

Transport Topics

TOP

50

LOGISTICS COMPANIES

2007



A Note From the Publisher

We live in a world in which consumer goods made in China are shipped halfway around the world on a container ship, offloaded in the Port of Long Beach, put on a train and shipped to Chicago, where they are handed off to a trucking company for delivery to a business or consumer.

At the same time, earthmoving equipment and diesel-powered generators made in Peoria, Ill., are disassembled and shipped by truck or rail to the Port of Savannah, placed on a cargo ship and transported to a job site in China.

This global exchange happens with such regularity and consistency that we as consumers hardly give it a second thought.

As the volume of trade continues to grow, so does the role of logistics companies in making sure that goods are moved quickly and efficiently, no matter where in the world they are made or where they are sold.

In this 2007 edition of TRANSPORT TOPICS' Top 50 Logistics Companies, Senior Features Writer Daniel P. Bearth examines this increasingly complex world of trade management through the lenses of international shipping experts.

Topping the 2007 list is DHL Exel Supply Chain, a unit of Germany's Deutsche Post World Net. DHL and UPS Supply Chain Solutions held the No. 1 or No. 2 spots ever since the first TT Logistics 50 list was published in 2002.

That's not surprising because both companies have extensive international shipping operations. A number of European and Asian air and ocean freight forwarders also rank high on the

Top 50 list.

In some ways, U.S.-based companies are playing catch-up to the rest of the world in terms of international trade. But there's little doubt that trade is becoming a more important part of the U.S. economy.

In 2006, the United States imported \$1.86 trillion worth of goods, an increase of 62.4% since 2001, according to Commerce Department data. The United States exported goods worth \$1.04 trillion, an increase of 50% since 2002.

The biggest trading partners with the United States are Canada, Mexico, Japan, China and the United Kingdom.

By publishing a listing of logistics heavyweights, our objective is not just to give readers a way of tracking major players. We want readers to gain an understanding of their capabilities.

That's why our presentation includes vital information on each company's industry expertise, names of key customers and descriptions of the logistics services offered.

We define logistics as the procurement of transportation services for shippers, and we categorize logistics service providers in four broad businesses: freight forwarding, freight brokerage, dedicated contract carriage and warehousing.

This, we believe, provides the most comprehensive view of logistics service providers in North America.



Howard S. Abramson

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Acknowledgements & Sources

The 2007 TRANSPORT TOPICS Top 50 Logistics Companies is a special project of TT Publishing Group.

Companies are ranked on net revenue, which is gross revenue minus the cost of purchased transportation.

Data came from annual reports filed by publicly owned companies and directly from company management of privately owned companies. In some cases, estimates were used based on data supplied by logistics industry consultant Richard Armstrong of Armstrong & Associates.

Senior Features Writer Daniel P. Bearth was the project coordinator. He was assisted by editorial interns Kyle White and Marjorie Pouyes.

Design was by Patrick Donlon, assistant director of art and production. Cover design was by Shawn Torres.



Tracking Technologies, Cooperation Help Logistics

Experts Say Increasing Volume of Imports, Exports, Plus Tighter Security, Present Some Challenges

By Daniel P. Bearth
Senior Features Writer

Getting goods in and out of the United States is becoming more complex and more costly, but logistics experts say there are ways to accommodate the growing volume of trade by using new tracking technologies and closer collaboration between shippers and freight carriers.

"There are many big issues facing trade management," said John Amos, president of Amos Logistics and chairman of the Ocean Transportation Committee of the National Industrial Transportation League in Arlington, Va.

"The biggest issue is having a supply chain management that encompasses all of the factors that can slow down transportation. This includes security compliance, carrier capacity, confidential contracts, port labor and, last but not least, environmental compliance," Amos said.

In 2002, Amos co-authored a report that called for development of an electronic clearinghouse and repository for trade documents and a coordinate response to the

concerns of governments about terrorism.

While there has been progress on both fronts, transportation and logistics experts told Transport Topics that the increasing volume of imports and exports — along with the prospect of tighter security regimens, such as requiring scanning of all incoming cargo containers — present major new challenges for shippers and carriers to keep goods moving efficiently through supply chains that extend around the world.

"It's become a more challenging environment," said Robert Johnson, director of logistics and transportation for Huntsman Corp., a Houston-based manufacturer of chemicals, plastics and paints with 75 operations in 24 countries. "We have had a hard time getting equipment, especially now with the weak dollar and strong euro. Imports are expensive and exports are strong, really strong."

Huntsman is responsible for about 4,000 import clearances and 11,000 export shipments annually, Johnson said.

Transportation costs have increased between 5% and 6% in each of the past two years, Johnson

said, partly because consolidation among rail and ocean carriers has reduced the level of competition and curtailed choices of transportation service providers for shippers.

"We try to buy everything on a delivered basis," said Fred van Stein, manager of marine logistics and imports for Huntsman. "That way, we don't worry about getting a chassis or tractor to get goods moved into a plant or warehouse. There's no detention or demurrage. That's on the backs of the steamship lines."

Relying on ocean carriers to arrange for goods to be delivered is expected to become more difficult, however, as some container-ship operators, such as Maersk Lines, recently have cut back the number of inland terminals they directly serve because of rising costs and equipment imbalances (5-7, p. 10).

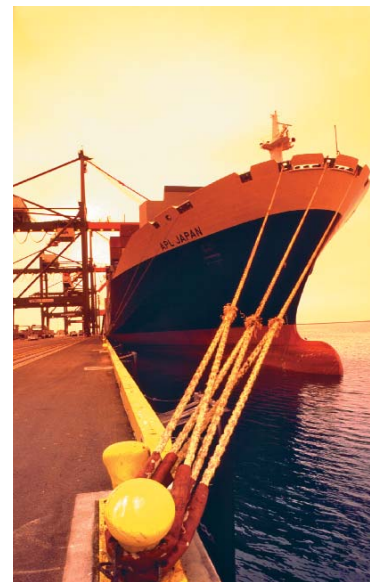
One manifestation of the trade imbalance, Johnson said, is that railroads are charging almost as much to move empty containers as they are for loaded boxes.

Mark Hynes, vice president of manufacturing logistics and transportation for Caterpillar Logistics Services, said although steamship lines have added capacity, U.S. ports and railroads remain congested, which has made it difficult to keep up with increasing demand for the construction and mining equipment made by Caterpillar in North America.

"We ship to every continent, including Antarctica," Hynes said, "and we use all modes of transport."

Caterpillar spends \$1.5 billion

In early 2006, Caterpillar Logistics Services launched a program designed to reduce the time from when an order is accepted until the customer receives the product.



The container ship APL Japan, tied up at the dock at the Port of Los Angeles, waits to be unloaded at dawn.

annually on global transportation and has shipped approximately 16 billion pounds of freight last year, Hynes said.

"Our volume has increased considerably, so we have more opportunity to find things to complain about."

In early 2006, Caterpillar launched a Caterpillar Production System program designed to reduce the time from when an order is accepted until the customer receives the product.

Hynes said one of the program's goals is to collect shipment data to identify changes in the production and distribution process that can save time and money.

In several pilot projects, Hynes said, a 20% improvement in the shipment velocity has been achieved.

Kevin McKelvie, vice president of strategic accounts for APL Logistics, said the industry is "moving in the right direction" to address capacity issues. However, progress is slow and, in the short term, "we need to make better use of assets."

At the nation's largest port complex in Southern California at Los





Angeles and Long Beach, McKelvie said at least 40% of the container traffic is now handled at night after port officials extended the hours of operation.

Other projects APL has undertaken to ease port congestion include on-dock rail services, new water routes from Asia to the East Coast of the United States through the Suez Canal and the use of freight consolidation in Asia near the point of origin to act as a buffer for goods moving to the United States and Europe.

“It doesn’t do any good to put goods on a boat, only to have it sit in a container yard when it arrives because the warehouse can’t accept it,” McKelvie said.

Dan Waterfield, a vice president in charge of international freight shipments for Wheels Group, a logistics firm in Mississauga, Ontario, agreed that adding rail capacity is the key to reducing congestion at the ports.

“A typical container ship costs \$100,000 a day to operate and, if it has to wait a week to enter the port, guess who’s going to pay for it?” he said.

Waterfield said his company has invested in systems to track the status of shipments, which can help shippers cope with delays.

“We have total visibility,” he said. “We see it come off the ship and when it goes onto rail or a truck. It helps customers to plan inventory. No one wants to carry inventory.”

At the Port of Oakland in June, drivers for Central Cal Transportation began using a new automated dispatch and tracking system developed by International Asset Systems and Trinium Technologies to improve visibility of containers as they move through the port. The system uses a Global Positioning System-enabled cellphone to record the movement of trucks and relay cargo to shippers, ocean carriers and trucking companies.

Jeff Cox, operations manager of Central Cal, said knowing the status of containers “has traditionally been a challenge to do.”

“With this new capability,” he said, “we can not only provide customers with up-to-date information on container status, but we can also automate and streamline our own dispatch

management process.”

Earlier this year, officials at BDP International in Philadelphia reported that most supply chain decisions are still handled locally. In fact, 60% of the corporate executives surveyed who had global supply chain responsibilities said supply chain decisions in their companies are regional and/or local in scope.

“These results suggest that some multinational companies operate a series of what might best be described as multidomestic rather than global supply chains,” said Yone Dewberry, managing director of Centrx, a unit of BDP International that provides supply chain consulting services.

While reasons for the decen-

try points, which has resulted in longer lead times and a need to improve regulatory understanding, Dewberry said.

One way companies can cope is by using technology to automate paperwork associated with the handoff of goods from one country to another and from one transport mode to another.

Companies that have moved to a more automated global trade management process have shown improvements of three to seven days in cross-border lead times and a 10% to 20% reduction in international freight costs, according to a study by Aberdeen Group, a logistics and technology research firm in Boston.

“On average, companies with

and intervene when unexpected events or delays occurred,” said Rhona Lishinsky, senior director of logistics and customs compliance for Cost Plus in Oakland, Calif.

“The ocean carrier may think it is not a big deal to have a delayed estimated time of arrival update,” Lishinsky said. “We have to explain that our distribution centers are doing their labor planning off this information, so it is a big deal.”

Firms that use technology to track goods are twice as likely as other firms to have reduced total landed costs over the past two years and three times as likely to have faster-than-average order-to-delivery cycles, according to a survey of 400 supply chain and finance personnel conducted earlier this year by Aberdeen Group.

A majority of companies surveyed also said that improving trade compliance was a “high priority” in 2007.

Viktoriya Sadlovska, a research analyst on global trade and supply chain finance for Aberdeen, said the best-performing companies are also twice as likely to have reduced their cash conversion cycle over the past two years and 50% more likely to have improved their return on capital.

The Aberdeen study confirmed a close connection between logistics and a company’s financial performance, said Graham Napier, chief executive of Tradebeam Inc., a San Mateo, Calif.-based firm that provides trade management software and services.

“Historically, the physical and financial supply chains were managed as separate entities,” he said.

In July, Management Dynamics Inc., East Rutherford, N.J., released a new version of its Trade Collaborator software application that allows companies to centrally manage import and export compliance and trade agreements for related-party transactions.

Trade by U.S. corporations and their subsidiaries and U.S. subsidiaries of foreign companies with their parent companies amounted to \$1.18 trillion, or 40.9% of total merchandise trade in 2006, according to the U.S. Census Bureau. ☞



Caterpillar Logistics Services

Caterpillar Logistics Services said although steamship lines have added capacity, U.S. ports and railroads remain congested.

tralized approach vary, Dewberry said it was incumbent upon shippers to make changes. “The unrelenting pressure to achieve per-unit cost reductions, in tandem with the emergence of true global data visibility, must hasten supply chain integration to accommodate the exigencies of international trade,” he said.

On-time delivery is the most pressing issue facing shippers’ supply chains, mentioned by two-thirds of respondents, Dewberry said. The second most frequently cited issues were total landed costs and logistics costs, each noted by 39% of respondents, he said.

Globalization of trade has brought a dramatic increase in companies’ sourcing and deliv-

over \$1 billion in revenue reported that their international supply chains are only 50% as automated as their domestic supply chains,” Aberdeen reported in December 2006. “Just 6% of companies have highly automated end-to-end and cross-functional supply chain processes.”

Cost Plus World Market, a company that imports a wide variety of products, including furniture, home décor, toys and collectibles from more than 50 countries, created a centralized data repository for every purchase order, shipment event, document and cost element in the supply chain.

That kind of data “helps us manage down our inventories



50 The 2007 Transport Topics LOGISTICS COMPANIES

1. DHL Exel Supply Chain
2. UPS Supply Chain Solutions
3. Schneider Logistics
4. Ryder System
5. Caterpillar Logistics Services
6. CEVA Logistics/Eagle Global Logistics
7. C.H. Robinson Worldwide
8. AmeriCold Logistics
9. Penske Logistics
10. FedEx Supply Chain Services/FedEx Trade Networks
11. Greatwide Logistics Services
12. J.B. Hunt Dedicated Contract Services
13. APL Logistics
14. NFI Interactive Logistics
15. Werner Global Logistics
16. YRC Logistics
17. Kuehne + Nagel Contract Logistics
18. Schenker Logistics/BAX Global
19. Landstar Global Logistics
20. Expeditors International of Washington
21. Ozburn-Hessey Logistics
22. UTi Integrated Logistics
23. Ruan Transport Corp.
24. Swift Transportation Co.
25. Jacobson Cos./Arnold Logistics
26. Genco Supply Chain Solutions
27. Menlo Worldwide
28. Agility Logistics
29. Total Logistic Control
30. Cardinal Logistics Management
31. U.S. Xpress Enterprises
32. Brightpoint North America
33. TransForce Income Fund
34. Kenco Logistics Services
35. New Breed Logistics
36. Logistics Insight Corp.
37. Ingram Micro Logistics
38. ATC Logistics & Electronics
39. Maersk Logistics USA
40. Livingston International Income Fund
41. NYK Logistics Americas
42. Mallory Alexander International Logistics
43. Hub Group/Unyson Logistics
44. BDP International
45. DSC Logistics
46. England Logistics
47. 3PD Inc.
48. Averitt Express
49. Saddle Creek Corp.
50. Kane is Able Inc.

DHL Overtakes UPS; Distribution Firms Added to Top 50 List

By Daniel P. Bearth
Senior Features Writer

DHHL and UPS, two of the world's biggest names in package delivery, continue to battle for supremacy in providing third-party logistics services in North America.

DHL Exel Supply Chain ranks No. 1 and UPS Supply Chain Solutions No. 2 on the 2007 edition of TRANSPORT TOPICS' Top 50 Logistics Companies. The order was reversed in 2006, and the two companies have been listed No. 1 or No. 2 every year since the first list was published in 2002.

Both companies have grown by cross-selling logistics services, such as transportation management and warehousing, to their package customers. Acquisitions also have been important in adding volume and broadening the range of services provided.

UPS Chairman Mike Eskew said the company shed some business over the past year, "which slowed our top-line growth."

"All supply chain solutions must meet two criteria," he said in a message to shareholders in the 2006 annual report. "One, they must be linked to the transportation network and two, they must be repeatable, that is, able to be used by a number of customers simultaneously."

DHL, meanwhile, continued to ramp up its package and freight delivery network in North America and can use its extensive overseas capabilities (it is owned by Germany's Deutsche Post World Net) to boost its logistics business. Deutsche Post's 2005 purchase of Exel PLC (and its Exel Americas unit) also made DHL the largest provider of contract logistics and freight forwarding services in North America.

The TT Logistics 50 ranks firms based on net revenue from North American operations in four primary categories: air and ocean freight forwarding, warehousing and distribution, dedicated contract carriage, and

truck and rail brokerage.

Although both DHL and UPS appear to be pulling away from the field in the latest survey, there were other notable changes in the list.

The combination of CEVA Logistics (formerly TNT Logistics) and EGL/Eagle Global Logistics has produced a logistics enterprise ranked No. 6 this year with combined net revenue of \$1.42 billion. In 2006, TNT Logistics North America ranked No. 12 and Eagle Global Logistics ranked No. 17.

Another merged company — Jacobson Cos. and Arnold Logistics — is ranked No. 25 this year with net revenue of \$399 million in 2006. Last year, Jacobson ranked No. 30 and Arnold No. 47.

Germany's Schenker Logistics and North America's BAX Global also got together. Net revenue for the combined businesses in North America was estimated at \$600 million, good enough to be ranked No. 18.

Joining the TT Logistics 50 for the first time this year are some companies that specialize in distribution logistics. Brightpoint North America (No. 32) distributes cellphones, for instance, as does ATC Logistics & Electronics (No. 38). Ingram Micro Logistics returns to the Top 50 at No. 37 after a one-year absence. It specializes in distributing computer and electronic parts.

Also new is 3PD Inc., an appliance and furniture delivery specialist with a large dedicated service fleet. It ranks No. 47.

Data for the TT Logistics 50 derive primarily from company management or annual reports published by publicly owned companies. In some cases, revenue is estimated by Richard Armstrong, publisher of "Who's Who in Logistics: Armstrong's Guide to Global Supply Chain Management."

Firms are ranked on the basis of net revenue, which is defined as gross revenue minus purchased transportation. It is considered by Armstrong and other industry experts to be the fairest way to judge the size and capabilities of the business. ∞



N. AMERICAN REVENUE (in millions)

RANK 2007	RANK 2006	COMPANY	EMPLOYEES	INDUSTRY EXPERTISE/KEY CUSTOMERS	DESCRIPTION OF SERVICE
1	2	 DHL Exel Supply Chain Westerville, Ohio (Deutsche Post World Net) Bill Meahl, CEO www.exel.com	N/A	Computers and electronics, chemical, industrial, automotive, life science, retail, consumer goods Customers include: DaimlerChrysler, Unilever, Kellogg's, Kraft Foods, Goodyear Tire and Rubber Co., Home Depot, Wal-Mart, Texas Instruments	Warehousing and distribution, customs brokerage, transportation management, supply chain consulting, order fulfillment, service parts logistics, returned goods management, home delivery, manufacturing subassembly and packaging, information technology, real estate and property management
2	1	 UPS Supply Chain Solutions¹ Alpharetta, Ga. (UPS Inc.) Bob Stoffel, Senior Vice President, Engineering, Strategy and Supply Chain www.ups-scs.com	N/A	Retail, automotive, health care Customers include: Nikon, Sprint, Molex, Oneida Ltd., Anchor Blue Retail Group, Novartis, Becton Dickinson & Co., Under Armour, Johnson & Johnson, Shoes.com, Nestle Purina Pet Care, Oki Data, Alcoa, General Electric, Toshiba, Phillips Medical Systems, Honeywell, Smartbargains.com	Air and ocean freight forwarding, customs brokerage, transportation management, warehousing and distribution, supply chain consulting, dedicated contract carriage, intermodal, freight brokerage, service parts delivery and repair services, order fulfillment, returns management
3	3	 Schneider Logistics Green Bay, Wis. (Schneider National Inc.) Tom Escott, President www.schneiderlogistics.com	1,300 \$1,754 \$4,184	Automotive, consumer products and retail, heavy equipment, computers and electronics, food and beverage, chemicals, health care, paper Customers include: Delco Remy Electronics, Dow Chemical, Ford Motor, General Motors, Honeywell, Kimberly-Clark, Miller Brewing, PolyOne, Quaker Oats, Shell Oil, Thomson Multimedia	Transportation management, supply chain consulting, dedicated contract carriage, event management, air freight forwarding, intermodal, freight payment and auditing
4	4	 Ryder System Miami Gregory Swienton, Chairman and CEO Vicki O'Meara, President, U.S. Supply Chain Solutions www.ryder.com	28,600 \$1,792 \$2,597	Automotive, aerospace, industrial equipment, telecommunications, computers and electronics, food and beverage, pharmaceuticals, building materials, utilities, consumer goods, retail, newspaper distribution Customers include: CVS Pharmacy, General Motors, DaimlerChrysler, Haverly's Furniture, Hewlett-Packard, Philips Consumer Electronics, Toyota, Whirlpool, Xerox	Transportation management, supply chain consulting, dedicated contract carriage, air and ocean freight forwarding, freight brokerage, freight payment and auditing, returns management, warehousing and distribution, produce assembly, order fulfillment, service parts logistics, customs brokerage, insurance, intermodal, home delivery
5	5	 Caterpillar Logistics Services Morton, Ill. (Caterpillar Inc.) Mary Bell, Chairwoman Steve Larson, President, Americas www.cat.com	10,600 \$1,600 \$2,400	Automotive, industrial equipment, aerospace and defense, mining, consumer durables Customers include: Bombardier Aerospace, DaimlerChrysler, Delphi, Agco, Emerson, Ford Motor, Harley-Davidson, Honeywell, Irwin Industrial Tools, Kodak, Mazda, Newmont Corp., Toshiba, U.S. Cellular	Warehousing and distribution, transportation management, manufacturing subassembly and materials management, order fulfillment, returned goods management, trade management, supply chain consulting, information technology
6	12	 CEVA Logistics/Eagle Global Logistics Jacksonville, Fla./Houston (Apollo Management) John Pattullo, CEO Jerry Riordan, Managing Director, North America www.cevalogistics.com	19,358 \$1,424 N/A	Automotive, industrial, aerospace, consumer goods and retail, tires, utilities, railroads, computers and electronics, trade shows, pharmaceuticals, printed materials, oil and gas, apparel, entertainment equipment Customers include: Amdahl, BMW, CSX Corp., DaimlerChrysler, Ford Motor, General Motors, Hewlett-Packard, Honda, John Deere, Michelin, Macco Materials Handling Group, Neiman Marcus, Rolls-Royce, Sears, Surface Deployment and Distribution Centers, United Stationers, Visteon Automotive Services	Manufacturing support and subassembly, transportation management, supply chain consulting, dedicated contract carriage, warehousing and distribution, returns management, home delivery, air and ocean freight forwarding, customs brokerage, expedited transportation, project management Freight brokerage, transportation management, air and ocean



N. AMERICAN REVENUE (in millions)

RANK 2007	RANK 2006	COMPANY	EMPLOYEES	INDUSTRY EXPERTISE/KEY CUSTOMERS	DESCRIPTION OF SERVICE
7	9	 C.H. Robinson Worldwide Eden Prairie, Minn. John Wiehoff, Chairman and CEO www.chrobinson.com	6,800	Food and beverage, retail, paper products, manufacturing Customers include: Wal-Mart, Best Buy, Cargill, PepsiCo, Anheuser-Busch, Applica Inc., James Hardie Building Products, Verizon, Imperial Sugar, Blue Ridge Paper Products, PetSmart, Atrium Windows & Doors	freight forwarding, supply chain consulting, dedicated contract carriage, warehousing
8	14	 AmeriCold Logistics Atlanta (Vornado Realty Trust, Crescent Real Estate Equities, Yucaipa Companies) Tom Schnug, CEO www.americold.net	N/A	Food and groceries, consumer goods Customers include: ConAgra, General Mills, Gorton's, Heinz, J.R. Simplot, Jack in the Box, Johnson & Johnson, Kraft Foods, Lamb-Weston, McCain Foods, Nestle, Norpac Foods, Pillsbury, Rich Products, Sara Lee	Refrigerated warehousing and distribution, transportation management, facility engineering and design
9	7	 Penske Logistics Reading, Pa. (Penske Truck Leasing Co.) Vince Hartnett, President www.penskelogistics.com	\$11,000 \$3,100	Automotive, chemical, health care and pharmaceuticals, manufacturing, aerospace, consumer goods, retail Customers include: Merck, Samsung, Whirlpool, Eaton, Ford Motor, DSM, General Motors, Key Safety System	Transportation management, warehousing and distribution, supply chain consulting, dedicated contract carriage, air and ocean freight forwarding
10	37	 FedEx Trade Networks² Memphis, Tenn. (FedEx Corp.) G. Edmund Clark, CEO www.fedex.com	\$999 \$1,970	N/A Customers include: N/A	Customs brokerage, air and ocean freight forwarding, freight brokerage, warehousing and distribution, freight payment, international trade consulting
11	11	 greatwide Dallas (Investcorp, Hicks Holdings LLC and Fenway Partners) Thomas Hicks, Chairman Raymond Greer, CEO www.greatwide.com	\$995 \$1,140	Retail, food and beverages, grocery, automotive, chemical Customers include: Wal-Mart, Tyson Foods, IBM, Sysco, UPS, Dow Chemical, Ford Motor, General Motors, General Tire	Dedicated contract carriage, warehousing and distribution, freight brokerage, transportation management
12	10	 J.B. Hunt Dedicated Contract Services Lowell, Ark. (J.B. Hunt Transport Services) John Roberts III, President www.jbhunt.com	\$915 N/A	General merchandise and specialty retail, building products, food and beverage, forest and paper products, rubber and plastic products, automotive, pharmaceuticals Customers include: Circuit City, Family Dollar, Gambro Renal Products, Orchard Supply Hardware, PPG Industries, Standard Furniture, Home Depot, Weyerhaeuser	Dedicated contract carriage
13	6	 APL Logistics³ Oakland, Calif. (NOL Group, Singapore) Brian Lutt, President www.apllogistics.com	\$821 \$853	Automotive, retail, footwear and apparel, consumer packaged goods, computers and electronics, industrial equipment, chemical, government Customers include: ArvinMeritor, Asics, Birds Eye Foods, Colgate-Palmolive, Dupont, General Motors, Limited Brands, Newell Rubbermaid, Nike, Procter & Gamble, The Gap, 3M	Warehousing and distribution, air and ocean freight forwarding, customs brokerage, transportation management, supply chain consulting



N. AMERICAN REVENUE (in millions)

RANK 2007	RANK 2006	COMPANY	EMPLOYEES	INDUSTRY EXPERTISE/KEY CUSTOMERS	DESCRIPTION OF SERVICE
14	29	NFI Interactive Logistics Cherry Hill, N.J. (NFI Industries) Sid Brown, CEO Joe Roeder, President www.nfiinteractive.com	5,200 \$718 ^(e) \$773	Food and groceries, beverage, retail, consumer goods, computers and electronics Customers include: Staples, Trader Joe's, Colgate-Palmolive	Warehousing and distribution, transportation management, dedicated contract carriage, intermodal, supply chain consulting, trade management, equipment leasing, assembly and packaging
15	13	Werner Global Logistics Omaha, Neb. (Werner Enterprises) Greg Werner, CEO Derek Leathers, Vice President. Value-Added Services and International www.werner.com	14,326 \$654 ^(e) \$1,123	Retail, consumer goods, apparel, beverages, energy, food products, paper products, electronics, building materials Customers include: Dollar General, Sears, Target, Procter & Gamble, Wal-Mart, Anheuser-Busch, ConAgra, General Mills, Knaufl Insulation, Perdue Farms	Dedicated contract carriage, transportation management, intermodal, air and ocean freight forwarding, customs brokerage, freight brokerage, supply chain consulting
16	22	YRC Logistics Overland Park, Kan. (YRC Worldwide) Jim Richie, CEO www.yrclogistics.com	2,700 \$650 \$1,000	Automotive, computers and electronics, consumer goods, cosmetics and personal care, financial services, food and groceries, health care, industrial, metals, office equipment, oil and energy, plastics, print and publishing, retailing, computers and electronics, utilities Customers include: N/A	Warehousing and distribution, transportation management, supply chain consulting, facilities engineering, assembly and packaging, dedicated contract carriage, freight brokerage, air and ocean freight forwarding, customs brokerage, information technology
17	16	Kuehne + Nagel Contract Logistics Naugatuck, Conn. (Kuehne + Nagel International AG, Switzerland) Rolf Altorfer, President www.kuehne-nagel.com	2,812 \$625 \$2,812	Computers and electronics, retail, consumer goods, pharmaceutical and health care, industrial, chemical, aviation and automotive Customers include: Nortel Networks, Sun Microsystems, Roche Pharmaceuticals, Allergan, Wal-Mart, Home Depot, Pirelli, Noveon	Ocean and air freight forwarding, transportation management, warehousing and distribution, packaging, supply chain consulting, insurance, customs brokerage
18	8	Schenker Logistics/BAX Global Irvine, Calif. (Deutsche Bahn AG, Berlin, Germany) www.baxglobal.com www.schenker.com	N/A \$600 ^(e) \$2,140 ^(e)	Computers and electronics, automotive, aerospace, airlines, health care, retail, telecommunications, printing and publishing, government, chemical, consumer goods, furniture, cosmetics and personal-care products Customers include: N/A	Air and ocean freight forwarding, customs brokerage, transportation management, warehousing and distribution, supply chain consulting
19	40	Landstar Global Logistics Jacksonville, Fla. (Landstar System) Jim Handoush, President www.landstar.com	1,298 \$588 \$1,100	Building materials, retail, food and beverage, computers and electronics, plastics and fibers, printing and publishing, automotive Customers include: FedEx Freight, Unilever, CertainTeed, Glazers Wholesale, Campbell Soup, Procter & Gamble, Verizon, Hewlett-Packard, Dell, Goodyear Tire & Rubber, Carrier Corp., General Electric, Ford Motor, DaimlerChrysler, United Copper	Intermodal, freight brokerage, transportation management, dedicated contract carriage, air and ocean freight forwarding, warehousing
20	18	Expeditors International of Washington Seattle Nasdaq: EXPD Peter Rose, Chairman and CEO Glenn Alger, President www.expeditors.com	11,600 \$586 \$1,170	Automotive, electronics, retail, chemicals, health care Customers include: Ace Hardware, Costco, Ford Motor, General Motors, Motorola, Trane	Air and ocean freight forwarding, customs brokerage, transportation management, warehousing and distribution, supply chain consulting



N. AMERICAN REVENUE (in millions)

RANK 2007	RANK 2006	COMPANY	EMPLOYEES	INDUSTRY EXPERTISE/KEY CUSTOMERS	DESCRIPTION OF SERVICE
<p>NET GROSS (e) = estimate N/A = Not Applicable</p>					
21	21	Ozburn-Hessey Logistics Brentwood, Tenn. (Welsh, Carson, Anderson & Stowe) Scott McWilliams, CEO www.ohlogistics.com	4,000 \$544 \$660	Apparel, automotive, beverages, candy and confections, computers and electronics, food and groceries, health and beauty products, hospital and medical supplies, industrial parts, office supplies, packaging and paper, plastics, rubber, pharmaceuticals, consumer packaged goods Customers include: DukaI, Method Products, Saxco-Demptos Glass, MKD International, Marta Mikey, Yakima, Starbucks, Phillips-Van Heusen, Chef Solutions, Abbott Labs, Overstock.com, Sysco, Remington Arms	Warehouse and distribution, transportation management, order fulfillment, air and ocean freight forwarding, freight brokerage, service parts management, returned goods management, customs brokerage, information technology, trade management
22	24	UTi Integrated Logistics Long Beach, Calif. (UTi Worldwide) Roger MacFarlane, CEO www.utiintegratedlogistics.com	19,012 \$531 \$1,177	Pharmaceutical, retail, apparel, chemical, automotive, computers and electronics Customers include: N/A	Air and ocean freight forwarding, customs brokerage, warehousing and distribution, transportation management, order fulfillment, manufacturing subassembly, packaging, freight brokerage, dedicated contract carriage, supply chain consulting, returned goods management, facilities engineering, information technology
23	19	Ruan Transport Corp. Des Moines, Iowa John Ruan, Chairman and CEO Michael Kandris, Chief Operating Officer www.ruan.com	4,031 \$527 \$659	Retail, manufacturing, food and groceries, bulk dairy, automotive, paper and related products, furniture, metals, chemical Customers include: Target, Johnson Controls, Polaris, Birds Eye Foods, California Dairies	Dedicated contract carriage, freight brokerage, supply chain consulting, warehousing and distribution
24	20	Swift Transportation Co. Phoenix Jerry Moyes, CEO www.swifttrans.com	480 ^(e) N/A	Food and beverage, retail, consumer products, health care, paper products, manufactured goods Customers include: Quaker Oats, Wal-Mart, Target, Dollar Tree, Lowe's, FedEx Corp, Costco, The Home Depot, Georgia Pacific, Kimberly-Clark, Procter & Gamble, Kraft Foods, Michelin	Dedicated contract carriage, intermodal, freight brokerage
25	30	Jacobson Cos./Arnold Logistics Des Moines, Iowa (Oak Hill Capital Partners) Craig Petermeier, CEO Rick Finkbeiner, President www.jacobsonco.com www.arnoldlogistics.com	4,500 \$399 \$485	Consumer goods, food, chemicals and hazardous materials, paper, plastics Customers include: John Deere, Monsanto, DuPont, BASF, Cytec Industries, Barilla Pasta, PepsiCo, Sun Chemical, American Standard, Solutia, Philip Morris, Procter & Gamble, R.J. Reynolds Tobacco Co.	Warehousing and distribution, packaging and assembly, dedicated contract carriage, freight brokerage, transportation management, customs brokerage, supply chain consulting, information technology services, freight payment and auditing, industrial staffing
26	23	Genco Supply Chain Solutions Pittsburgh Herb Shear, Chairman and CEO www.genco.com	6,200 \$395 ^(e) \$575	Computers and consumer electronics, cosmetics, health care, appliances, food and groceries, pharmaceuticals, home furnishings, apparel, sporting goods, health and beauty, footwear, industrial machinery, chemical, airports, toys, paper products, liquor, publishing, retail, government Customers include: Unilever, Sears, Target, Hershey Co., Dell, Best Buy, Whirlpool, Reebok, Johnson & Johnson, Reckitt Benckiser, Procter & Gamble, Heinz, Alberto Culver, Hewlett-Packard, Crayola, Dick's Sporting Goods, Kimberly-Clark, Levi Strauss, Abbott, Harley-Davidson, Kellogg's, Briggs & Stratton, Pinnacle Foods, Sun Chemical, U.S. Department of Defense	Warehousing and distribution, returned goods management, asset recovery, transportation management, supply chain consulting, parcel management, damaged goods research and facilities engineering



N. AMERICAN REVENUE (in millions)

RANK 2007	RANK 2006	COMPANY	NET GROSS (e) = estimate N/A = Not Applicable	EMPLOYEES	INDUSTRY EXPERTISE/KEY CUSTOMERS	DESCRIPTION OF SERVICE
27	22	Menlo Worldwide San Mateo, Calif. (Con-way Inc.) Robert Bianco, President www.menloworldwide.com	\$392 \$1,355	4,500	Automotive, computers and electronics, chemicals, aerospace, retail, packaged goods Customers include: AMD, Cisco Systems, Dow Chemical, General Motors, LAM Research, NCR, Ricoh, Sears, Takata Global, Tower Automotive, IBM, Hewlett-Packard, Nike	Transportation management, warehouse and distribution, dedicated contract carriage, supply chain consulting, assembly and packaging, order fulfillment, returns management
28	Not Ranked	Agility Logistics⁴ Santa Ana, Calif. Mike Bible, CEO www.agilitylogistics.com	\$385 \$2,600	20,000	Defense and government, project logistics, exhibition and events, computers and electronics, retail, consumer products, oil and gas Customers include: N/A	Warehousing and distribution, customs brokerage, air and ocean freight forwarding, packaging, project management, store delivery, employee relocation, supply chain consulting
29	26	Total Logistic Control Zeeland, Mich. (Supervalu Inc.) Bob Koerner, CEO www.totallogistic.com	\$356 N/A	N/A	Food and beverage, retail, consumer products, groceries Customers include: General Mills, Sara Lee, Rich Products, ConAgra, Kraft Foods, Cadmus, Jarden Home Brands, Maple Leaf, Meijer, Georgia-Pacific	Warehousing and distribution, transportation management, dedicated contract carriage, supply chain consulting, assembly and packaging, order fulfillment, returns management
30	28	Cardinal Logistics Management Concord, N.C. (GTCR Golder, Rauner) Vincent McLoughlin, Chairman Thomas Hostetler, CEO Jerry Bowman, President www.cardlog.com	\$344 N/A	1,507	Manufacturing, automotive, food services, pulp and paper Customers include: Office Depot, 7-Eleven, Krattmaid Cabinetry, CHEP, Andersen Windows, Turf Care Supply	Home and job-site delivery, dedicated contract carriage, transportation management, supply chain consulting, warehousing and distribution
31	27	U.S. Xpress Enterprises Chattanooga, Tenn. Patrick Quinn, Co-Chairman Max Fuller, Co-Chairman www.usxpress.com	\$338 \$431	10,885	Retail, manufacturing, building products, automotive Customers include: Dollar General, Georgia-Pacific, Wal-Mart, Reckitt Benckiser, Formica, Meijer, Coca-Cola, Dollar Tree	Dedicated contract carriage, warehousing and distribution, intermodal
32	Not Ranked	Brightpoint North America Plainfield, Ind. (Brightpoint Inc.) J. Mark Howell, President www.brightpoint.com	\$328 \$2,400	N/A	Telecommunications Customers include: Virgin Mobile USA	Warehousing and distribution, order fulfillment, assembly and packaging, transportation management, return goods management
33	36	TransForce Income Fund Saint-Laurent, Quebec Alain Bedard, Chairman and CEO www.transforce.ca	\$302 N/A	11,900	N/A Customers include: N/A	Warehousing and distribution, transportation management, freight brokerage, dedicated contract carriage, waste management
34	34	Kenco Logistics Services Chattanooga, Tenn. (Kenco Group) Gary Mayfield, CEO www.kencogroup.com	\$300 N/A	3,600	Automotive, food and groceries, appliances, consumer goods, chemicals, industrial equipment, electronics, pharmaceuticals, medical supplies Customers include: Brach's Confections, Carpenter Technology, Cummins, Frigidaire, General Electric, General Mills, GlaxoSmithKline, Whirlpool, Bristol-Myers Squibb	Warehousing and distribution, transportation management, intermodal, returns goods management, packaging and assembly, records management, material handling equipment sales and rental



N. AMERICAN REVENUE (in millions)

RANK 2007	RANK 2006	COMPANY	EMPLOYEES	INDUSTRY EXPERTISE/KEY CUSTOMERS	DESCRIPTION OF SERVICE
35	32	New Breed Logistics High Point, N.C. Louis DeJoy, CEO www.newbreed.com	4,000 N/A	Aerospace, telecommunications, electronics, consumer goods, retail Customers include: Verizon Wireless, Siemens Medical Solutions, Boeing, Sony, Sikorsky, Hamilton Sundstrand, U.S. Marine Corps, U.S. Postal Service, Hallmark, MetroPCS Wireless, Motorola, Pratt & Whitney, Dematic	Warehousing and distribution, returns management, product refurbishment and repair, transportation management, supply chain consulting
36	31	Logistics Insight Corp. Warren, Mich. (Centra Inc.) H.E. Wolfe, CEO www.4linc.com	\$287 N/A	Automotive, industrial, consumer goods Customers include: General Motors, Ford Motor Co., DaimlerChrysler, Nissan, Auto Alliance, Kodak, Polycon, Lumenis	Dedicated contract carriage, manufacturing sub-assembly, air freight forwarding, container management, home delivery, warehousing and distribution
37	Not Ranked	Ingram Micro Logistics Santa Ana, Calif. (Ingram Micro Inc.) Bryan Moynahan, Vice President and General Manager www.im-Logistics.com	\$285 N/A ^(e)	Computers and electronics, manufacturing, retail Customers include: Tapwave, Microsoft, Impinj Inc.	Warehousing and distribution, packaging, transportation management, assembly, returned goods management, order fulfillment, information technology
38	Not Ranked	ATC Logistics & Electronics Fort Worth, Texas (Aftermarket Technology Corp.) William Conly Jr., President www.atcle.com	\$253 \$276	Telecommunications, consumer electronics Customers include: AT&T Mobility, Nokia, LG, Magellan, T-Mobile, Samsung	Warehousing and distribution, order fulfillment, packaging, electronics repair and testing, returned goods management, asset recovery
39	15	Maersk Logistics USA Madison, N.J. (A.P. Moller-Maersk Group, Copenhagen) Michael White, President www.maersk-logistics.com	\$250 ^(e) \$800 ^(e)	Retail, footwear, apparel, furniture, building materials, consumer electronics and appliances, food and beverages, health care, chemicals Customers include: Wal-Mart, Abu Dhabi Polymers	Ocean and air freight forwarding, transportation management, warehousing and distribution, customs brokerage, supply chain consulting
40	33	Livingston International Income Fund Toronto Peter Luit, CEO www.livingstonintl.com	\$236 N/A	Retail, computers and electronics, chemical, industrial equipment Customers include: Sears, Starbucks, Purolator Courier, GTI Canada, Future Shop, Eddie Bauer, Dow Chemical	Customs brokerage, air and ocean freight forwarding, freight brokerage, warehousing and distribution, trade show and event management, intermodal, information technology
41	42	NYK Logistics Americas Long Beach, Calif. (NYK Group, Tokyo) Yutaka Miyajiri, CEO Thomas Perdue, COO www.nyklogistics.com	\$220 \$1,000	General merchandise and specialty retail, consumer electronics, automotive, food and beverage, health care, chemicals, building materials Customers include: Target, JCPenney, Procter & Gamble, Sony, Dollar Tree, Puma, The Home Depot, Lennox, Ford, Wal-Mart, Kohl's	Transportation management, intermodal, freight brokerage, warehousing and distribution, air and ocean freight forwarding, returns management, dedicated contract carriage, supply chain consulting
42	38	Mallory Alexander International Logistics Memphis, Tenn. Neely Mallory III, President www.mallorygroup.com	\$220 N/A	Manufacturing, electronics, paper and lumber, cotton, fine arts Customers include: N/A	Air and ocean freight forwarding, customs brokerage, warehousing and distribution, freight brokerage

NET GROSS
(e) = estimate
N/A = Not Applicable





N. AMERICAN REVENUE (in millions)

RANK 2007	RANK 2006	COMPANY	NET GROSS (e) = estimate N/A = Not Applicable	EMPLOYEES	INDUSTRY EXPERTISE/KEY CUSTOMERS	DESCRIPTION OF SERVICE
43	39	 Hub Group/Unyson Logistics Downers Grove, Ill. Philip Yeager, Chairman David Yeager, Vice Chairman and CEO Mark Yeager, President and COO www.hubgroup.com	\$218 \$1,610	1,513	Retail, food and beverage, apparel, electronics, automotive, consumer goods Customers include: Sears, Target, Kraft Foods, Hussman, Unilever, Procter & Gamble, The Home Depot, Reckitt Benckiser PLC, Diageo PLC	Intermodal marketing, freight brokerage, transportation management, supply chain consulting
44	Not Ranked	 BDP International Philadelphia Richard Bolte Jr., CEO www.bdpinternational.com	\$200 \$1,000	2,300	Chemicals, retail, consumer goods, machinery Customers include: Bayer, Cargill, Carrier, ConocoPhillips, Dow Chemical, DuPont, Heineken USA, Honeywell, Johnson & Johnson, Marks & Spencer, Revlon, Rohm & Haas, Trek Bicycle, Wacker	Air and ocean freight forwarding, customs brokerage, warehousing and distribution, order fulfillment, project management, supply chain consulting
45	35	 DSC Logistics Des Plaines, Ill. Ann Drake, CEO www.dsclogistics.com	\$200 N/A	2,200	Food and groceries, consumer goods, computers and electronics, paper, health care Customers include: Georgia-Pacific, Kellogg's, Kimberly-Clark, Unilever, MeadWestvaco, Yamaha, J.M. Smucker, Turtle Wax	Warehousing and distribution, packaging, order fulfillment, transportation management, supply chain consulting, information technology
46	Not Ranked	 England Logistics Salt Lake City, Utah (C.R. England Inc.) Dean England, CEO Sean Snow, President www.crengland.com	\$200 \$341	772	N/A Customers include: N/A	Dedicated contract carriage, freight brokerage, transportation management, intermodal
47	Not Ranked	 3PD Inc. Marietta, Ga. (Arcapita Inc.) Karl Meyer, CEO Bud Workmon, President www.3pd.com	\$186 N/A	749	Appliances, building materials, furniture Customers include: Ashley Furniture, Best Buy, Federated Stores, General Electric, The Home Depot, Lowe's, Sears	Dedicated contract carriage, warehousing and distribution
48	45	 Averitt Express Cookeville, Tenn. Gary Sasser, President www.averittpress.com	\$157 ^(e) \$223	N/A	Automotive, retail, food products, utilities, computers and electronics, apparel, building materials Customers include: BMW, Collins & Aikman, Cracker Barrel, Georgia Power, Lexmark, Mercedes-Benz, Saturn, Honda, Vanity Fair, OshKosh B'Gosh, The Home Depot, Nissan, Dell, General Electric	Transportation management, dedicated contract carriage, warehouse and distribution, air and ocean freight forwarding, freight brokerage, intermodal, supply chain consulting, customs brokerage



N. AMERICAN REVENUE (in millions)

NET GROSS
(e) = estimate
N/A = Not Applicable

**RANK RANK
2007 2006**

COMPANY

EMPLOYEES

INDUSTRY EXPERTISE/KEY CUSTOMERS

DESCRIPTION OF SERVICE

49 41 **Saddle Creek Corp.**
Lakeland, Fla.
David Lyons, Chairman
Cliff Otto, President
www.saddlecreek.com

1,320
Retail, food and groceries, beverage, consumer goods, paper, alcohol, tobacco, electronics
Customers include: Anheuser-Busch, Dial Corp., Del Monte Foods, International Paper, Sam's Club, Walt Disney World, Philip Morris, Coty Inc., Scotts Co., Pepsi-Cola North America, Quaker Oats, Coca-Cola

\$150
\$160

Warehousing and distribution, transportation management, packaging

50 44 **Kane Is Able Inc.**
Scranton, Pa.
Eugene Kane Sr., Chairman
Richard Kane, CEO
Harry Drajpuch, COO
www.kaneisable.com

1,065
Food and beverage, confectionary, retail, apparel, consumer goods, health care
Customers include: Sanofi Aventis, E&J Gallo Winery, Hershey Foods, Kimberly-Clark, Kraft Foods/Nabisco, Pennsylvania Liquor Control Board, Playtex, Procter & Gamble, Sam's Club, Wal-Mart Stores, PepsiCo

\$127
N/A

Warehousing and distribution, packaging, dedicated contract carriage

TT Logistics 50 Footnotes:

- 1 UPS Supply Chain Solutions revenue includes operations of The UPS Store, UPS Capital and other logistics and freight-related activities.
- 2 FedEx Supply Chain Services/FedEx Trade Networks revenue is not comparable to FedEx Trade Networks revenue estimate reported in 2005.
- 3 APL Logistics revenue is not comparable to 2005 revenue estimate, which reflected global business.
- 4 Agility Logistics revenue is for the nine months ended Sept. 30, 2006.



3PLs Boost U.S. Revenue By 9.5% to \$113.6 Billion

By Daniel P. Bearth
Senior Features Writer

Spending on all kinds of logistics services in the United States topped \$110 billion in 2006, according to a market analysis done for the TRANSPORT TOPICS Logistics 50.

Gross revenue for third-party logistics companies was \$113.6 billion, a 9.5% increase from 2005. Net revenue for 3PLs, which excludes pass-through revenue associated with purchased transportation, was \$53.1 billion, an increase of 11.9% from the prior year.

Domestic and international transportation management, which consists of truck and rail freight brokerage and air and ocean freight forwarding, make up the lion's share of logistics business, generating \$76.2 billion, or 69% of total gross revenue, and \$22.5 billion, or 42% of net revenue, in 2006.

Warehouse and distribution activities generated \$23.4 billion (\$19.7 billion net revenue) and dedicated contract carriage added \$11 billion (\$10.9 billion net revenue) in 2006.

Global 3PL revenue was estimated at \$391 billion and European 3PL revenue estimated at \$139 billion.

Logistics companies can be divided into three broad categories, according to logistics consultant Richard Armstrong of Armstrong & Associates:

■ First-tier 3PLs are global supply chain managers and include logistics units of parcel carriers DHL Express Worldwide, UPS Inc. and FedEx Corp.; air and ocean freight forwarding companies, such as CEVA Logistics and NYK Logistics; leasing and logistics service providers Ryder System and Penske Logistics; freight broker C.H. Robinson Worldwide; and Caterpillar Logistics Services,

■ A second tier of companies is described as regional service providers and includes warehousing specialists such as Ozburn-Hessey Logistics and Jacobson Cos.; returned-goods specialist Genco Supply Chain Solutions; trucking and warehouse operators NFI Industries and Landstar Global Logistics; and logistics company Menlo Worldwide.

■ A third tier of logistics companies consists of niche operators,

Armstrong said. These firms provide specialized distribution services or operate in distinct geographic regions. Brightpoint North America and ATC Logistics & Electronics are two companies that specialize in distribution of cellphones, for instance, while a company such as Kane Is Able Inc. provides warehousing and distribution in the Northeast region of the United States.

“3PLs can be divided based on size and scale,” Armstrong said. “Tier 1 firms serve most of the world, have over \$1 billion in net revenue and more than 5,000 employees. Tier 2 companies are important continental players. Tier 3 companies are functional or geographical specialists. Most have less than \$200 million in net revenue.”

Armstrong is publisher of “Armstrong’s Guide to Third-Party Logistics Companies.” He is a primary source for revenue estimates for TRANSPORT TOPICS’ Top 50 Logistics Companies list and the Top 25 Freight Forwarders, Top 25 Warehousing Firms, Top 25 Dedicated Contract Carriers and Top 25 Freight Brokerage Firms lists. ⇨

“Tier 2 players are involved primarily in value-added warehousing and distribution, which is a regional rather than global solution,” Armstrong said. “Where the primary shipments are palletized, these solutions normally have ranges of 500 to 600 miles in the U.S. In Europe, the distances covered are smaller.”

■ A third tier of logistics companies consists of niche operators,

Agency Plans to Test Devices To Thwart Cargo Tampering

By Daniel P. Bearth
Senior Features Writer

International shipping containers soon may be outfitted with electronic security devices to help U.S. Customs and Border Protection officials determine if the contents have been tampered with.

Under a provision in an anti-terrorism bill recently signed into law by President Bush, the Department of Homeland Security will conduct tests of container security devices, or CSDs, to determine how well the technology works.

Frank Hazeltine, vice president of freight management for Penske Logistics in Reading, Pa., said though participation in the testing

is voluntary, he believes it will lead to mandatory scanning of all freight containers coming into the United States.

“Today, there’s 100% screening of inbound shipments,” Hazeltine said. To go further and require all containers to be scanned, he said, “would stop U.S. commerce.”

Logistics consultant John Amos said existing programs, such as the Customs-Trade Partnership Against Terrorism and the Container Security Initiative, are examples of public-private and international cooperation that have produced practical results.

Under C-TPAT, U.S. Customs and Border Protection officials certify private companies that meet certain security criteria. As a



Richard Sheinwald — Bloomberg News

A container at the Port of Miami is opened for an inspection.

result, those companies’ freight is not subject to the same level of inspections as freight from non-participating companies.

With CSI, agreements are made with overseas governments, customs authorities and port officials to establish criteria to identify high-risk containers and establish procedures for screening and selecting containers for scanning or inspection.

“New solutions must be developed to complement existing information systems,” Amos said.

“More timely, more efficient and more accurate trade documentation must work hand-in-hand with better container seals, tracking and screening technology to ensure that cargo containers are safe from tampering and terrorist threat,” he said.

Hazeltine said C-TPAT “has done a lot to smooth the trade process.”

(See TAMPERING, p. 17)



C.H. Robinson Dominates List of Brokerage Firms

It seems like there's no stopping C.H. Robinson Worldwide. The Minnesota-based freight brokerage firm added almost \$250 million in net revenue in 2006, more than the total net revenue for its closest competitor, Hub Group.

But a slowdown may be in the offing as market demand for truckload services softens and the company shifts its focus to handling more air and ocean freight shipments and to expanding its brokerage services overseas.

"Transportation markets are moving quicker, and prices on

both the shipper side and the carrier side are moving and reacting faster than they have in the past, largely due to automation and better information available in the marketplace," Chief Executive Officer John Wiehoff said in the company's 2006 annual report to shareholders.

"We believe that our model is becoming more and more relevant, and yet at the same time, it's becoming more and more challenging to try to predict how the marketplace will behave," he said.

With net revenue from broker-

age operations approaching \$1 billion, C.H. Robinson remained comfortably at the top of the Top 25 Freight Brokerage Firms list that TRANSPORT TOPICS and logistics industry consultant Richard Armstrong compiled.

Though North America still provides the bulk of C.H. Robinson's freight brokerage business, Wiehoff noted that net revenue from ocean, air and customs brokerage grew 40% in 2006.

C.H. Robinson acquired a couple of freight forwarders in Europe in 2005 and late last year purchased a business in India.

"While revenues of that acquisition were not material," Wiehoff said, "it was an important strategic acquisition for us."

Though C.H. Robinson domi-

nates the field, many smaller firms also reported solid growth in freight brokerage revenue in 2006.

Rail intermodal specialist Hub Group posted net revenue of \$218 million, up more than 15% from \$189 million in 2005.

In the first six months of 2007, Hub's truck brokerage business, called Hub Highway Services, generated revenue of \$147.8 million, nearly the same as revenue of \$147.7 million in the same period a year ago. In the second quarter alone, truck brokerage revenue was down 6.3% to \$73.2 million from \$78.1 million in the same period a year ago.

Company officials said the

(See *BROKERAGE*, p. 17)

Top 25 Freight Brokerage Firms

1 C.H. Robinson Worldwide

Net Revenue: \$946 million
Gross Revenue: \$5.3 billion
Types of Freight: Dry van, flatbed and refrigerated TL, LTL, rail, air and ocean

2 Hub Group

Net Revenue: \$218 million
Gross Revenue: \$1.6 billion
Types of Freight: Rail, dry van and flatbed TL, LTL

3 Landstar Global Logistics

Net Revenue: \$165.7 million
Gross Revenue: \$1.1 billion
Types of Freight: Dry van, flatbed and refrigerated TL, LTL, rail, air

4 NYK Logistics

Net Revenue: \$120 million
Gross Revenue: \$790 million
Types of Freight: Rail, dry van, flatbed and refrigerated TL, LTL, air

5 Exel Transportation Services

Net Revenue: \$115 million (est.)
Gross Revenue: \$770 million (est.)
Types of Freight: Rail, dry van, flatbed and refrigerated TL, LTL

6 Pacer Global Logistics

Net Revenue: \$71.4 million
Gross Revenue: \$1.9 billion
Types of Freight: Rail, dry van and flatbed TL

7 Transplace Inc.

Net Revenue: \$60 million (est.)
Gross Revenue: \$700 million (est.)
Types of Freight: Dry van, flatbed and refrigerated TL, LTL

8 UTi Worldwide/Market Transport Services

Net Revenue: \$60 million (est.)
Gross Revenue: \$360 million (est.)
Types of Freight: Rail, dry van, flatbed and refrigerated TL

9 YRC Logistics

Net Revenue: \$57 million
Gross Revenue: \$380 million
Types of Freight: Dry van, flatbed and refrigerated TL, LTL, rail, air

10 Total Quality Logistics

Net Revenue: \$54 million
Gross Revenue: \$294 million
Types of Freight: Dry van and refrigerated TL

11 Allen Lund Co.

Net Revenue: \$45.6 million
Gross Revenue: \$296.7 million
Types of Freight: Refrigerated, dry van and flatbed TL, LTL

12 Matson Integrated Logistics

Net Revenue: \$44 million (est.)
Gross Revenue: \$433 million (est.)
Types of Freight: Rail, dry van and flatbed TL, LTL, air

13 Freightquote.com/Twin Modal

Net Revenue: \$40 million (est.)
Gross Revenue: \$264.5 million
Types of Freight: Rail, dry van and flatbed TL, LTL

14 Union Pacific Distribution Services

Net Revenue: \$40 million (est.)
Gross Revenue: \$450 million (est.)
Types of Freight: Rail, dry van and flatbed TL

15 Pittsburgh Logistics Systems

Net Revenue: \$35 million (est.)
Gross Revenue: \$230 million (est.)
Types of Freight: Flatbed TL

16 Ozburn-Hessey Logistics

Net Revenue: \$33.4 million
Gross Revenue: \$198.8 million
Types of Freight: Dry van and refrigerated TL, rail

17 BNSF Logistics

Net Revenue: \$33 million
Gross Revenue: \$199 million
Types of Freight: Rail, refrigerated, dry van and flatbed TL

18 England Logistics

Net Revenue: \$31.3 million
Gross Revenue: \$172.7 million
Types of Freight: Refrigerated and dry van TL

19 Trinity Transport

Net Revenue: \$31 million
Gross Revenue: \$175.9 million
Types of Freight: Dry van and refrigerated TL, LTL, air, rail

20 Champion Logistics Group

Net Revenue: \$27.2 million
Gross Revenue: \$70.7 million
Types of Freight: Dry van TL, LTL, rail and air

21 ATS Logistics Services

Net Revenue: \$25 million
Gross Revenue: \$141 million
Types of Freight: Dry van and flatbed TL

22 Greatwide Truckload Brokerage

Net Revenue: \$24.5 million
Gross Revenue: \$170 million
Types of Freight: Refrigerated and dry van TL and rail

23 CRST Logistics

Net Revenue: \$23 million
Gross Revenue: \$135 million
Types of Freight: Dry van and flatbed TL

24 Cornerstone Systems

Net Revenue: \$19 million (est.)
Gross Revenue: \$165 million (est.)
Types of Freight: Rail, dry van and flatbed TL

25 Sunteck Transport

Net Revenue: \$18 million (est.)
Gross Revenue: \$84 million (est.)
Types of Freight: Dry van, flatbed and refrigerated TL, LTL, rail, air and ocean



Delivery Services Firms Show Possible Rebound

By Adam Schreck
Associated Press

NEW YORK — Air freight and shipping companies that struggled to recover from a steep decline in share prices a year ago are finally starting to see some relief.

In late July and early August 2006, UPS Inc., Atlanta, and Expeditors International of Washington Inc. each posted one-day, double-digit declines after delivering lower-than-expected quarterly earnings. That helped drag

the Dow Jones Delivery Services Index 15% lower in a matter of weeks. The index is still down more than 4% over the past year.

But there are signs the traditionally volatile industry may be improving. Over the past three months, the delivery services index — a basket of stocks that includes express-delivery companies, asset-light freight forwarders and air-cargo contract haulers — is up more than 7%.

Freight forwarders such as Expeditors, UTi Worldwide Inc. and EGL Inc., help move cus-

tomers' freight on vehicles owned by other companies.

In recent months, a slower U.S. economy has hurt international trade volumes, possibly weighing on share prices.

"The freight forwarders have all seen a slowdown in freight volume across the board," said Donald Broughton, an analyst at A.G. Edwards & Sons. But the forwarding companies can still benefit, Broughton said, because lower volumes reduce spot prices for cargo.

"It's actually good for their margins," he said.

The industry got a boost in July when Bank of America analysts reported that the level of freight-ton-kilometers, an industry measure of cargo demand, in May grew

at its highest rate in months in North America and outpaced year-on-year gains in Asia.

Industrywide, the metric increased 5%, which the analysts called "solid, in light of challenging comparisons" last May. They cautioned, however, that a slower economy and higher fuel prices could affect air-cargo growth.

Brandon Fried, executive director of the Airforwarders Association, a Washington, D.C.-based trade group, said increased fuel costs are a concern for all shipping companies.

"Most of the time, it is passed along to the consumer, but it can have an impact on factory costs and overall productivity," he said. ☞

Revenue Grew to \$33 Billion In Commercial Warehousing

Commercial warehousing is a \$33 billion business in North America and none is larger than Exel Contract Logistics.

Exel topped the warehousing list for the second year in a row, operating an estimated 75 million square feet of space in the United States and Canada for companies such as Kraft Foods which in March also selected Exel to provide warehousing services for its two distribution centers in Brazil.

"We're poised for growth in

Latin America," said Roberto Machado, director of customer service and logistics for Kraft Foods.

Exel, based in Westerville, Ohio, is part of DHL Exel Supply Chain, the largest third-party logistics service provider in North America and owned by Germany's Deutsche Post World Net.

Revenue from warehousing and related activities grew 14.6% to \$33 billion from \$28.8 billion the year before, logistics industry con-

sultant Richard Armstrong said. The number of warehouses also grew by 9.7% to 7,900 with a total of 1.25 billion square feet of space.

Growth in contract warehousing continues at the expense of public warehousing, Armstrong said in a report published in May.

Colliers International, a consulting firm in Boston that tracks industrial real estate markets, reported a slight increase in the national vacancy rate for warehousing and distribution space this year.

"Demand for warehouse space is a little on the weak side, but nothing to get concerned about," said Ross Moore, senior vice president of market and economic research for Colliers.

Of the 54 million square feet of industrial space built in the second quarter of 2007, only 36.5 million square feet was "absorbed," or rented by tenants. The overall vacancy rate in the three-month period ended June 30 was 8.23%, an increase of 0.25%, Colliers reported, based on a survey of major markets in the United States and Canada. Another 145.8 million square feet of space is under construction, Colliers reported.

"The rise in construction is not a sign of overbuilding," Moore said, "but rather a reasoned response to very tight availability in select markets."

Markets with high levels of construction include Atlanta, Dallas, Houston, Central New Jersey, Phoenix and the Inland Empire region of Southern California.

Another positive sign is that rents continue to rise, Moore said. The average asking rent for warehouse/distribution space in the second quarter was \$5.56 per square foot, up 3.4% from a similar survey in the first quarter.

Warehouse Specialists Inc., Appleton, Wis., joins the list of largest warehousing companies for the first time at No. 15. The company was started in 1966 by six forklift drivers from a local paper mill. A single warehouse in Combined Locks, Wis., has grown into 47 facilities throughout North America.

Total space for Atlas Cold Storage and VersaCold were combined after both companies were acquired by Hf. Eimskipafelag Islands, a publicly owned holding company in Iceland that claims to own about 100 cold-storage facilities worldwide, along with other transportation and air freight businesses.

Total space for refrigerated warehouses is determined by dividing total cubic feet by an average ceiling height of 27 feet to calculate total square footage.

Also combined were CEVA Logistics (formerly TNT Logistics) and Eagle Global Logistics, and Schenker Logistics and BAX Global. — Daniel P. Bearth



A UPS Supply Chain Solutions warehouse in Miami.



BB&T Report Praises J.B. Hunt's Technology Use

Associated Press

NEW YORK — Diversified truckload carrier J.B. Hunt Transport Services Inc. is ahead of its competitors in the use of technology to expand margins, said an upbeat report from BB&T Capital Markets.

“Not only does JBHT believe that any new technologies should improve efficiency, but manage-

ment insists that any new technologies must provide an attractive return on investment,” said analyst John Barnes.

That disciplined approach, he added, improves customer service, makes life easier for drivers and provides hard dollar returns for the company.

“Our sense is that JBHT is not just a step ahead but many steps ahead of the competition in most cases,” the analyst wrote in a

research note to clients in March.

J.B. Hunt, Lowell, Ark., offers traditional truckload services, where it hauls full loads directly from the shipper to the receiver on an irregular schedule but complements that business with dedicated service, where trucks are placed on contract with a shipper for regular deliveries on a set route. It also offers intermodal service, which combines its over-the-road offerings with rail service from Burlington Northern Santa Fe Corp.

Technology is the driving force behind each of those three businesses, Barnes said. For example, its Compass software tracks equipment and schedules freight in real time. While other carriers have similar tools, the analyst continued, most are not as sophisti-

cated or as comprehensive.

The carrier also uses onboard computers to text-message drivers items such as driving directions. Other carriers use the technology, Barnes acknowledged, but J.B. Hunt will push it further by soon adding new devices and features, such as graphical routes with text-to-speech technology.

Black boxes, which store driver data, also have improved safety, while a technology the company adopted from General Electric Co. locates trailers and determines whether they are full or empty, which increases trailer utilization. An internally developed software, called “Perfect Invoice,” bills the correct amount to shippers the first time, which reduces rework labor and improves customer satisfaction. ☞

Top 25 Warehousing Firms

- | | |
|---|--|
| <p>1 Exel Contract Logistics
Total Space: 75 million sq. ft.
Number of Warehouses: 386</p> <p>2 UPS Supply Chain Solutions
Total Space: 35 million sq. ft.
Number of Warehouses: 936</p> <p>3 Genco Supply Chain Solutions
Total Space: 30 million sq. ft.
Number of Warehouses: 102</p> <p>4 Caterpillar Logistics Services
Total Space: 27 million sq. ft. (est.)
Number of Warehouses: 105</p> <p>5 CEVA Logistics/Eagle Global Logistics
Total Space: 26 million sq. ft. (est.)
Number of Warehouses: 145</p> <p>6 UTi Worldwide
Total Space: 26 million sq. ft. (est.)
Number of Warehouses: 210</p> <p>7 Jacobson Cos.
Total Space: 24 million sq. ft.
Number of Warehouses: 142</p> <p>8 AmeriCold Logistics
Total Space: 23 million sq. ft. (est.)
Number of Warehouses: 102</p> <p>9 Ozburn-Hessey Logistics
Total Space: 22 million sq. ft.
Number of Warehouses: 100</p> <p>10 Kenco Logistics Services
Total Space: 21 million sq. ft.
Number of Warehouses: 93</p> <p>11 Atlas Cold Storage/VersaCold
Total Space: 18.5 million sq. ft.
Number of Warehouses: 100</p> <p>12 Ryder System
Total Space: 18.3 million sq. ft.
Number of Warehouses: 184</p> <p>13 DSC Logistics
Total Space: 15 million sq. ft.
Number of Warehouses: 35</p> | <p>14 Penske Logistics
Total Space: 15 million sq. ft.
Number of Warehouses: 151</p> <p>15 Warehouse Specialists Inc.
Total Space: 15 million sq. ft. (est.)
Number of Warehouses: 47</p> <p>16 NFI Interactive Logistics
Total Space: 14.5 million sq. ft.
Number of Warehouses: 70</p> <p>17 Kuehne + Nagel North America
Total Space: 14.2 million sq. ft.
Number of Warehouses: 61</p> <p>18 APL Logistics
Total Space: 14 million sq. ft.
Number of Warehouses: 49</p> <p>19 Menlo Worldwide
Total Space: 13 million sq. ft. (est.)
Number of Warehouses: 84</p> <p>20 Mallory Alexander International Logistics
Total Space: 11.9 million sq. ft.
Number of Warehouses: 35</p> <p>21 Total Logistic Control
Total Space: 11 million sq. ft. (est.)
Number of Warehouses: 32</p> <p>22 MBX Logistics
Total Space: 10 million sq. ft.
Number of Warehouses: 22</p> <p>23 Saddle Creek Corp.
Total Space: 9.4 million sq. ft.
Number of Warehouses: 35</p> <p>24 New Breed Logistics
Total Space: 7 million sq. ft.
Number of Warehouses: 50</p> <p>25 Schenker Logistics/BAX Global
Total Space: 6 million sq. ft. (est.)
Number of Warehouses: 80</p> |
|---|--|

Tampering

(Continued from p. 14)

According to an analysis of Customs inspection data, as many as 15% of container shipments from noncertified shippers are inspected, compared with about 8% of containers from certified shippers. And for shippers who take additional security precautions, such as conducting independent audits of procedures, the percentage is less than 1%,

Hazeltine said.

As with C-TPAT, Hazeltine said, containers equipped with CSDs will be able to move through U.S. Customs much faster than other kinds of freight, giving shippers and carriers an incentive to adopt the technology.

Ocean-vessel operators are expected to charge shippers a fee of between \$25 and \$50 per shipment for the use of container security devices, he said. ☞

Brokerage

(Continued from p. 15)

results reflect an increase in revenue per load due to price increases offset by a decrease in volume.

In July, Hub Group terminated a proposed acquisition of Interdom Partners, an intermodal marketing company.

Chief Executive Officer David Yeager said the deal would not be in the company's best interests.

“We still have great respect for Interdom and we know they will continue to be a strong player in the intermodal market,” Yeager said. “We continue to be optimistic about our future opportu-

nities as we look at other acquisition candidates.”

Total Quality Logistics moved into the top 10 with net revenue of \$54 million in 2006, a jump of 82% from \$29.7 million in 2006.

Allen Lund Co., a brokerage firm that specializes in refrigerated loads, grew its business by 22% to \$45.6 million from \$37.5 million.

Warehouse operator Ozburn-Hessey Logistics, which ranks No. 16 this year, acquired Turbo Logistics and reported combined net revenue of \$33.4 million. Turbo Logistics ranked No. 24 with estimated net revenue of \$18 million in 2005.

— Daniel P. Bearth



UPS, DHL Are Leaders On Top 25 Forwarders List

UPS Supply Chain Solutions and DHL Global Forwarding lead an international cast on the Top 25 Freight Forwarders list.

The rankings, based on estimates of net revenue by logistics industry consultant Richard Armstrong, reflect worldwide forwarding busi-

ness for firms with substantial business in North America.

New on the list are China specialists Kerry Logistics and Dimerco Express Group, Thiel Logistics + Services from Germany and BALtrans Holdings from Hong Kong.

— **Daniel P. Bearth**

Freight Firms Respond To Increased Demand

By **Daniel P. Bearth**
Senior Features Writer

The largest freight transportation companies in North America continue to evolve in response to increasing demands for a broad range of transportation services.

“Global trends are creating compelling growth opportunities,” UPS Chairman Mike Eskew said in a report to shareholders earlier this year. “We anticipate that our global small package and supply chain and freight businesses will continue to expand as we meet our customers’ growing global needs.”

To accommodate growth, UPS is spending \$1 billion to expand its air hub in Louisville, Ky. The company also broke ground in August for a new air hub at Pudong International Airport in Shanghai, China. The 1-million-square-foot facility is expected to open in 2008.

In April, Canadian National Railway announced plans to expand the size and scope of its nonrail services in North America.

CN Worldwide North America will offer retail intermodal trucking and freight brokerage services to provide a “seamless” transportation solution, said Keith Reardon, managing director.

NFI Industries, a company that provides trucking and warehousing services, enhanced its capabilities with the purchase of Quick

Pak, a company that provides promotional packaging, product assembly and project management for companies such as Procter & Gamble, L’Oreal, Garnier, Victoria’s Secret and Bath & Body Works.

“We know Quick Pak will become a key contributor to the success of NFI Industries going forward,” said chief executive officer Sidney Brown.

The Army & Air Force Exchange Service, which operates commissaries and restaurants for military personnel in 30 countries, selected APL Logistics to oversee import logistics and freight transportation.

“This is an important development for us,” APL Logistics President Brian Lutt said. “Not only does it provide us with significant new business, it underscores the strength of our relationship with a critical customer.”

Similarly, Celestica Inc., Toronto, a manufacturer of electronics components, selected DHL as its carrier of choice for express shipping within North America and from North America to Asia and Europe.

Celestica has production facilities all over the world, including Thailand, Mexico, Canada and the Czech Republic, and operates distribution centers in Chicago; Buffalo, N.Y.; Laredo, Texas; and Miami.

See Top 50 Freight Transportation Firms list on p. 19.

Top 25 Freight Forwarders

- 1 UPS Supply Chain Solutions**
Net Revenue: \$4.2 billion
Gross Revenue: \$7.4 billion
Headquarters: Atlanta
- 2 DHL Global Forwarding**
Net Revenue: \$3.1 billion
Gross Revenue: \$12.6 billion
Headquarters: Plantation, Fla.
- 3 Kuehne + Nagel Inc.**
Net Revenue: \$1.9 billion
Gross Revenue: \$12.1 billion
Headquarters: Schindellegi, Switzerland
- 4 NYK Logistics**
Net Revenue: \$1.9 billion
Gross Revenue: \$4.2 billion
Headquarters: Tokyo
- 5 Schenker Logistics/BAX Global**
Net Revenue: \$1.8 billion
Gross Revenue: \$8.8 billion
Headquarters: Irvine, Calif.
- 6 Ryder System**
Net Revenue: \$1.8 billion
Gross Revenue: \$2.6 billion
Headquarters: Miami
- 7 Panalpina Group**
Net Revenue: \$1.3 billion
Gross Revenue: \$7.6 billion
Headquarters: Basel, Switzerland
- 8 APL Logistics**
Net Revenue: \$1.3 billion
Gross Revenue: N/A
Headquarters: Singapore
- 9 Expeditors International of Washington**
Net Revenue: \$1.3 billion
Gross Revenue: \$4.6 billion
Headquarters: Seattle
- 10 C.H. Robinson Worldwide**
Net Revenue: \$1.1 billion
Gross Revenue: \$6.6 billion
Headquarters: Eden Prairie, Minn.
- 11 CEVA Logistics/Eagle Global Logistics**
Net Revenue: \$1 billion
Gross Revenue: \$3.2 billion
Headquarters: Houston
- 12 FedEx Corp.**
Net Revenue: \$1 billion
Gross Revenue: \$2 billion
Headquarters: Memphis, Tenn.
- 13 Sinotrans Ltd.**
Net Revenue: \$907 million
Gross Revenue: \$4.1 billion
Headquarters: Shanghai, China
- 14 UTi Worldwide**
Net Revenue: \$777 million
Gross Revenue: \$3 billion
Headquarters: British Virgin Islands
- 15 Hellmann Worldwide Logistics**
Net Revenue: \$720 million
Gross Revenue: \$3.6 billion
Headquarters: Osnabruck, Germany
- 16 Agility Logistics**
Net Revenue: \$700 million
Gross Revenue: \$2.7 billion
Headquarters: Kuwait City, Kuwait
- 17 Nippon Express Group**
Net Revenue: \$680 million
Gross Revenue: \$3.4 billion
Headquarters: Tokyo
- 18 Kintetsu World Express**
Net Revenue: \$670 million
Gross Revenue: \$2.3 billion
Headquarters: Tokyo
- 19 ABX Logistics**
Net Revenue: \$600 million
Gross Revenue: \$3.1 billion
Headquarters: Brussels
- 20 Kerry Logistics**
Net Revenue: \$400 million
Gross Revenue: \$812 million
Headquarters: Hong Kong
- 21 Yusen Air & Sea Service**
Net Revenue: \$350 million
Gross Revenue: \$1.4 billion
Headquarters: Tokyo
- 22 Dimerco Express Group**
Net Revenue: \$210 million
Gross Revenue: \$419 million
Headquarters: Taipei, Republic of China (Taiwan)
- 23 BDP International**
Net Revenue: \$200 million
Gross Revenue: \$1 billion
Headquarters: Philadelphia
- 24 Thiel Logistics + Services**
Net Revenue: \$125 million
Gross Revenue: \$513 million
Headquarters: Grevenmacher, Luxembourg
- 25 BALtrans Holdings**
Net Revenue: \$85 million
Gross Revenue: \$520 million
Headquarters: Hong Kong



Top 50 Freight Transportation Firms

Rank	Company	2006 Revenue (in millions)	Primary Freight Services
1	UPS Inc.	\$47,547	Package and LTL trucking, intermodal, warehousing
2	FedEx Corp.	35,241	Package and LTL trucking, air cargo
3	DHL Americas	16,384	Freight forwarding, warehousing, package and dedicated contract carriage
4	Union Pacific Corp.	15,578	Rail, intermodal
5	Burlington Northern Santa Fe Corp.	14,985	Rail, intermodal
6	A.P. Moeller/Maersk Group	9,947	Ocean freight
7	YRC Worldwide	9,919	LTL trucking
8	CSX Corp.	9,566	Rail, intermodal
9	Norfolk Southern Corp.	9,407	Rail, intermodal
10	U.S. Postal Service	8,219	Package
11	Ryder System	6,307	Truck leasing, dedicated contract carriage, warehousing
12	Canadian National Railway	5,711	Rail
13	American President Lines/APL Logistics	4,891	Ocean freight, warehousing
14	Con-way Inc.	4,221	LTL trucking
15	CEVA Logistics/Eagle Global Logistics	4,134	Freight forwarding, warehousing, dedicated contract carriage
16	Penske Truck Leasing Co.	4,000	Truck leasing, dedicated contract carriage
17	Schneider National Inc.	3,700	Truckload, intermodal, dedicated contract carriage
18	J.B. Hunt Transport Services	3,328	Truckload, intermodal, dedicated contract carriage
19	Canadian Pacific Railway	3,277	Rail, logistics services
20	Swift Transportation	3,173	Truckload, intermodal
21	Kuehne + Nagel Contract Logistics	2,874	Freight forwarding, warehousing
22	Landstar System	2,514	Truckload
23	UniGroup Inc.	2,300	Household goods
24	Schenker Logistics/BAX Global	2,221	Freight forwarding, LTL trucking
25	Werner Enterprises	2,081	Truckload
26	NYK Group	1,998	Ocean freight
27	Pacer International	1,888	Intermodal
28	Arkansas Best Corp.	1,861	LTL trucking
29	Kansas City Southern	1,660	Rail
30	Hub Group	1,609	Intermodal
31	Matson Navigation Co.	1,607	Ocean freight, intermodal
32	Estes Express Lines	1,477	LTL trucking
33	Atlas Air Worldwide Holdings	1,476	Air cargo
34	U.S. Xpress Enterprises	1,472	Truckload, dedicated contract carriage
35	Crowley Maritime Corp.	1,468	Ocean freight
36	Panalpina Group	1,356	Freight forwarding
37	TransForce Income Fund	1,328	LTL trucking, truckload
38	Old Dominion Freight Line	1,279	LTL trucking
39	ABX Air	1,260	Air cargo
40	Horizon Lines	1,157	Ocean freight
41	Greatwide Logistics Services	1,140	Truckload, dedicated contract carriage, freight brokerage
42	C.H. Robinson Worldwide	1,083	Freight brokerage
43	Sirva Inc.	1,044	Household goods
44	Crete Carrier Corp.	1,004	Truckload
45	Purolator Courier	997	Package
46	Atlas World Group	986	Household goods
47	Kirby Corp.	984	Barge
48	Northwest Airlines Cargo	946	Air cargo
49	Averitt Express	923	LTL trucking
50	Allied Systems Holdings	894	Vehicle hauling



J.B. Hunt Is No. 1 Again On Dedicated Carriers List

J.B. Hunt Dedicated Contract Services remained on top of the list of Top 25 Dedicated Contract Carriers compiled by TRANSPORT TOPICS and logistics industry consultant Richard Armstrong.

Closing in on the lead, however, is Ryder System, which added more than 800 total power units to its dedicated unit since a similar list was published a year ago. J.B. Hunt added a little more than 300 power units.

Ruan Transport Corp. reported 3,984 dedicated power units this year, an increase of more than 1,200 units from a year ago. Much of the increase can be attributed to acquisitions, though, as Ruan acquired several dedicated fleets that specialize in hauling milk.

Greatwide Dedicated Transport added 773 power units to its dedicated fleet over the past year, moving the company to No. 3 on the list from No. 4. Greatwide provides service primarily to grocery and food-

service shippers.

Dedicated contract carriers provide tractors, trucks and trailers — along with drivers in most cases — for the exclusive use of shippers.

Many well-known, over-the-road truckload carriers have developed dedicated operations as a way to broaden their services and provide drivers with a more appealing job. Besides J.B. Hunt, that list includes Werner Enterprises, Swift Transportation, NFI Industries and Crete Carrier Corp., plus logistics divisions of CRST International and C.R. England Inc.

Other companies, such as Cardinal Logistics Management Corp. and 3PD Inc., use dedicated equipment for business and residential deliveries.

Ryder, along with Penske Logistics and Lily Dedicated Logistics, offer dedicated services along with equipment leasing and rental and other logistics services.

— *Daniel P. Bearth*

Top 25 Dedicated Contract Carriers

- | | |
|--|--|
| <p>1 J.B. Hunt Dedicated Contract Services
Total Power Units: 5,358</p> <p>2 Ryder System
Total Power Units: 4,698</p> <p>3 Greatwide Dedicated Transport
Total Power Units: 4,073</p> <p>4 Schneider National Inc.
Total Power Units: 4,000</p> <p>5 Ruan Transport Corp.
Total Power Units: 3,984</p> <p>6 Werner Enterprises
Total Power Units: 3,700</p> <p>7 Penske Logistics
Total Power Units: 2,200</p> <p>8 Swift Transportation
Total Power Units: 2,000</p> <p>9 Cardinal Logistics Management Corp.
Total Power Units: 1,728</p> <p>10 U.S. Xpress Enterprises
Total Power Units: 1,620</p> <p>11 YRC Logistics
Total Power Units: 1,606</p> <p>12 3PD Inc.
Total Power Units: 1,452</p> | <p>13 NFI Industries
Total Power Units: 1,326</p> <p>14 Exel Contract Logistics
Total Power Units: 1,150</p> <p>15 Logistics Insight Corp.
Total Power Units: 1,120</p> <p>16 UPS Supply Chain Solutions
Total Power Units: 940</p> <p>17 England Logistics
Total Power Units: 936</p> <p>18 CEVA Logistics
Total Power Units: 803</p> <p>19 Averitt Express
Total Power Units: 762</p> <p>20 Crete Carrier Corp.
Total Power Units: 600</p> <p>21 AIM National Lease
Total Power Units: 525</p> <p>22 CRST Dedicated
Total Power Units: 525</p> <p>23 Interstate Distributor Co.
Total Power Units: 508</p> <p>24 Jacobson Cos.
Total Power Units: 425</p> <p>25 Lily Dedicated Logistics
Total Power Units: 395</p> |
|--|--|

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