## Why You Need TL and LTL Shipping in Your Freight Strategy

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Grow your business with a winning LTL freight carrier and a better shipping strategy.

Freight



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Creating consistency in your supply chain when dealing with varying delivery volumes is a challenge for small businesses and established brands alike. If you're looking for a more efficient and flexible way to transport your goods to your customers, less-than-truckload (LTL) shipping might be the answer. This method has long been recognized as a flexible way to transport smaller amounts of freight, and it's only <u>gaining in popularity</u>.

Before you jump over to LTL shipping, it's important to understand if it makes sense for the size, weight and type of goods you're planning to ship. Today's LTL shipping industry is leaner, more efficient and better equipped to go beyond its traditional role as "just" a transportation provider. A growing number of LTL providers have become problem solvers, armed with new capabilities for out-of-the-box ideas and efficiency.

Knowing more about LTL shipping will help you determine if this freight method makes sense for your business.

#### In this ebook, you'll learn:

- · LTL vs. TL: Differences and similarities
- · Business benefits of an LTL shipping carrier
- Common LTL freight shipping terminology
- LTL freight forwarding shipping: Key trends on the rise
- Reverse logistics: Streamline and simplify yourfreight supply chain
- · Looking for specialized freight logistics services?
- · What to look for in your shipping logistics provider
- Become freight supply chain-savvy

## LTL vs TL: Differences and similarities

Less-than-truckload (LTL) shipping is a method of transporting goods that do not require a full truckload. With smaller-sized LTL shipments, carriers consolidate cargo from many different shippers that are moving goods in a similar direction, allowing shippers to **pay only for the portion of the LTL truckload they use**. The cost to ship with LTL freight carriers is based on a number of factors, including space used, weight, pickup and destination locations and the class of items being shipped. **Truckload (TL)** shipping means the truck carries one dedicated shipment to its destination, and one shipper has exclusivity to the entire truckload. The truck will pick up at one origin point and drive straight to its final destination with minimal stops.



#### LTL can be beneficial for your business because:

- You only pay for the space you use and the weight of your shipment
- LTL carriers are able to fill underutilized space with any other shipment
- LTL freight tends to have a bit more flexibility when it comes to delivery time



#### TL shipping is ideal for you when:

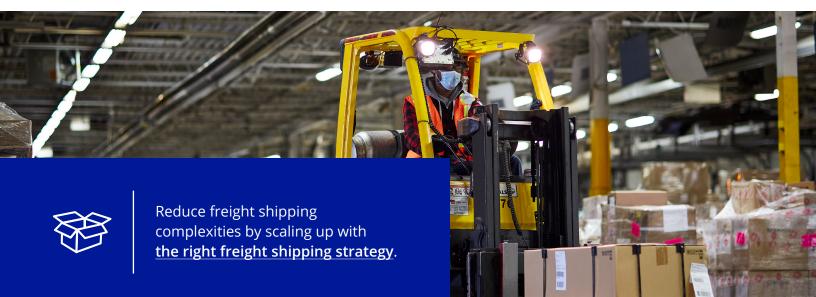
- You need an entire truck that's exclusively dedicated to your shipment
- Your shipment doesn't fill the entire truck, but you want to reserve the full capacity of the truck, making it a premium option compared to LTL
- You need an A to B location delivery

#### LTL and TL similarities

- The two freight transportation methods mainly rely on road transport
- They both make use of tautliner trucks, although vans may be used for some LTL freight
- Palletized freight is the primary type of cargo shipped by both modes

#### The bottom line

LTL shipping is an efficient way to transport smaller shipments. If your shipment doesn't fill an entire truck, you should consider looking into LTL. Understanding the differences between LTL and TL will help you, regardless of whether you need a single quote or if you're looking to optimize your overall freight strategy.



### Business benefits of a LTL shipping carrier

TL freight shipping can put a strain on your budget if it's not the right fit for your freight needs. Additionally, expedited LTL shipments often have faster delivery times. Here are a few of the main reasons that shippers choose LTL freight when shipping goods:

You won't pay for unused cargo space Without using the entire truckload, companies only have to pay for the space they're using. This is perfect for small businesses, who tend to ship fewer goods. LTL shipping allows small business owners to ship their goods without paying for unused space.



A model that fits small businesses, operational flexibility Because they tend to ship fewer goods and spend less money on freight than larger companies, LTL shipping often makes more sense for small businesses.

#### Ideal for e-commerce

E-commerce is now the norm, and businesses need to meet customer expectations with streamlined shipping solutions. You can bypass the need to fill a full truckload with expedited LTL shipments to ensure your freight arrives on time.

#### Residential vs. commercial

LTL freight shipping can even be used for residential shipping with the help of specialty lift gate services. TL shipping is exclusively used for commercial purposes only.

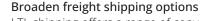
#### Specialty services

Access services that may not be available with TL shipping. These options can include lift gates, expedited shipping, inside pick-up and delivery, protection from freeze\* and special handling.



#### Send smaller shipments

Some companies delay shipments until they have achieved TL status. However, opting for LTL freight shipping is more effective in the long run, as it can result in reduced shipping times.

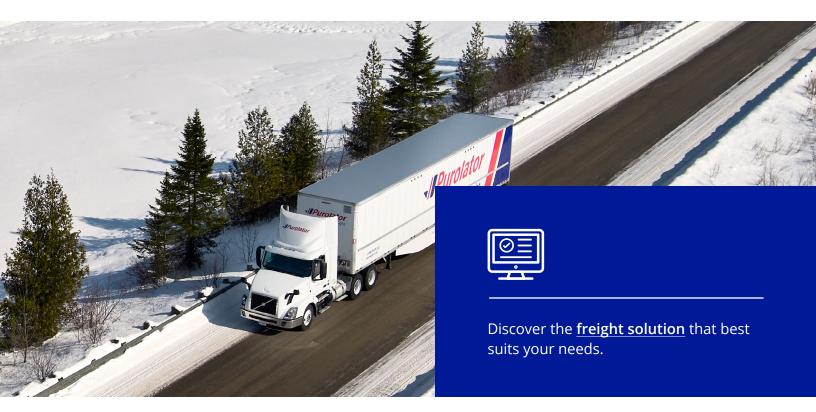


### LTL shipping offers a range of convenient options

such as inside delivery, residential pickup and lift gate services. These options can greatly simplify the shipping process for small and mid-size businesses.

#### Scale up for better e-commerce options

It's essential for retail businesses of all sizes to offer an e-commerce delivery solution. By collaborating with a reliable shipping and logistics partner for LTL shipping, businesses can streamline their shipping process and build an effective e-commerce fulfilment strategy.



\*Protection from freeze freight service. Limitations and exclusions apply. Contact us for more details.

### **Common LTL freight shipping terminology**

With so many acronyms and unique terms, keeping track of definitions can be challenging when it comes to freight shipping. Take a look at our list to familiarize yourself with the basic terms you'll come across.



Accessorial charges: Fees incurred when the carrier performs additional services that were not included on the bill of lading. This often includes services like a redelivery, after-hour delivery, inside and limited access delivery, lift gate use and so on.



**Customs broker:** A person or company who is licensed to act on behalf of importers or exporters during customs transactions.



**Freight:** Any shipment that weighs more than 150 lbs and is being transported by truck, train, ship or plane.



Dangerous goods (DG): Shipments that are subject to government regulations because they may pose a risk to health, safety, property or the environment. Dangerous goods are not always obvious, and many items are, or contain regulated substances.



**Transportation Management Systems (TMS):** An all-in-one logistics platform that helps carriers plan and optimize the transportation of freight. It also makes sure that shipments are authorized with the required documentation.



**Bill of lading (BOL):** A legally binding contract (either on paper or digitally) between the shipper and the carrier that determines the precise details of the arrangement, including what's being shipped, how it's being shipped and who it's being shipped to.

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**Consignee:** The individual who is financially responsible for the shipment. Usually, the consignee is the same person as the receiver.



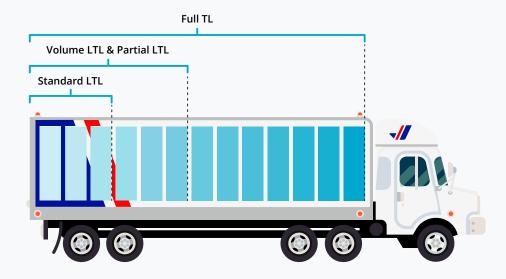
**Dimensional weight:** The amount of space a shipment takes in relation to its weight. This is the typical calculation used to determine a portion of the cost of freight shipments.

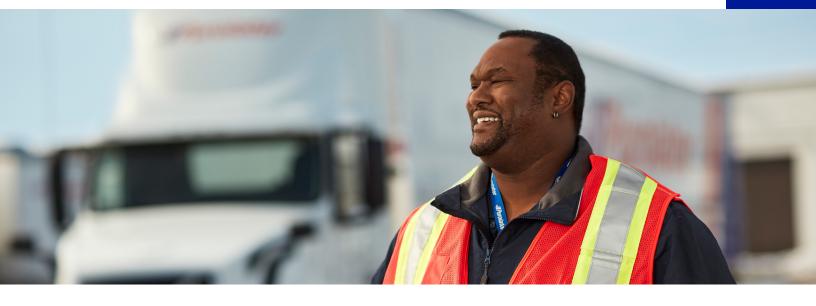
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**Special handling services (SHS):** Some shipments aren't suitable for conveyor systems or processing facilities. These require SHS, which involves manually handling shipments with extra care and time to get the package to its destination while ensuring the safety of workers.

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**Proof of delivery (POD):** "Proof of delivery" means getting confirmation that a shipment has reached its destination or has been completed. This can take the form of a photo, a signed document and/or receipt.





### LTL freight forwarding shipping: Key trends on the rise

As a business owner in the business-to-business (B2B) space, it's crucial to understand the trends that are shaping <u>LTL freight forwarding</u>. That way, you can secure the right partnerships to keep your business nimble and flexible for evolving customer demand. The following trends provide clues about where the LTL industry is headed and what it means for B2B businesses.

#### The rise of e-commerce to boost the LTL market

The global e-commerce market is at an all-time high, and it's predicted to keep rising at a compound annual growth rate of 26.55%, reaching <u>\$58.74 trillion USD by 2028</u>. LTL is stepping in as the solution to save on e-commerce shipping time. Because of its efficient routes, reduced rates, flexibility and efficiency, more and more businesses are partnering with LTL companies to streamline their supply chain.

#### The importance of shipment integrity

A growing concern among businesses is how shipments arrive from some LTL freight providers. Sometimes, pallets can be split apart with shipments delivered in multiple units, often arriving at different times without advance notice. A company needs to ensure that its LTL shipping provider understands the importance of shipment integrity.

#### The value of different modes of freight transportation

Instead of sticking to one mode of transportation, carriers are now offering businesses up to <u>four transportation modes</u>, so you're always getting the most efficient solution. These include:

- **Ground freight:** Flexible, ideal for local, over-the-border, long-haul or short-haul shipments.
- Rail freight: Move goods in large quantities with reliable accuracy.
- Ocean freight: An ideal international freight shipping solution that can carry the heaviest goods in the largest quantities.
- Air freight: The fastest option for international freight and urgent shipping.

#### A greater focus on the customer experience

B2B buyers want the same level of service they're receiving from the business-to-consumer (B2C) purchase experience. A B2B company can <u>enhance its customer experience</u> by choosing an LTL freight solution that offers several benefits, including:

- · Ability to take courier and LTL shipments
- Logistics solutions such as third-party logistics (3PL) warehousing to meet specific needs
- · Automation and visibility



Looking to maximize your supply chain? Watch this short video to see how Purolator's LTL service can help you improve shipping efficiency.

Watch video

# Roadmap: Finding the right shipping method for your business

Looking to ship products to customers quickly and affordably across Canada? Choosing the right shipping method is essential. Use this roadmap to find the option that suits your business needs.



#### LESS-THAN-TRUCKLOAD (LTL)

#### For smaller, budget-friendly shipments

With Purolator Less-Than-Truckload<sup>™</sup> (LTL) shipping, you only pay for the space you need. This option is ideal when you're looking to save on shipping costs for small to medium-sized shipments. LTL shipments will go through multiple stops and handling exchanges, so you'll want to ensure your packages are sturdy and your delivery dates are a bit more flexible.

#### Learn more

#### **TRUCKLOAD (TL)**

#### For large shipments with a single destination

Purolator Truckload<sup>™</sup> (TL) is the right shipping method when you have a large shipment going to a single destination. With reduced handling exchanges and a direct route, customers typically enjoy faster shipping times, precise delivery windows and reduced risk of damage.

#### Learn more

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### Reverse logistics: Streamline and simplify your freight supply chain

When a customer returns a product, there are ways to use this as an opportunity to <u>streamline your freight supply chain</u> <u>overall</u>. The right carrier can even <u>help you create a returns</u> <u>program</u> that seamlessly integrates with your current freight supply chain.

- **1 Save on supplies**—Reuse and recycle returned goods entirely or for their valuable parts. Instead of purchasing more supplies, you'll be able to reuse what you already have. You can even save valuable parts for when customers need repairs.
- 2 Build customer loyalty through sustainability and environmental impact—Customers are willing to pay more for sustainable products that are shipped by green carriers. Reverse logistics effectively reuses or recycles returned goods with eco-friendly packaging materials. Leverage this to build loyalty with your current customer base and attract new, eco-friendly customers.
- 3 Focus on your customers, not your returns—A reverse logistics program requires extra warehouses and storage units to store returned goods which could lead to higher costs. That's why finding the right reverse logistics partner to take care of the returns process for you is vital. They'll store, manage, recycle or dispose of your returned goods.

**E-commerce returns**—If you're a retail business owner, you'll want to partner with a logistics provider that can also support e-commerce shipping and returns. These providers offer strategic warehouse locations and advanced technology solutions to optimize routes and streamline fulfilment. Specialized reverse logistics programs can also handle your e-commerce returns, reducing the burden on your businesses and while improving efficiency.



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Learn how to <u>make your</u> <u>returns process hassle-free</u> for your customers.

### Looking for specialized freight logistics services?

Now that you've completed the roadmap exercise and understand which shipping method is right for you, the next step is to factor in other needs that could impact your shipping rates and <u>freight shipping strategy</u>. Many premium and world-class shipping providers have optional specialized services that can be added to a freight service for an additional charge.

We've listed some of the most common specialized shipping services below. Before selecting your freight provider, make sure they can offer you the right services to fit your needs.



#### Power tailgate

If there is no dock at the pickup or delivery site, you might require a power tailgate to load or unload your shipment at your origin or destination with LTL services.



#### Inside pickup and delivery

When shipping from or delivering to an entrance anywhere other than a loading dock, request inside pickup and delivery service.



### Advanced delivery notifications and appointments

For your customer's convenience, choose a carrier who can book a delivery appointment or provide notice before a shipment arrives.



#### **Residential delivery**

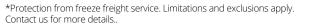
A specialty freight service that's designed for residential shipments that are simply too large for courier service.



### Logistics solutions for both freight and courier services

If you're shipping pallets and packages, instead of going with multiple carriers, choose one that can handle both freight and courier and offers multiple, flexible shipping options. Opting for one carrier can help you:

- Reach customers faster with consolidated freight and courier shipments
- <u>Streamline your supply chain</u> and make it more efficient





#### Extra cargo space

Any freight shipment that exceeds 20 feet of trailer space will use a TL solution. Be sure to check if your selected shipping method can accommodate special accessorial needs, such as tailgates.



#### Dangerous goods

Rely on LTL services and experienced carriers who know how to handle a wide range of dangerous goods safely and securely.



#### Declared value

Insure your freight shipment against loss or damage during transport with a declared value insurance service. Declare the value of your shipment and the amount you'd like to insure on the bill of lading.

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#### Two-person pickup or delivery

For smaller freight shipments, look for a two-person pickup/delivery service for faster handling and loading of your goods.

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#### Protect from freeze\*

If you're shipping fragile items in colder temperatures, then choose <u>a protection from</u> <u>freeze freight service</u>. This is a heated truck that is offered from November to April that prevents your goods from going below zero degrees Celsius.



We can help you find the best shipping method for your business needs. <u>Get a quote today</u> or view our freight <u>rate guide</u>.



### What to look for in your shipping logistics provider

Whatever the needs of your freight solution, effective supply chain management involves a delivery partner that offers a range of solutions and specialized services, along with the expertise and technology that connect each step.

Your partner should:

#### Sweep the dock

Get improved supply chain efficiency with a carrier who can consolidate all your shipments. By having your courier, LTL and TL shipments all under one provider, your business can keep up with the fast pace of e-commerce and make a flexible supply chain that is more adaptable to change.

#### Be adept at solving problems

A B2B company should look for an LTL freight provider eager to address unique challenges with innovative solutions.

#### Have an experienced track record

An experienced provider will have the appropriate resources available to put a Plan B in place, usually before the customer even knows there is a problem. Ask your prospective provider for concrete delivery exception examples and their response to the situation.

Hassle-free cross-border customs clearance

For seamless cross-border shipping, proper documentation is crucial, particularly when filling out complicated customs requirements. Whether you're shipping from Canada or northbound from the U.S., the right carrier will offer customs clearance support. With the right documentation, you can be confident that your shipment will arrive at its intended destination.

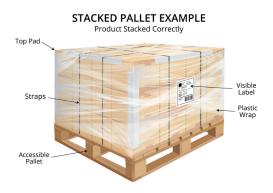
#### Have Canadian expertise and reach

While most carriers will do a fine job of transporting goods to urban areas, chances are that only a Canadian-based carrier can reach the outer provinces and territories.

Many non-Canadian firms are unaware that roughly oneguarter of Canadians speak French as their preferred language. These firms do not offer bilingual drivers, or understand bilingual labelling requirements.

#### Properly package your freight shipment

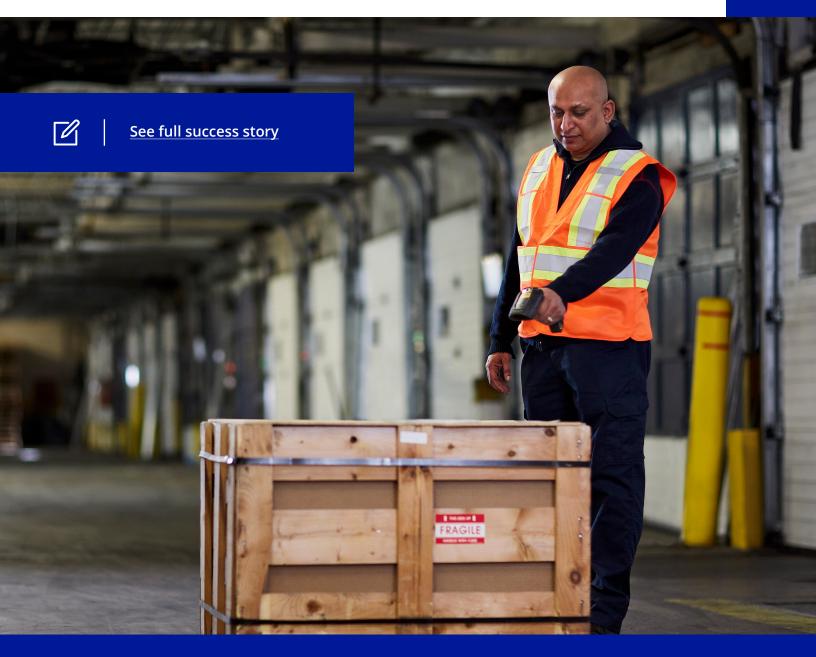
Look for a carrier that will help you pack your goods securely. Packaging that's the exact fit for your shipment reduces its total weight while also being more sustainable. See our guidelines for palletized freight, and non-fragile and fragile shipments.



Provide end-to-end shipment visibility and transparency Full shipment tracking visibility is non-negotiable for B2B

businesses and it's becoming increasingly important to extend that visibility to customers. Look for a delivery provider that offers transparent tracking for your shipments.

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### Success Story: How Legrand Optimized Distribution with LTL Shipping

By consolidating freight shipments and depending on a reliable LTL shipping provider, Legrand, a leading provider and manufacturer of electrical devices, was able to significantly improve their outbound shipping requirements and improve overall efficiency.



"We reduced the footprint of our outbound shipping requirements sufficiently, and we were able to stay in the same facility."

Graham Collins, Legrand Site Manager



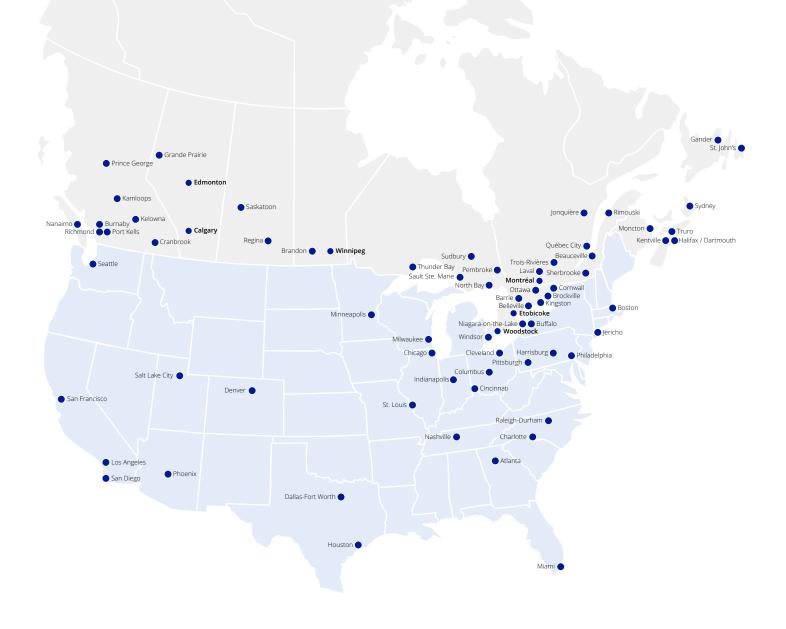
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Looking for a customized freight logistics solution? Discover the Purolator difference.

<u>Watch video</u>

### More locations to reach your customers

### Deliver across Canada and the U.S. using Purolator's reliable service network.



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## Become freight supply chain-savvy

Many companies are reassessing their core operating principles, especially when it comes to B2B commerce. Businesses that relied on tried-and-trusted freight strategies now find themselves under increased pressure from their customers to offer greater flexibility, faster deliveries and cheaper services.

An experienced logistics partner will make your goals their own. They'll understand your priorities and needs, and will deliver transparent, dependable customer service and innovative shipping solutions.

At Purolator, we understand the Canadian freight market and we're committed to delivering exceptional service. Our freight solutions cover every aspect of your LTL freight shipping needs, including expedited, standard, next-flight-out and global expedited services.



Find out how Purolator can help with your freight shipping needs.

Connect with us



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