

Glossary of Shipping Terms for customers

Aboard – The placement of cargo on the transporting entity.

Ad Valorem – Latin term meaning “according to value”. Used to determine duty charges.

Agent – Person who is authorized to construct business for and in representation of another or a company. The different types of agents are brokers, commission merchants, resident buyers, sales agents and manufacturer’s representatives.

Aggregate Shipment – The consolidation of various shipments from numerous shippers to one consignee.

Agreed Valuation – The agreed value of shipment for determinacy of freight rate.

Agreed Weight – The agreed weight of shipment.

All In – The total price from origin to destination and is all inclusive of charges.

Appraisalment – The act of discovering the value of important goods by a Customs official.

Balloon Freight – Light, bulky cargo.

Barge Carrier – A vessel that’s built to carry barges and also containers.

Bill of Lading – Documentation of contractual terms between the shipper and the transporter.

Bill of Sale – Documentation that transfer’s ownership of goods from one to another.

Bill to Party – Person(s) responsible of payment.

Board feet – Space dimension of 1 inch dense by 12 inches wide by 1 foot long. Used for lumber.

Booking – The acceptance of services by the shipper to the carrier.

Broker – The person who arranges the transport.

Bulk Cargo – Cargo that is shipped loose in the hold not within packaging or containers and isn’t marked or counted.

Bulk Carrier – Carries similar cargo without the need of marks or count. Usual items are ore, grain, oil and fertilizer.

Bulk-Freight Container – A container with a release hatch in the front wall location.

Cargo – Items loaded onto the vessel.

Carrier – The person(s) who are in charge of moving cargo by rail, road, air and inland waterway.

Cartage – Intra-city transportation on trucks or drays.

Cells – Designated space designed into container vessels for stowing.

Combination Passenger and Cargo Vessels – Carries cargo and freight and has a capacity for or over 13 passengers.

Commodity – The item(s) being shipped.

Consigner – The shipper.

Consignee – The receiver.

Consignment – Items of merchandise to be shipped to consignee.

Consolidation – The act of placing multiple shippers in a cargo.

Consul – The government officer who represents and protects the interest of their country and its nationals.

Container – An individual body of containment that can be dislodged from a chassis of a truck and can be loaded onto a vessel, rail car or stored.

Contraband – Cargo that is not allowed to be shipped or accepted.

Contract – A legal binding agreement that details the every aspect of agreeing terms between two parties.

Cubic Foot – 1,728 cubic inches.

Cubic Meter – 35.314 cubic feet.

Customhouse – An office of the government that accepts payment for duties, import all documents filed, etc., on all foreign shipments.

Customhouse Broker – A person or a firm that's licensed to enter and clear the goods through customers through the treasury department of their country.

Customs – A government agency who has the responsibility to enforce the rules passed and to protect the country's import and export revenues.

Custom Duty – A tax charged on imports and exports by the authorities of Customs.

Destination – Where the shipment will be received by the consignee.

Devanning – The act of unloading a container or cargo van.

Dock – When a vessel is tied parallel to the shoreline.

Door-to-Door – The act of shipping the container and its contents from the consignor to consignee.

Draft – Documentation that consist of all charges from one person to another that's promised for payment due to its tenor.

Drayage – The local hauling charge by drays or trucks.

Dry Cargo – Cargo that doesn't require any control of temperature and is not a liquid.

Export – The shipment of any goods to a foreign country.

Federal Maritime Commission (F.M.C.) – A sector of the United States Government whose prime objective is to regulate maritime matters of the tariff system, enforcing the regulations of the Shipping Act, freight forwarding licensing and approving conference or other agreements made by carriers.

Freight – The cargo being transported or the charges obtained from transporting cargo.

Freighters – A breakbulk vessel for refrigerated and unrefrigerated, containerships, partial containerships, RO/RO and barge vessels. Usually a mixture of goods.

Forklift – A machine that is used to raise and lower palletized and skidded items.

Four-Way Pallet – A pallet built to gain forklift access from any of its sides.

Full Containership – A vessel designed with built in container cells.

General Cargo Carriers – A vessel that carries a mixture of cargo that can be marked and counted.

Gross Ton – 2,240 pounds.

Gross Weight – The weight of all goods, packing material and freight car or container in its entirety once ready for shipment.

Harbor – A place for ships to load and unload goods or passengers, to receive fuel, maintenance, water and needed supplies.

Import – The act of receiving goods from a foreign country.

In Bond – The period when cargo is within Customs control awaiting duty to be paid.

In Transit – When the vessel is on its passage towards its destination.

Inland Carrier – The haulers of import or export amongst the ports and inland locations.

Insulated Container – A container designed with insulation on all interior surfaces to maintain a temperature that differs from the containers outside temperature.

Insurance with Average-clause – This clause provides coverage of damaged merchandise amounting 3% or more of the initial insured value of such merchandise. All losses are fully covered if the vessel burns, collides or sinks.

Insurance, All-risk – This is the most extensive coverage offered, covering any and all at lost during transit.

Insurance, General-Average – When cargo is released as a sacrifice to make the vessel safe for the cargo that remains. The loss is covered in portions by those who cargo wasn't sacrificed.

Insurance, Particular Average – When an accidental or negligent act which results of property being lost at sea at a certain percent, claims will be allowed by the insured company. Damages below the percentile of claim standards will be the responsibility of the shipper.

Intercoastal – Marine service between surrounding coast.

Intermodal – The movement of cargo from one mode of transportation to another.

Invoice – An accumulated list of items and its details given to the buyer.

Issuing Carrier – The carrier that fabricates transportation document or circulates a tariff.

KT – A kilo or metric ton which equates to 1,000 Kilos or 2,204.6 pounds.

Kilogram – 1,000 grams or 2.2046 pounds.

Knot – One nautical mile which equates to 6.076 feet or 1,852 meters.

Lading – The contents of the freight being shipped.

Lanemeter – The cargo capacity of a RO/RO auto carrier which equates to one meter by 2.5 to 3.0 meters of deck.

Landed Cost – The complete cost of goods to the buyer. Also includes transportation cost.

LCL (Less than Container Load) – When the shipment occupies less than a full container and is charged at a partial container load rate. See *Loose Freight*.

Lien – A claim of goods legally which has an unsatisfied debt or duty.

Liter – 1.06 U.S quarts or 33.9 fluid ounces.

Long Ton – 2,240 pounds

Loose Freight – Items that are not packed within LCL classification.

Manifest – Documentation of all cargo within the bill of ladings enlisted for voyage.

Marine Insurance – Insurance that covers the loss or damages of goods while at sea.

Maritime – Commerce or navigation business conducted at sea or seaports with jurisdiction of the court of admiralty.

Marking – Letters, numbers and symbols used to identify cargo.

MBM – 1,000 board feet or 2,265 cm.

Measurement Cargo – The calculation of transportation cost by a measurement of volume.

Measurement Ton – 40 cubic feet.

Meter 39.37 inches.

Metric Ton – 2,204.6 pounds or 1,000 kilograms.

Mile – 5,280 land feet.

Minimum Charge – The lowest that can be charged for a shipment.

Mixed Container Load – A containment of various items in a single consignment.

Modified Atmosphere – The process of using a mixture of gases to alter the atmosphere inside of a container.

Nautical Mile – The distance of a minute of arc along a meridian where each degree equals 60 minutes.

Net Tare Weight – The weight when there's no cargo, including all equipment and attachments that will be present during time of shipment.

Net Tonnage – Once referred to as "Net Register Tonnage", Net Tonnage is the amount of space for cargo on a vessel.

Net Weight – The weight of the bare good.

Ocean Bill of Lading – The contractual agreement of shipping amongst the shipper and the carrier. Also provides proof of receiving the cargo by the carrier.

Open Insurance Policy – Covers all the exporters' shipments within an indicated period of time.

Open Top Container – A container with a removable roof for loading and unloading from the top.

Optimum Cube – The maximum amount of cubic feet that can be loaded into the container.

Origin – The starting location of the shipment.

Overheight Cargo – Cargo that stands over 8 feet high.

Packing List – An itemized list of contents being shipped.

Pallet – A wooden platform which is used to load items handled by a fork lift or pallet jack.

Partial Containership – A vessel designed with container cells, but has space for additional types of cargo. Rate Basis – A financial formula used to develop a rate based on a set or sets of factors.

Payee – The party to be paid by the payer.

Payer – The party responsible of payment to payee.

Per Diem – A daily fixed rate charged.

Pickup – The movement of freight from the shipping platform into a truck.

Pier – The structure that runs perpendicular to the shoreline where vessels can be secured for loading and unloading cargo and passengers.

Place of Delivery – The place where the responsibility and keeping of the cargo leaves the carrier.

Place of Receipt – The location where the responsibility and keeping of the cargo is given to the carrier.

Point of Origin – The location where the cargo is given to the carrier.

Port – The location of piers or docks. Also known as the left side of the ship facing forward and the side opening of a ship for loading and unloading.

Port of Call – The port where ship release and receives traffic.

Port of Entry – The port where cargo is released and enters the country.

Port of Exit – The port where cargo is received and leaves the country.

Quota – The amount of unrestricted goods to be imported during set amount of time.

Quotation – The offer to sell goods at a set price under a set or sets of terms.

Rate Basis – A financial formula used to develop a rate based on a set or sets of factors.

Reconsignment – The changing of the destination or consignee on the bill of lading while goods are still in transit.

Reefer – A container designed to control the temperature through refrigeration.

Remittance – The act of sending funds to another as the payment.

Restricted Articles – Goods that are handled only under certain situations.

Ro/Ro (Roll On/Roll Off) – The use of ramps to wheel automobiles on and off the vessel.

Roll-On/Roll-Off vessel – A vessel designed specifically for wheeled containers or vehicles using ramps for loading and unloading.

Route – The set direction the vessel travels upon.

Ship – A vessel that is constructed for deep-water travel.

Shipment – Cargo that is moved from shipper to consignee.

Shipper – The person who supplies or own.

Short Ton – Measures 2,000 pounds.

Side-Door Container – A container with a rear door and no less than one side door.

Skids – Parallel wooden runners that are fitted beneath boxes or packages for easy movement by forklifts or pallet jacks.

Stowage – Loading freight into the ship's hold.

Stripping – The act of removing cargo from its container.

Stuffing – Placing cargo into the container.

Surcharge – An additional charge.

Surtax – An additional tax.

Tankers – A vessel designed with attached tanks to carry liquid bulk cargo.

Tariff – The document of set charges, rules and rates of a transportation company.

Tender – The offer of transporting goods, automobiles or containers to be loaded or unloaded.

Tenor – The date and time for payment of a draft.

Terminal – A designated area for preparation of goods and freight to be loaded on a vessel, train, truck or airplane.

Tonnage – 100 cubic feet.

Traffic – Cargo, freight and persons carried by a line of transportation.

Transport – The act of moving cargo from one place to another.

Transship – The act of transferring goods from one line of transportation to another or from ship to ship.

Underway – When a vessel is aground, made fast to the shore or not anchored.

Unit Load – When packages are loaded on a pallet, in a crate or in a fashion where it can be handled as one unit.

Unloading – The act of removing items from a ship.

Validation – When a bill of lading is authorized and effective.

Vanning – The act of stowing cargo into its container.

Ventilated Container – A container built with opening on the side and/or the end walls to allow outside air in once the doors are closed.

Warehouse – A designated place to store, receive, deliver, consolidate and distribute cargo and/or freight.

Warehousing, the act of storing goods.

Weight Cargo – The charge by weight on a cargo due for transportation.