Logistics: Freight Carriers
Introduction

Kenneth Kobus
Director of Logistics, Charles River

September 3, 2014
How To Categorize Freight Carriers?

- Parcel/Express
- Courier
- Specialty Courier
- Air Freight Forwarder
- Ground
  - Dedicated Contract Carrier
  - On-Demand Carrier
  - Less-Than-Truckload (LTL)
  - Truckload (TL)
  - Inbound
Parcel/Express

• Typically FEDEX and UPS (although others exist)
• Characteristics
  – Small envelopes and packages
  – Restriction-no animals unless charter/forwarder
  – Used frequently for biological material shipments
  – Typical next day and 2\textsuperscript{nd} day deliveries
  – Global service area
Courier

• Typically a local ground courier
• Characteristics
  – Small vehicles (Vans)
  – Non-Temperature controlled
  – Same Day or next day service
  – Small envelopes and packages
  – May handle small animals
  – Local service area
  – May act as an air freight forwarder
Specialty Courier

• Typically regional (some global) couriers using commercial airlines

• Characteristics
  – Temperature Controlled Shipments
  – Will handle live animals
  – Books each shipment with commercial airlines on a next flight out (NFO) basis on an individual shipment-by-shipment basis.
  – Generally has own local pick-up and delivery vehicles (some temperature controlled)
  – May or may not operate as a Broker (for customs clearance)
  – Generally has own offices in regions or global
Air Freight Forwarder

• Typically a global company utilizing pre-booked space on commercial airlines

• Characteristics
  – Temperature Controlled Shipments
  – Some will handle Live Animals
  – Generally does not have its own pick-up and delivery vehicles (uses ground agents in each location)
  – Generally does not have its own offices in each location (uses agents in certain locations)
  – Books pre-set space with commercial airlines and generally consolidates shipments from multiple shippers
  – May or may not act a Broker (for Customs Clearance)
  – Global service area
  – Airport-to-Airport, Door-to-Door, Airport-to-Door, Door-to-Airport Services (ground delivery implications)
Ground

• Dedicated Contract Carrier
  – A carrier that has an established contract with a shipper for a defined set of schedules and number and type of vehicles (contract will establish service area, whether live animals and temperature control is required)
  – Vehicles outfitted for transporting animals
  – Will carry other freight but not at same time as animals
  – Some large breeders and other high-volume shippers may utilize a private fleet designed similarly as a Dedicated Contract Carrier
Ground

• On-Demand Carrier
  – A carrier, usually with smaller trucks handling shipments on an on-request basis (some with temperature control and some with live animals)
  – May be additional services provided by the Dedicated Contract Carrier
  – Pricing is generally high due to special nature of the shipment (timing, animals, etc.)
Ground

• Less-Than-Truckload (LTL)
  – A common carrier that will handle small shipments. Service is generally 2-5 days regionally. Live Animals and temperature control are generally not handled

• Truckload Carrier (TL) On-Demand Carrier
  – A common carrier that will handle large shipments in a full trailer (some with Teams {2 drivers}). Service is generally 2-4 days regionally. Live animals and temperature control may be available
Ground

• Inbound Carrier
  – May be any one of the above carriers performing work from a supplier inbound to your location. Some providers may be a 3PL (see Appendix).
Appendix

• Other Transport Providers
  – Airlines (most do not work directly with shippers)
  – Air Charter (to charter an airplane)
  – Ocean Forwarder (books shipment with ocean carriers)
  – 3PL (Third-Party Logistics Provider) that manages carrier relationships for shippers vs. shipper itself
  – Customs Brokers who provide customs clearance work
  – Freight Brokers who book shipments with carriers
  – Others who have systems or consulting services
  – Private Fleet (company owned and operated)