

SURVEY OF EXPORTERS

Disruptions + Costs of Changes to Earliest Return Date

Conducted by

AgTC Agriculture Transportation Coalition and **TRADELANES**

Technology to get cargo to
destination, faster, reliably,
and more profitably

OCTOBER 2020

Problem

Inaccurate, undependable, and changing Earliest Return Dates present a threat to operations and to the bottom line. Without accurate, timely ERD information, exporters, freight forwarders, truckers, and other supply chain participants cannot schedule dray to the terminals; and exporters cannot reliably schedule production, truck, rail, and other logistics – resulting in excess costs (including demurrage, storage, chassis rental, etc.)

The costs and disruption related to ERD are presenting special challenges to our already embattled industry.

Survey Background

AgTC and TradeLanes conducted this research to gauge the scope, effect, and cost of ERD - and to jointly pursue solutions for the industry.

AgTC is dedicated to resolving transportation challenges facing its members – the nation’s agriculture and forest products exporters.

TradeLanes has developed advanced technology to streamline trade execution operations for commodities (including bringing helpful data solutions to its customers to help overcome disruptions from ERD changes).

Executive Summary

- Over 75% of respondents report that their carrier bookings do not always have a listed ERD.
- 78% of respondents report their shipments are incurring extra costs due to ERD changes.
- Most respondents report that since COVID-19, more than 25% of their shipments had ERD changes.
- 36% report ERD changes on more than 50% of shipments.
- 8% of respondents say 50% or more of their shipments incur extra costs due to ERD changes.

Executive Summary (cont'd)

- 7% of respondents have incurred additional costs of \$1,000 or more per shipment due to ERD changes.
- 87% have incurred more than \$100.
- Shippers are not particularly successful at getting charges waived after dispute.
- 55% of respondents were not able to get carriers or terminals to waive additional charges due to changes in ERD.

What's Next?

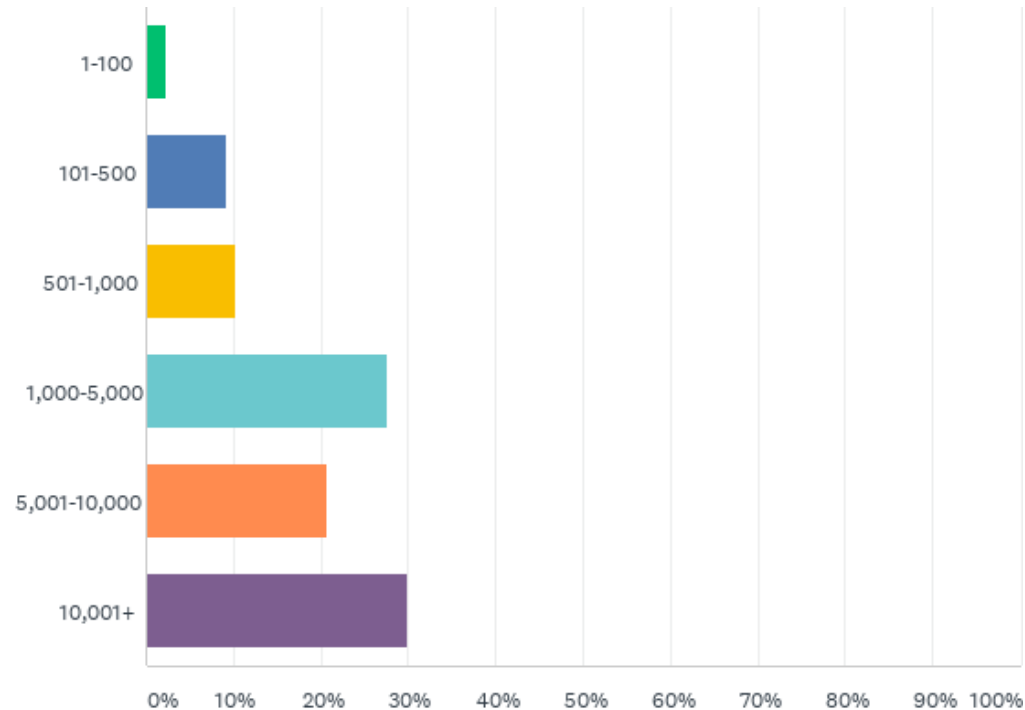
TradeLanes has developed technology to address the information challenges related to ERD.

Technology can solve much of the informational aspects of this issue, as TradeLanes can attest. But this problem cannot be solved by technology alone.

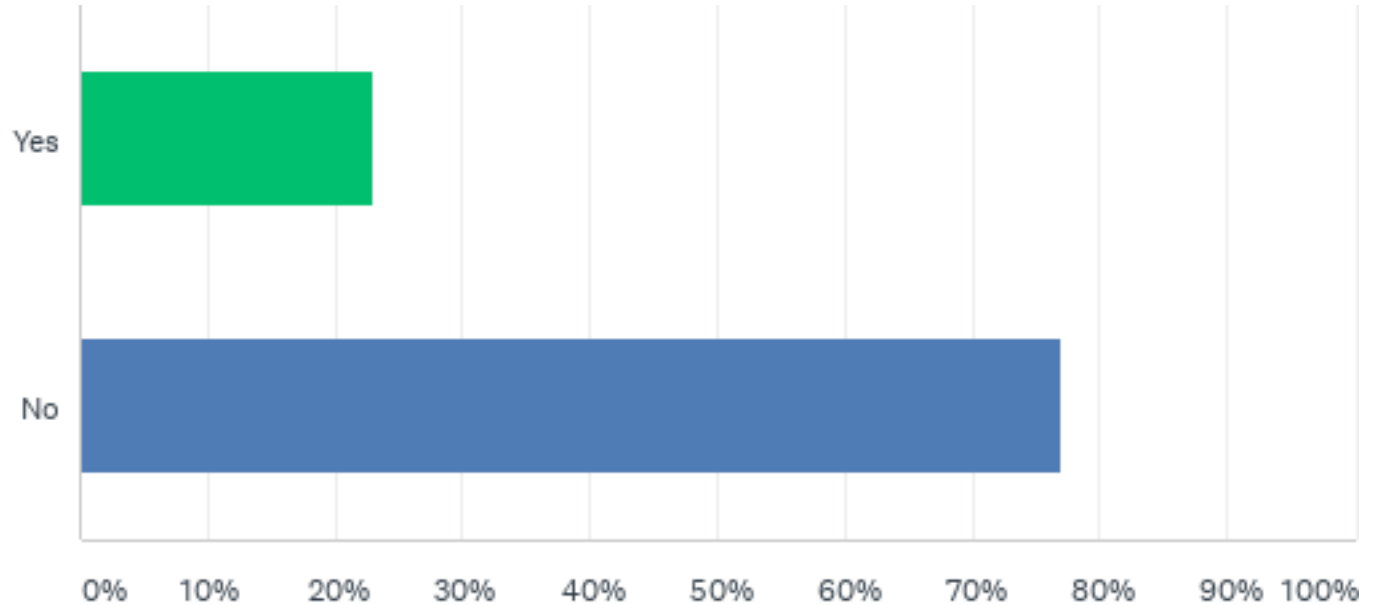
As an industry leader, AgTC is stepping up to the plate to advance conversations with carriers and actors along the supply chain to cooperate on better practice related to ERD.

For more information: info@agtrans.org and hello@tradelanes.co.

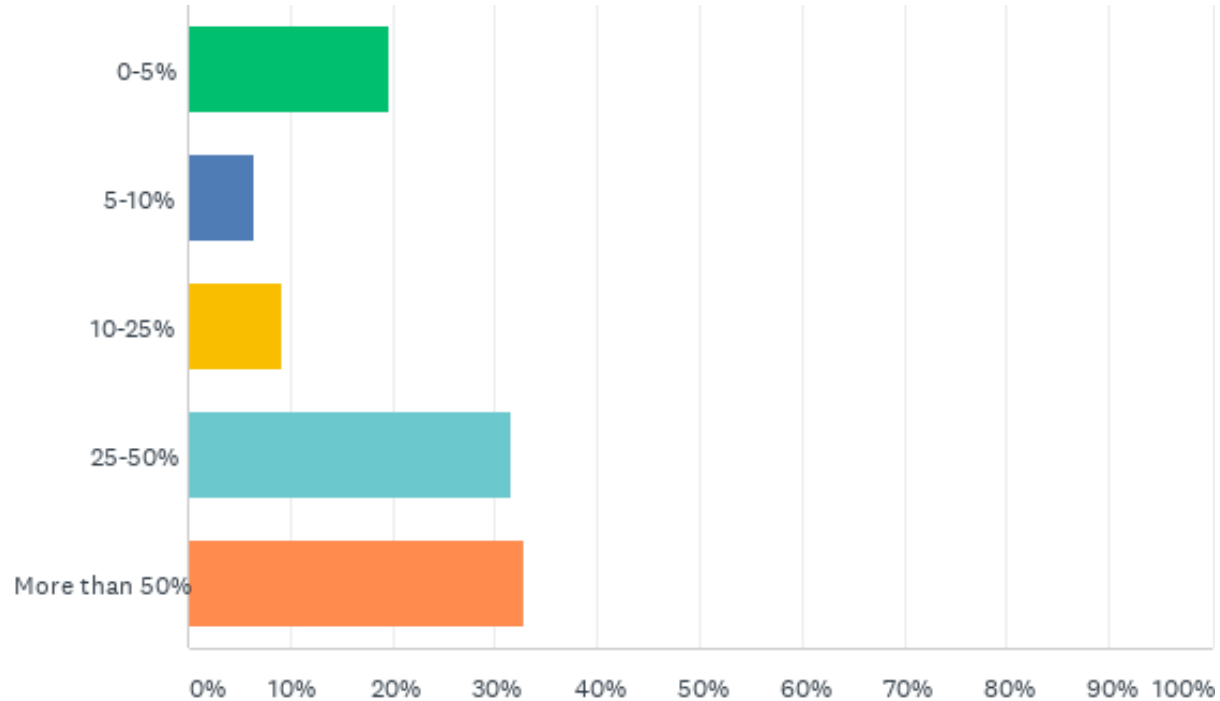
Size of responding organizations: How many ocean export containers do you ship per year?



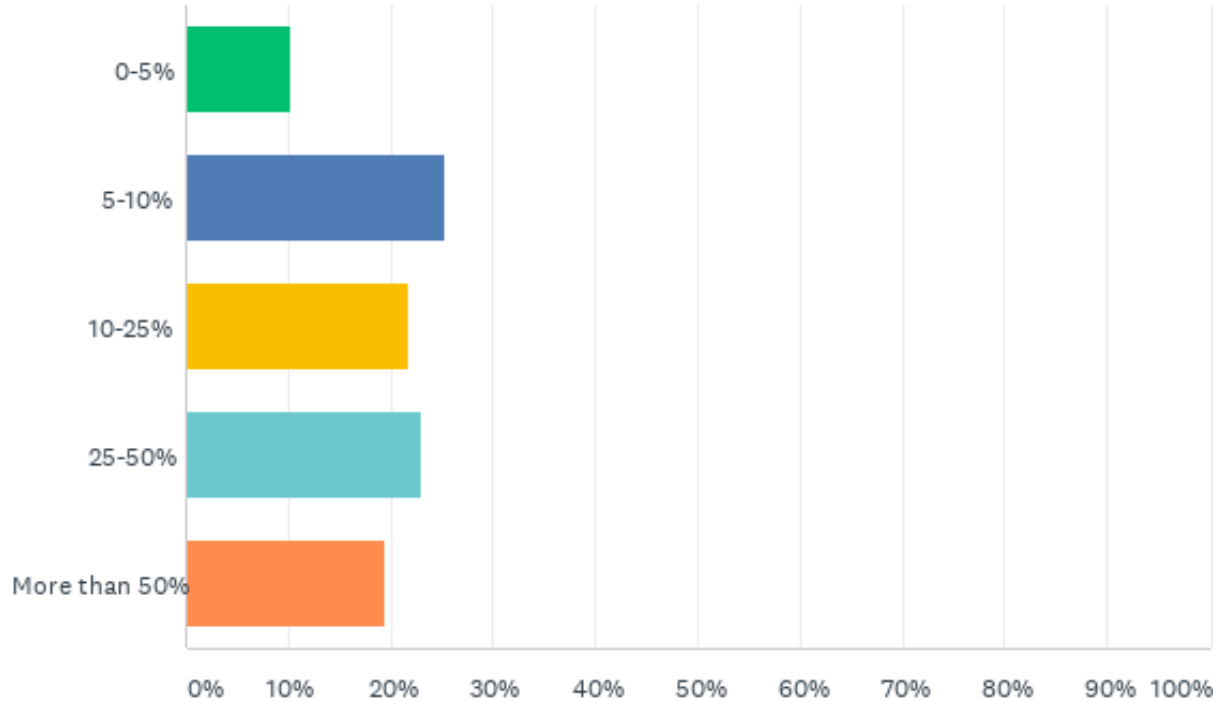
Do all of your carrier booking confirmations have a listed ERD?



If not, what approximate percentage are missing a listed ERD?



Prior to the COVID-19 period, what approximate percentage of your bookings have had ERD changes?

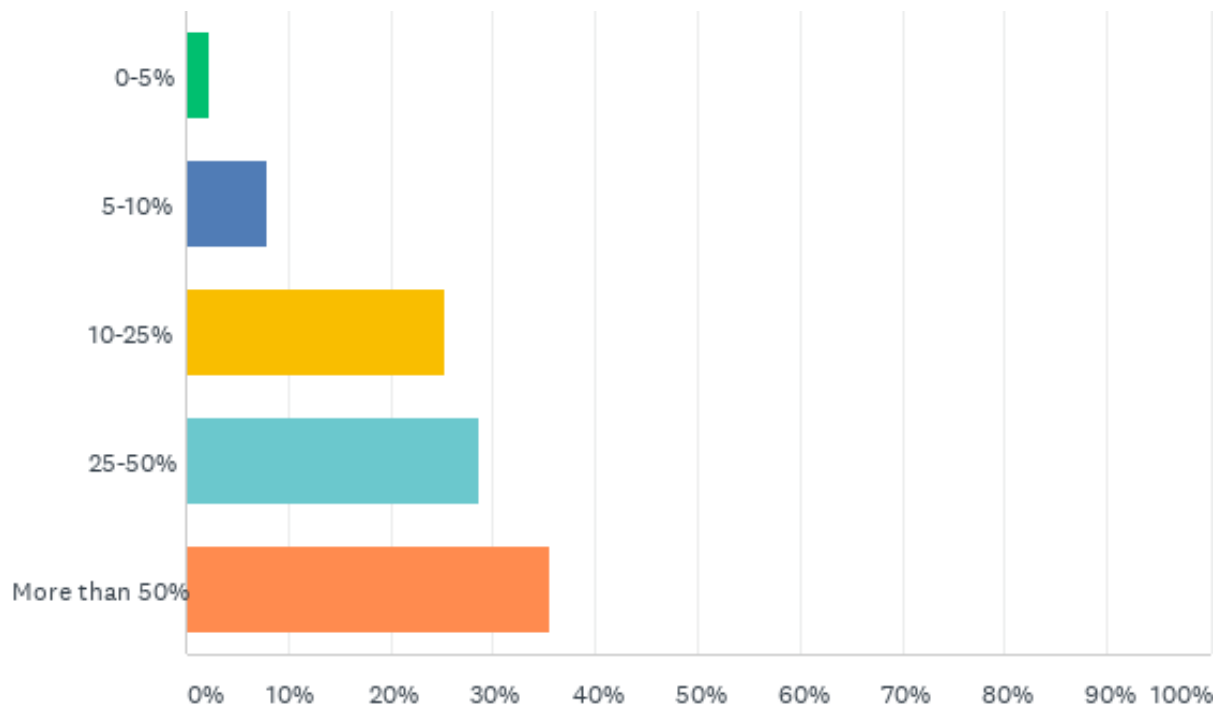


How do you learn of changes to the booking confirmation ERD date?

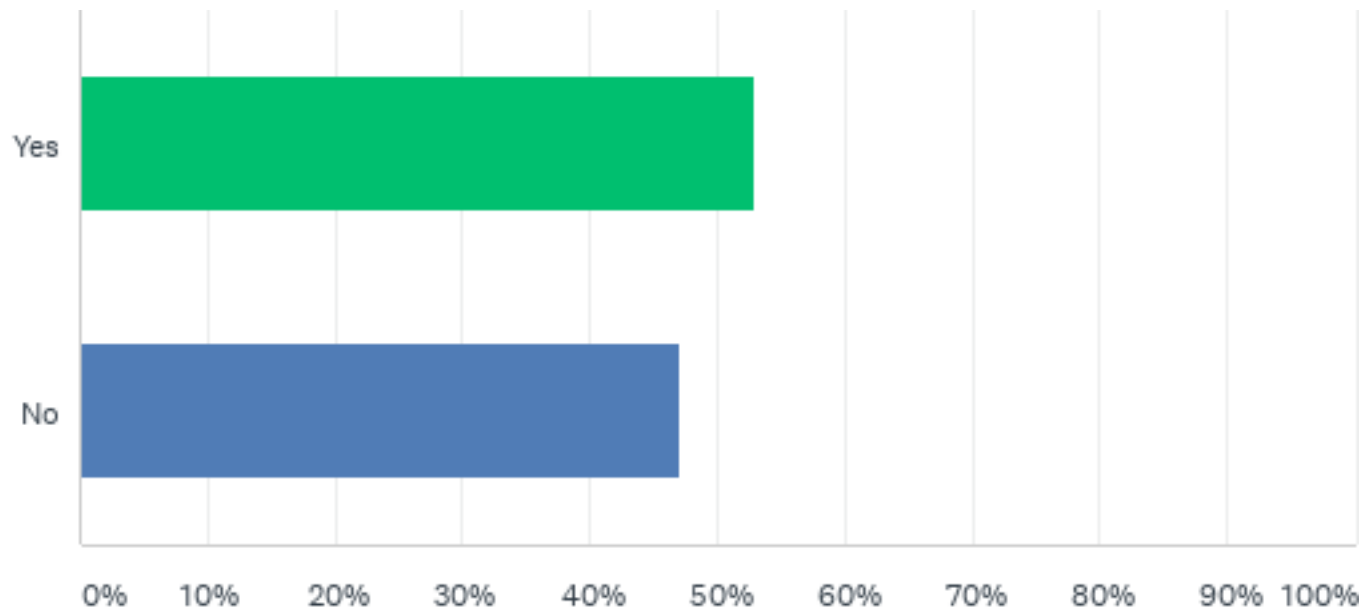
Most commonly, members learn about ERD date by watching the marine terminal website. They also learn of changes:

- Directly from the carrier
- Hearing from the inland rail ramp
- Lastly (and less commonly), by checking the carrier website

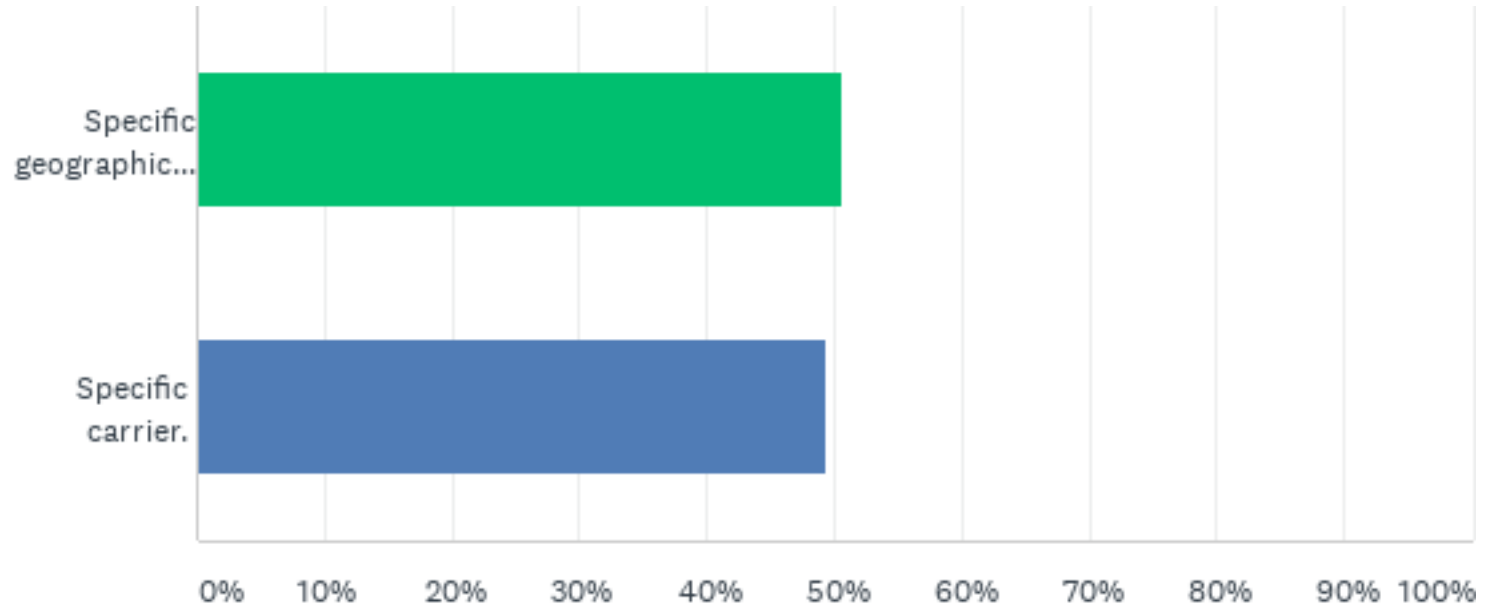
During the COVID-19 period, what approximate percentage of your bookings have had ERD changes?



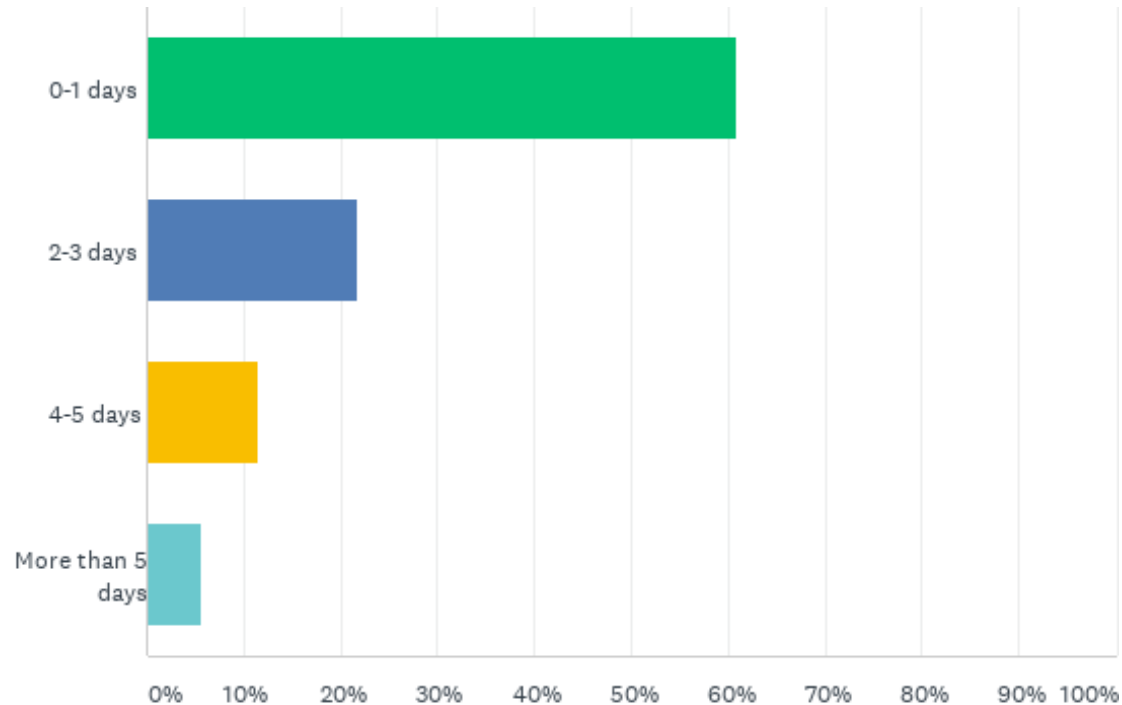
Are the carrier's ERD practices a factor in selecting which carrier to contract with?



Where are you experiencing the biggest problems?

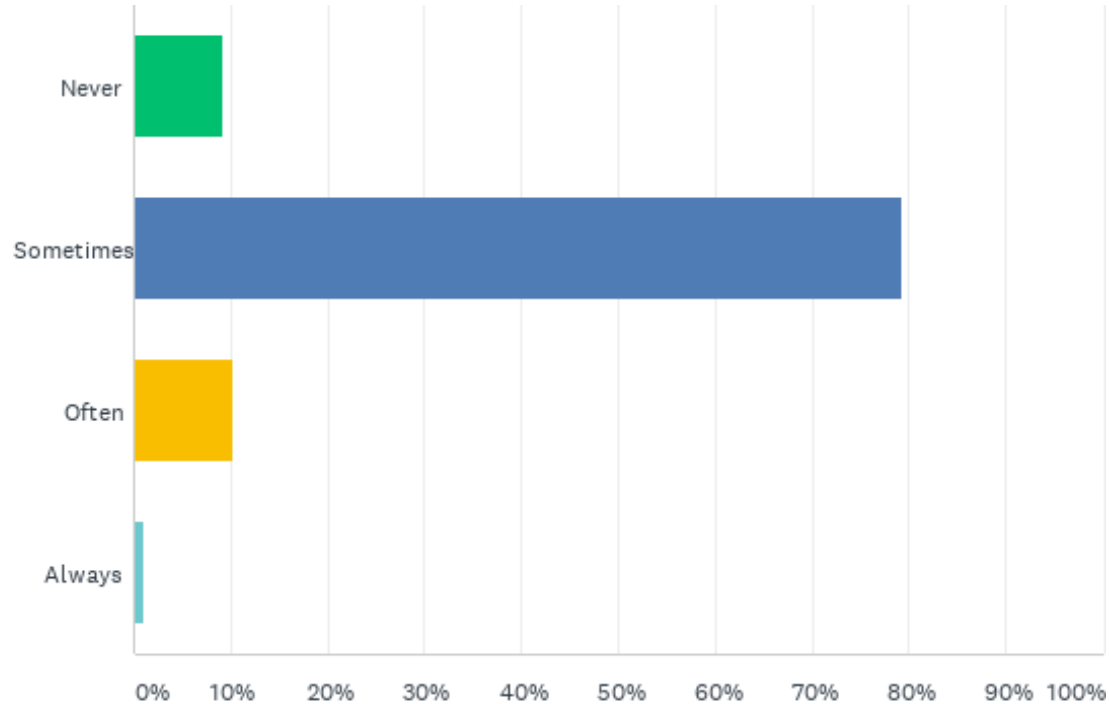


How many working days prior to the ERD date does the carrier update you with an actual ERD?

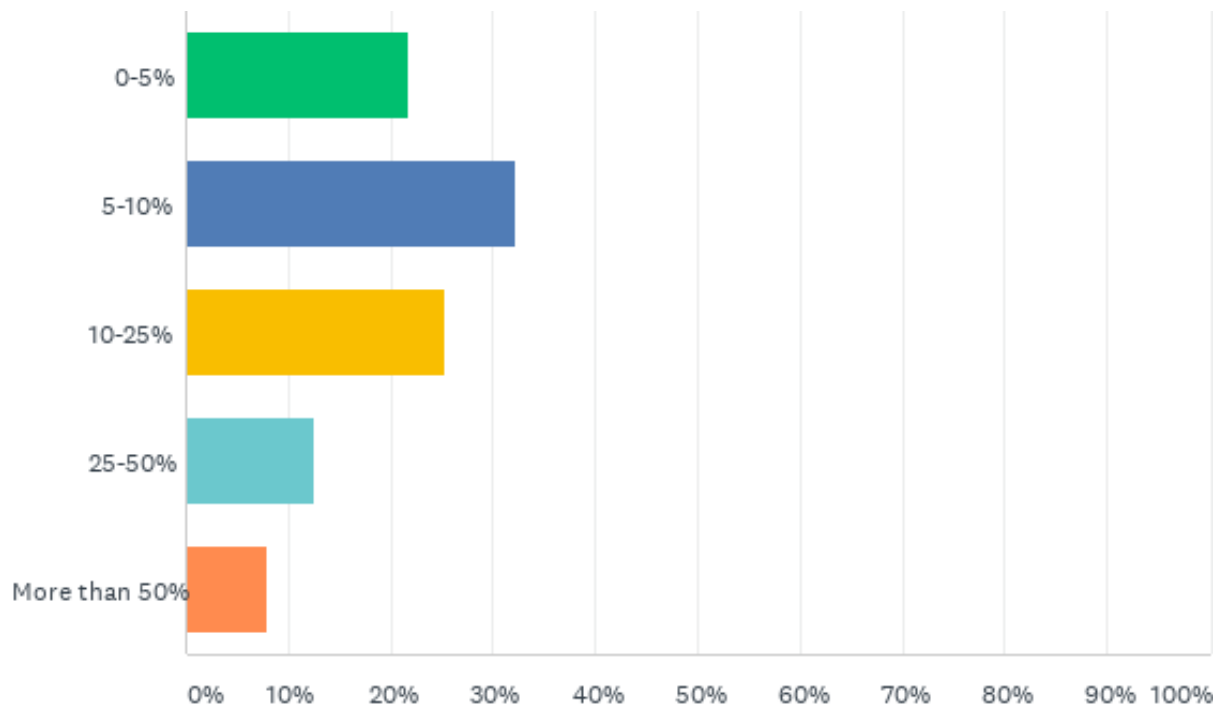


“We are facing situations where we already have the containers picked up and ready to return and are not able to because of the change happening so close to ERD. Often times the fact that we cannot return the scheduled number of containers it greatly impacts our bottom line.”

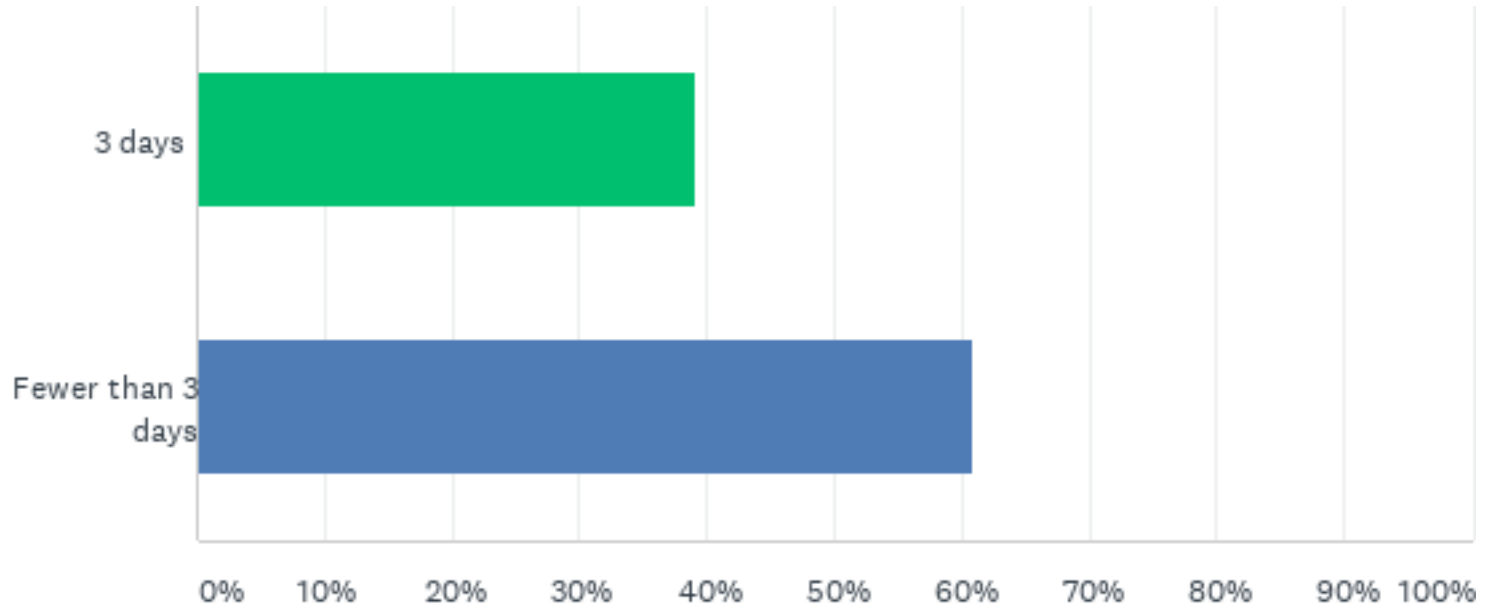
Once the ERD date appears on the terminal's website, does it match your latest booking confirmation or booking details from the ocean carrier?



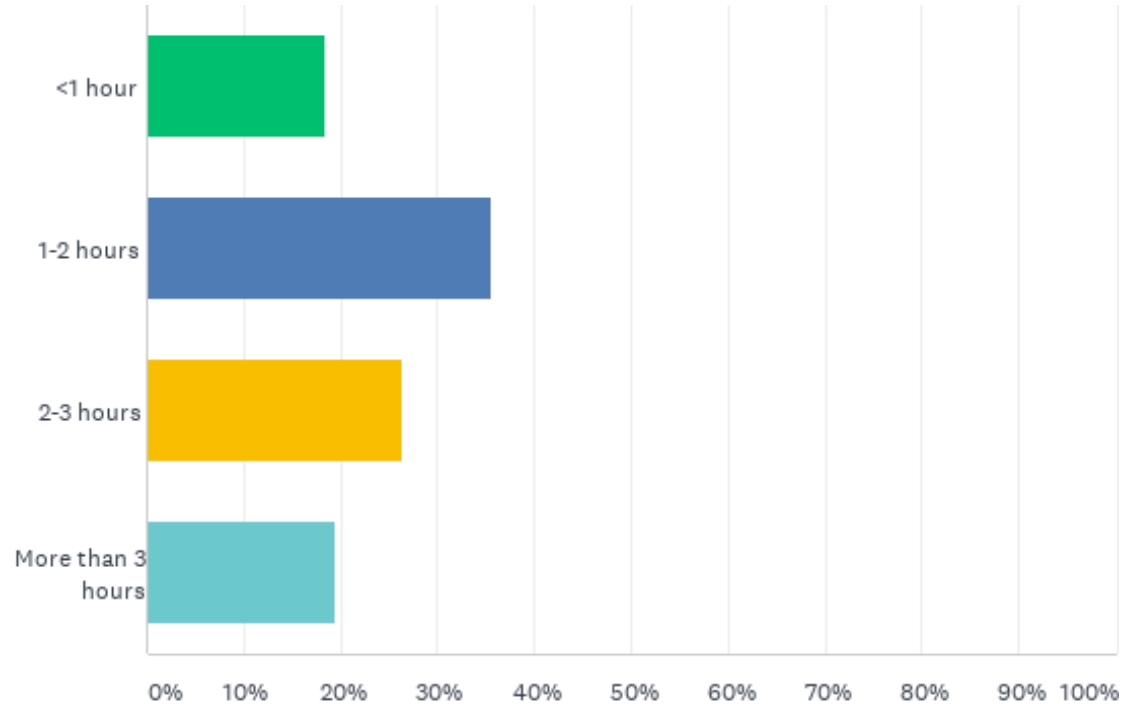
What percentage of your shipments incur extra costs due to a carrier's ERD changes?



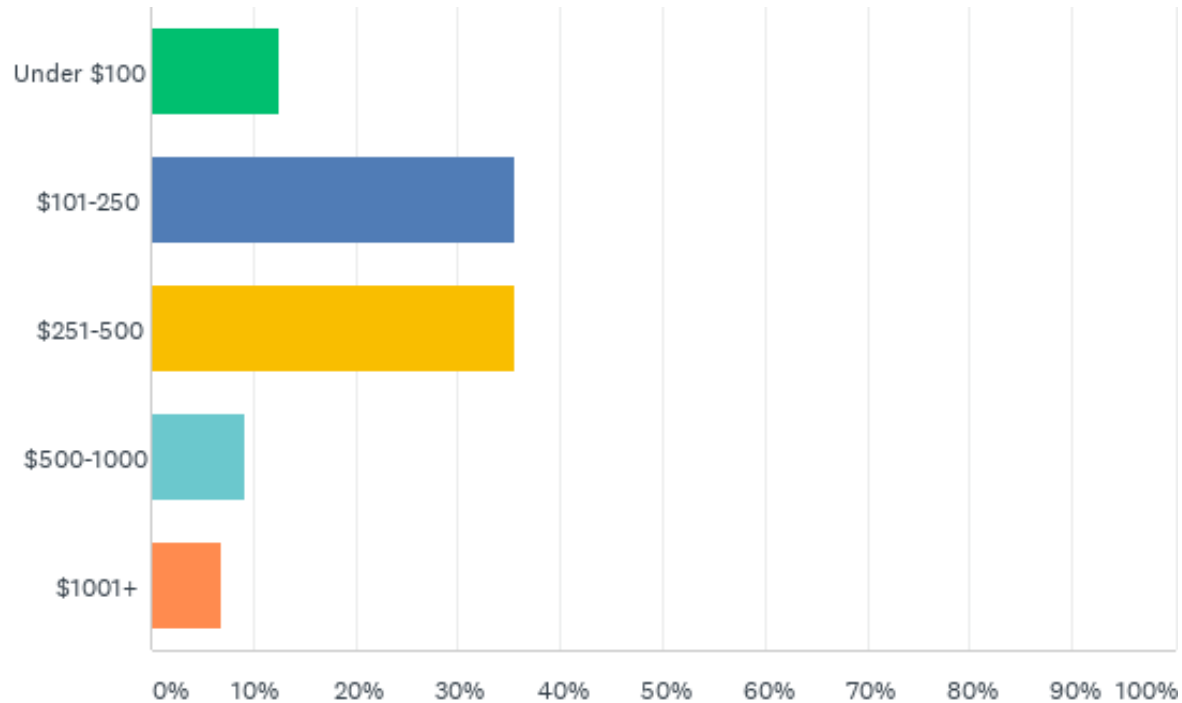
On average, when the ERD is, say 3 days prior to cargo cut, how many days does this actually provide to turn in containers, given the terminals may not be open daily?



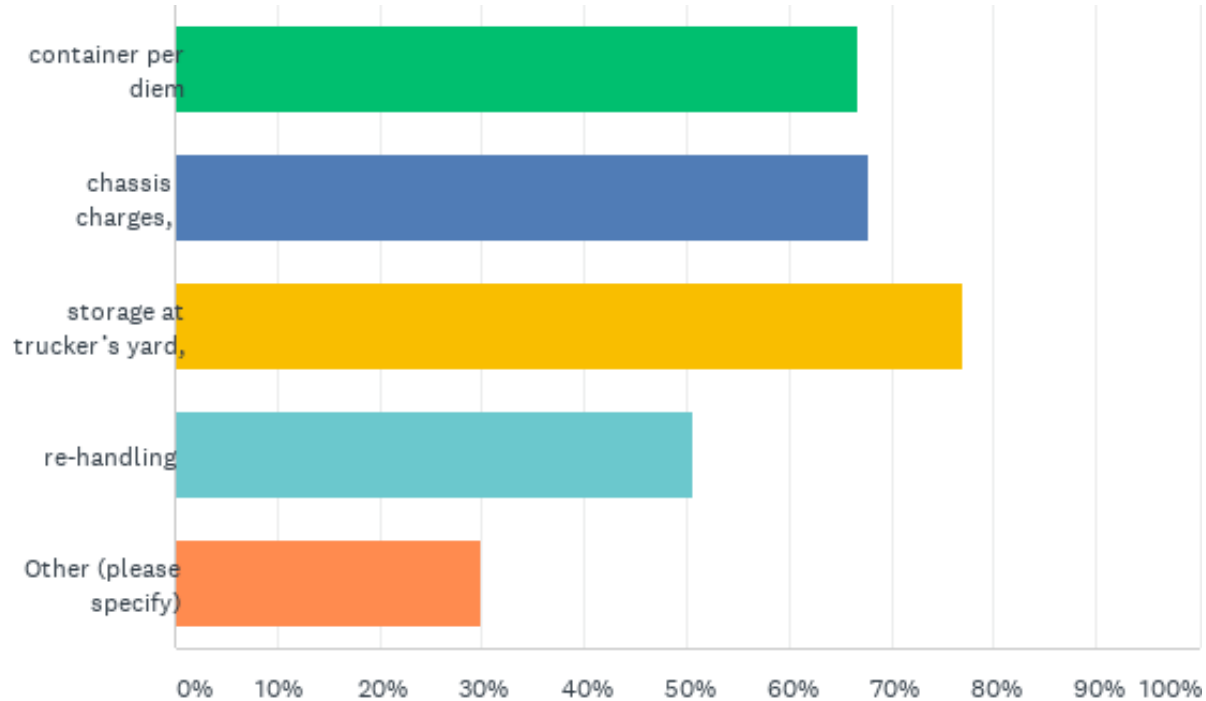
On average, how much time does it take to manage a shipment when the ERD changes less than 5 business days before sailing?



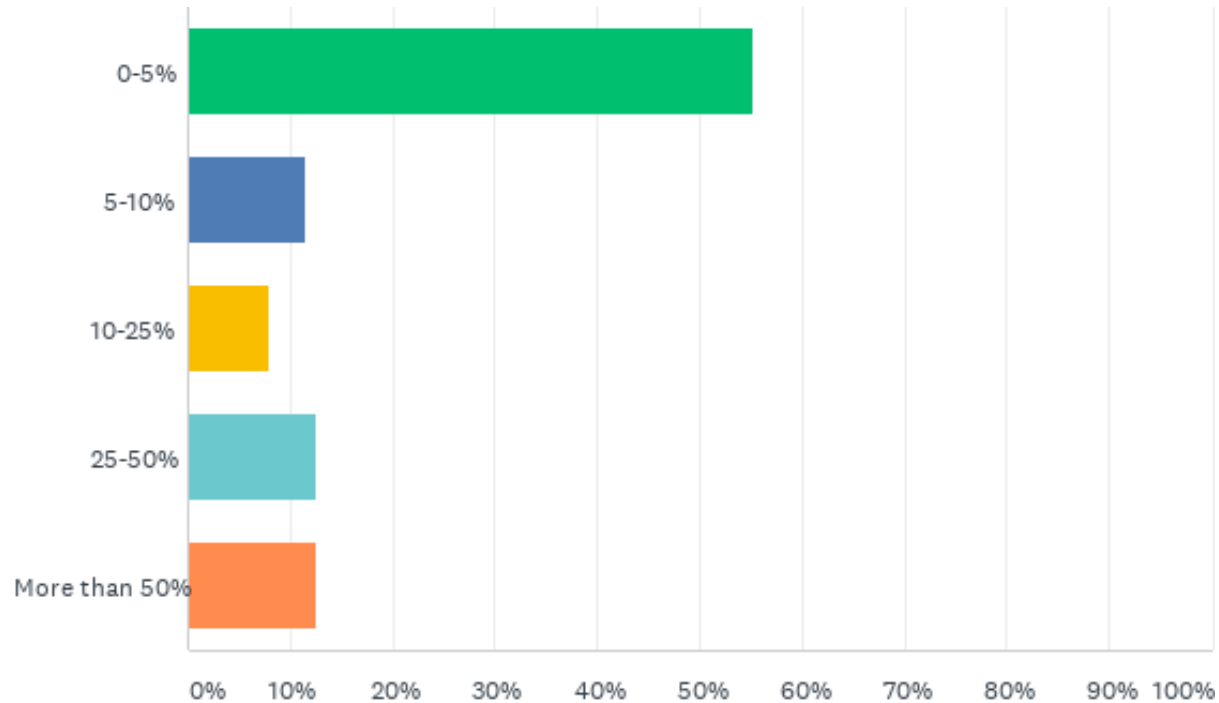
What is the average cost per container to you due to ERD changes (including container and chassis charges, storage at trucker's yard, re-handling)?



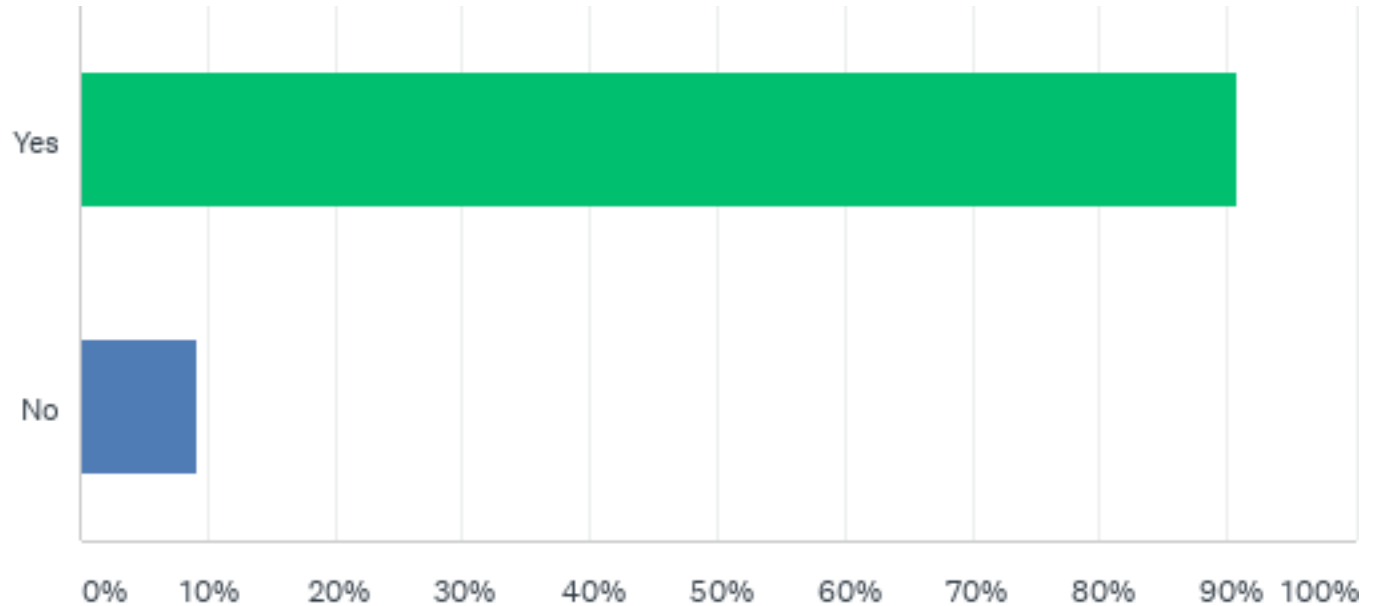
Please describe specifically the costs incurred due to changes in ERD.



What percentage of total charges are canceled or waived by the carrier after dispute?



Overall, do you think that issues with ERD are critical enough that it merits collective industry action?



What's Next?

TradeLanes has developed technology to address the information challenges related to ERD.

Technology can solve much of the informational aspects of this issue, as TradeLanes can attest. But this problem cannot be solved by technology alone.

As an industry leader, AgTC is stepping up to the plate to advance conversations with carriers and actors along the supply chain to cooperate on better practice related to ERD.

For more information: info@agtrans.org and hello@tradelanes.co.



TRADELANES

We are a technology company building the future of global trade.

We apply advanced technology and artificial intelligence to make global trade smarter, faster, easier, and more profitable.

Our core product, the TradeLanes Trade Delivery Platform, transforms B2B trade - bringing trade execution operations entirely online and leveraging data and machine intelligence to drive simplification, efficiency, and performance. We are the new way businesses trade with other businesses.

Learn more about how to leverage technology to win:

hello@tradelanes.co | +1-888-253-6580 (US)

AgTC Agriculture Transportation Coalition