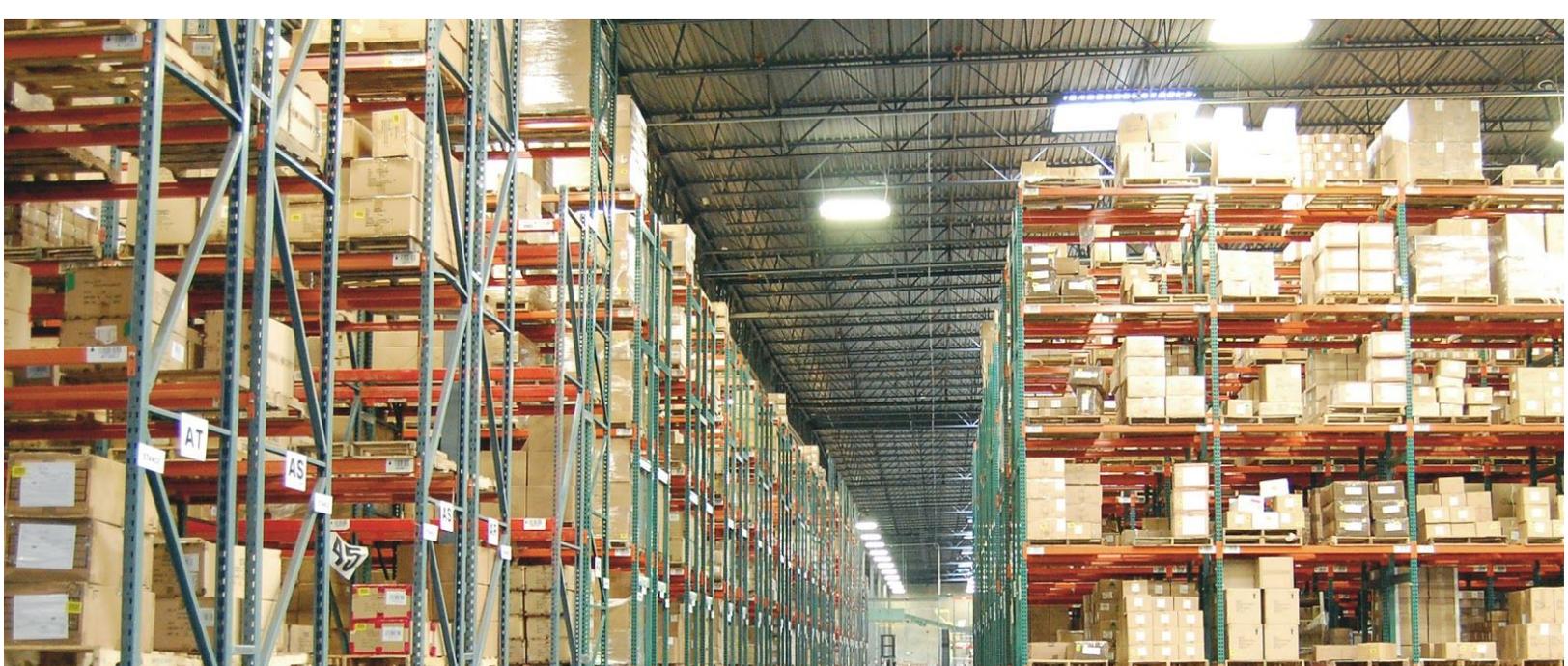


12 Ways to Successfully Exit a 3PL



Thinking About Exiting Your 3PL? Do It the Right Way.

Transferring to a new 3PL is complicated — but it can also be costly and risky if you don't go about it the right way. Make sure your move is successful with these twelve 3PL exit best practices.

1. Maintain Your Professionalism

Exiting a 3PL feels emotional, but expressing your negative emotions can make things worse. It's best to be as professional as possible to exit quickly and efficiently while ensuring accurate inventory.

2. Understand Your Rights

Most likely, you signed a contract when you partnered with your current 3PL. These contracts often contain rules about giving notice of your exit, and conditions where an exit is approved. Before you initiate your move, review your contract to thoroughly understand your rights and confidently negotiate your exit.

3. Put It in Writing

When first discussing your exit, meet with your 3PL in person or speak with them over the phone. But be sure to put all important details in writing, as there are legal components to a 3PL exit. Giving written notice of your exit is also required in many 3PL contracts.

4. Plan Out the Logistics

No matter the size of your inventory or footprint, exiting a 3PL is complex. Some things won't happen according to plan, so be sure to map out the following specifics before you move:

- Timelines
- The setup of your new 3PL
- Tasks required for exiting your current 3PL
- Plans for communicating with customers and suppliers
- Blackout periods
- Impacts of limited product availability, promotions, and campaigns
- Transporting your inventory to your new 3PL

5. Create Strategies for Moving Inventory

Before you move, put together some strategies for moving your inventory:

- Identify which SKUs need to be prioritized, and how you can transport them first
- Split up high-quantity items to shorten product receiving and staging
- Conduct an ABC analysis
- Determine the best transportation options and schedule freight forwarders
- Identify how many trucks can be moved daily and schedule them according to your new 3PL's receiving requirements

6. Discard What You Don't Need to Ship

Moving is expensive. You will need to pay your current 3PL to pack and load your inventory, and also cover shipping and receiving. Be sure to identify which items merit these costs, and which can be disposed of before your exit.

7. Set Clear Expectations

Set expectations of how your items should be packaged and labeled. If you don't, your current 3PL will do it how they see fit. This could lead to a slow receiving process, future customer order delays, and inventory inaccuracies.

8. Separate Your Items

Avoid mixing SKUs in boxes, even if you could save on freight fees or space. Mixing SKUs can lead to lost inventory and paying labor to separate SKUs at your new 3PL.

9. Oversee the Exit in Person

They say if you want it done right, you should do it yourself. That's partially true here, as there are clear benefits to overseeing your exit in person. The most obvious benefits are the ability to supervise hired temp labor crews and enforce clear job instructions. This will keep you confident that your inventory is managed correctly.

10. Set Cost Expectations

Have a conversation early on about costs and what you are willing to pay for. Be sure to set expectations around your exit schedule, and evaluate how much overtime the move might cost you.

11. Streamline Your Startup

To ensure your new 3PL can complete receiving tasks properly, try sending them one box of each product. They'll get the chance to enter information like product weights and descriptions, speeding up the receiving process when all your products arrive.

12. Replace Existing Boxes and Relabel Items

Old inventory often lives in old, tattered boxes. Consider reboxing these items so that they arrive at your new 3PL in one piece. Before your exit, set clear standards about which items need reboxing, and which don't. Also be sure to replace inventory labels, which can become faded or scratched out over time. This will make it easier for your new 3PL to receive and organize inventory.

Next Steps? Partner With a 3PL Exit Expert

Are you looking to exit your current 3PL? Enlinx can help. Our client onboarding team works closely with new clients to ensure seamless transitions. [Contact us](#) for a free quote and to ensure your exit goes as smoothly as possible.