

HOW TO COMPARE LTL CARRIERS

Finding the right less-than-truckload (LTL) carriers to deliver your goods is essential – but not easy. A good first step in understanding how to choose the right LTL carriers for your needs is to learn the basic similarities and differences between the various categories.

If you need additional assistance on your LTL shipping needs, contact your Schneider representative.

Types of LTL Carriers

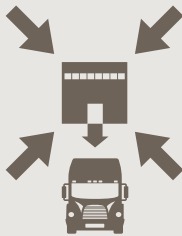
The type of carrier you need depends largely on your shipping origins and destinations. This will determine whether a regional carrier, national carrier or consolidator can haul your freight where it needs to go.



Regional LTL carrier: Ships only to a certain region, for example, the Midwest. Regional carriers tend to have a high density, or a larger number of trucks, in their region. For this reason, regional carriers typically have the quickest overnight shipping services.



National LTL carrier: Serves the entire United States and may even provide cross-border shipping to Canada and Mexico. National carriers provide linehaul between regions. National carriers tend to offer more direct lanes with less interchange to destinations than other types of carriers.



Consolidator: Operates on a spoke-and-hub system, meaning all LTL shipments are initially brought back to the same single hub point. Once enough freight accumulates for a full truckload shipment, the freight is shipped to its destinations. With a consolidator, shipments will likely spend more time in transit than with other types of carriers. While there is less control of delivery time with a consolidator, these types of carriers tend to be less costly than others.

Direct Freight vs. Interlined

Another aspect to consider when choosing an LTL carrier is whether you would prefer your freight shipped direct or interlined.

- **Direct:** only one carrier will come into contact with your freight
- **Interlined:** freight may come into contact with multiple carriers

When interlined, for example, one regional carrier may haul your freight through the Midwest, then pass your freight on to another regional carrier who will deliver the freight to its Northeast destination. Interlining typically costs less than direct shipping, but there is more opportunity for high-value or extremely fragile freight to be damaged when moving between carriers.

Choosing the Right LTL Carrier

When choosing an LTL carrier, consider how cost, service and capacity factor into your shipping needs. Selecting the right carrier depends on finding the right balance of these three factors.