

Flock Freight

Shared Truckload Guide



Efficiency: Powered by shared truckload

Shared truckload shipping is helping the trucking industry navigate the post-pandemic landscape better than any other freight mode.

Everything you need to know about shared truckload shipping

Coronavirus has taken a toll on North America's freight industry and has left countless layoffs, bankruptcies, and permanent business closures in its wake. With so much at stake, companies have modified their supply chains and optimized for the ever-changing landscape.

Some shippers have experienced business slowdowns (and, consequently, the inefficiency of shipping less freight), while others have faced a sudden demand for their products (and accelerated shipping schedules as a result). Either way, the pandemic has impacted the daily operations of most shippers.

Like shippers, carriers have recalibrated their business models as a result of coronavirus. To overcome volatile freight rates and profitability challenges, some carriers have had to reduce payroll expenses and authorize layoffs. Carriers that haven't closed or declared bankruptcy are securing every viable load to drum up business. As the market bounces back, carriers are realizing some relief in the form of higher rates.

Technology is the key to success during the pandemic. Here's how businesses are using it:



Shippers: Gathering actionable data to team up with carriers.

Carriers: Gaining visibility into their shipping methods (via technology like a transportation management system) and service offerings for essential freight.

Freight brokers: Applying technology that provides real-time data insights, in addition to helping carriers boost productivity and lock in profitable loads at scale.

Everything you need to know about shared truckload shipping, continued

Technology is the common factor in every case; it's been a differentiator during coronavirus, helping companies that are making data-driven decisions outperform those that aren't.

A similar pattern has emerged with the less-than truckload (LTL), full truckload (TL), and partial truckload shipping modes. Before coronavirus, LTL's hub-and-spoke model had a strong foothold in the well-established trucking industry. Now, the hub-and-spoke model is losing its footing, cracking under the pressure of the pandemic. Partial truckload's hold on shippers and carriers is slipping, too. Even TL's popular white-glove approach is ceding ground to greener, technology-powered shipping solutions.

One such solution is shared truckload (STL) service, which streamlines transit and eliminates LTL, TL, and partial truckload waste.

Shared Truckload (STL)

- **Enables several shippers to share trailer space in one multi-stop full truckload**
- Does not move through LTL's hub-and-spoke system
- For freight that measures up to 53 linear feet

On-hub Less-than Truckload (LTL)

- **Shipments move through the LTL hub-and-spoke system**
- Shipments are trans-loaded multiple times as they move through various LTL facilities
- For freight that measures up to 12 linear feet

Full Truckload (TL)

- **Shipments move directly on one truck from pickup to delivery**
- Moves only one shipment
- Also known as "Exclusive Use"
- For freight that measures over 48 linear feet



Shared truckload: Freight for a better world

Shared truckload service, which enables several shippers to share trailer space in one multi-stop full truckload, takes a familiar concept (sharing) and applies it to the trucking industry to help shippers and carriers create optimal shipping outcomes.

By giving shippers the power to decide how their freight moves and incentivizing carriers to travel efficiently, the shared truckload approach flips the outdated freight system on its head and offers a revolutionary alternative.

With shared truckload service, shipments that are traveling on a similar route move on the same truck. Freight travels directly from its pickup location to its destination – without passing through hubs or terminals. This process provides shippers, carriers, and the planet with more benefits than any other mode.

Benefits of shared truckload shipping

✓ Reliable transit and cost savings for shippers

The shared truckload approach enables [shippers](#) to deliver damage-free loads on time and enjoy cost savings of 20% or more in the process. With STL service, shippers share the deck space and cost of a full-size trailer and guarantee the efficiency of TL service in one fell swoop. Because shipments never leave the truck until delivery, they arrive intact and on time. For shippers, the shared truckload mode means full truckload service at a better rate.

✓ Higher earnings and untapped possibilities for carriers

Shared truckload service benefits [carriers](#), too, maximizing their profits. Because STL shipping empowers carriers to top off their trailers with loads from multiple shippers, it pays more than standard one-pick, one-drop truckload freight. Partnering with a freight broker that offers STL service gives carriers the opportunity to boost revenue no matter how the economy is performing.

Another plus: Carriers don't have to go out of their way to fill their trucks to capacity. Shared truckload service selects stops on an optimized route, ensuring carriers don't bump into deadhead miles or waste valuable hours of service.

The STL method also supplies carriers with loads that they wouldn't otherwise have access to. With shared truckload transit, large and small TL carriers can choose from loads in the LTL market segment, where there's little TL competition and increased probability of topping off trucks.

Benefits of shared truckload shipping, continued

✓ Greener shipping for the environment

Shared truckload is the most environmentally friendly shipping mode, and you need only to look at the data for proof. For context, [transportation](#) (the movement of vehicles) is the **number one** source of emissions in America. Freight shipping accounts for **23%** of American transportation and **6.67%** of the nation's annual carbon emissions. From an environmental perspective, it's never been more important for the trucking industry to make the most of deck space and fuel.

Luckily, shared truckload service optimizes trailer space and moves freight hubless to eliminate wasted trips, slashing greenhouse gas emissions by up to 40%. This mode also:

- Removes the need for energy-consuming LTL hubs.
- Erases the environmental risks of remanufacturing and reshipping damaged goods.

The takeaway? Shared truckload is the only freight mode that's designed to reduce the trucking industry's carbon footprint.



The Flock Difference

As the only logistics provider that guarantees shared truckload service, Flock Freight is reinventing the North American freight industry. The company is powering its shared truckload solution with cutting-edge technology.

Flock Freight's proprietary algorithms match freight from multiple shippers with other freight that's going the same direction, optimizing loads based on route and finding one truck that can haul them together. Through this work, the company is setting higher operating standards in an industry that's infamous for its inefficiency.



Some shippers may wonder if shared truckload's ability to handle multiple loads at once results in slower service than the other modes. The answer is no. To deliver the best shared truckload service possible, Flock Freight accounts for the constraints of each load and coordinates every moving piece – from locking in the carrier and confirming commodity types to respecting shipping schedules – with precision. The outcome? Unmatched service that never sacrifices quality.

Carriers can feel confident about moving STL with Flock Freight, too. In its discovery process, the company irons out potential wrinkles that a truck driver might face and uses advanced technology to streamline pickups and drop-offs. Carriers that expect more freight to mean more friction can rest easy. Even though hauling STL shipments is a little more work than hauling freight for one shipper, Flock Freight provides a smooth carrier experience and a worthwhile reward.

Why haven't other companies led the charge with shared truckload shipping?

Well, coordinating the many elements of STL loads is difficult. STL service reconciles:

- Routes
- Delivery schedules
- Transit times
- Pallet count
- Dimensions
- Commodity type

Flock Freight's technology takes all of this data into consideration as it optimizes loads; once the shipper provides the information, algorithms determine how to move the freight given routing, scheduling, commodity, and truck constraints. Flock Freight accommodates freight that weighs up to 44,500 pounds and measures up to 53 feet.

The company's team confirms details like legal requirements and facility hours with all involved parties to ensure frictionless service.

Because shippers and organizations like the Federal Motor Carrier Safety Administration require shared truckload carriers to meet certain commodity-related demands, **Flock Freight verifies the following items to ensure compliance:**

Food: Because non-food products (especially hazardous materials) can contaminate food, Flock Freight gives shippers the option to select "Food Grade" in the quote and Vehicle Preferences settings. Flock Freight does the rest, ensuring food shipments don't travel with potentially harmful substances and finding clean vehicles that are free of leaks and holes.

Plastics: Many plastics and packaging manufacturers don't want their freight to develop a residual smell during transit. Flock Freight eliminates this concern by preventing plastics from shipping with freight that has a strong odor.

Hazardous materials: Flock Freight transports hazardous materials separately to comply with all applicable laws.

Why haven't other companies led the charge with shared truckload shipping? Continued

Like commodity type, timing is another detail that Flock Freight pays close attention to. The company identifies facilities that designate shipping appointments or windows to ensure the feasibility of proposed shared truckloads. Then, Flock Freight's technology incorporates the feedback, becoming more sophisticated and reducing the need for manual audits over time.

The last piece of the puzzle is validating the shared truckload's hours of service. Confirming that truck drivers have enough time for every pickup and drop-off helps them fulfill their legal obligations.

Once Flock Freight's technology has proposed a load and the team has verified its workability, the only thing left to do is move the shipment.

The drawbacks of LTL, TL, and partials

Coronavirus loads have been smaller than pre-pandemic loads. Lately, shippers have had to deliver freight just as fast or faster than they did before the crisis and have been opting to send partially full loads when they might typically wait to fill a whole truck.

Shippers and carriers alike are looking for the best way to ship these smaller loads. **LTL, TL, and partial truckload shipping are three options, but none of them are ideal for moving partial loads or reducing emissions in today's landscape.**

The drawbacks of LTL, TL, and partials, continued

⊗ LTL shortchanges all parties

The LTL industry is worth \$65 billion and has high barriers to entry. Because LTL trucking companies must manage their own assets (think terminals, warehouses, and trucks), it's difficult for newcomers to gain market share. Independent owners and operators normally don't exist in the LTL space. As a result, about 25 key players own 80% of the market.

⊗

When shippers book LTL service, they're most likely partnering with one of these key companies. From there, the LTL process begins, zigzagging loads through the hub-and-spoke system. As freight moves through this complicated network of facilities, drivers pass loads from truck to truck, increasing handling before delivery.

LTL's disorienting approach puts shippers, carriers, and the planet at a disadvantage with:

For shippers

- Damage
- Misplaced freight
- Late deliveries

For carriers

- High barriers to entry (The LTL market is dominated by a small number of large LTL carriers.)
- Higher risk of contracting COVID-19 while working in the hub-and-spoke network than while hauling shared truckload freight

For the environment

- Annual carbon emissions in the United States of [342 million tons](#), which would fall by [136.8 million tons](#) every year if America's LTL industry scrapped the hubs and used shared truckload service instead
- Inefficient trips that pass shipments from one truck driver to another and emit more pollutants than necessary
- Wasted energy on forklifts and other equipment that trans-loads freight at LTL facilities
- Excessive carbon use by hubs and terminals
- Repeated resource consumption for replacement goods that were previously damaged during transit, then remanufactured and reshipped

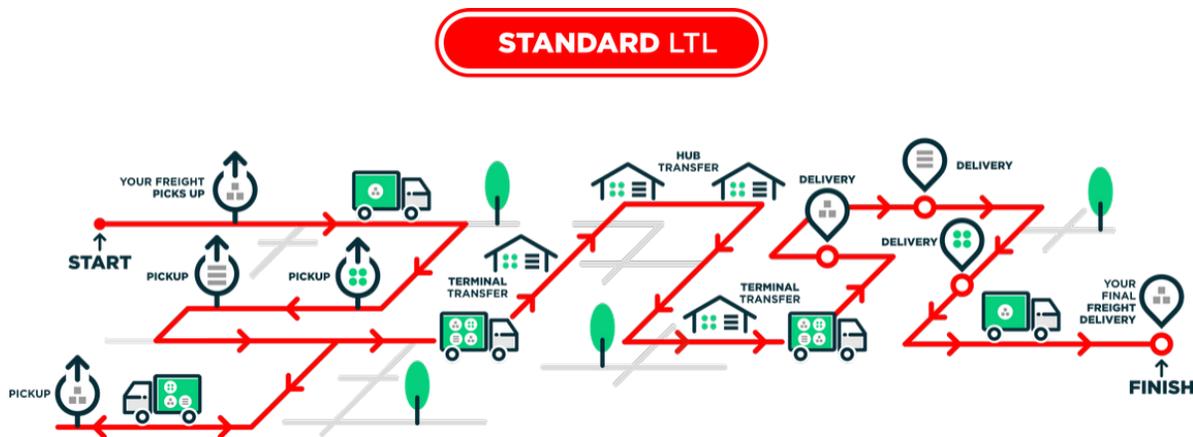
The drawbacks of LTL, TL, and partials, continued

⊗ LTL shortchanges all parties

When it comes to LTL service, shippers can't count on their freight to arrive intact, on time, or at all. Shippers don't even know if their loads will move through the system together, which causes additional headaches.

Furthermore, the hub-and-spoke model has performed poorly during the pandemic. With so many touchpoints, LTL facilities have been petri dishes for COVID-19 spread, handicapped the delivery of critical loads, and drained the precious resources of shippers and carriers alike.

LTL service is more trouble than it's worth. Without a doubt, shared truckload's direct transit, minimal handling, and environmental benefits give it the edge over LTL. Even TL shipping, which doesn't have as many cons as LTL shipping, loses to the shared truckload mode.



The drawbacks of LTL, TL, and partials, continued

⊗ TL doesn't take the meaning of "full truckload" seriously

The \$110-billion TL industry comprises a fragmented network of carriers and has lower barriers to entry than the LTL segment. TL service also goes by "Exclusive Use" to indicate service for one shipper, rather than multiple shippers.

With TL service, one truck moves loads from a single shipper directly from their pickup location(s) to their drop-off location(s), whether the truck is full or not. (Only 25% of TL trailers travel completely full!)

Shippers with load sizes that fall between TL and LTL face a tough decision: Pay a premium for extra LTL space, pay for air on a TL deck, jump through partial truckload hoops, or wait to ship until there's enough freight to fill a whole truck. (And shippers know better than anyone that waiting doesn't fly when demand is high.) **Other cons to TL shipping include:**

For shippers

- Highest price tag
- No load optimization (The only way to make the most of your dollar is to fill the entire truck.)

For carriers

- Hauling freight for one shipper pays less than doing the same job for multiple shippers
- The TL market doesn't give you access to the LTL loads that top off trucks and increase profitability

For the environment

- Annual carbon emissions in the United States of 836 million tons
- Moves air all too often, which means several trucks might end up doing a job that one could handle
- Wasted resources from unused truck space

While both TL and STL shipping use similar processes, TL service traps shippers into paying for more space than they need and creates waste. It's easy to see why shippers prefer STL's affordability and optimal use of resources. Learn more about the STL, LTL, and TL services [here](#).

The drawbacks of LTL, TL, and partials, continued

⊗ Partial truckload gets only half of the equation right

The highly concentrated partial truckload market includes giants like UPS, FedEx, and DHL.

Like STL and TL shipments, partial truckload freight moves on one truck along a direct route – in a process called “Load to Ride” – without stopping at terminals. The problem? Loads that are part of the same shipment can get separated.

Partial truckload service has the following downsides:

For shippers

- Potential for freight in the same shipment to be delivered at different times
- No load optimization

For carriers

- Inefficient delivery of split-up shipments
- Hampered profitability of split-up shipments

For the environment

- Scattered loads that lead to inefficient trips and unnecessary pollutants
- Annual carbon emissions in the United States of [722 million tons](#)

Even partial truckload shipping doesn't let shippers or carriers move loads on their own terms, adding to shared truckload's momentum. While partials do move hubless, Flock Freight's shared truckload solution guarantees hub-free transit **plus** side-by-side transportation. Flock Freight never separates shipments.

Which shipping mode is right for your freight needs?

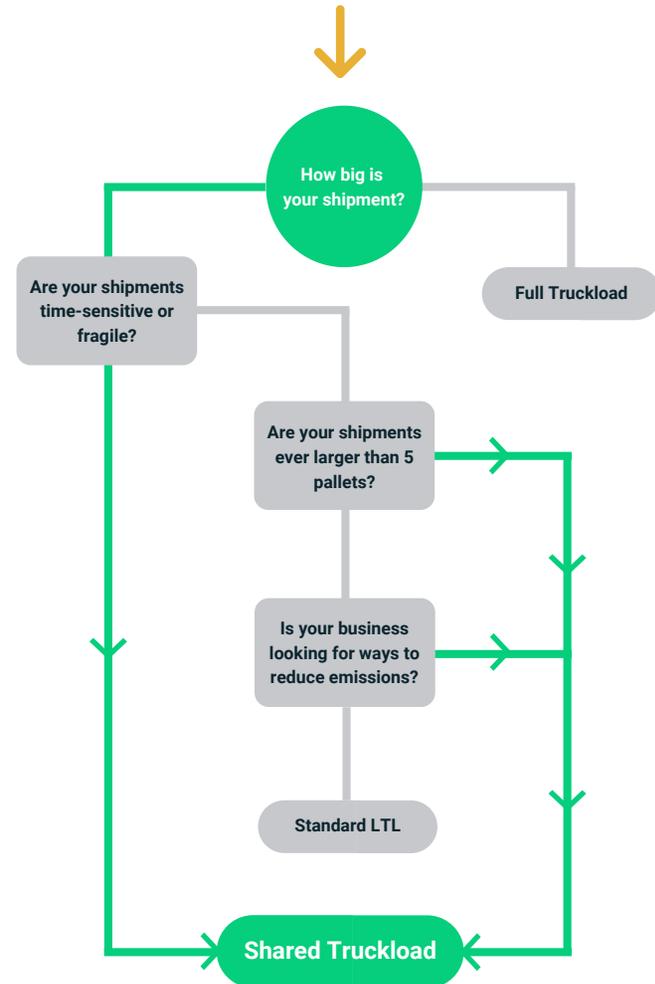
Shippers that usually book LTL, TL, and even partial truckload can easily transition to STL service. To determine which mode is right for your shipping purposes, it's important to understand the role of load size in each mode. **The industry typically uses weight, pallet quantity, linear feet, and freight class to categorize load size. Here's the rundown:**

Shipping mode	Weight requirement	Pallet count	Linear feet
Shared truckload	None	Ideal for 1-24 pallets	Up to 53 ft
Less-than truckload	Less than 4,000 lbs	1-6 pallets	Up to 12 ft
Full truckload	15,000 lbs or more	10 pallets or more	Up to 53 ft
Partial truckload	5,000-40,000 lbs	5-22 pallets	24-53 ft

Which shipping mode is right for your freight needs?

As the ideal solution for load sizes that range from LTL to TL, shared truckload is flexible, accommodating shipments of any weight, pallet quantity and freight class. Once you know your freight specifications, **check out this chart to determine which service meets your business needs.**

Shipper's Guide to Choosing the Right Freight Mode





Empty trucks are overrated; ship shared truckload

Whether you're a shipper or a carrier, you're adjusting your company's shipping processes for today's unpredictable landscape. One decision you have to make is which freight mode to leverage: Shared truckload, full truckload, less-than truckload, or partial truckload.

Shared truckload service moves the freight of several shippers on one truck along a technology-optimized route, offering a smooth and dependable experience from beginning to end. It has pulled ahead of every other shipping mode by eliminating the pitfalls of the un-green hub-and-spoke model, streamlining transportation, and minimizing the trucking industry's environmental impact. Flock Freight's STL solution creates unmatched supply chain efficiencies and even packs the extra benefits of control over pickup and delivery dates (for shippers) and a dedicated team member to work with (for carriers). These benefits are invaluable, especially at present.

As shippers and carriers contend with business disruptions and volatile markets, they can look to STL as a tool for continuity. And with the backing of advanced technology, the trucking industry can continue on its path toward a bright future.