

transportation costs greatly offsets the interest costs associated with preshipment inventorying of the goods. If full truckload shipping is unacceptable, savings can still be achieved by shipping a large load weekly instead of smaller loads daily.

Although comparing the cost of transportation alternatives when making your first shipment to a specific market is a beneficial exercise, changing circumstances in plant production capacity, new sales orders, inventory, terms and conditions of sale, customer delivery requirements, cash flow, availability of new carriers, transportation legislation, and a host of other factors mean that you should evaluate your transportation options frequently. For example, if your U.S. sales efforts have been very successful, your freight volumes may be reaching a point where you can negotiate more attractive rates with carriers.

It is important for shippers in Atlantic Canada to note that choices are available for them to seek and evaluate. Very large shippers will be able to choose among alternative modes and sometimes carriers within modes. Even for smaller shippers, for whom motor carrier may be the only modal option, choice is available from among several motor carriers although you will have to do a bit of shopping and comparing.

Section II of this report discusses basic transportation options available from Atlantic Canada and examines several important factors that exporters to the United States should consider in making transportation arrangements. A decision tree and checklist for first time exporters will help you get started. A more detailed checklist at the end of this report takes you through the transportation selection process by raising questions you should be asking yourself, your potential (or actual) customers in the United States, and transportation suppliers, from the beginning of the sale to the final delivery of the goods in order to help you arrive at the best transportation decision.