# Chapter 15: Packaging for Export

**TRUE/FALSE**

 1. The responsibility for packaging goods for international shipment always falls upon the exporter.

ANS: T DIF: Easy REF: page 546

 2. Companies rarely develop a strategy for packaging, since they consider it an area that does not have strategic implications.

ANS: F DIF: Hard REF: page 546

 3. Air transport is, by nature, more hazardous than ocean transport.

ANS: F DIF: Moderate REF: page 566

 4. Containers used in air transport are not truly intermodal.

ANS: T DIF: Moderate REF: page 566

 5. Markings in international air shipments should be handled in much the same way as markings on ocean shipments.

ANS: T DIF: Moderate REF: page 568

 6. As much as possible, cargo should bear the trade name or the brand names of the shipper.

ANS: F DIF: Moderate REF: page 572

 7. Some countries regulate primary package sizes by requiring them to be multiples of simple metric units.

ANS: T DIF: Moderate REF: page 575

 8. For industrial goods, the primary packaging encompasses all the packaging activities aimed at protecting them during shipment.

ANS: F DIF: Hard REF: page 546

 9. Intermodal containers sometimes collapse in rough seas.

ANS: T DIF: Easy REF: page 550

 10. Surface rust on containers, while not attractive, usually does not affect the cargo carried, although it may be a sign that the container is not very carefully maintained.

ANS: T DIF: Moderate REF: page 550

 11. Light leakage in a container could indicate a risk of water infiltration.

ANS: T DIF: Easy REF: page 550

 12. If goods in a container are not unitized, they are usually sufficiently protected by their regular secondary packaging.

ANS: F DIF: Hard REF: page 551

 13. Some shippers use old pallets as spacers (dunnage) to keep cargo from shifting.

ANS: T DIF: Easy REF: page 554

 14. Damage to cargo caused by improper packaging can be offset by insurance.

ANS: F DIF: Moderate REF: page 554

 15. An advantage of LCL shipping is that the cargo is not handled very frequently while in transit.

ANS: F DIF: Moderate REF: page 556

 16. A freight consolidator is almost always quite good at packaging a container properly, with proper dunnage and protection, but the owners of other cargo on board the consolidated container may not be as careful, and that represents a hazard.

ANS: T DIF: Easy REF: page 556

 17. Containerized cargo is handled more frequently than breakbulk cargo.

ANS: F DIF: Hard REF: page 557

 18. Softwood used in crates and boxes is obtained from leafy trees such as poplar or oak.

ANS: F DIF: Hard REF: page 563

 19. As opposed to crates, boxes are containers made of wood where the sides are an integral part of the structure of the container.

ANS: F DIF: Hard REF: page 558

 20. Shipping bags are very good at withstanding numerous manipulations.

ANS: F DIF: Moderate REF: page 561

 21. For air shipments, the best form of packaging would be tertiary in nature and would include one additional layer of cardboard.

ANS: T DIF: Moderate REF: page 567

 22. Cargo pallets in international road and rail transportation should be protected on all four corners, banded with nylon or steel straps, and should be shrink-wrapped or stretch-wrapped for protection against rain and ambient humidity.

ANS: T DIF: Moderate REF: page 568

 23. The complexity of varied regulations regarding shipment of hazardous cargo means the shipper should contract with a specialized freight forwarder or consultant.

ANS: T DIF: Easy REF: page 572

 24. To save costs and space, different types of refrigerated goods often are mixed together.

ANS: F DIF: Moderate REF: page 573

 25. Consumer packages abroad are generally smaller in countries where retail shopping is done frequently.

ANS: T DIF: Easy REF: page 575

**MULTIPLE CHOICE**

 1. FCL cargo stands for

|  |  |  |  |
| --- | --- | --- | --- |
| a. | Freight Carried Logistically. | d. | Federal Criteria Lessened. |
| b. | First-Carry List. | e. | Full Container Load |
| c. | Figero Citeria Logistica. |

ANS: E

The correct answer is FCL stands for full-container-load.

DIF: Easy REF: page 550

 2. Cargo, such as trucks, that cannot be containerized because it is too large and won’t fit in a traditional container or because it exceeds the maximum weight of a container load is called

|  |  |  |  |
| --- | --- | --- | --- |
| a. | LCL cargo. | d. | breakbulk cargo. |
| b. | loose cargo. | e. | project cargo. |
| c. | moderated cargo. |

ANS: D

LCL cargo does not apply in this case, and loose cargo and moderated cargo are terms that are undefined. Breakbulk cargo is unitized in a box or crate which is placed directly into the hold of a ship because it is too large or heavy to be placed in a traditional container. Project cargo necessitates special arrangements for transportation.

DIF: Moderate REF: page 556

 3. Proper marking on cargo as it is shipped is important because proper marking

|  |  |  |  |
| --- | --- | --- | --- |
| a. | protects the cargo from poor handling. | d. | all of the answers in this response set are advantages of proper marking. |
| b. | protects the cargo from theft. | e. | protects the cargo from unfavorable exposures (rain, sun, heat) |
| c. | protects the cargo from pilferage. |

ANS: D

All of these protections are important reasons for proper markings.

DIF: Easy REF: page 563

 4. Most cargo tends to be shipped by air in its

|  |  |  |  |
| --- | --- | --- | --- |
| a. | primary packaging. | d. | no packaging at all. |
| b. | secondary packaging. | e. | retail packaging. |
| c. | tertiary packaging. |

ANS: B

Secondary packaging is the packaging that usually groups several of the consumer goods into one unit, usually a thin cardboard box or a shrink-wrap. This is what the retailer sees and handles before the goods are placed on the shelves.

DIF: Moderate REF: page 567

 5. Hazardous cargo shipped by sea is regulated by the

|  |  |  |  |
| --- | --- | --- | --- |
| a. | IMO. | d. | ICAO. |
| b. | country of the ship’s flag. | e. | Warsaw Convention |
| c. | IATA. |

ANS: A

The shipment of dangerous goods by sea is regulated by the International Maritime Organization [IMO]. The IATA is the International Air Transport Association and the ICAO is the International Civil Aviation Organization, both of which regulate air transport of dangerous goods.

DIF: Hard REF: page 573

 6. The three functions of correct packaging are

|  |  |  |  |
| --- | --- | --- | --- |
| a. | to reduce costs, speed delivery, and to provide correct instructions. | d. | to provide protection for the goods, to make shipping costs as low as possible, and to maximize pallet utilization. |
| b. | to provide attractive packaging for consumers, to provide for recycling, and to publicize the product while in transit. | e. | to provide protection for the goods, increase container fill rates, and prevent theft and piferage while in transit. |
| c. | to protect goods in transit, to facilitate proper handling of goods in transit, and fulfill the shipper’s customer service strategy. |

ANS: C

A speedy delivery may not be an objective in some shipments. Not all packaging is aimed at consumers, recycling may not be possible nor desirable, and publicizing products while they are in transit may invite theft or pilferage. Impenetrable protection and low costs may be mutually exclusive, and not all shipments use pallets. Correct packaging should protect goods in transit, facilitate proper handling, and fulfill the shipper’s customer service strategy.

DIF: Hard REF: page 548

 7. Packaging designed to appeal to and be functional for consumers is called

|  |  |  |  |
| --- | --- | --- | --- |
| a. | primary packaging. | d. | commercial packaging. |
| b. | secondary packaging. | e. | wholesale packaging. |
| c. | tertiary packaging. |

ANS: A

Primary packaging is consumer packaging, or what the consumers see when they purchase and handles the product. Secondary packaging is the packaging that usually groups several of the consumer goods into one unit. This is what the retailer sees and handles before the goods are placed on the shelves. Tertiary packaging, or transportation packaging, includes all of the additional protection designed to ensure safe and efficient delivery of the goods in sound condition to their foreign purchaser. Commercial packaging does not exist.

DIF: Easy REF: page 546

 8. An intermodal container is designed to withstand the weight of up to how many similar containers placed on top of it?

|  |  |  |  |
| --- | --- | --- | --- |
| a. | five | d. | eight  |
| b. | six | e. | nine |
| c. | seven |

ANS: D

The correct answer is eight.

DIF: Moderate REF: page 550

 9. The standardized size of pallets in Europe is

|  |  |  |  |
| --- | --- | --- | --- |
| a. | 80 centimeters by 120 centimeters. | d. | as diverse as the pallet sizes in the United States |
| b. | 30 inches by 48 inches. | e. | set by the International Pallet Organization  |
| c. | Identical to the measurements of standardized pallets in the United States. |

ANS: A

The European standardized size of pallets is 80 × 120 centimeters, which is 31.5 × 47.25 inches, and is different than the most popular pallets in the U.S. which are 36 × 48 inches.

DIF: Moderate REF: page 553

 10. Because of the threat to hardwood forests caused by the long-horned beetle,

|  |  |  |  |
| --- | --- | --- | --- |
| a. | wood pallets cannot be imported into China unless they have been fumigated, heat-treated, or pressure-treated with a pesticide. | d. | wood pallets are not allowed into India from the United States unless they have been fumigated, heat-treated, or pressure-treated with a pesticide. |
| b. | wood pallets from China are not allowed in the United States unless they have been fumigated, heat-treated, or pressure-treated with a pesticide. | e. | wood pallets from the United States are not allowed anywhere unless they have been fumigated, heat-treated, or pressure-treated with a pesticide. |
| c. | wood pallets cannot be used in Europe. |

ANS: B

The Asian long-horned beetle attacked hardwood forests in North America, so wood pallets from China are not allowed into the U.S. unless it has been properly protected and marked.

DIF: Moderate REF: page 563

 11. In conditions of high humidity, paperboard loses up to \_\_\_\_\_ percent of its strength.

|  |  |  |  |
| --- | --- | --- | --- |
| a. | 20 | d. | 50 |
| b. | 30 | e. | 60 |
| c. | 40 |

ANS: E

Paperboard loses up to 60 percent of its strength under humid conditions.

DIF: Moderate REF: 553

 12. One way to prevent goods from shifting in a container in an FCL shipment is to use dunnage to:

|  |  |  |  |
| --- | --- | --- | --- |
| a. | secure the goods onto the floor of the container. | d. | allow the goods to slide around in the container*.* |
| b. | keep the goods braced against the walls of the container*.* | e. | add weight to the goods, so that they are less likely to move in the container. |
| c. | prevent the goods from getting wet in the container*.* |

ANS: B

Dunnage is used to brace the goods against the walls of the container so that they do not move.

DIF: Moderate REF: page 555

 13. The strongest type of shipping crates are

|  |  |  |  |
| --- | --- | --- | --- |
| a. | built about 3 percent larger than the goods they contain. | d. | made of fiberboard rather than wood. |
| b. | constructed with three-way corners. | e. | built with staples rather than nails. |
| c. | reinforced woven polymer fibers such as polyethylene or polypropylene. |

ANS: B

Well-built crates are constructed with three-way corners, which is the strongest possible corner design. All other answers are not applicable.

DIF: Easy REF: page 559

 14. FIBCs are used for shipping \_\_\_\_\_ cargo.

|  |  |  |  |
| --- | --- | --- | --- |
| a. | liquid | d. | containerized |
| b. | breakbulk | e. | dangerous |
| c. | granular |

ANS: C

Very large bag called a flexible intermediate bulk container (FIBC) are constructed of woven polymer fibers, and are used for transporting granular cargo.

DIF: Hard REF: page 561

 15. Characteristic(s) of steel drums is/are

|  |  |  |  |
| --- | --- | --- | --- |
| a. | they can be used only for liquid cargo. | d. | they can be stacked as many as nine on top of one another. |
| b. | they are versatile containers. | e. | they are made up of stainless steel. |
| c. | they can withstand a good amount of abuse. |

ANS: C

Steel drums can withstand abuse. They can be used for wet or dry cargo, have little versatility (the cargo has to be “liquid-like,” they cannot be stacked that high, and are not made of stainless steel.

DIF: Easy REF: page 562

16. Characteristic(s) of fiber drums is/are

|  |  |  |  |
| --- | --- | --- | --- |
| a. | they are more resistant to pilferage than bags. | d. | they are appropriate for liquid cargo.  |
| b. | they can readily be rolled on their sides. | e. | they carry cargo that is too dense to be containerized. |
| c. | they are resistant to mechanical damage such as that caused by forklifts or sharp corners. |

ANS: A

They are more resistant to pilferage than bags, but they cannot be rolled on their sides and they are more sensitive to mechanical damage such as that caused by forklifts or sharp corners. They can be used for dry cargo, but not liquid cargo, and can be containerized or not.

DIF: Easy REF: page 563

 17. To protect cargo, markings should

|  |  |  |  |
| --- | --- | --- | --- |
| a. | display only the net weight. | d. | only be in English units. |
| b. | display only the gross weight. | e. | markings should include net and gross weights in metric and English units. |
| c. | only be in metric units. |

ANS: E

Markings should display net weight *and* gross weight, and they should list both metric *and* English units of measurement.

DIF: Hard REF: page 564

 18. To protect breakbulk or LCL cargo from being lost or shipped to the wrong consignee, it should be clearly marked with

|  |  |  |  |
| --- | --- | --- | --- |
| a. | the freight carrier’s name. | d. | the Bill of Lading information. |
| b. | the consignee’s name. | e. | the Shipper’s Information Number (SIN)  |
| c. | the product’s consumer or trademarked name. |

ANS: B

It should be marked with the consignee’s name—the name of the company that will pick it up at the port of the destination. The freight carrier’s name is not normally relevant, and the product’s consumer or trademarked name may invite pilferage or theft. There is no way for the shipper to know the BOL number ahead of time, and the SIN does not exist.

DIF: Moderate REF: page 564

19. The biggest problem(s) in transportation of air cargo is/are

|  |  |  |  |
| --- | --- | --- | --- |
| a. | plane crashes. | d. | dry air. |
| b. | jettisoning cargo. | e. | turbulences while aloft. |
| c. | pilferage and theft. |

ANS: C

Plane crashes are rare, aircraft do not normally jettison cargo, and “dry air” means nothing. Pilferage and theft are the biggest problems for air cargo.

DIF: Easy REF: page 566

 20. Color-coding to identify a company’s shipments

|  |  |  |  |
| --- | --- | --- | --- |
| a. | should be avoided. | d. | should be in the shipping company’s colors. |
| b. | should be replaced with consumer names or trademarks. | e. | should be in the carrier company’s colors. |
| c. | should be changed on a regular basis. |

ANS: C

Color-coding can be very effective because it provides identity without using consumer names or trademarks which invite theft; however, the colors should be changed on a regular basis.

DIF: Easy REF: page 549

COMPLETION

 1. About 43 percent of all claims made by shippers to their insurance companies are for \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ of goods in transit.

ANS: breakage

DIF: Moderate REF: page 548

 2. Single shipments that are too small to be shipped as a full container are \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ by a freight forwarder or a NVOCC with other freight and then shipped in a full container.

ANS: consolidated

DIF: Moderate REF: page 556

 3. In the case of international road and rail transportation, it is always best to unitize the cargo into \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ so as to facilitate handling at the point where the goods are loaded and unloaded.

ANS: pallets

DIF: Moderate REF: page 568

 4. When goods needing refrigeration travel by ocean, they usually travel in a refrigerated container, a specialized contained also nicknamed a \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

ANS: reefer

DIF: Easy REF: page 573

 5. To protect against condensation damage inside a container, the container’s interior floor and, ideally, its interior sides should be made of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

ANS: wood

DIF: Moderate REF: page 550

 6. Blocking materials that keep cargo from shifting are collectively called \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

ANS: dunnage

DIF: Moderate REF: page 554

 7. To keep cargo from shifting, some shippers use inflatable \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

ANS: bags

DIF: Moderate REF: page 554

 8. Boxes and enclosed crates should be lined with a waterproof material such as \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

ANS: polyethylene

DIF: Hard REF: page 560

 9. Both crates and boxes should always be reinforced with \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ strapping and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ bands.

ANS: corner; metallic

DIF: Hard REF: page 560

 10. The multi-wall shipping bag can hold about \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ pounds of material.

ANS: 50

DIF: Moderate REF: page 561

 11. Containers designed for air transport cannot be used in other modes, except for one \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_-foot container that can be used in cargo planes and trucks.

ANS: 20

DIF: Moderate REF: page 566

 12. For air cargo sensitive to humidity, a possible way to avoid condensation damage is to add small packets of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ material in the box with the goods.

ANS: desiccant

DIF: Hard REF: page 567

 13. Placing a truck trailer on a railroad car is called \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

ANS: piggy-backing

DIF: Moderate REF: page 568

 14. A possible way to avoid theft while cargo is in transit is to ship exclusively in \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_-container-loads or truck loads, since the cargo will be hidden from everyone except the exporter or importer.

ANS: full

DIF: Hard REF: page 572

 15. Most in-transit thefts involve people who are \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

ANS: insiders

DIF: Moderate REF: page 572