

# Walmart Canada Transportation Blockchain Payment System



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Before innovation comes a good operation. Innovation requires a strong foundation

## Fundamentals Win.

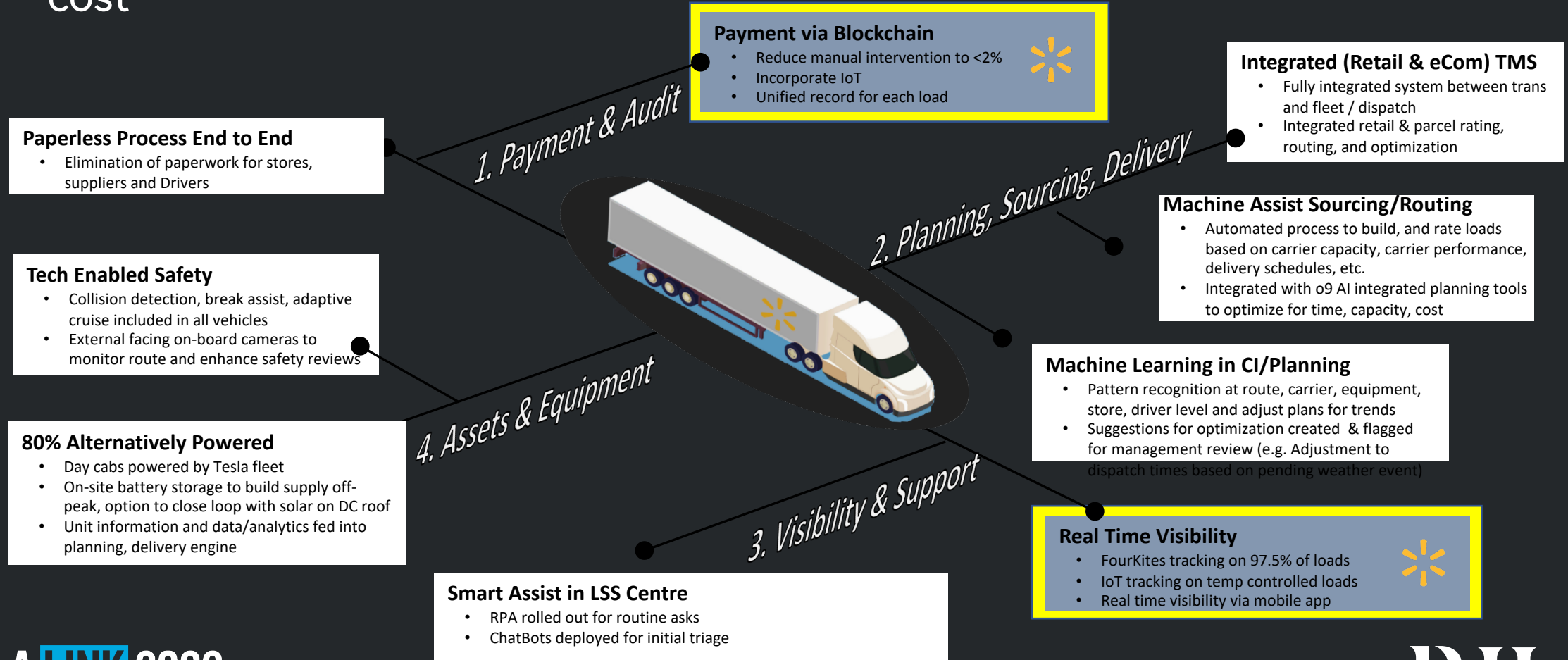
Football is two things:  
Blocking and Tackling.  
I don't care anything about  
formations or new offenses  
or tricks on defense. If you  
block and tackle better than  
the team you are playing,  
you win.

- Vince Lombardi



# "Smart Transportation" at Walmart Canada

Integrating modern technologies to simplify work, improve service and lower cost



## Freight Payables - Opportunities

Walmart's current third-party payment system and related processes has a 16% match rate between Walmart order and carrier invoice leading to:

- ❑ Delayed payment to Carrier term
- ❑ Over 300,000 transactions requiring manual intervention
- ❑ Limited data integration to validate charges
- ❑ High frequency of audit exceptions
- ❑ Lack of trust between parties
- ❑ Strain on Carrier Relations
- ❑ Lack of data integration

## End state aspirations

- **Blockchain** enabled payment solution hosted in Walmart's environment
- **Transformational** project that is industry leading
- Complete **Transparency** in the payment process

### Collaborative freight management platform to resolve:

- Improved payment accuracy
- Systematic integration of current IOT feeds
- Increased personnel efficiencies – less manual auditing
- Deliver an EDLC solution
- Industry leading adoption of new technology
- Near real-time invoicing
- Open trust network, eliminates need for separate audit
- Develop internal capability to leverage Blockchain across the business

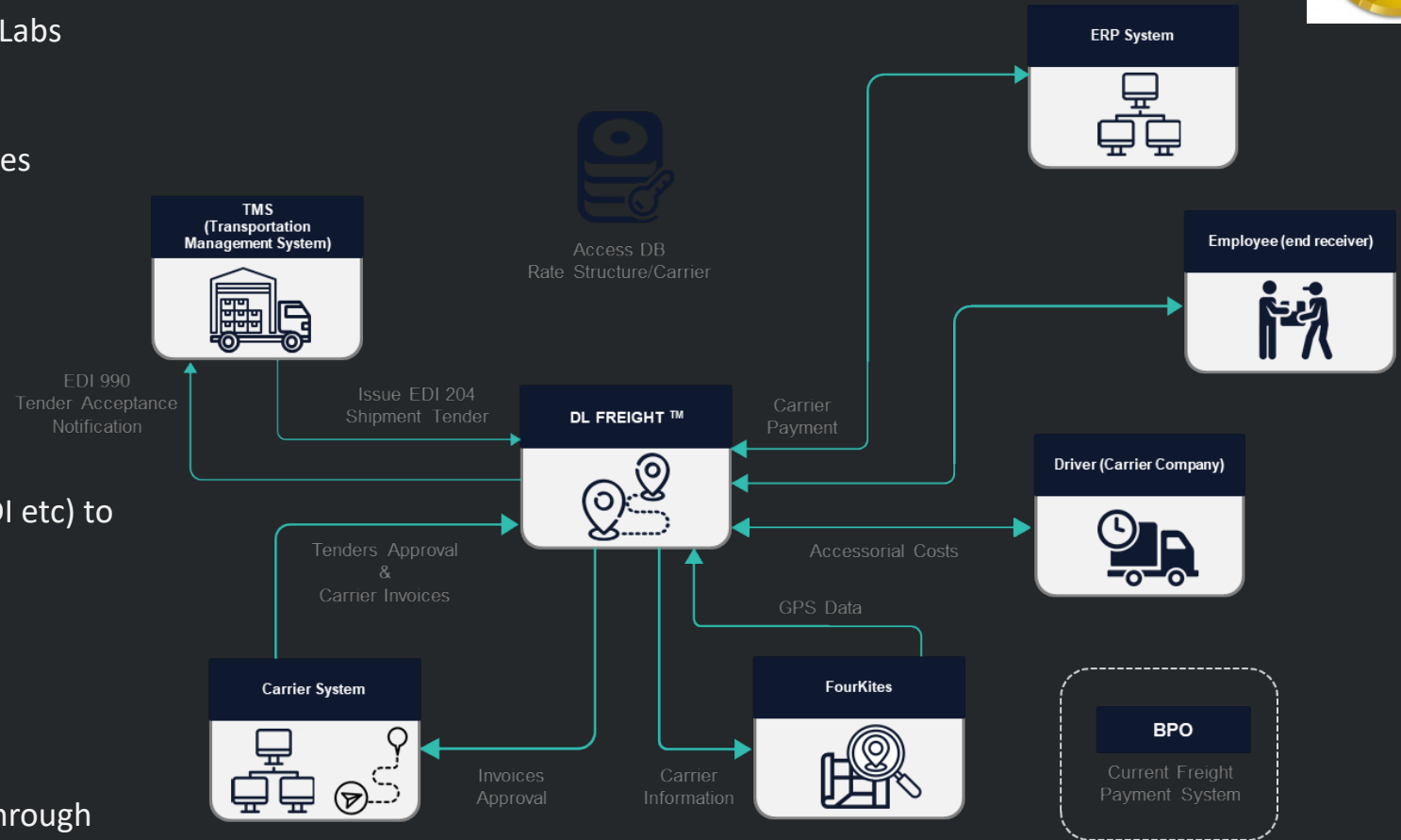
# Solutioning

- ❑ Gained Executive Sponsorship, engaged Strategic Sourcing and ISD –scope and launch RFI
- ❑ Selection of DLT to provide services after vetting RFI of potential partners
- ❑ Deep dive into current and future state – build, test and execute (10 months)



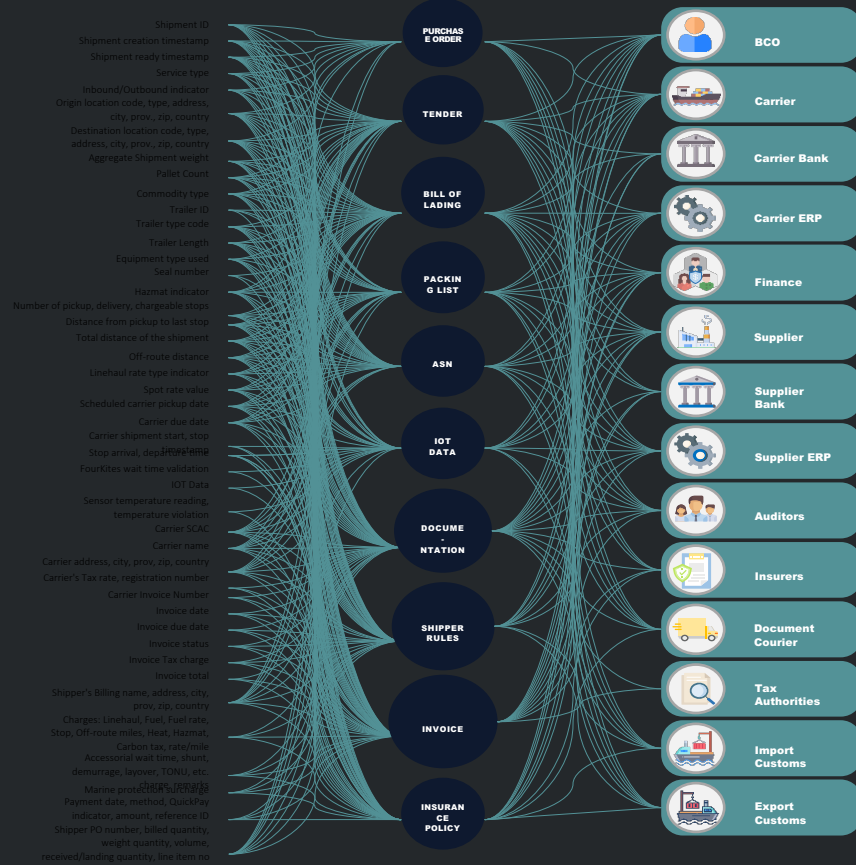
# Conceive and Build

- Walmart hosted agile solution developed with DLT Labs
- Elimination of order/invoice match and discrepancies
- Utilization of SMART contract to provide:
  - Trust through transparency
  - Pre-aligned agreed to rules
- Utilization of modern data feeds (FourKites, API, EDI etc) to validate:
  - Pick up
  - Delivery completion
  - Accessorial charges
- Payment will be made directly to carriers to term through SAP/Ariba

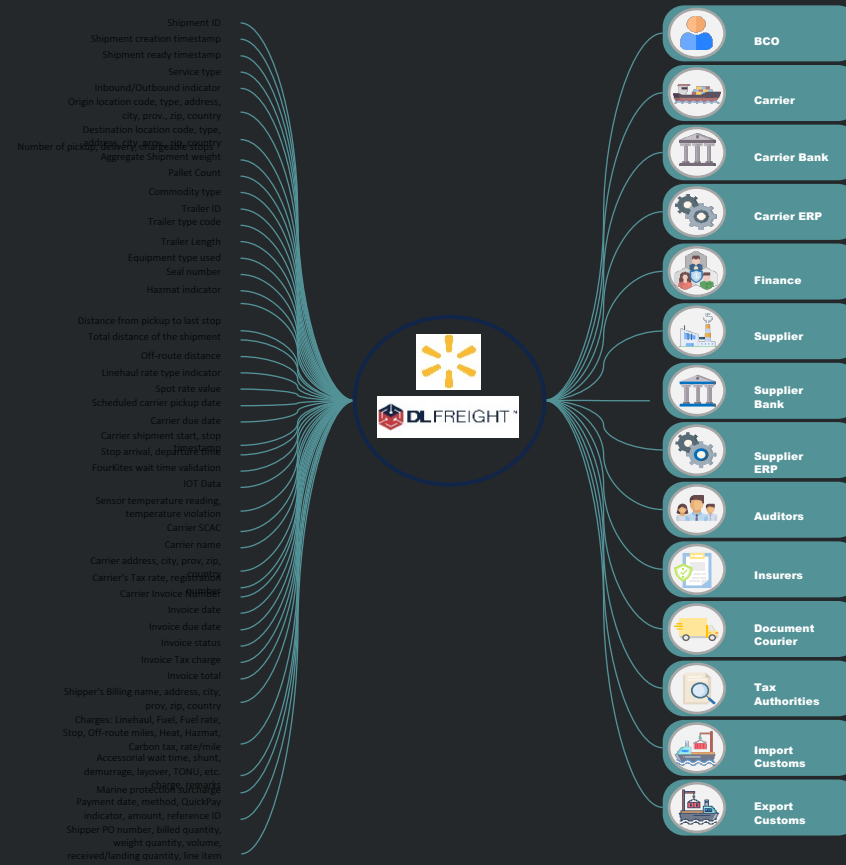




## Before



## After

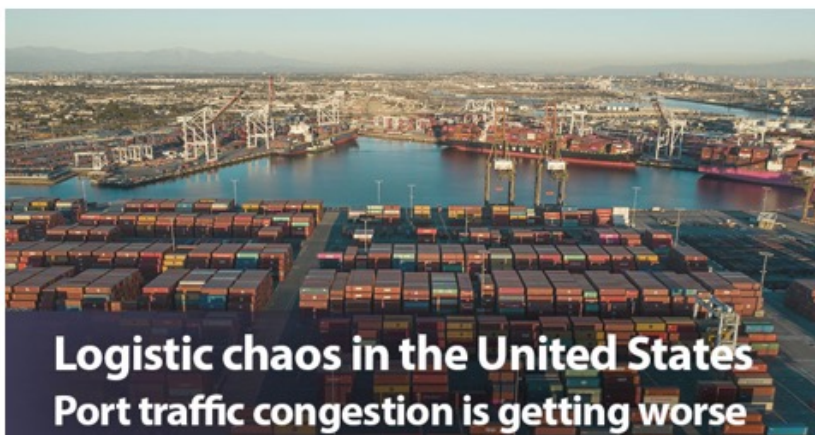




## 2020-2021 Supply Chain Chaos



1. BC Flooding
2. Texas Freeze
3. Port Back ups
4. Trade wars, variable supplies



**Logistic chaos in the United States**  
Port traffic congestion is getting worse



## Evolution



Blockchain payment for eCommerce business



Claims – automated ingestion/validation



Walmart International due diligence on global Blockchain payment



Further automation of tasks



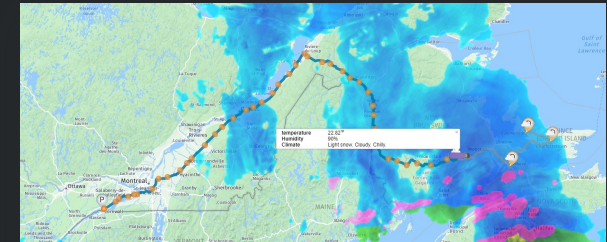
Real time KPI and late mitigation



DSD optimization

# Summary

- ❑ Cross functional collaboration success; Strategic Sourcing, Compliance, Finance, Tax, ISD, Legal and International teams.
- ❑ Inclusion of end customer (Bison Transport) involved since inception
- ❑ Match rate success moved from 16% to 98%
- ❑ Transparent, mutual invoice creation functionality with IoT integration (Fourkites) for audit guardrails
- ❑ Transition to SAP payments via Walmart Treasury from externally managed process including quick pay option
- ❑ 65 carriers (all) transitioned, and the system is performing as desired with positive feedback from carrier partners on all of the efficiencies and improvements.



How Walmart Canada Uses Blockchain to Solve Supply-Chain Challenges **Harvard Business Review**

Walmart Canada And DLT Labs Launch World's Largest Industrial Blockchain Application **Forbes**  
Kate Vitasek Contributor @ Leadership Strategy

Walmart Canada partners with DLT Labs to create world's largest blockchain solution **BNN Bloomberg**  
Walmart Canada and DLT Labs launch the World's largest blockchain solution for Walmart Canada's supply chain to improve efficiency, reduce costs and to better manage the complex shipment, invoice and payment process.

Walmart Canada and DLT Labs™ launch world's largest full production blockchain solution for industrial application **MARKETSINSIDER**



## Thank-you & Questions

