

TOP 15 LTL SAVINGS TIPS



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Make sure all packaging materials meet the requirements set forth in the NMFC. Proper packaging can minimize freight damage.

- Hone your packaging process. Evaluate strategies to increase density to provide better ROI on packaging dollars.
 - Ensure that all merchandise is packed securely with protection on all sides to minimize cargo claims potential.
 - Pack all freight with minimal empty space to avoid having your freight reclassified at a higher class because of lower density. Maximize space on the pallet.
 - Reuse your packing materials. It's easy to save and reuse bubble wrap, packing peanuts, air pillows and other packing materials. Anything you save and reuse is something you don't have to buy.
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Stack freight securely on pallets ensuring cartons do not overhang the edges of the pallet.

- Create pallets that have flat tops.
- Never use freight cones on top of pallets to prevent stacking on top. Don't pyramid boxes to prevent stacking on top. This interferes with trailer volume efficiency and most often leads to being charged for the unusable space.
- Pack to the pallet edge and to the height requirement.
- Attach freight to the pallet otherwise it can slide and get damaged. This delays delivery and costs money in claims. Shrink wrap freight to the pallet.
- Use lighter but stronger packaging materials that will not bulge or expand. This will ensure that the dimensional weight remains exactly as you have calculated it at the time of packaging.

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Freight trailers can accommodate pallets 96 inches tall. If the freight is truly non-stackable, then fully utilize the space from floor-to-ceiling where possible.

- If stackable, keep pallets to 48-50 inch maximum height (the height of most stackable pallets). Then pallets can be loaded in conjunction with the others allowing the carrier to use all of the space on a trailer.

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Avoid sticker shock. Make sure the destination of your freight is a direct service point for your carrier (or be sure your pricing applies on interline points). It is the payer's responsibility to know the pickup requirements of the shipper or the delivery requirements of the consignee.

- If a liftgate or limited access delivery is going to be required at destination, this needs to be known when the quote is performed to avoid invoicing surprises.
- With the increased use of handheld driver devices and third-party SaaS applications, these shipments should be located.

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Use the right shipping mode. If you have a single piece that weighs 30 pounds, the cost of shipping it via an LTL carrier will generally far exceed the cost of a package carrier.

- Truckload is always cheaper than LTL assuming you can fill load.
- Volume LTL/Spot Rates: For YRC Freight, spot volume rates are available for shipments occupying as few as three pallet spots (eight linear feet on the trailer) and up. The spot rate may be lower than an LTL rate, particularly if it is a backhaul.



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Don't estimate shipment weight. Enter the correct weight for the freight including the pallet weight. Rounding to broad numbers (like 1000) will guarantee the shipment will be re-weighted by the carrier.

- Also note that if a shipper underestimates the weight, it may end up costing more than imagined. The carrier can send the shipment through a Dimensioner to calculate the cubic volume.

If the weight is understated, the density will be lower. This could move the freight to a higher, more expensive, shipping class.

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List the correct NMFC Item Number on the BOL including the proper sub. Include the actual class (not FAK class) and the correct NMFC description. Omitting this information will send the freight through a Dimensioner and/or a W&I Supervisor.

- It is very important as a shipper to understand freight class. Getting it wrong can be costly. Classify your item correctly.
- Triple-check the bill of lading before signing. It's your signature on a legal document, so check it.



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Single bill pickups are costly for carriers. If possible, try to arrange for a pickup when there are two or more shipments. This eliminates being subject to a Single Shipment charge and the cost of the pickup is spread across multiple shipments.

- Ship more product, less often. It is a lot cheaper to ship six pallets once than to send two pallets every two days.
- Ship on off-peak days. Shipping a day later or earlier can yield measurable savings. Shipping off-peak is an option for shippers of non-consumer type products.
- When arranging for a pickup, let the carrier know how many pallets you have to be picked-up. If additional orders are received during the day, inform the carrier so they send a trailer with enough room to accommodate your freight.
- Ship early to avoid holiday crunches. Avoid delays and expedited costs by shipping at least a week early. Carriers slow down as employees take time off work for the holidays. Don't wait to send your shipments.

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Be sure your freight is ready to go before scheduling the pickup. This helps minimize waiting and loading time and allows the driver to get back on the road as soon as possible. Time lost when freight is not ready is money wasted.

- Develop a reputation for loading quickly. If a carrier knows they are picking up at a spot where cargo will get loaded faster, it affects the price and encourages the carrier to work with that shipper. Consistent load time performance and operating efficiently saves money.



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Look for carriers based near your ship-to points. This way your load is more likely to become a backhaul with a lower rate. Factor distance into your shipping decisions.

- Cross-docking velocity: Is there a need to forward store products to closer locations to your customers to support same day/next day buyers?
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Understand carrier liability. This allows reductions in losses due to limitations in liability.

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COMPLIANCE MATTERS: Are you monitoring internal freight decision-makers to ensure they are optimizing freight decisions (versus playing favorites)? Have you converted your inbound shipment from “Prepaid” to “Collect”?

- This can help you avoid paying supplier markups and taxes on your inbound freight.
- Once you have converted your POs to instruct “Inbound Collect,” monitor supplier compliance to ensure approved carriers are utilized.



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Forging a more “vested partnership” with a transportation management provider often leads to cost-savings opportunities.

- Share your data and allow them freight optimization opportunities. Volume commitments can often lead to better savings than running frequent RFPs and spreading your volume across too many freight suppliers.
 - Perhaps this partner can offer you a free TMS portal for your internal stakeholders to use and better manage shipment activity.
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Customer-Partner Reviews: Have the right stakeholders involved and meet frequently. These collaborative meetings are critical for making issues go away and finding new opportunities for mutual optimization.

- Educate your partners in your reviews as to what is happening in your industry.
 - Your partner should use this education to offer new ideas and strategies leading to more market competitive advantages.
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Discuss System Integration with your carrier. Are you striving for a paperless freight program such as electronic proof of deliveries and invoices?

