

**SUBJECT 7****SUBJECT 7: China Group****Re: China Group****Contact:** Amber Parker

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**Proponent:** Freight Classification Development Council**Quick View**

The Quick View feature is not intended to replace contextual information within this document. To understand the potential impact of the recommended changes shown here, please read the full proposal.

**Subject 7: China Group**

**Quick View:** Four items related to chinaware, earthenware, porcelainware or stoneware are canceled with reference to a new item, with classes predicated on a modified density scale.

- China Group, item 47490, canceled with no further application
- Note, item 47501 canceled with no further application
- Item (Rule) 172 amended

**Transportation Characteristics Present:**

- Handling  Yes  No
- Stowability  Yes  No
- Liability  Yes  No
- Density  Yes  No

**Provisions based on:**

- Modified density scale with class adjustments

## SUBJECT 7

Present Classification Provisions

Item	Description	Class
47490	<b>CHINA GROUP:</b> Articles consist of China, Earthenware or Pottery, as described in items subject to this grouping.	
47495	<b>Birdbaths</b> , terra cotta, in boxes or crates .....	100
47500	<b>Ceramicware, China, Earthenware, Porcelain or Stoneware</b> , NOI, in boxes or crates, released to a value not exceeding \$1.70 per pound, see Note, item 47501, subject to Item 170 and having a density in pounds per cubic foot of:	
Sub 1	Less than 1.....	400
Sub 2	1 but less than 2.....	300
Sub 3	2 but less than 4.....	250
Sub 4	4 but less than 6.....	175
Sub 5	6 but less than 8.....	125
Sub 6	8 but less than 10.....	100
Sub 7	10 but less than 12.....	92.5
Sub 8	12 but less than 15.....	85
Sub 9	15 but less than 22.5.....	70
Sub 10	22.5 but less than 30.....	65
Sub 11	30 but less than 35.....	60
Sub 12	35 but less than 50.....	55
Sub 13	50 or greater .....	50
47501	NOTE—Unless otherwise provided in individual participating carriers' tariffs, articles moving under the provisions of item 47500 shall only be accepted subject to a maximum liability of \$1.70 per pound. If shipper fails to declare a value, or declares a value in excess of \$1.70 per pound, shipment will not be accepted, but if the shipment is inadvertently accepted, it will be considered as being released to a value not exceeding \$1.70 per pound and the shipment will move subject to such limitation of liability. In no instance will carriers' liability exceed the actual value of the article lost or damaged.	
47545	<b>Flower Boxes</b> , terra cotta, in boxes or crates.....	85
47550	<b>Flowerpots or Flowerpot Saucers</b> , pottery:	
Sub 1	In packages other than as set forth in sub 2.....	125
Sub 2	In inner packaging material in boxes or crates .....	110

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Present Classification Provisions—Concluded

## Item 172

**LIMITATION OF CARRIER LIABILITY WHERE VALUE IS NOT DECLARED BY SHIPPER**

Where item 47500, 56165, 63025, 70080, 88160, 99400, 100240, 107830, 116030, 136500, 164900, 168960 or 196420 of this Classification applies, and shipper fails to declare a value as required by those provisions, the shipment will not be accepted, but if the shipment is inadvertently accepted, the carrier's liability shall be limited as follows:

ITEM NO.	DESCRIPTION	VALUE LIMITATION
47500	<b>Ceramicware, China, Earthenware, Porcelain or Stoneware</b> , NOI	\$1.70 per pound
56165	<b>Paintings or Pictures</b> , NOI, framed or unframed, with or without glass	\$25.00 per pound
63025	<b>Semiconductors, viz.: Devices</b> , NOI; <b>Diodes; Rectifiers; Thermistors; Transistors</b>	\$20.00 per pound
70080	<b>Flatware, Dresserware or Holloware</b> , sterling silver; or <b>Flatware, Dresserware or Holloware</b> , with sterling silver parts, such as backs, covers, frames, handles or tops	\$5.00 per pound
88160	<b>Glassware</b> , NOI	\$19.00 per pound
99400	<b>Hides, Pelts or Skins</b> , dressed or tanned or not dressed nor tanned, NOI, dry	\$7.50 per pound
100240	<b>Household Goods, Personal Effects or Military Baggage</b> , other than shipments moving under the U.S. Department of Defense Personal Property Program	\$0.10 per pound
107830	<b>Jewelry</b> , costume or novelty, made of materials other than solid or filled precious metals, not mounted nor set with precious stones	\$5.00 per pound
116030	<b>Machines, Systems or Devices</b> , data processing, or <b>Components, Parts or Peripherals thereof</b>	\$25.00 per pound
136500	<b>Metal</b> , NOI or <b>Metal Alloys</b> , NOI	\$5.00 per pound
164900	<b>Radioactive Materials</b>	\$25.00 per pound
168960	<b>Records, Documents or Files</b> , office	\$0.25 per pound
196420	<b>Watches or Watch Movements</b>	\$10.00 each

Where the provisions of other tariffs apply, and those provisions specify a limitation of the carrier's liability absent a release or value declaration by the shipper, the carrier's liability shall be limited to the extent provided by such applicable provisions when the shipper does not make the requisite or specified release or value declaration.

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Proposed Classification Provisions

Item	Description	Class
⇒A-NEW	 <b>Ceramicware, China, Earthenware, Porcelain or Stoneware</b> , NOI, in boxes or crates, subject to Item 170 and having a density in pounds per cubic foot of:	
Sub 1	Less than 10.....	175
Sub 2	10 but less than 15.....	92.5
Sub 3	15 but less than 30 .....	77.5
Sub 4	30 or greater.....	60
⇒B-NEW	NOTE—Articles must be protected by interior packing forms or packaging materials necessary to afford adequate protection against damage.	
47490	<b>CHINA GROUP</b> , etc .....	⇒Cancel; no further application
47495	<b>Birdbaths</b> , terra cotta, etc.....	⇒Cancel; see item A-NEW
47500	<b>Ceramicware, China, Earthenware, Porcelain or Stoneware</b> , NOI, etc.....	⇒Cancel; see item A-NEW
47501	NOTE—⇒Cancel; no further application.	
47545	<b>Flower Boxes</b> , terra cotta, etc .....	⇒Cancel; see item A-NEW
47550	<b>Flowerpots or Flowerpot Saucers</b> , etc .....	⇒Cancel; see item A-NEW

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## SUBJECT 7

Proposed Classification Provisions—Concluded

## Item 172

**LIMITATION OF CARRIER LIABILITY WHERE VALUE IS NOT DECLARED BY SHIPPER**

Where item 347500, 56165, 63025, 70080, 88160, 99400, 100240, 107830, 116030, 136500, 164900, 168960 or 196420 of this Classification applies, and shipper fails to declare a value as required by those provisions, the shipment will not be accepted, but if the shipment is inadvertently accepted, the carrier's liability shall be limited as follows:

ITEM NO.	DESCRIPTION	VALUE LIMITATION
347500	<del>Ceramicware, China, Earthenware, Porcelain or Stoneware, NOI</del>	<del>\$1.70 per pound</del>
56165	<b>Paintings or Pictures</b> , NOI, framed or unframed, with or without glass	\$25.00 per pound
63025	<b>Semiconductors, viz.: Devices</b> , NOI; <b>Diodes; Rectifiers; Thermistors; Transistors</b>	\$20.00 per pound
70080	<b>Flatware, Dresserware or Holloware</b> , sterling silver; or <b>Flatware, Dresserware or Holloware</b> , with sterling silver parts, such as backs, covers, frames, handles or tops	\$5.00 per pound
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116030	<b>Machines, Systems or Devices</b> , data processing, <b>or Components, Parts or Peripherals thereof</b>	\$25.00 per pound
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168960	<b>Records, Documents or Files</b> , office	\$0.25 per pound
196420	<b>Watches or Watch Movements</b>	\$10.00 each

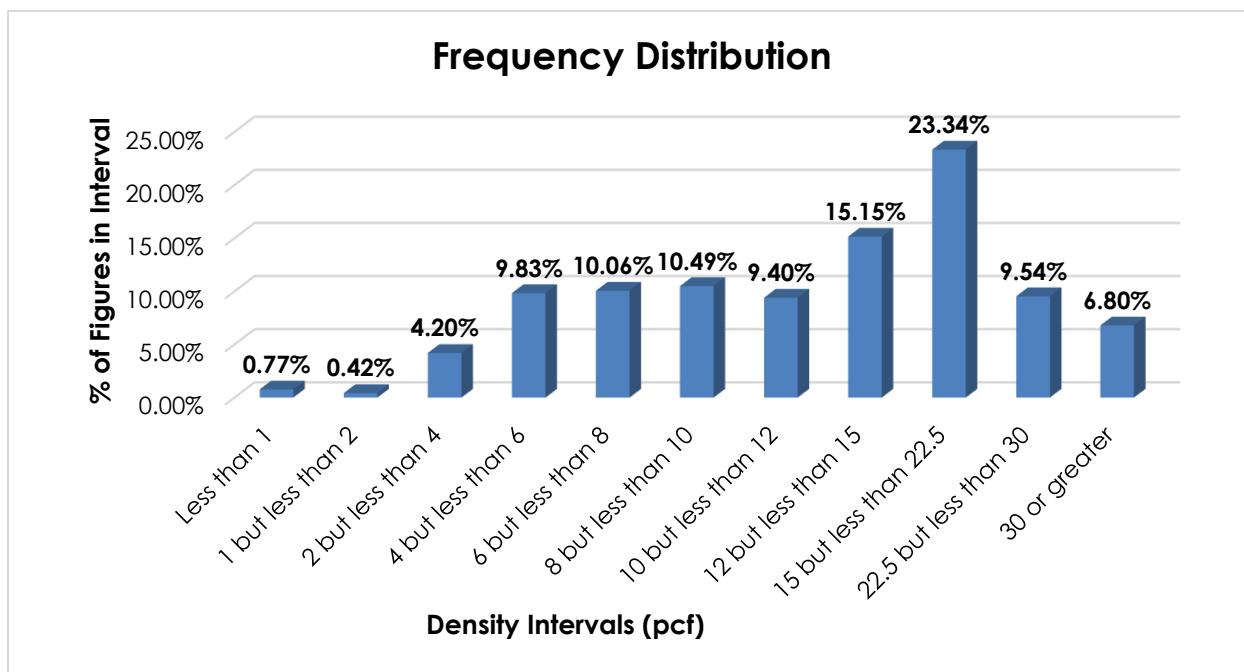
Where the provisions of other tariffs apply, and those provisions specify a limitation of the carrier's liability absent a release or value declaration by the shipper, the carrier's liability shall be limited to the extent provided by such applicable provisions when the shipper does not make the requisite or specified release or value declaration.

**SUBJECT 7****Analysis****Introduction**

Four items, as shown in the Present Classification Provisions herein, name particular types of chinaware, earthenware, porcelainware or stoneware, and these provisions can be difficult to interpret, apply, or verify. These items were reviewed with the intent of removing value-based provisions, combining like commodities, and examining the involved products' transportation characteristics.

**Transportation Characteristics**

**Density**—The information of record includes 62,950 density observations obtained from the FCDC's Density Study<sup>1</sup>. The densities range from 0.07 to 52.82 pcf, with an overall average density of 14.61 pcf. As shown in the graph below, the distribution is left-skewed, with a distinct peak in the 15 but less than 22.5 pcf interval and roughly uniform peaks between the 4 but less than 6 pcf and 10 but less than 12 pcf intervals. Density breaks at 10, 15, and 30 pcf reflect the modality and spread of the distribution.



<sup>1</sup> The Density Study is part of an ongoing effort by the FCDC to collect information on actual shipments across all product categories handled by the LTL industry. Carriers that choose to participate in the Study periodically submit shipment data captured through their respective freight auditing programs. The FCDC uses verifiable data points, identified by NMFC item, that include the weight and the dimensions and/or cube of the shipping unit.

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When the data is evaluated based on the proposed density breaks at 10, 15, and 30 pcf, the density ranges and averages shown in the table below emerge.

Density Groups (pcf)	Density Range (pcf)	Average Density (pcf)
Less than 10	0.07 – 9.99	6.54
10 but less than 15	10.00 – 14.99	12.51
15 but less than 30	15.00 – 29.99	20.40
30 or greater	30.00 – 52.82	37.44

**Handling**—Due to the inherent fragility of these products, extra care and attention in handling is necessary if damage is to be avoided. Handling units may depict precautionary markings or shipper instructions, such as "Fragile."

**Stowability**—Due to the fragile nature of the articles, carriers must ensure that only compatible freight is stowed adjacent to or on top of handling units of chinaware, which increases the time and effort required by the carrier.

**Liability**—The involved products are not perishable, hazardous in nature, nor likely to damage other freight. Shipments of these commodities are inherently fragile and highly susceptible to damage.

### Conclusion

Based on the foregoing analysis, this proposal would cancel items 47495, 47500, 47545, and 47550 with reference to a new item, naming "Ceramicware, China, Earthenware, Porcelain or Stoneware, NOI." The new item would provide classes predicated on density, with breaks at 10, 15, and 30 pcf<sup>2</sup>, and due to the identified negative handling, stowability, and liability issues, a one class adjustment is proposed, as shown in the table below.

Density Group (pcf)	Average Density (pcf)	FCDC Minimum Average Density Guideline (pcf)	Class Based on FCDC Guidelines	Class Adjustment Based on Handling, Stowing, and Liability Considerations
Less than 10	6.54	6	150	175
10 but less than 15	12.51	12	85	92.5
15 but less than 30	20.40	15	70	77.5
30 or greater	37.44	35	55	60

<sup>2</sup> The density provisions would include reference to Item (Rule) 170, the inadvertence clause.

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The China Group, item 47490, and Note, item 47501 would be canceled with no further application.

The FCDC's Packaging Development Manager has reviewed the proposed minimum packaging requirements and determined they are appropriate for the LTL environment. A new packaging Note would also be established to provide additional packaging requirements.

Concurrently, Item (Rule)172 would be amended to remove reference to item 47500.