**Product distribution: the basics**

Whether you are a small-town bakery, an eBay powerseller or a heavy machinery manufacturer, at some point during the course of your business, you will need to transport your goods. Choosing the correct mode of transport means striking a balance between time and budgetary constraints. Get the balance wrong, and you will be faced with a set of deeply unimpressed customers.

**Choosing your mode of transport: what to consider**

* When you're choosing how best to transport your products, budget should be the most important factor in your decision-making.
* The speed of the transport is also important - if you have perishable items, sending them on a three-month sea voyage through Africa is a bad idea. Likewise, make sure the mode of transport you choose is reliable so your customers are not diappointed.
* If you are transporting hazardous or dangerous products, there are various guidelines you need to meet. If you think they may be classified as dangerous, contact the [Department for Transport's Dangerous Goods Branch](http://www.dft.gov.uk/pgr/freight/dgt1/).
* If your products are expensive or you are shipping your product by sea, you may want to consider some for of insurance. This will come in the form of goods-in-transit or marine insurance, and is paid for either by the buyer or the seller, depending on what the terms of trade are. If you think insurance is necessary, make sure you have agreed on the terms with your supplier or customer to avoid confusion.
* If your cargo is valuable, it might be necessary to use a vehicle tracking system so you know exactly where it is.
* While damage during transit is fairly common, it is usually the responsibility of the supplier to make sure cargos are adequately packaged and labelled to reduce the risk.

**Modes of transport**

Choosing the correct mode of transport for your products depends on the size and urgency of your shipment.

Road

* Road transport is cheap, convenient and one of the most flexible modes of transport, but it's not as eco-friendly as other methods and if you're unlucky, it can be subject to heavy delays - particularly frustrating if you're working to a tight schedule.
* If you're planning to transport your goods by road, you need to be aware of height, weight and length restrictions. At the moment, a lorry should be no more than 16.5m (54ft) long , 2.55m (8'4") wide and 44 tonnes, including the fuel and truck.
* If you're transporting your goods outside the UK and Republic of Ireland, you will need to familiarise yourself with the CMR note, which applies to every international road haulage contract. To find out more about CMR notes, see [Business Link](http://www.businesslink.gov.uk/bdotg/action/detail?type=RESOURCES&itemId=1078039470).

Rail

* Rail transport is speedy, environmentally friendly and not (always) subject to congestion or delays. However, it is inflexible and can be very expensive.
* The easiest way to ship your products by rail is to buy a rail haulage package through a freight operating company (FOCs), a terminal operator or a third-party logistics company. For a list of FOCs, see the [Office of Rail Regulation website](http://www.rail-reg.gov.uk/server/show/nav.120).
* According to rail operator [Network Rail](http://www.networkrail.co.uk/aspx/1554.aspx), sending cargo by train really only becomes economically viable 'with payloads of 300 tonnes or more per train, over distances more than 150 miles between rail-linked sites, where there is little or no road haulage needed at either end'
* Don't forget to factor in the cost of road haulage at either end of the journey.

Air

* Airfreight is, without a doubt, the fastest way to transport your products across long distances - but it's expensive and not very eco-friendly.
* Airfreight is carried by cargo-only airlines as well as scheduled passenger aircraft.
* As with excess baggage on passenger airlines, airfreight is usually charged by the kilogram. Be aware you will also have to incur costs including handling fees, fuel and risk surcharges, customs fees and security fees, as well as duty and VAT if you are importing.
* Freight forwarders organise airfreight shipments for you, so you don't have to worry about all the details and extra costs - the forwarder will quote you based on the cost of the shipment, as well as handling fees, fuel etc.
* If you're thinking of using a freight forwarder, make sure the company you approach has experience shipping to the country you're planning to send your goods to, is a member of a freight service industry body, and is covered by limited liability insurance.
* Have a look at the [British International Freight Association (BIFA)](http://www.bifa.org/content/Member.aspx) website for a list of reliable freight forwarders

Sea

* Compared to airfreight, shipping your products by sea is relatively cheap, particularly if you are sending large volumes. It's slow, though, and fairly inflexible - there are relatively few ports and you will probably need to make arrangements to move your products inland.
* Sea freight vessels are made up of the following:
  + Container ships - carry 20' or 40' containers which you can hire out
  + Cargo ships - carry loose cargo
  + Bulk carriers - carry unpackaged goods, generally grain, coal etc
  + Tankers - carry liquids
  + Roll-on roll-off vessels(ro-ros) - carry haulage and passenger vehicles
* There are two types of shipping:
  + Liner vessels operate on fixed routes with fixed schdules
  + Tramp vessels operate entirely according to the demand of the person chartering them

Courier

* Couriers are fast, reliable and very secure, but can be costly.
* Because of the nature of couriers' vehicles, they generally only deliver goods up to a certain weight.
* Couriers are usually only cost-effective over short distances.