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YOUR GUIDE TO SUCCESSFUL SHIPPING

 **Pinnacle**

The Pinnacle logo features a stylized white triangle icon to the left of the word "Pinnacle" in a bold, white, sans-serif font.



Outstanding worldwide logistics



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Since 1972 our family run business has been delivering outstanding worldwide logistics.

Our business is progressive, embracing the latest systems, technology and best practice.

This approach to business combined with family values and a focus on delivering outstanding service has enabled Pinnacle to evolve and succeed for almost half a century.

This guide has been crafted by our expert team for your reference, with basic to expert information for importers and exporters.

Knowledge. Understanding. Expertise.

01: Incoterms

If your business is trading globally and you're fully versed in Incoterms or you're looking to trade overseas for the first time, use the following Pinnacle Incoterms guide and make sure you're clued up.

Purpose of Incoterms

These terms are defined by the International Chamber of Commerce, which are known as Incoterms. The purpose of Incoterms is to provide common interpretation for the different trade terms used in international trade; namely:

- Clearly define the parties' respective obligations
- Reduce the risk of legal complications in a sale contract
- Facilitate the conduct of global trade

Scope of Incoterms

The scope of the Incoterms is limited to the rights and obligations of the parties' arising from the delivery of the sale of goods; more specifically:

- Covers delivery of goods (from seller to buyer)
- Obligation to make carriage or insurance arrangements
- Defines when seller delivers to buyer
- Division of costs

Classification

Rules for any mode or modes of transport

- **EXW** Ex Works
- **FCA** Free Carrier
- **CPT** Carriage Paid To
- **CIP** Carriage and Insurance Paid To
- **DAP** Delivered At Place
- **DPU** Delivered at Place Unloaded
- **DDP** Delivered Duty Paid

Rules for sea and inland waterway transport

- **FAS** Free Alongside Ship
- **FOB** Free On Board
- **CFR** Cost and Freight
- **CIF** Cost Insurance and Freight

Using Incoterms

It is worth remembering that Incoterms® are not a law and, therefore, their use is not compulsory. However, if they are used, they are legally binding in the context of a commercial contract signed between two parties. If you are using Incoterms, consider the following guidance:

- **Make it clear in the contract** (term + named place + Incoterms 2020®)
- **Choose the appropriate rule** (Goods, transport means, additional obligations)
- **Consider mandatory local law** (May override any aspect of sale contract or Incoterm)

You should also consider the following factors when choosing an Incoterm:

- **Market situation** (Country infrastructure, customer relations)
- **Control** (How much do you want?)
- **Governments** (Customs rules and regulations)
- **Insurance restrictions** (Policy exclusions, country restrictions)
- **Revenue recognition**

Incoterms 2020 Quick Reference Guide

Division of costs between Buyer & Seller

Incoterms 2020	Loading goods	Export customs clearance	Origin delivery	Delivery to shipside	Loading on board vessel		Freight to destination	Insurance	Unloading at destination port/airport	Destination delivery	Unloading at destination delivery	Import customs clearance & duty
EXW	Buyer	Buyer	Buyer	Buyer	Buyer		Buyer		Buyer	Buyer	Buyer	Buyer
FCA	Seller	Seller	Seller	Buyer	Buyer		Buyer		Buyer	Buyer	Buyer	Buyer
FAS	Seller	Seller	Seller	Seller	Buyer		Buyer		Buyer	Buyer	Buyer	Buyer
FOB	Seller	Seller	Seller	Seller	Seller		Buyer		Buyer	Buyer	Buyer	Buyer
CFR	Seller	Seller	Seller	Seller	Seller		Seller		Buyer	Buyer	Buyer	Buyer
CPT	Seller	Seller	Seller	Seller	Seller		Seller		Buyer	Buyer	Buyer	Buyer
CIF	Seller	Seller	Seller	Seller	Seller		Seller	Seller	Buyer	Buyer	Buyer	Buyer
CIP	Seller	Seller	Seller	Seller	Seller		Seller	Seller	Buyer	Buyer	Buyer	Buyer
DAP	Seller	Seller	Seller	Seller	Seller		Seller		Seller	Seller	Buyer	Buyer
DPU	Seller	Seller	Seller	Seller	Seller		Seller		Seller	Seller	Seller	Buyer
DDP	Seller	Seller	Seller	Seller	Seller		Seller		Seller	Seller	Buyer	Seller

Key Terms used in Incoterms 2020

- Carrier: the party with whom carriage is contracted
- Customs formalities: compliance with customs regulations
- Delivery: where the risk of loss or damage to the goods passes from seller to buyer
- Delivery document: document used to prove that delivery has occurred
- Electronic record or procedure: one or more electronic message, equivalent to corresponding paper document
- Packaging: in compliance with the contract or fit for transportation or stowage within a container or other means

Contact Pinnacle for more information or advice regarding Incoterms

+44 (0) 845 6216 111 enquiry@pif.co.uk

02: Sea Freight

Sea Freight is a popular method of importing and exporting goods and commodities, particularly consumer goods moving long distances. It is a cost effective method of shipping larger volumes of cargo.

There are two options for using shipping containers to transport your cargo via Sea Freight; **one is LCL (Less than container load) and the other is FCL (Full container load)**. Below we layout key information and explain some of the key considerations, advantages and disadvantages of using either option.

CBM = Length x Width x Height (m)
(CBM = Cubic Metre)

Recommended volumes

- 1 – 18cbm ship as LCL
- 18 – 30cbm ship as 20' container
- 35 – 60cbm ship as 40' container
- 60 – 70cbm ship as 40' HC

Pinnacle offer a Load Planning Service, which can easily help you to calculate your loads, maximise the capacity of your cargo making your Sea Freight as cost effective and efficient as possible. Contact us any time for advice and assistance.

FCL

Shipping FCL does not mean you need to have enough cargo to fill an entire container you may ship a partially filled container as FCL.

Benefits of FCL

- Remains sealed from shipper's door to place of delivery, unless inspected by customs
- Less likely to be damaged, as not loaded with other cargo and is not handled repeatedly en route
- Quicker transit time compared to LCL, as the container is collected/delivered directly to/from the port, rather than being combined with other cargo at a consolidation warehouse

LCL or Consolidation (Share a Container)

When shipping LCL, cargo is consolidated with other shippers' goods to fill a container. The price of your shipment is determined based on volume and weight.

Benefits of LCL

- Reduced costs for smaller size shipments compared to sending FCL as charges are based on weight and cubic metre
- Can be delivered on smaller vehicles if access to delivery destination is limited
- Off-loading using tail-lift vehicles to assist upon delivery

Charges are calculated on weight or measure (1000kg = 1cbm, whichever is greater)

Documentation required for Sea Freight includes

- Commercial invoice
- Packing list
- Preference certificate / licences
- B/L (Bill of Lading)
- VGM – Verified Gross Mass Certificate

Telex Release/Express release and Original B/L

Telex Release

A Telex Release is a message that is sent by the agent or shipping line from origin to their agent or office at destination to acknowledge that the shipper has surrendered the Original Bill of Lading that has been issued to them. This then allows the cargo to be released to the consignee without having to physically present the Original B/L prior to release.

Express Release

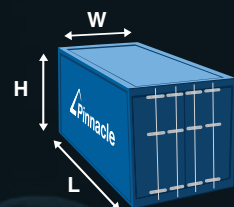
An Express Release B/L means that no Original B/Ls were issued, or requested to be issued, when the shipper's instructions were sent to the shipping line. Express Release is typically requested when the shipper does not need to hold onto the Original B/L to secure payment for the cargo. The shipper and consignee may be related companies, or have a strong business relationship in these scenarios. Since no Original B/Ls were created, nothing has to be mailed to destination for cargo release.

Original B/L

If working with an Original Bill of Lading, this will need to be presented to Pinnacle in order for the consignee to be able to receive the merchandise at destination. This process also allows the shipper to hold the B/L until payment has been received or used for bank release/letter of credit.

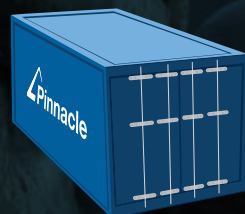
General use container sizes: *Internal Dimensions*

30 Cbm



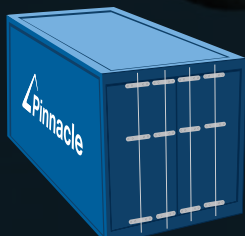
20' Dry
L 5.88 x W 2.28 x H 2.27m

63 Cbm



40' Dry
L 12.03 x W 2.33 x H 2.27m

71 Cbm



40' High Cube
L 12.03 x W 2.33 x H 2.58m

*Above container sizes are to be used as a guide only, as shipping container sizes will vary according to provider.

Container types

Dry Cargo container

Suitable for any general cargo. All containers are equipped with various lashing devices on longitudinal rails and corner posts. The High Cube container is specially designed for voluminous cargo. For high and excessively high loads we provide Hardtop containers.



20'



40'

Standard

20' Standard
40' Standard / Standard High Cube
45' Standard High Cube

Special Cargo container

Special containers are available for heavy loads and oversize cargo as well as project cargo. There are numerous very strong lashing devices on longitudinal rails and corner posts.



Flatrack / Platform

20' Flatrack
40' Flatrack High Cube
40' Platform



Open Top

20' Open Top
40' Open Top
40' Open Top High Cube

Reefer Cargo container

Containers available to maintain temperature control range as low as -35°C and up to +30°C in ambient environment up to 50°C. Low tare weight = high payload design.



Reefer

20' Reefer
40' Reefer High Cube

Sea Freight options that Pinnacle offer

- Export-Import-Crosstrade
- FCL & Consolidation
- Breakbulk & Charter
- Load-Lash-Secure
- Container CSC Plating
- Temperature Controlled
- Track & Trace
- PO Management

Pinnacle Webtracker

Pinnacle offers an on-line Global Track & Trace Service for all of your shipments to ensure complete visibility at every stage of your shipments progress. Features of our tracking system include:

- 24/7 access to tracking information through a feature-rich online portal
- View live event updates, shipments, documentation and more
- Schedule bespoke reports direct to your inbox

PO Management

Pinnacle also offers a comprehensive on-line PO Management System, which can enable you to manage your supply chain effectively and efficiently via one system. Our in house IT team can integrate yours and your supplier's operating systems with our on-line portal, giving a one-stop shop solution for visibility and supply chain management.

Benefits of PO Management with Pinnacle

- Supply chain visibility
- Product availability
- Lead-time management



Contact Pinnacle for more information or advice regarding your Sea Freight requirements +44 (0) 845 6216 111 enquiry@pif.co.uk

03: Air Freight

Air Freight is commonly used when moving goods that are urgently required or sensitive high value items. Air Freight is a faster and more secure method for moving cargo.

Benefits of using Air Freight

- Fastest shipping method
- Cargo can be shipped to almost any destination globally
- Highly reliable
- Secure transportation method with low risk of damage or theft
- Cargo is trackable

Volume Conversion (for calculating chargeable weight for Air Freight)

IATA = 167kg per m³

OR 1kg = 6000cc

$L \times W \times H \text{ (cm)} / 6000 = \text{chargeable weight (KG)}$

Documentation required for Air Freight includes:

- Commercial invoice
- Packing list
- Preference certificate / licences
- Security Declaration

IATA

The International Air Transport Association (IATA) is the trade association for the world's airlines. IATA now represents some 290 airlines in 120 countries.

Carrying 82% of the world's air traffic, IATA supports airline activity and helps formulate industry policy and standards.

As IATA members, Pinnacle has access to all airline members, helping to ensure that the service standards we offer are at the highest levels.

- Industry recognition of financial and professional competence
- Approved to sell airlines products
- Airline relationship governed – IATA resolutions

Air Waybill

An Air Waybill (AWB) is a document that provides detailed information about the related shipment being transported by an international airline.

AWBs include:

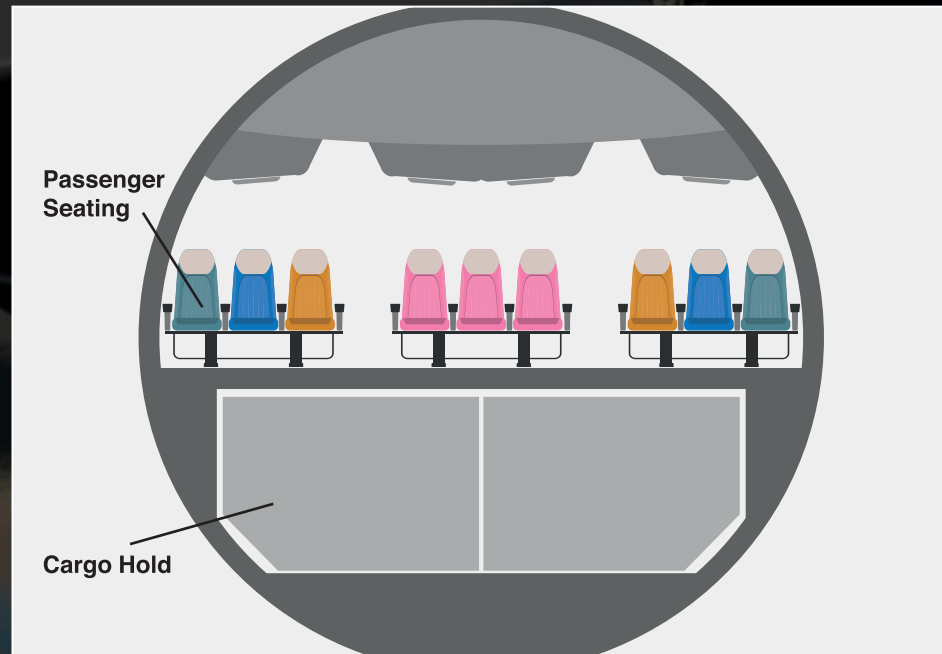
- Three letter origin airport code
- Three letter destination airport code
- Number of pieces within the shipment
- Gross weight of shipment
- Chargeable weight of shipment
- Description of goods
- Any required special handling

Aircraft types

Lower Deck Cargo

An airliner is a type of aircraft used for transporting passengers and air cargo. Although the definition of an airliner can vary from country to country, an airliner is typically defined as an aircraft intended for carrying multiple passengers and/or cargo in commercial service. Approximately 70% of air cargo is carried by passenger carrying airliners.

Passenger aircraft cargo hold space is limited and varies greatly depending on aircraft and route. Therefore shipment sizes should be checked with a Pinnacle representative to confirm the most appropriate service options.



Freighter / Oversized Cargo

A cargo aircraft is designed or converted for the carriage of cargo on the upper deck, rather than passengers. Such aircraft usually do not incorporate passenger amenities and generally feature one or more large doors for loading cargo.

If your air cargo is over the maximum for a passenger aircraft operating the desired route, then a cargo aircraft would be the most suitable method for your shipment.



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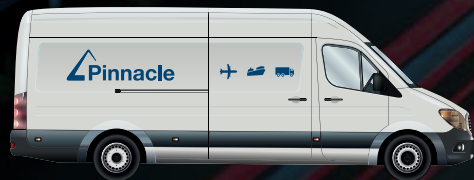
04: Road Freight

Whether you have full loads, part loads or specialist cargo, Pinnacle's team of experienced professionals will ensure you receive the most efficient and reliable service possible.

Our road services include:

- Export-Import-Crosstrade
- Domestic-EU-International
- Parcel Courier
- Dedicated
- Groupage-Part Load
- Temperature Controlled

Vehicle types



Van

4 Standard Pallet Capacity
6 Euro Pallet Capacity
Maximum payload 1200 kgs

*Above is supplied as a guide only. Standard Pallet loads are based on pallet dimensions of 120 x 100cm and Euro Pallet loads are based on 120 x 80cm. Vehicle capacity and payloads may vary.

3.5 Tonne

4 Standard Pallet Capacity
6 Euro Pallet Capacity
Maximum payload 1600 kgs



7.5 Tonne

11 Standard Pallet Capacity
14 Euro Pallet Capacity
Maximum payload 2900 kgs

18 Tonne

14 Standard Pallet Capacity
18 Euro Pallet Capacity
Maximum payload 9200 kgs



Artic

26 Standard Pallet Capacity
32 Euro Pallet Capacity
Maximum payload 26000 kgs

*Above is supplied as a guide only. Standard Pallet loads are based on pallet dimensions of 120 x 100cm and Euro Pallet loads are based on 120 x 80cm. Vehicle capacity and payloads may vary.

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05: Export Packing

The degree of export packing required greatly depends on the type of product, value of the product and the mode of transportation. Sea Freight shipments can require extensive packing and moisture protection because of longer transit time and exposure to the elements.

Wood packing types



Euro Pallet

Used for standard weight items
Dimensions 120 x 80cm



Standard UK 2 Way Pallet

Used for standard weight items
Dimensions 120 x 100cm



Standard 4 Way Pallet

Used for standard weight items
Dimensions 120 x 100cm



Frame Base

Used for heavy weight items



Standard Case



Timber Close Board Case

Used for heavier weight or
higher value items

Packing materials



Foil Barrier

Used for protection against moisture damage and corrosion



Water Proof Lining



Desiccant Packs

Used for protection against moisture



Polystyrene Lining

Used for protection of goods



Handling Indicators

Pinnacle can apply monitoring and detection devices for shipments that must remain upright or are sensitive to shock during shipping and transit. The devices contain an indicator which turns red if the product is tipped over, upturned or roughly handled.

What is ISPM15 and why is it important?

ISMP 15 simply refers to the required international standards of treatment that must be applied to solid wood used to ship products between countries. Its main purpose is to prevent the spread of disease and insects that could negatively affect plants or ecosystems.

Import – Solid wood packaging must meet the ISPM15 international standards if you import it from outside the EU.

Export – If you export packaging outside the EU, check if the country you're trading with accepts ISPM15 standards and if they have any other requirements.

Pinnacle's experienced packing team will assess the requirements of each shipment, ensuring that your goods are suitably packed and protected. Our services include:

- Case & Pallet Supplies
- ISPM15 Certified
- Site Packing Services
- Packaging Solutions
- BS1133 Compliant

Contact Pinnacle for more information or advice regarding your
Export Packing requirements +44 (0) 845 6216 111 enquiry@pif.co.uk

06: Assurance

It's important to know that your cargo is in the safest of hands. At Pinnacle, we maintain high levels of accreditation and certification, leaving no doubt as to the standards to which we operate.



HM Revenue
& Customs



BRITISH INTERNATIONAL
FREIGHT ASSOCIATION



Cargo
Agent



Contact Pinnacle for more information or advice regarding your global or domestic logistics requirements +44 (0) 845 6216 111 enquiry@pif.co.uk

07: Marine Insurance

It's absolutely critical that you have marine insurance in place for your goods in order to manage any financial risk to your business.

Some companies make the mistake of assuming that their goods are covered under their standard business insurance, when quite often it is not. Please ensure that you are clear on the level of relevant cover you have in place regarding the movement of your goods and put the right cover in place where required.

At Pinnacle we are able to offer Global Marine Insurance cover for any mode of transport at competitive rates. Marine Insurance doesn't just cover conveyances by ocean but all modes of transport.

Without insurance, a carrier's liability is limited in accordance with their terms & conditions, which means you'll get next to nothing back in the event of loss or damage, if you get anything at all.

Do you insure your home, your car, your holiday? Why wouldn't you insure your goods?



These images are of the vessel Mol Comfort which after 7 days of raging fires sank with all containers on board. It was travelling from the Far East to Europe in July 2013. Mol Comfort had over 4,500 containers on it, at the time.

Customers without Marine Insurance cover were left without their goods, with no way to claim for their loss and liable for all charges still associated with the shipping movement.

Contact Pinnacle for more information or advice regarding Marine Insurance for your goods +44 (0) 845 6216 111 enquiry@pif.co.uk

Knowledge. Understanding. Expertise.

Do not hesitate to call or email one of our experts if you have any queries.

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