

A light blue world map is visible in the background of the slide, centered behind the text.

Container on Barge

3-25-2009

- Basic Functions of a Freight Forwarder
- Questions that arise for moving containers by barge
- Services of the Alabama International Trade Center

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Basic Functions of a Freight Forwarder/Broker

- Quoting and securing freight costs
- Booking cargo with carrier
- Preparing documents for export/import
- Inland routing and documentation
- Insurance

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Expanded Role of a Freight Forwarder/Broker

- Consolidator of freight
- Indirect carrier (NVOCC)
- Inventory control
- EDI interfacing
- Logistics management

Evaluating a Forwarder/Broker



- Full service?
- Responsiveness?
- Financially sound?
- Shipment tracking?
- Accuracy of documentation?
- Competitive rates and service?
- Communication and trust?

Criteria for Making a Rate Request

- What is the type service required?
- What is the commodity?
- What is the origin/destination?
- What are the dims, weight, and # of pcs?
- What are the transit time requirements?
- How soon do you need a response?

Gathering Cost Data



- Analyzing the costs in relation to the terms of sale (from where to where)
- Type of equipment required and its effect on cost
- Are inland factors 'included in the ocean or air rates?
- Projecting future costs



Types of Documents

- Transport documents
- Collection or payment documents
- Documents intended to satisfy gov't or other official agency requirements
- Documents required by the buyer

Transportation Documents



- Shippers letter of instruction
- Dock receipt
- Ocean bill of lading
- Air waybill
- Export declaration
- Insurance certificate

Bill of Lading

Serves three purposes:

(1) Receipt for the merchandise

(2) Contract for shipment

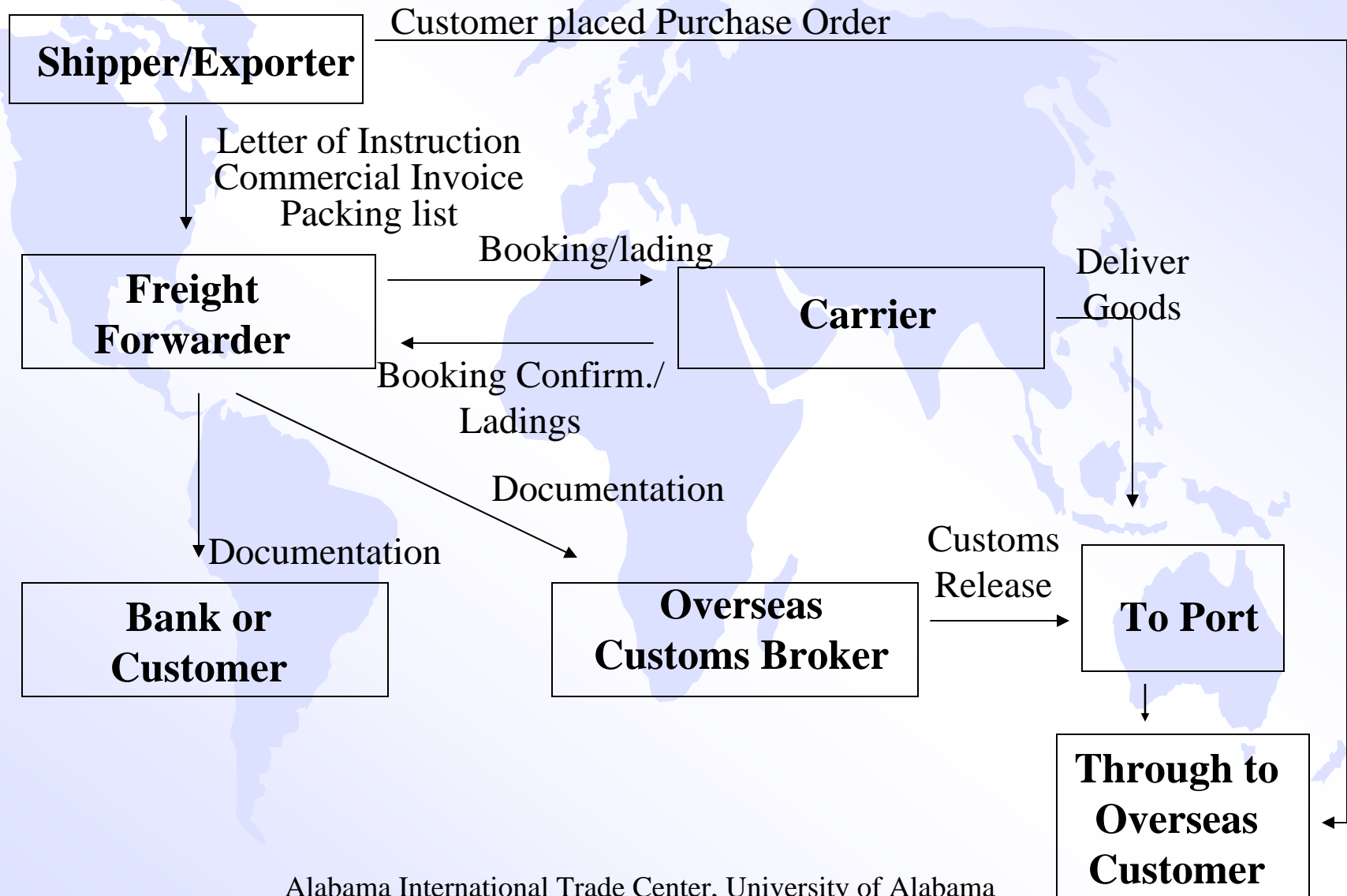
(3) Title Document

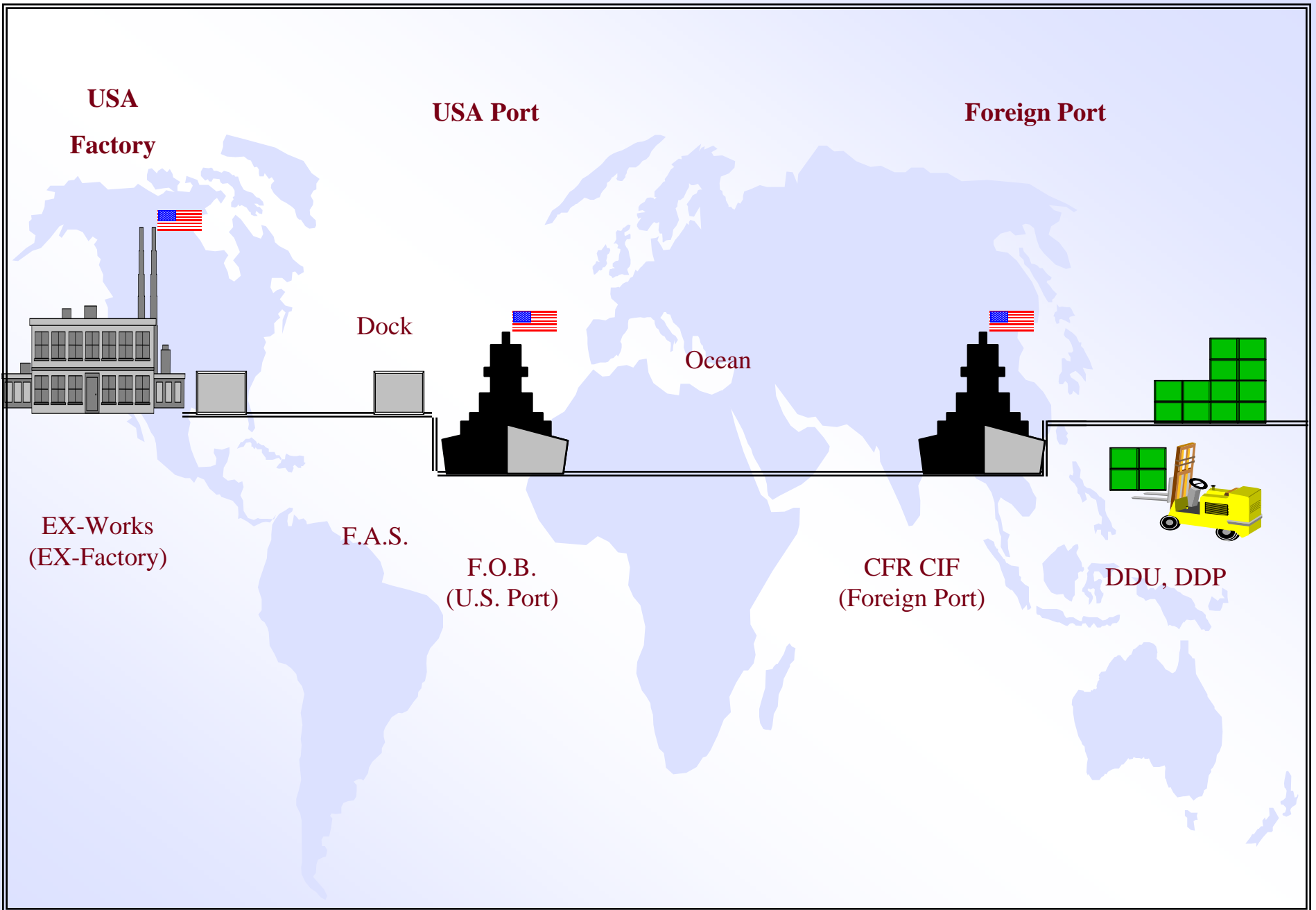
- Addresses the point of delivery of the goods and the charges included to that point.

Using Incoterms

- Most commonly accepted and used terms of sale are the INCOTERMS published by the International Chamber of Commerce.
- Defines the responsibility of the buyer and seller in concluding the export transaction.
- Addresses the point of delivery and charges included up to that point.

Basic Export Transaction





Incoterms: Terms of Sale

- FAS Free alongside (the ocean vessel; railcar, truck in the case of a combined transport bill of lading) includes all charges up to the point of loading, packing, inland transportation, etc.
 - Transport document: normally, combined transport bill of lading or dock delivery receipt evidencing delivery to forwarder's warehouse at port of loading

Incoterms: Terms of Sale

- FOB: Free on Board

a) if on board ocean vessel or marine bill of lading stipulated, on board notation must include the name of the vessel and date loaded on board.

b) if combined transport bill stipulated, on board railcar or first mode of transport notation acceptable.

Includes FAS charges plus cost of storage at terminal, loading on board vessel, railcar or ocean vessel as agreed.

Incoterms: Terms of Sale

- FOB:

- Transport Documentation: should be marine or combined transport bill of lading (see notes above) which should NEVER be consigned directly to the buyer as this may allow them to obtain the merchandise prior to payment being made. Freight is collect or payable at destination.

Questions that Arise

- Can the freight forwarders perform their functions quoting container by barge?
 - Responsiveness, Competitive Rates and Service, and Shipment Tracking
- Who will the freight forwarder/broker call for the container by barge rate to quote an all inclusive price?
- How will the price/transit time affect their overall service to the shipper?
- Can containers move in bond by barge to destination for Customs Clearance?

Next Steps

- Decisions will need to be made among the barge lines, truck lines, inland ports, ocean carriers, and forwarders.
 - Who will determine price of barge service?
 - Will barge lines have price agreements with ocean carriers, truck lines, and inland ports?
 - How will forwarder know what to quote to offer all inclusive price?
 - What will transit times be and who will have info on transit times?
 - Who will forwarder book cargo with? Barge line or ocean carrier?
 - Will container by barge affect the transport documents – namely the Bill of Lading?
 - Will container by barge affect the Incoterms used?
 - Can containers on barge move in bond?

The Alabama International Trade Center

- Located at the University of Alabama - provides export and import market research, statistics, trade leads, training, and financing services to Alabama's small business community.
- Non profit organization, funded by the SBA.

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