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Guest Speaker Report: Axle Logistics

Axle Logistics is a third-party logistics (3PL) company that operates out of Knoxville, TN. They are in a very lucrative business as they are a non-asset based company. They serve as a middle man connecting trucking companies and manufacturers with each other to do business. Per their website, “Axle Logistics was built with the overall vision of bringing a sense of comfort and convenience to an industry often filled with inefficiencies by providing specialized customer service and a unique overall philosophy and approach to logistics management.” Their mission statement reads, “To provide the finest service and consultation in the movement of materials through the supply chain” and their core values are service, efficiency, respectfulness, optimism, progress, integrity, and confidence. I thought that a SWOT analysis of their company would be useful to find out how the stack up in the logistics industry.

**SWOT**

Strengths:

* Innovative culture
* Well known in the Knoxville area
* Have built up a steady book of business already and are bringing in money
* Business model is lucrative
* No inventory, making all profit on successful deals

Weaknesses:

* Lots of competition (TQL, Ryder, Coyote, C.H. Robinson, R&S Logistics, etc.)
* Difficult to accumulate business, primarily cold calls to find clients
* High staff turnover

Opportunities:

* Able to call on lots of prospective clients, there is a lot being shipped
* Supply chain and logistics are booming at the moment

Threats:

* Always changing competitive landscape, lots of companies bursting onto the scene trying to steal customers
* Customer satisfaction, if just one order goes wrong they could switch to another company

I believe that Axle Logistics can do very well in this business, as the 3PL business model can be very profitable. From what is sounds like, they have a relaxed and fun work environment that encourages success. At the same time, it seems that if you are not getting enough business then you may be forced out with not much to say for your time there. Axle Logistics seems that is has the tools to succeed and I will be interested in seeing how they do in the near future.