

IN SYNC

Bringing transportation in sync with the world

A Transporeon publication

PLATFORM POWER

Go digital and supercharge
the future

FORWARD & UPWARD

What to expect in
transportation in 2024
and beyond

NO DRIVER NO PROBLEM

Discover the solutions to
driver shortages

HOW SUSTAINABLE IS SUSTAINABILITY

Quality data is all
you need

2023 Edition

TRANSPOREON

A Trimble Company

TRANSPOREON

A Trimble Company

Join our logistics
community of carriers!



IN SYNC

A TRANSPOREON PUBLICATION



EDITORIAL DIRECTOR

Georgia Leybourne

EDITOR-IN-CHIEF

Judith Schwarzwaelder

MANAGING EDITOR

Peter Read

ASSOCIATE EDITOR

Chloe Ollivier

CREATIVE DIRECTOR

Julia-Fee Heyer

ART DIRECTOR

Ela Chwistek

DESIGNERS

Alejandro Elim Bosquez Gonzalez,
Barbara Fonseca, Julia-Fee Heyer

COVER BY

Alejandro Elim Bosquez Gonzalez

TRANSPOREON SUMMIT 2023 ORGANIZATION

Nicki Schwaegerl, Paulina Odoj

CONTRIBUTING EDITORS & WRITERS

Dr. Angela Acocella, Gerry Daalhuisen, Louisa Marie David, Adrian Gonzalez, Lena von Fritschen, Dirk Grewenig, Paul Hamblin, Georgia Leybourne, Chloe Ollivier, Jonathan Raemdonck, Peter Read, Charlotte Ricca, Serge Schamschula, Bernhard Schmaldienst, Judith Schwarzwaelder, David Shaw, Stephan Sieber, Hannah Tufts

Copyright © 2023 Transporeon GmbH

This publication or any contents of it, including but not limited to photos, graphics, text, may not be copied, reproduced, changed, published, or used in any other manner without the previous expressed written permission of Transporeon GmbH.

IN SYNC

TABLE OF CONTENTS



DRIVER SHORTAGES

Could 18 more minutes and the latest tech be the answer?



HUB FOCUS

How our solutions help improve your business



MARKET INSIGHTS QUIZ



WELCOME TO THE FUTURE

May I begin by wishing all readers a very warm welcome to the inaugural edition of our magazine, IN SYNC. You might recognize the title, from our infamous statement about Transporeon: Bringing transportation in sync with the world.

You join us at a very exciting time for Transporeon. A time that offers a challenging, yet rewarding future for all global players in transportation, especially those who choose to embrace the opportunities that digitalization has to offer. The future is even more exciting for those taking advantage of our unique transportation management platform.

Let me explain why.

At the end of 2022 we announced our acquisition by Trimble. This US-based multinational has an outstanding history and presence in several sectors: construction, agriculture, geospatial and transportation.

Working with Trimble is proving to be fantastic for us, and you, because our businesses complement each other so well. We address the same challenges, but from different angles. We are traditionally from the shipper side, predominantly here in Europe, while Trimble comes from the carrier community, predominantly in North America.

You could put it like this: we started out by looking at the challenges in terms of managing the load, while Trimble's core purpose was to help their customers optimize the utilization of an asset. Of course, in order to transport goods successfully, you need both. You need to efficiently allocate loads to assets, but you also need to allocate assets to loads.

Here in these pages, you will find information, thought leadership and success stories from within the transportation industry and specifically from within Transporeon's ecosystem. You'll be able to read first-hand about the impact of regulation on our industry, in terms of electronic documents and forthcoming compliance from a CO2 perspective. Some of our customers will bring to life the advantages they've gained from transacting on the platform. And you'll read about the hot topics, like the driver shortage and empty loads and how we can mitigate them.

This collection of articles highlight current trends in freight, upcoming developments, and how we can use artificial intelligence and machine learning to help us automate. They also illustrate how real-time insights from data can be harnessed and applied, and how we can work together, collaboratively, to solve the challenges when moving goods from A to B.

Happy reading, keep in touch and all the best with your transportation strategy.

Stephan Sieber
Chief Executive Officer, Transporeon



THE IMPORTANCE OF NEUTRALITY

Why does our platform work? Because we are neutral and we need to be seen this way. We are not a forwarder, or a broker with skin in the game, on either side of the equation. While those are very specialized and important roles, they are not right for us because they would not allow us the neutrality needed to bridge the gaps between companies, and to be the trusted link at the point where businesses cross over. With a 100% digital platform, our objective is to provide true interoperability for companies using our service, enabling lower transaction costs across the board.

Our neutrality can be trusted. Take our payment model, for example. The normal model with most technology companies is to charge customers for the service, regardless of whether you draw any value. However, we have a very clear and very different understanding of the role of a digital platform as a connecting, enabling force. This is why we only charge a customer if a successful transaction happens on the platform. If the network is unbalanced by bias of any kind, transactions will simply not take place. The growth in both partners and transactions provides full evidence of the trust our members place in the Transporeon platform.

With the combination of our increasing scale and our smart data capability, now is the time for the transportation industry to exploit the business advantages enabled by our unique algorithms. These include instant, visual evidence of real-time rates, lane vs lane performance, benchmarking data, capacity intelligence, ETA adjustments and CO2 emissions. It is a comprehensive and relevant list, and we are pleased to sharing much more with you at Transporeon Summit 2023. •



Join us in bringing transportation in sync with the world.

A TRUE GLOBAL NETWORK

The merger between Transporeon and Trimble completes our global reach. With both sides of the equation fully catered for, we now have a truly unique profile. It reinforces our international scope, ensuring we can provide robust solutions all around the world. After all, shippers think globally, and many of our customers are multinationals, therefore the possibilities are endless for all of us.

We are at a pivotal moment for transportation. An inflection point where uncertainty and challenges have pushed us all to the limit. Now is the time to reap the rewards of greater transparency and collaboration, and to deploy efficient strategies that will lower business costs and increase speed to market. How? By using Transporeon's Transportation Management Platform. This is the platform in the industry, providing automation, real-time insights and collaboration for each and every one of you.

A quick word of clarification: have you clocked that we are NOT a TMS? We see a TMS as a transport management system built to benefit a specific business. We consider ourselves a TMP, a transportation management platform, which is truly neutral. We are an enabler, joining the dots between shippers and carriers to create pure connectivity and collaboration between those who have a freight problem to solve, and those who can solve it. We provide tools and services to shippers, LSPs, carriers and load recipients and we create rules – or more accurately standards – for collaboration between them.

Ultimately, the Transporeon network is an efficient match-making service between business partners, for the benefit of all parties, taking care of the procurement, execution, transparency and settlement of a freight journey. We've evolved beyond connectivity to full interoperability, where our role is to facilitate a mutually supportive community, where everyone can lower transaction costs.

The numbers prove it works. We are now the largest freight platform in Europe, processing 25 million transports per year and an annual freight spend of €54 billion. Our ever-growing network currently comprises 1,300 shippers, 100 large retailers and 158,000 carriers and logistics service providers (LSPs). We run 18 offices globally, with over 1,400 employees across 27 countries. We are very proud of our reach, but we are far from complacent, and we recognize there is still a long way on the road to digitalization. •





PLATFORM POWER





Thanks to the marketplace essence of the platform, logistics are converging into a digitally led super-future.

Transportation and logistics are at the cusp of a symbiotic shift, a transformational change that will redefine the industry as we know it.

Now is the time to let go of old habits, which are preventing you from achieving business success. We can no longer...

- Work with legacy tools, such as spreadsheets and a calculator
- Work in the dark without data
- Work in isolation as a single entity in a silo

It is crucial to appreciate the complexity of this impending revolution. For what we are witnessing is much more than a singular, linear twist – it is a multi-layered metamorphosis that will impact every area of the sector.

The catalyst for this revolution is closed tied to the shifting foundation of those layers, which are changing the way we manage the process of moving goods:

- **Driver** to operator
- **Makers** to facilitators
- **Manual** to automated
- **Solo** to collaborative
- **Physical** to digital (a.k.a. phygital)

This change encompasses digital transformation within physical infrastructures, within organizational boundaries and most importantly at the interface where organizations interact.

A critical step to embracing these changes is a shared platform mentality, where automation, real-time insights and collaboration enable the layers to converge into a single, visible and fully communicating whole.



MOBILITY: FROM DRIVERS TO OPERATORS

In the past, the logistics and transportation industry leaned heavily on manual operations and human expertise. For example, in overland transportation, drivers played a central role, steering the wheels, navigating routes, directly handling cargo. Today, we're witnessing the transition from drivers to operators, across all modes. This paradigm shift heralds an era where artificial intelligence (AI), automation and advanced technologies are drastically altering the roles humans play in the ecosystem.

The end goal is that trucks will eventually be cruising our roads fully autonomously and vessels will navigate the ocean on their own. The dawn of autonomous vehicles – powered by intricate algorithms, machine learning, and vast troves of data – is revolutionizing the very definition of mobility.

tools that empower them to manage, monitor and optimize transportation networks at scale. This shift does not signal the redundancy of human roles, but instead elevates them, providing the potential to unlock unprecedented levels of efficiency and sustainability. This new framework recasts the role of humans from drivers to orchestrators.

Even as we stand at the forefront of this transformative era, we must recognize and address the human element of this equation. Shifting the paradigm from drivers to operators isn't merely a technological shift, but also represents a significant change in mindset. The journey involves re-skilling, re-training and, most importantly, re-thinking the role of humans in transportation.

TRANSPORT MANUFACTURERS: FROM MAKERS TO FACILITATORS

Traditionally, manufacturers have been revered as masters of the mechanical domain. However, as the

This evolution from manual driving to AI-driven transportation will enable a new era of efficiency, safety and sustainability.

The full realization of autonomous transportation is still several years away. However, as we move towards a digitized future, our reliance on human-directed vehicles and other means of transport is dwindling. The rise of AI and machine learning, coupled with innovations in telematics and autonomous vehicles, is fostering a future where human intervention in transportation is transitioning from active driving to strategic operation.

Operators are now assuming the role of overseers, equipped with advanced

focus shifts towards electric, autonomous and connected transportation, manufacturers need to rethink their core competencies, compelling a shift from 'mechanical' to a more 'digitized and electrified' framework.

However, while transport manufacturers may have expertise in creating autonomous vehicles, they might not necessarily possess comprehensive knowledge about the broader logistics and transportation landscape. Building a Transportation Management Platform (TMP), which





can efficiently manage the intricacies of logistics, involves understanding various elements, such as route optimization, cargo management, real-time tracking, regulatory compliance and more. This is not just about trucks on the road anymore; it's about the entire transportation ecosystem across all modes.

In this context, transport manufacturers will find their role evolving from vehicle creators to facilitators of a platform. This platform will serve as a foundation, or common ground, into which third-party transportation management solutions can be integrated, therefore seamlessly incorporating comprehensive logistics and transportation processes. This sets the stage for a future marked by collaborative efforts, where manufacturers, logistics companies and digital platforms converge to create an efficient, sustainable, and automated transportation landscape.

OPERATIONS: FROM MANUAL TO AUTOMATED

The transition from manual to automated operations, both within and between companies, is not solely driven by a pursuit of innovation or modernity. Rather, it is a vital response to escalating pressures and challenges confronting logisticians. As businesses expand and evolve and the world becomes increasingly unpredictable, our workloads are intensifying, and the pace is accelerating. On top of those challenges, logistics and transportation are plagued by scarcity on pretty much every level; from a lack of drivers, to fluctuating capacity and demand. Creating future value in logistics and transportation will not depend on having more assets or extra capacity, but on the ability to intelligently use resources within the logistics network.

All of this increased burden puts employees under immense strain,

pushing them to their limits, and significantly raising the risk of errors, attrition and burnout.

The human component of a business operation doesn't scale in the same way technology can. In addition, the resilience of a company should not depend on the willingness of people to work longer and harder. In fact, the current logistics and transportation challenges and complexities have reached a point where it's impossible for companies to remain competitive if their operations are so dependent on manual work. In this context, automation emerges as a key solution to these pressing issues, offering the potential to alleviate workforce pressures, minimize human error and create a more sustainable, resilient operating model.

This transformation process involves altering business models, reconfiguring workflows, and equipping employees with the skills needed to work effectively with these new digital tools.

Rather than seeking to replace

Shifting from manual to automated processes goes beyond simply adopting new technologies. It is about fundamentally redefining how businesses operate.

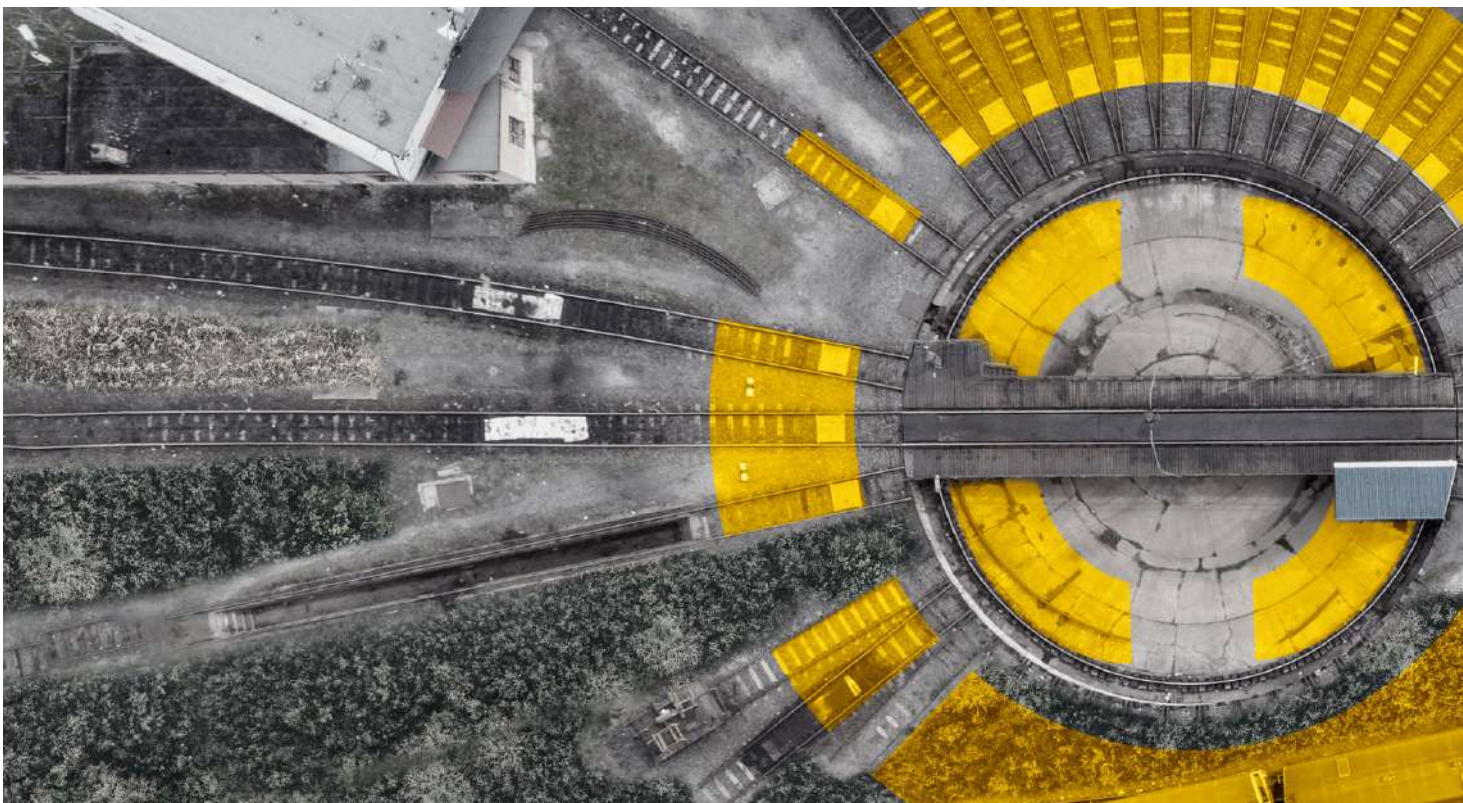
human input, the aim of automation is to elevate logistics teams from data clerks to strategic decision-makers, empowering them through technology. The journey towards an automated business landscape is gradual, just like the shift from manual driving towards autonomous. It demands a change in mindset, the learning of new skills, and the adaptation to innovative ways of working.

The rise of platforms has arrived at a critical juncture for industries worldwide, providing both challenges and opportunities. No industry is immune to this shift, not least the world of transpor-

tation and logistics. Our sector is now poised for a pivotal decision that will shape its future trajectory.

INTEROPERABILITY: FROM SILO TO COLLABORATION

In the modern business landscape, the power of platforms is indisputable. Much as Airbnb links homeowners with those in need of accommodation, and Uber connects drivers with passengers, platforms have a knack of creating efficient marketplaces that challenge and disrupt established industries, often at breathtaking speed.



All participants in this space, from shippers to carriers and forwarders to brokers, essentially have two choices:

1 EMBRACE THE PLATFORM REVOLUTION:

Companies can choose to adapt and align themselves with this platform-centric business model. By doing so, they can tap into the vast benefits of a more interconnected and efficient way of conducting business.

2 STICK TO THE 'OLD WAYS':

Alternatively, companies can persist in their traditional modes of operation. This presents a real risk. Service providers might find themselves growing increasingly irrelevant and isolated in the platform world around them. Buyers clinging to outdated methods may struggle to secure the capacity they need as the industry pivots towards digital platforms.

INFRASTRUCTURE: FROM PHYSICAL TO DIGITAL

The evolution and digitization of infrastructure is integral to the progressive advancements and demands of the logistics and transportation industry. Smart ports, intelligent traffic systems, connected roads and automated warehousing are all part of this picture. The adoption of smart docks and yards is facilitating more efficient management of that point of inflection between the road/rail/sea/air and arrival at the warehouse. This point of inflection must be efficient to avoid delays, confusion and error.

Meanwhile, the increasing societal and regulatory focus on climate change is driving the demand for sustainable solutions in transportation, with concepts such as electric vehicles, alternative fuels and carbon accounting programs becoming more critical. Not to mention additional regulatory pressures, in the form of digital documentation.

It all adds up to a future in which the old ways are no longer fit for purpose. Only a collaboration-based platform network can join the disparate strands together, to achieve business goals. Convergence is coming. •





DRIVER SHORTAGES

Could 18 more minutes and the latest tech be the answer?



Georgia Leybourne
Chief Marketing Officer, Transporeon

Driver shortages in the road freight sector continue to threaten further disruption. Catalyzed by initial pandemic downtime – which saw many drivers leave the industry, take early retirement or extended sick leave – driver shortages are now a significant strain on supply chains, especially given the rising demand for road freight transportation.

THE CAPACITY CHALLENGE TODAY

There are currently around half a million¹ unfilled driving positions in Europe, and a recent report² by the world road transport body IRU revealed that there could be an eye-watering two million by 2026. Similar shortages are being felt across Asia and the Americas, too. There's no doubt that this is a global problem.

According to the French transportation union, FO Transports, the number of driving vacancies³ in France could currently be as high as 50,000. The situation is even worse in neighboring countries. In the UK, a drop in migration from Central and Eastern Europe, caused by Brexit, has

further compounded driver shortages. Meanwhile, the IRU states that there are currently around 80,000 vacant driving positions in both Germany and Poland.

'THE GREAT RETIREMENT'

With a global recession looming, it's widely believed that we'll soon see an influx of candidates onto the job market. Though this may ease personnel shortages in some sectors, it's unlikely to solve road freight driver shortages.

The primary reasons for this are demographic shifts, leading to the 'Great Retirement'. The same IRU report found that 30 percent of drivers are planning to retire by 2026 – outstripping any potential recession-related increases in driver availability. Simply poaching drivers from elsewhere in the industry isn't a long-term solution for companies.

The IRU also found that young people are joining the driver community in the road freight industry at a rate between four and seven times lower than drivers retiring. The average age for European drivers is now over 50 years old.

A famous quote – often wrongly attributed to Einstein – says that 'insanity is doing the same thing over and over and expecting different results'. This sentiment is certainly applicable in the current climate. It's increasingly clear that new approaches (which go above and beyond stepping up recruitment) are needed to resolve driver shortages.

¹ Iru.org, 'Global driver shortages: 2022 year in review', 20 December 2022

² Iru.org, 'Europe driver shortage to triple by 2026 if no action: new IRU report', 14 November 2022

³ Flotauto.com, 'Les conducteurs du transport routier revalorisés', 19 September 2022

Simply throwing more people at the challenge is not the answer. We need to tackle the root cause of this deficit.

However, there is light at the end of the tunnel. Let's explore two vital ways of improving the situation: time and environment.

TIME: '18 MORE MINUTES'

The bottom line is that the European driver shortage is not just a personnel problem. Dwindling driver numbers would not present such a challenge if transport operations were smarter and more efficient. According to scientists at the MIT Center for Transportation and Logistics, increasing the efficiency of US drivers by just 18 more minutes⁴ of active driving time per day, could solve the country's driver shortage. This claim was based on research in the US, but pointed out that the same principle is likely to apply in Europe.

There's a multitude of ways that companies can look to boost efficiency. But to do so, they must first understand where there's room for improvement. More are now turning to

solutions that offer real-time insights. This helps companies to uncover previously hidden inefficiencies (like empty runs and excessive waiting times in yards) and improve visibility by tracing deliveries.

Within the logistics industry, another trend we're seeing is Autonomous Case-handling Robot systems (ACR) to reduce labor needs. We're still a long way from self-driving trucks in logistics transportation – but there are significant efficiencies that can be made within warehouses in the loading and unloading process, as well as by automating time slot and yard management processes. Doing this can reduce waiting times for drivers from hours to minutes.

ENVIRONMENT: MAKING THE DRIVER'S CAB A BETTER PLACE TO BE

Perhaps a quick look at why those stats were showcasing a lack of desire in today's inbound workforce to take to the road. We know that Gen Z and Millennials are highly discerning in their view on the world: sustainability, ethics, health & safety, worker rights and a world in focus. Does this industry answer those concerns sufficiently enough to encourage them behind the wheel?

Technology today offers all the answers to this conun-

⁴ Cips.org, 'Why 18 minutes could be the answer to global truck driver shortages', 29 April 2022





drum, with solutions that provide peace of mind to the driver and bring transportation processes into the modern age, in terms of:

- Surveillance systems for health, safety and security.
- Digital documentation, rather than endless of rounds of paperwork gathering coffee cup rings and getting misplaced
- Technological tools that aid navigation, location, ETAs and time management.

Environmental factors impact well-being and job satisfaction, so let's encourage a new driver's era by creating an environment where they would want to be.

Ultimately though, enhancing the effectiveness of transport logistics depends on increasing collaboration between all participants, rather than companies simply working to optimize their own performance – as is currently often the case. Indeed, a recent survey⁵ of international supply chain experts revealed that the vast majority rate 'increased collaboration between supply chain partners' as both 'highly probable' and 'highly desirable' in the run up to 2025.

When working collaboratively as part of a wider network, rather than in isolation, organizations can significantly streamline key processes such as freight sourcing, transport execution, dock scheduling, freight matching, payment and settlement. Given the current spotlight on ESG, it's also worth noting that this would help minimize the industry's carbon footprint by reducing unnecessary driving time and encourage more people into the industry who have sustainability top of mind.

Solving Europe's freight driver shortage can't be done overnight and shouldn't be done by throwing people at the problem.

Going forward, companies should view this as an operational matter, rather than simply an HR or personnel problem.

The solution lies in adopting a network approach and collaborative solutions, which focus on finding new efficiencies and creating better working environments.

This is where a transportation management platform, coupled with mobility solutions, can help alleviate the driver shortage. With its unique combination of automation, real-time insights and collaboration it can reduce empty miles, tackle unnecessary dwell times and optimize operations in the yard, which is an integral inflection point between the road and the warehouse.

⁵ Journal of Business Research, Vol. 150, November 2022, Pages 59-72, 'Increasing global supply chains' resilience after the COVID-19 pandemic: Empirical results from a Delphi study'



HOW SUSTAINABLE IS SUSTAINABILITY?



Serge Schamschula
 Head of Ecosystem, Transporeon
 ALICE Vice Chair (Global Supply Network Coordination and Collaboration)
 Director of the Board, European Freight and Logistics Leaders' Forum

The Swedes have a saying: “It’s burning in all corners”. Logistics leaders will recognize the sentiment, wherever they’re from and whatever their language, because times are tough. Globally weak revenues are leading to budget cuts, which delay important efficiency investments. The dual headaches of a lack of qualified staff and drastic energy price hikes mask the benefits of paying lower freight rates. In addition, continued geopolitical uncertainties compel the need for a Plan B, or even a Plan C. As for logistics service providers, volumes are dropping. So there is plenty for everyone to complain about.

But that’s not all.

“As long as they keep talking about global climate change, they are not gonna go anywhere, cuz no one gives a s*** about that,” said Arnold Schwarzenegger pithily to CBS’ Sunday Morning at the end of May. “We’re talking about pollution. Pollution creates climate change, and pollution kills.”

As we meet here in Spain, some 5,000 corporations (including Transporeon) have signed off **Science Based**

Sustainability matters and we all need to sit up and take notice.

Targets. But new regulations are already on the horizon, which will impact both reporting obligations (such as the **CSRD**, Corporate Sustainable Reporting Directive¹) and any future cost compensation for greenhouse gas (GHG) emissions.

The ETS II, the new EU Emission Trading System, includes emissions from freight. Starting in 2027 the cost impact is limited to €45 per ton of carbon dioxide by 2030. Experts expect prices to climb to €300 per ton during the 2030s.

¹ Effective as of FY 2024 for large companies subject to non-financial reporting; as of 2027 even listed SME will need to report accordingly



Just recently² the European Commission added its Greening Freight Package, which includes **CountEmissions EU**, a new standard for the calculation of carbon emissions from transport. Managers in logistics procurement are now asking themselves how to include decarbonization targets in their awarding scenarios, without harming the budget KPIs their bonus is based on.

Let's start exploring that last point, because the good news is that decarbonization doesn't always mean higher costs. On the contrary, a good set of measures, primarily so-called **short-term abatement solutions**³, may even have a cost-reducing effect.

These solutions include digitalization, co-operation in networks, load and routing optimization and every measure which reduces fuel or energy consumption, such as eco-driver training programs. When they are adopted properly, the actual differences between carriers in terms of environmental performance are sometimes wider than you may imagine. In any event, if you continue to base your emissions reporting on industry-default averages⁴, it will be like wearing a blindfold and, as a result, you won't be able to manage your carriers optimally.

Admittedly the ambition to progress on **modal shift** has suffered a significant setback⁵ due to substantial energy cost increases in rail and intermodal freight. On the positive side, that pendulum is set to swing back again as we see electricity prices come down. The current poor integration of rail and intermodal transport into other supply chain solutions⁶ remains a major hurdle in this area. But the good news is that solutions can be seen on the horizon. It's simply

a matter of talking to the right people, who already know how to integrate these modes into end-to-end supply chain planning and execution.

Supply chain executives will be asked to source awarding scenarios for freight, which allows them to meet both emissions reduction targets and budget goals in parallel. Top quality data has a huge role to play in this, because in a few years the synthesis between decarbonization and commercial targets may become trickier to navigate. There is no time to waste, so picking those low-hanging fruits without delay is a must! Better data on actual transport execution is also needed for proper supply network planning.

“YES WE CAN!”

In early July of this year, Nestlé decided to cease carbon offsets and withdraw pledges on carbon neutrality for certain brands, following challenges from both EU lawmakers and consumers. Instead, the global giant said it will “invest in programs and practices that help reduce greenhouse gas emissions in our own supply chain and operations, where it makes most difference to reach our net zero ambition.”

This statement translates into true leadership. I recommend it to all of us in the supply chain, logistics and transportation industries.

² July 11th, 2023

³ Full list shared by World Economic Forum under Transporeon's Road to Net Zero report

⁴ Therefore, every high quality carbon emission calculation focuses on primary data from sensors and this is what CountEmissions EU also suggests.

⁵ In 2023 intermodal transport declined by 14% in Europe.

⁶ According to an ALICE whitepaper (2023), Increasing the Use of Rail and Intermodal Transport in Europe, the industry sees this as the no. 1 hurdle to the use of rail and intermodal transport



EMPOWERING CUSTOMERS

How Transporeon's partner ecosystem enhances platform capability and provides additional services



Supply chains are complex systems, and that complexity is increasing as the industry faces rising customer expectations, along with a plethora of recent disruptions, which look set to continue in one form or another.

To meet these challenges, modern operators are focusing on technology and innovation to help them move away from inefficient processes, and towards digitalization and interoperability.

Transporeon's partnership philosophy provides additional services, data, interoperability and force multipliers to accelerate the power of our network. These partnerships play a vital role in delivering exceptional experiences to end customers, extending the functional capabilities of the platform, and providing a wider range of services. This brings further value to our customers in a number of ways.

1 UNDERSTANDING CUSTOMER NEEDS: ADDRESSING THEIR PAIN POINTS

Our partnerships enable us to address customer pain points more effectively. By leveraging third party technology alliances we can offer comprehensive solutions that meet the unique needs of our customers.

Tom Mosel, from **ArcelorMittal Hamburg GmbH**, explains: "Integrating the Transporeon platform with **Peripass'** yard management system allows us to prioritize incoming trucks, leading to a substantial reduction in throughput times, particularly for on-time arrivals."

This sentiment is supported by Dr. Stefan Kreamsner, CEO, **s2 data & algorithms**: "Together with Transporeon we leverage smart algorithms for carriers and shippers to employ holistic cost and transport efficiency to modern supply chains. As partners, we generate innovations to optimize freight space, as well as production and warehouse logistics. It's a new way to optimize transport and increase automation, on a connected end-to-end platform".

2 EXPANDING POSSIBILITIES: CREATING INNOVATION THROUGH COLLABORATION

By joining forces with our strategic partners, we can pool expertise and resources. This fuels the development of new features and services that enhance Transporeon's platform capability and deliver greater value to our customers.

Rail Cargo Group CEO Clemens Först agrees: "Multimodal transports combining the sustainability of rail freight, with the flexibility of trucking on the first and last mile are our best chance at achieving sustainable land transport in Europe. Simplicity and ease of access is paramount for wide-scale adoption. We are

delighted to have Transporeon as a strong and innovative partner on this journey. Together we bring everything to the table to make multimodal transports attractive."

3 REACHING NEW HORIZONS: BROADENING MARKET REACH

Partnerships open doors to new markets and customer segments. This is a view shared by Mathias Gredenhag, CTO, **nShift**: "International expansion represents a huge opportunity in ecommerce. Shipping and logistics challenges are the biggest hurdles when launching into new markets. Vendors can overcome these obstacles by forming the right connections with carrier companies. With the combination of nShift and Transporeon, retailers can build a global customer base that is every bit as loyal and engaged as at home."

By forming alliances with complementary businesses, such as nShift, Transporeon accelerates the power of our network. This ensures our capabilities and services are accessible to a wider range of customers and that we are able to support existing customers in their operations around the world.



4 ELEVATING THE CUSTOMER EXPERIENCE: PUTTING CUSTOMERS FRONT AND CENTER

Our partnerships enable us to enrich our customer-centric approach. By collaborating with other organizations, Transporeon can optimize the end-user experience, providing seamless interactions, accredited solutions, and exceptional support to our customers.

One such example is our collaboration with Rail-Flow, as Dominik Fürste, CEO & Co-Founder of **Rail-Flow** explains: "We live in a fast-moving era where knowledge needs to be shared quickly and at the same time become easily accessible. No one wants to log in to different tools to get information. Through the collaboration of platforms, the customer gets everything in one place. This means that Transporeon customers can access the Rail-Flow platform for intermodal and rail freight transport, directly from the Transporeon applications."

5 TRUST AND RELIABILITY: BUILDING CUSTOMER CONFIDENCE THROUGH PARTNERSHIPS

Our partnerships help Transporeon build trust and credibility with our customers. Through alliances with industry leading complementary solutions, customers can be reassured of the reliability and quality of our combined offerings. Sustainability is one of those areas where assurance and trust are needed to separate serious solutions from greenwashing.

Our partnership philosophy provides additional services, data, interoperability and force multipliers to accelerate the power of our network.

In that sense, **Smart Freight Centre** confirms the full compliance of Transporeon’s Carbon Visibility with the GLEC framework¹. However, the collaboration includes further important industry initiatives such as the **Sustainable Freight Buyers Alliance**, as its Director, Rik Arends, explains: “Smart Freight Centre supports organizations on their journey to zero emission logistics. Through accurate reporting companies can take accelerated action. It is exciting to work with Transporeon to create the much-needed transparency and visibility of logistics emissions, allowing companies to take action. We look forward to our continued collaboration and moving the market to zero emission logistics.”

6 SHAPING THE FUTURE: TRENDS AND OPPORTUNITIES

Working alongside our strategic partners, Transporeon can quickly spot industry trends and develop new partner strategies, opportunities and functionality to support our customers. From shared platforms to cross-industry collaborations, our forward-thinking approach leverages these partnerships to deliver innovative solutions to end customers.

Goos Kant, Managing Director & Global Director Manufacturing, **ORTEC**, agrees: “The partnership between ORTEC and Transporeon is a perfect fit: we have complementary solutions, a similar company culture, and both focus on making logistics more efficient, effective and transparent in the supply chain world of manufacturers, retailers and carriers.”

Martin Lockwood, Senior Director, Alliances EMEA at **Manhattan Associates**, shares this view:



“For Manhattan, our alliance with Transporeon provides increased opportunities for our complimentary solutions to provide value to our customers in the supply chain commerce space. It’s at work from the moment a person clicks on a buy-now button; to more-efficient packing processes that reduce wasted shipping space; to optimized transportation routing that reduces travel miles, trucks on the road and planes in the air. The end results are reduced CO₂ emissions, exceptional customer experiences and greater alignment with consumer sentiments – all at the same time.”

CONCLUSION

Transporeon’s partnership philosophy is the key to unlocking the full potential of our platform, our network, and delivering exceptional value to our customers. By encouraging collaboration, improving interoperability and embracing digitalization, we can extend the functional capabilities of our platform, enhance the range of services we offer, and ultimately empower customers with solutions that not only meet, but exceed their unique needs.



¹ Transporeon, Kuehne Logistics University and Smart Freight Centre, ‘Decarbonizing Freight 2022’ report







Adrian Gonzalez
Founder of **Talking Logistics** and President
of Adelante SCM

“Innovation.” It’s used a great deal in the logistics and transportation industries, but what does innovation mean today and where are companies focusing their innovation efforts?

At the start of 2023 we asked members of our **Indago supply chain research community** – who are all supply chain and logistics executives from manufacturing, retail, and distribution companies – to comment on their innovation priorities, as well as the barriers to innovation that may exist within their enterprises.

It's an important question to ask regularly because priorities can change over time. In a 2013 white paper on this topic, The MIT Center for Transportation & Logistics defined supply chain innovation as “the combining and application of a mix of inventions, existing processes, and technologies in a new way that achieves a desirable change in cost, quality, cash and/or service.”

...more than two-thirds of the supply chain respondents (68%) highlighted siloed systems and/or processes as the biggest obstacle

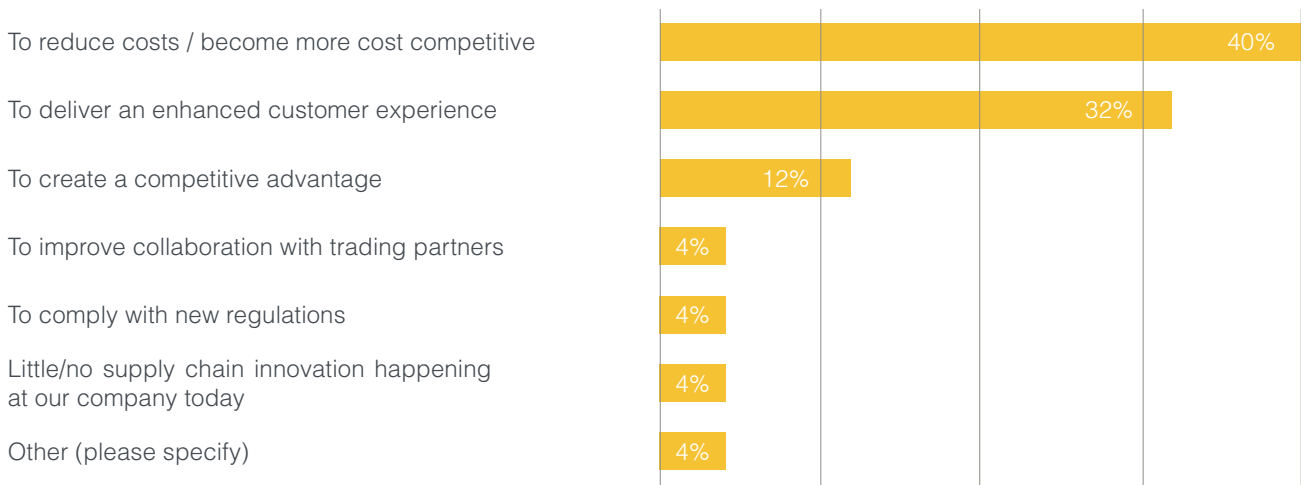
So, which of those important targets is currently most in the crosshairs?

In today's challenging economic times, it's perhaps not surprising that the most important goal for 40% of the respondents was “to reduce costs/become more cost competitive”. Considering the increased focus on customer delight in recent years, it's also not surprising that “to deliver an enhanced customer experience” (32%) ranked second.

But are these commendable goals being achieved via innovation, or even being effectively sought? When asked to nominate up to three barriers to innovation inside their companies, from a given list, more than two-thirds of the supply chain respondents (68%) highlighted siloed systems and/or processes as the biggest obstacle. Just under half highlighted a lack of support from either IT or other functional groups, while a similarly large number bemoaned poor data quality.



What is the primary focus of your company's supply chain innovation efforts today?

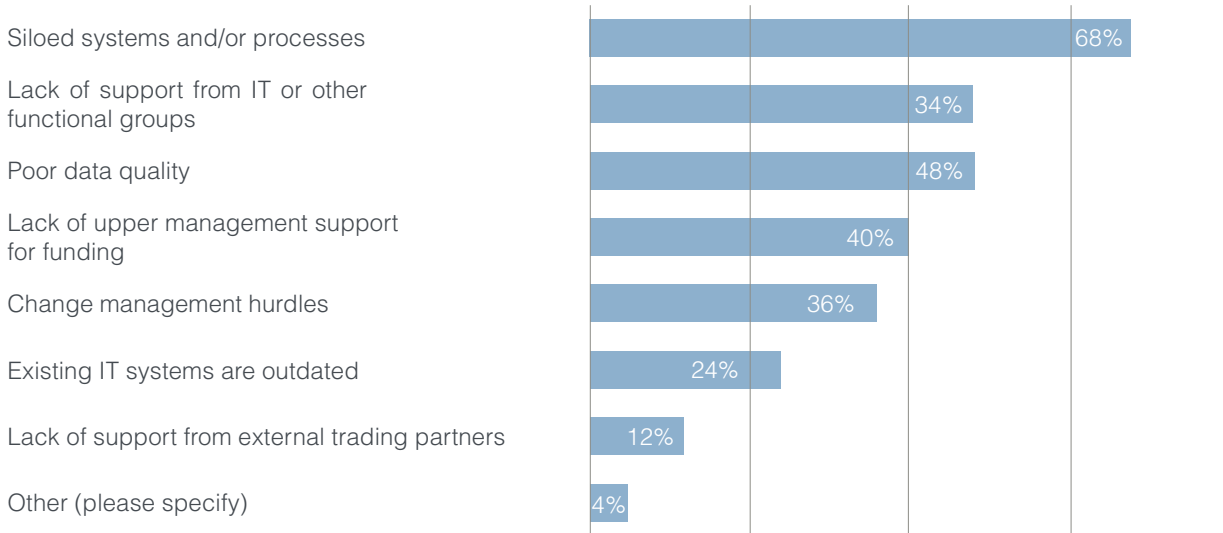


Source: Indago Research brief ‘Supply Chain Innovation’, February 17, 2023

 % of respondents



What are the top barriers to supply chain and logistics innovation at your company today?



Source: Indago Research brief ‘Supply Chain Innovation’, February 17, 2023

 % of respondents

Based on the comments made by respondents, it is clear that the desire to embrace innovation exists, but more focus and investment is required at the company level to drive it forward. Several respondents pointed to a lack of effective leadership in driving supply chain innovation.

Comments included:

“We do not have a dedicated team focused on innovation, so the main challenge is finding the time to work on innovation, continuous improvement or process optimization [in addition to doing] routine work.”

“Supply chain innovation is critical for creating future competitive advantage and should have a dedicated team to drive it. However, without aligned incentives, innovations efforts get deprioritized until they are needed as gap closures, to avoid a competitive disadvantage.”

Other comments recognized the growing importance of accurate, rich data:

“Our data is unreliable, and we often make incorrect assumptions based on ‘gut’ feelings. We have several team members working on innovation efforts. Documentation of supply chain processes must be visible to all team members to ensure everyone is on the same page.”

The best companies have teams in place specifically to drive innovation.

One executive advises:

“We have multiple Agile teams set up to work on innovation projects. Some advice to others: Be strategic when taking on projects. Select a few ‘go fast’ projects that will [provide] immediate [benefits] to the company. Many organizations fail when they try to take on too many projects, which stretches the bandwidth of teams who must support both the daily operations and enhancements/projects.”

“...Documentation of supply chain processes must be visible to all team members to ensure everyone is on the same page.”

2023

HIGHLIGHTS

01

January



Welcoming guests from Saint-Gobain Europe to our headquarters in Ulm.

02

February

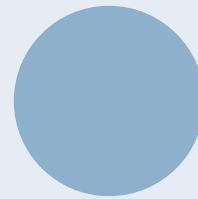
03

March
was busy!

Starting with our third
Logistics Sustainability Month



Teamed up with MACO Group to showcase their truck utilization that reduces CO₂ emissions



04

April



We officially **joined** the Trimble family!



How to **make transport and logistics more efficient** with our customer Pfeifer.

05

May

Face-to-face with the world at **transport logistic in Munich**



Trucker Heroes partnership with Rohlig Suus Logistics on display at the transport logistic fair

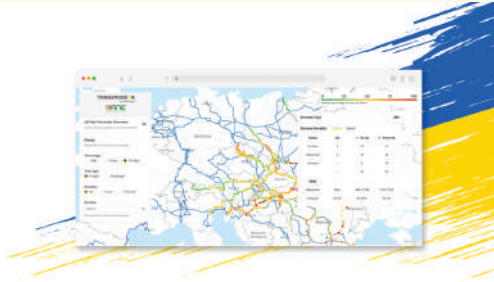


Celebrated the successful roll out of Autonomous Procurement together with AB InBev

06

June

Our Visibility Map **enhanced** rail transport visibility between the EU and Ukraine



07

July

Celebrated 14 years of partnership with Ritex Logistics



08

August

Carbon Intelligence Community reached **1000 members!**

"Congrats to this Community Meetup! Really insightful and a great way to connect to the industry!"

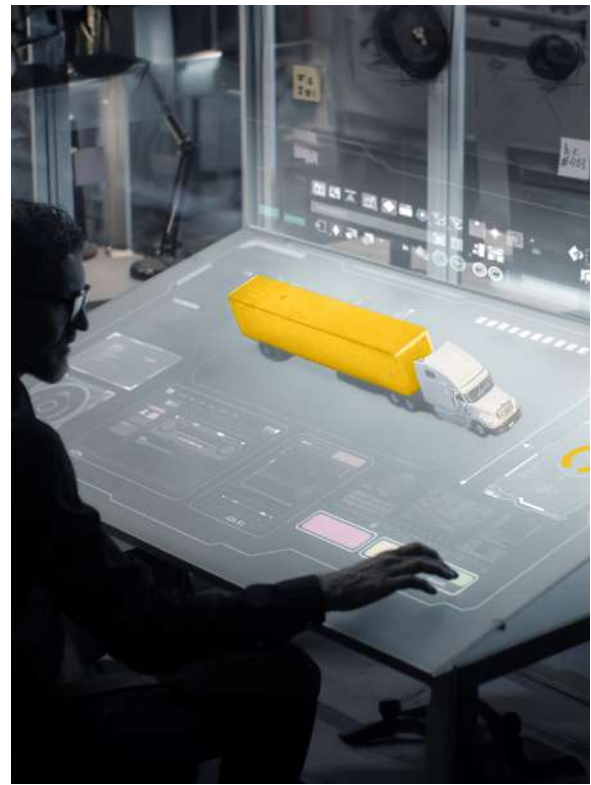
VP Global ESG & Sustainability in a Freight Forwarding company



And much more to come!

HUB FOCUS

FREIGHT SOURCING AND PROCUREMENT



How ghost lanes can haunt your procurement strategy



Dr. Angela Acocella

Researcher in Transportation, Logistics and Operations Management at Tilburg University and at the Massachusetts Institute of Technology (MIT)

While the intended benefits to shippers – mainly flexibility and choice – explain why a ‘coverage’ spot/contract mix procurement strategy is so common, the actual effectiveness of this strategy, including potentially unintended consequences, has been less well explored. Working with a series of datasets, representing the outcome of each strategic bid event and every subsequent load offer, for dozens of FTL shippers in the US over a five-year period, we modelled shipper and carrier behaviors to isolate the effects of ghost lanes. These are lanes where a contract is in place with a carrier, but no volume ever materializes. We had three research questions in mind:

1 Are there future price and/or service repercussions for shippers with a high rate of ghost lanes for their carriers?

We followed shipper-carrier pairs year to year. We measured the percentage of shippers’ lanes awarded to each carrier that ended up as ghost lanes over the course of the contract year. We then determined how that impacts the carrier’s capacity availability for the shipper, and the carrier’s contract price competitiveness for that shipper, the following year. The results showed that there was in fact a statistically significant decrease in capacity availability in that year and an increase in the carrier’s contract prices the following year.

2 How can we predict whether a lane will become a ghost lane before it is procured?

We developed a prediction model that inputs characteristics of lanes before they are procured and tells us the likelihood of that lane ending up as a ghost lane. We find that the strongest indicator of whether a lane will become a ghost

lane is if it is new, meaning it was not included in the procurement event the previous year. In fact, 85% of ghost lanes were new that year. Moreover, lanes that were contracted, but with low materialized volume the previous year, are also highly likely to be ghost lanes that year.

3 Is the coverage procurement approach reducing cost escalations for shippers as intended? Or would it be better to remove potential ghost lanes from the procurement event?

We modeled the price differential between contract and spot prices on lanes that are likely to become ghost lanes, as identified by our previous model. A shipper’s objective when procuring contracts on these lanes is to establish lower contract prices than the spot prices they would otherwise be exposed to. However, we find that these contracts are priced higher than their lane-specific spot prices. For example, new lane contracts are between 13% and 40% higher than spot prices, and lanes that are previously procured, but turn out to be ghost lanes, are between 7% and 11% higher than spot prices.

This suggests that the uncertainty in volume demand for carriers on these lanes is being accounted for when they submit bid prices for contracts. Not only are shippers failing to enjoy the cost savings they expect by establishing contracts on these lanes, but they are also actually overpaying by quite a bit.

RETHINKING THE PORTFOLIO BALANCE

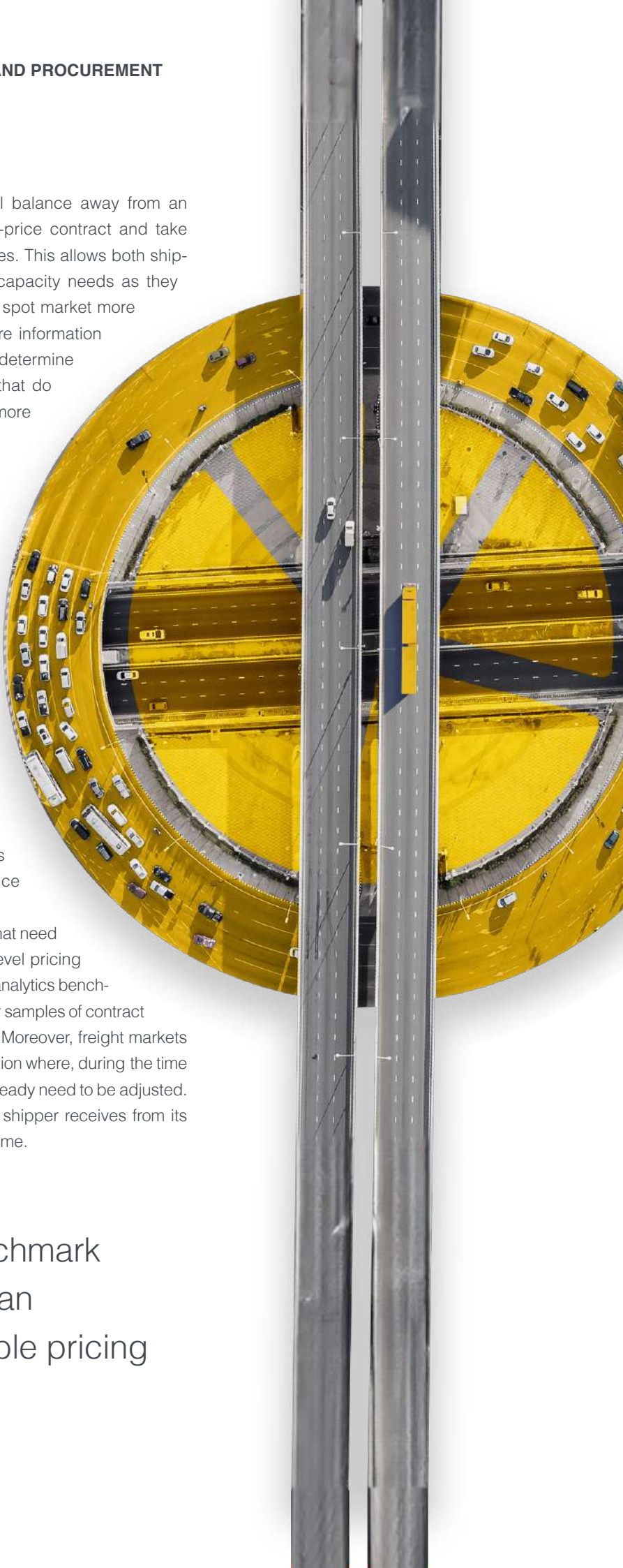
This research suggests that we shift the traditional balance away from an extreme reliance on the traditional long-term, fixed-price contract and take more of a wait-and-see approach before setting prices. This allows both shipper and carrier to better assess the demand and capacity needs as they become known. In this way, we can incorporate the spot market more strategically into the relationship portfolio. Once more information about demand becomes available, we can better determine if establishing contracts with carriers for the lanes that do materialize is the best option, and set a price that is more competitive and suits those lanes better.

REFLECTIONS: GATHER MARKET INFORMATION WITHOUT GHOSTING

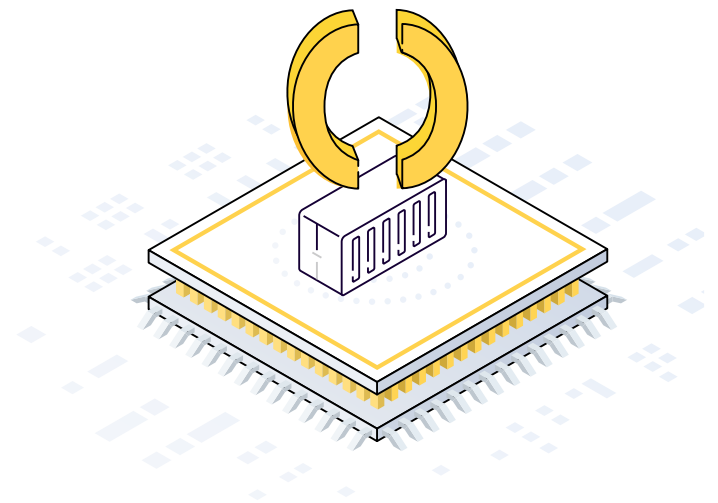
Often, we see disingenuous or misleading activity, such as ghost lanes resulting from a lack of information. Shippers lack price transparency, particularly in the FTL space. Unlike LTL pricing, where rate tables are constructed, which more clearly indicate what transportation buyers will pay for their freight, FTL contract prices are the result of auctions and negotiations for each individual lane. In some cases, shippers may use the bid process to gather pricing information and check the pulse of the current market without intending to instate or honor contracts they establish. This process of setting up contracts for highly uncertain lanes may be done to provide price information required by sales and finance teams.

However, there are alternative options for shippers that need market information. For example, more reliable lane-level pricing information exists on a number of transportation market analytics benchmark providers. These providers aggregate much larger samples of contract and spot prices, offering more consistent information. Moreover, freight markets are cyclical. Most shippers have experienced the situation where, during the time between running the bid and rates going live, prices already need to be adjusted. This underpins the unreliability of price information a shipper receives from its individual bid: it only represents a single snapshot in time.

Analytical tools from benchmark providers, for example, can provide faster, more reliable pricing information.



In summary, high supply and demand uncertainty, along with a lack of information, drive dishonest behavior – whether intentional or not. However, this has negative efficiency and cost repercussions for both shippers and carriers. The research suggests a need for more intentional use of historical demand information, incorporation of market expectations, and available analytical tools to inform today’s strategic procurement decisions to find the right portfolio mix. •



Watch the masterclass series on science-based transportation logistics with Dr. Angela Acocella here:



FREIGHT SOURCING HUB

HOW FREIGHT SOURCING HUB CAN IMPROVE YOUR BUSINESS:

PROCUREMENT ADVISORY

This helps to optimize logistics processes, identify cost-saving factors and develop tailored strategies for enhancing the entire supply chain. Our experts have a wealth of experience and offer a comprehensive understanding of various modes of global transportation, including sea, road, rail, and air.

STRATEGIC BENCHMARKING

Customers gain access to in-depth analysis of rates, capacities, and services, specific to their chosen mode.

FREIGHT PROCUREMENT

Our best in class, digital tendering tool helps procurement teams find the right logistics service providers and reduce the administrative workload associated with transport tenders. This solution provides users with market transparency, easily comparable offers, and insightful reports at the click of a mouse.

AUTONOMOUS PROCUREMENT

It has become increasingly difficult to negotiate favorable rates. This solution uses behavioral and data science to offer instantly acceptable offers to carriers, instead of asking carriers for bids.

KEY FACTS AND FIGURES



4%

spot spend reduction

100+

strategic benchmarking partners

30%

reduction in manual administration efforts

60k+

carrier profiles in supplier database

CASE STUDY



Discover how a drinks giant brewed up double-digit savings

Global drinks conglomerate AB InBev is one of the largest and most sophisticated spot freight buyers in the world. It was looking for a new approach, driven by machine learning and AI, to deliver better results than could be achieved with a freight auction model. Given the company's huge scale, the potential savings total tens of millions of dollars.

CHALLENGE

Carriers were overwhelmed, with partners struggling to manage the volume of shipments and bid requests from the team. Workflows were capped while costs spiraled because existing bid mechanisms were no longer appropriate to suit the changing market.

SELECTED SOLUTION

Transporeon's Autonomous Procurement platform proved its game-changing value over a 45-day test period, running alongside AB InBev's existing process without any need to add resources or teams to carry out the comparison.

»» RESULTS

+ SPOT COST REDUCTION

AB InBev achieved double-digit savings throughout the pilot and has continued to maintain that level for more than six months. This has been calculated through a direct comparison between previous spot freight procurement solutions and Autonomous Procurement.

+ REDUCED TIME TO CAPACITY

AB InBev was able to move away from its 4:00PM bid review cycle to a model where carriers could match loads on demand. Once made available, autonomous tendering led AB InBev to gain an average of 24 hours of lead time on most shipments.

+ IMPROVED CARRIER ENGAGEMENT

Carrier feedback has been positive from both brokers and asset-based carrier partners, who like the self-service model and ability to instantly book shipments. They appreciate the site's intuitiveness, ease of use, and accessibility through mobile devices.

+ GOOD PLANNER ADOPTION & HIGHER PRODUCTIVITY

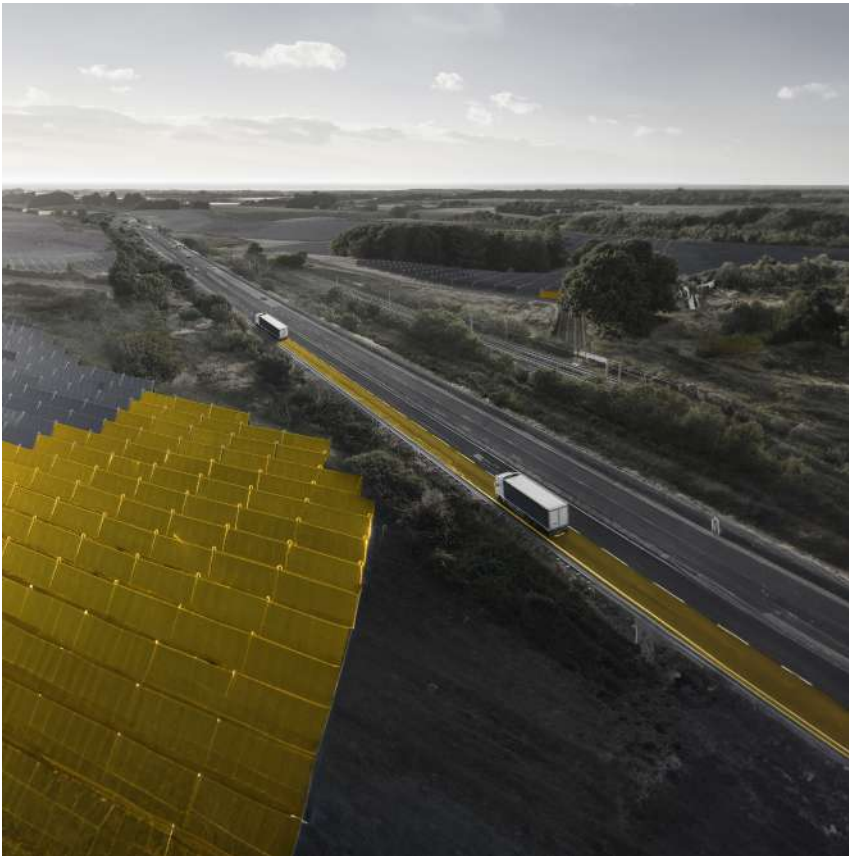
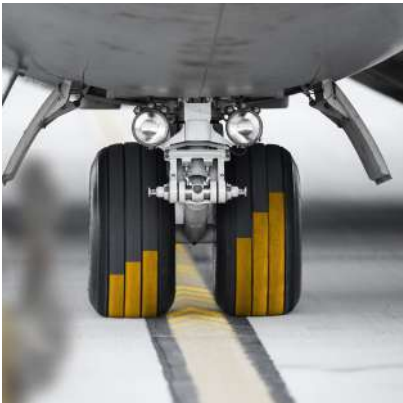
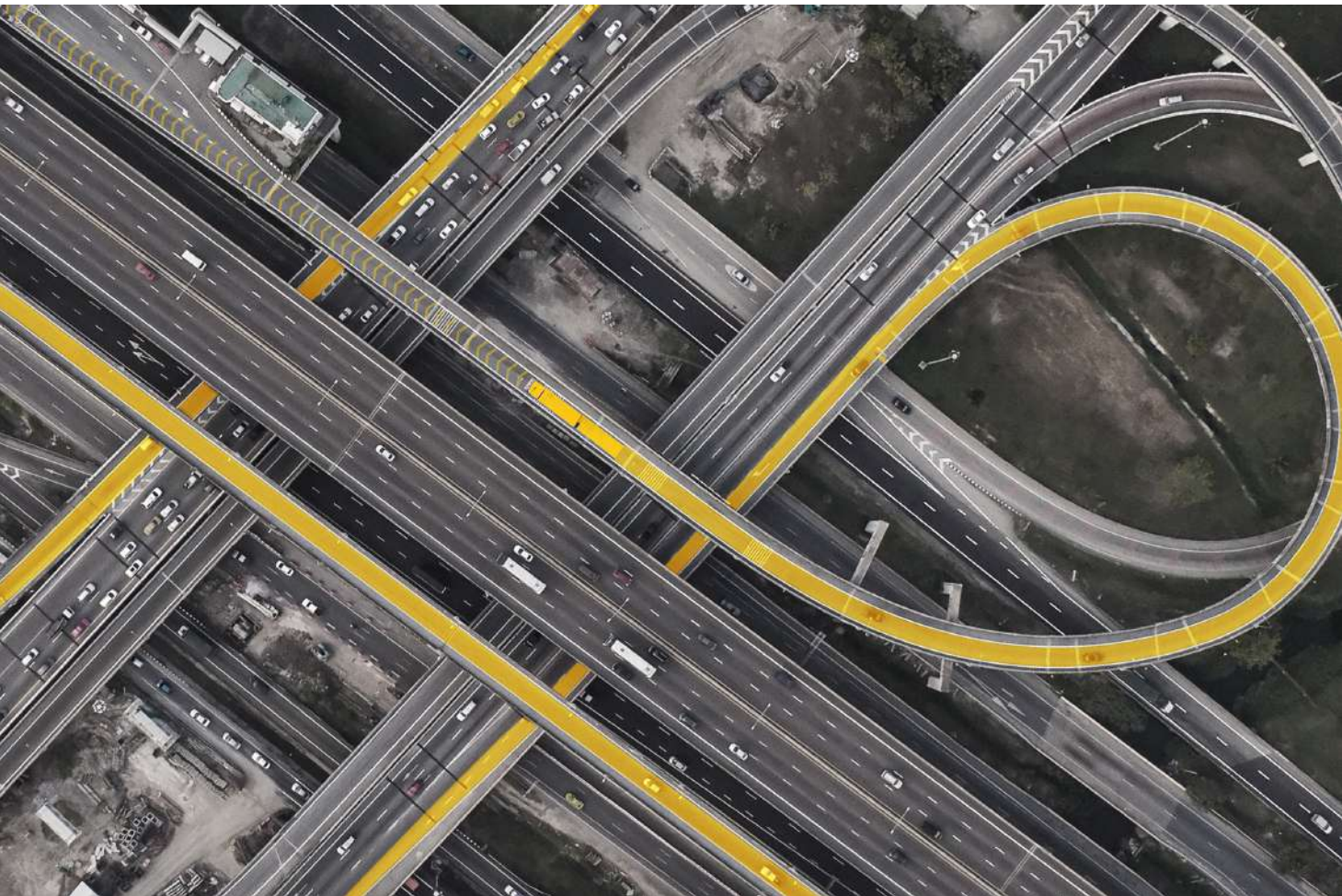
Autonomous Procurement brought a reduction in tasks for the AB InBev back-office team and changes in the way they manage exception handling and price setting. By centralizing information, the team could make faster decisions and focus on higher order priorities.

+ PROCUREMENT INSIGHTS

Transporeon's analytical environment has brought tremendous benefit in tracking fundamental spot buying KPIs and carrier engagement. It provides the team with relevant insights for use in the annual RFP process and spot strategy definition.



[Read full case study](#)



Learn more about the
Freight Sourcing Hub

HUB FOCUS

TRANSPORT EXECUTION



How to win a flexible competitive advantage



Jonathan Raemdonck,
Head of Product Marketing, Transporeon

WHAT'S NEW AND HAPPENING IN THE SECTOR

In the past, transport execution was broadly about assigning a shipment to a carrier and, once that was done, moving on to the next task. That's changed now. The world of transportation has become so unpredictable, with carriers rejecting shipments, last-minute changes, in-transit delays and many more challenges. This has led companies to seek out visibility options to help them manage this unpredictability. However, many have come to realize that they need more than just visibility on its own. What they really need is context, which can be added to their operational systems so they can see the full picture, in terms of 'what is planned', and also 'what is happening', in one single interface. This means they can take action based on insights, rather than gut feeling.



Richard Wilding, professor of Supply Chain Strategy at Cranfield University, recently said that transport execution used to be 20% unpredictable and 80% predictable, but that situation is now the complete opposite. Many customers will recognize this viewpoint. Without automated solutions to help, many personnel hours can be lost fixing unexpected issues, such as seeking out individual spot market quotes when there is a problem with a contracted lane or port delays in transshipment. If you can automate the process appropriately to suit your business needs, you gain the confidence that comes from knowing you have a well-balanced execution strategy.

QUESTIONS CUSTOMERS ARE ASKING RIGHT NOW

Having seen the initial benefits of visibility in the supply chain, customers are asking us for the next stage, so that they have a complete picture available at all times, enabling them to make visibility actionable. As an example, they might ask: why have visibility of an Ocean shipment if it is not also linked to a day-to-day operational system? They want to be able to drill down to individual SKU level, to identify exactly what is late. With that knowledge, customers are seeing the benefits that can be gained from integrated RTV, throughout their supply chain and logistics chain.

Automation alters strategic perspectives and the common exercises associated with them. Where in the past teams might have debated whether to outsource to a 4PL or insource from a 4PL, they are now seeing that the technology has evolved to a level where they can manage transportation flows without needing a huge team of logisticians. With the help of automation, you can do this with a small team, and that makes a powerful business case.



KEY DRIVERS FOR CUSTOMERS

I think customers understand that transportation logistics is now much more than a service you buy or hire. When executed properly it becomes an important competitive advantage. By managing their own flows with this understanding, they are better able to tackle their sustainability goals, as well as benefiting from the flexibility and adaptability that is now such a vital requirement of today's transportation logistics challenges. •

TRANSPORT EXECUTION HUB

HOW THE TRANSPORT EXECUTION HUB CAN IMPROVE YOUR BUSINESS

- Flexibility
- Panoramic network overview
- More benefits from end-to-end visibility of all modes
- Full interoperability with partners
- Automates your process

FACTS AND FIGURES

With the Transport Execution Hub you can achieve up to:

10%
savings on freight spend

30%
less manual admin

13%
fewer empty runs

4%
spot spend reduction



CASE STUDY



Pfeifer is the leading timber processing company in Central Europe.



Today it has 13 facilities in Austria, Germany, the Czech Republic and Finland, and exports to Asia, North and South America and Africa, serving over 4000 customers.

CHALLENGES

Transportation costs have a big impact on the end price of products in the timber industry – if a truck is just one day late, it can cost up to €25,000 in the CLT (cross laminated timber) project business. To reduce overheads and improve efficiency Pfeifer needed to centralize and digitize its transport scheduling unit. This would enable its logistics team to better organize the loading processes, thereby reducing traffic jam issues and costly waiting times.

SELECTED SOLUTION

Since 2009, Pfeifer and Transporeon have enjoyed a close partnership.

Currently, eight of their plants across Europe use our Transport Execution Hub, and are benefiting from products such as Transport Assignment, Rate Management, and the Dock and Yard Management Hub.

Pfeifer's IT landscape is now perfectly embedded into the platform, and communication between the systems is seamless, thanks to Transporeon Add-on Hybrid for SAP S/4HANA.



Pfeifer's IT landscape is now perfectly embedded into the platform, and communication between the systems is seamless, thanks to Transporeon

»» RESULTS

→ IMPROVED TRANSPORT EXECUTION

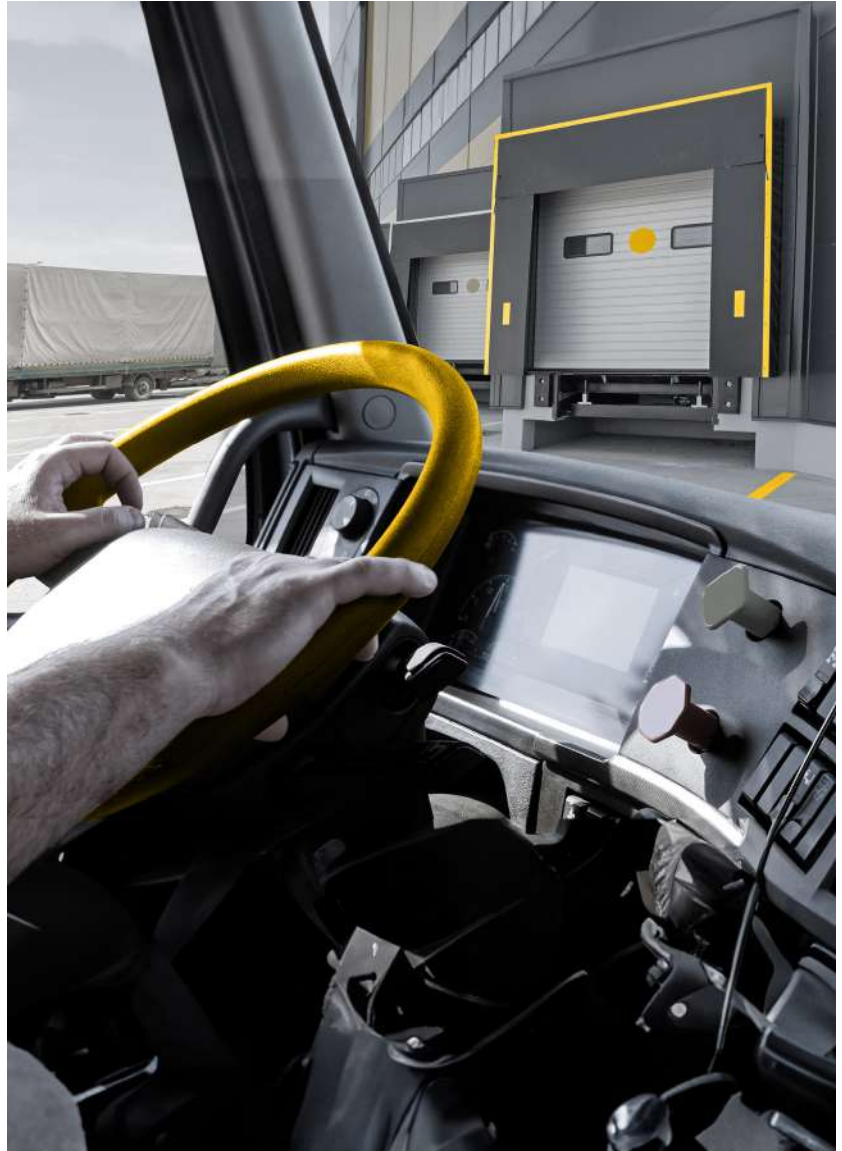
Thanks to the Transport Execution Hub, Pfeifer is now able to adopt a mix of contract and spot assignments to fulfill its transportation needs, reduce empty miles and increase FTLs.

→ BETTER NEGOTIATIONS

Pfeifer uses Network Insights to create benchmarks and see the full picture of its contract vs spot prices mix. This view can also be created per carrier and supports better negotiations by using objective data.

→ SMOOTHER TRANSPORT OPERATIONS

Use of the Dock and Yard Management Hub has ensured an even distribution of truck arrivals between the hours of 6:00 and 16:00. Pfeifer has also benefitted from better on-site organization in the loading areas, with truck processing time reduced by up to 30 minutes per vehicle.



Learn more about the
Transport Execution Hub:

Find out from our customers why
strategically managing spot freight
is crucial in the current **volatile**
market scenario:

HUB FOCUS

DOCK AND YARD MANAGEMENT



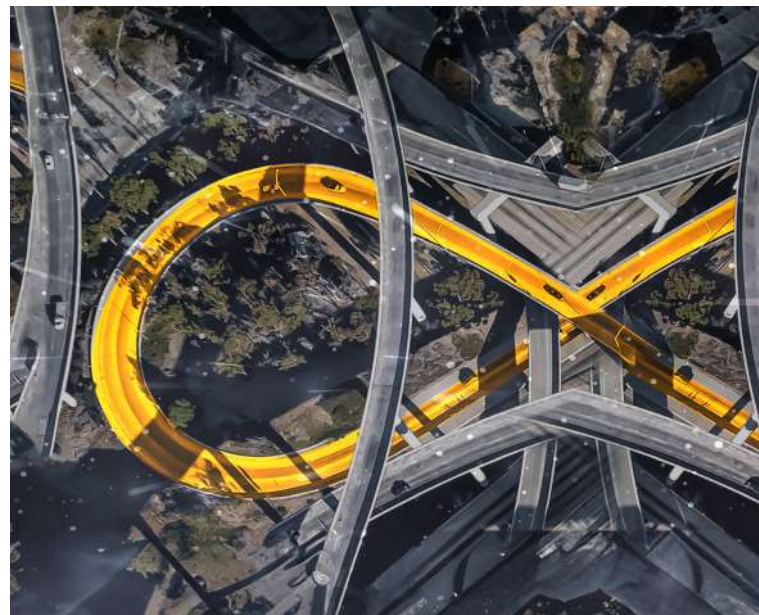
There is a revolution happening in the yard and at the loading dock – and it means wins for all parties

The following is an extract from our white paper uncovering the true power of time slot management, how to optimize its value by leveraging the network effect, and the impact of current tech trends.

There's an old saying: a man with one watch knows the time. A man with two is never sure.

When it comes to keeping trucks on time at warehouses or distribution centers, it's more complex than just checking your watch. But the effect is the same.

Here are three aspects of Time Slot Management and dock scheduling that could transform your warehouses and distribution centers.



1 WAIT TIMES AND COSTS ADD UP QUICKER THAN YOU THINK: 44% of warehouses have an average wait time of between 60 and 120 minutes

According to a recent survey, the average waiting time for drivers — that is, the time spent between checking into the warehouse and loading or unloading their truck is 70 minutes. This is not only time lost, it's also a waste of resources, the driver's time, idling costs, and missed time on the road. So why is it so hard to predict accurate arrivals and funnel carriers swiftly through loading and unloading?

The most common cause is drivers arriving at unexpected times, leading to sudden peaks and warehouse congestion. There is a myriad of factors that affect arrival times, such as traffic on the road, bad weather or construction, but with proper planning and up-to-date ETAs, yard managers can better plan resources to mitigate congestion and reduce waiting times.

2 CHANGE HAPPENS — BUT TOGETHER WE CAN REDUCE THE IMPACT: 11% of loadings or unloading need to be rescheduled every day'

Some people believe efficiency depends on having a perfect plan. In logistics, we know there is no such thing. Traffic jams, missed appointments, inclement weather, and mechanical issues are just a few things that can ruin our carefully laid plans.

For warehouse and yard managers, the best solution is not to double-down on planning, but to focus on replanning — and that requires working together, across the supply chain, to improve communication and coordination. The network effect kicks in when the entire supply chain ecosystem works together to optimize performance, thereby reducing waiting times, optimizing routes, and ultimately reducing carbon emissions.

In this context, dock scheduling is just one part of this greater network effect, but that should in no way diminish its importance. If the network effect is able to provide greater transparency and accuracy around loading and unloading, Time Slot Management is what enables yard operators to put that knowledge to good use.

Today, fewer than 6% of warehouses are able to reschedule loads automatically. Time Slot Management provides the technology necessary to transform data into cost savings.



3 VALUE IS WON – OR LOST – IN REAL TIME: 60% of warehouses integrate real-time data into their Time Slot Management tool

The best information is useless if you get it too late. And when it comes to warehouse management, ETAs have a shorter shelf life than ice cream.

To fully experience the benefits of Time Slot Management, we need to couple that dock scheduling technology with the power of real-time visibility. This data integration allows for better tracking of assets on the move, and updates yard managers on early or late arrivals, while automatically adjusting dock scheduling and reallocating resources.

Survey respondents who integrated real-time data into their Time Slot Management saw their wait times go down by an average of 61 minutes.

This is a win-win-win: optimized warehouse management, reduced costs associated with waiting, and increased carrier satisfaction.



Learn more about the Dock and Yard Management Hub

TIME SLOT MANAGEMENT: THE FUTURE

Warehouse congestion can cause a lot of stress for shippers, recipients, carriers, warehouse workers and drivers, resulting in increased costs associated with wait times and demurrage charges. However, a time slot management application, especially when used together with real-time visibility tools, can significantly improve outcomes.

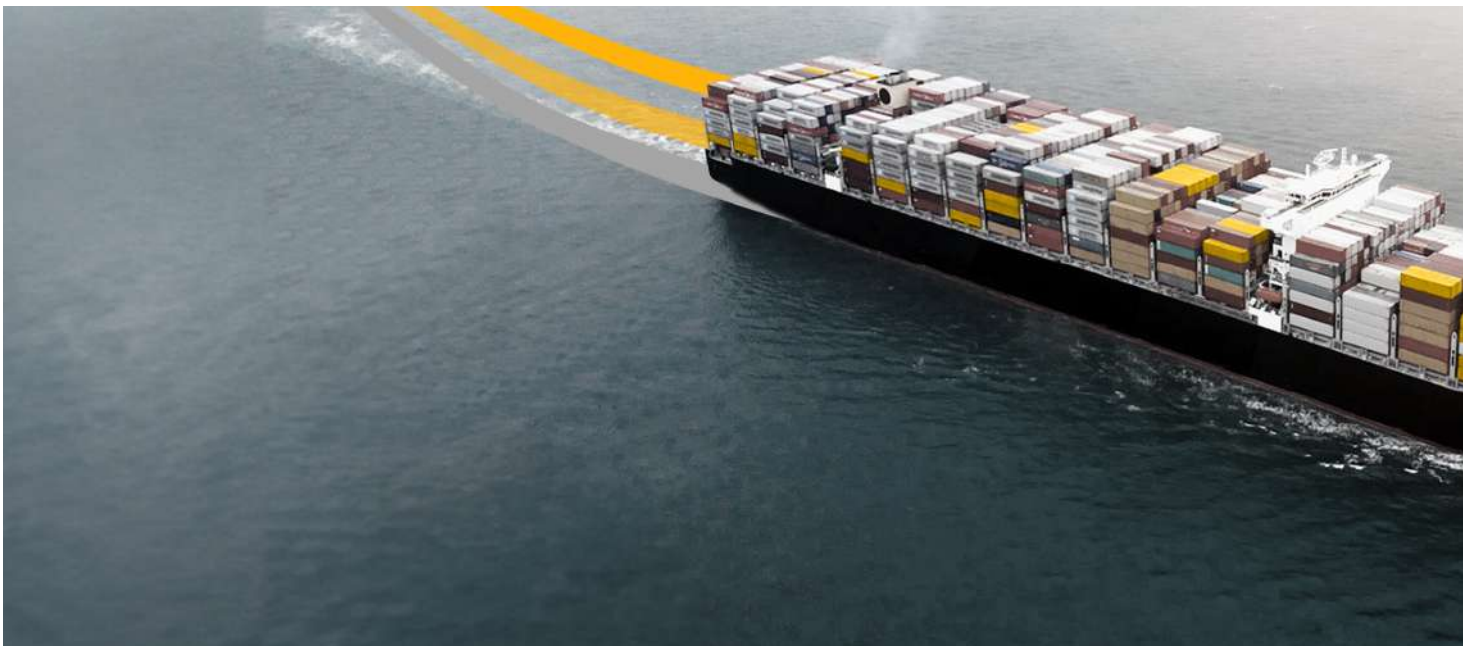
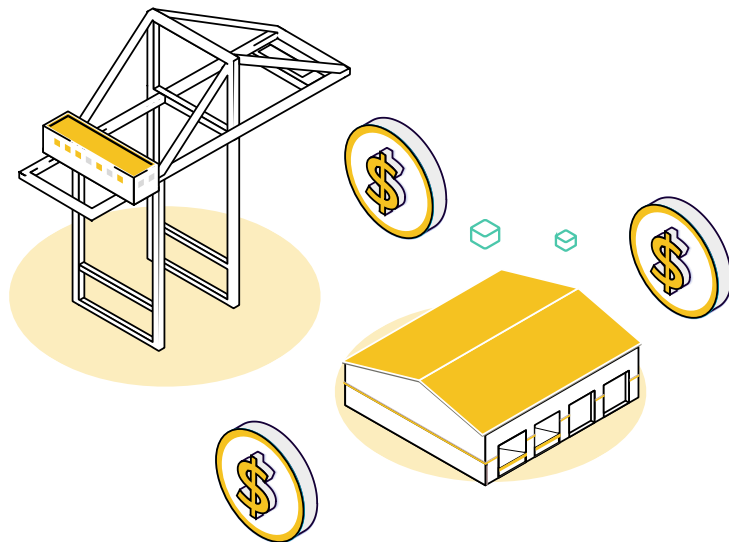
The future of time slot management applications hinges on the use of real-time data to improve ETAs, which will increase efficiency during the check-in, loading, unloading and departure processes.

[Read the full white paper](#)

DOCK AND YARD MANAGEMENT HUB

HOW DOCK AND YARD MANAGEMENT HUB CAN IMPROVE YOUR BUSINESS

- End warehouse queues and save on overtime
- Faster yard turnaround time
- Maximize capacity usage
- Reduce costs and fees
- Know what's arriving next
- Paperless flows managed in real-time



»» FACTS AND FIGURES

20%

more productivity
at your warehouse

30%

less waiting time for trucks

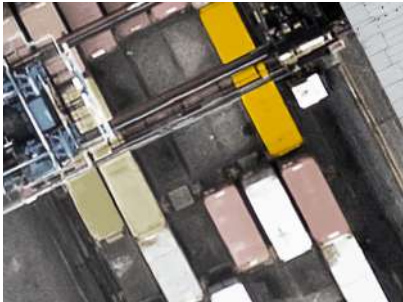
30%

saving on process costs

50 

minutes less processing
time per truck

How does your yard measure up?
Get your personalized assessment



New for 2023: Digital Transport Documents



Gerry Daalhuisen,

Tribe Lead Dock Scheduling and Yard Management, Transporeon

Gerry Daalhuisen answers key customer questions about the latest innovation from the Dock and Yard Management Hub.

HOW DOES DIGITAL TRANSPORT DOCUMENTS SERVE MY BUSINESS?

Digital Transport Documents logs your activities digitally and electronically, facilitating greater visibility and faster, smoother efficiencies, while reducing paper output. It also frees up manual resources to serve your business more profitably in other key areas.

It is a simplifier, replacing sign-on-glass. The components of the eCMR are the same as those of the paper version: signatures, submitted documents, and the facility to edit and make remarks. Digital Transport Documents stores the data, NOT just a PDF, but the outputs can be printed as a PDF if preferred.

The Dock and Yard Tribe is leading this effort because it's standard for the eCMR documents to transfer from the shipper to the driver and again to the receiver at the loading dock, so it is an obvious fit for us.

WHY NOW?

The paper-based version of the CMR, or transport consignment note, has been around for a long time. It's very simple to use, but the follow-up process and management can be slow and cumbersome. We believe our Digital Transport Documents solution, with strong capabilities to digitize the CMR (eCMR), will help the transportation sector make giant strides in its path to automation.

Back in 2011, efforts were made to digitize the eCMR protocol, with the recognition that cutting paperwork and streamlining data entry would lead to faster problem solving and cost savings. However, things have advanced significantly since then. The EU has set a deadline of 2026 for all member states to ratify the eCMR protocol – a formal digital data set that replaces the traditional paper CMR and can be easily shared among all parties involved. While most EU countries have already ratified the protocol, Germany only joined

in 2022, and Austria and Italy are still in the process of ratifying. So, it's an ongoing journey towards full digital transformation. It's coming though, and companies should prepare themselves now.



YOU TELL ME I'LL SAVE TIME AND COSTS. WHERE IS THE EVIDENCE?

The savings benefits in terms of both time and money are clear cut.

According to an independently conducted 2020 automotive survey, the costs of handling a paper-based CMR – including the issuing, distribution, use, signing, filing, Proof of Delivery (PoD) and archiving – were calculated at 20+ minutes, at a cost of €6.23 in labor hours. The eCMR timings were calculated at 5.5 minutes and a cost of €1.69. This is a saving of over €4.50, or 72%.

The transition to a digital process not only led to cost savings, but also provided significant time benefits, as shown in another recent survey. Shippers enjoyed a time saving of 21%, while carriers benefited the most with a 51% reduction in time, primarily due to eliminating the need for paper document filing. This ultimately translates to improved economics, resulting in better prices for shippers and a more competitive offering for carriers. Therefore, digitization provides a strategic advantage for both shippers and carriers looking to enhance their operations and remain competitive in the market.

-
-
-
-



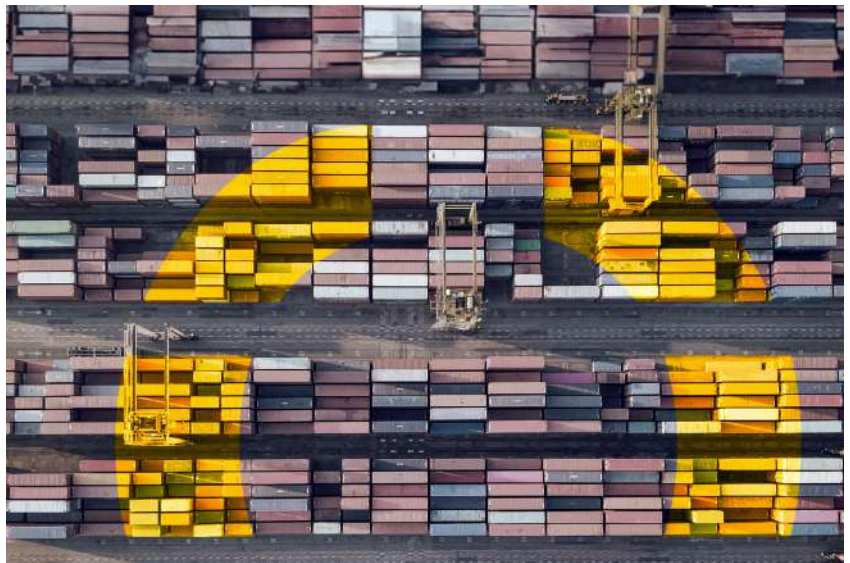


ARE THE SIGNATURE REQUIREMENTS CHANGED OR MORE COMPLEX?

Digital Transport Documents observes all requirements of the signature protocols demanded by the eCMR 2026 rules. There are three levels of signature denoted:

- 1 Low/Simple, which cannot be linked to a specific individual (this category includes sign-on glass, and the typical consumer signature models used for an Amazon delivery, for instance)
- 2 Advanced, which sign-on glass does not provide and which recognizes a signature by a stated individual;
- 3 Qualified, by which a token from a government or other recognized authority is deployed.

All parties – shipper, carrier and receiver – have real-time visibility and overview of the eCMR screens, with discrepancies or matters needing attention marked in red.



DRIVERS ALREADY HAVE A LOT TO THINK ABOUT. IS THIS JUST ANOTHER COMPLICATION FOR THEM?

We actually believe it's the opposite, because the process is easy for the driver, due to its simple, intuitive mobile workflow. It is multilingual, recognizing 28 languages, and works exactly like the small browser pages of a typical smartphone. The driver inputs their mobile number and name, with a one-time verification password, via text. The mobile workflow has sections for note taking and imagery upload, as well as QR codes to share with recipients as part of the handover process. When required, seal numbers can be entered and verified. All images and notes added to the stream, whether by shipper, carrier or driver, are visible to the recipient. We believe drivers are going to be very happy. •

HUB FOCUS

VISIBILITY



Lower Costs with Multimodal Transparency



Bernhard Schmaldienst,
Tribe Lead Visibility, Transporeon

WHAT'S NEW AND HAPPENING IN THE SECTOR

Heading towards 2024, visibility is now a multimodal capability. While most have understood visibility as a solution to assist road transportation costs and efficiencies, as well as an important service for customers, many operators are now looking for end-to-end visibility across their entire supply chain transportation journey. It's not about a single 'black box' system, perhaps restricted to a few carriers, but a full picture of all transportation legs involved. Crucially, this includes the points they meet on their journey. That means detailed visibility on both the process and the dependencies in between, including port, railway, road and all carriers, regardless of mode.

The result is a complete picture, where once it might have been in silos, providing valuable understanding of any bottlenecks, delays or process issues.



KEY DRIVERS FOR CUSTOMERS AND USERS

The need for visibility is clearly there. The disruption from the pandemic and international geopolitical tensions have eased, but they haven't gone for good and they leave a long tail. More than ever, companies are looking for resilience, stability and a broader partner network. Visibility is a key enabler of those wants. It has a big role to play in meeting sustainability challenges, too.

Cost pressure makes transparency a very special tool in the battle against hidden cost 'blips' that might otherwise be hard to identify, or to iron out painlessly.

HOW VISIBILITY APPLICATIONS HELP REAL-TIME PLANNING

If you have a full view of operations and transportation journeys from multiple angles, your confidence in your decision making is enhanced. You can identify disruptions early, and you can ensure late deliveries still have the opportunity to arrive on time, by looking at and selecting alternative choices. You might be able to re-deliver with a shorter lead time, which might be less cost efficient, but will fulfill your performance obligation. Or you might be able to look at another mode, or an alternative route.



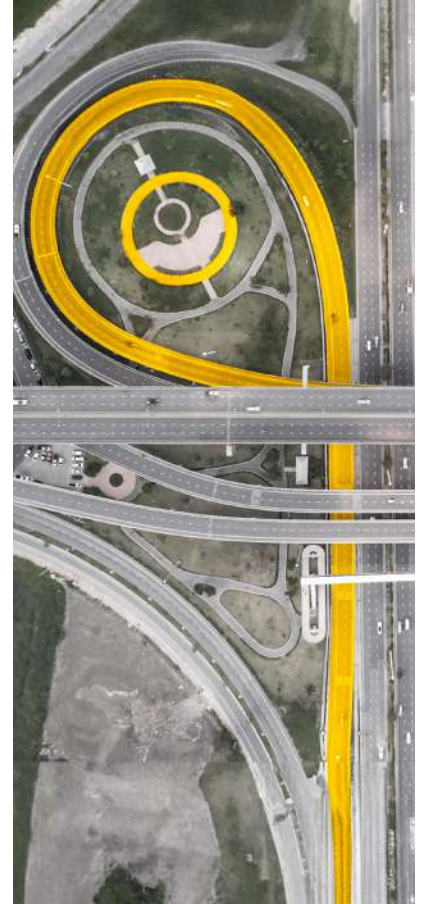
QUESTIONS CUSTOMERS ARE ASKING RIGHT NOW

Questions mainly concern areas around ease of adoption and interaction with existing systems. Our answer is that integration is both fast and easy and that they have full control over how data interacts with their existing models, as well as how much data they wish to share.

To take advantage of the full range of opportunities provided by Visibility applications, it's important to fully scope out your networks willingness to dive into data. The more data you share, the more effective we can make your collaboration processes.

The standard benefits of transparency – for example, as a customer service tool – are quickly seen by most of our partners, but the further possibilities enabled by data harvesting are much wider.

For instance, by utilizing data to its fullest extent in your quest for transparency in your dock and yard management, you avoid extra costs in areas such as dwell times, or demurrage and



detention fees. In the longer term, you can exploit data to run your next iteration better. You can use data to help close the loop and make data intelligence a key part of your procurement strategy. •

Learn more about the Visibility Hub



VISIBILITY HUB

HOW VISIBILITY HUB IMPROVES YOUR BUSINESS

- Precise ETAs
- Better delivery performance and process
- Seamless monitoring
- Smoother and more cost-efficient site operations
- Delighted customers

CASE STUDY

Saint-Gobain



Saint-Gobain Isover G+H is Europe's leading manufacturer of mineral wool insulation materials. Over 50,000 trucks leave the company's four plants every year, delivering insulation materials to as many as 12,000 addresses, each an average of 400 kilometers away. The total mileage is about 21 million kilometers, which corresponds to more than 500 circumnavigations of the Earth.




CHALLENGES

Until 2019, Saint-Gobain Isover didn't know the location of any individual transport and couldn't provide its customers with this information. The status of each transport had to be checked manually with the carrier, which was very time-consuming.

SELECTED SOLUTION

The company selected Transporeon Visibility Hub, as this solution is closely linked to the existing Transporeon system and no new interfaces were required. It integrated seamlessly into Saint-Gobain Isover's SAP environment, avoiding duplicate entries and separate data storage in different systems.



The distribution of building materials has long been a 'black box'. [...]After that, a lot of things got lost in the fog, until the truck actually arrived at the agreed unloading point which was "unsatisfactory for all parties.



»» RESULTS

Want to learn more on cutting costs and boost ops with integrated visibility?

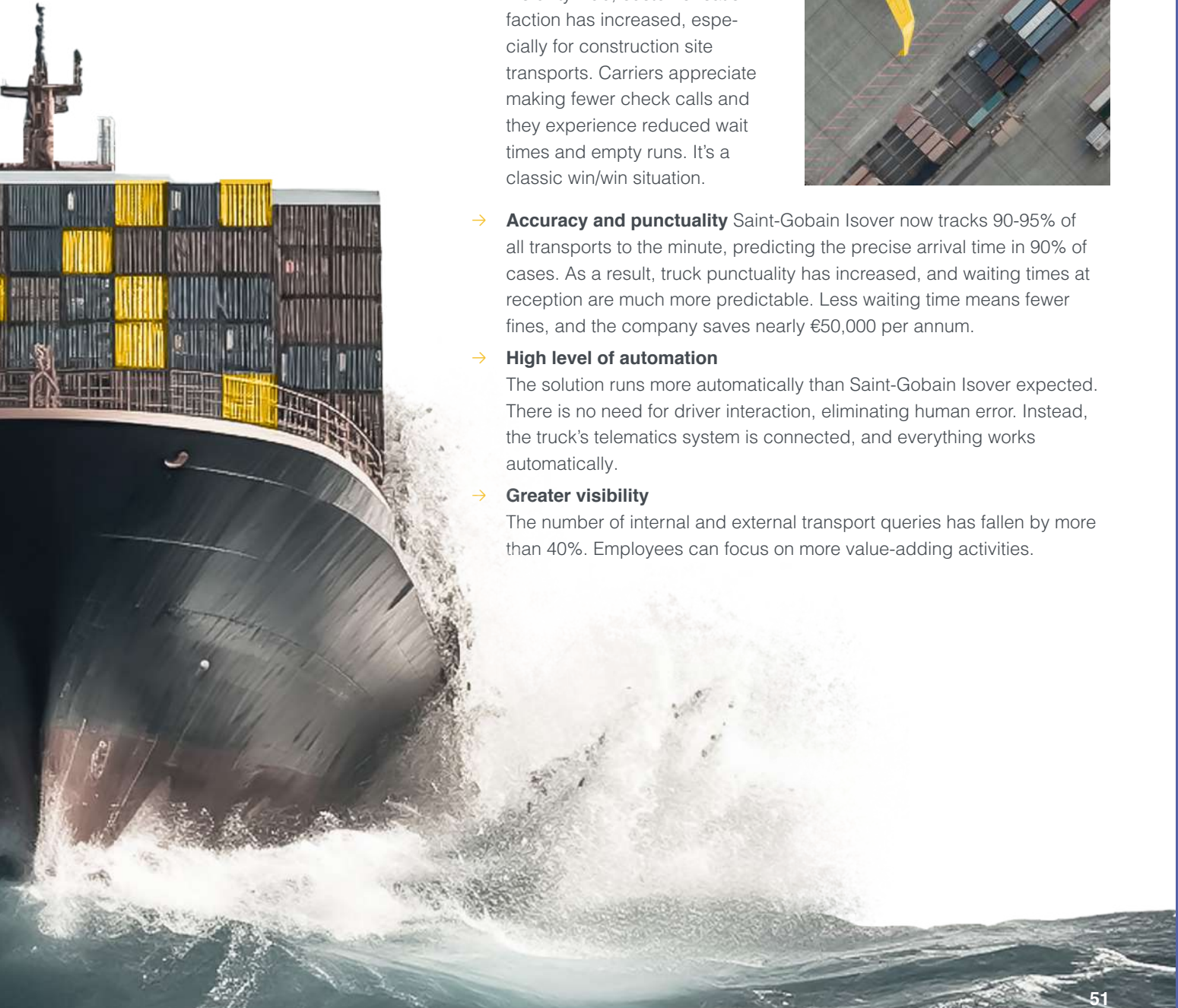
→ **Customer and carrier satisfaction**

Since implementing Transporeon Visibility Hub, customer satisfaction has increased, especially for construction site transports. Carriers appreciate making fewer check calls and they experience reduced wait times and empty runs. It's a classic win/win situation.

→ **Accuracy and punctuality** Saint-Gobain Isover now tracks 90-95% of all transports to the minute, predicting the precise arrival time in 90% of cases. As a result, truck punctuality has increased, and waiting times at reception are much more predictable. Less waiting time means fewer fines, and the company saves nearly €50,000 per annum.

→ **High level of automation** The solution runs more automatically than Saint-Gobain Isover expected. There is no need for driver interaction, eliminating human error. Instead, the truck's telematics system is connected, and everything works automatically.

→ **Greater visibility** The number of internal and external transport queries has fallen by more than 40%. Employees can focus on more value-adding activities.



HUB FOCUS

FREIGHT AUDIT & PAYMENT



Invoice Clarity and Data Intelligence



Dirk Grewenig,
Sales Director Freight Audit Hub, Transporeon

WHAT'S NEW AND HAPPENING IN THE SECTOR

We are seeing an increased interest from customers in us managing their Freight Audit and Payment due to the tougher economic conditions prevailing across the market this year. For obvious reasons, companies are looking to be completely in control of their costs and for those costs to be fully visible, updated and reliable at all times.

Customers are increasingly looking to our freight audit managed service, for all transport modes of the freight journey – road, rail, air and ocean. We can provide them with that clarity, including updating all important information, such as new rate cards, when required. They are not required to be members of the platform to take advantage of our managed service.

Existing and new members of the Transporeon execution platform can now sign up with (almost) a single click, which

is a huge plus for them. This offers more opportunities across the managed service, should they wish to take advantage of it. Additionally, they can connect with all other relevant company data in the Transporeon 'universe', enriching their data intelligence capability.



KEY DRIVERS FOR CUSTOMERS AND USERS

There are three key challenges that customers wish to address in having their freight auditing managed by us on their behalf.

1 Manual invoice checking is notoriously resource heavy. Companies therefore want invoices to be checked for amounts and compliance quickly and painlessly, freeing up valuable human capital for other tasks in the business.

2 They want to relieve hard-pressed finance departments. Processing invoices within the system is a huge manual workload, from final verification to booking into the right accounting ledgers. Many companies have been fully automated for several years now using our Freight Audit and Payment modules, with great benefits to their teams. To have this kind of resource heavy activity reliably managed for you is a big bonus.

3 Companies increasingly harvest data to enable flexible measurement of KPIs and track transportation cost areas, such as the monitoring of certain lanes or flows. Automated, reliable freight auditing provides very valuable insights to aid the optimization of business costs, as well as the proof needed to assist with sustainability targets, such as carbon emissions measurement.



QUESTIONS CUSTOMERS ARE ASKING AT THE MOMENT

That's the fun aspect of working in the Freight Audit and Payment Hub – we don't talk to a specific department; we talk to every department of a customer's business. A finance controller might be looking for support, or the procurement team may be looking to run a tender, but they want more data before they do so. Or a compliance officer might be running an internal audit. It comes from all angles and covers many aspects of the business. •



They are all looking for similar results, though – faster, 100% reliable numbers, delivered without reliance on human resources, which could assist the business more profitably elsewhere.



FREIGHT AUDIT AND PAYMENT HUB

HOW FREIGHT AUDIT AND PAYMENT HUB CAN IMPROVE YOUR BUSINESS

- **Freight savings:** Our Freight Audit management has consistently saved clients an average of 3% on shipping costs, helping them achieve substantial cost reductions and improved bottom-line performance.
- **Error reduction:** With a highly developed automated audit process, our system has achieved an impressive 99.9% accuracy in identifying and rectifying billing errors, ensuring clients are not overcharged.
- **Timely payments:** Our Freight Audit boasts a 98% on-time payment rate to carriers, helping to establish strong relationships and reliability within the transportation industry.
- **Global coverage:** We have successfully audited freight transactions across the globe, demonstrating our international expertise and ability to handle complex logistics scenarios.
- **Transparency and reporting:** Our comprehensive reporting system offers clients real-time visibility into their shipping data, empowering them to make informed decisions and optimize their supply chain.

Learn more about the Freight Audit and Payment Hub

CASE STUDY

Leading multinational consumer goods company

Ranked in the top 50 of Fortune 500 and handling 5.1million shipments per year, this company needed a global freight audit solution that was capable of serving business units, plants and Regional Distribution Centers (RDCs) across multiple geographies, to ensure effective cost management.

SELECTED SOLUTION

Transporeon Freight Audit was chosen for its flexible interfacing with both client and carriers, and knowledge of global markets on a local level. Clear ROI goals to reduce overbilling from 3.6% were established from the outset, which have since been exceeded.



»» RESULTS

+ Overbilling reduced

Rate analysis undertaken as part of the setup revealed multiple contracts in which information was missing or unclear. Back checking invoices showed overbilling per carrier of up to 11.3%. In total, overbilling equated to 3.6% of spend. Freight Audit introduces pre-invoice processing and self-billing. In this instance overbilling was reduced by more than 1% to 2.5%.

+ Extra costs minimized

Formalizing rates, previously processed as spot rates, presented another opportunity to reduce spend. Freight Audit reporting reveals additional cost occurrences per site, per carrier and per client approver, allowing for a comprehensive rate agreement update to address overspending. Now, charges are rejected when no approval record is available.

+ Accounts payable optimized

After just four months, automatic account logic coding had been applied to 97% of transactions, after achieving 94% at the start of the project. An application-based workflow enables the completion of missing account coding upon the invoice auditors' request. Accounts payable is now able to feedback missing coding and receive input more efficiently, thanks to overnight invoice data file processing. Furthermore, reduction of carrier queries released FTE (full time equivalent) resources in this function.

+ On-time payments achieve a record high

Transporeon Freight Audit issues remittance notifications to carrier contacts and delivers visibility of online payment status. As a result, on-time payment has reached a record high at 99.2%.

+ Cost-saving visibility

Invoice and shipment transactions from all ERP systems, in addition to transactions not previously captured, are contained in the Freight Audit platform. This means each site and

each business unit now has sight of their individual spend per carrier and includes all related shipment details. When you're one of the world's largest FMCG companies, handling 5.1million shipments per year, this impact has been transformational. The data has also proved invaluable in tenders issued since Freight Audit implementation was complete; deriving solid baselines for tenders, enabling tender feedback processing, and calculating cost impact of individual offers.

+ No audit worries

Six months later, this customer's audit firm carried out an extensive audit onsite at Transporeon premises. Regular audits against ISAE3402, SSAE18, ISO 27001 and ISO 9001 ensured no significant deficiencies.

[Read full case study](#)

HUB FOCUS

INSIGHTS



360° Insights: The Power of Benchmarking

The following is an extract from our white paper uncovering the true power of time slot management, how to optimize its value by leveraging the network effect, and the impact of current tech trends.

Want to learn more?
Read our full white paper

It is easy to mistrust the value of data, especially if your usual instinct is to trust your 'gut' and the quick phone call. If an influx of data is not properly exploited in support of clear objectives, companies will struggle to see how it might make a difference to them and their core practices.

Whether seeking comfort on spot or contract price, precisely measuring carbon emissions, or selecting the most efficient lanes in the most appropriate vehicle and at the right time, data is the not-so-secret weapon, helping transport firms overcome these challenges.

The interweaving of shippers, 3PLs, carriers and load recipients in the Transporeon network enables a complete picture to be built of a company's transport strategy and performance, versus the whole in a range of areas previously held in silos.



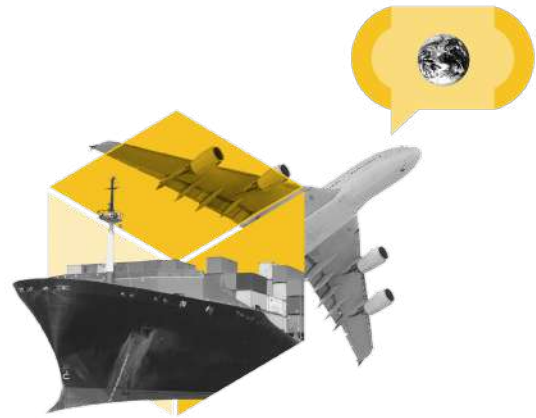
 **PFEIFER**
**DATA BENCHMARKING
IN ACTION 1: PFEIFER GROUP**

“I would describe Transporeon Market and Network Insights as ‘Treasure,’” reports Thomas Staudinger, Head of Logistics at leading timber manufacturer Pfeifer Group. “To be able to use data from so many transport companies in Europe in our benchmarking and forecasting, where previously we were basing such decisions simply on our past experience and on guesswork, is real treasure. It has made a real difference to us as a business.”

“Logistics is a success factor in business now,” he reflects. “The better the logistics and the more resilient the supply chains, the more likely the business is to be successful, and better able to react quickly to outside events. Logistics is a problem solver, and this is where Market Insights is a control tool for us.”

Pfeifer Group uses Network Insights as a Business Intelligence (BI) tool to provide precise, independent analysis of prices, routes, transports and services. It was important to Pfeifer that this big data came from an external, single source rather than being internally produced.

“If we did it ourselves, it would only be as effective as the



smartest person in our business,” explains Staudinger. “I’m not saying that we don’t have extremely smart people – we definitely do – but accessing the smartest minds and a huge range of logistics specialists, from the whole Transporeon spectrum, adds important value to our business.”

While the priority always is to maintain and enrich good relations with contracted partners, Pfeifer exploits the value of the up-to-the-minute observation and assessment functionality provided by Network Insights and Market Insights. The company has made the decision to move from a monthly to a daily planning cycle, where appropriate in certain lanes, based on the quality of the insights it has been harvesting.

BENEFITS FOR OVERSIZED LOAD SHIPPERS

Managers of specialist, oversized transport vehicles have an extra issue to address: they must ensure they select the right transport, for the right load, on the right site, it’s also extremely important for the site team to know exactly when oversized goods are going to arrive, as delay may be very disruptive.

Every KPI that such an operator would wish to have in a transport network is provided on a user-friendly dashboard. This is particularly helpful, because it enables all parties to understand the different demands of each oversized load and each delivery project, via an independent, external single source. Previously, it might have been extremely difficult to establish agreed costs per mile for certain situations, such as special wide loads, or when escort vehicles were required. Permission fees – the ability to drive at certain times in restricted areas – add further complications and costs. Weather, such as strong winds, can make the difference between profit and loss on a delivery trip of this nature.





DATA BENCHMARKING IN ACTION 2: KNAUF



Construction materials giant Knauf has a broad-based transport logistics strategy, which embraces both spot and contract arrangements. By benchmarking its own network’s cost-per-km rates against the wider market, Knauf has been able to implement a comprehensive, cost-saving approach to its transportation operations.

“It is much easier to discuss with a partner when you can show them reliable market data,” explains Knauf’s Sebastian Weikert, Category Manager Logistics Procurement. “If you are well prepared and can show cost and performance in detail, it definitely helps.”

He confirms that, when it comes to pricing, at-a-glance dashboard visibility enables this preparation and changes behaviors.

“In the past, it was possible, but also difficult and time-consuming, to access the data in terms of how much is paid for a given trip against what could have been paid if we had gone to the market. Now, with Network Insights you directly see your transport volumes, what you paid for a particular journey, and what you perhaps should have paid if you’d gone to the market, or

if you were in line with market averages. You can slice the data according to your needs – by shipping point, business department, by division, by region, and also by supplier. It provides full transparency to enable detailed, precise comparisons.”

Weikert points to further benefits beyond pricing that Network Insights and benchmarking bring to the business. Emissions data is a clear benefit, while Time Slot Management is another good example.

“At our Iphofen plant, we can process up to 220 FTLs per day. If they don’t reach their time slots, you can imagine the chaos, so it is important we examine which services and locations are performing best. This also helps



in our compilation of important OTIF figures.”

Both Pfeifer and Knauf share key learnings that will enable your business to hit the ground running with the Transporeon platform.

“Be careful – you’ve got to use the data correctly and really understand what is happening with it, because you can draw the wrong conclusions otherwise,” advises Pfeifer’s Thomas Staudinger. “Also, it’s about a lot more than costs. If you look at costs to the exclusion of everything else, you’re going to fail. The perspectives it gives you on your relationship with your customers and suppliers are very useful tools.”

Sebastian Weikert backs up this view. “You need to do a lot of work with your master data first, but once you’ve been on that journey, you will reap the benefits. We see every day that it’s worth it.”

INSIGHTS HUB

HOW INSIGHTS HUB CAN IMPROVE YOUR BUSINESS

MARKET INSIGHTS

This solution provides real-time, in-depth insights into the European road freight market, in terms of lanes, spot vs. contracted rates and the development of capacity. This information helps our customers to assess the market correctly, decide whether to buy spot capacity, or use contracted partners, and ultimately leads to cost savings through better procurement decisions.

NETWORK INSIGHTS

This solution provides Transporeon customers with a full view of their logistics operations and includes predefined dashboards that cover Transport Execution, Carrier Evaluation, Yard & Time Slot Management, Visibility Performance & Carbon Visibility.

[Learn more about the Insights Hub](#)



FACTS AND FIGURES

100%

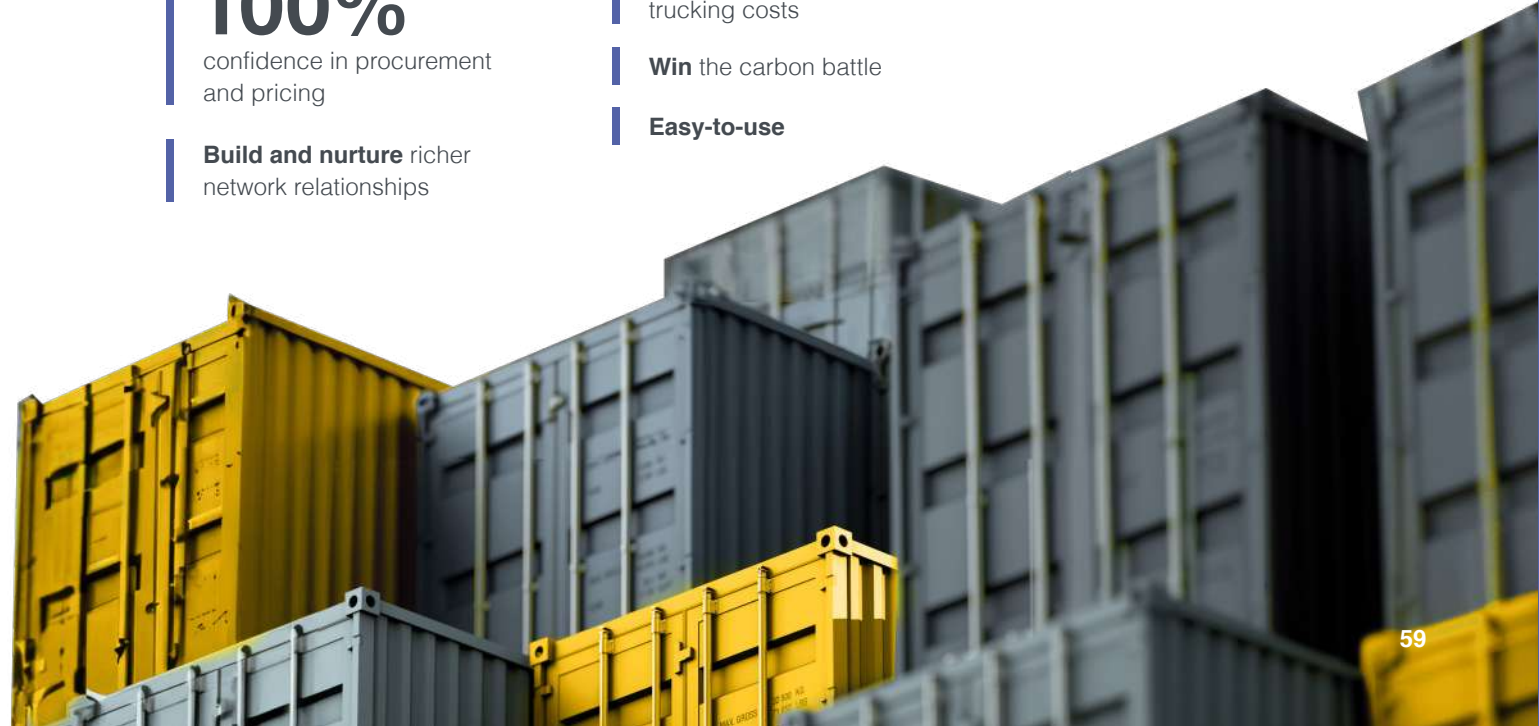
confidence in procurement and pricing

Build and nurture richer network relationships

Optimize your total trucking costs

Win the carbon battle

Easy-to-use



CASE STUDY

Schneider Electric (SE) is a Fortune Global 500, multinational company that drives digital transformation by integrating world-leading process and energy technologies, end-point to cloud connecting products, controls, software and services, across the entire lifecycle, enabling integrated company management, for homes, buildings, data centers, infrastructure and industries.

SE covers more than 100 locations in Europe, including



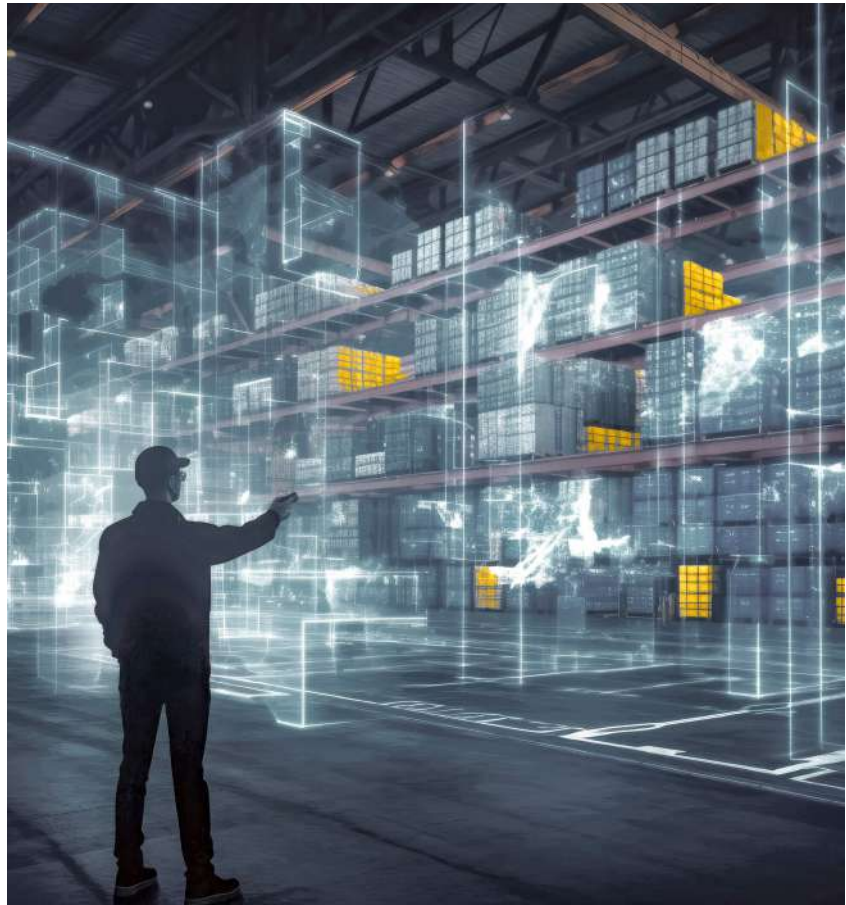
sales offices, factories and distribution centers. The company uses all means of transport: air, ocean, express, train, intermodal and road.

CHALLENGES

In common with many companies, Schneider Electric has experienced challenges such as mobility across Europe, in addition to driver shortages. They therefore decided to adopt a market intelligence solution for logistics operations, in order to unlock greater visibility into the market.

One of the main drivers for Schneider Electric was the need to access consolidated data, in order to better understand the development of main logistics KPIs over time, specifically, capacity developments and the evolution of rates, particularly for the spot market. The market now favors carriers more than ever, so in order to meet increased demand for increased service levels, integrating reliable, real-time market intelligence into transport operations is valuable.

In short, the company was looking for reliability and accuracy.



SELECTED SOLUTION

Schneider Electric discovered Market Insights after following and tuning into various Transporeon podcast series with leading industry analyst, Adrian Gonzalez.

Market Intelligence delivers actionable, enhanced knowledge about the evolution of capacity and prices across Europe. Schneider Electric has 80 production factories spread across Europe, so the ability for the company to follow

Europe KPIs, on a country-to-country basis, was perfectly in line with its needs. Transporeon’s Market Insights module is used in three main ways:

- Internally by stakeholders at Schneider Electric
- In company forecasts
- As part of the overall strategy, including negotiation and buying tactics

The Market Insights user interface is highly intuitive and easy to navigate. “Since our decision to implement the tool, we’ve been able to use it immediately without the need for training,” reports Esteve Puig, Europe Senior RCM Logistics Schneider Electric.



»» RESULTS

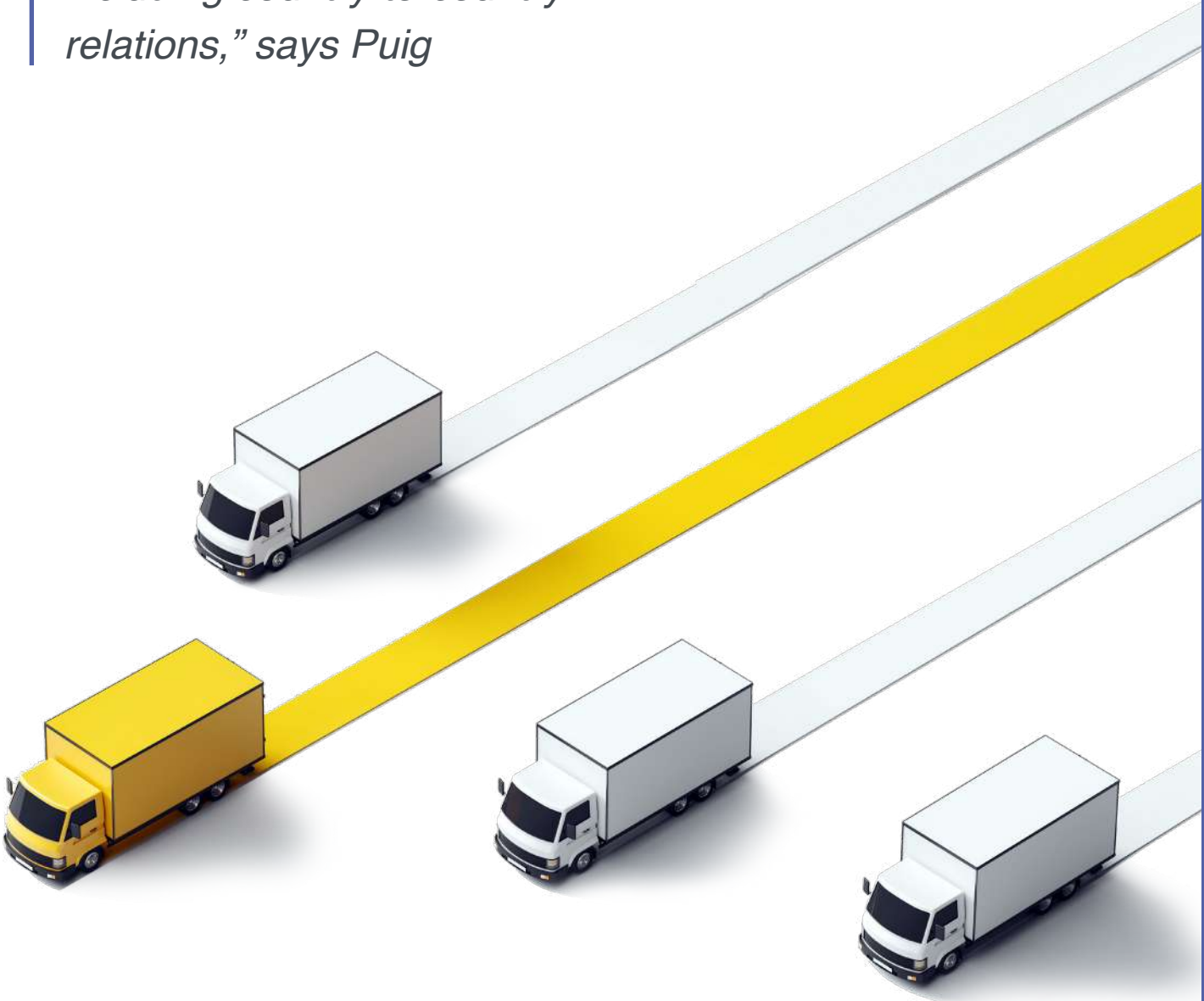
- **More accurate visibility**
- **Since implementing Market Insights**, Schneider Electric has gained extensive and highly accurate market visibility for FTL freight in Europe.
- **Enhanced confidence in negotiations**

Schneider Electric reports that wins, linked to Market Insights, have been enhanced by the visibility of Capacity and Price Indexes. As a result, they have been able to obtain a strong overview of what the market is currently doing and gain confidence in negotiations with logistics partners.



“Market Insights offers extensive lane coverage, including country-to-country relations,” says Puig

Take a video tour of Market Insights



FORWARD AND UPWARD



Lena von Fritschen,
Director Market Intelligence, Transporeon

As we set our sights on the 2024 horizon, transportation markets face both economic challenges and rapid advancements in technology. Evolving consumer behaviors, environmental concerns and shifting geopolitical landscapes will determine the industry's trajectory.

THE GLOBAL PICTURE

Today, negative economic forces are in play, but they are slowly unwinding towards an upward shift. While recognizing that recessionary factors remain prevalent, we anticipate European Central Bank and national monetary policies to gradually ease inflationary pressures, without triggering long-lasting recessionary behavior by industries and consumers. Although GNP target levels may not be attained until next year, tangible progress will incubate a positive mindset, and this may happen more quickly in North America than in Europe.

A note of caution: the UK has not been as aggressive and its improvement trajectory may not be seen until 2025, or beyond.

If the war in Ukraine continues at the current level of

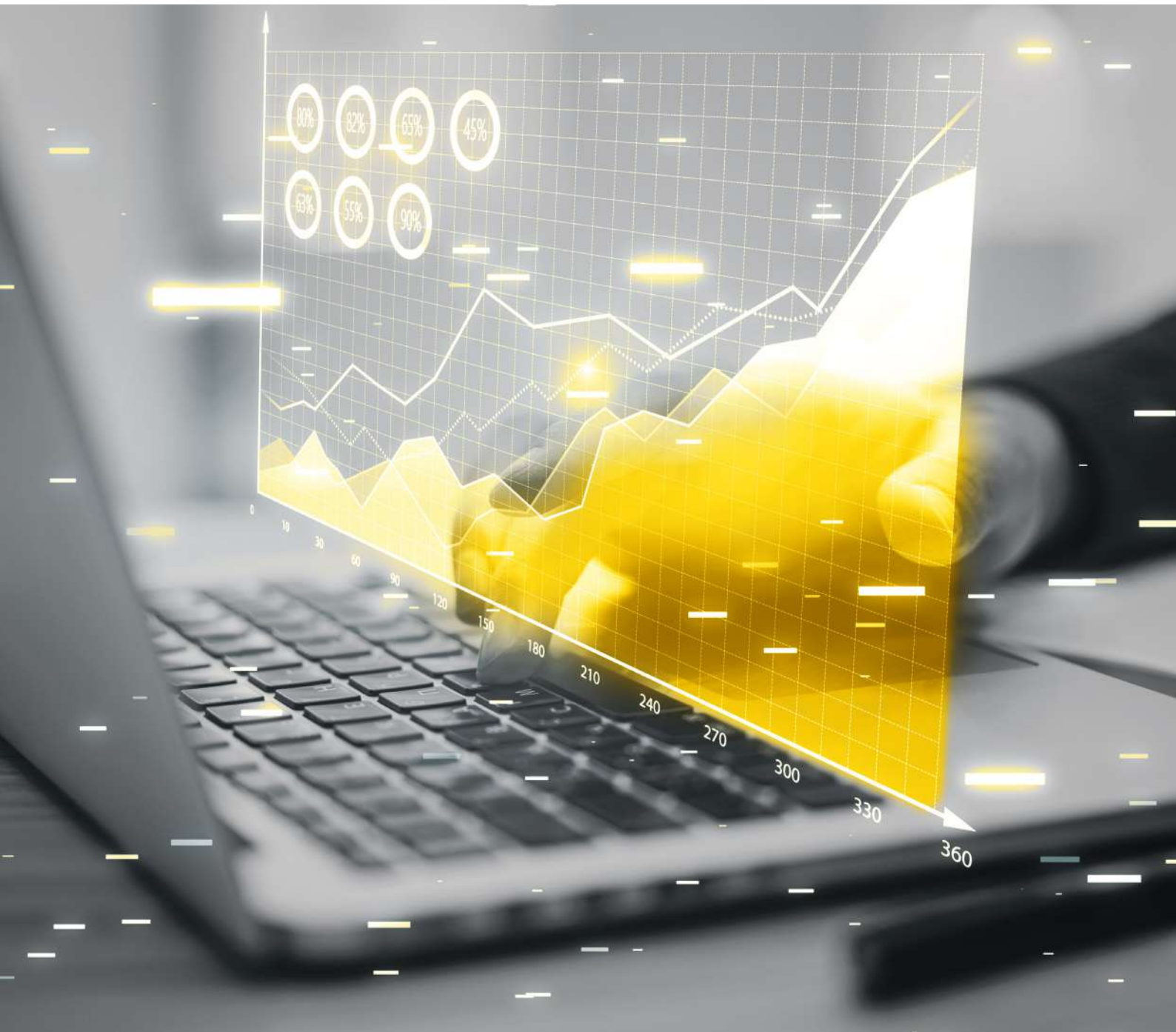
hostilities, and with no coalition intervention, we would expect sanctions upon Russia to be increased. This will likely cripple the Russian economy and seriously constrict its war material production.

China-USA political and trade tensions are likely to ease as each side recognizes its mutual dependency, with the EU as a secondary beneficiary.

Fuel supplies should be ample, allowing for price stabilization. Alternatives to Russian oil and gas have been identified, which should alleviate spot shortages, as seen in the past winter.

Artificial Intelligence and automation applications in material handling and carrier resource deployment will improve efficiency.

What can the transportation industry expect in 2024 and beyond? **Lena von Fritschen**, Director Market Intelligence, Transporeon, believes the potential for positives is encouraging.



THE TRANSPORTATION PICTURE

Despite the rapid cost of living increases over the Covid years, most transportation unions have remained relatively calm, with only a few exceptions. However, the effects of compounding inflation have affected those least equipped to manage them, so continued upward pressure on wage costs remains inevitable.

The German road toll increase, which is effective in December of this year, is likely to spur similar changes in adjoining countries, causing additional costs to long-distance hauling.

Although the transportation capacity/demand balance may reach an equilibrium, inflation will continue to propel price increases in contract and spot alike, until it is brought fully under control. This may differ across territories: US prices seem more likely to stay at the higher end, while lesser growth may restrict longer-term increases in Europe.

Secondary 2024 observations focus on the impact of both emerging technologies and further sustainability legislation. Artificial Intelligence and automation applications in material handling and carrier resource deployment will improve efficiency.

Sustainability objectives and legislation, such as the EU Fit for 55 initiative, will wield a significant influence on the freight industry. In response to heightened awareness and regulations, companies will invest in eco-friendly transportation options. Electric and hybrid vehicles, alternative fuels and sustainable practices throughout the supply chain will become the norm. Businesses demonstrating a strong commitment to sustainability will gain a competitive edge in this eco-conscious era. However, costs will be passed on through all levels of the supply chain.

Despite a recent cool down in e-commerce after Covid 19, its acceleration will continue to redefine consumer and industrial procurement strategies, leading to a gradual decline in traditional brick-and-mortar retail. Last-mile capability and GPS-level visibility will become both a necessity and a differentiator.

Finally, end-to-end visibility across entire supply chains, as opposed to an incomplete picture of silos, will become increasingly dominant, enhancing decision making, resilience and stability for companies.

Despite multiple unknowns, we sense a guarded optimism that inflation and consumer sentiment will slowly return to pre-pandemic levels. Further upsides could come from geopolitics, if we consider the possibility that the war in Ukraine may become a stalemate, compelling both sides to negotiate a mutually acceptable new status-quo.

Necessity and shared dependency could lead to a reduction of China-USA tensions. This will spur industrial production and calm financial markets.

Progress on any of the above will improve the global economy, setting the stage for full recovery. •



Businesses demonstrating a strong commitment to sustainability will gain a competitive edge in this eco-conscious era

Get Set for the Transporeon Summit 2024 – Germany Calls!

Mark your calendar
for **September**



Market Insights Quiz

How up-to-date are you on market developments?
Can you answer all the questions?

All questions relate to European road transportation market developments, between January 2019 and July 2023.

1. Which month saw the highest transport capacity in Europe?

- April 2020
- May 2020
- February 2023

2. In which country has the price of diesel fluctuated the most in the last two years?

- Switzerland
- Poland
- France

3. On the Germany-Spain lane, how many months has the spot rate (€/km) been lower than the contract rate since January 2023?

- One month (in February)
- Two months (in February and March)
- Three months (in February, March and April)

4. Which cost index is the only one to have fallen since the start of 2023?

- Toll
- Driver costs
- Fuel & AdBlue

5. What happened in January 2023 that hadn't happened since July 2020?

- The spot price index fell below the contracted price index
- The capacity index rose above 100
- The cost index decreased instead of rising

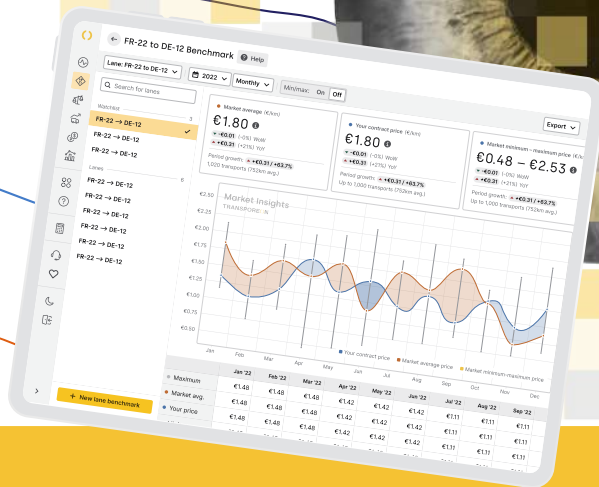
6. Which metrics generally follow the same trend?

- Capacity index and spot price index
- Spot price index and contract price index
- Contract price index and cost index



How did you do?

Enhance your pricing and procurement strategy with the most powerful data on price and capacity developments on the European FTL market.



Start with **Market Insights** today and get **15 days for free**