CONNECT. CARRY. CONQUER.
Innovative Practices in Freight Process Management
Freight transportation has a unique industry structure

• Big ($1.5 trillion logistics spend in US)

• Hyper-fragmented

• Transaction intensive, with multiple parties involved in each transaction
Fragmentation in freight transportation

For Hire, Class 8 Trucking

~400,000 companies

90% 6 trucks or less

Over half the freight hauled by fleets under 20 trucks

Brokerage

>10,000 companies

Why so many???
One load generates multiple transactions with a variety of parties.

1. Pick up freight
2. Deliver freight, get proof of delivery (POD) signed
3. Return POD to home office
4. Send POD and rate confirmation
5. Advance 90%
6. Create invoice, attach POD and rate confirmation, send to broker
7. Create invoice, attach POD, send to FP&A
8. Pay Factor
9. Pay balance
10. Request Funding
11. Fund Payment
12. Pay Broker
Upshot of big + fragmented + multi-party

- Lots of small players
- Episodic and spot business relationships
- Low trust
- Thin margin

- Low tech
- No standards
- Poor information flow
- Inefficiencies and cost
How transportation companies have been competing
VCs have noticed... and incumbents are also responding
Investment $ are funding innovation in optimization, visibility and load matching

In contrast, HubTran is focused on the settlement process (and documents)
### Example of what it takes to process an invoice – now multiply by a billion

<table>
<thead>
<tr>
<th>Step</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receive invoice by email or hard copy via US Mail</td>
<td>• If emailed PDF, open attachment</td>
</tr>
<tr>
<td></td>
<td>• If hyperlink, open hyperlink</td>
</tr>
<tr>
<td></td>
<td>• If hard copy, scan</td>
</tr>
<tr>
<td>Find load or reference number in invoice</td>
<td></td>
</tr>
<tr>
<td>Navigate to TMS load</td>
<td></td>
</tr>
<tr>
<td>Name and save each separate document type within the invoice (e.g., Invoice, BOL, Lumper Receipt, etc) individually</td>
<td></td>
</tr>
<tr>
<td>Attach documents to the relevant load (and/or shipments)</td>
<td></td>
</tr>
<tr>
<td>Create invoice in TMS and enter data (invoice number, amount, date, references, etc)</td>
<td></td>
</tr>
<tr>
<td>Communicate document gaps and related issues to carrier by phone or email</td>
<td></td>
</tr>
</tbody>
</table>
HubTran has solved for this problem using AI

HubTran is a networked machine learning platform

- Reads transportation docs
- Simplifies workflow
- Connects trading partners
- Integrates with operating systems
Case study: NFI Industries

• $1.3B transportation company
  • Brokerage
  • Managed transportation
  • Trucking
  • Intermodal
  • Drayage
  • Forwarding

• Multiple transportation management systems

• US and Canada

• 4X productivity gain
  (doubled volume, reduced back office costs by 50%)

• Better carrier relations

• Accelerated cash flow

• Fewer verification and carrier inquiries