

EXODUS DISPATCHING AND TRAINING

BASIC TERMS GLOSSARY

I. General Basic Dispatcher Terms

What is a Dispatcher and What is Dispatching?

Dispatcher (Independent or company) – dispatch means “to send off”. A dispatcher is one “sends off” or finds loads for their carrier under a dispatcher agreement. They are responsible for making the carrier’s job smoother by handling most, if not all, of the administrative paperwork, etc. as a “bona fide” agent of the carrier as outlined in the Dispatcher Agreement.

Dispatching – the processing of finding loads for a carrier and following through the process while the carrier is under a load.

Dispatch Agreement – a contract between the dispatcher and a carrier/owner operator/truck driver whereby it is outlined what duties the dispatcher is to perform on behalf of the carrier and what are the terms of those duties. Rates and percentages vary based upon the agreement between the two parties involved.

Load Search Profile – A form/document carrier fills out and returns, along with the dispatcher agreement. This form/document indicates to the dispatcher how much the carrier needs to be compensated, where they would like to run, weight capacity, as well as other details. That way, a dispatcher is better able to cater their load search to that carrier’s profile in order to meet their requirements and possibly find loads.

Transport – to move freight from one place to another.

Carrier Searches

Carrier – an independent contractor or trucking firm in the business of carrying freight.

Owner operator – see Carrier.

Truck driver – see Carrier.

Power Only/Power Unit – indicates a tractor only – i.e. used to move loaded or empty trailers or continue a load if the original tractor is disabled.

Truck/Tractor – see power only/power unit.

Trailer – a freight vehicle with undercarriage wheels or mounted on chassis used for highway transportation.

Cold calling – process of contacting carriers via telephone in an effort to solicit your dispatching services to them.

Hours of Service (H.O.S.) – the number of hours in a 24-hour period that DOT allows a driver to operate his/her truck. 11 hours of driving time following 10 consecutive hours off duty. No driving after 14 hours of on-duty time (a combination of driving and all other on-duty time). The 60 hour/7 day and 70 hour/8 day limit remains unchanged, but now includes a provision that allows a driver to restart the 60 or 70 hour clock after having at least 34 consecutive hours off duty.

IFTA – International Fuel Tax Association – the regulatory body that insures fair taxes on fuel (diesel).

Team (drivers) – two drivers – allowing the truck to cover more miles in a 24-hour period.

Load Boards

Load Board – a source to list and find freight and empty trucks. Load boards are located in major truck stops and on the Internet.

DAT – Dial A Truck – is one of the major load boards out there for finding freight. It comes in DAT POWER and DAT TRUCKER EDGE versions.

Internet Truck Stop – one of the major load boards out there. Costs are from \$35 per month to \$149 for premium.

Trucker Path – one of the major load boards out there.

123 Load Board – one of the major load boards out there.

TMS – Transportation Management System – a CMS (content management system) or CRM (customer relationship management system) used to organize and keep track of your shippers, brokers, carriers, clients, customers and assets. It keeps all the organized in one centralized location for easy management and processing. You can do additional features with a TMS system such as invoicing, rate con generation and accounts payables/receivables. A TMS system example is **ASCEND TMS**.

Assets – are the actually equipment types or trucks that an owner operator or trucking company owns.

Load – any type of goods or products that has been contracted to move between the carrier and the broker/shipper.

TL – Truck load. A full weight capacity of whatever equipment type.

LTL/Partial – Less than Truck load or partial of the full weight capacity of a particular equipment type.

Picks – describes where or what shipper(s) a load is being picked up from or shipped out of.

Drops – describes where or what receiver(s) a load is being delivered to.

Loaded miles – the total miles a carrier transports freight from the time it was loaded until it is delivered.

Deadhead miles – the total miles a carrier drives with an empty trailer in order to pick up a load.

Bobtail (Bobtailing) – a carrier driving the power unit (tractor) only without the trailer coupled (or connected) to the power unit (tractor).

Lane – when you pick up from one location (shipper) and then you deliver to another location (receiver), that point A to point B situation is a lane. It is also called Line Haul.

Route – the manner in which a shipment moves.

Back Haul – every carrier is looking for the load that will get the piece of equipment to his next pick up or home. A back haul is a load that a carrier gets after delivery of his original load to get him back to his home or his next load.

Commodity – the type of goods or products that is being hauled transported or shipped. Commodities vary based off of the equipment type of the carrier.

Freight – see Commodity.

Rate – the price that is being paid to the carrier to transport the commodity/freight.

Dialogue with Brokers/Shippers

Broker – the middleman between the carrier and the shipper. They get contracted loads from shippers, post them on load boards, and then book those loads with the carriers. The process involves getting carriers “**set up**” under their brokerage by having the carriers complete a “**carrier packet**”, which involves a contract, carrier profile, MC authority, W9 and certificate of insurance (COI), listing them as a “**certificate holder**”. Once the carrier packet is completed and sent back to the broker from the carrier, it is processed and ran by the broker’s compliance team for “**approval**”. Upon successful approval, a “**load tender**” or “**rate confirmation**” (Rate Con) is generated and sent to the carrier or their dispatcher. This is how a load is “**booked**”.

Shipper – the person or company who is usually the supplier or owner of commodities shipped – also called Consignor. Shippers can either contract with brokers or directly with the carriers (which would be more ideal for the carrier, as they keep more of the money). Shippers have a “**target rate**” in which they expect for the commodity to be negotiated and sold for. Whichever broker or direct carrier comes close to meeting that target rate, will win the bid for that load. Obviously more than one broker bids for the load offered by the shipper. Keep that in mind.

Book a Load – booking a load involves getting a carrier and broker to agree to take a load at an accepted rate, after the carrier has been “**set up**” under the brokerage and was approval through compliance and has signed a “**load tender**” or “**rate confirmation**”.

T.O.N.U. – Truck Ordered, Not Used – this is when a load has been booked by the carrier through a brokerage, rate confirmation has been signed and submitted, but then, for whatever reason, through no fault of the carrier, the load was cancelled. In this case, a T.O.N.U. fee is paid to the carrier. Some carriers may not even be aware of the existence of this, so as a dispatcher representing your carrier, become educated on this.

Equipment Type – this is the type of truck or tractor that a carrier drives. The 3 most popular ones are a 53’ dry van, a 53’ reefer, and a 48’/53’ flatbed. Other, less popular equipment types are hotshots (40’ trailer attached to a 3500 Doulle truck) and 26’ straight box truck.

Negotiate Rate – this is when a carrier or dispatcher negotiates a new rate for a load that they are trying to book. Based off of how much knowledge the carrier or dispatcher on the standard rates for the “**lane**” that load runs in, will determine if they are successful in getting what they are negotiating for with the load.

Load Availability – this is when you, as a dispatcher or carrier, inquire from a broker or shipper as to whether or not a posted load is still available to be booked. If so, get the load details and negotiate a better rate if need be in order to book it.

Under a Load – this is when a carrier is load and headed out for delivery.

Authority – both the broker and the carrier must show documentation that they have obtained permission from the FMCSA to move freight within the United States.

MC# - **Motor Carrier** number is issued by the FMCSA to a company (broker) or an independent contractor (carrier) authorizing the movement of freight.

DOT# - Department of Transportation number. Companies that operate commercial vehicles transporting passengers or hauling cargo in interstate commerce must be registered with the FMCSA and must have a USDOT number.

FMCSA – Federal Motor Carriers Safety Administration is an agency in the United States Department of Transportation that regulates the trucking industry in the United States. The primary mission of the FMCSA is to reduce crashes, injuries and fatalities involving large trucks and buses.

COI – certificate of insurance. Typical types of coverages on the insurance policy consists of \$100,000 cargo coverage (minimum) and \$1,000,000 liability coverage (minimum).

Certificate Holder – a third party with an interest in the insured's ability to provide adequate coverage for the product being carried. The broker will ask for inclusion on the policy while the carrier is under the load.

W9 – when a business pays an independent contractor \$600 or more over the course of a tax year, it is required to report these payments to the IRS (Internal Revenue Service) on information return called “**form 1099-MISC**”. Businesses use the name, address and social security or tax identification number from “**form W9**” to complete form 1099-MISC.

N.O.A. – Notice of Assignment. A form that the carrier's factoring company has the carrier sending in to the broker in order to do a credit check on the brokerage to determine whether or not the brokerage has a good credit rating and is worthy to use.

Carrier packet – a form that the broker has the carrier fill out in order to get the carrier “set up” under their brokerage in order to book a load with them. Common parts of the carrier packet can include: the contract, carrier profile, W9, COI, MC authority. **PLEASE READ PACKET THOROUGHLY!!!**

Payment terms – these payment terms are either offered by the brokerage in their set up carrier packet or paid from the factoring company of the carrier. Payment terms from the brokerage include: 1-2 day quick pay (5%); 3-5 day ACH transfer (3%); or 15-30 standard payment (no fee).

Factoring – a method of maintaining cash flow by selling freight invoices (B.O.L.s) to a financial institution at a discounted rate. Types of factoring are Recourse and Non-recourse factoring. **Non-recourse factoring** allows a company to sell its invoices to a factor without the obligation of absorbing any unpaid invoices. Instead, if the customers renege on their payments or pay their invoices late any losses are absorbed by the factor, leaving the business unscathed.

Rate Confirmation (Rate Con)/Load Tender – the final document that the carrier (or dispatcher) receives, signs and returns to finalize and book the load. It contains the load details, shipper and receiver details, rate, and PO (purchase order) number. **PLEASE CONFIRM INFORMATION ON THE RATE CON IS CONSISTENT WITH WHAT THE LOAD WAS POSTED FOR!!!**

Shipper – the person or company who is usually the supplier or owner of commodities/freight/goods/products being shipped.

Receiver – person or company receiving the shipment/commodity/freight/goods/products.

Consignee – see Receiver.

Consignor – see Shipper.

ETA – estimated time of arrival. Time in hours or minutes that the carrier indicates they will be arriving at shipper or receiver.

Load PO# or Pickup Number – number on the rate con used to identify the freight/commodity that is being picked up from the shipper and delivered to the receiver.

Lumper – an individual hired by the carrier/driver/owner operator to load (at the shipper) or unload (at the receiver) his trailer.

Dispatch your driver – a process (es) by which the dispatcher keeps the carrier running smoothly under a load(s). Constant communication between the dispatcher, broker and carrier is essential for the successful completion of a load the carrier is under.

Tracking load – a process where the shipper requires the broker to keep track of their freight while a carrier is transporting it from shipper to receiver.

Tracking Software – software downloaded to carrier's phones in order for them to be tracked while they transport freight from shipper to receiver. GPS locator needs to be turned on during transport. Example of tracking software is **MACROPOINT**.

Cpm – cents per mile - is calculated by dividing the rate or cost of the load by the number of miles. Example: rate or cost is \$2500 and number of miles is 780 miles, so cpm would be **$\$2500/780 = \3.21 per mile** .

Fuel Surcharge – additional compensation to the carrier when fuel prices increase.

Claim – the process of recovery from a carrier and/or his insurance underwriter for excessive charges, loss, or damage to the load, delay in delivery, etc. – or – a demand made upon a transportation line for payment on account of a loss sustained through its alleged negligence.

Accessorial Pay – compensation expected by a carrier for anything other than the pickup and delivery of the load.

Tarp pay – the amount the carrier charges for the laborious act of tarping a load.

Load/Unload Pay – the amount the carrier charges if they have to “**touch**” the freight during loading and unloading.

Extra Stops – extra stops a broker may add to the load in addition to the standard stops that the load had initially started with. Carriers can charge extra fees for extra stops as this involves more time and fuel costs associated with being under the current load.

Pallet Exchange – the shipper will specify that the carrier will leave an equal number of pallets that are loaded on his truck.

Detention Pay – a penalty a carrier may place on the consignor – or consignee if his truck is held beyond a reasonable period of time to load or unload. Standard detention kicks in after 2 or 3 hours and can range between \$50 to \$150 per hour.

Layover Pay – pay a carrier invoices the broker for days over that the carrier holds freight that should have been delivered sooner.

Invoicing and payments

Bill of Lading (B.O.L.) – documentation received at the pickup point indicating the carrier has accepted the load, checked it, and is responsible for its condition and delivery.

Carrier Invoice – includes the B.O.L. and the P.O.D. that the carrier submits to either the broker for payment or his/her factoring company.

P.O.D. – Proof of Delivery – submitted by the carrier as a condition of payment.

Dispatcher Invoice – invoice dispatcher sends to the carrier once they have become empty and delivered the load for which they were currently dispatched under. Invoices can include a copy of the rate confirmation and the dispatcher agreement between dispatcher and carrier.

II. Equipment Types Basic Terms

Dry Van – the most frequently used vans (box trailers) on the road today have the following dimensions – 48' long X 96" wide, 48' long X 102" wide, 53' long X 96" wide or 53' long X 102" wide. These trailers have either swing or roll-up rear doors.

Blanket/Pad Wrap – the product being shipped is wrapped in a blanket or pad to prevent damage in transit.

Load Bars – load locks are a smart way to secure cargo for transport and maximize load safety by preventing shifting that might allow products not secured with cargo load bars to impact one another and cause damage.

E-Tracks (Vertical vs. Horizontal) – installed on the walls of a trailer gives you not only anchor points for tie-downs, but also allows you to secure equipment.

Air Ride Suspension – suspension that supports the load on air-filled rubber bags rather than steel springs.

FlatBed – a trailer with no sides or top used for moving bulky items such as coiled steel, lumber, equipment, etc.

Blocking or Bracing (DUNNAGE) – various sizes of timber, such as 4"X4", used in/on the trailer to make the freight easier to unload.

Tarp – weather-proof covering used on flatbed freight. Types include 4', 6' or 8' drops.

Straps – typically 4" wide strap made of high strength fabric used in securing a load.

Pipe Stakes – used for securing pipe loads by creating a barrier to prevent loss over the sides of the trailer. Pipe stakes are affixed to the trailer using sleeves that fit into the pockets built into the trailer by the manufacturer.

Chains – one method of securement used on a flatbed trailer.

Binders – mechanisms used to tighten the chains.

Headache Rack – mounted behind cab on truck to help prevent the load from coming into the tractor in the event of an accident.

Tie Downs – elastic material with hooks on each end to secure the load.

Standard (flat bed) – the typical trailer is a flat platform from front to rear; the floors are constructed of wood, metal, or a combination of both. 48' X 102" is the standard dimension of a flatbed trailer.

OD - Over Dimensional/Oversized - any trailer size that exceeds the standard dimensions trailer.

Step Deck – a flatbed with a raised platform at the front of the trailer.

Double Drop – the difference between a step deck and a double drop deck is that a double drop has both front and rear platform raised higher than the lower deck or well.

RGN – Removable Gooseneck – is usually a flatbed trailer connected by a gooseneck to the tractor.

Stretch trailer – a flatbed trailer constructed with sliding rails that allow the trailer to be extended to accommodate very long loads.

Lowboy – heavy-duty flatbed trailer built low to the ground with smaller wheels and is used to move high and/or heavy loads.

Reefer – is an insulated van with a self-contained temperature control unit (T.C.U.) mounted on the front of the trailer. The T.C.U. is capable of heating and/or cooling the load.

Pre Cool Temperature/Pre-Cooling – temperature that is usually set or pre-cooled by a reefer trailer unit prior to arriving at the shipper. This temperature is also maintained during transporting of the freight to the receiver.

Continuous – the maintained pre-cooled or pre-heated temperature from shipper to receiver within a reefer trailer unit.