Shippers' Compass

Kearney's logistics perspectives

Quarterly executive insights for budgeting/forecasting, service expectations, and optimizing in the logistics space

Q4 2025

KEARNEY

Shippers' Compass key points: freight markets remain muted with no up or down catalyst, amid tariff unpredictability, capacity gluts, weak demand, and economic outlook

Shipper market
Degree shippers are advantaged over carriers in the market
– 100% bar = shipper advantage
– 0% bar = carrier advantage

Service quality
Lane capacity availability and delivery reliability in the market
– 100% bar = excellent service
– 0% bar = poor service

Compass snapshot – July 2025

Freight segment US domestic in 2023	US 2024 market size $B	Carrier concentration	Shipper market	Service quality
Truckload	387	L		
LTL	66	M		
Intermodal	40	M		
Ocean	121	M		
Air	101	M		
Rail	97.3	H		
Parcel	229.7	H		
Last-mile (bulky)	10.2	L		
Last-mile (specialty)	varies by subsegment	L		

Sources: State of Logistics Report 2025, IANA, A&A; Kearney analysis

Summary

GDP growth is expected to be muted as tariff-induced uncertainty weighs on consumer spending.

Truckload rates remain in a correction phase because of excess capacity, weak demand, and a negative macroeconomic outlook.

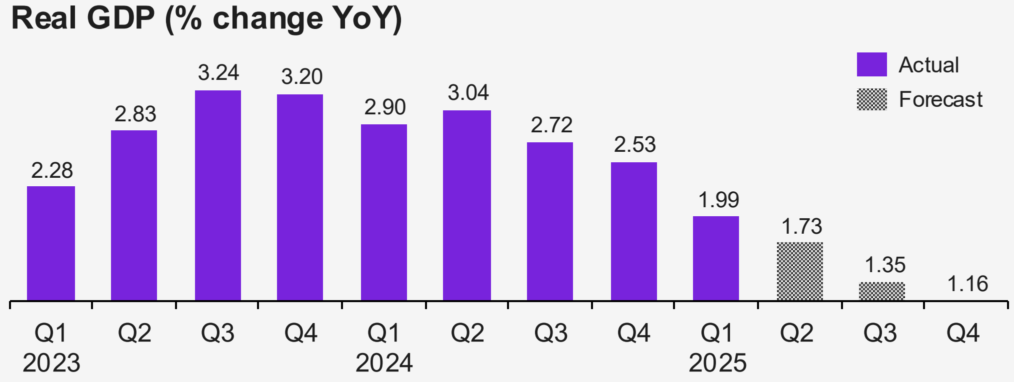
Ocean freight rates are trending upward following a pause in tariffs, though rates are likely to adjust as demand and supply imbalances emerge in the second half of the year.

Air freight demand is cooling after a surge from cargo frontloading. Lower jet fuel costs are providing some relief to carriers in maintaining profitability.

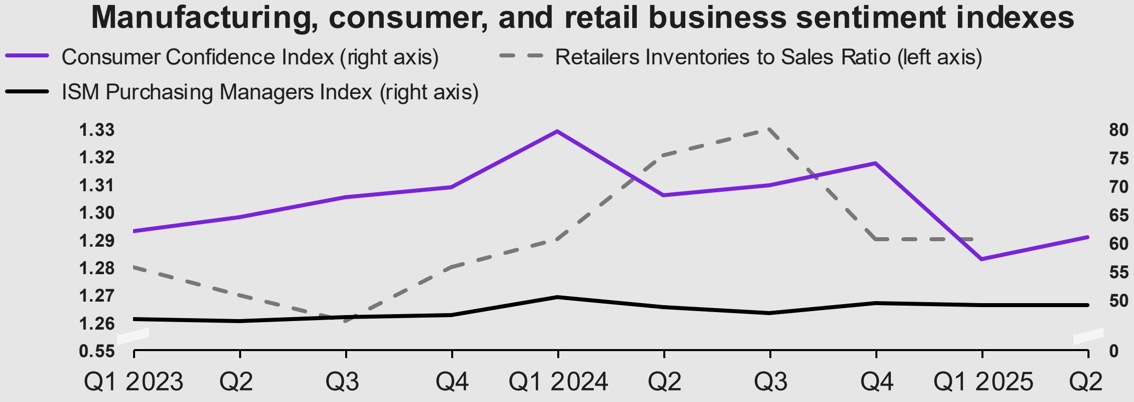
Parcel volumes have increased driven by e-commerce and retail demand. Tariffs and cross-border changes are expected to affect import-driven B2C volumes in the second half.

The US economy faces headwinds in H2 2025 as tariffs and fiscal uncertainty dampen growth, while fuel price declines offer limited upside

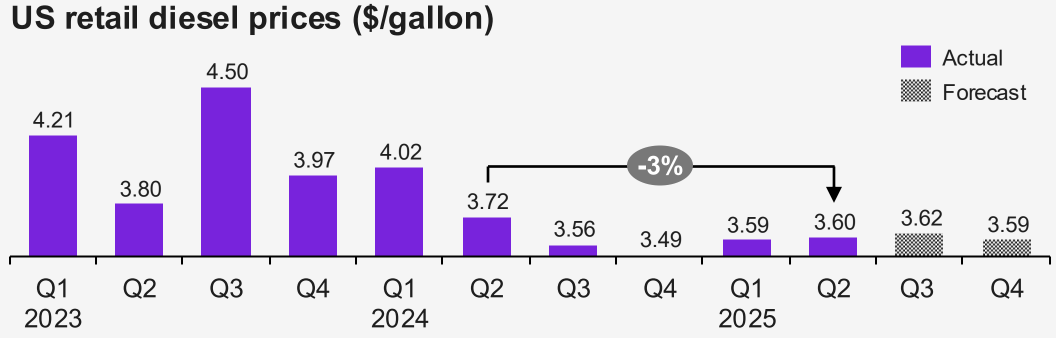
GDP growth is anticipated to slow down further in the second half of 2025, impacted by rising tariffs, changes in fiscal policy, and shifting consumer behavior.



Despite signs of resilience in consumer sentiment and manufacturing, caution prevails due to ongoing economic challenges.



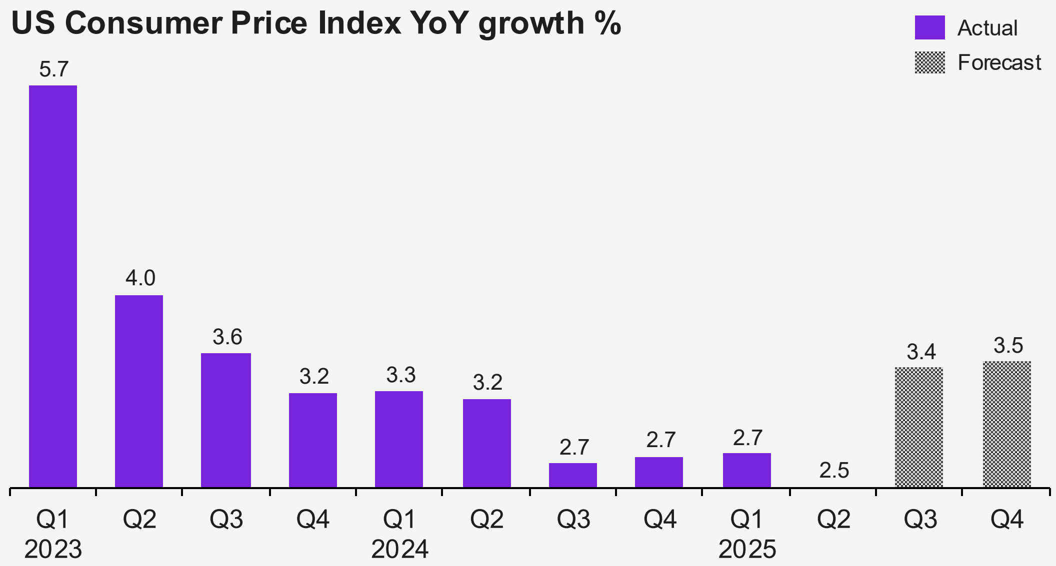
Fuel costs have declined from 2024 levels, hovering in the $3.50–$3.60 per gallon range in 2025.



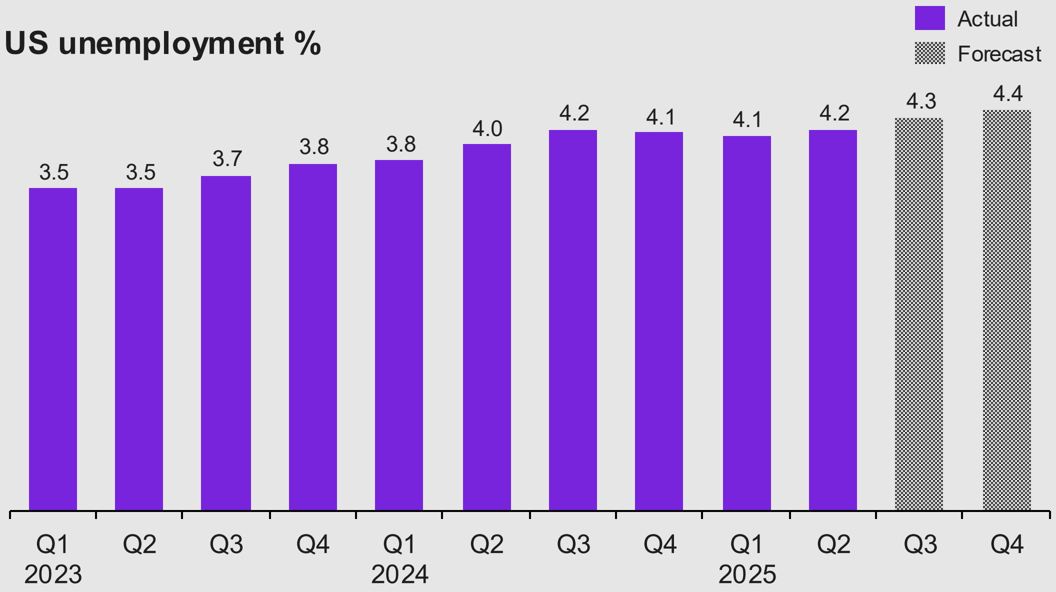
Sources: Oxford, Institute of Supply Management, University of Michigan, EIA; Kearney analysis

These headwinds are projected to drive inflation higher and increase unemployment in the second half

Inflation is expected to rise to 3.5% by the end of 2025, due to increased import prices stemming from higher tariffs.

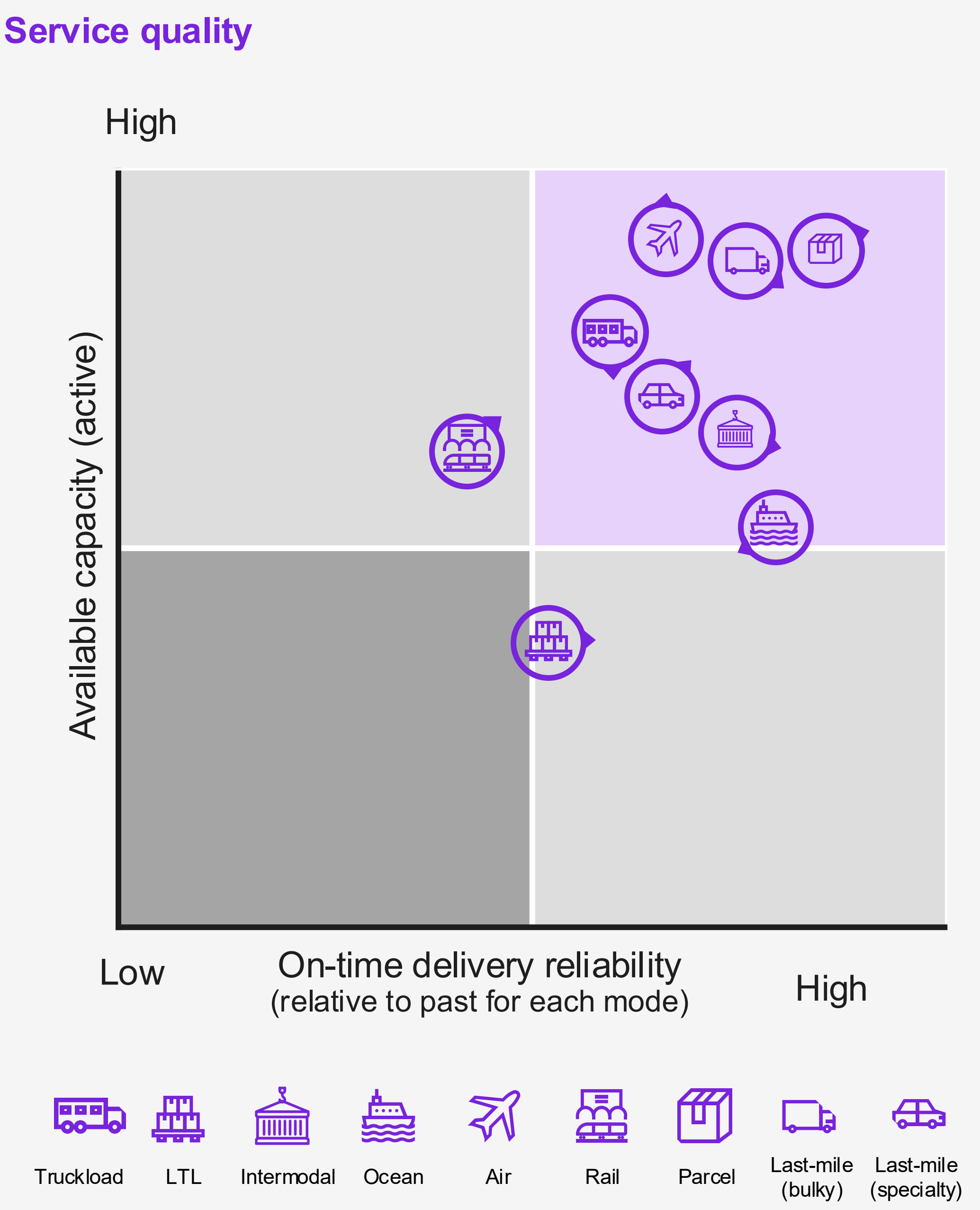


Unemployment is expected to rise to 4.4% by the end of 2025 as economic growth weakens.



Sources: Oxford Economics; Kearney analysis

Freight markets reflect uneven recovery with less-than-truckload showing stability while truckload and ocean remain under pressure



Sources: Drewry; Kearney analysis

- **LTL** remains healthy despite modest rate increases of 2–3%. Pricing and volume growth are expected to be slow unless truckload demand rises, which could shift shipments to LTL.
- **Truckload** rates face seasonal pressure, while tariff-driven demand declines and falling trailer and tractor orders signal future capacity risks.
- **Ocean** freight is challenged by evolving tariff policies and carriers' alliances, creating capacity fluctuations across major trade lanes.
- **Air** freight capacity expanded modestly, up 2% YoY as of May 2025, with 3.3% ACTK growth over the first five months. CLF edged up by 0.1 percentage point compared to May 2024, indicating stable utilization.
- **Parcel** volumes show strong growth momentum: UPS volumes increased 6.6% YoY, while FedEx ground volumes rose 6.1%.

Truckload

Truckload rates continue to decline through Q2 due to surplus capacity and reduced demand

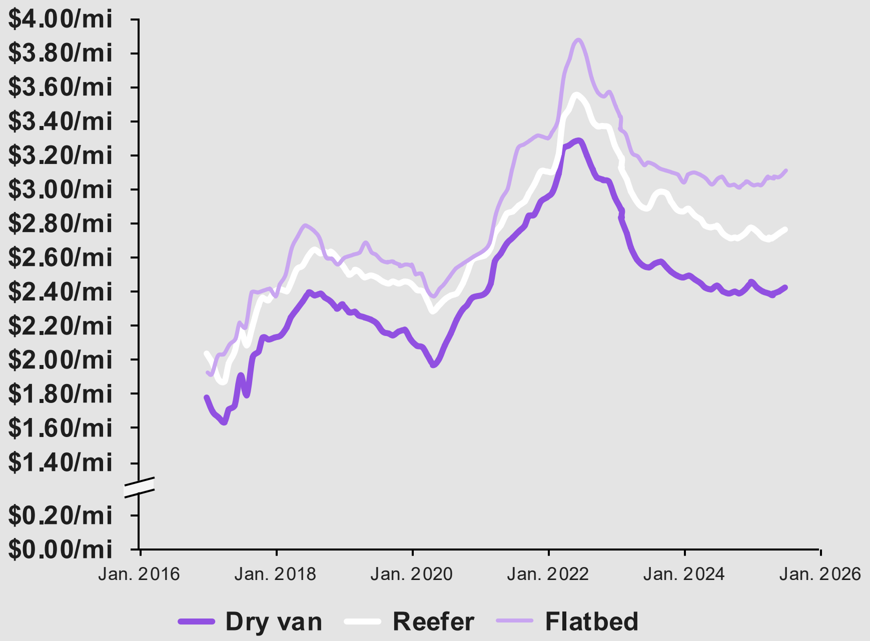
Shipper sentiment (July)
Morgan Stanley

Now

Three months from now

Truckload contract rates (July 2025)

DAT (includes fuel)

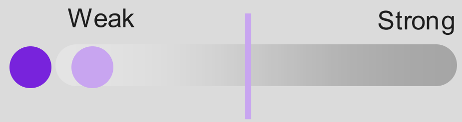


	Current $/mile	vs. Last month	vs. Last year	vs. 2023
Van	2.42	0.8%	-0.4%	-4.0%
Reefer	2.76	0.7%	-0.7%	-4.5%
Flatbed	3.11	1.3%	0.6%	-1.0%

Source: Kearney analysis

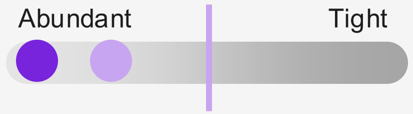
Demand

- The Cass Truckload Linehaul Index rose slightly by 0.6% YoY, despite a 0.8% drop MoM.
- Freight demand faces pressure from destocking after tariff-related inventory buildup, along with reduced consumer spending and manufacturing activity.



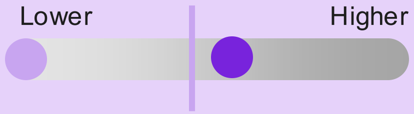
Capacity

– DAT van load-to-truck is up 7.5% MoM in July and 34.9% YoY, showing signs of rebalancing between capacity and demand.
– Overall, the market persists in having supply levels that exceed the demand for freight volume.



Rate trends

– On a MoM basis, Cass Inferred Freight Rates™ fell 2.2% in July (1.6% SA), returning to the lows of February and March.
– Based on the normal seasonal pattern, the YoY decline in the August index will be similar to July.



Truckload

Freight activity remains muted as seasonal shifts drive modest spot rate gains amid persistent overcapacity

While seasonal spikes may occur, lasting increases in demand have not been observed

Monthly shipment index (May)
Cass

1.054
Cass Freight Index – shipments

-0.4%	-4.0%	-9.6%
vs. Last month (Apr 2025)	vs. Last year (May 2024)	vs. 2023 (May 2023)

- Trade war effects are materializing with pre-tariff consumer spending still supporting demand, but May data reveals a shift from inventory stocking to destocking, which may reduce freight volumes ahead.
- Fleet investment has collapsed with dry van trailer orders plummeting 47% YoY and 71% MoM in May, while sleeper tractor orders fell sharply, reflecting carrier caution.

Capacity fluctuates with seasonality but remains at a surplus

Load-to-truck ratio (June)
DAT

	Current	vs. Last month	vs. Last year	vs. 2023
Van	**4.72**	7.5%	0.0%	34.9%
Reefer	**10.3**	-3.5%	46.5%	88.6%
Flatbed	**24.77**	-23.2%	69.1%	86.4%

- The market remains oversupplied, providing shippers with abundant capacity options. Although carrier exits may restore balance by early 2026, long-term trends show persistent net carrier growth driven by inflationary pressures and broader economic expansion.
- Current load-to-truck ratios show tighter capacity across all equipment types compared to prior years, reflecting seasonal demand patterns.

Spot rates make limited gains, as contract rates continue to remain higher

Spot rates (July)
DAT ($/mile , excludes fuel)

	Current	vs. Last month	vs. Last year	vs. 2023
Van	**2.08**	3.0%	1.0%	1.0%
Reefer	**2.46**	3.8%	0.8%	1.2%
Flatbed	**2.59**	0.8%	4.4%	2.8%

- Seasonal changes in Q2 2025 are driving a short-term increase in spot rates between late May and early June, particularly in Southern regions such as Florida, California, Texas, and Arizona, whereas Northern markets continue to experience softer rates.
- Morgan Stanley projects that by July 2025, spot rates will climb to $1.81 per mile within six months and reach $1.83 in 12 months, with potential fluctuations ranging from $1.45 to $2.27 due to market volatility.

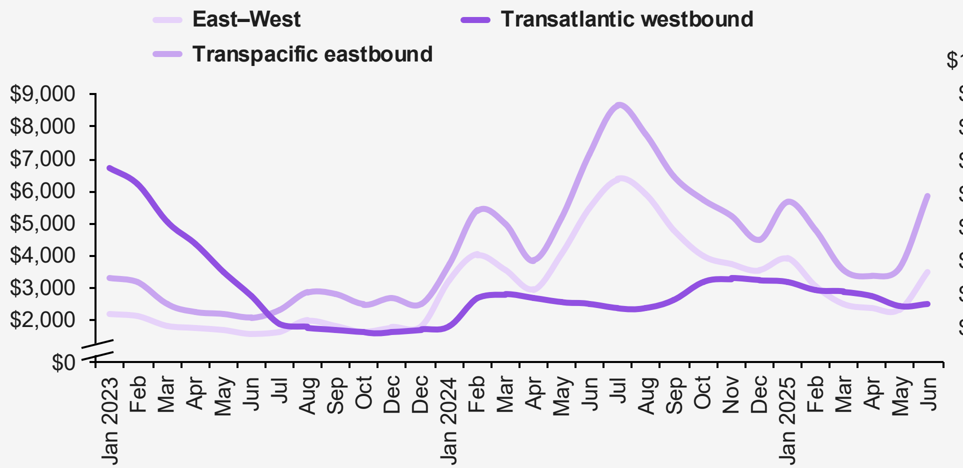
Source: Kearney analysis

Ocean

Rates for East-West and transpacific eastbound routes have risen notably after a tariff pause but are likely to decline in the coming months

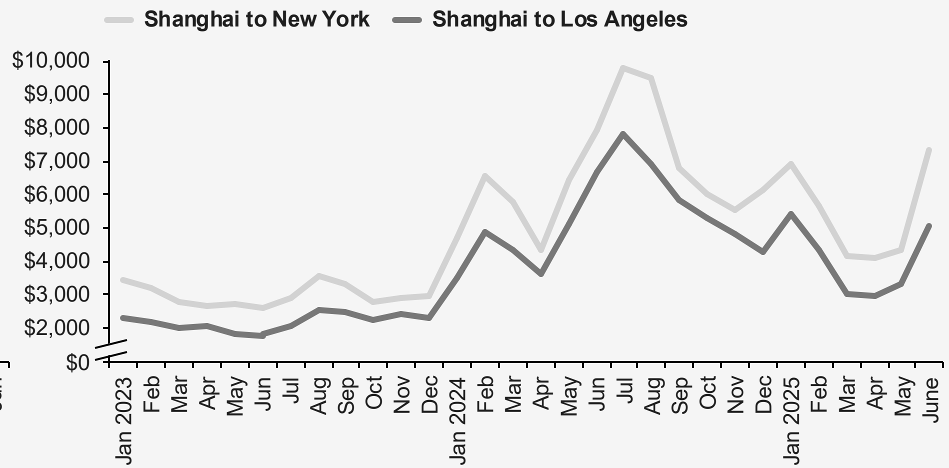
Ocean spot rates

Drewry East-West Freight Index (June 2025)
US$/40-ft container



	Current	vs. Last month
East-West	$3,474	51.0%
Transpacific eastbound	$5,791	61.0%
Transatlantic westbound	$2,464	2.0%

Container rates for select trade lanes (June 2025)
US$/40-ft container



	Current	vs. Last month
Shanghai to New York	$9,765	53.0%
Shanghai to Los Angeles	$7,799	54.0%

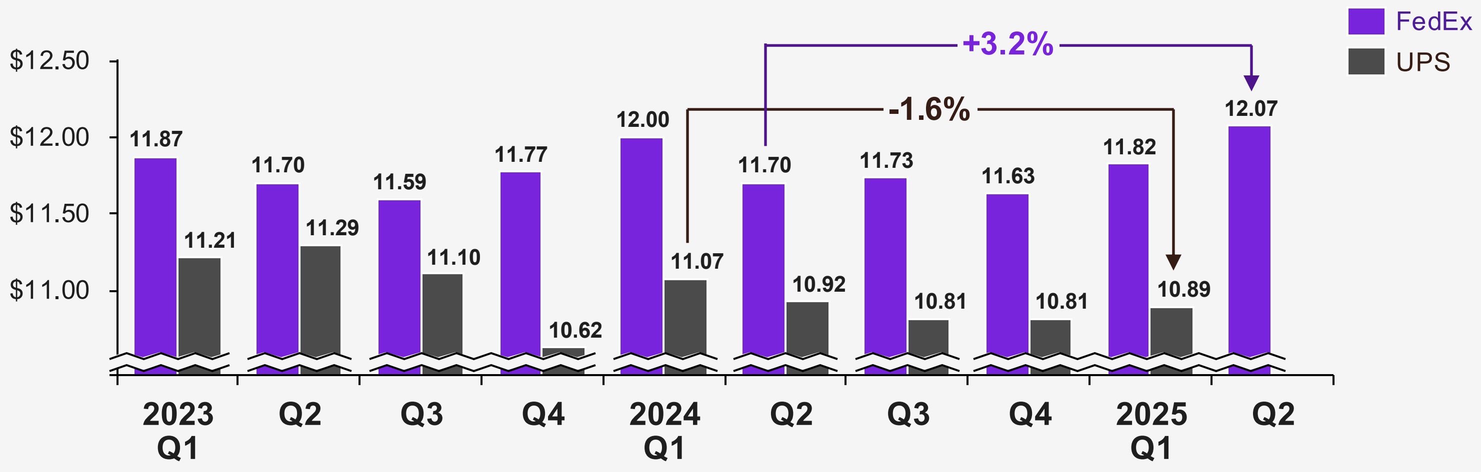
- Container rates surged on East-West and transpacific eastbound routes following the US tariff suspension on China, which drove significant cargo demand increases. However, rates are expected to decline in July as the tariff-driven import surge subsides.
- Transatlantic westbound rates posted modest gains, while North America-to-China cargo volumes continued their downward trajectory with Q1 2025 shipments falling 9% YoY, extending the persistent decline.
- Shanghai-to-US rates (New York and Los Angeles) spiked dramatically during May–June due to tariff relief and cargo frontloading, then retreated sharply as demand returned to normalized levels.

Sources: Drewry research; Kearney analysis

Parcel

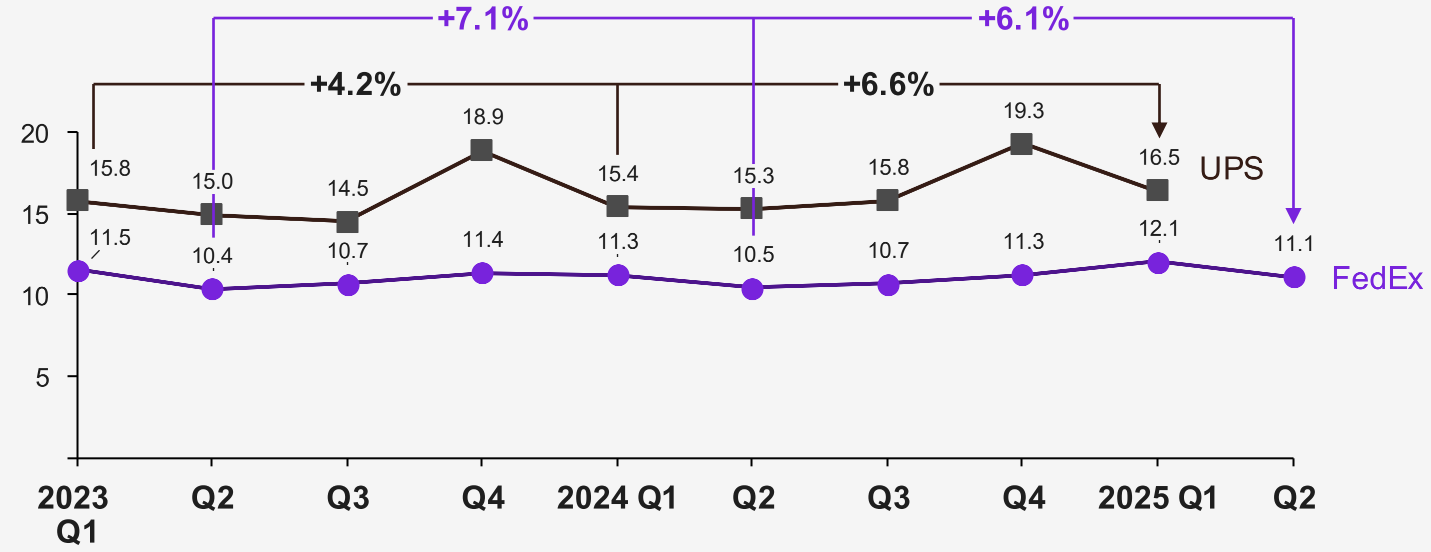
Parcel volumes continue to rise into Q2 2025, with FedEx increasing revenue per piece, while UPS faces a decline despite higher fuel surcharges

Parcel ground – average revenue per package



- Average ground revenue per piece increased 3.2% for FedEx in Q2 2025 versus Q2 2024 and decreased by 1.6% for UPS in Q1 2025 versus Q1 2024.
- UPS fuel surcharge (ground) average was 19.5% in June vs. 15.6% last year.

Parcel ground – average daily package volume (millions)



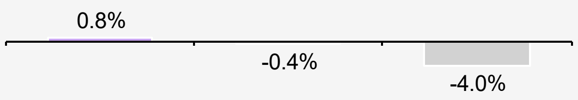
- UPS ground volumes increased 6.6% versus Q1 2024 and increased 4.2% versus Q1 2023.
- FedEx ground volumes increased 6.1% versus Q2 2024 and increased 7.1% versus Q2 2023.

Sources: UPS and FedEx historical financial operating statistics (FY UPS = CY; FY FDX Q1 = June–August; quarterly mapping = UPS FYQ1 ~= FDX FYQ3; Kearney analysis

Truckload shows early signs of seasonal firming, LTL pricing remains resilient and elevated, and intermodal navigates excess capacity

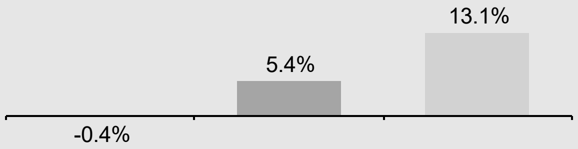
Truckload

Van contract rates (July)
DAT



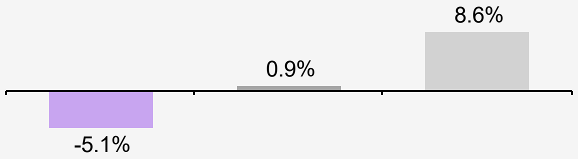
LTL

Long-distance LTL PPI (May)
US Bureau of Labor Statistics



Intermodal

Intermodal volume (May)
AAR



vs. Last month
vs. Last year
vs. LLY

Market

Truckload

- Manufacturing continues to contract, with the PMI falling to 48.5 in May, marking the third consecutive monthly decline driven primarily by recent tariffs.
- Spot rates and tender rejections rose late May following a soft quarter start; seasonality remains the primary driver.

LTL

- The LTL industry maintains stability with consistent pricing (GRIs are expected to be below 5%).
- Carriers anticipate economic acceleration from Q2 through Q4.

Intermodal

- West Coast volumes grew modestly in late June but underperformed expectations due to low inventory levels and cautious import behavior from shippers.
- Committed pricing shows regional disparity, with double-digit increases on select West Coast lanes while other regions maintain steady 2-5% YoY growth.
- Spot pricing is expected to climb gradually into peak season (Aug-Nov).

Optimization

Truckload

- Prioritize incumbents in RFPs and establish low-volume and backup carrier strategies.

LTL

- Renew relationships with strong incumbents while strategically supplementing with niche regional or low-cost carriers to optimize service levels and cost structure.

Intermodal

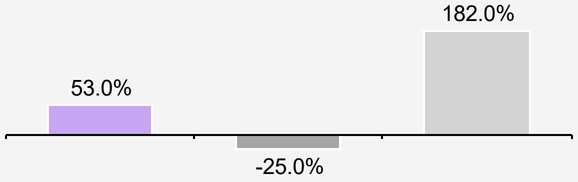
- Engage carriers with flexible capacity and regional strength, especially for West Coast lanes.
- Secure committed pricing early to avoid peak season surcharges and prioritize partners that offer schedule flexibility (e.g., early-week moves) to lower costs.

Source: Kearney analysis

With the suspension of tariffs, rates across different modes increased in May and June; shippers must monitor pricing closely

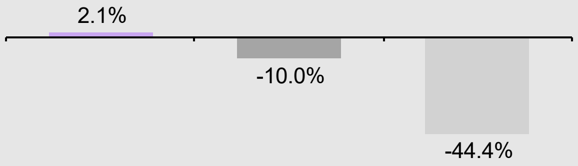
Ocean

Container 40' freight rates – Shanghai to Los Angeles (June)
Drewry



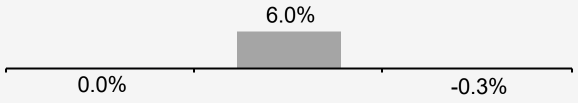
Air freight

Air freight average rates – global ($/kg, Mar)
IATA



Rail

Railroad carloads – US (July)
AAR



Market

Ocean

- Port of LA handled 892K TEUs, up 8% YoY with June setting a record.
- Surge driven by accumulated bookings and restocking ahead of tariff adjustments.
- Rates expected to stabilize as tariff-related demand normalizes.

Air freight

- Demand growth moderated in May 2025, up 2.2% YoY and 5.8% MoM.
- Asia Pacific led growth at 8.2% YoY; North America declined post-tariff increases.
- Jet fuel prices fell 18.8% YoY, down 4.3% MoM in May 2025.

Rail

- BNSF Q1 revenue rose 1% YoY on 4% volume growth and core pricing gains.
- Rail intermodal traffic up, led by international growth via West Coast ports. JB Hunt grew East Coast domestic volumes by 13%, mainly with partner Norfolk Southern.
- NS and BNSF improved dwell and velocity metrics through operational focus.
- There was a major development as Union Pacific proposed acquiring Norfolk Southern, potentially reshaping the highly consolidated industry.

Optimization

Ocean

- Conduct mini-bids quarterly to capitalize on market shifts under favorable conditions.
- Maintain multi-carrier strategy across alliances to mitigate disruption and gain negotiation leverage.

Air freight

- Prioritize Asia Pacific outbound lanes where demand is stable.
- Negotiate 3- to 6-month rate holds where pricing is attractive.

Rail

- Establish explicit service-level objectives with penalties tied to performance.
- Evaluate volume discounts or tiered pricing for traffic composition challenges.

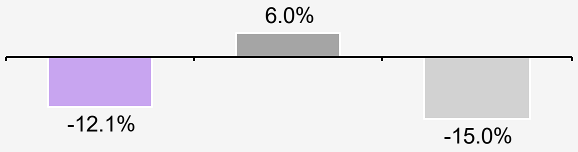
vs. Last month
vs. Last year
vs. LLY

Sources: Ti Insight, DHL; Kearney analysis

Parcel indexes reflect moderate YoY volume recovery in Q2 2024, as carriers shift focus to efficiency gains and service integration

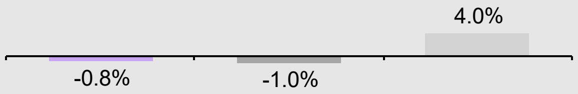
Parcel

UPS and FedEx (domestic), most recent reported quarter (Mar/May)
UPS and FedEx quarterly filings



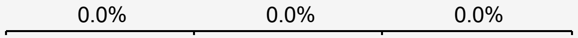
Last-mile (bulky)

General freight trucking, local primary PPI – US (June)
Federal Reserve economic data



Last-mile (specialty)

Local messengers and delivery services PPI – US (June)
Federal Reserve economic data



vs. Last month
vs. Last year
vs. 2022

Market

Parcel

- UPS ground volumes down 2.5% vs Q1 2024; FedEx is advancing Network 2.0, merging express and ground to boost efficiency, and streamline pickup.
- FedEx ground revenue per piece up 3.2% Q2 2025 vs. 2024; UPS down 1.6%.
- According to Pitney Bowes, USPS handled 6.9 billion parcels in 2024, up 15.8% vs. UPS (4.7B) and FedEx (3.7B).
- OnTrac has grown significantly to be the third national parcel carrier covering ~85% of the US population.

Last-mile (bulky)

- JB Hunt's final mile services (FMS) down 10% Q2 2025; operating income down 4% on higher costs.
- RXO achieved 24% YoY last mile stops growth (i.e., more deliveries, growing market share) with 53% revenue increase in Q1 2025.

Last-mile (specialty)

- DoorDash orders up 18% YoY in Q1 2025 with double-digit MAU growth, through enhanced personalization, category expansion, and platform quality improvements.
- Aramex partnered with Shipsy in Q2 2025 for AI-powered routing, time-slot accuracy, and workforce optimization.

Optimization

Parcel

- Partner with carriers based on delivery speed, reliability, and fit-for-purpose service specialization.
- Support end-to-end visibility, returns, and omnichannel fulfillment with adaptable parcel platforms.

Last-mile (bulky)

- Control damages and fleet utilization; adapt routing for low-density, high-cost delivery patterns.
- Coordinate delivery teams closely with appointment windows for service reliability.

Last-mile (specialty)

- Deploy agile, tech-enabled execution for same/next-day delivery expectations.

Notes: MAU is monthly active users, *market share by revenue
Sources: company financials, Kearney analysis

Canada

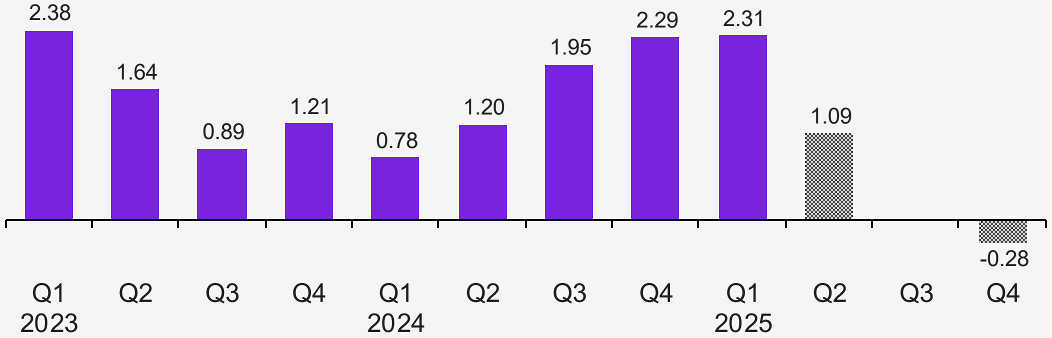
Tariffs imposed by the US are anticipated to adversely impact Canada's economy

Actual
Forecast

Macroeconomic trends

GDP is projected to experience a notable decrease, influenced by the expected effects of tariffs.

Real GDP (% change per year)

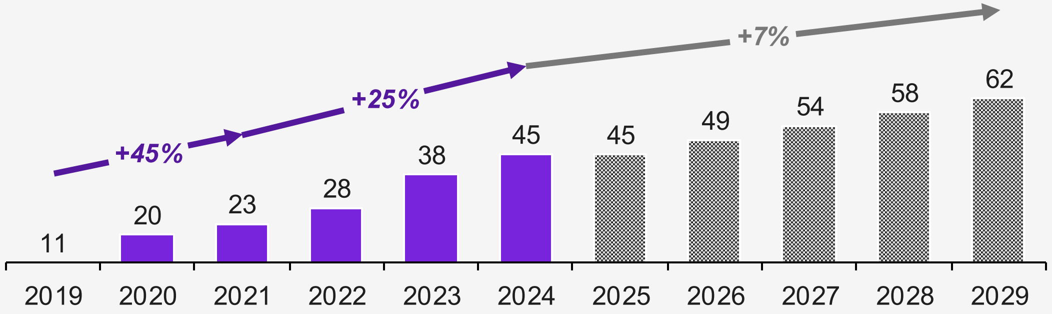


Inflation is anticipated to increase, largely due to price inflation resulting from retaliatory tariffs imposed by Canada on the US.

Consumer Price Index YoY growth %

E-commerce, the largest demand driver, is projecting continued growth driven by smartphone shopping and BNPL (buy now, pay later) schemes.

E-commerce market size (USD billions)



Sources: Oxford Economics, Bank of Canada, Euromonitor; Kearney analysis

Canada

Canadian trucking faces rising rates, cross-border volatility, and margin pressures

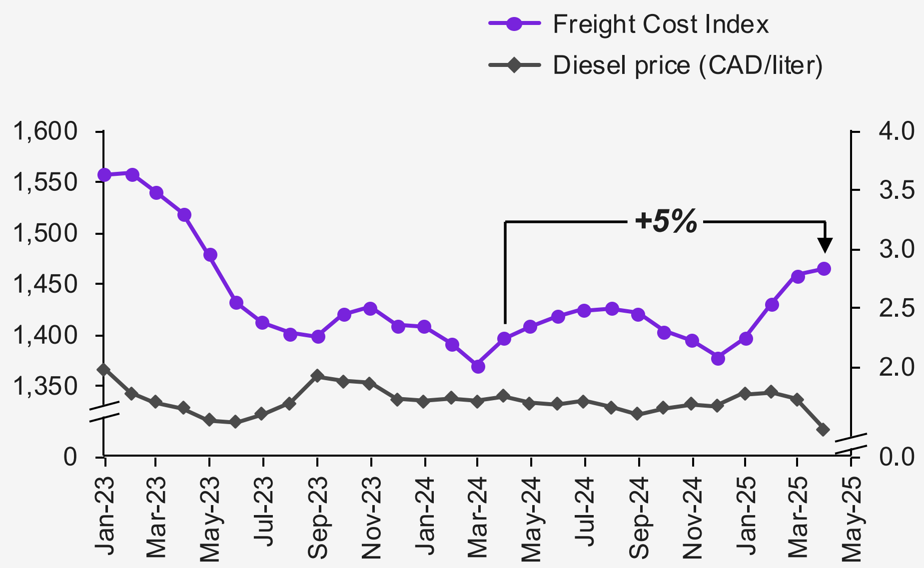
Market overview – Road

Recent developments

- Canadian **trucking rates** have seen a steady rise YTD primarily due to lower truck-to-load ratios driven by steady **demand** and **tightening capacity.**
- **Fuel surcharge**, which constitutes 25-30% of trucking base rates, has seen a recent decline due to **removal of the federal carbon tax** and **drop in global oil prices.**
- **Cross-border** trucking volumes have been significantly affected by **trade disruptions** and uncertainties leading to **decreased demand** for goods on both sides of the border.
- A sustained drop in cross-border volumes could **flood the domestic market** with excess capacity, forcing Canadian trucking firms into a **prolonged period of margin pressure and attrition.**
- The trucking **labor market is showing signs of growth** with job vacancies for truck drivers at 3.5% in Q1 2025, which is 24% lower than Q1 2024.
- Canadian shippers should **diversify carriers** to mitigate risks from attrition, and **monitor market signals closely**, especially cross-border trends, to anticipate shifts in capacity and pricing.

Sources: CGFI, Natural Resources Canada, BTS, Trucking HR Canada; Kearney analysis

Canada Truck Rates Index



CA-US cross-border freight flow via trucking

(USD billions)

Mexico

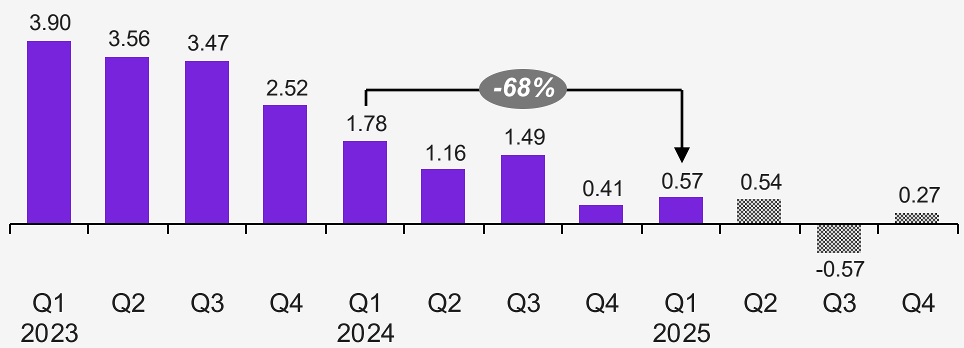
GDP annual growth is projected at just ~0.1% given low consumer confidence and uncertainty over US tariffs

Actual
Forecast

Macroeconomic trends

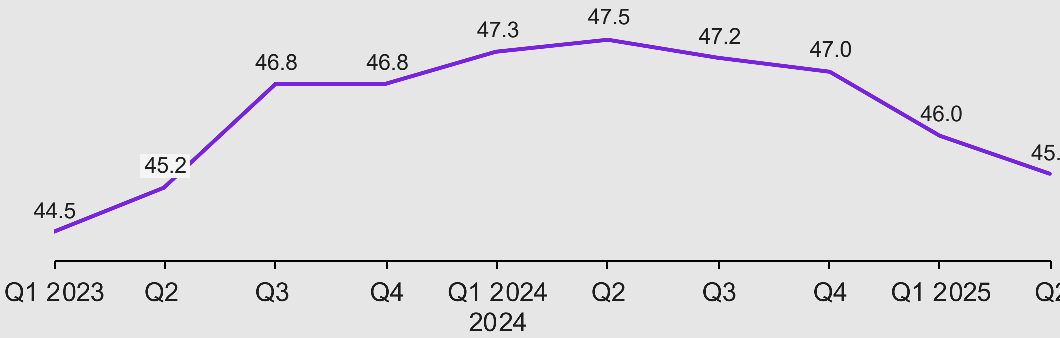
GDP growth outlook has been revised downward, reflecting concerns over US tariffs uncertainty, declining consumption, and reduced investment.

Real GDP (% change per year)



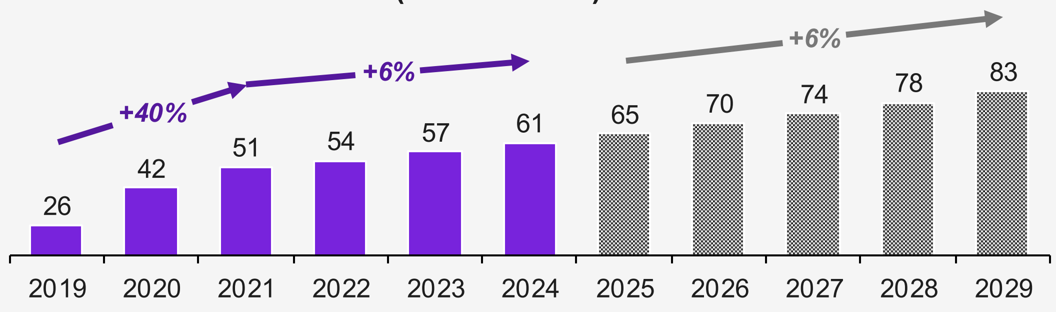
Consumer sentiment remains negative, driven by trade uncertainty, recession fears, and elevated inflation.

Mexico Consumer Sentiment Index



E-commerce market size continues to grow, though at lower pace than during the pandemic, with this trend expected to continue over the next 5 years.

E-commerce market size (USD billions)



Sources: Oxford, Euromonitor; Kearney analysis

Mexico

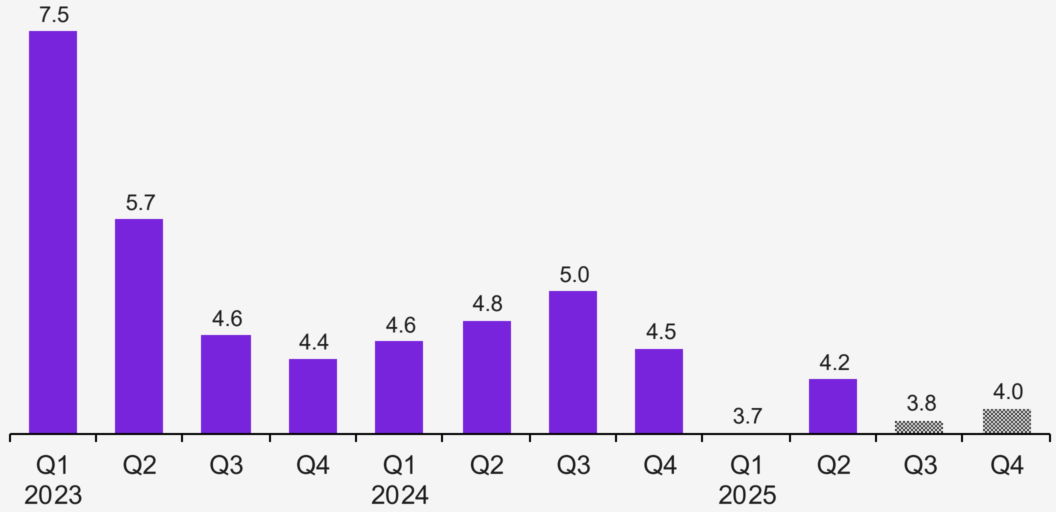
Inflation is expected to remain about 4% for the rest of 2025 while the unemployment rate rises toward the end of the year

Actual
Forecast

Macroeconomic trends

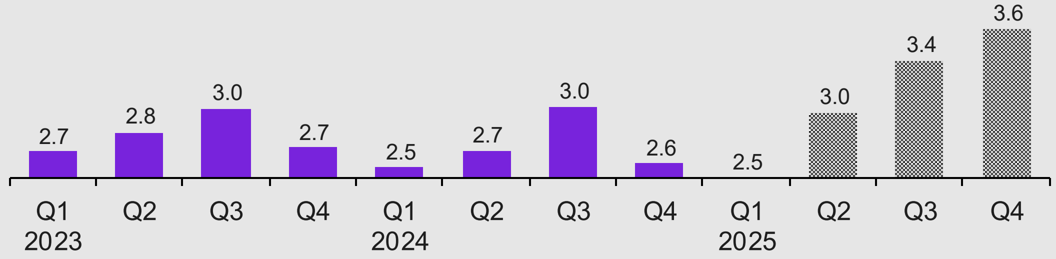
Inflation rates are expected to stay above the central bank's target of 3%, due to ongoing elevated food inflation and increasing fuel and housing costs.

Mexico Consumer Price Index YoY growth %



Unemployment rates are expected to rise in the second half of the year as economic growth slows down.

Mexico unemployment %



Sources: Oxford Economics; Kearney analysis

Mexico

The transportation outlook is being impacted by tariff uncertainties, but geographic benefits from nearshoring and growth of local demand continue to drive opportunties in the sector

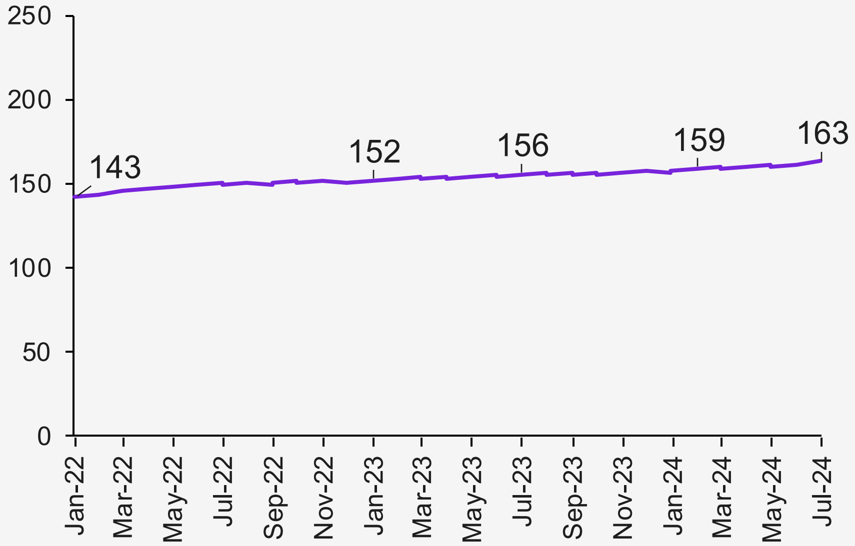
Market overview – Road

Recent developments

- **Cross-border exports freight flow via trucking saw a decrease** of ~5% in May 2025 vs. the previous year, creating excess capacity from cross-border carriers, **intensifying competition while lowering spot rates.**
- Despite **tariff risks and global economic uncertainties**, **nearshoring** manufacturing in Mexico remains a resilient and growing trend, **driving demand for freight services.**
- The development of the **Interoceanic Corridor (CIIT)** establishes a major rail link between Atlantic and Pacific oceans, with the expectation to be fully completed by mid-2026, offering an **alternative to the Panama Canal to global shippers.**[1]
- The e-commerce industry continues to represent the **major driver in the LTL trucking market in Mexico,** representing USD ~40 billion in 2024 and a 12% projected CAGR by 2030.
- **Major challenges in the sector are continuing, with fuel price increase in the coming years** and a persistent and **significant driver shortage,** which could be worsened by insecurity and stricter cross-border rules.

[1] CIIT is Interoceanic Corridor of the Isthmus of Tehuantepec.
Sources: BTS, Fred, Euromonitor, Mordor Intelligence, press articles; Kearney analysis

Mexico Consumer Price Index: transport



US-Mexico cross-border freight flow via trucking
(USD billions)

Europe

Road freight faces pressure from rising costs, weak demand, and worsening driver shortage

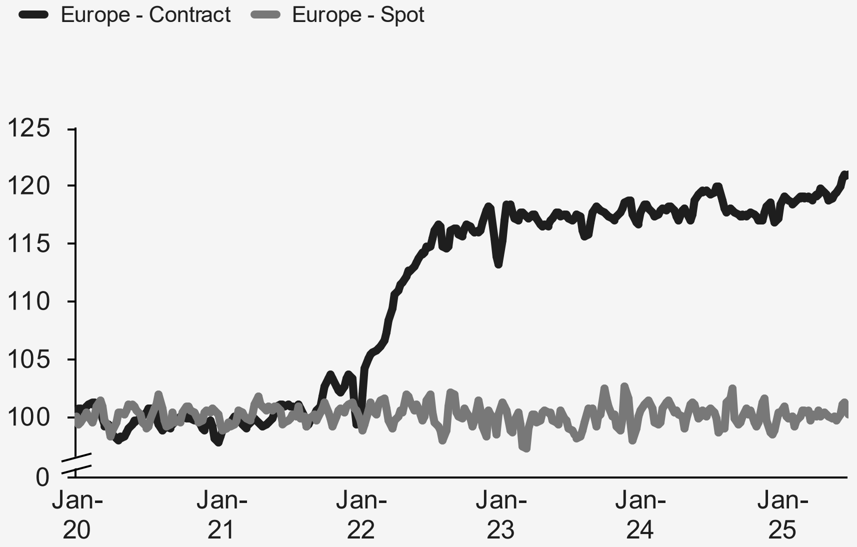
Market overview – Road

Recent developments

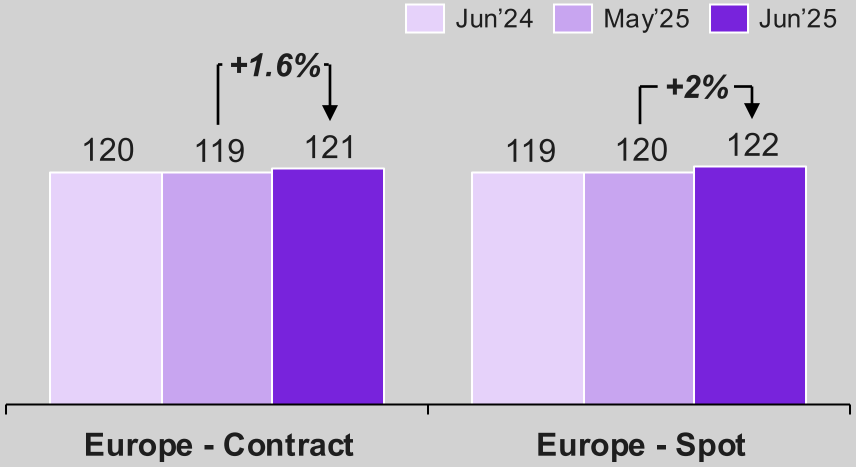
- **Demand recovery appears uncertain**: In Q2 2025, spot and contract rates experienced a minor uptick, driven by a modest rise in demand.
- **Driver shortage worsens**: The crisis regarding driver shortages is intensifying, with unfilled roles anticipated to surpass 60% by 2026. This persistent challenge is limiting capacity and may lead to increased costs if demand picks up, underscoring the importance of recruitment and retention strategies.
- **Operational expenses and regulatory challenges rise**: Increasing tolls, insurance premiums, and compliance costs—particularly those associated with new environmental regulations—are constraining profit margins. While operators are transferring some expenses to shippers, competitive dynamics restrict their ability to adjust pricing.
- **Rate expectations remain dismal**: Despite rising input costs, the overall market continues to be weak, with rates likely to remain stagnant or decline further unless there is a significant surge in fuel prices.

Sources: Upply, press articles; Kearney analysis

Road freight rates on selected routes
(Index, base=01-2020)



Road freight rates on major regions
(Index, base=01-2020)



Europe

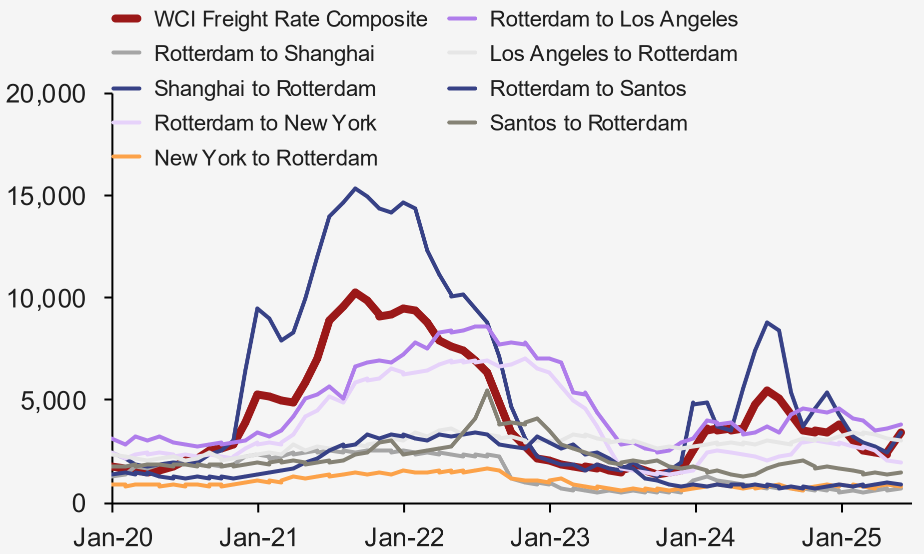
Challenging quarter for European ocean freight—rates soared, ports jammed, and demand stayed fragile as disruptions persisted

Recent developments

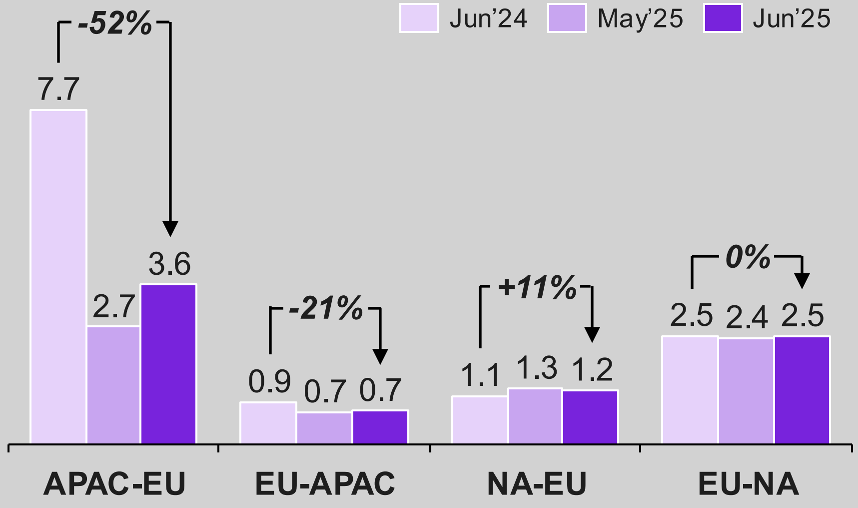
- **Surge in ocean freight rates**: Spot rates on Asia–Europe lanes surged over 36% MoM, due to aggressive pricing adopted by carriers. However, rates continue to remain lower YoY.
- **Intensified port congestion in Northern Europe**: Waiting times at major ports like Rotterdam, Antwerp, and Hamburg peaked at 48–80 hours, driven by summer demand, labor strikes, technical constraints, and shifting alliance schedules.
- **Demand remains tepid despite temporary spikes:** European demand remains subdued due to weak manufacturing output and cautious consumer sentiment. Temporary demand spikes—such as those triggered by trade policy shifts or restocking—have not reversed the broader trend of weak growth.
- **Sustainability and regulatory compliance**: The EU's Fuel EU Maritime Regulation and the expanded Emissions Trading System require carriers to reduce greenhouse gas intensity by 2% in 2025 and purchase allowances for 70% of reported emissions. These rules are driving up compliance costs.

Sources: Drewry, press articles; Kearney analysis

Container rates on selected routes
(US$ per FEU)



Container rates on major corridors
(kUS$ per FEU, all-in rates)



Market overview – Ocean

Europe

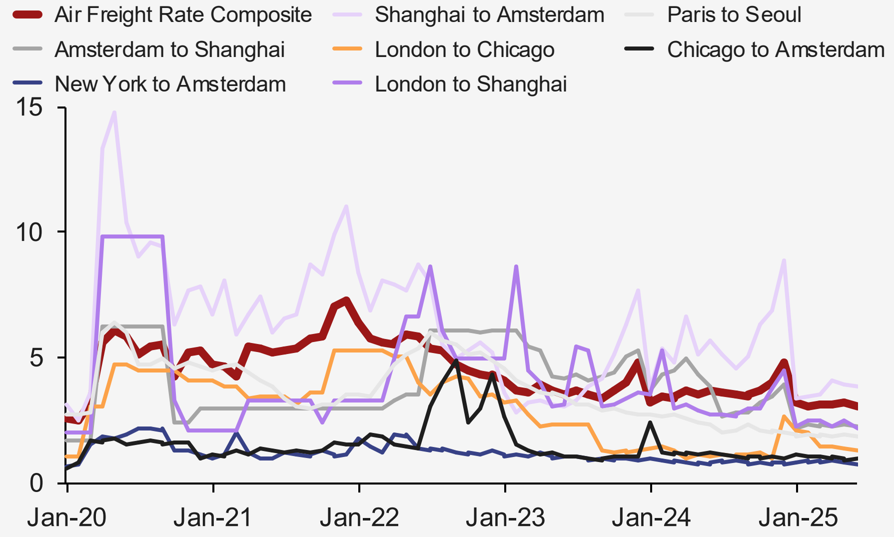
Rates: In Q2 2025, all primary routes experienced a decrease due to surplus cargo capacity

Recent developments

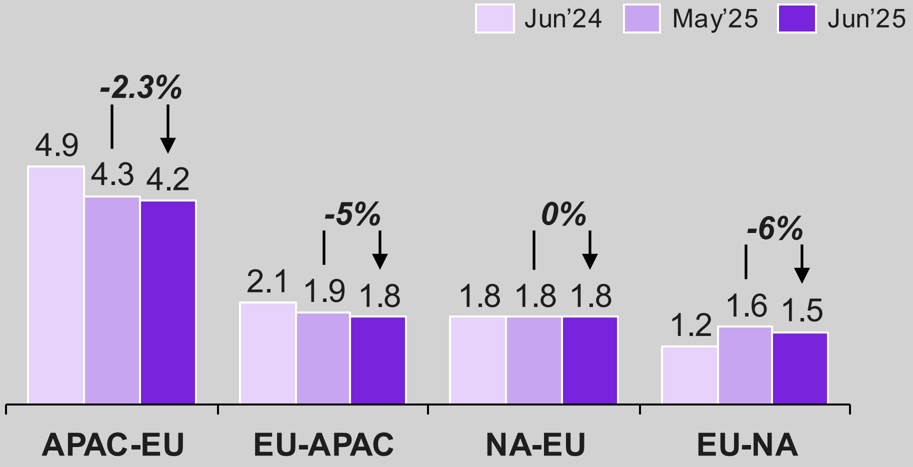
- **Air freight rates continue downward trajectory:** In Q2 2025, air freight rates on major Europe-related corridors declined steadily. The APAC–EU corridor saw rates fall from $4.9/kg in June 2024 to $4.2/kg in June 2025, a 2.3% YoY decrease.
- **Rate declines broad-based across corridor:** Rates across all major corridors—APAC–EU, EU–APAC, NA–EU, and EU–NA—experienced either flat or negative rate growth over the past year (*see top-right graphic*).
- **Volatility persists on key routes:** The upper chart highlights significant volatility in air freight rates on selected routes since 2020, with sharp spikes during pandemic disruptions followed by a gradual normalization. By mid-2025, rates have largely stabilized at pre-pandemic levels.
- **Capacity growth outpaces demand:** The sustained decline in rates is primarily driven by increased available capacity, as airlines restore passenger belly space and add freighter services. This has outpaced the modest recovery in demand, especially on Asia–Europe and intra-European routes.

Sources: IATA, Drewry, press articles; Kearney analysis

Air freight rates on selected routes
(US$ per kg, all-in rates)



Air freight rates on major corridors
(US$ per kg, all-in rates)



These are the top 5 areas we think are winners for shippers in this market. It's worth a conversation to do a deeper dive.

Coming up: agentic Ai is revolutionizing logistics procurement work content... for the better!

Road, ocean, air sourcing

Take advantage of the improving market rates and excess capacity in market to negotiate better rates via multi-round RFP process. We are seeing 10-20% savings via our collaborative optimization process across clients.

Inbound terms conversion

Leverage the favoring freight market condition to bring down the hidden inflation in your purchased goods and materials. There are dramatic short-term wins to be had with relatively low effort.

Freight forwarder rate and relationship restructuring

Kearney surveyed and worked with shippers and found that shippers were largely dissatisfied with the service, cost, and visibility performance brought by their forwarders. Source and partner better with forwarders so they up their game.

ESG improvement

Dropping rates and excess capacity in market make it the right time to think beyond cost in supply chain and improve carbon footprint while solving for cost and efficiency. Logistics sourcing and optimization yields ESG benefits that shippers can take credit for.

Market monitor and spot buy desk

Increase your freight market trends insight; get logistics procurement capabilities more agile in down and up markets so you drive rate outcomes rather than react to them. Logistics teams have the answers and the actions to win instead of reacting to suppliers and the press.

In this shippers' market, Kearney can help you source, optimize, and hit ESG targets with our proven approaches

Collaborative optimization

Use advanced analytical tools for RFP process to model and optimize a combination of external offers and internal business requirements.

10%+

savings
third-party logistics spend

3PL sourcing/outsourcing/rationalization

Outsourcing specific logistics services to qualified partners under contract (for example, 3PL managed transportation, outsourcing warehousing function) enables reduction in overhead and flexible capacity.

3–6 Mo.

time to value

Freight procurement organization

Establish the right organization, team, and skill sets to sustain freight-sourcing benefits.

Sustainment

We can help you take an end-to-end mindset, deploy cost-takeout levers, and hit CO_2 targets

Select levers; non-exhaustive

Network and footprint optimization

Right-size distribution network to minimize total network cost while guaranteeing customer service levels.

4–15%

savings
total supply chain spend

Mode and delivery optimization

Optimize delivery frequency by customer based on level of volume to increase truck utilization and minimize total mileage.

7–16%

savings
total transportation spend

Match the right lanes with the right mode based on cost of transportation, utilization, lead time, carrier requirements, and so on. Common mode/fleet conversions include LTL to FTL, FTL to intermodal, rail to short sea, one-way FTL to dedicated, dedicated to private fleet.

6–12 Mo.

time to value

Logistics operating model optimization

Diagnostic and improvements across transportation department activities: organization, technology, load-planning, freight auditing, load execution, carrier management, BI.

Sustainment

Thank you

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