

Module 8

Section A: Transportation Fundamentals

Term
Agent

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Section A: Transportation Fundamentals

Term
Broker

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Section A: Transportation Fundamentals

Term
Carrier

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Section A: Transportation Fundamentals

Term
Common carrier

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Section A: Transportation Fundamentals

Term
Consignee

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Section A: Transportation Fundamentals

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Consignor

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Section A: Transportation Fundamentals

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Customs broker

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Section A: Transportation Fundamentals

Term
Export management company (EMC)

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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.

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

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.

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

The sender of a shipment in a contract of transport.

The receiver of a shipment of freight.

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.

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

Module 8

Section A: Transportation Fundamentals

Term

Export trading company (ETC)

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Section A: Transportation Fundamentals

Term

Fourth-party logistics (4PL)

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Section A: Transportation Fundamentals

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Freight broker

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Section A: Transportation Fundamentals

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Intermodal transport

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Section A: Transportation Fundamentals

Term

Lead logistics providers (LLPs)

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Section A: Transportation Fundamentals

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Modes of transportation

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Module 8

Section A: Transportation Fundamentals

Term

Terminals

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Section A: Transportation Fundamentals

Term

Third-party logistics (3PL)

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[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.

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.

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.

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

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

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

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

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.

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Section A: Transportation Fundamentals

Term
Transportation

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Module 8

Section B: Road Transportation

Term
Freight rate

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Section B: Road Transportation

Term
Full truckload (FTL)

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Section B: Road Transportation

Term
Less-than-truckload (LTL)

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Section B: Road Transportation

Term
Line haul

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Section B: Road Transportation

Term
Motor carrier

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Section B: Road Transportation

Term
Truckload (TL) carriers

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Section C: Rail Transportation

Term
Rail gauge

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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.

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

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.

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.

Motor vehicles that use the road mode of transportation.

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.

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.

Carriers that deliver/charge only for full truckload shipments.

Module 8
Section C: Rail Transportation

Term
Trailer on a flatcar (TOFC)

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Module 8
Section D: Air Transport

Term
International Air Transport Association (IATA)

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Module 8
Section E: Ocean and Inland Waterway Transportation

Term
Barge

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Module 8
Section E: Ocean and Inland Waterway Transportation

Term
Container

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Module 8
Section E: Ocean and Inland Waterway Transportation

Term
Full-container load (FCL)

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Section E: Ocean and Inland Waterway Transportation

Term
Less-than-container/carload (LCL)

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Section E: Ocean and Inland Waterway Transportation

Term
Non-vessel-operating common carrier (NVOCC)

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Module 8
Section E: Ocean and Inland Waterway Transportation

Term
Short-sea shipping

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

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

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

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

1) A small shipment that does not fill the container/railcar. 2) A shipment of insufficient weight to qualify for a carload quantity rate discount.

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.

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.

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.

Module 8 <i>Section E: Ocean and Inland Waterway Transportation</i>
Term Twenty-foot equivalent unit (TEU)
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Module 8 <i>Section F: Intermodal and Other Transportation Modes</i>
Term Container on a flatcar (COFC)
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Module 8 <i>Section F: Intermodal and Other Transportation Modes</i>
Term Multimodal solutions
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Module 8 <i>Section F: Intermodal and Other Transportation Modes</i>
Term Tariff
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Module 8 <i>Section F: Intermodal and Other Transportation Modes</i>
Term Trailer on a flatcar (TOFC)
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Module 8 <i>Section G: Transportation Management</i>
Term Business intelligence
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Module 8 <i>Section G: Transportation Management</i>
Term Commodity rate
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Module 8 <i>Section G: Transportation Management</i>
Term Cube rate
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A specialized form of containerization in which rail, motor, and sea transport coordinate.

A measurement used to describe the carrying capacity of a cargo ship or a terminal's handling capacity. One [of these] equals a standard 20 ft. x 8 ft. x 8 ft. (length x width x height) shipping container.

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

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

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].

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

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.

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

Module 8
Section G: Transportation Management

Term
Master contract

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Module 8
Section G: Transportation Management

Term
Network design

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Module 8
Section G: Transportation Management

Term
Price elasticity

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Section G: Transportation Management

Term
Statement of work

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Module 8
Section G: Transportation Management

Term
Stowability

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Module 8
Section G: Transportation Management

Term
Transportation management

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Module 8
Section H: Transportation Administration

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

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Module 8
Section H: Transportation Administration

Term
Bookings

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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 among warehouse costs, transportation times and expenses, and customer service goals.

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.

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.

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.

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

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).

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

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).

Module 8

Section H: Transportation Administration

Term
Consolidation

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Section H: Transportation Administration

Term
Demurrage

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Section H: Transportation Administration

Term
Detention

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Section H: Transportation Administration

Term
Electronic data interchange (EDI)

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Section H: Transportation Administration

Term
Exception management

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Section H: Transportation Administration

Term
Freight bill

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Section H: Transportation Administration

Term
Freight settlement

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Section H: Transportation Administration

Term
Proof of delivery (POD)

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

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.

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

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

A freight carrier's invoice for a shipment.

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.

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

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

Module 8

Section H: Transportation Administration

Term Tracking

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