

SUMMARY

A good variety of feasible and economic alternatives exists for British Columbia and Alberta companies of all sizes and types exporting their products to growing markets in the Western United States. For companies with small urgent shipments of high value and/or delicate products, major cities in British Columbia and Alberta are linked directly or through interline arrangements by air transportation carriers, forwarders and overnight couriers. Small shippers in less of a hurry can obtain lower rates from licensed motor carriers. A number of intermediaries such as freight forwarders, transportation brokers, shippers' agents and shippers' associations offer small shippers lower rates by consolidating numerous small shipments of all kinds into full load lots. Some of these firms also offer export documentation, transportation and distribution advice and other services which can be very valuable to the first-time exporter and to companies that are not adequately staffed to coordinate and control transportation movements related to occasional export opportunities.

Manufacturers interested in exploring Hawaiian and Alaskan markets will find that their movements will necessarily involve ocean or air transport for most or part of the movement. Furthermore, current shipping patterns and services have evolved whereby the use of U.S. ports and airports (such as Seattle, Portland, Los Angeles) are the proven economical, if not only, means of shipping to Alaska and Hawaii. Intermediaries can assist where intermodal movements are required (e.g., truck from Vancouver to Seattle, and sea freight to Honolulu).

Companies whose U.S. export sales are somewhat larger and which can ship in full load lots (truckload, carload, trailerload, containerload), as compared to small shipments, will find transportation rates economical. Because rates offered by motor common carriers and railways are similar for the infrequent full load shipper, the choice of these will depend more on speed and quality of service considerations; motor carrier movements are faster and less susceptible to damage than rail (carload and intermodal) movements. Again, intermediaries can offer good rates on occasional full load shipments because of their bargaining power in acting on behalf of many shippers, and because they are often involved in the coordination of return loads, or backhauls, for independent truckers and private carriers. Rather than make the return journey empty, these truckers will make it known to intermediaries that their services are available at advantageous rates.

British Columbia and Alberta shippers whose export movements are voluminous and regular, and smaller exporters whose success allows their freight volumes to grow substantially should be able to negotiate volume discount rates with motor common carriers, railways, and airlines. Alternatively, exporters of large volumes to the Western United States may find themselves reaching a point where transporting goods in their own trucks is feasible. However, shippers of this size will likely be involved in many Western U.S. markets and will make use of several suitable alternatives depending on their individual circumstances, in order to minimize overall transportation and distribution costs.

Section I of this report discusses the relative attractiveness and simplicity of shipping to markets in the Western United States, discusses elements which an exporter trades off in deciding how to transport his product and illustrates how some successful exporters in British Columbia and Alberta have gone about making their transportation arrangements for exports to the U.S.. The different alternatives which are available to you in accessing U.S. markets are discussed in Section II. The