

# Supply Chain Disruption

April, 2022

**flexport.**

# Speaker



Business can't expand without Insurance. Making our products more accessible, user friendly and cost effective through embedded distribution and ecosystems is my mission.

- Head's Flexport Insurance Business Globally
- 25 years in the insurance industry
- 10 years on developing InsurTech and digital distribution solutions.
- Former Chief Operating Officer of Embroker
- Vice President of Sales and Middle Market Leader for North America at Hub International.
- Board of Directors for Lucky Truck - a digital insurance brokerage focused on the trucking industry.
- Insurtech startup advisor



**Julie Zimmer**  
Head of Insurance, Flexport



# 1. What We Do MATTERS

- Empower the global economy
- Build emerging economies
- Level the playing field for small business





OUR VISION

**A robust supply chain  
fuels the growth of the  
global economy.**

**\$1.1T Globally**

# Growth of Emerging Economies

**Over 1B people lifted out of poverty in China alone**

- Employment opportunity
- Gender equality
- Labor development / education
- Healthcare delivery



# Some of the Fastest Growing Companies Sell Physical Goods

*allbirds*

Casper



**chewy**

**BARK=BOX**

TIMBUK2

leesa

wayfair

KITH

QUIP



  
cotopaxi



atoms



  
DOLLAR SHAVE CLUB

  
ESTD 2012  
DRUNK ELEPHANT™

SONOS

klean  
kanteen™

*DOLLS KILL*

HARRY'S

MOLEKULE

EVERLANE

WARBY PARKER

HUBBLE

**brooklinen**

Outdoor  
Voices

Reformation

*MeUndies*

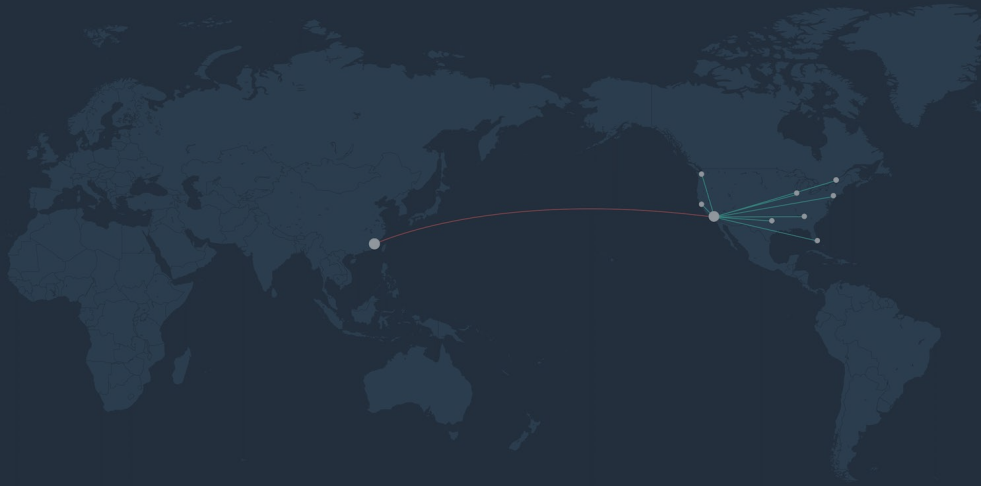
 **BOMBAS**

**BONOBOS**





# Macro trend: Supply chain complexity is exploding



	Origin		Destination		Lanes
In the past	5	X	1	=	5
2-Day Delivery	5	X	9	=	45
1-Day Delivery	5	X	40	=	200
Same Day Delivery	5	X	200	=	1,000



# Port efficiency is a major problem in the US

Singapore Gantry crane operator loading trucks remotely.

170+ cranes - all autonomous - operators only work on exceptions.





# Customer Behavior - Warehouse as secondary storage

Overstocking in primary warehouses causes delay in delivery from deconsolidation warehouses.

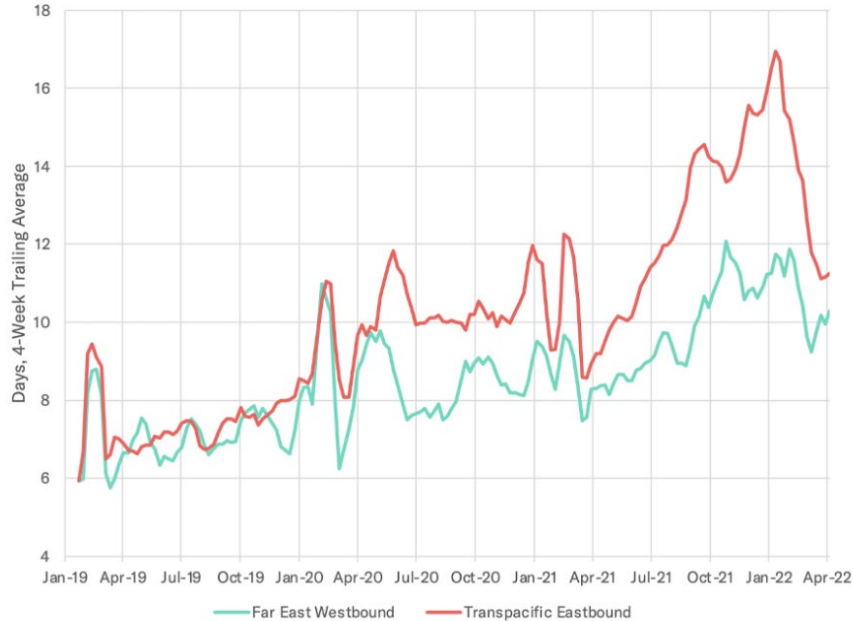


# Flexport Timeliness Indicators

## Air

### Signs of Ascent Return

Consolidated to Final Delivery, through 4/17/22



Sources: Flexport Research

## Ocean

### Fig. 1 OTI Close to High on FEWB

Cargo Ready Date to Destination Port Departure, through 4/17/22



Sources: Flexport Research

# 2. This is our New Normal





**“Every crisis needs a hero, and Ryan Petersen positioned himself as the face of this. He engages where a lot of executives won’t. It’s what the public wanted to see.”**

Craig Fuller  
FreightWaves

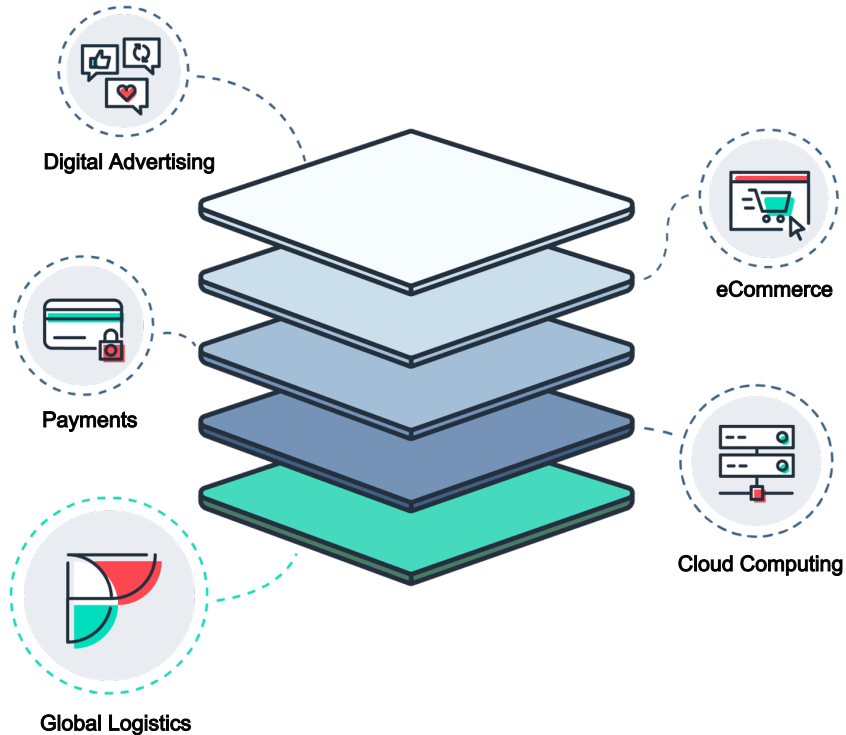


OUR VISION

**One technology  
platform to unite the  
world in a seamless  
web of global trade.**



# Platform Companies Are Powering the Modern Economy

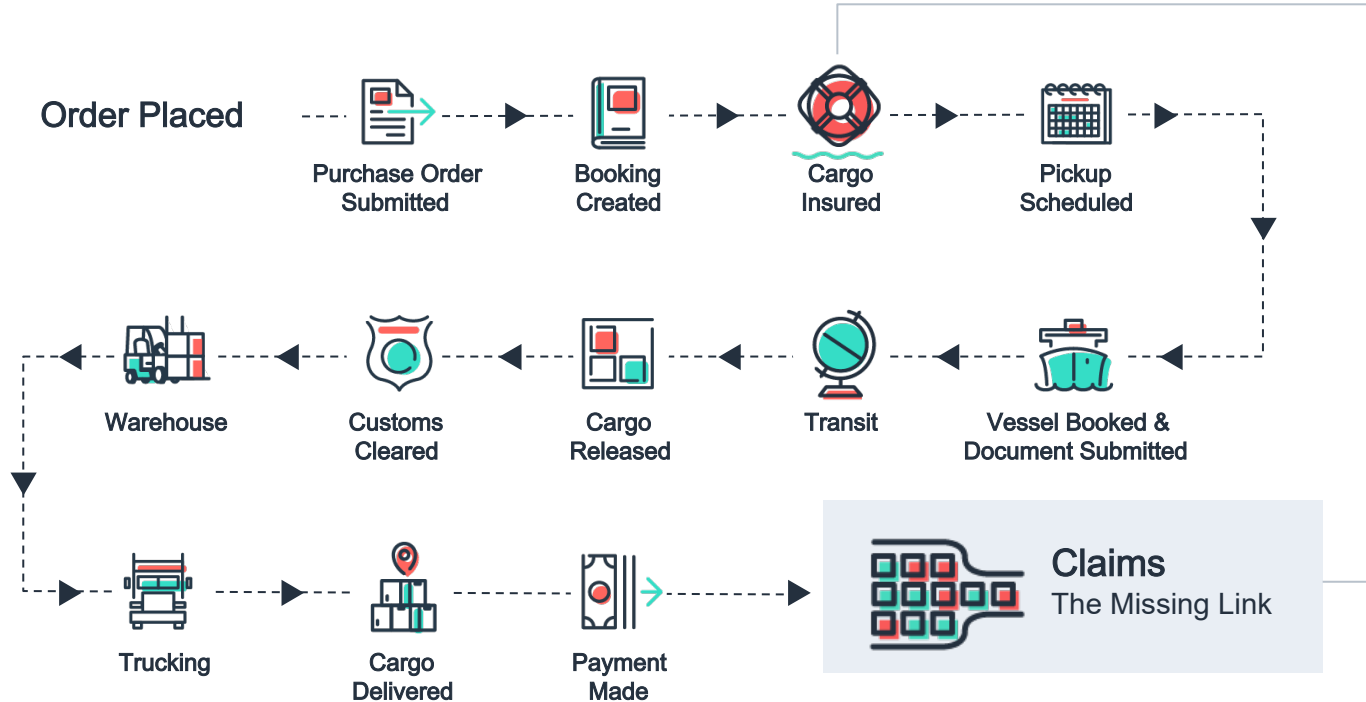


...and Insurtech is ready to respond

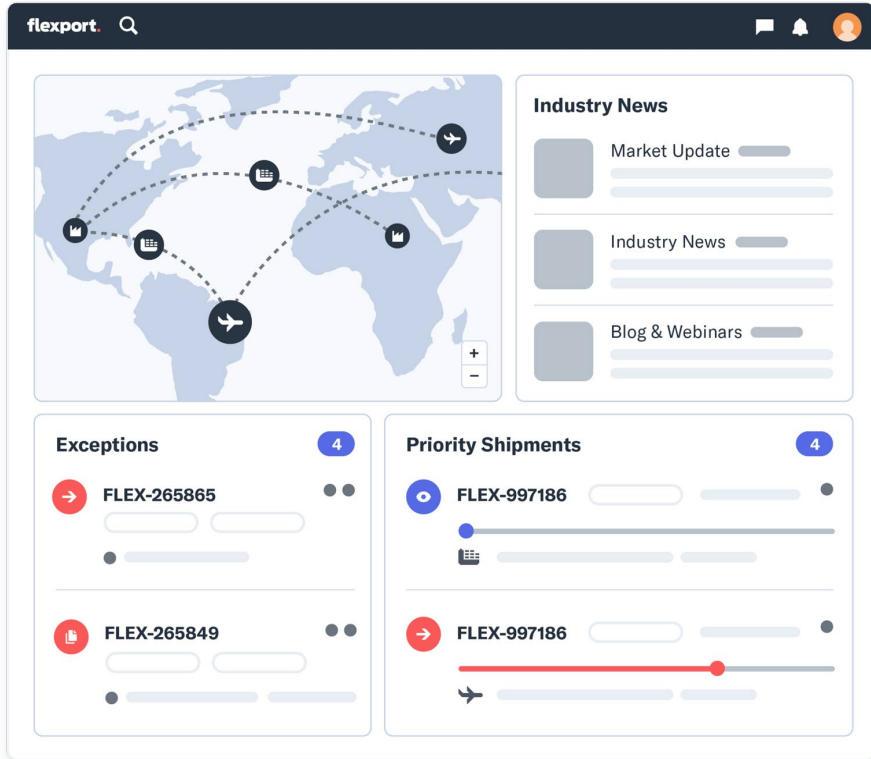


# Global Logistics is a Relay Race of Unstructured Data

But public sources won't get us to the finish line.



# Unchain The Supply Chain





# Shameless Plug- Flexport Insurance App

**flexport.** [Sign in](#) [Back to flexport.com](#)

## Insurance Solutions

Designed to Protect your Cargo and your Business

All Quoted and Bound Instantly!  
Automated Policy, Certificate, and Claims Management

- ✓ Per Shipment Cargo
- ✓ Annual Cargo
- ✓ Inventory
- ✓ Retail Value

[Get your quote now](#)

### Digital Underwriting and Delivery

- 01**  
**Quote**  
Just complete the application - it's quick and easy! You will immediately receive your quote. Need to make changes? Adjust your quote to meet your needs!
- 02**  
**Purchase**  
When you are ready to buy, just create your account and pay. We will do the rest. Your certificate will be emailed to you automatically!
- 03**  
**Manage your shipments**  
Your Dashboard will give you easy access to your insured shipments, new quotes, policy information, certificates, claims and more!



**3. Innovation is critical and  
the benefits are  
exponential**



# What we can Control



## Accessibility

Getting coverage to protect your business has to stop being HARD!



## Digital Experiences

Seamless and connected digital experiences



## Data Driven Pricing

Use data to dynamically price routes, seasons, commodities, ships, consolidation facilities etc.



## Innovate

Risks are changing constantly. We need to find solutions to insulate trade from those risks



OUR Obligation

# 4. We MUST do GOOD!

*A contribution of \$400,000 pays for a plane load of critical relief supplies and the transportation costs to charter a plane from the U.S. to Eastern Europe. To give you an idea, one plane approximately fits 325 hospital beds and mattresses, or 85 pallets of medical supplies, or 1350 cartons of sanitation kits.*



Most Importantly

## Make Logistics a Positive Force for Social and Environmental Impact

**flexport.org**



### Freight Has an Outsized Impact

A single shipment can change the trajectory of a crisis.



#### Shipping Container:

**5,000** tarps for emergency shelter

#### Air Cargo Container:

**70,000** masks to protect against infection



#### Semi Truck:

**9,750** meals to feed people in need

# Shipping AID is Broken

## 80%

of aid-agency budgets go to supply chain expenses

*Tatham & Christopher (2018), ACF (2018)*

## 60%

of donated items that reach disaster sites are destroyed or unused

*Halguin-Veras et al (2012)*

## 1 in 33

people worldwide needed humanitarian assistance in 2021.

*OCHA (2021)*



# Making a REAL Difference



Covid 19

438 million units of PPE and relief supplies were shipped.

Donations helped Catholic Charities with 88 trucking shipments. One distribution alone fed 1,360 families in San Antonio, Texas.

Airlink and Medical Teams International ship over 170k necessities for health and hygiene like soap and diapers and 1,250 disease prevention kits to refugees in Uganda.



Ukraine

\$24.48 raised from over 76K donors

President Zelensky tweeted about Flexport.org's participation with Ashton Kutcher and Mila Kunis' GoFundMe, further reinforcing the critical nature of our response.

777 cubic meters (CBM) of essential relief aid to refugee sites in and around Ukraine



Where Logistics Tackles Climate Change

Over 150,000 tonnes of CO2e Offset

Offsets are invested in Carbonfund.org's third-party verified projects like renewable energy or deforestation prevention, opening the door for customers to claim a **Carbonfree® Shipper Status**.

Measuring emissions is step one to reducing them. Flexport.org's free carbon calculator sets customers up for sustainability.



# In Closing - Remember...

## 1 What we do MATTERS

What we do helps global economies thrive, emerging economies grow and small businesses compete.

## 2 This IS our New Normal

Supply chain has and will always be faced with rapidly evolving challenges. This is our new normal. Adapt.

## 3 Innovation is Exponential

We MUST continue to innovate as the challenges of supply chains evolve. Creating new and more accessible ways to protect businesses has global impact.

## 4 We must do GOOD

With great power comes great responsibility!





Thank You.

**flexport.**