shipment's location during the course of a move.



Trade Lane

The combination of the origin and destination points.

Transit Time

The total time that elapses between a shipment's delivery and its pickup.

Transmittal Letter

A letter from the shipper to its agent that lists the particulars of a shipment, the documents being transmitted, and instructions for the disposition of those documents.

Transit Shipment

A shipment passing between one port and another, or between a port and a final destination.

Transshipment

The transfer of cargo from one conveyance to another.

Trip Leasing

Leasing a company's vehicle to another transportation provider for a single trip.

Triple Trailers

A combination of a tractor and three semi trailers connected by two converter dollies.

Truckload (TL)

A shipment in which the freight completely fills the trailer or container. Often refers to the quantity of freight required to fill a trailer, usually more than 10,000 pounds.

Twenty-Foot Equivalent Unit (TEU)

Standardized unit for measuring intermodal container capacity on ships, railcars, etc.

24 x 7

Access to operations support, such as customer service call centers, available 24 hours a day, 7 days a week.

Twin Trailers

Combination of a tractor and two semi trailers connected in tandem by a converter dolly.



Vessel

A craft designed for water transportation.

Weight Break

The shipment volume at which the LTL charges equal the TL charges at the minimum weight.

Warehouse-to-Warehouse

A clause in a warehouse policy that defines when coverage begins and ends.

Warfare

A fee charged for cargo passing through a pier or dock. (aka Warf age Fee)

Yard Jockey

Person who operates a yard tractor.

Yard Mule/Yard Tractor

Special tractor used to move trailers around a terminal, warehouse, distribution center, etc.

Zone

A geographic area defined by zip codes. Usually relating to the distance from an origin point.