

Some advantages of TOFC are:

- 1) all rail carriers provide shipment tracing services for full trailerloads;
- 2) through bills of lading from origin to distribution are provided;
- 3) Canadian shippers located near border points can explore possible advantages of this mode's low volume rates through moving their goods to U.S. railroad ramps, thus minimizing the number of carriers involved;
- 4) the rate structure is very simple - all rates are FAK (Freight All Kinds) with no differentiation by commodity; and,
- 5) deregulation has not affected rail carriers' liability for goods assigned to them by shippers (U.S. carriers must pay damage costs amounting to the full product value unless released rates are utilized).

However, shippers should be aware of certain disadvantages:

- 1) rail carriers indicate that they offer only 40-foot and 45-foot dry (non-refrigerated) vans for international movements. Additionally, Canadian railways indicate that they will not (as a rule) load their own equipment to U.S. points;
- 2) rates quoted by all carriers are per trailer regardless of commodity load or whether the trailer is loaded to capacity. Therefore, a small shipper would be at a disadvantage if he tendered an LTL shipment through rail carriers;
- 3) reduced (volume) rates are available only at very high volumes (e.g., greater than 100 trailers per month);
- 4) many rail carriers do not sell door-to-door services. They rely on middlemen such as shippers' agents to perform "retail" services such as arranging pickup and delivery, providing equipment, tracing shipments, soliciting traffic and consolidating loads;
- 5) because TOFC trailers move on trains they are subject to greater loss and damage potential (compared to motor carrier movements) due to humping, shunting and switching; and,
- 6) service is relatively slow, compared to direct haul motor carrier and expedited services. From western Canadian origins to southwestern U.S. destinations, shipping time would range from five to seven days or more depending on the number of railways involved.