

Why You Should Capture Dimensions on Your LTL Shipments

Less-than-Truckload carriers are now using dimensioning as an audit tool to protect revenues.

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By Paula Heikell

Are you capturing the dimensions of your [less-than-truckload \(LTL\)](#) shipments before they're picked up for delivery? You should be. Chances are good that your LTL carriers are – and their measurements can result in additional, unplanned freight charges. The topic of package dimensions hit prime time when FedEx and UPS expanded their dimensional pricing programs for parcel service at the end of 2014. Since that time, most of the media and industry focus has been on the financial impact of dimensional rating on small parcel shippers.

Not Just For Small Parcel Shipments Anymore

Meanwhile, though, LTL carriers have been exploring the benefits of capturing shipment dimensions as an audit tool to protect their revenue.

As [YRC Freight President, Darren Hawkins](#) explained:

“For carriers, it is about selling cube space on a trailer, and this pricing method helps to appropriately charge for that space.”

[Barry Gebler, ADSI's dimensioning expert](#):

“We're talking to several LTL carriers who are investigating dimensioning systems as a way to verify that shippers are accurately classifying their freight.”

Carriers have implemented a variety of shipment dimensioning tools to accurately measure dimensions. This allows the carriers to verify the cubic volume and calculate the density of the freight that moves through their systems.

If the carriers' measurements point to a different freight class and price, the shipper will likely face a higher freight bill than was expected.

Gebler noted that it's not surprising to see dimensioning gain momentum in the LTL freight world.

Gebler:

“Besides being prevalent in Europe and Asia, dimensionally based rating reduces the revenue loss that occurs when shippers misclassify their freight, a common issue for the carriers.”

Carriers can also use shipment dimensions to build more profitable loads.

At this point, no LTL carrier has announced the adoption of dimensional pricing to replace the current National Motor Freight Classification (NMFC) System, but that could change.

According to freight specialist DDC FPO, LTL carriers such as Old Dominion Freight Line, UPS Freight, FedEx, and YRC Worldwide are planning to or are already offering dimensional pricing as an optional program for interested shippers² as a means to gain better returns and improve traditionally thin profit margins.

Best Practices to Avoid LTL Dimensioning Backcharges

What should shippers do to minimize the risk of backcharges on LTL shipments? Gebler recommends the following:

- Capture accurate dimensions of all LTL shipments before the driver picks them up.
- Record the dimensions on the bill of lading.
- Have the driver sign the bill of lading before leaving.

“This way, if there is a discrepancy between your measurements and your carrier's measurements, you've established your own audit trail with which to defend your pricing,” Gebler said.

Dimensioning System Options

Fortunately for shippers, a number of new cost-effective dimensioning systems are now available, at a fraction of the cost of traditional cubing and dimensioning systems. Shippers can choose mobile digital dimensioning tools that allow staff to measure a

pallet “on the spot” rather than driving it to a fixed measuring station. Other options include 3-D imaging dimensioning systems that capture regular and irregular shaped shipments in seconds.