

Module 6
Section A: Understand Transportation Fundamentals

Term
Agent

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Module 6
Section A: Understand Transportation Fundamentals

Term
Carrier

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Module 6
Section A: Understand Transportation Fundamentals

Term
Common carrier

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Section A: Understand Transportation Fundamentals

Term
Consignee

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Section A: Understand Transportation Fundamentals

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Consignor

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Section A: Understand Transportation Fundamentals

Term
Customs broker

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Module 6
Section A: Understand Transportation Fundamentals

Term
Export management company (EMC)

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Module 6
Section A: Understand Transportation Fundamentals

Term
Export trading company (ETC)

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

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

1) The receiver of goods from a shipment of freight. 2) The party that receives goods from a consignor. See: consignor.

Transportation available to the public that does not provide special treatment to any one party and is regulated in regard to the rates charged, the liability assumed, and the service provided. In the United States, a common carrier must obtain a certificate of public convenience and necessity from the U.S. Federal Trade Commission for interstate traffic. Ant.: private carrier. See: for-hire carrier.

An individual or firm that manages the documentation required for international shipping and tracks and moves the shipments through the proper channels. Syn.: import broker.

1) The sender of a shipment in a transport contract. 2) The party that delivers goods to a consignee. See: consignee.

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. See: import merchant.

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.

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Section A: Understand Transportation Fundamentals

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Fourth-party logistics (4PL)

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Section A: Understand Transportation Fundamentals

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Freight broker

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Section A: Understand Transportation Fundamentals

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Intermodal transport

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Section A: Understand Transportation Fundamentals

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Lead logistics provider (LLP)

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Mode of transportation

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Multimodal solutions

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Section A: Understand Transportation Fundamentals

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Terminals

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Section A: Understand Transportation Fundamentals

Term
Third-party logistics (3PL)

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

A provider of logistics services as a supply chain partner. Fourth-party logistics (4PL) differs from third-party logistics (3PL) by being an interface between the client and multiple logistics services providers. In addition, it typically manages all aspects of the client's supply chain via a long-term contract. See: distribution warehouse, lead logistics provider (LLP), third-party logistics (3PL).

An organization that oversees the third-party logistics (3PL) operations of its clients. See: fourth-party logistics (4PL).

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. See: container on a flatcar (COFC), multimodal solutions.

Transportation plans that involve multiple means of transportation and coordinate the physical and information requirements. See: container on a flatcar (COFC), intermodal transport, trailer on a flatcar (TOFC).

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

A buyer and supplier team with a third party that provides product delivery services. This third party may provide added supply chain expertise. See: distribution warehouse, fourth-party logistics (4PL).

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

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Section A: Understand Transportation Fundamentals

Term
Transportation

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Section B: Identify Road Transportation Characteristics

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Freight rate

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Section B: Identify Road Transportation Characteristics

Term
Full truckload (FTL)

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Section B: Identify Road Transportation Characteristics

Term
Less-than-truckload (LTL)

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Section B: Identify Road Transportation Characteristics

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Line haul

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Section B: Identify Road Transportation Characteristics

Term
Motor carrier

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Section B: Identify Road Transportation Characteristics

Term
Truckload (TL) carriers

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Module 6
Section C: Identify Rail Transportation Characteristics

Term
Carload lot

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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 shipment of insufficient weight (typically less than 10,000 pounds) to qualify for a truckload (TL) quantity rate discount. See: less-than-container/carload (LCL).
2) A segment of the trucking industry used to transport smaller shipments (generally between 150 and 15,000 pounds) on mixed trailers hauling freight from multiple shippers.

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 transport goods using the road network.

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 less-than-truckload (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.

A shipment that attains either the minimum weight or size required to be shipped in a single railcar by itself from origin to destination. The carload rate charged by the carrier is based on its cost to move the entire loaded railcar from origin to destination instead of on the specific characteristics of the freight. This rate is generally lower than the corresponding less-than-carload rate for the shipment, which is based on the weight and the commodity to be hauled.

Carriers that deliver/charge only for full-truckload shipments.

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Section C: Identify Rail Transportation Characteristics

Term
Container on a flatcar (COFC)

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Section C: Identify Rail Transportation Characteristics

Term
Rail gauge

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Section C: Identify Rail Transportation Characteristics

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Trailer on a flatcar (TOFC)

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Section D: Identify Air Transport Characteristics

Term
International Air Transport Association (IATA)

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Section E: Identify Water (Ocean and Inland Waterway) Transportation Characteristics

Term
Barge

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Section E: Identify Water (Ocean and Inland Waterway) Transportation Characteristics

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Full-container load (FCL)

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Section E: Identify Water (Ocean and Inland Waterway) Transportation Characteristics

Term
Less-than-container/carload (LCL)

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Section E: Identify Water (Ocean and Inland Waterway) Transportation Characteristics

Term
Non-vessel-operating common carrier (NVOCC)

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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 because all vehicles must have running gear that is compatible with the spacing. However, this spacing can vary among countries and cause compatibility issues.

A specialized form of containerization in which rail, motor, and sea transport coordinate. See: intermodal transport, multimodal solutions.

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.: multimodal solutions, piggyback.

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 (FTL).

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

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.

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. As such, these shipments do not qualify for carload quantity rate discounts. See: less-than-truckload (LTL).

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Section E: Identify Water (Ocean and Inland Waterway) Transportation Characteristics

Term

Short-sea shipping

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Section F: Identify Multimodal, Multi-Stop, and Characteristics of Other Modes

Term

Container

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Section F: Identify Multimodal, Multi-Stop, and Characteristics of Other Modes

Term

Container on a flatcar (COFC)

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Section F: Identify Multimodal, Multi-Stop, and Characteristics of Other Modes

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Containerization

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Section F: Identify Multimodal, Multi-Stop, and Characteristics of Other Modes

Term

Multimodal solutions

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Section F: Identify Multimodal, Multi-Stop, and Characteristics of Other Modes

Term

Trailer on a flatcar (TOFC)

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Section F: Identify Multimodal, Multi-Stop, and Characteristics of Other Modes

Term

Twenty-foot equivalent unit (TEU)

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Section G: Implement Transportation Management

Term

Accessorial charges

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A large box used for shipping commodities and other goods. Containers are often used for intermodal and multimodal transportation, as they can be transferred to a cargo ship, train, or truck without handling the goods.

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. It is often used as an alternative to road transportation.

A shipment method in which commodities are placed in containers, and after initial loading, the commodities are not rehandled in shipment until they are unloaded at the destination. See: palletization, unitization.

A specialized form of containerization in which rail, motor, and sea transport coordinate. See: intermodal transport, multimodal solutions.

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

Transportation plans that involve multiple means of transportation and coordinate the physical and information requirements. See: container on a flatcar (COFC), intermodal transport, trailer on a flatcar (TOFC).

A bill for services, such as inside deliveries, that are made in addition to transportation charges.

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

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Section G: Implement Transportation Management

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Business intelligence

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Commodity rate

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Section G: Implement Transportation Management

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Cube rate

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Demurrage

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Detention

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Master contract

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Section G: Implement Transportation Management

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Price elasticity

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Section G: Implement Transportation Management

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Statement of work

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A common carrier rate to ship a specific commodity across a specific origin-destination route.

Information collected by an organization about customers, competitors, products or services, and processes. Business intelligence 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. Technology often is used to gather, store, analyze, and provide access to data in order to help consumers make better business decisions by offering them accurate, current, and relevant information. See: data warehouse.

1) The carrier charges and fees applied when rail freight cars are retained beyond a specified loading or unloading time. 2) Charges related to the amount of time that filled containers spend within a port terminal beyond the free time offered by the carrier. These charges are designed to limit the storage of containers at the port for an extended time. See: detention, express.

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.

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.

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

1) A description of products to be supplied under a contract. 2) In project management, the first project planning document that should be prepared. It describes the purpose, history, deliverables, and measurable success indicators for a project. It also 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. It is 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.

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Section G: Implement Transportation Management

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Stowability

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Section G: Implement Transportation Management

Term
Transportation management

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Module 6
Section H: Conduct Transportation Administration

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

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Section H: Conduct Transportation Administration

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

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Section H: Conduct Transportation Administration

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

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Section H: Conduct Transportation Administration

Term
Bookings

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Section H: Conduct Transportation Administration

Term
Electronic data interchange (EDI)

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Section H: Conduct Transportation Administration

Term
Exception management

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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 storing of shipping items. It is used as a factor for determining shipment costs and classifying freight. It considers regulations, liability, and item characteristics (e.g., hazardous materials, excessive weight, or irregular shape).

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

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 (B/L), bill of lading (B/L) (master).

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

A bill of lading that cannot be transferred but can only be delivered to the recipient named on the bill. See: bill of lading (B/L).

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. It is sometimes referred to as management by exception.

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

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Section H: Conduct Transportation Administration

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Freight bill

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Freight settlement document

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Proof of delivery (POD)

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Terms of sale

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Section H: Conduct Transportation Administration

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Tracking

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A document that compares the actual freight order invoice with the agreed-upon rate and authorizes payment if the amounts are correct.

A freight carrier's invoice for a shipment.

In international trade, the element of a contract that states the delivery and payment terms between a buyer and a seller. It includes when and where the transfer of goods will occur, documentation that is required, and liabilities for both parties while the goods are in transit.

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

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