Beacon

Stop Paying for Demurrage & Detention. Now.

Beacon analysed data across **179,000 shipments** to show where D&D exposure is concentrated, what's driving it, and how real-time visibility, collaboration, benchmarking, data-led carrier negotiation, and invoice reconciliation convert a once-unavoidable cost line into a controlled, reducible programme.



$15.4B

Paid in D&D charges by businesses since 2020

13.9%

On-time ocean delivery in 2025, a historic low

179k+

Shipments analysed across all major trade corridors

Businesses have paid **$15.4 billion** in demurrage and detention charges since 2020. These penalties accrue when containers sit too long at port or equipment is returned late.

In 2025, on-time ocean freight delivery collapsed to a historic low of 13.9%. Through Q1 2026, global schedule reliability remained well below 30% across all major trade corridors. Yet for most companies, D&D remains an unmanaged cost, buried in invoices, poorly benchmarked, and rarely disputed.

The growing cost of detention & demurrage

D&D are charges levied for container-flow inefficiency, and most finance teams have limited visibility into what they are paying, why, or what can be done about it. So what can be done? More than most assume. D&D is one of the most controllable lines in the freight budget: most of it can be prevented before it accrues, the rest benchmarked and negotiated down, and charges billed in error challenged and recovered. That is where Beacon comes in.

And the charge is only the part you can see. Behind a sitting container are missed delivery windows, contractual penalties, stock heading towards wastage, and cash tied up in goods that haven't reached a depot: shelf life draining on the quay for a food importer, a production line waiting on parts for a manufacturer. **And the demurrage is rarely the whole cost; the missed delivery window, the contractual penalty, and the cash tied up in goods can add up to more.**

1 D&D charges explained

This report focuses on **destination D&D**, where the largest and most controllable exposure sits. Charges can also arise at origin, but that is a smaller part of the picture.

DEMURRAGE

Charged when an inbound container is delayed at its port of destination beyond its allotted free time for pickup. The aim is to incentivise prompt pickups and prevent port congestion.

$150–300 per container, per day (2025 avg)

DETENTION

Applies when whoever collected the container holds it beyond the agreed free period before returning it empty. The equipment is owned by the carrier or a leasing company, not you; the charge pushes it back into circulation. Billed per container, per day, escalating.

From $150 per container, per day, rising in tiers

Two factors drive how big these charges get. **Size:** a 40ft container is charged at roughly double a 20ft, so equipment mix counts. **Geography:** rates vary by region, with US ports typically higher than Europe. Both charges compound quickly, especially when port delays and warehouse capacity issues combine. For finance leaders, they matter for three reasons:

SCALE For a BCO spending $50M annually on ocean freight, we estimate D&D exposure of **$1.5–4M per year**, yet it receives a fraction of the procurement attention given to base freight rates.

VOLATILITY D&D spikes precisely when freight markets are most disrupted, pushing costs higher when logistics budgets are already under pressure.

CONTROL Unlike base rates set by carriers, many D&D charges are **preventable** with the right visibility, processes, and contractual protections.

Top 6 D&D challenges

01

No visibility until it's too late

Charges appear on invoices after the fact, by which point the window to prevent them has closed.

02

ETA unreliability breaks planning

Missed ETAs cascade directly into missed haulage slots and extended dwell time.

03

An afterthought in negotiations

Free-time allowances get little attention in rate talks; port-level risk rarely factors into routing.

04

No benchmark means no target

Most companies don't know if their D&D spend is normal or elevated, so no credible goal gets set.

05

Invoices are wrong, nobody checks

Carrier invoices frequently contain free-time and tariff errors, but without verification most are simply paid.

06

Ownership is unclear

Operations, finance, and logistics all touch D&D but nobody owns it end to end.

2 Why should finance teams care?

The 2020s have proven a disruptive decade, beginning with the Covid pandemic and, more recently, escalating conflict in the Middle East. Each wave of geopolitical disruption hands carriers more opportunities to levy exorbitant fees.

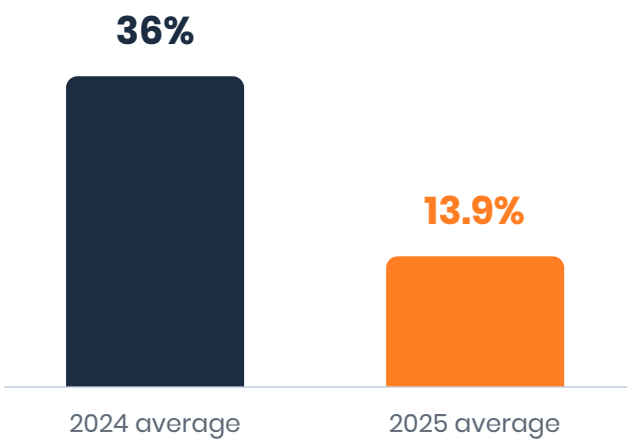
CARGO-VALUE WARNING

In 2026, D&D charges have skyrocketed in some cases. According to FIATA senior vice president Jens Roemer, charges have sometimes **exceeded the value of the cargo itself**, a consequence of carriers offloading containers at unplanned ports via force majeure, leaving forwarders to absorb additional costs with little to no warning.

On-time delivery has collapsed

Ocean freight on-time delivery, vessels arriving within 12 hours of their latest published ETA, fell from 36% in 2024 to 13.9% in 2025.

OCEAN FREIGHT ON-TIME DELIVERY RATE



VERY LATE ARRIVALS

47% of 2025 shipments

Arrived **three or more days** past ETA, well outside the window most plans are built around.

No corridor cleared 30% in Q1 2026

Across 17,752 ocean shipments, no major trade corridor achieved better than 30% on-time performance. Asia → North America, the largest by volume, managed just 21.6%, while Europe → Asia was the worst at 8.1%.

Q1 2026 ON-TIME RATE BY CORRIDOR — scale 0–30%



D&D charges are, in most cases, a downstream consequence of unreliable freight routes. Through 2025 and into 2026, that unreliability has been driven primarily by geopolitical disruption. You cannot control whether a vessel is late, but you can control what happens next.

3 What is D&D actually costing you?

FMC-TRACKED CARRIERS

$15.4B

collected in D&D charges by the nine major carriers tracked by the Federal Maritime Commission.

Q2 2020 – Q1 2025

ANNUALISED BURDEN

~$3B / year

paid by shippers in penalties, year after year, a cost that recurs whether or not it is actively managed.

at least 20% recoverable

Most companies have a rough sense of their total D&D spend but little granularity beneath the headline number. This creates a significant analytical blind spot: without understanding the distribution of charges by carrier, port, trade lane, or SKU, it is impossible to prioritise where intervention will have the greatest ROI.

The key commercial questions to be asking

01 What percentage of total freight spend is D&D, and how does that compare to peers on equivalent trade lanes?

02 Which carriers, ports, or routes generate a disproportionate share of exposure?

03 Of charges paid, what proportion were genuinely unavoidable versus attributable to internal process failures?

04 Are invoice amounts being billed correctly, and are disputed charges being recovered?

Why the bill is never the same twice

Demurrage is tiered by design. A container one day beyond free time incurs a modest penalty; the same container two weeks later escalates rapidly through each tier. Every additional day of delay is more expensive than the last.



Charges accrue only after the contractual free period (assumed at 7 days elsewhere in this report). The axis counts chargeable days beyond that point, so the free allowance is already accounted for. Source: standard carrier tariffs, escalating by tier.

Double exposure. The same geopolitical event that delays your shipment also pushes up the daily rate while it sits. And a single vessel delay produces one D&D event *per container*; for a shipper with 10–20 boxes on one sailing, a week of unexpected dwell at $150–300/day becomes a five-figure charge from a single voyage.

4 Where the problem is concentrated

D&D exposure is not evenly spread. A handful of ports and lanes generate a disproportionate share of the charges, usually because containers take longer to be collected and returned there, whether due to congestion, inland haulage constraints, or local processes. The lanes that hurt are rarely a surprise once the data is in front of you. Knowing which of your lanes run hot turns a blanket problem into a targeted one, and the value is in acting before the charges land, not after.

PRIORITISE

Focus effort on the routes that cost you the most, rather than treating every lane the same.

NEGOTIATE

Push for more free time where a carrier consistently underperforms against its schedule.

PLAN

Plan haulage harder on the lanes where delay is predictable, before the charges accrue.

5 Eliminating your D&D exposure

Treating D&D as a managed programme means working three levers in order, because a charge prevented is worth far more than one recovered after the fact.

1 Prevent it: see the delay coming and act

A container's arrival depends on factors you don't control: port congestion, blank sailings, schedule changes, weather, geopolitics. What you can control is whether you know in time. Beacon monitors every container against its free-time clock and fires an automated alert the moment an ETA slips or free time is about to expire, so teams can ring hauliers, line up storage, or request extra free time before the charge accrues. This is the largest lever by far: a charge that never accrues is one you never have to claim back.

2 Negotiate free time from a position of evidence

Free-time allowances barely feature in most contract talks, yet they're among the most valuable terms on the table. With Beacon's dwell and carrier-performance data, you can show a carrier exactly where their service pushes you past the free window, and win additional free days or rate caps. Most D&D is incurred just a day or two over, so a single extra free day on a high-volume lane removes the charge on a large share of containers.

3 Recover what was billed in error

Carrier D&D invoices are frequently wrong. Beacon holds the actual arrival, availability, and gate-out times for every container, so you can challenge a bill line by line when free-time calculations, ETA references, or tariffs are misapplied. Recovery is the last resort, not the strategy. It claws back money you should never have been charged, but you still carry the cost of the delay.

D&D REDUCTION IN PRACTICE

Modelled on $50M annual ocean freight

SPEND	EXPOSED TO D&D	RECOVERABLE
$50M	**$1.5–4M**	**$0.8–3M**
Annual ocean freight	3–8% of freight spend	In year one

50–75% recovered

Across the three levers, prevention, negotiation and recovery, Beacon typically removes 50–75% of avoidable D&D, without touching a single base freight rate. Most of it comes from preventing charges before they accrue.

What Beacon customers say

How Beacon is helping businesses eliminate their unnecessary D&D costs.



Tilda

Basmati rice · certified B Corp · imports into the UK

2,700+
supplier origins · one live picture

> *"Beacon's proactive approach to shipment management helped Tilda avoid demurrage and detention charges, flagging whether a shipment would arrive in 4 days rather than 2 weeks."*

Christian Dauer · Supply Chain Manager, Tilda

Fever-Tree

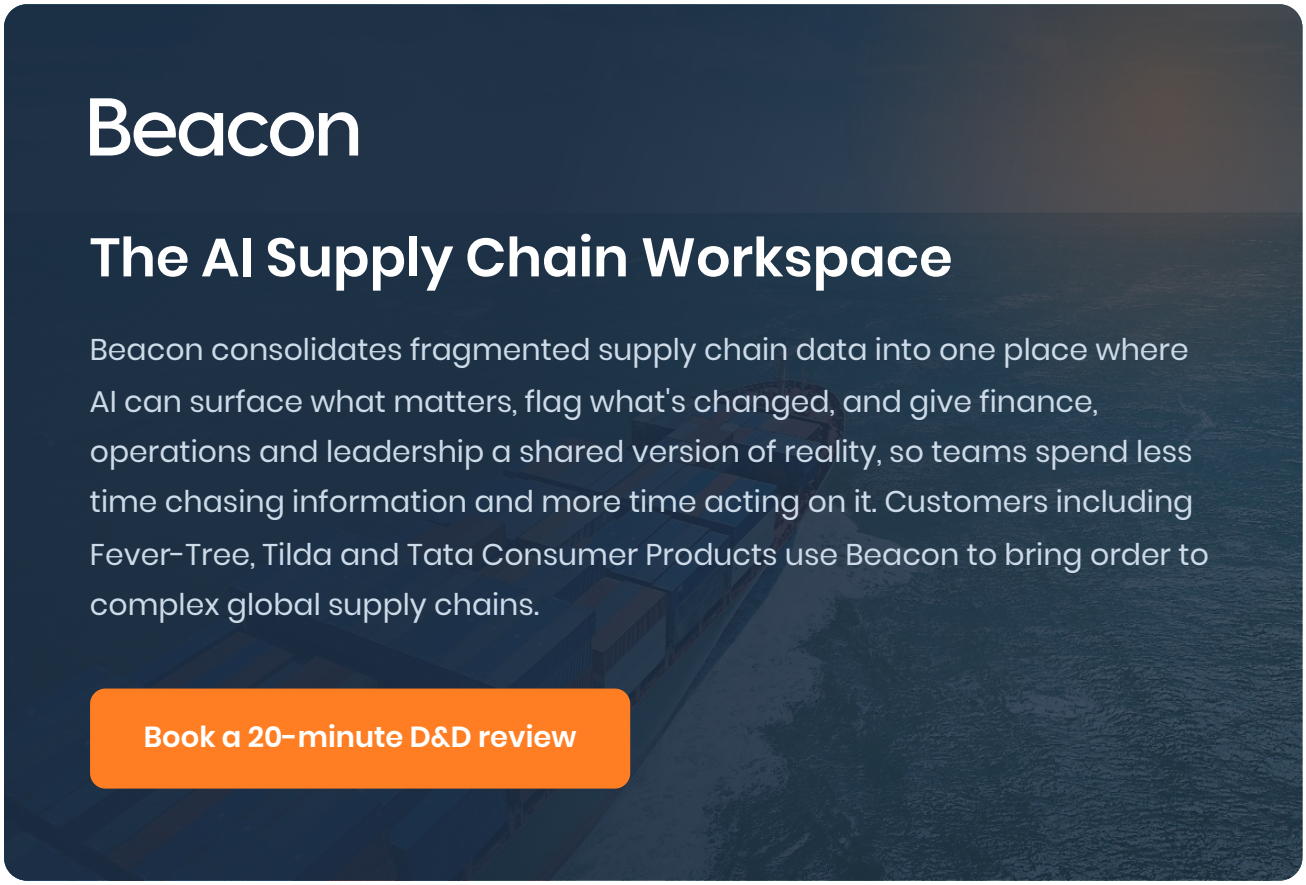
Premium mixers · sold in 50+ countries

Significant reduction
in D&D after adoption

> *"We got to a point where we were near enough bleeding demurrage every week." After adopting Beacon, those charges are "coming right down."*

Sam Presland · Logistics Manager, Fever-Tree




Beacon
The AI Supply Chain Workspace
Beacon consolidates fragmented supply chain data into one place where AI can surface what matters, flag what's changed, and give finance, operations and leadership a shared version of reality, so teams spend less time chasing information and more time acting on it. Customers including Fever-Tree, Tilda and Tata Consumer Products use Beacon to bring order to complex global supply chains.
Book a 20-minute D&D review