

[Freight - The World of Freight and Shipping is Not What it Was](#)

The world of freight and shipping is an exciting and very broad field of activity. Whether you are thinking of becoming a shipper, a broker, or planning on shipping something yourself, there is a lot to learn.

Freight is a term employed to classify the movement of commodities and is commonly a commercial process. Items are for the most part listed into various shipment categories before they are sent.

This is dependent on a lot of factors:

The nature of the item being carried, i.e. a kettle could be expected to fit into the class 'household goods'.

- Item size and number.
- How long the item for sending will be in transit.
- Cargos are generally tagged as household goods, express, parcel, and freight Goods.

Furniture, artwork, or like Items are by and large sorted as household goods.

Very small business or personal shipments like envelopes are counted as overnight express or express letter goods. These shipments are rarely over a few pounds, and just about always go in the carriers own packaging. Service grades are variable, based on the shippers choice.

Express goods nearly always go some portion of the way by air. An envelope may go coast to coast overnight or it may take many days, depending on the service alternatives and prices chosen.

Shipments weighing below 50Kg total, but larger than the previous category, are called parcel or ground dispatches. No individual item in that is normally over 35Kg. These are usually shipped in boxes provided either by the shipper himself or by the carrier.

Parcel loads account for the vast majority of B2C (business to consumer) traffic, and are not normally sent by air transport. The chosen methods are road and rail, and the average consignment will cover anywhere from 500-700 miles a day. Again the service levels can be chosen by the shipper and will affect the overall result.

Beyond HHG, express, and parcel items, movements are termed freight shipments:

1. This is called LTL or Less-than-truckload:

The requirements for packaging and size are very similar for air freight and for LTL cargo. Generally the Less-than-truckload LTL carriers use a 28 foot container. Air freight shipments typically need to move at much faster speeds than 500 miles per day. Air shipments may be booked directly with the carriers or through brokers or online marketplace services. Air shipments move faster than standard LTL.

2. TL - Truckload freight:

For larger loads of 7,500Kg and more, it makes more sense to dedicate one full truck rather than to share as with LTL loads. Truckloads (TL), are categorized in the US as being above that weight of 15,000 pounds.

A full truck is limited to the amount of weight that a unit can legally carry by the difference between 80,000 pounds and the weight of the tractor trailer. Increasing shipment size has proven to be a significant opportunity for many companies - particularly large consumer product companies.

Consolidating orders onto the truck using a Transportation management system is one way to increase the load within the limits. Here the optimal combination of orders and stops can be used to fill out the truck. Also constructing the trucks with lighter materials can bring great savings. When sending cargo, it is exceedingly crucial to know about pricing, claims, and insurance.

Freight pricing:

Often, an LTL shipper may realize savings by utilizing a freight "broker," online marketplace, or other intermediary instead of contracting directly with a trucking company. Brokers can shop the marketplace and obtain lower rates than most smaller shippers can directly.

These discounts are negotiated by the shipper with individual LTL carriers. For example, a given LTL lane may have a rate of \$50 cwt. If a shipment is 1,000 lbs at class 70, then the adjusted base rate is \$35 cwt (70% of 50 cwt) or \$350. If the hypothetical shipper had negotiated a 50% discount on published tariff rates, this would give a final price of \$175 for the shipment.

To save on several charges like the liftgate, residential pickup/delivery, inside pickup/delivery or notifications/appointments costs, one can collect shipments at the carriers terminals.

About the Author

Freight and shipping is an exciting world and is full of opportunity for those who are attracted to a real challenge. Author Frank Dunne has a information-packed site filled with [freight information](#) and useful resources at freight-information.com

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