

VALUE FOCUS

Transportation & Logistics

Third Quarter 2023

In This Issue

FEATURE ARTICLE

Coming Off the COVID Wave 1

Industry Macro Trends 4

Trucking 10

Rail & Intermodal 15

M&A Activity 16

Select Transactions 17

**Public Company
Performance** 19

Publicly Traded Companies 20

About Mercer Capital 25



FEATURE ARTICLE

Coming Off the COVID Wave

Q3 2023

We're sitting most of the way through 2023 at this point, and we are continuing to live in interesting times. The shipping frenzy brought on by the COVID-19 pandemic has run its course and the industry is returning to more normal levels. At the same time though, it is important to note that a decline from never-before-seen highs does not necessarily indicate a freight recession is underway. Many of the year-over-year data points will indicate large declines, but on a quarterly or monthly basis, the data is much more stable.

When looking at spot and contract pricing, it is easy to be concerned about the fall off of rates relative to the last two years. It is important to remember, as we will see later in this quarterly review, that spot and contract rates for all classes of freight remain materially higher than their pre-pandemic levels. Additionally, these rates have been stable for several months, with minimal changes in either direction. Markets are slightly soft heading into peak season, but are a far cry from previous recessions weathered by the transportation industry.

Other big news in the transportation world has been related to supply chain issues. The earlier option to offshore granted companies a larger, cheaper labor pool in East Asia at the expense of more complex supply chains with the potential for bottlenecks. Disruptions arising during the pandemic showed how risky the offshoring choice could be, as ships lined up by the dozens to offload cargo in Californian ports. In response, many carriers shifted their import handling to East Coast ports – with the **port of Savannah** being one of the biggest winners in the shuffle. Meanwhile, companies continue to reshore and nearshore their operations, with Deloitte **estimating** that over 40% of China-originating freight will shift to the Americas by 2029.

This drive to nearshore has been a boon for Mexico, which recently surpassed China as the U.S.'s largest trading partner. Mexico continues to work with U.S. officials and U.S. corporations to attract manufacturing to the country, and recent U.S. legislation has encouraged companies to reshore or nearshore. Both the return of manufacturing to closer shores and the shifting of cargo to East Coast ports have required transportation companies to re-orient their lanes and services.

FEATURE ARTICLE

Coming Off the COVID Wave

Q3 2023

(cont.)

And it is hard to wrap up a discussion of Q3 2023 without touching on the **failure of Yellow**. Yellow, previously the country's third largest LTL provider, experienced financial difficulties throughout the pandemic boom and received a COVID loan of \$700 million from the U.S. federal government. Yellow was highly levered and had **nearly \$1.3 billion in debt** coming due in 2024. Yellow attempted to negotiate with the Teamsters, which represented over 70% of its workforce. When Yellow missed payments to a healthcare pension fund in July, the Teamsters issued a strike threat, which in turn caused many customers to look for other LTL carriers.

The full fallout from the Yellow bankruptcy is yet to be seen. The U.S. Treasury retains a 30% stake in Yellow's equity and Apollo Global Management holds a significant amount of Yellow's debt. Yellow's fleet hitting the market should depress used and new trucking prices. The sudden exit of a large piece of the nation's LTL capacity temporarily buoyed other LTL providers. Many of Yellow's customers began contracting with other LTL carriers in the months before the announcement of Yellow's bankruptcy, muting the immediate impact of the Chapter 11 filing.

The third quarter of 2023 has certainly been one for the books.

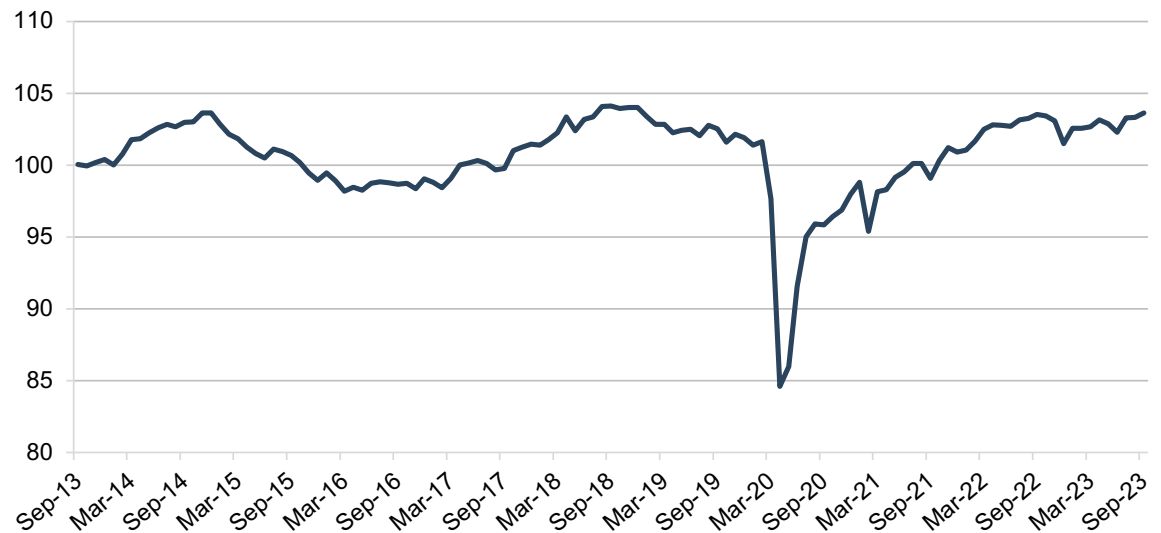
Industry Macro Trends

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, by the beginning of 2023 the pandemic was generally considered to be over and shutdowns had ceased. The index value in September 2023 reached 103.6, a 1.04% increase from the January 2023 value of 102.5, and essentially flat on a year-over-year basis. Industrial production has increased since June 2023. Consumer goods increase 0.1% and construction was down 2.0% relative to September 2022. Manufacturing output rose 0.4% in September but was down 0.8% since September 2022.

In general, the manufacturing sector has been **heavily impacted** by recent increases in interest rates, although it did **outperform** expectations in September. The Institute for Supply Management ("ISM") reports that the manufacturing sector is **recovering** and is well-situated to grow in coming quarters.

Industrial Production Index (Seasonally Adjusted)



Source: Federal Reserve Bank of St. Louis

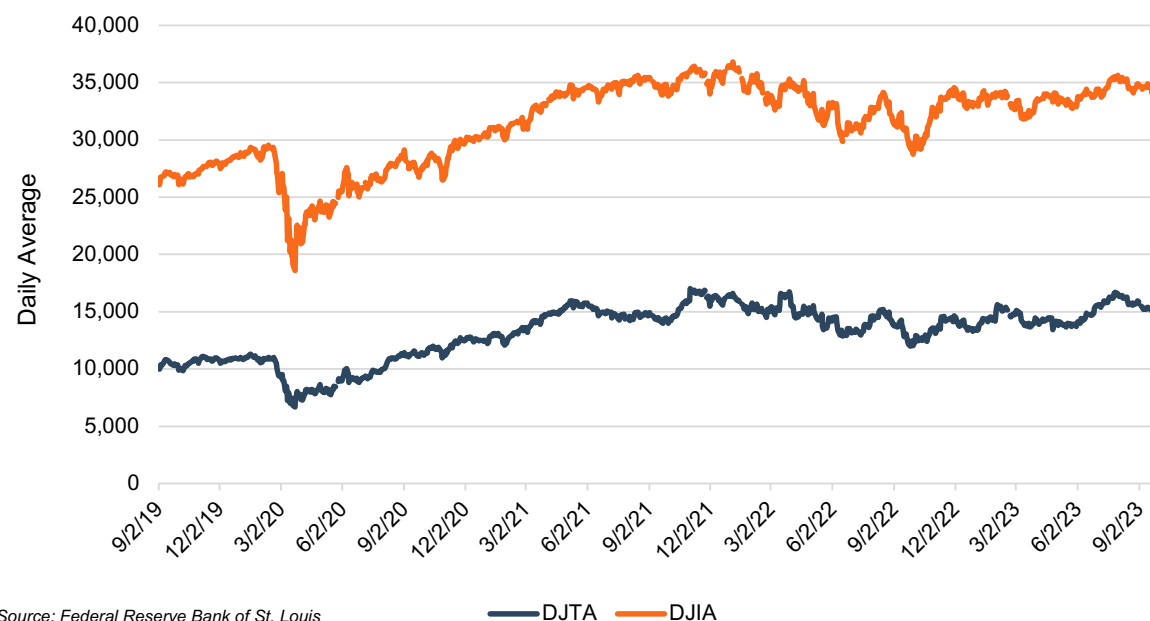
Indexed to 2017

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. The DJTA then grew steadily from April 2020 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). The index has stabilized throughout 2023 and continues to outperform the overall economy. The DJTA ended September 2023 at 14,968.77, an increase of over 19% on a year-over-year basis, compared to the 14.6% growth reported by the DJIA. The DJTA increased 11.8% relative to the end of December 2022; the DJIA increased 1% during the same period.

Dow Jones Transportation Index



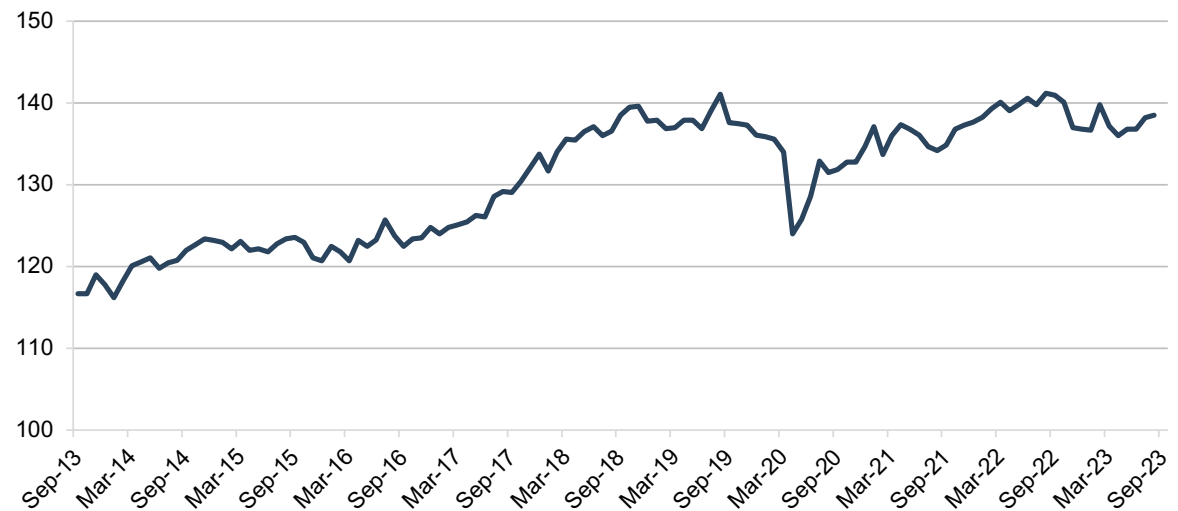
Industry Macro Trends

Transportation Services Index

The Transportation Services Index (TSI) measures freight traffic in the United States, including rail, trucking, and marine shipping.

The TSI increased 0.2% in August 2023 and increased 1.2% relative to June 2023. The TSI declined 1.9% on a year-over-year basis. The index in August 2023 stood at 138.5.

Transportation Services Index (Freight, Seasonally Adjusted)



Source: Bureau of Transportation Statistics

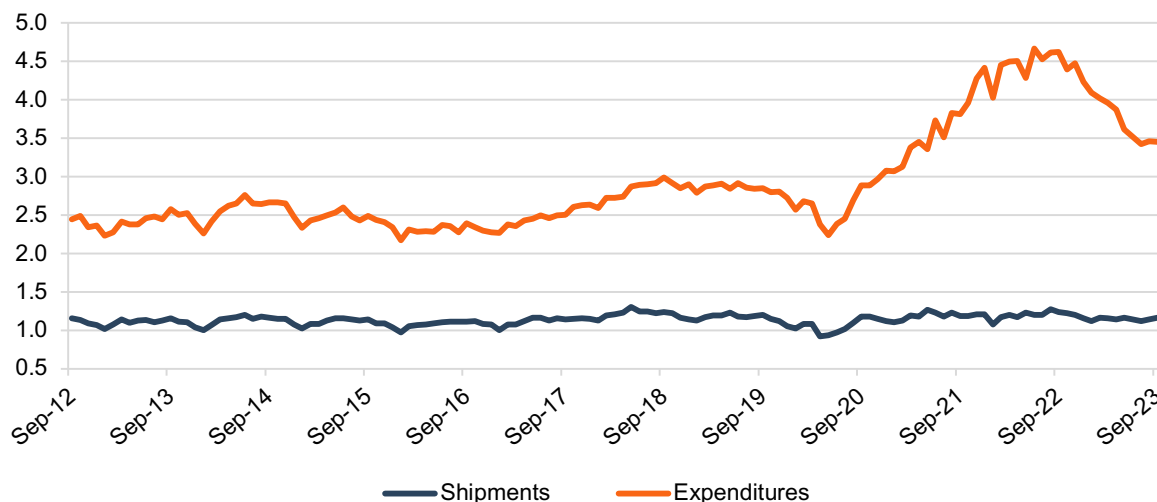
Indexed to January 2000

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. Individual months have not reported a steady trend during 2023, with declines in one month frequently being offset by gains in the next month. While shipments declined 6.4% in the fourth quarter of 2022, they declined only 0.5% and 0.7% in the first and second quarters of 2023, respectively, and shipments posted an increase of 1.4% in the third quarter of 2023. Year-over-year declines continue as the industry returns to pre-pandemic norms, but the quarterly trends indicate that the shipments market is slowing its deceleration. Expenditures have declined steadily throughout the first two quarters of 2023. Expenditures continued to decline through the third quarter of 2023, though here, too, the rate of decline is slowing.

Cass Freight Index



Source: Cass Information Systems, Inc.

Indexed to January 1990

Industry Macro Trends

Cass Freight Index (cont.)

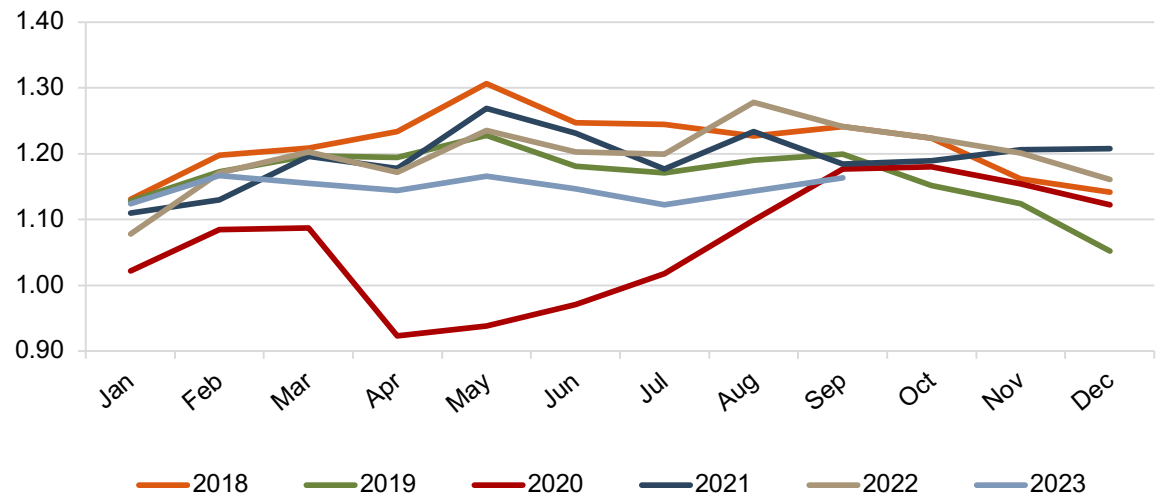
While expenditures posted a quarterly decline of 6.4% in March 2023, the quarterly decline as of September 2023 was 1.9%. Expenditures have decreased 25% over the prior year. As we will see later in this quarterly update, not all of this change is explained by changes in rates.

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

Shipments

The shipments index hit 1.163 in September 2023, down 6.3% from September 2022. Shipments are essentially unchanged relative to December 2022, when the index stood at 1.161.

Cass Freight Shipments Index



Source: Cass Information Systems, Inc.

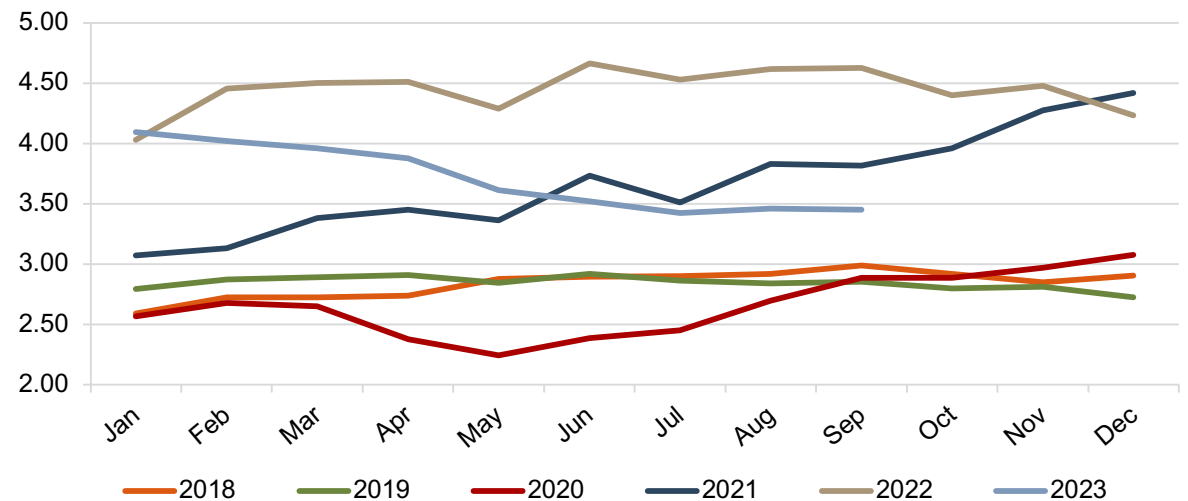
Indexed to January 1990

Industry Macro Trends

Expenditures

The Expenditures Index measures the total amount spent on freight. The Expenditures Index fell to 3.452 in September 2023, a decrease of 1.9% from the prior quarter and a decline of 25% on an annual basis. September 2023 marked the index's lowest level since July 2021. The Expenditures Index rose throughout 2021 and the first half of 2022, reaching previously unrecorded levels. With the exception of a small uptick in August 2023, expenditures have declined on a month-over-month basis for ten months. Increasing inflation and the moderation of consumer consumption (itself due in part to increasing interest rates) have decreased the demand for the slow-to-change capacity of freight.

Cass Freight Expenditures Index



Source: Cass Information Systems, Inc.

Indexed to January 1990

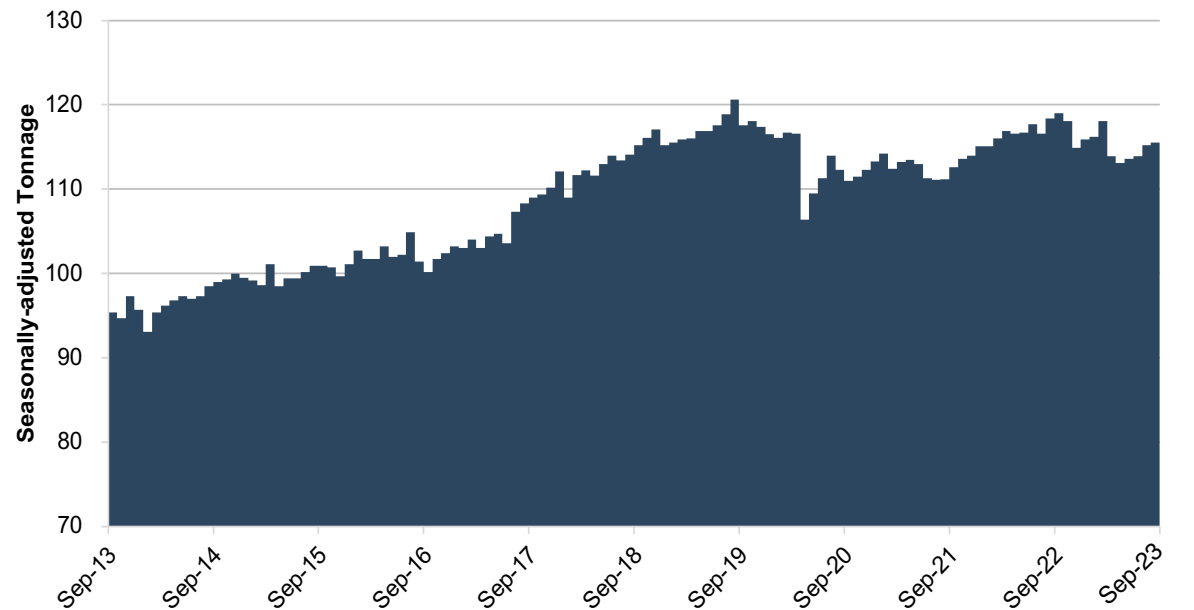
Trucking

Truck Tonnage

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

The Truck Tonnage Index has increased significantly since April 2020 and briefly surpassed pre-COVID levels in mid-2022 before declining again. In recent months, however, tonnage levels appear to have stabilized and have reversed course. The Truck Tonnage Index averaged 117.33 during the fourth quarter of 2019, fell to a low of 106.30 in April 2020, and peaked at 119.00 in September 2020. In June 2023, the TSI hit 113.60, a decline of 3.23% on a year-over-year basis. In September, however, the index stood at 115.50, which reflects a decline of only 2.45% from the prior year. The index increased 1.7% relative to June 2023.

Truck Tonnage (Seasonally Adjusted)



Source: Bureau of Transportation Statistics

Indexed to 2015

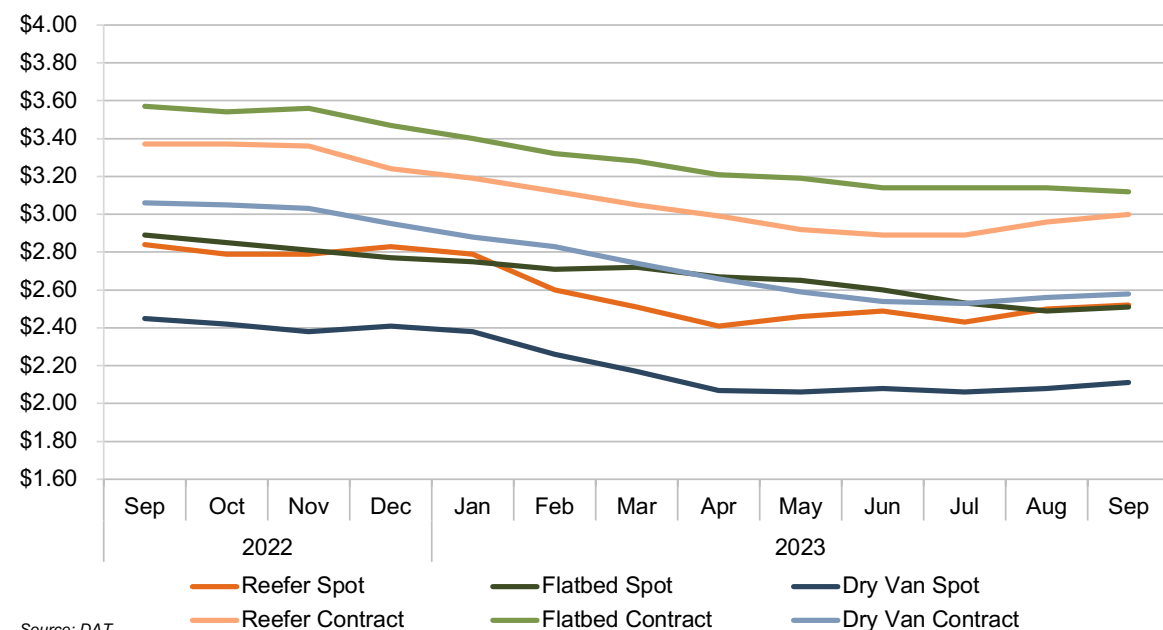
Trucking

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.

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 nearly caught up to spot rates. On a year-over-year basis, reefer spot and contract rates both declined 11%.

Spot vs. Contract Rates (Sept. 2022 - Sept. 2023)



Source: DAT

Trucking

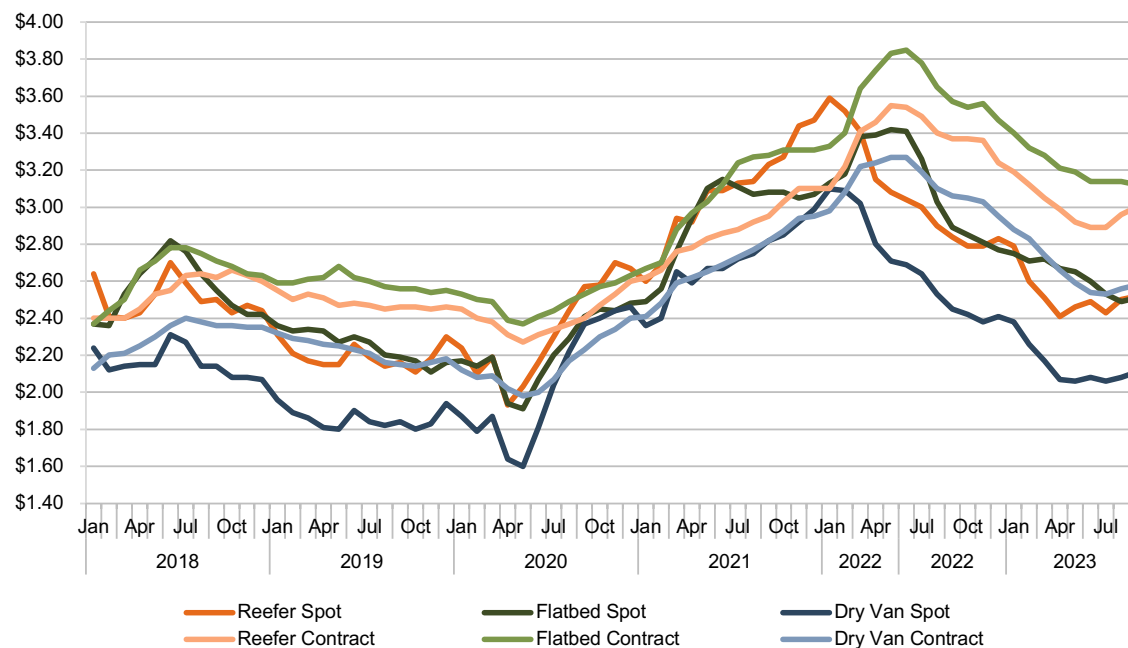
Spot vs. Contract Rates (cont.)

Flatbed spot rates declined 13.2% while flatbed contract rates fell 12.3% relative to September 2023. Dry van spot rates declined 14% year-over-year, while dry van contract rates decreased 16% during the same period.

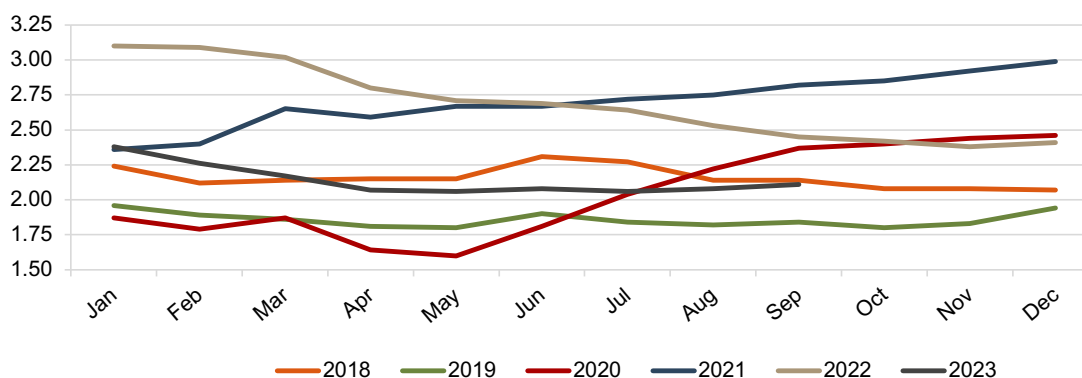
Reefer and dry an spot and contract rates all increased on a quarterly basis, while flatbed spot and contract rates both declined during the third quarter. Reefer spot and contract rates increased 1.2% and 3.8%, respectively. Dry van rates grew 1.4% and 1.6% for spot and contract rates, respectively. Flatbed spot and contract rates decreased 3.5% and 0.6%, 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. The third chart compares monthly dry van spot rates on a year-over-year basis. Through September 2023, dry van spot rates have declined relative to 2019 rates (the most recent freight recession) and remain comparable to 2018 rates. As such, the rate declines in 2022 and 2023 reflect rate normalization and a reversion to pre-pandemic pricing norms rather than a sign of an oncoming freight recession. Rates are expected stabilize as retailers use their accrued inventories and begin to make purchases for the holiday market in peak season.

Spot vs. Contract Rates (Jan. 2019 - Sept. 2023)



Dry Van Spot Rates



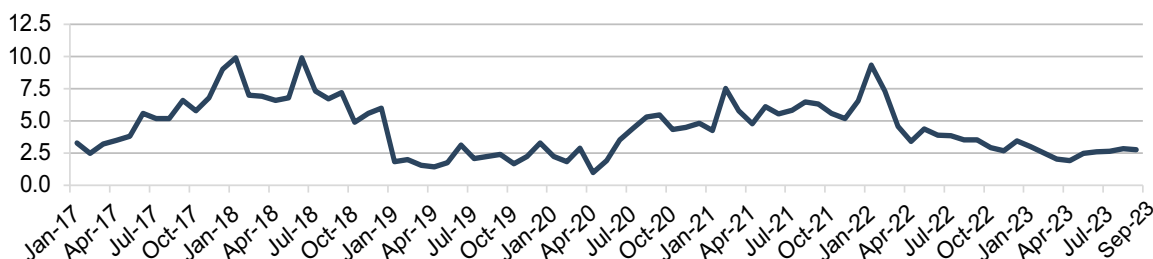
Trucking

Load-to-Truck Ratio

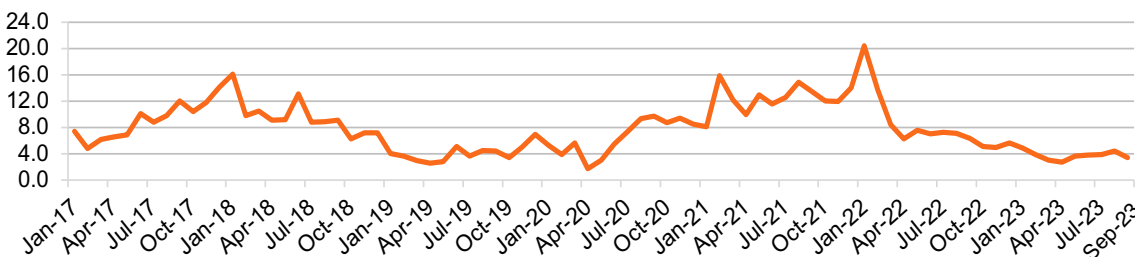
The **load-to-truck ratio** is calculated by dividing the total number of loads for shipment by the total number of trucks available. As a result, the load-to-truck ratio can signal a shortage or excess of capacity, which in turn influences changes in freight. An increase in the ratio (i.e., a higher 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.

All three classes of trucking freight experienced significant year-over-year declines as the industry exited the high demand conditions of the pandemic. Van, reefer, and flatbed classes experienced year-over-year decreases of 21%, 46%, 48%, respectively. More recent performance has indicated a return to more typical conditions. During the third quarter of 2023, the van load-to-truck ratios increased 7.3%, while reefer and flatbed reported load-to-ratio declines of 10% and 28%, respectively.

Dry Van Load-to-Truck



Reefer Load-to-Truck



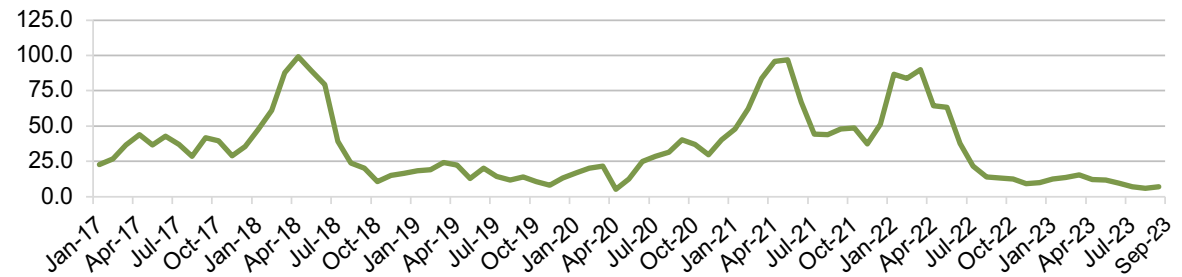
Source: DAT

Trucking

Load-to-Truck Ratio (cont.)

The stabilization of the load-to-truck ratios in more typical ranges is another sign of industry normalization. The ATA notes that 2022 tonnage peaked in September, making year-over-year comparisons **difficult**. Produce season has taken another blow as the **grape season volume** is expected to be the lowest in seven years. An estimated 25 million boxes of grapes were lost due to Hurricane Hillary, another sign of severe weather making its mark on the transportation industry.

Flatbed Load-to-Truck



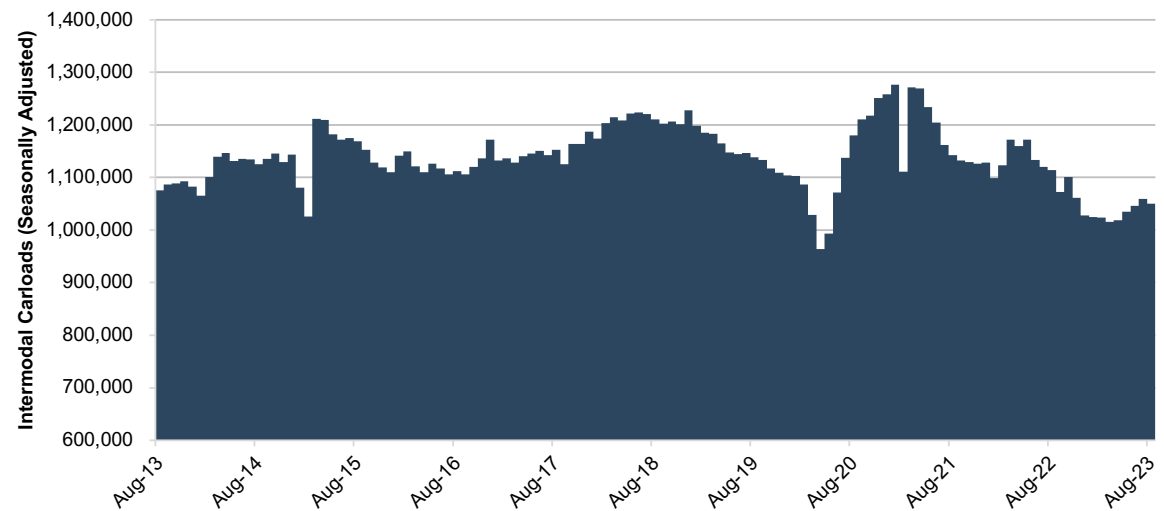
Source: DAT

Rail & Intermodal

Rail Freight Intermodal Traffic

As reported by the **Bureau of Transportation Statistics**, rail freight intermodal traffic posted a decrease of 5.7% on a year-over-year basis, a marked slowing of deceleration from the double digit annual declines reported in March through May. Rail freight declined 0.9% relative to July 2023 but increased 1.5% over May 2023. Ongoing labor disputes and the push for greater safety regulations may cause rail disruption as we move into 2024.

Rail Freight Intermodal Traffic



Source: Bureau of Transportation Statistics

M&A Activity

Featured Transactions

Yellow Files for Chapter 11 Bankruptcy Protections

Following several years of challenges and facing looming debt payments, Yellow filed for Chapter 11 bankruptcy protection in August 2023. Yellow was previously the third-largest LTL provider in the U.S. and had over 30,000 employees.



Regional Rail Acquires Clinton Terminal Railroad

Class III railroad Regional Rail acquired a 3.5 mile line to incorporate into its existing 179 miles worth of track in North Carolina. This follows three other Class III acquisitions made in December 2022. Regional Rail is backed by private equity firm 3i.



Roger, LLC Acquired by Ever.Ag

Roger, a FreightTech company seeking to reduce risk and facilitate dry bulk shipping, has been acquired by Ever.Ag, which specializes in AgTech. Roger's technology is intended to streamline and digitize dry bulk hauling data.



Forward Air Corporation Acquires Omni Logistics

Omni Logistics, a Texas-based 3PL, was acquired by publicly traded Forward Air Corporation (FWRD). Omni generated \$181 million of EBITDA on \$1.6 million of revenue during LTM 6/30/2023, implying an EBITDA margin of roughly 11%. The purchase price for the acquisition, structured with both cash and stock components, is 2.0x revenue and over 17x EBITDA. Forward Air anticipates significant synergies to result from the combination.



Select Transactions

Target	Buyer	Date Announced	Deal Status	Total Deal Value	Deal Value to	
					Sales	EBITDA
Trucking						
All substantial transportation assets of Action Dedicated	P & S Transportation LLC	7/17/23	Closed	-	-	-
All Substantial Transportation Assets of Rinaudo Enterprises, Inc.	P & S Transportation LLC	7/25/23	Closed	-	-	-
JHT Holdings, Inc.	TFI International Inc. (TSX:TFII)	8/7/23	Closed	-	-	-
Assets and Equipment of Crane Transport	Titanium Transportation Group Inc. (TSX:TTNM)	7/31/23	Closed	53.00	-	-
M&M Transport Services, Inc.	Schneider National, Inc. (NYSE:SNDRI)	8/1/23	Closed	225.00	-	-
Transportation Assets of Gilliam Contracting, Inc.	Smyrna Ready Mix, LLC	9/12/23	Closed	-	-	-
Baker Transportation, Inc.	PolyQuest, Incorporated	9/20/23	Announced	-	-	-
Hyway Trucking Company	FST Logistics, Inc.	9/29/23	Closed	-	-	-
Certain assets of Sinclair Trucking Company LLC	Transwood, Inc.	8/10/23	Announced	-	-	-
Ormsby Trucking Inc.	Online Transport, Inc.	8/14/23	Effective	-	-	-
A/T Transportation LLC	Online Transport, Inc.	8/14/23	Closed	-	-	-
Shoun Trucking Company, Inc.	Online Transport, Inc.	8/14/23	Effective	-	-	-
McCammon Trucking Inc	Online Transport, Inc.	8/14/23	Effective	-	-	-
Pleasant Trucking, Inc.	Online Transport, Inc.	8/14/23	Closed	-	-	-
Doyle Sims & Sons Trucking, Inc.	Trimac Transportation Services Inc.	8/23/23	Closed	-	-	-
Assets and the operating locations of Mountain View Reload Group	Arrow Transportation Systems, Inc.	9/4/23	Announced	-	-	-
The Vedder Transportation Group	TFI International Inc. (TSX:TFII)	9/5/23	Closed	-	-	-
RCG Logistics LLC	MetroGistics, LLC	9/5/23	Closed	-	-	-
Assets of Moore Transport	Jack Cooper Enterprises, Inc.	7/27/23	Announced	-	-	-

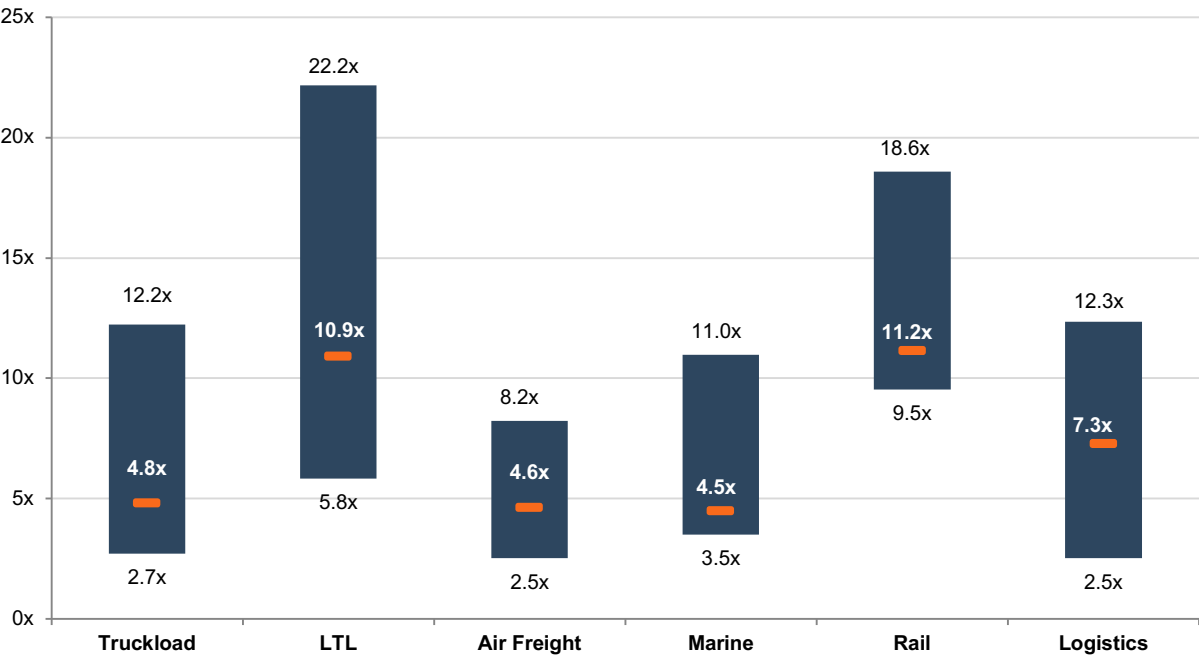
Source: S&P Global Market Intelligence
in USD millions

Select Transactions (cont.)

Target	Buyer	Date Announced	Deal Status	Total Deal Value	Deal Value to	
					Sales	EBITDA
Marine						
U.S. Marine Management LLC	Maritime Partners, LLC	9/26/23	Closed	-	-	-
Air Freight and Logistics						
HANGAR135, Inc.	MEI Rigging & Crating LLC	9/5/23	Closed	-	-	-
6915574 Canada Inc	Synergie Canada Inc.	9/12/23	Closed	-	-	-
Quik Pick Express, LLC	Custom Goods LLC	8/1/23	Closed	-	-	-
Rockfarm Supply Chain Solutions Inc.	Redwood Logistics, LLC	7/11/23	Closed	-	-	-
CountryWide Transportation, Inc.	-	7/18/23	Closed	-	-	-
Superior Brokerage Services, Inc.	Estes Forwarding Worldwide, LLC	9/21/23	Announced	-	-	-
MNX Global Logistics	United Parcel Service, Inc. (NYSE:UPS)	9/28/23	Announced	-	-	-
Sky Transportation Services, Inc.	Warehouse Services, Inc.	9/28/23	Closed	-	-	-
NCH International Trade Services Corporation	TECMA Customs Solutions LLC	9/28/23	Closed	-	-	-
HS Ventures of NC, Inc	Givens Transportation, Inc.	8/10/23	Closed	-	-	-
Omni Logistics, LLC	Forward Air Corporation (NasdaqGS:FWRD)	8/10/23	Announced	3,200.00	2.0	17.7
Rail						
MacMillan-Piper, Inc.	GSC Enterprises, Inc.	7/24	Closed	-	-	-
Assets of Clinton Terminal Railroad	Regional Rail, LLC	8/2/23	Closed	-	-	-

Public Company Performance

Monthly Median TEV/EBITDA Multiples (as of September 2023)



Source: S&P Capital IQ

Data from most recent filing available, excludes outliers

Publicly Traded Companies

Company Name	Ticker	Price at 9/30/23	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.
Truckload													
J.B. Hunt Transport Services, Inc.	JBHT	\$186.10	3%	\$20,992	7%	8%	\$13,176	14%	1.6x	11.7x	25.1x	10.7x	22.3x
Ryder System, Inc.	R	\$99.11	17%	\$11,958	59%	4%	\$11,848	22%	1.0x	4.6x	10.0x	4.2x	8.3x
Knight-Swift Transportation Holdings Inc.	KNX	\$48.62	-12%	\$10,286	21%	2%	\$6,953	17%	1.5x	8.8x	21.5x	7.1x	16.2x
Landstar System, Inc.	LSTR	\$174.59	-9%	\$6,144	-4%	13%	\$5,782	8%	1.1x	13.7x	21.2x	14.1x	21.7x
Schneider National, Inc.	SNDR	\$26.59	-7%	\$4,812	-2%	6%	\$5,689	13%	0.8x	6.4x	15.3x	6.3x	17.4x
Werner Enterprises, Inc.	WERN	\$38.55	-13%	\$3,143	21%	3%	\$3,323	14%	0.9x	6.7x	16.6x	5.8x	15.7x
Heartland Express, Inc.	HTLD	\$14.47	-12%	\$1,478	21%	1%	\$1,287	18%	1.1x	6.3x	46.1x	5.9x	41.9x
Daseke, Inc.	DSKE	\$4.57	-36%	\$1,006	65%	3%	\$1,618	10%	0.6x	6.3x	14.4x	5.1x	30.5x
Universal Logistics Holdings, Inc.	ULH	\$24.15	-16%	\$1,071	38%	8%	\$1,730	14%	0.6x	4.4x	6.3x	4.0x	5.2x
Marten Transport, Ltd.	MRTN	\$19.38	-10%	\$1,523	-5%	6%	\$1,186	18%	1.3x	7.0x	19.2x	6.6x	18.4x
Covenant Logistics Group, Inc.	CVLG	\$43.92	0%	\$808	30%	3%	\$1,126	10%	0.7x	7.3x	10.5x	6.0x	10.1x
P.A.M. Transportation Services, Inc.	PTSI	\$21.26	-21%	\$567	16%	4%	\$868	13%	0.7x	5.0x	12.3x	4.6x	12.5x
Titanium Transportation Group Inc.	TTNM	\$1.70	-8%	\$149	44%	6%	\$0	na	nm	nm	nm	3.2x	7.4x
Patriot Transportation Holding, Inc.	PATI	\$7.77	-8%	\$25	-16%	3%	\$93	9%	0.3x	3.0x	11.0x	nm	nm
Median			-10%		21%			13.6%	0.9x	6.4x	15.3x	5.9x	16.2x

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

Publicly Traded Companies

Company Name	Ticker	Price at 9/30/23	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.
Less-Than-Truckload													
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
Median			4%		2%			19%	2.4x	12.7x	22.3x	9.9x	17.1x
Air Freight													
Air T, Inc.	AIRT	\$22.45	-11%	\$205	69%	-1%	\$224	6%	0.9x	15.3x	57.7x	nm	nm
Forward Air Corporation	FWRD	\$70.58	-33%	\$2,054	14%	8%	\$1,724	12%	1.2x	9.7x	16.3x	8.7x	15.2x
Air Transport Services Group, Inc.	ATSG	\$21.53	14%	\$3,002	51%	4%	\$2,087	27%	1.4x	5.3x	12.4x	5.0x	13.3x
Cargojet Inc.	CJT	\$65.65	-10%	\$1,676	32%	3%	\$682	26%	2.5x	9.3x	20.7x	7.0x	26.3x
Median			-10%		41%			19%	1.3x	9.5x	18.5x	7.0x	15.2x

Source: S&P Global Market Intelligence

USD millions except per share values

Publicly Traded Companies

Company Name	Ticker	Price at 9/30/23	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.
Marine													
Kirby Corporation	KEX	\$80.83	5%	\$6,066	19%	3%	\$3,023	17%	2.0x	11.8x	24.8x	9.2x	15.9x
Matson, Inc.	MATX	\$89.94	16%	\$3,799	18%	5%	\$3,107	17%	1.2x	7.4x	10.0x	8.1x	12.3x
Eagle Bulk Shipping Inc.	EGLE	\$42.87	-11%	\$818	49%	2%	\$441	18%	1.9x	10.1x	10.6x	5.4x	9.1x
Pangaea Logistics Solutions, Ltd.	PANL	\$5.96	-12%	\$521	48%	5%	\$495	17%	1.1x	6.2x	6.7x	5.8x	6.7x
Global Ship Lease, Inc.	GSL	\$17.82	-8%	\$1,431	55%	10%	\$646	64%	2.2x	3.5x	2.1x	3.1x	2.1x
Genco Shipping & Trading Limited	GNK	\$14.31	2%	\$698	15%	2%	\$395	26%	1.8x	6.7x	54.7x	5.2x	9.4x
Algoma Central Corporation	ALC	\$10.78	-6%	\$673	38%	4%	\$540	20%	1.2x	6.2x	5.7x	4.7x	7.8x
Median			-6%		38%				1.8x	6.7x	10.0x	5.4x	9.1x

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

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							Rev.	EBITDA Margin	EV / Rev.	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
Railroads													
Union Pacific Corporation	UNP	\$200.64	-2%	\$158,139	22%	9%	\$24,140	47%	6.6x	14.0x	19.5x	12.7x	17.7x
Canadian National Railway Company	CNR	\$106.42	-12%	\$83,494	15%	9%	\$12,492	56%	6.7x	11.9x	19.6x	12.8x	18.3x
CSX Corporation	CSX	\$30.41	-11%	\$79,177	22%	8%	\$14,707	49%	5.4x	10.9x	16.0x	10.7x	15.3x
Norfolk Southern Corporation	NSC	\$190.69	-16%	\$59,813	25%	5%	\$12,320	38%	4.9x	12.6x	21.4x	10.4x	14.8x
Canadian Pacific Kansas City Limited	CP	\$72.60	-10%	\$87,259	20%	4%	\$8,310	52%	10.5x	20.3x	22.5x	15.9x	22.5x
Median			-11%		22%				6.6x	12.6x	19.6x	12.7x	17.7x
Logistics & Intermodal													
United Parcel Service, Inc.	UPS	\$153.38	-14%	\$150,439	11%	9%	\$93,074	14%	1.6x	11.3x	15.6x	10.5x	15.9x
FedEx Corporation	FDX	\$259.16	5%	\$97,767	32%	5%	\$92,619	10%	1.1x	10.7x	22.3x	9.1x	14.3x
Expeditors International of Washington, Inc.	EXPD	\$114.21	-6%	\$15,784	-7%	12%	\$10,464	11%	1.5x	14.0x	20.8x	15.6x	23.0x
TFI International Inc.	TFII	\$121.30	6%	\$12,600	12%	8%	\$7,509	14%	1.7x	12.4x	21.0x	9.1x	15.4x
XPO, Inc.	XPO	\$74.47	26%	\$11,610	25%	5%	\$7,635	13%	1.5x	11.3x	234.0x	10.0x	20.0x
RXO, Inc.	RXO	\$18.74	-17%	\$2,805	18%	3%	\$4,069	4%	0.7x	17.0x	nm	16.7x	39.3x
GXO Logistics, Inc.	GXO	\$54.98	-12%	\$10,770	35%	3%	\$9,655	8%	1.1x	14.4x	34.5x	13.2x	18.9x
C.H. Robinson Worldwide, Inc.	CHRW	\$84.35	-11%	\$11,916	16%	6%	\$18,441	4%	0.6x	17.3x	25.7x	15.5x	21.5x
Forward Air Corporation	FWRD	\$70.58	-33%	\$2,054	14%	8%	\$1,724	12%	1.2x	9.7x	16.3x	8.7x	15.2x
Hub Group, Inc.	HUBG	\$78.85	-2%	\$2,687	7%	7%	\$4,503	11%	0.6x	5.5x	11.5x	6.8x	14.3x
Air Transport Services Group, Inc.	ATSG	\$21.53	14%	\$3,002	51%	4%	\$2,087	27%	1.4x	5.3x	12.4x	5.0x	13.3x
Radiant Logistics, Inc.	RLGT	\$5.79	-14%	\$298	12%	3%	\$1,236	6%	0.2x	4.4x	7.6x	7.4x	11.1x
Median			-8%		15%				1.2x	11.3x	20.8x	9.6x	15.6x

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							Rev.	EBITDA Margin	EV / Rev.	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
Individual Transportation Brokerage													
Uber Technologies, Inc.	UBER	\$44.61	3%	\$97,811	4%	1%	\$35,952	3%	2.7x	84.4x	89.3x	16.6x	39.3x
Lyft, Inc.	LYFT	\$10.25	7%	\$3,462	-18%	-13%	\$4,354	-18%	0.8x	-4.4x	nm	11.2x	19.7x
Bird Global, Inc.	BRDS	\$0.53	-74%	\$103	91%	-19%	\$0	na	nm	nm	nm	nm	nm
Steer Technologies Inc.	STER	\$0.00	-100%	\$20	61%	-33%	\$0	na	nm	nm	nm	nm	nm
Median			-35%		32%				1.8x	40.0x	89.3x	13.9x	29.5x
Autonomous Trucking													
TuSimple Holdings Inc.	TSP	\$1.23	-26%	-\$427	184%	-22%	\$2	nm	nm	1.3x	nm	1.2x	nm
Freight Technologies, Inc.	FRGT	\$0.34	-50%	\$9	27%	-45%	\$0	na	nm	nm	nm	-2.2x	nm
Median			-38%		105%				nm	1.3x	nm	-0.5x	nm

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USD millions except per share values

Mercer Capital

Transportation & Logistics
Industry Services

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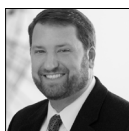
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Contact a Mercer Capital professional to discuss your needs in confidence.

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