When a company’s supply chain operations are firing on all cylinders, product flows through the distribution center without a hitch, shipments arrive on time, and customer satisfaction abounds. Such a finely tuned machine doesn’t occur by accident — there’s often a third-party logistics (3PL) provider standing by to tighten up the nuts and bolts, oil the gears, and keep operations humming like clockwork.

For many shippers, 3PL relationships represent a vital supply chain component—a resource for accessing the right tools for every job.

Great 3PL partners offer constant support. “J.B. Hunt does everything possible to make my business successful,” says E.A., director of transportation.

They enable innovation and growth. “Transplace has transformed our business and allowed us to expand to other customers,” notes A.L., COO.

They’re ready to act when the going gets tough. “Ryder is always there to help us whenever we have issues. Although these are few and far between, Ryder always comes up with the best solutions,” says R.H., director of operations.

And they provide laser-focused attention. “C.H. Robinson makes me feel like we are their only customer,” states M.R., plant administrator.

A successful shipper-3PL partnership is an engineering marvel, worthy of celebration. Our annual Readers’ Choice Top 10 3PL Excellence survey gives Inbound Logistics readers a chance to relate the ways in which 3PLs keep their supply chain operations running smoothly. More than 6,900 voters showed appreciation for their service providers, and the majority took the time to share their praise. (See In Their Own Words for a selection of voter comments.)

Survey respondents encompass the whole supply chain spectrum, representing small businesses, global leaders, and every type of business in between. Ranging from warehouse managers to CEOs, they work for household names such as Campbell Soup, PepsiCo, Hallmark Cards, Staples, JCPenney, Anheuser-Busch, AT&T, Sears, and Volkswagen—and they spend millions annually on logistics services. (See About the Survey Respondents and Vote of Thanks on the following pages for more background on this year’s voters.)

Whether they partner with one 3PL or several, one trait shippers appreciate is adaptability. “Kenco has provided us with custom warehousing, transportation, and IT solutions. It provides unprovoked continuous improvements that make an impact,” explains S.S., global logistics analyst.

Reliability is another quality our readers hold in high esteem. “We have extremely difficult customers who require on-time delivery with white-glove service at low prices. SEKO always comes through,” reports M.F., controller.

For other shippers, resourcefulness is tops. “Landstar is able to source capacity in difficult situations,” says J.N., regional vice president.

More than anything, shippers value great service. Fifty-one percent of survey respondents say poor customer service is the reason 3PL partnerships
fail, and 80 percent would choose a 3PL that excels in customer service over one that delivers cost savings—even though 63 percent cite cutting transport costs as their greatest challenge.

But who says you can’t have it all? “I have yet to find a 3PL that can beat Echo on both pricing and service,” states M.W., assistant supply chain manager.

On the following pages, meet the 3PLs our readers rely on to keep their supply chain operations powered up, plugged in, and optimized for peak performance.

### ABOUT THE SURVEY RESPONDENTS

**FUNCTION**

- **Corporate Management**: 34%
- **Supply Chain/Purchasing/Supply Management**: 19%
- **Transportation/Traffic Management**: 12%
- **Logistics/Distribution**: 24%
- **Operations**: 11%

**INDUSTRY**

- **Manufacturing**: 38%
- **Retail/Wholesale**: 44%
- **Services or Government**: 18%

**ANNUAL TRANSPORT/LOGISTICS SPEND**

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>More than $50 Million</td>
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<tr>
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<tr>
<td>$1-$10 Million</td>
<td>21%</td>
</tr>
<tr>
<td>Less than $1 Million</td>
<td>13%</td>
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</tbody>
</table>

**SERVICES READERS BUY**

- **Air Freight**: 48%
- **Motor Freight (TL/LTL)**: 75%
- **Ocean, Ocean Intermodal**: 38%
- **Rail, Rail Intermodal**: 46%
- **Small Package Delivery, Expedited, Express**: 65%
- **3PL, Contract Logistics**: 65%
- **Supply Chain Technology, Software/Systems**: 47%
- **Transportation Equipment**: 20%
- **Warehousing & DC Services**: 67%
- **Materials Handling Systems, Equipment, Forklifts**: 35%
- **Packaging/Labeling Systems**: 10%
- **International Shipping, Freight Forwarding**: 45%
- **Fleet Operations, Dedicated Contract Carriers**: 26%
- **Site, Port, or Facility Selection**: 29%

### IN THEIR OWN WORDS

**A SAMPLING OF READER COMMENTS**

- “C.H. Robinson offers strength, experience, technology and customer service. Other 3PLs may offer one or two of these critical requirements—but not all equally.” — G.G., logistics supervisor
- “Transplace routinely exceeds our expectations.” — M.H., vice president, materials and logistics
- “Unyson manages our freight efficiently, cost effectively, and with 100-percent communication.” — A.C., president
- “Menlo is process-driven, with proven strategies in place for all aspects of the logistics process. Client satisfaction is key, and they ensure their corporate vision is consistent and well-communicated throughout the organization.” — K.R., vice president of sales operations
- “Kenco goes beyond operational excellence to provide thought leadership and a high level of customer service.” — S.C., senior vice president
- “Echo provides the highest level of service and support I have ever experienced in the industry.” — D.P., shipping/logistics supervisor
- “SEKO Logistics doesn’t just take orders, but helps us optimize our logistics and gives us options.” — B.C., director of operations
Who votes for the Top 10 3PL Excellence Award winners? Inbound Logistics readers do, and they represent a range of industries and company sizes—from leading corporations to SMBs. This year, 6,900 of you cast ballots and shared praise for the third-party logistics providers that support your supply chain, logistics, and transportation operations, and keep your company globally competitive. Thanks to all who voted.
C.H. Robinson

WHY THEY WON: “Honoring our commitments to customers is the core of our short- and long-term growth plans, and C.H. Robinson continues to drive innovative services for our current and future customers with great people, technology, and services everywhere in the world,” says John Wiehoff, CEO at Eden Prairie, Minn.-based C.H. Robinson.

Customers are impressed with the 3PL’s offerings. “We selected C.H. Robinson’s TMC Division because their global managed TMS and execution capabilities are innovative and unique options in the marketplace,” says Jason Lunde, global process improvement and logistics director at Cummins Inc.

C.H. Robinson has no plans to rest on its laurels, however—it is continually working to create new solutions to serve its customers. “Price and service are still important, but those have become prerequisites to providing logistics services,” Wiehoff explains. “Benchmarking, network modeling, and least-landed costs are allowing global companies to gain a competitive advantage.”

CLIENT ROSTER:
- Vizio
- Cummins
- Phillips 66 Company
- Shell
- Evergreen Packaging
- General Cable
- BJ’s Wholesale Club
- BP
- Dole Packaged Foods
- John Deere

CASE STUDY: TOSHIBA

With a global footprint and production system extending from Japan to China and Vietnam to Texas, the Motor Business Unit (MBU) of Toshiba International Corporation’s Industrial Division depends on flawless logistics processes. With plans for the new Vietnam plant to ship up to 1.2 million motors annually to the global market, Toshiba needed a highly efficient, collaborative supply chain relationship to support its aggressive growth goals, and maintain service and quality standards. Outsourcing the entire unit’s global transportation was an important decision. The C.H. Robinson team implemented a global collaborative logistics solution to improve visibility, supply chain processes, and customer service. Now Toshiba’s MBU is outpacing its competition and increasing speed to market.

Transplace

WHY THEY WON: Shippers rely on Frisco, Texas-based Transplace’s supply chain expertise and vision. “Transplace has a deep understanding of consumer product goods companies, and is able to deliver innovative technology that drives operational efficiency and cost savings,” says John Mancinelli, director, customer operations, Welch’s.

Transplace helps its customers manage capacity issues and cost pressures, says CEO Thomas K. Sanderson. “We have strategies for addressing these challenges, including supply chain network design, professional transportation procurement, effective execution against a routing guide, strategic carrier relationship development, conversion of truck to intermodal, collaborative transportation initiatives, and greater use of dedicated and regional capacity.”

CLIENT ROSTER:
- Anna’s Linens
- Campbell Soup Company
- Cummins
- Diamond Foods
- Huhtamaki
- KMG Chemicals
- Sunny Delight
- Univar
- U.S. Gypsum
- Welch’s

CASE STUDY: CUMMINS INC.

Cummins Inc. designs, manufactures, distributes, and services power engines and related technologies. The company partnered with Transplace to drive collaborative service performance improvements and consistent cost savings for the company, as well as to provide visibility. Cummins experienced a 170-percent return on investment since program inception, and savings of $4.6 million through various inbound and outbound freight consolidation efforts, transportation contract sourcing, savings in expedited processes, and freight invoice audit procedures.
Ryder

WHY THEY WON: “Ryder partners with us by understanding our needs, and executing against them,” says one IL reader. “They make recommendations to us that save us money and improve service to our customers.”

A wealth of services makes the Miami-based 3PL popular among voters: “Ryder is a very diversified organization offering much more than transportation management.”

Readers also appreciate the company’s professionalism. “Ryder treats our business as if it is theirs,” one voter states. “They have knowledgeable leaders, and make sound decisions.”

Ryder’s vertical-focused solutions have won it a strong following in the aerospace and defense, consumer goods, energy and utilities, automotive, electronics, industrial manufacturing, and food and beverage industries. By focusing on Lean principles, Ryder helps its customers achieve truly transformative operations wrapped around supply chain solutions. Ryder team members draw on years of world-class transportation, logistics, and supply chain expertise and theory to develop and provide solutions that, while directly solving supply chain challenges, also act as a change agent to improve overall company operations for its customers.

Inbound Logistics readers voted Ryder to the Top 10 3PL Excellence Awards list every year since the survey launched in 1998—a testament to the company’s longstanding tradition of service.

“Ryder has immersed itself in our culture, and works with us to provide the solutions we require,” explains one IL voter.

“They offer exceptional customer service, top-notch equipment, knowledgeable teams, and quick service,” states another of the 3PL’s fans.

“Ryder just gets it done the right way,” sums up a third shipper.

Other readers cite the 3PL’s “proactive communication,” “problem solving,” “supply chain responsiveness,” and “dependability.”

Echo

WHY THEY WON: “Our managed transportation management services are designed for companies that realistically aren’t in a position to manage the complexities of their transportation network,” explains Echo CEO Doug Waggoner. “We have added more service capabilities and coverage to meet our clients where they operate—locally, nationally, and internationally.”

For Walter Gross, senior vice president, fulfillment services at direct response marketing company Guthy-Renker, the Chicago-based 3PL’s solutions have been successful. “Echo has proven to be the expert in transportation management through its ability to react quickly to our growing domestic and international business needs,” he says.

IL readers agree. “I never worry about my loads. I ask, and Echo fulfills. It’s that simple,” says one shipper.

CLIENT ROSTER:

- Daymon Worldwide
- EcoWater Systems
- Graver Technologies
- KX Technologies
- Daktronics
- Surface Shields
- Guthy-Renker
- Greenheck
- Culligan
- Samuel Strapping

CASE STUDY: GUTHY-RENKER

Direct marketing company Guthy-Renker was looking for a transportation partner with strong technology to create more visibility across its supply chain, and allow all DCs and vendors to work on a single platform.

Echo integrated with Guthy-Renker’s ERP system to allow its staff to focus on exception management, and let Echo handle the rest.

Through this partnership, Echo developed a Tier 1 carrier selection process to enhance its service experience, and react quickly to just-in-time requests. In addition to carrier selection, Echo has been able to automate its document collection and invoicing processes, provide consultation on cross-border documentation to minimize business risks, and establish streamlined communication with vendors.
J.B. Hunt

WHY THEY WON: J.B. Hunt prides itself on being dynamic and flexible for any transportation challenge or requirement across a multitude of industries. “Our integrated, multi-modal approach offers solutions that provide our customers with the value and confidence they expect from a premier 3PL provider,” says Shelley Simpson, chief marketing officer, executive vice president, and president of Integrated Capacity Solutions and Truck at the Lowell, Ark.-based 3PL.

James House, vice president of supply chain at J.B. Hunt customer Mission Foods, relies on the 3PL to serve a demanding retail customer base. “J.B. Hunt provides a customized solution with a level of staffing and operating philosophy that delivers the on-time performance our network requires,” House says.

CLIENT ROSTER:
- Sam’s Club
- Lowe’s
- Georgia Pacific
- Kellogg’s
- D&W Fine Pack
- Clorox
- General Mills
- Starbuck’s
- Goodyear
- Mission Foods
- Toyota

CASE STUDY: MISSION FOODS

Mission Foods is the leading tortilla company in the United States, known for its products’ quality and freshness. As such, Mission Foods’ supply chain requires a responsive—yet flexible—logistics provider to ensure on-time reliability and high product integrity.

Mission Foods chose J.B. Hunt to be its single-source logistics partner to gain access to the most optimal and efficient transportation solutions available, and maintain high levels of service at the lowest cost possible. The 3PL provides fully encompassing logistics functions such as customer order optimization; routing and mode selection; scheduling and tracing; fleet and carrier management services; and integrated cost, accounting, and service reporting.

Each week, J.B. Hunt manages the transportation fulfillment of Mission Foods’ more than 6,000 customer orders for an extensive network of independent distributors, large grocery retailers, and food service providers.

Penske Logistics

WHY THEY WON: “Penske’s solutions create win-win situations,” says one IL reader.

Ken Whah, director of Whirlpool Corporation’s North America distribution operations, concurs. “Penske’s investment in a collaborative relationship and continuous improvement culture continues to pay dividends for both Whirlpool and Penske,” he says. “Our Penske-managed sites have achieved excellent performance, while providing top-level customer service.”

With reviews like that, it’s no wonder the Reading, Pa., 3PL’s business is on the rise. “Our total net revenues have increased 16 percent year-over-year, and across the company we are hiring truck drivers, engineers, and operators,” reports Marc Althen, Penske Logistics’ President. “In North America, we’re seeing stronger economies in the United States and Canada, and the uptick in business opportunities for Mexico is encouraging. In South America, the climate is concerning, but steady. Europe is improving, and we’re observing growth in China. We are seeing more 3PL opportunities in the market as companies seek to streamline costs through outsourcing.”

CLIENT ROSTER:
- Ford
- Kroger
- Cardinal Health
- Whirlpool
- BMW

CASE STUDY: PHARMACEUTICAL INDUSTRY LEADER

Penske Logistics worked with a global healthcare company to develop a control tower solution across an entire continent to manage inbound and outbound flows for medications.

The control tower solution allowed for effective freight payment within the customer’s network. Via Penske’s self-billing system, the customer’s online portal offered real-time insight shipment status, necessary documentation, and related costs. The customer’s newly integrated delivery system continued to operate at an elite level.

Penske was able to aid the customer in creating a new network, generating more efficiencies, and realizing new cost savings.
**TOP 10 3PL READERS’ CHOICE AWARDS 2014**

**6. UPS Supply Chain Solutions**

**WHY THEY WON:** Combining outstanding execution with flexibility and an appreciation for each shipper’s unique culture plays a vital part in UPS’s service strategy. “UPS’s leadership asked how we wanted to operate, and adapted their procedures to match ours,” explains Remy St. Martin, senior director, customer experience, Dassault Falcon Jet. “They changed their processes to provide our customers with a seamless experience.”

The Atlanta-based 3PL works hard to anticipate shippers’ evolving needs, especially in new markets. “UPS’s continued investment in and expansion of our international footprint, and distinctive capabilities and investment in customized solutions, help simplify customers’ global supply chains, and address shipper needs across sectors including technology, healthcare, retail, and aerospace,” says Brad Mitchell, President of UPS Global Logistics and Distribution. “It is through our unique global infrastructure and integrated approach that we are able to help companies meet their logistics and business goals, and overcome many of the market’s most complex challenges.”

**CLIENT ROSTER:**
- K12
- Sprint
- Philips Healthcare
- Triumph Motorcycles
- Pratt & Whitney
- Skullcandy
- Advanced BioHealing
- eSecuritel
- March Networks

**CASE STUDY: K12**

K12, an education company that ships computers and supplies to home learners globally, recognized a need for greater logistics capabilities due to its rapidly expanding business. UPS worked closely with K12 to develop optimized shipping and returns management solutions that enabled cost savings and rapid redeployment during the short periods when students returned materials in June, and ordered them again in August. Because UPS was able to not only introduce a computer repair and refurbishment service, but also complete the job, K12 cut down on new computer purchases by 75 percent.

**7. Menlo Worldwide Logistics**

**WHY THEY WON:** San Francisco-based Menlo is always looking out for number one: the customer. “What sets Menlo apart is that we design and deploy agnostic, customer-specific solutions on a global basis,” says Robert Bianco, President. “We’re not attached to an asset or a specific mode of transportation, where the provision of logistics services becomes secondary to that core business. Our neutrality allows us to examine the customer’s needs holistically, then design the best service, lowest-cost solution specific to those needs.”

That approach works for Menlo customer Tom Healy of Hewlett-Packard’s HP Networking division. “I admire Menlo’s expertise and flexibility within the Lean value stream mapping exercise,” says Healy. “They recognized cost-saving, service, and inventory improvement opportunities, and agreed to run two order fulfillment platforms within their warehouse management system, allowing us to risk pool supply, increase supply chain velocity, and reduce end-to-end supply chain response time.”

**CLIENT ROSTER:**
- Google
- Shell
- Triumph
- Amazon
- MTU
- Nike
- Bobcat
- HP
- NCR
- BP
- New Era

**CASE STUDY: DIEBOLD**

Financial security solutions provider Diebold was looking to achieve cost efficiencies and service improvements. The company needed a 3PL to deliver savings for, and visibility of, material in motion and at rest across all regions for each operating division, with a centralized routing center supported by regional logistics resources.

Menlo came through with a global control tower approach, and deployed a Global Forwarder Manager solution to optimize the customer’s global ocean and air network. The solution involved North America and EMEA networks managed through global and regional operations centers; mode and service-level optimization for global and regional networks; and market-based quoting for opportunity-based savings.
Kenco

WHY THEY WON: Kenco has a proven track record of operational excellence, continuous improvement, and consistent customer satisfaction. The average length of the Chattanooga, Tenn.-based 3PL’s customer relationships is 17 years, and it boasts a 100-percent customer renewal rate after the first contract term. This wouldn’t be the case if the 3PL didn’t deliver results to support its excellent service. “Kenco has saved our company more than 30 percent on transportation,” says one customer. The 3PL develops consultative relationships that provide insightful, long-range, customized solutions. “The challenges our customers have always faced – increased competition, rising cost of service, evolving technology, and expanding channels – still exist, but they have intensified,” says Kenco Chairwoman and CEO Jane Kennedy Greene. “We work with them to identify pain points, and create mutually beneficial collaboration, rather than an arrangement in which one party wins at the expense of the other.”

CLIENT ROSTER:
- Whirlpool
- Keurig Green Mountain
- Honeywell
- Stryker Medical
- American Standard
- GlaxoSmithKline
- Ralston Foods
- Carrier
- DuPont
- Cummins

CASE STUDY: MEDICAL DEVICE MANUFACTURER

A manufacturer of equipment for hospitals and emergency service providers has worked with Kenco for eight years to improve its supply chain using Kenco-developed inventory management and logistics systems. The 3PL designed and manages a network that now includes nine regional DCs. All items manufactured at company headquarters are matched with complementary items and moved to one of the distribution centers, which are strategically located for a one-day transit time to 85 percent of the U.S. population. The partnership resulted in a 99.5-percent on-time delivery rate, and $1.6 million saved annually through reduced fuel, labor, and outsourcing.

Landstar

WHY THEY WON: “Landstar’s unique operating model sets us apart from other 3PLs,” says Henry Gerkens, Chairman and CEO of the Jacksonville, Fla.-based company. “We combine agents, technology, and access to capacity, including the largest fleet of exclusive owner-operator truckload capacity in the country – more than 35,000 contract carriers and an extensive array of van and unsided trailing equipment – to provide shippers with a solutions-oriented approach to their transportation challenges.” IL readers appreciate their Landstar contacts, calling them “a knowledgeable staff that gives honest answers and follow through.” As for the 3PL’s logistics services, shippers say Landstar is “fast, efficient, and dependable.” Those qualities will only become more important as shippers face a tough transportation landscape. “Tightening capacity is an ongoing challenge for customers,” Gerkens notes. “Landstar’s access to capacity, coupled with our ability to provide customized transportation solutions, allows us to meet and exceed the needs of new and existing customers in a challenging market.”

CASE STUDY: TOP-TIER TECHNOLOGY MANUFACTURER

A leading technology manufacturer was incurring hundreds of thousands of dollars in chargeback fines from several big-box retailers. The charges stemmed from the shipper’s previous logistics providers’ inability to comply with retailers’ stringent delivery protocols. Landstar streamlined the customer’s process to minimize errors; mapped the process to ensure accurate information on bills of lading; and worked with each consignee to better understand their preferred carriers. The 3PL also implemented EDI connectivity, integrating Landstar, the customer, and its vendors. These programs reduced customer chargeback penalties from six figures to virtually non-existent, and secured the first-ever retail customer performance rebate from the most stringent customer.
SEKO Logistics

WHY THEY WON: For customer Ken Vinson, purchasing manager at Escalade Sports, the Chicago-based 3PL is a valued partner because its efforts reduced claims and improved order-to-delivery turnaround time for home deliveries.

“We were seeing a lot of damage, extended transit times, and missed delivery appointments,” Vinson explains. “SEKO reduced our claims by 60 percent, and improved the consistency of our delivery times considerably. They’ve been a tremendous help in bringing visibility and enhanced distribution services to our supply chain.”

“We are committed to providing our clients excellent performance, efficiency, and best-in-class logistics practices,” says SEKO Logistics President and CEO William Wascher.

That commitment is paying off in customer satisfaction. “They are everything we could ask for in a logistics company,” writes one IL voter. “From customer service to dependability, SEKO has fulfilled our every expectation.”

CLIENT ROSTER:
- Escalade Sports
- Beckman Coulter
- Siemens Healthcare
- Reiss
- Lulu Guinness
- Pacific Direct
- Peak Scientific
- MOU Boots
- Xerox
- Zaggora

CASE STUDY: ESCALADE SPORTS

Escalade Sports needed to reduce order-to-delivery times and claims for North America home deliveries, as well as streamline its inbound logistics from Asia. The company selected SEKO Logistics to manage direct-to-consumer home deliveries within North America, including consolidation and supplier management services. The 3PL also deployed an inbound logistics program in Asia, and assists with inbound logistics services at strategic service centers to fulfill holiday rush orders to retail partners. Escalade Sports saw dramatic reduction in claims for all direct-to-consumer deliveries within North America, increasing customer satisfaction and repeat sales. Using SEKO’s key U.S. distribution locations has helped provide just-in-time delivery services, and reduced delivery costs to key Escalade Sports clients.

Unyson

WHY THEY WON: “While Unyson provides its clients with all the capabilities common to best-in-class logistics service providers – such as state-of-the-art technology, industry-leading practices, and experienced logistics professionals – we differentiate our solution through accountability,” says David Marsh, Chief Supply Chain Officer, Unyson Logistics. “We provide dedicated client service teams where the members become experts in client business requirements, constraints, and challenges. Team members focus on well-defined financial and service deliverables – performance objectives aligned specifically with each client’s supply chain strategy.”

IL readers call the St. Louis-based 3PL “prompt,” “detail-oriented,” and “the quickest to get the job done correctly.”

CLIENT ROSTER:
- Keurig Green Mountain
- Toys R Us
- Harbor Freight Tools
- Big Lots
- Lumber Liquidators
- Global Industrial
- Oatey
- Pfizer
- Walgreens
- General Mills

CASE STUDY: A MAJOR RETAIL CHAIN

A national retailer with more than 1,400 stores selected Unyson to manage its less-than-truckload (LTL) inbound shipments. In the first year, the retailer saved more than 30 percent on its LTL transportation spend. Shortly after, it 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 the company’s vice president of supply chain. “With Unyson’s technology and process improvements, we are able to drive down costs and improve our overall performance. Unyson has consistently delivered savings and improved visibility, reaching from supplier to store through our entire DC network.”

Unyson now provides consolidation and optimization savings throughout the retailer’s entire network by analyzing its inbound, outbound, and returns network, and producing continuous moves and cross-customer collaboration.