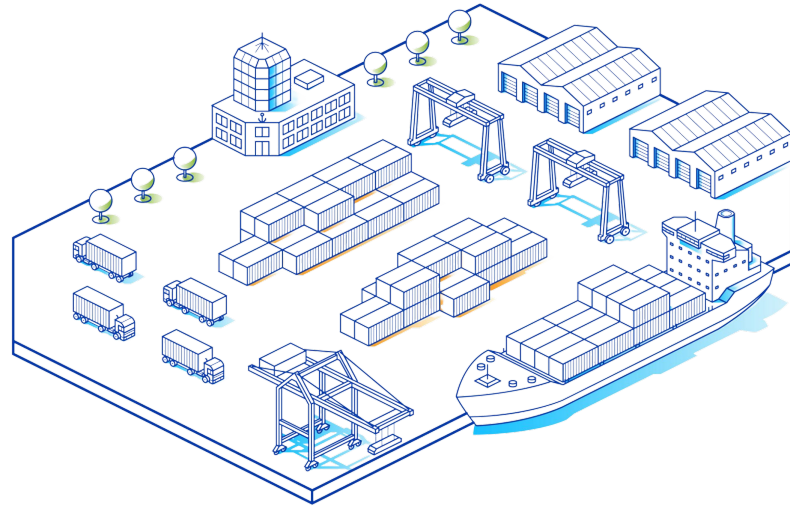


Vessel Schedule Impact Report 2023

Insights on Challenges and Costs for US Exporters

Q4 2023 - SURVEY OF EXPORTERS



research coordinated with



Specialty Crop
Trade Council

U.S. Meat
Export Federation

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INTRODUCTION

Welcome to the 3rd Annual Survey of Exporters Report

TradeLanes released its first Survey of Exporters Report back in 2020 with the Agriculture Transportation Coalition (AgTC) to gauge the scope, effect, and cost of Earliest Return Date (ERD) changes. The aim was to understand if exporters believed that this issue merited industry-wide attention.

That first year, we collected a modest dataset of exporters that fostered industry-wide attention. It was covered by [Journal of Commerce](#) (JOC.com), [American Shipper](#), [Lloyd's List](#), [FreightWaves](#), the [American Journal of Transportation](#), the [LoadStar](#), [Feedstuffs](#), and many more...

Fast forward to 2023. The interest in solving ERD challenges continues to be a top priority. In coordination with AgTC, Specialty Crop Trade Council and USMEF, we surveyed approximately 200 exporters.

This allowed us to cut the data in new ways.



TRENDS IN THE DATA



The impact of ERD changes is intensifying year-over-year



Some of the most fascinating findings from this year's report include:

- ERD changes have increased across the board, with a 6% rise. **Ninety-eight percent of bookings now experience ERD changes**, compared to 92% in the previous year.
- A higher percentage of shipments are incurring extra costs due to ERD changes. **Eighty-three percent of shipments now face additional costs**, up from 78% in the previous year.
- Distributing container volume across multiple ports reduces extra per container costs from ERD changes. This involves a trade-off.

Keep reading for over 20 pages of insights into U.S. exporters and trends related to vessel schedule changes. Let us know which insights stood out to you.

INDUSTRY ASSOCIATION SUPPORT



We are actively expanding our research partner network for future surveys - reach out if you'd like to participate

A SPECIAL THANKS TO OUR RESEARCH PARTNERS

AgTC



Specialty Crop
Trade Council

**U.S. Meat
Export Federation**

2023 CORPORATE SPONSOR

TRADELANES

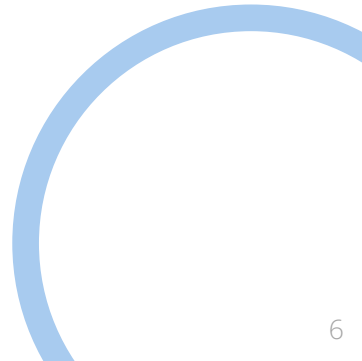
TradeLanes prevents extra costs caused by daily shipment changes. Our software automatically collects and validates shipment data, so your team can:

- Adapt to daily vessel schedule changes quickly
- Minimize pre-sailing costs with accurate Early Return Dates from Port Terminals
- Avoid documentation delays caused by manually triple-checking shipment changes

Export managers come to TradeLanes for these distinct capabilities.



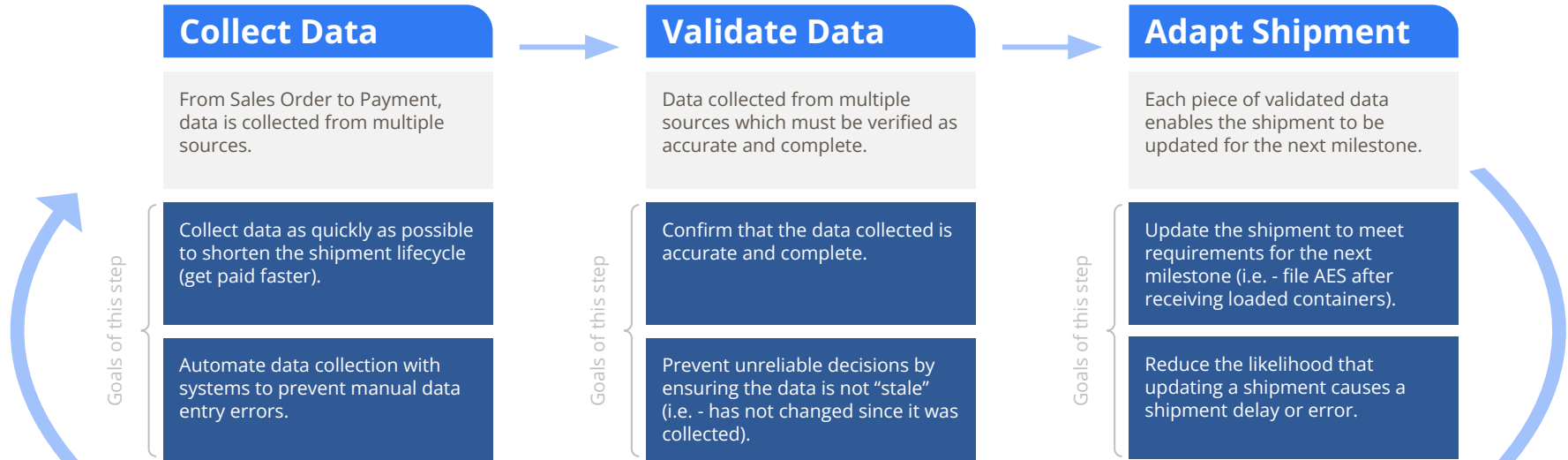
SNAPSHOT: PERFORMANCE ACROSS THE SHIPMENT LIFECYCLE



SHIPMENT LIFECYCLE



To win in today's market, shorten this cycle with automation



Repeat this flow for each milestone of the export process (i.e. - until the shipment is delivered and payment is received)



SNAPSHOT: SUMMARY OF RESULTS



Relying on "pre-pandemic" practices increases delays and costs

COLLECT: Post-pandemic supply chains now experience at least five (5) shipment changes a day. This is the new normal, where the exception is the rule.

The effort required to collect shipment data intensifies year-over-year. Costs increase \$99.89 per shipment, on average, for those using "pre-pandemic" practices.

VALIDATE: Exporters continue to experience data issues when validating ERD changes due to the inconsistencies of data between three (3) main sources:

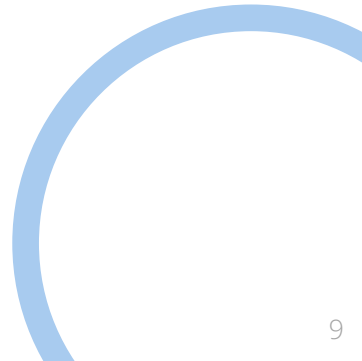
1. Port Terminal Operator
2. Ocean Carrier
3. Ocean Carrier Network (if booked via a network)

ADAPT: Coping with non-stop shipment changes requires more time and resources than before:

- On average, respondents take 41 minutes to adjust a shipment due to an ERD change.
- Respondents who "Always" file a dispute when errors are found on a carrier's invoice, experience a 79% chance of having extra fees waived.
- Many exporters have established a dedicated "Logistics Coordinator" role solely for handling shipment changes received from ocean carriers.
- Data-driven best practices help minimize lost sales due to ERD changes.



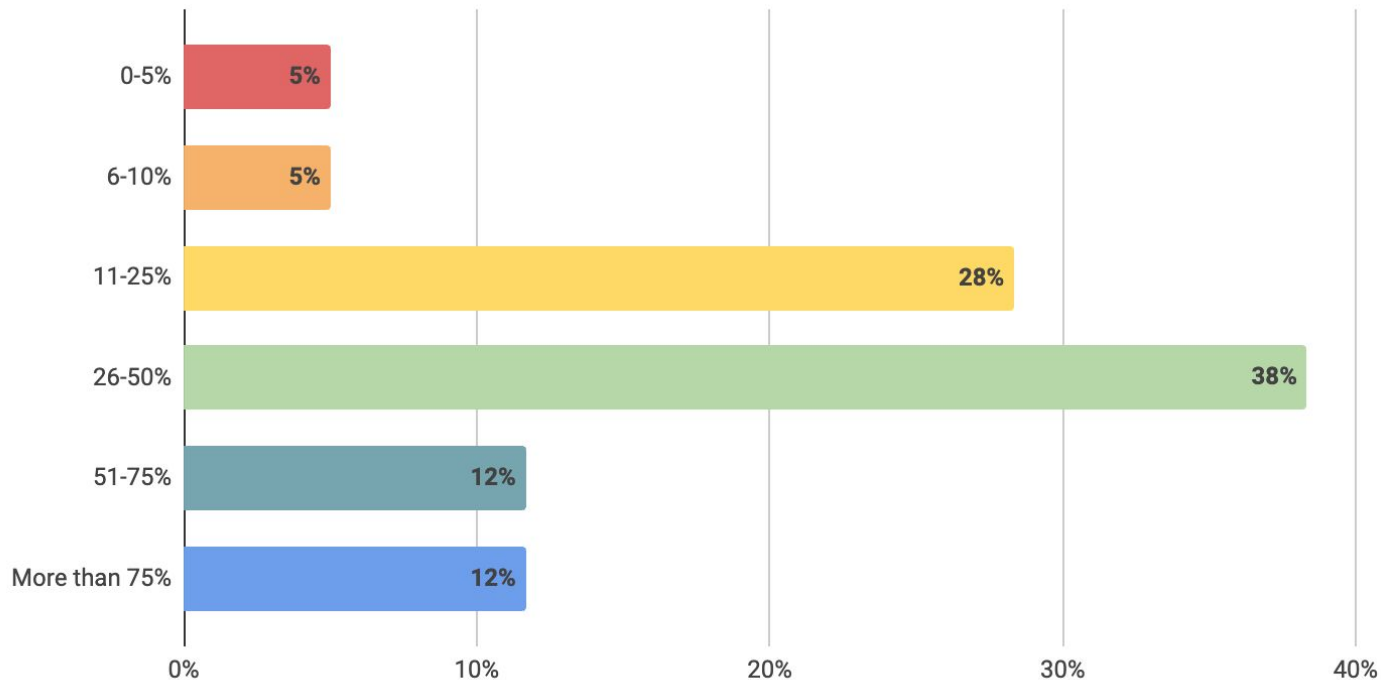
Cost of Changing ERDs



Booking Confirmations Missing a Listed ERD



Q: What approximate percentage of your booking confirmations were missing a listed ERD?



In our previous report, 33% of respondents reported missing a listed ERD more than 50% of the time. This year, that number has decreased to 24%.

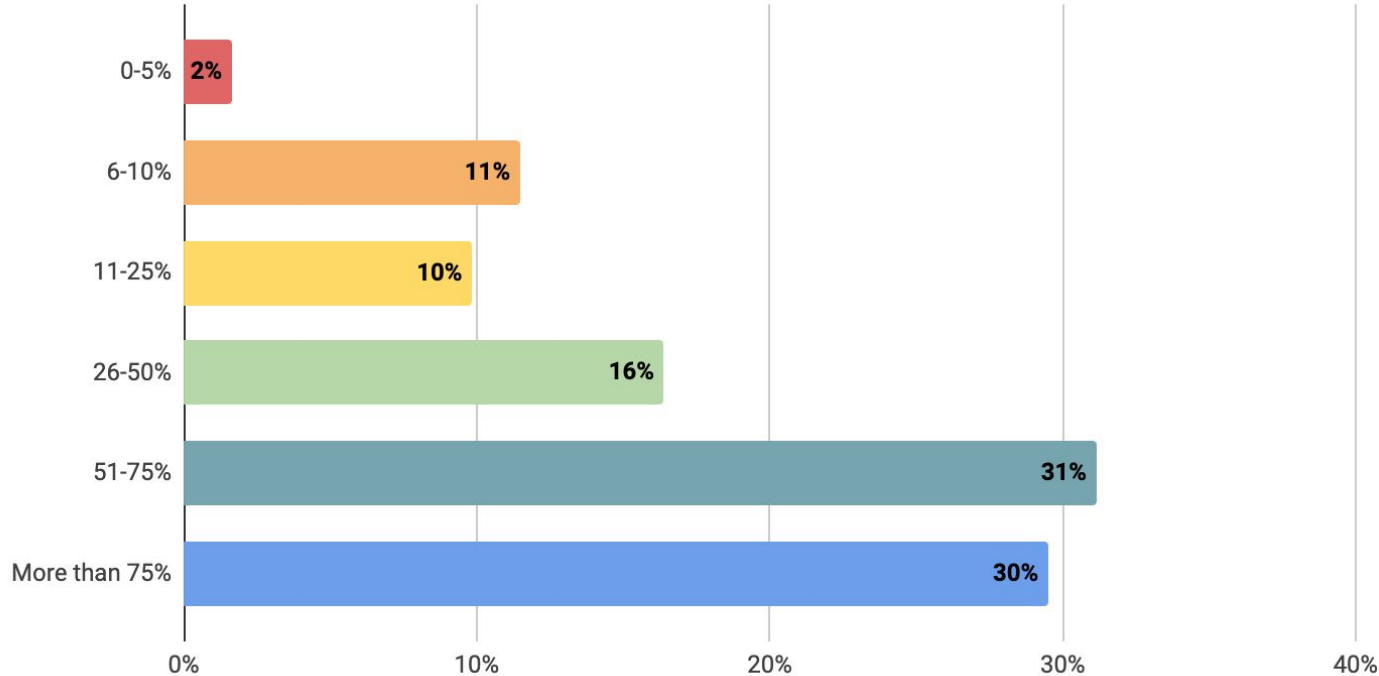
- Is this improvement due to OSRA?*
- Is this improvement due to carriers making upgrades?*

Our current hypothesis, is that it's a combination of both.

Percent of Bookings with ERD Changes



Q: What approximate percentage of your bookings had ERD changes?



ERD changes are up across the board, significantly.

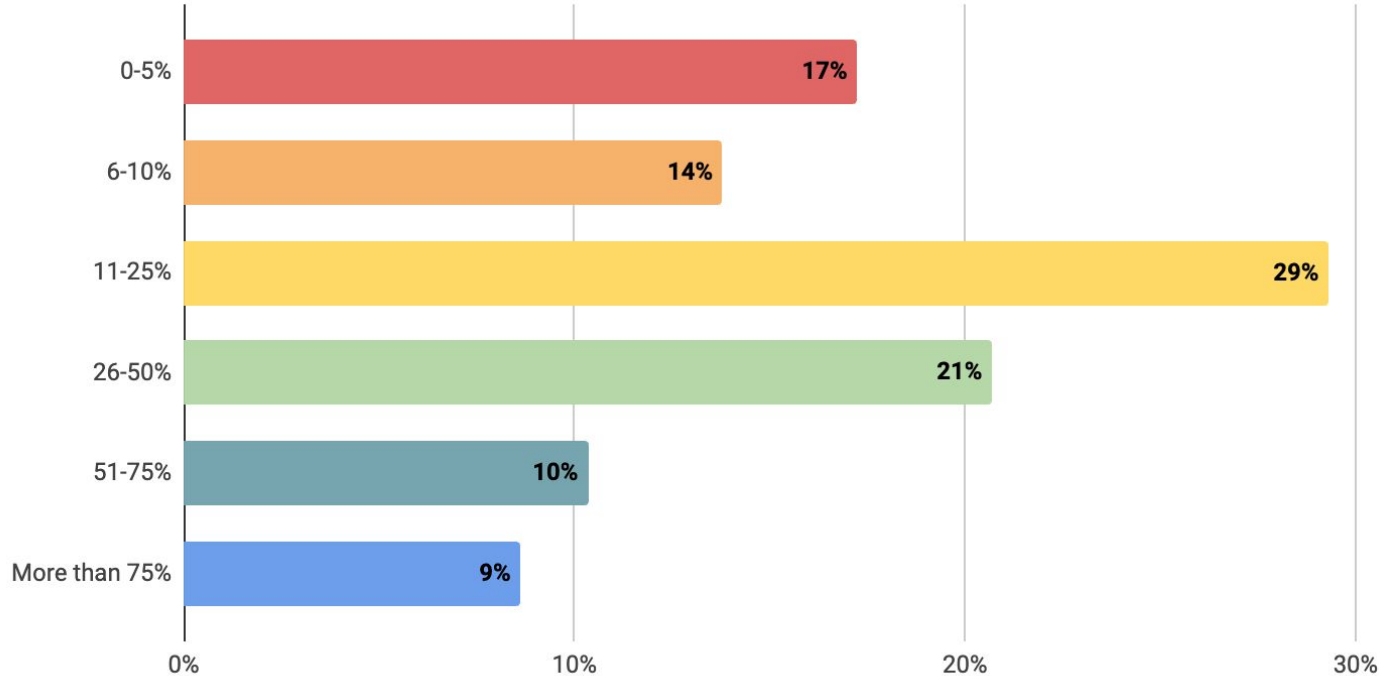
On average, an exporter can expect an ERD change on 54% of their bookings, versus 30% in the previous year.

This is in line with expectations of a “new normal” in container shipping.

ERD Changes - Frequency of Extra Costs



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



The frequency of extra costs has increased.

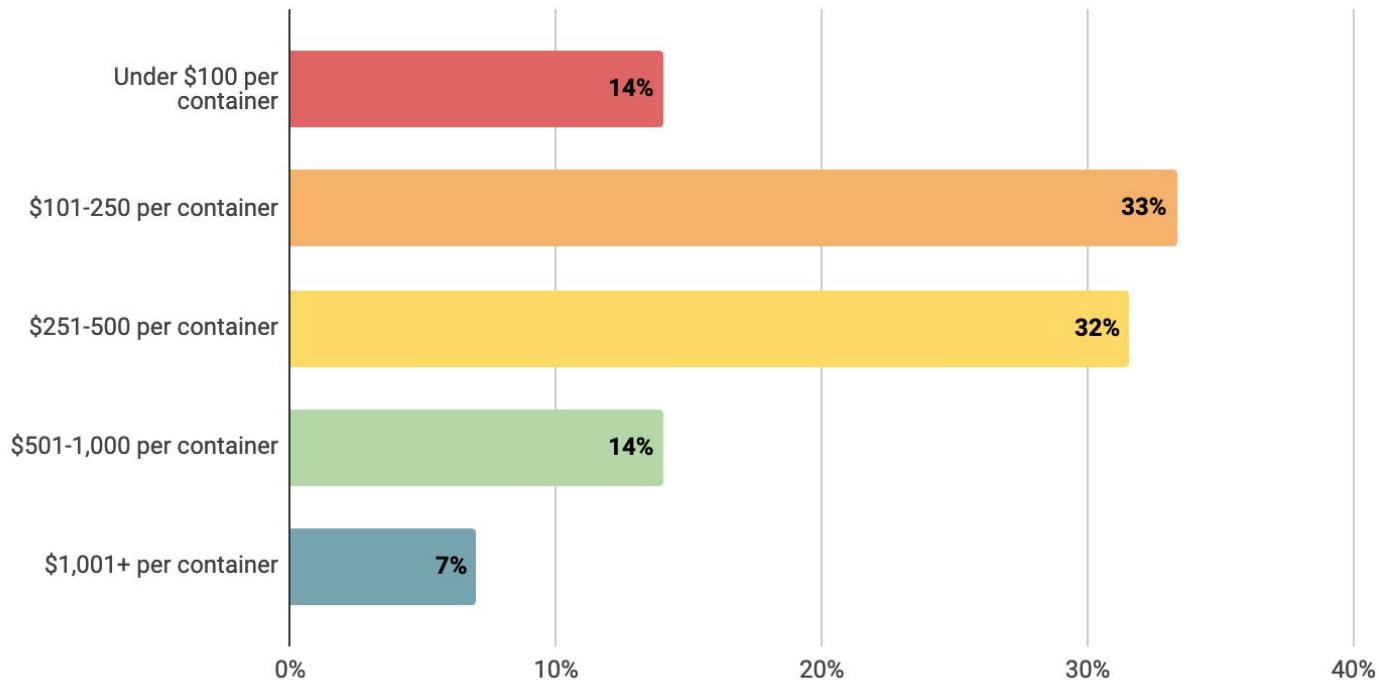
On average, an exporter can expect 28% of shipments to incur extra costs due to ERD changes.

In our previous report, an exporter only expected 18% of shipments to incur extra costs, on average, due to ERD changes.

ERD Changes - Cost Per Container



Q: When the ERD changes, how much additional costs per container are you incurring all-in?



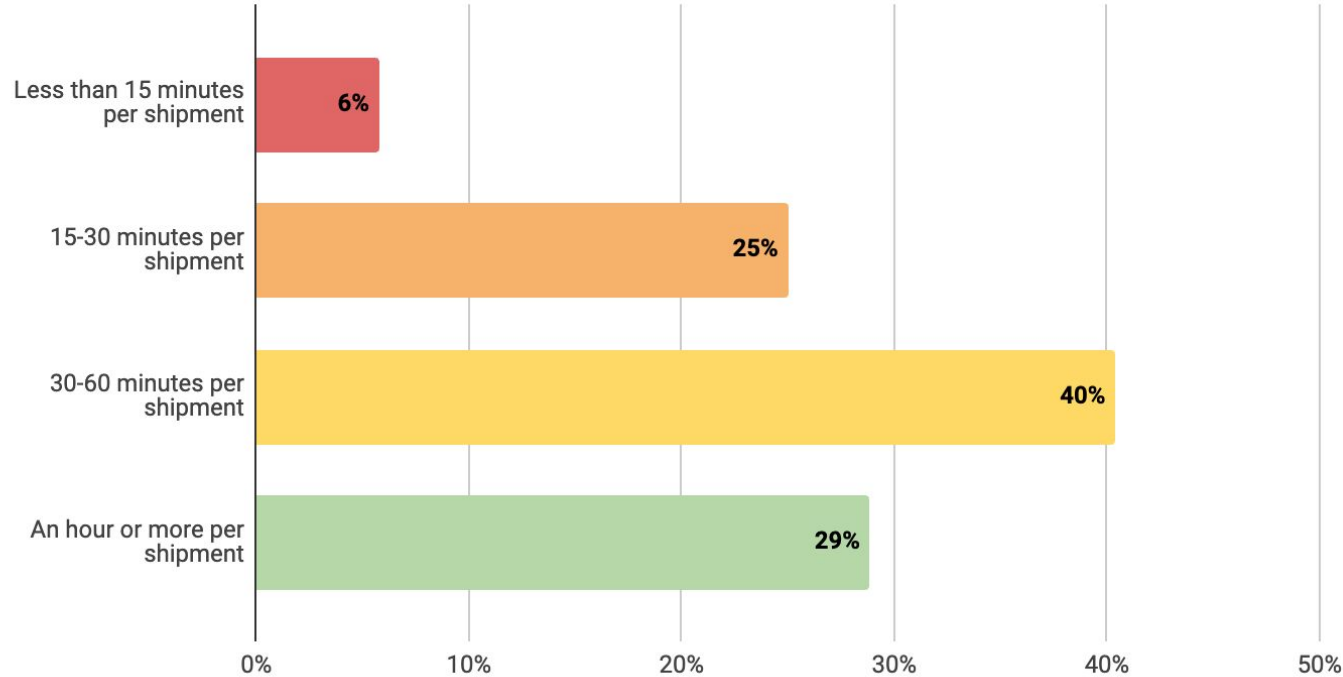
The reported average costs per container, when the ERD changes, is between \$356.91 and \$361.52.

Footnote: These additional costs include container and chassis charges, storage at the trucker's yard, and re-handling

Time Required to Fix ERD Changes



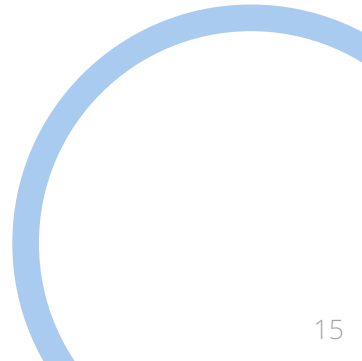
Q: How time-consuming is fighting off these challenges?



Respondents, on average, spend between 41 to 45 minutes combating challenges arising from an ERD change on a shipment.



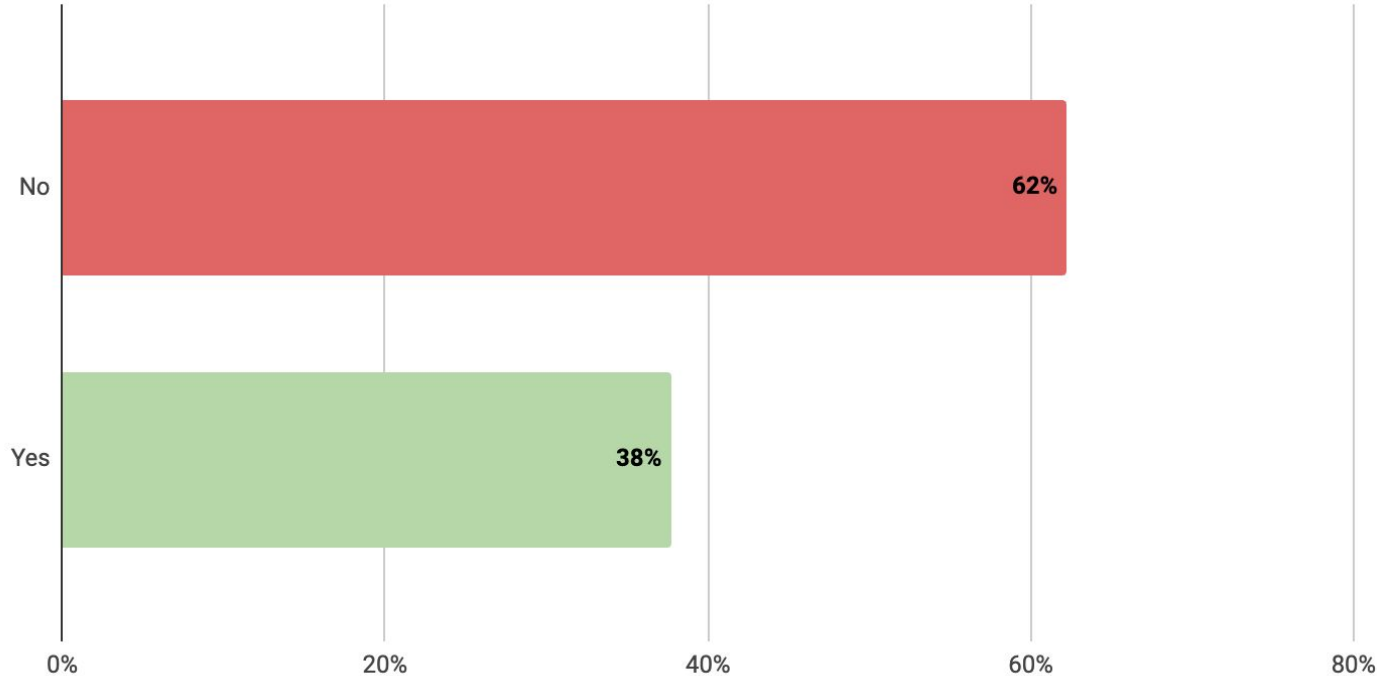
Availability of ERD Data



Observed Improvements in ERD Data



Q: Has there been improvement in the frequency of available data since OSRA 2022 was passed?



This is the first year we are able to ask this question. OSRA for the win!

With 38% of respondents seeing improvements in ERD data availability, the data reinforces this in specific ways.

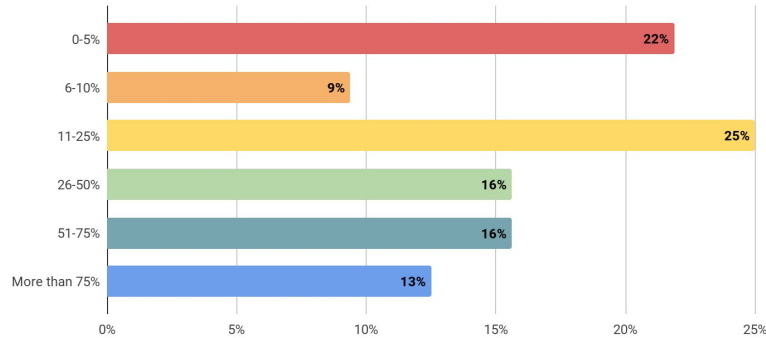
See the relationship between the "improvement in ERD Data" and the "amount time extra costs were incurred", on the next page.

Cross Tab: Improvement of Data vs Extra Costs



This is a cross tabulation of "Improvement of Availability of ERD Data" and "Extra Costs Incurred from ERD Changes"

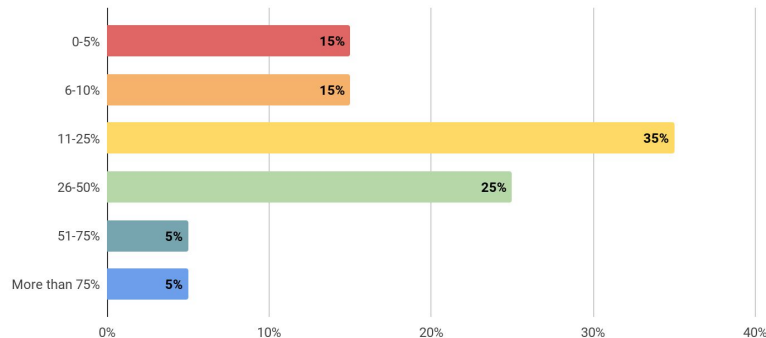
No Improvement



"**Lack of improvement**" in the Availability of ERD data correlated to "**percentage of ERD Changes**".

Respondents who experienced ERD changes more frequently were 75% more likely to observe "**No Improvement**" in the Availability of ERD data.

Yes, Improved

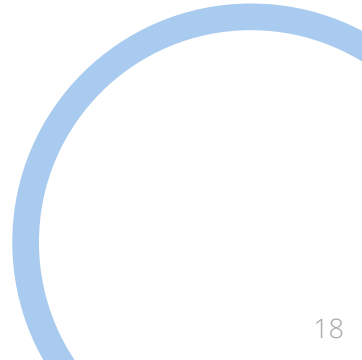


"**Improved**" Availability of ERD data correlated to "**how much extra costs**" were incurred as a result of ERD changes.

Respondents who incurred extra costs less frequently were 65% more likely to observe an "**Improved**" Availability of ERD data.



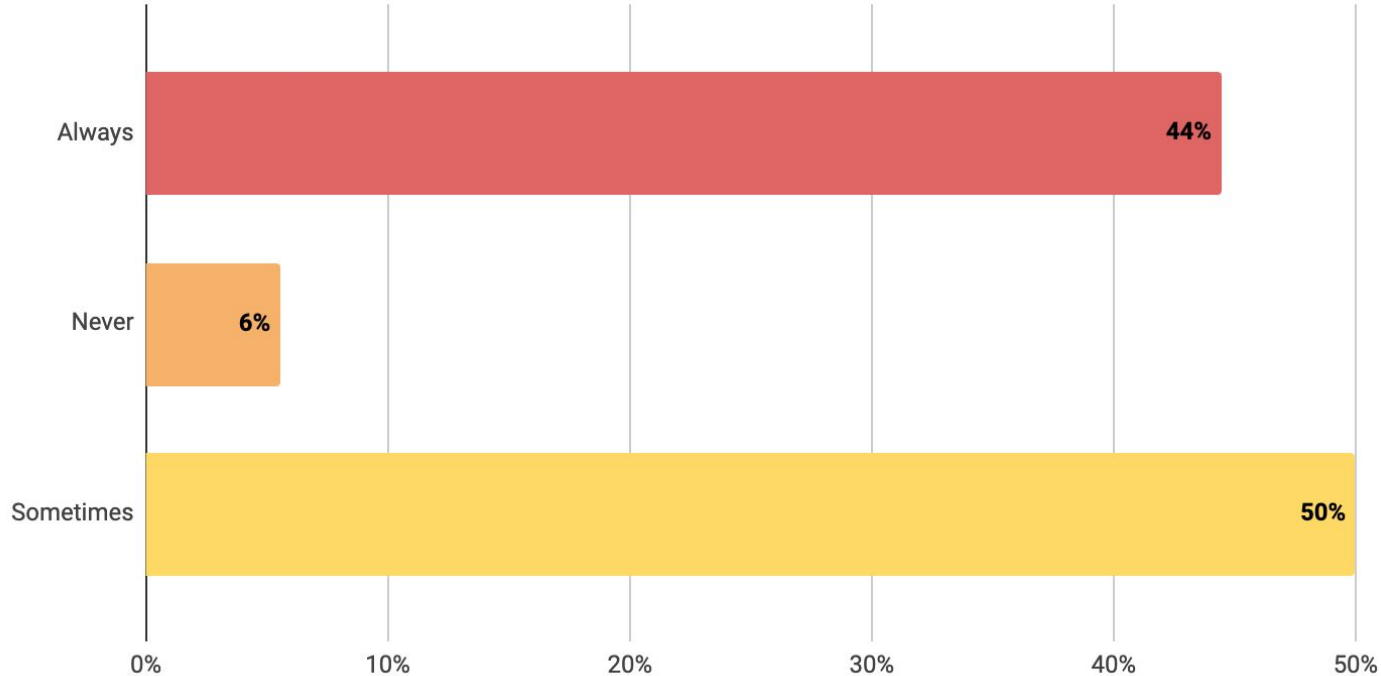
Disputing ERD Changes



Filing a Dispute Due to Invoice Errors



Q: How often did you file a dispute if you found an error on a carrier's invoice? I.e. - detention/demurrage charges you're not responsible for



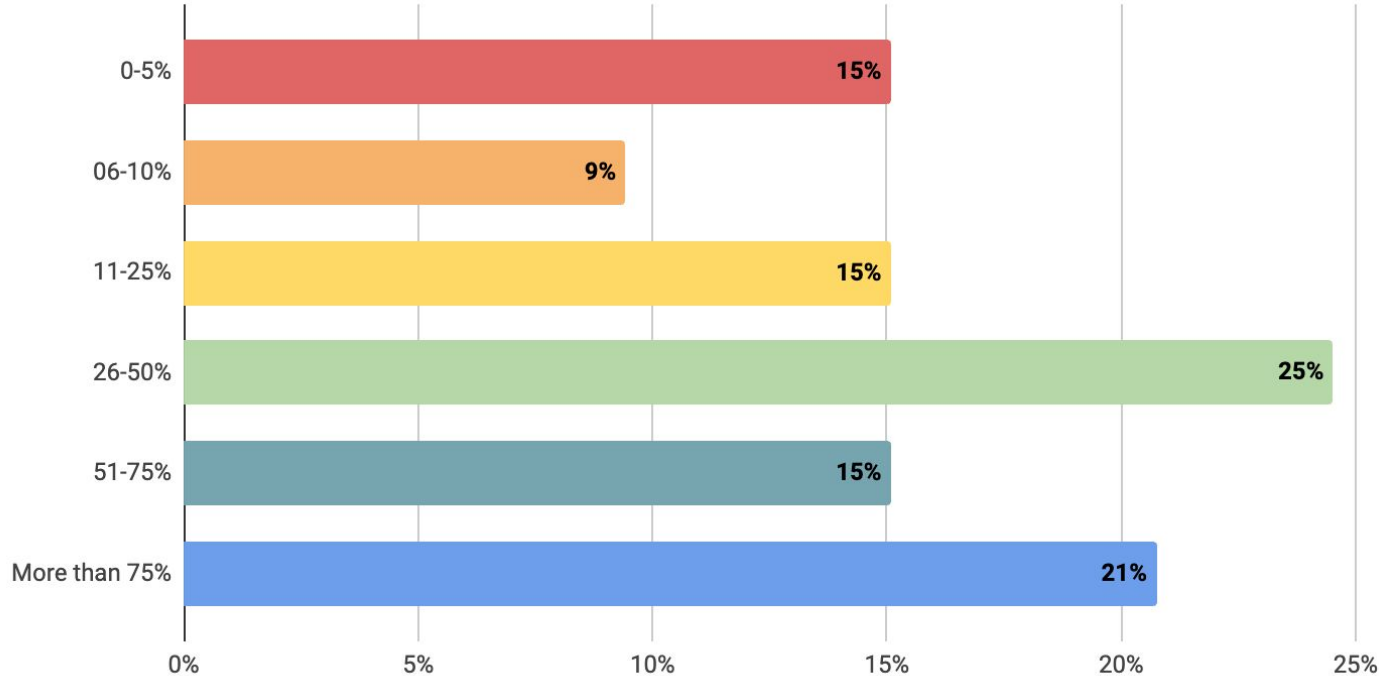
There is a correlation between **“Always Filing”** and **“the Number of Extra Costs Waived”**.

See [page 21](#) for details of the analysis.

Waiving Disputed Charges



Q: What percentage of your disputed charges were canceled or waived by the carrier?



The varied responses to this question, led us to slice the data by the answers from previous question,

“How often did you file a dispute if you found an error on a carrier’s invoice? I.e. - detention/demurrage charges you’re not responsible for”.

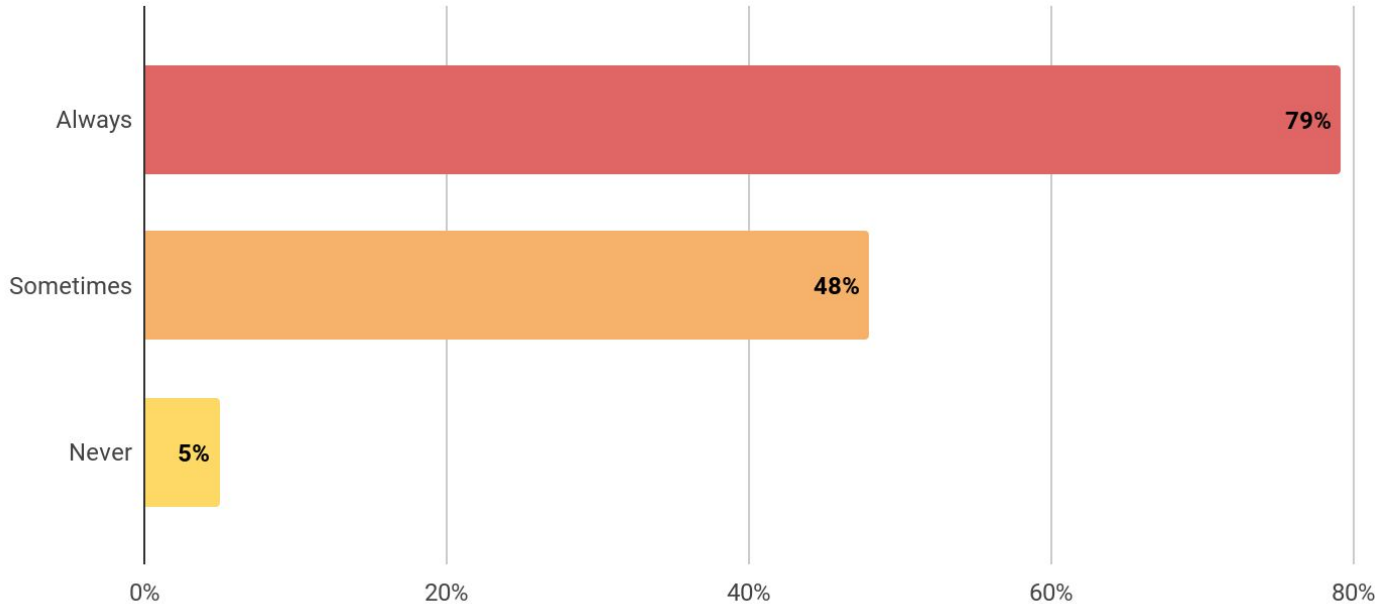
This led to an interesting observation that is detailed on the next page.

Cross Tab: Waived Fees vs Filing Disputes



This is a cross tabulation of the “Frequency of Filing a Dispute” and “How Often Extra Fees Were Waived”

Likelihood of Waived Fees

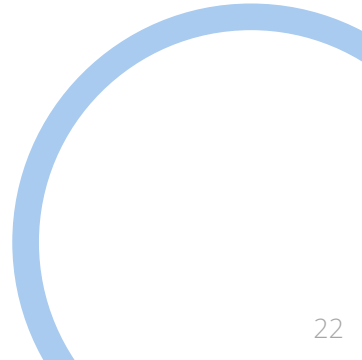


Respondents who “**Always**” file a dispute when an error on a carrier’s invoice is found, **experience an 79% chance of having those Extra Fees Waived.**

Is this hidden in plain sight?



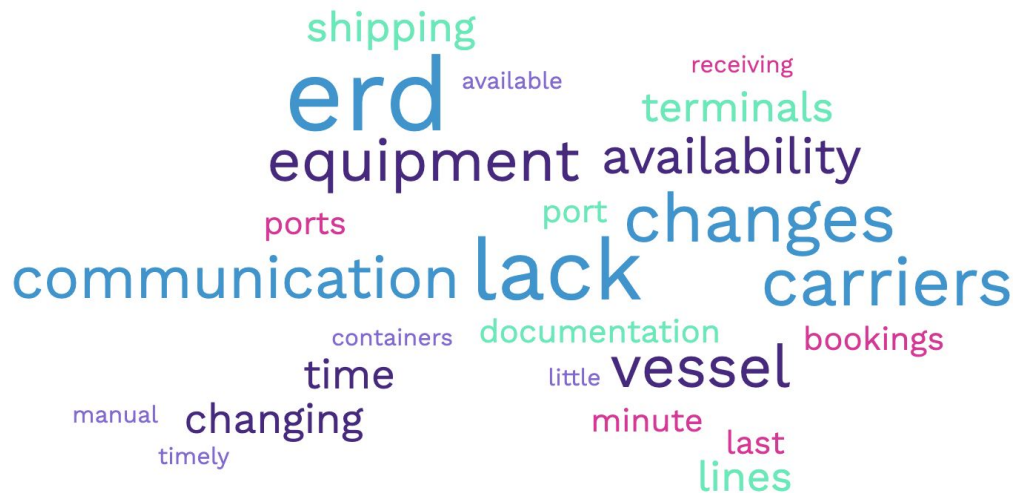
Top Challenges Facing Exporters



Top Challenges



Q: What are the top challenges your company is facing now?



Go to [page 24](#) for select responses that provide insights on “**Lack**” and “**Changes**”.

Frequency	Word
11	erd
9	lack
7	changes
7	carriers
6	communication
6	vessel
6	equipment

Top Challenges: **Select Responses**



These are select responses from the question - "What are the top challenges your company is facing now?"

Responses associated with "Lack"	Response associated with "Changes"
Lack of communication between carriers and Ports	Last minute ERD changes
Lack of direct communication with shipping carriers	ERD/LRD changes
Lack of communication w/shipping lines	ERD and cutoff changes, sometimes with little notice.
Lack of communication on documents from ship lines.	Managing ERD Changes and related costs
Lack of communication port vs carriers	Frequent schedule change
Lack of equipment, vessel advance and date changes	ERD changing last minute
ERD Delays, Vessel delays, lack of equipment	Changing vessel schedules, inconsistencies in timing
Lack of consumer confidence in purchasing from the West Coast	Constantly changing ERD and Cut-Off dates

Lost Sales Due to Vessel Schedule Changes



Data-driven best practices helps minimize lost sales due to ERD changes

85%

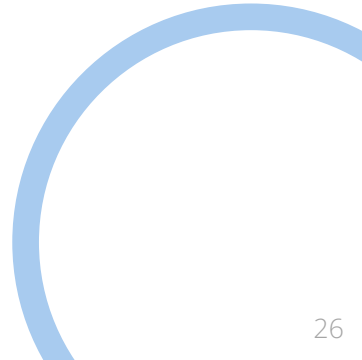
of US ag exporters

report that overseas customers have shifted some of their purchases to other countries due to lack of dependable delivery time and additional costs.¹



Segmentation of **Survey** **Participants**

cross tabulations by port, products exported, shipment volume and more...

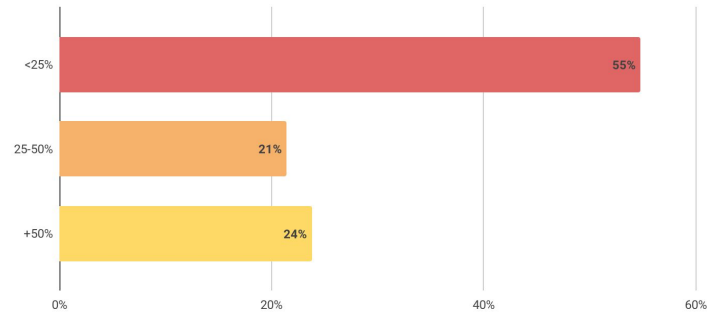


Extra Costs By Region: West vs East vs Gulf

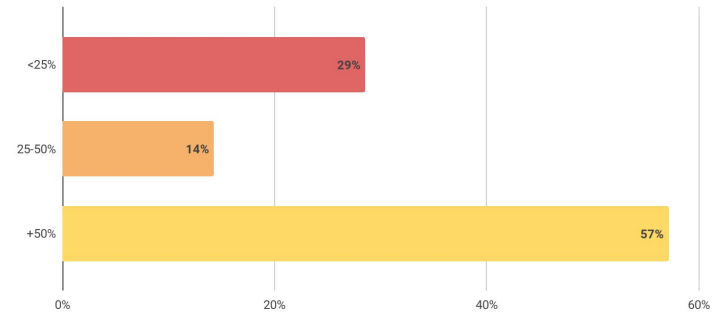


A limited number of ports were selected due to observation constraints

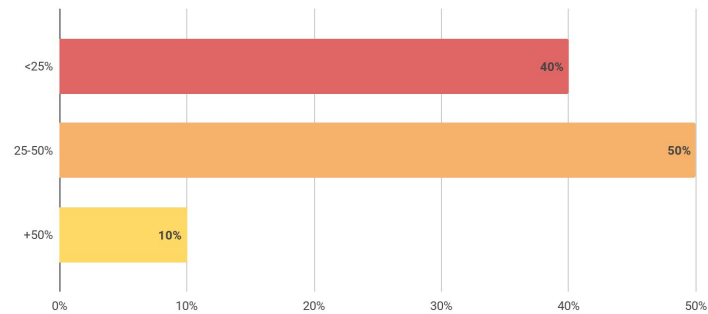
Port of Oakland



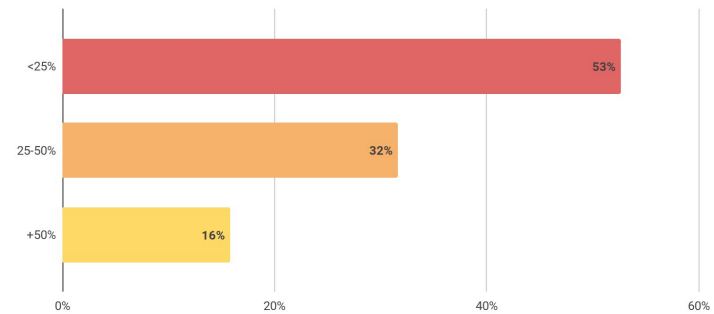
Port of Virginia



Port of Houston



Port of Los Angeles

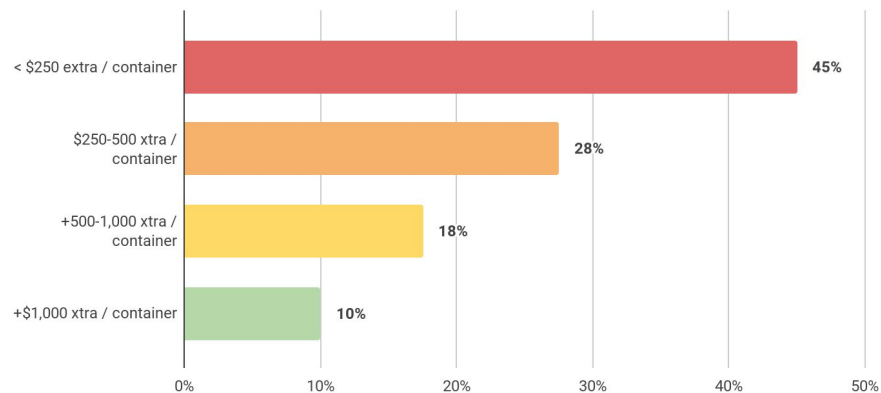


Shipping Volume Distributed Across Ports



We sliced the data by exporters who distributed volume across more ports (i.e. - reducing throughput risk)

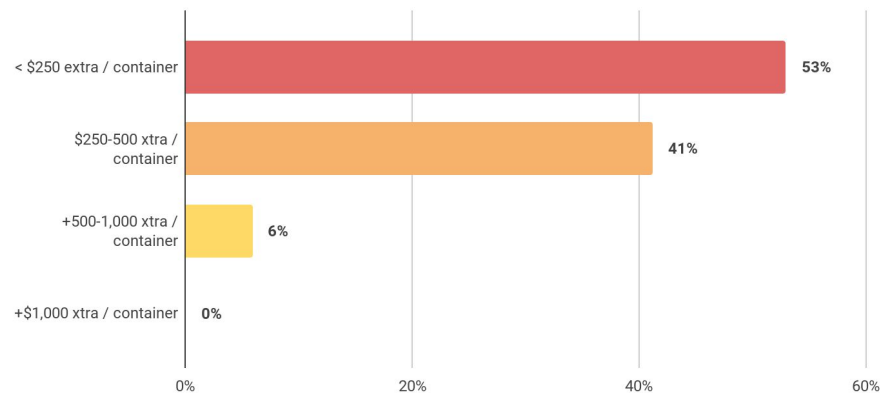
Less Port Distribution



Respondents that distribute shipment volume **across more ports** experience **lower extra costs per container** due to ERD changes, on average.

In contrast, these respondents experience **extra costs from ERD changes more often**. An engaging trade-off.

More Port Distribution



Respondents that distribute shipment volume **across less ports** experience **higher extra costs per container** due to ERD changes, on average.

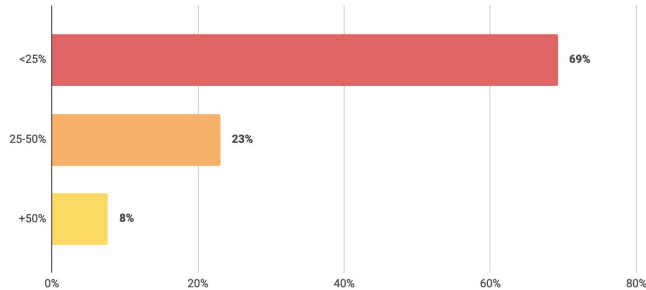
Data-driven risk management is critical for leveraging this approach.

Frequency of Extra Costs by Product Type

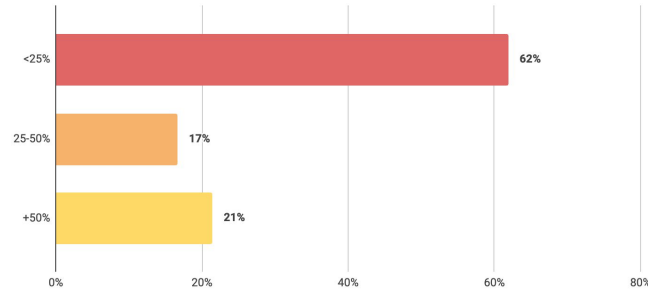


Performance based on Product Type - Bulk vs Packaged vs Cold Chain

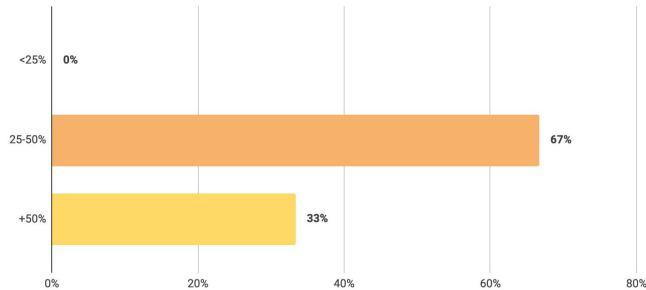
Bulk Products (Grain, Feed, Hay, Cotton, etc)



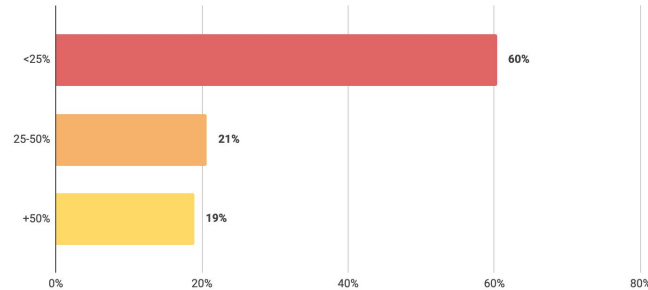
Packaged Products (Nuts, Fruits, Vegetables, etc)



Cold Chain Products (Meat, Butter, Cheese, etc)



All Products

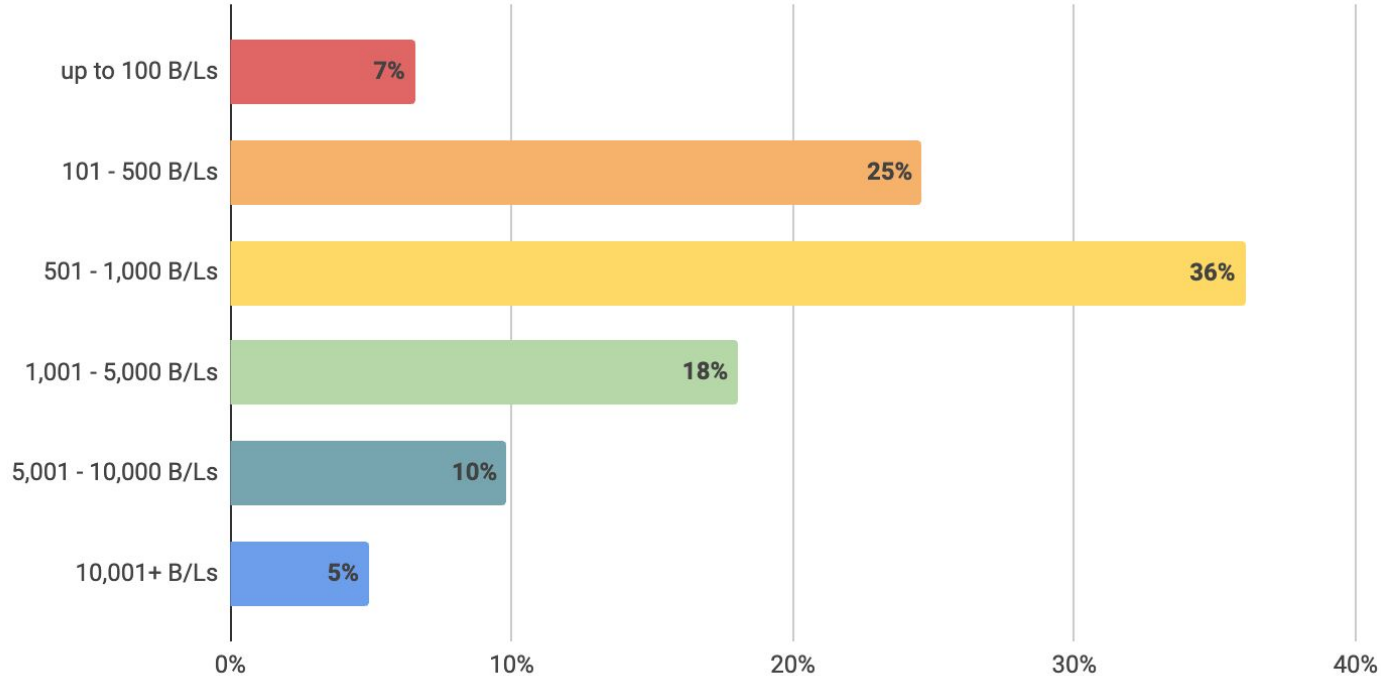


Cold Chain products experienced the highest frequency of extra costs due to ERD changes, based on survey responses.

Shipment Volume: Bills of Lading



Q: Approximately how many Bills of Lading do you ship per year?

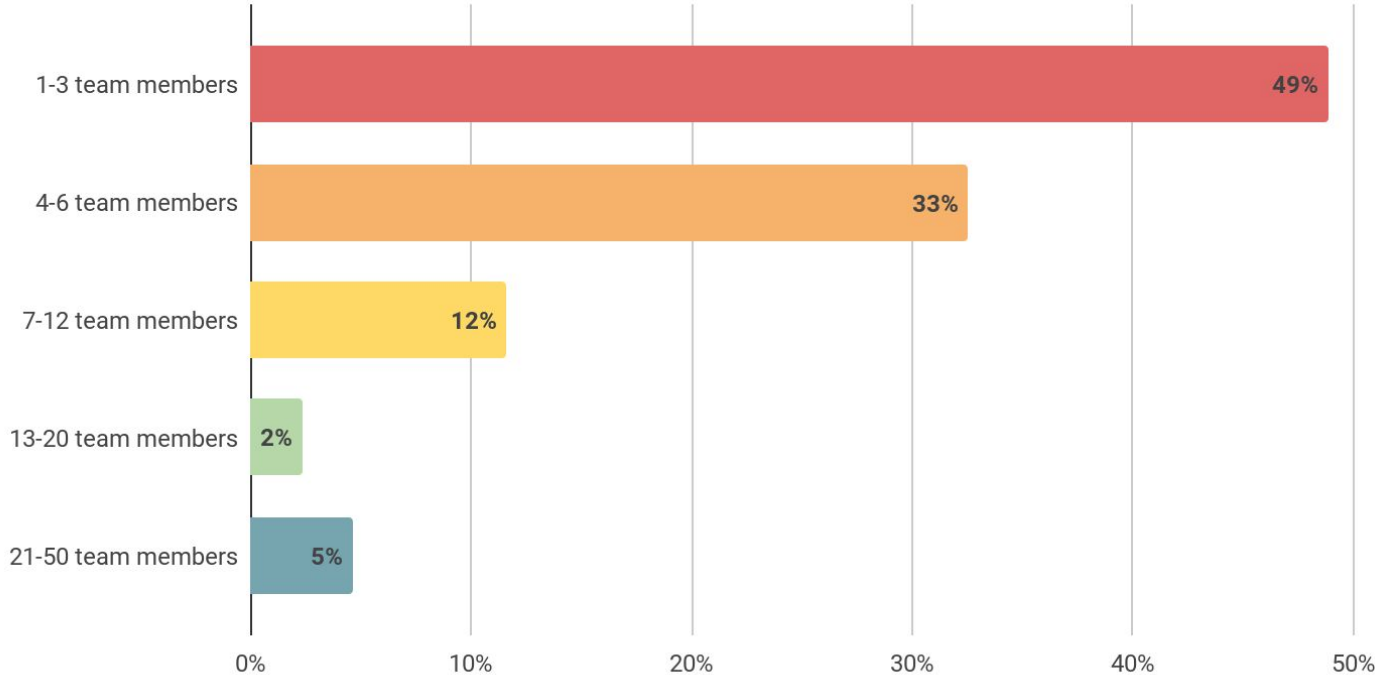


Survey respondents come from a diverse group of Ag exporters, from the lens of shipment volume.

Size of Export Team



Q: What is the current size of your export team (including sales, logistics, documentation, managers and/or accounting)?



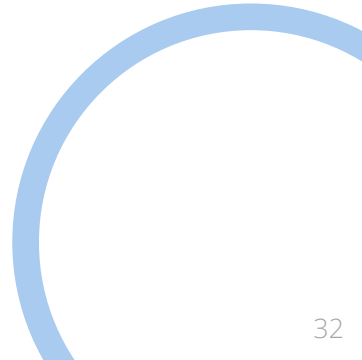
Survey respondents exhibit a range of team sizes.

When cross tabulated with shipment volume, the variation of team size for respondents shipping between 100 and 1k BLs per year warrants further examination.

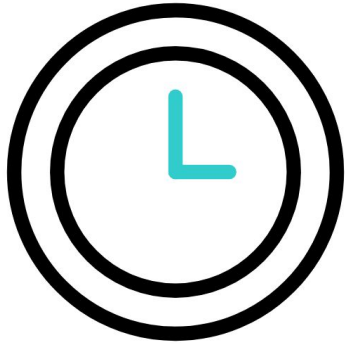
For example, 23% of respondents shipping 500-1k BLs per year had 1-3 team members – while 18% had 7-12 team members.



Vessel Schedule Innovation



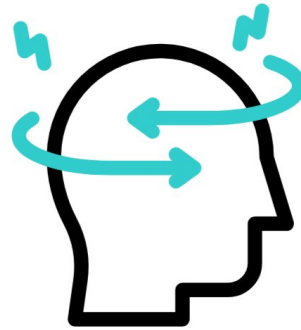
Vessel Schedules Suck



Stares blankly while clicking refresh on carrier website for the 17th time

Tired of Playing Vessel Schedule Roulette?

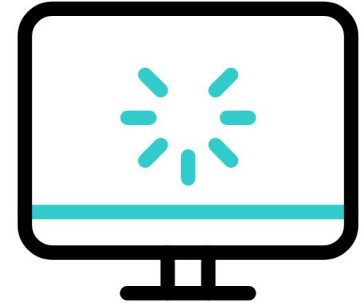
You never know when the next change will occur, but keep checking the ocean carrier and terminal websites



Stuck in customer service limbo

Will the New Schedule Shut My Cargo Receiving Window?

Conflicting data from the carrier and terminal causing gate drop-off delays *and side-eye from your drayage provider*



Call me, maybe?

Carrier (un)Reliability?

Poor carrier updates make customer communication stressful and incomplete data prevents effective planning

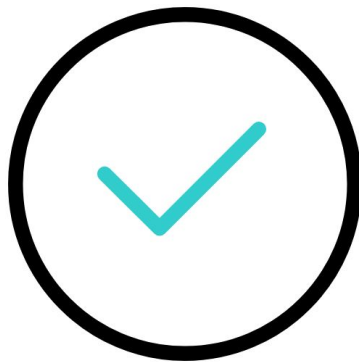
We Make Them **Suck Less**



#StopChasingVesselSchedules

Instant vessel schedule updates sent to your inbox

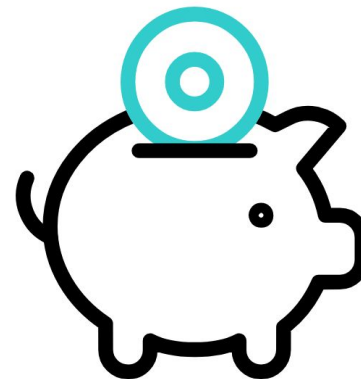
Eliminate the stress of daily carrier website checks. Save valuable time and get ahead of deadlines to ensure smooth cargo drop-offs.



let go of the schedule drama, enjoy smooth sailing

Carrier verified "In-Gate Pass"

Verified cargo windows with validated proof from the ocean carrier. Dispatch drayage faster with documents they can in-gate with. Reduce cargo drop-off delays at the terminal.



know your window, dodge those fees

Cargo receiving window analytics & insights

Plan freight capacity based on data-driven insights. Estimated ERDs and CY Cuts based on historical performance by carrier. **Minimize missed deadlines** due to unreliable carrier communications.

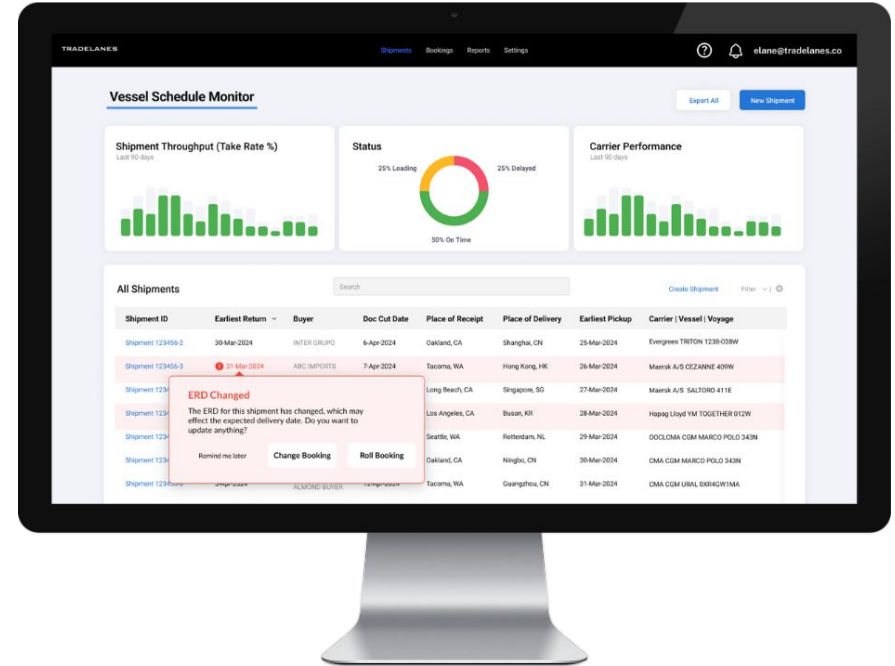
The Vessel Schedule Monitor



Based on ERD Survey responses, TradeLanes created the **Vessel Schedule Monitor** to automatically monitor vessel schedules.

How it Works

- **Step 1:** Enter Booking Confirmation Number
[or upload an Excel file that you track shipments with]
- **Step 2:** We Monitor The Vessel Schedule for Each Booking Confirmation
- **Step 3:** You get real-time vessel schedule updates delivered straight to your inbox
[no more daily ocean carrier or terminal website checks]



Learn more: tradelanes.co/vessel-schedule-monitor