

## Full Container Load (FCL) vs Less than Container Load (LCL)

Shipping is a task that can make an amateur in the world of business confused. There are several dynamics that one should be equipped with to have shipping information at their fingertips. There are two types of shipping methods, they are **Full Container Loading (FCL)** and **Less than Container Load (LCL)**.



### FCL

One party owns all of the items in a container. If you're shipping more than about 20cbm, FCL is usually the best choice since your supplier is the only other person who can come into contact with your products (apart from Customs if there's an inspection).

#### Advantages of using FCL



##### Using FCL is cost-effective

- Pay a flat rate for the whole container rather than paying by the square footage you use.
- The cost per cubic metre (cbm) is lower than LCL cost per cbm.



##### Quicker Transit Time

- Due to the process that LCL shipments go through, FCL shipments normally arrive a few days sooner.
- If you're working on a tight deadline, this might add time to the process hence making FCL more viable.



##### Reduced damage

- Only you and your supplier touch the goods with FCL. Loaded into a container by your supplier, the container is sealed, and the container is shipped to you, still sealed (assuming Customs may not wish to interrupt the shipment).

#### Disadvantages of using FCL



##### High Cost

- Pay and accommodate the whole container. This frequently raises the cost of the procedure.



##### Unsuitable for small packages

- Importers and exporters with smaller cargo volumes are not served by FCL.

## Full Container Load (FCL) vs Less than Container Load (LCL)



### LCL

A form of combining several shipments into a single container. This means that companies importing single container, companies importing small quantities of goods will pay for the space they use inside a container rather than having to rent the entire container.

#### Advantages of using LCL



##### Low Costs

- You'll split the freight costs with all of the suppliers with whom you'll be sharing the container.



##### Low Inventory

- Reduces the costs of maintaining a large inventory of products by allowing smaller quantities to be shipped more frequently.

#### Disadvantages of using LCL



- Shipments by LCL can be substantially more costly per cubic metre than FCL.
- Other LCL products inside a container can be delayed due to Customs issues
- LCL shipments need further handling, which can increase the risk of injury.

#### When you should consider using FCL



##### Low Inventory

- Reduces the costs of maintaining a large inventory of products by allowing smaller quantities to be shipped more frequently.



##### Freight costs

- It is cheaper to split freight costs while using LCL which may have a lot of space remaining for no reason.



##### Split Shipments

- If you're shipping to multiple Amazon FBA locations or 3PLs, the LCL service allows you to divide the shipment instead of sending multiple complete containers. Also, depending on the overall number, LCL could be a better choice if the shipments are going to several addresses that are far apart.
- The load can be split up so that various ports can be used depending on where the shipment is being delivered.

