



Universal Traffic Service, Inc.

# Big NMFC Changes Coming in 2025

## Your freight descriptions WILL be affected

The National Motor Freight Traffic Association is making major changes to the National Motor Freight Classification. Once these changes are complete, nearly all freight descriptions will follow density-based classification scales.

### **The Benefits of Density-Based Classifications**

Carriers like density-based classifications because they more closely align with the actual cost of moving freight.

The NMFTA promotes the benefits to shippers as follows:

#### **Simplify the NMFC**

The changes follow a standardized approach based on density, handling, stowability, and liability.

#### **Enhance the User Experience**

The NMFC will be easier to use and understand.

#### **Increase Efficiency**

Classifying freight will be more accurate on the first try.

### **The Timeline for the NMFC Changes**

The NMFTA is implementing a phased approach. The first round of changes will take effect in May 2025 and will affect approximately 5,000 classifications. Here's a summary of Phase 1:

- Standardized density scale for LTL freight with no handling, stowability, and liability issues.
- Unique identifiers for freight with special handling, stowability, or liability needs.
- Condensed and modernized commodity listings.
- Freight classifications not affected by Phase 1 will be addressed during a second phase.

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# What we currently know about the changes coming in May 2025

- 1) When density is the primary transportation characteristic and there are NO handling, stowability, or liability issues, the NMFTA will consistently classify the freight using a 13-subprovision density scale.
- 2) The 13-subprovision density scale expands from the current 11-subprovision density by adding classes 50 and 55 for heavy and dense products.
- 3) This will affect items with NO handling, stowability and liability as follows:
  - a) Items that are already at full density
  - b) Items with modified density breaks
  - c) Single-class items
  - d) Items with multiple classes
  - e) There are 156 generic group headings with approximately 5,000 items. The generic headings include groups such as Food Stuff, Machine Parts, Athletic Goods, etc. The NMFTA is reviewing these headings to condense, generalize, and modernize commodity listings.
  - f) The NMFTA will cancel unique provisions with reference to a general description within the generic heading referencing 13 subprovisions.
- 4) The NMFTA will establish a unique identifier for the transportation characteristics:
  - a) Density
  - b) Handling
  - c) Stowability
  - d) Liability
- 5) No planned rule changes for Mixed Commodity
  - a) Highest class applies unless itemized by commodity
  - b) Lowest class applies to the weight of the pallet if it is listed as a separate item
- 6) Important dates:
  - a) Docket issue date 1/30/2025 (first chance to review proposed changes)
  - b) Public meeting 3/3/2025 (hearing to review proposed changes)
  - c) Effective date – Saturday 5/3/2025**
- 7) Things shippers should know:
  - a) The process for preparing LTL shipments will change – **Need to provide handling unit dimensions and weight.**
  - b) NMFC item, sub, and freight class may change for affected products you ship.



## Proposed 13-Subprovision Density Progression

If density is:	Apply class for rating purposes:
Pounds per Cubic Foot (PCF)	Rated Class
Less than 1	400
1 but less than 2	300
2 but less than 4	250
4 but less than 6	175
6 but less than 8	125
8 but less than 10	100
10 but less than 12	92.5
12 but less than 15	85
15 but less than 22.5	70
22.5 but less than 30	65
30 but less than 35	60
35 but less than 50	55
50 or greater	50

## What we don't know yet

- 1) What the simplification of NMFC numbers will look like. (Of the 5,000 items currently in use, how many will it be reduced to.)
- 2) Which NMFC numbers this current update will apply to.
  - a) This information will be available 1/30/2025.
- 3) What the unique symbols for density, handling, stowability and liability will be, or which NMFC items they will apply to.
- 4) How carriers will change their rules tariffs in response to these NMFC changes.
  - a) Mixed commodities
  - b) Default class
  - c) Weight inspection application and fees. For example, if there are no dimensions on the BOL, will the carrier automatically inspect and apply fees?
  - d) Shippers should expect differences in the ways LTL carriers implement the changes into their rules tariffs.



# How UTS will help with these changes

## **Proactive Communication**

UTS will proactively communicate throughout this process so you know exactly what is changing, how it affects you, and how you can mitigate downside impact.

## **Our Experts Maintain Your Product Database**

On the implementation date, UTS will update your Product Database to align with the NMFC changes.

## **Our Experts Incorporate Changes to Carrier Rules Tariffs**

UTS will collaborate with each LTL carrier to fully incorporate rules tariff changes into our LTL pricing and reporting of general liability limits.

## **Best Value Carrier Rankings Stay on Top of the Changes**

Our Best Value carrier rankings will dynamically adjust to the NMFC changes as well as to the changes in carrier rules tariffs.

## **Specialized Carrier Negotiation for Mixed Commodity Shipments**

If a shipment contains mixed commodities, carriers apply the highest class to the entire shipment. This can be avoided by entering the dimensions of each handling unit. But what about shipments with a high number of handling units? It can be prohibitive to enter each item separately. In these situations, UTS can negotiate a custom solution that secures fair pricing without the onerous entry.

## **Advisory and Consulting Services**

We can suggest solutions for specific issues. For example, we are advising multiple clients regarding technologies that automatically capture freight dimensions.

## **Opportunities for Improvement**

Once the changes take effect, we will report opportunities for improvement to help you optimize LTL cost and service performance.

## **Service-Minded Partnership (It's One of Our Four Core Values)**

Your UTS support team is trained and prepared to answer questions. Help is always just a phone call away.



## How you can help yourself

Please provide weight and dimensions at the handling unit level.

- This information is needed to accurately price the shipment.
- This information will be required by the NMFC changes.
- After a grace period, carriers WILL charge penalties if dimensions are missing.
- A complete shipment profile helps UTS negotiate on your behalf.

