

## What Is the Difference between a Trucking Company and a 3PL?

### Food Logistics

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Ronald M. Leibman

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McCarter partner and head of our Transportation, Logistics & Supply Chain Management practice, Ron Leibman, spoke with *Food Logistics* about the difference between trucking companies and a 3PL and what to consider when looking at using a broker or working directly with a shipper.

As Leibman explains, a 3PL is not a legally defined entity but is a broad-based term meaning outsourced logistics services and shippers are heavily weighing service provider tracking, tracing, visibility, and data management capabilities.

Ron further notes that trucking companies provide transportation via the road only using leased or owned vehicles with employees or owner-operators, which are a special class of independent contractors under leases subject to federal transportation law. But trucking companies are responsible and have statutory liability for loss and damage to the products they transport. There are significant compliance aspects to pay attention to as a freight forwarder.

As a general rule, there is room for brokers and motor carriers in today's supply chain, as both have their place.