

FREIGHT BROKER 101 GLOSSARY

Α

Accessorial Fees: Typically the <u>compensation expected</u> by a carrier for anything other than the pickup and delivery of the load.

Accessorial Pay: Compensation expected by a carrier for anything other than the pickup and delivery of the load.

Actual Receiver: Person who receives freight at the <u>final destination</u>, generally the party accepting or using the freight.

Actual Shipper: Person whose goods are being shipped, generally the manufacturer or producer.

Agent: The <u>representative</u> of a licensed broker. The agent operates under the authority of the broker, and is paid a commission for the freight booked through the agency.

Air Ride Suspension: Suspension that supports the load on air-filled rubber bags rather than steel springs. The same engine-driven air compressor and reservoir tanks that provide air to the air brake system supply compressed air.

All in: The total price to move cargo from origin to destination, inclusive of all charges.

Assets: Are actually the <u>equipment types</u> of trucks that an owner operator or trucking company owns.

Assignment: A term commonly used in connection with a Bill of Lading. It involves the transfer of rights, title and interest in order to assign goods by endorsing the Bill of Lading.

Authority: Both the brokerage and the carrier must show documentation that they have obtained permission from the FMCSA to move freight within the United States.

Axle: Structural component to which wheels, brakes and suspension are attached.

Axle Weight: The amount of weight transmitted to the highway by one axle.

В

Backhaul: A backhaul is a load that a carrier gets after delivery of his original load to get him back to his home or his next load. Every carrier is looking for the load that will get the piece of equipment to his next pickup or home.



Beneficial Owner: Person who owns or has title to the freight during transportation.

B.O.L. or **B/L** (**Bill of Lading**): Documentation received at the pick-up point indicating the carrier has accepted the load, checked it, and is responsible for its condition and delivery. Once the carrier signs the **B.O.L.** it becomes a legal contract. It is: 1) A document that establishes the terms of a contract between a shipper and a transportation company. It serves as a document of title, a contract of carriage and a receipt for goods 2) Shipping document or shipping instructions sent from a shipper that initiates the movement of a vehicle.

Types of Bill of Lading:

Blind Shipment: A B/L wherein the paying customer has contracted with the carrier that shipper or consignee information is not given.

Clean B/L: A B/L that bears no superimposed clause or notation that declares a defective condition of the goods and/or the packaging.

Combined B/L: A Bill of Lading that is used to cover cargo movement over various transports is considered a Combined B/L.

Consolidated B/L: B/L combined or consolidated from two or more B/L's

Intermodal B/L: B/L covering cargo moving via multimodal means. An Intermodal B/L is also known as Combined Transport B/L or Multimodal B/L.

Original B/L: The part of the B/L set that has value, especially when negotiable; rest of set is only informational file copies. An Original Bill of Lading may be abbreviated as OBL.

Bill of Sale: Confirms the transfer of ownership of certain goods to another person in return for money paid or loaned.

Binders: Mechanisms used to tighten the chains

Blanket/Pad Wrap: The product being shipped is wrapped in a blanket or pad to prevent damage in transit.

Blind Spot: Areas around a commercial vehicle that is not visible to the driver either through the windshield, side windows or mirrors,

Blocking or Bracing: Wood or metal supports (Dunnage) to keep shipments in place to prevent cargo shifting.



Bobtail (Bobtailing): Tractor operating without a trailer. Also refers to straight truck. A carrier driving the power unit (tractor) only without the trailer coupled (or connected) to the power unit (tractor).

Bond: Commonly called a Surety bond, is a monetary guarantee maintained by the broker to cover loss or damages of the consigned freight.

Book a Load: Booking a load involves getting a carrier and broker to agree to take a load at an accepted rate, after the carrier has been <u>"setup"</u> under the brokerage and was approved through compliance and has signed a <u>"load tender"</u> (in the case of the shipper and broker) or <u>"rate</u> **confirmation"** (in the case of the broker and carrier).

Booking: Arrangements with a carrier for the acceptance and carriage of freight; i.e. a space reservation (usually with Intermodal).

Booking Number: Reservation number used to secure equipment and act as a control number prior to completion of a Bill of Lading (usually with Intermodal).

Broker: Truly the hub in the wheel of transportation. The middleman between the carrier and the shipper. The broker helps both the shipper and the carrier achieve their goals. The shipper wants the best rates possible and the carrier wants the most efficient and profitable freight to stay in the lanes that provide the best loads for his equipment. They get contracted loads from shippers, post them on load boards, and then book those loads with the carriers.

Bulk: Unpacked product shipped in quantities such as raw ore, liquids, etc. Typically freight not in packages or containers; shipped loose in a freight car, container, trailer, or the hold of a ship. Grains, coal, chemicals are some examples bulk freight.

Bunk: Same as sleeper.

C

Capacity: The physical facilities, personnel and process available to meet the product of service needs of the customers. Capacity generally refers to the maximum output or producing ability of a machine, a person, a process, a factory, a product or a service.

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

Carload: Shipment of freight required to fill a railcar.

Carrier: An independent contractor or trucking firm in the business of carrying freight for a fee.

Carrier Invoice: Includes the B.O.L. and the P.O.D. that the carrier submits to either the broker for payment or his/her factoring company.



Carrier Packet: A form that the broker has the carrier fill out in order to get the carrier "**set up**" under their brokerage in order to book a load with them. Common parts of the carrier packet can include: the contract, carrier profile, W9, COI, and MC Authority. PLEASE READ PACKET THOROUGHLY!!!

Carrier's Lien: Carrier's claim on the property it has transported as security for payment.

Certificate Holder: A <u>third party</u> (broker) with an interest in the insured's ability to provide adequate coverage for the product being carried. The brokerage will ask for inclusion on the policy while the carrier is under load.

Chains: One method of securement used on a flatbed trailer.

Charge Backs: Costs assumed by the carrier for independent contractors in a contractual event. It is understood through the lease that these costs will be charged back to the independent contractor at a later date.

Chassis: An undercarriage with wheels and locking devices in order to secure containers or flat racks for movement. A trailer type device with wheels constructed to accommodate containers, which are lifted on and off.

Chock: A piece of wood or other material placed at the side of cargo to prevent rolling or moving sideways.

Claim: Charges made against a carrier for loss, damage, delay or overcharge. The process of recovery from a carrier and/or his <u>insurance underwriter</u> for excessive charges, loss, or damage to the load, delay in delivery, etc.

Clean Bill of Lading: A receipt for goods issued by a carrier with an indication that the goods were received in apparent good order and condition, without damage or other irregularities.

COD: An abbreviation for 1) Collect on Delivery 2) Cash on Delivery

COI: Certificate of Insurance. Typical types of coverages on the insurance policy consist of \$100,000 cargo coverage (minimum) and \$1,000,000 liability coverage (minimum).

Cold Calling: Process of contacting carriers via telephone in an effort to solicit your dispatching services to them.

Collect Shipment: Delivering carrier collects freight charges and advances.

COMDATA: A trucking service similar to Western Union or MoneyGram, to allow for the transfer of funds.



Commodity: The type of goods or products that is being hauled transported or shipped.

Common Carrier: A transportation company operating under a Certificate of Convenience and Necessity; provides service to the general public at published rates. Any carrier engaged in the interstate transportation of persons/property on a regular schedule at published rates, whose services are for hire to the general public.

Concealed Damage: Defined as damage that is not evident from viewing the unopened package.

Confirmation: A <u>form</u> received by the broker/agent <u>from the shipper</u> confirming purchase order number, rate, pick-up/destination points, phone numbers. The <u>broker</u> then forwards his confirmation to the carrier. Confirmations must be completed in a timely manner to ensure a smooth and stress-free transaction.

Consignee: Receiver.

Consignment: A shipment of goods to a consignee (receiver).

Consignor: Shipper.

Container: A large, weatherproof box designed for shipping freight in bulk by rail, truck or steamship (SSL- steam ship line).

Contingent Cargo Insurance: Insurance provided by the broker to the shipper on the freight to be shipped, usually in the amount of \$250,000 in coverage.

Continuous: The maintained <u>pre-cooled</u> or <u>pre-heated temperature</u> from shipper to receiver within a reefer trailer unit.

Contraband: Cargo that is prohibited.

Contract: Legally binding agreement between two or more persons/organizations to carry out reciprocal obligations or value.

Contract Carrier: A carrier who, <u>under special and individual contracts or agreements</u>, transports passengers or property for compensation.

Cpm: Cents per mile. Calculated by dividing the rate or cost of the load by the number of miles. Example: rate or cost is \$2500 and number of miles is 780 miles, so cpm would be \$2500/780= \$3.21 per mile.

Customs: Government agency charged with enforcing the rules passed to protect the country's import revenues (CBP- Customs Border Patrol).



Customs Broker: An individual or company <u>licensed by the government to enter and clear goods through Customs</u>. The <u>U.S. Customs Service</u> defines a Customs Broker, as any person who is licensed in accordance with <u>Part III of Title 19 of the Code of Federal Regulations</u> (Customs regulations) to transact Customs business on behalf of others.

Customs Clearance: The procedures involved in getting cargo released by Customs through designated formalities such as <u>presenting import license/permit</u>, <u>payment of import duties</u> and other required documentations by the nature of the cargo such as FCC or FDA approval.

Customs Invoice: A <u>form</u> requiring all data in a <u>commercial invoice</u> along with a <u>certificate of value</u> and/or a <u>certificate of origin</u>. Required in a few countries (usually former British territories) and usually serves as a seller's commercial invoice.

D

DAT (Dial a Truck): One of the major load boards out there for finding freight. It comes in <u>DAT</u> POWER and DAT TRUCKER EDGE versions.

Deadhead: The return of an empty transportation container back to a transportation facility.

Deadhead Hours: The hours that a vehicle travels when out of revenue service.

Deadhead Miles: The total miles a carrier drives with an empty trailer in order to pick up a load. The distance a carrier must run his equipment with no profit.

Delivery: Arrival at actual destination, either <u>rail</u> or <u>shipper's facility</u>.

Demurrage: A penalty charge against <u>shippers</u> (consignors) or <u>consignees</u> (receivers) for delaying the <u>carrier's equipment</u> (chassis) beyond the allowed <u>free time provision of the tariff</u>. The carrier charges and fees applied when rail freight cars and ships are retained beyond a specific loading or unloading time.

Destination: 1) The place to which a shipment is consigned 2) The place where carrier actually turns over cargo to consignee or his agent.

Detention Charges: A penalty a carrier may place on a consignor (shipper) -or- consignee (receiver) if his truck is held beyond a reasonable period of time to load or unload (2 or 3 hours).

Destination Fee: The carrier charges and fees applied when rail freight cars, ships and carriers are retained beyond a specified loading or unloading time.



Detention Pay: A penalty a carrier may place on the consignor (shipper) - or consignee (receiver) if his truck is held beyond a reasonable period of time to load or unload. Standard detention kicks in after 2 to 3 hours and can range between \$50 and \$150 per hour.

Dispatch: The word means to <u>send off</u>-most trucking companies have a dispatch operation to control the movement of their equipment. The agent is also a dispatcher in the sense he is dispatching the carriers equipment.

Dispatch Agreement: A contract between the dispatcher and a carrier/owner operator/truck driver whereby it is outlined what duties the dispatcher is to perform on behalf of the carrier and what are the terms of those duties. Rates and percentages vary based on the agreement between the two parties involved.

Dispatch Your Driver: A process by which the dispatcher keeps the carrier running smoothly under a load(s). Constant communication between the dispatcher, broker and carrier is essential for the successful completion of a load the carrier is under.

Dispatcher: (Independent or company) dispatch means <u>"to send off"</u>. A dispatcher is one "to send off" or finds loads for their carrier under a dispatcher agreement. An individual tasked to assign available transportation loads to available carriers.

Dispatcher Invoice: Invoice dispatcher sends to the carrier once they have become empty and delivered the load for which they were currently dispatched under.

Dispatching: The process of finding loads for a carrier and following through the process while the carrier is under a load.

Distribution Center: The warehouse facility <u>which holds inventory from manufacturing pending</u> <u>distribution</u> to the appropriate stores. The centrally located warehouse where goods are shipped long distances by rail and are loaded onto trucks for short-haul delivery to receivers, or vice versa.

Dock: A space used or receiving merchandise at a freight terminal.

DOT#: Department of Transportation number. Companies that operate commercial vehicles transporting passengers or hauling cargo in interstate commerce must be registered with the FMCSA and must have a USDOT number.

Double Drop: The difference between a step deck and a double drop deck is that a double drop has both front and rear platform raised higher than the lower deck or well.

Double Stack: Palletized freight stacked one a top the other.



Drayage: Trucking services intended for rail intermodal shipments such as cross-towns, trailers terminations, pickups and deliveries.

Drayage Charges: Charges made for local hauling by dray or truck.

Drayman: The driver of the truck, or owner of the trucking company performing the trucking/drayage services.

Drive Axles: Are those with powered wheels.

Driver Assist: When the drayman is required to load, unload, or assist in the loading, or unloading of vehicles.

Driver Load/Unload: Driver physically loads and unloads freight; expect the carrier to ask for lumper pay.

Driver No Touch: Magic words to the trucker, it means the <u>consignor</u> (shipper) and <u>consignee</u> (receiver) handle the freight.

Drops: Describes where or what receiver(s) a load is being delivered to.

Drop and Hook/Pull: When a driver leaves a vehicle at a shipper's facility to load or unload with the intention of picking up the loaded or empty vehicle at a later scheduled time.

Dry Van: The most frequently used vans (box trailers) on the road today have the following dimensions- 48' long x 96" wide, 48' long x 102" wide, 53' long x 96" wide or 53' long x 102" wide. These trailers have either swing or roll-up rear doors.

Dunnage: Various sizes of timbers (wood or blocks), such as 4x4s, used in/on the trailer to make the freight easier to unload.

Ε

Equipment Type: This is the type of truck or tractor that a carrier drives. The 3 most popular ones are <u>a 53' Dry Van</u>, a <u>53' Reefer</u>, and a <u>48'/53' Flatbed</u>.

Van: This type of trailer or cargo container is built in a number of configurations. No trailer can exceed 13'6" in height without being permitted for each movement.

Refrigerated Van or Reefer: This is an "Insulated Van" with a <u>self-contained temperature</u> <u>control unit</u> mounted on the front of the trailer. The T.C.U. is capable of heating and/or cooling the load.

Flatbed: The flatbed group also contains various sizes and configurations of trailers.



ETA: Estimated Time of Arrival. Time in hours or minutes that the carrier indicates they will be arriving at <u>shipper</u> (consignor) or <u>receiver</u> (consignee).

ETD: Estimated Time of Departure. The cut-off time for carriers' cargo ramp handling is normally <u>two</u> <u>hours</u> ahead of ETD.

E Tracks: (Vertical vs. Horizontal) Installed on the walls of a trailer gives you not only anchor points for the tie-downs, but also allows you to secure equipment.

Exempt: Not governed by Federal Regulatory Boards.

Exempt Carrier: A for-hire carrier that is free from economic regulation. Trucks hauling certain commodities are exempt from Interstate Commerce Commission economic regulations.

Expedited Freight: Products that of necessity- must be moved from point A to point B- rapidly.

Extra Stops: Extra stops a broker may add to the load in addition to the standard stops that the load had initially started with.

F

Factoring: A method of maintaining cash flow by selling freight invoices (B.O.L's or P.O.D's) to a financial institution at a discounted rate.

False Billing: Misrepresenting freight or weight on shipping documents.

Fifth Wheel: The mechanism used to connect the tractor with the trailer.

Fixed Cost: Costs that do not vary with the level of activity. Some fixed cost continues even if no cargo is carried.

Flatbed and its Terminology:

Binders: Mechanisms used to tighten the chains.

Chains: One method of securement used on a flatbed trailer.

Flatbed Trailer: A trailer with no sides or top used for moving bulky items such as-coiled steel, lumbar, equipment, etc.

Headache Rack: Mounted behind cab on truck to help prevent the load from coming into the tractor in the event of an accident, also used to store securement equipment.



Straps: Typically a 4" wide strap made of high strength fabric used in securing the load, instead of chains, on a flatbed trailer.

Tarps: Weather proof covering used on flatbed freight.

Tarp with 8' drop: Indicates the amount of tarp coverage from the top of the load to the bed of the trailer, mainly used for lumber loads. (NOTE: Be cautious - some flats carry tarps that have 4' and 6' drops- they will not work for a large lumber load).

Tarp (coil): Smaller tarps used to cover coils or reels.

Tie Downs: Elastic material with hooks on each end used to secure tarps.

Floor Stack: Freight that is physically stacked on the floor of the trailer.

FMCSA: Federal Motor Carrier Safety Administration. An <u>agency</u> in the United States Department of Transportation that regulates the trucking industry in the United States. The <u>primary mission</u> of the FMSCA is to reduce <u>crashes</u>, <u>injuries</u> and <u>fatalities</u> involving large trucks and buses.

Fork Lift: A machine used to pick up and move goods loaded on pallets or skids.

For-hire Carrier: Carrier that provides transportation service to the public on a fee basis.

Four P's: Set of marketing tools to direct the business offering to the customer. The four P's are product, price, place, and promotion.

49 CFR: Code of Federal Regulations of the United States Surface Transportation Board, the Department of Transportation, and the Federal Railroad Administration.

Free Time: The amount of time that a carrier's equipment may be used without incurring additional charges.

Free Trade Zone (FTZ): An area or zone set aside at or near a port or airport, under the control of the U.S. Customs Service, for holding goods duty-free pending customs clearance.

Freight: The type of goods or products that is being hauled transported or shipped.

Freight Bill: A document issued by the carrier based on the Bill of Lading and other information; used to account for a shipment <u>operationally</u>, <u>statistically</u>, and <u>financially</u>.

Freight Forwarder: A person whose business is to act as an agent on behalf of a shipper. An independent business which handles export shipments for compensation. The forwarder takes care of all the documentation needed to move the shipment from origin to destination.



Fuel Surcharge: Additional compensation to the carrier when fuel prices increase.

G

Gross Cargo Weight: Total weight of lading (cargo), including blocking, bracing and pallets.

Gross Ton: A unit of measure equal to 2,240 pounds.

Gross Vehicle Weight: (GVW) The combined total weight of a vehicle and its freight.

Н

Hazardous Material: A substance of material which the Department of Transportation has determined to be capable of posing a risk to health, safety, and property when stored or transported in commerce.

Head Haul: The opposite of backhaul.

Hopper Bottom: Trailer that can be uploaded through the bottom, most commonly used to haul grain.

Hours of Service: (HOS) The number of hours in a 24-hour period that DOT allows a driver to operate his/her truck.

I

I.C.C. or ICC: An abbreviation for 1) Interstate Commerce Commissioner 2) International Chamber of Commerce. It was the U.S. federal body charged with enforcing acts of the U.S. Congress that affect common carriers in interstate commerce. It has been replaced by the Surface Transportation Board.

IFTA: International Fuel Tax Association. The regulating body that insures fair taxes on fuel.

Indemnity Bond: An agreement to hold a carrier harmless with regard to a liability.

Insurance Certificate: This certificate is used to assure the consignee that insurance is provided to cover loss of or damage to the cargo while in transit.

Intermodal: Used to denote movements of cargo containers interchangeably between two or more transport modes- <u>rail</u>, <u>sea</u>, <u>air</u>, <u>and road</u>- and where the equipment is compatible within the multiple systems.

Internet Truck Stop: One of the major load boards out there. Costs are from \$35 to \$149 for premium.



Interstate Freight: Freight that moves between states.

Intrastate Freight: Freight that moves inside the boarders of a state.

Invoice: An itemized list of goods shipped to a buyer, stating quantities, prices, shipping charges, etc.

J

JIT: An abbreviation for Just In Time. In this method of inventory control, warehousing is minimal or non-existent; the container is the moveable warehouse and must arrive just in time; not too early nor too late.

Jake Brake: A mechanical device <u>installed in the engine of a truck that creates drag to help in braking</u>, thus saving the braking system from overheating and fading.

K

Known Damage: Damage discovered before or at the time of delivery.

Known Loss: A loss discovered before or at the time of delivery of a shipment.

L

Lading: Refers to the freight shipped; the contents of a shipment (Bill of Lading).

Lane: When you pick up from one location (shipper) and then you deliver to another location (receiver), that point A to point B situation is a lane. It is also called Line haul (Head haul).

Layover Pay: Pay a carrier invoices the broker for days over that the carrier holds freight that should have been delivered sooner.

Lien: A <u>legal claim</u> upon goods for the satisfaction of some debt or duty.

Line Haul: Shipment running from point "A" to Point "B".

Live Load: A situation in which the equipment operation stays with the trailer or boxcar (railcar) while being loaded or unloaded.

Load: Any type of goods or products that has been contracted to move between the carrier and the broker/shipper.

Load Availability: This is when you, as a <u>dispatcher</u> or <u>carrier</u>, inquire from a broker or shipper as to whether or not a posted load is still available to be booked.



Load Bars: Load locks are a smart way to secure cargo for transport and maximize load safety by preventing shifting that might allow products not secured with cargo load bars to impact one another and cause damage.

Load Boards: A source to list and find freight and empty trucks. Load boards are located in <u>major truck stops</u> and on the <u>internet</u>.

Load Locks: Securement devices for the load on a trailer- most frequently required for reefer and high-dollar van freight.

Load PO# or Pickup Number: <u>Number on the rate con used to identify the freight/commodity</u> that is being picked up from the shipper and delivered to the receiver.

Load Search Profile: A <u>form/document carrier</u> fills out and returns, along with the dispatcher agreement. This form/document indicates to the dispatcher how much the carrier needs to be compensated, where they would like to run, weight, capacity, as well as other details.

Load/Unload Pay: The amount the carrier charges if they have to "touch" the freight during loading and unloading.

Loaded Miles: The total miles a carrier transports freight from the time it was loaded until it is delivered.

Logbook: A daily record of the hours an interstate driver spends <u>driving</u>, off duty, sleeping in the <u>berth</u>, or <u>on duty not driving</u>.

Logistics: All activities involved in the management of <u>product movement</u>; delivering the right product from the right origin to the right destination, with the right quality and quantity, at the right schedule and price.

Lowboy: Heavy-duty flatbed trailer built low to the ground with smaller wheels and is used to move high and/or heavy loads.

LTL/Partial: Less Than Truck Load or partial of the full weight capacity of a particular equipment type.

Lumper: An individual hired by the carrier/driver/owner operator to load (at the shipper) or unload (at the receiver) his trailer.



Manifest: Listing of the commodities within a vehicle and their quantities.



MC#: Motor-Carrier Number is issued by the FMCSA to a company (broker) or independent contractor (carrier) authorizing the movement of freight.

Mileage Rate: Payment for freight based on mileage- vs. -payment for load.

Multimodal: Employing two or more modes of transportation (rail, truck, air, sea).

N

Negotiable Instruments: A <u>document of title</u> (such as a draft, promissory note, check, or <u>Bill of Lading</u>) transferable from one person to another in good faith for a consideration. Non-negotiable Bills of Lading are known as <u>straight consignment</u>. Negotiable bills are known as <u>Order B/L's</u>.

Negotiate Rate: This is when a carrier or dispatcher negotiates a new rate for a load that they are trying to book.

Nested: Articles packed so that one nests partially or entirely within another, thereby reducing the cubic-foot displacement.

N.O.A.: Notice of Assignment. A form that the carrier's factoring company sends to the broker after a credit check on the brokerage has been completed to determine whether or not the brokerage has a good credit rating and is worthy to use.

Not For Hire Carrier: A carrier owned company hauling company product. These trucks are not available for dispatch.

N.V.O.C.C.: Non Vessel Operating Common Carrier.

O

OBC: On Board Courier.

OD: Over Dimensional/Oversized. Any trailer size that exceeds the standard dimensions trailer.

Off-peak: Times of day that are outside of the peak periods (e.g., early morning, mid-day, late evening, weekends, and holidays).

123 Load Board: One of the major load boards out there.

Operating Expenses: All expenses associated with the operation of an individual mode by a given operator. Operating expenses exclude reconciling items such as interest expenses.

Origin: Location where shipment begins its movement.



OS&D (Overages-Shortages & Damages): Report is issued at warehouse when goods are damaged; claim is usually filed with the carrier. <u>Overages</u> occur when there proves to be more freight at delivery then indicated on the manifest. <u>Shortages</u> are just the opposite of overages. <u>Damages</u> are noted when freight is received that is not in the same condition as when loaded.

Owner Code (SCAC): Standard Carrier Alpha Code. Identifying an individual common carrier. A three carrier code followed by a suffix identifies the carrier's equipment. A suffix of U is a container and C is a chassis.

Owner-Operator: Trucking operation in which the owner of the truck is also the driver.

P

Packing List: Itemized list of commodities with marks/numbers but no cost values indicated.

Pallet: A small platform that can be 48" x 40" x 8" or 48" x 48" x 8" upon which freight is placed to facilitate movement in a warehouse or a trailer.

Pallet Exchange: The shipper will specify that the carrier will leave an equal number of pallets that are loaded on his truck.

Palletized Loads: Loads that are on pallets, either secured by strapping or enveloped in plastic wrap by a palletizing machine.

Partial Load: Has the same meaning as LTL.

Payables: Unpaid invoices to the carrier.

Payee: A party named in an instrument as the beneficiary of the funds. Under letters of credit, the payee is either the drawer of the draft or a bank.

Payer: A party responsible for the payment as evidenced by the given instrument. Under letters of credit, the payer is the party on whom the draft is drawn, usually the drawee bank.

Payment Terms: These payment terms are either offered by the brokerage in their set up carrier packet or paid from the factoring company of the carrier. Payment terms from the brokerage include: 1-2 day quick pay (5%); 3-5 day ACH transfer (3%); or 15-30 standard payment (no fee).

Per Diem: A charge, based on a fixed daily rate, made by one transportation line against another for the use of its equipment.

Permits: Special authorization by the FMCSA for moving interstate freight; also a requirement to move over-sized freight from state-to-state or within a state.



Picks: Describes where or what shipper(s) a load is being picked up from or shipped out of.

Picks/Drops: The number of individual pick-ups and/or deliveries in one load.

Pickup: 1) Leaving actual origin ramp or shipper's facility as a load 2) The act of calling for freight by vehicle at the consignor's shipping platform.

Piggyback: A transportation arrangement in which truck trailers with their loads are moved by train to a destination. Also known as TOFC- Trailer on Flat Car.

Pipe Stakes: Used for securing pipe loads by creating a barrier to prevent loss over the sides of the trailer. Pipe stakes are affixed to the trailer using sleeves that fit into the pockets built into the trailer by the manufacturer.

Placards: Signs on the exterior of a trailer that indicates the type of freight onboard. A label that identifies a hazardous material shipment and the hazards present.

Place of Delivery: Place where cargo leaves the care and custody of carrier.

Place of Receipt: Location where cargo enters the care and custody of carrier.

P.O.D.: Proof of Delivery. Submitted by the carrier as a condition of payment. Information supplied by the carrier containing the name of the person who signed for the shipment, the time and date of delivery, and other shipment delivery related information.

Point of Origin: The station at which a shipment is received by a carrier from the shipper.

Pomerene Act: Also known as the Federal Bill of Lading Act of 1916, it's a U.S. federal law enacting conditions by which Bill of Lading may be issued. Penalties for issuing B/L's containing false data include monetary fines and/or imprisonment.

Port of Authority: State or local government that owns, operates, or otherwise provides wharf, dock, and other terminal investments at ports.

Power Only/Power Unit: Indicates a tractor only- (i.e. used to move loaded or empty trailers or continue a load if the original tractor is disabled).

Pre Cool Temperature/Pre Cooling: Temperature that is usually set or pre-cooled by a reefer trailer unit prior to arriving at the shipper. This temperature is also maintained during transporting of the freight to the receiver. A process employed in the shipment of citrus fruits and other perishable commodities.



Private Carrier: A carrier that provides transportation service to the firm that owns or leases the vehicles and does not charge a fee.

Purchase Order (PO): The purchaser's authorization used to formalize a purchase transaction with a supplier. The physical form or electronic transaction a buyer uses when placing an order for merchandise.

Q

Qualcomm: A type of computerized, <u>satellite connected</u> communication system connecting the truck with its dispatch.

R

Rate: The price that is being paid to the carrier to transport the commodity/freight.

Rate Confirmation (Rate Con)/Load Tender: The final document that the carrier (or dispatcher) receives, signs and returns to finalize and book the load. It contains the load details, shipper and receiver details, rate, and PO (purchase order) number. PLEASE CONFIRM INFORMATION ON THE RATE CON IS CONSISTENT WITH WHAT THE LOAD WAS POSTED FOR!!!

Rate Types-Per Mile: Charges based on the number miles from point "A" to point "B".

Receivables: Uncollected invoices from the <u>shipper</u> (consignor).

Receiver: Person or company receiving the shipment/commodity/freight/goods/ products (consignee).

Receiving: The function encompassing the physical receipt of material, the inspection of the shipment for conformance with the purchase order (quantity and damage), the identification and delivery to destination, and the preparation of receiving reports.

Reconsignment: Changing the <u>consignee or destination</u> on a Bill of Lading while shipment is still in transit. The term Diversion can be used interchangeably with Reconsignment.

Reefer: An insulated van with a <u>self-contained</u> temperature control unit (T.C.U.) mounted on the front of the trailer. The T.C.U. is capable of heating and/or cooling the load.

Reefer Trailer: A refrigerated trailer that is commonly used for perishable goods.

RGN: Removable Gooseneck. Usually a flatbed trailer connected by a gooseneck to the tractor.



Reverse Logistics: A specialized segment of logistics focusing on the movement and management or products and resources after the sale and after delivery to the customer. Includes product returns and repair for credit.

Route: The manner in which a shipment moves; i.e., the carriers handling it and the points at which that carriers interchange.

S

Salvage: Reclaiming useable product that has been condemned by the shipper/receiver.

Shipment: 1) The tender of one lot of cargo at one time from <u>one shipper to one consignee</u> on one <u>Bill of Lading</u> 2) Freight tendered with a shipping document at an origin for a destination.

Shipper: The person or company who is usually the supplier or owner of commodities/freight/goods/products being shipped- also called consignor.

Shipper's Load & Count (SL&C): Shipments loaded and sealed by shippers and not checked or verified by the carriers.

Shipping Manifest: A document that lists the pieces in a shipment.

Shortage: When quantity received is less than shown on the waybill.

Shrink Wrap: Polyethylene or similar substance heat-treated and shrunk into an envelope around several units, thereby securing them as a single pack for presentation or to secure units on a pallet.

Side Loader: A lift truck fitted with lifting attachments operating to one side for handling containers.

Skids: Battens, or a series of parallel runners, fitted beneath boxes or packages to raise them clear of the floor to permit easy access of forklift blades or other handling equipment.

Sleepers: Loaded containers moving within the railroad system that are not clearly identified on any internally generated reports.

Sliding Fifth Wheel: A fifth wheel assembly capable of being moved forward or backward on the tractor to adjust the load distribution between tractor and trailer axles.

Sliding Tandem: A two axle assembly capable of being moved forward or backward on the trailer to obtain ideal load distribution.

Slip Sheets: Thick sheets of cardboard placed under a unit of the load- instead of a pallet.

Solo-or-Single: One driver.



Spotting: Placing a vehicle where required to be loaded or unloaded.

Spreader: A piece of equipment designed to lift containers by their corner castings.

Standard (flatbed): The typical trailer is a flat platform from front to rear; the floors are constructed of wood, metal, or a combination of both. 48' x 102" is the standard dimension of a flatbed trailer.

Step Deck (SD): A flatbed with a raised platform at the front of the trailer.

Stock Keeping Unit (SKU): A category of unit with unique combination of form fit and functions.

Stop Off Charge: Charge associated with a load that has more than one drop off point. Typically, the first stop of a multistep load is free, and then the charge applies to the subsequent stops.

Straight Bill of Lading: A non-negotiable Bill of Lading that states a specific identity to which the goods should be delivered.

Straight Truck (Box Truck): Usually a van type that has the <u>cargo container</u> on the <u>same chassis</u> as the cab.

Stretch Trailer: A flatbed trailer constructed with sliding rails that allow the trailer to be extended to accommodate very long boards.

Supply Chain: Starting with unprocessed raw materials and ending with final customer using the finished goods.

Surcharge: An extra or additional charge.



Tandem: Means a tractor with two drive axles- or - a trailer with two closely placed axles.

Tare Weight: The weight of packing material, or in a railcar or container shipments, the weight of the empty railcar or empty container.

Tariff: A publication from a company that sets forth the charges, ticket fares, and shipping rates (and the rules governing the use of them), of that company's services.

Tariff Schedule: A comprehensive list of goods that a country may import and the import duties applicable to each product.

Tarps: The types of tarpaulins are:

Steel: Specialty manufactured tarps that fit coil or flat steel shipments.



Lumber: Tarps that are designed to fit lumber loads covering the front, rear and sides of the load.

Smoke: Small canvas or vinyl tarps tied to the front top of the load to avoid the smoke from the truck exhaust.

Tarp pay: The amount the carrier charges for the laborious act of tarping a load (\$250).

Team (Drivers): Two drivers- allowing the truck to cover more miles in a 24-hour period.

Temperature Recorder: A device to record temperature in a container while cargo is in route.

TEU (Twenty-Foot Equivalent Unit): A standard size intermodal container.

Third Party Logistics (3PL) Provider: A specialist in logistics who may provide a variety of <u>transportation</u>, <u>warehousing</u>, and <u>logistics-related</u> services to <u>buyers or sellers</u>.

TL: Truck Load. A full weight capacity of whatever equipment type.

TMS: <u>Transportation Management System</u>. A <u>CMS</u> (content management system) or <u>CRM</u> (customer relationship management system) used to organize and keep track of your shippers, brokers, carriers, clients, customers, and assets. It keeps it all organized in one centralized location for easy management and processing. You can do <u>additional features</u> with a TMS system such as <u>invoicing</u>, <u>rate con generation</u> and <u>accounts payables/receivables</u>. A TMS system example is <u>ASCEND TMS</u>.

T.O.N.U.: Truck Ordered, Not Used. This is when a load has been booked by the carrier through a brokerage, rate confirmation has been signed and submitted, but then, for <u>whatever reason</u>, through <u>no fault of the carrier</u>, the load was cancelled. In this case, a T.O.N.U. fee is paid to the carrier.

Tracking Load: A process where <u>the shipper requires the broker</u> to keep track of their freight while a carrier is transporting it from shipper to receiver.

Tracking Software: Software downloaded to carrier's phones in order for them to be tracked while they transport freight from shipper to receiver. GPS locator needs to be turned on during transport. Example of tracking software is MACROPOINT.

Tractor: Unit of highway motive power used to pull one or more trailers/containers.

Trailer: A freight vehicle with undercarriage wheels or mounted on chassis used for highway transportation.

Transloading: <u>Transferring bulk shipments</u> from the vehicle/container of one mode to that of another at a <u>terminal interchange point</u>.



Transport: To move freight from one place to another.

Transportation: The movement of traffic between points

Transportation Bond: Allows foreign merchandise arriving at one port to be transported <u>in bond</u> through the U.S. to be exported from another port, without paying duty.

Trip Lease: Allows a truck assigned to one carrier to pull a single load for another carrier.

Truck Driver: An independent contractor or trucking firm in the business of carrying freight for a fee.

Truck/Tractor: Indicates a tractor only- (i.e. used to move loaded or empty trailers or continue a load if the original tractor is disabled).

Trucker Interchange: A contract between a railroad and a drayman allowing for the removal of a rail-controlled vehicle from a railroad's facility for a shipment delivery or pickup.

Trucker Path: One of the major load boards out there.

Truckload (TL): Quantity of freight required to fill a truck, or at a minimum, the amount required to qualify for a truckload rate.



Unclaimed Freight: Freight that has not been called for or picked up by the consignee or owner.

Under a Load: This is when a carrier is loaded and headed out for delivery.

Unloading: Removal of a shipment from a trailer to a platform or warehouse.



Van: Enclosed dry trailer.



Warehouse: A place for the <u>reception</u>, <u>delivery</u>, <u>consolidation</u>, <u>distribution</u>, and <u>storage of goods/cargo</u>. Principal warehouse activities include receipt of product, storage, shipment and order picking.

Warehousing: The storing of goods or cargo in a warehouse.

W9: When a business pays an independent contractor \$600 or more over the course of a tax year, it is required to report these payments to the IRS (Internal Revenue Service) on information returned called "form 1099-MISC".