

Carrier-Shipper Data Integration Talking Points

Introduction

CXT Software has broad and deep carrier-shipper data integration capabilities. To date, we have integrated our carriers with over 125 distinct wholesale, retail, consolidator, 3PL, and home delivery shippers across a variety of industries including pharmaceutical, office products, industrial supply, tech products, auto parts, appliance parts, medical/lab/veterinary, payroll, beauty products, books/magazines/print media, and e-tail.

This document is intended to provide general guidance to CXT Software carriers engaging in technology/data integration discussions with their shipper customers.

Please note that carrier-shipper data integrations can be complex, costly, and require significant lead times to implement. If at all possible, obtain a Statement of Work (SOW) from CXT Software detailing your data integration cost and timeframe prior to committing to pricing with your shipper customer.

Managing the Conversation with the Shipper

1. Ensure that the shipper is aware that you use CXT Software's solutions, as we have existing technology partnerships with many shippers.
2. If the shipper is not aware of CXT, let them know that we have deep shipper-carrier integration experience. As you venture into this phase of the discussion, note that depending on integration requirements and costs, it is possible for you to (1) accept orders/stops electronically, (2) scan/track barcodes, (3) capture electronic signatures/POD, (4) handle OS&D, (5) provide reason/exception codes, and (6) invoice electronically. *However, to help manage costs, you will likely want to avoid offering more than they require.*
3. The requirements identified in #2 above will help determine whether the data integration is:
 - a. Inbound only (electronic orders/stops/parcels)
 - b. Outbound only (typically electronic invoicing)
 - c. Two-way (*inbound* electronic orders/stops PLUS *outbound* scanning/tracking, electronic signatures/POD, OS&D, photo attachments, reason/exception codes, and/or electronic invoices)
4. The shipper's IT team may be interested in specifics regarding data formats and transport. We have built integrations using proprietary, ASN, EDI, XML, and CSV data formats, with FTP, AS2, web services, and VAN being the typical data transport methods.
5. Ask the shipper if the integration is directly with the shipper or via a 3PL or other intermediary, as well as which TMS (Transportation Management System) they use. If they know the answers to these questions, we may be able to leverage existing integrations involving the same shipper/3PL/intermediary or TMS.
6. You will also need to gain an understanding of how the data will be used operationally. For example, will the inbound data be on-demand orders or route/distribution stops? With a two-way integration, is outbound feedback sent as the orders/stops are closed, or at the end of the day/route? Are all reason/exception code updates tied to order/stop progress? How will the rates be calculated? How will drivers be paid? What monitoring and reporting is required?
7. A successful data integration requires collaboration between the shipper, carrier, and CXT Software, so a direct integration contact representing the shipper is extremely beneficial for CXT Software .

CXT Software Integration Development Process and Costs

1. **IMPORTANT NOTE:** Because of differences in shipper systems and DC-level operations, evolving shipper integration requirements, and differences in carrier operating models, we evaluate each integration request

as a new request. We will leverage existing integration code as much as possible to reduce new integration costs; however, the fact that we have worked with a shipper before usually does NOT mean that the cost of a new integration will be minimal. Even if we can use an existing integration “off the shelf,” differences in carrier system configuration will involve setup and testing costs.

2. CXT Software will need documentation specifying (1) a high-level description of the integration, (2) inbound and/or outbound data formats and sample data, (3) integration workflow, timing, and reason codes, and (4) contact information for the technical resource representing the shipper on the integration project.
3. Submit a support ticket requesting an estimate for the integration, attaching the information collected in step #2 above. CXT will then evaluate the request, estimate the work required, and generate a Statement of Work (SOW) outlining the cost and timeframe to build and deploy the integration. This cost will be estimated in hours, and billed to the carrier at our standard rate of \$175.00 per hour when the integration is delivered. *Time is of the essence! Please complete this step as early as possible during your discussions with the shipper.* Again, if possible, try to time it so that you already have our SOW when the shipper awards you the business.
4. The carrier may need to add some CXT Software product modules specific to the data integration, including X Route, X Stream, and X Mobile or Nextstop Mobile. One-time license fees (X Route on-premise and X Stream), hourly setup/configuration fees, and ongoing monthly fees apply.

Third-Party Integration Costs

1. Whenever X Mobile or Nextstop Mobile is required, you will need to ensure that drivers have compatible mobile devices (i.e., smartphones with or without Bluetooth scanners, handheld computers, etc.) and adequate wireless data plans for those mobile devices.

CXT Software Integration Development Timeframe and Delivery

- Once you approve, sign, and send the SOW back to CXT Software, we will add your integration project to our development queue and schedule the work. *We require 90 days’ lead time for completion of new integration-related SOWs.* Adequate lead time allows CXT to manage costs by balancing a large SOW workload, and allows for coordination with the shipper on specification clarifications and testing.
- Once the integration is delivered, testing with the shipper is necessary to ensure that data flows successfully and accurately.

Ongoing Integration Maintenance

- *X Stream Standard, Plus:* Maintenance specific to the shipper integration will be handled via the SOW process and billed to the carrier(s) at our standard rate of \$175.00 per hour.
- *X Stream Advanced, EDI, Enterprise:* Maintenance specific to the shipper integration is included in the monthly X Stream cost. “Maintenance” does not include overhauls of an integration, for example to add major new functionality or adapt it to a new shipper backend system.

Please contact CXT Software’s Account Management team if you have any questions about the carrier-shipper data integration process.