

Fold each printed sheet in half lengthwise. The left side of the document will list the term and the right side will list the definition. Tape or staple the open edges of your flashcards. Cut out your flashcards on the solid lines indicated and fold them on the dotted lines.

**Module8: Section A:
Transportation Fundamentals**

Term
transportation

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Definition

The function of planning, scheduling, and controlling activities related to mode, vendor, and movement of inventories into and out of an organization.

**Module8: Section A:
Transportation Fundamentals**

Term
terminals

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Definition

In transportation, locations where carriers load and unload goods to and from vehicles. Also used to make connections between local pickup and delivery service and line-haul service. Functions performed in [these] include weighing connections with other routes and carriers, vehicle routing, dispatching, maintenance, paperwork, and administration. [They] may be owned and operated by the carrier or the public.

**Module8: Section A:
Transportation Fundamentals**

Term
consignor

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Definition

The sender of a shipment in a contract of transport.

**Module8: Section A:
Transportation Fundamentals**

Term
consignee

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Definition

The receiver of a shipment of freight.

**Module8: Section A:
Transportation Fundamentals**

Term
carrier

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Definition

A company that provides air, sea, or land transportation services.

**Module8: Section A:
Transportation Fundamentals**

Term
agent

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Definition

One who acts on behalf of another (the principal) in dealing with a third party. Examples include a sales agent and a purchasing agent.

**Module8: Section A:
Transportation Fundamentals**

Term
third-party logistics (3PL)

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Definition

A buyer and supplier team with a third party that provides product delivery services. This third party may provide added supply chain expertise.

**Module8: Section A:
Transportation Fundamentals**

Term
fourth-party logistics (4PL)

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Definition

[This concept] differs from third-party logistics in the following ways: (1) [this type of] organization is often a separate entity formed by a joint venture or other long-term contract between a client and one or more partners; (2) [this type of] organization is an interface between the client and multiple logistics services providers; (3) ideally, all aspects of the client's supply chain are managed by the [this type of] organization; and (4) it is possible for a major 3PL organization to form [this type of] organization within its existing structure. See: third-party logistics.

**Module8: Section A:
Transportation Fundamentals**

Term

lead logistics providers (LLPs)

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Definition

Organizations that oversee the third-party logistics operations of their clients.

**Module8: Section A:
Transportation Fundamentals**

Term

broker

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Definition

An organization that helps match carriers to freight, adding value by helping the shipper and carrier obtain better rates and more fully utilize their capacity and equipment.

**Module8: Section A:
Transportation Fundamentals**

Term

freight broker

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Definition

An individual or organization who finds appropriate carriers for shippers needing transportation. The broker helps negotiate terms and administers most of the documentation.

**Module8: Section A:
Transportation Fundamentals**

Term

customs broker

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Definition

A person who manages the paperwork required for international shipping and tracks and moves the shipments through the proper channels.

**Module8: Section A:
Transportation Fundamentals**

Term

export management company (EMC)

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Definition

An organization that serves as a sales department for a domestic organization's international markets, earning commissions on completed sales. EMCs select distribution channels and markets, arrange promotional campaigns, analyze customer credit information, advise on payment terms, administer documentation, and collect international debts. They may also arrange transportation, provide warehouse space, manage export inventory, and provide break-bulk services.

**Module8: Section A:
Transportation Fundamentals**

Term

export trading company (ETC)

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Definition

An organization that typically purchases goods outright in one country for resale in a different country at a profit. The organization locates buyers and handles all inland and overseas transportation, documentation, and foreign government requirements. Some may perform these services without formally taking title to the goods.

**Module8: Section A:
Transportation Fundamentals**

Term

common carrier

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Definition

Transportation available to the public that does not provide special treatment to any one party and is regulated as to the rates charged, the liability assumed, and the service provided. [It] must obtain a certificate of public convenience and necessity from the Federal Trade Commission for interstate traffic. Ant: private carrier.

**Module8: Section A:
Transportation Fundamentals**

Term

modes of transportation

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Definition

A basic method of moving items. Modes include road, rail, air, water (ocean or inland waterway), pipeline, intermodal, and courier or parcel services.

**Module8: Section A:
Transportation Fundamentals**

Term

intermodal transport

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Definition

1) Shipments moved by different types of equipment combining the best features of each mode. 2) The use of two or more different carrier modes in the through movement of a shipment.

Module8: Section B: Road Transportation

Term
line haul

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Definition

The portion of a transportation journey that moves between two transportation terminals. It is distinguished from and excludes the pickup and delivery portions of a journey used to acquire or distribute LTL freight. For motor carrier transportation, the shipment is loaded in a semi-permanent trailer configuration that maximizes the amount of freight that each driver can legally haul over that portion of the journey. This may involve hauling multiple trailers.

Module8: Section B: Road Transportation

Term
motor carrier

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Definition

Motor vehicles that use the road mode of transportation.

Module8: Section B: Road Transportation

Term
freight rate

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Definition

In logistics, an established price for the transport of goods, based on any number of factors; e.g., distance, weight, measure, equipment type, package, or commodity.

Module8: Section B: Road Transportation

Term
less-than-truckload (LTL)

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Definition

1) A small shipment that does not fill the truck. 2) A shipment of insufficient weight to qualify for a truckload quantity rate discount (usually set at about 10,000 lbs.) normally offered to a general commodity trucker.

Module8: Section B: Road Transportation**Term**

truckload (TL) carriers

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Definition

Carriers that deliver/charge only for full truckload shipments.

Module8: Section B: Road Transportation**Term**

full truckload (FTL)

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Definition

An agreement to ship a minimum of an entire truckload or container load to a single customer. The cargo is typically homogenous and stays on the same vehicle from the origin to the destination.

Module8: Section C: Rail Transportation

Term
rail gauge

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Definition

The spacing of the width of the rails on a railway track, measured between the inner sides of the rails. In rail transport, this is a key parameter in determining interoperability, since all vehicles must have running gear that is compatible with the spacing. This can vary between countries and cause compatibility issues.

Module8: Section C: Rail Transportation

Term
piggyback

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Definition

Syn: trailer on a flatcar.

**Module8: Section D: Ocean and
Inland Waterway Transportation**

Term

International Air Transport Association (IATA)

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Definition

An international industry trade group that represents the interests of the airline industry.

**Module8: Section E: Ocean and
Inland Waterway Transportation**

Term

short-sea shipping

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Definition

A form of water transportation that does not cross an ocean, but instead utilizes coastal and inland waterways to move shipments from maritime ports to their destination. Often used as an alternative to road transportation.

**Module8: Section E: Ocean and
Inland Waterway Transportation**

Term

container

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Definition

A large box in which commodities to be shipped are placed.

**Module8: Section E: Ocean and
Inland Waterway Transportation**

Term

less-than-container-load (LCL)

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Definition

A shipment that occupies less than the maximum cubic or weight capacity of a container and therefore is shipped in the same container with other LCL cargo. See: less-than-truckload.

**Module8: Section E: Ocean and
Inland Waterway Transportation****Term**

full-container load (FCL)

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Definition

A container that has been filled close to its volume or weight limit, or that holds only one shipper's order and the shipper has requested it be the only order in the container. See: full truckload.

**Module8: Section E: Ocean and
Inland Waterway Transportation****Term**non-vessel-operating
common carrier (NVOCC)

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Definition

A consolidator of ocean freight shipments that operates similarly to a freight forwarder and issues its own bills of lading, thus acting as a carrier even though it does not own the means of transportation being used.

**Module8: Section E: Ocean and
Inland Waterway Transportation****Term**

barge

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Definition

A self-propelled, pushed, or pulled flat-bottomed ship for use in inland waterways. It is frequently used to transport bulk commodities.

**Module8: Section F: Intermodal
and Other Transportation Modes**

Term
multimodal solutions

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Definition

Transportation plans that involve multiple means of transportation and coordinate the physical and information requirements.

**Module8: Section F: Intermodal
and Other Transportation Modes**

Term
container on a flatcar (COFC)

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Definition

A specialized form of containerization in which rail, motor, and sea transport coordinate.

**Module8: Section F: Intermodal
and Other Transportation Modes**

Term
trailer on a flatcar (TOFC)

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Definition

A specialized form of containerization in which motor and rail transport coordinate. Syn: piggyback.

**Module8: Section F: Intermodal
and Other Transportation Modes**

Term
tariff

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Definition

An official schedule of taxes and fees imposed by a country on imports or exports.

**Module8: Section G:
Transportation Management**

Term
transportation management

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Definition

The process of executing requirements for the planning, scheduling, and budgeting of transportation assets, services, and related systems of the shipping process through delivery.

**Module8: Section G:
Transportation Management**

Term
network design

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Definition

1) In supply chain management, the design of a supply chain's sourcing, manufacturing, and distribution facilities and information flows to meet the organization's strategic goals. These strategic goals can include being efficient, responsive, customer-focused, or some other mix of priorities. The design includes determining the best locations, numbers, sizes, capacities, capabilities, and ownership models of facilities to support these goals. 2) In logistics, the design and periodic review of inbound and outbound transportation networks—all types of warehouses by number, location, size, layout, and optimum mix of inventory levels per location—to meet the organization's strategic goals. Considerations are made to balance tradeoffs between warehouse costs, transportation times and expenses, and customer service goals.

**Module8: Section G:
Transportation Management**

Term
stowability

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Definition

The ease or difficulty of loading, handling, and storage of shipping items. Used as a factor for determining shipment costs and classifying freight, it considers regulations, liability, and item characteristics (e.g., hazardous materials, excessive weight, irregular shape).

**Module8: Section G:
Transportation Management**

Term
business intelligence

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Definition

Information collected by an organization on customers, competitors, products or services, and processes. [It] provides organizational data in such a way that the organizational knowledge filters can easily associate with this data and turn it into information for the organization. Persons involved in [these kind of] processes may use application software and other technologies to gather, store, analyze, and provide access to data, and to present that data in a simple, useful manner. The software aids in business performance management and aims to help consumers make better business decisions by offering them accurate, current, and relevant information. Some businesses use data warehouses because they are a logical collection of information gathered from various operational databases for the purpose of creating [this].

**Module8: Section G:
Transportation Management**

Term
statement of work

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Definition

1) A description of products to be supplied under a contract. 2) In project management, the first project planning document that should be prepared. Describes the purpose, history, deliverables, and measurable success indicators for a project. Captures the support required from the customer and identifies contingency plans for events that could throw the project off course. Because the project must be validated for management, staff, and review groups, the statement of work should be a persuasive document.

**Module8: Section G:
Transportation Management**

Term
master contract

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Definition

1) A contract that lays out the general provisions of a long-term agreement and governs most of the details of future individual contracts or purchase orders for a period of time. 2) In relation to unionized labor, the contract between the labor union and the employer. Syn: master service agreement.

**Module8: Section G:
Transportation Management**

Term
cube rate

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Definition

1) A rate used to improve warehouse order picker productivity by placing items with smaller total cubic space requirements closer to the shipping area. A larger total number of items can be stored near the shipping area in this way, thereby reducing the aggregate order-picking travel time. 2) A freight rate calculated on cargo volume rather than weight.

**Module8: Section G:
Transportation Management**

Term
commodity rate

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Definition

A rate to ship a specific commodity across a specific origin-destination pairing.

**Module8: Section G:
Transportation Management**

Term
price elasticity

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Definition

The degree of change in buyer demand in response to changes in product price. Calculated by dividing the percentage of change in quantity bought by the percentage of change in price. Prices are considered elastic if demand varies with changes in price. If demand changes only slightly when the price changes, demand is said to be inelastic. For example, demand for most medical services is relatively inelastic, but demand for automobiles is generally elastic.

**Module8: Section H:
Transportation Administration**

Term
consolidation

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Definition

The grouping of shipments to obtain reduced costs or improved utilization of the transportation function. Consolidation can occur by market area grouping, grouping according to scheduled deliveries, or using third-party pooling services such as public warehouses and freight forwarders. Syn: freight consolidation. See: milk run.

**Module8: Section H:
Transportation Administration**

Term
bill of lading (uniform) (B/L)

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Definition

A carrier's contract and receipt for goods the carrier agrees to transport from one place to another and to deliver to a designated person. In case of loss, damage, or delay, [this] is the basis for filing freight claims.

**Module8: Section H:
Transportation Administration**

Term
bill of lading (master) (B/L)

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Definition

A bill of lading issued by carriers that are vessel owners, also known as steamship companies. See: bill of lading (uniform).

**Module8: Section H:
Transportation Administration**

Term
bill of lading (house) (B/L)

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Definition

A bill of lading issued by a non-vessel-operating common carrier (NVOCC), consolidator, or freight forwarder. It indicates the carrier's name and lists the master bill of lading. See: bill of lading (master).

**Module8: Section H:
Transportation Administration**

Term
freight bill

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Definition

A freight carrier's invoice for a shipment.

**Module8: Section H:
Transportation Administration**

Term
proof of delivery (POD)

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Definition

Carrier's records indicating the person signing for delivery with the date, time, and other related information.

**Module8: Section H:
Transportation Administration**

Term
bookings

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Definition

The value of all sales after discounts and rebates have been applied.

**Module8: Section H:
Transportation Administration**

Term
tracking

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Definition

The process of determining and reporting the location of a shipment throughout the supply chain channel.

**Module8: Section H:
Transportation Administration**

Term

electronic data interchange (EDI)

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Definition

The paperless (electronic) exchange of trading documents, such as purchase orders, shipment authorizations, advanced shipment notices, and invoices, using standardized document formats.

**Module8: Section H:
Transportation Administration**

Term

exception management

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Definition

The practice of responding only to issues or events that fall outside a predetermined threshold. Managers are prompted to respond to these critical matters first. This practice is often applied to management of budgets, projects, and risks. Sometimes referred to as management by exception.

**Module8: Section H:
Transportation Administration**

Term

demurrage

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Definition

The carrier charges and fees applied when rail freight cars and ships are retained beyond a specified loading or unloading time. See: detention, express.

**Module8: Section H:
Transportation Administration**

Term

detention

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Definition

Carrier charges and fees applied when truck trailers are retained beyond a specified loading or unloading time. See: demurrage, express.

**Module8: Section H:
Transportation Administration**

Term
freight settlement

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Definition

A document that compares the freight order invoice as received to the invoice as expected and authorizes payment if the documents are consistent.