

# 52.247-33 F.o.b. Origin, with Differentials.

As prescribed in 47.303-5(c), insert the following clause:

*F.o.b. Origin, with Differentials* (Feb 2006)

(a) The term "*f.o.b. origin, with differentials*," as used in this clause, means-

(1) Free of expense to the Government delivered-

(i) On board the indicated type of conveyance of the carrier (or of the Government, if specified) at a designated point in the city, county, and State from which the *shipments* will be made and from which line-haul transportation service (as distinguished from switching, local drayage, or other terminal service) will begin;

(ii) To, and placed on, the carrier's wharf (at shipside, within reach of the ship's loading tackle, when the shipping point is within a port area having water transportation service) or the carrier's *freight* station;

(iii) To a U.S. Postal Service facility; or

(iv) If stated in the *solicitation*, to any Government-designated point located within the same city or commercial zone as the *f.o.b. origin* point specified in the contract (the Federal Motor Carrier Safety Administration prescribes commercial zones at Subpart B of 49 CFR part 372); and

(2) Differentials for mode of transportation, type of vehicle, or place of delivery as indicated in Contractor's *offer* may be added to the contract price.

(b) The Contractor *shall*-

(1)

(i) Pack and mark the *shipment* to comply with contract specification; or

(ii) In the absence of specifications, prepare the *shipment* in conformance with carrier requirements to protect the goods and to ensure assessment of the lowest applicable transportation charge;

(2)

(i) Order specified carrier equipment when requested by the Government; or

(ii) If not specified, order appropriate carrier equipment not in excess of capacity to accommodate *shipment*;

(3) Deliver the *shipment* in good order and condition to the carrier, and load, stow, trim, block, and/or brace carload or truckload *shipment* (when loaded by the Contractor) on or in the carrier's conveyance as required by carrier rules and regulations;

(4) Be responsible for any loss of and/or damage to the goods-

(i) Occurring before delivery to the carrier;

(ii) Resulting from improper packing and marking; or

(iii) Resulting from improper loading, stowing, trimming, blocking, and/or bracing of the *shipment*, if loaded by the Contractor on or in the carrier's conveyance;

(5) Complete the Government bill of lading supplied by the ordering agency or, when a Government bill of lading is not supplied, prepare a commercial bill of lading or other transportation receipt. The bill of lading *shall* show-

(i) A description of the *shipment* in terms of the governing *freight* classification or tariff (or Government rate tender) under which lowest *freight* rates are applicable;

(ii) The seals affixed to the conveyance with their serial numbers or other identification;

(iii) Lengths and capacities of cars or trucks ordered and furnished;

(iv) Other pertinent information required to effect prompt delivery to the consignee, including name, delivery address, postal address and ZIP code of consignee, routing, etc.;

(v) Special instructions or annotations requested by the ordering agency for bills of lading; *e.g.*, "*This shipment is the property of, and the freight charges paid to the carrier will be reimbursed by, the Government*"; and

(vi) The *signature* of the carrier's agent and the date the *shipment* is received by the carrier; and

(6) Distribute the copies of the bill of lading, or other transportation receipts, as directed by the ordering agency.

(c)

(1) It *may* be advantageous to the *offeror* to submit *f.o.b. origin* prices that include only the lowest cost to the Contractor for loading of *shipment* at the Contractor's plant or most favorable shipping point. The cost beyond that plant or point of bringing the *supplies* to the place of delivery and the cost of loading, blocking, and bracing on the type vehicle specified by the Government at the time of *shipment* *may* exceed the *offeror's* lowest cost when the *offeror* ships for the *offeror's* account. Accordingly, the *offeror* *may* indicate differentials that *may* be added to the offered price. These differentials *shall* be expressed as a rate in cents for each 100 pounds (CWT) of the *supplies* for one or more of the *options* under this clause that the Government *may* specify at the time of *shipment*.

(2) These differential(s) will be considered in the evaluation of *offers* to determine the lowest overall cost to the Government. If, at the time of *shipment*, the Government specifies a mode of transportation, type of vehicle, or place of delivery for which the *offeror* has set forth a differential, the Contractor *shall* include the total of such differential costs (the applicable differential multiplied by the actual weight) as a separate reimbursable item on the Contractor's *invoice* for the *supplies*.

(3) The Government *shall* have the *option* of performing or arranging at its own expense any transportation from Contractor's shipping plant or point to carrier's facility at the time of *shipment* and, whenever this *option* is exercised, the Government *shall* make no reimbursement based on a quoted differential.

(4) *Offeror's* differentials in cents for each 100 pounds for optional mode of transportation, types of vehicle, transportation within a mode, or place of delivery, specified by the Government at the time of *shipment* and not included in the *f.o.b. origin* price indicated in the Schedule by the *offeror*, are as follows:

\_\_\_\_\_ (carload, truckload, less-load,

\_\_\_\_\_ wharf, flatcar, driveaway, etc.)

(End of clause)

**Parent topic:** 52.247 [Reserved]