

Chapter 1 International Transportation Channels

Determining Transportation Needs

You have negotiated a successful international sale. Now your challenge is to move the goods on time, undamaged and at the best possible cost to your customer. To meet this challenge, you begin by

assessing your transportation needs and evaluating your options:

- Do you transport raw materials, natural resources, assembly parts or manufactured products?
- Are the goods time-sensitive, fragile, perishable, dangerous or explosive, susceptible to weather or pressure changes?
- Are the goods solids, liquids or gases? Are they of standard dimensions or unique in size and shape? Are they heavy or light, living or inert, large or small?

Table 1: Transportation Mode Options

OPTIONS CHART	WATER	RAIL	ROAD	AIR
Efficient Distance	Any distance. International Shipping.	Long-haul is more efficient. Some transborder.	Short and medium hauls 1600 km (1000 miles). High volume transborder.	300 km (186 miles) and upwards. Transborder and international.
Maximum Unit Load	62,000 tons in upper Lakes: 28,000 tons in lower Lakes: 200,000 + tons on high seas.	10,000 tons for a large unit train.	Up to 70 tons, depending on jurisdiction.	Up to 35 tons, depending on aircraft.
Bulk Handling	Excellent.	Good.	Can only handle relatively small loads (70 tons).	Must be containerized.
Package Handling	A limited capability for loose freight. Can handle containerized or palletized unit loads.	High overhead costs for loose freight. Increased containerized operations.	Very flexible for loose and containerized freight. Adaptable to less-than-full loads.	Freight is either loose or in containers.
Flexibility of Deployment	Considerable vessel flexibility within Great Lakes. Restricted to natural and adapted water routes.	Considerable car and equipment flexibility. Restricted to established routes.	Trucks can be routed wherever there are roads, and may have multi-purpose designs. Easily acquired and sold.	Aircraft can be routed virtually anywhere in the world.
Service Strengths	Bulk goods not sensitive to time.	Regular shipments to 10,000 tons with unit-style handling.	Door-to-door service.	Time sensitive, long distance moves.
Service Weaknesses	Reduced competitiveness for small loads and inland origins and destinations.	Irregular, short-haul, off-rail points.	Relatively small volume and high unit costs.	Limited dimensions and very high costs.