Best Practices for Effective Less than Truckload Freight Shipping





Cerasis and LTL Freight

WHO IS CERASIS?

You may be asking at this point, what makes Cerasis an authority expert to give an expansive and educational view of LTL freight shipping?

Well, we would say we know the world of LTL really, really well.....

- 95% of Cerasis Business is managing and empowering shippers to ship freight via Less than Truckload BEST PRACTICES FOR EFFECTIVE LTL SHIPPING CERASIS, INC.
- The Cerasis Transportation Management System, the Cerasis Rater, processed over 300,000 LTL freight shipments in 2013.
- Cerasis audited EVERY LTL Freight Invoice for our customers.
- Cerasis handled all LTL freight claims on behalf of our customers.
- No matter how many LTL shipments any of Cerasis freight shippers had in a week, shippers only had to get ONE freight invoice each week.

What Cerasis Does

Cerasis negotiates all the LTL freight rates with preferred and optimal LTL freight carriers on behalf of customers, maintaining those rates each year, and if possible, down to the specific lanes for best pricing.

- Cerasis has worked with shippers and carriers in this way for nearly TWO decades, starting off as a niche LTL Freight Management 3PL since 1998.
- In short, although most find LTL too volatile and complex, Cerasis LOVES simplifying the process of LTL freight shipping for those who ship freight via LTL freight (and Full Truckload or Small Package for that matter!)

With that said, clearly Cerasis is an expert to teach you the Best Practices on Effective LTL Freight Shipping, so let's get to the meat of it!

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What is LTL Shipping?

First things first, we must start with common terminology. If you follow our blog, you may have caught our post titled, "The Definitive Guide to Transportation Terminology to stay on the Same Logistics Page"; in the transcript of this webinar recording, I will make sure to put a link to that guide, as it is a great resource for those in the industry. When you are speaking the same jargon, there is effective communication. If you have worked in logistics, as they say, "The Devil is in the Details," and details are often chock full of terms, that if you are not using it the same way as the person saying it to you, then this is one area where you can see costly errors.

Although many of you know the phrase LTL stands for Less than Truckload, it's worth making sure everyone reading this whitepaper is 100% sure.

However, more specifically, Less than Truckload is a shipment that does not require



a full 48- or 53-foot trailer, which is referred to as a FULL truckload.

There are many carriers that specialize or offer this service and, like full truckload carriers, the LTL carriers themselves specialize in different services such as lift gate and residential pickups and deliveries, guaranteed services, freeze protection, transit, and bottom line costs to name a few.

Truck Shipment in the USA

In the US, the movement of goods by truck offers shippers infinite flexibility due at a relatively low cost.

Although intermodal, or rail, has been picking up as of late, truck transportation can move large items faster than rail as the shipment is not dependent on the railroads timetable.



The general freight carriers in the US offer two types of service, Full Truckload Service (FTL) and Less-Than-Truckload service (LTL)

While the FTL carrier moves full containers or trucks from one producer to one customer, the LTL carrier moves goods from many different producers on the same truck – offering a more cost-effective means of shipping goods than the FTL operator

FTL vs LTL

LTL carriers generally utilize van trailers which are covered or enclosed trailers.

There are a few refrigerated LTL carriers who utilize temperature controlled trailers. Roll up doors on the rear for access to the inside of the trailer has become a trend for carriers these days as well. What that means is that the entrance to the trailer is a bit smaller than trailers with swing doors.

Most carriers will use pup trailers that they can haul two trailers in tandem and LTL carriers will not accept shipments that cannot fit onto one pup trailer. The drivers around town making pick ups and deliveries are generally driving 53 foot trailers and you will notice the majority of LTL carriers on the interstate running their line haul freight are traveling with two tandem trailers. They do this as the freight has already been sorted for

destination and can be easily dropped at the coordination terminals as the freight travels across the country.

City drivers are using local day cab trucks that are not equipment with sleeper births that allow the local drivers overall lower weight around town along with increased maneuverability as the trucks are shorter in length.

The city drivers will generally have a pallet jack in their trailers so they can adjust the freight on their trailers throughout their days.

The carriers will have strategically placed terminals where they are able to consolidate all their freight to be picked up and delivered.

HISTORY OF TRUCKING



Regulation of Trucking Industry

The US government started regulating the trucking industry in 1935 under the guidance of the Interstate Commerce Commission (ICC).



De-Regulation

Between 1977 and 1982, the average LTL rate fell by up to 20%. The trucking industry changed after deregulation, with many more firms popping up.

FAST FACTS

60%

Union Membership dropped from a high of 60% during the height of regulation to 28% in 1985 – it has stayed around that level since.

42%

42% of all American-made products travel through trucks as their primary transport modality – although nearly 100% of goods use trucks in addition to rail.

Importance of deregulation

The industry began to change in the early 1970's when first the Nixon, then the Ford and Carter administrations implemented a number of acts to reduce price fixing and collective vendor pricing. This was the beginning of deregulation of the trucking industry.



LTL shipping has numerous advantages, not least of which is flexibility. End-users can utilize LTL shipping to take advantage of the economy of scale of trucking without having to fill a whole truck.

LTL Shipping Advantages

Now that you know how LTL shipping came about in the United States, let's now talk about what are the benefits of Shipping via Less than truckload.

The main 4 benefits, which we will cover in more detail, are:

- Often Less than Truckload Shipping is More Cost Effective and with More Available Options
- More Control via Less than Truckload Pool Distribution and Pool Consolidation to Drive down Costs
- 3. Flexibility in Less Than Truckload Shipping Offers Cost Savings and Creative Shipping
- 4. Less Than Truckload Shipping is an Attractive Way to Ship to Scale E-Commerce Options

More Cost Effective

The main advantage to using a less than truckload carrier is that a shipment may be transported for a fraction of the cost of hiring an entire truck and trailer for an exclusive shipment.

Since the carrier is moving multiple freight shipments from multiple shippers, the freight carrier pools all the shipments onto a single freight truck. Therefore, each shipper pays a fraction of the cost of utilizing the truck or trailer.

LTL carriers normally offer better rates than parcel carriers for competitive reasons and economies of scale.

Also, a number of accessory services are available from less than truckload carriers, which are not typically offered by FTL carriers. These optional services include lift gate service at pickup or delivery, residential

(also known as "non-commercial") service at pickup or delivery, inside delivery, notification prior to delivery, freeze protection, and others.

These services are usually billed at a predetermined flat fee or for a weight based surcharge calculated as a rate per pound or per hundredweight.

Since 2012 billing has started shifting to dimensional weight (or "cube weight") measurements to increase efficiency of loading less than truckload trucks

More Control and Less Risk

Truckloads are often considered as a first option to shipping freight, essentially, because LTL freight shipping requires a little more savvy freight shipper and you can easily put your freight on a load board and get multiple offers..... But only if the volume is there and this can be a big if..... (have you seen the oh, 100 articles about one of the tightest capacity crunches and the rise in Full Truckload costs anyone?

Don't worry, we will include a link to a few articles for you to see how tight it is out there on the truckload side). If the volume is not there, an alternative is often to put together multiple stop truckloads.

There are clear opportunities where multiple stop truckloads are appropriate but if the details of an individual situation aren't considered you may get burned financially. In addition, putting together the right multiple stop truckloads can be challenging. To make multiple stop truckloads work economically, certain factors have to come together. Orders, receivers, distances and miles must align properly. For all that is done, there may be other hidden costs. Shipments still can "waste" capacity due to low load factors.

Last minute order additions or subtractions can throw the whole plan off. Additional orders can mean that LTL is never eliminated either way, so you may want to look at shipping LTL in the first place.

Also, most truckload carriers don't like doing the extra stops and can charge a premium. Many drivers are not well trained to handle these kinds of loads, preferring the simple, one pick/one drop runs.

Thankfully, there are other alternatives to the rigors of multiple stop truckloads. Pool distribution and pool consolidation can be a better alternative when you consistently have multiple loads of many small shipments

Pool Distribution and Consolidation

Pool distribution is picking up one or more truckloads of LTL shipments at an origination, taking it to a staging area or cross dock facility and reassembling the shipments on multiple trucks for distribution.

Pool consolidation is the opposite. Pool consolidation picks up multiple LTL shipments from multiple locations, brings the shipments to a central staging area for customer pickup or loading it onto a truck for line haul. We do both for many customers.

By their nature pool programs have clear benefits:

- They free you from solving the weekly shipment puzzle
- They adapt to the volume of orders and last minute changes in orders and production
- They don't charge you for shipping air because they maximize your shipment with other shipper's shipments
- They save time and often money over multiple stop truckloads

Does pool distribution or pool consolidation fit in your situation? Once again it will depend on origin, destinations, type of freight, volume, timing, etc.

Flexibility for Creative Shipping

When you have small, less than truckload shipments being shipped to many locations spread throughout a region or throughout the country, less than truckload shipping provides some of the greatest flexibility. Generally, the tradeoff is timing. A little more time is needed to bring other freight

together.

If you have several less than truckload shipments going to similar places, less than truckload carriers allow you can help drive down costs by consolidating multiple shipments from multiple customers to create loads.

Many transportation management systems also provide pool point distribution options to maximize your costs savings and offer this great flexibility. This requires sending out multiple trucks to pick up the shipments, bringing them to a central staging area, then assembling these shipments into specific loads going out to different parts of the country. Specific service schedules are available either within a third party logistic providers' transportation management system, or from the less than truckload carrier themselves.

Best Shipping for E-Commerce

In today's interconnected world, success can come suddenly. As online shopping from the consumer world grows, to keep up with the expectation of consumers, there is an increase of manufacturers offering ecommerce options to distributors and end customers, thus needing to take a very close look at e-commerce freight shipping.

Then, to keep the e-commerce chain going, distributors are increasing e-commerce options as a channel to get product to customers.

The New York Times stated that the rise of ecommerce and the growing of freight expenditures often forces small business owners to reconsider their shipping strategies.

These organizations need to somehow meet customer expectations set by larger online retailers like Amazon. Businesses that don't offer features like free returns or next-day deliver will face difficulty remaining profitable.

The New York Times when onto suggest that using a reliable transportation partner could help small businesses scale their operations successfully. In most cases, developing companies may benefit from less-than-truckload services.

This is why Cerasis developed the marketplace's first end-to-end LTL freight management ecommerce freight shipping application that currently attaches to Magento shopping carts, with more shopping carts coming in May of this year.

Less than truckload shipping provides flexibility for organizations moving smaller quantities of materials, and trucking companies are able to offer lower costs per item because they increase truck capacity by moving a lot of small shipments to the same general area. The strategy gives those shipping online more control over costs as they continue to grow. Shipments can be adjusted based on demand and scale of operations, and as businesses expand, this could save them thousands of dollars each year.

Information on LTL Shipments and Rates

Now that you know the benefits of shipping freight via LTL, let's first cover the characteristics and general information around LTL shipments and rates. Then we will cover the 10 factors that make up the actual LTL freight rate.

Because of the variety of the factors that make up LTL freight rates, you have more options and thus make less than truckload freight shipping an attractive mode of choice for many shippers to gain more control, flexibility, and visibility into their freight management.

LTL shipments typically weigh between 151 and 20,000 lbs. LTL carriers will usually apply a discount on shipments as the freight moves up in weight, meaning there are various "weight break" discounts an LTL carrier may give.

Shipments larger than 5 pallets can still ship with an LTL carrier but these moves are normally considered volume moves and are spot quoted by the carrier's rate department. LTL freight rates can be very confusing. Unlike truckload which has rates usually based on a per-mile rate or a price per-hundred weight plus a fuel charge, many factors regulate LTL rates which will most definitely impact the cost of a shipment.

LTL carriers collect freight from various shippers and consolidate that freight onto trailers for line-haul to the delivering terminal or to a hub terminal where the freight will be further sorted and consolidated for additional line-hauls.

In most cases, drivers start the day by loading up and heading out to make deliveries first, then begin making pickups once the trailer has been emptied for return to the terminal for sorting and delivery next day.

What Determines the LTL Shipping Rate?

Now let's go quickly through the 10 factors that make up and create the LTL freight rates you see presented to you on a TMS or by the carrier you've spoken to about your shipment. The more you know, the more you can avoid costly errors and choose the factors accurately to drive the best rate for your specific shipment.

Weight: LTL freight rates are structured so that the more a shipment weights, the less you pay per hundred pounds. As the weight of the LTL shipment increases and approaches the lowest weight in the next heaviest weight group, it will be rated at the lowest weight category and rate in that weight group.

Density: A shipment's density is one factor that determines LTL freight rates. Shippers need to know how to calculate a shipment's density so they can properly describe their goods on the bill of lading. The total weight of the shipment is divided by the total cubic feet to determine the density. If the shipment is palletized, use the dimensions of the pallet, the combined height of the carton and the pallet, and the total weight of the shipment. When determing the dimensions of your shipment, be sure to measure the longest sides including any packaging, overhangs or protrusions. Once density is calculated, you can then figure out the class.

Classification of Freight. Every piece of freight has a classification within the LTL world and classification is a big driving force to make up LTL freight rates. Classes are published in the National Motor Freight Classification (NMFC) book by National Motor Tariff Association. We will cover what creates a LTL freight class in the next section of this webinar in detail.

Distance. Typically, the longer the haul, the higher the price per-hundred weight will be. Many LTL carriers only serve a specific geographic region so you must consider how many zip codes a carrier services directly. If a shipment is sent to a location outside a carrier's normal service area, the trucking company will transfer the shipment to another LTL carrier for final delivery. This is called interlining, a practice that may result in higher costs due to lower discounts and higher minimum charges.

Base Rates. All LTL carriers establish their own base rates. These rates are quoted per 100 pounds (aka –CWT), and will vary from

carrier to carrier and from lane to lane. The CWT calculation is based on the freight classification. A good fact to point out is carriers will modify their base rate depending on their need for additional volume and increase gross costs for lanes where they have a good balance between trucks and freight.

Freight All Kinds (FAK). Freight all kinds is an arrangement between the client and the carrier that enables multiple products with different classes to be shipped and billed at the same freight class.

For example, a client that ships multiple commodities ranging from 50 to 100 could negotiate an FAK with the carrier to rate all items at class 70. This can be a source of significant savings for clients by reducing the amount paid on higher class shipments.

Minimums: The pricing within LTL freight rates that is increasing the fastest with LTL carriers is the absolute minimum charge (AMC). This minimum charge is the charge below which a carrier simply will not go. Carriers are constantly requesting a 2-3% increase on contract rates, but \$5 increases in the minimum charge. If the minimum charge is \$70.00, a \$5 increase equates to a 7.1% increase. Carriers are doing this because the costs a carrier experiences for a minimum charge shipment far exceeds the costs they experience for heavier shipments

Negotiated rate tariffs with LTL carriers: You can negotiate with several LTL carriers per your various lanes of shipping. You are not simply relegated to a base rate. If you have analyzed and better understand your freight data and activity per lane, you can come to the LTL carrier and work with them to get different tariffs for different lanes. This will allow you to make sure you are not leaving money on the table by balancing your more unattractive lanes with your attractive lanes giving you overall better LTL freight rates.

Negotiated discounts: For companies looking for relief from high shipping costs and market volatility, a professional, third party logistics (3PL) provider or even a large shipper can save an extra 18 to 25% off already heavily discounted LTL freight rates if they routinely make multiple shipments to multiple

Accessorial/Surcharges. Accessorial charges stem from extra services performed by the carrier that goes beyond the typical dock to

dock / business to business pick up and deliveries. Common examples of these charges are lift gate service, residential pickup or delivery, limited access locations (i.e. jails, prisons, churches, schools, storage units) and inside delivery. Accessorial charges can be negotiated to a flat rate or even waived altogether. A fuel surcharge is the most common accessorial as it's typically factored in on every shipment.

For More Information

Rates are always subject to change – and there may be externalities affecting your rates that aren't listed here. Contact us to discuss your particular project.

LTL Freight Classification

Freight classes are designed to help you get common standardized freight pricing for your shipment when working with different carriers, warehouses and brokers. Freight classes are defined by the National Motor Freight Traffic Association (NMFTA) and made available through the NMFC or National Motor Freight Classification.

In the United States, each commodity or type of product is assigned a National Motor Freight Classification (NMFC) and corresponding class for less than truckload (LTL) freight shipments. The (NMFC) system is a standardized method designed to give consumers a uniform pricing structure when transporting freight.

There are 18 classes that a shipped package may fall under with class 50 being the least expensive, to class 500 as the most expensive.

The number assigned to an item is important to freight carriers in determining the tariffs, which in turn determine the price charged to the customer

Freight Class Factors

Before you determine your freight class for your shipment, you must identify certain factors about your specific freight. Freight class is based on weight, length and height, density, ease of handling, value and liability from things like theft, damage, break-ability and spoilage.

Dimensions, Density, and Value

The density is the space the item occupies in relation to its weight.

The density is calculated by dividing the weight of the item in pounds by its volume in cubic feet.

To figure out cubic feet, simply take the package and multiply the length by the width by the height in inches and divide by 1728 cubic inches.

If the shipment is palletized, use the dimensions of the pallet, the combined height of the carton and the pallet, and the total weight of the shipment. When determining the dimensions of your shipment, be sure to measure the longest sides including any packaging, overhangs or protrusions.

Stow-ability

A quantifiable stow-ability classification represents the difficulty in loading and carrying these items.

Most freight stows well in trucks, trains and boats, but some articles are regulated by the government or carrier policies. Some items cannot be loaded together. Hazardous materials are transported in specific manners. Excessive weight, length or protrusions can make freight impossible to load with other freight.

The absence of load-bearing surfaces makes freight impossible to stack.

Handling

Most freight is loaded with mechanical equipment and poses no handling difficulties, but some freight, due to weight, shape, fragility or hazardous properties, requires special attention.

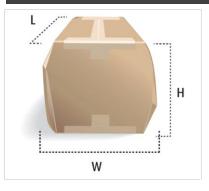
A classification that represents ease or difficulty of loading and carrying the freight is assigned to the items.

Liability

Liability is probability of freight theft or damage, or damage to adjacent freight.

Perishable cargo or cargo prone to spontaneous combustion or explosion is classified based on liability and assigned a value per pound, which is a fraction of the carrier's liability. When classification is based on liability, density must also be considered.

DETERMINING FREIGHT CLASS



Dimensions

One of the main modifiers of your freight class is its dimension, which you can calculate by finding the length, width, and height – multiplying all three numbers to get the cubic centimeters (volume)



Package Qualities

Obviously, fragile packages are 'harder' to ship because they require special handling and can't always be stacked in the same way as other packages.



Special Factors

Some packages cost many times more to ship than others. Examples include especially high value packages, live goods, and goods that are hazardous like chemicals and radioactive material.

How to Save on LTL Shipping

You are now well educated on what goes into LTL shipping and how the rates are calculated. However, you aren't stuck on just that rate and trying to play the rate game, which is fleeting long term. There are areas you can look at in order to drive value and save on total costs related to LTL freight shipping.

The first two are fairly straight forward.

- 1. The first area to look at you have already embarked upon.....Education.
- Second, contrary to earlier, sometimes, truckload can be a more cost effective way to go. Sometimes you may have a shipment that you think would be great for LTL freight shipping.

You've been shipping LTL mostly and feel very confident processing, managing, and understanding the LTL world, so you always try and choose that shipping mode.

However, if your freight is oversized or near 20,000 pounds, or perhaps nearing around 5 or more pallets, you may consider a volume move and get a spot quote by the carrier's rate department or through your third party logistics provider services. Additionally, you may want to look at Truckload rates and see if you can find a better rate through multiple TL carriers.

These other areas to look at we will look at a bit more in depth:

- 1. Outbound LTL Freight Accounting
- 2. Inbound LTL Freight Accounting Options
- 3. Think "Long Term"
- 4. Use tools, such as a TMS
- 5. Use a 3PL

Outbound LTL Freight Accounting

Let's first talk about outbound LTL shipping. You may ship freight to small and medium sized companies and you come to agreement with your customer that you will sell your product on a freight prepaid and add basis. After all, you ship a lot of goods and probably have better freight rates than your customer.

You select the carrier, you dispatch the carrier and you pay the carrier. Then you

invoice the customer for your product and for the freight charges.

A surprising number of companies decide to mark up the cost of the freight charges and make an additional profit in this way. On the other hand, some companies pass on the freight charges with no markup.

Those that decide to mark up the freight cost have thought it through. They feel that it's their overall shipping volumes (volumes that their customer does not have) and their hard work in making sure they have ('the most competitive freight rates') possible that allow them to mark up the freight. They feel their internal costs of picking the product, packaging, calling the carrier, loading the freight and the carrying costs of paying the freight invoice prior to the customer reimbursing the freight cost should be compensated in some way. This is often known as turning your LTL freight shipping into a profit center on the outbound side. This is a direct hard cost savings benefit for your shipping department.

Those that decide to pass on the freight cost without markup (a.k.a "prepaid") feel that their competitive freight rates allow them to compete with vendors who may be closer to the customer and if they mark up the freight costs this might not allow them to make the sale in the first place. Many think the practice of marking up freight costs is just not good business practice.

Inbound LTL Freight Accounting

One of the simplest and easiest ways to immediately cut your inbound LTL freight shipping costs is to change your shipping terms from "prepaid and add" to "collect." Having your vendor or supplier ship collect on your recommended carrier eliminates any handling charges, thus saving you money.

When you gain more control over your inbound shipping, you can save on freight shipments coming into your business every day. As the buyer and receiver of the goods, you can (and should) designate the carrier and arrange for shipping charges to be billed directly to you at your discounted rate. This is called routing shipments inbound "Collect." Collect is a billing option, in which you are invoiced by the carrier. It does not mean paying the driver at the time of delivery.



Shipping inbound collect also reduces the number of carriers from different suppliers arriving at your receiving dock every day. When you control the routings, you control how many trucks deliver to your door. That also makes it easier to maximize your staff's efforts.

Think Long Term

We understand we all must take a look at the costs in front of us right now to better manage our freight spends. But, you have to understand the outcomes from the choices in choosing the least cost LTL freight carrier for each shipment. You must consider other factors when it comes to choosing which LTL freight carrier is really offering more attractive "long term" LTL freight costs. So, what is a "long term" LTL freight shipping cost? You must consider the following before you always choose the least cost carrier to make the best decision:

- ·· Does the LTL carrier provide the right amount of liability insurance for your specific freight shipment? This could end up being a big headache down the road when freight damage occurs and you go through the process of getting your freight claim paid to cover the cost of your damaged freight.
- $\cdot\cdot$ Is the LTL carrier reliable in getting your freight to your customer in time? We all know the hard reality of losing a customer because you aren't getting your freight to them on time.
- ·· Do you have a system or program that helps you grade your LTL freight carriers performance over time? Relationships are very important, don't get us wrong, but don't keep choosing a LTL freight carrier because their rep gives you tickets to games or concerts. Make sure you keep your LTL freight carriers honest and have some way, either through your TMS or some records keeping, and have regular reviews of their performance in order to make sure the LTL carriers you are choosing are the best.

Use a Transportation Management System

Another way you can save on LTL freight shipping costs is to employ freight technology, such as a transportation management system, freight claims software, and accounting software. Make sure all of these systems can speak to each other through web services or integration so they work seamlessly together and don't create more resources required to manage them. When you use technology such as a transportation management system you can:

- 1. Eliminate manual process
- 2. Have multiple carriers to choose from at your fingertips
- 3. Ability to analyze data and shipment activity to arm you with more knowledge
- 4. Track and manage employees and activity
- 5. Decrease time in training new hires
- 6. Easily deploy through web-based

applications, meaning no costs to install or keep up the system.

The idea of using a TMS as a tool to empower you with processing LTL freight shipment aids in decreasing the resources needed and the time in which you spend trying to arrange and finalize a LTL freight shipment.

Use a Third Party Logistics Provider

If you are a small shipper, saving money money on shipping is crucial to your business. Thanks to the Internet, consumers are able to compare price between competitors in a matter of seconds. Because of the recession, consumers are price-driven and will purchase the item with one of your competitors for a minimum savings.

One way to be more competitive is to lower your shipping cost. How do you do this?

I hate to break it to you, but it's a Catch 22. In order to get big discounts with LTL carriers you need volume, but you can't get volume if your shipping rates are too high. Now, let's level the playing field. Working with a third party logistics provider can offer you tremendous savings since generally their LTL freight spend is in the millions. For years, food distributors have been forming co-ops, by combining the freight spend of several hundred companies, into one. Think of a third party logistics company as a co-op.

Beyond just volume, a third party logistics provider can help you with many things such as providing a transportation management system, help with freight accounting, and freight management services such as claims, carrier relationship management, and more!

Tips for Working with an LTL Carrier

As you know by now, when shipping via less than truckload, you will end up working with many carriers, with very many different rates, issues with claims, and have discussions on how to better work with a carrier to get the most out of the relationship. Like having to call a bunch of airlines before the advent of websites like Expedia, it really is tough to keep up with all of those people effectively and not feel like you are missing something.

Here are 5 easy tips that will go a long way to help you improve the attractiveness of your freight and improve your working relationship with your LTL freight carriers:

Report Accurate Weights in Less than Truckload Freight Shipping

Reporting accurate weights is one of the most critical less than truckload freight

shipping tips, since carriers re-weigh as much as 80 percent of the shipments. Inaccurate weights increase expenses, and because shippers are responsible for reporting the correct weight, accuracy is key to keep expenses down and improve efficiency.

Accurate Bill of Lading

Carriers do not audit every bill of lading, but current indications are that they are increasing the number of them they do check. The reason for the increase is that inaccurate bills of lading have become an issue for the carrier industry, and they are becoming more diligent in requiring accuracy. Therefore, accurate bill of ladings are becoming an increasingly important in less than truckload shipping. Think about implementing a transportation management system to decrease errors by using automation features such as integration into your address and commodities books.

Avoid Accessorial Charges

Accessorial charges, which include additional costs such as residential service, lift gates or set appointments, are higher in parcel shipping than in less than truckload freight shipping. In fact, small package freight shipping has as many as 45 accessorial charges, compared to less than truckload freight shipping which has around 15. When capacity is tight, shippers will choose those with fewer accessorial charges.

Proper Less than Truckload Freight Shipping Packaging

When a shipment is improperly packaged, carriers incur more costs when the shipment must be repackaged correctly. In addition, an improperly packaged shipment increases the risk of freight damage during shipment.

Dropped packages by operators of forklifts or during delivery are common, and if the package is not packaged correctly, the

contents could be damaged, making proper freight packaging an important factor in less than truckload freight shipping.

Units Requiring Less Handling

It is better for an LTL company to handle one pallet with 100 shrink-wrapped pieces rather than 100 individual pieces. Whenever possible, combine items so they actually become one or two pallets rather than many separate pieces. Separate pieces also have an increased risk of damage.

These simple less than truckload freight shipping tips can help improve relations between shippers and carriers. In addition, these tips can reduce costs and increase efficiency for both the shipper and the carrier.

Working with a Focused Logistics Provider

We are considered a logistics provider, and our niche is less than truckload freight management (although we also support full truckload and small package/parcel) in North America (US, Canada, and Mexico). We believe this focus allows us to get the most value for our customers' Less than truckload freight. LTL freight management is a transportation mode to ship your freight which requires a transportation manager to have the ability to juggle many things in order to maximize efficiency and maintain overall transportation costs. There are not any reliable LTL load boards, such as in Full Truckload, nor is it as straightforward as the small package marketplace mastered by FedEx and UPS. Shipping LTL is a complex, process heavy, and hard to measure way of procuring transportation for your freight, unless you are lucky to have the talent, resources, and flexible smart technology. As companies grow, and they ship more LTL freight, it gets harder and harder to manage and feel confident you are making the right decisions to continue customer satisfaction and proper management. By focusing on this niche, we have really maximized our expertise, and our customers, who ship freight, get that benefit of years of experience. Therefore, our freight shipping customers get more long term sustainable value through our transportation management system and expert freight services which focuses on less than truckload freight management.

CERASIS: YOUR TRANSPORTATION MANAGEMENT SOLUTIONS PROVIDERS

With a Focus on Technology and Managed Transportation Services

Third Party Logistics Company specializing in LTL Freight

Provides a Proprietary Web-Based Transportation Management System supporting integration, automation, reporting, and more

Comprehensive Managed Transportation Services, including:

- * Freight Accounting Services: Freight Payment, Freight Invoice Auditing, Freight Invoice Consolidation
- * Freight Claims Management
- * Carrier Relationship Management
- * Freight & Transportation Management for LTL, Full Truckload, and Small Package
- * Inbound Freight Management programs

Eliminating Manual Processes

- * Process your own shipment, at any time, 24/7 through our web-based portal.
- * Upload, store, and maintain your shipper address book with pre-population to maintain accuracy and save time.

Optimization Capabilities

- * Consolidate shipments to reduce transportation costs.
- * True multi-modal comparisons Small Package, LTL, and Truckload.

Multi-Enterprise Application

- * If your company has multiple business units that ship freight, you can consolidate and allocate transportation costs to each division or subsidiary according to their exact usage.
- * Provides complete visibility of all shipment activity Inbound, Outbound and Drop-ship.

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