### READERS' CHOICE: THE TOP 10 3PL EXCELLENCE AWARDS

# POWERED



"Ryder is innovative and consistently provides new solutions."

-**Doug Dolan**, director global logistics operations, Applied Materials

"C.H. Robinson cares about my customers, which, in turn, makes my job easier."

-Bob Dever, traffic manager, RTS Packaging

"TLC has a culture of great service and reasonable cost."

-Dean Blanke, director of supply chain, Johnsonville Sausage

"UPS's customer service is excellent, and they are always on top of events in the global market."

-Michael S. Lyons, manager of transportation/logistics, Palm Inc.

"Transplace does a fabulous job of meeting our dynamic operational business needs."

- Michael Schertz, director of logistics, DIRECTV

hen economic obstacles create operational challenges, it's more important than ever to have 3PLs you can count on. In some cases, the right partner(s) makes all the difference. One reader says of his 3PL partners: "They are critical to our business. The middleware and manpower they provide is invaluable. Our 3PLs constantly look at the business, formulate strategies and actions that eliminate expense, and mask many of the supply chain faults we have in our network."

Our annual Readers' Choice 3PL Excellence Awards allow readers like this, and leaders like you, to let us know which service providers are helping companies succeed through tough times. This year, your supply chain peers cast more than 6,000 votes for their favored 3PLs. Their roles range from office manager to vice president of global distribution operations, at companies such as Ford, HP, Dow Chemical, CVS, ConAgra Foods, Sara Lee Food & Beverage, Auto Zone, DIRECTV, The Home Depot, and Bayer HealthCare.

Our readers come from a variety of industries and functions, and buy a range of services (*see sidebar, right*). They nominated more than 400 unique third-party logistics providers, taking the time to relate what they value most about them.

For many, service is the top priority. Seventy-nine percent cite it as the most important criterion for measuring 3PL performance, and 52 percent list poor customer service as the number one reason for failed partnerships. One satisfied reader comments that his 3PL partner "focuses on my company's needs and makes changes to meet those needs."

Readers also prize their 3PL's ability to cut transport costs. Forty-four percent of respondents identify this as the single-largest challenge they face today (besides the economy). One reader notes that her 3PL partner "drives costs down, which enables my company to be the lowest-cost provider without sacrificing service."

For some, a 3PL's greatest contribution is sharing a piece of its mind to make the enterprise run smoother. For others, it's the "peace of mind" knowing their business is in good hands. As one reader explains: "We currently use one 3PL and it continues to excel. It has effectively become my right-hand person, taking over functions I used to perform—without me asking it to. I can reach the people I need to at any time of day, any day of the week. Why would I change?" Why, indeed?

Read on to find out what else shippers are saying about their 3PLs, and join us as we honor this year's Top 10 Excellence Award winners, as chosen by you and your peers.

#### AND THE WINNERS ARE...

1 Ryder 7 Transplace
2 C.H. Robinson 8 (tie) Menlo
3 UPS SCS 8 (tie) DB Schenker
4 Exel 9 (tie) Landstar
5 Penske Logistics 9 (tie) Unyson
6 BNSF Logistics 10 TLC

### ABOUT THE SURVEY RESPONDENTS

#### **FUNCTION**

Corporate Management	37%
Logistics	29%
Transportation	19%
Supply Chain	15%

#### **INDUSTRY**

Manufacturer	55%
Retail	33%
Services	12%

#### SERVICES READERS BUY

Motor Freight	77%
Warehousing	65%
Small Package, Expedited	60%
Third-Party Services	58%
Air Freight	58%
Logistics Technology	57%
Rail, Rail Intermodal	40%
Ocean, Ocean Intermodal	39%
Global Logistics	38%
Materials Handling Equipment	37%
Transportation Equipment	29%
Packaging/Labeling Systems	19%
Dock Equipment	18%

#### TRANSPORT/LOGISTICS SPEND

TRANSFOR I/LUGISTIUS SFERD	
\$50 million+	19%
\$10-49 million	41%
\$1-9 million	23%
Less than \$1 million	17%

## POWERED READERS' CHOICE: THE TOP 10 3PL EXCELLENCE AWARDS



Ryder

WHY THEY WON: Ryder tops the list, thanks to votes from customers who appreciate its "excellent systems and reliable processes," "best lead times," and "value and ability to flex as the business

Ryder Global Supply Chain Solutions President John Williford credits the Miami-based 3PL's adaptability in new markets as key to its success. "Since the 1980s, we've been designing and

managing inbound logistics networks to supply factories where the cost of a late delivery is very high," he says. "We've been able to take this approach from the factory to the distribution center or store stockroom and help high-tech companies and retailers cut costs and inventory."



One such customer is Intelligent Global Pooling Systems (iGPS), an Orlandobased plastic pallet rental, tracking, and

pooling service. Because on-time delivery is essential to iGPS's business, "it made sense for us to call on Ryder," says iGPS Chief Executive Officer Bob Moore. "We were confident that their solutions would ensure consistent, quality customer service. Today,



despite these difficult economic conditions, we are investing in millions of additional pallets to meet growing customer demand. The Ryder team is right by our side, helping us put our investment to work immediately and leverage additional customer efficiencies."

#### **CLIENT ROSTER:**

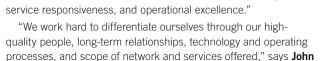
- O CVS Caremark O Gibraltar Industries
- O Stonyfield Farm
- O U.S. Postal Service
- O Mazda
- O Pilot Pen Mexico O Bacardi
- Boeing
- O Toyota
- O iGPS

#### CASE STUDY: Gibraltar Industries

After a formal RFQ process, Gibraltar selected Ryder as its 3PL provider. Today, Ryder manages a dedicated fleet of more than 60 trucks at 12 locations within the manufacturer's Building Products Group. Ryder supplies the trucks, drivers, and an on-site manager for each location. The drivers wear the uniform of the companies they serve.

"Ryder is always working with us to take cost out of our operation," says John Wagner, vice president, supply chain management, for Gibraltar. "They've brought a lot of tools to the table for us-such as the routing package, load optimization, and dedicating an engineer to help design delivery models throughout our divisions."

C.H. Robinson WHY THEY WON: Shippers who rely on C.H. Robinson are generous in their praise and fiercely loyal. "We have never experienced success with any other company when comparing them to the bar that C.H. Robinson has set," reports one reader. Another gave props to the Eden Prairie, Minn.-based 3PL for "best-in-class capabilities,



As a relatively new customer, Jim Stevens, director of customer logistics at Seattle-based Continental Mills, celebrates C.H. Robinson's "speed of implementation and disciplined project management approach. Eighteen months into the relationship, we continue to be delighted with the cultural match, professionalism, and dedication displayed daily by the C.H. Robinson personnel we, and our customers, interact with."

#### **CLIENT ROSTER:**

- ConocoPhillips Subway
- O PepsiCo Coca-Cola Supply
- O Frito-Lay O Tetra Pak
- O Dole Food O ConAgra Foods
- O Continental Mills O Yakima

#### CASE STUDY: Tetra Pak

Tetra Pak, a leading manufacturer of food processing and packaging materials, worked with C.H. Robinson's Transportation

Management Center, a global business unit that offers managed TMS services, to implement a global Logistic Control Tower to execute and monitor transportation movements to and from more than 165 countries and across all modes.

C.H. Robinson's TMS platform provided one common interface for critical supply chain information. Tetra Pak now has one place for business intelligence across North America and Europe, and plans to expand to other geographies. Through the tools provided by C.H. Robinson, Tetra Pak is able to measure carbon dioxide emissions and track cost savings.





### UPS Supply Chain Solutions WHY THEY WON: "Good service on a global

basis with reasonable pricing" is how one reader describes UPS SCS. "Always on top of events in the global market," says another.



Automotive parts manufacturer Mopar values Atlanta-based UPS's dependability. "Referral parts are critical to our business," says Bonnie Hedeen, supply chain manager, Mopar. "We took a customer-first viewpoint: 'Make it reliable, predictable, and trackable.' The Mopar and UPS team made that their mantra."

The 3PL strives to give shippers one source for all their logistics needs, according to UPS's

#### Brad Mitchell, vice president, logistics and distribution.

"UPS has strategically become one of only a handful of companies in the world capable of managing all the critical touchpoints of the supply chain process under one brand," he says. "Our distinction is that we provide both asset- and non-asset based transportation—from small package delivery to air and ocean freight movement on global trade lanes, all of which are supported by visibility tools to manage suppliers, inventory, fulfillment, trade compliance, and reverse logistics."

#### **CLIENT ROSTER:**

O Sprint • APC O Ford
O March Networks O Mopar O Monster Tower

#### CASE STUDY: American Power Conversion

As a leading global provider of back-up power products, American Power Conversion (APC) ships uninterruptable power supply units and other products to countries around the world. The company wanted to encourage customers to return used batteries, but needed a more cost-effective solution, and one offering more control over return shipments. UPS proposed Returns on the Web, an advanced, customizable technology-enabled returns solution.

The results are helping APC go green, while saving some green at the same time. APC has reduced the miles returns packages travel by 40 to 50 percent. Returns on the Web allows APC to easily track "problem" returns to individual customers so they can work together to avoid issues in the future.





WHY THEY WON: Exel has set out to win shippers' allegiance by helping them through tough times. "Today's economic challenges are changing the way businesses look at their supply chains," says John Gilbert, CEO, Exel. "Customers need a

logistics provider they can count on to drive the productivity and efficiency improvements required to stay competitive today, but also help best position them for post-recovery advantages. That is why our people have continued to focus on our core competencies—quality operations, continuous improvement processes, and leveraging our breadth of services. But they are equally committed to understanding our customers' unique business issues and thinking creatively about new ways to help them through these challenging economic times."

Readers praised the Westerville, Ohio-based 3PL's "consistency in excellent service" and "great follow-through."

#### **CLIENT ROSTER:**

- GoodyearDuPontOffice DepotGE
- DuPontO GEO KraftO Johnson &
- O Procter & Gamble Johnson
- O Williams-Sonoma O 7-Eleven

#### CASE STUDY: Goodyear

To extend Goodyear's sustainability commitment into the supply chain, Exel initiated a lighting analysis that showed switching from metal halide to T5 fluorescent lighting could reduce electricity consumption in a Goodyear facility by at least 35 percent.

Exel drove the project from inception to implementation. In less than three weeks, it completed the retrofit of fixtures, lamps, and ballasts. To keep costs down, Exel made the changes during normal operating hours, and employees were able to maintain their regular workflow. Delivered on time and on schedule, the project resulted in a 47-percent reduction in electricity costs, 1,798 fewer tons in greenhouse gas released into the atmosphere each month, and a return on Goodyear's investment within the first month.



## POWERED THE TOP 10 3PL EXCELLENCE AWARDS





Building relationships is key to Penske's strategy. "We take a unique one-to-one approach in getting to understand our customers' business from their perspective," says **Vince Hartnett**, **president**, **Penske Logistics**. "Our solutions need to support and promote their strategies—not ours."

Penske's customers appreciate this unified effort. "Our long-lasting relationship with Penske has fostered deep collaboration and an unwavering commitment to our customers and their patients," says Cardinal Health's Vice President of Transportation Mike Berg.

#### **CLIENT ROSTER:**

<ul><li>Cardinal Health</li></ul>	<ul><li>Whirlpool</li></ul>	<ul><li>Steelcase</li></ul>
O Merck	<ul><li>Navistar</li></ul>	O DSM
O Eaton	O BMW	
O Ford	<ul> <li>Bombardier</li> </ul>	

#### CASE STUDY: Cardinal Health

Cardinal Health is a \$91-billion global health care manufacturer and distributor. Since 2008, Penske Logistics has successfully managed dedicated contract carriage services for Cardinal Health's medical products distribution business, which serves hospitals, clinics, surgery centers, labs, and physician's offices. Over the past year, Cardinal Health outsourced the management of its private fleet to Penske Logistics.

Penske and Cardinal Health have been working hand-in-hand for more than 20 years to deliver important medical products to



customers when they need them. Today, they're working to identify additional opportunities to improve outbound distribution network and transportation efficiency, while maintaining a close eye on the critical nature of service required to support health care customers. Penske Logistics has collaborated closely with Cardinal Health's

team to improve efficiency and increase supply chain visibility. Initial results show fleet utilization has increased, vehicle fuel efficiency has improved, empty miles/backhauls have decreased, and additional synergies have been created with key suppliers.



### **BNSF Logistics**

WHY THEY WON: Retailers love BNSF Logistics. The Springdale, Ark.-based 3PL was recognized by Lowe's Home Improvement as its "2008

New Store Van Carrier of the

Year" and by Walmart as its "2008 Fixture/ Construction Carrier of the Year." *IL* readers were no less effusive in their praise; one even went so far as to proclaim BNSF's care "absolutely the best customer service on the planet."



"Our capabilities and desire to configure solutions to meet shipper needs were key factors in earning the Lowe's and Walmart

awards," says **Eric Wolfe, BNSF's vice president and general manager.** "In the past year, BNSF Logistics has broadened our market presence for international trade and focused our efforts on providing improved price-related value to our customers. We centralized certain high-growth segments—as designated by our customers—such as complex, multi-mode services that include a rail management component. Finally, BNSF Logistics aligned operations to maximize operating leverage, efficiency, and interaction channels for our customers and suppliers."

#### **CLIENT ROSTER:**

<ul><li>Walmart</li></ul>	O Amazon.com
O Lowe's	<ul><li>Wasserstrom</li></ul>
<ul><li>JCPenney</li></ul>	<ul><li>Domtar</li></ul>
<ul><li>Morton International</li></ul>	O The Home Depot
O Rio Tinto	O. JM Smucker

#### CASE STUDY: Martin Bencher

In 2008, BNSF Logistics was selected by international freight forwarder Martin Bencher to manage the domestic transportation of wide-span intermodal container crane parts from Kone Crane's manufacturing plant in China for final U.S. job site deliveries.

The crane parts were shipped from China to the Port of Houston for final delivery to an intermodal hub in Memphis, Tenn., and in Gardner, Kansas, for assembly. BNSF Logistics managed the transloading, stevedoring, lashing and securing, and final transportation and unloading of the crane parts. The project's transportation management included overseeing 22 rail flatcars and six flatbed truckload moves.







"customer service remains one of their strengths."

Transplace President and CEO Thomas K. Sanderson encourages this people-oriented outlook: "Our people are a major competitive differentiator, and as a culture we go the distance to listen to our customers, anticipate their needs, and work closely with them to provide savings that will not only boost the bottom line, but also increase shareholder value."



#### **CLIENT ROSTER:**

- O Colgate-Palmolive O The Home Depot
- O Anna's Linens
- O Barbeques Galore
- O RockTenn O Sunny Delight
- Walmart O DirecTV
  - O Pace Industries

#### CASE STUDY: Chicken of the Sea

In 2008, Transplace assumed responsibility for all domestic transportation management activities for Chicken of the Sea International, a leader in shelf-stable seafood products. The partnership effort is focused on improving shipment level visibility, yielding enhanced on-time service performance levels for its customers while aggressively managing all related costs.

Through a unique combination of proprietary technology, lean Six Sigma-bred processes, applied human capital, along with its vast carrier network, Transplace works collaboratively with Chicken of the Sea to develop and implement innovative strategies for improving supply chain operations.

"Having Transplace manage our North American transportation network ensures on-time service to our customers." says Kevin McClain, vice president of supply chain for Chicken of the Sea.

#### **DB** Schenker

WHY THEY WON: DB Schenker CEO Heiner Murmann says the California-based 3PL focuses on "flawless execution."

"We use experienced engineers and operational leaders to analyze and build great, innovative solutions and proposals tailored to each customer's need," Murmann says.



Readers celebrate DB Schenker's "culture of great service and reasonable cost," "continuous improvement," and "reliability and customer service."

DB Schenker is actively planning to keep growing. "Over the past year, we reorganized our overhead costs and resources, and, focusing on existing businesses, we were able to accomplish our major targets in these areas in 2008,"

says Murmann. "Our customers now provide us with strong references that are so vital to winning new business."

#### **CLIENT ROSTER:**

Volkswagen

O Ford

BMW

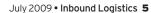
#### CASE STUDY: Unilever

Unilever Canada required a partner to help it improve quality, lower costs, and boost customer service levels. In particular, Unilever's various stocking locations presented inventory challenges that were affecting customer service. The company was not effectively using its considerable resources to reduce costs.

DB Schenker leveraged



Through VBW, DB Schenker created one of the most efficient, flexible, and advanced distribution centers in North America, delivering considerable benefits for Unilever, including 99-percent shipping accuracy, 98-percent inventory accuracy, and 99-percent on-time shipping.



## POWERED OF READERS' CHOICE: THE TOP 10 3PL EXCELLENCE AWARDS

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Menlo

**WHY THEY WON:** "Menlo is outstanding in its approach to discerning customer priorities and needs, and catering solutions to meet those needs," notes one *IL* reader. Another

praises the San Mateo,

Calif.-based 3PL's "lean operations and innovative thinking."

According to Menlo's leadership, taking things one step further is all part of the plan. "Menlo maintains a strong commitment to lean principles and processes, allowing us to drive continuous improvement throughout our operations," says Menlo President Bob



**Bianco**. "We are able to look beyond one individual part to identify big-picture improvements that reduce costs and help customers

meet their business goals."



- Cisco Systems
- O Embraer
- O Electrolux
- Nike
- Hewlett-Packard
- Navistar
- O Comcast
- O Diebold
- O Ricoh Electronics
- O Blue Coat Systems

#### CASE STUDY: Diebold

When security solutions provider Diebold launched a cost-reduction initiative, the company selected Menlo Worldwide Logistics as its fourth-party logistics provider (4PL) to help transform its global logistics infrastructure and practices. Since then, Menlo and Diebold have worked to design solutions that establish best practices, using lean tools such as value stream mapping to identify opportunities for improvement.

Their approach focuses on supply chain visibility – tracked through advanced tools including a dashboard that provides upto-date, accurate system data – allowing the company to make proactive decisions that reduce costs and minimize risk. The team also uses scorecards to evaluate providers, facilitating identification and resolution of issues. Benefits include a significant reduction in distribution infrastructure and supply chain spend over the past few years.





working with them, Unyson Logistics

delivered WD-40 significant cost savings," says Jeff Cole, WD-40's director of operations. "They did this while providing excellent customer service and support on the analysis of our network."

Superior customer service was a popular theme among the Downers Grove, III.-based 3PL's voters. "They deliver at times that we choose—not times that they choose," one reader remarks.

"Unyson Logistics has distinguished itself from other 3PLs through our commitment to guaranteed savings and providing multi-modal services with customized solutions," says **Donald Maltby, Unyson's executive vice president of logistics services.** 

#### **CLIENT ROSTER:**

- O Big Lots
- O The Home Depot
- O Southeastern Container
- O Rexam Plastics
- WD 40 Company
- O Oatey Corporation
- O General Mills
- O Toys"R"Us
- O Ingersoll Rand
- Energizer

#### CASE STUDY: Big Lots

As the nation's largest broadline closeout retailer, Big Lots operates more than 1,300 stores in 47 states. In 2005, Big Lots selected Unyson Logistics to manage its LTL inbound shipments. In the first year, Big Lots enjoyed more than 30 percent savings in its LTL transportation spend. In 2008, Big Lots selected Unyson to manage its entire North American network.

"We needed to enhance visibility in our supply chain and move closer to optimizing our network," says Katy Keane, Big Lots' vice president of transportation services. "With Unyson's technology and process improvements, we will be able to drive costs down and improve our overall performance. Unyson has consistently delivered savings and improved visibility, reaching from supplier to store through our entire DC network."

In 2009, Unyson Logistics will provide consolidation and optimization savings throughout the entire network by analyzing all aspects of Big Lots' transportation including inbound, outbound, and returns.









time we are trying to develop a solution with our supply chain, Landstar is one

provider we can rely on - be it operational flexibility, state-of-the-art technology, customer service excellence, or providing solutions to our supply chain flow," says Ann Deming, transportation manager at Englewood Cliffs, N.J.-based Unilever USA.

Henry H. Gerkens, Landstar's president and CEO, notes that the Jacksonville, Fla.-based 3PL strives for innovation. "We are continuously working with our agents and customers to identify new and inventive ways to meet the full transportation logistics needs of customers," he says.

#### CASE STUDY: Grupo Antolin

Global automotive supplier Grupo Antolin contacted Landstar to review the inbound supply chain for the GAIL facility, which supplies Chrysler Belvidere Sub-assembled Door Modules. Landstar looked first at the cyclic flow of parts and production schedules that made the static process of optimizing routes and consolidations difficult as client demands changed due to market conditions. Landstar used the technology of A3 Integration to review the process and found that the current provider's configuration could be optimized significantly.

Landstar then installed the Interactive Capacity Gateway solution, allowing the material planners to enter/edit transportation orders so both carriers and suppliers could confirm the needs of the GAIL plant with real-time visibility. Landstar also opened a warehouse in Rockford-consolidating five other facilities-to maintain a FIFO safety inventory in the event of any interruption in the supply chain flow-especially long lead time suppliers. The reengineered supply chain yielded more than 20 percent of hard-line cost savings and more than \$1 million in inventory savings.



#### TLC

WHY THEY WON: "TLC's success comes from our team knowing our clients' business," says TLC President Pete Westermann. "We strive to be supply chain solutions experts, and we are dedicated to our clients' vision and business





goals. We execute with passion to serve our clients' needs, and are committed to seeking innovative ways to continually improve their supply chain."

According to IL readers, the Holland, Mich.-based 3PL's efforts are paying off. "TLC is not only responsive, but also proactive in presenting suggestions," says one reader. Another remarks, "They truly

work for the good of our company as if it were their own. They identify opportunities even if they are not for the best of their own company."

#### **CLIENT ROSTER:**

- O Sara Lee O Dean Foods O ConAgra Foods O General Mills
- O Kraft Foods O PepsiCo
- O General Mills O Bay Valley Foods Kellogg
- Company O Maple Leaf Bakery Georgia Pacific

#### CASE STUDY: Maple Leaf Bakery

Maple Leaf Bakery is a leading North American producer and distribu-

tor of frozen baked goods for retail and food service customers. In 2005, Maple Leaf asked TLC to streamline operations and more

efficiently service their U.S. customers.

TLC worked closely with Maple Leaf to integrate operations and develop a full-service transportation management relationship utilizing TLC's TMOne solution. The TMOne solution offered a more stable carrier base, as well as automated tendering and specialized track and trace with full system visibility. Over the past several years, TLC has achieved ongoing cost savings and significant improvement in service levels to one of Maple Leaf Bakery's key U.S. clients.

"TLC has taken the lead in developing meaningful metrics, managing our costs, and building a first-class service network for our customers," says Brett Marchand, Maple Leaf Bakery's vice president, supply chain North America. "TLC is an integral part of our team and a major partner in our continued success."

