

Space, Fuel and the Internet

Space is a finite commodity, even on the ground. Cube Base Pricing™ is a process that allows carriers and shippers of any size shipments to eliminate unnecessary cost and process out of their system. It has been designed to:

1. Eliminate freight bill auditing by outside firms.
2. Generate a rated CSD (cube shipping document) to replace the old bill of lading. The CSD document eliminates “incorporated by reference” legal traps while adding a host of features that are web friendly.
3. Automatic advanced shipment notices on inbound/outbound.
4. Shop lane segments/weight breaks/best cost by day to ship.
5. Purchased insurance only on items needed, or reduced amounts.
6. Offer the ability to custom select delivery times and dates.
7. Offers multi payment options to carriers.
8. Offers fuel surcharge reduction based on region and total shipment count.

Cube Base Pricing™ is also a way to take advantage of better packing methods to reduce shipping container size and reduce the cost you can control. Wal-Mart wants its 60,000 suppliers to cut the amount of product packaging they use throughout the supply chain by 5 percent starting in 2008, saving the world's largest retailer \$3.4 billion in the process. This is an excellent way to start a carbon footprint benchmark on your supply chain.

Cube Base Pricing™ offers a shipper something that has been needed for years, a simpler pricing method. This pricing method more accurately reflects the true costs for handling and delivery.

Shippers will now have a way to move parcel packages via LTL to avoid the cost impact from dimensional weight pricing and high cost of next day early AM and standard express next day shipments that move 500 miles or less on the ground, but are billed as expensive air express rates.

Shippers are also able to compare and divert as many hundredweight shipments as possible to LTL carriers until the parcel carriers are willing to be more competitive in this service offering. This could help eliminate differences between express and ground services in pricing and accessorials, which would make obvious the way to a single mileage-based LTL and parcel service without a variation between ground services and express in this transit time and mileage choice based on Cube Base Pricing™.

The following examples are of a ground shipments LTL Class 100, then as LTL Class 92.5 (one class less than 100) The last examples are of next day air shipments same weight. The information was obtained from carriers' web pages, June 06, 2008. Shipment is from Atlanta GA 30310 and Memphis TN 38110.

Class	Weight	Transit Time	Fuel Surcharge	Total Landed Cost
100	500 lbs.	1 Day	\$49.77	\$184.29
92.5	500 lbs.	1 Day	\$46.45	\$172.00
NDA ¹ AM	500 lbs.	1 Day (08:00 delivery)	\$493.20	\$2,254.70
NDA	500 lbs.	1 Day (10:30 delivery)	\$413.40	\$1,889.90
NDA Saver	500 lbs.	1 Day (3:00 delivery)	\$401.40	\$1,834.90

Source: Carrier websites

¹NDA is next day air service

70% discount applied to ground LTL charges was given by carrier web page pricing.