be. The customer is provided with an invoice that individually details product price, transportation charges, insurance premiums, duty and any other specific charges. Exporting in this manner ensures:

1. the customer is aware before and after the shipment exactly what the Atlantic Canada-sourced goods cost;

2. only the minimum amount of duty is paid on products which have been fully and accurately described by their manufacturer; and,

3. the customer's efforts in obtaining goods from an Atlantic Canada supplier are minimized because the exporter has made all arrangements.

Further examples on how exporters in New Brunswick, Newfoundland, Nova Scotia and Prince Edward Island arrange their sales and transportation to U.S. markets are provided in Sections III, IV, V and VI respectively. It is clear however that those **shippers who consider themselves most successful (and competitive) in selling in the United States are those which have taken steps to ensure that buying from Atlantic Canada is as easy as possible; a key to their success has been careful attention to transportation and distribution management.**

## C. EVALUATION AND COST EFFECTIVE USE OF TRANSPORTATION SERVICES

Evaluating your options regularly and making use of helpful hints throughout this report should show you that there are several actions you can take to export goods at a lower total distribution cost than may have been expected at first glance.

### 1. CONSOLIDATE SHIPMENTS

If you are making several shipments in the same day or week to the same customer you can consolidate the goods into a single shipment and realize important savings. This is because carriers' rates include a minimum handling charge component that is part of every shipment regardless of size. Very often, twice the volume or weight can be shipped the same distance for just a small additional cost. Savings of 20% to 50% are possible by consolidating multiple shipments into one block. Such savings of course must be weighed against the possible cost of slower delivery times and increased storage and inventory costs.

### 2. IDENTIFY AND UTILIZE WEIGHT BREAKS

Another important element in freight rates, particularly express and truck rates, is "weight breaks"; lower charges or rates per unit of traffic are provided as the weight of individual shipments increases within ranges of weight. Motor carriers usually charge flat rates for given weight ranges up to 500 lb. (e.g., $50.00 for 1 to 100 lb., $100.00 for 100 to 200 lb., etc...)