

Due to its complexity, less-than-truckload (LTL) shipping has had a difficult time fitting into the supply chain. Because of the way it is priced and the wide array of carrier requirements, LTL evolved as an ad hoc service — simply a stopgap solution when a full truckload shipment wasn't a viable option. At the same time, LTL also couldn't rival the affordability or quick delivery that full truckload shipping could offer.

As supply chains grow more complex, mode optimization is becoming key to navigating the fine line between keeping operational lines running and getting the best shipping rates. The sluggish U.S. economy has further contributed to a decrease in demand for full truckload shipments and an increased reliance on LTL. In fact, LTL shipping has emerged from the 2007 economic downturn having fared better than full truckload.

As the manufacturing and shipping industries have evolved, LTL has begun to transcend its perception as an antiquated shipping method and become an integral — and affordable — option for solving logistics challenges.



The prevalence of Just-in-Time (JIT) inventory management.

In an effort to increase efficiency and decrease waste, many manufacturers have switched to JIT inventory strategies. Instead of receiving a full truckload of inventory all at once and warehousing it, they receive goods only as they're needed in the production process.

More efficient routes.

With JIT, suppliers are warehousing their products closer to where their customers need them. As a result, shipments are traveling shorter distances, which is where LTL is most efficient. Since LTL carriers are regional, shorter distances mean shipments can stay with the same carrier and there's less of a need to transfer cargo at hubs.

Increase in delivery reliability.

JIT inventory systems are only reliable if there isn't a disruption in the supply chain. If a single product shipment is late, it could shut down an entire operational line. In the past, many shippers avoided LTL shipments because they simply weren't predictable enough — you never knew how many other stops the truck would make or how long your shipment might sit at a hub. That's all changed in recent years.

Improved affordability.

LTL is often the second most economical shipping mode behind rail. It is especially competitive when shipping cargo between 2,500 pounds and 10,000 pounds at shorter distances.

Increased demand for accessory services.

An added benefit of shipping LTL is the ability to add on accessory services including liftgates, notification option and inside pickup/delivery. LTL has become especially attractive for shipments to and from Alaska, Puerto Rico and Hawaii because LTL carriers can perform true door-to-door service.



The art and science of shipping LTL.

There are dozens of factors that come into play when shipping LTL. You need a partner with the technology and expertise to help you implement it into your workflow. That's where a freight service provider becomes an essential member of your team.

LTL shipping rates factor in distance, freight class, weight and accessorial services. Advanced algorithms like the ones a freight service provider has at their disposal can take into account all these factors and find the best rates. At the same time, a freight service provider can vet carriers, negotiate lower rates and secure capacity.

About us:

Based in Kansas City, MO, Freightquote by C.H. Robinson is a freight service provider that offers powerful yet easy-to-use online shipping tools, as well as a full-service team of highly responsive freight experts that deliver convenient, one-stop shopping for LTL, truckload and intermodal freight. Freightquote provides customers with streamlined and efficient capabilities to compare competitive rates from multiple contract carriers, book and track shipments and receive dedicated customer service. As a part of C.H. Robinson, Freightquote's stability and resources are strengthened by being part of one of the world's leading freight service providers.

