



**FDRA**  
FOOTWEAR DISTRIBUTORS  
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## **Perspectives on Ocean Invoicing – Just How Bad Is It?**

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# Our Perspectives Are Driven By Our View – What's Yours?





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# Our Perspectives Are Driven By Our View – Here's Ours!





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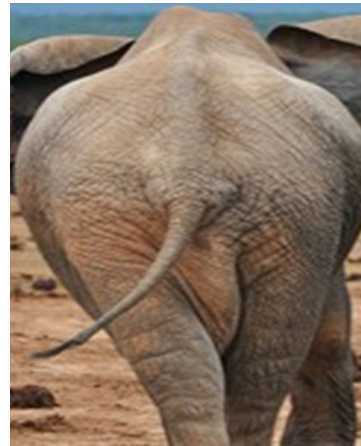
**CENTURY**  
SUPPLY CHAINS IN SYNC

**IMPLUS**

**TRICORBRAUN**



#1 Home Improvement Retailer



TORY BURCH

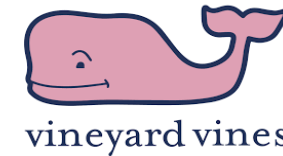


#1 Luxury Brand



#1 Toy Company

#1 Shirt Manufacturer



PART OF LIXIL



CONTRACTORS' WAREHOUSE



Manual Processes Are Virtually Impossible!™



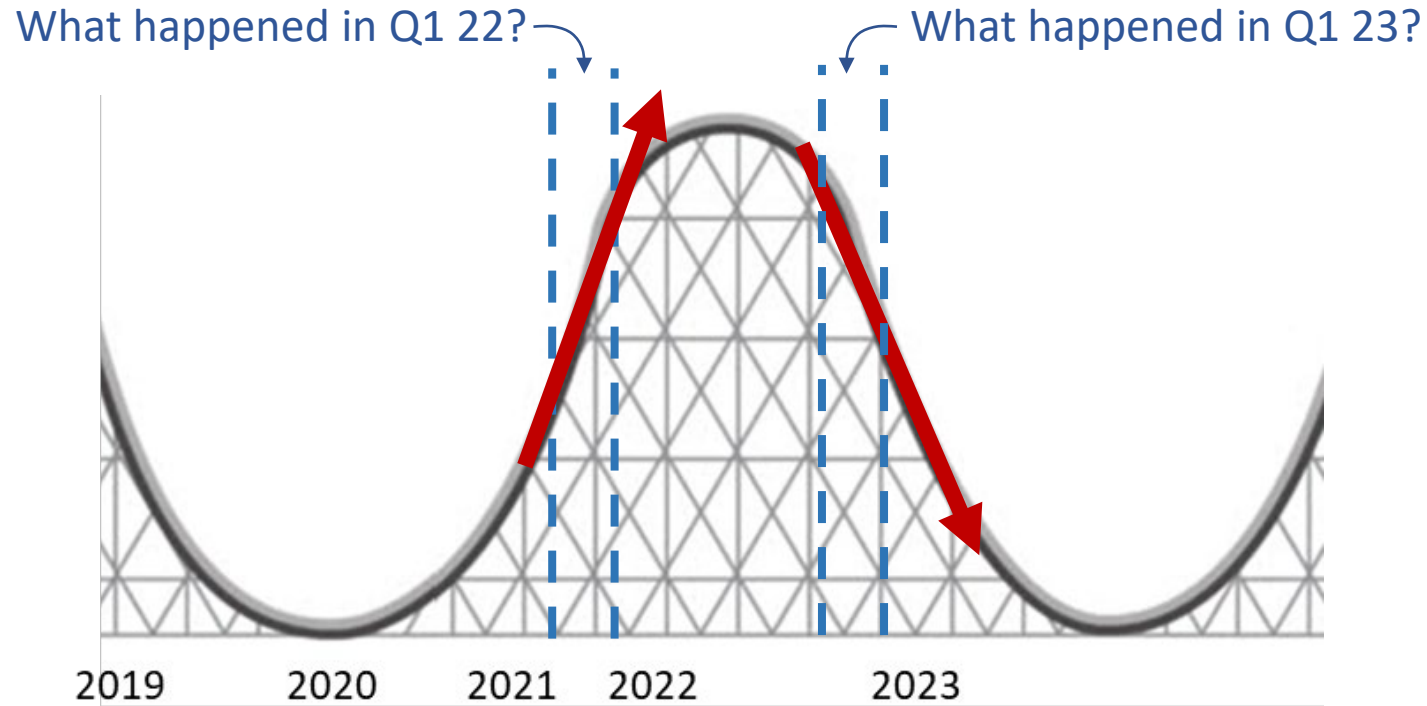


# Our Perspectives Are Driven By Our View – Here's Ours!





# Ocean Freight Rates Have Been Turbulent At Best





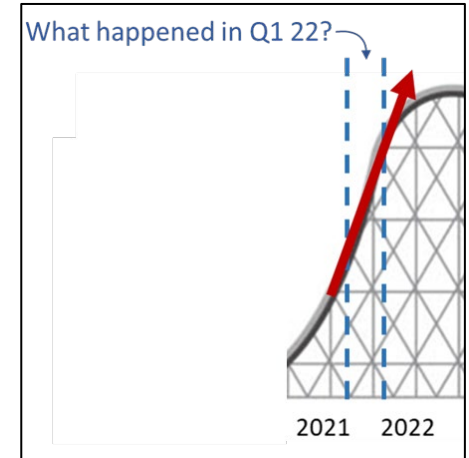
## Background & Context

- Post payment audit finds the errors well after the fact when it's too late to do anything about it
- Industry average error rates via post payment audit typically trend in the 20-30% range
- Pre payment audit finds the errors as they happen so the providers see the mistakes and can resolve the issues
- Average error rates via the AcuAudit platform typically trend in the 8-12% range because the issues are found & fixed
- In \$ terms the errors typically trend in the range of 60% over and 40% under



## Q1 2022 Ocean Audit Observations

- In Q1 2022 WE saw error rates trending in the 25-35% range – 3x typical/expected
- In Q1 2022 the AVERAGE \$ error (when rated incorrectly) for Carriers was greater than \$3k and substantially higher for Forwarders (*15-20x what we'd typically expect!*)
- In \$ terms the errors trend flipped with roughly 70% under and 30% over
- Why?
  - Spot Rates!
  - Systems and processes couldn't keep up with how fast rates increased

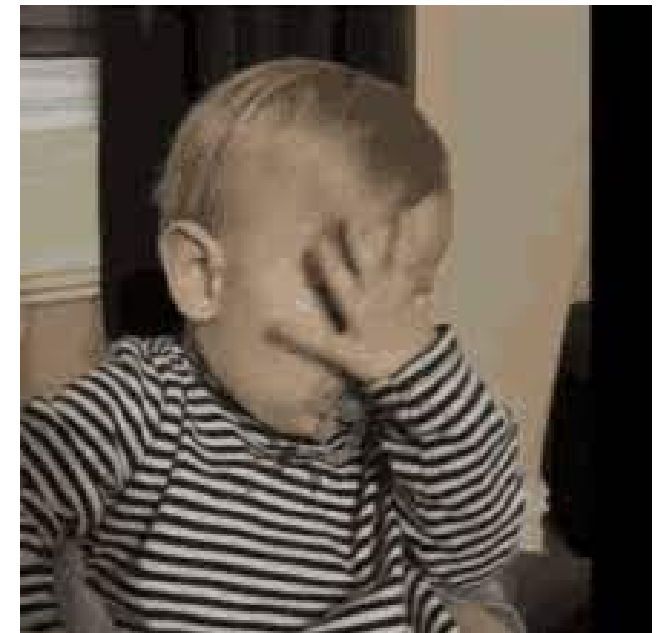
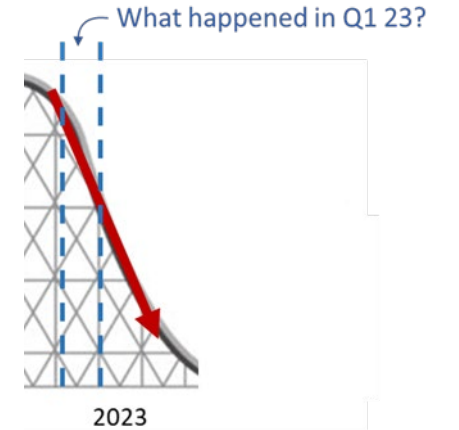




## Q1 2023 Ocean Audit Observations When the Provider was Wrong

Type	% of Invoices Over Charged	Average \$ Over Charge	% of Error \$\$ Over Charged
Carrier	53%	\$1,800	77%
Forwarder	66%	\$3,409	81%

Type	% of Invoices Under Charged	Average \$ Under Charge	% of Error \$\$ Under Charged
Carrier	47%	\$(588)	23%
Forwarder	34%	\$(1,496)	19%

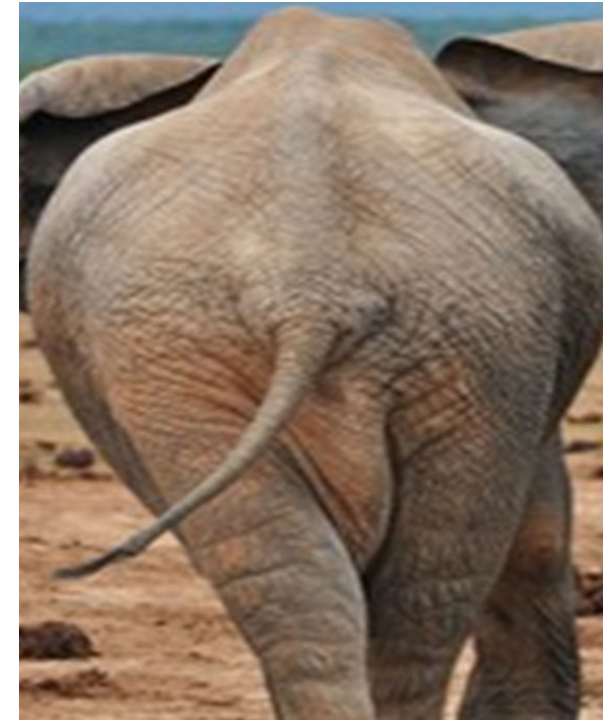


# Ocean Invoicing – Just How Bad Was It Really?

## Q1 2023 Ocean Audit Observations Average for ALL Invoices

Type	% of Invoices Rated Incorrectly	Average Gross (ABS) Error \$ Value	Average Net Error \$ Value
Carrier	15.59	\$191.17	\$104.36
Forwarder	10.44	\$287.62	\$180.52

- In Q1 2023 WE saw error rates trending back closer to the typical range of 8-12%
- In Q1 2023 WE saw the average \$ amount of the errors drop substantially – but it’s still significantly higher than typical



Please watch your step as you exit the room!





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**ACUITIVE**  
Solutions

## Perspectives on Ocean Invoicing – Just How Bad Is It?

# Thank You!

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