Working through the Uncertainty

Latest Third-Party Logistics Market Results and Outlook

June 2025

Armstrong & Associates, Inc.

Phone: +1-414-545-3838
Website: www.3PLogistics.com
Email: Armstrong@3PLogistics.com

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.

**In its latest transaction, A&A was the buy-side search advisor for Palladium Equity in acquiring Source Logistics on November 2, 2023.*

Introduction

Since the beginning of January, the situation in the U.S. has changed dramatically. At that time, the economy was thriving, inflation was decreasing, the stock market was reaching all-time highs, and consumer sentiment was strong. However, recent developments—notably the implementation of significant import tariffs on "Liberation Day," along with subsequent tariff fluctuations and a review of exemptions for specific countries and commodities—have created greater uncertainty for businesses and consumers. It appears that trade deals with China, the U.K., and other major trading partners will be negotiated, but the process seems opaque and lacking structure.

Reducing the size of the government and increasing its efficiency are beneficial. However, this goal has been complicated by the unpredictable firing and rehiring of federal workers at Elon Musk's Department of Government Efficiency (DOGE). As a result, these actions have contributed to increased economic uncertainty. Often, the effects of this uncertainty are more pronounced than the impact of the actual policy changes themselves.

On the positive side, reduced government regulations, a more favorable energy policy, and the possibility of lower corporate tax rates are expected to support growth over the next three years. Most observers anticipate that the individual federal tax cuts implemented in 2017 will be extended. The impact on growth will primarily depend on whether these cuts are extended as expected or if further tax cuts, such as those on tip income, are introduced to provide additional stimulus.

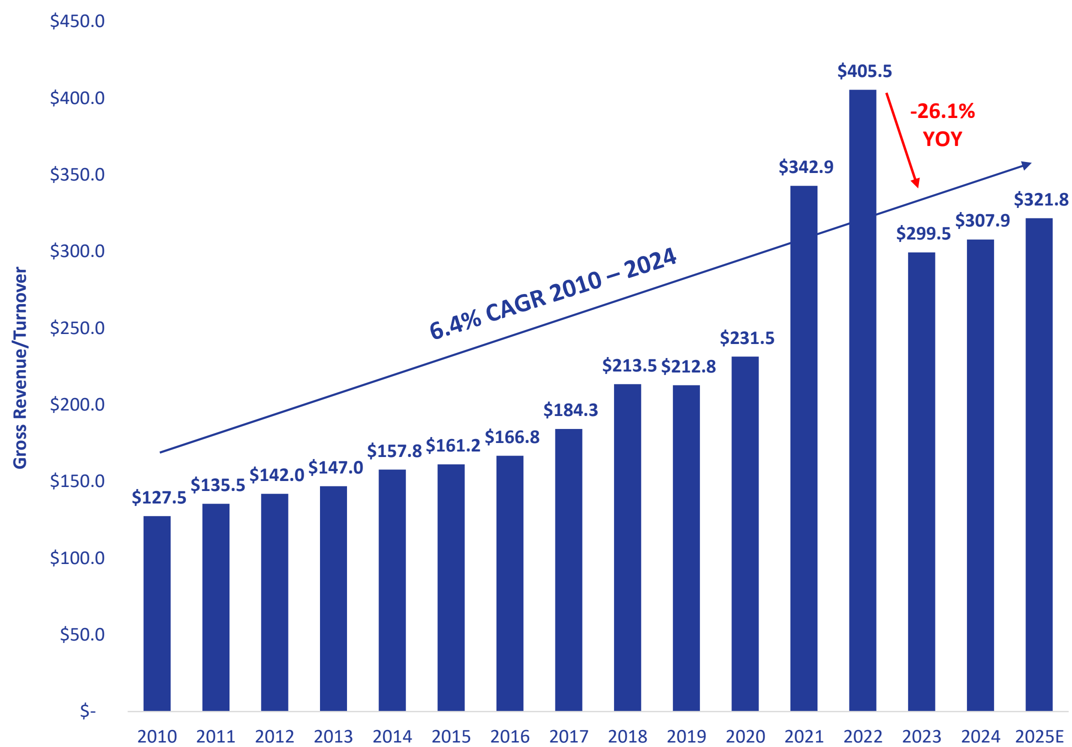
The bond market anticipates that the Federal Reserve will implement one to two interest rate cuts this year. However, the inflationary effects of tariffs and the burgeoning federal deficit could complicate these cuts. As a result, the U.S. is likely to experience slower economic growth, as measured by Gross Domestic Product (GDP), along with higher inflation, as indicated by the Fed's preferred inflation measure, the Personal Consumption Expenditures (PCE) price index. This scenario may create stricter conditions for business financing and could hinder what was initially expected to be a robust market for mergers and acquisitions (M&A).

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 1.8% to reach $131.5 billion in 2024, following a decline of 12.8% in 2023. Meanwhile, the gross revenues across all four segments of the 3PL Market increased by 2.8% year-over-year (YOY), recovering from a significant drop of 26.1% in 2023. This brings the total value of the U.S. 3PL Market to $307.9 billion in 2024.

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 2010-2025E (US$ 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, distribution center management, and various value-added services. These contracts typically have terms ranging from one to three years, with some extending up to ten years or more. VAWD does not include short-term "Public" warehousing.

3. **International Transportation Management (ITM):** Third-party logistics providers, typically managed under contracts, offer international air and ocean transportation management services. These services 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 sub-segments include Freight Brokerage, Intermodal, Managed Transportation, and Last-Mile Delivery:

- **DTM/Freight Brokerage:** When a non-asset-based 3PL manages transportation on behalf of a shipper with carriers within North America. Business is conducted via phone, email, or interfaces between a shipper's systems, a freight broker's Transportation Management System (TMS), and a carrier's TMS. In the United States, a freight broker is licensed by the Federal Motor Carrier Safety Administration (FMCSA). The freight broker generates a gross profit or loss on each shipment managed, the difference between gross revenue from a shipper and the purchased transportation paid to a carrier.

- **DTM/Intermodal:** When a 3PL manages combined truck and rail transportation (multiple transportation modes) between shippers and carriers within North America. The Intermodal Marketing Company (IMC) 3PL purchases capacity directly from railroads and carriers to provide shippers with intermodal service. The IMC utilizes equipment from multiple sources to offer intermodal capacity while bringing other value-added services under a single freight bill to the ultimate shipper, the Beneficial Cargo Owner (BCO).

- **DTM/Managed Transportation:** When a non-asset-based 3PL manages transportation between shippers and carriers within North America using a systems-based TMS and automation/optimization approach for transportation planning, carrier selection, tendering, and routing (transportation execution), and in-transit visibility. The process often manages transportation from multiple shipping locations of a shipper and frequently includes Less-than-Truckload (LTL) to Truckload orders to optimize shipment cost/transportation service performance. Revenues are typically generated via a management fee, such as a flat amount per shipment or a percentage of the purchased transportation. They may include gain-shares where transportation savings are shared between the shipper and 3PL.

- **DTM/Last-Mile Delivery:** Is the transportation of shipments from the last warehouse or terminal to the final consignee for commodities such as furniture/mattresses, appliances, electronics/high-tech, exercise equipment, construction materials, industrial machinery, or medical equipment to a destination within North America where they will be used or consumed. These shipments can include small packages that are brokered or managed. Transportation is most often performed using independent contractor drivers or freight brokerage-managed shipments. These can be business-to-business (B2B) or business-to-consumer (B2C) shipments.

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

3PL Segment	2024 Gross Revenue (US$ Billions)	2024 vs. 2023 Gross Revenue (YOY %)	2024 Net Revenue (US$ Billions)	2024 vs.2023 Net Revenue (YOY %)
DTM	122.7	-0.7%	19.1	-2.8%
ITM	79.8	7.9%	27.4	-2.1%
DCC	31.5	5.9%	31.2	5.3%
VAWD	69.6	2.2%	53.8	3.7%
Total*	**303.6**	**2.8%**	**131.5**	**1.8%**

*Total 2024 gross revenue (turnover) for the 3PL market in the U.S. is estimated at $307.9 billion. $4.3 billion is included in the contract logistics software segment.

International Transportation Management (ITM) encompasses air and ocean freight forwarding, customs brokerage and compliance, warehousing, and inland transportation. In contrast, Domestic Transportation Management (DTM) includes freight brokerage, managed transportation, intermodal transportation management, and last-mile delivery. Both segments experienced significant gross revenue declines in 2023, with double-digit reductions reported.

DTM saw an additional, yet mere, decline of 0.7% in 2024, while ITM experienced a 7.9% increase – the most significant YOY increase of all four segments.

The growth in the ITM segment can be attributed to shipping uncertainties in the Red Sea and a decrease in ocean traffic through the Suez Canal. Additionally, concerns regarding tariffs and trade wars have fueled this growth, especially in late 2024, as importers have been eager to receive their goods before expected tariff increases.

However, both segments continued with declines in net revenue in 2024. ITM net revenue fell 2.1% to $27.4 billion, while DTM net revenue dropped 2.8%, reaching $19.1 billion. Despite these declines, they marked an improvement compared to 2023, which saw double-digit revenue drops. DTM gross profit margins contracted slightly by 0.4%, resulting in an average gross margin of 15.5% in 2024.

The asset-heavy Dedicated Contract Carriage (DCC) 3PL Market segment was the second-largest in YOY gross revenue growth, up 5.9% to $31.5 billion, and the largest in YOY net revenue growth, with an increase of 5.3% to $31.2 billion in 2024. This is a substantial improvement versus the mere 0.7% in gross revenue growth and the 1.4% increase in net revenue the segment experienced in 2023.

DCC's growth benefited from shippers wanting to lock in capacity after a turbulent 2021, an increased ability to attract drivers through wage increases and better recruiting, and having ample capital to invest in equipment. In addition, those 3PLs with freight brokerages that could handle "overflow" business from DCC operations, as dedicated or spot truckload capacity, tended to do well.

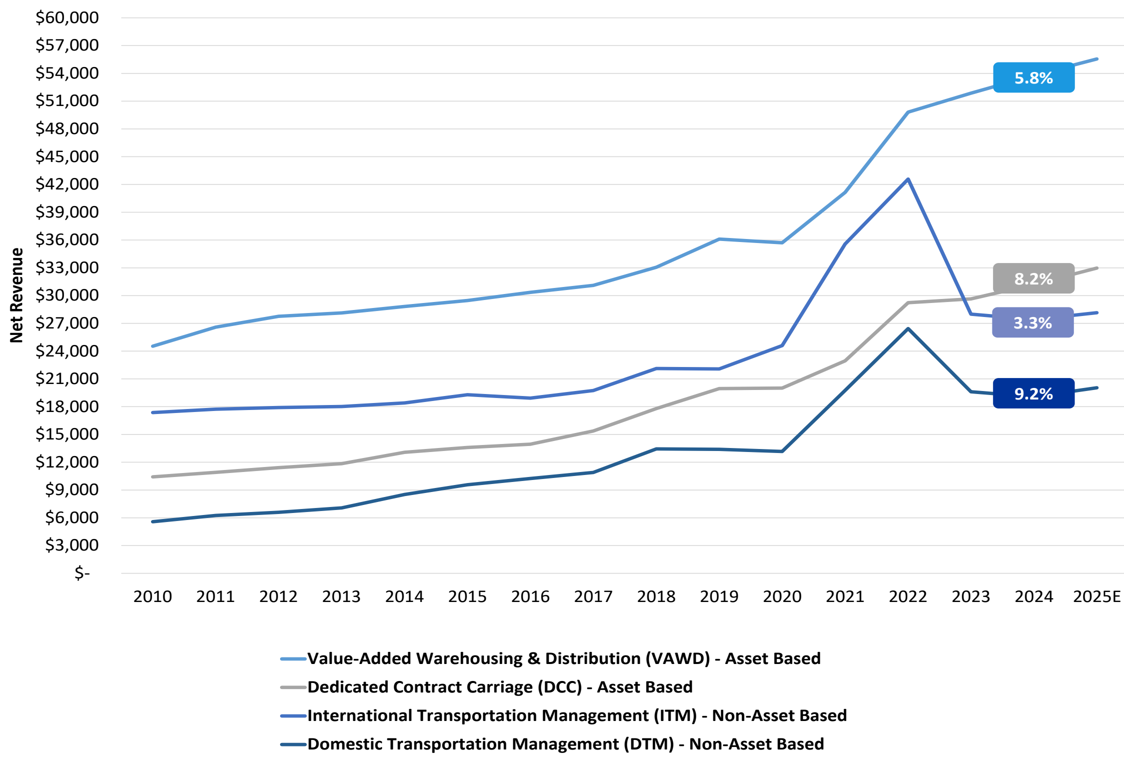
DCC has an advantage when truckload capacity increases due to softer demand and rates decline. Since traditional DCC contracts have one- to three-year terms with specific trucking assets dedicated to customers, this makes DCC contracts much "stickier" than standard shipper/carrier trucking contracts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

The other asset-based 3PL Market segment, Value-Added Warehousing and Distribution (VAWD), was the third best-performing segment in 2024, growing 2.2% to $69.6 billion in gross revenue. This is after being the best-performing segment of the four in 2023, with a minor 1.6% increase in gross revenue to $68 billion. In 2024, VAWD experienced the second-highest net revenue increase among the four 3PL segments, growing by 3.7% to $53.8 billion.

For VAWD 3PLs, most warehouses are full, and higher interest rates have kept a lid on new warehouse development. There has been increased focus on fine-tuning warehouse pricing and improved bid performance. Shippers see this as a good time to put out RFPs (Request for Proposals) and work to mutualize some of the one-sided agreements entered into during the post-shutdown demand surge. Many shippers are examining their supply chain networks and providers to improve inventory management and on-time delivery performance. We anticipate a continued focus on supply chain network flexibility and warehouse optimization.

Overall, VAWD 3PLs with strong customer vertical strategies, operational excellence cultures, integrated warehousing and transportation management skills, and longer-term customer agreements have outperformed undifferentiated, short-term public warehousing 3PLs.

Figure 2. U.S. 3PL Segment Net Revenues (US$ Millions) and CAGRs*



*Compound annual growth rates are from 2010 to 2024.

In all 3PL segments, automation to reduce headcounts and increase efficiencies gained further momentum. Strategic growth initiatives to better position 3PLs in a changing environment took on new importance.

Four of the top five freight brokers, C.H. Robinson, Total Quality Logistics (TQL), WWEX Group (Worldwide Express/GlobalTranz), and Echo Global Logistics, are some of the 3PLs driving industry automation, along with the newer tech-first Digital Freight Brokers such as Uber Freight. At this point, most of the top freight brokers are strategically digitalizing operations to add value through improved carrier management and customer and carrier experiences.

For ITM 3PLs, digitalization and compliance management use artificial intelligence (AI)-powered customs clearance platforms to ensure accurate documentation and avoid penalties. Digital freight platforms such as Freightos, Flexport, and Windward, as well as digital solutions from traditional freight forwarding 3PLs, facilitate real-time booking, tracking, and cost optimization. Predictive analytics are being used to forecast and adapt to tariff changes, and supply chain visibility solutions are helping companies adjust shipments based on new tariff regulations.

A continual headwind for VAWD 3PLs has been high warehouse labor demand, turnover, and wage increases. This is driving significant interest from VAWD 3PLs to automate warehouses with autonomous robots from manufacturers such as Fetch, Locus, and 6 River Systems. Many 3PLs invested in robotics last year to improve efficiency, accuracy, and picking speed. By accessing real-time data and analytics from the cloud, robots can optimize their routes, reduce idle time, reduce human transport/travel time, and prioritize tasks based on demand. These autonomous mobile robots (AMRs) use sensors, cameras, and mapping software to navigate the warehouse. Robots can be quickly deployed, sometimes as soon as two weeks. Leasing robots can also offer 3PLs greater flexibility in scaling their operations up or down as demand fluctuates.

The inventory buildup ahead of the Trump-era import tariffs has resulted in 3PL warehouses nearing full capacity, which will take time to draw down. Because of this inventory buildup, air and ocean freight forwarders have seen substantial increases in volumes and revenue.

On April 2, Trump announced changes to the De Minimis rules for shipments from China. This will eliminate exemptions from specific tariffs for small shipments, such as those in e-commerce. Given these factors, we expect much of the growth in the U.S. Third-Party Logistics Market for 2025 will occur in the year's first half. Gross revenue is projected to increase to $317.2 billion, reflecting a growth rate of 4.5%, and net revenue is expected to rise 4.0% to $136.7 billion.

Table 2. U.S. 3PL Segment Growth Projections for 2025

3PL Segment	2025E Gross Revenue (US$ Billions)	2025E vs. 2024 Gross Revenue (YOY %)	2025E Net Revenue (US$ Billions)	2025E vs. 2024 Net Revenue (YOY %)
DTM	128.5	4.7%	20.0	5.1%
ITM	83.4	4.5%	28.2	2.7%
DCC	33.2	5.7%	33.0	5.6%
VAWD	72.0	3.5%	55.5	3.3%
Total*	**317.2**	**4.5%**	**136.7**	**4.0%**

*Total 2025E gross revenue (turnover) for the 3PL market in the U.S. is estimated at $321.8 billion. $4.5 billion is included in the contract logistics software segment.

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.

Table 3. 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, comparing your current pricing with the current market rates several months before your contract renewal is crucial. 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 a 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.

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.

Top 50 U.S. 3PLs

With an estimated 284 million square feet of 3PL warehousing space in 465 North American warehouses, Amazon will remain the number one VAWD 3PL in North America for the foreseeable future, with a 121 million square feet difference between it and second-place VAWD 3PL DHL Supply Chain. In turn, it will also remain the top U.S.-based 3PL based on gross revenue.

Although the revenue shown is that of Amazon's Third-Party Seller Services business segment, which includes its 3PL operations, commissions, any related fulfillment and shipping fees, and other third-party seller services, based on its warehousing footprint and e-commerce fulfillment focus, Armstrong & Associates estimates most of this segment's revenue is from 3PL services. Globally, Amazon has an estimated 399 million square feet of 3PL warehousing space in 767 warehouses.

Advancing from fifth to third place on our list, 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.

GXO provides value-added warehousing and distribution, order fulfillment, e-commerce, reverse logistics, and other supply chain services via a global network of 1,030 facilities.

Almost all of GXO's North American warehousing space, 84 million square feet, is within the U.S., with one warehouse in Canada. In 2024, GXO expanded its U.S. warehousing footprint by six million square feet, and its U.S. revenues grew 6.1% to $2.9 billion. Total revenues, helped by M&A activity, rose 19.7% to $11.7 billion.

Ontario, Canada-based freight broker Scotlynn is the only new addition to our top U.S. 3PLs list this year. Specializing in time-sensitive refrigerated goods, mainly produce, Scotlynn has additional locations in Paris, Ontario, and U.S. offices in Florida and Indiana.

Table 4. Top 50 U.S. 3PLs by Gross Logistics Revenue

Rank	Provider	2024 Gross Revenue (US$ Millions)*
1	Amazon**	156,146
2	C.H. Robinson	16,848
3	GXO Logistics	11,709
4	J.B. Hunt	11,403
5	UPS Supply Chain Solutions	11,165
6	Expeditors	10,601
7	Ryder Supply Chain Solutions	7,746
8	Kuehne + Nagel (North America)	7,156
9	Total Quality Logistics	6,884
10	DSV (North America)	5,534
11	Lineage Logistics	5,340
12	DHL Supply Chain (North America)	5,250
13	Uber Freight	5,141
14	Beon (Transportation Insight)	5,010
15	RXO	4,550
16	WWEX Group	4,380
17	Schneider	4,314
18	Penske Logistics	4,308
19	Hub Group	3,946
20	Echo Global Logistics	3,700
21	NFI	3,650
22	CEVA Logistics (North America)	3,580
23	GEODIS (North America)	3,167
24	Landstar	2,900
25	DB Schenker (North America)	2,850
26	Americold	2,667
27	AIT Worldwide Logistics	2,598
28	Maersk Logistics (North America)	2,400
29	MODE Global	2,320
30	Knight-Swift Transportation	2,260
31	Werner Logistics	2,154
32	Flexport	2,100
33	PSA BDP	2,068
34	Arrive Logistics	2,040
35	Forward Air	2,020
36	KLN (Americas)	1,952
37	Capstone Logistics	1,840
38	TFI International (North America)	1,822
39	Scotlynn	1,725
40	Ruan	1,704
41	Universal Logistics	1,611
42	FedEx Logistics	1,590
43	ArcBest	1,553
44	Kenco	1,537
45	Radial	1,521
46	Ascent Global Logistics	1,327
47	Allen Lund	1,316
48	Priority1	1,310
49	SEKO Logistics	1,300
50	Redwood Logistics	1,240

*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 December 31, 2024 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.

Global Logistics Market and Third-Party Logistics Revenues

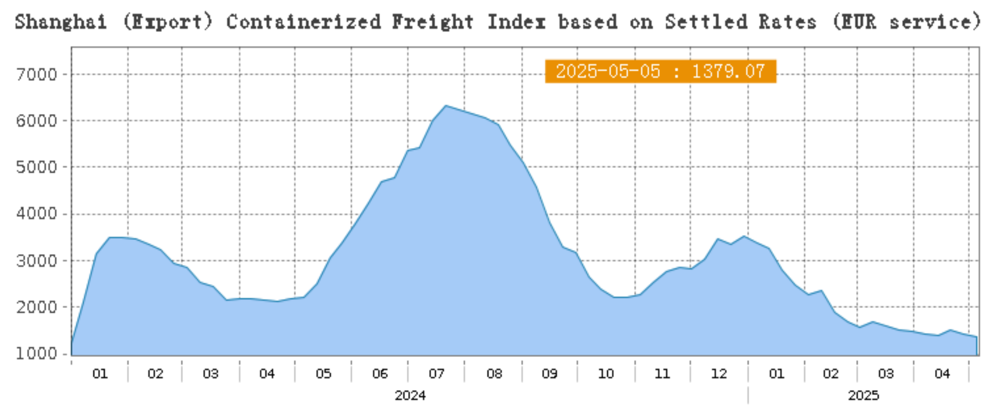
2023 was a down year for the Global Third-Party Logistics Market as rates and demand sank worldwide due to economic headwinds and geopolitical instability. Global 3PL revenue in 2023 was down, also driven by weakness in International Transportation Management (ITM) and Transportation Management (TM). The negative impact on logistics costs and 3PL revenues in 2023 was significant when coupled with deflating transportation rates. After a 21.4% decline in 3PL revenue in 2023, the global 3PL market has normalized throughout 2024. A&A estimates the Global 3PL Market grew 3.4% to $1.22 trillion in 2024 and anticipates the market will see an additional 2.7% increase in 2025 to $1.25 trillion.

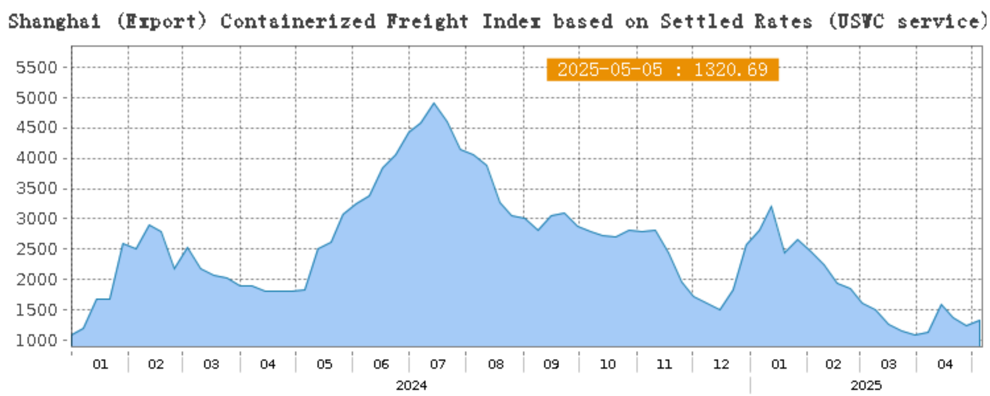
A&A estimates global logistics spending increased 4.7% from 2023 to $11.9 trillion. With continued geopolitical tensions and tariff and trade uncertainties, global logistics spending is expected to grow 2.6% to approximately $12.2 trillion in 2025.

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 and Panama Canal 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 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 in 2024 was 10.2% of total logistics spending, a nudge higher than the 10% 3PL penetration rate in 2019. We expect the global 3PL revenue penetration rate to remain unchanged between 2025 and 2026. A&A estimates global 3PL revenues will continue to grow, with 2026 expected to see a 4.9% increase to $1.3 trillion.

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. Transportation rates will likely increase soon due to the slashing of the De Minimis tariff on China.

Figure 3. 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 revenue surpass the ITM segment for the first time. The size of the VAWD 3PL segment in 2024 was $313.2 billion, representing a stable YOY increase of 2.8% and 33.3% over 2019 when segment gross revenue was $235 billion. The global VAWD market is expected to grow 1.6% in 2025, reaching $318.3 billion.

The most significant impact currently stems from tariff and trade war uncertainties despite ongoing challenges like port closures, container shortages, labor shortages, natural disasters, geopolitical conflicts, regulatory compliance issues, and rising transportation costs in the global ITM 3PL segment. 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 move to hike duties on goods from China, Mexico, and Canada. It is estimated that global ITM will increase by 8.5% by the end of 2024 to $301.1 billion. As things normalize, the global ITM segment is anticipated to grow by 2.7% to $309.4 billion in 2025.

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 experienced a YOY gross revenue increase of 1.3% to $587.9 billion in 2024, following a decrease of 14.4% to $580.5 billion in 2023. With less restrictive monetary policy, increased demand, and a return to normalized rates in 2025, the global TM 3PL segment is expected to lead all 3PL segments, driving 3.2% growth to reach $606.8 billion in 2025.

Table 5. 2024-2025E Global Logistics Market and 3PL Segment Revenues by Country/Region (US$ Billions)

Country/Region	2024 Logistics Cost	2024 3PL Revenue	2024 ITM Revenue	2024 VAWD Revenue	2024 TM Revenue	2025E Logistics Cost	2025E 3PL Revenue	2025E ITM Revenue	2025E VAWD Revenue	2025E TM Revenue
Algeria	45.3	3.4	0.8	0.9	1.6	46.0	3.4	0.8	0.9	1.6
Egypt	59.7	4.8	1.2	1.3	2.3	54.2	4.4	1.1	1.2	2.1
Morocco	23.3	1.9	0.5	0.5	0.9	24.9	2.0	0.5	0.6	1.0
Nigeria	30.2	2.2	0.5	0.6	1.0	30.3	2.2	0.5	0.6	1.0
South Africa	44.4	4.5	1.1	1.2	2.1	45.5	4.6	1.1	1.2	2.2
Sudan	5.0	0.4	0.1	0.1	0.2	5.6	0.4	0.1	0.1	0.2
Africa Others	242.3	18.2	4.4	4.9	8.5	251.8	18.9	4.6	5.1	8.9
Africa Total	**450.2**	**35.3**	**8.6**	**9.6**	**16.5**	**458.2**	**35.9**	**8.8**	**9.7**	**16.9**
Australia	153.8	15.8	3.9	4.3	7.4	151.7	15.6	3.8	4.2	7.4
Bangladesh	70.8	5.6	1.4	1.5	2.6	73.3	5.8	1.4	1.6	2.7
Brunei Darussalam	2.3	0.2	0.0	0.1	0.1	2.4	0.2	0.0	0.1	0.1
Cambodia	8.2	0.6	0.1	0.2	0.3	8.6	0.6	0.2	0.2	0.3
China, People's Republic of	2,738.1	283.2	69.2	77.1	132.9	2,808.7	290.5	71.0	78.4	137.1
Hong Kong SAR	34.5	3.9	0.9	1.1	1.8	35.9	4.0	1.0	1.1	1.9
India	527.4	37.7	9.2	10.3	17.7	564.9	40.4	9.9	10.9	19.1
Indonesia	340.1	25.3	6.2	6.9	11.9	348.2	25.9	6.3	7.0	12.2
Japan	340.6	36.1	8.8	9.8	16.9	354.2	37.5	9.2	10.1	17.7
Korea, Republic of	168.0	18.8	4.6	5.1	8.8	160.8	18.0	4.4	4.8	8.5
Lao P.D.R.	2.7	0.2	0.1	0.1	0.1	2.8	0.2	0.1	0.1	0.1
Macao SAR	5.0	0.5	0.1	0.1	0.2	5.3	0.5	0.1	0.1	0.3
Malaysia	54.5	4.0	1.0	1.1	1.9	57.8	4.2	1.0	1.1	2.0
Myanmar	10.8	0.8	0.2	0.2	0.4	11.4	0.8	0.2	0.2	0.4
New Zealand	27.6	2.7	0.7	0.7	1.3	26.6	2.6	0.6	0.7	1.2
Philippines	60.0	4.3	1.0	1.2	2.0	64.6	4.6	1.1	1.2	2.2
Singapore	46.5	5.4	1.3	1.5	2.5	47.9	5.6	1.4	1.5	2.6
Sri Lanka	18.5	1.3	0.3	0.3	0.6	18.5	1.3	0.3	0.3	0.6
Taiwan Province of China	70.6	7.7	1.9	2.1	3.6	72.6	8.0	1.9	2.2	3.8
Thailand	78.9	5.9	1.4	1.6	2.8	81.9	6.1	1.5	1.6	2.9
Vietnam	91.9	7.0	1.7	1.9	3.3	98.1	7.5	1.8	2.0	3.5
Asia Pacific Others	20.9	1.6	0.4	0.4	0.7	22.2	1.7	0.4	0.4	0.8
Asia Pacific Total	**4,871.5**	**468.6**	**114.5**	**127.6**	**219.9**	**5,018.6**	**481.7**	**117.7**	**130.0**	**227.3**
Kazakhstan	43.3	3.5	0.9	1.0	1.7	45.7	3.7	0.9	1.0	1.8
Russian Federation	347.8	27.3	6.7	7.4	12.8	334.1	26.2	6.4	7.1	12.4
Ukraine	30.5	2.4	0.6	0.7	1.1	32.9	2.6	0.6	0.7	1.2
CIS Others	72.6	5.7	1.4	1.5	2.7	78.4	6.1	1.5	1.7	2.9
CIS Total	**494.0**	**38.9**	**9.5**	**10.6**	**18.2**	**491.1**	**38.6**	**9.4**	**10.4**	**18.2**
Austria	41.7	4.4	1.1	1.2	2.1	42.7	4.5	1.1	1.2	2.1
Belgium	49.3	5.3	1.3	1.4	2.5	50.8	5.5	1.3	1.5	2.6
Czech Republic	30.6	3.1	0.8	0.8	1.4	31.9	3.2	0.8	0.9	1.5
Denmark	35.6	3.7	0.9	1.0	1.8	37.3	3.9	1.0	1.1	1.8
Finland	23.9	2.5	0.6	0.7	1.2	24.3	2.6	0.6	0.7	1.2
France	258.8	27.4	6.4	6.5	14.1	262.8	27.8	6.5	6.6	14.4
Germany	344.4	36.5	8.8	8.7	18.5	343.7	36.4	8.8	8.6	18.5
Greece	29.9	2.8	0.7	0.8	1.3	31.1	2.9	0.7	0.8	1.4
Hungary	23.7	2.2	0.5	0.6	1.0	25.2	2.4	0.6	0.6	1.1
Ireland	44.5	4.7	1.2	1.3	2.2	46.2	4.9	1.2	1.3	2.3
Italy	194.9	20.8	4.9	5.0	10.7	199.1	21.3	5.0	5.0	11.0
Netherlands	86.5	12.2	2.9	2.9	6.3	89.7	12.7	3.0	3.0	6.5
Norway	40.6	4.3	1.0	1.2	2.0	42.3	4.4	1.1	1.2	2.1
Poland	86.8	8.6	2.1	2.3	4.0	93.6	9.3	2.3	2.5	4.4
Portugal	31.0	3.0	0.7	0.8	1.4	32.3	3.2	0.8	0.9	1.5
Romania	44.8	4.0	1.0	1.1	1.9	47.0	4.2	1.0	1.1	2.0
Spain	134.0	13.5	3.2	3.2	7.0	140.0	14.1	3.3	3.3	7.3
Sweden	43.3	4.8	1.2	1.3	2.2	44.0	4.8	1.2	1.3	2.3
Switzerland	72.1	7.8	1.9	2.1	3.6	72.9	7.9	1.9	2.1	3.7
United Kingdom	268.5	28.4	6.6	6.8	14.6	277.1	29.3	6.9	6.9	15.1
Europe Others	105.9	9.8	2.4	2.7	4.6	110.8	10.3	2.5	2.8	4.8
Europe Total	**1,990.6**	**209.9**	**50.1**	**52.5**	**104.4**	**2,044.9**	**215.6**	**51.4**	**53.4**	**107.7**
Iran	63.0	5.0	1.2	1.4	2.3	53.5	4.2	1.0	1.1	2.0
Israel	62.1	5.9	1.4	1.6	2.8	67.0	6.4	1.6	1.7	3.0
Pakistan	62.3	4.8	1.2	1.3	2.2	62.3	4.8	1.2	1.3	2.2
Saudi Arabia	135.6	12.4	3.0	3.4	5.8	135.4	12.3	3.0	3.3	5.8
Turkey	165.2	15.1	3.7	4.1	7.1	179.5	16.4	4.0	4.4	7.7
United Arab Emirates	53.1	5.4	1.3	1.5	2.5	54.3	5.5	1.3	1.5	2.6
Middle East Others	140.7	11.5	2.8	3.1	5.4	136.5	11.2	2.7	3.0	5.3
Middle East Total	**681.9**	**59.9**	**14.6**	**16.3**	**28.1**	**688.5**	**60.7**	**14.8**	**16.4**	**28.7**
Canada	200.8	20.7	5.0	5.6	9.8	199.4	20.5	5.0	5.5	9.7
Mexico	221.3	23.2	5.6	6.3	11.0	202.2	21.2	5.1	5.7	10.1
United States	2,384.6	307.9	79.8	69.6	154.2	2,492.7	321.8	83.4	72.0	161.8
North America Others	108.3	9.0	2.2	2.4	4.2	114.4	9.4	2.3	2.5	4.5
North America Total	**2,915.0**	**360.8**	**92.6**	**84.0**	**179.1**	**3,008.6**	**372.9**	**95.8**	**85.8**	**186.0**
Argentina	75.8	6.8	1.7	1.9	3.2	82.0	7.4	1.8	2.0	3.5
Brazil	251.7	22.9	5.6	6.3	10.8	246.4	22.5	5.5	6.1	10.6
Chile	37.9	3.6	0.9	1.0	1.7	39.5	3.8	0.9	1.0	1.8
Colombia	52.3	4.4	1.1	1.2	2.0	53.4	4.5	1.1	1.2	2.1
Peru	36.1	3.1	0.8	0.8	1.4	37.9	3.2	0.8	0.9	1.5
Venezuela	14.2	1.0	0.2	0.3	0.5	12.9	0.9	0.2	0.2	0.4
South America Others	50.9	4.1	1.0	1.1	1.9	53.1	4.2	1.0	1.1	2.0
South America Total	**519.0**	**45.9**	**11.2**	**12.5**	**21.5**	**525.2**	**46.5**	**11.4**	**12.5**	**21.9**
Grand Total	**11,922.1**	**1,219.2**	**301.1**	**313.2**	**587.9**	**12,235.0**	**1,252.0**	**309.4**	**318.3**	**606.8**

Sources: International Monetary Fund and Armstrong & Associates, Inc. Databases

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, we anticipate a significant change to our Top 50 Global 3PLs with the combination of Denmark-based DSV and Germany-based DB Schenker. DSV acquired Deutsche Bahn's DB Schenker arm for $15.9 billion, which concluded on April 30, 2025. Based on 2024 results with revenues totaling $43.3 billion, the combined DSV/DB Schenker should propel to second place in 2025, with $9.8 billion more in revenue than second place DHL Supply Chain & Global Forwarding in 2024. DHL and Kuehne + Nagel have steadily been the top contenders, bouncing between second and third place. In first place, with over four times their revenue, Amazon isn't going anywhere soon.

Helped by multiple purchases in recent years, CEVA came in 6th, growing by $3.2 billion over 2023 when it placed 8th. CEVA swapped places with C.H. Robinson, which fell from 6th to 8th, with revenue growth remaining fairly flat.

Japan's Nippon Express, including its acquisition of Austria-based cargo partner, held 7th place.

Denmark-based Maersk Logistics nudged past China's Sinotrans, taking 9th place this year with a revenue difference of $455 million. Sinotrans rounds out the top 10.

New to our list this year and also assisted by M&A is U.S.-based AIT Worldwide Logistic, which landed 50th place. As an ITM-focused 3PL, AIT has made complementary purchases that have expanded its service capabilities and global reach.

AIT's 2024 acquisitions include:

- Netherlands-based Global Transport Solutions Group (GTS). GTS is an ITM 3PL specializing in time-critical marine spare parts logistics. 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.

- Netherlands-headquartered Lubbers Logistics Group. The purchase added 18 offices to AIT's 130-location global network and expanded its network to Denmark, Romania, and Turkey. Lubbers also has facilities in Germany, Italy, Norway, and the United Kingdom.

Table 6. Top 50 Global 3PLs by Gross Logistics Revenue

Rank	Provider	2024 Gross Revenue (US$ Millions)*
1	Amazon**	156,146
2	DHL Supply Chain & Global Forwarding	33,542
3	Kuehne + Nagel	30,283
4	DSV	23,335
5	DB Schenker	19,970
6	CEVA Logistics	18,300
7	Nippon Express	17,005
8	C.H. Robinson	16,848
9	Maersk Logistics	14,920
10	Sinotrans	14,465
11	GEODIS	12,300
12	GXO Logistics	11,709
13	J.B. Hunt	11,403
14	UPS Supply Chain Solutions	11,165
15	Expeditors	10,601
16	DACHSER	8,690
17	DP World Logistics	8,199
18	Ryder Supply Chain Solutions	7,746
19	KLN	7,506
20	Total Quality Logistics	6,884
21	CJ Logistics	6,150
22	LX Pantos	5,900
23	Lineage Logistics	5,340
24	Kintetsu World Express	5,199
25	Uber Freight	5,141
26	LOGISTEED	5,081
27	Toll Group	5,040
28	Beon (Transportation Insight)	5,010
29	Yusen Logistics	4,700
30	RXO	4,550
31	JD Logistics	4,420
32	WWEX Group	4,380
33	Schneider	4,314
34	Penske Logistics	4,308
35	CIMC Wetrans Logistics Technology (Group)	4,293
36	Hellmann Worldwide Logistics	3,952
37	Hub Group	3,946
38	Echo Global Logistics	3,700
39	NFI	3,650
40	AWOT Global Logistics Group	3,470
41	ID Logistics Group	3,439
42	Mainfreight	3,230
43	Savino Del Bene	3,120
44	SAIC Anji Logistics***	2,986
45	Landstar	2,900
46	Gebrüder Weiss	2,818
47	Arvato	2,700
48	Americold	2,667
49	Culina Group	2,662
50	AIT Worldwide Logistics	2,598

*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 December 31, 2024 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.

This year, the number of Top 50 global 3PLs based in the U.S. remained at 21. Those based in China and Germany also held steady at 5.

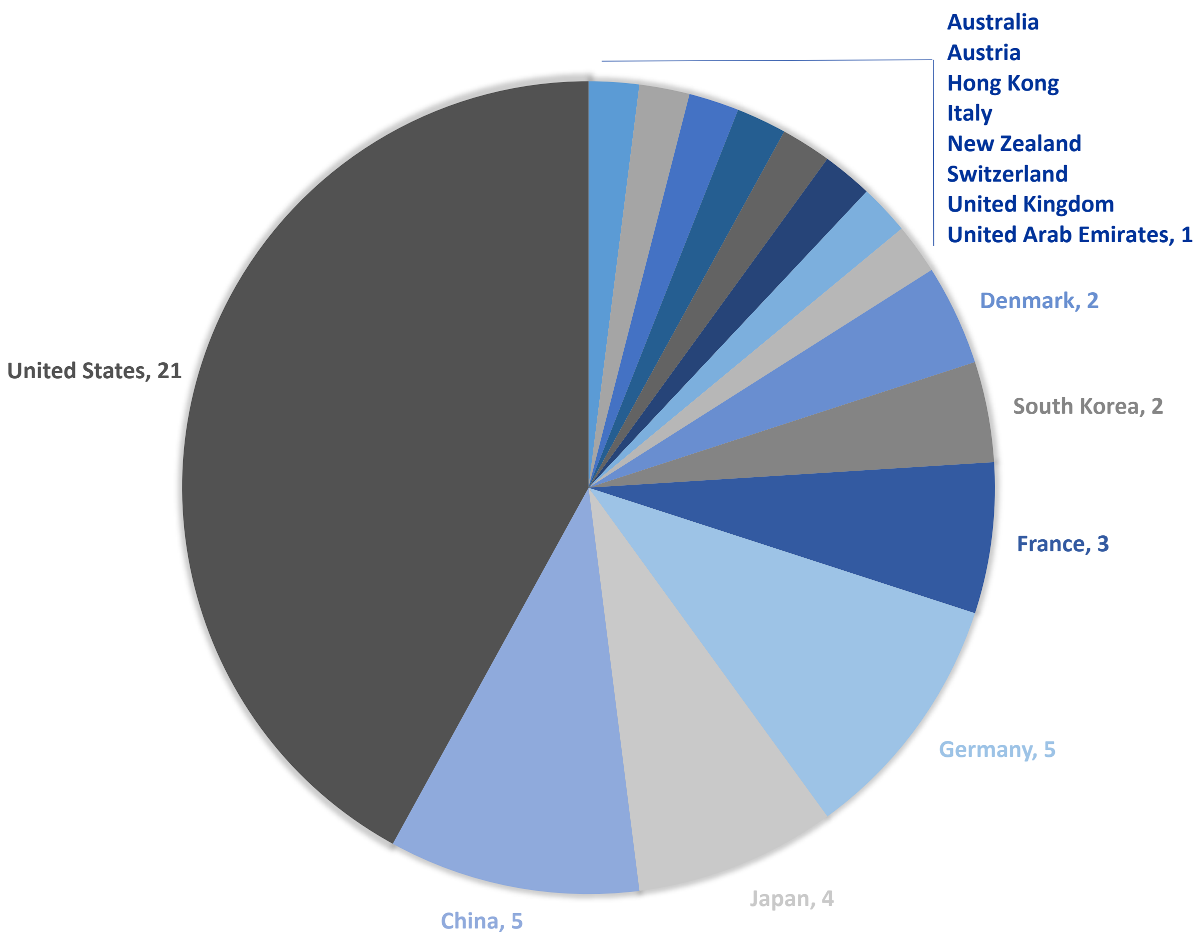
With the February 2024 acquisition of neighboring France-based freight forwarder Bolloré Logistics by CMA CGM, which will be rebranded as CEVA Logistics, the number of Top 50 global 3PLs based in France fell from 4 to 3.

Besides Amazon, the 3PLs rounding out the top 5 based on global 3PL revenues are all headquartered in Europe.

2023 marked the first year the United Arab Emirates took a slice of the top global 3PLs pie, with Dubai's DP World Logistics soaring to 16th place with $7.9 billion in revenue. In 2024, with $8.2 billion in revenue, it slipped to 17th place.

In 2024, Austria debuted as the new country on our Top 50 Global 3PLs list with the addition of Gebrüder Weiss, landing 46th place with $2.8 billion in revenue. Multiple acquisitions helped family-owned Gebrüder Weiss in recent years, including B+A Luft- und Seefrachtspedition GmbH, WEDLICH Logistik - Transport - Umzug GmbH, and the Cargoline location of amm logistics GmbH, all based in Germany, as well as U.S.-based Cargo-Link.

Figure 4. Top 50 Global 3PLs by Country



3PL Merger and Acquisition Activity

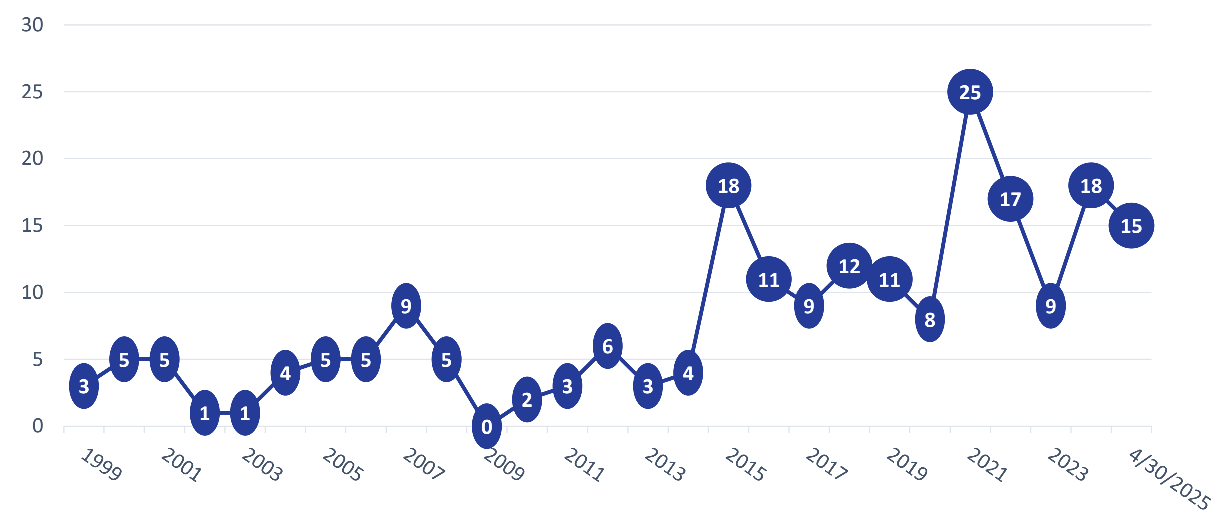
After a year of heavy transaction activity in 2021, with an astounding 25 large M&A transactions (those with purchase prices over $100 million), steady M&A activity continued into 2022 with 17 large transactions. Eight transactions over $100 million in 2022 hit $1 billion.

M&A activity slowed in 2023, especially among financial buyers. Nine transactions over $100 million, 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 has started strong with 15 deals over $100 million, including three transactions over $1 billion.

Figure 5. 3PL Acquisitions over $100 Million 1999-April 30, 2025*



*Published or estimated terms.

The largest deal in 2024 was CMA CGM's acquisition of 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 Forward Air's $2.1 billion purchase of 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.

Founded in 2010, Netherlands-based Active Ants became a wholly owned subsidiary of bpostgroup in August 2023. Active Ants has fulfillment centers in the Netherlands, Belgium, Germany, and the United Kingdom. It employs 500 people and utilizes 465 robots in its warehouses.

Radial was acquired by bpostgroup on November 16, 2017. Radial was created from the April 2016 merger between Innotrac Corporation, a provider of integrated digital technology, fulfillment, order management, and customer care services, and eBay Enterprise (formerly GSI Commerce), which specialized in creating, developing, and running online retail sites. Headquartered in King of Prussia, Pennsylvania, Radial has 30 warehouses in North America and Europe, covering 15 million square feet.

Other significant purchases made in 2024 include:

- Montreal, Canada-based transportation and logistics company TFI International's acquisition of Addison, Texas-headquartered Daseke, Inc., a leading North American flatbed and specialized transportation provider, in April 2024 for $1.1 billion. Since 2008, the company has made over 100 acquisitions. In 2020 and 2021 alone, TFI acquired 18 companies, the most notable being its $800 million purchase of UPS Freight (United Parcel Service's less-than-truckload and dedicated truckload divisions) on April 30, 2021.

- Charlotte, North Carolina-headquartered, asset-light DTM 3PL RXO purchased Coyote Logistics from UPS for $1.025 billion in September 2024. Coyote Logistics was founded in 2006 and acquired by UPS in 2015. The deal enhances RXO's market position, diversifies and expands its customer base, and broadens its carrier network.

- The April 2024 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 974 warehousing facilities. Three hundred eleven warehouses are in the U.S., 303 in the U.K., 292 in Europe (excluding the U.K.), and 68 primarily in Asia and Latin America. The deal further expands GXO's reach and capabilities in the UK and Ireland.

- The largest Japanese 3PL, Nippon Express, purchased Austria-based ITM 3PL cargo-partner. Nippon Express is Japan's largest domestic transportation company. Over 80% of Nippon's revenues are from its domestic Japanese operations. Its international forwarding and contract logistics operations are tied to its Japanese base. The deal advances Nippon's strategy to become a global mega-freight forwarder.

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, and combines two prominent global supply chain managers and freight forwarders, aligning the combined entities to become the second-largest 3PL globally after Amazon in 2025.

Market Research

New Releases from Armstrong & Associates, Inc.

Expert Information Service: A&A's premium market research and online 3PL guide.

[Expert Information Service (E.I.S.)](#)

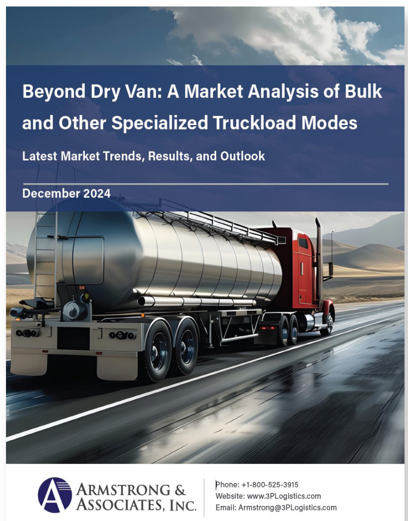
Our premium market research and analysis offering includes access to our eight most popular 3PL market research reports and a subscription to our leading 3PL guide, [Who's Who in Logistics Online](#). Phone consulting is available.

Delivering through Uncertainty:

Big and Bulky Last-Mile Delivery in the United States – 2025

The National Home Delivery Association (NHDA) and A&A partnered for this study covering the U.S. Big and Bulky Last-Mile Delivery Market. This major market research report provides updates on current market size, growth, and outlook, key providers, customers and verticals served, estimated route costs and average stops by geography, as well as employment and other trends.

This report is part of A&A's premium market research Expert Information Service (E.I.S.). (Note: This report is downloadable as an Adobe PDF file with a single user license.)



Beyond Dry Van: A Market Analysis of Bulk and Other Specialized Truckload Modesy

Latest Market Trends, Results and Outlook

This report analyzes the U.S. for-hire truckload market by segment, compares dry van against the bulk, flatbed, and refrigerated truckload segments, and provides estimates for all modes/trailer types from 2017-2027.

This report is part of A&A's premium market research Expert Information Service (E.I.S.). (Note: This report is downloadable as an Adobe PDF file with a single user license.)

Atlantic Crossing: A Comparative European 3PL Market Analysis

Latest Third-Party Logistics Market Results and Outlook

In this report A&A compares the overall 3PL market and segment growth in Europe to global, North America, and other key regions and countries for years 2016-2026E. The report also covers current disruptions impacting Europe's supply chain, top European ocean ports and rail initiatives, the warehousing landscape, M&A trends, and more. As part of its analysis, A&A compiled this list of the Top 50 Europe-based 3PLs.

This report is part of A&A's premium market research Expert Information Service (E.I.S.). (Note: This report is downloadable as an Adobe PDF file with a single user license.)

Reports are available for purchase at https://www.3plogistics.com