Logistics Services
Request for Proposal

[Project Name or Description]

Issued: [Date]

Issued BY: [Company]

POC Name] [POC email]

[POC Phone]

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Introduction

*This is your opportunity to tell prospective 3PL partners about what your company does, what sets it apart from competitors, what your product delivery philosophy is, why you’ve submitted an RFP and what you hope to achieve through your partnership. Third-party logistics providers typically receive a continuous flow of RFPs, so the more compelling a case you can make for your company, the better.*

*[Recommended subcategories:]*

* Company
* RFP background
* Product delivery philosophy

Provide the purpose of this project here:

The description of the project here:

Non-Disclosure Agreement

*In order to protect all parties involved in this strategic endeavor, the first step in the process should always be a non-disclosure agreement (NDA). An executed NDA not only protects your confidential business and supply chain information, but also protects the 3PL’s competitive interests and ability to bring forth a solution tailored for your business. This is a critical step to ensure the relationship starts from a point of transparency and trust.*

Schedule

*Use this section to create a timeline for the 3PL RFP submission and selection process. Be sure to include specific milestones — such as the date by which respondents should confirm their intent to participate, the date any follow-up questions are to be submitted and the final RFP due date and award notification — and make a note of who is responsible for each milestone (either your company or the respondent). Be sure to provide contact information should prospective partners have any questions about the timeline.*

|  |  |  |
| --- | --- | --- |
| **Milestones** | **Responsible Party** | **Due Date** |
| Intent to participate |  | [Date] |
| Milestone 2 |  | [Date] |
| Milestone 3 |  | [Date] |
| --- |  |  |
| --- |  |  |
| --- |  |  |
| --- |  |  |
| --- |  |  |
| **Final RFP Due** |  | **[Date]** |

Pricing

*Different 3PL solutions come with many different pricing structures — cost-plus, transactional, fixed variable, fixed variable with incentive and so on. It is essential that you understand your supply chain cost structures, your landed cost threshold and your business cash flow requirements in order to evaluate the various pricing structures you will be presented with. You’ll also find more success and opportunity to find cost benefits by understanding how this decision affects long-term capital investment requirements, including technology and warehouse infrastructure such as racking and materials handling equipment.*

[COMPANY NAME HERE]’s budget for the project is [BUDGET AMOUNT HERE].

djfkjkjsljlkjkj

Response Requirements

*To get exactly what you want out of a third-party logistics provider, you need to be specific about your expectations. In this section of your 3PL RFP, clearly outline what components should be included in each respondents’ proposal (and accompanying presentation, if relevant), as well as provide any additional pertinent details.*

*[Recommended subcategories:]*

* Logistics concept
* Variable handling (per outbound shipment)
* Location
* Startup costs
* 3PL equipment responsibilities
* Storage
* Assorted fees (management, accessorial, customization, etc.)

The response requirements entail (Provide scope of work here. You may provide this in outline form).

Term of Contract

*Similar to schedule, this item sets an expected timeline for the duration of your relationship with a 3PL provider; this can range anywhere from a few months to years, depending on the nature of your fulfillment needs.*

Provide scope of work here. [Provide this in paragraph form].

Current Business Operations

*In order to craft custom solutions, services and strategies that meet your fulfillment needs, prospective third-party logistics partners must first understand the current state of your business. Provide an overview of current business operations, including items such as your product portfolio, where your products are sourced from and how custom orders are processed, so that respondents can more efficiently work to resolve your business challenges.*

Provide scope of work here. [Provide this in paragraph form].

Evaluation Criteria

*This section should not only provide the criteria by which respondents will be assessed, but also explain the selection process — for example, who within your company will be responsible for evaluating incoming proposals, how many stages the selection process will include, and so on. Whether you provide a definitive rubric by which respondents will be “graded” or a general idea of the most important criteria, this can help ensure that only well-qualified 3PL providers respond.*

*[Recommended evaluation criteria:]*

* Pricing
* Management structure
* Past performance
* KPIs
* Industry references
* Average implementation timeline (for projects of a similar scope)

[Name] will be responsible for evaluating the incoming proposal (Provide scope of work here. You may
provide this in rubric or paragraph form).

Service Requirements

*This is your opportunity to outline partner expectations as they pertain to specific Service Level Agreements. For example, for service requirements, you might list expected utilization rates during peak inventory periods; for inventory management, you might indicate expected inventory levels relative to days of inventory on hand. Detailing your safety, service, quality, cost and inventory expectations allows for a better fitting solution from the 3PL.*

*[Recommended subcategories]*

* Site requirements
* Quality control
* Order
* Fulfillment
* Inventory management
* Inbound/outbound transportation
* Returns
* Value-added services
* Order management
* Customer service and system
* Hardware and software requirements]

The service requirements entail (Provide scope of work here. You may provide this in outline form).

Response Format

*The more uniform 3PL RFP responses are, the easier they are to compare — therefore, it’s in your best interest to create a framework that respondents can use when drafting a proposal. This framework should include:*

A company overview

* Locations within their network
* Their dimensions and capacity
* Their operating hours
* Which operational and management procedures they follow
* Which IT systems they use

Proposed solution

* Real estate options (if required)
* Layout and racking configuration
* Engineered operational solution based on productivity modeling
* Staffing structure, along with recruiting and retention strategy
* Technology solution, including base warehouse management, warehouse control and transportation
management platforms, as well as integration details
* Startup plan and dedicated resources
* Metrics and KPIs; should always include safety, service, cost and inventory; a good 3PL will also include
specific measurements in the areas of people and continuous improvement
* Pricing model with fixed, variable, transactional and/or cost-plus elements

Approach Overview

* Customer references and case studies
* Their approach to changes in relationship
* What reporting and metrics they use
* Their approach to risk management
* Their contingency/disaster recovery provisions
* Their supply chain capabilities

Questions

*Conclude your 3PL RFP with any additional questions you might have for respondents that didn’t fit with any of the other items mentioned above, but that might affect your final decision.*

Conclude here. [Provide this in paragraph form].