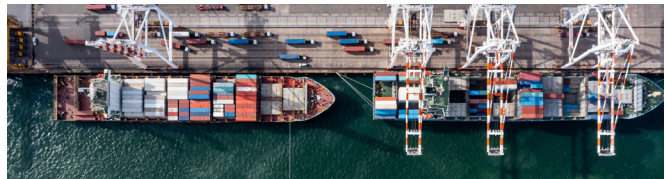


Are You Ready to Negotiate Your Ocean Contracts?

It's almost time to negotiate your yearly contract with ocean carriers. Making sure you've gathered vital information and aligned your strategies to get the most out of your contract can be a taxing experience. To make things easier, we here at Carrier Allocation have put together a checklist to help you get organized and prepare.



DATA STRATEGY

Try to collect your historical data in one place. Making sure you can visualize how your ocean carriers and vendors performed over the past year is key to understanding how your supply chain performed and where it could use improvement.

- Were you able to find the adequate number of ocean carriers to accommodate and transport your freight on schedule?
- Have you identified any positive or negative exceptions or trends in the service provided by different ocean carriers?
- Can you identify which ocean carrier strings were more or less optimal in transporting your freight?
- Have you determined which vendors performed on-time delivery and which others experienced significant dwell time and delay?
- Have you determined which ocean consolidators provided the best service?

SOURCING STRATEGY

You'll want to make sure you have a good grasp of your organization's strategy for sourcing goods to be shipped. It can be especially beneficial to take schedules, volumes, and special requirements into consideration. This helps ensure the procurement of capacity for targeted lanes.

- Have you identified which lanes your organization will most commonly source from?
- Do you know whether or not there are specific compliance-related requirements on commodities to be shipped (e.g. dangerous/hazardous goods, oversized goods, or goods that require special packaging)?
- Do you know if there will be any expected peaks in volume throughout the year, such as seasonal surges?

TRANSPORTATION STRATEGY

It's a good idea to begin planning goals for your upcoming transportation budget. Determining which models, movement, lanes, etc. will help you attain your goals and procure the right resources to match your shipping needs while maintaining cost-effectiveness.

- Do you know if your strategy will be driven entirely by BCO or by a combination of BCOs and Non-vessel Operating Common Carriers (NVOCCs)?
- Are you aware of the volume allocation between BCOs or the combination of BCOs and NVOCCs?
- Do you know if it will be most optimal to negotiate at region-, lane-, or string-level?
- Do you know which movement type will be most efficient and cost-effective? Will it be port-to-port? Door to Door?

Feeling overwhelmed? If so, Carrier Allocation can help you bypass time-consuming manual processes, determine your shipping needs, and drive collaboration with ocean carriers. We help customers make the most of their data and find the most efficient and cost-effective means of delivering global freight.

Contact info@carrier-allocation.com for information on how our software can help Beneficial Cargo Owners manage Minimum Quantity Commitments (MQCs) and ensure timely delivery.