



DLT LABS™

Information you can trust.

Walmart Business Case



\$23,000,000,000
Annual Value of goods shipped

500,000
Annual loads

1,200,000
Customers per day

70
Third party carriers

85,000
Associates

**350 Drivers
180 Tractors
2000 Trailers**
Walmart Fleet



400+
Stores

170+
Data points per shipment

8.75 million sqFT
Retail space

WALMART / DLT LABS PARTNERSHIP



“With the help of DLT we are now using blockchain to create a transparent view of all our freight and payment data, dramatically simplifying how we track, reconcile and manage all that information, which has led to substantial cost savings.”

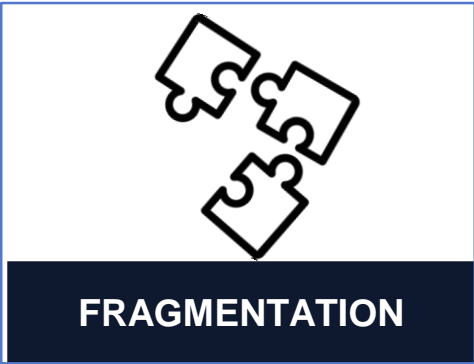
“We had some very vocal carriers complaining about the lead-times to get accounts settled. We knew these were systems issues and not people problems. Early on, one of our tech leaders suggested a blockchain network might be interesting, but we weren’t really sure. The one thing we knew is we are definitely not experts on blockchain and if we were to go down that path, we would need a partner that was willing to co-create with us.”



John Bayliss

SVP Logistics, Walmart Canada

FREIGHT TRANSPORTATION CHALLENGES



Carrier agreements are complex and their accounting system, logistics system, and IT systems are fragmented.

**LESS
TRANSPARENCY,
LONG WAIT TIMES**

6-8 weeks
dispute
resolution

**PAYMENT
ERRORS**

38% of
transactions
overpaid

DISPUTES

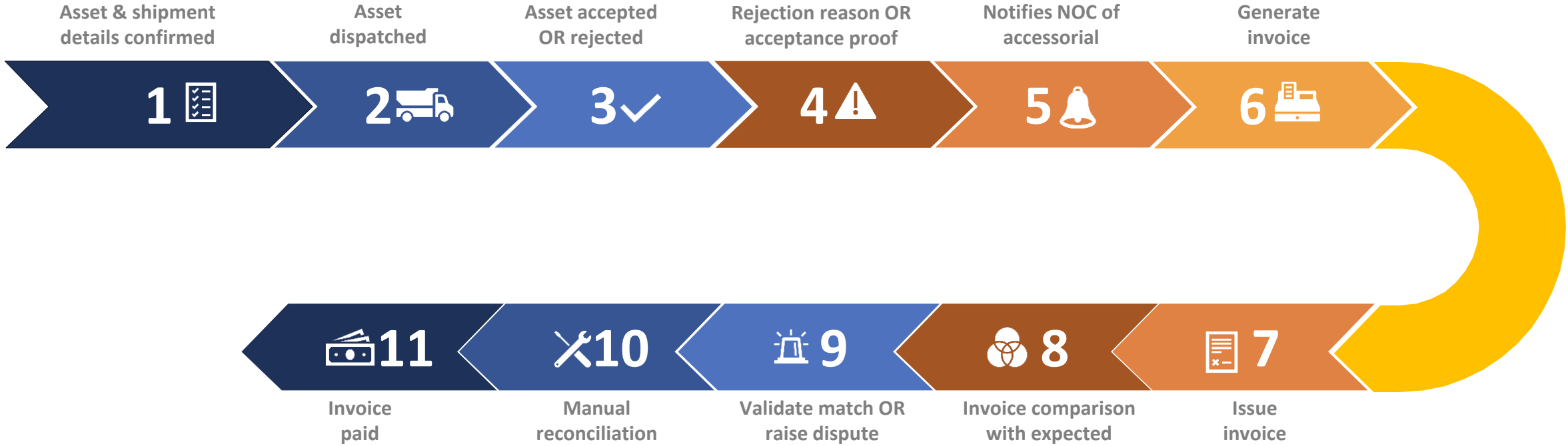
70%
transactions
disputed,
\$140B

**ADMINISTRATIVE
EFFICIENCY**

**High admin
costs**
(paper transactions)
+Third Party BPO

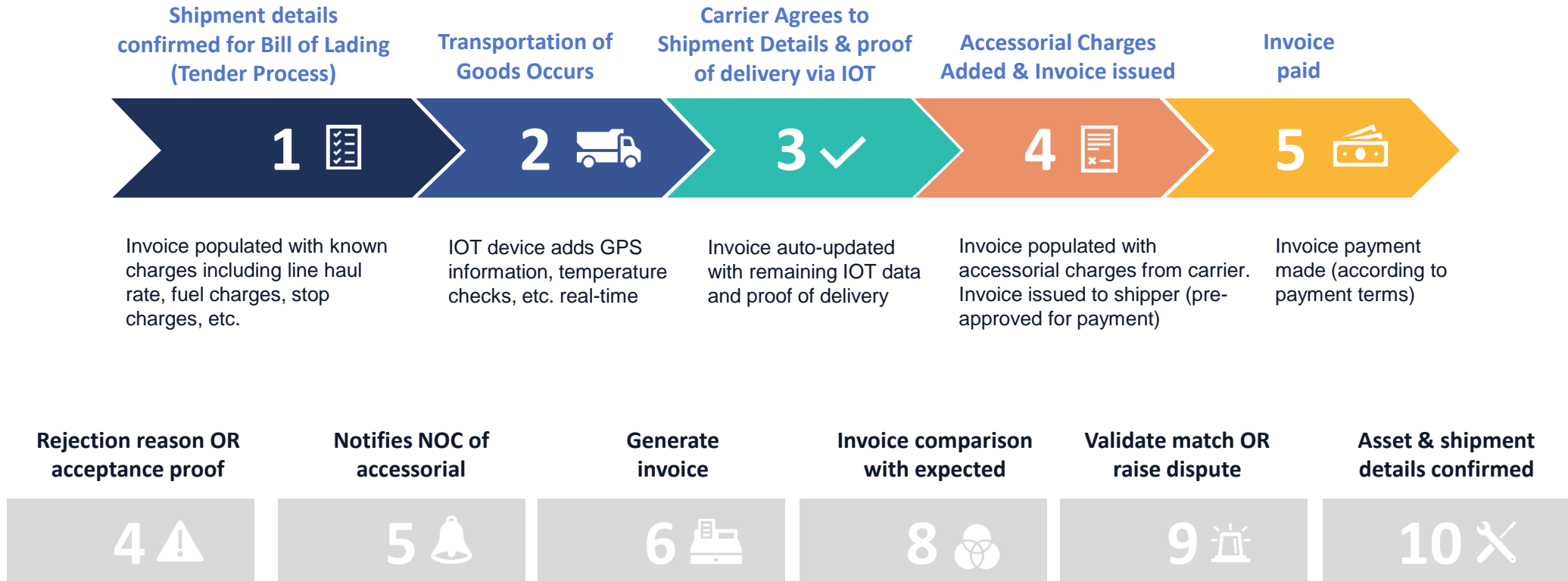
THE PROCESS

PAST WORKFLOW

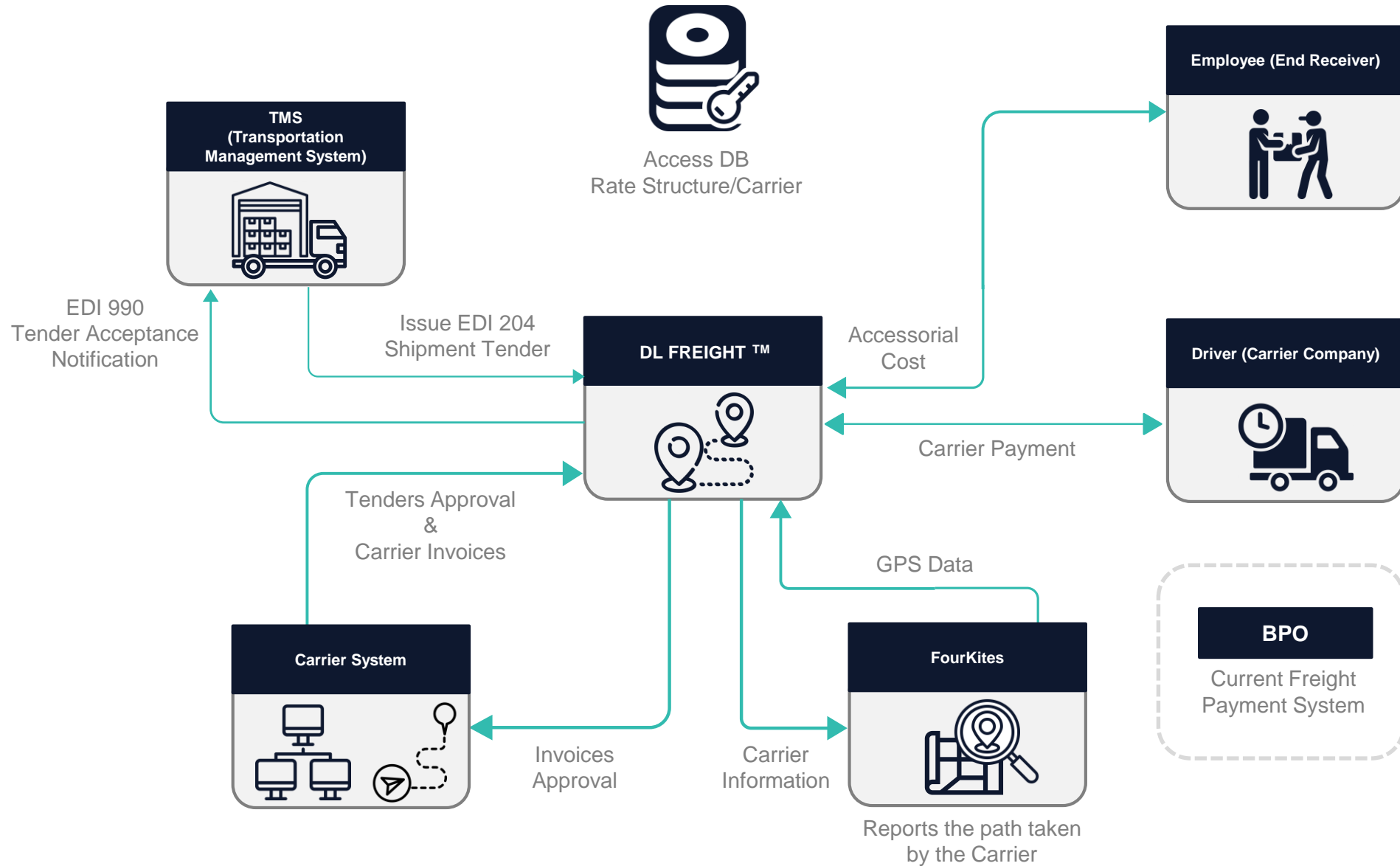


THE PROCESS

NEW DL FREIGHT WORKFLOW



SINGLE SOURCE OF TRUTH



Dashboard

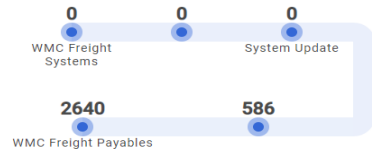
Workflows

Master table

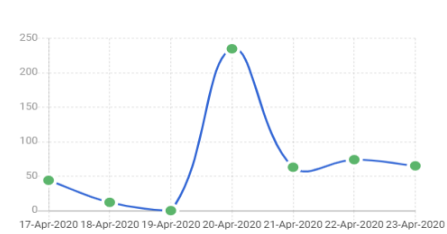
IOT data

Overview

WORKFLOW STATUS



Shipments added to ...

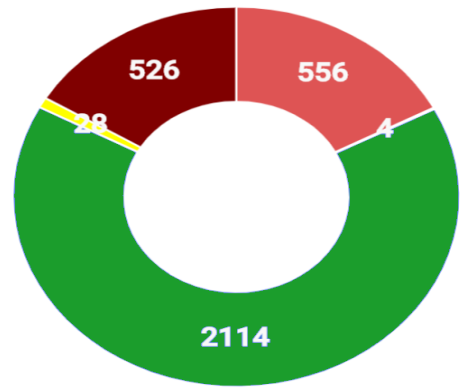


ASSIGNED TO ME

Workflow	Load_dest_loc_city	Load_orig_loc_city
Shipments	DELTA	ROCKY VIEW
Shipments	WILLIAMS LAKE	ROCKY VIEW
Shipments	QUESNEL	ROCKY VIEW
Shipments	VERNON	ROCKY VIEW
Shipments	RIIRNARY	ROCKY VIEW

1 - 15 of 28

Invoice Status



● Not Ready for Payment ● Load Cancelled ● Payment Processed ● In Dispute ● Payment Settled



Rod Hendrickson, VP Finance, Bison Transport

“This blockchain initiative was a new paradigm that had the ability to greatly improve workflows, reduce paperwork, and make the business we do with Walmart more efficient. We welcomed Walmart’s openness and transparency and ultimately we were glad to have had the ability to work with Walmart and DLT as peers to create a mutually beneficial solution that works well for Bison Transport and Walmart Canada.”

“From Bison's perspective, there is much greater clarity in how we work with Walmart. The transparency and integrity we have built – not just in the new freight payment process and system but in how we worked collaboratively along the way – has significantly strengthened our relationship with Walmart.”

DL FREIGHT[™]

Seamless Integration



- ✓ Ability to integrate with your systems to avoid any disruption and/or training of your current operations
- ✓ Personalized platform to your business needs
- ✓ Dedicated support and feedback mechanism for an improved customer experience
- ✓ Validation of accessorial units using technology such as IoT and blockchain

Shipper



- Carrier contracts are in production as intended
- Immediate cost reduction
- Visibility into planned vs unplanned shipping costs
- Elimination of BPO (third party outsourcer)
- Reduction in data discrepancy and cost with respect to EDI
- Enhanced relationships and become preferred client in supply challenged market for drivers
- Data integration speeds decision making
- Quick & seamless integration

Carrier









- Shipper contracts are in production as intended
- Real time invoice creation
- Proof of delivery eliminated
- Accelerate payment process via real-time reconciliation
- Trusted collaborative environment
- Transparency, auditability of charges
- Reduced administrative effort
- Intuitive onboarding

COST SAVING OPPORTUNITY

Cost Saving Opportunity based on industry standards	
Annual Deliveries	500,000
Assume industry standard disputes (50%-90%)	50%
Disputes	250,000
Processing Cost/Invoice	
Each 'touch' (\$10-\$50)	\$25
Numbers of touches per invoice	3
Pro Forma annual savings for a client (based on above conservative assumptions, without other qualitative benefits)	\$18,750,000 <small>Variations based on assumptions (\$30M+)</small>

----- Note this only demonstrates one dimension of cost saving -----

OTHER BENEFITS (Cost Savings and New Revenue)

<p>EDI cost/ page eliminated</p> 	<p>Interest Charges</p> 	<p>Full auditability, reduced audit charges</p> 	<p>Immutable Record</p> 	<p>Incorrect Payments eliminated</p> 	<p>Reduce/Eliminate Reliance on Third-Parties</p> 
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VALIDATION & TESTING



Integration with WTMS, Bison's system, Legacy EDI files, Fourkites, Webhooks



Realtime invoice configuration and generation with automated email notifications



50,000+ loads processed



8+ Security audits passed



170+ formulas configured



Validation of accessorial units against FourKites and National Operating Centre



2500+ test invoices executed & passed successfully



Configuration of carrier specific fuel & rate tables on weekly basis

Lessons Learned

- Scope Management – like any project, scope management is essential. The project had many additional requirements and change requests being approved up to the week before the launch date.
- The Tender process – This remains outside of the DLT platform and is via an EDI process directly between Walmart and their carriers. The information established and visibility to it at this stage in the overall freight process is critical so a future phase of adding this to the blockchain would continue to add tremendous value.
- Change Management – Everyone knows it is a complex process and providing visibility to all the information is of great value. Ensuring all users fully understand all of the information available and are using it efficiently in their process is challenging.
- Training – there can always be more training! Nothing is a better substitute than working in a live environment.

Q&A