



LTL freight shipping is among the most popular types of freight shipping available and has helped revolutionize the way the logistics industry operates. It's easier than ever for shippers and carriers alike to efficiently move more freight faster and for the most affordable rates. But how can you get in on the action? We've made this easy guide to mastering LTL freight shipping, so you can gain the best freight shipping practices and incorporate them into your supply chain.

## What is LTL freight?

LTL freight shipping, or less-than-truckload freight shipping, is the preferred service of shipping when your shipment is too large for a parcel carrier to handle but not large enough to take up all the available space on a full 48' or 53' tractor trailer. Usually, LTL freight shipping works best for cargo that weighs more than 150 pounds. Shipments are typically required to be palletized or crated for transit and share space on the trailer with other shippers' cargo on the same transit.



# What are the benefits of LTL freight?

Cost.

LTL freight shippers only pay for the weight of their shipment and the space it takes up in the truck. Since costs are usually determined by carriers based off dimensional weight, LTL freight rates are a fraction of <u>full truckload (TL)</u> freight rates. LTL freight shipping is seen as the most cost-effective service in the logistics industry.

2 Efficiency.

Because multiple shipments are loaded on the same truck and are on the same voyage together, LTL freight streamlines the shipping process and optimizes fleet capacity to move more cargo faster.

Tracking.

LTL freight shipment tracking is very simple and is ideal for shippers dealing with time sensitive shipments. Carriers may provide real time tracking keeping you constantly updated. You can also find tracking information by referring to your <u>Bill of Lading (BOL)</u> and on the shipment invoice with the shipment's reference/PRO number.

Eco-friendly.

The freight industry can be carbon emission releasing mayhem, but optimized LTL freight shipping actually helps reduce carbon emissions. The more capacity LTL freight carriers can fulfill in their fleets, the less trucks will need to be out on the road. And with more ways than ever to find shorter transit routes and by packaging using sustainable materials, LTL freight is helping the shipping industry go green.

## Accessorials (or extra charges).

Cost was mentioned earlier as a benefit of LTL freight shipping. But, without an understanding of accessorials, freight cost can quickly increase. Accessorials are addons or additional services requested that go beyond the basic services of LTL freight carriers. Some accessorials are required while others are just added services but knowing which accessorials you'll need (required) and when you'll need them helps you avoid costly billing adjustments.



Be sure to download our Easy Guide to Accessorials for more helpful insight.



## Some of the most common accessorials include:

## Liftgates.

Used to lift and lower cargo from curbside to trailer and vice versa. Only available on a certain amount of trucks, so requesting one when you need one is very important.

**Required** if shipping to or from a location that does not have a loading dock or forklift.

#### Residential services.

Delivery and pickup from residentially-zoned locations. These will require a liftgate accessorial since there is rarely a forklift or loading dock attached to people's homes.

**Required** if you ship to or from a residence, including home-based businesses.

### Limited access locations.

Areas where pickup or delivery is restricted or limited. Or areas that create additional time or labor demands for drivers like going out of their normal route area.

**Required** if you're shipping to or from most residential areas, home businesses, gated areas and government facilities.

## Inside pickup/inside delivery.

Freight is delivered curbside, not inside. Inside pickup and/or delivery is an additional service and is often misunderstood as a regular function of LTL carriers – it is not, resulting in extra charges.

**Not required.** If you want your freight picked up or delivered inside rather than standard curbside, you must request this service.



#### **IMPORTANT**

ACCESSORIALS MUST BE REQUESTED WHEN FILLING OUT AN INITIAL LTL FREIGHT QUOTE. If an accessorial is required for your shipment but not included on the invoice, this will result in billing adjustments because the required accessorials had to be added to your invoice after pickup or delivery.

# Factors affecting LTL freight rates.

How LTL freight rates are determined can be complex with a lot of moving parts and particular conditions. Controlling freight spend is much easier when you know what goes into freight rates and what factors affect LTL freight rates the most.



## Weight/Density/Freight Class.

These 3 factors work together and greatly impact the cost of LTL freight. In the LTL world, weight and density of a shipment determine the freight class of your cargo.



### Distance.

Origin zip code to destination zip code affects LTL freight rate, as it does for most of the shipping world.



### Accessorials.

Any required or requested specialty services going beyond the scope of the LTL freight carriers standard operating procedure will affect your LTL freight rate.



## Market conditions.

The LTL freight shipping industry has many economic factors that come into play that determine rates. The price of fuel, capacity requirements from carriers, supply and demand from freight shipping-reliant industries at different times of the year all play a part in LTL freight rates.



#### **NEED HELP?**

USE OUR FREIGHT CLASS CALCULATOR.



## The Role of Shipping Carriers.

The typical LTL freight carrier is responsible for loading up your shipment at point A and unloading it at point B. Most LTL freight carriers pickup from and deliver at multiple locations. Your shipment shares trailer space with other shipments. All pickups and deliveries are curbside unless otherwise specified during the quote process. There's a common misconception that LTL freight carriers are also movers. They only transport your shipment from the point of origin to the destination location. To avoid additional charges, any inside pickup or delivery services must be requested when filling out an LTL quote.

## **Best Practices.**

## LTL freight shipping.

There are plenty of insider tips you can use to optimize your LTL freight shipping experience. Just following some of these simple best practices can save you a fortune in unnecessary billing adjustments and help the LTL freight shipping process flow smoothly for everyone involved.

#### Book smarter.

Missed pickups and delayed deliveries are an unfortunate part of the LTL shipping experience. Sometimes, there is a disconnect between a shipper's expectations of the pickup and drop-off operating procedures and how LTL carriers actually operate. Two simple things you can do as a shipper when booking your shipment are:

- ➤ Know how and when to book. LTL carriers generally make deliveries in the morning and pickups in the afternoon. Schedule a pickup early in the morning, so it can be picked up later that same day. Following a step-by-step process on <u>accurately and competently</u> <u>filling out an LTL quote form</u> will save you a lot of time.
- → Communicate properly. The liftgate accessorial was mentioned earlier in this guide. If a driver arrives to a pickup destination and there's a need for a liftgate, but a liftgate wasn't requested during the quote process and there isn't one on the truck, the driver doesn't have to load your shipment. That leaves you with the hassle of rescheduling and paying more money. Know what you need at the time of pickup.

More best practices can be found in our <u>Guide to Missed Pickups</u> which gives a more in-depth look as to why missed pickups happen and tips to lower the risk of dealing with them.

## Package for success.

Packaging is arguably the most important part of the LTL freight shipping process. Since LTL shipments share capacity with other shipments, proper packaging helps avoid damaging your cargo or someone else's.

- → Properly palletize and crate. LTL shipments move through terminals and carrier distribution centers. Every piece of freight must be movable by forklift. Pallets are your friends, so know which ones will best fit your freight and get the job done.
- → Labels matter. Properly labeling your packages are just as important as properly securing them. Make sure all labels with information such as names and addresses are legible and laminated to be weather-resistant.

Our <u>Guide to Freight Packaging</u> offers comprehensive insight as to what types of packaging materials there are and more tips on properly packaging freight. There are also some good (and pretty funny) examples of what NOT to do <u>here</u>.





## Be accurate, honest and do your homework.

Estimating on weight and dimensions is a one-way, nonstop ticket to getting a billing adjustment on your invoice. LTL carriers verify all information given to them. Accurate information in quotes and on paperwork saves you money and helps logistics service providers get you the solutions you need.

- → Invest in an industrial freight scale. The cost of investing in a high-quality scale that will accurately weigh your freight will pay for itself when it saves you hundreds, maybe even thousands on adjusted invoices.
- → Have your paperwork in order. Make sure all your documents and billing information are accurate and updated. No misspellings, wrong labels or missing pieces.



## Partnering with a 3PL.

Ultimately, the best way to master LTL freight shipping is by outsourcing your shipping department to a <u>third-party logistics company (3PL)</u>. There are plenty of <u>benefits of partnering with a 3PL</u> like FreightCenter who can help with all of your freight shipping needs in one place.

The search for the right carrier and lane to service your cargo has never been faster and easier with the help of a transportation management system (TMS). FreightCenter's state of the art TMS centralizes a list of carriers, lanes and rates optimized to be the most efficient and cost-effective for your shipment, saving you loads of time and money.

And the personalized touch that shippers receive when working with a 3PL is undoubtedly what makes the difference between partnering with one and going it alone. Having an expert agent who can discover customtailored solutions for your shipments and can guide you through every step of the LTL shipping process brings peace of mind to your supply chain. You can spend less time worrying about shipping and more time running your business.

Leveraging the network <u>FreightCenter</u> has with carriers will help unlock your shipping department's maximum potential. Strong relationships and healthy business partnerships with carriers means discounted shipping rates that are passed on from FreightCenter to you.



# Glossary, Acronyms & Commonly Used Terms

#### Accessorial.

Any additional service that goes beyond the traditional operating procedure of LTL freight carriers. Includes liftgate services, delivery to and/or from residential or limited access locations and inside pickup and delivery.

## Bill of lading (BOL).

Paperwork that shows the customer, carrier, driver and 3PL official information related to shipping costs and transport information.

## Freight class.

Freight categorization defined by the <u>National Motor Freight Traffic Association (NMFTA)</u> that helps carriers formulate shipping costs. It also ensures shippers receive unbiased pricing when shipping freight.

### NMFC code.

A classification system made by the NMFTA. Every piece of freight is given an <u>NMFC Code</u>.

## Proof of delivery (POD).

Document signed at the time of delivery by the recipient of a shipment authorizing and confirming delivery and that no damage was caused to the freight.

## Weight and inspection (W&I).

The phase of a shipment where carriers verify the weight, dimensions and contents of a shipment. Any differences found during W&I and what was presented on the initial BOL will result in a billing adjustment for the shipper.



## Contact us.

## We're here to help.

Need to ship LTL? Get an <u>instant quote</u> or talk with one of our shipping agents about your LTL shipping options (800) 716-7608.

