

N THE MOST HARROWING CIRCUMSTANCES, A TRUE SUPER HERO DOES NOT FALTER. Faced with the most gruesome foe, a super hero stands tall and does what others cannot. No matter how insurmountable the obstacles, a super hero makes it through.

Smart businesses know the best way to defeat supply chain villains such as inefficiency, lack of shipment visibility, and tricky compliance issues is to enlist a third-party logistics (3PL) provider.

These supply chain super heroes are ever-ready to respond to a cry for help:

"Landstar is always there when I need them, even on weekends, and are always ready to assist, even in emergency situations," says M.H., planning specialist.

Nothing slips by them:

"Unyson exceeds in managing large volumes of shipments with small volume detail," reports J.W., logistics manager.

They're unfazed by the most daunting circumstances:

"UTi is flexible in handling last-minute orders. They have met every challenge we have thrown at them," raves W.G., shipping coordinator.

And they have the best gadgets in their toolbelts:

"Echo Global uses cutting-edge technologies and solid leadership in managing our logistics needs," says D.O., purchasing and logistics manager.

Responding to our annual Readers' Choice Top 10 3PL Excellence survey, *Inbound Logistics* readers related the ways in which they count on their 3PLs to save the day. More than 10,270 voters showed appreciation for their service providers, and nearly half of them took the time to share their commendations. (See *Powerful Words*, right, for just a few examples.)

Respondents spanned the supply chain spectrum from shipping clerks to CEOs, at one-man shops and global giants such as Kraft Foods, Starbucks, Sears, 7-Eleven, CVS Pharmacy, LG Electronics, Harbor Freight Tools, and Hewlett-Packard. They buy a range of services (see *About the Survey Respondents*, right), often from multiple 3PLs. In fact, 77 percent of survey respondents use more than one 3PL; four companies buy

services from more than nine different 3PLs.

One 3PL super power *IL* readers greatly esteem is good communication. "I never have to wait for a response from my 3PL, no matter the issue," shares one reader.

"Our provider keeps us fully informed on the status of our products and goods," says another.

Other readers value their 3PLs' problem-solving abilities. "My 3PL is the aspirin to my headache," comments one shipper. "They always pull us out of bad situations and make the delivery," another notes.

More than anything, readers appreciate 3PLs that deliver great customer service – even if it costs more. Although 23 percent of respondents identify cutting transport costs as their most significant challenge, nearly 79 percent cite service as the top consideration in measuring 3PL performance; just 21 percent weigh cost more heavily. And half the survey respondents cite poor customer service as the primary reason 3PL partnerships fail.

"The customer service we received from our 3PL was a model of excellence," says one reader. "My order was very small, but I was treated with the same regard as a \$1-million customer."

"My provider is happy to help with any questions that arise during the transport of our products," another shipper notes.

"When they say they'll do 'whatever it takes,' they are true to their word," says a third.

That "whatever it takes" mentality is another mark of a true 3PL super hero. On the following pages, we celebrate the 3PLs chosen by shippers as most prepared to save the day. Read on to find out which providers were voted the best of the best.

2011 EXCELLENCE AWARDS

AND THE WINNERS ARE...

-1-

C.H. Robinson Worldwide, Inc.

-2-

Rvde

-3-

Menlo Worldwide Logistics

-4-

Transplace

-5-

UPS Supply Chain Solutions

-6-

J.B. Hunt

7

BNSF Logistics

-8 (TIE)-

Landstar Penske Logistics

<u>-9-</u>

Unyson —10 (TIE)—

UTi

Echo Global Logistics

3PLS TO WATCH

Although they did not receive enough votes to appear on this year's Top 10, the following 3PLs made a strong showing in our reader poll.

- Access America Transport
- England Logistics
- Erigiand Logistics
 Evans Distribution

Systems

- Exel/DHL
- FedEx SupplyChain Services
- Kenco Logistic Services

ABOUT THE SURVEY RESPONDENTS

FUNCTION				
Corporate Management	39%			
Logistics	31%			
Transportation	13%			
Supply Chain	17%			
TNDUSTRY				

INDUSTRY			
Manufacturers	46%		
Retail and Wholesale	39%		
Services	11%		

TRANSPORT/LOGISTICS SPEND	
\$50 Million+	17%
\$10-\$49 Million	43%
\$1-\$9 Million	27%
Less than \$1 Million	13%

SERVICES READERS BUY			
Motor Freight	82%		
Warehousing	65%		
Small Package, Expedited	72%		
3PL	62%		
Air Freight	49%		
Logistics Technology	66%		
Rail, Rail/Intermodal	44%		
Ocean, Ocean/Intermodal	41%		
Global Logistics	36%		
Materials Handling Equipment	41%		
Transportation Equipment	20%		

POWERFUL WORDS

Government

A SAMPLING OF READER COMMENTS

"BNSF Logistics provides service that runs uninterrupted and smoothly from plant to warehouse to end customer."

— R.C., operations supervisor

"C.H. Robinson always meets my needs. They are always honest and straightforward with cost and availability, which helps me be efficient in my business decision-making."

- M.R., warehouse manager

"Echo Global Logistics is able to effectively and efficiently accommodate any and all freight shipments that my company needs processed."

- S.M., warehouse and logistics manager

"Ryder excels in network development and cost reductions. Continual feedback and network tracking allow us to focus on areas of need."

- G.J., inbound logistics coordinator

"Menlo helps mitigate the impacts of fuel cost increases, and provides great service and metrics reporting."

- T.B., director of logistics

"J.B. Hunt takes a true partnership approach to servicing our needs, and they're flexible in tight and expansion times."

— S.S., facility manager

AWARDS 2011



WHY THEY WON: When it comes to C.H. Robinson's customer service, IL readers can't say enough about this year's top-rated 3PL. "The team at C.H. Robinson has consistently gone above and beyond the call of duty," says one reader.

The Eden Prairie, Minn.-based 3PL strives to provide flexible transportation solutions to help shippers meet their supply

chain challenges, including balancing increased pressures to manage costs and keep inventories lean, while leveraging global opportunities, all in an increasingly volatile transportation environment.

"C.H. Robinson's ability to provide global supply chains with technology and an end-to-end process, from order management to business intelligence, allows our customers to utilize their supply chain as a competitive weapon and adapt to changes in the marketplace quicker than their competitors," says John Wiehoff, president and CEO.

Empowering shippers with business agility and lightningspeed responsiveness? Sounds like a supply chain super hero. "Strategic providers help improve operations, and save us money," says Paul Kasinski, director of logistics, General Cable. "C.H. Robinson has done both for us."

CLIENT ROSTER:

- Coca-Cola
- Ocean Spray
- O Dole Food Co. O Frito-Lay
- Subway
- O General Cable

O JelSert

- ChemPoint
- O Harvest Time International

CASE STUDY: TOSHIBA

Faced with a growing global supply chain and lack of visibility to key metrics, Toshiba International Corporation's Motor Business Unit turned to C.H. Robinson.

The 3PL's TMS and Toshiba's ERP systems combined to create Toshiba's new Global Supply Chain Management System approach to supply chain solutions. By providing visibility on a global scale, Toshiba gained access to its true supply chain costs, strengthened inventory control efficiencies, and received the business intelligence it needs to make more timely and accurate tactical and strategic business decisions.

WHY THEY WON: Ryder focuses on its lean guiding principles as the foundation for achieving exceptional execution. "Our teams eliminate waste by engaging employees and using visual cues, problem-solving jackets, and Value-Stream mapping," says John Williford, president, Global Supply Chain Solutions, Ryder System Inc. "This strategy delivers shortened lead times, built-in quality, and continuous improvement - ultimately increasing the speed to market for our customers' goods."

The Miami-based 3PL's dedication to meeting customer needs has not gone unnoticed. "Ryder works to be a valueadded partner by innovating and reinventing the way they do business," says one reader.

Ryder customer Craig Woischwill, vice president of operations at the Miami Herald, agrees. "Ryder's commitment to our transportation operations goals, and 63 years of support, have enabled us to operate a reliable and cost-effective distribution system," he says.

CLIENT ROSTER:

- Toyota
- O Kraft
- Mazda

O Procter & Gamble

- O CVS Caremark O Bacardi Stonyfield
- PepsiCo O Pilot Pen Mexico

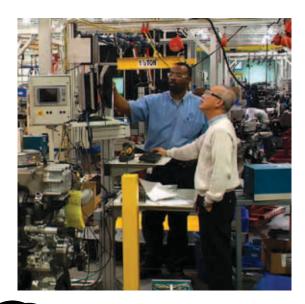
- O Shell



CASE STUDY: MILO'S TEA

Milo's Tea Company, a tea manufacturer located in Birmingham, Ala., distributed its Famous Sweet Tea to a network of more than 330 grocery retailers for five decades. Then it turned to Ryder to help meet stringent customer service requirements across its distribution network.

Faced with an aging, unreliable fleet and rising distribution costs, Milo's and Ryder teamed up to find efficiencies that would improve Milo's fleet and driver operations for the long term. Today, Ryder's Dedicated Contract Carriage solution includes managing seven drivers, six refrigerated trailers, route planning for Milo's entire direct-to-store delivery network, and dunnage support.



MENLO WORLDWIDE LOGISTICS

WHY THEY WON: Readers who voted for San Mateo, Calif.-based Menlo Worldwide Logistics cited the 3PL's "flawless execution," "innovative solutions," and "best-in-class warehouse management, high-touch account management, and Lean warehousing capabilities."

Others cheered the 3PL's consistency and dependability. "Menlo's performance makes me look good to our executive management," says one transportation manager.

For Menlo Worldwide Logistics President Bob Bianco, two areas in which the 3PL gives shippers an edge are sustainability and continuous improvement.

"More of our customers are asking for help with sustainability – defining and understanding their carbon footprint, and how transportation and logistics impacts it," he says. "They want to understand their current exposure and risk areas, and how to reduce them. Our Lean methodologies work well in this area, and we've developed specific Lean Sustainability tools and services to help our customers face this challenge.

"Shippers are also concerned with continuous improvement across the supply chain, and reducing expense in an environment where capacity is tight and transportation and logistics costs are increasing," Bianco continues. "One unique approach Menlo has taken is inviting our customers to participate in value stream mapping sessions with us. This specific approach lets us identify nodes and activities where there is waste, which equates to unnecessary cost. We give shippers a road map that helps them understand where waste and related costs are, and how they can be eliminated."

O Triumph

Navistar, Inc.

CLIENT ROSTER:

- Caterpillar
- O HP
- O Comcast O Bobcat
- O Dow Chemical
- Solyndra
- Electrolux
- O Nike

TRANSPLACE

WHY THEY WON: *IL* readers praise the Dallas, Texasbased 3PL's efforts to supply exactly what the shipper needs. "Transplace brings new solutions and innovative approaches to transportation and supply chain demands," says one reader.

"As capacity tightens, transportation costs are increasing, and our customers can't pass along cost increases to their customers," says **Transplace**

President and CEO Thomas K. Sanderson.

"Transplace helps shippers expand private and dedicated fleets by providing access to a broader network of freight. We also create multiple-customer, shared dedicated fleets, and co-load multiple customers' freight on the same trailer."

For Transplace customer ARCOP, the supply chain cooperative for the Arby's restaurant chain, the 3PL's carrier development program provides vital supply continuity. "Transplace's long-standing relationships with a large carrier network help ensure products are available when our customers need them," says David Cox, ARCOP president.

CLIENT ROSTER:

- ARCOP
- O Del Monte
- Microsoft
- Anna's Linens
- O DIRECTV
 O Huhtamaki
- IntertapePolymer Group

- O Baker Hughes
- O Colgate-Palmolive O Sunny Delight
- O U.S. Gypsum

CASE STUDY: U.S. GYPSUM

Transplace developed a customized solution to help materials manufacturer U.S. Gypsum (USG) eliminate its manual-intensive transportation processes. The 3PL's transportation management system handled all freight movements from USG's production facilities, and its Business Intelligence (BI) allowed the company to access and develop custom reports on-demand to generate detailed insight into transportation operations. The BI data provides visibility that enables USG to address transportation issues and formulate solutions quickly.



In addition to transportation savings ranging from seven to 10 percent, on-time delivery performance increased by double-digit percentage points. Both USG and Transplace emphasize growth and continuous improvement practices.

READERS' CHOICE AWARDS 2011



WHY THEY WON: UPS customers praise the Atlanta-based 3PL's range of service offerings. The company has focused on cultivating this spectrum of functions to meet customer needs. "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," says **Brad Mitchell, UPS** president, logistics and distribution.

Access to just the right tools gives shippers working with UPS a strategic advantage. "Using UPS's field stocking location network gives our field engineers a competitive edge in the service and support marketplace," says customer Carestream Health, a medical and dental imaging and information technology provider led by CEO Kevin J. Hobert.

CLIENT ROSTER:

- O Precision Dynamics
- O Skirts Plus
- O Intralox
- CarestreamHealth
- O Vology Data Systems
- O College Park Industries
- O Dr. Reddy's Pharmaceuticals

CASE STUDY: CARESTREAM HEALTH



cians carrying excessive inventory (called "trunk stock").

UPS Supply Chain Solutions worked with Carestream Health to store the expensive, less-utilized parts in 70 field stocking locations (FSLs) around the world, which reduced trunk stock inventory and improved customer service, because the FSLs are fully integrated into UPS's global transportation network. This strategy ensures easy access to parts and reliable same-day service to customers.



WHY THEY WON: "J.B. Hunt's asset-based 3PL model delivers value first by seeking to understand customer needs," says Shelley Simpson,

president, Integrated Capacity Solutions, and executive vice president, J.B. Hunt Transport Services. "Our customized solutions match customers' needs with our services."

The Lowell, Ark.-based 3PL's strategy works for customer Smart Cabinetry. "J.B. Hunt's talented group of professionals has engineered and facilitated the necessary programs to support Smart Cabinetry's double-digit growth over the past two years," says Kirk Barron, Smart Cabinetry.

For *IL* readers, J.B. Hunt excels in providing "well-rounded offerings," "outstanding communication," and "world-class assistance with billing and shipping issues."

CLIENT ROSTER:

- O Coca-Cola O Costco
- O Petco t O Kraft
- SmartCabinetry
- O Kohl's O Walmart O Kraft
 O Amazon O Frito-Lay O Sysco



CASE STUDY: SMART CABINETRY

Smart Cabinetry, a mid-sized cabinetry company in New Paris, Ind., approached J.B. Hunt for help with its production and transportation challenges. Products pushed through production often sat on full docks waiting for transportation. Transit was unreliable, and costs for expedited shipping and less-than-truckload (LTL) shipments were high.

J.B. Hunt helped Smart Cabinetry design a new streamlined production process in which product coming through the line was designated for a truck that day, helping eliminate costly, last-minute LTL shipments. Technology solutions offered greater visibility throughout the pipeline, enabling the company and its customers to know where shipments were and when they would arrive.



BNSF LOGISTICS

WHY THEY WON: Springdale, Ark.-based BNSF Logistics focuses on meeting customer needs through flexibility and innovation. "Truck, rail, and intermodal are in our team's DNA, but we have adapted that basic philosophy to ocean, less-than-truckload, and air services," says BNSF Logistics President Ray Greer.



BNSF Logistics recently constructed a shared, multi-modal supply chain between one group of import customers in oil and gas, and a group of export grain shippers moving product across the Pacific. The solution, based at a new facility in Minot, N.D., involves rail and ocean providers, transloaders, and other collaborators, and was designed to broaden the North Dakota

agriculture community's available modal shipping options. With the heat turned up on oil and gas exploration in the state, BNSF Logistics leveraged the eastbound flow of containers loaded with ceramic proppants to establish a closed-loop facility that benefits the agriculture community for exports and the oil industry for import products.

For IL readers, BNSF Logistics makes the list for its "competitive rates and superior communication," "efficiency and reliability," and "commitment to service and excellence."

CLIENT ROSTER:

- O Gamesa Wind USA
- O Oshkosh Truck Amazon
- O IKEA
- O Kohl's O Rio Tinto
- C LaZBoy
- GE
- O Morton International
- O Ross Labs
- O North Dakota Mill

CASE STUDY: NORTH DAKOTA MILL

Because of its location and the established flows of export container traffic, North Dakota Mill, of Grand Forks, N.D., had not had access to intermodal capacity at a competitive price, which limited its ability to target export markets.

"The opportunities now presented by BNSF Logistics via the Minot, N.D., facility have opened doors for us to successfully pursue sales in the Far East marketplace," says Mike Jones, logistics manager, North Dakota Mill.



LANDSTAR

WHY THEY WON: With nearly 8,000 business capacity owners and more than 25,000 other available transportation capacity providers, Landstar's system offers a unique mix of transportation solutions for customers large and small. Serving a range of business needs is the Jacksonville, Fla.-based 3PL's goal.

"Customers continue to look for ways to manage their supply chains to reduce cost, optimize their networks, and improve service," says Henry Gerkens, Landstar chairman, president, and CEO. "Reduced staff, coupled with tight capacity, has led many providers to seek guidance on how to best deploy their resources. Landstar's Supply Chain Solutions provides sophisticated procurement and optimization tools, shipment visibility, tracking, and event management to help customers leverage their position with transportation modes."

One satisfied Landstar customer remarks, "They do what they say and when they say they are going to do it."

"The customer is always first," notes another reader.

CASE STUDY: A TOP-TIER AUTOMOTIVE SUPPLIER

A top-tier automotive supplier was looking to improve cost, visibility, and productivity within its ground expedited network. The company chose Landstar Supply Chain Solutions because of its ability to increase efficiencies through optimal mode selection, improve service through the use of a core carrier base and standardized processes, and reduce costs through increased competition among the carrier base.

Landstar provided a singlesource contact for plants and suppliers while reducing three full-time personnel, and monitored performance on all air carriers, including creating monthly scorecards.

Shortly after the expedited program launch, the company expanded Landstar Supply Chain Solutions' role to include managing specialized loads and, most recently, air charter, which uses Landstar Capacity Plus to post new shipments to a base of authorized air charter carriers for bid. The customer can view multiple price and delivery options prior to selection of an Air Charter Manager. Plants can also view status updates with user- or plant-specific Web pages.



3PL EXCELLENCE AWARDS 2011

PENSKE LOGISTICS

WHY THEY WON: "Where Penske Logistics adds tremendous value is engineering supply chain solutions that deliver real cost-saving results," says Marc Althen, president,

Penske Logistics. "We leverage our logistics engineer-



ing, processes, and technologies to help customers diagnose problem areas and get a much clearer understanding of their costs. Then, we collaborate closely and formulate a cost-saving strategy that may leverage our products such as dedicated carriage, warehouse optimization, transportation management, or another customized solution to drive these savings home."

This strategy is benefiting Penske Logistics customers such as Scotts Miracle-Gro Company. "Penske Logistics has been supporting Scotts Miracle-Gro's Ohio operations with outstanding dedicated carriage services since 2005," says Jim Iovino, vice president of global logistics, Scotts Miracle-Gro Company.

Readers celebrate the Reading, Pa.-based 3PL's "great execution," "best-in-class technology, innovation, and service across multiple industry verticals," and "integrity and operational excellence."



CLIENT ROSTER:

- O Scotts Miracle-Gro O Mission Foods Company
- Wawa Ford
- O Cardinal Health

CASE STUDY: SCOTTS MIRACLE-GRO COMPANY

Penske Logistics received the 2010 Outstanding Services Excellence Award from Scotts Miracle-Gro Company, a lawn and garden care product company, in recognition for its inbound and outbound dedicated contract carriage services.

"This honor acknowledges Penske's positive working relationship with Scotts Miracle-Gro," says Dennis Abruzzi, Penske Logistics' senior vice president of operations for the Eastern region. "We also collaborated with Scotts Miracle-Gro to integrate a new transportation management system, and aided in the expansion of its distribution network."

LNYSON

WHY THEY WON: "Unyson handles problems very quickly, and communications skills are great," raves one IL reader.

"I've always had a pleasant experience working with Unyson," says another. "They are on top of everything, and have been able to cover loads that other 3PLs haven't "

The Downers Grove, III.-based 3PL seeks to arm its clients with information management and market intelligence so they can make smart, real-time decisions that positively impact their business.

"Because of the long supply chains in global markets, decision support information must be accurate and timely to prevent disruption in the flow of product and materials," says Dave Porter, executive vice president, Unyson. "We manage global supply chain data and report it to our clients in the context of related industry and geopolitical events. Our clients are presented with quantified recommendations and implications that support educated actions."

CLIENT ROSTER:

- O Big Lots
- O WD 40 Company
- O The Home Depot
- O Rexam
- O Harbor Freight Tools
- O Pfizer
- O Toys "R" Us
- Nestle
- O General Mills
- O Suzano Pulp and Paper

CASE STUDY: REXAM

In 2008, consumer packaging company Rexam acquired the entire plastics packaging business of Owens-Illinois. Although the acquisition helped Rexam grow market share in the plastics market, it faced the immediate challenge of managing a much more complex supply chain, having a decentralized model with limited control in logistics management and cost.

Unyson Logistics provided centralized transportation management solutions and expertise in change management to assist with changing the approach of the entire network. The 3PL provided the medium for Rexam to challenge the supply chain status quo, and improve year over year qualitatively and quantitatively from inception to today.

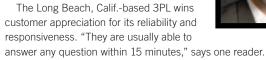


WHY THEY WON: UTi's strategy for success begins with its clients. "Our global strategy is to bring the best of our services and processes from around the

world to our clients at a local level," says Ed Feitzinger, executive vice president, Global Contract Logistics and

Distribution, UTi. "Our Advance Quality Planning process works with our Quality Management System to ensure a deep understanding of our clients' objectives and validate that the solutions we implement produce mutually agreed-upon outcomes."

LITI



"UTi meets my every shipping need," states another.

CLIENT ROSTER:

- Adidas Ansell
- O Estée Lauder
- O Ford
- O Diversey
- O Johnson Controls
- O Dow Corning
- O Panasonic
- O Sunoco
- O Boart Longyear
- O Motorola

CASE STUDY: BOART LONGYEAR

Boart Longyear, a provider of mineral exploration drilling services and products, requires global transportation of high-value, yet small, diamond-tipped drilling bits, and large, precision-ground coring rods; warehousing and custom packaging of these products; and global warehousing and distribution capabilities.

UTi's greatest value-add is the collaborative approach it takes to problem-solving and solutions design. By sharing strategies, plans, and capabilities with one another, Boart Longyear and UTi are able to quickly identify ways to improve Boart Longyear's supply chain through a variety of techniques.

As a result of this partnership approach, Boart Longyear has been able to consolidate the number of Tier I freight forwarding providers by approximately 75 percent, while saving millions of dollars in costs, improving service levels, and reducing administrative overhead.

ECHO GLOBAL

WHY THEY WON: IL readers offer effusive kudos for Chicago-based 3PL Echo Global. "I never need to give freight a second thought," says one reader. "When Echo moves our goods, I know the follow-through will be there."

Automotive replacement parts and services provider LKQ is another satisfied Echo Global customer. "If we have any regrets, it's that we didn't start working with Echo sooner," says LKQ's Mike Lahr.

As the economic recovery slowly progresses, Echo Global promotes partnership by balancing shipper and carrier concerns. "Providers of transportation capacity are actively working to repair their bottom lines after a deep and extended recession," says Echo Global

CEO Doug Waggoner. "At Echo, we support the idea that the capacity providers need to be healthy and invest capital to replenish their fleets.





"At the same time, we recognize that shippers cannot withstand double-digit price increases in an economy that is anemic at best," he continues. "We have 24,000 carriers in our database. When combined with our optimization technology, we can help shippers find the right carrier at the right price for every load, so they can save money without having to beat up on carriers."

CLIENT ROSTER:

Archway MarketingLKQ

CASE STUDY: LKQ

In January 2008, Chicago-based automotive replacement parts and services provider LKQ gave Echo Global a list of areas that needed improvement, including maximizing the value of each shipment, communicating logistics information across the company more effectively, and streamlining back-end functions. Using its Evolved Transportation Management technology, Echo developed a customized system that enabled LKQ's local facility managers to choose from a handful of pre-screened carriers for each shipment.

Since partnering with Echo, LKQ has shaved 13 percent from the cost of its less-than-truckload shipments, even as its total revenue has grown more than 25 percent.