

## Study Assignment

### *Exel plc Haus Mart Case Study*

1. Why do companies outsource supply chain activities to third party logistics providers?
2. How would a better understanding of supply chain execution and stronger capabilities in execution allow companies to make better supply chain planning decisions?
3. Should Exel move into joint planning with Haus Mart? Should Haus Mart?
4. How does this case and the prospects for supply chain outsourcing relate to your company's situation?

#### Some US Stats on 3PL market

- 2012 3PL market gross revenues US\$142B (6.3% growth, 2011 - 5.3%)
- 2009 was a low point with first year over year decline in revenue since 1996
- Since 1997 revenue growth averaged 10% a year
- Fastest growing 3PL segments (1995-2011)
  - International transportation management (15%)
  - Value-added warehousing and distribution (14.3%)
  - Domestic transportation management (11%)

Armstrong & Associates 2012