Reshaping:

Third-Party Logistics in a Decade of Structural Change
Latest 3PL Market Results and Outlook

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ABOUT ARMSTRONG & ASSOCIATES, INC.

Armstrong & Associates, Inc. (A&A), founded in 1980, is a leader in Third-Party Logistics (3PL) market research, consulting, and M&A advisory services. A&A has become an internationally recognized key resource for information and consulting in the 3PL market.

A&A's mission is to possess leading proprietary knowledge in supply chain management and market research that is not available anywhere else. Our ongoing commitment to this mission is demonstrated by the frequent citations of A&A's 3PL market research in media articles, publications, and the securities filings of publicly traded 3PL companies. Additionally, A&A's email newsletter currently has over 88,000 subscribers worldwide.

A&A's market research enhances its consulting services by providing continuously updated data for analysis. Leveraging its extensive knowledge of the third-party logistics (3PL) market and the operations of top 3PL providers, A&A has delivered strategic planning consulting to more than 50 3PL companies. Additionally, it has supported 26 completed investment transactions and offered advice to numerous organizations seeking to benchmark their current 3PL operations or outsource logistics functions.

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Introduction

In 2025, the U.S. Third-Party Logistics (3PL) market experienced significant volatility amid uncertainty over tariffs and fluctuating trade agreements. This instability led to increased demand from shippers eager to boost their inventories before higher import tariffs took effect. On a positive economic note, the U.S. Supreme Court ruled that the IEEPA tariffs were illegal, leading to the current global tariff rate stabilizing around 11%. While these tariffs still create an economic challenge, at least their predictability offers some clarity for importers.

The current tariff environment presents both risks and opportunities. As companies restructure their supply chains through nearshoring and reshoring, there is growing demand for third-party logistics services, especially on cross-border routes and in regions with increasing manufacturing investment. However, if tariffs ultimately reduce consumer purchasing power and hinder overall freight demand, it could stall the recovery trajectory.

Other factors in the macroeconomic environment include consumer sentiment, which is currently weak, but spending remains steady in the services and non-durable goods categories. However, rising gas prices, driven by the ongoing conflict with Iran, are likely to diminish consumers' purchasing power as inflation continues to grow. This situation could lead to stagflation, characterized by slow economic growth and high inflation.

Overall, all indicators suggest that the freight recession, which began late in 2022, is coming to an end. Capacity from for-hire motor carriers has decreased significantly, primarily due to smaller carriers exiting the market. Throughout 2024 and 2025, the number of operating authority revocations has exceeded the number of new entries. This trend has been driven by declining demand and rates following the highs seen in 2021 and 2022 after the COVID-19 pandemic. Rather than experiencing a rebound in demand, we are witnessing a reduction in capacity. Stricter monitoring through the FMCSA Drug and Alcohol Clearinghouse, along with more rigorous screening for Commercial Driver's Licenses (CDLs), have also worsened the ongoing driver shortage and limited the availability of new carrier capacity. Unlike in previous economic cycles, carrier capacity cannot quickly re-enter the market even as rates begin to improve.

Truckload spot market rates and tender rejections are on the rise, with Flatbed Truckload being the tightest market, driven by AI data center construction and infrastructure spending.

In warehousing, vacancy rates are stabilizing, rent growth is slowing, and tenant requirements are changing due to tariff-related adjustments in the supply chains. Following the extraordinary tightness of the market from 2021 to 2022, the market has been gradually rebalancing. Despite overall economic uncertainty, demand for warehouse space has been even-keeled. There has been a surge in demand for big-box facilities exceeding 500,000 square feet, fueled by e-commerce third-party logistics providers (3PLs), manufacturers, and increasingly, data center tenants vying for the same industrial land.

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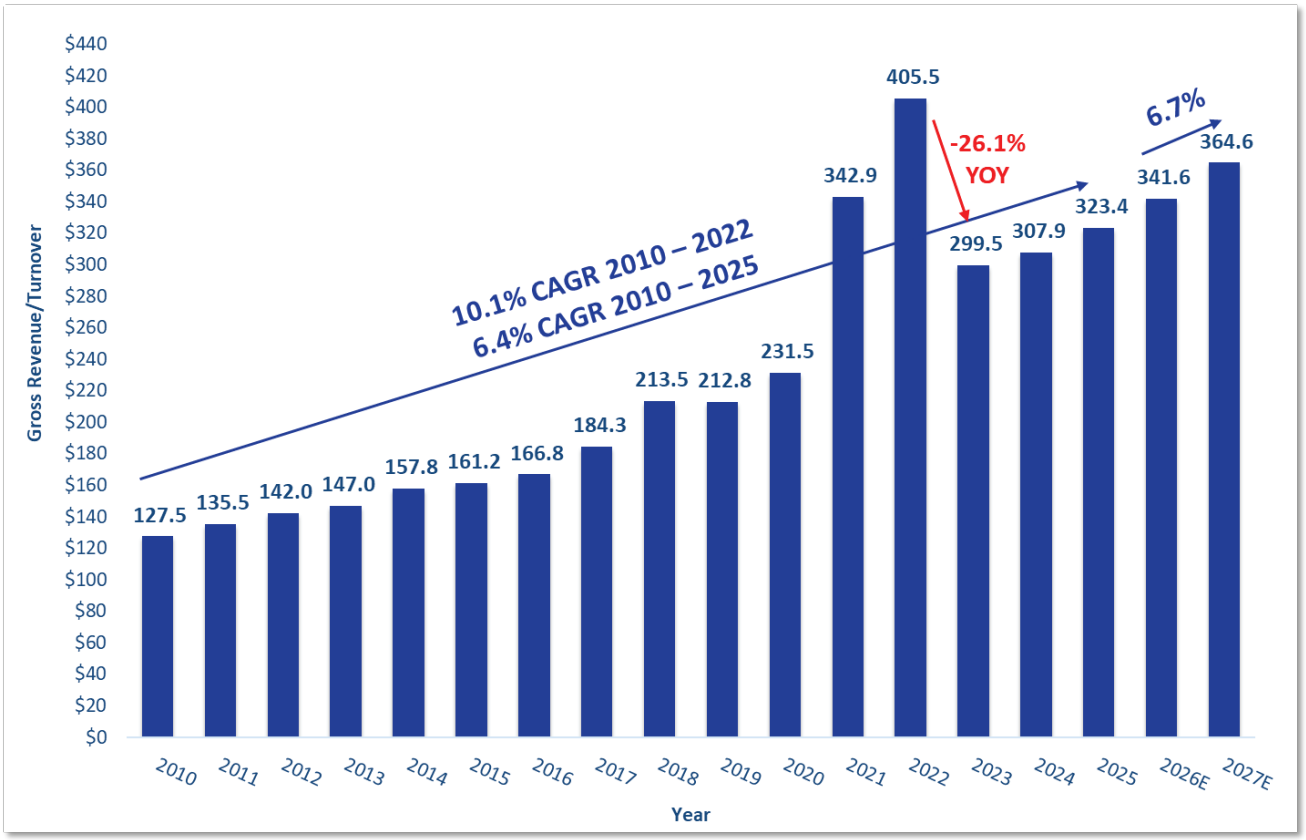
The U.S. 3PL Market

Armstrong & Associates' (A&A's) current estimates show the net revenues of the U.S. Third-Party Logistics (3PL) Market grew by 5.1%, reaching $138 billion in 2025. This follows a modest 1.8% increase in 2024. Additionally, gross revenues across all segments of the 3PL Market experienced a year-over-year (YoY) increase of 5%, which is significantly higher than the 2.8% growth seen in 2024. As a result, the total value of the U.S. 3PL Market is estimated to be $323.4 billion in 2025.

Since A&A began developing 3PL market size estimates in 1994, 2021 saw the highest year-over-year growth at 48.1%. 2000 recorded the second-highest growth at 22.9%, while 2010 ranked third at 19%.

Figure 1. U.S. 3PL Market 2010-2027E ($ Billions)



The Third-Party Logistics Market in the United States consists of four segments, with numerous third-party logistics providers (3PLs) offering services across multiple segments.

1. ***Dedicated Contract Carriage (DCC)****:* Third-party logistics providers offering dedicated contract carriage services to customers through agreements typically having one to seven-year terms. Their operations primarily focus on managing asset-based truckload transportation. 3PLs supply drivers, transportation equipment, and management personnel as part of this service.

2. ***Value-Added Warehousing and Distribution (VAWD)*****:** Third-party logistics providers offering long-term contract warehousing and distribution center management, and various value-added services. These contracts typically have terms ranging from 1 to 3 years, with some extending up to 10 years or more. VAWD does not include short-term "Public" warehousing.

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3. ***International Transportation Management (ITM)*:** Third-party logistics providers offering international air and ocean transportation management services, typically managed under contracts. These services often include freight forwarding, warehousing, container freight station operations, trade compliance, customs brokerage, and inland shipment management.

4. ***Domestic Transportation Management (DTM):*** Third-party logistics providers offering non-asset-based transportation management services, primarily focused on shipments originating from and destined for locations in North America. These services are typically performed with freight brokerage and are governed mainly by contracts. The DTM (Domestic Transportation Management) sub-segments include Freight Brokerage, Intermodal, Managed Transportation, and Last-Mile Delivery. Descriptions of the DTM sub-segments can be found here: https://www.3plogistics.com/3pl-market-info-resources/3pl-market-information/us-3pl-market-size-estimates/.

Table 1. U.S. 3PL Market Growth by Segment

3PL Segment	2025 Gross Revenue/ Turnover ($ Billions)	2025 vs. 2024 Gross Revenue (YoY %)	2025 Net Revenue ($ Billions)	2025 vs. 2024 Net Revenue (YoY %)
DTM	128.3	4.5%	19.6	3.0%
ITM	85.9	7.7%	30.4	11.0%
DCC	32.0	1.6%	32.0	2.5%
VAWD	72.7	4.4%	56.1	4.4%
Total*	318.9	5.0%	138.2	5.1%

*Total 2025 gross revenue (turnover) for the 3PL market in the U.S. is estimated at $323.4 billion. $4.5 billion is included for the contract logistics software segment.

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International Transportation Management (ITM)

International Transportation Management (ITM) was the fastest-growing segment in 2025, achieving 7.7% gross revenue growth to reach $85.9 billion. Net revenue grew 11% to $30.4 billion, resulting in a gross profit margin of 35.4%. This growth followed a 7.9% increase in gross revenue and a 2.1% decrease in net revenue in 2024. ITM includes services such as air and ocean freight forwarding, customs brokerage and compliance, warehousing, and inland transportation.

The growth in the ITM segment can be attributed to concerns about tariffs and trade wars. Importers have been eager to receive their goods before anticipated tariff increases, along with shipping uncertainties in the Red Sea and a decrease in ocean traffic through the Suez Canal. With the removal of the International Emergency Economic Powers Act (IEEPA) tariffs and stabilization at the current levels, there should be less uncertainty for shippers in 2026, leading to fewer peaks and valleys in imports. Consequently, forwarder compliance departments are expected to be less busy. However, with Trump's ongoing threats of sectoral tariffs to replace the current temporary and past unlawful IEEPA tariffs, the future remains slightly uncertain.

Global air freight capacity remains tight due to these factors; corridor-specific constraints continue to create localized tightness and reduced flexibility on key trade lanes, volatility makes demand patterns unpredictable, leading to increased capacity constraints. Freight forwarders are making operational and strategic adjustments in response to changing market conditions. They are diversifying their carrier mix and routing options, and establishing redundancy by securing multiple carrier contracts and exploring alternative trade lanes to mitigate risks, such as rerouting around the Red Sea.

As the April 8 U.S.-Iran ceasefire didn't really restore traffic, Hormuz transits stand at ~5% of pre-war volume. The Red Sea situation degraded as Houthis reignited attacks. With both Middle East chokepoints disrupted simultaneously, the impacts to 3PL include:

- Asia-Europe ocean container rates are rising again because Suez/Red Sea routing remains unsafe. Routing via the Cape of Good Hope adds 10-14 days plus fuel, another rising cost.
- With capacity tight, air freight rates on the Asia-Europe and Asia-U.S. routes are spiking.
- War-risk insurance premiums for carriers have skyrocketed above pre-war rates, and coverage is being canceled specifically for segments of the Gulf.
- Domestically, fuel is where the war is hitting hardest right now. Diesel volatility from oil price spikes is affecting U.S. line-haul fuel surcharges. Additionally, importers are shifting more volume to the West Coast (Asia-direct) than to the Suez-East Coast route, straining drayage capacity in Los Angeles/Long Beach.

3PL M&A activity around insurance/freight risk tech and air freight charter capacity is worth watching. A couple of examples of how 3PLs are responding to these impacts include:

DHL Global Forwarding recently launched an Asia-U.S. heavy-freight air service to address severe disruptions to air cargo flows. Its "TRUCKAIR" service, launched in January, provides truck-air multimodal service between China and Europe, and vice versa, at a discount to pure air. Although launched pre-war, it has now become more relevant. CEO of DHL Global Forwarding's Middle East and Africa unit, Tobias Maier, told customers that shipping through the Strait of Hormuz could take 4 to 6 months to return to normal.

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Flexport launched "Sea-Air Express," a multimodal shipping service designed to address challenges in the Asia-Europe trade lane caused by Middle East disruptions and high air freight rates. Sea-Air Express is faster than ocean (~50% faster than traditional ocean LCL), cheaper than air (up to 41% below pure air freight rates from China), and less exposed to Middle East disruptions, making it a strategic choice for Asia–Europe trade. Additionally, Flexport recently launched "Flexport Atlas," a free, interactive, browser-based map of global ocean freight networks. It allows you to see vessels moving across the oceans in real time, along with departure ports, destinations, and shipping routes. It has become a real-time source for intercepted-vessel data.

To assist customers in shifting their sourcing from China to other countries such as Mexico, Vietnam, and India, freight forwarders are rapidly expanding their networks in these new origin countries. They are implementing control tower models to centralize shipment visibility across various modes and carriers, creating real-time dashboards for proactive exception management rather than simply reacting to issues as they arise.

There is an increase in buy-side mergers and acquisitions (M&A) activity aimed at achieving greater scale and enhancing service capabilities, including geographic coverage, vertical expertise, value-added services, and technology platforms. Additionally, freight forwarders are expanding their service offerings to meet evolving customer needs. This can include:

- ***Customs and Trade Compliance Consulting*** – With the increasing complexity of tariffs, there is significant demand for consulting services, including analysis of Foreign Trade Zones (FTZs), duty drawback programs, tariff classification, and origin management.

- ***E-commerce Fulfillment*** – Many freight Forwarders have expertise in cross-border e-commerce logistics, encompassing origin consolidation, pick/pack, last-mile delivery, returns management, and other value-added services, such as destination-market labeling.

- ***Value-Added Warehousing & Distribution (VAWD)*** – Traditional freight forwarders are enhancing their warehousing capabilities to offer value-added services and provide comprehensive end-to-end logistics solutions. The key trend is that freight forwarding is evolving from merely transporting goods to effectively managing complexity. Successful forwarders are those who leverage data and expertise to create services, rather than solely competing on price.

- ***Supply Chain Finance*** – Small and medium-sized enterprises (SMEs) shipping internationally can benefit from solutions like cargo insurance, flexible payment terms, and trade finance options to address cash flow challenges.

- ***Carbon accounting and sustainability reporting services*** – Many freight forwarders can calculate emissions estimates for each shipment, offer carbon offset programs, and help customers meet their Environmental, Social, and Governance (ESG) reporting requirements.

Moreover, the digitalization of ITM 3PLs continues to separate freight forwarders that have embraced and can afford to invest in technology from those still reliant on manual processes. Approximately half of freight forwarders have automated documentation, compliance, and invoicing workflows. Large forwarders are gaining a competitive advantage from new technologies, while many small forwarders are falling behind.

Freight forwarder platforms are transitioning from simple track-and-trace portals to comprehensive, end-

to-end integrated solutions. Platforms such as Kuehne+Nagel's "myKN", Flexport, and Freightos "WebCargo" now manage rate quoting, instant booking, documentation, and shipment tracking within a single unified interface. This development replaces the previously fragmented workflows that required multiple systems and frequent communication.

Additionally, ocean carriers are improving their APIs, which is expected to trigger a digital transformation in ocean freight forwarding. This transformation will be similar to the widespread adoption of API-enabled dynamic rates and e-bookings that have already occurred in air freight.

Technology is also enabling flexible pricing through index-linked contracts, which tie freight rates to market indices rather than locking them into fixed annual agreements. This approach benefits both shippers and carriers by better reflecting real-time market conditions.

Furthermore, digital twins are becoming increasingly popular in supply chain planning. They allow companies to simulate disruption scenarios and optimize logistics network design before committing resources in the real world.

AI applications are currently the most popular area in freight forwarding technology, with forwarders eager to implement new capabilities across various key functions. Automated quoting and rate management tools are streamlining what used to be a labor-intensive, email-driven process. Predictive pricing and estimated time of arrival (ETA) engines provide both forwarders and shippers with increased confidence in costs and timing. Anomaly detection in shipment data helps teams identify issues—such as misrouted cargo, unexpected delays, and billing discrepancies—before they escalate.

AI agents and voice bots are increasingly managing routine customer inquiries, allowing operations staff to focus on exceptions and complex shipments. Automated document processing is addressing the significant paperwork involved in international shipping by extracting and validating data from bills of lading, customs forms, and invoices with minimal human intervention. Furthermore, smart route optimization now considers not just cost and transit time but also carbon emissions, highlighting the growing importance of sustainability in logistics decision-making.

Examples of technology investments being made by global freight forwarders, include:

- ***Kuehne + Nagel*** — myKN digital platform aggregates data from over 1,200 shipping lines, offers predictive ETAs, and AI-powered analytics. CEO Stefan Paul has publicly indicated significant efficiency gains expected over the next 18 months.

- ***DHL Global Forwarding*** — Continues to develop advanced air freight management systems integrating tracking, customs compliance, and automated documentation, with emphasis on time-sensitive shipments.

- ***DSV*** — "ONE DSV" integrated digital freight forwarding ecosystem focused on cargo visibility and air-capacity optimization, marking the largest integration in the history of freight forwarding.

- ***Maersk*** — OneWireless container tracking platform supporting Maersk's integrated logistics strategy.

- ***NIPPON EXPRESS*** — AI-powered load prediction software responding to Japan's shrinking workforce and pursuing autonomous logistics processes.

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The two largest U.S.-based global International Transportation Management (ITM) 3PLs by revenue painted very different pictures in 2025. While Bellevue, Washington's Expeditors grew 4.4% in gross revenue to $11.1 billion and 7.4% in net revenue to $3.7 billion, C.H. Robinson's Global Forwarding gross revenue dropped by 18.8% to $3.1 billion, and net revenue fell 7.6% to $741.9 million. C.H. Robinson saw a drop in annual international freight forwarding volumes, with ocean volume down 8.8% to 1,256,000 TEUs (20-foot containers) and air volume down 9.7% to 280,000 metric tons. Expeditor's volumes were up in both categories. In turn, C.H. Robinson continues to dominate DTM in North America and maintains its status as the largest freight broker by $4.2 billion in gross revenue.

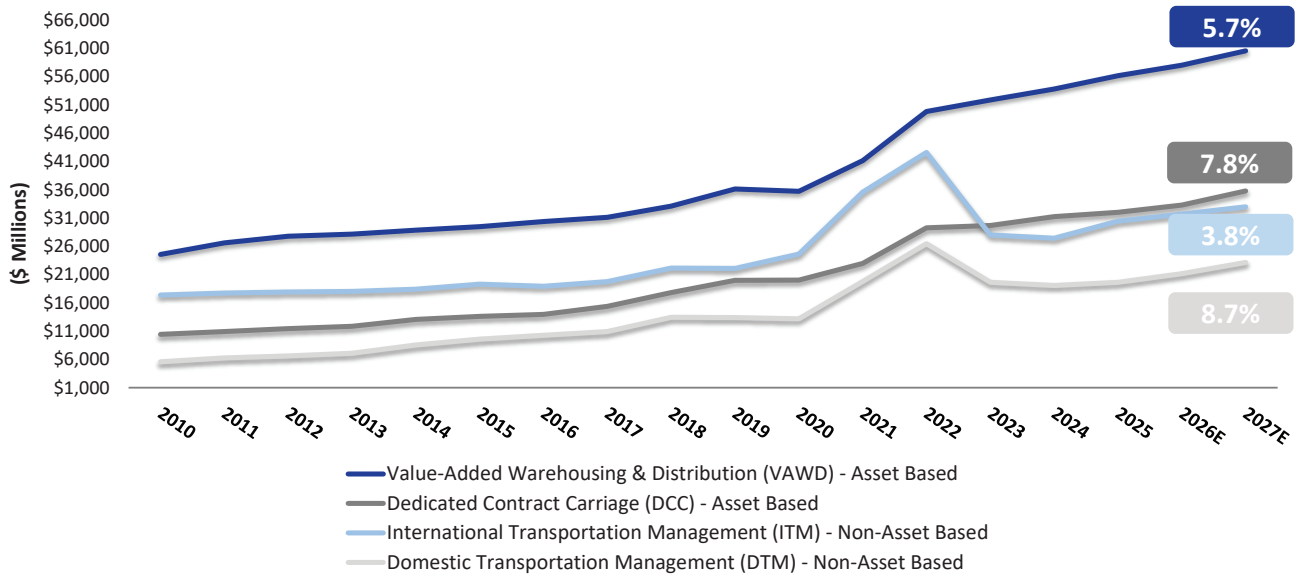
Denmark-based Scan Global Logistics (SGL Group) is an asset-light air and ocean international freight forwarder and 3PL. It was founded in 2007, following the acquisition of Mahé Freight by Odin Equity and its merger with ScanAm Transport. Since then, the SGL Group has acquired over 35 companies focused on ITM 3PLs and expanding its global reach.

Today, the SGL Group is present in over 55 countries across all continents, with over 4,600 staff in 190 offices. The company has been expanding its presence in the Americas, which accounts for 30% of its gross revenue, up from 23% in 2024. Its Americas regional revenue grew 47.1% over 2025 to $850 million, with 877 employees, 75% of whom are based in the U.S. EMEA accounts for 55% of its business, and APAC the remaining 15%.

Air & Ocean is its largest business segment, accounting for 87% of its gross profit. In 2025, the SGL Group handled 212,000 air freight metric tons (+6%) and 691,000 ocean freight TEUs (+25.6%). Road and Solutions are its other business segments.

AIT Worldwide Logistics is a global air and ocean freight forwarder and customs broker with distribution operations tied to its forwarding operations. AIT has grown organically and through multiple acquisitions over the years. Today, Chicago-based AIT has 150 locations covering North America, Europe, and Asia. In 2025, its gross revenue was up 37% to $3.6 billion. Its annual air metric tons grew 61.1% to 179,937, and ocean TEUs were down a mere 0.6% to 105,982 over 2024.

Figure 2. U.S. 3PL Segment Net Revenues 2010-2027E and CAGRs*



*Compound annual growth rates are from 2010 to 2025.

Domestic Transportation Management (DTM)

Domestic Transportation Management (DTM) encompasses freight brokerage, managed transportation, intermodal transportation management, and last-mile delivery. Its 2025 gross revenue grew 4.5% to $128.3 billion, while net revenue increased 3% to $19.6 billion. However, the overall gross profit margin slightly declined to 15.3%. Last year's growth followed a 0.7% decrease in gross revenue and a 2.8% drop in net revenue in 2024, a year characterized by the freight recession.

Freight brokerage, the largest sub-segment of the DTM industry, accounting for 83% of DTM revenue, experienced margin compression in the spot market and a decline in transactional volume from 2023 to 2025. This was primarily due to excess carrier capacity, which suppressed spot rates, allowing shippers to leverage their pricing power. DTMs with more contractual compared to spot-market business tended to grow faster and be more profitable.

As we entered 2026, the market is showing early signs of change. Spot rates are significantly higher year over year, tender rejections are up, and negative revenue contracted truckloads are on the rise, which will trigger contractual rate negotiations. The exit of smaller carriers from the market is a positive tailwind, and 2026 is expected to be a much more favorable environment for spot-market pricing than 2023 to 2025.

The true leaders in DTM are the 3PLs with strong carrier management skills that have innovated technologically. This allows them to efficiently tap long-standing carrier relationships to cover shipper demand rather than being overly reliant on load boards to buy capacity at spot-market rates.

Carrier compliance management has become one of the most active investment areas in 3PL operations, driven by the cargo theft surge of 2024-2025, the strategic-freight-fraud crisis (double-brokering, identity-based fraud, fictitious pickups), and tighter Federal Motor Carrier Safety Administration (FMCSA) and U.S. Department of Labor enforcement.

3PLs that historically managed carrier compliance through static onboarding documents are now investing in real-time, continuously monitored compliance and identity-verification platforms, integrated directly into their TMS workflows. The competitive bar has risen considerably; the brokers and 3PLs that have not made this investment are losing customers to those that have.

Six operational priorities we're seeing across the leading 3PLs are:

1. ***Real-time, continuously monitored carrier vetting*** — auto-deactivating carriers in TMS the moment they fail any compliance threshold

2. ***Identity verification*** beyond FMCSA SAFER (phone, email-domain, IP geofencing, banking, document verification, multi-factor authorization)

3. ***Tighter onboarding workflows*** — minutes instead of days, but with red-flag triggers that route suspicious carriers to human review

4. ***Load-level pre-tender fraud screening*** — predictive scoring on carrier-load fit (Highway and Carrier Assure are leaders here)

5. ***Tighter compliance-to-TMS integration*** — brokers physically cannot tender to non-compliant carriers

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6. ***Pressure-resistant Standard Operating Procedures (SOPs)*** — training brokers to resist carriers pushing them to bypass standard vetting

The following tables provide a summary of the major vendor solution categories 3PLs are using and the leading providers in each.

Table 2. Carrier Compliance and Onboarding Platforms

Vendor	Profile
RMIS (Truckstop)	Long-established carrier compliance and registry monitoring; acquired by Truckstop in 2021. Native integration with Truckstop's load board. Features RMIS Assistant (AI-powered compliance) released in February 2025. Carrier Assure predictive performance insights were integrated as of September 2024. It's strongest in the mid-market and enterprise broker segments.
Highway	Enterprise-grade fraud prevention; widely cited as the leading anti-double-brokering and carrier identity verification platform. Partnered with TA Services (February 2025). It is best suited for large brokerages and 3PLs moving significant freight volumes, where fraud is a top concern.
Carrier411 / FreightGuard	A long-time carrier vetting database. FreightGuard reports are a widely used industry signal of carrier service issues. It's heavily referenced by the broker community.
SaferWatch	FMCSA data aggregation and monitoring is a lower-cost option used by smaller brokerages.
MyCarrierPackets	Standardized broker-carrier agreement workflow that's widely used for contract execution and onboarding documentation.
CarrierCheck	Carrier vetting platform with broker-focused features.
CarrierOwl	Newer entrant offering an alternative to Carrier411 and other compliance platforms.

Table 3. Predictive Performance/Fraud Screening

Vendor	Profile
Highway	Predictive performance and identity verification at the load tender level.
Carrier Assure (Truckstop)	Predictive performance insights for freight transactions. Partnership with Truckstop integrates these into RMIS.

Table 4. Visibility/Exception Management (with compliance signals)

Vendor	Profile
project44	Multimodal real-time visibility platform that's widely deployed across enterprise BCO and broker accounts. Shipment-level signals are provided that can trigger fraud or service alerts.
FourKites	A visibility platform with broad shipper adoption, and brokers use it for customer-facing milestone tracking.
Tive	An IoT-based shipment monitoring platform with location, temperature, light, and impact sensors. It's used by high-value cargo shippers and brokers as a fraud and theft-prevention layer.
MacroPoint (Descartes)	A tracking and visibility platform integrated with Descartes' broader logistics network.

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Table 5. Transportation Management Systems (which integrate compliance data)

Vendor	Profile
McLeod Software	Widely used broker TMS with native RMIS and other compliance integrations.
MercuryGate	Multi-tenant TMS used by many mid-market and enterprise brokers.
BrokerPro (Strategy Systems)	Mid-market broker TMS with integrated RMIS workflow.
Aljex	Cloud-based broker TMS. It's popular among small- and mid-market brokers.
Revenova	Salesforce-native TMS for brokers.

Practical recommendations for 3PLs, include:

- Move from point-in-time onboarding to continuous monitoring. The cost of an upgraded carrier compliance platform is typically a small fraction of a single fraudulent-load loss event.
- Integrate compliance data directly into the TMS so brokers cannot accidentally tender to non-compliant carriers.
- Add load-level fraud screening to the carrier-level vetting layer. Highway and Carrier Assure are the leaders here.
- Include identity verification (phone, email, IP, banking) in onboarding flows beyond the standard FMCSA SAFER pull.
- Train brokerage staff to recognize and resist pressure-bypass tactics. SOP-level discipline around vetting protects against social engineering even when systems would catch the issue.
- Coordinate with insurers and broker bond providers; many will reduce premiums or improve coverage terms for brokers with documented continuous-monitoring practices.
- Watch FMCSA rulemaking. Several proposed FMCSA rules through 2026 may further tighten broker compliance requirements; staying ahead of those changes is a competitive advantage.

The digitalization of transactional truckload DTM/Freight Brokerage continues rapidly as more 3PLs have built interfaces to large shippers' transportation management systems (TMS) for truckload spot-market rate quoting and automated load tendering and booking. A couple of dozen 3PLs use these TMS interfaces to provide shippers with instant spot-rate quotes and the ability to receive tenders and book loads systematically. This process automates part of the traditional spot-market freight brokerage account management function, increasing shippers' use of spot pricing rather than contract pricing.

Account management automation for spot-market truckloads is happening in conjunction with the automation of carrier sales (procurement) functions within freight brokers, using carrier capacity management systems to digitally match shippers' loads to carriers based on historical and real-time carrier capacity data analyzed by machine learning/artificial intelligence algorithms. This Digital Freight Matching (DFM) capability has become a competitive differentiator within the DTM segment as DTM 3PLs look to increase the number of loads/shipments they manage per person per day and revenue per person per year. It can also build carrier loyalty by reusing high-performing core carriers at rates below spot-market rates offered on load boards. In addition, agentic AI bots are now answering phone calls from carriers

and drivers, and making collection calls for freight brokers, lowering costs and increasing efficiency.

TransLoop registered the highest YoY growth in gross revenue among all freight brokers in 2025, rising 46.6% from 2024 to $255 million. This growth allowed TransLoop to scale 15 ranks on this year's list to 71st place.

Founded in 2019 by current CEO Nick Reasoner, TransLoop is a newer non-asset, Chicago-based freight brokerage with additional offices in Birmingham, AL; Fort Lauderdale, FL; Denver, CO; and Nashville, TN. It has a heavy focus on technology innovation, with AI-powered features that provide real-time track-and-trace, instant messaging, automatic notifications, and centralized data organization. Besides food and groceries, other industries it serves include automotive, bulk commodities, and hazardous goods.

RXO, the spinoff of now less-than-truckload (LTL) carrier XPO Logistics' 3PL business, saw the second-highest YoY growth in freight brokerage revenue, climbing 39.5% in gross revenue to $4.2 billion and 34.4% in net revenue to $563 million. RXO benefited from its acquisition of fellow freight broker Coyote Logistics, which it purchased from UPS for $1.025 billion in September 2024. The deal enhanced RXO's market position, diversified and expanded its customer base, and broadened its carrier network. It is now a top 5 freight broker. Although its business focus is on freight brokerage, RXO's service capabilities encompass all four 3PL market segments.

Another 3PL benefiting from Mergers and Acquisitions (M&A) in the DTM 3PL space is Logistics Plus. Based in Erie, Pennsylvania, Logistics Plus is a provider of DTM, ITM, warehousing and fulfillment, technology, and supply chain solutions, operating as both a 3PL and a 4PL/Lead Logistics Provider (LLP). Its September 2025 acquisition of Chicago-based freight brokerage LoadDelivered helped grow its gross revenue by 29.6% to $385 million, enabling it to jump from 66th to 48th place and become a top-50 freight broker.

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Value-Added Warehousing and Distribution (VAWD)

Value-Added Warehousing and Distribution (VAWD) was the third best-performing segment in 2025, growing 4.4% to $72.7 billion in gross revenue. VAWD is the largest 3PL segment by net revenue, which rose by 4.4% to $56.1 billion. While the freight recession had a significant impact on ITM and DTM from 2023 to 2025, VAWD demonstrated steady growth, with a compound annual growth rate (CAGR) of 4%.

The tariffs on Chinese, Canadian, and Mexican imports have accelerated nearshoring and friend-shoring initiatives, with manufacturers and retailers building buffer stock to hedge against potential tariff escalation or supply disruption. This is driving demand for warehousing in non-traditional inland markets and near emerging manufacturing corridors in the Southeast and Midwest. VAWD providers with flexible capacity and the ability to offer value-added services—including kitting, light assembly, postponement manufacturing, and e-commerce fulfillment—are particularly well-positioned to capture this demand.

Labor availability and automation investment remain central operational challenges for the VAWD segment. Warehouse labor markets have loosened somewhat from the extreme tightness of 2021–2022. Still, wage rates have largely plateaued at elevated levels rather than declining, compressing margins for operators with contracts priced under earlier cost assumptions. In response, VAWD providers are accelerating investment in warehouse automation—including autonomous mobile robots, goods-to-person systems, and AI-driven warehouse management platforms—to improve throughput and reduce per-unit labor costs. The convergence of tariff-driven inventory builds, e-commerce growth, and labor cost pressure is creating a structural tailwind for VAWD providers that can deliver technology-enabled, flexible warehousing solutions at scale.

Southfield, Michigan-based thyssenkrupp Supply Chain Solutions, the 3PL arm of thyssenkrupp Materials, a thyssenkrupp AG subsidiary, provides Value-Added Warehousing and Distribution (VAWD), Dedicated Contract Carriage (DCC), and DTM services to the automotive, renewable energy, commercial construction, heavy industrial, e-commerce, and manufacturing industries. The company has been aggressively expanding its warehouse footprint in the U.S. Its North American warehousing space grew 40% YoY and now covers 21 million square feet in 92 warehouses across the U.S. and one in Canada.

As a leader in renewable energy logistics in North America, nearly half of its warehousing space, or 10 million square feet, is used in storing lithium-ion batteries, solar modules, torque tubes, wind turbine parts, and EV charging stations. This space is operated exclusively with thyssenkrupp's proprietary warehouse management system (WMS) and company-trained personnel who provide quality inspection and testing services. Its customers include major EV OEMs, solar module manufacturers, and some of the largest utility companies in North America and Europe.

Germany-based Arvato expanded its North American warehousing footprint by 48% over 2024, to 7.4 million square feet across 19 warehouses. Its U.S. locations include Las Vegas, NV; Louisville, KY; Memphis, TN; Pleasant Prairie, WI; Miami, FL; Easton, PA; Ontario; and Valencia, CA. In Canada, it has operations in Toronto and Vancouver. Globally, Arvato has 104 logistics sites covering over 35.5 million square feet across 17 countries. The company partners with major technology providers such as Microsoft, AutoStore, and Boston Dynamics to deliver customized supply chain solutions tailored to clients' needs. As a technology-driven supply chain manager with an e-commerce warehousing and fulfillment focus, Arvato serves many well-known global brands in several industries, including fashion, beauty and lifestyle, high-tech, telecommunications, automotive, and healthcare.

Kenco, an established North American company, is a large, diverse 3PL in the United States. Founded in 1950, Kenco provides integrated logistics solutions, including distribution and fulfillment, transportation

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management, material handling services, real estate brokerage, and automotive logistics. Value-added services offered by Kenco include kitting, service parts packaging and distribution, sequencing, display assembly, reverse logistics, white-glove delivery, and custom IT solutions.

Kenco services customers in the appliance/furniture, pharmaceutical, medical equipment, food and beverage, building materials, industrial manufacturing, apparel, and consumer packaged goods industries. Long-term relationships, built around warehousing expertise and evolving into multiple logistics services, remain its strength.

In January 2024, Kenco acquired The Shippers Group, adding 3.8 million square feet of space across eight sites in Florida, Georgia, and Texas to its warehousing network. In May 2025, Kenco expanded its Canadian footprint by purchasing the 3PL arm of Drexel Industries, adding four warehouses in London, Ontario.

Its warehousing footprint increased 24.7% YoY. Kenco now has 45.9 million square feet of space in 140 warehouses, 134 in the U.S. and 6 in Canada.

3PL customers must compare their current operations against prevailing market prices. If their existing pricing for 3PL services, such as warehousing, was established during the peak demand period following the pandemic shutdowns, they should consider reviewing these agreements. Customers should plan to create a Request for Proposal (RFP) with updated pricing and contract terms well in advance of their contract renewal.

Investing time in developing a comprehensive dataset of product items, orders, and shipments is crucial in preparing a successful 3PL RFP. The RFP should be structured to ensure comparable bids, facilitating the contracting and implementation processes with the 3PL providers.

After 39 years of helping companies outsource logistics functions to 3PLs, we have identified five pitfalls to a successful outcome.

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Table 6. Top 5 Warehousing 3PL Outsourcing Pitfalls

1	**Not benchmarking your warehouse pricing against the current market.** Since most warehousing agreements typically last two years or more, it is crucial to compare your current pricing with the current market rates several months before your contract renewal. This approach allows you to create a Request for Proposal (RFP) if your existing or proposed pricing exceeds the market.
2	**Failing to engage 3PLs at the right organizational level to get focused executive leadership.** If your company decides to outsource a warehousing operation or take an existing warehousing network to RFP, seeking executive sponsorship at the highest level possible in a third-party logistics provider is essential. Failure to do so will reduce potential savings from the RFP and lead to a lesser solution proposed by the 3PL.
3	**Running a warehousing RFP without providing the bidding 3PLs with a good operating profile, product item master, and order data.** Data is "King" when managing a warehousing 3PL RFP. Spend the time upfront to make sure you provide the 3PL with clean sales/purchase order data highlighting any seasonality and shipping modes utilized, a complete item master with all of your stock-keeping units and product cubes, shipping and receiving policies and procedures, and expected operational performance key performance indicators (KPIs) such as order-to-shipping cycle times and inventory accuracy percent by location.
4	**Not having a strong RFP template to get apples-to-apples bid responses from a 3PL.** If you don't ask 3PLs to provide easily comparable warehousing pricing categories, you will get "oranges" when you want "apples." Beyond bulk or rack storage, inbound and outbound handling, and staffing by position, the RFP must allow for apples-to-apples comparisons of startup costs, I.T. expenses, and corporate overhead. Cost categorization should not be taken lightly; it is a science. Once received, you can compare the 3PL bids against your current and market pricing benchmarks for a complete picture.
5	**Re-contracting with your existing 3PL if it's operating below expectations or has a lop-sided contract.** Amazingly, a 3PL customer would consider contracting with low-performing 3PL without even running a bid, but this happens way too often. Most of the time, the supply chain executive is too busy putting out fires to plan an operational switchover, and time runs out for planning before contract renewal. The result is ongoing subpar operational performance, often leading to customer compliance issues and low customer satisfaction.

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Armstrong & Associates (A&A) has been a leader in logistics outsourcing since 1986 and is known for developing the original "Contact to Contract" end-to-end logistics outsourcing process. As a global authority in Third-Party Logistics Market research and the publisher of the "Who's Who in Logistics 3PL Guide," we understand which 3PLs can effectively meet clients' logistics needs and how to negotiate contracts with them for a competitive advantage.

A&A assists clients in benchmarking their warehousing operations against current market pricing before developing an RFP. We identify appropriate third-party logistics providers, create RFPs to ensure comparable bids, and support the contracting and implementation processes with 3PLs.

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Dedicated Contract Carriage (DCC)

The asset-heavy Dedicated Contract Carriage (DCC) 3PL Market segment had the lowest year-over-year gross revenue growth, up 1.6% to $32 billion. Unlike ITM and DTM, DCC continued to grow during the freight recession due to demand from shippers seeking to lock in capacity after a turbulent 2021-2022, increased ability to attract drivers through wage increases and better recruiting, and ample capital to invest in equipment. Year-over-year net revenue growth increased 2.5% to $32 billion in 2025.

DCC has an advantage when truckload capacity increases due to softer demand and rates decline. Since traditional DCC contracts have one- to three-year terms and dedicate specific trucking assets to customers, they are much "stickier" than standard shipper/carrier trucking contracts and less susceptible to declines in the truckload spot market.

In addition to DCC 3PLs, DTM 3PLs offering Dedicated Trucking Capacity (DTC) during the freight recession also tended to see more growth than spot-market reliant freight brokerage competitors.

DCC trailer types are 80% dry vans, 11% reefers, 5% flatbeds, and 2% each for tankers and other trailers. Sixty-four percent of the top 25 DCC providers have both dry vans and reefers; 60% also have flatbeds. Over a third of the top 25 have tankers. Other types of equipment include curtain sides, roller beds, end dumps, drop decks, and dry van trailers with lift gates. Customer trailers/containers are often used primarily for retail operations, such as Walmart. Other types of equipment include bulk tankers, curtain sides, roller beds, end dumps, drop decks, and dry vans with lift gates.

As most of the top DCC 3PLs saw their revenues and fleet numbers drop or remain flat, Lazer Logistics and NFI grew the number of power units (tractors and trucks) in their DCC operations by 8.6% and 5.6%, respectively, in 2025. Covenant Logistics' Dedicated segment revenue saw double-digit growth, up 10.6% to $403 million.

Chattanooga, Tennessee-headquartered Covenant Logistics Group has four business segments. Its 3PL business, Dedicated, Managed Freight (including freight brokerage), and Warehousing account for over 60% of the Group's business. Its Expedited (trucking) business makes up the rest. Total company revenues were $1.16 billion in 2025. Dedicated is its largest segment, accounting for a third of its total business.

Founded in 1996, Alpharetta, Georgia-based Lazer Logistics (formerly Lazer Spot) specializes in yard management, providing trailer spotting and related solutions. Lazer's core service offering is to provide highly integrated, engineered trailer spotting, shuttle, and trailer yard transportation management services, including DCC to shippers and 3PLs. Its 3,114 power units consist of spotters and day cabs.

As part of its offering, Lazer's Solutions Design group frequently engineers and designs customer yard layouts, optimizes shuttle/spotter routes and tasks, and develops critical performance metrics and informational systems dashboards to track operational performance. The goal is to run safe and efficient operations that reduce customers' operating costs and minimize carbon dioxide emissions. The primary industries served are food and beverage, retail, and consumer goods.

Lazer's August 2025 purchase of NetCorp Trailers, EJR Logistics, and Stein & Sons Cartage Contractors, adding more than 20 long-standing customer relationships and expanding its capabilities in trailer leasing, yard spotting, and short-haul shuttling, marks its 13th acquisition in the past six years.

Lazer Logistics has become a leader in domestic yard transportation management, with more than 700

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locations in 41 states and Canada.

NFI is a fully integrated supply chain solutions provider headquartered in Cherry Hill, New Jersey. Privately held by the Brown family since its inception in 1932, the company is one of North America's largest family-owned 3PLs.

In addition to DCC, which has a fleet of 3,750 power units (3,675 tractors and 75 trucks), NFI's transportation offerings comprise freight brokerage, transportation management, intermodal, and drayage, providing shippers with both asset-based and non-asset-based transportation options. NFI also expanded its global logistics capabilities, including freight forwarding and cross-border services. Its warehousing footprint is now 70 million square feet across the U.S. and Canada, comprising warehousing, e-commerce, automated, cross-docking, transloading, and customs examination facilities. Similar to Lazer Logistics, food and beverage, retail, and consumer goods are the primary industries served.

Smaller DCC 3PLs that saw substantial fleet growth include Miller Dedicated Services, up 22% to 255 power units; Keller Logistics Group, up 26.1% to 150 power units; and Bison Transport, up 20.8% to 145 power units, rounding out the top 50.

Table 7. U.S. 3PL Segment Growth Projections for 2026

3PL Segment	2026E Gross Revenue/Turnover ($ Billions)	2026E vs. 2025 Gross Revenue/Turnover (YOY %)
DTM	139.0	8.3%
ITM	89.4	4.1%
DCC	33.3	4.0%
VAWD	75.2	3.5%
Total*	**336.9**	**5.6%**

*Total 2026E gross revenue (turnover) for the 3PL market in the U.S. is estimated at $341.6 billion. $4.7 billion is included in the contract logistics software segment.

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Top 50 U.S. 3PLs

The first four, Amazon, C.H. Robinson, GXO Logistics, and J.B Hunt, held their positions on this year's list. Expeditors scooped up fifth place from USP Supply Chain Solutions, helped by UPS's divestiture of Coyote Logistics to RXO in late 2024, dropping USP SCS to sixth place. In turn, the acquisition allowed RXO to leap four spots, taking 11th place from Lineage, which landed 13th place.

AIT Worldwide Logistics is another notable 3PL that scaled the list, helped by M&A, landing it in the top 25. AIT's acquisitions in recent years include:

February 2024

AIT acquired Netherlands-based Lubbers Logistics Group, specialized in road transport, project cargo, and international forwarding. The deal added 18 offices to AIT's global network and expanded it into Denmark, Romania, and Turkey. Lubbers also has facilities in Germany, Italy, Norway, and the United Kingdom.

Global Transport Solutions Group (GTS), an international freight forwarder specializing in time-critical marine spare parts logistics, was scooped up by AIT. Headquartered in the Netherlands, GTS and its more than 600 teammates across 16 locations in Asia, Europe, the Middle East, and North America serve over 2,000 ports worldwide. The GTS network also includes nine consolidation hubs totaling more than 45,000 square meters of warehouse space.

January 2025

Krupp Trucking, a freight forwarder specializing in the transport of high-value goods, was purchased by AIT. The transaction included a 115,000-square-foot office and warehouse in Earth City, Missouri, a suburb of St. Louis, and a fleet of more than 60 tractor-trailers. Krupp Trucking transferred all its assets and team members to AIT and commenced operations as the AIT-St. Louis office.

April 2025

AIT finalized an agreement to purchase the assets of GSDMIA, Inc. ("GSDMIA"), an international air and ocean freight forwarder based in Miami. GSDMIA handles a diverse range of commodities between the United States, Asia, Europe, and Latin America, including packaging and finished goods for the cosmetics industry, commercial HVAC equipment, and cryptocurrency data servers.

New 3PLs that made this year's list are SEKO Logistics, which landed 41st place with $1.46 billion in gross revenue, ITS Logistics tied ArcBest for 43rd place with $1.41 billion in gross revenue, and Armstrong Transportation Group with $1.35 billion in gross revenue ranks 45th. With a couple of tie rankings in the list, Ryan Transportation with $1.26 billion in gross revenue ranked 48th, rounding out the top 50.

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Table 8. A&A's Top 50 U.S.-Based 3PLs – 2026

Largest U.S.-Based 3PLs Ranked by 2025 Gross Logistics Revenue/Turnover

A&A Rank	Third-Party Logistics Provider (3PL)	Gross Logistics Revenue ($ Millions)*
1	Amazon.com**	172,162
2	C.H. Robinson	14,768
3	GXO Logistics	13,178
4	J.B. Hunt Transport Services	11,284
5	Expeditors	11,069
6	UPS Supply Chain Solutions	8,771
7	Kuehne + Nagel (North America)	8,447
8	Ryder Supply Chain Solutions	7,802
9	Total Quality Logistics	7,433
10	DSV (North America)	7,250
11	RXO	5,742
12	DHL Supply Chain (North America)	5,425
13	Lineage	5,355
14	WWEX Group	5,181
15	Beon	5,111
16	Uber Freight	5,099
17	Penske Logistics	4,210
18	Schneider	4,146
19	Echo Global Logistics	4,000
20	Hub Group	3,946
21	NFI	3,750
22	AIT Worldwide Logistics	3,560
23	CEVA Logistics (North America)	3,305
24	GEODIS (North America)	3,100
25	Landstar	2,860
26	Arrive Logistics	2,691
27	Americold	2,602
28	Maersk Logistics (North America)	2,460
29	Flexport	2,160
30	Werner Logistics	2,149
31	Knight-Swift Transportation	2,135
32	MODE Global	2,100
33	Forward Air	2,000
33	PSA BDP	2,000
34	KLN (Americas)	1,940
35	TFI International (North America)	1,932
36	Capstone Logistics	1,920
37	Scotlynn	1,811
38	Kenco	1,698
39	FedEx Logistics	1,645
40	Priority1	1,560
41	SEKO Logistics	1,458
42	Ruan Transportation Management Systems	1,450
43	ArcBest	1,410
43	ITS Logistics	1,410
44	Universal Logistics	1,376
45	Armstrong Transport Group	1,350
46	Allen Lund	1,348
47	Redwood Logistics	1,282
48	Ryan Transportation	1,260

*Revenues cover all four 3PL Segments (DTM, ITM, DCC, and VAWD) and are company-reported or A&A estimates. Currencies have been converted to US$ using the average annual exchange rate.
**Revenue shown is that of Amazon's Third-Party Seller Services business segment, which includes its 3PL operations, commissions, related fulfillment and shipping fees, and other third-party seller services. Based on its 3PL warehousing footprint and e-commerce fulfillment focus, Armstrong & Associates estimates most of this segment's revenue is from 3PL services.

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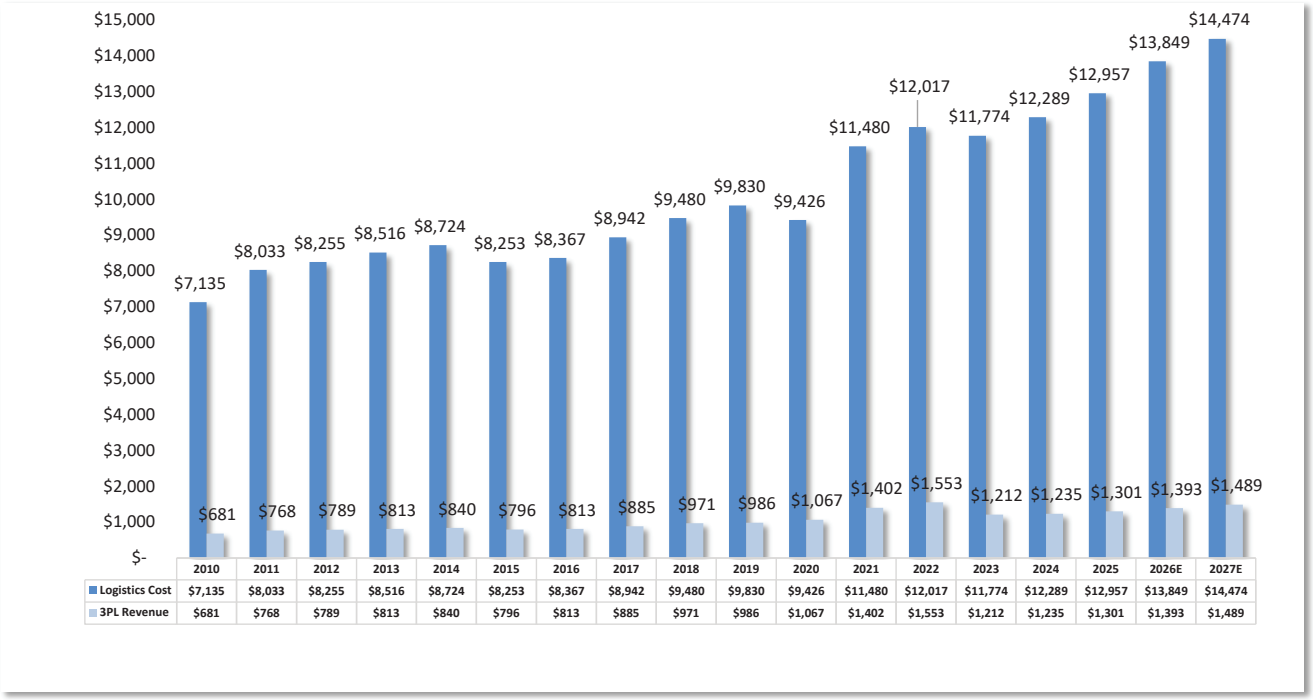
Global Logistics Market and Third-Party Logistics Market Revenues

2023 was a down year for the Global Third-Party Logistics Market, as rates and demand sank worldwide amid economic headwinds and geopolitical instability. After a 22% decline in 3PL revenue in 2023, the global 3PL market began to normalize throughout 2024. A&A estimates that the Global 3PL Market grew 1.9% to $1.23 trillion in 2024 and was up an additional 5.3% to $1.3 trillion in 2025. A CAGR of 6.9% in global 3PL revenue is anticipated for 2026-2027.

As such, A&A estimates that global logistics costs (in-house and 3PL-outsourced combined) also decreased 2% in 2023 to $11.77 trillion. However, global logistics costs rose 4.4% in 2024 to $12.29 trillion and grew 5.4% in 2025 to $12.96 trillion. With continued geopolitical tensions, tariff and trade uncertainties, and rising gas prices driven by the ongoing conflict with Iran, a 4.5% CAGR in global logistics costs is expected for 2026-2027.

Figure 3. Global Logistics Cost and 3PL Market Revenue Growth 2010-2027E ($ Billions)



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026E	2027E
Logistics Cost	$7,135	$8,033	$8,255	$8,516	$8,724	$8,253	$8,367	$8,942	$9,480	$9,830	$9,426	$11,480	$12,017	$11,774	$12,289	$12,957	$13,849	$14,474
3PL Revenue	$681	$768	$789	$813	$840	$796	$813	$885	$971	$986	$1,067	$1,402	$1,553	$1,212	$1,235	$1,301	$1,393	$1,489

	CAGR 2010-2025	CAGR 2026E-2027E
Logistics Cost	4.1%	4.5%
3PL Revenue	4.4%	6.9%

The global 3PL market is highly fragmented and underpenetrated, with abundant growth potential. Tariff uncertainty, trade policy changes, the COVID-19 pandemic, and recent years' unprecedented supply chain disruptions in the Red Sea, Panama Canal, and the Strait of Hormuz, which has been largely blocked by Iran since the end of February creating a major choke point for world energy trade, have accelerated the outsourcing pace of global logistics.

3PL customers realized that supply chains need to be more flexible, and it's more beneficial to source products and components from multiple countries than just one. This uncertainty presents opportunities for 3PLs to become strategic partners and offer valuable services while 3PL customers seek to mitigate

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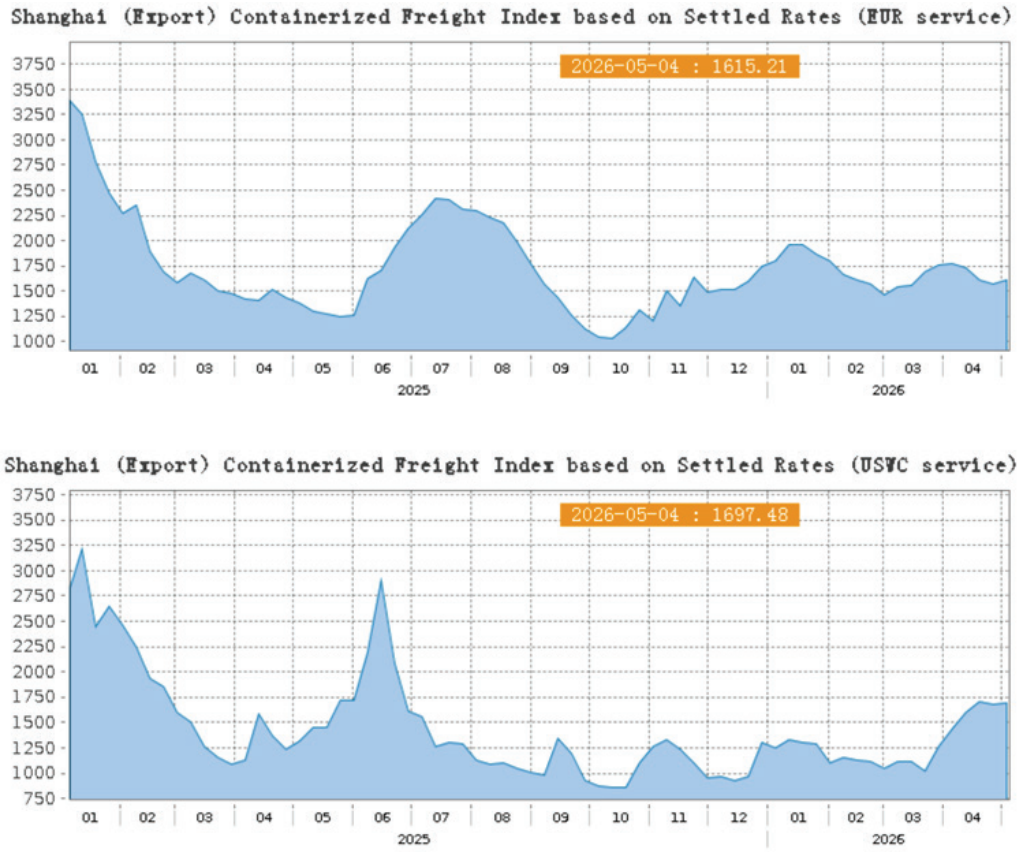
risks. In addition, 3PLs help their customers save costs and offer additional specialized services with expertise in international transportation management, warehousing, and distribution. The global logistics market continues to present a significant opportunity for 3PLs. Global 3PL revenue was 9.5% of global logistics spending in 2010 and 10% in 2025. By 2027, we expect global logistics revenue to consume 10.3% of global logistics spend.

The following charts, developed by the Chinese Government's Shanghai Shipping Exchange (SSE), detail the fluctuation in ocean freight rates. The Shanghai Containerized Freight Index is based on Settled Rates (SCFIS). It reflects the direction and extent of changes in settled rates for the spot export ocean container market for 20- and 40-foot containers from Shanghai in U.S. dollars. The settled rates refer to the average levels of settled freight rates after the voyage departure of container lines and freight forwarders. The freight reached its highest in July 2024, then dropped to its lowest by the beginning of May 2025, mainly due to tariff uncertainty.

Figure 4. Shanghai (Export) Containerized Freight Index



A&A's global 3PL revenue consists of International Transportation Management (ITM), Value-Added Warehousing and Distribution (VAWD), Transportation Management (TM) comprising DTM and DCC, and software revenues. VAWD is the only 3PL segment that had positive growth in 2023, making its global revenue of $313.6 billion surpass the ITM segment for the first time. In 2025, the size of the global VAWD 3PL segment was $332.5 billion, representing a stable YoY increase of 4.7% over 2024 and 39.1% over 2019 when segment gross revenue was $239 billion. The global VAWD market is expected to have a CAGR of 4.8% from 2026-2027, reaching $365.9 billion by 2027.

The most significant impact currently stems from tariff and trade-war uncertainties, despite ongoing challenges such as port closures, container shortages, labor shortages, natural disasters, geopolitical conflicts, regulatory compliance issues, and rising transportation costs in the global ITM 3PL segment.

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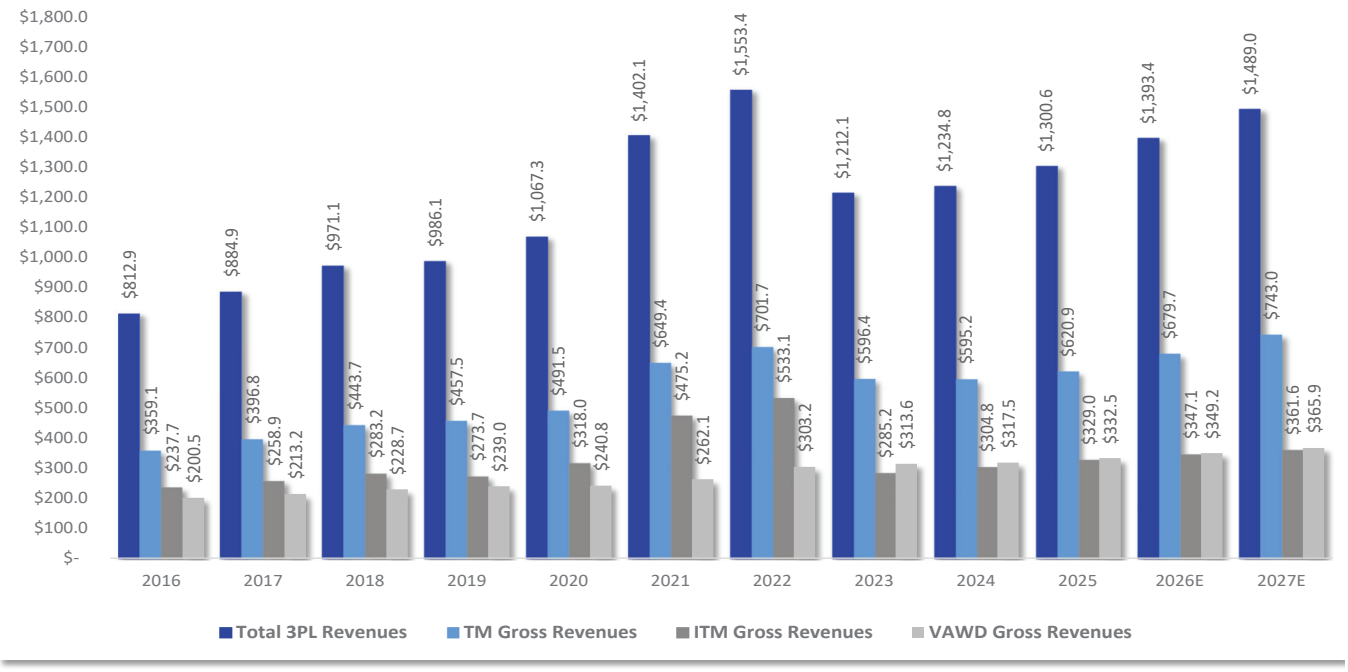
Ports and imports saw a significant increase in cargo volumes before the tariffs were in place. This was mainly driven by retailers moving cargo ahead of the Trump administration's expected increase in duties on goods from China, Mexico, and Canada. Although global ITM was surpassed by the global VAWD segment in 2023, the segment has seen steady YoY growth, rising 6.9% in 2024 and 7.9% in 2025. As things normalize, the global ITM segment is anticipated to have a CAGR of 4.2% from 2026 to 2027, landing at $361.6 billion by 2027.

When analyzing 3PL market segments globally, we combine Dedicated Contract Carriage (DCC) and Domestic Transportation Management (DTM) into a single ground/road transportation management segment dubbed "Transportation Management" (TM) since DCC is a more defined contractual form of trucking and is less common in some geographies. The global TM 3PL segment recorded gross revenue of $620.9 billion in 2025, up 4.3% from 2024, and 4.1% from 2023, after falling 15% from 2022 to 2023. With less restrictive monetary policy, increased demand, and a return to normalized rates, the global TM 3PL segment is expected to lead all 3PL segments with a CAGR of 9.3% from 2026 to 2027, driving it to $743 billion by 2027.

Figure 5. Global 3PL Market Growth – Total and Segment 2016-2027E ($ Billions)



	Total 3PL Revenues	TM Gross Revenues	ITM Gross Revenues	VAWD Gross Revenues
CAGR 2016-2025	5.4%	6.3%	3.7%	5.8%
CAGR 2026E-2027E	6.9%	9.3%	4.2%	4.8%

A&A has been developing logistics cost and 3PL revenue estimates for over 20 years and now covers over 180 countries and regions. The following table provides logistics cost and 3PL revenues, in total and by segment, for select key countries and regions. Sorted by 2025 3PL revenues, the top three regions, Asia Pacific with 37.5%, North America at 28.9%, and Europe accounting for 17.7% make up an astounding 84.1% of global 3PL revenues. The same regions accounted for 80.7% of global logistics spend in 2025.

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Table 9. 2025-2026E Logistics Cost and 3PL Revenues– Total and Segment by Key Country/Region ($Billions)

Country/Region	2025					2026E				
	Logistics Cost	3PL Revenues	TM Revenue	ITM Revenue	VAWD Revenue	Logistics Cost	3PL Revenues	TM Revenue	ITM Revenue	VAWD Revenue
Asia Pacific	5,133.0	487.5	226.6	122.0	132.1	5,433.4	517.7	246.5	127.6	137.4
North America	3,087.0	376.5	185.1	99.1	87.1	3,279.1	400.7	200.5	103.8	90.9
United States	2,545.0	323.4	160.3	85.9	72.7	2,678.7	341.6	172.3	89.4	75.2
Greater China*	2,990.7	305.3	141.9	76.4	82.7	3,176.9	325.5	155.0	80.2	86.4
Europe	2,238.0	229.7	113.0	56.2	57.3	2,417.2	248.8	125.0	59.9	60.9
Middle East	750.6	65.2	30.3	16.3	17.7	779.9	68.3	32.5	16.8	18.1
South America	663.1	58.0	27.0	14.5	15.7	753.4	66.1	31.5	16.3	17.6
ASEAN**	741.7	56.4	26.2	14.1	15.3	786.6	60.1	28.6	14.8	16.0
Africa	506.0	38.8	18.0	9.7	10.5	574.3	44.2	21.0	10.9	11.7
Japan	370.4	38.6	17.9	9.7	10.5	365.7	38.3	18.2	9.4	10.2
Germany	365.6	38.1	19.1	9.4	9.1	387.0	40.5	20.7	9.8	9.4
India	528.3	37.2	17.3	9.3	10.1	560.3	39.6	18.9	9.8	10.5
Brazil	353.4	31.7	14.7	7.9	8.6	408.6	36.8	17.5	9.1	9.8
United Kingdom	288.1	30.0	15.3	7.2	7.1	300.8	31.5	16.3	7.4	7.3
France	275.7	28.7	14.6	6.9	6.8	294.3	30.8	16.0	7.3	7.2
Mexico	218.9	22.6	10.6	5.6	6.1	253.3	26.3	12.6	6.4	7.0
Italy	209.6	22.0	11.2	5.3	5.2	225.0	23.8	12.3	5.6	5.5
Global	12,957.3	1,300.6	620.9	329.0	332.5	13,849.0	1,393.4	679.7	347.1	349.2

*Greater China: China, Hong Kong SAR, Macao SAR, Taiwan SAR
**ASEAN includes Brunei Darussalam, Myanmar (Burma), Lao P.D.R., Cambodia, Vietnam, Thailand, Singapore, Philippines, Malaysia, and Indonesia.
Sources: International Monetary Fund and Armstrong & Associates, Inc. Databases and Analysis.

From 2016 to 2025, the Asia Pacific region had a CAGR of 4.9% on 3PL revenue. During the same period, India had the highest CAGR at 6.3% in Asia Pacific, followed by Greater China at 6.1%, and the ASEAN countries at 5.5%. Japan is the only country in the region that's listed in the table with a negative CAGR of 1.8%, which is anticipated to continue into 2026 with YoY growth of -0.9%. Japan has been affected by its weakening yen, shrinking population and workforce, energy dependence, and large Japanese 3PLs (NIPPON EXPRESS, Yusen, Kintetsu) pushing hard into Southeast Asia and global M&A. For 2026-2027, CAGRs for 3PL revenue are expected to be 8% for the Asia Pacific, with India leading the way at 12.8%, the ASEAN countries following at 8.8%, Greater China next at 7.6%, as customers continue shifting their sourcing from China to other countries such as India and Vietnam, and Japan at 6.6% with its positive GDP growth expected from 2026 to 2027.

From 2016 to 2025, North America had a CAGR of 7.2%, with the United States and Mexico growing at 7.6% and 5.6%, respectively. Solid growth in the region is expected to continue over the next two years with 2026-2027 CAGRs of 6.9% for North America, 6.7% for the U.S., and 7.2% for Mexico. Mexico is another major country positively feeling the effects in the shift of sourcing from China.

Europe, on the other hand, had a CAGR of 4% from 2016 to 2025, with the United Kingdom growing by 3.4% and Germany, France, and Italy growing by 2.9% each during the same period. 2026-2027 CAGRs are estimated at 6% for Europe, 7.1% for the UK, 5.8% for Germany, 4.8% for Italy, and 4.5% for France.

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Top 50 Global 3PLs

The top five on our Top 50 Global 3PLs list in 2024 placed the same as they did in 2023. However, in 2025 Denmark-based DSV's acquisition of Germany's DB Schenker which closed on April 30, 2025, combined two prominent global supply chain managers and freight forwarders, aligning the combined entities to become the second-largest 3PL globally after Amazon. DSV placed 4th and DB Schenker held 5th place previously. Acquisition-heavy CEVA Logistics with $18.3 billion in gross revenue now rounds out the top 5.

Recent purchases made by parent, CMA CM, to boost CEVA's service capabilities, network, and overall scale include:

- On April 4, 2022, CMA CGM acquired most of Ingram Micro's Commerce & Lifecycle Services activities (CLS), including Shipwire and the company's technology-forward logistics businesses in North America, Europe, Latin America, and Asia-Pacific, for $3 billion. The acquisition expanded CEVA's capabilities for tech industry customers, especially in telecom, and increased its repair and refurbishment services and value-added warehousing and distribution capabilities, adding 59 warehouses to its global footprint.

- On July 4, 2022, CMA CGM bought Colis Privé, a leading player in last mile, small parcel logistics in France. Three weeks later, on July 25, 2022, French automotive specialist GEFCO was acquired.

- On February 29, 2024, CMA CGM closed on its acquisition of Bolloré Logistics, another major France-based freight forwarder and 3PL, which will be rebranded as CEVA Logistics.

GXO Logistics not only held its third-place spot on our Top 50 U.S. 3PLs list, it also became a top-10 global 3PL, up from 12th place, with $13.18 billion in gross revenue in 2025.

GXO Logistics is the spinoff of XPO Logistics' contract logistics (VAWD) division which was formed from XPO's September 2014 acquisition of former U.S. VAWD 3PL New Breed Logistics. Since then, the company continued its acquisition strategy with purchases including London-based, omnichannel retail logistics provider Clipper Logistics in May 2022, U.S.-based e-commerce fulfillment provider PFSweb in November 2023, and UK's Wincanton, further expanding its reach and capabilities in the UK and Ireland. Although U.S.-based, today, nearly 80% of GXO's workforce resides in Europe.

A&A continues to attract new, larger players participating for consideration on our top 50 global and other annual 3PL lists. New Top 50 Global 3PLs on this year's list include China's Cosco Shipping Logistics (16th), Germany-headquartered Rhenus Logistics (17th), and France- based STEF Group (24th).

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Table 10. A&A's Top 50 Global 3PLs - 2026

Largest 3PLs Ranked by 2025 Gross Logistics Revenue/Turnover

A&A Rank	Third-Party Logistics Provider (3PL)	Gross Logistics Revenue ($ Millions)*
1	Amazon**	172,162
2	DSV	37,379
3	DHL Supply Chain & Global Forwarding	35,538
4	Kuehne + Nagel	33,836
5	CEVA Logistics	18,300
6	NIPPON EXPRESS	17,199
7	Maersk Logistics	15,103
8	C.H. Robinson	14,768
9	Sinotrans	13,580
10	GXO Logistics	13,178
11	GEODIS	11,700
12	J.B. Hunt Transport Services	11,284
13	Expeditors	11,069
14	DP World Logistics	10,501
15	DACHSER	9,349
16	Cosco Shipping Logistics	8,989
17	Rhenus Logistics	8,869
18	UPS Supply Chain Solutions	8,771
19	Ryder Supply Chain Solutions	7,802
20	KLN	7,471
21	Total Quality Logistics	7,433
22	LOGISTEED	6,086
23	CJ Logistics	5,817
24	STEF Group	5,778
25	RXO	5,742
26	LX Pantos	5,624
27	Lineage	5,355
28	WWEX Group	5,181
29	Yusen Logistics	5,157
30	Beon	5,111
31	Toll Group	5,100
32	Uber Freight	5,099
33	JD Logistics	5,036
34	Kintetsu World Express	5,018
35	ID Logistics Group	4,430
36	Penske Logistics	4,210
37	Schneider	4,146
38	Echo Global Logistics	4,000
39	Hellmann Worldwide Logistics	3,952
40	Hub Group	3,946
41	CIMC Wetrans Logistics Technology (Group)	3,808
42	NFI	3,750
43	AIT Worldwide Logistics	3,560
44	Savino Del Bene	3,500
45	AWOT Group	3,350
46	Gebrüder Weiss	3,081
47	SAIC Anji Logistics***	3,020
48	Arvato	3,000
49	Mainfreight	2,957
50	Landstar	2,860

*Revenues cover all four 3PL Segments (DTM, ITM, DCC, and VAWD) and are company-reported or A&A estimates. Currencies have been converted to US$ using the average annual exchange rate.
**Revenue shown is that of Amazon's Third-Party Seller Services business segment, which includes its 3PL operations, commissions, related fulfillment and shipping fees, and other third-party seller services. Based on its 3PL warehousing footprint and e-commerce fulfillment focus, Armstrong & Associates estimates that most of this segment's revenue is from 3PL services.
***In-house logistics revenues were capped at 50% for fairness.

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The number of U.S.-based 3PLs on our Top 50 Global 3PLs fell from 21 to 20 this year. A spot it held since 2022 when 23 U.S.-based 3PLs made the list.

With the addition of Cosco Shipping Logistics, the number of China-based 3PLs grew from five to six.

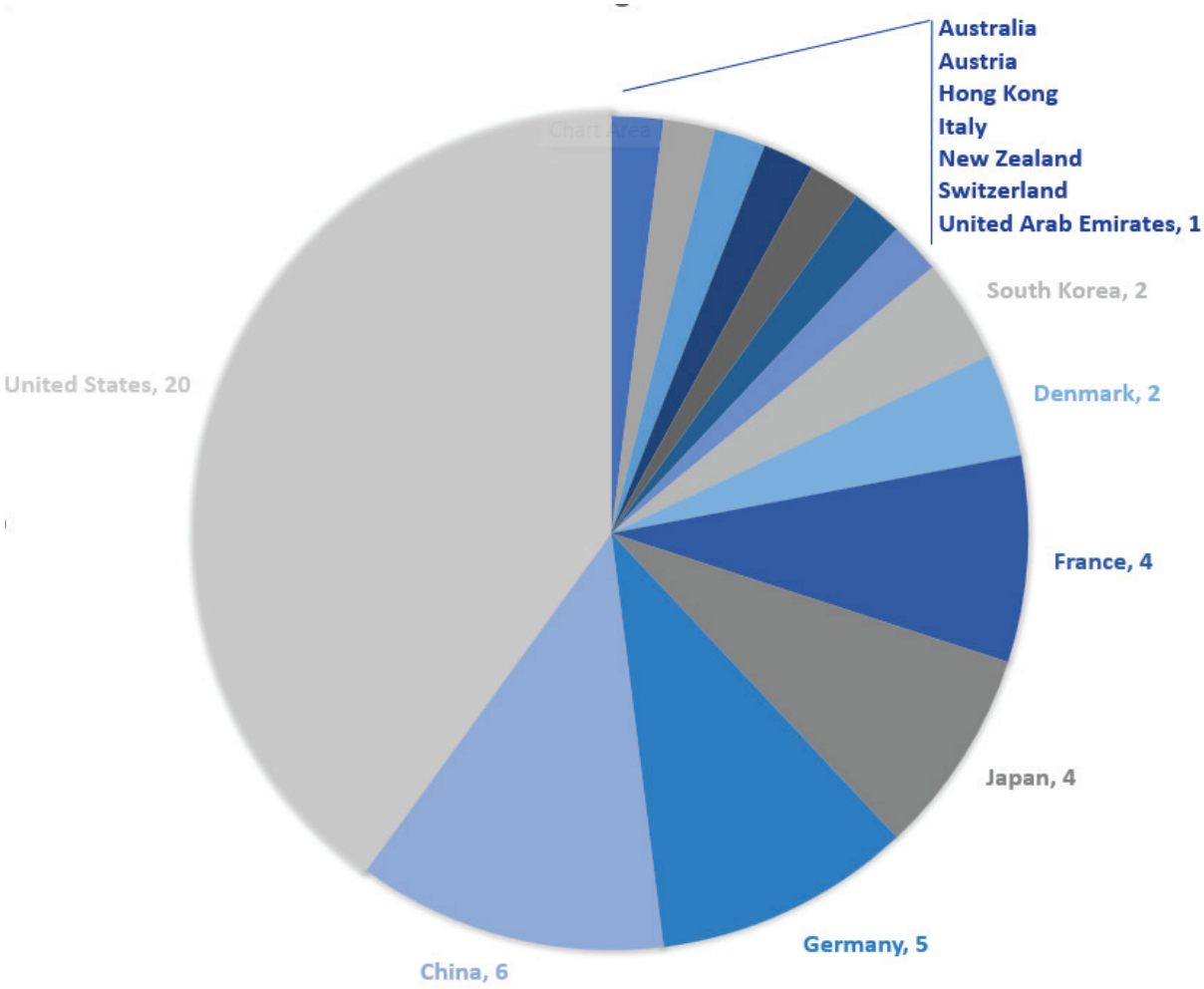
3PLs based in Germany held at five with DB Schenker now included under Denmark-based DSV and the addition of Rhenus Logistics.

With the addition of STEF Group, the number of France-based 3PLs grew from three to four.

Besides UK-based Culina Group falling off of the list, the number of 3PLs headquartered in the remaining countries stayed the same over last year.

The four of the top five global 3PLs are headquartered in Europe.

Figure 6. Top 50 Global 3PLs by Country



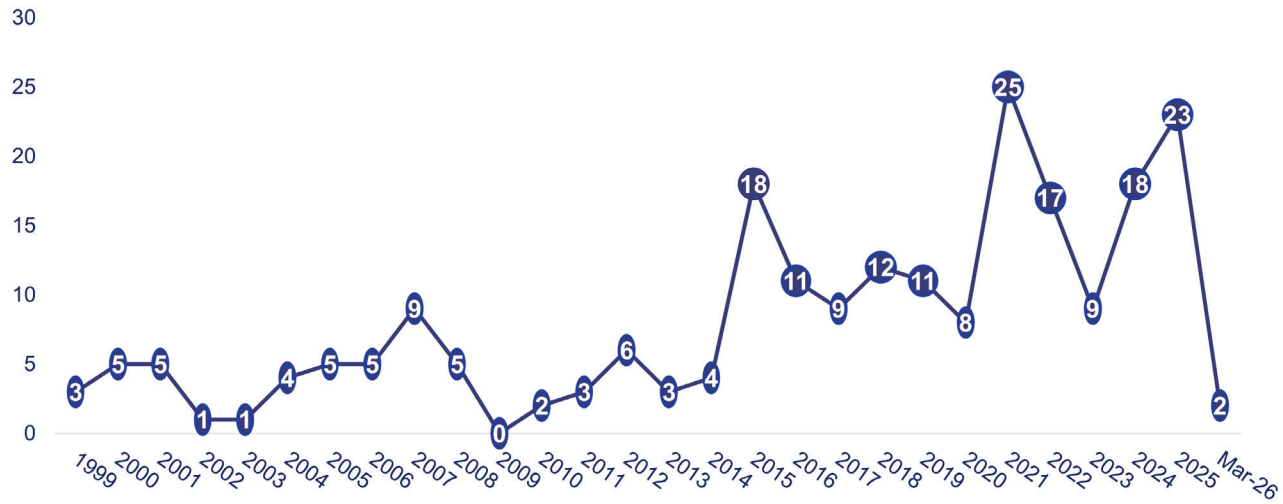
3PL Merger and Acquisition (M&A) Activity

M&A activity in the 3PL market has grown, especially in larger deals (those with transactions over $100 million), over the past 10 years. In 3PL, as in many other industries, M&A is used to gain competitive advantages. Major valuation drivers in 3PL M&A deals include:

- Size and scale of operations
- Business model/asset versus non-asset operations
- Brand strength
- Solid track record of growth and earnings
- Strong executive management team
- Strategic vision
- Information technology utilized and the level of digitalization/automation
- Diversified customer base
- Vertical industry/e-commerce expertise

After a year of heavy transaction activity in 2021, with an astounding 25 large M&A transactions, steady M&A activity continued into 2022 with 17 large transactions. Eight transactions over $100 million in 2022 hit $1 billion. M&A activity slowed in 2023, especially among financial buyers. Nine transactions totaling $100 million or more, including two over $1 billion, were made. The majority of these transactions were with publicly traded companies. However, in 2024, the number of significant M&A transactions was back up, doubling 2023 to 18, including five acquisitions valued at over $1 billion. The last time we saw 18 large purchases was back in 2015. 2025 started strong with 15 deals over $100 million, including three transactions over $1 billion, in the first four months of the year. The year ended with 23 large deals.

Figure 7. 3PL Acquisitions over $100 Million 1999-March 31, 2026*



*Published terms or Armstrong & Associates, Inc. estimates.

The largest deal in 2024 was CMA CGM's acquisition of major France-based freight forwarder and 3PL Bolloré Logistics for $5.3 billion. The deal solidified CEVA Logistics' position as a top-ten Global 3PL, among other top rankings.

The second-largest deal in 2024 was Greenville, Tennessee-based asset-light 3PL and transportation

provider Forward Air's $2.1 billion purchase of Dallas, Texas-based asset-light, high-touch provider Omni Logistics, which was initially announced in August 2023. After the Forward Air/Omni Logistics legal battle saga, the deal closed in January 2024 and marked the first deal worth over $1 billion made in 2024

The third-largest purchase of over $1 billion in 2024 was made by Belgium's leading postal operator, Belgian Post Group (bpostgroup), when it purchased France-based fulfillment specialist Staci, which closed on August 1, 2024. Staci offers business-to-business (B2B) and business-to-consumer (B2C) logistics solutions with warehouses in Belgium, France, Germany, Italy, the Netherlands, Spain, the UK, and the U.S., covering 900,000 square meters. France, the Netherlands, and the U.S. are the top three regions by revenue, generating 32%, 27%, and 25%, respectively. The purchase of Staci follows other fulfillment 3PL purchases made by bpostgroup.

In 2025 and since 1999, when A&A began tracking 3PL M&A deals, Denmark's DSV holds the title for the most significant purchase to date, with its acquisition of Germany's DB Schenker for an astounding $15.9 billion. The deal closed on April 30, 2025, combining two prominent global supply chain managers and freight forwarders, aligning the combined entities to become the second-largest 3PL globally after Amazon.

.Other major deals in 2025 included:

- The June 2025 acquisition of the UK's Wincanton by fellow VAWD 3PL, Greenwich, Connecticut-based GXO. GXO provides order fulfillment, e-commerce, reverse logistics, and other supply chain services via its global network of 1,030 warehousing facilities. The deal further expands GXO's reach and capabilities in the UK and Ireland.

- Swiss-based global supply chain manager Kuehne + Nagel purchased the remaining 24.9% stake of China-based Apex Logistics International for $1.1 billion. The deal closed in November 2025 and follows Kuehne + Nagel's initial $1.5 billion investment in Apex, which closed in May 2021. The initial deal was Kuehne + Nagel's largest in history. The combined entities created the largest global air and ocean freight forwarder by annual volume at the time.

Following are some notable M&A deals that have closed or are expected to close in 2026:

- Echo Global Logistics acquisition of ITS Logistics which closed on March 25, 2026. With 2025 gross revenues of $4 billion and $1.4 billion for Echo and ITS, accordingly, the deal combines two Top 50 U.S. 3PLs and Top 25 DTM 3PLs.

- On March 3, 2026, technology-focused investment firm, Thoma Bravo, announced that it has entered into a definitive agreement to acquire WWEX Group with brands including Worldwide Express, GlobalTranz, Unishippers, JEAR Logistics and BLX Logistics. WWEX Group is a Top 50 U.S. and Global 3PL and Top 5 DTM 3PL with gross revenue of $5.2 billion in 2025. Following the close of the acquisition, Thoma Bravo will combine WWEX Group with its existing portfolio company Auctane, a leading global technology company that provides shipping and fulfillment solutions through products such as ShipStation, Stamps.com, and Metapack, to create a global logistics technology and brokerage platform. The transaction is expected to close in the second quarter of 2026.

- On April 17, 2026, Japan's NIPPON EXPRESS announced it has reached an agreement to acquire all shares of Metro Supply Chain Group. The deal values Canada-based Metro Supply Chain Group at CAD 1.8 billion ($1.3 billion) on an enterprise value basis, representing the largest acquisition in NX Group's history. In addition, an earnout of up to CAD 400 million ($290 million) may be payable

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to the sellers, contingent on the company meeting certain financial targets as defined in the share purchase agreement. The transaction is expected to close in the second half of 2026, and will combine NIPPON EXPRESS a top-10 global 3PL and freight forwarder with $17.2 billion in 2025 gross revenue with one of Canada's largest VAWD 3PLs with an estimated $1.1 billion in 2025 gross revenue and 21 million square feet warehousing and packaging space, primarily in the U.S. and Canada, with the rest in the UK. The deal builds upon NIPPON EXPRESS' mega-forwarder strategy and vision of becoming "a logistics company with a strong presence in global markets" after its 2024 cargo-partner deal.

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Market Research

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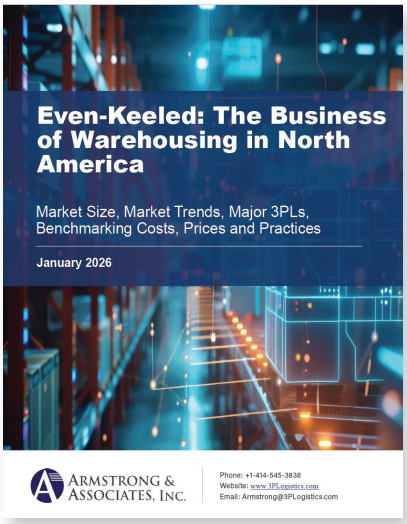
Global International Transportation Management (ITM) Market Analysis

This report examines the fastest-growing 3PL segment of 2025 — covering air and ocean freight forwarding, inland transportation, and customs brokerage. After a 2019–2023 boom-and-bust cycle, global ITM revenue reached $329B in 2025 (+7.9% YoY) and is projected to grow to $347.1B in 2026E and $361.6B in 2027E, shaped by tariff turbulence and Middle East disruption rerouting ocean traffic around the Cape of Good Hope.

Convergence:
Trends in 3PL/Customer Relationships – 2026

This deep-dive report examines how and why large enterprises outsource logistics. It tracks a global 3PL market that reached $1.3 trillion in 2025 and is projected to approach $1.4 trillion in 2026. Key findings include the near-saturation of 3PL adoption among large U.S. companies and vertical-industry leadership by Technology, Retailing, and Healthcare.



Even Keeled:
The Business of Warehousing in North America

This comprehensive market research report on North American warehousing provides valuable insights into the Value-Added Warehousing and Distribution (VAWD) segment of the Third-Party Logistics (3PL) Market. It covers numerous aspects of warehousing relationships, including contract lengths, warehouse sizes, revenues, operating margins, and the discrepancies between expected and actual performance.

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