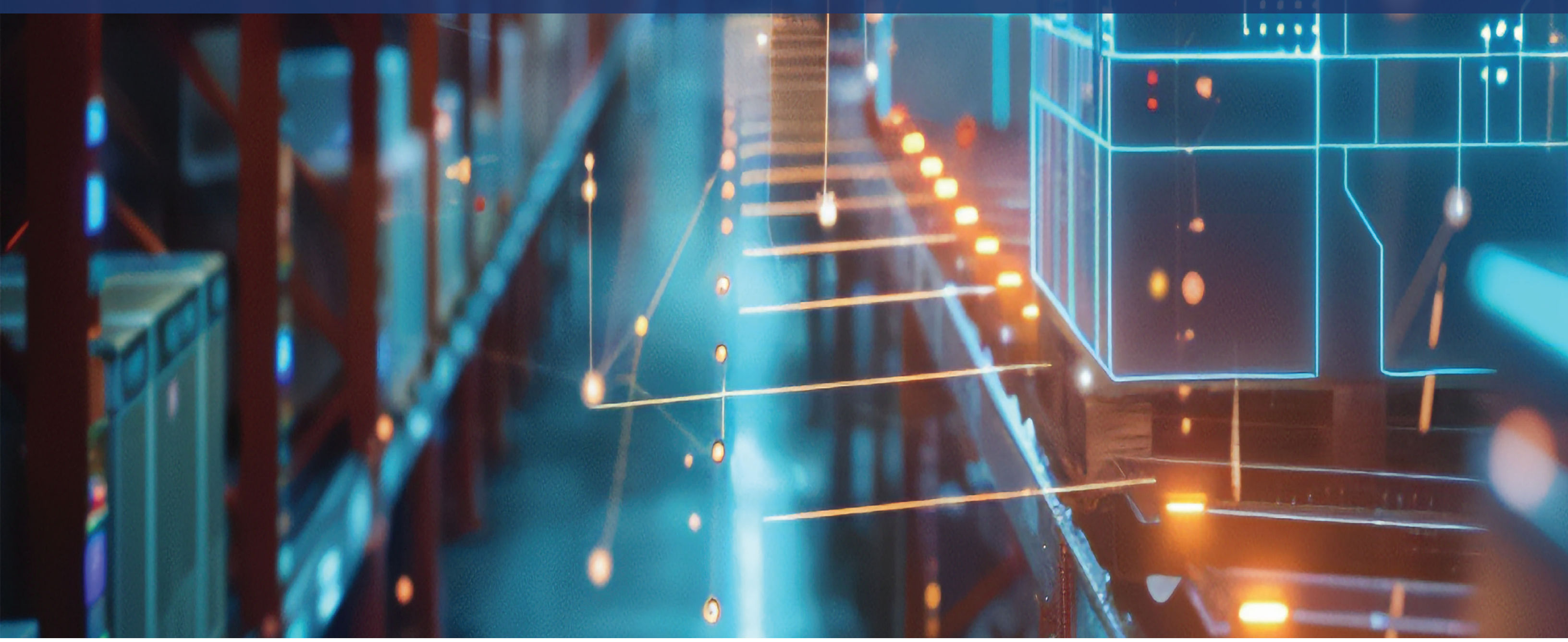
Even-Keeled: The Business of Warehousing in North America

Market Size, Market Trends, Major 3PLs, Benchmarking Costs, Prices and Practices

January 2026



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

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Besides the changes and trends in the figure above, the following areas were mentioned at least once:

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Besides the challenges mentioned above, the following areas were also mentioned at least once:

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Appendix

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North American Warehousing Study 2025 – General Questionnaire

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Thank you for your participation in this study. Your input is critical to developing a realistic picture of the current and future warehousing market. The reliability of the resulting metrics depends on your accurate responses. Individual company responses are confidential; we combine them to develop vital market benchmarks and insights. Please provide complete responses to the following questions. If you have any questions, please let us know.

1. What important changes, trends, and challenges have you seen in the warehousing business in the last 2-3 years?

Changes/Trends
Challenges/Pain Points

2. How did your total warehousing revenue change from 2023 to 2024?

Total warehousing revenue 2024 (US$ M)	**Total warehousing revenue 2023 (US$ M)**

3. For 2024, what percentage of your total warehousing revenue was from e-commerce warehousing/fulfillment?

For 2024, what percentage of your total e-commerce warehousing/fulfillment revenue was from outbound transportation (parcel and freight)?

4. What is your overall I.T. cost as a percent of the total warehousing operating cost?

5. Based upon feedback from your customers, what differentiates your service offering from the competition? (Choose the Top 3)

1st Choice		If other, explain	
2nd Choice		If other, explain	
3rd Choice		If other, explain	

6. Please rank the level of your organization's maturity in each area below, with 1 being the lowest and 5 being the highest.

A. Safety		Safety is embedded into daily operations with defined standards, regular training, and active committees. Programs include 5S (Sigma), equipment checks, lockout/tagout, safety audits, and behavior-based safety recognition. Root cause analysis is conducted on incidents and near misses.
B. People, Talent Management		Roles are clearly defined, and associates have the tools and training to succeed. There are structured performance reviews, mentorship programs, and employee development paths. Responsibilities are aligned with individual strengths, where possible, In the program. There is an employee development program where they can grow and learn skills beyond the day-to-day work. Roles and responsibilities are personalized to meet the strengths of the associates.
C. Technology		Technology includes an integrated Tier-1 Warehouse Management System, Business Intelligence tools, Labor Management System, and Customer Relationship Management System. Real-time customer access is available via a self-service portal. Automation (e.g., robotics, AS/RS, pick-to-light) is used where appropriate. A clear digital strategy has been developed, supporting optimization and innovation.
D. Continuous Improvement		Lean/Six Sigma principles are in place, with certified belts supporting operations. Visual management and KPI tracking are standardized. Employees are trained in root cause tools (DMAIC, 5 Whys, fishbone, etc.), and there is a formal suggestion and leadership standard work process.
E. Quality Program		A centralized Quality Program ensures compliance and continuous audit readiness. SOPs are current and accessible. Core components include CAPA, change control, risk management, supplier quality, audits, training, and statistical process control.

7. 2024 Warehousing Sales Information

What Customer Relationship Management System are you using?	
Customer Contract Renewal Rate %	
Total RFPs Received Annually	
RFP Win Rate Percentage (%)	
Annual New Business Won from RFPs ($)	
Number of Sales Personnel	

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Market Research

New Releases from Armstrong & Associates, Inc.

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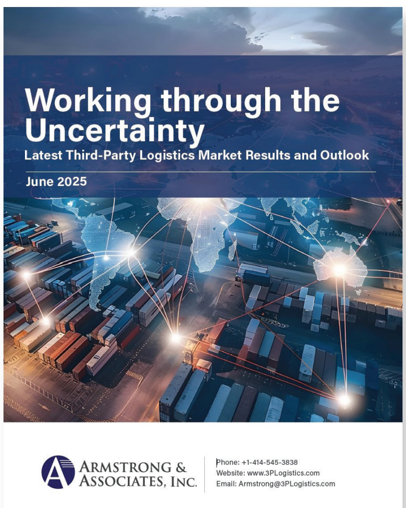


Working through the Uncertainty:

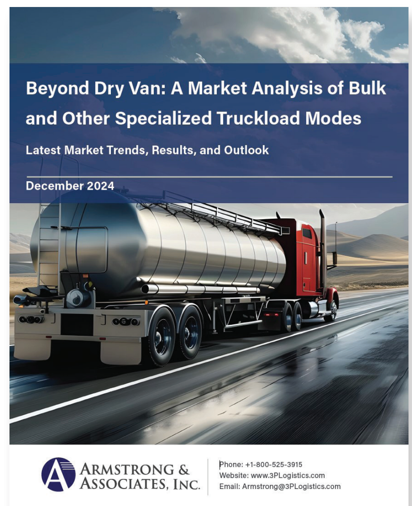
Latest Third-Party Logistics Market Results and Outlook– 2025

This report provides the latest trends in the third-party logistics industry and all four major segments, latest trends and estimates in the U.S. and Global 3PL Markets, including the 3PL M&A activity. The report also contains A&A's lists of the Top 50 Global 3PLs and Top 50 U.S. 3PLs for 2024.

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.



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

Latest Market Trends, Results and Outlook– 2024

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.

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