

# BEST PRACTICES: WHAT TO CONSIDER WHEN SELECTING AN INTERMODAL CARRIER

## WHEN SHOULD I CONSIDER AN INTERMODAL CARRIER?

Incorporating and evaluating intermodal carriers in your transportation portfolio can be a cost-effective way to significantly reduce the headaches of managing a supply chain. It's most beneficial to use intermodal transportation when moving long-transit freight.

With many providers leaving the transportation industry because of the cost of doing business, keeping up with regulations, increasing driver pay, equipment cost and insurance premiums, it's vital to work with an [intermodal carrier](#) that has staying power in the market.

**Consider the following traits when looking for and evaluating an intermodal carrier to strategically and cost-efficiently move freight.**

### 1. ABILITY TO OVERCOME DISRUPTION

As rail networks shift to a new transportation model called Precision Scheduled Railroading (PSR), shippers can expect ramp closures, poor service from upended networks and increased costs from loads converting to competitive networks.

To avoid the inefficiencies and costs of transitioning to PSR, shippers have two viable options. If possible, shippers should diversify their rail network to ship with providers, like Schneider, using CSX, which is a rail network that has already implemented PSR and now offers increased train velocity and decreased terminal dwell time.



If a shipper's network can't align with the CSX rail, then the next best option is to work with a [multimodal service provider](#) that can help determine the proper mix of transportation modes based off the business's unique freight characteristics.

### 2. INVESTMENT IN INTERMODAL SHIPPING EQUIPMENT

When demand for capacity increases, so does demand for equipment. Unfortunately for shippers and intermodal carriers alike, rail companies focus more on optimizing their networks than they do supporting them with intermodal shipping equipment.

Strategic shippers switching to the cost-efficient transportation mode of intermodal must prioritize providers. Intermodal carriers that heavily invest in their own shipping containers should be top of the list, as it's a sign of assured capacity, as well as care in ensuring no goods are damaged along the way.



It's equally important to leverage an intermodal carrier that owns and maintains its own inventory of **intermodal shipping chassis**. Shippers should avoid working with intermodal carriers that rely on a shared chassis pool, as uncertainty in loading weights, configurations and availability of the equipment may lead to unnecessary fees, delays and accidents.

### 3. EMPLOY PROFESSIONAL AND SAFE DRIVERS

Lawsuits are mounting for providers that use owner-operators, resulting in hundreds of millions of dollars in settlement agreements. New bills like **California's Assembly Bill 5** and other regulatory updates put shippers at risk of reduced service and potential litigation.



Shippers need to ask potential intermodal carriers how many dray drivers the company has uniformed and trained to follow the highest safety standards because lawsuits can affect shipper capacity, availability and cost.

To ensure freight is moved by qualified truck drivers, shippers can also look for transportation companies that go above the federal law requiring urinalysis to remove unqualified candidates. Shippers should look for which companies are investing in hair testing and other practices, so they can be assured freight is moved safely, securely and legally.



### 4. A THOROUGH ONBOARDING PROCESS

No shipper wants to regret the decision to switch providers or modes of transportation. A key factor in a successful transition is selecting an intermodal carrier that offers a step-by-step onboarding process with specially trained intermodal new business team members. To ensure business is set up for long-term success, shippers should be asking their potential providers:



- How do you plan to align our network?
- Is there a single channel of communication?
- Are there regular check-ins?
- What resources do you offer to help become a **shipper of choice**?

The most important action strategic shippers can take is to diversify the provider base and modes to include intermodal. In doing so, they can obtain and keep long-term capacity at fair, market-driven prices.

To learn more about how Schneider Intermodal stands out, visit [Schneider.com/our-services/intermodal](https://www.schneider.com/our-services/intermodal).