

AMTR at the NARS 2015 Annual Meeting

Join us May 27-28 at the Drake Hotel

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Come join us at the National Association of Rail Shippers (NARS) 2015 Annual Meeting May 27-28th, 2015 at the historic Drake Hotel, which has inspired wonder for nearly a century. This year's theme is "Discover the Possibilities", and American Truck & Rail Audits, Inc. is a proud Platinum Sponsor of this premiere event.

Featured speakers include the Presidents of both the BNSF and Norfolk Southern Class 1 Railroads. Representatives from all 5 Regional Associations will be in attendance, as well as a distinguished panel of logistics executives representing chemicals, grain, silica sand, and short line rail services.

As an exclusive Platinum Sponsor, American Truck & Rail Audits, Inc. will have a dedicated information table accessible throughout the event, educating shippers on the value of our exclusive Smart Auditing® services, including our premier After-Payment Freight bill auditing program. Come by and see John Via, VP of Sales & Marketing, and let him show you how our Discover, Recover, and Educate process can help you "Discover the Possibilities" of hidden savings in your freight budget!

The Consequences of an Incomplete Bill of Lading

An incomplete bill of lading can make your freight charges significantly higher.

The bill of lading is probably the most important document associated with motor carrier shipping. The three main purposes of a bill of lading are to act as evidence of a contract of carriage, document of title to goods shipped, and receipt of goods shipped. Many shippers underestimate just how important it is to thoroughly and completely fill out one of these documents; neglecting to include certain information may cause freight costs to rise significantly.

A Uniform Straight Bill of Lading is a standard bill of lading template used by a particular carrier or shipper. Generally, these contain fields which request the same general information. These documents typically contain a section to include the following shipment characteristics: Handling Units (Number and Type), Packages (Number and Type), Hazardous Materials Information, Description of Articles, Weight, Class or Rate, and Cube. Often, shippers include only the bare necessities—just enough to get the load shipped. However, with LTL shipping in particular, all of these characteristics can be extremely important. Many NMFC items include different sub items or groups which are based on such factors as package type, density, dimensions, or hazardous materials type. A failure to include the necessary information will often lead to the application by the carrier of the highest class under the applicable NMFC item.

Another essential piece of information included on bills of lading relates to freight payment responsibility. While some bills of lading state that freight charges are automatically prepaid unless indicated as collect, other bills of lading state the opposite. Some bill of lading types do not state a default manner of freight payment; in this case, payment responsibility will be based on the carrier's rules tariff.

Additionally, most bills of lading include an area for the shipper to indicate the released value of the items shipped. This area is often overlooked by shippers, and the consequences may be costly. Certain NMFC items contain sub items which are based on the released value of an item. A failure to indicate the released value will usually result in the application by the carrier of the highest class found under the NMFC item which applies to the product shipped.

Certain accessorial charges are required to be requested in writing on the bill of lading, such as protect from freezing service. In order to ensure that the service is carried out, many carriers require that a certain phrase be indicated on the bill of lading in a certain way or in a specific area. Liftgate service often needs to be specifically requested on the bill of

lading. Obviously, these services may be requested after the bill of lading has been transmitted to the carrier, but as is the case with most things, it is always better to have it in writing.

As you can see, the information a shipper provides on a bill of lading can make a huge impact on freight charges. So how can you protect your company from class, freight payment responsibility, and accessorial charge errors? Include as much information as is available on your bills of lading and let AMTR review your freight bills.

Every missing piece of information has the potential to cost you extra. Let AMTR protect you from these extra costs with our signature freight auditing program. We are bill of lading experts and will utilize all possible information in order to ensure recovery of overcharged funds.

Transportation Funding Map-21 Funding to Expire May 31st

The current highway investment bill, Map-21, is set to expire on May 31st. This bill was signed into law in July of 2012 to provide \$105 billion in funding for surface transportation programs for fiscal years 2013 & 2014. Map-21 was originally set to expire in September of 2014; however, an extension was granted through May 2015.

It is no secret that many are concerned about our highway infrastructure and lack of funding, from Congress to carriers and shippers alike. How can manufacturers remain competitive in an "I want it now" market while highways, bridges and tracks continue to deteriorate? Instead of moving forward into the 21st century with plans and funding, we are scrambling to fund resolutions. Making an investment in repairing our transportation infrastructure is making an investment in the future of manufacturers, shippers and the economy.

If bridges, highways and rail tracks are closed because they are no longer deemed adequate for use, just imagine the chaos of getting your rail cars or motor carrier to your facility for shipping and receiving. Imagine the congestion that will be caused in areas that are already overwhelmed by traffic. On top of that, all of the extra weight and traffic imposed on the useable bridges, highways and rail tracks will wear them down quickly and may eventually put them out of use, as well.

So how could this affect your shipping costs?

All of these things amount to slower movement and the eventual collapse of transportation infrastructure, but until that collapse occurs, shippers will continue to pay the high cost of extra mileage and fuel as carriers maneuver around closures to pick up shipments. Manufacturers may find themselves losing millions of dollars as they shut down plants because carriers cannot deliver the necessary raw products in a timely manner. Additionally, plants may be forced to halt production because they have created plenty of product but are still waiting on carriers to pick up and deliver product.

Although the collapse of our transportation infrastructure could take years, the time to approve a long term highway spending bill is now. The effect will be significantly less devastating if we can keep our highways, bridges and rails functional while doing repairs rather than trying to fix them after they are out of commission.

Written by Nicole Bolton

Freight quotes: A good thing or a bad one?

Obtaining a quote before shipping can be a great way to save money on a potentially costly load. Quotes are often used for shipments with certain special characteristics, such as time critical moves, low-density products and high-volume loads, to name a few. Sometimes shippers also request quotes on regular LTL shipments under the assumption that freight charges will be lower than what their contracted rates allow. However, this is often not the case. The carrier may be working under the assumption that the shipper is requesting a quote because they do not have applicable pricing, and therefore may apply higher charges. Many shippers' contracts contain provisions for rating density minimum charge, cubic capacity and expedited shipments. The rates prescribed in these items may or may not take precedence over quoted rates, depending on what the pricing and the quote instructions state.

Conversely, a shipper may be quoted a better rate than what their contract allows. Consult the carrier's rules tariff for information regarding quotes. Here you should be able to find what information needs to be indicated on the bill of lading to ensure that the quoted rates are applied correctly. Often carriers require that the quote number be indicated on the bill of lading, and sometimes the quote amount, as well.

The bottom line is: sometimes it is advantageous to obtain a quote and sometimes it is not, but you are not necessarily bound to the rate which was quoted to you. This is why a freight audit by AMTR is highly valuable. We are experts in contract verbiage and precedence of rates so you can always be sure that you are not overpaying.

Quote

Even when you think you know everything...

Real knowledge is to know the extent of one's ignorance.
—Confucius

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