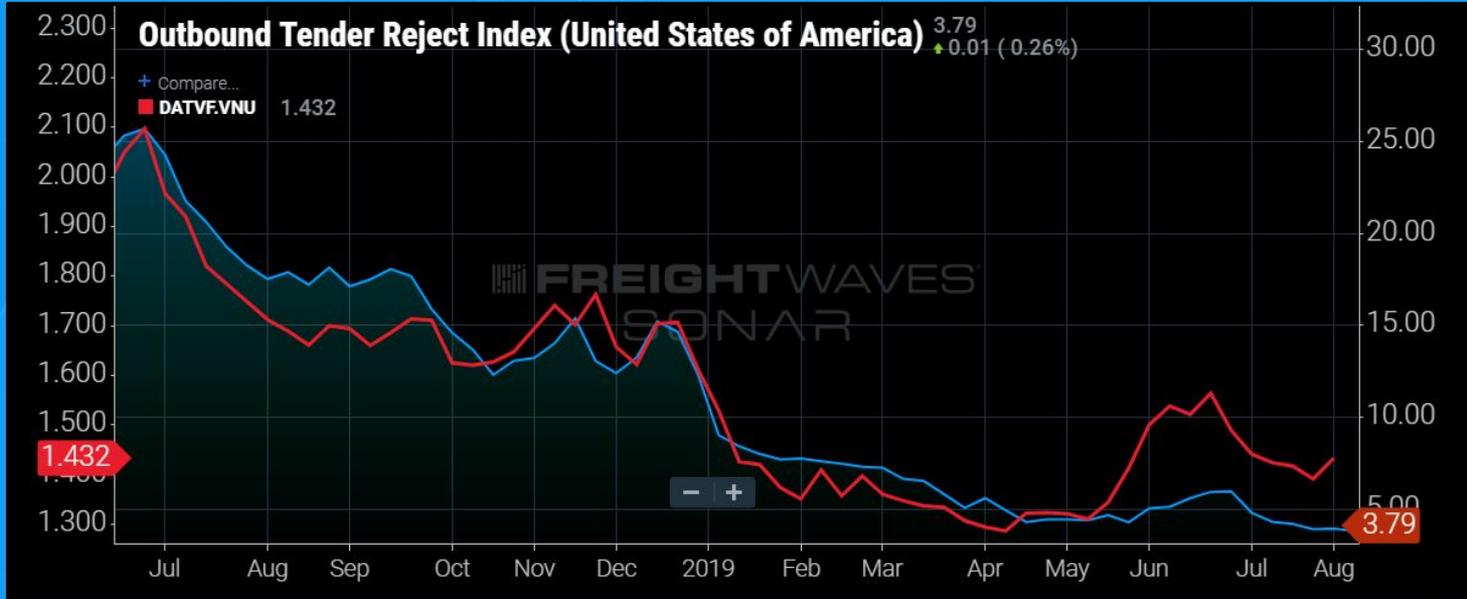


Looking to see how rejections drive price in comparison to a rating tool?

Use the SONAR Tender Rejection Rate and DAT Indices

HERE'S WHAT YOU'RE LOOKING AT: CHART VIEW



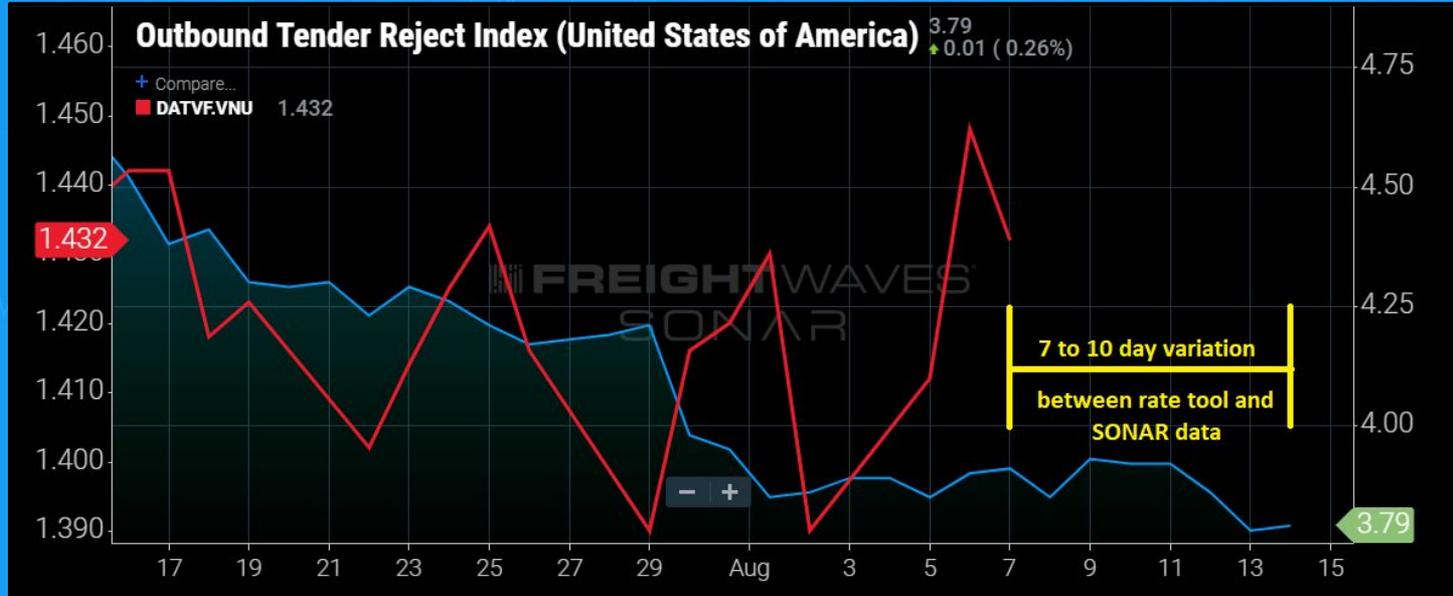
This chart compares national outbound tender rejection rates (OTRI.USA: BLUE LINE), measured in a percentage—to the DAT national longhaul freight rates (DATVF.VNU: RED LINE)—measured in a dollar amount.

HERE'S HOW YOU COULD USE IT

You can see a direct relationship between the national outbound tender rejection rates and DAT's national longhaul freight rates.

- When outbound tender rejection rates increase or decrease, DAT's national rates follow that same pattern.
- You will see some gaps between the two datasets because you are comparing an index that is measured in a percentage against a scale that is measuring dollar amounts.
- When reviewing tender rejection indices at a national, state, or market level, you can conclude that increases in tender rejection rates correlate to increases in the spot market rates.

HERE'S WHAT YOU'RE LOOKING AT: CHART VIEW



This chart compares national outbound tender rejection rates (OTRI.USA: BLUE LINE), measured in a percentage—to the DAT national longhaul freight rates (DATVF.VNU: RED LINE)—measured in a dollar amount.

HERE'S HOW YOU COULD USE IT

Looking at the last 7 days of data, pay attention to where the red line (DATVF.VNU) stops and the blue line (OTRI.USA) continues on, showing a gap in the data between a rate tool (RED Line) and the SONAR tender rejection index (BLUE Line). **Rate tools have a 7-to-10 day lag on the rates they provide for a few reasons:**

- The gap between the date a load is booked using a rate tool, the date a load is delivered, and the day the data provider collects the information to capture the exact accepted rate
- The time it takes to gather a large sample size to guarantee the information is accurate

HERE'S HOW YOU COULD USE IT

Tender Reject Indices used in SONAR are measurements of carriers' willingness to accept the loads that are tendered to them by shippers under contract terms. It is expressed as a percentage of loads rejected to total loads tendered. TRI is organized in terms of outbound, inbound, trailer type and length of haul.

Using this correlation between outbound tender rejection rates and spot market rates that are displayed from DAT national long-haul freight rates (DATVF.VNU), along with the knowledge of the 7-to-10 day lag of freight rate tools, **you are able to adjust rates accordingly to maximize freight revenues by increasing or decreasing your freight bids based on trends.**

HERE'S WHAT YOU'RE LOOKING AT: CHART VIEW



We want to show the date range a rating tool would use (represented in the area between the YELLOW lines) versus the date you request a rate from a rate tool (May 14th - right on chart), and the increase in tender rejection rate (RED Line), which shows the increase in spot market rates. (SONAR ticker: VOTRI.TMA; the Outbound Tender Rejection Index (OTRI) for vans in Tifton, Georgia)

HERE'S HOW YOU COULD USE IT

For example, on May 14th you're asked to rate a lane from Tifton, Georgia (TMA) to Chicago, Illinois (CHI). Looking at a rating tool, you are given an average rate per mile (RPM) of \$1.40.

Pulling up the Tifton, GA (TMA) market in SONAR, you understand the rating tool is 7 to 10 days behind the current market, and you see that tender rejection rates have increased from 8% to 12.29% during that week.

To maximize your bid, you should increase the rate given by your rating tool accordingly to match the increase in rates on the spot market to keep from under bidding the freight, which could lead to lower revenues.



FREIGHTWAVES
SONAR

FOR INFORMATION AND INSIGHT
ON HOW SONAR CAN HELP YOU

Visit the **Knowledge Center** in SONAR

Contact **sonarsupport@freightwaves.com**

Visit **www.freightwaves.com/SONAR**