

Read the following text from a logistics company magazine about new trends in third-party logistics. Then label the paragraphs with the correct headings from the list.

- Today's role of major providers
- Changing logistics requirements for manufacturers
- 3PL in the past
- New challenges for 3PL
- Change in logistics concepts

## Recent trends in 3PL

1 \_\_\_\_\_

Until a few years ago, companies used to outsource only parts of their logistics operations to providers specializing in services such as distribution or warehousing. A single company sometimes had several third-party logistics providers (3PLs).

2 \_\_\_\_\_

The globalization of trade and increasing demand for services, however, has led to a drastic shift in logistics concepts and management with an impact on both producers and logistics providers.

3 \_\_\_\_\_

As far as manufacturers are concerned, logistics management has become a lot more complex. By now, many of them have learned that outsourcing single segments to different providers has not really made their logistics operations more efficient. That is why they are looking for providers who can provide a higher level of service and more comprehensive supply chain solutions.

4 \_\_\_\_\_

For 3PLs all over the world, requirements keep getting more demanding with customers asking for a wider range of



logistics solutions. Apart from that, logistics providers today are facing an increasingly tough and highly competitive market. In recent years, growing pressure on prices has led to a decrease in profit margins. In order to compensate for this, many third-party logistics providers now offer value-added services for their customers. Due to fierce competition in the 3PL market, however, experts predict that only the big international players will be able to work profitably in the future.

5 \_\_\_\_\_

The big global players, also called super-3PLs, can provide their customers with comprehensive supply chain or end-to-end solutions. These services usually include forwarding, transportation, consolidation, customs brokerage, warehousing, and distribution, as well as a range of value-added services.

Now say which of these statements are true **T** or false **F**

- 1 In the past, companies used to outsource only segments of their logistics operations.
- 2 Manufacturers found out that outsourcing to 3PL providers is not efficient.
- 3 In the past few years many 3PL providers have increased their profit margins.
- 4 Customers today are demanding more complex logistics solutions.
- 5 Super-3PLs provide comprehensive solutions to logistics problems.