**Chapter 13: International Land and Multi-Modal Transportation**

**TRUE/FALSE**

1. Like in the United States, railroads in Australia have the capability to carry truck trailers across the country.

ANS: F DIF: Moderate REF: page 485

2. Railroad freight transport in the United States is a dying industry.

ANS: F DIF: Moderate REF: page 488

3. It is possible that some ocean freight traffic will be replaced by rail service between East Asia and Europe.

ANS: T DIF: Easy REF: page 489

4. The shipping container was developed in 1970 by Marshall McLuan.

ANS: F DIF: Moderate REF: page 490

5. Twenty-foot containers are 6.1 meters.

ANS: T DIF: Moderate REF: 491

6. Most European freight is transported by ISO boxes on railroad cars.

ANS: F DIF: Moderate REF: page 480

7. Switzerland prohibits trucking through the Alps, forcing trucks to “piggy-back” on trains.

ANS: T DIF: Moderate REF: page 483

8. Double-stacking of containers on railroad cars is the standard practice in both North America and Europe.

ANS: F DIF: Moderate REF: page 487

9. Liquid-bulk containers cannot be stacked with traditional containers.

ANS: F DIF: Moderate REF: page 493

10. Extended length containers are designed to hold cargo that does not fit in a 40-foot container.

ANS: T DIF: Easy REF: page 493

11. Special containers often are forced to return empty.

ANS: T DIF: Moderate REF: page 497

12. Aircraft containers are used to aggregate small individual packages rather than to form a whole shipment.

ANS: T DIF: Moderate REF: page 503

13. Cargo going from the Far East to Europe can cross the North American continent via a land bridge.

ANS: T DIF: Moderate REF: page 500

14. The worldwide fleet of containers is dominated by 40-foot containers.

ANS: T DIF: Moderate REF: page 500

15. The freight forwarding business is concentrated into a small number of very large companies.

ANS: F DIF: Moderate REF: page 504

16. Cargo that requires specific arrangements to be transported, because it exceeds weight and dimensional limits of traditional cargo, is called “project cargo.”

ANS: T DIF: Easy REF: page 504

17. Pipelines can be used to transport coal.

ANS: T DIF: Moderate REF: page 506

18. North American barges tend to be larger than European barges.

ANS: T DIF: Moderate REF: page 507

19. Heightened inspection levels have delayed border crossings worldwide.

ANS: T DIF: Moderate REF: page 509

20. FAST is a European program that facilitates border crossings for trucks carrying cargo between Europe and the rest of the world.

ANS: F DIF: Moderate REF: page 507

**MULTIPLE CHOICE**

1. Trucking, from a North American perspective, is

|  |  |  |  |
| --- | --- | --- | --- |
| a. | the means by which most goods are transported domestically. | d. | the preferred means of transportation for time-sensitive goods. |
| b. | rarely used between the United States and Canada. | e. | the second-most used means of transportation for manufactured goods. |
| c. | never used in trade across the U.S.-Mexico border. |

ANS: A

Trucking, from a North American perspective, is domestic, heavy between the United States and Canada, and involved in some trade across the U.S.-Mexico border.

DIF: Easy REF: page 481

2. Much trade at the United States-Mexico border is handled

|  |  |  |  |
| --- | --- | --- | --- |
| a. | by ocean. | d. | on a DPU basis. |
| b. | by trucks loading and unloading in Mexican border towns. | e. | by small-package carriers, such as UPS and FedEx. |
| c. | involving trucks not regulated by weight, length, and other equipment standards. |

ANS: D

A large percentage of the U.S.-Mexico trade is done on a Delivered at Place Unloaded (DPU) basis. Prior to Incoterms 2020, it was on a DAT (Delivered at Terminal) basis.

DIF: Moderate REF: page 481

3. Trucks carrying international cargo tend to be

|  |  |  |  |
| --- | --- | --- | --- |
| a. | semi-trucks. | d. | subject to the international regulations of the International Chamber of Commerce. |
| b. | identical from country to country. | e. | returned empty to their point of origin. |
| c. | free of regulations in the foreign country they enter. |

ANS: A

Trucks are not identical from country to country and are subject to the regulations of the foreign country they enter. There are no ICC trucking rules. Trucks tend to be semi-trucks, made up of a tractor pulling a trailer. They can find cargo for both directions.

DIF: Easy REF: page 482

4. The biggest problem in international trucking in Europe is/are

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| --- | --- | --- | --- |
| a. | variance in the value of the euro. | d. | driving on alternating sides of the road. |
| b. | different regulations from country to country. | e. | deteriorating road conditions in border towns. |
| c. | border controls. |

ANS: B

The variance in the value of the euro is irrelevant to international trucking. And in the European Union, “border controls” are no longer a factor. But the biggest challenge in shipping goods internationally by trucks is to abide by all the different country’s rules and regulations.

DIF: Easy REF: page 482

5. In the European Union, trucking is often delayed by

|  |  |  |  |
| --- | --- | --- | --- |
| a. | border controls. | d. | Customs inspections. |
| b. | grossly overloaded trucks. | e. | Weather issues. |
| c. | social protests. |

ANS: C

Due to the European Union, border controls are gone. Tight regulations, however, prohibit grossly overloaded trucks.

DIF: Moderate REF: page 485

6. In 2015, U.S. railroads had a market share of \_\_\_\_\_ of all long-distance ton miles shipped.

|  |  |  |  |
| --- | --- | --- | --- |
| a. | 40 percent | d. | 12 percent |
| b. | 35 percent | e. | 3 percent |
| c. | 22 percent |

ANS: A

In the U.S. in 2015, 1.745 trillion ton-miles were shipped by rail, making it the “market share” of more than 40 percent of all ton-miles shipped long-distance in the country.

DIF: Hard REF: page 485

7. The European Community has recently introduced the concept of \_\_\_\_\_ that run trains straight through from major ports to cities such as Milan and Vienna without changing locomotives and crews at each border.

|  |  |  |  |
| --- | --- | --- | --- |
| a. | freight corridors. | d. | land bridges. |
| b. | intermodal operations. | e. | fast connectors. |
| c. | bullet trains. |

ANS: A

Freight forwarders carry freight from northern Europe’s major ports to Milan and Vienna.

DIF: Moderate REF: page 487

8. Not including intermodal shipments, the three main traditional areas of the U.S. railroad freight business have been in the areas of

|  |  |  |  |
| --- | --- | --- | --- |
| a. | high-end electronics, cut flowers, and time-sensitive parcels. | d. | mobile homes, fast mail, and gravel. |
| b. | packaged consumer goods, computers, and gasoline. | e. | fresh produce (fruits and vegetables). |
| c. | bulk freight, break-bulk freight in boxcars, and automobiles. |

ANS: C

High-end electronics, cut flowers, and time-sensitive parcels cannot optimally move by rail unless on fast intermodal trains. Packaged consumer goods require the flexibility of trucks to be properly distributed to retailers. Gasoline is better shipped long-distance by pipeline and short distances by truck. Mobile homes require the flexibility of trucks for delivery, fast mail sometimes goes by Amtrak train or perhaps by fast intermodal, but not by regular freight trains. The U.S. railroads traditionally have had three business activities: bulk freight, break-bulk freight, and automobiles.

DIF: Moderate REF: page 487

9. Intermodal has become popular because

|  |  |  |  |
| --- | --- | --- | --- |
| a. | it offers “one-stop” shopping for shippers. | d. | it allows goods to be manipulated only once. After the initial loading, it's only the box that is handled. |
| b. | it means shippers do not have to worry about making changes between transport modes. | e. | All answers in this response set are advantages of intermodal transportation. |
| c. | it means ocean shipping companies offer transportation in modes other than in their core competency. |

ANS: E

All of these reasons apply to the popularity of intermodal shipping.

DIF: Easy REF: page 490

10. A high cube container is \_\_\_\_\_ feet tall.

|  |  |  |  |
| --- | --- | --- | --- |
| a. | 16 | d. | 11 |
| b. | 14 | e. | 9.5 |
| c. | 12.5 |

ANS: E

The correct answer is 9.5.

DIF: Hard REF: 492

11. Freight whose size exceed the dimensions of an ISO containers (but does not exceed its weight limit) can still be transported as containerized cargo, by being placed on a flat-rack container that is placed:

|  |  |  |  |
| --- | --- | --- | --- |
| a. | below deck. | d. | bottom of stack. |
| b. | top of stack. | e. | in a special stack reserved for oversize cargo. |
| c. | in a specialized ship. |

ANS: B

Cargo that is oversize, but not overweight, can be containerized on a flat-rack container that is placed top of stack.

DIF: Moderate REF: page 494

12. Malcom McLean devised the container system and implemented it in

|  |  |  |  |
| --- | --- | --- | --- |
| a. | 1966. | d. | 1976. |
| b. | 1956. | e. | 1936. |
| c. | 1946. |

ANS: B

Containers were first implemented in April 1956.

DIF: Moderate REF: page 499

13. The term “project cargo” refers to cargo

|  |  |  |  |
| --- | --- | --- | --- |
| a. | that is oversize and cannot fit in a container. | d. | that requires special handling, such as refrigeration or atmospheric control. |
| b. | that is outside of the normal realm of what shipping companies handle in terms of weight, size, or destination. | e. | that is related to a single purchase; that is, there is no repeat purchase possible. For example, a collector’s car or a piece of jewelry. |
| c. | that weighs more than 100 metric tonnes and/or measures more than 100 cubic meters. |

ANS: B

Project cargo requires more advance planning because of its size, weight, or volume. Oversize cargo that does not fit in a container is break-bulk cargo (or general merchandise cargo), there are no standard size limits, and cargo that requires climate of atmospheric control (to be in a pure-nitrogen environment for example) is generally handled with a reefer.

DIF: Moderate REF: page 504

14. Much of the crude oil transported internationally travels by oil tankers (ships) and by

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| --- | --- | --- | --- |
| a. | trucks. | d. | slurry lines. |
| b. | pipelines. | e. | None of the above |
| c. | trains. |

ANS: B

Pipelines carry oil, oil-based products, and natural gas. When they carry coal, they are called “slurry lines.” Trucks and trains carry a very modest share of oil, especially internationally.

DIF: Moderate REF: page 506

15. Companies involved in the Customs-Trade Partnership Against Terrorism (C-TPAT) have been given expedited Customs clearance at border crossings, through the use of

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| --- | --- | --- | --- |
| a. | Free and Secure Trade (FAST) lanes. | d. | Cleared Transportation (CT) lanes. |
| b. | Secure and Safe Speedy (SASSY) lanes. | e. | None of the above |
| c. | Security of Free Trade (SOFT) lanes. |

ANS: A

The C-TPAT program implemented FAST lanes for border crossings by C-TPAT-compliant shippers and carriers.

DIF: Moderate REF: page 509

COMPLETION

1. The biggest challenge to international trucking in Europe is the myriad of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ that are present.

ANS: regulations

DIF: Moderate REF: page 482

2. In Europe, some trucking companies register their vehicles in other countries in order to avoid \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

ANS: higher taxation

DIF: Easy REF: page 484

3. Overloaded trucks are common in \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and some parts of Asia.

ANS: Africa

DIF: Moderate REF: page 484

4. Unlike the United States, European railroads focus more on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ traffic than freight.

ANS: passenger

DIF: Easy REF: page 485

5. Efforts to develop a fairly seamless European freight rail system have been resisted by the country of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

ANS: France

DIF: Easy REF: page 487

6. Europeans have attempted to upgrade their freight railroad systems but they are slowed by bloated \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

ANS: bureaucracies

DIF: Moderate REF: page 487

7. A transportation system using more than one mode but which operates under a single bill of lading is called \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

ANS: intermodal, multimodal

DIF: Easy REF: page 490

8. Container ship capacity is measured in \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

ANS: TEUs, twenty-foot equivalent units

DIF: Moderate REF: page 490

9. Cargo that cannot fit through the doors of a regular container is shipped in \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ containers.

ANS: open-top

DIF: Moderate REF: page 493

10. A \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is the idea that cargo traveling on ocean liners can cross a land obstacle by being unloaded in one port, transferred to a train, carried across the land area by rail, and reloaded onto another ship.

ANS: land bridge

DIF: Easy REF: page 499

11. Although there are some standardization attempts, most air freight \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ are designed to fit a specific aircraft.

ANS: containers

DIF: Moderate REF: page 502

12. Cargo of exceptional size and/or weight is called \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

ANS: project cargo

DIF: Moderate REF: page 504

13. River barges mostly carry \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ cargo.

ANS: bulk

DIF: Moderate REF: page 506