



Preferred partner

FREIGHTENDER



**Power-up your  
ocean freight procurement**

with



e-Sourcing Ocean Freight Solution

Supply Chain Advisors

[www.drewry.co.uk](http://www.drewry.co.uk)

## ***A best-in-class ocean freight procurement solution combining cutting-edge technology, market insight and best practices***

Today's market for ocean freight services requires a carefully considered and managed procurement process. As well as fact-based, the approach needs to be streamlined, informed by best practice, enabled by the latest technology and fully focused on delivering the right commercial outcome.

In-depth market understanding and insight provide the foundation of a coherent ocean freight procurement strategy. At Drewry we fully understand this, ensuring your teams have the cost visibility, market insight, tools and best practice support they need at every stage of the tender and service provider management cycle.

Drewry and technology partner Freightender provide a unique suite of technology, resources and advice to help you plan your bid event, run it efficiently and effectively and monitor providers after the event.

## **Contain and minimise your ocean freight transportation costs and improve service performance**

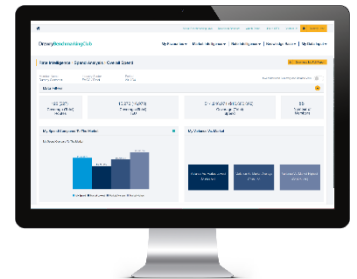
### **A chaotic and challenging market**

Under-supplied and trending towards record-high freight rates, today's ocean transport sector is chaotic and unpredictable. In the near term, we see no let-up in the pressure on procurement and logistics operations teams within global shippers/BCOs as they continue to battle capacity constraints and rampant cost increases. Furthermore, teams who give primacy to balancing price with service performance, find themselves struggling to achieve and maintain even cursory standards of service in such disorderly and testing times.

### **Be certain, be agile and don't overpay**

Increasingly, we are being asked by the procurement and operations teams with whom we work, to support their ocean freight procurement process and carrier management operations. Alongside the robust forecasts and benchmarks of ocean freight costs we already provide, we are now helping these groups optimise their bid administration and improve carrier management processes and contractual arrangements to mitigate performance risk amplified by the imbalances of the prevailing market.

*A customisable ocean freight sourcing solution tailored to the needs, circumstances of your organisation*



*Drewry's Ocean Freight Cost Benchmarking Platform*



*eSOFS™ - e-Sourcing ocean freight and bid administration platform*

**FREIGHTENDER**



### **Be certain**

Validate plans and decision-making.  
Demonstrate best commercial terms internally



### **Be agile**

Overcome time pressures and data challenges.  
More efficient and productive bid administration



### **Don't overpay**

Minimise cost relative to market conditions.  
Achieve price vs service level balance

## A PROCUREMENT SOLUTION DRIVEN BY FACTS, TAILORED TO YOUR NEEDS

Our ocean freight cost benchmarking and procurement solution (eSOFS™) supports all stages of the lifecycle. As well as giving confidence to your negotiating position with prospective and existing carriers, we provide the evidence you need to validate the competitiveness of contract rates secured and obtain the internal support required for transportation budget approval.

1. FACT-FIND	2. PLAN	3. IMPLEMENT
<p><b>Understand market and validate decisions and budget</b></p> <p>Current freight cost benchmarks, market intelligence and peer group insights</p>	<p><b>Inform strategy and planning process</b></p> <p>Powered by best practices, robust market forecasts, outlook briefings and lead times</p>	<p><b>Improve performance and predictability</b></p> <p>Efficient bid administration, better procurement outcomes and carrier management practices</p>
Shipping market outlook and forecasts	Bid strategy & Optimisation of Tender Process	Bid administration resource, tools and support
Ocean freight cost benchmarks	Establish target rates for bids, preparing for carrier negotiation	Vendor Selection
Z scores and risk profile	Budgeting freight spend	Optimise transit and lead times
Peer group insights	Fuel policy provision and BAF updates	Service KPIs, scorecards and QBRs



**INDUSTRY EXPERTS**



**ADAPTABLE PLATFORM**



**TIME-SAVING**



**IMPROVED COLLABORATION**



**BENCHMARKING DATA SETS**

EXPERTISE	TECHNOLOGY	EFFICIENCY	CO-OPERATION	INSIGHTS
<p>Tailored bid process advice from industry experts</p> <p>Proven best practices</p>	<p>Dynamic user friendly, scalable cloud-based platform with powerful optimisation capabilities</p> <p><b>FREIGHTTENDER</b></p>	<p>Proven methodology and best practices streamline process</p> <p>Option to engage Drewry experts to conduct entire bid process or make recommendations</p>	<p>Improve quality of collaboration with service providers.</p> <p>Set and monitor transparent KPIs with service providers to enhance relationship</p>	<p>Deploy Drewry benchmarks, market intelligence and freight rate insights within the bid process</p>



- ✓ Robust methodology
- ✓ Proven best practices
- ✓ In-depth industry knowledge

- ✓ Real-time freight cost benchmarks
- ✓ Genuine partnership team-working
- ✓ Customisable, scalable solution

## KEY OBJECTIVES FOR OCEAN FREIGHT PROCUREMENT TEAMS

With technology playing an increasingly important role in the management of complex, data heavy procurement events our solutions combine cutting-edge event management technology with proven best practices, market-leading freight cost benchmark intelligence and seasoned industry expertise to meet your business objectives.



### **SIMPLIFY: Overcome complexity and improve productivity**

Make process more efficient and less onerous on stretched internal teams. Streamline and simplify process and leverage external expertise to ensure best practices are understood and adopted consistently.



### **COST vs SERVICE: Contain cost of service and balance with performance improvement**

Robust evidence to be confident of negotiating position and ability to secure the most competitive rates. Ensure levels of service performance are monitored and providers held to account through robust contract terms.



### **STAKEHOLDERS: Improve management of internal stakeholders**

Visibility of freight cost development and market circumstances / conditions ensures accurate and realistic objective setting and management of internal stakeholder expectations



### **CERTAINTY: Enable decisions to be made with conviction**

Transparent, evidence-based process, powered by proven best practices and sector specialists who understand your business as well as the market dynamics and issues facing service providers



### **TECHNOLOGY: A flexible, robust and scalable platform**

A sourcing and event management platform that can handle huge data sets and complex customised scenarios that is affordable, secure and can scale to meet business requirements. Optionality and ability to select modules from the overall solution.

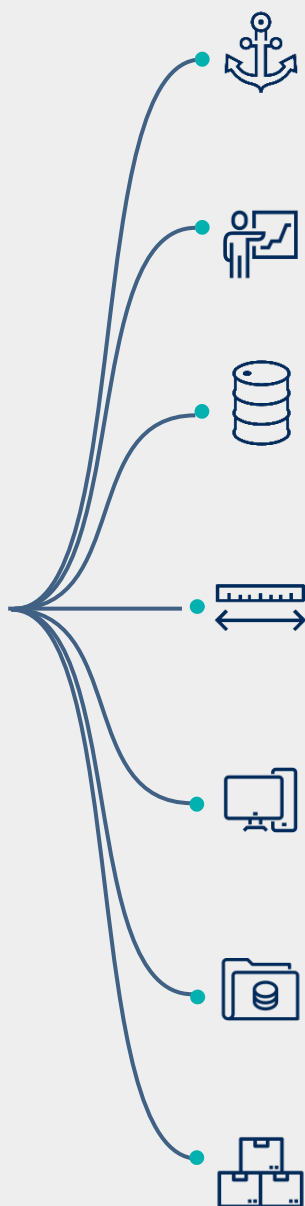
## BENEFITS

- ✓ Be confident in your negotiating position with prospective and existing carriers by leveraging spot and contract ocean freight rate intelligence - as well as market development
- ✓ Execute the most efficient and effective procurement process by accessing best practice tools, resources and advice
- ✓ Maximise the productivity and effectiveness of complex and intensive data sourcing events using eSOFS™ platform
- ✓ Tailor your procurement process to deliver you most desired outcome
- ✓ Demonstrate to internal stakeholders your current contract rates are competitive – and gain internal support for transportation budgets approval
- ✓ Enjoy numerous Benchmarking Club member privileges including tailored reports/briefings and exclusive invitations to special market outlook briefings

## A CUSTOMISED SOLUTION WITH VALUE-ADDED SERVICES



**Power-up your  
ocean freight  
procurement**

**Carrier KPIs - Performance Management**

Advice on the best and most common KPIs used by shippers to monitor service provider performance during the contract year

**Quarterly Business Reviews**

Our industry experts work with you to review your providers performance service levels and improvements will be worked on through a collaborative approach

**BAF Policy and adjustments**

Drewry can provide advice on a standard BAF policy and adjustments that are accepted by all preferred ocean carriers

**Benchmarking Club**

Access to one of the most highly regarded global sources of freight rate intelligence (BCO contract rates and spot market rates) to gain increased confidence in negotiations, define real target rates and measure success against the market benchmarks

**Cutting Edge Technology**

Cutting-edge platform which brings efficiency improvement and transparency to the management of the most complex and data intensive sourcing events – faster and cheaper

**Contract Support**

Provide recommendations on changes and options in contract language and rate structures to secure the best rates/service levels for shippers

**Capacity checker**

Provide shippers with picture of capacity available by trade lane

## BALANCE COST CONTAINMENT AND SERVICE PERFORMANCE IMPROVEMENT

**Best practice advice, support and guidance at every stage of the process**

Our ocean freight procurement solution, eSOFS™, is a fully customisable, best-in-class solution combining cutting-edge technology, market intelligence and proven industry best practices to help you achieve your business objectives.



- Robust ocean freight cost benchmarks to strengthen negotiating position with carriers
- Latest market intelligence and best practices to validate plans and decisions internally
- Tap Drewry's extensive data sets, analytical expertise and forecast modelling capability
- Seasoned industry professionals to support the process as required
- Extensive track record of advisory work
- Specialist experience of contracting with and managing carriers
- Cutting-edge bid/eSourcing platform eSOFS™ brings efficiency and productivity to complex procurement events
- Incorporate benchmark data in tender process/bid event platform
- Operational and technical industry experience and expertise

**FOCUS OF EFFORT: VALUE FOR MONEY AND PERFORMANCE IMPROVEMENT**

**Practical advice, support and guidance at every stage of the process**

Our ocean freight cost benchmarking and procurement team is staffed by seasoned industry experts with a global perspective. Powered by our extensive market knowledge and understanding, we are able to provide robust and practical recommendations at each stage of the service provider selection and management process from bid preparation and management to capacity commitments and contract terms.

## CREDENTIALS SUPPORTING OUR SOLUTION CAPABILITIES

We work with some of the world's largest retailers and manufacturers, providing insights, tools and services that help them benchmark ocean freight costs and improve their tender and carrier management processes.

**5** Working with 5 of the top 10 global retailers\*

**~100** Exclusive shipper members\*\*

**900+** Global ports coverage\*\*

**14m** TEU benchmarked per annum\*\*

**15,000** Global port pairs\*\*

**\$27bn** Comparing costs USD per annum\*\*

\* National Retail Federation 2020  
\*\* Drewry Benchmarking Club 12/20

## Drewry Supply Chain Advisors

*"Drewry's Benchmarking Club has made industry rate data and expertise readily accessible. We successfully leveraged their industry knowledge in our 2019/20 ocean carrier contract negotiations and continue to do so when evaluating changes to our organization's sourcing strategies."*

*"Project work and reports were prepared in a most professional manner, and the work was turned-round in a timely way. We are very pleased with our association with Drewry and would certainly highly recommend their consultancy arm."*

*"Our team was impressed by both the team appointed and the [eSOFS] solution presented - and very satisfied with the results achieved. I would be happy to recommend Drewry."*

*"Drewry's advisory team brought professionalism and invaluable insight to all stages of the RFI and RFQ process."*

*"Drewry provided advisory RFI/RFQ services for our...complex Ocean Freight Global Procurement Event. Drewry met our requirements and provided a high level of expertise, advanced analytics and responsive communication."*

*"Drewry's Benchmarking Club enables us to ensure that we secure competitive freight rates with carriers and identify lanes where we could possibly further lower our costs."*

*"Drewry has been very helpful to us in benchmarking our shipping costs and in developing strategies to improve our shipping efficiency and cost effectiveness."*

*"Drewry's Benchmarking Program has provided us with the insights... to understand how we are positioned, especially important given the volatile and potentially irrational nature of the container marketplace."*

TO LEARN MORE, CONTACT US AT

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