



Air Freight: A Quick Reference Guide

Your quick reference guide to all things air freight forwarding.



Air freight forwarding is the best way to get your product delivered quickly when you are in a time crunch. Whether you are new to importing via air freight or are looking to streamline your air freight shipping, it's essential to understand all facets of air freight shipments. In *Air Freight: A Quick Reference Guide*, our shipping veterans share tips on:

- How to select the right air freight forwarder to fit your needs
- What you need to know about shipping air freight
- How to understand all the fees and charges associated with air freight



How to Choose the Right Air Freight Forwarder

You pay a premium to ship cargo via air freight, so shouldn't you have a premium air freight forwarder? Choosing the best air freight forwarder means partnering with an air freight forwarder who understand and meets your needs. When evaluating the right fit of an air freight forwarder, there are three R's to consider: responsiveness, reach and reputation.

Responsiveness

Shipping via air is all about speed. You choose air freight if you need to get your product somewhere fast. But that speed requires a certain amount of attention for your shipment: You'll have less time to get your documentation in order and any issues that come up must be dealt with immediately to prevent delays. You want an air freight forwarder that is all about responsiveness.

A responsive air freight forwarder should:

- Proactively monitor your shipment, so they can resolve issues as soon as possible.
- Work to lessen the risk of delays by ensuring all the documentation you need is ready to go, so your cargo doesn't get stuck in customs.
- Spot any errors or omissions in your documentation to get them fixed in a timely manner.
- Great customer service that makes it easy to communicate quickly and effectively with their support team. Whether over-the-phone or online, you need a real-life person to action your requests ASAP.



Reach

When you're searching for the best air freight forwarder, consider their reach. Look at their network and how long they've been in business.

Network

An international freight forwarder with years of experience likely has a more extensive network than one with less experience. They have built relationships with various airlines over the years too, which can be critical, especially during peak shipping seasons when space is limited. An air freight forwarder that has a good relationship with the airline often easily secure space for your shipments even when demand is high.

Experience

An air freight forwarder that has been in business for many years has the knowledge to handle all types of situations. They'll have experience with different types of commodities and know which government regulations and restrictions may affect your shipments. This knowledge and experience means they can streamline the shipping process for you.

Reputation

You want an air freight forwarder that has a successful track record.

Ask for references

Talk to their customers about their experience with the air freight forwarder. Ask specific questions that are relevant to your needs and expectations.

Find out about the prospective air freight forwarder's involvement in their industry

Start with the basics, are they accredited by the International Air Transport Association (IATA)? Find out more about their security credentials by checking if they participate in Customs-Trade Partnership Against Terrorism (C-TPAT) through U.S. Customs. This is especially important if your company is a C-TPAT participant.

Consider the size of the air freight forwarder

If you are a small to medium-sized business, you may prefer an international freight forwarder that works with companies like yours. These forwarders often have a reputation of being nimble and can make crucial decisions much faster, which is especially important in air freight. Their customer service is often more responsive than larger freight companies too, since an air freight forwarder that works with larger-sized businesses may prioritize a large client's needs over yours. Considering the speed of air freight, you don't want to be an after-thought, not able to reach them at a crucial time.

What You Need to Know About Shipping Air Freight

There are seven fundamental things to know when requesting a quote or booking a shipment with your air freight forwarder.

1. Understand Transit Times

While the actual flight time of your cargo is important, your lead time should also include customs, transportation to/from the airport, routing, extreme weather, at both origin or destination. You'll also need to factor in seasonal demand. For example, if you plan on shipping in November, be prepared for a rush of cargo into the U.S. in advanced of the holiday shopping season. Large air shippers, such as Apple, command a lot of space which leads to overbookings and potential delays for your air freight shipments.

2. What Is a Realistic Timeline?

You're shipping your cargo via air freight because you need it fast. However, do you need your shipment to arrive tomorrow? Or, will a 2 to 3-day transit time suffice? There are air freight options that vary in transit time and therefore cost. For example, if you are willing to sacrifice speed, a deferred/indirect air freight service could save you as much as 20% or more over an expedited option.

3. Basic Information

Just like ocean freight, you need to provide certain basic information to your freight forwarder for a quote. Some things you'll need include are:

- Origin address
- Destination address
- Weight
- Dimensions
- Commodity
- Special requirements (e.g. is your cargo delicate? Hazardous? Etc.)

4. Know Your Key Decision Makers

Since air freight is much faster than ocean freight, any issues that could cause delays need to be resolved immediately. Your air freight forwarder needs to know who to talk to in your company in case they need a decision made or who can make changes. Considering the additional cost compared to ocean freight, it's important to establish a clear internal process for approving air freight shipments.

5. Don't Forget to Send Routing Instructions to Your Supplier

Just like ocean freight, you need to provide routing instructions to your shippers. However, because of the urgency of air freight, it's even more important that your supplier have the local contacts on the routing order. You don't want your supplier in Shanghai asking how to book a shipment when it's midnight in California as this may delay the shipment by a day or more.

6. Have Documentation Ready

All paperwork must be in order before the cargo arrives at its destination which means it must be completed that much faster. Ensure every shipment has a packing list, commercial invoice, material safety data sheet (if you're shipping hazardous materials), etc., ready when the shipment is ready – or before. Also, it's important to have close contact with your customs broker so they can advise you of any specific requirements for your commodity and help ensure a smooth customs clearance. To do so, be sure you have a continuous bond on file with U.S. customs as well as a valid Power of Attorney with your customs broker for all inbound U.S. freight. For U.S. export shipments, your freight forwarder will also need a TSA Consent to Screen form as well as an export Power of Attorney.

7. Get to Know the TSA

If you're a U.S. exporter and you haven't gone through the Transportation Security Administration's (TSA) Known Shipper Management System (KSMS), you are considered an "unknown shipper." This means you won't be able to ship your air freight on passenger planes, only in cargo planes. That severely limits your flight options and can stretch out delivery times. If you have U.S. export air freight and aren't yet a known shipper, talk to your freight forwarder about becoming approved in the KSMS. Please note that this regulation doesn't impact air freight imports into the U.S. or other international air cargo.

How to Read and Understand Your International Air Freight Bill

While air freight shipping has similar terminology or equivalents to ocean freight shipping, there are key differences related to charges and fees. Let's take a look at what air freight charges and fees mean on your air freight bill.

Air Freight – Chargeable Weight

Air freight shipment cost is calculated by the "chargeable weight." The chargeable weight applied to a shipment will be either actual weight or volumetric weight, whichever number is greater. Volumetric weight is calculated at 6000 cubic centimeters per kilogram. Therefore, dividing the cubic centimeter volume of a shipments (L x W x H) by 6000 will result in the volumetric weight.

For example, let's say you have a shipment that is 80 x 120 x 120 cm with an actual weight of 300 kg. Below is the calculation for volumetric weight:

Volume: $80 \times 120 \times 120 \text{ cm} = 1,152,000 \text{ cm}^3$ (cubic centimeters)

Volumetric Weight: $1,152,000 \text{ cm}^3 / 6000 = 192 \text{ kg}$

Therefore, for this example, the chargeable weight will be 300 kg since the actual weight is larger than the volumetric calculation.

Another thing to keep in mind about international air freight: All measurements are using the metric system, meaning kilograms and centimeters/meters, not U.S. pounds and inches/feet. If your shipping department is used to pounds and feet (as is common practice in U.S. domestic shipments), don't worry, your trusted freight forwarder can convert and help avoid measurement misunderstandings.

It's also important to understand "weight breaks" from your air quote. As your shipment gets larger, you pay less per kilogram for the shipment at set intervals. For example, if your shipment is more than 100 kg, your rate may be \$3/kg; however, if your cargo is more than 300 kg, the rate could decrease to \$2.75.

Fuel Surcharge

This is the fee you'll pay for the cost of fuel plus various surcharges from the airlines. Since the cost of oil can fluctuate, you'll see it as a fuel surcharge on the bill. Similar to air freight cost, the fuel surcharge is applied per kg of chargeable weight.

Ex Works

This is an incoterm, one of the defined trade terms published by the International Chamber of Commerce (ICC). These terms are internationally recognized and are used by you and your supplier to delineate risk and cost throughout the shipping process.

Ex Works on a shipping quote (abbreviated as EXW), also known as origin charges, covers the cost of bringing your cargo from your supplier to the origin port of departure. Ex Works charges can include customs clearance, licenses, etc.

Door Delivery

This is the cost you pay to get from the destination airport to your final destination. There may be additional charges related to door delivery depending on your shipment's requirements. For example, if you don't have a loading dock, a lift gate may be necessary. Or, hazardous shipments would be subject to an additional door delivery surcharge.

Doc Fee

This is the documentation fee. It's a surcharge from your air freight forwarder to cover the costs of preparing the required documentation to ship your product.

Insurance

If you insure your shipment, which is always recommended, you'll see an insurance charge on the invoice. Insurance is normally charged at a rate per \$100 of value (for example, \$0.45 per \$100). The premiums for general commodities will often be the same. General commodities would include new merchandise that is not easily breakable. New toys, auto parts, bicycles, and shoes are some examples.

Fragile commodities like glassware would be charged at a higher rate.

Airline Terminal Fee

This is the charge you'll pay for the airline handling your cargo at the terminal. In some cases, you'll see this charge broken out from both the origin airport and the destination airport.

Airline Security

These are fees charged by the Transportation Security Administration (TSA) to cover protecting the airline transportation industry from security and safety threats. For your air freight, the cost varies based on cargo weight, as well as its origin and destination.

Customs Entry

This is the cost for the customs broker to submit the necessary payments and documentation to get your product cleared through customs. Custom brokers are experts in navigating US Customs and Border Protection (CBP), from knowing how to classify your goods in the tariff system to the various government policies that regulate trade.

If products need to be approved for entry by another government organization, such as the FDA or Department of Transportation, there may be additional fees on your bill.

Customs Duties and Taxes

Customs duties and taxes are levied by the U.S. government based on how your goods are classified under the Harmonized Tariff Schedule. Duties are typically assessed on a percentage of the commercial invoice of your product.

Miscellaneous Fees

These fees cover a range of items that may or may not be on your air freight bill, but can include:

- **Storage:** Covers the cost of storing your cargo if it is not picked up from the terminal on time.
- **Exams:** The fee assessed by U.S. Customs to examine your shipment if necessary. The types of exams range from your cargo simply going through an X-ray to being hauled over to another location to be fully broken down and examined. To lessen your chances of paying for exams, ensure your documentation is correct and in order.



If you need to ship air freight, Dedola Global Logistics offers priority and expedited services to send your shipments to and from anywhere in the world. Our vast network of air freight service contacts give you access to the same air freight service options as your largest competitors. Contact us today for a quote.

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