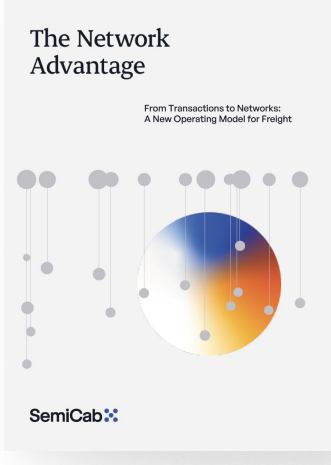


The Network Advantage

From Transactions to Networks: A New Operating Model for Freight



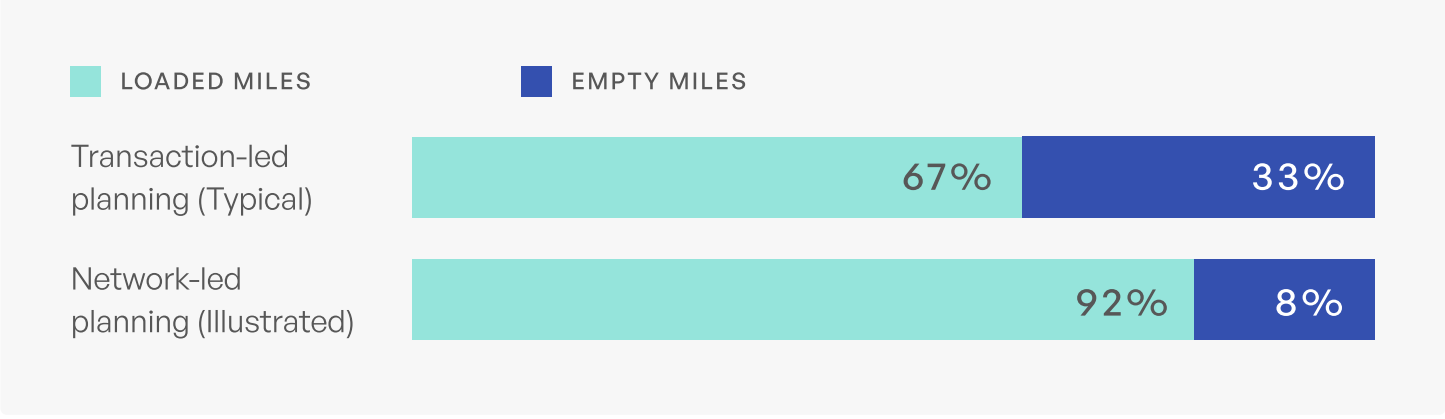
Truckload freight has struggled with the same structural problems for decades: fragmented capacity, volatile pricing, unreliable availability and chronically low asset utilization.

Across markets such as India and the United States, research consistently shows that **30-35% of truck miles run empty**. This is not a marginal inefficiency. It is the single largest source of waste in the system.

Empty miles are not an operational anomaly.

They are the economic signature of fragmentation. When demand and supply are planned as siloed transactions, assets cannot be positioned efficiently across time or geography. The result is a system where costs rise for shippers, earnings remain unstable for carriers, public infrastructure is burdened, and systemic efficiency fails to emerge.

Freight is a network problem being treated as a transaction problem.



Empty miles are structural, not accidental. Transaction-led planning compared with network-led planning.

THE SCALE PROBLEM

Why Local Optimization Fails

Truckload freight does not operate as a single network. It operates as thousands of disconnected transactions running beside each other. This fragmentation is structural.

Supply
More than 90% of carriers are micro or small fleets, each operating only a handful of vehicles.

Demand
Large enterprises plan transportation independently across business units, geographies and product lines.

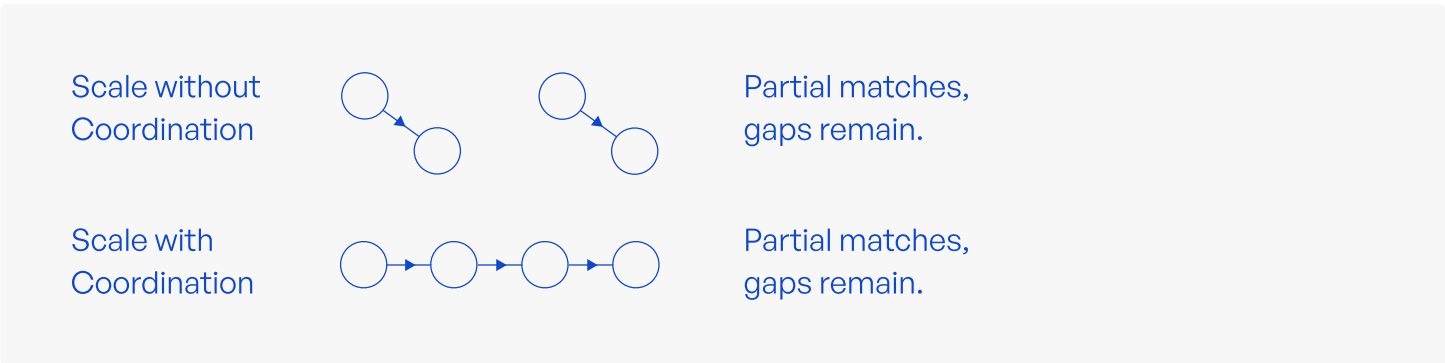
Service providers
Brokers, LSPs and 3PLs optimize their own contracts, not system-level outcomes.

Local optimization assumes that improving individual lanes or contracts will eventually produce system-wide efficiency. In practice, this creates persistent mismatches between where trucks finish and where demand next appears. Fragmented planning leads to stranded assets. Stranded assets lead to empty miles.

Scale as a requirement
Efficiency cannot emerge without network density. Density allows variability in demand and supply to smooth out. It enables assets to be repositioned intelligently and creates the conditions for predictability.

Why scale alone is insufficient
The industry has repeatedly attempted to create scale by stitching together small groups of customers. This approach compresses leftover demand, but it does not solve non-utilization. It does not create density across time or geography. As a result, these models plateau and fail to expand.

Scale creates the possibility of efficiency. Efficiency only emerges when scale is activated through coordination.



Scale becomes valuable only when it is activated through coordination.

THE ORCHESTRATED COLLABORATION™ DIVIDEND

Once Scale Exists, The Constraint Shifts.

Once scale exists, the primary constraint shifts from assets to information.

Shippers see only their own demand.

Carriers see only their own fleets.

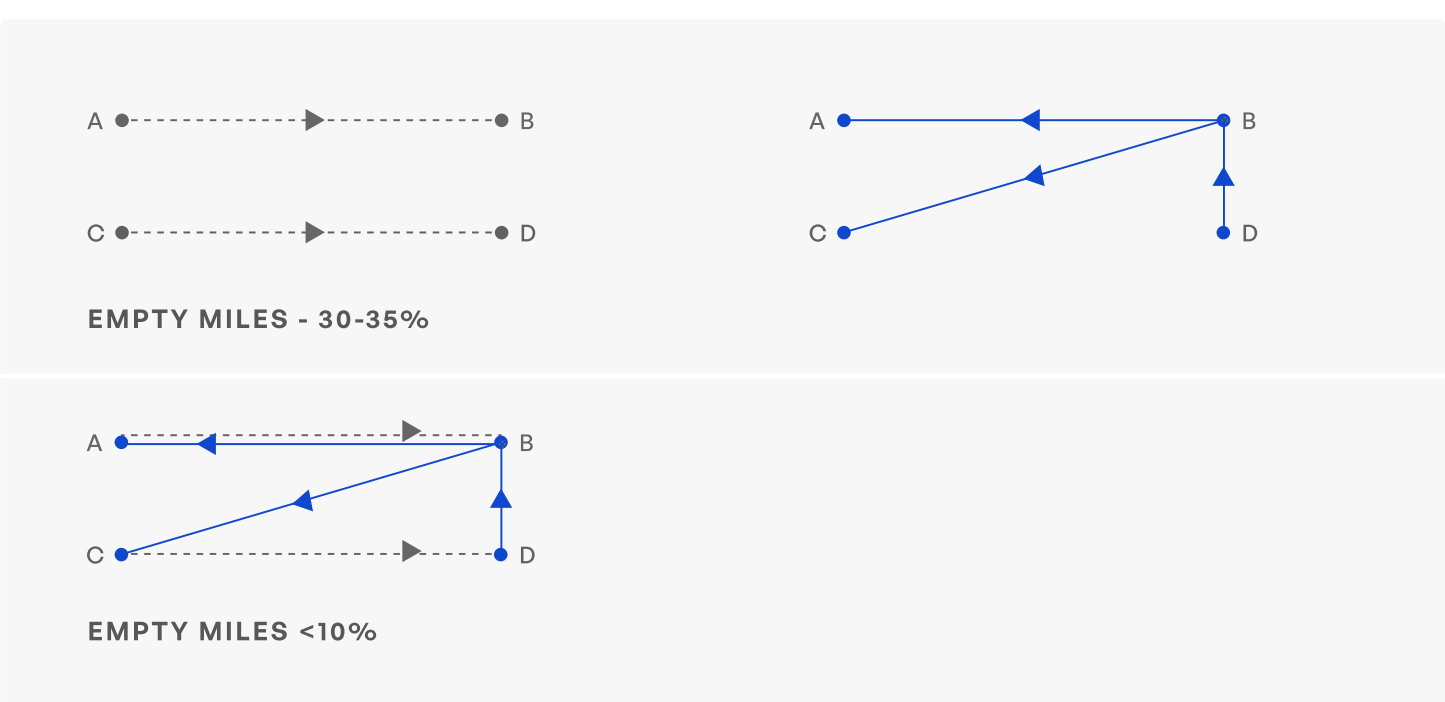
Brokers see only the contracts they manage.

There is no shared operating view because freight is not planned as a network.

Orchestrated Collaboration™ reframes coordination as a system function rather than a contractual one. Allocation decisions are system-driven rather than negotiated, and planning occurs at the network level rather than the contract level. The orchestrator does not own demand or supply. It aligns them dynamically.

30-35% to below 10%

In deployments of this operating model in India, network-level planning has demonstrated the ability to reduce empty miles to below 10%, without renegotiating contracts or altering carrier behavior. The reduction comes from treating demand and supply as a shared system rather than as parallel transactions.



Pooling demand and supply across shippers, lanes and regions reveals return legs and cross-lane flows that are invisible at the contract level.

THE SYSTEM ADVANTAGE

Why An Intelligent Execution Layer Is Non-Negotiable At National Scale

As networks grow, coordination alone cannot sustain these gains. Planning decisions must be translated into continuous execution across changing conditions, or the benefits of coordination begin to erode.

Truckload freight planning remains largely manual. Manual systems scale linearly with headcount. Network complexity grows far faster. At national scale, manual coordination breaks down under demand variability, geographic dispersion, seasonality and multi-party dependencies.

This shifts the constraint from coordination to intelligent execution.