



LOGISTICS TERMINOLOGY





ABC Classification – Method used in inventory management to categorize items based on their annual consumption value. "A" items are the most valuable and have the highest consumption rate, while "C" items are the least valuable with the lowest consumption rate.

Accessorial – Supplemental activity or material, outside normal handling and storage, that is billable in accordance with the client's contract.

Advance Shipping Notice (ASN) – Document that is sent by a supplier to a customer in advance of delivery. It typically includes details about the shipment such as the type and quantity of goods being shipped, the expected delivery date, and the shipment's origin and destination. The purpose of an ASN is to provide the recipient with advance notice of an upcoming delivery, allowing them to prepare and manage their receiving operations more efficiently.

Airbag – Inflatable bag used to fill empty space on a load of product to keep the product from shifting.

Allocated Inventory – Inventory that is reserved for a specific order, customer, promotional event, or other purpose and is not to be used for standard order fulfillment purposes. Once allocated, this stock is no longer

available as usable inventory for new orders.

Application Programming Interface (API) – Set of protocols, routines, and tools for building software and applications. It defines the way in which two or more systems or applications can interact with each other, allowing one system to request and receive data or services from another system. An API provides a standard way for different software components to communicate, allowing them to work together seamlessly.

Apron – Area outside the dock door which is used by delivery vehicles to park or position for loading and unloading. It is specifically designed to a depth that will allow trailer floors to fit with the warehouse floor in a way that facilitates loading and unloading.

Assembly Area – Location in the warehouse where products and loads are collected and combined.

Automatic Conveyor System – Material handling system that uses automated technology to transport goods or products from one place to another. The system typically consists of conveyor belts, rollers, motors, drives, and control systems that work together to move items along a defined path.

Automatic Material Handling – System of technologies and processes that automate the movement, storage, and control of materials in a manufacturing or distribution environment. The aim

of automatic material handling is to increase efficiency, accuracy, and safety in the handling and movement of goods, while reducing the need for manual labor. This can be achieved using automated conveyor systems, robots, cranes, hoists, and other material handling equipment.

Available Inventory – Amount of shippable product in the warehouse; does not include product designated as damaged, on hold, or pending shipment.



Back Haul – When an outbound shipment is delivered, instead of coming back empty, a load is picked up from a destination close to the final stop-off and then delivered either back to the warehouse or a Consignee location near the warehouse.

Backorder – An order for a product that is out of stock and cannot be fulfilled immediately. When a customer places an order for a product that is currently unavailable, the seller may choose to either cancel the order or to fulfill the order when the product becomes available again. If the seller opts to fulfill the order later, the order is placed on backorder, and the customer is notified of the delay. Backordering is often used as a way for companies to manage their inventory and to ensure that customers receive products as soon as they become available, even if that is not immediately.

Banding – Type of plastic or metal strapping that helps support a load and hold it together. It can be used to strap and secure product on a pallet or skid.

Barcode – A UPC code that identifies product. It consists of a series of black bars and is scannable and represents an identification number that is stored in the computer system along with other information about the product.

Batch Picking – Picking method whereby one SKU is picked one time for all applicable orders and then distributed across multiple orders in a staging or packing location.

Bay – Area in the warehouse designated by markings on the columns or floor.

Bay Storage – Use of the bay for storage.

Beginning Inventory – Inventory level and count at the beginning of a period.

Bill of Lading (BOL) – Official document that accompanies every shipment. It serves as the contract between the party that owns the freight and the carrier. A driver for an outside carrier signs the Bill of Lading, he/she accepts responsibility for the shipment. Upon arrival at the destination, the consignee or customer signs the Bill of Lading to indicate that the shipment was received, and all goods are present as itemized. This customer-signed Bill of Lading

then serves as a Proof of Delivery (POD) document.

Bin – (1) Four-sided structure that is mounted on a pallet that may or may not have a cover. (2) Area in the warehouse used for storage of inventory that is being staged or at rest.

Blind Counts – Used during physical inventories to prevent counter bias. The location and item code are provided to the counter, but the counter must provide the quantity of the item found in the given location without knowledge of the desired quantity according to the WMS (Warehouse Management System) or inventory records.

Bonded Warehouse – Warehouse that has been approved by the U.S. Treasury Department who, due to observance of revenue laws, has put the warehouse under bond or guarantee. It can also be a warehouse utilized for the storage of merchandise that is on hold until duty is paid.

Bottleneck – Traffic or congestion in an area of the warehouse due to poor planning or insufficient resources.

Bubble Wrap – Sheet of plastic with air bubbles that is used as a packing material.

Bulkhead – Movable railcar partition that is used to secure a load.

Bulk Storage – (1) Storage of large quantities of product in shipping containers. (2) Storage of product that is not packed (loose).

Business-to-Business (B2B) – Transactions or business relationships that occur between two companies, rather than between a company and an individual consumer. These transactions are typically between manufacturers, wholesalers, and distributors, and involve the exchange of goods, services, or information between two businesses.

Business-to-Consumer (B2C) – Transactions or business relationships that occur between a company and individual consumers. These transactions typically involve the sale of goods or services directly to end-users, such as retail sales, e-commerce, or direct-to-consumer marketing. These businesses focus on providing products or services that meet the needs and wants of consumers, and often employ a wide range of marketing and customer service strategies to attract and retain customers.



Capacity Planning – Process of determining the resources and capacities needed to meet future demand for a product or service.

Cargo – Goods or merchandise that are transported by any means, such as by ship, plane, truck, or train. The term "cargo" is often

used to refer specifically to the goods transported by commercial carriers, such as freight ships or cargo planes. The term can also be used more broadly to refer to any material that is being transported, including raw materials, finished products, personal belongings, and more.

Carousel – Material handling equipment designed to bring product to picker so that the picker can remain stationed in a designated picking location without traveling. Ideally, order information is loaded or automatically transferred into the carousel system, and multiple orders are picked by multiple pickers at one time. Types of carousels include horizontal and vertical.

Carrier – Person or company that provides transportation services for goods, products, or passengers. In the context of shipping or transportation, a carrier is responsible for transporting cargo or passengers from one place to another. Carriers can be private individuals or companies that own and operate their own vehicles, or they can be part of a larger transportation network, such as a shipping line, airline, or trucking company.

Carrier Management – Coordination and management of transportation service providers, including carriers, shippers, and freight forwarders.

Carton – Type of packaging material that is commonly used to protect and transport goods, such as products, food items, or household goods. They are usually made of paperboard, although they

can also be made of other materials such as corrugated cardboard, plastic, or metal. Cartons come in various shapes and sizes and are designed to hold specific types of products.

Case Pick – Type of order fulfillment method in which individual items are picked from their original case or packaging, rather than being taken from a bulk storage area. This method is commonly used in warehouse and distribution operations where a high volume of smaller orders is being processed. The goal is to increase the speed and efficiency of order fulfillment by allowing workers to pick individual items directly from their original packaging, rather than having to search for them in a bulk storage area.

Chassis – Frame with wheels that supports a container that is being transported over land.

Chock – To use a wood or metal wedge to block the wheels of a truck while it is being loaded or unloaded.

Clamp – An attachment to a forklift that allows it to encircle and grasp product.

Clear Height – The height pallets can be stacked while leaving clearance for product movement or for lights, sprinklers, etc., hanging from a ceiling.

Client – Person or organization that uses the services of another person or company. In a business

context, a client is a customer who purchases goods or services from a company.

Cold Storage – Temperature-controlled environment used to preserve perishable goods, such as food, pharmaceuticals, and other products. These facilities are typically maintained at a temperature range between 32°F and 50°F (0°C to 10°C) to slow down spoilage and deterioration and extend the shelf life of the products stored within. These facilities can be used for short-term storage of perishable goods, such as those that are being held for distribution or shipment, or for long-term storage, such as for the preservation of food products or pharmaceuticals.

Commodity – Raw material or primary agricultural product that is traded on an exchange or in the market.

Concealed Damage – Damage to product that is not obvious until the product is examined or the condition becomes apparent during storage or transfer.

Consignee – Person or organization that is designated to receive goods that are being shipped under a consignment agreement.

Consignment Inventory – Goods that are stored and sold by a consignee on behalf of a consignor. In a consignment arrangement, the consignor retains ownership of the goods, and the consignee is responsible for storing and selling them. It is

commonly used in logistics where goods are consigned to a warehouse for distribution or sale.

Consolidate – Combine two or more shipments going in the same direction or to the same destination on a single trailer.

Container – Box that is used to transport product and is widely used for international shipments.

Contract – Binding agreement between the warehouse and a client stating terms of the agreement, storage fees, transportation rates, and accessorial charges.

Contract Warehouse – Warehouse operation managed by a third-party logistics (3PL) provider for a specified period of time. The 3PL manages a client's inventory and order fulfillment processes. Pricing scenarios may vary, and storage, labor and equipment resources are typically dedicated to the client for the duration of the contract. The client may or may not share in the building and equipment expense.

Crossdocking – Involves transferring goods from an incoming transport vehicle directly to an outgoing transport vehicle, without intermediate storage. The goal is to reduce handling time, increase efficiency, and speed up delivery times.

Cross-Training – Allowing employees to have experience in multiple tasks, job functions, or across multiple accounts to

increase productivity and provide backup.

Cube Utilization – Efficient use of space within a container or trailer when transporting goods. It refers to the process of maximizing the amount of goods that can be stored within a given volume of space, while also ensuring that the goods are securely and safely packaged.

Customer Pick-Up – Load that is picked up at the warehouse by the customer (usually within the same day the order is placed).

Cycle Counting – Method of inventory control and management that involves counting a portion of the inventory each day, week, or month, depending on the size and complexity of the inventory. This allows for continuous monitoring of the inventory, rather than relying on an annual or semi-annual physical inventory count. By regularly counting a portion of the inventory, any discrepancies can be identified and addressed promptly, reducing the risk of stockouts, overstocks, and obsolescence.



Dead Stock – Product that has been in inventory for an extended period of time without being moved or ordered.

Dedicated Lane – Transportation route that is reserved exclusively for a specific shipper or group of

shippers. They are typically established in order to provide a consistent, reliable, and efficient means of transportation for the shippers involved.

Deep-Lane Storage – Product is stored more than one unit deep in an aisle.

Delivery – Process of transporting goods from a source to a final destination.

Demand Planning – Process of forecasting future demand for a product or service to ensure that sufficient inventory is available to meet customer needs.

Direct-to-Consumer (D2C) – Business model in which a company sells products directly to consumers without the use of intermediaries such as distributors or retailers. In this model, companies can reach customers directly through online channels, such as their own websites or online marketplaces, bypassing traditional retail channels.

Distribution Center (DC) – Large facility that is used to store and distribute goods to retailers, wholesalers, and other customers. They play a critical role in the supply chain, as they provide a centralized location for the storage, consolidation, and shipment of goods.

Distributor – Company that acts as an intermediary between a manufacturer and a retailer or end customer. They typically purchase products from a manufacturer and

then sell the products to retailers or end customers.

Dock Door – Also known as a “loading dock,” is a doorway or ramp in a loading dock or warehouse used for loading and unloading goods from trucks, trailers, or shipping containers.

Dock Face – Outer wall of dock door.

Dock Leveler – Plate at the dock door entrance that is raised and lowered either manually or hydraulically to accommodate trailer floor heights.

Dock Light – Light used to illuminate the inside of a trailer in order to aid in the loading and unloading processes.

Dock Plate – Moveable metal plate that is placed between the warehouse dock door and a trailer or railcar and makes it easier/smooth to access a trailer or railcar with a forklift or similar equipment.

Door-to-Door – Type of delivery service in which goods are transported directly from the shipper's location to the recipient's location, without the need for intermediate stops or transfers. It is often used for the shipment of goods that are time-sensitive, valuable, or require special handling. This type of delivery service is often preferred by customers who want to ensure that their goods are transported quickly and securely, and who do not want to be burdened with the task of

retrieving their goods from a remote location.

Double-Deep Storage Lane – Method of storing product two loads deep in an aisle.

Drayage – Container or piggyback is moved from a rail yard to another location and then returning that piggyback/ container back to the initial pick-up point, is known as a dray. It is important that these containers get unloaded quickly and returned back to the original point so not to incur detention charges.

Drive-In Rack – Storage racking equipment that has side rails to enable warehouse operators to stack product high in deep rows. It provides access only from aisles.

Drive-Through Rack – Storage racking equipment with side rails to enable warehouse operators to stack product high in deep rows. Unlike Drive-In Rack, Drive-Through Rack allows access from either end of the row, as opposed to only being accessible from the aisle.

Drop Shipping – Retail fulfillment method in which a store doesn't keep the products it sells in stock. Instead, when a customer places an order, the store purchases the product from a third-party supplier, who ships it directly to the customer.

Dunnage – Packing materials such as cardboard, empty pallets, air bags, air pillows, packing

peanuts, or other materials utilized to protect freight.



Early Suppression, Fast Response (ESFR) – Ceiling-mounted sprinkler systems that started being used in warehouses around 1990 as an alternative to rack-mounted sprinkler systems. ESFR heads detect fire faster and are reported to start spraying with more speed than conventional sprinkler heads. They also output water at higher volumes (approximately 100 gallons per minute). Droplet size is typically bigger which delivers more water, with greater speed, to the fire source. ESFR systems reportedly extinguish fires faster and more effectively with less damage to product than in-rack systems.

E-commerce (Electric Commerce) – Buying and selling of goods and services over the internet. These transactions can include a wide range of activities, such as online shopping, online banking, online payments, online auctions, and the exchange of digital goods and services.

Electronic Data Interchange (EDI) – Computerized exchange of information with the client through the warehouse management system. It is a method of exchanging orders, invoices, shipping forms and other documents over the computer. By eliminating the clerical, mailing and other costs associated with paper-based information, EDI reduces costs, time delays and errors.

Emergency Order – Also known as an “expedited order,” this order is placed and processed to be picked and shipped in an expedited manner. (See Expedite)

Ending Inventory – Inventory levels at the end of a specified period.

Enterprise Resource Planning (ERP) – A wide range of activities supported by software with multiple modules (accounting, purchasing, inventory, manufacturing, etc.). Manufacturers and other businesses utilize ERP systems to manage various aspects of their businesses, including product planning, parts purchasing, inventory management, supplier management, customer service management, and order tracking. A relational database system may be a necessary component for the effective use of an ERP system. Implementation of an ERP system can involve considerable business process analysis, user training, and a significant financial investment.

Expedite – Process of prioritizing and accelerating the movement of goods, services, or information in order to meet an urgent or pressing need. In the context of logistics and transportation, expediting involves taking steps to ensure that shipments are delivered as quickly as possible, regardless of the usual delivery schedule.

Expiration Date – Date when merchandise is no longer able to be shipped.



Facility – The physical warehouse or plant where storage takes place.

Finished Goods Inventory – Products that are ready to ship.

First Expire, First Out (FEFO) – Inventory allocation method in which the first product to expire is the first product that is utilized or allocated for the fulfillment of orders.

First In, First Out (FIFO) – Inventory allocation method whereby the first product stored is the first product that is utilized or allocated for the fulfillment of orders.

First In, Last Out (FILO) – Inventory allocation method whereby the first product stored is the last product that is utilized or allocated for the fulfillment of orders.

First Mile – Initial stage of the supply chain process, from the point of origin to the point of consolidation. This stage involves the collection and consolidation of goods from multiple suppliers, manufacturers, or distributors and preparing them for shipment to the next stage of the supply chain.

Floor Load – Product stacked directly onto the floor of a trailer without pallets or slip sheets;

product must be unloaded manually without the use of a forklift.

Flow Rack – Racking equipment that allows for the product to be stocked in through one side and removed for order fulfillment purposes from the other side. Product stored in this racking system is naturally allocated via FIFO based on the racking equipment design.

Food Grade Warehouse – Facility that is specifically designed, constructed, and maintained to meet the stringent requirements for storing and handling food and food-related products. These warehouses must meet strict standards set by regulatory agencies, such as the U.S. Food and Drug Administration (FDA) and the European Food Safety Authority (EFSA), to ensure that the food products stored and handled within them are safe for consumption.

Forecast – Estimate or prediction of future events, trends, or conditions based on data and analysis.

Foreign Trade Zone (FTZ) – Designated area in the United States where goods imported into the country can be stored, assembled, manufactured, or processed before being exported or sold in the domestic market. They are designed to encourage foreign trade and investment by providing a location where companies can operate with reduced regulations, duties, and taxes. This can help companies reduce costs, increase efficiency, and become more competitive in

the global marketplace. FTZs are subject to U.S. Customs and Border Protection (CBP) oversight, but they are considered outside the jurisdiction of U.S. customs laws until the goods are imported into the domestic market. This means that goods can be stored in an FTZ without being subject to duties or taxes until they are ready to be sold in the U.S. market.

Forklift – Warehouse vehicle, also called a “lift truck,” which is used for lifting and transporting pallets of product. It may have a special attachment on the front for specialized handling of product.

Forks – Lift-truck attachment used to move stock on pallets.

Forward Logistics – Processes involved in the delivery of goods and products from the manufacturer to the customer.

Fourth-Party Logistics (4PL) – Supply chain management company that acts as an intermediary between the client and other logistics service providers, such as carriers, warehouses, and 3PLs (Third-Party Logistics). The 4PL coordinates and integrates all the resources, capabilities, and technology of its own organization and those of its strategic partners to design, build, and manage comprehensive supply chain solutions.

Freight – Goods or cargo that are transported by various modes of transportation, such as truck, train, ship, or aircraft. Freight can include a wide range of items,

including raw materials, finished products, machinery, and consumer goods.

Freight Bill – Invoice for transportation charges generated when a load is delivered.

Freight Broker – Intermediary between shippers (the entities that need to transport goods) and carriers (the entities that transport the goods). The freight broker's main function is to match shippers' transportation needs with carriers that are available to transport the goods. Freight brokers are responsible for handling all the logistics of a shipment, including securing the necessary permits and certifications, arranging for pick-up and delivery, tracking shipments, and handling any issues that arise during transit. They also help shippers comply with regulations and standards related to the transportation of goods, such as insurance requirements, customs regulations, and safety regulations.

Freight Charge – Cost of transporting goods or cargo from one location to another using various modes of transportation, such as truck, train, ship, or aircraft. It typically includes the cost of transportation, handling, and storage of goods, as well as any additional costs such as customs duties, taxes, and insurance.

Freight Cost – Expenses incurred for transporting goods or cargo from one location to another. Freight costs include all expenses related to the movement of goods, such as transportation, handling, storage, customs duties, taxes,

insurance, and any other fees or charges that may apply.

Freight Forwarder – Company that specializes in arranging and coordinating the transportation of goods from one location to another. They act as intermediaries between businesses (shippers) and carriers (trucking companies, airlines, shipping lines, etc.) to manage the logistics and transportation of shipments. They offer a range of services, including arranging transportation, handling customs and regulatory compliance, managing shipping documentation, and providing warehousing and storage solutions. They also offer value-added services such as packaging, labeling, and delivery coordination.

Fuel Surcharge – Fee that is added to the cost of transportation to cover the fluctuating cost of fuel. The fee is typically applied by carriers, such as trucking companies, airlines, and shipping lines, to account for changes in the cost of fuel, which can have a significant impact on their operating costs. The amount of the fuel surcharge is typically based on a percentage of the base transportation cost and is adjusted periodically to reflect changes in fuel prices.

Fulfillment – Picking and processing of orders for shipping from a distribution or warehouse.

Full Truckload (FTL) – Type of transportation service where a shipment is large enough to fill an entire trailer or truck and is not shared with any other shipments. This means that the entire trailer or

truck is dedicated to a single shipment and the shipment takes up the entire available space in the vehicle. These shipments typically range from several pallets to an entire trailer load of goods.



Gaylord – Large corrugated carton that has the same length and width as a pallet. They are usually used to protect loose parts in bulk and are frequently used in manufacturing.

Gravity Conveyor – Type of conveyor that uses gravity to move materials. Skatewheel conveyer and roller conveyor are the most common types of gravity conveyors used, however, even a simple steel chute is essentially a gravity conveyor.

Gross Weight – Total weight without deduction for tare (includes packaging and container).



Hand Truck – Device used to transport goods manually with wheels within (or outside) the side rails.

Handling – Labor involved in moving product received from the trailer into the warehouse onto the dock and then into the storage location on the "IN" and moving

the product out of the storage location and into a staging location to then be loaded onto a trailer on the "OUT".

HazMat – Short for "hazardous material." Material is deemed hazardous by the government or a carrier. HazMat may require special handling or special facilities. Not all warehouses or carriers will handle HazMat.

Hi-Lo – Also known as "forklift," references the ability of the truck to lift and put down freight.

Honeycombing – The situation that occurs when a lot is partially depleted, and the remaining space is wasted because it cannot be utilized.

Housekeeping – Keeping the warehouse presentable, organized, and safe for all parties.



Inbound – Process of receiving goods from suppliers, vendors, or manufacturers and preparing them for storage, processing, or distribution.

In-House Damage – Damage to product that occurred while in the warehouse (i.e., water leak, dropped product, etc.).

Initial Storage Charge – Warehouse storage charge for the

month when product is received; it is typically billed when product is received.



Inner Packaging – Also known as "dunnage," includes materials such as foam, paper, or wood used to minimize movement within a container.

Intermodal Transportation – Movement of goods using multiple modes of transportation, such as ships, trains, trucks, and sometimes air or even pipelines, within a single, integrated transport system. The goal is to provide a seamless, efficient, and cost-effective movement of goods from one location to another.

Inventory – Collection of raw materials, work-in-progress goods, and finished products held by a company for the purpose of production and sale.

Inventory Management – Process of tracking and controlling the flow of goods, products, and materials within a supply chain.

Inventory Management System (IMS) – Software application or set of tools that enable organizations to manage and track their inventory levels, sales, purchases, and other supply chain processes.

Inventory Turn – Also known as "stock turns" or "inventory turnover," is a measure of the

efficiency with which a company manages its inventory. It represents the number of times a company sells and replaces its stock of goods during a given period, usually a year. The higher the inventory turns, the more efficiently a company is using its inventory to meet customer demand. Inventory turn can be calculated by dividing the cost of goods sold (COGS) by the average inventory value during the same period.

Just-in-Time (JIT) – Inventory system that aims to coordinate the arrival of materials or supplies at a facility at the moment that they are needed in an effort to reduce storage and holding costs.



Kanban – Visual system used in lean manufacturing to manage the flow of materials and products through a production process.

Kitting – Assembly of product or parts within the warehouse.



Labels – Some clients require inventory or shipment labels to be attached to packaging (i.e., box, case, pallet, etc.). Many labels contain bar-coded information, to allow scanning devices to quickly and automatically transfer the

information into inventory systems. In some cases, labels are pre-printed and pre-affixed by the manufacturer. In other cases, labels must be created and applied by the Distribution Center prior to shipment of the product in accordance with retailer or customer requirements.

Last In, First Out (LIFO) – Inventory allocation method whereby the last product stored is the first product that is utilized or allocated for the fulfillment of orders.

Layout – Design and set-up of warehouse storage.

Lead Time – Time it takes from when an order is placed until the goods are received.

Less Than Container Load (LCL) – Shipping method for cargo that is too small to fill an entire shipping container.

Less Than Truckload (LTL) – Shipping method for cargo that is too large to be shipped as parcel freight, but too small to fill an entire truck. LTL shipping is commonly used for smaller shipments that do not meet the minimum weight or volume requirements for full truckload (FTL) shipping.

Leveler – Dock plate that adjusts to the height of a trailer.

License Plate Number (LPN) – Number used to identify products and containers.

Lift Truck – Also known as “forklift,” is a vehicle that is utilized to move and transfer product/freight in a distribution center, warehouse, terminal, manufacturing site, or dock.

Live Rack – Slanted rack that allows for easier picking. Items are put into the high end of the rack and then picked from the low end. Desirable for FIFO picking procedures.

Load – Product that is picked and loaded onto a truck and transported to a consignee.

Loading Optimization – Process of planning and optimizing the most efficient way to load and unload goods and products from vehicles.

Location – Each product has a specific spot in the warehouse.

Location Audit – Routine audit of location records to ensure that records are compatible with actual placement of product within the warehouse.

Logistics – The planning, implementation, and control of the movement and storage of goods, services, and information from their point of origin to the point of consumption. It involves the coordination and management of various activities, including transportation, warehousing, inventory management, and supply chain management. The goal of logistics is to ensure the efficient

and effective flow of goods and services to meet customer demand and support organizational objectives.

Loose – Product remainder in a specific location or layer.

Lot – Group of products with the same run or manufacturing date.

Lot Number – Identification number assigned to specific product for tracking purposes that is usually tied to a date or a production run.

Lot Number Traceability – Ability to trace items through their lot number.

Lumper – Person who physically handles and moves cargo, such as boxes or containers, during loading and unloading operations in a shipping or receiving area.



Manifest – Document that lists and details the cargo, goods, or passengers being transported on a ship, plane, truck, or other mode of transportation. It typically includes information such as the type and quantity of items being transported, the origin and destination of the shipment, and the names of individuals or companies involved in the transportation. It serves as a record of the shipment for customs, security, and other regulatory purposes.

Man-Up – Lift trucks that raise the operator as well as the load. Turret trucks and order selectors are two types of Man-Up lift trucks.

Master Carton – Large carton that is used to hold and protect smaller cartons or packages of product. Utilization reduces handling – one larger piece instead of multiple small pieces.

Master Pack – Carton containing a specific number of product or multiple case quantities.

Material Handling – Services and processes the warehouse must utilize to move, store, and otherwise handle materials.

Microfulfillment – Compact and automated system for fulfilling small and individualized orders of goods, such as groceries or e-commerce products, directly from a small local distribution center located close to the end customer. The microfulfillment center utilizes technology, such as conveyor belts, robots, and automated storage and retrieval systems, to pick, pack, and deliver orders to customers quickly and accurately. This approach to fulfillment aims to address the challenges of last-mile delivery and provide faster, more efficient, and cost-effective delivery services for customers.

Mixed Pallet – Type of pallet load that consists of different products, items, or packages stacked together. It is a combination of various products and quantities – unlike a full pallet, which consists of a single product or item in large

quantities. They are often used in retail and distribution operations to maximize storage space, streamline operations, and reduce costs associated with handling multiple smaller loads.

Motor Carrier – Company that operates commercial vehicles, such as trucks, buses, and vans, to transport goods or passengers over long distances. Motor carriers are regulated by the government and are responsible for ensuring the safe and efficient operation of their vehicles.

Motor-Driven Roller Conveyor – Type of conveyor system that uses a motor to power and move individual rollers that are arranged in a continuous loop. The rollers are typically made of metal and are mounted on axles that are connected to the conveyor frame. The motor rotates the rollers, which in turn move the items or packages being transported along the conveyor.

Motorized Pallet Truck – Also known as a “powered pallet truck” or “electric pallet jack,” is a type of material handling equipment used to transport and move pallets within a facility. It consists of a motorized platform that supports the pallet and a tiller arm used to steer and control the movement of the truck. The pallet truck is powered by a battery, which provides the necessary energy to move the pallet and its contents.



Narrow Aisle (NA) – Specialized lift trucks designed to be used in narrow aisles of 8 to 10 feet.

Net Storage Area – Space in the warehouse (in square feet or meters) that is actually used for storage. This does not include aisles, docks, offices and staging areas.

Net Weight – Product weight before being packed with materials or packaging. For example, the net weight on a roll is the total weight of the roll less the fiber core and wrap.



Obsolete Stock – Stock that has no useable purpose that remains in the warehouse.

Occupational Safety & Health Administration (OSHA) – Agency of the United States Department of Labor. It is responsible for setting and enforcing standards for workplace health and safety, and for providing training, outreach, education, and assistance to employers and employees to help ensure safe and healthy working conditions. OSHA's mission is to prevent work-related injuries, illnesses, and deaths by promoting and enforcing standards for workplace safety and health. The agency has the authority to inspect workplaces, conduct investigations, and issue citations and penalties for noncompliance with its standards. OSHA is also responsible for providing guidance and resources to help employers

understand their responsibilities and comply with the law.

Omnichannel – Multi-channel approach to sales that seeks to provide a seamless customer experience across all touchpoints, including brick-and-mortar stores, online and mobile shopping, call centers, and social media. The goal of omnichannel is to create a consistent brand experience for customers, regardless of how they choose to engage with the company. This is achieved by integrating all channels and creating a unified view of the customer, inventory, and order management systems.

On Hand Inventory – Amount of product in the warehouse. The product may be designated as shippable, damaged, on hold, or pending shipment (allocated to an order).

On Hold Inventory – Product that is designated as unable to be shipped; may be product with damage, questionable quality, expired shelf life, etc.

Order – A directive, sent by the owner of the goods, to ship product out of the warehouse. An order specifies product, quantity, shipping date, and destination and may contain special instructions.

Order Cost – Cost of labor, time, and other activities needed in an instance that a product is ordered.

Order Cycle – Replenishment cycle that determines how often a product needs to be sent as an

inbound to the warehouse in order to keep up with demand.

Order Picker – Specialized lift truck that allows a person to ride on it with the pallet in order to pick from various locations and levels.

Order Selector – See Order Picker.

Outbound – Transportation and delivery of finished goods from a manufacturing or storage facility to the end customer or to a distributor for further distribution. Outbound operations also encompass the management of orders, inventory, and shipping processes to ensure that products are delivered on time and in good condition.

Outsourcing – Practice of contracting with a third-party company to perform a function that would otherwise be done in-house.



Overage – Situation where more goods are delivered than what was ordered or expected.

Overages, Shortages and Damages (OS&D) – Terms used to describe discrepancies in the delivery of goods. Companies and carriers typically have processes in place to report and address OS&D incidents, including conducting inspections and audits, negotiating claims, and making adjustments to future shipments. Overages refer to a situation where more goods

are delivered than what was ordered or expected. Shortages refer to a situation where fewer goods are delivered than what was ordered or expected. Damages refer to any physical harm or degradation to the goods during transportation or storage.

Overflow Inventory – Excess goods or stock that a company or organization holds in storage in addition to its normal inventory levels. Occurs when a company experiences an unexpected increase in product demand, production, or incoming goods, and does not have enough space in its regular storage facilities to accommodate the additional items. It is temporarily stored in separate locations until the company can either dispose of the excess stock or find a way to incorporate it into its regular inventory management processes.

Over-the-Road Carrier (OTR) – Type of transportation company that specializes in hauling cargo over long distances. They typically operate tractor-trailer combinations and are responsible for transporting goods and products from one location to another, often across state or national borders.

Pack Size – Describes how a product is packaged such as "20 cartons per pallet" or "6 units per carton."

Packing List – Lists the quantity and weight of each product on the order and each individual item number (unit ID, serial number, etc.) if applicable. It is a comprehensive list identifying

exactly what is being shipped on the order.

Pack Size – Describes how a product is packaged such as "20 cartons per pallet" or "6 units per carton."

Pallet – Wooden or plastic base upon which layers of product are stacked for storage and transporting with a forklift or pallet jack.

Pallet ID – Unique identifier assigned to a pallet, which is a horizontal platform used to stack and store goods in a warehouse or distribution center. It is typically a combination of numbers and/or letters that are printed or affixed to the pallet and is used to track and manage the movement of the pallet and its contents within the warehouse.

Pallet Inverter – Machine that aids in the transfer of product from one pallet to another. It flips over the pallets and product in order to put the product on the new pallet and take off the old.

Pallet Jack – Manual material handling device used to move and transport pallets, typically in a warehouse or distribution center setting. It consists of two parallel steel forks that are positioned beneath the pallet, and a hydraulic pump that raises and lowers the forks to pick up and move the pallet. The operator then pushes or pulls it to its desired location.

Pallet Pick – Process of selecting and picking individual items or

cases from a pallet and packaging them for shipment or storage. It is a common task in a warehouse or distribution center, and it involves identifying the items or cases that are required for an order and removing them from a larger pallet of goods.

Pallet Tag – Type of label or identification device attached to a pallet in the logistics and supply chain industry. It is used to track the movement of goods, materials, and products through the supply chain. The tag contains information such as the pallet's contents, origin, destination, and other relevant data that can be used for tracking and monitoring purposes. They are usually made of durable materials, such as paper or plastic, and can be barcoded, RFID tagged, or QR coded for automated scanning and tracking.

Palletize – To put materials and product onto a pallet.

Paper-Roll Clamp – Lift truck attachment that aids in the handling of large paper rolls by clamping around the roll and allows for a full 360-degree rotation.

Parcel – Package or shipment of goods that are sent from one location to another, typically through a courier or delivery service. It can contain one or multiple items and can be of various sizes, from small envelopes to large boxes. They are commonly used for consumer deliveries, such as online purchases, and for business-to-business deliveries, such as shipments of raw materials or finished goods. The term "parcel"

is often used to distinguish smaller shipments from larger ones, such as full truckload (FTL) shipments.

Partial Pallet – Less than a full pallet of product.

Perpetual Inventory System – Continuous inventory tracking method where inventory taken out is recorded with each outbound order and new inventory is recorded with each inbound order.

Physical Inventory – Physical count of everything in the warehouse. Operations are usually shut down during a physical inventory.

Pick and Pack – Process of selecting and packing items from the warehouse for shipment.

Pick Slot – Also known as “primary location,” is a location in the warehouse where dedicated stock is stored to be picked.

Pick Ticket – Document that contains information such as product location, quantity, lot numbers, serial numbers or unit numbers and is used by the picker or forklift operator in the warehouse to locate and pick stock for an order.

Pick Time – The time it takes to pick and document specific stock for an order.

Picker – Person in charge of picking specific stock for orders.

Picking – Process of selecting and collecting items from the warehouse for shipment.

Pick-to-Clear – Type of inventory management strategy in which the warehouse picks from locations with the least amount of product on hand in order to clear the area.

Pick-to-Light – Type of automated order picking system used in warehouses and distribution centers to improve the efficiency and accuracy of the order picking process. This system typically consist of a series of lights and buttons located at the pick face, which are used to guide workers to the correct items and quantities for an order. When an order is received, the system illuminates the light associated with each item to be picked, indicating the location and quantity of each item. The worker then selects the items and confirms the pick using the buttons, and the system updates the order status and moves on to the next pick.

Pig – Type of trailer that can be transported on a rail car and also pulled by truck.

Piggyback – Mode of transportation that involves the shipment of cargo or containers on top of rail flatcars or on the deck of barges. It is a cost-effective and efficient way to transport large, bulky, or heavy items over long distances, and it is often used as a complementary mode of transportation to trucking, particularly for intermodal shipments

Pinwheeling – Process of arranging or turning pallets in a trailer to make the best use of space.

Plugging – Method of switching direction, stopping, or slowing down without using a break on electric industrial vehicles.

Pool – Combination of less than truckload (LTL) freight built to form a full or almost full truckload.

Private Warehouse – Storage facility that is owned and operated by a single company or individual, as opposed to a public warehouse, which is operated by a third-party logistics provider and available for use by multiple customers. They are typically used by companies to store their own goods, raw materials, or finished products, and are typically located near their manufacturing or distribution facilities.

Pro Number – Number assigned to a shipment by the carrier for tracking purposes.

Procurement – Process of acquiring goods, services, or raw materials, including sourcing, negotiation, and contract management.

Product Code – Series of characters assigned by the manufacturer to identify each of its products. This is usually the SKU.

Proof of Delivery (POD) – Signed Bill of Lading (BOL).

Public Warehouse – Business that provides the use of space for storage to a variety of clients. This space can be leased for varying amounts of time determined by the contract set by both parties.

Purchase Order (PO) – Serves as an agreement between the buyer and supplier, and it is used to initiate and track the purchase process from requisition to receipt of goods or services.

Push Sorter – Material handling system used to sort packages, parcels, or containers according to a specified criterion, such as destination, priority, or shipping method. It typically consists of a series of conveyor belts, divert stations, and sorting lanes, and it uses a mechanical or pneumatic mechanism to "push" packages onto the correct sorting lane. The packages are either scanned or manually identified, and the sorting system uses this information to determine the correct lane for each package.

Push-Back Rack – Rack system that pushes stored product up an inclined ramp in order to provide for deep pallet storage.

Put-Away – Movement of stock from the time it is unloaded to the time it is put in its final location.

Put-to-Light – Similar to pick-to-light, lights are used to guide which container the picked item is to be put into.



Quality Assurance, Quality Control – Inspection of product as it comes in or goes out of the warehouse in order to ensure quality.

Queue Time – Amount of time before set-up or processing of a job.



Rack – Metal framework in the warehouse used to store products several levels high.

Radio Frequency (RF) – Frequency range of electromagnetic waves that are used to transmit information through the air, without the use of wires or cables. It is the technology that enables wireless communication and is used in a wide range of applications, including radio and television broadcasting, cell phones, Wi-Fi, Bluetooth, GPS, and many others.

Radio Frequency (RF) Gun – Device used in inventory management and supply chain operations to scan barcodes on products. It is a handheld device that uses radio frequency (RF) technology to communicate with a computer system and transmit information about the product being scanned.

Radio Frequency Identification (RFID) – Technology that uses radio waves to communicate between a device (known as a tag) and a reader. The tag contains a microchip and an antenna and is attached to an item. When the item is within range of an RFID reader, the reader sends out a radio signal that activates the tag and retrieves the data stored on the microchip.

Ramp – Inclined area that connects to the warehouse to facilitate easier movement in and out of the warehouse by trucks and other equipment.

Random Location Storage – Storage method where product is stored randomly.

Rate Sheet – Schedule of warehouse or transportation charges for a client.

Reach Truck – Type of material handling equipment designed to reach high shelves and racking in order to pick, transport, and store items. They typically have a compact design, which makes them ideal for use in narrow aisles, and they can typically lift loads up to several thousand pounds. They consist of a forklift-style mast that extends vertically, with a set of forks that can be raised and lowered to pick up and transport loads. The operator sits in a cab at the base of the mast and uses hydraulic controls to raise and lower the forks and to move the truck forwards, backwards, and side-to-side.

Real-time – Ability to process and respond to data and events as they occur, without any delay.

Receiving Report – Record of the condition of all inbound stock as it arrives.

Receiving Tally – Process that involves counting and verifying the accuracy of items received from a supplier or shipper. It is typically performed by a receiving department within a company and is a critical step in the receiving process to ensure that the correct items and quantities are received and to prevent errors or discrepancies in the inventory.

Recurring Storage Charge – Amount charged to a client for monthly storage; it is based on the amount of product stored in the warehouse on the first day of the month or specified by the contract.

Refrigerated Warehouse – Type of warehouse that is designed to maintain a controlled temperature environment for storage of perishable goods, such as food, pharmaceuticals, and other temperature-sensitive products. This type of warehouse is equipped with refrigeration systems that maintain a specific temperature range, usually between 33°F and 40°F (0°C and 4°C), to keep the products at the required temperature and prevent spoilage or degradation.

Release – Authorization to ship.

Reorder Point – A concept in inventory management that

represents the minimum level of inventory that must be maintained in order to avoid stockouts. It is the point at which a company should order more inventory to replace the items that have been sold or used.

Repack – Packaging material differently than how it arrived.

Replenishment – Process of restoring inventory levels to a desired level after it has been depleted due to sales or other factors.

Retail Distribution Center (RDC) – Type of warehouse or fulfillment center that is used by retailers to store and distribute products to their retail stores or directly to customers. It serves as a central hub for receiving, storing, and shipping goods, and it helps retailers to efficiently manage their inventory and distribution network. The main goal is to provide fast, reliable, and cost-effective delivery of products to retailers and customers, while also allowing retailers to maintain control over their inventory and distribution processes.

Return Authorization – Process in which a customer who has purchased a product requests permission from the seller to return the product. The process typically involves several steps, including the customer contacting the seller to request a return, the seller evaluating the request to determine if the return is valid, and the seller issuing a return authorization number or approval for the return.

Return Authorization Number (RMA Number) – Unique identifier assigned to a product return by the seller. It is used to track the return process and to verify that the return has been approved by the seller. It is typically provided by the seller after a customer has requested permission to return a product and the seller has evaluated the request and determined that the return is valid.

Reverse Logistics – Process of managing the return of goods from customers and the eventual disposal or resale of those goods. It encompasses all activities related to the return of goods, including product returns, repairs, refurbishment, and recycling.

Roller Conveyor – Type of material handling equipment that is used to transport goods and products along a flat surface. It consists of a series of rollers mounted on a frame and is powered by either gravity or an external drive system.

Route Optimization – Process of planning and optimizing the most efficient route for the transportation of goods and products.



Safety Stock – Buffer of extra inventory kept on hand to ensure that a company can continue to meet its customers' demands even in the event of unexpected spikes in demand, supply chain disruptions, or other unforeseen circumstances. The purpose is to

mitigate the risk of stockouts, which can result in lost sales, frustrated customers, and other negative consequences. By having it in place, a company can ensure that it always has the inventory it needs to meet customer demand, even in unpredictable or challenging circumstances.

Serial Number – Number assigned to a single item in order to identify and differentiate it from others.

Ship To – Delivery address for the consignee.

Shipment – Freight that is transported from one location, such as a regional distribution center (RDC) or manufacturing site, to another, such as a consignee.

Shrinkage – Reduction in inventory levels that occurs as a result of theft, damage, spoilage, misplacement, or other causes. In other words, the decrease in the amount of physical inventory that a company has on hand compared to the amount that it should have based on its records.

Shuttle – Load transported from one customer-related facility to another; does not include product shipped to a consignee.

Skatewheel Conveyor – Type of conveyor system that uses small, wheeled casters to move items along a flat surface. It is composed of a series of closely spaced wheels, or skatewheels, that are mounted on axles and attached to

a series of closely spaced parallel frames. The items to be conveyed are placed on the conveyor, and the motion of the wheels moves the items along the conveyor's length.

Skid – Flat platform or pallet that is used to support and move heavy goods and materials. It is typically made of wood, plastic, or metal, and is designed to be lifted by a forklift, pallet jack, or other material handling equipment.

Slip Sheet – Thin, flat sheet made of paper, plastic, or other material, that is used in material handling and transportation to support and separate items. They are often used in place of traditional pallets, and they are typically thinner and lighter than pallets, making them easier to handle and transport.

Slip Sheet Attachment – Device that is used to attach slip sheets to pallets or other material handling equipment. They are commonly used in automated material handling systems, such as conveyor systems and automated storage and retrieval systems, to help ensure that slip sheets stay securely in place during transportation and storage.

Slotting – Approach used to determine the best placement and locations for products in the warehouse depending on its dimensions and how often the item is picked.

Soft Allocation – Method of assigning inventory to customer orders in a flexible and non-binding manner. It only reserves inventory

as a general guideline, allowing for adjustments and reallocations to be made as needed – unlike hard allocation, where inventory is reserved and committed to a specific order.

Sourcing – Process of acquiring goods, services, or raw materials from suppliers.

Split Month Billing – Split month billing is a variation on monthly billing. The client is charged a "regular" rate for inbound storage in the first half of the month, and a "reduced" rate (i.e., 50% discount) for inbound storage with a receipt date after the 15th of the month. This billing option can address client resistance to monthly billing (having to pay for a whole month's storage for inbound stock that arrives later in the month).

Split Shipment – Partial shipment where the remainder of the order is on backorder and the warehouse cannot fulfill the entire request.

Spot – To place a trailer in a designated location or warehouse door.

Spot Check – Inspecting a sampling of containers in a shipment to determine if the quality of the entire shipment.

Spotter – Driver who moves trailers in and out of dock doors.

Spotting Horse – Specialized tractor used only to move trailers around the warehouse facility and

place them at doors where they can be loaded or unloaded.

Stack Height – Number of pallets, rolls, and/or skids that can be safely stacked on top of each other; the client supplies this information.

Stacking – Placing stock on top of other merchandise in order to more efficiently use space.

Staging – Process of getting product from its storage area and placing it near the loading area for later shipment; or in cross docking, the process of unloading product and organizing it for immediate shipment.

Staging Area – Designated area of the warehouse near the loading dock where product is placed or arranged for shipment.

Standard Carrier Alpha Code (SCAC) – Unique two-to-four letter code that is assigned by the National Motor Freight Traffic Association (NMFTA) to identify transportation companies in the United States. It is used to identify carriers in the transportation and logistics industry and is used for tracking and identifying freight shipments and to streamline various logistical processes.

Stencils – Markings placed on the product with the ID information required by the customer for the product that they are receiving. This can be in different forms dependent on the specifics for the customer. It can be a label or just a

chalk inscription with the product ID.

Stock – Quantity of goods, materials, or items that are kept on hand by a company or organization for the purpose of sale or distribution.

Stock Allocation – Process of assigning and distributing available inventory to meet customer demand.

Stock Keeping Unit (SKU) – Product code assigned by the owner of the goods.

Stock Rotation – Systematic movement of inventory within a warehouse, distribution center, or retail store. The goal is to ensure that the oldest items are sold or used first, while the newer items are stored in the back. This helps to minimize spoilage, reduce waste, and improve product quality.

Strap Loading – Method of securing loads on a pallet or other platform for transportation. The load is secured to the pallet using straps, which are tightened around the load and attached to the pallet. This method is often used to secure large, heavy, or irregularly shaped loads that cannot be easily packaged or stacked.

Strapping – Process of securing a load to a pallet, platform, or other conveyance equipment using straps. The straps are typically made of strong materials such as polyester, nylon, or polypropylene, and are used to prevent the load

from shifting, sliding, or falling off during transportation.

Supply Chain Management (SCM) – Coordination and management of activities involved in the production and delivery of a product or service.

Systems Integration – Process of connecting multiple computer systems, software applications, or technologies into a single, cohesive system. The is to streamline processes, improve data sharing and accessibility, and enhance overall efficiency and effectiveness. In logistics and supply chain management, it may involve connecting various software applications and systems used in different stages of the supply chain, such as procurement, inventory management, order fulfillment, and transportation management.



Tag – See Pallet Tag.

Tally – Count performed when shipments are received in order to track and record their condition.

Tare – Weight of a container, packaging, or wrapping material that is used to transport goods. It is the weight of the packaging itself, separate from the weight of the goods it contains.

Terminals – Facilities or locations where goods are loaded, unloaded, or stored during the transportation process. They can include seaports, airports, rail yards, trucking terminals, or warehouses.

Third-Party Logistics (3PL) – Businesses that provide one or many logistics related services. Types of services may include public warehousing, contract warehousing, transportation management, distribution management, and freight consolidation. A 3PL provider may take over all receiving, storage, value-added, shipping, and transportation responsibilities for a client and conduct them in the 3PL's warehouse using the 3PL's equipment and employees or may manage one or all these functions in the client's facility using the client's equipment, or any combination of the above.

Third-Party Warehouse – Storage and distribution facility that is contracted out by a company to an external provider for their warehousing and logistics needs. The provider operates and manages the warehouse on behalf of the company, taking care of tasks such as receiving, storing, picking, packing, and shipping products.

Throughput – Rate at which a system, process, or facility is able to produce a desired output. In the context of logistics and supply chain management, it refers to the total quantity of goods or products that are processed and moved through a supply chain, from raw materials to finished goods, in a given period of time.

Tie – Units per Layer on a pallet.

Traceability – Ability to track a shipment from the time it leaves the warehouse until the time it arrives at the consignee.

Tractor – Heavy-duty vehicle designed for pulling trailers for hauling freight over long distances.

Trailer – Vehicle designed to be pulled behind another vehicle, such as a truck or tractor. They are commonly used to transport goods and cargo over long distances.

Transaction Set – Group of data elements that represent the information on a business document, like a shipment order, and which are transmitted through EDI.

Transload – Process of transferring cargo from one mode of transportation to another, typically from a truck to a train, or from a ship to a truck.

Transportation – Movement of people, goods, or products from one place to another by means of vehicles, ships, airplanes, trains, or other modes of transportation. It involves the physical movement of goods and people from a source to a destination, and is a critical component of supply chain management, logistics, and commerce.

Transportation Management – The planning, execution, and

control of the movement of goods and products from one location to another.

Transportation Management System (TMS) – System used by the transportation department which aids in such tasks as manifesting shipments, finding rate quotes, and managing carriers.

Turret Truck – Type of forklift that is designed for high-density storage and retrieval applications in narrow aisle warehouses. The turret truck is named after its rotating turret, which allows the operator to rotate the truck's forks 90 or 180 degrees to pick and place loads from the side of the aisle, rather than from the front or rear of the truck. This design allows for maximum use of the storage space in the warehouse, making it ideal for applications where space is limited.



Unit Load – Typically a large, self-contained unit, such as a pallet or container, that contains a number of smaller items or packages. The purpose is to increase the density of goods and simplify handling, reducing costs and improving efficiency in supply chain operations.

Unit of Measure (UOM) – A standard measurement of a physical quantity, such as weight, length, volume, or count. It is used in business operations, inventory management, and supply chain management to ensure

consistency and accuracy in the measurement and tracking of products, materials, and goods. Examples of UOMs include eaches, cases, and pallets.

Unitization – Process of grouping individual items or packages into larger, more manageable units, such as pallets or containers. This helps to streamline handling, storage, and transportation of goods, reducing costs and improving efficiency.

Unit-of-Measure Conversions – Process of converting a quantity of a particular unit of measure to another unit of measure. For example, the number of cases on a pallet. It ensures consistent and accurate measurement and tracking of goods and materials.



Value Add – Activities or steps in a process that increase the value or worth of a product, service, or asset.

Value-Added Services (VAS) – Additional services offered to customers beyond the basic offerings of a product or service. These services are designed to enhance the customer experience and provide additional benefits or features that are not included in the core product or service.

Vendor-Managed Inventory (VMI) – Supply chain management practice where the supplier is responsible for maintaining and

managing the inventory levels of a product at the customer's site. In this arrangement, the supplier is given access to the customer's sales and inventory data, allowing them to monitor the inventory levels and proactively replenish the stock as needed.



Warehouse – Facility used for the storage of goods and materials.

Warehouse Management – Coordination and management of storage, retrieval, and distribution of goods within a warehouse.

Warehouse Management System (WMS) – software application designed to support and optimize the processes involved in a warehouse or distribution center. It can automate and manage activities such as receiving, storage, picking, packing, and shipping of goods. The goal is to improve the accuracy and efficiency of the warehouse operations and to provide real-time visibility and control over the inventory levels and movement of goods within the warehouse. A typical system can include features such as barcode scanning, real-time inventory tracking, order management, and shipping label creation. It can also integrate with other systems such as transportation management systems (TMS) and enterprise resource planning (ERP) systems to provide a comprehensive view of the entire supply chain process.

Warehouse Receipt – Document that serves as evidence of ownership and storage of goods in a warehouse. It acts as a receipt for the goods that have been deposited in the warehouse and provides information on the type, quantity, and quality of the goods being stored. It serves as a title to the goods, and the holder of the warehouse receipt is considered to be the owner of the goods stored in the warehouse.

Wave Picking – Method of order fulfillment in which a group of orders, or a "wave," is selected and picked at the same time rather than picking individual orders one at a time. Orders are grouped based on criteria such as shipping destination, customer priority, or product type, and then picked together in a single batch. The picked items are then packaged and prepared for shipment.

White Glove Logistics – High-end delivery and installation services that are provided with a high level of care and attention to detail. These services are typically offered for high-value and delicate items, such as furniture, artwork, electronics, or medical equipment, and involve a team of specially trained professionals who handle the item from the point of origin to the final delivery and installation location. The services provided in a white glove delivery can include, for example, unpacking, assembly, installation, and removal of packaging materials. The goal is to provide customers with a premium delivery experience that ensures the safe and secure transportation of their goods, while also providing an exceptional level of customer service.



Zone – Defined geographic area that is used to group and manage the delivery of goods. In a zone-based logistics system, the delivery territory is divided into smaller, more manageable areas, with each area being assigned a unique identifier or "zone number".

Zone Picking – Method of order picking in a warehouse or distribution center where the picking area is divided into different zones, each with its own set of products and pick locations.



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