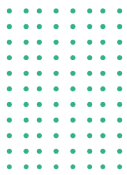


FREIGHT GLOSSARY

Commonly Used Freight Terms From A to Z



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3PL

Stands for Third-Party Logistics. A company providing outsourced logistics services, warehousing and transportation, which can be adjusted based on clients' needs.

A

ACCESSORIALS

Additional charges for performing services that are beyond normal pick up and delivery, such as inside delivery, residential delivery, liftgate service or storage charges.

B

BACKHAUL

Cargo carried on a return journey; either the second half of a round-trip or freight secured to profit on carriers' return to base.

BID BOARD / PORTAL

Technology connecting clients to providers, typically offering multiple quotes per shipment.

BOL

The Bill of Lading is legal document that establishes a contract between the client and the carrier. It includes the details of the shipment and is often used as a receipt.

BOX TRUCK OR STRAIGHT TRUCK

A truck with a large, rectangular cargo area sitting on the chassis. Also known as Cube Trucks.

C

CARRIER

An individual or company that transports goods using their own assets: trucks, trains, ships or airplanes.

CHARTER AIRLINE

An unscheduled airline / flights that are not part of a regular airline routing that operates on the bases of rented or leased flights (either for cargo or passenger) from point A to point B.

CARGO CONTAINER

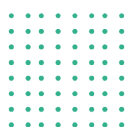
A truck trailer that can be detached and loaded onto a ship or rail car.

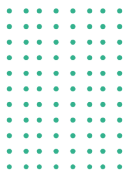
CARGO VAN / SPRINTER

A small one-piece transport vehicle where the driver cab typically has direct access to the cargo.

CARTAGE

Short hauls moving freight between locations in the same town or city.





CHASSIS

A frame with wheels and a locking system that secures an ocean or rail container during over-the-road shipping.

CLAIM

A claim is filed to request payment from a carrier due to loss or damage alleged to have occurred during transportation.

CLASSIFICATION

The system used to assign rates to shipments. Classifications are created by the NMFC board and are based on density, size and value of the freight.

COMMODITY

Any article of commerce. Goods shipped.

CONSIGNEE

The individual or business to whom the goods are addressed. The final destination.

CONSOLIDATION

When several shipments are combined to save on shipping costs.

CRATE

A large container with walls and a bottom, with or without a top, used for transporting/storing heavy or fragile items.

CROSS-DOCK

A midpoint location where freight can be transferred from one unit to another / held short-term.

CURTAIN SIDED TRAILER

A trailer with a hard top and roll up curtain sides. Used for side loading cargo that needs weather protectant. Also called a Conestoga (these are quite often soft the whole way around and push back).

CUSTOMS BROKER

Licensed person or company responsible for clearing goods through customs on behalf of importers and exporters.

D

DIMENSIONS

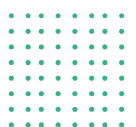
The freight shipment's length, width and height.

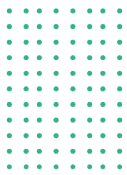
DISPATCH

The act of sending drivers on their assigned routes with specific instructions and required paperwork.

DOCK

A platform where trucks are loaded and unloaded. Generally the same height as the trailer floor.





DRAYAGE

The transport of goods over a short distance, often part of a longer overall move. For example, transporting a container from a ship to a warehouse.

DRY VAN

An enclosed cargo trailer used to transport goods. Can be heated or refrigerated if necessary.

DROP DECK

A platform trailer with two deck levels but no roof, sides or doors. The lower deck allows for hauling taller loads. This is a single drop deck description - also called a step deck. Alternately, there are Lowboy or Double drop deck trailers (even lower), which typically have a deck on the front and back and are low in the middle.

E

EDI

Electronic Data Interchange of business documents such as purchase orders, invoices and bills of lading between computers in a standard format.

EMBARGO

Any uncontrollable event which prevents freight from being accepted or handled; typical reference relates to international conflict, but can also be used for situations like weather events that complicate or exclude transit opportunity.

EXPEDITED

Time-sensitive freight that utilizes guaranteed and time-critical services to meet short delivery windows.

F

FINAL MILE

A service including inside delivery and debris removal.

FLAT DECK (FLAT BED)

A platform trailer with no roof, sides or doors. Allows for quick and easy loading of heavy or over-dimensional freight.

FREIGHT

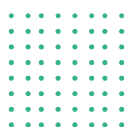
Goods transported by truck, train, ship or aircraft.

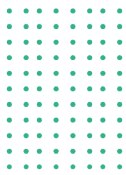
FREIGHT FORWARDING

A logistics company acting as an intermediary between a shipper and various transportation services such as ocean shipping on cargo ships, trucking, expedited shipping by air freight and moving goods by rail.

FCL

Full Container Load shipping. When freight fills up a full ocean shipping container to capacity, or fills up most of the container at a better price than LCL.





FTL (OR TL)

Full Truckload shipping. Transport of goods that fill an entire trailer, or a partial load shipment occupying an entire trailer. FTL is contracted to one client. Faster and more expensive.

FUEL EFFICIENCY

The ratio of distance traveled per unit of fuel consumed.

G

GVW

Gross Vehicle Weight is the total weight of the vehicle (tractor and trailers) and its goods.

H

HAZMAT

Items classed as dangerous goods that require a carrier to have a hazardous material certification to transport.

I

INTERLINING

Process that occurs when the initial carrier of the freight transfers shipment to another carrier and advances to final destination. Typically requires an agreement be entered between the two carriers.

INTERMODAL

Shipping freight using more than one mode of transportation. The intermodal process commonly begins with a container moving by truck to rail, then back to truck to complete the delivery.

L

LCL

Less than Container Load shipping. Transport of small ocean freight shipments not requiring the full capacity of an ocean container.

LINE HAUL

Equipment and people who work together to move freight from one terminal to another.

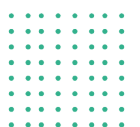
LTL

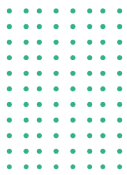
Less-than-Truckload shipping. Transport of goods that do not take up the entire available space on the truck. Combines shipments from multiple clients.

M

MANIFEST

A document that describes the shipment or the contents of a vehicle, container or ship.





O

OVER-DIMENSIONAL / HEAVY HAUL LOAD

Each state and province has regulations about the dimensions and weight that can be shipped on flat deck trailers. If a shipment exceeds the legal size or weight limit, it may require additional permits, escort cars, special signs and may only be allowed to travel during specific times of the day.

P

P&D

Pickup and Delivery. Local movement of goods between the shipper and origin terminal, or between the destination terminal and the consignee.

PALLET

A wooden (or sometimes plastic) platform on which boxes or cargo are stacked and shrink-wrapped. Also commonly called a skid, the small difference is that a skid only has a top deck, while pallets have a bottom deck as well. Pallets are used for transport, while skids are mainly used for storing heavy objects.

POD

Proof of Delivery, also known as the delivery receipt. A document signed by the recipient or consignee confirming the time, date and condition of delivery.

PRO NUMBER

An acronym for Progressive Rotating Order. A sequential numbering system used to identify freight bills. Each number is unique to each shipment.

R

REEFER

A refrigerated truck, railroad car or ship.

S

SHIPPER

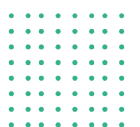
A person or company like a manufacturer, retailer or distributor that needs to ship goods. Also known as the consignor.

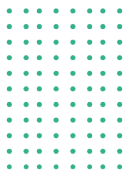
SHIPPING ORDER

Instructions to a carrier regarding the transportation of a shipment. Usually a copy of the bill of lading.

SUPPLY CHAIN

A network of organizations, people, activities, information and resources involved in moving a product from the supplier to the client.





T

TAILGATE / LIFTGATE

A platform at the end of the truck, used for loading and unloading freight at locations without docks or forklifts.

TARIFF

A document outlining rules, rates and charges to move goods.

TERMINAL

A building that handles and stores freight temporarily as it's transferred between trucks.

TRACTOR

The power unit that pulls trailers.

TRAILER

The unit that is used to carry goods.

TRANSIT TIME

Total time of transit from pick up to delivery.

W

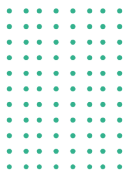
WAREHOUSING

Storage facility to store freight short or long term.

WAYBILL

A document prepared by or on behalf of the carrier at origin. The document shows origin point, destination, route, consignor, consignee, shipment description and amount charged.





Most Common International Freight Forwarding Terms

LANDED COST

Landed cost is the total cost of a product to the point it's ready to be delivered to your customer. That includes not only the base cost to purchase your products from your supplier overseas but also costs associated with transportation, duties and taxes, insurance, handling fees, etc. Knowing the landed cost helps you price your product correctly to cover your costs adequately and better understand profitability.

Working closely with your international freight forwarder helps predict and minimize negative impacts on your landed cost.

CONSIGNEE

A consignee is an entity that the shipper is sending the goods to, typically the importer, although there are exceptions. (A consignee could be someone that acts in your name, for example.) Typically, you'll see consignee along with the word consignor and consignment. The "consignor" is the shipper of your goods; the "consignment" is the actual goods being shipped.

BILL OF LADING

Two common bills of lading types are the house and master.

The house bill of lading (HBL) is a receipt or contract between an importer and their NVOCC/freight forwarder.

The master bill of lading (MBL) is the contract between the NVOCC/freight forwarder and the actual carrier.

LCL

LCL stands for less than container load. If you ship LCL, your shipment shares the container with cargo from other importers. Transit time is longer for LCL due to the consolidation and deconsolidation before and after ocean transit, but is more economical for smaller shipments.

FCL

FCL stands for a full container load. This means only your cargo occupies the container (rather than sharing space, as is the case with LCL). It's usually cheaper (from a landed cost perspective) and faster to ship via FCL, and the risk of damages or loss is decreased since your goods aren't handled as LCL.

DRAYAGE

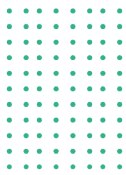
Drayage is a truck service that moves containers to and from a port.

INCOTERMS

The term "Incoterms" is short for International Commercial Terms. Specifically, they are trade terms published by the International Chamber of Commerce (ICC) and are internationally recognized by the shipping industry. As an importer, you and your supplier use Incoterms to define responsibilities and risks in a transaction.

Two common incoterms used by your importers and exporters are Free on Board (FOB) and Cost Insurance and Freight (CIF).





STEAMSHIP LINE/CARRIER

These two terms are often used interchangeably in ocean freight and refer to the operator of the vessel itself. When you see an ocean container that says Maersk, Evergreen, OOCL, etc. – those are names of steamship lines (or ocean carriers).

Large volume importers typically sign contracts directly with steamship lines to take advantage of their buying power. Smaller and mid-sized shippers typically are best served by freight forwarders to provide the best mix of competitive rates, value-added services and flexibility.

NVOCC

NVOCC stands for non-vessel operating common carrier and is a type of Ocean Transportation Intermediary (OTI). Although “NVOCC” is often used synonymously with the term “freight forwarder,” there are some technical distinctions. NVOCCs act as “virtual” carriers and issue their own bills of lading. Per Federal Maritime Commission (FMC) requirements, an NVOCC must also publish and maintain a regulated tariff.

MARINE INSURANCE

Marine insurance is insurance for ocean freight. As discussed in a previous blog, marine insurance can cover damage or loss to your cargo while in transit. For most commodities, marine insurance is relatively cost-effective and helps mitigate the risk of common losses or even a general average situation.

3PL

3PL stands for “third-party logistics.” A 3PL service provider offers outsourced solutions for a company’s fulfillment and distribution needs. The term 3PL is relatively broad but often involves other related transportation, warehousing, IT and/or supply chain services.

TEU

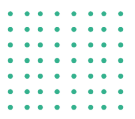
A TEU (twenty-foot equivalent unit) is a measure of volume in units of twenty-foot long containers. For example, large container ships are able to transport more than 18,000 TEU (a few can even carry more than 21,000 TEU).

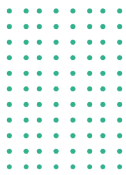
One 20-foot container equals one TEU. Two TEUs equal one FEU.

Most Common Container Sizes:

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- 20’ container
- 40’ container
- 40’ HC (High Cube) container
- 45’ HC (High Cube) container





Industry Publications List

DOMESTIC

- FreightWaves
- Overdrive
- DAT
- American Trucking Association
- Inbound Logistics
- Transport Topics
- Google 'Trucking' or 'logistics'

INTERNATIONAL

- FreightWaves
- Journal of Commerce
- American Shipper
- Lloyd's Loading List
- International Port Technology
- Global Trade Mag
- Splash 24/7
- Wall Street Journal
- Risk and Compliance
- Drewry
- Loadstar
- Breakbulk
- Supply Chain Management
- Logistics Management
- Supply Chain Digest
- Supply Chain Digital
- Supply Chain 24/7
- Cargo Business News
- ITA, USDA, CBP, FDA, etc. websites
- Key ports websites
- Google 'International Trade'

ON-DEMAND

- OAG
- Flightaware
- Business Aviation Digest - Aviation Week Network
- IAPH (International Association of Ports and Harbors)
- Freightwaves
- Overdrive
- Commercial Carriers Journal
- Supply Chain Management Review
- Council of Supply Chain Management Professionals
- Supply Chain Brain
- Supply Chain Drive
- Crinalerts (Automotive news)
- DetNews (Automotive news)
- Customer websites (such as media.ford.com)
- AutomotiveLogistics Media (Automotive news)

ON-DEMAND (MEXICO)

- T21
- JOC Latin or Mexico edition
- #soylogistico

GENERAL

- Wall Street Journal Logistics Report
- Let's Talk Supply Chain Podcast – Sarah Barnes Humphrey
- MadGaines Podcast – Cassandra Gaines

