

Air freight may be arranged directly with the carrier or through an air freight forwarder, who consolidates shipments from several exporters into larger units which are transported through the airlines. The International Air Transport Association (IATA) publishes air cargo rates for scheduled services on which there is no price competition among IATA members. Rates in the charter market, however, vary considerably with the availability of aircraft and return cargo.

Where ocean carriers have a "weight or measure" rule, the airlines have a "cube" rule. The current cube rule states that shippers are charged a minimum of one pound for every 194 cubic inches of space occupied by the shipment. The shipper must pay for either the dimensional weight or the actual weight, whichever is greater.

## Rail Services

Rail is widely used for moving shipments to seaport and to the United States. The two basic rates for rail shipments are carload lots (CL) and less than carload lots (LCL), with the latter offering a higher rate for the same goods. Pool car companies lease rail cars to combine smaller shipments by product type. Pool car rates are less than LCL rates.

## Truck Services

Trucks offer quick warehouse-to-warehouse deliveries, including transportation of frozen goods under refrigeration.

Service to the U.S. is provided by general commodity carriers, specific commodity carriers and private carriers. General commodity carriers offer the most comprehensive service. International rates for truckload (TL) and less-than-truckload (LTL) quantities are established through collective action by the carriers in a geographic area.

Specific commodity carriers are licensed to carry certain goods which may require specialized equipment.

Private carrier refers to exporters delivering their goods to the U.S. in their own vehicles.

## THE FREIGHT FORWARDER

Exporters, particularly new exporters, will find the service of ocean freight or air freight forwarders very helpful. Their services include the following:

- arranging with the shipper and/or packing and marking of goods;
- arranging appropriate carriers for transportation of goods;
- consolidating shipments from different suppliers;
- handling customs clearance;
- handling insurance coverage;
- preparing documents;
- preparing banking and collection papers; and
- booking steamer space.

If you are exporting to the United States, a U.S. Customs broker can assist you. A list of international freight forwarders, air freight specialists and U.S. customs brokers can be found in *McGoldrick's Canadian Customs and Excise Tariff*.

## EXPORT PACKING

Packing goods in a proper manner is essential. The goods must be protected from physical, chemical and moisture damage as well as pilferage. Packing considerations also include government regulations, cost and weight.

Export packing should be done by professionals if the exporter has inadequate experience in packing. The exporter must consider a number of factors, such as:

- Nature of goods. Are they easily damaged during handling, in transit or in storage? Do they need temperature control or special protection?
- Types of carriers. On what type of transport will they be shipped to their destination?
- If transported by ship, will they be above deck or below deck?
- What weather conditions are the carriers likely to encounter in transit?
- Are the goods destined for countries with poor port facilities or where cargoes are handled roughly?
- Are the goods packed against pilferage during transit?