



Freight Basics

TERMS/ABBREVIATIONS

LTL: Less-than-Truckload

FTL: Full Truckload

BOL: Bill of Lading

PROs Number: Load's tracking number

NMFC: National Motor Freight Classification, identifies the freight classification for goods transported

Shipper: Origin, where freight is picked up from

Consignee: Destination, where freight is to be delivered to

Carrier: Freight carrier handling the transportation of goods

Accessorials: Additional services that increase transportation cost, eg liftgate required

FTL vs LTL

Full Truckload freight (FTL) includes shipments that utilize a full trailer, common for large shipments. With FTL, only your freight is being moved; carriers pick up and load inventory at the point of origin, seal the trailer, and transport directly to the delivery destination.

PROs: limited handling, greater temperature control, quicker transit time, predictable delivery time

CONS: expensive, rates are generally estimated unless a "live option" is mentioned.

Less-than-truckload (LTL) includes smaller shipments that are comingled. With LTL, freight is picked up, brought back to the carrier's origin terminal for sorting and consolidation along with other freight going in the same direction. LTL deliveries are queued and delivered based on the carrier's routing, plus other factors. It is common for LTL shipments to be loaded and unloaded in and out of trailers and terminals several times throughout transit.

PROs: cheaper

CONS: shipper flexibility required, unpredictable delivery time, higher risk of damage, can be hit with "re-bills" for additional services performed or weight and or class discrepancy.



BOL

A **Bill of Lading (BOL)** is a legally binding document issued by a freight carrier to a shipper that includes details of the shipment.

Freight brokers generate BOL numbers for shipment, which are used for billing and shipping instruction purposes by the carrier or broker. BOLs will also include a PRO number, or tracking number, which is used to track the transportation status. PRO numbers are assigned by the carrier once the load is picked up.

BOLs will always include the total number of pallets being shipped. Carriers are responsible for cross-checking and confirming pallets at pickup; any discrepancies are noted on the BOL.

Pod Foods Tip: *Carriers do not check loads at the case level, but including the total number of cases on the shipment is extremely helpful in the event of a claim situation.*

LTL DEEP DIVE

TRANSIT TEMPERATURES

LTL carriers typically offer three options for transit temperature: (1) dry, no temperature control, (2) refer 33F to 38F, and (3) frozen 0F to 31F.

Some carriers offer 'protect from freeze' options for dry transportations.

PRICING

LTL pricing varies wildly and depends on inventory weight and volumes, temperature requirements, origin to destination distance, and accessorial fees.

LTL pricing is also heavily affected by seasonality and supply chain demands.

PICK UP APPOINTMENTS

Pick up appointments are not realistic with LTL common carriers and instead, carriers require 2+ hour open windows in the afternoon. Carriers deliver LTL loads in the morning and pick up new shipments in the afternoon.

LTL pickups are commonly delayed due to shipper inflexibility in afternoons.



ORIGIN TERMINAL

After LTL pickups, carriers bring shipments back to their origin terminal for processing and sorting. Shipments are consolidated with others moving in the same direction and loaded onto a trailer.

CARRIER TERMINALS

LTL shipments move between different carrier terminals along the route. Shipments are often unloaded into warehoused and then re-loaded on new trailers based on carrier routing and new shipments.

DESTINATION TERMINAL

The destination terminal is the last terminal an LTL shipment arrives at before delivery to the end destination.

Long LTL transit times are typically due to long delays at destination terminals. Most commonly this occurs when destinations, like Pod Foods DCs, require delivery appointments. Loads that require delivery appointments will sit in appointment trailers at destination terminals until the delivery appointment is scheduled. Only after the delivery appointment is scheduled are loads put back onto trailers and routed for delivery.