



## Logistics

### Glossary of Terms

#### A

**Accessorial Charges** -- A carrier's charge for services such as loading, unloading, pickup and delivery.

**Activity-Based Costing** -- A method of expense management that identifies business activities performed, accumulates costs associated with these activities, and uses various cost drivers to trace costs of activities to the products.

**Ad Hoc Reporting** -- Custom-designed data queries that may be used to extract and manipulate customer's data; often a one-time inquiry.

**Advanced ShipmAdvance Shipment Notice (ASN)** -- A list transmitted to a customer or consignor designating items shipped. May also include expected time of arrival.

**Agency Tariff** -- A rate bureau publication that contains rates for many carriers.

**Agent** - An enterprise authorized to transact business for, or in the name of, another enterprise.

**Agglomeration** -- The net advantage a company gains by sharing a common location with other companies.

**Aggregate Tender Rate** -- A reduced rate offered to a shipper who tenders two or more class-related shipments at one time and one place.

**Air Cargo** -- Freight that is moved by air transportation.

**Air Carrier** -- An enterprise that offers transportation service via air.

**Air Taxi** -- An exempt, for-hire air carrier that will fly anywhere on demand; air taxis are restricted to a maximum payload and passenger capacity per plane.

**Air Ride Suspension** -- Suspension which supports the load on air-filled rubber bags rather than steel springs. Compressed air is supplied by the same engine-driven air compressor and reservoir tanks which provide air to the air brake system.

**Air Waybill (AWB)** -- A bill of lading for air transport that serves as a receipt for the shipper, indicates that the carrier has accepted the goods listed, obligates the carrier to carry the consignment to the airport of destination according to specified conditions.

**Aircargo Agent** -- A representative appointed by an airline to solicit and process international airfreight shipments.

**Aircargo Containers** -- Containers designed to conform to the inside of an aircraft. There are many shapes and sizes of containers. Aircargo containers fall into three categories: 1) aircargo pallets, 2) lower deck containers, 3) box-type containers.

**All Water** -- Term used when the transportation is completely by water.

**Any-Quantity (AQ) Rate** -- A rate that applies to any size shipment tendered to a carrier; usually means that no discount rate is available for large shipments

**Accounts Receivable (A/R) Management** -- Business functions including the management of credit risk and limits, payment terms, invoicing and collections.

**Arrival Notice** - A notice from the delivering carrier to the Notify Party indicating the shipment's arrival date at a specific location (normally the destination).

**Asset Tagging** -- Data label adhered to a product for the purpose of asset tracking at the end customer location.

**Assignment** -- The transfer of rights, duties, responsibilities, and benefits of an agreement, contract, or financial instrument to a third party.



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**Auction** -- Selling of goods or services to the buyer with the highest offer at the time of a sale. Usually at the time of return approval, the product owner may elect to route the product to an auction service after receipt at a returns processing center.

**Automated Broker Interface (ABI)** -- The U.S. Customs program to automate the flow of customs-related information among customs brokers, importers, and carriers.

## **B**

**B2B** - Business-to-Business; usually refers to business or servicing transactions between two business entities.

**B2C** - Business-to-Consumer; usually refers to business or servicing transactions between a business and individual consumers.

**Backhaul** -- A vehicle's return movement from original destination to original point origin.

**Basing-Point Pricing** -- A pricing system that includes a transportation cost from a particular city or town in a zone or region (even though the shipment may not originate at the basing point).

**Bill of Lading (BL, BOL or B/L)** -- A document issued by a carrier for the receipt of goods for shipment which also describes the terms of shipment.

**Bill of Lading, Through** -- An interim bill of lading to cover goods from point of origin to mid-point to final destination when interchange or transfer from one carrier to another is necessary to complete the journey.

**Blanket Rate** -- A rate that does not increase according to the distance a commodity is shipped.

**Bond, In** -- Goods are held or transported In-Bond under customs control until either import duties or other charges are paid. Sometimes used to avoid paying the duties or charges until a later date.

**Bonded Warehousing** -- A type of warehousing in which companies place goods in storage without paying taxes or tariffs. The warehouse manager bonds himself or herself to the tax or tariff collecting agency to ensure payment of the taxes before the warehouse releases the goods

**Booking** -- The act of requesting space and equipment aboard a vessel for cargo which is to be transported.

**Booking Number** -- The number assigned to a certain space reservation by the carrier or the carrier's agent.

**Boxcar** -- An enclosed railcar, typically forty- to fifty-feet long, used for packaged freight and some bulk commodities.

**Bracing** -- To secure a shipment inside a carrier's vehicle to prevent damage.

**Break Bulk** -- The process of reducing large receipts of product to separate and different SKUs, to allow stocking by case pack or single units.

**Break Bulk Cargo** -- Cargo that is shipped as a unit or package (for example palletized cargo, boxed cargo, large machinery, trucks) but is not containerized.

**Break Bulk Vessel** -- A vessel designed to handle break bulk cargo.

**Broker** -- There can be multiple definitions for the term "broker", including: 1) an enterprise that owns & leases equipment, 2) an enterprise that arranges the buying & selling of transportation, goods, or services, 3) a ship agent who acts for the ship owner or charterer.

**Bobtail** -- Tractor operating without a trailer. Also refers to straight truck.

**Brokerage** -- A business that provides broker services; or the fee paid to a broker.

## **C**

**Cabotage** -- (1) A federal law that requires coastal and intercoastal traffic to be carried in U.S.-built and registered ships, or (2) An international trade restriction limited the transportation origins and destinations available to non-national transporters.



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**Cab-Over-Engine (Cabover or COE)** -- Truck or tractor design in which the cab sits over the engine on the chassis.

**Cab-to-End (CE, CF, LP)** -- Distance from back of a truck's cab to the end of its frame

**Capacity Load** -- A condition wherein the freight fills a truck or trailer before approaching the weight limits of the vehicle. Normally resulting in higher freight rates being assessed by the carrier.

**CAPS Access** -- Standard daily reporting of activity on open orders, shipments, and inventory position. Reports will be available via a web portal for FTP download.

**Cargo** -- The freight carried by a ship, aircraft, truck or other vessel or vehicle.

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

**Carload (CL)** -- A shipment in which the freight completely fills a container or railcar.

**Carrier** -- A business that transports people or goods.

**Carrier Liability** -- A common carrier is liable for all shipment loss, damage, and delay with the exception of that caused by act of God, act of a public enemy, act of a public authority, act of the shipper, or the goods' inherent nature.

**Cartage** -- To carry by truck.

**Cartage Company** -- Company that provides local (within a town, city or municipality) pick-up and delivery by truck

**Case pack Break Bulk** -- The process of reducing product on pallets to stocking into individual, smaller packages [case packs] or single units.

**Certificate of Insurance** -- A negotiable document indicating that insurance has been secured under an open policy to cover loss or damage to a shipment while in transit.

**Certificate of Origin** -- A document containing an affidavit to prove the origin of imported goods. Used for customs and foreign exchange purposes.

**Chargeable Weight** -- The shipment weight used in determining freight charges. The chargeable weight may be the dimensional weight or, for container shipments, the gross weight of the shipment less the tare weight of the container.

**Chassis Weight** -- Weight of the empty truck, without occupants or load.

**Claim** -- A charge made against a carrier for loss, damage, undue or unreasonable delay, or overcharge for freight costs.

**Claims Damage Ratio** -- Measured in two ways: 1) by the number of damage occurrences per 1000 shipments or 2) claims dollars paid as a percentage of Cost of Goods.

**Class I Carrier** -- A classification of regulated carriers based upon annual operating revenues: Motor carriers of property - \$5 million; Railroads - \$50 million; Motor carriers of passengers - \$3 million.

**Class II Carrier** -- A classification of regulated carriers based upon annual operating revenues: Motor carriers of property - \$1-\$5 million; Railroads - \$10-\$50 million; Motor carriers of passengers - \$3 million.

**Class III Carrier** -- A classification of regulated carriers based upon annual operating revenues: Motor carriers of property - \$1 million; Railroads - \$10 million.

**Class Rates** -- A grouping of goods or commodities under one general heading. All the items in the group make-up a class. The freight rates that apply to all items in the class are called "class rates."

**Classification** - An alphabetical listing of commodities, the class or rating into which the commodity is placed, and the minimum weight necessary for the rate discount; used in the class rate structure

**Collect Freight** -- Freight payable to the carrier at the port of discharge or ultimate destination. The consignee does not pay the freight charge if the cargo does not arrive at the destination.

**Co-Location (Mobile Warehouse)** -- "Warehouse in a box" concept where specialized equipment can go to almost any location to process outbound shipments.



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**Commercial Invoice** -- An official document created by the seller is used to indicate, among other things, the name and address of the buyer and seller, the product(s) being shipped, and their value for customs, insurance, or other purposes.

**Commodity Code** -- A code describing a commodity or a group of commodities pertaining to goods classification. This code can be carrier tariff or regulating in nature.

**Compliance** -- Meeting the standards established by law, regulation, international trade practice or other standard widely accepted in the industry. Failure to meet compliance standards places parties at risk for loss, or violation of statutes with resulting penalties.

**Consign** -- To entrust with or place something in the care of another.

**Consigned Warehousing** -- Storage of inventory for the purpose of sale to the customer upon shipment.

**Consignee** -- The person or carrier to which a shipment of goods is entrusted

**Consignor** -- One who places something such as goods and merchandise in the care of another.

**Consolidated Shipping** -- The consolidation of all products into one shipment, regardless of the products' stocking location within the distribution network.

**Consolidation** -- Collecting smaller shipments to form a larger quantity in order to realize lower transportation rates.

**Consolidation Point** -- The location where consolidation takes place.

**Consolidator** -- An enterprise that provides services to group shipments, orders, and/or goods to facilitate movement.

**Consolidator's Bill of Lading** -- A bill of lading issued by a consolidator as a receipt for merchandise that will be grouped with cargo obtained from other shippers. See also House Air Waybill.

**Container Freight Station (CFS)** -- The location designated by carriers for receipt of cargo to be packed into containers/equipment by the carrier. At destination, CFS is the location designated by the carrier for unpacking of cargo from equipment/containers.

**Container (1)** -- Standard-sized rectangular box used to transport freight by ship, rail and highway. International shipping containers are 20- or 40-feet long, conform to International Standards Organization (ISO) standards and are designed to fit in ships' holds. Contain

**Container Chassis** -- Single-purpose semi trailer designed to carry a shipping container.

**Container Load (CL)** -- A shipment in which the freight completely fills a container.

**Container Number** -- the unique identification number of a freight container, normally referring to a container used in ocean mode transportation/multi-modal transportation

**Container On Flat Car (COFC)** -- Method of moving shipping containers on railroad flat cars.

**Contract Carrier** -- Company that transports freight under contract with one or a limited number of shippers.

**Contract Warehousing** -- Fee-based service of receiving, managing and storing of client-owned inventory so that it is available to the rapid pick, pack and ship distribution engine. Product is stored accurately and efficiently in multiple forms and selling units.

**Converter Dolly** -- Auxiliary axle assembly equipped with a fifth wheel (coupling device), towed by a semi trailer and supporting the front of, and towing, another semi trailer.

**Conveyance** -- A means of transportation.

**Cost and Freight (C & F)** -- The seller quotes a price that includes the cost of transportation to a specific point. The buyer assumes responsibility for loss and damage and pays for the insurance of the shipment.

**Cost, Insurance and Freight (CIF)** -- The price quote that the seller offers to the buyer, which includes cost of the goods, insurance of the goods, and transportation charges.



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**Country of Origin** -- The formal identification of the place of origin or location of last substantial transformation (defined under Customs Regulations) of a product. Required information on all international transaction documentation and also marking on the article itself.

**Courier Service** -- A fast, door-to-door service for high-valued goods and documents; firms usually limit service to shipments weighing fifty pounds or less. throughout the entire system life cycle.

**Creation / Transmission of Invoices** -- Create invoice documents (or transmissions) based on outbound shipments to the client's end customer. Invoices may include mailing addresses, terms and pricing. -TPAT - Program introduced by the Bureau of Homeland Security to partner with importers, forwarders, ocean, air and truck carriers and others involved in international trade to introduce additional screening and counter-terrorism measures.

**Cube/Cubic Capacity** -- Interior volume of a truck body, semi trailer or trailer, measured in cubic feet.

**Curb Weight** -- Weight of an empty truck, without occupants or load.

**Custom Cycle Count** -- A custom designed program of inventory cycle counting developed to ensure the highest inventory accuracy

**Customs** -- The place or process of inspecting imported or exported goods to determine if and how much duty is required; or an agency that performs said duties.

**Customs Broker / Customhouse Broker** -- A firm that represents importers/exporters in dealings with customs. Normally responsible for obtaining and submitting all documents for clearing merchandise through customs, arranging inland transport, and paying all charges related to these functions.

**Customs Clearance** -- The act of obtaining permission to import merchandise from another country into the importing nation.

**Customs Invoice** -- A document that contains a declaration by the seller, the shipper, or the agent as to the value of the shipment.

**Customs Value** -- The value of the imported goods on which duties will be assessed.

**Customs Duties** -- Taxes collected by states upon imports to their territory. Abolished within the EC, they have been retained at EC external borders as a common external tariff (CET) and are regarded as EC own resources.

**CY** -- Container Yard, a location where empty ocean freight containers are staged for re-dispatch to customers of the steamship lines.

## D

**Dangerous Substances** -- Products regarded as potentially dangerous and/or toxic whose classification, use, labeling and marketing are regulated by EC legislation.

**D..G.** -- Declaration of Dangerous Goods (Hazardous Materials as defined in regulations) declaration document

**Dead-Heading** -- Operating a truck without cargo

**Delivery Date** -- The date on which a shipment is expected to be delivered (ETA) or actually delivered.

**Delivery Receipt** -- This is a document tendered by the carrier making a delivery of a shipment, handed over at the time of delivery to the consignee that identifies the shipment, quantities of cartons, etc., for the receiver to confirm and if any variances exist at that time they are to be noted on the document and acknowledged by signature of both parties (driver & receiver)

**Dimensional Weight** -- The calculation of a shipment's chargeable weight based upon the dimensions and cubic size of a shipment rather than by consideration of the actual weight (which will be a lesser amount). Factors are used to establish the dimensional weight.

**D.O.** -- Delivery Order, a release document used to claim goods from clearance for delivery to an identified consignee & destination



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SPEDIZIONI INTERNAZIONALI

**Demurrage** -- The penalty for exceeding free time allowed for loading/unloading under the terms of the agreement with the carrier. Demurrage is the term used in the rail and ocean industry; detention is used in the motor industry.

**Density** -- The physical characteristic measuring a commodity's mass per unit volume or pounds per cubic foot; an important factor in ratemaking, since density affects the utilization of a carrier's vehicle.

**Density Rate** -- A rate based upon the density and shipment weight.

**Destruction** -- Destruction of product may be chosen as a means of disposition after product is received at returns processing center. Destruction may be standard or "green" and is typically done in conjunction with a bonded outsource partner.

**Detention** -- The penalty for exceeding free time allowed for loading/unloading under the terms of the agreement with the carrier. Detention is the term used in the motor industry; demurrage is used in the rail and ocean industry.

**DeVanning** -- Unloading of truck, trailer container or rail car by forklift, slip-sheet lift or by hand.

**Discharge Port** -- The name of the port where the cargo is unloaded from the export vessel. This is the port reported to the U.S. Census on the Shipper's Export Declaration, Schedule K, which is used by U.S. companies when exporting.

**Dispatching** -- The carrier activities involved with controlling equipment; involves arranging for fuel, drivers, crews, equipment, and terminal space.

**Dock** -- A platform for loading or unloading trucks, trains, ships, or aircraft; or an aircraft hangar.

**Dolly** -- Auxiliary axle assembly equipped with a fifth wheel (coupling device), towed by a semi trailer and supporting the front of, and towing, another semi trailer.

**Domestic** -- Of or relating to trade, affairs, or business within a country.

**Door-to-Door** -- The through-transport of goods from consignor to consignee.

**Door-to-Port** -- The through transport service from consignor to port of importation.

**Draw Back** -- A program under which 99% of import duties paid are recovered when goods are re-exported or in other ways comply with Customs regulations allowing recovery of duty tax payments made.

**Drop Shipment** -- A request for the goods to go to the retailer directly from the manufacturer when the invoice comes from another party in the transaction, typically the distributor from whom the retailer would normally receive the goods.

**Doubles** -- Combination of a tractor and two semi trailers connected in tandem by a converter dolly.

**Drayage** -- A service offered by a motor carrier for the cartage of rail or ocean containers from a dock to an intermediate or final destination, or the charge for such cartage.

**Driver Team** -- Team of two drivers who alternate between driving and resting.

**Dry Van** -- An enclosed trailer (box) used for the purposes of hauling containerized commodities.

**Durables** -- Merchandise, commodities, or supplies for sale to consumers.

**Duty** -- The tax paid on imported goods.

## E

**E-Commerce Enabling** -- Enhancing an existing web site to allow secured buying

**ECCN** -- Export Commodity Classification Number Designation within the United States Department of Commerce, Bureau of Industry & Security applied to articles subject to export controls by the United States government.

**EDI (Batch)** -- Electronic Data Interchange; a standard format for exchanging business data. The standard is ANSI X12

**EIPP** -- Electronic Invoice Presentation and Payment, a method employed by carriers to bill parties for freight shipments and receive payment for the carriage electronically without the need for hard copy documentation or checks.



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SPEDIZIONI INTERNAZIONALI

**End of Line Terminal (Satellite Terminal)** -- A carrier facility that services only local deliveries and pick-ups in a specific geographic area.

**En Route** -- A term used for goods in transit or on the way to a destination.

**Estimated Delivery Date (EDD)** -- The date and time a package or shipment is expected to be delivered to a given destination.

**Estimated Time of Arrival (ETA)** -- The date and time a package or shipment is scheduled or expected to arrive at a given destination; or the date and time a vehicle is expected to arrive at a given destination.

**Estimated Time of Departure (ETD)** -- The date and time a vehicle or shipment is expected to depart on a journey.

**Exclusive Use** -- Vehicles that a carrier assigns to a specific shipper for its sole use.

**Exempt Carrier** -- Company which transports commodities exempted from Interstate Commerce Commission (ICC) economic regulation.

**Export** -- Ability to ship from the United States to locations around the world with the required documentation, following government regulations and restrictions. (DPL compliant, all necessary inspections, tariffs, VAT, APO/FPO, Duties)

**Export Declaration** -- A document required by the U.S. Treasury Department and completed by a shipper indicating the contents, value, and destination of an export shipment.

## F

**Facility Management** -- Assumption of the operation of a customer's warehouses facility. Can include purchase of the facility or taking over the lease. Can include assumption and management of the customer's associates

**FCL** -- Full Container Load, a term used to describe either a 20 foot or 40 foot ocean container shipment.

**Feeder** -- The operation of moving parcels from one terminal to another; synonymous with Line haul.

**Fifth Wheel** -- Coupling device attached to a tractor or dolly, which supports the front of a semi trailer and locks it to the tractor or dolly. The fifth wheel's center is designed to accept a trailer's kingpin, around which the trailer and tractor or dolly, pivots in turning.

**Fixed Tandem** -- Assembly of two axles and suspension that is attached to the chassis in one place, and cannot be moved fore and aft.

**For-Hire Carrier** -- Company in the business of transporting freight belonging to others.

**Foreign Trade Zone** -- An area designated by the government of a country for free trade; a port, city, or region designated for free trade.

**Free Along Side (FAS)** -- The seller agrees to deliver the goods to the dock alongside the overseas vessel that is to carry the shipment. The seller pays the cost of getting the shipment to the dock; the buyer contracts the carrier, obtains documentation, and assumes all responsibilities.

**Free House Delivery** -- International Shipments wherein the delivery terms are to have the goods delivered cleared through customs at the country of destination at the designated consignee location

**Free Trade** -- Trade between nations without customs duties or tariffs.

**Free Zone/Free Trade Zone (FZ)** -- An area designated by the government of a country for free trade; a port, city, or region designated for free trade.

**Free on Board (F.O.B.)** -- This expression follows an exchange point where the transition of responsibility (risk) from the buyer is made to the seller. For example, "F.O.B. Origin" means the seller agrees to deliver the goods to the point of origin.

**Freight-All-Kinds (FAK)** -- An approach to rate making whereby the ante is based only upon the shipment weight and distance; widely used in TOFC service

**Freight Bill** -- The carriers invoice for payment of transport services rendered.

**Freight Charge** -- The rate established for transporting freight.



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SPEDIZIONI INTERNAZIONALI

**Freight Collect** -- The freight and charges to be paid by the consignee.

**Freight Forwarder** -- An enterprise that provides services to facilitate the transport of shipments. Services can include documentation preparation, space and equipment reservation, warehousing, consolidation, delivery, clearance, banking and insurance services, and agency services.

**Freight Prepaid** -- The freight and charges to be paid by the consignor.

**Full Truck Load (FTL or FCL)** -- A shipment in which the freight completely fills a container or railcar. Acronym FC relates to Full Car Load,

## G

**Gaylord** -- A container used to hold bulk commodities, frequently 1 cubic meter in size.

**Glad-hands** -- Connections between a semi-trailer and the powered tractor for purposes of controlling the air brake system.

**Gross Combination Weight (GCW)** -- Total weight of a loaded combination vehicle, such as a tractor-semi trailer or truck and full trailer(s). Acronym GCW.

**Gross Tonnage** -- The total carrying capacity of a vessel in units of 100 cubic feet.

**Gross Vehicle Weight (GVW)** -- Total weight of a vehicle and everything aboard, including its load.

## H

**Half-Set** -- A term used to describe a 28 foot long trailer, normally transported in pairs (e.g "a set"). The smallest increment available for a "truckload" rate offering. Harmonized Code/Harmonized Commodity Description & Coding System - An international classification system that assigns identification numbers to specific products. The coding system ensures that all parties in international trade use a consistent classification for the purposes of documentation, statistical control, and

**Harmonized System** -- An international classification system for import and export commodities.

**HAZMAT** -- Hazardous Materials, as classified by the U.S. Environmental Protection Agency (EPA). Transport of hazardous materials is strictly regulated by the U.S. Department of Transportation. A

**High Security Cages** -- Product is stored, picked and packed in a secure, limited-access environment.

Shipments are escorted directly from cage onto carrier's transport.

**Hosting** -- Housing, serving, and maintaining files for the customer's web site. Connection to the Internet via T-1 or T-3 lines.

**Hot Seat** -- A term used to describe the methods employed to switch drivers on equipment without running teams or stopping for long periods of time.

**Hours-of-Service** -- U.S. Department of Transportation safety regulations which govern the hours of service of commercial vehicle drivers engaged in interstate trucking operations.

**House Air Waybill (HAWB)** -- A bill of lading issued by a forwarder to a shipper as a receipt for goods that the forwarder will consolidate with cargo from other shippers for transport.

**Hub** -- A central location to which traffic from many cities is directed and from which traffic is fed to other areas.

## I

**In Bond** -- A shipment status in which goods are permitted to enter a country and temporarily stored for transport to a final destination where the duty will be paid.

**Incentive Rate** -- A rate that induces the shipper to ship heavier volumes per shipment.

**Independent Trucker** -- Trucker who owns and operates his own truck(s).





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**Inland** -- A term used to differentiate between the land and water segments of a transshipment; the domestic segment of a transshipment; a domestic shipment; on land; by land; over land; within the boundaries of a body of land; within a continent, country or region.

**Inland Bill of Lading** -- The carriage contract used in transport from a shipping point overland to the exporter's international carrier location.

**Inland Carrier** -- An enterprise that offers overland service to or from a point of export.

**Inside Line (Real Time)** -- Real-time link to a providers' mainframe system.

**Interchange** -- The transfer of cargo and equipment from one carrier to another in a joint freight move.

**Interline** -- Two or more motor carriers working together to haul a shipment to a destination. Carriers may interchange equipment but usually they re-handle the shipment without transferring the equipment.

**Intermodal Transportation** -- The use of two or more transportation modes to transport freight; for example, rail to ship to truck.

**Inventory Control** -- Inventory management processes to ensure shrinkage is minimized, and product is handled efficiently and accurately. Physical inventories are conducted and discrepancies reported to inventory owner.

**Inventory in transit** -- Inventory in a carrier's possession, being transported to the buyer.

**Issuing Carrier** -- The carrier whose name is printed on the bill of lading and with whom the contract of carriage exists.

## J

**Jockey** -- Person who operates a yard tractor.

**Joint Rate** -- A rate over a route that requires two or more carriers to transport the shipment.

**Just-in-Time (JIT)** -- Manufacturing system which depends on frequent, small deliveries of parts and supplies to keep on-site inventory to a minimum.

**Just-In-Time Inventory (JIT)** -- A method of controlling and reducing direct and work-in-process inventory by having suppliers deliver material "just in time" to manufacturing. (May also be applied to other areas such as "just in time training")

## K

**Kingpin Trailer** -- Anchor pin at the center of a semi trailers' upper coupler which is captured by the locking jaws of a tractor's fifth wheel to attach the tractor to the semi trailer.

**Kitting** -- Physically combining and storing multiple products into bundle or kit to be sold as a single unit. Physical combining can be accomplished by banding items together or putting them in a separate box. Can also include documentation.

## L

**Land Bridge** -- The movement of containers by ship-rail-ship, such as on Japan-to-Europe moves Where ships move containers to the U.S. Pacific Coast, rails move containers to an East Coast port, and ships deliver containers to Europe.

**Landed Cost** -- The total cost of a product delivered at a given location; the production cost plus the transportation cost to the customer's location.

**Landing Gear** - Retracting legs which support the front of a semi trailer when it is not coupled to a tractor.

**Leg** -- A leg has an origin, destination, and carrier and is composed of all consecutive segments of a route booked through the same carrier. Also called "Bookable Leg"

**Less Than Carload (LTC)** -- A shipment in which the freight does not completely fill the container or railcar; or a particular consignor's freight when combined with others to produce a full carload.

**Less Than Container Load (LCL)** -- A shipment in which the freight does not completely fill the container; or a particular consignor's freight when combined with others to produce a full container load.



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SPEDIZIONI INTERNAZIONALI

**Less Than Truckload (LTL)** -- A shipment in which the freight does not completely fill the trailer or container; or a particular consignor's freight when combined with others to produce a full truckload or full container load.

**Lessee** -- Company or individual which leases vehicles.

**Lessor** -- Company which leases vehicles.

**Letter of Credit (LOC)** -- A letter from a bank or lending institution that authorizes an account holder to draw drafts within set limits, and requires the repayment of such drafts by the account holder.

**Lift On, Lift Off (LO/LO)** -- A method by which cargo is loaded onto and unloaded from an ocean vessel, which in this case is with a crane.

**Light Assembly / Modification** -- Providing service to modify a product from its original state. The modifications will be limited to services that can be performed without opening the casing (i.e. cell phone programming).

**Line-Haul Shipment** -- A shipment that moves between cities and over distances more than 100 to 150 miles in length.

**Linear Foot Rule** -- A standard tariff provision in motor carrier pricing designed to compensate carriers for shipments that take up floor space in equipment without offering much weight or ability to load other freight on top to achieve an optimal load. Normally adds significant cost to the freight bill from the carrier.

**Liquidation** -- After receipt of unsaleable product at returns processing center, product owner may choose to sell or dispose of product for nominal pricing.

**Load Tender (Pick-Up Request)** -- An offer of cargo for transport by a shipper. Load tender terminology is primarily used in the motor industry.

**Loading Allowance** -- A reduced rate that carriers offer to shippers and/or consignees who load and/or unload LTL or AQ shipments

**Logistics** -- The science of planning, organizing and managing activities that provide goods or services.

**Logo & Watermark** - Branded shipping documentation which can include: customer logo printed on packing slip and shipping label, logo watermark, inclusion of recurring message about customer's business and personal message for specific end user recipients.

**LTL Carrier** -- Trucking company which consolidates less-than-truckload cargo for multiple destinations on one vehicle.

## M

**Manifest** -- An itemized list of all passengers and cargo onboard a ship or aircraft; a listing of goods carried by a truck or train; or a listing of railcars in a train. Acronym

**Materials Requirements Planning (MRP)** -- The process used to determine the amount of material to purchase and when to purchase it.

**Merchandising Pallets** -- Building retail store displays. Unit is built on a pallet, has a false bottom and product(s) are display ready for the retail store.

**Mileage Rate** -- A rate based upon the number of miles the commodity is shipped.

**Minimum Charge** -- This is the lowest price that will be invoiced by a carrier for transportation services, no matter what the weight of the shipment was.

## N

**Non-Vessel Operating Common Carrier (NVOCC)** -- A firm that consolidates and disperses international containers that originate at or are bound for inland ports. Often a firm that offers the same services as an ocean carrier, but which does not own or operate a vessel. NVOCCs usually act as consolidator.

**Next Flight Out** -- A phrase used to describe a requested air express shipment priority to utilize the next available direct flight to carry cargo or small express packages from one point to another with the cost for such service being a premium levels.



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## O

**Ocean Bill of Lading** -- The bill of lading issued by the ocean carrier to its customer.

**Ocean Carrier** -- An enterprise that offers services via ocean (water) transport.

**OSA** -- Ocean Shipping Advice

**OSD** -- Over, Short, and Damaged.

**Outbound Serial Number Capture** -- The scanning and capture of product serial number on outbound shipments for reporting and tracking purposes.

**Over-the-Road** -- A motor carrier operation that reflects long-distance, intercity moves; the opposite of local operations.

## P

**P & D** -- Pickup and delivery.

**P.O. Management (Inbound)** -- Purchase Order Management. To allow receiving of Contract Warehouse inventory, Purchase Orders (at \$0) are sent by inventory owner and mirrored in systems.

**Packing List** -- A document that accompanies a shipment and fully describes the contents of the shipment, pieces, weight and consignee. Normally used to confirm goods delivered are the same as what was said to be shipped.

**Palletization** -- The assembly of received product onto pallets to facilitate optimum storage efficiency or replace non-compatible pallets.

**Payload** -- Weight of the cargo being hauled.

**Performance Pricing** -- A pricing model that offers greater discounts for heavier shipments and/or shipments traveling greater distances.

**Physical Segregation of Inventory** -- Storage of customer product in a physically separate area away from other owner's product.

**Piggyback** -- Semi trailer built with reinforcements to withstand transport by a railroad flatcar.

**Pilferage** -- The theft in small amounts of goods, merchandise, or inventory.

**Pintle Hook** -- Coupling device used in double trailer, triple trailer and truck-trailer combinations. It has a curved, fixed towing horn and an upper latch that opens to accept the drawbar eye of a trailer or dolly.

**POE** - Port of Entry, generally referring to the place at which goods imported are cleared through the customs process.

**Positive Pay** -- The methods employed by financial institutions to ensure the validity of a check prior to funding or clearing the check for payment to the party making the demand. Normal methods employed confirm validity of the check number, account number, amount on the check, date range and other specified (negotiated) elements. Used in freight payment auditing activities.

**Pre Shipment Inspection** -- A requirement by either a consignee, or the destination country, to have goods inspected prior to dispatch to ensure conformity with purchasing conditions. Normally performed at the shipper's location and performed by an authorized third party organization approved by the destination party.

**Pre-Authorized RMA Form** -- Order shipping documentation which includes returns information and ship label with authorization for return. Used in instances when product can be returned without contacting a customer for authorization to return product.

**Prepaid Freight** -- Freight paid by the shipper to the carrier when merchandise is tendered for shipment that is not refundable if the merchandise does not arrive at the intended destination.

**Private Carrier** -- Business which operates trucks primarily for the purpose of transporting its own products and raw materials. The principle business activity of a private carrier is not transportation.



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SPEDIZIONI INTERNAZIONALI

**Product Disposition** -- Returned product can be dispositioned a number of ways, including as new to customer's inventory, return to vendor as stock balance or defective product, utilize auction, liquidation, destruction and "Green" disposal.

**Pro Forma Invoice** -- An advanced-notice invoice used for customs requirements, or to provide shipment information to a buyer or receiver.

**Pup Trailer** -- Short semi trailer, usually between 26 and 32 feet long, with a single axle.

## Q

**Quality Assurance** -- The process of evaluating the condition of product upon receipt, often based on the returns authorization reason code, to manage any discrepancies and ensure product standards are met.

## R

**Rail Trailer/Trailer on Flat Car (TOFC)** -- Acronym for the method of transporting specially outfitted trailers that can be lifted onto a railcar specifically designed to carry trailers.

**Rate Basis Point** -- The major shipping point in a local area; carriers consider all points in the local area to be the rate basis point.

**Re-Box** -- In case of damage or wear from shipping, product is repacked with all materials included into manufacturer boxes.

**Receiving** -- Arrival of inventory at a distribution center; the process of receiving involves door logging of delivery, visual inspection, count confirmation, recording of discrepancies and checking receipt against a Purchase Order.

**Reconsignment** -- A carrier service that permits a shipper to change the destination and/or consignee after the shipment has reached its originally billed destination and to still pay the through rate from origin to final destination.

**Reefer** -- Refrigerated trailer with insulated walls and a self-powered refrigeration unit. Most commonly used for transporting food.

**Relay** -- Common practice in the less-than-truckload industry, in which one driver takes a truck for 8 to 10 hours, then turns the truck over to another driver, Pony Express style.

**Relay** -- Terminal A motor carrier terminal that facilitates the substitution of one driver for another who has driven the maximum hours permitted.

**Repack** -- Packing of non-shippable containers into larger shippable boxes, protecting with void fill and sealing with shipping tape. Protects product during shipment and combines several smaller items into a single shipment to customer.

**Repair/Refurbish** -- Evaluating and testing returned goods with certified technicians to restore to working order and sell as refurbished. Product can be made available for sale through standard channels or auction sites, and is then warehoused

**Reserved Inventory** -- Systematic ability to set aside quantities of inventory by removing it from general availability.

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**Slip Sheet Breakdown** -- Unloads trailers or container which use slip-sheet pallets and breaks into individual units or complete standard pallets.

**Spares Management** -- Ability to locate spare parts for a manufacturer's warranty program.

**Speedsource Access** -- Utilization of Baserate, a freight rating and routing tool which will estimate the cost of the shipment by taking into account the shipment weight, dimension, origin and destination points, and shipping service level data.

**Staging** -- Setting aside discrepant returned product for timely disposition by partner

**Static Message** -- Allows a text message to be defined and printed on every packing slip.

**Storage** -- The housing of inventory in a secure, climate controlled facility.

**Straight Bill of Lading (SBL)** -- A bill of lading that is non-negotiable and for which the consignment is made directly to a particular consignee.

**Straight Truck** -- Vehicle which carries cargo in a body mounted to its chassis, rather than on a trailer towed by the vehicle.

## T

**Tandems** -- Pair of axles and associated suspension usually located close together.

**Tare/Tare Weight** -- The weight of an item's container and packing; or the empty weight of a vehicle or container.

**Tariff** -- The formal document published by a carrier to identify their pricing for services and also to publish the rules under which they will perform the services they hold themselves out for.

**Terms of Sale** -- The conditions under which the seller quotes a price to a buyer.



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**Through Bill of Lading** -- A single bill of lading covering both the domestic (inland) and international carriage of an export shipment.

**Ton-Mile** -- A freight transportation output measure that reflects the shipment's weight and the distance the carrier hauls it; a multiplication of tons hauled and distance traveled

**TL Carrier** -- Trucking company which dedicates trailers to a single shipper's cargo, as opposed to an LTL (Less Than Truckload) carrier which transports the consolidated cargo of several shippers and makes multiple deliveries.

**Tracking Number** -- A term most commonly utilized in relation with FedEx. A tracking number can be the waybill number, air bill number, bill of lading number, or other unique reference number for identifying a particular shipment. In motor carriage it would be referred to as a "Pro Number."

**Tracing** -- Determining a shipment's location during the course of a move.

**Trade Lane** -- The combination of the origin and destination points.

**Transit Time** -- The total time that elapses between a shipment's delivery and its pickup.

**Transmittal Letter** -- A letter from the shipper to its agent that lists the particulars of a shipment, the documents being transmitted, and instructions for the disposition of those documents.

**Transit Shipment** -- A shipment passing between one port and another, or between a port and a final destination

**Transshipment** -- The transfer of cargo from one conveyance to another.

**Trip Leasing** -- Leasing a company's vehicle to another transportation provider for a single trip.

**Triple Trailers** -- A combination of a tractor and three semi trailers connected by two converter dollies.

**Truckload (TL)** -- A shipment in which the freight completely fills the trailer or container. Often refers to the quantity of freight required to fill a trailer, usually more than 10,000 pounds.

**Twenty-Foot Equivalent Unit (TEU)** -- Standardized unit for measuring intermodal container capacity on ships, railcars, etc.

**24 x 7** -- Access to operations support, such as customer service call centers, available 24 hours a day, 7 days a week.

**Twin Trailers** -- Combination of a tractor and two semi trailers connected in tandem by a converter dolly.

## V

**Vessel** -- A craft designed for water transportation.

## W

**Weight Break** -- The shipment volume at which the LTL charges equal the TL charges at the minimum weight.

**Warehouse-to-Warehouse** -- A clause in a warehouse policy that defines when coverage begins and ends.

**Warfare** -- A fee charged for cargo passing through a pier or dock. (aka Warf age Fee)

## Y

**Yard Jockey** -- Person who operates a yard tractor.

**Yard Mule/Yard Tractor** -- Special tractor used to move trailers around a terminal, warehouse, distribution center, etc.

## Z

**Zone** -- A geographic area defined by zip codes. Usually relating to the distance from an origin point.