QUESTIONS TO ASK BEFORE SELECTING A 3PL

THIRD PARTY LOGISTICS (3PL) COMPANIES OFFER RESOURCES FOR COMPANIES TO OUTSOURCE ALL OR PART OF THEIR SUPPLY CHAIN MANAGEMENT. WHEN YOU SELECT YOUR 3PL YOU ARE ESSENTIALLY SELECTING ANOTHER MEMBER OF YOUR ORGANIZATION. AS THE 3PL WILL BE ACTING AN EXTENSION OF YOUR COMPANY, IT IS ESSENTIAL THAT YOU FIND OUT IF THE 3PL YOU ARE VIEWING IS THE RIGHT FIT FOR YOUR BUSINESS.

HERE ARE 5 IMPORTANT QUESTIONS TO ASK BEFORE SELECTING A 3PL:

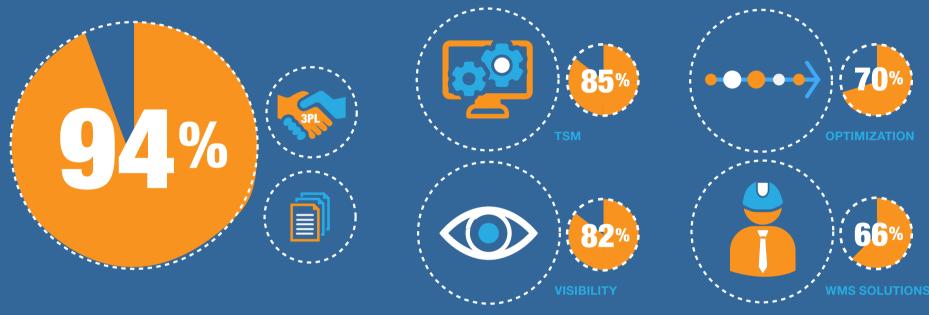


DO OUR ORGANIZATIONS HAVE A CLEAR PROCESS FOR INTERFACING WITH POTENTIAL 3PLS?

CUSTOMER SERVICE IS THE NUMBER ONE REASON 3PL PARTNERSHIPS FAIL, ACCORDING TO 43% OF POLLED SHIPPERS, FOLLOWED BY FAILED EXPECTATIONS (16%), COST (15%), AND MORE COMPETITIVE OPTIONS (14%).

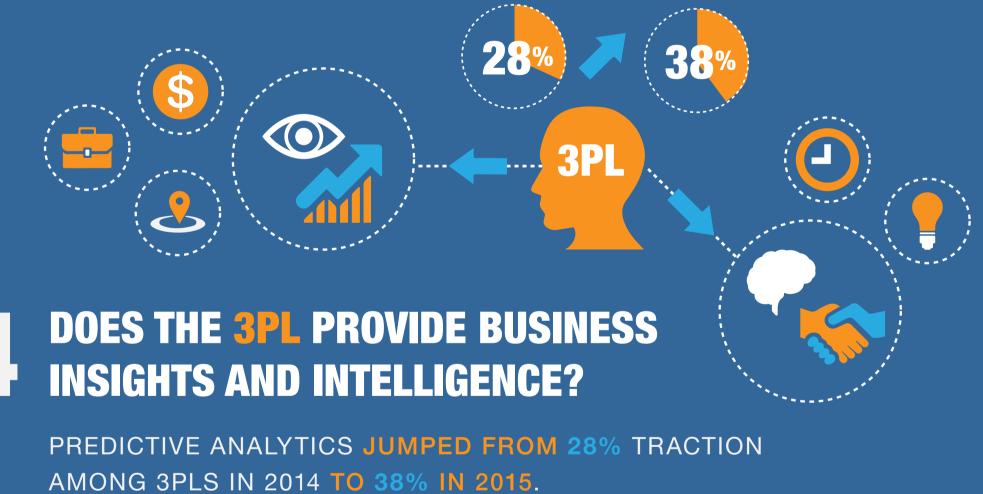


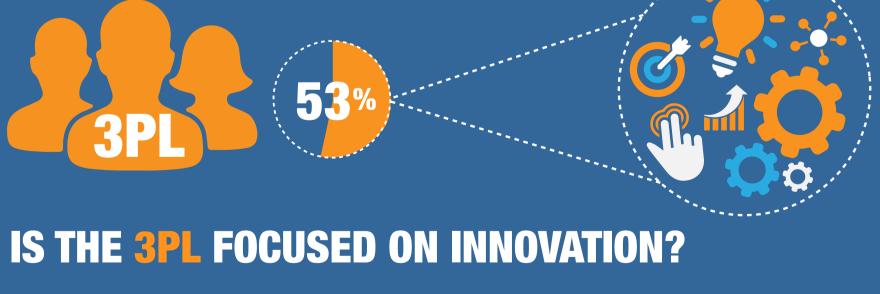
MORE 3PLS ARE USING LEAN PRINCIPLES (27% IN 2015 VS. 24% IN 2014) AND SIX SIGMA (25% IN 2015) TO EXTEND THE TERMS OF FIXED CONTRACTS. CONTINUOUS IMPROVEMENT MANDATES DRIVE THE 3PL VALUE PROPOSITION, ESPECIALLY AS THE BIG DATA TREND ACCELERATES.



WHAT IS THE STRATEGY BEHIND THE IT PLATFORM? EDI COMPLIANCE HAS BECOME STANDARD, WITH 94% OF 3PLS

PROVIDING THIS CAPABILITY. TMS (85%), VISIBILITY (82%), **OPTIMIZATION (70%), AND WMS SOLUTIONS (66%) ROUND OUT THE** TOP IT CAPABILITIES THAT LOGISTICS INTERMEDIARIES OFFER.





3PL-SHIPPER RELATIONSHIPS ARE NOT SET UP TO SUPPORT INNOVATION...MOST 3PL RESPONDENTS (89%) BELIEVE THEY ARE READY TO INNOVATE. HOWEVER, ONLY 53% OF SHIPPERS AGREE THAT THEY ARE".

THE STUDY, SUPPLY CHAIN INNOVATION STATES, "MANY



representing Mode Transportation. We are a powerhouse logistics team based in the Greater Toronto Area and do business throughout North America, including Mexico. Our team is dedicated to our terrific clients and we strive to take the chaos out of your supply chain. We are always on the lookout to do exceptional work with remarkable people and companies!

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