

## GLOSSARY

Actual time of arrival (ATA) – the time when a means of transport actually arrives at its place of destination.

Actual time of departure (ATD) – the time when goods are actually departed.

Arrival notice – a notification sent by a carrier to a nominated notifies party advising the arrival of a means of transport for a certain consignment.

Backhaul – to haul a shipment back over part of a route that it has already travelled; return movement of cargo, usually opposite from the direction of its primary cargo destination.

Bill of Lading – is a document issued by the carrier to the shipper, signed by the captain, agent or owner of a vessel, providing written evidence regarding receipt of the goods (cargo), the conditions on which transportation is made (contract of carriage), the conditions of the goods and the engagement to deliver the goods at the prescribed port of destination to the lawful holder of the bill of lading. It is, therefore, both a receipt for merchandise and a contract to deliver it as freight. An inland bill of lading (a waybill on rail or the “pro forma” bill of lading in trucking) is used to document the transportation of the goods between the port and the point of origin or destination. A waybill can also be used for ocean transportation.

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Break Bulk Cargo – is conventional, un-containerized cargo that is shipped in units of one (such as un-containerized machinery or trucks) or shipped in units or packages (such as palletized or boxed cargo).

Broker – person whose business it is to prepare shipping and customs documents for international shipments. Brokers often have offices at major freight gateways, including border crossings, seaports, and airports.

Bunker Adjustment Factor (BAF) – is a freight charge adjustment that takes into account the fluctuation of the bunker (fuel) prices during the contract period.

Carrier – is any person or company who, in a contract of carriage, undertakes to perform or to procure the performance of transport by rail, road, air, sea, inland waterways or by combinations of such modes.

CMR – the CMR Convention (full title Convention on the Contract for the International Carriage of Goods by Road) is a United Nations convention that was signed in Geneva on 19 May 1956. It relates to various legal issues concerning transportation of cargo by road.

Combined transport or intermodal transport – this method involves the transportation of cargo in a container or swap body or trailer, using various means of transportation (rail, ocean vessel and truck), without any handling of the freight itself when changing modes.

Compound – an area for storing vehicles.

Consignee – is the company or person named in a freight contract to whom the goods have been shipped, as stated on the Bill of Lading.

Contract of Carriage – is a binding agreement (evidenced usually by a bill of lading) which contains conditions of carriage that spell out the obligations and rights of a carrier and a shipper. The carrier undertakes to deliver goods from a named place of departure to a named destination, in consideration for a freight charge. This contract addresses issues associated specifically with what is being carried, and how the liability and compensation for damage or loss of the goods is assessed, apportioned, and paid.

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Cross-docking – the concept of packing products on the incoming shipments so they can be easily sorted at intermediate warehouses or for outgoing shipments based on final destination. The items are carried from the incoming vehicle docking point to the outgoing vehicle docking point without being stored in inventory at the warehouse.

Cross-docking reduces inventory investment and storage space requirements.

Currency Adjustment Factor (CAF) – is a freight charge adjustment used by an international Carrier to offset foreign currency fluctuations.

Damage Codes – a set of codes which are used to report damages on a vehicle. AIAG prepared ‘Standard Global Damage Codes’ which ECG supports.

Delivery – the physical process of handing over goods to the consignee or to the party acting on his behalf. Synonym: drop off.

Delivery date – is the date within which the shipper must deliver the goods to the Carrier in the port of loading.

Direct transport – the conveyance of goods directly from the consignor to the consignee without intermediate storage or unnecessary delay in the distribution activities.

Electronic Data Interchange (EDI) – an electronic communication method that provides standards for exchanging data via any electronic means. By adhering to the same standard, two different companies, even in two different countries, can electronically exchange documents (such as purchase orders, invoices, shipping notices, and many others).

EDU – Equivalent Delivery Unit.

Emergency fuel adjustment factor (EFAF) – is a freight charge adjustment that takes into account the fluctuation of the fuel prices where no BAF is present in the contract of carriage, or where the BAF does not adequately cover the additional bunker costs.

Estimated time of arrival (ETA) – the time when a carrier estimates that a means of transport will arrive at its place of destination.

Estimated time of departure (ETD) – the time when a carrier estimates that a means of transport will depart from its place of departure.

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Electric vehicle (EV) – also referred to as an electric drive vehicle, uses one or more electric motors or traction motors for propulsion. An electric vehicle may be powered through a collector system by electricity from off-vehicle sources, or may be self-contained with a battery to provide electricity or generator to convert fuel to electricity. EVs include road and rail vehicles, surface and underwater vessels, electric aircraft and electrically powered space vehicles.

Final consignee – the receiving party for a scheduled vehicle movement.

First point of rest (FPR) – a nominated area where vehicles are parked when unloaded after a transport leg. Often they are inspected for damage at FPR as part of the process of handover from one LSP to another.

Forty-foot equivalent unit (FEU) – a unit of measurement equivalent to one forty-foot container. Two twenty-foot containers (TEUs) equal one FEU.

Fourth Party Logistics Services Provider (4PL) or fourth-party logistics provider – a supplier of outsourced supply chain coordination and management services that generally does not own or operate the underlying logistical assets and resources.

Free alongside (FAS) – a maritime trade term requiring the seller to deliver goods to a named port alongside a vessel designated by the buyer. "Alongside" means that the goods are within reach of a ship's lifting tackle. When used in trade terms, the word "free" means the seller has an obligation to deliver goods to a named place for transfer to a carrier.

Free on Board (FOB) – a maritime trade term requiring the seller to deliver goods on board a vessel designated by the buyer. The seller fulfils its obligations to deliver when the goods have passed over the ship's rail. When used in trade terms, the word "free" means the seller has an obligation to deliver goods to a named place for transfer to a carrier.

Freight – is the term for all merchandise, goods, products or commodities shipped by rail, air, road or water, other than baggage, express mail or regular mail.

Freight Charge – is the charge assessed for transporting freight.

Freight forwarder – person or company involved in the collection, consolidation, shipping and distribution of goods, who acts as an agent on behalf of a shipper. A freight forwarder frequently consolidates shipments from several shippers and co-ordinates booking reservations, clears freight through customs, prepares documents and arranges shipping, warehousing and delivery.

Freight invoice – a document issued by a transport service provider, specifying freight costs and charges incurred for a transport operation and stating conditions of payment. Synonym: Freight bill.

Freight payer – party responsible for the payment of freight charges.

Harbor master – an officer who is in charge of vessel movements, safety, security, and environmental issues within a port.

Haulage – the inland transport service, which is offered by the carrier under the terms and conditions of the tariff and of the relative transport document.

Headway – the time interval between the passing of the front ends of successive multiple units or trains moving along the same lane or track in the same direction.

Heavy Goods Vehicle (HGV) – the kind of road transport used for transporting car parts, materials or finished vehicles. Normally refers to vehicle / trailer combinations of more than 3.5 tones.

High and Heavy cargo (H&H) – the term for self-propelled cargo (excluding passenger cars and LCV) and agricultural/industrial trailers. Self-propelled cargo includes: commercial and passenger vehicles with a Gross Vehicle Weight of above 3.5 tones and agricultural, industrial, construction vehicles.

Hub – common connection point for devices in a network. Often used as a reference in a transportation network such as in "hub and spoke" commonly used in the airline and trucking industry.

Inbound logistics – movement of raw materials and components from suppliers/vendors to production processes and storage facilities.

Incoterms – an internationally recognized standard and are used worldwide in international and domestic contracts for the sale of goods. They provide definitions and rules of interpretation for most common commercial terms. The latest version was published in 2010. These rules have nothing to do with the shipping terms, but are purely related to the sale of goods. Common Incoterms used in the logistics sector are: FAS (Free Alongside), FOB (Free On Board), FOR (Free On Rail), FOT (Free On Truck), and FIO (Free In and Out).

5 Inland bill of lading – is the Bill of Lading for transport over land and/or inland waterways, on the way to the point where the goods will be put aboard a ship and a normal (carrier's) Bill of Lading will be issued.

Intermodal traffic – Freight transportation involving several different Types of transport mode (e.g. rail, truck, aircraft etc.)

Intermodal transport – movement of goods in which the same loading unit is used in a transport chain in an integrated manner using successively more than one mode of transport without the handling of goods.

Jockey / yard jockey – is a person responsible for the movement and positioning of cars within compound or loading /unloading them on a vessel/train/truck.

Lane meters – the length of parking lanes available for vehicle storage either on the compound or on board ship.

Last point of rest (LPR) – is the last official stop before the Carrier takes custody/responsibility of the goods.

Lead Mileage – the distance from a place of loading to a place of delivery.

Lead time – amount of time required for an item to be available for use from the time it is ordered. Lead time should include purchase order processing time, vendor processing time, in transit time, receiving, inspection, and any prepack times. However, based on the way many inventory systems work, there may be problems incorporating internal factors such as post-receipt processing in Lead-time, so in many systems, the lead time just represents the period of time from which the item is ordered to the time it arrives at your dock.

Lean – an enabler to identify optimal value for the customer and each product's value stream. Lean focuses on eliminating wasteful activities and creating smooth product and process flow, enabling an effective pull system. As a mindset, culture, and toolkit, lean is applicable to all organizational areas. A lean environment requires all team members' dedication and is focused on ongoing continuous improvement.

Light Commercial Vehicle (LCV) – is the term for commercial vehicles with a gross vehicle weight (GVW) of up to 3.5 tones.

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Load factor – a term describing the transport efficiency of a system, such as a vehicle, a route, a logistic strategy or any other system that performs transportation work. Possible interpretations are for example that a load factor of 100% is a theoretical term that means that no further goods can be added to the transport system, or that 100% means that all vehicles within the transport system are fully loaded. Many other interpretations may also be considered, hence suggesting that the term needs to be defined or replaced by a more precise term to describe transport efficiency.

Logistics – all activities involved in the management of product movement; delivering the right product from the right origin to the right destination, with the right quality and quantity, at the right schedule and price to satisfy consumer demand. The process of planning, implementing and controlling the efficient and cost-effective flow and storage of raw materials, in-process stocks, finished goods and related information from the point of origin to the point of consumption for customers. Logistics encompasses warehousing, transport, added-value/pre-retailing services and IT solutions and covers inbound, outbound, internal, international and reverse product flows.

Manifest (in transport) – listing of goods comprising the cargo carried in a means of transport or in a transport-unit. The manifest gives the commercial particulars of the goods.

Multi-modal traffic – freight transportation involving several different Types of transport mode (e.g. rail, truck, aircraft etc.).

Original Equipment Manufacturer (OEM) – In the context of these Guidelines, an automotive manufacturer

Outbound logistics – process related to the movement and storage of products (new vehicles) from the end of the production line to the end user.

Payee – party to whom a payment is to be made.

Pick-up instruction – an instruction given to the driver for picking up logistic unit(s) from a pick-up location.

Pick-up request – the process of making a reservation for space on a means of transport for the movement of goods.

Pick-up request confirmation - the notification issued by the transport service provider to confirm the status of the pick-up request, e.g., it is accepted (and that space has been reserved on means of transport for the movement of goods) or that it is rejected. Functional - after business validation. Technical - after system acceptance.

Place of delivery – place to which the goods are to be delivered under transport contract terms. This may be different from the location of the consignee.

Place of departure – place from which the means of transport or transport equipment is departing.

Place of despatch – place at which the goods are taken over for carriage (operational term), this place can be different from the transport contract place of acceptance.

Place of destination – same as the delivery address city if existing in the message, otherwise same as the receiver’s city.

Place of Terms of delivery – a place which describes the conditions related to the Terms of delivery.

Port of Entry (POE) – a port used by a specific manufacture to import their vehicles into a country or region.

Port of Loading – a port where cargo is loaded aboard the vessel.



Pre-Delivery Inspection (PDI) – a standard procedure carried out before handover to the customer. In a PDI, the vehicle is checked over to ensure that everything is working properly and safely. Often a checklist is worked through. The items on the checklist include such things as the exterior of the vehicle which is inspected for its condition and the installation of panels and attachments.

Privately Owned Vehicle (POV) – is any vehicle that is primarily designed to transport passengers, not cargo or freight, and owned by an individual and not a company.

Proof of collection (POC) – evidence for transition of liability, either in printed or in electronic format.

Proof of delivery (POD) – evidence for transition of liability, either in printed or in electronic format.

Roll-on-roll-off passenger (Ro-Pax) – a Ro-Ro vessel built for freight vehicle transport along with passenger accommodation. Technically this encompasses all ferries with both a roll-on/roll-off car deck and passenger-carrying capacities, but in practice, ships with facilities for more than 500 passengers are often referred to as cruise ferries.

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Roll-on-roll-off (Ro-Ro) – A type of ship designed to permit cargo to be driven on at origin and off at destination; used extensively for the movement of automobiles.

Sailing frequency – is the frequency of departures from a port per day/week/month, etc.

Seller (of goods) – party selling goods or services to a buyer.

Shipment - a separately identifiable collection of packages/pieces (available to be) transported from one original consignor to one final consignee via one or more modes of transport. A shipment can be consolidated to one consignment per transport leg, i.e. possibly several different consignments during the whole transport assignment.

Shipment ID – a shipment Issuer's unique reference that is non-repeatable within a calendar year and is assigned to a despatch.

Shipper – Shipper' is the company or person who ships cargo to the consignee. See Consignor.

Shipping instruction – information providing all details required for the physical movement of a consignment/shipment.



Shunting – the act of moving the cargo (vehicles) within the terminal/port or from one terminal to another in the same port on its own wheels. In rail it is the process of sorting items of rolling stock into complete train sets or consists, or the reverse.

Survey – is the inspection of the goods made by a surveyor.

Terminal – An assigned area in which containers are prepared for loading into a vessel, train, truck, or airplane or are stacked immediately after discharge from the vessel, train, truck, or airplane.

Terms of delivery – all the conditions agreed upon between parties with regard to the ownership of the various responsibilities involved in the delivery of goods and/or services

Transshipment / transhipment – is the shipment of goods or containers to an intermediate destination, then to yet another destination. One possible reason for transshipment is to change the means of transport during the journey (e.g., from ship transport to road transport), known as transloading. Another reason is to combine small shipments into a large shipment (consolidation), dividing the large shipment at the other end (deconsolidation). Transshipment usually takes place in transport hubs. Much international transshipment also takes place in designated customs areas, thus avoiding the need for customs checks or duties, otherwise a major hindrance for efficient transport.

Twenty-foot equivalent unit (TEU) – a container size standard of twenty feet. Two twenty-foot containers (TEUs) equals one FEU. Container vessel capacity and port throughput capacity are frequently referred to in TEUs.

Third Party Logistics Services Provider (3PL) – describes businesses that provide one or many of a variety of logistics-related services. Types of services would include public warehousing, contract warehousing, transportation management, distribution management, freight consolidation. A 3PL provider may take over all receiving, storage, value added, shipping, and transportation responsibilities for a client and conduct them in the 3PL's warehouse using the 3PL's equipment and employees, or may manage one or all of these functions in the client's facility using the client's equipment, or any combination of the above.

Transit time – total time that elapses between a shipment's delivery and pick-up.

Unique Consignment Reference (UCR) – a globally unique identification of consignment for customs declarations (WCO framework).

Vehicle Processing Centre (VPC) – usually a dedicated building within a compound where PPO and PDI operations are carried out.

VIN Number – a vehicle identification number, is a unique code including a serial number, used by the automotive industry to identify individual motor vehicles, towed vehicles, motorcycles, scooters and mopeds as defined in ISO 3833.

Warehouse – covered place for the reception and storage of goods. Principal warehouse activities include receipt of product, storage, shipment and order picking. See also distribution center.

Waybill – is the official shipping document that travels with the shipment, identifies its consignor, consignee, origin and destination, describes the goods, and shows their weight and freight charges. Unlike the Original Bill of Lading, the waybill is not a document of title to the goods.

Vehicle Operation System (VOS) – information on how one or several vehicles operate to execute a certain transport service.

Yard – a storage compound.