TRADELENS FOR BCOs

Discover new ways to work with your supply chain partners and manage your shipments from booking to delivery.

Explore three use-cases that illustrate how TradeLens works specifically for BCOs to improve logistics management, systems integration and profitability with next-generation digital document handling.

BCO USE-CASES:

DITCH THE HASSLES, TAKE CONTROL OF YOUR SUPPLY CHAIN

Improve proactive management of supply chain partners with a steady flow of digital milestones and documentation straight to your control tower

THE CHALLENGE

Cross-border containerized supply chains are some of the largest and most complex business ecosystems in the world today. It's not uncommon for 30 independent parties, 100 people and up to 200 exchanges of information to be connected to a single shipment.

With increased complexity comes increased cost. Shippers or beneficial cargo owners (BCOs) need consistent, reliable rich-data from multiple sources to effectively manage their supply chains. Supply chain partners may have the data they need — but today, accessing and sharing them often requires laborious communication procedures and expensive peer-to-peer EDI systems.

Access to trusted, live data aggregated from up and down the supply chain would have a significant impact on the effectiveness of in-house logistics management.

Together, supply-chain partners have the information that every shipment requires for fast, efficient movement. Digital workflows based on ultra-secure cloud and blockchain technology offer a powerful new way for disparate partners to cooperate for everyone's benefit.

PennState Smeal; Penske Logistics; Infosys; Korn/Ferry, 2018

75%

of shippers, and their 3PL partners, plan to invest in supply chain visibility/control towers within the next two years, and more than half of shippers and 3PLs are investing in predictive analytics.

$95.6 BILLION

Total logistics expenditures by supply chain services organizations in 2017.

93%

of shippers said improved, data-driven decision-making is essential to the future success of supply chain activities and processes.

THE TRADELENS SOLUTION

TradeLens is a secure platform that gives you timely end-to-end supply-chain visibility and data direct from the source. These benefits extend to you and your trading partners and form the foundation of a new generation of shipper control towers.
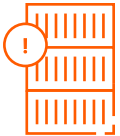
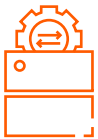| WHAT YOUR TEAM NEEDS TO DO	HOW TRADELENS CAN HELP
Ensure freight fluidity Collect data from the essential organizations involved with your shipment to increase response speed, reliability and reduce downtime.	Access more than 120 precise industry standardized planned, estimated and actual shipment milestones and document events.
Preempt transport challenges Identify exceptions or updates to critical transport plans. Manage vendors across the supply chain for reliability, accuracy and timeliness.	Subscribe to notifications for key milestones exceptions or document amendments. Use TradeLens APIs to enhance control and manage vendor performance.
Reduce infrastructure costs Utilize cost-effective processes to connect with and manage multiple supply-chain service providers.	Open APIs enable real-time data transfer between supply chain participants via publish, subscribe, query and doc share functions.
Store critical data and documents Aggregate data and documents for improved exception mangement and audit control.	Document sharing and version control underpinned by blockchain guarantees the immutability and traceability of documents. This allows parties to quickly see when changes have been made, and by whom, along a consignment journey.
Streamline communication Cut down on laborious and costly query-and-chase communications.	Structured documents and permission management can be combined to automate multi-party or multi-step trade processes.

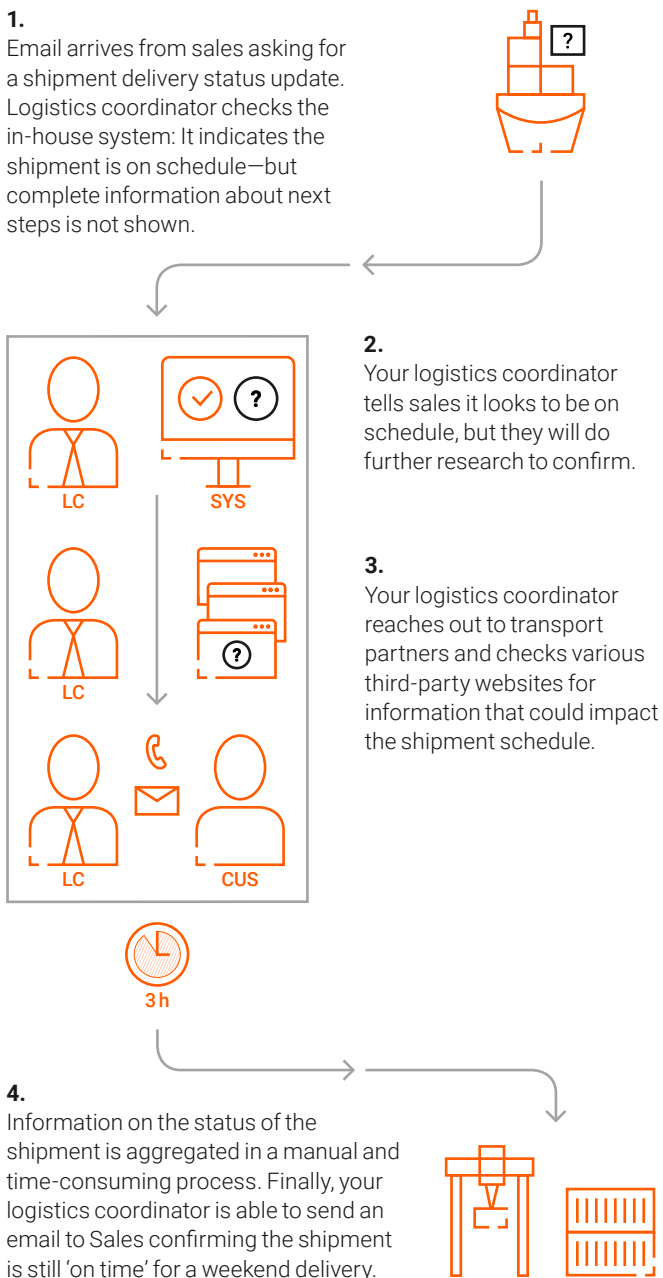# STAY AHEAD OF YOUR DELIVERIES AND OFFER REAL-TIME SALES SUPPORT

Your logistics coordinator receives a request from the sales team for an update on a shipment expected at the warehouse ahead of the Monday morning management meeting.

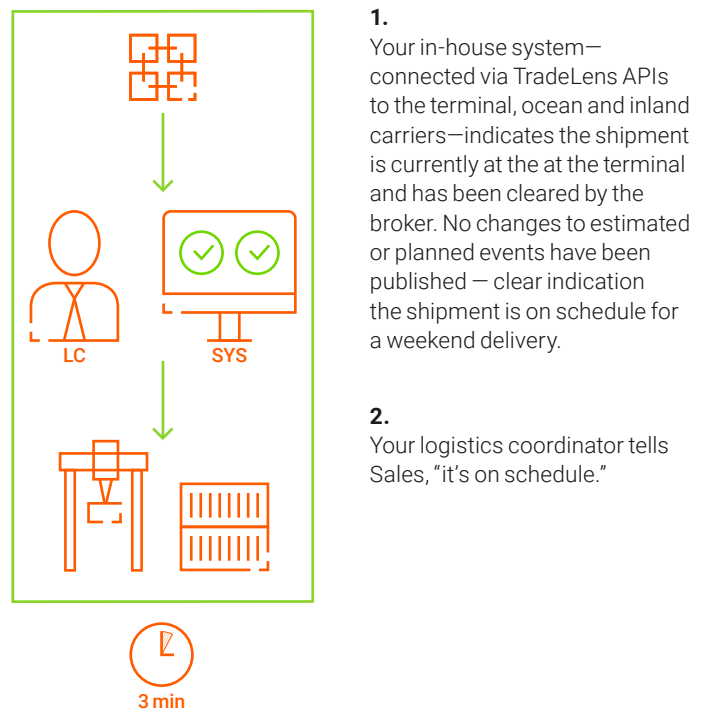Today, your logistics coordinator might check an in-house system and find the information isn't current, then need to inquire with various supply-chain partners and conduct manual research to report back. The process of answering the sales team's simple question can be cumbersome and time-consuming.

Now let's see how TradeLens enables collaboration and real-time data-sharing:

TODAY

1.
Email arrives from sales asking for a shipment delivery status update. Logistics coordinator checks the in-house system: It indicates the shipment is on schedule—but complete information about next steps is not shown.

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LC

LC　**CUS**

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2.
Your logistics coordinator tells sales it looks to be on schedule, but they will do further research to confirm.

3.
Your logistics coordinator reaches out to transport partners and checks various third-party websites for information that could impact the shipment schedule.

4.
Information on the status of the shipment is aggregated in a manual and time-consuming process. Finally, your logistics coordinator is able to send an email to Sales confirming the shipment is still 'on time' for a weekend delivery.

WITH TRADELENS

LC　**SYS**

3 min

1.
Your in-house system—connected via TradeLens APIs to the terminal, ocean and inland carriers—indicates the shipment is currently at the at the terminal and has been cleared by the broker. No changes to estimated or planned events have been published — clear indication the shipment is on schedule for a weekend delivery.

2.
Your logistics coordinator tells Sales, "it's on schedule."

SIMPLIFY INTEGRATIONS WITH YOUR LOGISTICS PROVIDERS

Take steps to create innovation for your business and reduce implementation time and costly maintenance.

THE CHALLENGE

CIOs running international logistics operations today need to monitor technology and vendor contracts, ensure security for their partners, oversee integration strategies, and above all, manage costs. They also need to embrace disruptive technologies while maintaining the operational reliability that underscores their brands' reputations.

EDI has been the industry default for decades, but just as with other industries, digital transformation is underway. It's no longer viable to rely on data that isn't coming to you in real-time, that requires phone calls and emails to track processes that should be automated. Freight EDI is costly to set up and maintain, requires higher headcount, and frequently breaks down.

The ability to focus on flexibility and speed — not only in software development and deployment but in the general business — will allow CIOs to drive their organizations forward.

Moving from an EDI set-up to a cloud-based, ultra-secure API-driven platform that handles not only shipping data, but also digital documents is the transformation that will reward first-movers and offer immediate cost savings.
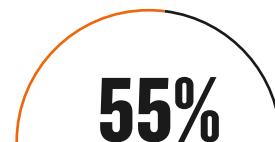
Cerasis & Project 44, 2019

85%
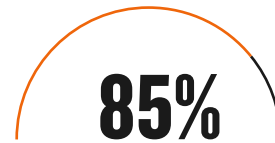
of the industry polled is still using EDI

43%
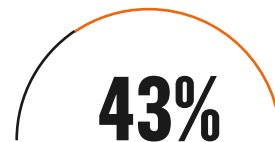
of respondents are frustrated with the technology — but of the 57% that aren't, there is a strong sense that EDI's days are numbered

55%

are considering web service APIs as an alternative to EDI

THE TRADELENS SOLUTION

TradeLens is a secure platform that gives you flexible connectivity for end-to-end supply-chain visibility and data direct from the source. These benefits extend to you and your trading partners and allow simple and seamless integration of information from multiple industry providers.

WHAT YOUR TEAM NEEDS TO DO

HOW TRADELENS CAN HELP

Ensure security of systems at all times
Keep the systems that run your corporate network, as well as the network itself, running, 100% of the time.

TradeLens is built to IBM IT security standards. We are using third-party specialists for penetration testing and ISO 27001 compliance.

Identify savings and efficiencies when integrating
Deploy products and services to the business network with agility and speed.

Free up your teams from integrations with your supply chain partners and redeploy to value adding or R&D work. Reduce EDI maintenance costs with a family of open-standard APIs for real-time data transfer between supply chain partners.

Provide access to information for the right people at the right time
If something goes wrong, you and your vendors need to act quickly to identify potential root causes.

Using Hyperledger Fabric permissioned blockchain guarantees the immutability, privacy, and traceability of all shipping data, documents and versions.

Manage access to systems
Govern who has access to your systems and data at the individual level.

Federated authentication based on OpenID Connect and OAuth2 and flexible access models control who can view, publish and subscribe to shipment-specific data.
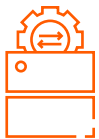
Be flexible
Connect to 3rd party systems, even without APIs already deployed in your business.

TradeLens Data integration can map and automate EDI feeds and other data formats from existing infrastructure systems to the platform where needed.

INTEGRATE DATA EASILY AND MOVE TO DIGITAL DOCUMENT WORKFLOWS

Your logistics team is onboarding new service providers at the completion of a tender process designed to find transport savings.

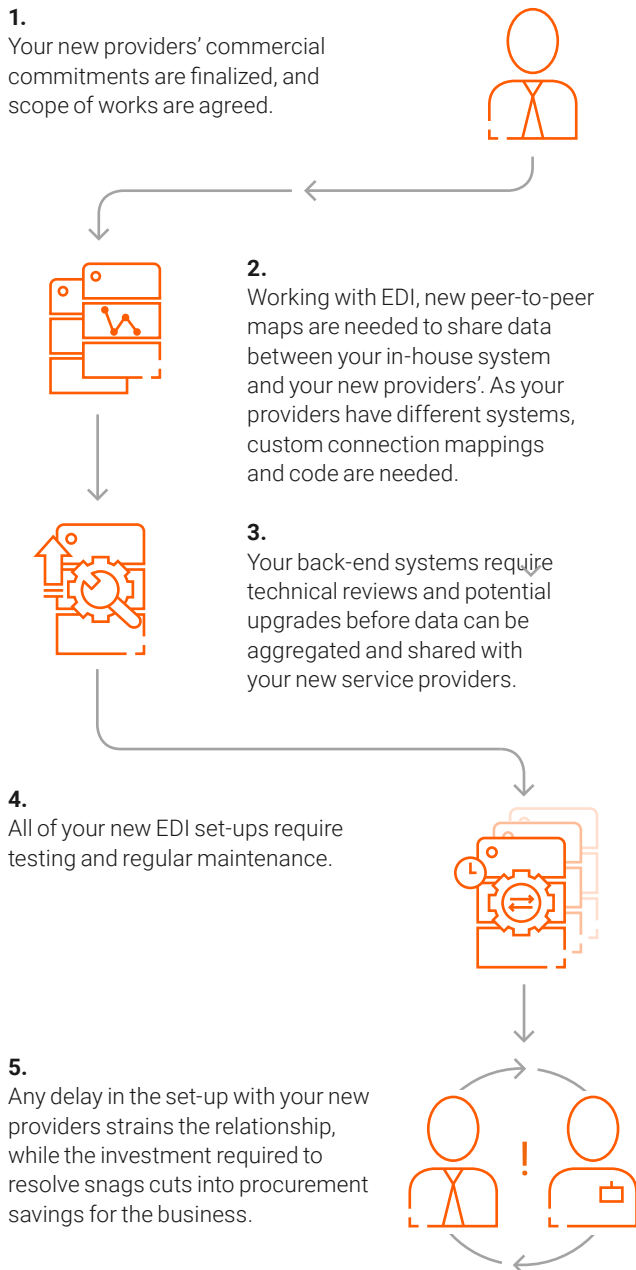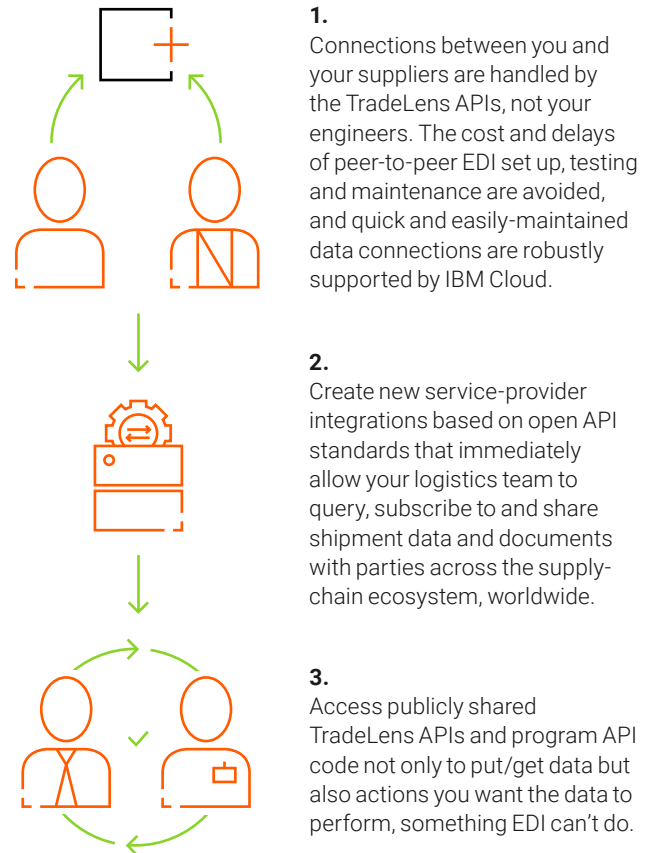Today, an EDI system integration is expensive and complex to set-up and maintain. Apparent return on investment is dropping rapidly as new technologies promise quick solutions.

Let's take a look at how TradeLens APIs help your IT implementation team handle integration workflows and collaborate with new and existing supply-chain partners.

TODAY

1.
Your new providers' commercial commitments are finalized, and scope of works are agreed.

2.
Working with EDI, new peer-to-peer maps are needed to share data between your in-house system and your new providers'. As your providers have different systems, custom connection mappings and code are needed.

3.
Your back-end systems require technical reviews and potential upgrades before data can be aggregated and shared with your new service providers.

4.
All of your new EDI set-ups require testing and regular maintenance.

5.
Any delay in the set-up with your new providers strains the relationship, while the investment required to resolve snags cuts into procurement savings for the business.

WITH TRADELENS

1.
Connections between you and your suppliers are handled by the TradeLens APIs, not your engineers. The cost and delays of peer-to-peer EDI set up, testing and maintenance are avoided, and quick and easily-maintained data connections are robustly supported by IBM Cloud.

2.
Create new service-provider integrations based on open API standards that immediately allow your logistics team to query, subscribe to and share shipment data and documents with parties across the supply-chain ecosystem, worldwide.

3.
Access publicly shared TradeLens APIs and program API code not only to put/get data but also actions you want the data to perform, something EDI can't do.

DRIVE PROFITABILITY WITH END-TO-END SUPPLY CHAIN VISIBILITY AND INVOICE RECONCILIATION

Reduce capital and operational costs in communications and third-party service provider management

THE CHALLENGE

Managing the smooth flow of containerized freight is a strategic imperative for companies operating in the global marketplace. CFOs understand that their supply-chain has a direct impact on cash flow and the bottom line of their business. Not only are inventory handling and delivery timelines tethered to their companies' profitability, they are now a core part of a brand's reputation.

Running a reliable supply-chain operation and keeping the impact and cost of disruption to a minimum are just as much the CFO's goal as the logistics teams'. And with dozens, hundreds or sometimes thousands of invoices from third-party supply chain service providers to manage, CFOs are eager for tools that can reduce or even eliminate the cost of reconciliation.

Access to verifiable, unassailable and accurate, time-stamped shipping information would have an immediate cost-reduction effect on invoice reconciliation and contribute to smoother, less costly operations.

$1.64 TRILLION

The current spend on logistics in the U.S., which has grown by 11.4% in the last year to 8% of U.S. GDP[1].

3%–8%

The average recovery on freight billing errors[2].

ONE IN 10

Ratio of accurate freight invoices[3]

[1] *2019 State of Logistics Report*, Council of Supply Chain Management Professionals (CSCMP) and A.T. Kearney. [2] *Freight Payment and Auditing Services: Cash is King*, Inbound Logistics. [3] Freight Payment Solutions, U.S. Bank.

THE TRADELENS SOLUTION

TradeLens helps CFOs to manage costs associated with supply-chains by providing access to a secure, flexible platform for end-to-end supply-chain visibility and data direct from the source. These benefits extend to you and your trading partners and allow improvements in freight auditing and invoice reconciliation.

WHAT YOU NEED

HOW TRADELENS CAN HELP

Unassailable invoice data to reduce reconciliation costs
Integrating operational, rate and financial information to identify incorrect invoices is required for better financial and cash flow management

The TradeLens framework of more than 120 shipment event types, communicated directly from the source, includes document events and planned, estimated and actual transport milestones.

To identify and assess questionable invoices
Sorting through invoices received without clear identifiers against job numbers creates significant time lags, not to mention, challenges in matching charges as per contracted rates.

TradeLens structured documents are built to industry standards, meaning that the data and information within all shipping documents can be readily located, analyzed and interpreted.

New ways to cut down on costly operational processes
Your manual workflows when managing a dispute can be significant. Note only in raising the dispute but in following up for responses and a resolution.

Using Hyperledger Fabric permissioned blockchain guarantees the immutability, privacy, and traceability of all shipping data, documents and versions.

Ensure increased first time hit ratios and reduce time from invoice received to paid
Simplified data direct from the source can prompt smart contracts automating the payment flow.

TradeLens supported invoicing allows rate checks during the transportation journey. Identify additional charges, like detention and demurrage, prior to invoices being received.

Audits that can be executed and concluded with minimal effort
At quarter or year-end books need to balance and accruals should be released. If disputes are still open, another round of tedious manual intervention could be required.

Each time a document is amended and published a new version of the document is created. With blockchain, a digital audit trail of changes is dynamically maintained for compliance management.

ELIMINATE INVOICE UNCERTAINTIES WITH BLOCKCHAIN-SECURED SHIPPING DATA DIRECT FROM YOUR SUPPLIERS
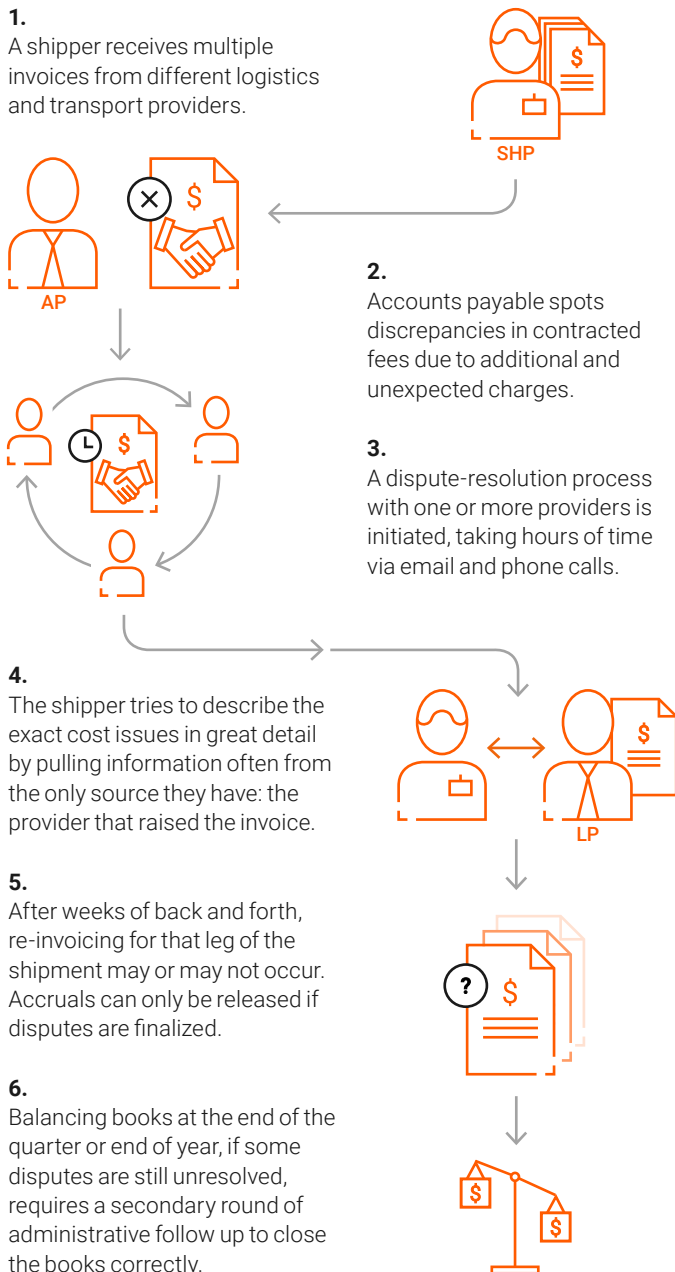
Accounts payable receives multiple invoices from several different organizations involved in the delivery of goods.

Today, when disputes arise over additional charges, for example, detention and demurrage, information that can validate corresponding dates and times is limited and can often only be sourced from the creator of the invoice.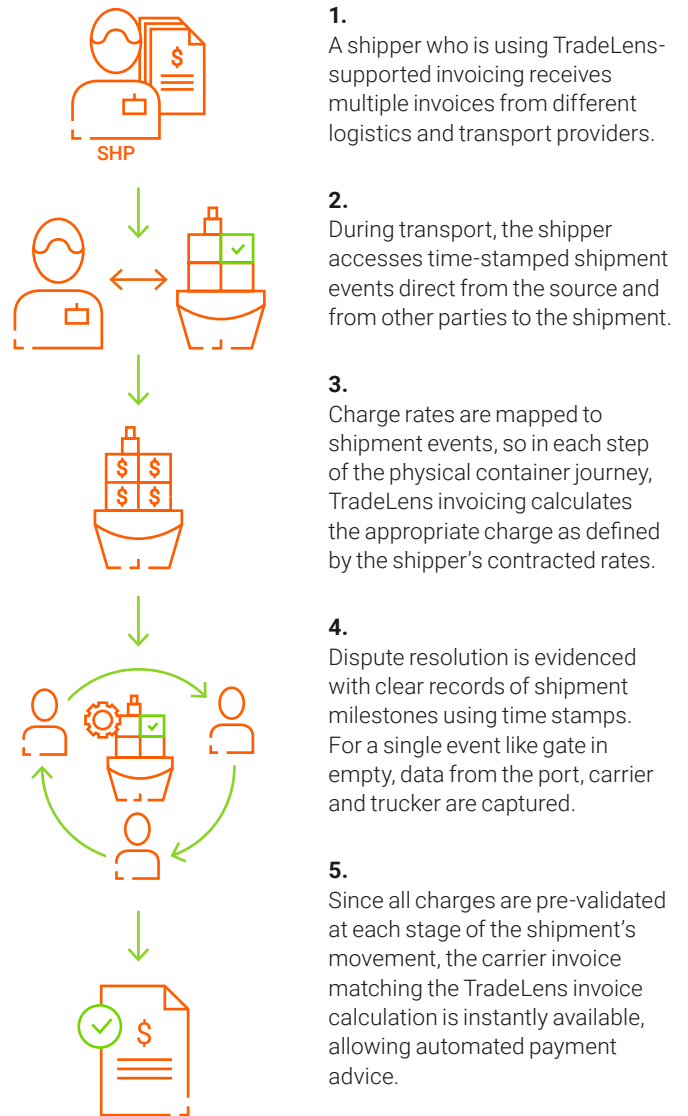 Consolidating, vetting and approving supply-chain invoices is a manual and time-consuming process. So is balancing the quarterly or year-end books if disputes are not concluded in a timely manner.

Now let's take a look at how invoicing with TradeLens-supported applications can reduce delays in disputes and ensure invoices are accurate for first time hit rates.
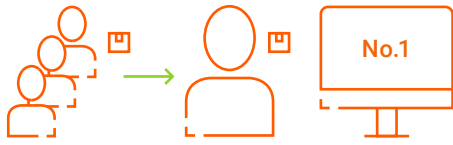
TODAY

1.
A shipper receives multiple invoices from different logistics and transport providers.

SHP

AP

2.
Accounts payable spots discrepancies in contracted fees due to additional and unexpected charges.

3.
A dispute-resolution process with one or more providers is initiated, taking hours of time via email and phone calls.

4.
The shipper tries to describe the exact cost issues in great detail by pulling information often from the only source they have: the provider that raised the invoice.

5.
After weeks of back and forth, re-invoicing for that leg of the shipment may or may not occur. Accruals can only be released if disputes are finalized.

LP

?

6.
Balancing books at the end of the quarter or end of year, if some disputes are still unresolved, requires a secondary round of administrative follow up to close the books correctly.

WITH TRADELENS

SHP

1.
A shipper who is using TradeLens-supported invoicing receives multiple invoices from different logistics and transport providers.

2.
During transport, the shipper accesses time-stamped shipment events direct from the source and from other parties to the shipment.

3.
Charge rates are mapped to shipment events, so in each step of the physical container journey, TradeLens invoicing calculates the appropriate charge as defined by the shipper's contracted rates.

4.
Dispute resolution is evidenced with clear records of shipment milestones using time stamps. For a single event like gate in empty, data from the port, carrier and trucker are captured.

5.
Since all charges are pre-validated at each stage of the shipment's movement, the carrier invoice matching the TradeLens invoice calculation is instantly available, allowing automated payment advice.

IN PRACTICE

In a recent pilot, a shipper using TradeLens found they were able to significantly improve their ability to effectively respond to the question, "Did the vessel leave yet?", reducing their staffing from ten steps and five people
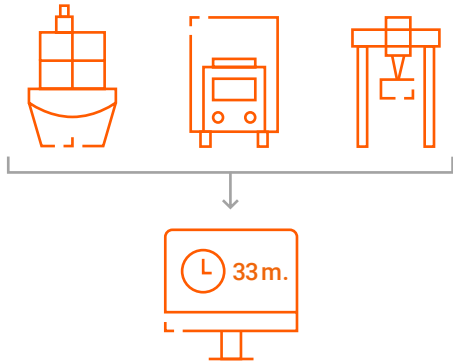
TradeLens saved the shipper an average of **33 minutes** of emails, phone calls and manual EDI entry—per shipment. That translates to a savings of more than $100,000 over the course of handling thousands of shipments each year. It also free's up your best staff to focus on higher value customer engagement.

WITH TRADELENS YOU CAN

+ Integrate seamlessly to multiple supply chain parties via the platform business model.

+ Support your internal and external stakeholders with access to secure, authenticated information and key shipping documents.

+ Be confident that you are providing accurate updates to your customers with data direct from their source.

Contact your IBM or Maersk sales rep today to find out how you can increase productivity, cut down on query response times and drive greater customer satisfaction.

Or, reach out to us directly at **www.tradelens.com/connect**

TRADELENS