# PORT & DRAYAGE: A SHIPPER'S GUIDE



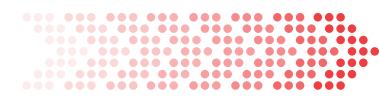


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#### **ABOUT THIS GUIDE**

In 2021, U.S. container imports for the month of May (measured in 20-foot containers) hit a record-breaking 2.33 million. The ports are congested, shipping costs have increased to unprecedented levels and drivers are in high demand and short supply.

Routing 11 million shipping containers in and out of our country's ports every year is nothing short of a logistics' miracle. Whether you regularly deal with imports or exports, or are new to the game, this brochure offers some helpful guidance for port and drayage shipping.

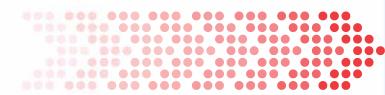
Choptank's Port and Drayage Guide looks at current challenges facing shippers today. It includes what the term drayage means, a listing of top ports involved in drayage moves, a glossary of drayage-related terms, an explanation of the varying types of chassis and containers, along with sample documents required for dray shipments

### **MARITIME SHIPPING**

China to the Port of LA takes approx. 64 days at sea to travel by cargo ship

Cargo ships travel thousands of nautical miles to get from one side of the world to the other. For example, it is 18,427 nm (the equivalent of 21,205 land miles) and takes approximately 64 days to travel from the port of Yantian, China to the Port of Los Angeles. The average speed of these skyscrapers on the ocean is 10 to 25 knots, contingent on weather and deadline schedules. Once they arrive at their destination, there are processed by drayage carriers for the next stage of their journey.

There are many challenges facing today's shippers regarding drayage services and transporting goods. These obstacles can cause significant interruptions in service, and they include a lack of container visibility, the reshuffling of containers, customs clearance problems, and carrier capacity issues. Using a reputable 3PL can help mitigate some of these issues.



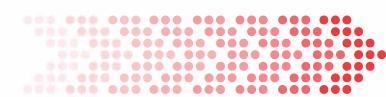
### WHAT IS PORT AND DRAYAGE

Port and drayage services are considered specialty services and are a vital part of the supply chain. They became necessary during the last leg or the first leg of a shipment's journey. There are 360 commercial ports in the United States and upon arrival at one of these transitional places, it will either become an import or an export.

There are 360 commercial ports in the United States

Drayage is the transport of both loaded containers and returned empty ones, along with chassis between trucks, rail, warehouses, or depots. An interesting side note about the term drayage. It stems from the Old English word dræge, meaning a cart without wheels.

Drayage moves are short in nature, usually staying within a 75-mile radius of a port. Most often this means a truck moving freight from the port or a rail hub to a distribution center or warehouse nearby. There is also intermodal drayage, which is moving goods over short distances as part of a longer distance by another mode of transport.







### General purpose containers are either 20 feet or 40 feet in length

(20ft: legal weight, 35K maximum with permits varying by state, and 40ft: legal weight, 42K maximum with permits varying by state.) In the Caribbean, 45 feet containers are common.

There are also a variety of other container options, depending on the cargo being shipped. Choptank Transport can provide quotes for any of these type containers.

**High Cube 40':** Especially good for light-weight, voluminous cargo and over-height cargo up to a maximum of 8' 10-1/4". Considered over-height for inland transportation.

**High Cube 45':** Same as above but slightly longer.

Hard Top: Developed for heavy loads.

**Open top:** Designed for over-height cargo.

**Flat Track:** Suitable for heavy loads and oversized cargo.

Platform: Also well-suited to heavy loads and oversized cargo.

Ventilated: Especially designed for cargo that needs ventilation.

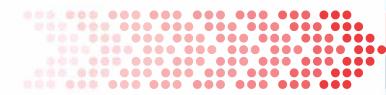
**Insulated:** Fitted with portholes and used for cargo which needs constant temperature control (either above or below freezing).

**Refrigerated:** Reefer containers are used for temperature-controlled cargo.

**Bulk containers:** Especially good for dry bulk cargos, such as grains. There are three manholes on top for top loading and unloading.

**Flexitank:** These containers house a flexible plastic tank or "bladder" that is ideal for shipping liquids such as olive oil, fruit juices, sauces, wine, and more. It is also used for industrial chemical bulk liquid applications such as adhesives, detergents, shampoos, and pharmaceutical ingredients.

**Tank containers:** This type of container is designed specifically for chemical products, flammable cargo, corrosive, or other hazardous or non-hazardous products.



### **TOP 10 PORTS IN NORTH AMERICA**

Los Angeles - Also known as America's Port, the largest port in North America covers 7,500 acres, and \$1.2 billion dollars of cargo per day

**Long Beach** - Combined w/Los Angeles, it is responsible for ¼ of container trade in the U.S.

New York and New Jersey - Nation's 3rd largest port

**Georgia Ports** (Savannah and Brunswick) is North America's biggest single-terminal container facility & is now the Top #1 port for Agricultural Exports

Seattle-Tacoma

**Port Metro Vancouver** 

Virginia

Houston

**South Carolina** 

**Ontario** 

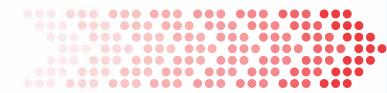
Although Baltimore is not listed as a top 10 port, it is within an overnight drive to 1/3 of the nation's population and it is one of the four eastern ports able to accommodate even the largest container ships.

### THE CHASSIS ISSUE

Ships are built to stack and carry 20' and 40' containers while trucks haul trailers that are 48' or 53' in length Ships are built to stack and carry 20' or 40' containers while trucks haul trailers that are 48' or 53' in length. As a result, dray carriers need chassis to transport containers. There are many different sizes of chassis with varying weight capabilities. There are 20' and 40' chassis, triaxle chassis, and spread axle (sometimes called super chassis). Today, U.S. ports are experiencing a severe shortage of chassis required to offload containers.

Need a resource for chassis? TRAC\_Chassis\_Brochure\_2015.pdf (tracintermodal.com)





#### PERMITS & LICENSING

There is no standardization in the port community regarding permits and licensing, so what one port requires, another may not. DOT regulations and other rules for compliance can vary significantly too, which is why dealing with an experienced transportation provider like Choptank can save you time, headaches, and unexpected fees.

Two examples of permits usually required in most shipping yards are a TWIC and a UIAA. (see glossary below for details.)

### TRACK AND TRACE

Choptank has a dedicated track and trace team that monitors a customer's shipment from end to end. It starts with tracking the container(s) as it crosses the ocean. As soon as the cargo arrives at the pier, the team springs into action on the land portion of the journey. Through the port's own tracking technology, Choptank knows where in the process a shipment/container is loading and unloading in real-time.

Once the freight is picked up by a designated dray carrier, Choptank makes sure to keep in constant touch with the driver to know where and when it will be delivered in the next step of the journey.



#### **ACCESSORIAL FEES**

Accessorial fees also vary from port to port and from one dray carrier to another, but here are some of the common charges you may come across with your shipments. (Not all accessorial fees require customers' pre-approval, but some do.) Most providers will notify the customer within 72 hours of incurring any accessorial fees and never should they be charged later than the invoice date.

### Examples of possible accessorial charges:

Administration Fees, after-hour delivery fees, per-diem chassis, per diem demurrage (based on steamship line), dry run truck-ordered-not-used (TONU), hazmat fees, layover, insurance, lift or split chassis fees, overweight fee, overweight axle, overweight permit, port congestion and detention, pre-pull fees, reefer fees, stop-off fees, terminal gate/pier pass fee, tolls, triaxle chassis, container rental, security and weekend monitoring, and yard storage.

The extra charges can add up quickly so knowing what you can expect ahead of time should allow you to budget accordingly. Be sure when asking for a drayage quote that you include all the pertinent information upfront with your transportation provider. Shipments that are overweight or temperature-controlled, for example, most likely will incur additional fees.

\*You can request a list of Choptank's port and drayage accessorial fees.

### **DELIVERY ORDER**

### **DELIVERY ORDER FOR IMPORTS**

### #1. Delivery Order - Example of 'Delivery Order' for imports.

### Required information includes:

- Company name/logo of who is sending the DO
- DELIVERY ORDER written across the top
- > Port of Origin (pick up location) and delivery address
- > Vessel name and ETA
- Carrier name listed as the trucking company
- Piece count and weight
- Bill of lading #
- Commodity
- > Container # and description (dry or reefer, 20' or 40', temperature if reefer)
- > Customer PO# if there is one

| DE                                                                                                                        | LIVERY ORDER                                    |                    |                        |
|---------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|--------------------|------------------------|
| DATE: 08.13.21                                                                                                            |                                                 |                    |                        |
| Location : PORT OF ORIGIN                                                                                                 |                                                 |                    |                        |
| DELIVER TO:<br>DELIVERY BUSINESS ADDRESS                                                                                  | IMPORTING CARRIER:<br>ARRIVAL DATE :            |                    |                        |
| TRUCKING COMPANY : CHOPTANK                                                                                               |                                                 |                    |                        |
| TOTAL PACKAGE : 27.10                                                                                                     | TOTAL WGT: 17780                                | KGS (39197 LBS)    |                        |
|                                                                                                                           | BILL OF LADING #                                | COMMODITY          |                        |
| CONTAINER # RESFER, CONTAINER CONTAINER SIZE AND RESFER/DRY                                                               | 2                                               |                    |                        |
| PO#<br>-25C                                                                                                               |                                                 |                    |                        |
|                                                                                                                           |                                                 |                    |                        |
|                                                                                                                           |                                                 |                    |                        |
|                                                                                                                           |                                                 |                    |                        |
|                                                                                                                           |                                                 |                    |                        |
| THIS PICKUP/DELIVERY ORDER IS NOT AN "INTEG<br>INDICATES WEIGHT OVER 29000 LBS, PLEASE COL<br>CERTIFICATION IS AVAILABLE. | RMODAL CERTIFICATION"<br>ITACT OUR OFFICE TO CO | . IF CONTAINER/TRO | AILER                  |
| TRANSPORT REEFER UNIT MUST BE ARB CO<br>LIABILITY FOR ANY PENALTIES ASSOCIATED                                            |                                                 |                    |                        |
| PACKAGE                                                                                                                   | COUNT VALIDATION                                |                    |                        |
| THE CARRIER OR CARYMAN TO WHOM THIS ORDER IS AND DEMURRAGE CHARGES RESULTING FROM NEGLIG                                  |                                                 | SPONSIBLE FOR ANY  | STORAGE<br>No. of PKGS |
| AGENT OF DELIVERING CARRIER                                                                                               | ame) DA                                         | TE:                |                        |
| DELIVERED QUANTITIES VERIFIED                                                                                             | DA DA                                           | TE:                |                        |
| EXCEPTIONS:                                                                                                               |                                                 |                    |                        |

## **BOOKING ORDER**

#### **BOOKING ORDER FOR EXPORTS**

### #2. Booking Order - Example of Booking order for exports

Required information includes:

- Company name/logo of who is sending us the DO
- ▶ Booking # up top
- Cargo cutoff date
- > Port of empty pickup address
- > Loading facility address and contact information
- > Port of full return address
- ▶ Carrier name listed as the trucking company
- > Loading appts and PO#'s (reference numbers) for each loading
- > Piece count and weight if known
- Commodity
- Description of container (dry or reefer, 20' or 40', temperature if reefer)

|                               | 12741                                               | 12742       | ī      | _          | 1          |
|-------------------------------|-----------------------------------------------------|-------------|--------|------------|------------|
| SHIPLINE:                     | 00CL                                                | 12/92       |        |            | _          |
| BOOKING NO.:                  |                                                     |             |        |            |            |
| EQUIPMENT                     | XX                                                  | 140' HC     |        | OTHER      |            |
|                               |                                                     | REEFER      | )XX    | DRY        |            |
| TYPE OF EQUIPMENT  REQ'D TEMP | 0                                                   | DEG         |        | FAH OR CE  | e .        |
| GENSET - CLIP ON              |                                                     | Tyes        |        | JNO        | L          |
| CARGO CUTOFF DATE:            | Thron                                               | 71.44       | 0.2021 | TIME:      | 4:00:00 PM |
| EMPTY PICK-UP LOCATION:       | Thursday, August 19, 2021 TIME: 4:00:00 P           |             |        | 4:00:00 PM |            |
| FULL RETURN LOCATION;         | PORT RETURN LOCATION                                |             |        |            |            |
| WAREHOUSE / LOADING LOCATION: | LOADING FACILITY ADDRESS<br>AND CONTACT INFORMATION |             |        |            |            |
| REF:                          | 12741                                               | 12742       | 0      | 1 0        | -          |
| APPT DATE:                    | 16-Aug                                              | 16-Aug      | Ť      | <b>†</b>   | 1          |
| APPT TIME:                    | 8am                                                 | 10am        | l      |            |            |
| RELEASE/PICK-UP NUMBER:       | 1                                                   |             | l      |            |            |
|                               | 1                                                   | ı           | l      |            |            |
| PALLET EXCHANGE??             |                                                     | YES         | XX     | TNO        |            |
| NOTES:                        | W. C. 20.000                                        | LBS PER LOA | D      |            |            |

### **GLOSSARY OF TERMS**

**Chassis** - a frame with wheels and container locking devices to secure the container for movement.

**Common Carrier** – A transportation company that provides service to the general public at published rates.

**Container Pool** - an agreement between parties that allows the efficient use and supply of containers, as required.

**Customs Broker** - a person or firm, licensed by the customs authority of their country when required, engaged in entering and clearing goods through customs for a client (importer).

**Cut-off time** (closing time) - The latest time a container may be delivered to a terminal for loading to a scheduled barge, vessel, train, or truck.

**Demurrage** - a charge payable to the owner of a chartered ship in respect of failure to load or discharge the ship within the time agreed.

**DO** – an acronym for Delivery Order, which is the actual order for the container move.

FEU - Forty-foot equivalent unit

**FMC** – Federal Maritime Commission is an independent federal agency based in Washington, D.C. that is responsible for the regulation of ocean-borne international transportation of the U.S.

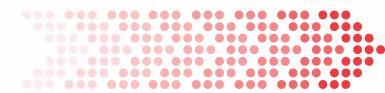
**Foreign Trade Zone** – a free port in a country divorced from customs authority, but under government control. Merchandise, except contraband, may be stored in the zone without being subject to import duty regulations.

**Heavy Lift Charge** - a charge typically imposed when special lifting gear is required to handle a given piece of cargo, which may be of either heavyweight or of large dimensions (often referred to as "out of gauge" when dealing with container vessels).

In Bond - Cargo moving under Customs control where duty has not yet been paid.

**Inland Carrier** – a transportation company that hauls export or import traffic between ports and inland points.

**Intermodal** - Movement of cargo containers interchangeably between transport modes where the equipment is compatible within the multiple systems.



**Line Haul** - The movement of freight over the tracks of a transportation line from one location (port or city) to another.

**Longshoreman** (or docker, port worker, or dock worker) – an individual employed locally in a port to load and unload ships

**Freight Forwarder** - Person or company who arranges for the carriage of goods and associated formalities on behalf of a shipper. The duties of a forwarder include booking space on a ship, providing all the necessary documentation, and arranging customs clearance.

**NVOCC** – an acronym for an ocean transportation intermediary that stands for Non-Vessel-Operating Common Carrier, who performs all services of an ocean carrier except without operating the vessels. How is an NVOCC different from a freight forwarder? **READ MORE** 

**Pre-pull** – When railyard's free time is about to expire, and railyard storage fees are about to kick in, this option allows the dray carrier to move the shipment to their own truck yard to avoid the high railyard fees. This can also be useful to meet early delivery deadlines.

**Stevedore** – an individual or firm that employs longshoremen (or dockers, dock workers, or port workers) to load and unload vessels.

**Stripping** (unstuffing)- Unloading of a container.

**Tare Weight** - The weight of wrapping or packaging; added to the net weight of cargo to determine its gross weight.

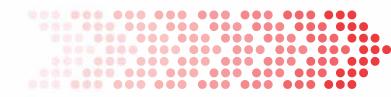
**TONU**- When a truck is ordered but not used.

**Trans-shipment** - a distribution method whereby containers or cargo are transferred from one vessel to another to reach their destination, compared to direct service from the load port of origin to the discharge port of destination. This method is often used to gain better vessel utilization and thereby economies of scale by consolidating cargo onto larger vessels while transiting in the direction of main trade routes.

**TWIC** - The Transportation Worker Identification Credential, also known as TWIC®, is required by the Maritime Transportation Security Act for workers who need access to secure areas of the nation's maritime facilities/vessels, and others who require a TWIC®.

**UIIA** – The Uniform Intermodal Interchange and Facilities Access Agreement is a standard industry contract between truckers/drayage companies and water/rail carriers and leasing companies.





### WHY YOU SHOULD CHOOSE CHOPTANK

Choptank has built steadfast relationships with port personnel and dray carriers at terminals and yards across the country. Our dedicated ports team monitors your shipment every step of the way, from on the ocean, to waiting at berth, to the pier, and then on its way to its ultimate destination. You have one point of contact "Team Ports" and everyone on that team has your freight's safety and speedy delivery in mind, with full information at their fingertips.

#### SEE WHAT SHIPPERS ARE SAYING ABOUT OUR SERVICES:

"We are very happy with Choptank's Service. Your team is on schedule for deliveries and is always available when we have questions or if a problem arises. We highly recommend Choptank as a Carrier. For us, it is not always the cheapest game in town, but the service is 10 out of 10."

- Aura Corredor, Logistics and Operations Coordinator, B & M Sugars.

"The drayage team is great and their communication is on point! They diligently check-in, follow up and stay on top of moves you've indicated may be needed, even months out. They are great about sourcing carriers for urgent drays without breaking the bank and have been great to work with over the past few years." - Lauren Ray, Supreme Resources



Choptank Transport is a nationwide third-party logistics company that specializes in truckload and temperature-controlled freight services as well as less-than-truckload, intermodal, port & drayage, and heavy-haul GOCHOPTANK.COM shipments. The company's headquarters is in Preston, Maryland, with regional locations that include Baltimore, Denver, Dallas, Atlanta, and Tampa. For more information about Choptank Transport, visit our Facebook page or go to our website at www.choptanktransport.com.

Full Service, Multi-Modal, Third-Party Logistics

TRUCKLOAD > COLD LTL > DRY LTL > INTERMODAL

Manage all of your logistics in one place. Discover a team of experts that offers solutions for all of your shipping problems. Choptank Transport is an award-winning third party logistics company with over 20 years of experience. Trusted by Fortune 500 companies and small businesses alike, our commitment to 24/7/365 customer service and reliability makes us a top choice in the industry. Our customized technology, superior communications skills, constant visibility and proven track record should put us first on your list.

We have the capacity, commitment and flexible pricing structures to customize our service to your needs.





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