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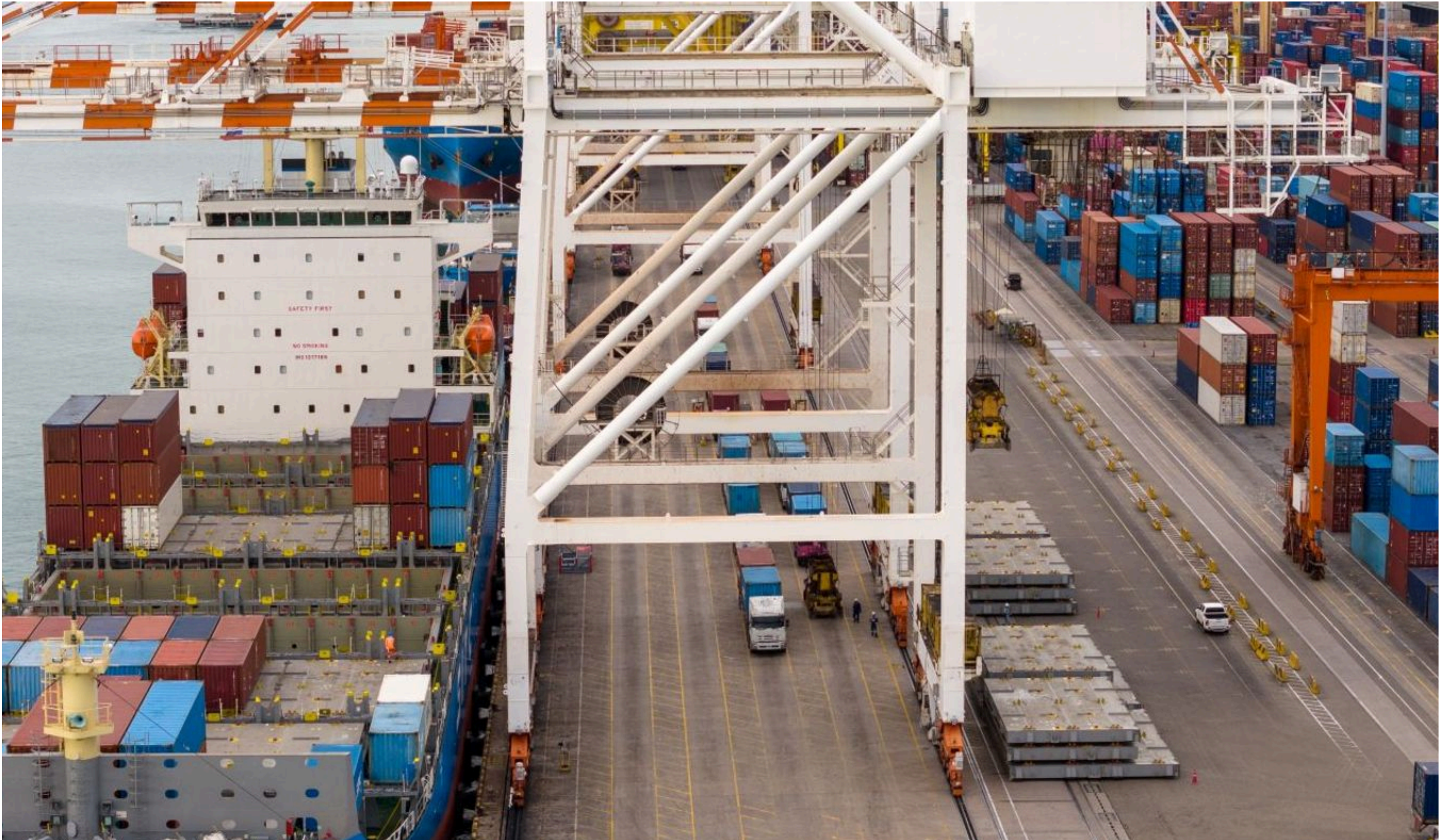
Commentary

Importers can avoid supply chain disruptions by ‘controlling’ their freight



Importers can avoid headaches — and extra costs — by making their own decisions on how their freight is shipped, according to forwarder Andy Heller. Photo credit: Green Oak / Shutterstock.com.

Andy Heller | May 7, 2026, 9:08 AM EDT

Should an importer control freight or allow suppliers to route them? Without question, take control of one’s freight and help shield your company from supply chain disruptions.

Most experienced importers control freight through free on board (FOB) or free carrier (FCA) terms. This isn’t about distrust, but control. Delivered duty paid (DDP) puts control in the hands of the supplier, creating a built-in conflict: the supplier’s margin versus the importer’s delivery date.

When freight rates rise, the supplier commonly faces situations where the cost of freight rises above the allocation the supplier baked into a fixed DDP price. Not willing to absorb the difference, the importer may hear an update such as “no space this week,” … “carrier rolled the container,”… and “port congestion.” When bookings peak, those explanations can be partly true. The issue is that the importer cannot police or control under DDP terms.

A factory allocates $6,000 for freight, hoping to secure transport for less and pocket the difference. During peak season, freight jumped to $6,400. The supplier expected rates to drop in a couple of weeks, so the supplier told the importer an excuse and shipped the container two weeks later. The delay cost the importer almost $500,000 as the importer incurred a late penalty from their own customer, as well as losing two weeks of key sales during the holiday shopping season.

If the importer had instead controlled freight, they would have paid the extra $400 without consequence. Instead, the decision was made for them.

Other risks when suppliers control freight

When importers control freight, they control options: different ocean carriers, transit times, service levels, and so on. Importers decide when to pay for fast transit, as well as when to focus on cost minimization.

Suppliers overseas can have a “foreign power of attorney,” which will allow them to clear US customs despite residing overseas. US Customs and Border Protection (CBP) enforcement is data-driven. The importer of record is generally responsible for the accuracy of the entry data, not the overseas factory.

If a shipment gets flagged, the importer’s inventory sits and it is their customer that waits. International commerce terms define commercial responsibilities — they don’t eliminate customs scrutiny.

Cheap DDP pricing that can’t be explained clearly should raise questions. In other words, overseas suppliers’ primary goal is to sell products. Cheaper DDP pricing facilitates that. For example, if the supplier uses a harmonized code that triggers a 15% duty rate, where the more accurate code would trigger a 43% duty, if or when customs discover the discrepancy, the fines and duty differential would become the responsibility of the importer. Again, under DDP pricing, the supplier completely controls the customs process.

When DDP can make sense

When you're new and the factory offers to handle everything, it genuinely seems easier. DDP isn't automatically wrong, and in some situations it works. If the supplier has a legitimate US presence, established compliance procedures, and is transparent about how entries are filed, DDP can be workable.

In this case, importers should insist on receiving entry summaries (CBP Form 7501) and supporting documentation and having a US broker verify classifications and duties. While this should solve the problem of misclassification, it still doesn't give the importer control of cargo routing and transportation pricing.

The pattern we usually see starts with a DDP quote that's mysteriously cheap. Then come vague answers about how that number was achieved, followed by delays no one can clearly explain. If a supplier resists a move to FOB or FCA without a clear logistics reason, the margin may be buried in the freight or the customs process.

None of this by itself proves anything improper. Together, however, they signal misaligned incentives.

Practical first steps

Taking control doesn't require a logistics department. In fact, the majority of smaller importers assign the responsibility for freight to an executive with other responsibilities.

Speak with a freight forwarder that handles your trade lanes regularly. Evaluate them on communication and problem-solving, not just price. Interview them as well as their customs broker. Ask for references and what documentation you'll receive.

Ask your supplier for FOB or FCA pricing alongside DDP. Compare the numbers. If the DDP price is dramatically lower and no one can clearly explain why, that is a warning sign.

Ask your forwarder for guidance on product lead-times, port handling, transit and clearance. Share it internally. Treat logistics as part of your business planning, not as an afterthought.

DDP sounds simple. In practice, it often means less visibility and less control. Shipping terms aren't minor details: they determine who makes decisions when something goes wrong.

Isn't control of important facets of business a key goal of most successful organizations? Logistics shouldn't be an exception.

Andy Heller is a 36-year freight forwarding veteran and president of Inspire International Forwarding, LLC.

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