

VALUE FOCUS

# Transportation & Logistics

First Quarter 2024

## In This Issue

---

FEATURE ARTICLE

**The Baltimore Bridge Collapse,  
One Month Later** 1

**Industry Macro Trends** 5

**Trucking** 11

**Rail & Intermodal** 16

**M&A Activity** 17

**Select Transactions** 18

**Public Company  
Performance** 21

**Publicly Traded Companies** 22

**About Mercer Capital** 27



## FEATURE ARTICLE

# The Baltimore Bridge Collapse, One Month Later

Q1 2024

It's been about a month since cargo ship Dali collided with the Francis Scott Key Bridge in the waters of the Chesapeake Bay. We **wrote** about the collapse when it occurred and wanted to revisit the topic. The bridge collapse represents another event in a **string** of global impacts on the supply chain and is another reminder about how unpredictable events can have a wide reach.

## The Port of Baltimore

The Port of Baltimore is a top 20 port by volume in the United States and is the 5th largest port for foreign trade on the East Coast. The Baltimore "Port" is comprised of five public ports and 12 private ports, allowing cargo to enter Baltimore and the greater U.S. through several different road and rail routes. *The Washington Post* **estimates** that the port handled over 50 million tons of foreign cargo with value in excess of \$80 billion during 2023. The port is the 2nd largest exporter of coal from the U.S. (though still a relatively small player on a global scale) and is the largest port for imports of automobiles, sugar, and gypsum. Baltimore is also equipped to handle Neopanamax ships passing through the Panama Canal, allowing it to process some of the largest marine ships in play.

Sharing the fortunes of several other East Coast ports of the last several years, the Port of Baltimore **posted** several records in 2023, including for the largest number of TEUs handled (1.1 million) and general cargo tons (11.7 million). Baltimore posted these growth records despite the overall decline in imports to the U.S. during 2023.

## Potential Short-Term and Long-Term Impact

As of the publication of this newsletter, the main channel into Chesapeake Bay **remains** closed. Four temporary channels have been dredged, permitting emergency vessels to enter the Bay and allowing most of the stranded ships to exit. The goal is to have the main channel reopened by end of May 2024. The Dali remains stuck in the channel, trapped by bridge debris and cargo containers. According to the U.S. Army Corp of Engineers, maritime traffic in mid-April was about 15% of the traffic prior to the collapse.

The first impact to discuss is to the Baltimore area. It is **estimated** that over 15,000 jobs are directly impacted by the closing of the Bay, and nearly 140,000 people are impacted throughout the area. The federal government has allocated funds for infrastructure development at the single unobstructed port in the Bay. The state of Maryland is accessing its rainy day fund to cover lost wages for port workers.

## FEATURE ARTICLE

## The Baltimore Bridge Collapse, One Month Later

Q1 2024

(cont.)

Short-term impacts will include delays of cargo already in transit for East Coast ports, whether originally bound for Baltimore or not. Just as we saw chokepoints on the West Coast lead to a redistribution of cargo among ports, the loss of the Baltimore port for the foreseeable future will cause ripple effects throughout the industry.

We anticipated cargo being diverted to other East Coast ports. So far, Brunswick, Georgia has proved to be a popular port for **auto and tractor exports**. In April, Brunswick was expected to handle over 87,000 vehicles, a 24% increase relative to the 70,000 monthly vehicles prior to the bridge collapse. The Port of New York and New Jersey is handling approximately 2/3 of Baltimore's container shipments and 1/3 of Baltimore's auto shipments. Norfolk, Virginia has absorbed much of the coal cargo export business from Baltimore, increasing its own export business by over 30%.

This rerouting is not without expenses. Cargo that would have previously been transported on rail directly to Baltimore ports may now require a leg of truck transit, taking more time and raising costs. Demand for road capacity skyrocketed following the bridge collapse. Auto carriers have struggled with rerouting demand surges. Many auto carriers were hit hard during the pandemic and the semiconductor shortages kept demand for auto carrier capacity low, even though capacity demand for other classes of trucking reached unprecedented levels. This limited the ability of auto carriers to increase capacity levels at the same rate as their dry van or reefer cousins. Additionally, the change in routes is impacting the trucking industry. Prior trucks routes would run from Baltimore to inland cities, routes of less than 100 miles that could be repeated multiple times per day. Cargo is still being routed to the inland cities, but is instead originating from ports further away, such as Norfolk. This reduces the number of trips (and thus the amount of cargo) that a single truck can move in a day. Costs have climbed for carriers and customers.

A remaining concern is the International Longshoreman's Association contract, which covers port workers from Texas through the Northeast. The contract is set to **expire** in September 2024. Talks stalled in early 2023 before resuming again in early 2024. The leaders of ILA have ruled out the possibility of extending the current contract during negotiations and have threatened to strike if a new contract is not reached by the fall. The West Coast freight bottleneck that dominated transportation headlines in 2022 was brought on by labor disputes combined with a drastic increase in demand for shipping services due to COVID-fueled shopping. While there is the potential for a similar showdown on the East Coast, the national freight market has largely normalized to pre-pandemic levels and is not expected to experience such rapid growth in the near future.

FEATURE ARTICLE

# The Baltimore Bridge Collapse, One Month Later

Q1 2024

(cont.)

## Conclusion

The collapse of the Francis Scott Key bridge continues to have a major impact on the Baltimore area and surrounding ports. While expenses and shipping times have increased rapidly on the East Coast, the greater national impact remains muted. We will continue to watch Baltimore and keep tabs on port developments.

Mercer Capital's Transportation & Logistics team watches the transportation industry and global events and economic factors that can impact the overall industry, the supply chain, or various aspects of transportation. Mercer Capital provides business valuation and transaction advisory services, and our transportation and logistics team helps trucking companies, brokerages, freight forwarders, and other supply chain operators understand the value of their business within the current market. Contact a member of the Mercer Capital transportation and logistics team to discuss any valuation and/or transaction-related questions that you may have.

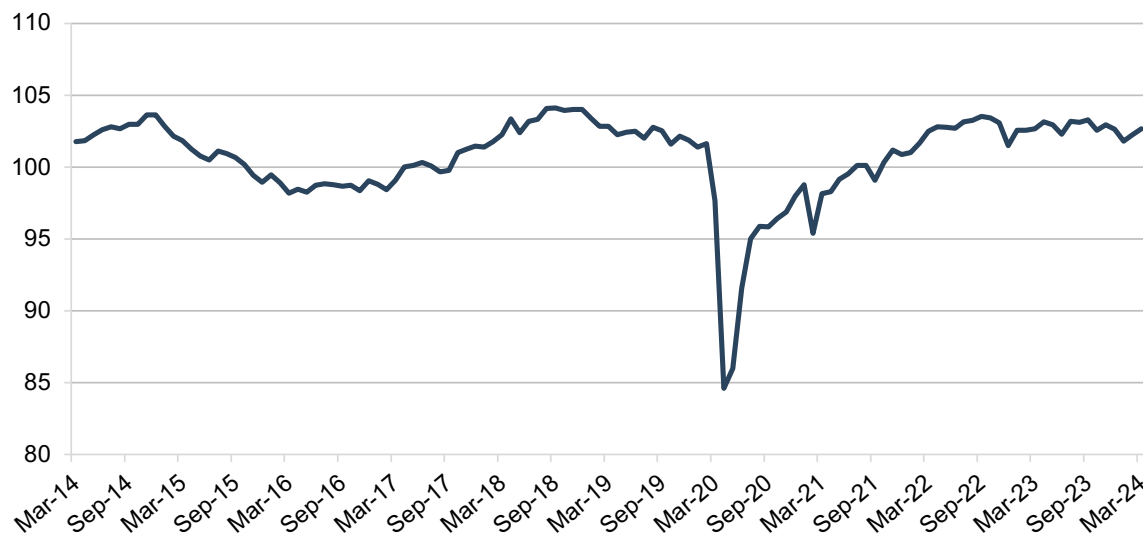
# Industry Macro Trends

## Industrial Production Index

The level of domestic **industrial production** directly impacts demand for transportation services. The Industrial Production Index is an economic measure of all real output from manufacturing, mining, electric, and gas utilities. The COVID-19 pandemic resulted in numerous shutdowns and lock-downs that began in March 2020, however, shutdown activity had normalized by 2023. The index value in March 2024 reached 102.6, unchanged over the prior year. Industrial production has increased 0.8% and 0.4% relative to December 2023 and February 2024, respectively. Consumer goods increased 1.2%, reversing three quarters of declines. Construction was down 0.3% relative to March 2023. Manufacturing output increased 0.5% in March 2024 (following a 1.5% increase in February) and has grown 0.8% since March 2023.

In general, the manufacturing sector, and now, the construction sector, has been impacted by recent interest rate increases. Expectations that the Federal Reserve will delay cutting rates **continue to weigh** on manufacturing and construction growth.

Industrial Production Index (Seasonally Adjusted)



Source: Federal Reserve Bank of St. Louis

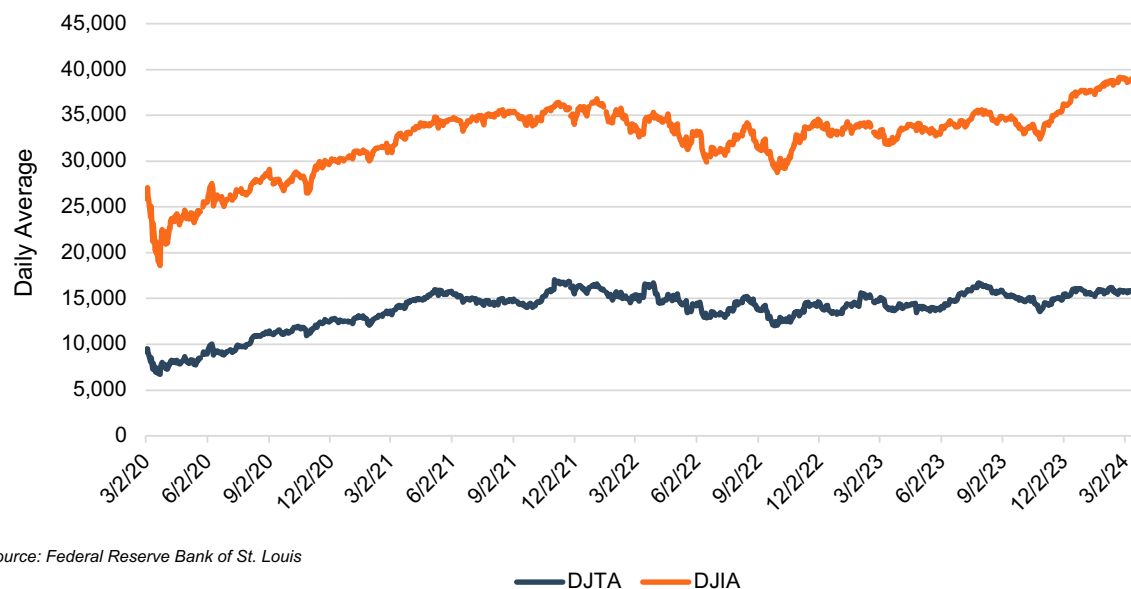
Indexed to 2017

# Industry Macro Trends

## Dow Jones Transportation Index

The Dow Jones Transportation Average (DJTA) is a price-weighted average of 20 transportation stocks in the U.S. The DJTA is often interpreted as a signal of the health of the overall market – a divergence of the DJTA from the Dow Jones Industrial Average (DJIA) signals a coming reversal of the prevailing trend. The DJTA dropped rapidly with the onset of COVID-19 restrictions in March 2020 but grew steadily through September 2021. In 2022 the DJTA was more volatile, as expectations for a transportation industry slowdown became stronger (while the timing of and magnitude of the slowdown remained unclear). In 2023, the DJTA outperformed the overall economy, growing nearly 19% over the year, while the DJIA grew 13.7% during the same period. In the first part of 2024, the DJTA cooled relative to the overall economy. The DJTA ended March 2024 at 16,212, an increase of over 12% on a year-over-year basis, compared to the 20% growth reported by the DJIA. The DJTA increased 2% relative to December 2023 while the DJIA increased 5.6% during the same period.

Dow Jones Transportation Index



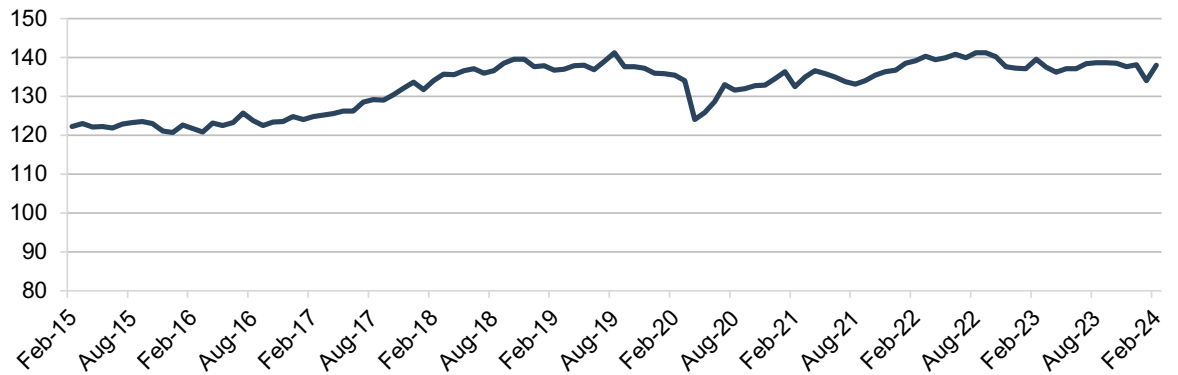
Source: Federal Reserve Bank of St. Louis

# Industry Macro Trends

## Transportation Services Index

The Transportation Services Index measures freight traffic in the United States, including rail, trucking, and marine shipping. The TSI increased 3% in March 2024 and 0.4% relative to November 2023. The TSI declined 1% on a year-over-year basis. The index in February 2024 stood at 138.1.

Transportation Services Index (Freight, Seasonally Adjusted)



Source: Bureau of Transportation Statistics

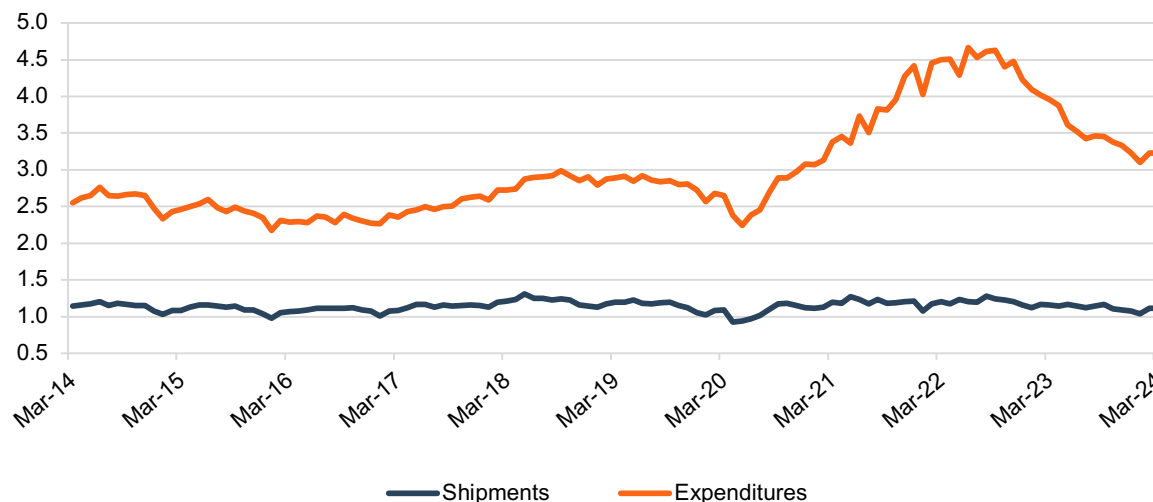
Indexed to January 2000

# Industry Macro Trends

## Cass Freight Index

The **Cass Freight Index** of shipments and expenditures is considered one of the best indicators of overall U.S. freight activity. In April 2020, shipments fell to their lowest levels since the Great Recession due to COVID-19-related shutdowns in the U.S. and abroad. Shipments increased during the COVID era but have since declined to levels more commonly seen pre-pandemic. The shipments index was volatile during 2023, although the index ultimately declined 7% through December 2023. The first quarter of 2024 experienced shipments growth of 3.3%. Most of that growth occurred during February 2024, following Lunar New Year and adverse weather in January. In March 2024, the index declined 0.2%. It declined 3.5% in January 2024 and increased 7.3% in February 2024. The shipments index has experienced year-over-year declines since February 2023 as the industry returns to pre-pandemic norms; however, year-over-year declines in February and March 2024 were at their lowest levels since June 2023.

Cass Freight Index



Source: Cass Information Systems, Inc.

Indexed to January 1990



# Industry Macro Trends

## Cass Freight Index (cont.)

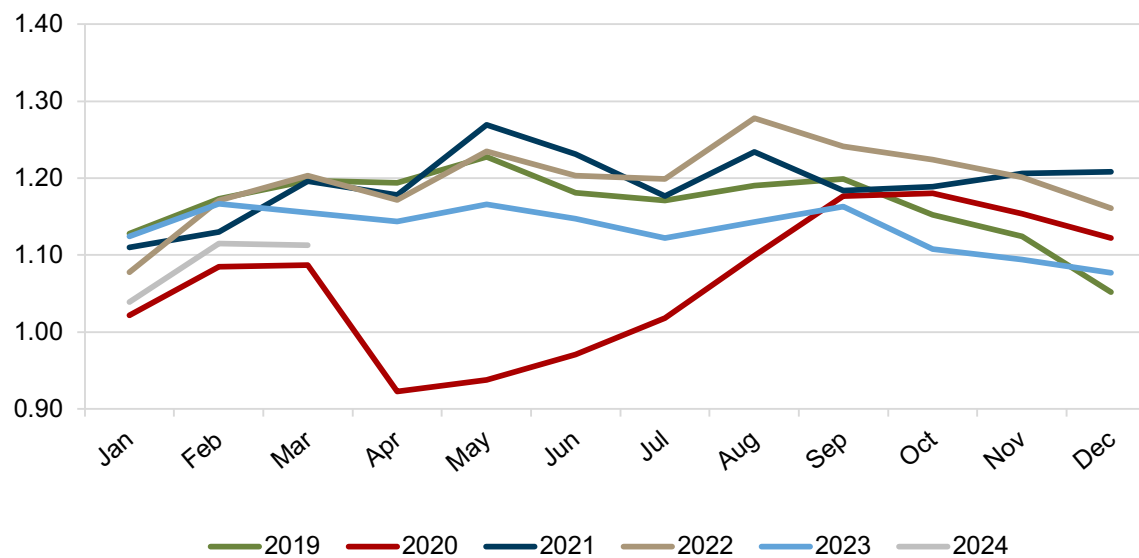
Expenditures also posted large declines through the end of 2023, ultimately decreasing 24% over the year. As we enter into 2024, the year-over-year declines appear to be moderately somewhat: March 2024 was 18.5% lower than March 2023. On a monthly basis, the change expenditures index was essentially flat in March 2023, compared to a decline of 4% in January 2024 and an increase of 4% in February 2024.

During the COVID-19 pandemic, limits on capacity combined with increasing demand caused increasing spreads between expenditures and shipments. While this spread has normalized somewhat over the past year, the spreads between expenditures and shipments remain elevated compared to pre-pandemic norms.

## Shipments

The shipments index hit 1.113 in March 2024, down 0.2% from February 2024. Shipments decreased 3.6% relative to March 2023 but increased 3.3% relative to January 2024.

Cass Freight Shipments Index



Source: Cass Information Systems, Inc.

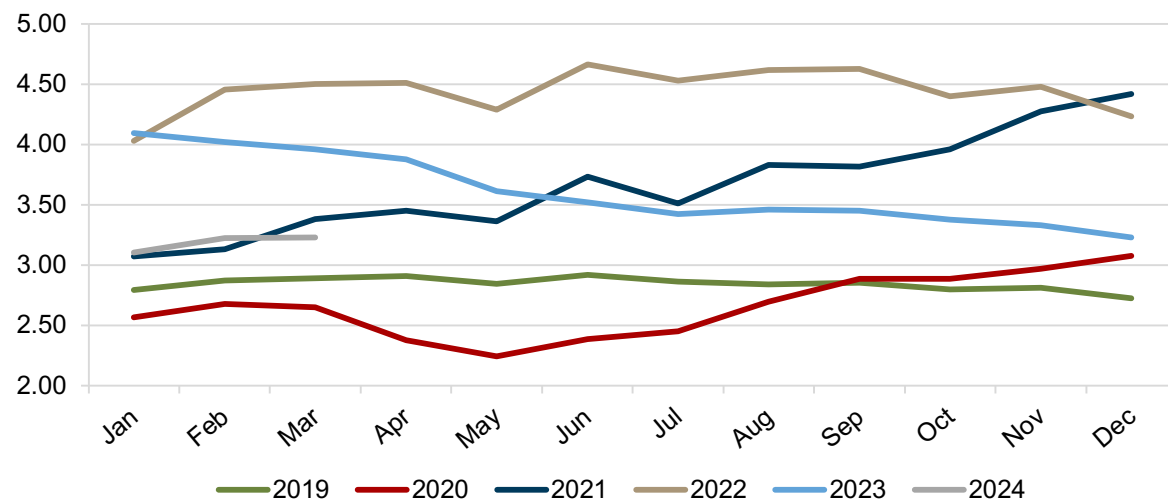
Indexed to January 1990

# Industry Macro Trends

## Expenditures

The expenditures index measures the total amount spent on freight. The expenditures index fell to 3.227 in March 2023, essentially unchanged from the prior quarter and a decline of 18.5% on an annual basis. The expenditures index had reached previously unrecorded levels during 2022 and remains elevated compared to pre-pandemic norms. Increasing inflation has decreased the demand for the slow-to-change capacity of freight, reducing stress on shipping prices. However, as we discussed previously, there has been some regional churn in freight pricing and demand due to the collapse of the Francis Scott Key Bridge.

Cass Freight Expenditures Index



Source: Cass Information Systems, Inc.

Indexed to January 1990

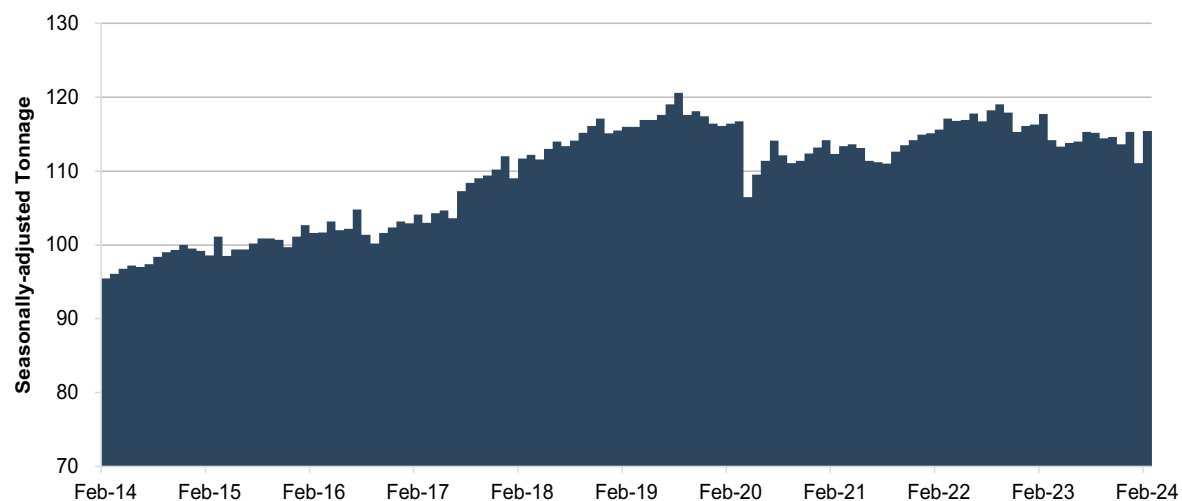
# Trucking

## Truck Tonnage

The American Trucking Association (ATA) **estimates** that trucking accounts for over 72% of all domestic freight tonnage and over 80% of total freight expenditures.

The truck tonnage index set a record level in August 2019. After falling off steeply at the start of the pandemic, truck tonnages generally increased throughout 2022. Reflective of the broad trend in the industry, truck tonnages experienced year-over-year declines during most of 2023 and the first part of 2024. February 2023 marked the twelfth straight month of year-over-year declines. Overall, tonnage declined 2% in February 2024 relative to February 2023. Tonnage bobbed down and then up in the first two months of 2024 as it decreased 3.6% in January 2024 followed by a 3.9% increase in February.

Truck Tonnage (Seasonally Adjusted)



Source: Bureau of Transportation Statistics

Indexed to 2015

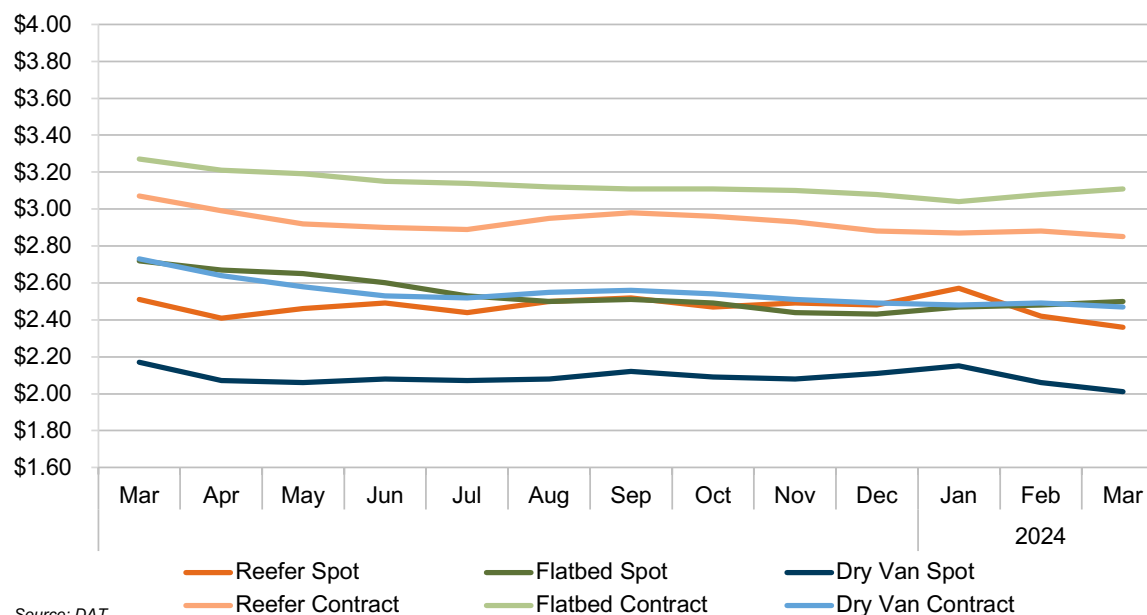
# Trucking

## Spot vs. Contract Rates

The Spot vs. Contract Rates charts depicts monthly national average line haul rates and fuel surcharges from **DAT** for three classes of trucking freight – dry van, reefer (refrigerated), and flatbed. Shippers can enter contracts that lock in a static contract rate for a period of time. Spot rates, on the other hand, are one-time shipping quotes for a specific transaction or series of transactions. As capacity tightened during 2021, spot rates eclipsed contract rates in the reefer and van categories. The softening of demand during 2022 resulted in the opposite trend – contract rates have exceeded spot rates in all three categories since at least April 2022. Spot and contract rates have slowed their declines in recent months, with rates occasionally posting month-over-month gains during 2023. Of the three classes of trucking freight, only flatbed rates (both spot and contract) increased in the first quarter of 2024.

Spot rates and contract rates for all three classes have declined on a year-over-year basis. Spot rates initially declined faster than their contract rate counterparts. However, since rates have been softening for over a year and many contract rates either renew or adjust annually, contract rate normalization has caught up to spot rates.

Spot vs. Contract Rates (Mar. 2023 - Mar. 2024)



Source: DAT

# Trucking

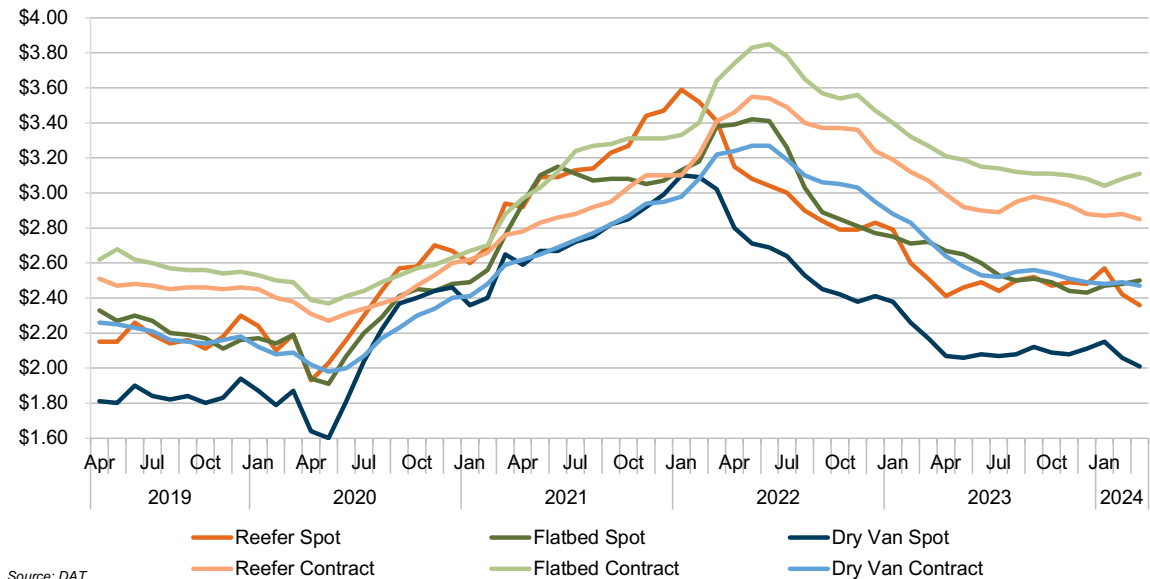
## Spot vs. Contract Rates (cont.)

Additionally, the rate of the decline has slowed considerably in the last several months. On a year-over-year basis, reefer spot rates decreased 6.0% while reefer contract rates declined 7.0%. Flatbed spot rates declined 8.0% while flatbed contract rates fell 4.9%, relative to March 2023. Dry van spot rates declined 4.9% year-over-year, while dry van contract rates decreased 7.4% during the same period.

Spot rates and contract rates for reefer and dry van classes have declined on a quarterly basis. Reefer spot and contract rates fell 4.8% and 1.0%, respectively. Dry van rates declined 4.7% and 0.8% for spot and contract rates, respectively. Flatbed spot and contract rates increased 2.9% and 0.9%, respectively.

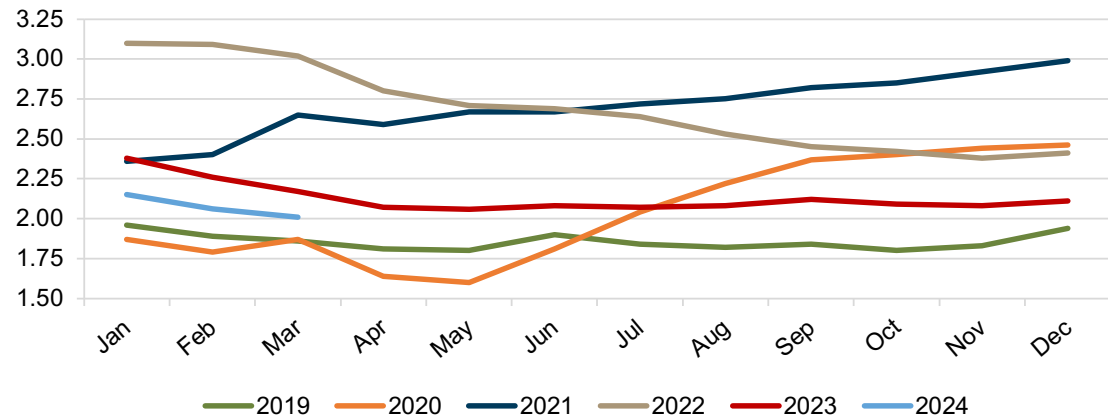
As shown in the charts on the right, while these rates are lower than the industry has garnered recently, rates remain elevated relative to pre-pandemic rates. As 2024 kicks off, dry van spot rates began the year below their recorded levels in 2022, 2023, and 2024, but remain above pre-pandemic performance. It is important to note, that despite year-over-year declines in many trucking industry metrics, the industry as a whole remains well-positioned relative to its pre-pandemic status.

Spot vs. Contract Rates (Apr. 2019 - March. 2024)



Source: DAT

Dry Van Spot Rates



Source: DAT

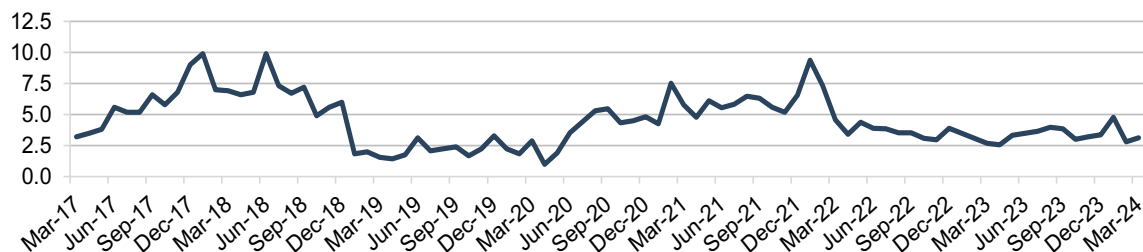
# Trucking

## Load-to-Truck Ratio

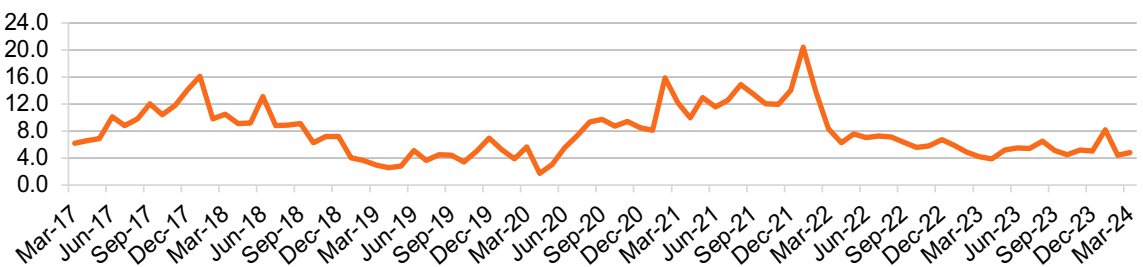
The **load-to-truck ratio** is calculated by dividing the total number of loads for shipment by the total number of trucks available. As a result, the load-to-truck ratio can signal a shortage or excess of capacity, which in turn influences changes in freight. An increase in the ratio (i.e., a higher number of loads relative to the level of available trucks) is typically associated with shipping rate increases. While economic factors typically push supply and demand, compression or expansion that occurs faster in the shipping industry can accelerate movements faster than the overall economy.

While 2023 was marked by year-over-year declines in load-to-van ratios as the industry normalized, 2024 has largely been marked by gains. For flatbeds, year-over-year declines, which were in the double digits since 2022, slowed to a decline of 3.5% in March 2024. On a quarterly basis, flatbed load-to-van metrics are up nearly 130% relative to December 2023. Van and reefer ratios both increased nearly 16% on a year-over-year basis in March 2023. On a monthly basis, both van and reefer ratios grew strongly in January 2023, declined sharply in February 2023, and then grew moderately in March 2024. Over the entire first quarter, van and reefer ratios experienced net declines 7.1% and 3.6%, respectively.

Dry Van Load-to-Truck



Reefer Load-to-Truck



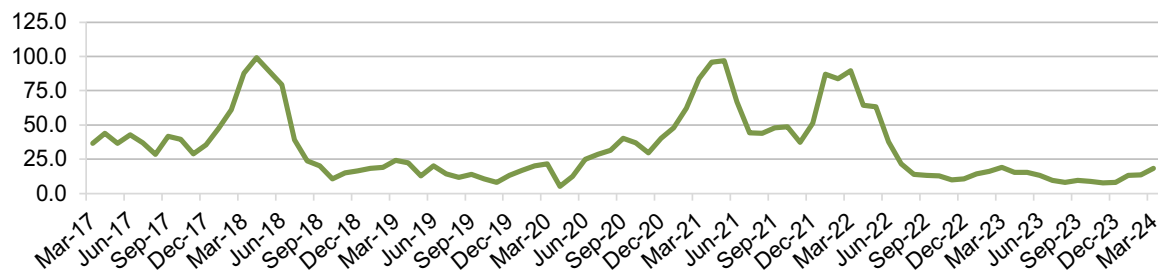
Source: DAT

# Trucking

## Load-to-Truck Ratio (cont.)

Even though the cumulative change for the quarter reflects a decline for van and reefer, this largely comes from a weak February (which impacted the flatbed market as well). February is typically a slower month in the freight industry, sandwiched between winter holidays and produce season. Overall, capacity increased in all **three freight classes** in February. Throughout the pandemic, tractor production became heavily backlogged due to COVID shutdowns and semiconductor shortages. While many companies have canceled orders in the post-pandemic market, many others are continuing to grow their fleets to avoid a future capacity crunch.

Flatbed Load-to-Truck



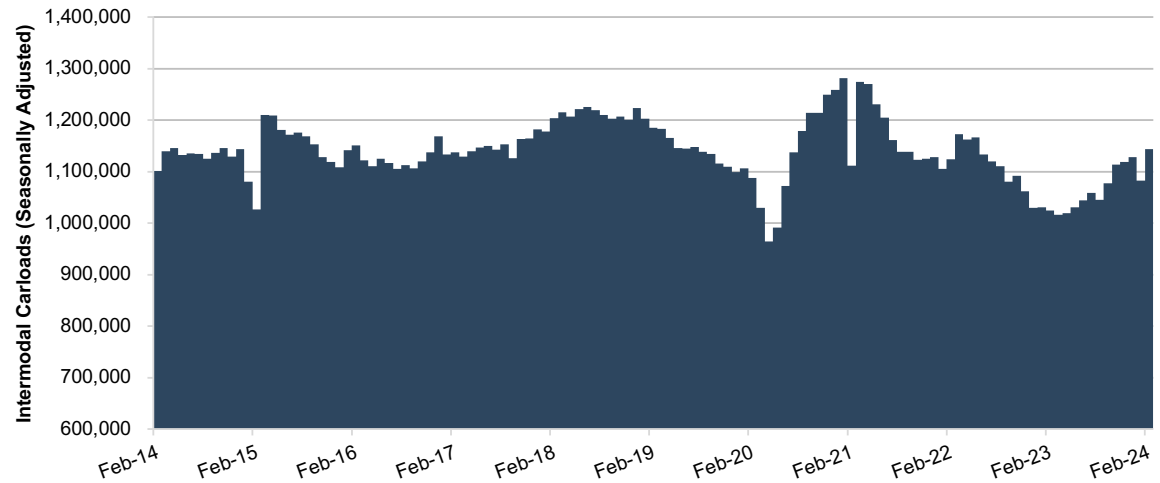
Source: DAT

# Rail & Intermodal

## Rail Freight Intermodal Traffic

As reported by the **Bureau of Transportation Statistics**, rail freight intermodal traffic posted an increase of 11.6% on a year-over-year basis, the fifth straight month of year-over-year growth. Rail freight grew 2.2% relative to November 2023 and rose 5.6% over January 2024. Ongoing labor disputes and push for greater safety regulations may continue to cause rail disruption.

Rail Freight Intermodal Traffic



Source: Bureau of Transportation Statistics



# M&A Activity

## Featured Transactions

### IMC Expands Drayage Operations

Memphis-based IMC Logistics announced its acquisition of American Pacific Transportation. APT provides rail and marine drayage and regional trucking services at various California ports. Following the transaction, IMC will have a fleet of over 500 trucks in California.



### Ryder Acquires Cardinal Logistics

Ryder continues its acquisitions, picking up Cardinal Logistics, a provider of dedicated fleets and last mile services, in a deal valued at \$290 million in February. Ryder expects the transaction to result in substantial synergies once Cardinal is fully integrated.



### Oil and Gas Services Company Enters Logistics Space

Enservco Corp. (ENSV), a Colorado-based oil and gas field service provider, has entered the logistics industry by acquiring Buckshot Trucking. Buckshot provides less-than-truckload services throughout the Rocky Mountain region and into North Dakota and Texas. Additionally, Buckshot's services have less seasonal variation than Enservco's prior business lines. The transaction, valued at up to \$5.5 million, is 0.2x Buckshot's LTM revenue and 2.4x LTM EBITDA.



## Select Transactions

Target	Buyer	Date Announced	Deal Status	Total Deal Value	Deal Value to	
					Sales	EBITDA
<b>Ground Freight</b>						
American Material Services Inc.	AGI International Inc.	1/5/24	Closed	-	-	-
Buddy Moore Trucking, Inc.	PS Logistics, LLC	1/8/24	Closed	-	-	-
Flatbed Division of ELS LLC	Blair Logistics, Inc.	1/19/24	Closed	-	-	-
Suddath Moving & Storage LLC	Atlas Van Lines, Inc.	1/22/24	Closed	-	-	-
Sexton Farms, LLC	Broadleaf Trucking, LLC	2/9/24	Closed	-	-	-
NEXT Trucking, Inc /Hickory Transportation Services, LLC	CDL 1000, Inc.	2/12/24	Closed	-	-	-
Northern Dry Bulk, Inc.	Kenan Advantage Group, Inc.	2/12/24	Closed	-	-	-
Business and Assets of R. Dufour Enterprises Ltd	Bandstra Transportation Systems Ltd.	2/14/24	Closed	2.37	-	-
APPS Cartage, Inc.	Mullen Group Ltd. (TSX:MTL)	2/14/24	Closed	-	-	-
Assets of Swafford Trucking, Inc., Swafford Warehousing, Inc and Swafford Transportation, Inc.	Total Distribution, Inc.	2/19/24	Closed	-	-	-
Canadian Preferred Moving	AMJ Campbell Inc.	2/20/24	Closed	-	-	-
On Time Trucking, Inc.	The RK Logistics Group Inc.	2/22/24	Closed	-	-	-
American Pacific Transportation	IMC Companies LLC	3/4/24	Closed	-	-	-
Yordy Transport LLC	Diamond State Trucking, Inc.	3/11/24	Closed	-	-	-
Hercules Forwarding Inc.	TFI International Inc. (TSX:TFII)	3/11/24	Closed	-	-	-
Feldspar Trucking Co.	Trimac Transportation Services Inc.	3/18/24	Closed	-	-	-
Super heavy haul transport equipment of Cowboy'S Services, Inc.	BOSS Heavy Haul, LLC	3/19/24	Closed	-	-	-
Buckshot Trucking LLC	Enservco Corporation (NYSEAM:ENSV)	3/20/24	Announced	5.50	0.7	2.4

Source: S&P Global Market Intelligence  
in USD millions

## Select Transactions (cont.)

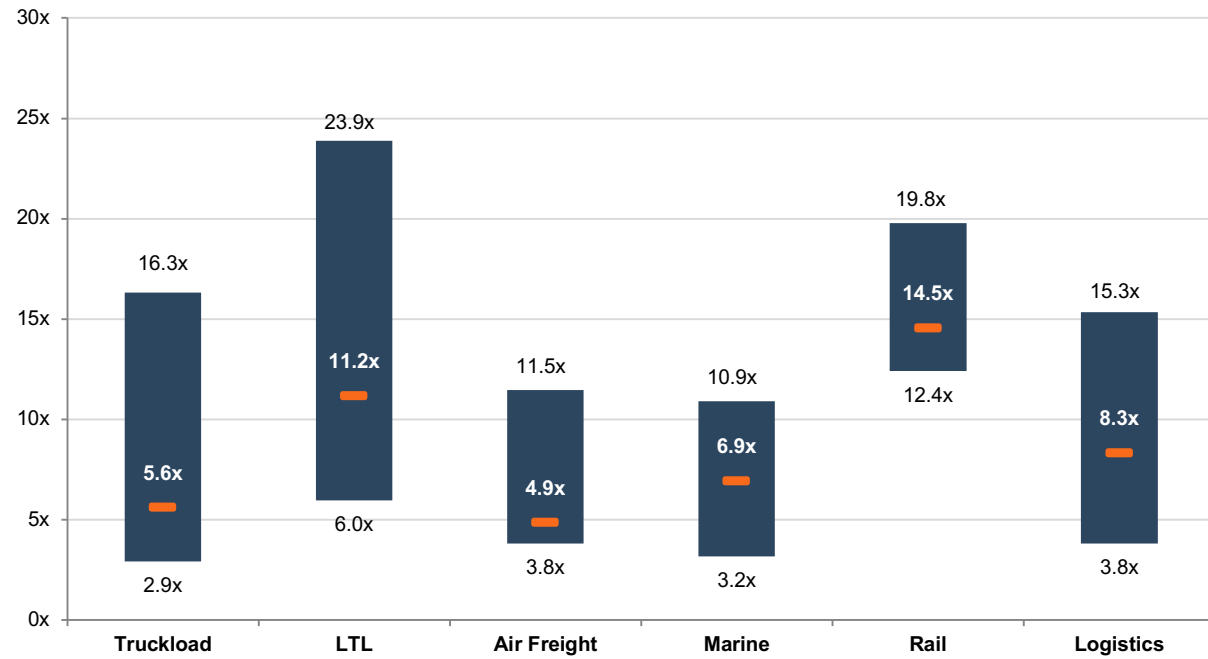
Target	Buyer	Date Announced	Deal Status	Total Deal Value	Deal Value to	
					Sales	EBITDA
<b>Marine</b>						
CG Railway, Inc.	GMéxico Transportes, S.A.B. de C.V. (BMV:GMXT *)	1/2/24	Announced	-	-	-
SEACOR Island Lines LLC	King Ocean Services Ltd.	2/1/24	Closed	-	-	-
Blue Tide Group	BlackSea Technologies	3/20/24	Closed	-	-	-
<b>Air Freight and Logistics</b>						
The Shippers Group	Kenco Group, Inc.	1/4/24	Closed	-	-	-
John A. Steer Co.	Alba Wheels Up International, LLC	1/9/24	Closed	-	-	-
Containerworld Forwarding Services Inc.	Mullen Group Ltd. (TSX:MTL)	1/17/24	Announced	-	-	-
Certain assets and operational subsidiaries of IAP Worldwide Services, Inc.	Black Diamond Capital Management, L.L.C.	1/22/24	Closed	-	-	-
Empire Freight Logistics LLC	KODIS Holdings, LLC	1/23/24	Closed	-	-	-
Colorado Distribution Group Transportation, LLC	Symbia Logistics	1/26/24	Closed	-	-	-
SOS Global Express, Inc.	Rock-It Cargo USA, LLC	1/31/24	Closed	-	-	-
Cardinal Logistics Management Corporation	Ryder System, Inc. (NYSE:R)	2/1/24	Closed	290.00	-	-
Cargo Link International, Inc.	Gebruder Weiss, Inc.	2/4/24	Closed	-	-	-
Select Logistics, Inc./Select Cartage, Inc.	Radiant Logistics, Inc. (NYSEAM:RLGT)	2/7/24	Closed	-	-	-
Mulch Division of T.C. Transport, INC	A. M. Logging, LLC	2/8/24	Closed	-	-	-
Michael L. Clements I, Ltd.	Armada Supply Chain Solutions, LLC	2/9/24	Closed	-	-	-
Assets of Sonic Systems, Inc.	ADL Final Mile	2/15/24	Closed	-	-	-
Nova Marketing Services, LLC	Nova Brand Projection	2/15/24	Closed	-	-	-
Oakwood Logistics LLC	Forza Logistics Group Inc.	2/16/24	Effective	-	-	-

## Select Transactions (cont.)

Target	Buyer	Date Announced	Deal Status	Total Deal Value	Deal Value to	
					Sales	EBITDA
<b>Air Freight and Logistics (cont.)</b>						
Superior Transport & Logistics Inc.	eShipping, LLC	2/27/24	Closed	-	-	-
Metroland Parcel Services	Ziing Final Mile Inc.	3/9/24	Closed	-	-	-
Transloading business of Cascade Warehouse Company, Inc.	Savage Services Corporation	3/11/24	Closed	-	-	-
WOW Logistics Co.	I Squared Capital Advisors (US) LLC	3/15/24	Closed	-	-	-
Quality Air Forwarding, Inc.	MAGNATE WORLDWIDE Ltd., LLC	3/19/24	Closed	-	-	-
Summit Eleven Inc.	Zipline Logistics, LLC	3/27/24	Closed	-	-	-
<b>Rail</b>						
Half-mile stretch of railway in Fairfax District from Union Pacific Railroad Company Inc.	SMC Global Transport LLC	3/6/24	Closed	-	-	-

# Public Company Performance

Monthly Median TEV/EBITDA Multiples (as of March 2024)



Source: S&P Capital IQ

Data from most recent filing available, excludes outliers

## Publicly Traded Companies

Company Name	Ticker	Price at 3/31/24	QoQ Price Change	Enterprise Value	Debt / Total Capital	Return on Assets	LTM		LTM Multiples			Forward Multiples	
							Rev.	EBITDA Margin	EV / Rev.	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
<b>Truckload</b>													
J.B. Hunt Transport Services, Inc.	JBHT	\$199.25	0%	\$22,458	8%	7%	\$12,544	13%	1.8x	13.6x	31.3x	11.0x	23.2x
Ryder System, Inc.	R	\$120.19	4%	\$13,264	60%	3%	\$11,929	21%	1.1x	5.3x	15.1x	4.2x	8.9x
Knight-Swift Transportation Holdings Inc.	KNX	\$55.02	-5%	\$11,933	26%	1%	\$7,327	13%	1.6x	12.8x	80.6x	8.0x	18.6x
Landstar System, Inc.	LSTR	\$192.76	0%	\$6,487	-6%	10%	\$5,051	7%	1.3x	18.2x	29.5x	15.2x	24.2x
Schneider National, Inc.	SNDR	\$22.64	-11%	\$4,215	5%	4%	\$5,499	12%	0.8x	6.5x	16.7x	5.1x	13.4x
Werner Enterprises, Inc.	WERN	\$39.12	-8%	\$3,145	21%	3%	\$3,283	13%	1.0x	7.3x	22.1x	5.4x	13.9x
Heartland Express, Inc.	HTLD	\$11.94	-16%	\$1,233	23%	-1%	\$1,147	15%	1.1x	7.2x	nm	4.5x	22.1x
Universal Logistics Holdings, Inc.	ULH	\$36.87	32%	\$1,422	32%	9%	\$1,717	15%	0.8x	5.5x	8.0x	4.8x	7.2x
Marten Transport, Ltd.	MRTN	\$18.48	-12%	\$1,450	-4%	4%	\$1,083	17%	1.3x	7.7x	26.1x	6.3x	17.7x
Covenant Logistics Group, Inc.	CVLG	\$46.36	1%	\$897	32%	0%	\$1,115	11%	0.8x	7.5x	14.2x	5.9x	9.1x
P.A.M. Transportation Services, Inc.	PTSI	\$16.21	-22%	\$475	25%	2%	\$772	11%	0.6x	5.6x	26.5x	3.7x	11.2x
Titanium Transportation Group Inc.	TTNM	\$1.85	5%	\$229	64%	4%	\$332	11%	0.7x	6.3x	10.6x	5.0x	9.8x
<b>Median</b>			<b>-3%</b>		<b>24%</b>			<b>12.9%</b>	<b>1.0x</b>	<b>7.2x</b>	<b>22.1x</b>	<b>5.3x</b>	<b>13.6x</b>

Source: S&P Global Market Intelligence

USD millions except per share values

## Publicly Traded Companies

Company Name	Ticker	Price at 3/31/24	QoQ Price Change	Enterprise Value	Debt / Total Capital	Return on Assets	LTM		LTM Multiples			Forward Multiples	
							Rev.	EBITDA Margin	EV / Rev.	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
<b>Less-Than-Truckload</b>													
Old Dominion Freight Line, Inc.	ODFL	\$403.28	9%	\$44,731	0%	20%	\$5,862	33%	7.6x	22.8x	36.0x	19.4x	30.0x
Saia, Inc.	SAIA	\$397.92	16%	\$10,450	-1%	12%	\$2,786	22%	3.8x	17.0x	31.4x	13.8x	24.8x
ArcBest Corporation	ARCB	\$97.68	-1%	\$2,540	4%	4%	\$4,796	6%	0.5x	8.3x	13.3x	5.4x	9.3x
Mullen Group Ltd.	MTL	\$9.75	-15%	\$1,474	40%	7%	\$1,478	15%	1.0x	6.5x	7.1x	6.1x	9.5x
<b>Median</b>			<b>9%</b>		<b>2%</b>			<b>19%</b>	<b>2.5x</b>	<b>13.3x</b>	<b>23.6x</b>	<b>10.5x</b>	<b>19.4x</b>
<b>Air Freight</b>													
Air T, Inc.	ODFL	\$219.31	8%	\$47,505	0%	19%	\$5,884	34%	8.1x	24.1x	38.3x	19.5x	30.6x
Forward Air Corporation	SAIA	\$585.00	33%	\$15,356	-1%	12%	\$2,976	22%	5.2x	23.1x	42.0x	16.5x	29.6x
Air Transport Services Group, Inc.	ARCB	\$142.50	19%	\$3,457	3%	5%	\$4,427	8%	0.8x	10.2x	17.1x	6.3x	11.2x
Cargojet Inc.	MTL	\$10.73	1%	\$1,507	37%	7%	\$1,447	15%	1.0x	6.8x	10.1x	5.9x	10.0x
<b>Median</b>			<b>13%</b>		<b>1%</b>			<b>19%</b>	<b>3.1x</b>	<b>16.6x</b>	<b>27.7x</b>	<b>11.4x</b>	<b>20.4x</b>

Source: S&P Global Market Intelligence

USD millions except per share values

## Publicly Traded Companies

Company Name	Ticker	Price at 3/31/24	QoQ Price Change	Enterprise Value	Debt / Total Capital	Return on Assets	LTM		LTM Multiples			Forward Multiples	
							Rev.	EBITDA Margin	EV / Rev.	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
<b>Marine</b>													
Kirby Corporation	KEX	\$95.32	21%	\$6,736	17%	0%	\$3,149	19%	2.1x	11.4x	22.1x	8.8x	14.7x
Matson, Inc.	MATX	\$112.40	3%	\$4,467	13%	5%	\$3,095	16%	1.4x	9.1x	13.0x	8.8x	13.1x
Pangaea Logistics Solutions, Ltd.	PANL	\$6.97	-15%	\$537	39%	4%	\$499	15%	1.1x	7.0x	12.4x	5.1x	5.7x
Global Ship Lease, Inc.	GSL	\$20.30	2%	\$1,347	47%	11%	\$667	64%	2.0x	3.2x	2.3x	3.6x	3.1x
Genco Shipping & Trading Limited	GNK	\$20.33	23%	\$1,017	15%	2%	\$384	23%	2.7x	11.4x	nm	6.1x	9.1x
Algoma Central Corporation	ALC	\$10.95	-3%	\$687	37%	3%	\$546	19%	1.3x	6.5x	6.9x	4.4x	8.1x
<b>Median</b>			<b>2%</b>		<b>27%</b>				<b>1.7x</b>	<b>8.1x</b>	<b>12.4x</b>	<b>5.6x</b>	<b>8.6x</b>

Source: S&P Global Market Intelligence  
USD millions except per share values



## Publicly Traded Companies

Company Name	Ticker	Price at 3/31/24	QoQ Price Change	Enterprise Value	Debt / Total Capital	Return on Assets	LTM		LTM Multiples			Forward Multiples	
							Rev.	EBITDA Margin	EV / Rev.	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
<b>Railroads</b>													
Union Pacific Corporation	UNP	\$245.93	0%	\$183,149	18%	9%	\$24,094	48%	7.6x	15.9x	23.5x	13.6x	19.3x
Canadian National Railway Company	CNR	\$131.80	5%	\$97,944	14%	8%	\$12,380	52%	7.9x	15.1x	20.7x	13.7x	20.0x
CSX Corporation	CSX	\$37.07	7%	\$90,336	20%	8%	\$14,632	49%	6.2x	12.7x	20.0x	11.5x	17.0x
Norfolk Southern Corporation	NSC	\$254.87	8%	\$74,111	22%	5%	\$12,028	41%	6.2x	15.2x	40.7x	12.2x	18.4x
Canadian Pacific Kansas City Limited	CP	\$88.25	11%	\$99,442	17%	4%	\$10,198	51%	9.8x	19.2x	28.5x	16.1x	23.5x
<b>Median</b>			<b>7%</b>		<b>18%</b>				<b>7.6x</b>	<b>15.2x</b>	<b>23.5x</b>	<b>13.6x</b>	<b>19.3x</b>
<b>Logistics &amp; Intermodal</b>													
United Parcel Service, Inc.	UPS	\$148.63	-5%	\$147,467	14%	8%	\$89,739	14%	1.6x	11.9x	21.4x	9.9x	15.3x
FedEx Corporation	FDX	\$289.74	15%	\$103,169	31%	5%	\$88,594	12%	1.2x	9.4x	17.1x	8.9x	13.4x
Expeditors International of Washington, Inc.	EXPD	\$121.57	-4%	\$16,265	-6%	12%	\$9,300	11%	1.7x	16.1x	22.9x	16.4x	24.1x
TFI International Inc.	TFII	\$159.61	17%	\$15,436	13%	7%	\$7,542	14%	2.0x	14.8x	27.7x	9.2x	17.1x
XPO, Inc.	XPO	\$122.03	39%	\$17,906	21%	5%	\$7,744	13%	2.3x	18.0x	nm	12.2x	25.1x
RXO, Inc.	RXO	\$21.87	-6%	\$3,114	18%	2%	\$3,927	3%	0.8x	23.2x	nm	15.4x	32.3x
GXO Logistics, Inc.	GXO	\$53.76	-12%	\$10,062	36%	3%	\$9,778	8%	1.0x	13.4x	28.0x	11.6x	16.7x
C.H. Robinson Worldwide, Inc.	CHRW	\$76.14	-12%	\$10,715	17%	6%	\$17,596	3%	0.6x	18.1x	27.4x	14.0x	19.3x
Forward Air Corporation	FWRD	\$31.11	-51%	\$2,644	69%	4%	\$1,371	15%	1.9x	13.2x	4.9x	7.3x	20.5x
Hub Group, Inc.	HUBG	\$43.22	-6%	\$3,128	12%	4%	\$4,050	9%	0.8x	8.7x	20.6x	7.5x	14.7x
Air Transport Services Group, Inc.	ATSG	\$13.76	-22%	\$2,679	66%	3%	\$2,071	25%	1.3x	5.3x	14.9x	5.0x	13.8x
Radiant Logistics, Inc.	RLGT	\$5.42	-18%	\$276	10%	2%	\$1,085	5%	0.3x	5.5x	12.1x	5.8x	9.3x
<b>Median</b>			<b>-6%</b>		<b>17%</b>				<b>1.2x</b>	<b>13.3x</b>	<b>21.0x</b>	<b>9.6x</b>	<b>16.9x</b>

Source: S&P Global Market Intelligence  
USD millions except per share values

## Publicly Traded Companies

Company Name	Ticker	Price at 3/31/224	QoQ Price Change	Enterprise Value	Debt / Total Capital	Return on Assets	LTM		LTM Multiples			Forward Multiples	
							Rev.	EBITDA Margin	EV / Rev.	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
<b>Individual Transportation Brokerage</b>													
Uber Technologies, Inc.	UBER	\$76.99	25%	\$164,701	3%	2%	\$37,281	5%	4.4x	85.2x	84.9x	19.7x	37.7x
Lyft, Inc.	LYFT	\$19.35	29%	\$7,179	-8%	-5%	\$4,404	-6%	1.6x	-26.4x	nm	15.0x	22.4x
Steer Technologies Inc.	STER	\$0.21	170%	\$40	29%	-27%	\$24	-56%	1.7x	-3.0x	2.8x	nm	nm
Zoomcar Holdings, Inc.	ZCAR	\$0.61	-83%	\$56	-267%	-111%	\$9	-405%	6.4x	-1.6x	nm	nm	nm
<b>Median</b>			<b>27%</b>						<b>3.1x</b>	<b>nm</b>	<b>nm</b>	<b>17.3x</b>	<b>30.0x</b>
<b>Autonomous Trucking</b>													
Freight Technologies, Inc.	FRGT	\$1.36	-60%	\$86	1%	-38%	\$20	-38%	4.4x	nm	nm	nm	nm
<b>Median</b>			<b>-60%</b>						<b>4.4x</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>

Source: S&P Global Market Intelligence  
USD millions except per share values

# Mercer Capital

Transportation & Logistics  
Industry Services

Mercer Capital provides valuation and transaction advisory services to the transportation & logistics industry.

## Industry Segments

Mercer Capital serves the following industry segments:

- Trucking
- Air Freight
- Marine
- Railroads
- Logistics & Intermodal

## Services Provided

- Valuation of transportation and logistics companies
- Transaction advisory for acquisitions and divestitures
- Valuations for purchase accounting and impairment testing
- Fairness and solvency opinions
- Litigation support for economic damages and valuation and shareholder disputes

Contact a Mercer Capital professional to discuss your needs in confidence.

## Contact Us



**Samantha L. Albert, ASA**  
901.322.9702  
alberts@mercercapital.com



**Nicholas J. Heinz, ASA**  
901.685.2120  
heinzn@mercercapital.com



**Scott A. Womack, ASA, MAFF**  
615.345.0234  
womacks@mercercapital.com



**Timothy R. Lee, ASA**  
901.322.9740  
leet@mercercapital.com



**Benjamin L. Lomo, CPA**  
901.322.9701  
lomob@mercercapital.com

[www.mercercapital.com](http://www.mercercapital.com)



# Mercer Capital

[www.mercercapital.com](http://www.mercercapital.com)

