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This is next part of our training assignment meant for you to familiarize yourself with some more basic logistics terms and abbreviations.

Please take your time to review and learn the terms below, look up some additional information about each of them online and be ready to take a test for us to check your knowledge and understanding of these.

Adjustments

To avoid adjustments, double check the information provided to the shipper. Adjustments are a change in the cost of shipping after delivery of the shipment.

Discrepancies in the size, weight, or class will incur a cost adjustment. Extra services performed by the shipper also incur adjustments.

An extra service includes the use of a lift gate when not originally requested. Another extra service is delivery of the shipment beyond the curb, known as an inside delivery.

Agent

Often companies hire an agent to make shipping arrangements for them. This person has the ability to source a shipper and make decisions.

Agents take on additional responsibilities in international shipments. They will handle the clearing of customs.



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Accessorials - The freight term used to describe accessorial services that require more than dock-to-dock transportation. Accessorials commonly include the need for special equipment and services like liftgates, non-commercial destinations, and inside pickup and/or delivery.

Axle Load - The axle load refers to the weight each axle puts on the nation's highways.

Blind Shipment

Blind shipping occurs when the receiver and the shipper do not know each other. This situation commonly occurs when a business uses drop shipping.

The customer purchases an item from a company. The company then lets the supplier know they need an item shipped.

The supplier then ships the item to the company's customer. The customer is unaware of the additional party.

Brokerage License

A license authorizes a broker to legally make freight shipping arrangements. There is separate licensing additionally required for sea and air shipments.

Ocean freight shipping requires a Non-Vessel Operating Common Carrier (NVOCC). To arrange air freight shipments a broker needs an Indirect Air Carrier license.



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Bulk Freight

When a shipment is a large amount of an item, but not individually packaged, it is bulk. The best examples of bulk freight are shipments of sand or crude oil.

Beneficial Owner - This is a legal term where specific property rights belong to a person even though the legal title of the property belongs to another person. This term is often used in rail or ocean freight and refers to the actual owner of the freight being shipped, despite the title of the freight being in another party's name.

Blocking and bracing - This term refers to wood or other supports used to keep shipments in place on trailers or in containers throughout the shipping process. This technique is widely used by expert shippers to secure their freight shipment.

Bogie - This is a rail shipping term that refers to a frame with wheels on which a container is mounted for over-the-road transport.

Cartage

Freight shipping doesn't have to mean shipping across the country. Cartage is a term that refers to shipping freight in the same city or geographical area.

Classification

Shipments fall into certain pricing categories based on a classification number. These classifications apply to LTL or less than truckload shipments.



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Classifications can be confusing and contradictory. If there is any doubt as to where your item falls, confirm with the shipper.

Charges for classifications can vary greatly. You don't want a nasty surprise adjustment because the shipper changed the classification.

Concealed Damage

Packaging is key to prevent damage with freight shipping. Concealed damage is the damage that is inside the packaging. It is not readily seen upon delivery.

Chassis - A rail shipping term that refers to a frame with wheels and locking devices to secure a container during shipping.

Common Carrier - An LTL common carrier consolidates and deconsolidates freight for multiple companies or brands while offering a set route and rate. They are often motor carriers, trucking companies or freight service providers that operate on a similar schedule with a strict set of guidelines.

Consignee - The individual who is financially responsible for the receipt of a freight shipment. This person is usually the receiver of the shipment as well.

Consignor - An individual (usually the seller) who sends goods to the consignee and is the legal owner until the consignee pays them in full.



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Consolidation - A consolidated shipment is when two or more shipments are combined to save money on freight shipping costs. This shipping method is used in less than truckload shipping with multiple stops before reaching the final destination. [Learn more about consolidated shipping.](#)

Cross-Town - A shipping term used when a container or trailer is delivered from one railroad as part of the shipping route, the move is called cross-town shipping.

Cubic Capacity - The total freight load capacity of any truck, train or ship is measured in cubic feet. The cubic capacity is the total load in cubic feet which cannot be legally exceeded. Violations of cubic capacity occur when the shipment's size violates a carrier's cubic capacity rules. [Learn how to avoid violations of cubic capacity.](#)

Customs Broker - A person or company who is licensed by the U.S. Treasury Department to act on behalf of freight importers and exporters with respect to U.S. Customs transactions. A customs broker must be used for all shipments going to and from Canada. [Learn more about shipping to Canada.](#)

Exceptions - Sometimes damage or shortage happens during the shipping process. These issues get documented on the BOL as exceptions.

Embargo - An embargo is any event that prevents the freight from being accepted or handled. Most often, an embargo is due to international conflict or sanctions imposed on a particular country or group of people.



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However, embargo events may also include floods, tornadoes or congested highways.

Gross Vehicle Weight Rating - The rating refers to the vehicle's maximum operating weight as specified by the manufacturer. The weight includes the driver, fuel, engine, body, chassis, and cargo but excludes the weight of a trailer.

Inbound Freight - An integral part of supply chain management, inbound freight are shipments coming from vendors.

Interline - This shipping term is used when the initial carrier of a freight shipment transfers the freight to another carrier to get it to its final destination.

Intermodal Transportation - When freight is shipped using two or more modes of transportation. Intermodal transportation typically refers to truck-rail-truck shipments but may also include truck to air shipping or truck to ship in the event freight is being shipped overseas. Learn more about intermodal shipping.

Less Than Truckload (LTL)

Most freight shipments use LTL shipping. Shippers will make contracts with multiple people for shipments.

Then the shipper will organize these multiple shipments into a single truck. Each shipment will take up less space than the entire truck.



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Motor Carrier - The term “motor carrier” defines a person providing motor vehicle transportation for compensation.

Motor Property Broker - A freight broker is a person who makes freight shipping arrangements on behalf of a person or company. The broker determines the needs of the client, has experience in the industry and negotiates shipping rates with a carrier who can meet the client's requirements.

Nested - A term used in less than truckload (LTL freight) shipping in which materials are stacked so that one item goes inside another. Nested freight reduces the amount of space taken up by the combined freight and makes LTL shipping more efficient as a result.

Not Otherwise Indicated (NOI) - A general class rate or NOI is assigned to any freight that has no rate listed in the NMFC. The NMFC numbers dictate the freight rating that is assigned to freight. A freight rating is based on density, freight stowability, ease of handling, and liability.

Tariff - A tariff establishes the cost and contract of a freight shipment for the shipper and the carrier.

Through Rate - A through rate applies to the distance between the point of origin and the delivery destination.

Time-Critical - A time-critical freight shipment delivery is set to the earliest possible delivery time to accommodate particular shipping requirements.



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Time-Definite - Time-definite deliveries guarantee that the delivery will occur on a specific day or time of day.

Transit Time - The total amount of time from freight being picked up to freight being delivered.

Truckload (TL) - Truckload shipping can be defined as the transportation of goods that will fill up a 48' or 53' trailer by volume or weight. Full truckload shipping typically is contracted to one customer

gaining full and exclusive use of the carrier's trailer. A truckload is ideal for anyone shipping multiple full pallets of freight and LTL shipping isn't cost efficient. There are multiple pieces of truckload equipment such as refrigerated trucks and dry van trucks. Learn more about truckload freight shipping.

Volume Rate

Sometimes shipments take up a large amount of space but don't weight very much. These shipments are things like a pallet of empty plastic bottles.

Other times shipments are very small in size, but weight a lot. This could be something made out of iron.

Both of these situations have special pricing for LTL shipping. Check with your broker for the specific weight and size requirements for this pricing.