

10 Stupidest Freight Shipping Mistakes

The shipping world can be tough. If you're a veteran shipper you're already aware of this fact. If you're new to the shipping game, you'll soon find out. What makes it so tough? The logistics industry is notorious for its litany of moving parts, from shippers to consignees. With all these parts moving at different speeds, it can be very difficult to coordinate and keep everything working smoothly. Though, like death and taxes, for many of us shipping and logistics are a part of daily life, and something we've got to do well to keep our businesses growing.

In today's white paper we'll discuss some quick and easy tips to handle the most common problems we see as a [full service third party freight broker](#). We call them "The 10 Stupidest Freight Shipping Mistakes," and don't worry if you've made a few of these mistakes before (It happens to the best of us). It's important to contain your frustration when it comes to shipping, especially LTL. By avoiding these common mistakes you'll keep your customers happy and hopefully keep more money in your company's coffers.

Though we'll try to keep it short and sweet (everyone is busy, right?), we do want you to get the most out of this document. In fact, our goal with this document is pretty straightforward: **Eliminate common shipping mistakes so you can focus on other aspects of your business.**

To do this, we'll start with a quick explanation or overview of the situation. Call it an **Intro**. Next, we'll diagnose the problem with a bit more clarity, showing exactly what happens in the freight machine that leads to damage, delay, or otherwise. We'll call this the **Problem**. We've come across our fair share of real-world examples that have lost us customers (and gained others); we'll call these our **Examples**. Finally, we'll conclude with the most important part of the process: The **Solution**. Once we've defined the problem, we'll show you to fix it! For convenience, we'll include some quick bullet points of our main focus areas called **Takeaways**.

So let's get started tackling these common mistakes and hopefully you can avoid a few of them up front, instead of learning the hard and often costly way.



FreightPros at a Glance

32 Employees, HQ in Austin, TX

Founded in 2009

282nd Fastest Growing
Company on 2013 Inc500 List

Freight Solutions

LTL Quoting & Transportation
Management

Full Truckload Services

Strategic Carrier Planning

Billing Auditing

Fantastic Pricing

Why We Rock at Freight:

We Are Transparent with our
Customers

We Treat our Customers as
Partners

We Excel by Actively
Embracing our Core Company
Values:

- Support
- Produce
- Respect
- Balance
- Develop

1. LISTING THE INCORRECT WEIGHT ON THE BOL

Intro

The reweigh is one of the most common issues that we see on a daily basis in LTL shipping. What is a reweigh? Well, it's pretty self-explanatory. A reweigh occurs when the carrier finds that the weight listed on the Bill of Lading (BOL) is incorrect. How? The carriers often have their own official scales. They'll use these scales to randomly select shipments for reweighs, or if they suspect that the listed weight on the BOL cannot be correct.

Problem

The biggest issue with a reweigh is that it adds additional cost to the shipment, sometimes even after it's already been invoiced. LTL shipping prices involve a variety of factors, one of which is the total weight of a shipment. The heavier the shipment, the more it will cost to ship. Many people lie on their BOLs in order to save money on their shipping or don't weigh their freight at all; leading to an increase in the likelihood that a carrier will check that the information supplied on the BOL is not inaccurate.

Example

We once had a customer, let's call him Bob. Bob had a business that specialized in tobacco products. He shipped tobacco daily to many of his vendors all over the country, using the same carrier because they had the cheapest shipping prices. What happened next? You guessed it; Bob lied on his BOLs *all the time* to save money. Though he had a scale at his warehouse and knew exactly how much each pallet weighed, he fudged the facts on his BOLs. He would often label his pallets at 500lbs when in reality they were 600lbs or more. After a few months of this, and a few reweighs here or there, Bob looked like he had rigged the system. He was lying on his BOLs and only getting caught one out of every four shipments. Then the floor fell out on his plan, and the carrier caught on to his subterfuge. It wasn't long before every single shipment of Bob's was being reweighed, so much that he ended up having to switch carriers completely, which resulted in higher shipping costs.

Solution

This one is a pretty easy fix: Don't lie about the weight on your BOLs or weigh your items and list the accurate weight! We know it's tempting, but the carriers will catch on. Another good tip? If you're going to use approximate weights, use real possibilities. What I mean by this is how often does something weigh *exactly* 500lbs? Not very often. It's much more likely for an item to weigh 503lbs or 498lbs than exactly 500lbs, and the carriers know this – It means you aren't using a scale, so they're going to check it. Another thing to keep in mind is that the listed weight on the BOL needs to be the total weight, not just the item or commodity. This includes the pallet and packaging, so the manufacturing weight listed on the commercial invoice will not be sufficient.

Takeaways

- List the correct weight on the BOL.
- If you don't have a scale, approximate using odd not even numbers.
- Listed weight is total weight, pallet, and any packaging included.

2. LYING ABOUT FREIGHT CLASS ON BOL

Intro

Similar to the “reweigh,” the reclass is one of the most common issues that we encounter in LTL shipping. A reclass is when an item or shipment is reclassified by the carrier to a higher class. If you need a refresher course on [freight class](#), check out our blog post.

Problem

Like the reweigh, a reclass can significantly affect the price of your LTL shipment, and nobody wants additional fees on their shipping. Unfortunately, freight class is complicated, and often has some of the most experienced shippers dazed and confused. There are so many different items to ship and so many different freight classes, it can be difficult to make sure that you have the correct class for your particular item. Because class is one of the price factors for shipments, people will lie about their class to get a better price and not do the proper research to confirm the class up front. As a lower class is less expensive, they’ll say that an item is class 70 when it’s really class 100. The carriers employ experienced experts that have memorized items and their classes, so it’s particularly difficult to get away with listing the wrong class on a BOL (though that doesn’t stop people from trying).

Example

I had a customer that shipped glassware a couple times a week. Because glass is so fragile, the class is higher, resulting in higher charges for the shipping. My customer didn’t want to pay those higher fees, so he lied on his BOLs saying he was shipping a very particular glass item that ran on class 70. Even though it was the wrong class, he still didn’t put the NMFC on the BOL, so the carrier constantly double checked the product and class, resulting in a barrage of reclasses that my customer was in no place to fight.

Solution

Don’t lie on your classes and if you are unsure of your correct class, ask your carrier or broker. Lying is not likely to save you that much money in the long run, and it brings a whole set of headaches. If you’re unsure of your item’s freight class, ask your freight broker. They’ll be able to confirm you’re using the right class and have the right documentation to fight the charge in the instance of a reclass. And one more thing to keep in mind; always put the NMFC code on your BOL. It shows the carrier that you know what you’re doing, and therefore they are less likely to inspect your freight for a reclass.

Takeaways

- Put the correct class on the BOL, and don’t forget the NMFC code.
- If you’re unsure of your freight class, just ask your freight broker. You pay them to know stuff like this.

3. INCORRECT BILLING INFORMATION ON THE BOL

Intro

Apart from important information concerning weight, class, description, and addresses, a [standard shipping BOL](#) contains billing information. The carrier uses this information to determine who will be paying for the transit of the freight, as well as any subsequent fees that may arise. Additionally, if you're using a freight broker, chances are they are getting specialized rates from the carrier and passing them on to you.

Problem

BOLs are often hand-written, messy, and not standardized. This can create a problem if the incorrect billing information is on the BOL when it gets to the carrier. If a freight broker is being used, the warehouse manager may not know the correct billing party. If they put the wrong bill-to party, the charges may change.

Example

For one of our biggest customers, we interacted directly with the warehouse manager, Steve. Steve was constantly under pressure to move hundreds of shipments out of his warehouse daily, and each one of these shipments had a separate BOL. Because of company-wide practices that had nothing to do with Steve or his warehouse, all BOLs used by the company had to be their own BOLs (not the BOLs generated and supplied by his freight broker). This means that the third party billing information had to be manually entered on each BOL by Steve. As you can guess, there were some issues from time to time, incorrect billing on shipments and a constant web of confusion. In the end, we spent so much time trying to figure out correct billing with the freight carriers that our own bills started becoming past-due, and we had to set new practices in place for Steve's warehouse to continue shipping from that location.

Solution

Always check to make sure the shipper is using the correct BOL with the correct billing information. Even if you're not at the shipper location, make sure that your contact at the shipper has an up-to-date and correct BOL with the correct bill-to party. Remember, the process behind LTL shipping is different than truckload shipping (where dispatchers and carriers use their own personalized BOLs). If you are forced to use a handwritten BOL, confirm that you've transferred the billing information correctly. If you do have a mishap on the billing end of the things don't panic. Contact your freight broker (Or someone from the party being billed), and have them contact the carrier directly. You'll need to supply a letter of authorization for the new billing party, but usually these issues can be resolved in a matter of days.

Takeaways

- Double-check BOLs before handing over freight to carrier for correct billing information.
- If an error occurs, don't panic. Reach out to the carrier directly with a letter of authorization to switch the billing.
- LTL billing and BOL processes are very different than truckload shipping.

4. FREIGHT PACKAGED INCORRECTLY

Intro

Incorrect packaging can be one of the main causes of shipment damage. LTL shipping involves freight being moved from terminal to terminal, from dock to dock, and with all that moving there is bound to be some bumping around. It's imperative to have the correct packaging for your LTL shipment, making it easier for the carrier to successfully transfer the shipment from truck to dock and vice versa, keeping your freight from being damaged.

Problem

LTL shipments move around a lot, meaning there is a greater chance of damage to the freight. If you're shipping a truckload shipment, most of the time the freight will remain on the same trailer from shipper to consignee, reducing the chance of damage. Unfortunately, this does not apply to standard LTL shipments, so packaging is key. The problem is two-fold; the items are not sufficiently packaged in boxes, packing tape, bubble tape, etc., or the items are not palletized and crated.

Example

One of our customers often [shipped car hoods and other car parts](#) from their warehouse in California. After a few months of shipping, we found that we were constantly getting damage claims for the customer, so we decided to investigate. As it turns out, the items weren't being "damaged" but rather "lost." How? Our customer was shipping items in boxes, up to five at a time, but was not packaging them together on a pallet. Instead, they shipped five separate boxes, with all five boxes rarely making it to the correct destination. More often than not, four boxes would show up with the fifth being forever lost. The carrier was hesitant to pay out the freight claim because there was no mention of five boxes on the BOL, only one piece (the pallet).

Solution

Use common sense when you're packing your material. If you're shipping steel bars the chances of damage are lower than if you're moving fine china. Package items knowing that they will be moved around in transit. Secondly, if you have multiple boxes or items in your shipment, package them together so they won't be separated. Lastly, **ALWAYS** use a pallet or crate.

Takeaways

- Package items in boxes using packing bubbles, newspaper, packing tape, etc.
- When moving multiple items, package them together on a pallet or in a crate.

5. MISCALCULATED FREIGHT TRANSIT TIMES

Intro

Transit times in LTL shipping are always estimated and do not include weekends or holidays. Shippers and consignees often confuse these dates and transit times, setting unrealistic expectations for the delivery of their freight. This leads to upset vendors and customers.

Problem

There can often be a misunderstanding of the term “estimated transit times” for many shippers and consignees. In a shipping industry that is at the mercy of weather and traffic (among other things), delays in transit will occur. That’s why carriers **ALWAYS** estimate their transit times: to save themselves from hassling over late-delivery shipments. This is an industry-wide standard, and the only way to get around this is to “guarantee” the shipment. If you guarantee a shipment and the carrier fails to deliver the freight by the agreed upon time, the shipping bill is void and you will not be charged for the freight. It’s important to note that “guaranteed” shipments cost more money and are also subject to stipulations including weather and capacity, so make sure to confirm with the carrier that they offer the “guarantee” before shipping the item.

Example

Last summer, a customer of ours needed to ship a trampoline and have it delivered in time for a birthday party. This was around the 4th of July, a time frame infamous for delays in the freight industry. Our customer knew that he would need at least two days to ship the item, and probably a few more to insure that no delays would occur. Unfortunately, our customer did not heed the warnings of the holiday delay and thought he could get his item delivered in the absolute minimum transit window. Sadly, the freight was delayed, the order cancelled, and the freight bill still had to be paid. If our customer would have “guaranteed” the shipment he would have been off the hook with the freight bill, could have given a discount to their customer because of the delay, and saved the entire messy situation. The shipper also could have shipped the item earlier, so as to avoid the holiday (when none of the carriers were running) and the delays that often come along with holidays.

Solution

Have a clear grip on the transit times your freight will be facing and set realistic expectations when it comes to transit times for both yourself and your clients. If something has to deliver by a certain time, then pony up and pay for the guarantee. It will make your life easier.

Takeaways

- Transit times are **ALWAYS** estimates that do not include the day the item is picked up or weekends.
- If something needs to be delivered by a certain date, pay the extra money to “guarantee” the shipment.

6. ACCESSORIALS NOT LISTED ON THE BOL

Intro

Accessorials are additional services listed on the BOL sometimes needed to complete a pickup or delivery. The majority of these accessorials have an additional fee, and all of them must be notated on the BOL given to the carrier at the time of pickup.

Problem

Delays occur when the necessary accessorials are not listed on the BOL, either because the shipper did not know they would be needed to complete the delivery, or because they simply forgot. The most common types of accessorials needed for delivery are the “residential delivery” service and the “lift gate” service. As a standard LTL shipment is dock to dock, carriers have to make special arrangements to make deliveries or pickups at residences, usually involving smaller trucks known as “box trucks” and always using a lift gate. If the appropriate accessorials are not listed on the BOL given to the carrier at the time of pickup, then there is a chance the freight delivery will be delayed until the carrier can contact the billing party or consignee to confirm who will pay for the additional services.

Example

Our customer Maria had a very difficult time getting some household goods delivered to her home in California. The problem was that “residential delivery” was not listed on the original BOL, so the carrier attempted delivery to the residence but the semi-truck could not fit down the narrow residential streets. The freight was brought back to the terminal and a delivery appointment was made with Maria for the next day. The significant delay occurred when re-delivery charges were levied against Maria, and she refused to pay them. Without the assured payment of the re-delivery charges, the carrier would not deliver the freight and it sat at the terminal for nearly a week as she argued with the carrier. All of this could have been avoided if the carrier would have known to use a small truck to deliver in the first place.

Solution

Pay attention to additional services that might be needed to make pickup or delivery, and ask your freight broker or the carrier if you’re unsure. If the problem does arise that an accessorial is needed, get clear reasons from the carrier why the service will be needed to complete the delivery (or pickup) and how much it will cost on top of the original quote. You’ll need to send over authorization for the additional charges to the carrier, and remember it’s always easier to argue invoice issues with carriers when there is an e-mail trail.

Takeaways

- If picking up or delivering to a residence, always pay for a lift gate and residential accessorials.
- Accessorials must be clearly notated on the BOL given to the carrier at the time of pickup.

7. CLOSING SHOP TOO EARLY FOR PICKUP

Intro

One of the most consistent reasons for a missed pickup is the shipper closing by the time the driver shows up for pickup. This usually involves the shipper leaving the office, dock, or warehouse early (especially on Fridays). Even if carriers are given the two-hour minimum heads up for their pickup, it's important to stress that the window is a "minimum."

Problem

It is an industry standard that all pickups must have a two-hour window that the freight will be available to be picked up. In addition to this standard, you must also give the carrier a two-hour minimum heads up to make the pickup. Lastly, it's common practice that carriers perform deliveries in the morning and pickups in the afternoon, so that 10AM pickup probably isn't going to happen no matter how much you need it to. Unfortunately, none of this is a science and sometimes it takes longer than two hours for a carrier to log and complete a pickup. Once again, realistic expectations are necessary.

Example

We had a particular shipper in Florida who closed at 4PM every day, but never scheduled his pickups until 2PM. Most of the time this worked fine, however, Fridays were the exception. Fridays are usually the busiest day for pickups and carriers are often backed up. Nobody likes a missed pickup, carriers included. Once it became clear to the carrier that the shipper would not wait until after 4PM to make the pickup, they were less inclined to try the pickup, as it always turned into a wasted trip (As no freight was ever picked up). We eventually had to find a new carrier to make the early pickup, and the pickup window was lengthened to later in the afternoon.

Solution

The more time available for pickup the better, so if possible give more than the two-hour window required for pickup. Try to schedule pickups early in the morning rather than in the afternoon. Proper planning will alleviate the stress that can come from missed or late pickups, and proper expectations are also a key for successful LTL shipping.

Takeaways

- Carriers make deliveries in the morning and pickups in the afternoon, so that 10am pickup window is probably not going to happen.
- The more time available for a pickup is always better, and the more "heads up" given to the carrier the better the chances for a smooth pickup.
- If you know you want to ship out freight, call in the morning, schedule the pickup for the afternoon, and then have your freight broker check in periodically with the carrier dispatcher to confirm your pickup is still on board.

8. *POD NOT SIGNED FOR DAMAGE*

Intro

Damage is a part of LTL freight shipping. This is an industry standard and though some carriers are better at avoiding damage than others, all carriers have to deal with damage claims at some point. The next step is finding ways to protect against damage through packaging, insurance, and noting damage on the Proof of Delivery (POD). This is a necessity for filing successful damage claims with a carrier, and one that cannot be overlooked.

Problem

To file a claim for damage you will need proof that the freight was damaged by the carrier in transit. How do you get this proof? By signing the POD and notating any damage that may be visible for the freight. Unfortunately, many of our customers and consignees do not inspect the freight at time of delivery, and do not note any sort of damage on the POD. Without a signed POD saying the freight is damaged (or even possibly damaged) the carrier will likely refuse a damage claim, as there's no proof that the carrier caused the damage.

Example

One customer shipped fragile goods on a regular basis, and given the material, his freight was sometimes damaged. Unfortunately, the consignee rarely signed for damage on the POD. The problem wasn't the consignee, but rather the driver, who would not wait for the consignee receiving the freight to inspect the package. It's true that drivers can sometimes be in a hurry to catch up on other pickups or deliveries, but that does not mean that you shouldn't inspect your freight. Once the consignee realized this, the driver was more understanding of the situation, and an extra five minutes of waiting for inspection never hurt anyone.

Solution

Take the time to inspect the freight at time of delivery. Look for breaks in packaging and other signs of obvious damage. If you find damage, you **MUST** note it on the POD. Be explicit about how much damage you find, and then request a copy of the delivery receipt. Feel free to take pictures of the damaged freight and contact your broker or carrier to begin the claims process. Claims are a time-sensitive issue and the less time between delivery and filing a claim the better. If your freight is so damaged that it cannot be salvaged, feel free to take pictures of the freight and "refuse" the shipment. The driver will load the freight back to the terminal, and you can file a damage claim for the total losses.

Takeaways

- Always inspect freight at the time of delivery and notate any damage or possible damage on the POD before you sign.
- Take pictures of any freight damage for claims purposes.
- File a damage claim quickly after receiving the freight; the sooner the better.
- If an item is damaged beyond repair, notate the damage on the POD, take pictures of the totaled freight, and refuse the shipment.

9. NO THIRD PARTY INSURANCE

Intro

As previously discussed, damage is a somewhat common event in LTL shipping. There's no getting around it. However, getting [third party insurance](#) to protect your freight is a great way to avoid costly damage, and get timely claim payments from the carriers. Though the carriers have their own insurance for freight that they transport, often this coverage is lacking. You can protect yourself further with third party insurance.

Problem

The insurance carried by the freight carriers can be limited, and it's hard to get full payouts for damage or lost freight. Carrier claim departments are also notorious for the delays associated with getting you your claim money. Basically, they take a long time and often don't pay out as much as they should. Unfortunately, it can be difficult to get fair and full compensation for lost or damaged freight, and that's why third party insurance can be so important.

Example

I once ran across a customer that was shipping a very expensive and rare vintage arcade machine that was worth thousands of dollars. Unfortunately, the machine was slightly damaged in transit. The item was not damaged beyond repair or ruined, but it was still a significant hit. The consignee did everything in their power to notate the damage on the POD, take pictures, etc. They waited months to hear back on their damage claim, and when it finally came back they were disappointed with their payout. Unfortunately, because the item was only partially damaged, the carrier insurance was unwilling to pay out the desired amount because of classing and coverage based on weight. They never received full payout for their shipment and refused to use that carrier in the future.

Solution

If you are shipping anything that is very expensive, fragile, or does not have good coverage using the carrier insurance, get third party insurance. It's very affordable, and though there is a deductible of \$500 for most items, it's worth it in terms of payouts. The way that third party insurance works is that the insurance company goes directly to the carrier for their insurance payouts while keeping the customer satisfied with a fair payout for damage. Overall, a third party insurer will get your claim paid out faster, with a better chance of full compensation. It is a small price to pay for avoiding the hassle and disappointment of regular carrier insurance.

Takeaways

- If you are shipping fragile or expensive items, don't take the risk of damage and unpaid claims; get third party insurance.
- Third party providers make it easier and faster to get your fair payouts for damaged or lost freight.
- Carrier insurance can be limited in its ability and willingness to pay out in a timely fashion.

10. *NOT GETTING SPECIAL PERMITS*

Intro

Though many things can be shipped LTL, occasionally there are items that require special permits and licenses to move them safely and legally from state to state. Some common items this applies to are: the transportation of food and other perishable items, hazardous materials, and alcohol.

Problem

Shippers sometimes try to ship items that require special permission without knowing that their items need licenses. When the carrier learns of this, they often will not pick up freight, or will delay the transportation of freight until the correct permissions are granted. Mainly, this causes delays in pickups and transit times as equipment and drivers that hold these special permissions and licenses are more rare than standard drivers and trucks.

Example

We had a customer that shipped energy bars to vendors and warehouses in New England. Usually, they were fine to ship the energy bars as regular LTL shipments. However, for one particular shipment, they added a special drink to the shipment, a drink that required a special permission to ship. Though the freight was picked up as usual, when the carrier discovered the item, they refused to move the freight any farther because they didn't offer the unique services necessary to transport the drink. Unfortunately, the situation turned bad as it became difficult to find a carrier to transport the special freight, and the situation resulted in a lengthy transit time delay.

Solution

If you think the commodity you are shipping might be in need of a special permit, check with the carrier or your freight broker to confirm if any special permission is needed. They'll be able to assist you with information needed on the BOL or packaging of the freight. In the case of hazardous material, a special charge will also be needed, but that's something the carrier or freight broker can help you with. As with most freight situations, the best way to avoid lengthy delays is with good planning.

Takeaways

- Some items such as foods, drinks, hazardous materials, and alcohol need special licenses and permission to ship.
- If you have questions about what items exactly can or can't be shipped, consult your freight carrier or freight broker.
- The best way to avoid a transit delay is to be proactive.

For more information on avoiding "Stupid" freight mistakes, contact a FreightPro @ 888-297-6968 or check out www.freightpros.com today.