



## **Digital Payment Solutions**

**We make it as easy as Ship, Click, and Pay.**

# Agenda

---

- Transportation & Customer Segments Overview
- PayCargo Value Proposition
- PayCargo Selling – Role play
- Open Floor Discussion



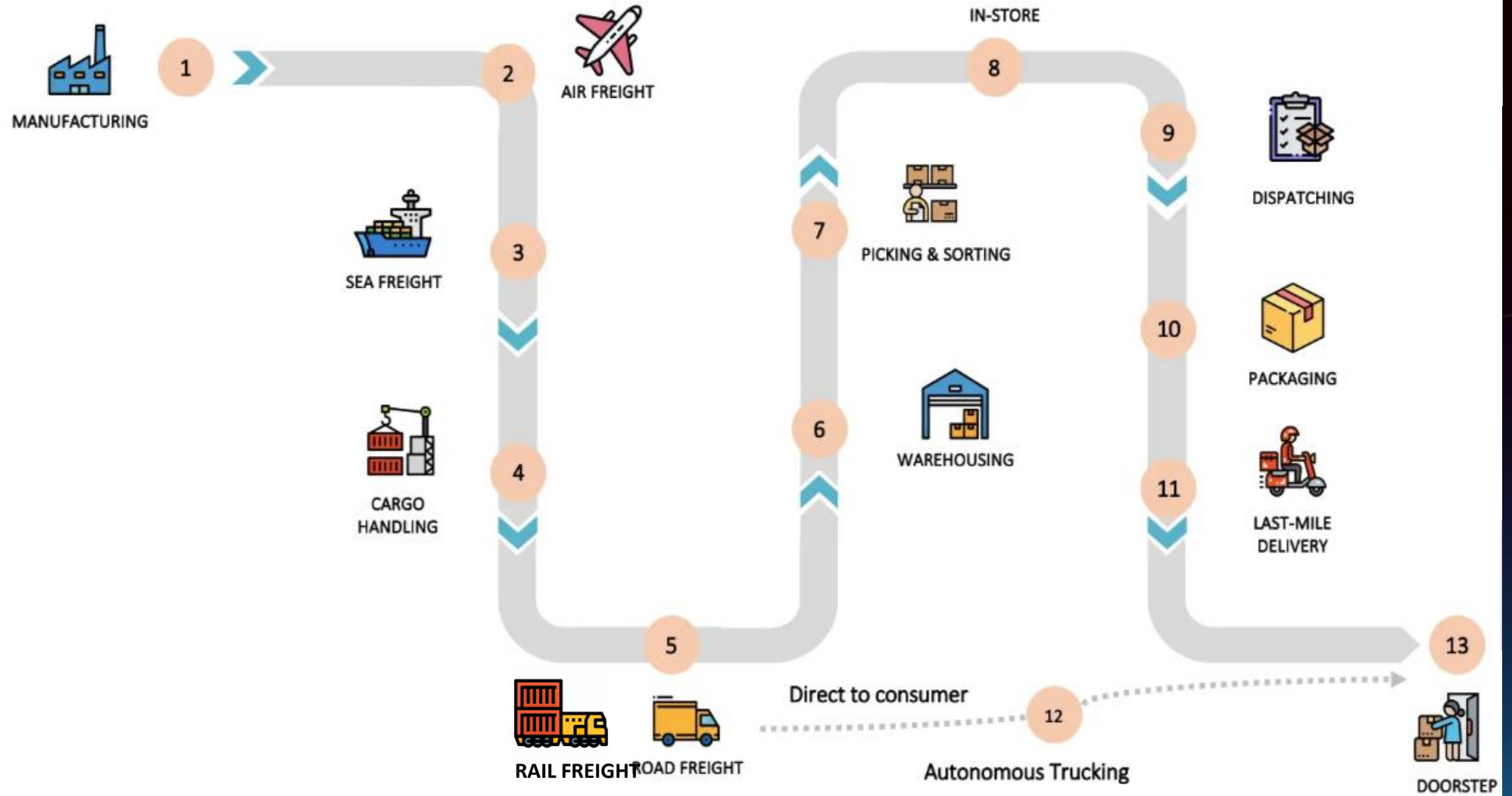
# Transportation & Logistics make the world go round!

An overview of air, ocean, rail, and road transportation



# Transportation & Customer Segments Overview Agenda

- How Goods Move
- Beneficial Cargo Owners
- Air
- Ocean
- Intermodal (Rail + Trucking)
- Freight Forwarders
- Where does payment come in?

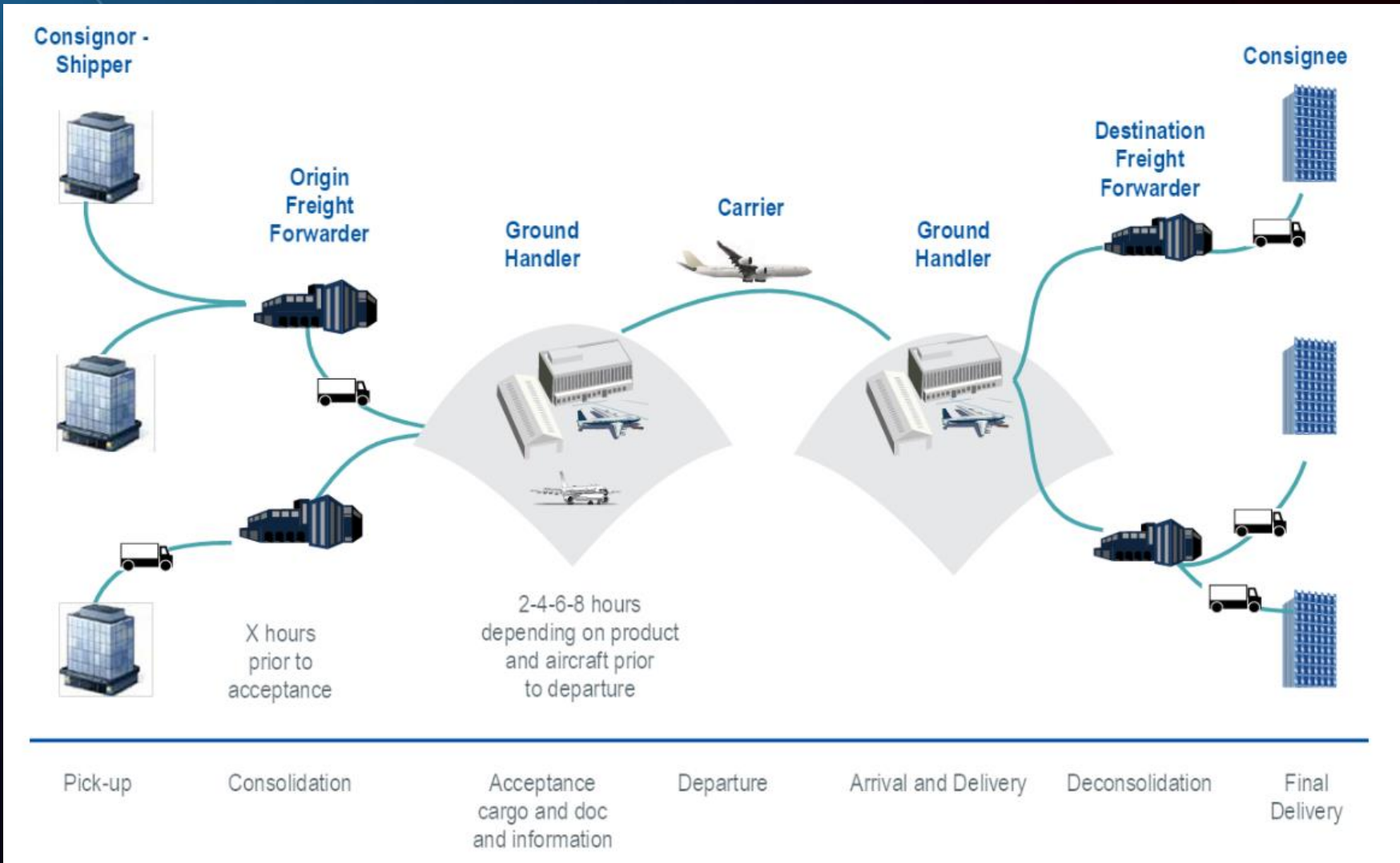


# BCO – Beneficial Cargo Owner

The legal definition of a BCO is the “importer of record, who physically takes possession of cargo at destination, and does NOT act as a third party in the movement of such goods.” Another definition of BCO is ‘the party that ultimately owns the product being shipped’.



# Air Cargo



# Statistics

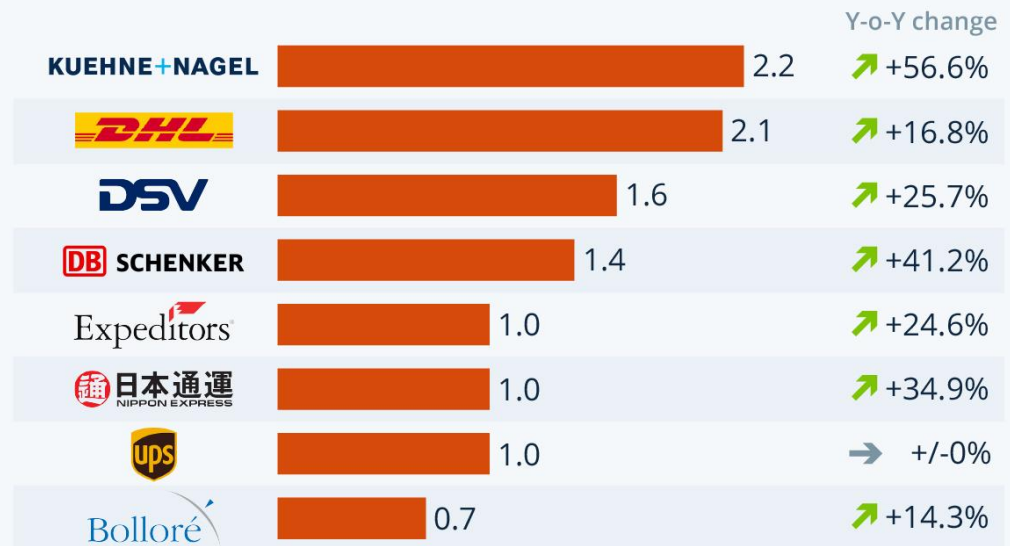
## Top 25 U.S. Air Cargo Carriers

Rank	Company	Pounds of Freight Explained (000)
1	FedEx Corp.	3,805,355
2	UPS Inc.	2,000,276
3	Atlas Air Inc.	290,941
4	ABX Air Inc.	198,599
5	Prescott Support Co.	162,522
6	Air Transport International	145,943
7	Southwest Airlines	87,926
8	United Airlines	86,646
9	Delta Airlines	86,512
10	American Airlines	82,742
11	Kalitta Air	81,648
12	Hawaiian Airlines	46,593
13	Southern Air	38,606
14	Alaska Airlines	27,740
15	Aloha Air Cargo	25,107
16	Empire Airlines	19,143
17	Amerijet International	18,024
18	Transair	11,660
19	Kalitta Charters II	11,606
20	National Airlines	7,576
21	Western Global	4,430
22	Flight Alaska	4,145
23	Lynden Air Cargo	2,996
24	Alaska Central Express	2,226
25	Gulf and Caribbean Cargo	2,215

Source: Bureau of Transportation Statistics

## German Logistics Companies Dominate Air Cargo Sector

Biggest global logistics companies by cargo volume in 2021 (in million tons of air freight)

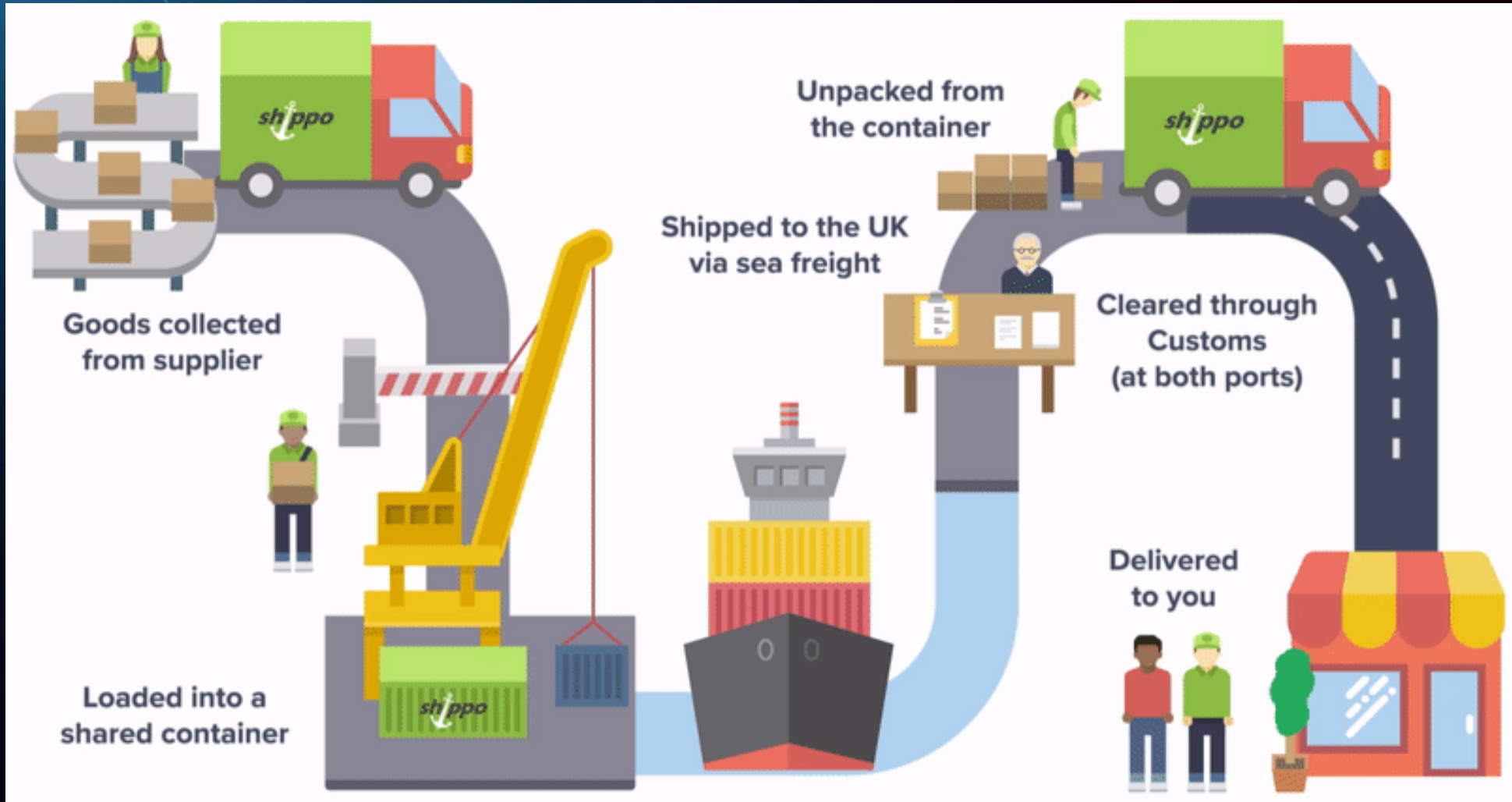


Source: Armstrong & Associates





# Ocean Freight



# Ocean Freight (less than container load)

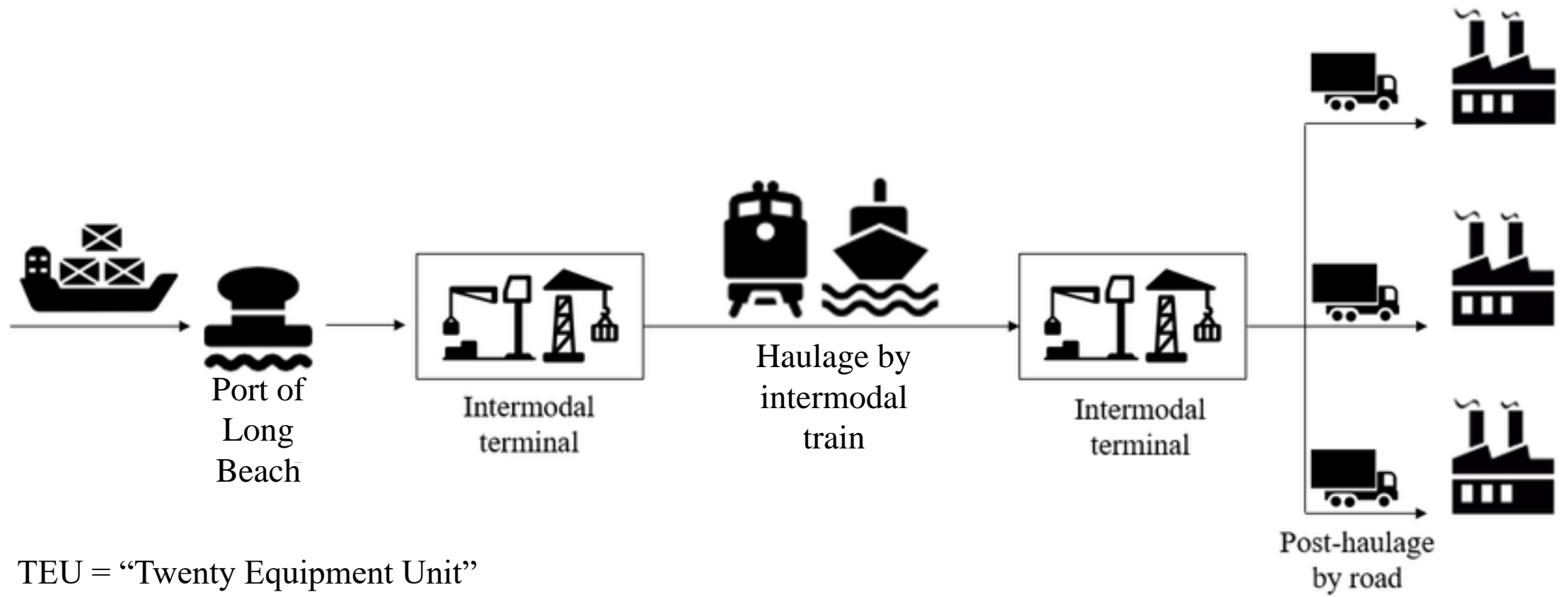




# 10 Largest Container Shipping Companies

1. Mediterranean Shipping Company
2. APM – Maersk
3. CMA – CGM
4. China Ocean Shipping Company
5. Hapag – Lloyd
6. Ocean Network Express
7. Evergreen Line
8. HMM Co. LTD.
9. Yang Ming Marine Transport
10. Zim Integrated Shipping Services Ltd

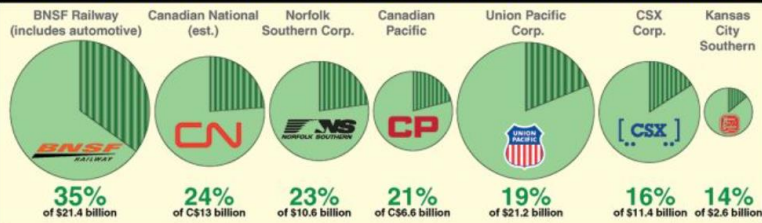
*Intermodal = moving containerized goods in multiple modes of transportation (rail + truck)*



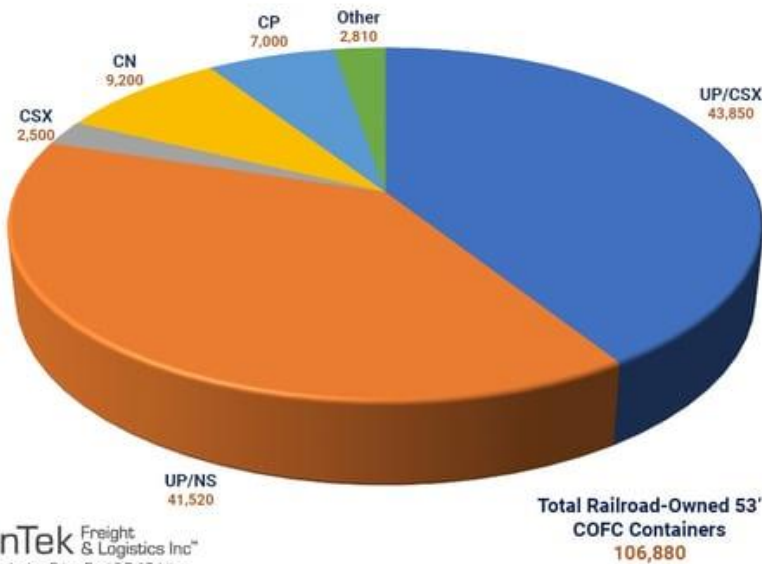
TEU = "Twenty Equipment Unit"

# Intermodal

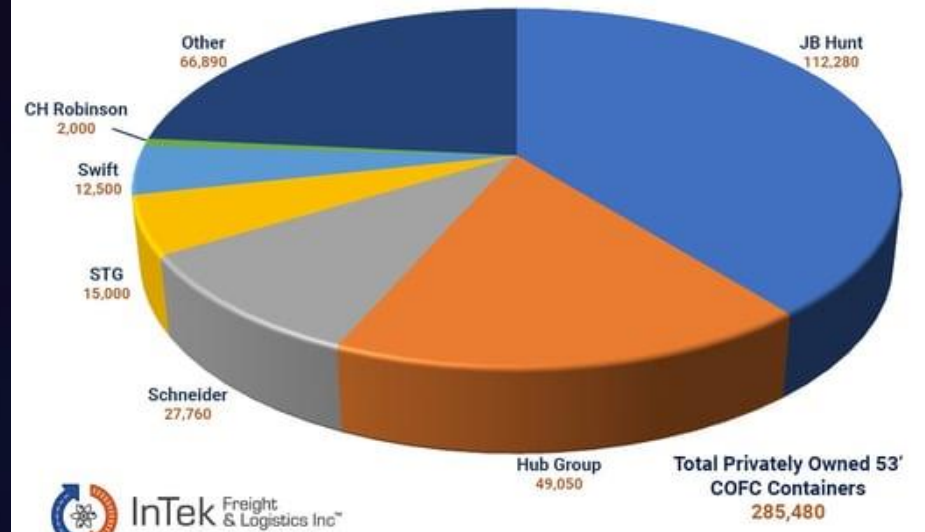
**Intermodal Share of Total Revenue For North American Railroads (2017)**



**U.S. Railroad-Owned Container Fleet**



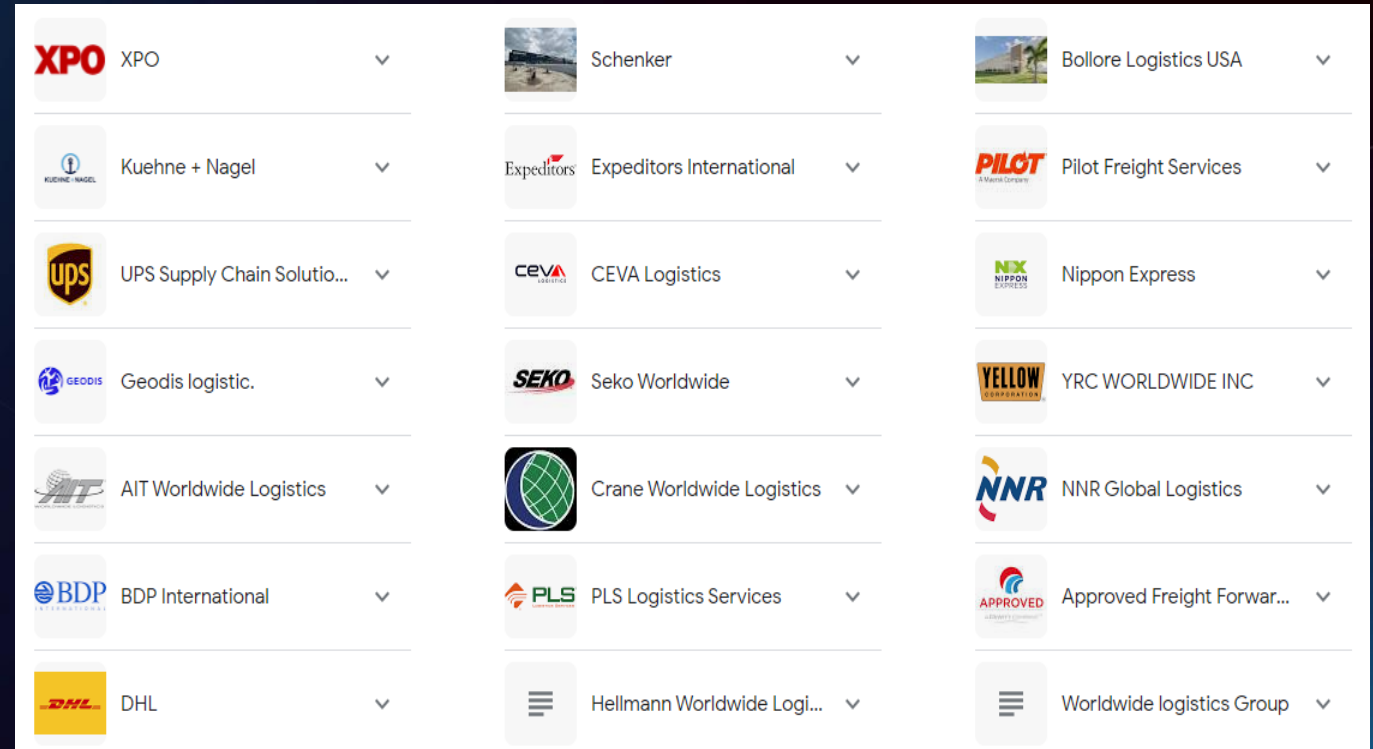
**U.S. Privately Owned Container Fleet**



# Freight Forwarders

A **freight forwarder**, or **forwarding agent**, is a person or a company who, for a fee, organizes shipments for the shipper (an individual/party that arranges an item for shipment) by liaising with carriers (an individual/party that transports goods). A forwarder does not move the goods but acts as an agent in the logistics network.<sup>[3]</sup>

The carriers can use a variety of shipping modes, including ships, airplanes, trucks, and railroads, and often use multiple modes for a single shipment.



# What does this all mean?

---

All parties within the transportation ecosystem must remit payments to their various providers for services rendered.

The only leverage a carrier/transportation provider may have to receive full payment for their services is holding onto cargo until the Shipper party pays their invoice.

How do companies pay each other today?

- **ACH (Automated Clearing House)** – Bank to bank transfer can take 24 hours or longer to clear
- **Wire Transfers** – Cost to send and receive, can take 48 hours or more especially cross-border
- **Cheques** – cost to send, couriered over, inefficient, risk of getting lost
- **Credit Cards** – costly for carriers to accept due to merchant fees, high risk for fraud

---

To move one container of goods from China to US via ocean freight, you can have several parties who require payment to ensure your goods continue moving down the supply chain to their destination.

- Ocean carrier (freight invoice)
- Customs Broker (customs charges)
- Port of entry (demurrage)
- Container freight terminal / railroad (detention)
- Trucker (linehaul)
- Warehouse (storage & handling)





# About PayCargo

PayCargo is the largest, most trusted online logistics payment platform for all and any logistics-related payments.

We provide a secure transfer of payments and data, allowing for faster release of cargo, either same day or next day, and real-time reconciliation for accounting purposes that will reduce time and capital.

# Our objective is to facilitate frictionless payments between:

## Ocean Vendors

(Ocean Carriers + Ports)



## Aviation Vendors

(Airlines + Ground Handlers)



## Payers

(Shippers, Freight Forwarders,  
Custom Brokers, BCO's)

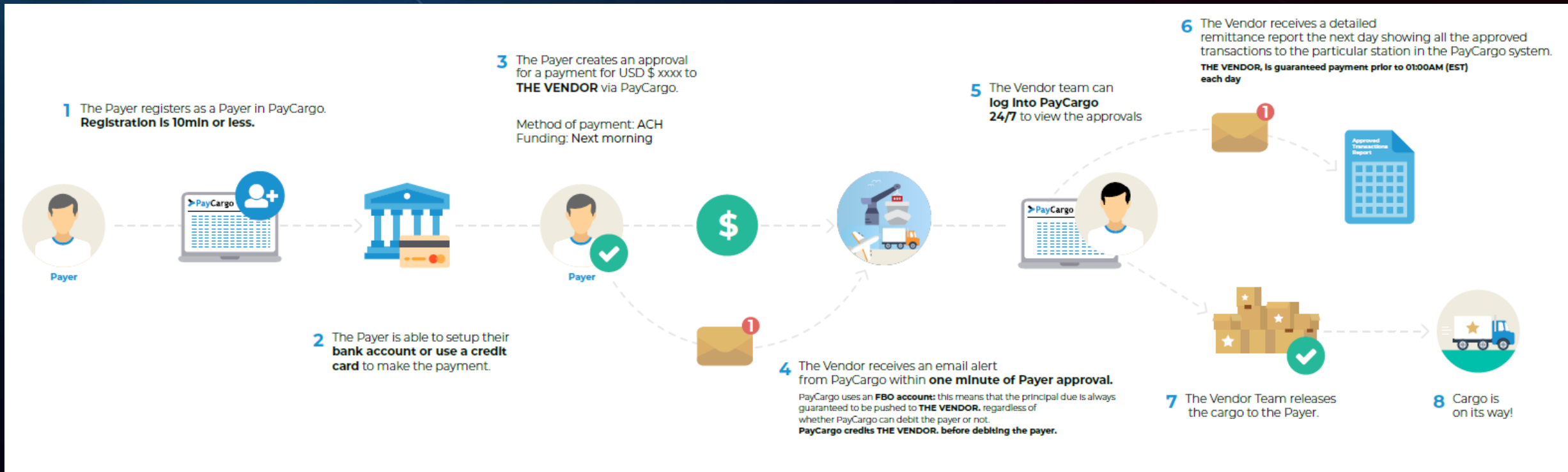
## Rail Vendors



## Road Vendors



# How does the process look like?



# PayCargo works with over 5,500 Vendors (Carriers)

## PAYCARGO ACTIVE VENDORS:



# PayCargo works with over 90,000 Payers (Shippers)

(Brokers, Forwarders, BCOs, Truckers and more)

## PAYCARGO ACTIVE PAYERS:





# Payers Benefits

- Fast release of your cargo (Same day or next day)
- Pay any type of logistics-related invoice using multiple payment methods (ACH, Credit Card, Prepaid, PayCargo line of credit.)
- Automated reports for accounting reconciliation and data transparency.
- Automated refunds and refund assistance with around the clock customer support.
- Large network of over 5,500+ Global Logistics Providers to pay



# Vendors Benefits

- Receive payments at ***no cost***
- All funds are 100% guaranteed
- Automated reports for accounting reconciliation and data transparency.
- All funds are automatically delivered to your bank account the following business day and alerts are sent in real-time when a payment is processed.
- Your customers can pay you whether they have an account with PayCargo or not
- Automated Refunds (Your approval is needed)

# PayCargo Value Proposition

---

- We are cloud-based and can have you active in 24 hours or less
- 24/7 live customer support
- Live data for all parties
- One platform fits all – eliminate “portal fatigue!” when paying multiple carriers
- Eliminate merchant fees when receiving payments
- Highly configurable to your special needs
  - Customizations
  - Enterprise level integrations with your accounting and ops software
- SOC-1 certified and secure
- Refund assistance





---

## Role Play

---



---

**Openfloor**

---



# Appendix

- Payer Questions
- Vendor Questions
- Common Objections

# Payer Questions

---

- What type of goods do you import?
- Who handles the payables for imports?
- What methods of payment do you/they use?
- What is the process for the operators when sending payments?
- What does the reconciliation process look like?
- How often do you have to get on the phone or speak to someone for refunds or general human errors?
- Does cash flow ever affect decisions with how to send payments?
- Who are some of your Vendors who are a pain to pay?
- What are some of the tools (software) you use when managing freight or reconcile accounts?
- What are some initiatives being taken by your company to improve the effectiveness of your AP department?

# Vendors Questions

---

- How many Payments do you receive on a weekly or monthly basis?
- Who are the Primary Clients?
- How do they pay you?
- Do you offer credit to your customers?
- Offer S&P
- How many stations do you have receiving payments or are you centralized?
- How much time does it take your staff to reconcile payments?
- How quickly do you release cargo if paid by different payment methods?
- What ops systems are you running?