

GLOSSARY

C&F Terms of Sale, or INCOTERMS

Obsolete, albeit heavily used, term of sale meaning "cargo and freight" whereby Seller pays for cost of goods and freight charges up to destination port. In July, 1990 the International Chamber of Commerce replaced C&F with CFR.

Cabotage

Water transportation term applicable to shipments between ports of a nation; commonly refers to coast-wise or inter-coastal navigation or trade. Many nations, including the United States, have cabotage laws which require national flag vessels to provide domestic interport service.

CAF

Abbreviation for "Currency Adjustment Factor." A charge, expressed as a percentage of a base rate, that is applied to compensate ocean carriers of currency fluctuations.

Carnet

A Customs document permitting the holder to temporarily carry or send merchandise into certain foreign countries (for display, demonstration or similar purposes) without paying duties or posting bonds. Any of various Customs documents required for crossing some international borders.

Captain's Protest

A document prepared by the captain of a vessel on arriving at port; shows conditions encountered during voyage, generally for the purpose of relieving ship owner of any loss to cargo and shifting responsibility for reimbursement to the insurance company.

Carfloat

A barge equipped with tracks on which up to about 12 railroad cars are moved in harbors or inland waterways.

Car Pooling

Use of individual carrier/rail equipment through a central agency for the benefit of carriers and shippers.

Car Seal

Metal strip and lead fastener used for locking freight car or truck doors. Seals are numbered for record purposes.

Cargo

Freight loaded into a ship.

Cargo Manifest

A manifest that lists all cargo carried on a specific vessel voyage.

Cargo NOS

Cargo Not Otherwise Specified. Usually the rate entry in a tariff that can apply to commodities not covered under a specific item or sub_item in the applicable tariff.

Cargo Preference

Cargo reserved by a Nation's laws for transportation only on vessels registered in that Nation. Typically the cargo is moving due to a direct or indirect support or activity of the Government.

Cargo Tonnage

Most ocean freight is billed on the basis of weight or measurement tons (W/M). Weight tons can be expressed in short tons of 2000 pounds, long tons of 2240 pounds or metric tons of 1000 kilos (2204.62 pounds). Measurement tons are usually expressed as cargo measurement of 40 cubic feet (1.12 meters) or cubic meters (35.3 cubic feet.)

Carload Rate

A rate applicable to a carload of goods.

Carrier

Any person or entity who, in a contract of carriage, undertakes to perform or to procure the performance of carriage by rail, road, sea, air, inland waterway or by a combination of such modes.

Carrier's Certificate

A certificate required by U.S. Customs to release cargo properly to the correct party.

Cartage

Usually refers to intracity hauling on drays or trucks.

Cartment

Customs form permitting in bond cargo to be moved from one location to another under Customs control, within the same Customs district. Usually in motor carrier's possession while draying cargo.

Cash Against Documents (CAD)

Method of payment for goods in which documents transferring title are given the buyer upon payment of cash to an intermediary acting for the seller, usually a commission house.

Cash in Advance (CIA)

A method of payment for goods in which the buyer pays the seller in advance of the shipment of goods. Usually employed when the goods, such as specialized machinery, are built to order.

Cash With Order (CWO)

A method of payment for goods in which cash is paid at the time of order and the transaction becomes binding on both buyer and seller.

CBM (CM)

Abbreviation for "Cubic Meter."

CE

Abbreviation for "Consumption Entry." The process of declaring the importation of foreign-made goods for use in the United States.

Cells

The construction system employed in container vessels; permits ship containers to be stowed in a vertical line with each container supporting the one above it.

Center of Gravity

The point of equilibrium of the total weight of a containership, truck, train or a piece of cargo.

Certificate

- A document certifying that merchandise (such as of Inspection perishable goods) was in good condition immediately prior to its shipment.
- The document issued by the U.S. Coast Guard certifying an American flag vessel's compliance with applicable laws and regulations.

Certificate of Origin

A certified document showing the origin of goods; used in international commerce.

CFS

Abbreviation for "Container Freight Station." A shipping dock where cargo is loaded ("stuffed") into or unloaded ("stripped") from containers. Generally, this involves less than containerload shipments, although small shipments destined to same consignee are often consolidated. Container reloading from/to rail or motor carrier equipment is a typical activity.

Charter Party

A written contract between the owner of a vessel and the person desiring to employ the vessel (charterer); sets forth the terms of the arrangement such as duration of agreement, freight rate and ports involved in the trip.

Chassis

A frame with wheels and container locking devices in order to secure the container for movement.

Chock

A piece of wood or other material placed at the side of cargo to prevent rolling or moving sideways.

CI

Abbreviation for "Cost and Insurance." A price that includes the cost of the goods, the marine insurance and all transportation charges except the ocean freight to the named point of destination.

CIF

Abbreviation for "Cost, Insurance, Freight." (Named Port) Same as C&F or CFR except seller also provides insurance to named destination.

CIF&C

Price includes commission as well as CIF.

CIF&E

Abbreviation for "Cost, Insurance, Freight And Exchange."

CIFCI

Abbreviation for "Cost, Insurance, Freight, Collection And Interest."

CIFI&E

Cost, Insurance, Freight, Interest and Exchange.

CKD

Abbreviation for "Completely Knocked Down." Parts and subassemblies being transported to an assembly plant.

CL

Abbreviation for "Carload" and "Containerload".

Claim

A demand made upon a transportation line for payment on account of a loss sustained through its alleged negligence.

Classification

A publication, such as Uniform Freight Classification (railroad) or the National Motor Freight Classification (motor carrier), that assigns ratings to various articles and provides bill of lading descriptions and rules.

Classification Rating

The designation provided in a classification by which a class rate is determined.

Classification Yard

A railroad yard with many tracks used for assembling freight trains.

Clayton Act

An anti trust act of the U.S. Congress making price discrimination unlawful.

Clean Bill of Lading

A receipt for goods issued by a carrier with an indication that the goods were received in "apparent good order and condition," without damage or other irregularities. If no notation or exception is made, the B/L is assumed to be "cleaned."

Cleaning in Transit

The stopping of articles, such as peanuts, etc., for cleaning at a point between the point of origin and destination.

Clearance

The size beyond which cars or loads cannot use Limits bridges, tunnels, etc.

Cleat

A strip of wood or metal used to afford additional strength, to prevent warping, or to hold in place.

Clip-On

Refrigeration equipment attachable to an insulated container that does not have its own refrigeration unit.

CM

Abbreviation for "Cubic Meter" (capital letters).

cm

Abbreviation for "centimeter."

Coastwise

Water transportation along the coast.

COD

Abbreviation for:

- Collect (cash) on Delivery.
- Carried on Docket (pricing).

COFC

Abbreviation for the Railway Service "Container On Flat Car."

COGSA

Carriage of Goods by Sea Act. U.S. federal codification passed in 1936 which standardizes carrier's liability under carrier's bill of lading. U.S. enactment of The Hague Rules.

Collecting

A bank that acts as an agent to the seller's bank (the presenting bank). The collecting bank assumes no responsibility for either the documents or the merchandise.

Collection

A draft drawn on the buyer, usually accompanied by documents, with complete instructions concerning processing for payment or acceptance.

Combination Export Mgr.

A firm that acts as an export sales agent for more than one noncompeting manufacturer.

Combination Rate

A rate made up of two or more factors, separately published.

Commercial Invoice

Represents a complete record of the transaction between exporter and importer with regard to the goods sold. Also reports the content of the shipment and serves as the basis for all other documents about the shipment.

Commodity

Article shipped. For dangerous and hazardous cargo, the correct commodity identification is critical.

Commodity Rate

A rate published to apply to a specific article or articles.

Common Carrier

A transportation company which provides service to the general public at published rates.

Common Law

Law that derives its force and authority from precedent, custom and usage rather than from statutes, particularly with reference to the laws of England and the United States.

Concealed Damage

Damage that is not evident from viewing the unopened package.

Conference

An association of ship owners operating in the same trade route who operate under collective conditions and agree on tariff rates.

Confirmed Letter of Credit

A letter of credit, issued by a foreign bank, whose validity has been confirmed by a domestic bank. An exporter with a confirmed letter of credit is assured of payment even if the foreign buyer or the foreign bank defaults.

Confirming Bank

The bank that adds its confirmation to another bank's (the issuing bank's) letter of credit and promises to pay the beneficiary upon presentation of documents specified in the letter of credit.

Connecting Carrier

A carrier which has a direct physical connection with, or forms a link between two or more carriers.

Consignee

A person or company to whom commodities are shipped.

Consignee Mark

A symbol placed on packages for identification purposes; generally a triangle, square, circle, etc. with letters and/or numbers and port of discharge.

Consignment

- (1) A stock of merchandise advanced to a dealer and located at his place of business, but with title remaining in the source of supply.
- (2) A shipment of goods to a consignee.

Consignor

A person or company shown on the bill of lading as the shipper.

Consolidation

Cargo containing shipments of two or more shippers or suppliers. Containerload shipments may be consolidated for one or more consignees.

Consolidator

A person or firm performing a consolidation service for others. The consolidator takes advantage of lower full carload (FCL) rates, and savings are passed on to shippers.

Construction Differential Subsidy

A program whereby the U.S. government attempted to offset the higher shipbuilding cost in the U.S. by paying up to 50% of the difference between cost of U.S. and non_U.S. construction. The difference went to the U.S. shipyard. It is unfunded since 1982.

Consul

A government official residing in a foreign country who represents the interests of her or his country and its nationals.

Consular Declaration

A formal statement describing goods to be shipped; filed with and approved by the consul of the country of destination prior to shipment.

Consular Invoice

A document, certified by a consular official, is required by some countries to describe a shipment. Used by Customs of the foreign country, to verify the value, quantity and nature of the cargo.

Consular Visa

An official signature or seal affixed to certain documents by the consul of the country of destination.

Consumption Entry (CE)

The process of declaring the importation of foreign-made goods into the United States for use in the United States.

Container

A truck trailer body that can be detached from the chassis for loading into a vessel, a rail car or stacked in a container depot. Containers may be ventilated, insulated, refrigerated, flat rack, vehicle rack, open top, bulk liquid or equipped with interior devices. A container may be 20 feet, 40 feet, 45 feet, 48 feet or 53 feet in length, 8'0" or 8'6" in width, and 8'6" or 9'6" in height.

Container Booking

Arrangements with a steamship line to transport containerized cargo.

Container Freight Station

See CFS.

Container Manifest

Document showing contents and loading sequence of a container.

Container Pool

An agreement between parties that allows the efficient use and supply of containers. A common supply of containers available to the shipper as required.

Container Terminal

An area designated for the stowage of cargoes in container; usually accessible by truck, railroad and marine transportation. Here containers are picked up, dropped off, maintained and housed.

Container Yard (CY)

A materials handling/storage facility used for completely unitized loads in containers and/or empty containers. Commonly referred to as CY.

Containerizable Cargo

Cargo that will fit into a container and result in an economical shipment.

Containerization

Stowage of general or special cargoes in a container for transport in the various modes.

Container Load

A load sufficient in size to fill a container either by cubic measurement or by weight.

Contraband

Cargo that is prohibited.

Contract

A legally binding agreement between two or more persons/organizations to carry out reciprocal obligations or value.

Contract Carrier

Any person not a common carrier who, under special and individual contracts or agreements, transports passengers or property for compensation.

Controlled Atmosphere

Sophisticated, computer controlled systems that manage the mixtures of gases within a container throughout an intermodal journey reducing decay.

Corner Posts

Vertical frame components fitted at the corners of the container, integral to the corner fittings and connecting the roof and floor structures. Containers are lifted and secured in a stack using the castings at the ends.

Correspondent Bank

A bank that, in its own country, handles the business of a foreign bank.

Cost, Insurance and Freight (CIF)

Cost of goods, marine insurance and all transportation (freight) charges are paid to the foreign point of delivery by the seller.

Countervailing Duty

An additional duty imposed to offset export grants, bounties or subsidies paid to foreign suppliers in certain countries by the government of that country for the purpose of promoting export.

Cross Member

Transverse members fitted to the bottom side rails of a container, which support the floor.

Cu.

An abbreviation for "Cubic." A unit of volume measurement.

Cube Out

When a container or vessel has reached its volumetric capacity before its permitted weight limit.

Cubic Foot

1,728 cubic inches. A volume contained in a space measuring one foot high, one foot wide and one foot long.

Customhouse

A government office where duties are paid, import documents filed, etc., on foreign shipments.

Customhouse Broker

A person or firm, licensed by the treasury department of their country when required, engaged in entering and clearing goods through Customs for a client (importer).

Customs

Government agency charged with enforcing the rules passed to protect the country's import and export revenues.

Customs Bonded Warehouse

A warehouse authorized by Customs to receive duty-free merchandise.

Customs Entry

All countries require that the importer make a declaration on incoming foreign goods. The importer then normally pays a duty on the imported merchandise. The importer's statement is compared against the carrier's vessel manifest to ensure that all foreign goods are properly declared.

Customs Invoice

A form requiring all data in a commercial invoice along with a certificate of value and/or a certificate of origin. Required in a few countries (usually former British territories) and usually serves as a seller's commercial invoice.

Customs of the Port

A phrase often included in charter parties and freight contracts referring to local rules and practices which may impact upon the costs borne by the various parties.

Cut-Off Time

The latest time cargo may be delivered to a terminal for loading to a scheduled train or ship.

Cwt.

Hundred weight (United States, 100 pounds: U.K.,112)

CY

- Abbreviation for Container Yard.
- The designation for full container receipt/delivery.