

# Collaboration, freight and inventory strategies -312 forum 4

[Food & Diet](#)



Freight classification Introduction When it is about moving the Less-than-Truckload shipments, the first thing to consider is the definition of the product by the trucking industry. The products are defined differently in the shipping world according to their characteristics. This product definition is known as freight classification. The freight class plays an important role in calculating the price of the product transportation charged by the carrier (Soroka, 2008).

There are many classes under which the freight can be shipped. These classes are listed in the classification chart through which the class of the product is determined. The classes are determined in accordance to the individual characteristics of the freight. However, the four characteristics that are considered to decide the product class are density and value, stowability, handling, and liability (Tompkins, 2004).

Rates and ratings are two different terms used in the freight classification which is used to assign a class to every product. Ratings are given to the products according to their class. The products that fulfill all the four characteristics have high ratings while the products that don't have low ratings (Wood, 1995). The high class products have high ratings in the shipment and their shipping costs are determined by the ratings. Rates of the products are also in accordance to the classifications. These are the cost rates which are set by the carrier and are negotiable. They are the cost of the freight shipping determined by the class of the products (Coyle, 2010).

## References

Coyle, J. (2010). *Transportation: A Supply Chain Perspective*. London:

<https://assignbuster.com/collaboration-freight-inventory-strategies-312-forum-4/>

Cengage Learning

Soroka, W. (2008). Illustrated Glossary of Packaging Terminology. London: DEStech Publications, Inc.

Tompkins, J. (2004). The Supply Chain Handbook. NY: Tompkins Press

Wood, D. (1995). International Logistics. London: Springer