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Rome Transportation Inc – White Paper Series

A Beginner's Guide to LTL

Collaboratively Written by the Rome Management Team

A Guide to Shipping LTL: A Best Practice Manual for First Time Shippers

What is LTL freight?

LTL (less-than-truckload) freight consists generally of smaller shipments that do not require the use or space of an entire truck-load trailer. This method of shipping has several benefits, including but not limited to its ability to reduce the transportation cost to the shipper and receiver. When shipping your freight as LTL instead of full truckload, the client pays for a portion of the space on a standard truck while other shippers do the same with their own LTL shipments on the available space - in the same trailer. When booking your LTL shipment, you pay for the space you use, as opposed to paying the full rate for a nearly empty, or even partially full trailer. Being able to optimize space in a trailer results in the transportation cost coming down significantly for each shipper. Like all aspects of transportation, it can be difficult to know if shipping LTL is the right move for your business. The below will assist with that conversation and help you decide if LTL shipping is the right call for you and your business.

5 Benefits of Shipping LTL

1. **Reduce Cost:** The largest benefit of LTL shipping is the cost reduction which we briefly touched on already. Shipping your freight as LTL allows you to reduce your shipping costs because the shipper pays for the weight and space that their shipments accumulate, while other companies do the same.
2. **Reduce Emissions / Environmental Footprint:** By shipping your freight as LTL not only are you reducing costs, but you are simultaneously reducing your company's environmental footprint. By using up only the space on the trailer that you require, while allowing other companies to do the same, transportation companies can optimize their trailer space, reducing the number of partially full trucks moving over the road. As the number of partially full trucks goes down, as does carbon emissions.

3. **Easier to track and trace your shipment:** Since the 2018 technological shift in the transportation industry, several changes to LTL practices have made it much easier to track and trace your shipment while it is in transit. ELDs (electronic logging devices) make real-time shipment visibility possible like never before. With the mandate in place and the transition beginning in 2015, nearly every truck on the road should have an ELD installed, meaning the chances of you being able to know exactly where your shipment is and when, are greater than ever. In addition to the ELD implementation, driver and dock handhelds are a more recent technological advancement that will prove to be extremely helpful for those looking to trace their LTLs. Using their handhelds, truck drivers are able to provide updates after pick-ups and deliveries. Most driver will even send updates when they arrive at a shipper, and leave a shipper, and well as when they arrive at a consignee, and when they depart. This shift in the industry becomes increasingly important as we evaluate how negatively late shipments and unreported delays can impact day-to-day business in the supply chain. By choosing to ship your product as LTL, there are several additional tracking and tracing facets available to you, as a shipper or a consignee.

4. **Additional Services:** Shipping with LTL carriers can often open doors for special services that FTL carriers cannot provide. Though these will always come with a little bit of an added cost, accessorial charges such as liftgates, inside pick-ups and deliveries, expedite, etc. are all features of LTL shipping that FTL carriers unfortunately can't deliver.

5. **Improves Security and Reduces Risk:** When preparing your freight to ship, it traditionally (but not always) will be skidded, wrapped, or crated. When shipping LTL, packing your freight on skids and crates is the easiest way to ensure that your freight will arrive in the same condition that it shipped. When your shipments are packed tightly and sturdily, you minimize the chance of loss and damage, compared to that of small parcel shipping, or shipping a small load, in a large, empty trailer.

Requesting your LTL Freight Quote

Should you decide that shipping LTL is the right call for your business model, you can proceed with getting your freight quote from your 3PL broker. Being familiar with transportation requirements and your own freight will allow for concise and accurate conversations with your 3PL. It will also help your 3PL get you the best and most accurate price, while avoiding the risk of extra charges and bill increases, as all of the costs will be upfront for all parties before the freight ships. In order to get the most accurate price for your requirements, you will need to provide (in most cases):

- The Commodity – what is your freight?
- The Weight of the Shipment – either by piece, or in total.
- The Dimensions – the length x the width x the height of the shipment
- The type of pieces you're shipping – Skids? Crates? Totes? Reels? Bundles? Etc.
- Freight Class – not required but can be helpful
- Will your shipment require any “extras” – tailgate on pick up or delivery? Expedite? Etc.
- Is your shipment moving from a business, to another business? ** Note a farm is not a business.

With this information, your Rome representative will be able to get your LTL freight quote back to you efficiently, but more importantly, effectively and accurately.

Some Helpful Tips and FYIs

- Major city hubs will almost always have reduced and cheaper rates than surrounding and satellite cities.
- LTL Service times are always estimations, **never guarantees, unless otherwise agreed upon.**
- Freight should always be skidded when possible.
- LTL deliveries will typically be done in the morning unless requiring an appointment, and pickups done in the afternoon.
- LTL freight is handled more as it is moved from truck to truck to reach its destination. It is important to ensure that equipment is **properly packaged for the rigors of transportation** (crated if necessary, wrapped, reinforced, packed tightly)

- **Truck Availability:** When rates are based on availability, there is no guarantee that the truck will be there if the freight is in the quoting stage. This is not a major concern in major city hubs, but remote areas will make availability scarce. Your Rome rep will be able to advise you of the best options to fit the specific needs of your shipment.
- **Receiver contact information:** Due to the unpunctual nature of LTL shipments, having contact information and receiving hours for every delivery can avoid the potential of missed delivery attempt charges.

A Note on Additional Charges

One of the risks with LTL shipping is the potential for extra charges. While we tend to think that waiting time or over-weights are the only additional charges that can be applied to us, after the shipment picks up. The reality is that there are several additional charges that can be applied, *if* they are not upfront or known about ahead of time. Below is a list of potential charges that can be applied when freight is being picked up or delivered. Having full information about the shipping/receiving location can allow for these extra charges to be quoted upfront. Every carrier will have different rates for extra charges. There is no industry standard, however, charges are typically the same from carrier to carrier. This list can help you get a better idea of what sort of things need to be mentioned upfront, at the time that you are obtaining your freight quote from your Rome representative:

- Missed Pickup
- Missed Delivery
- Tailgate pickup/delivery
- Driver Assist
- Inside delivery
- Appointment pickup/delivery
- Residential delivery (includes but is not limited to home-based businesses, condominiums, apartments, camps, dormitories, estates, farms, ranches, rectories and other locations where the premises on which a dwelling for living is located)
- Dangerous good/ Hazardous Material

- Storage fees (when freight is being held at a warehouse after repeated deliver attempts)
- Non-stacking
- Limited access (apply to schools, universities, colleges, country clubs, military bases, nuclear power plants, hotels, prisons, correctional facilities, airports)
- Expedite

Shipping LTL can seem overwhelming at first, but with the help of your Rome expert, it can easily be done. Reach out to your rep today for all your LTL questions or needs.
