

VALUE FOCUS

# Transportation & Logistics

First Quarter 2018 | Article: Electronic Logging Devices

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## FEATURE

# Electronic Logging Devices

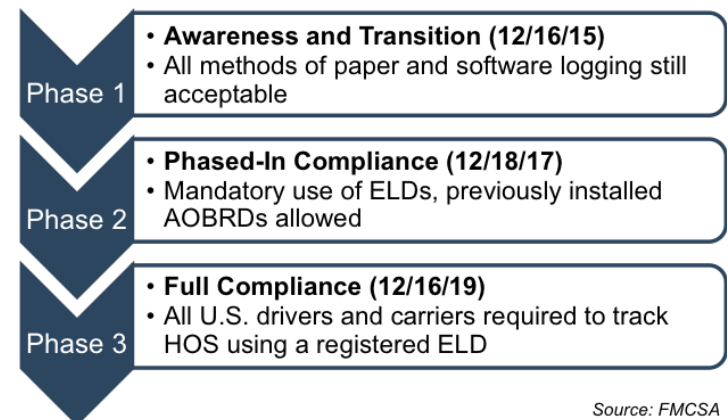
Gone are the days of paper logbooks, because the future is here for truckers in the form of Electronic Logging Devices, or ELDs. But what are they, what do they do, and what will they be replacing?

Most operators of Commercial Motor Vehicles (CMVs) must keep a **Record of Duty Service** (RODS) to ensure that they are complying with federally mandated Hours of Service (HOS) guidelines. All this alphabet soup to say, the federal government regulates how many hours drivers can be on duty in a daily or weekly cycle. Drivers are required to keep records about their duty hours which can be audited by the Department of Transportation or checked by police officers at roadside inspections. In the past, drivers have kept pencil and paper logs, but these are prone to error and intentional tampering.

That is where the ELD comes in. **Compliant ELD devices** connect with the engine by directly interfacing with the CMV electronic control module. It captures engine power status, vehicle motion status, miles driven, and engine hours. These data points will combine with the other information that an ELD records, such as an automated entry when the driver's duty status changes, every 60 minutes while the vehicle is in motion, and when the engine turns on or off. ELDs are significantly harder to tamper with, so drivers will automatically provide RODS information in an accurate way through their devices. ELDs will also ensure that any edits to RODS data are confirmed by the driver, where in the past that was not required. These changes are all significant, and will likely impact how many miles a driver can log while remaining compliant with HOS guidelines, but it is important to note that said guidelines remain unchanged, they will be the same as they were prior to the ELD mandate.

It wasn't all paper and pencils before the ELD mandate, however. Some larger companies have already started **implementing** Automatic Onboard Recording Devices (AOBRDs) to track their drivers. Although AOBRDs record certain information about the truck, the level of detail captured is not sufficient to meet the requirements of the new mandate. However, carriers who implemented AOBRDs before the compliance date may be allowed to use them until ELDs become mandatory for all RODS-providing companies at the end of 2019.

## Timeline of the ELD Mandate



Source: FMCSA

## FEATURE

# Electronic Logging Devices

(continued)

Waiting until the last minute to transition may not be beneficial, as companies will likely face a learning curve when it comes to integrating the devices and redeveloping processes. As FreightWaves' Brian Straight **explains**, "How long that learning curve is will depend on the individual and waiting to the last minute could be detrimental to the productivity of your operation."

ELD Violations			
Safety Measurement Systems			
Section	Description	Category	Severity
395.8A-ELD	ELD - No record of duty status (ELD Required)	Incomplete/Wrong Log	5
395.8A1	Not using the appropriate method to record hours of service	Incomplete/Wrong Log	5
395.11G	Failing to provide supporting documents in the driver's possession upon request	False Log	7
395.20B	The ELD's display screen cannot be viewed outside of the commercial motor vehicle.	Incomplete/Wrong Log	5
395.22A	Operating with a device that is not registered with FMCSA	Incomplete/Wrong Log	5
395.22G	Portable ELD not mounted in a fixed position and visible to driver	EOBR-Related	1
395.22H4	Driver failed to maintain supply of blank driver's records of duty status graph-grids	EOBR-Related	1
395.24CIII	Driver failed to manually add shipping document number	Other Log/Form & Manner	1
395.30B1	Driver failed to certify the accuracy of the information gathered by the ELD	Other Log/Form & Manner	1
395.32B	Driver failed to assume or decline unassigned driving time	Incomplete/Wrong Log	5
395.34A1	Failing to note malfunction that requires use of paper log	Incomplete/Wrong Log	5

Smaller carriers worry that the ELD mandate will disproportionately affect their operations. Many large carriers have already adopted ELDs as a way to monitor their drivers and optimize their business. Additionally, large carriers may find themselves better able to absorb the cost of the mandate. Although the implementation of ELDs offers savings in the long term through the reduction in paperwork costs, they can be financially onerous at the outset. Finally, since larger carriers have already begun implementation, they may be ahead of the competition when it comes to training their drivers at the outset of the mandate, and have already had the opportunity to work through technical hiccups that small carriers may run into when implementing these new systems.

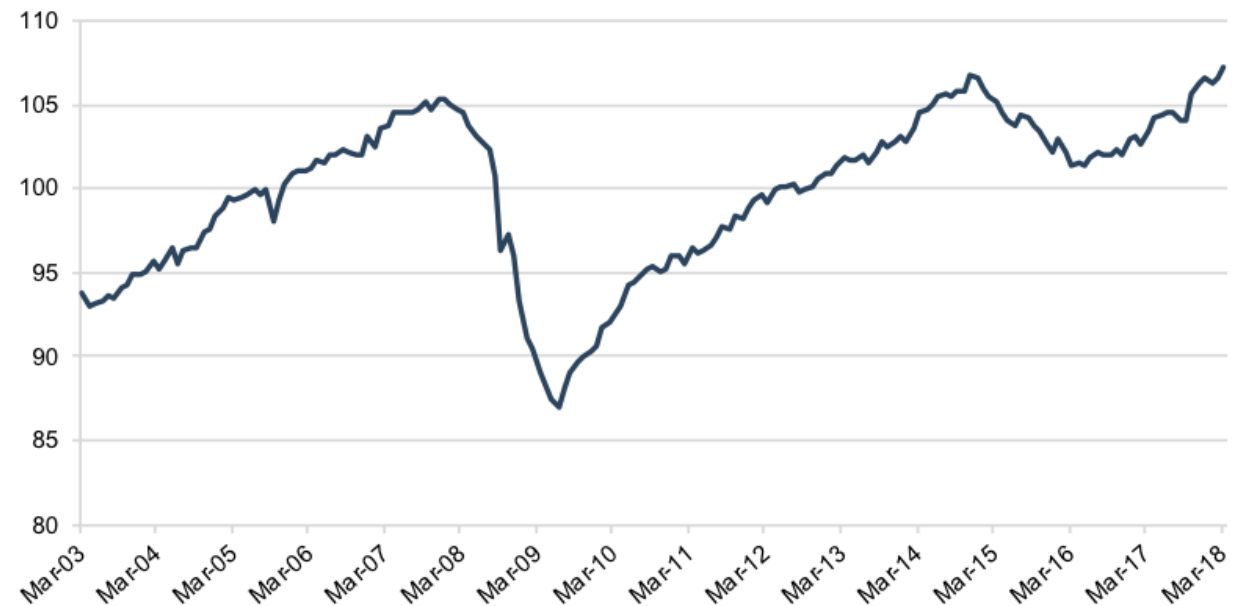
Although the industry expects ELDs to be beneficial as a whole, the implementation will require a significant shift in the way many trucking companies operate. ELD technology will enable carriers to gather valuable **data** on their fleet, save money on back office expenses, and provide safety upsides. However, the burden may fall more heavily on smaller carriers, many of whom worry about the initial financial and resource investments required. Whatever your thoughts are, the ELD mandate is here, and it looks like it's here to stay.

# Industry Macro Trends

## Industry Production Index

Demand for services in the logistics industry is tied to the level of domestic industrial production. The Industrial Production Index is an economic measure of all real output from manufacturing, mining, electric, and gas utilities. The index value in March 2018 reached 107.3, up 3.78% from March 2017 but approximately flat compared to the prior quarter. Consumer durables rose 0.9%, in large part through a **gain** of 2.7% in automotive products.

Industry Production Index (seasonally adjusted)



Source: Federal Reserve Bank of St. Louis

Indexed to 2012

# Industry Macro Trends

## Transportation Services Index

Transportation Services Index, which measures freight traffic in the United States, rose slightly in February 2018. The index rose to 134.5, up 1.6% from 132.4 in December 2017, and 8.2% higher than 124.3 in March 2017. The use of freight transportation has generally paced with industrial output over the last 20 years.

## Cass Freight Index

The Cass Freight Index of shipments and expenditures is considered one of the best indicators of overall U.S. freight activity. As of March 2018, shipments have increased for the previous 16 year-over-year periods. The last time shipments decreased was over the period from November 2015 to November 2016. Shipments experienced a year-over-year increase of 11.9% for the period of March 2017 to March 2018.

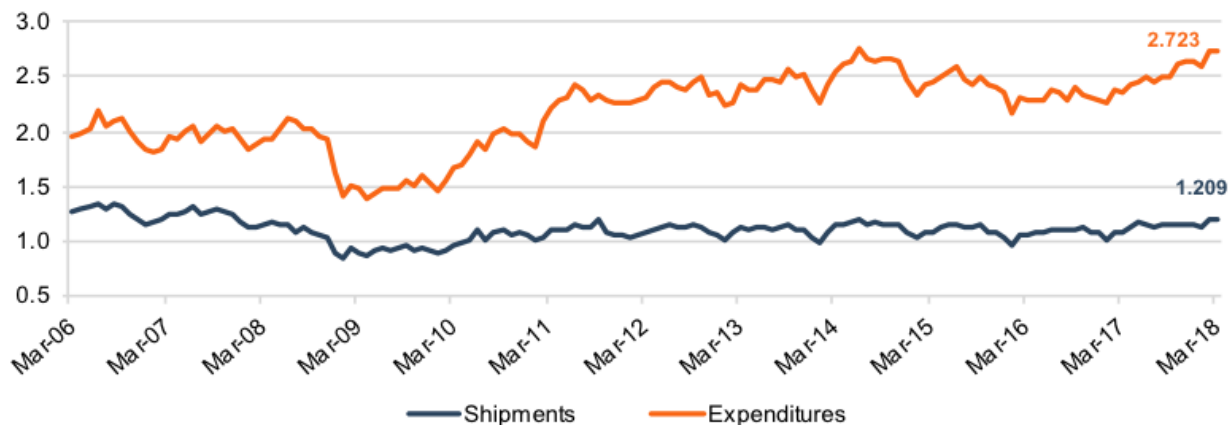
Transportation Services Index (freight, seasonally adjusted)



Source: Bureau of Transportation Statistics

Indexed to January 2000

Cass Freight Index



Source: Cass Information Systems, Inc. and Avondale Partners

# Industry Macro Trends

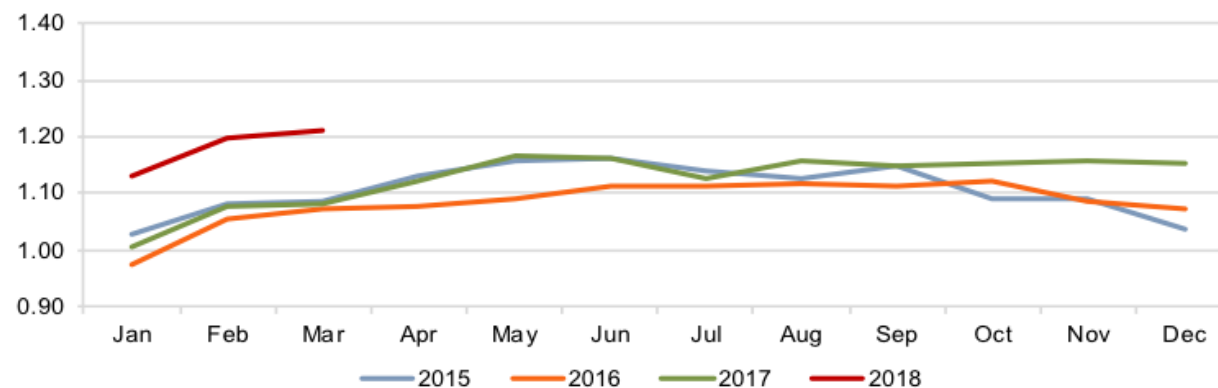
## Shipments

Shipments in the first three months of 2018 exceeded the level recorded at this point last year. The index increased on a year-over-year basis for the past 16 months, with the strongest year-over-year increases occurring in the first quarter of 2018. The Cass Report notes that the double digit increases are in comparison to similarly strong numbers in prior quarters. Increases and declines in the level of freight shipments are frequent precursors to economic activity, signaling economic expansion and contraction, respectively.

## Expenditures

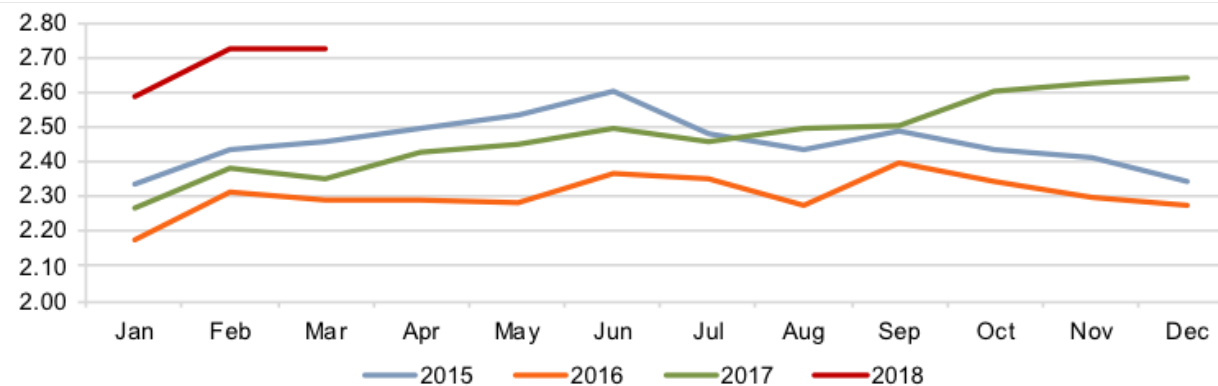
Expenditures remained steady at 2.723 in March 2018 compared to February 2018, however, the rate of growth in expenditures has risen from 2017. The year-over-year increase in March 2018 was 15.6%, compared to a 3.0% year-over-year increase in March 2017.

### Shipments



Source: Cass Information Systems, Inc. and Avondale Partners

### Expenditures



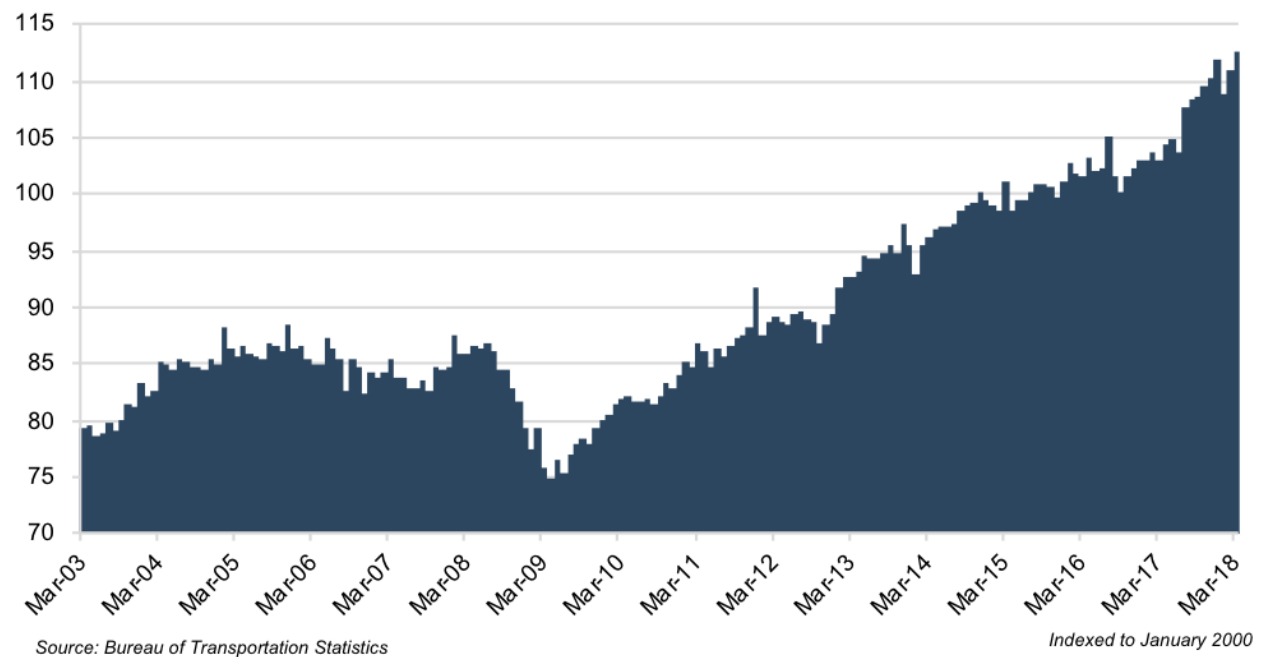
Source: Cass Information Systems, Inc. and Avondale Partners

# Trucking

## Truck Tonnage

The Truck Tonnage Index reached a high level in March 2018 at 112.5, compared to a low of 74.8 in April 2009 during the Great Recession. Despite a decline in January 2018 to 108.9, tonnage increased in February 2018 to 111.0. The American Trucking Association's (ATA) chief economist, Bob Costello, [attributes](#) this in part to a favorable point in the inventory cycle for motor carriers and the strong economy.

### Truck Tonnage (seasonally adjusted)



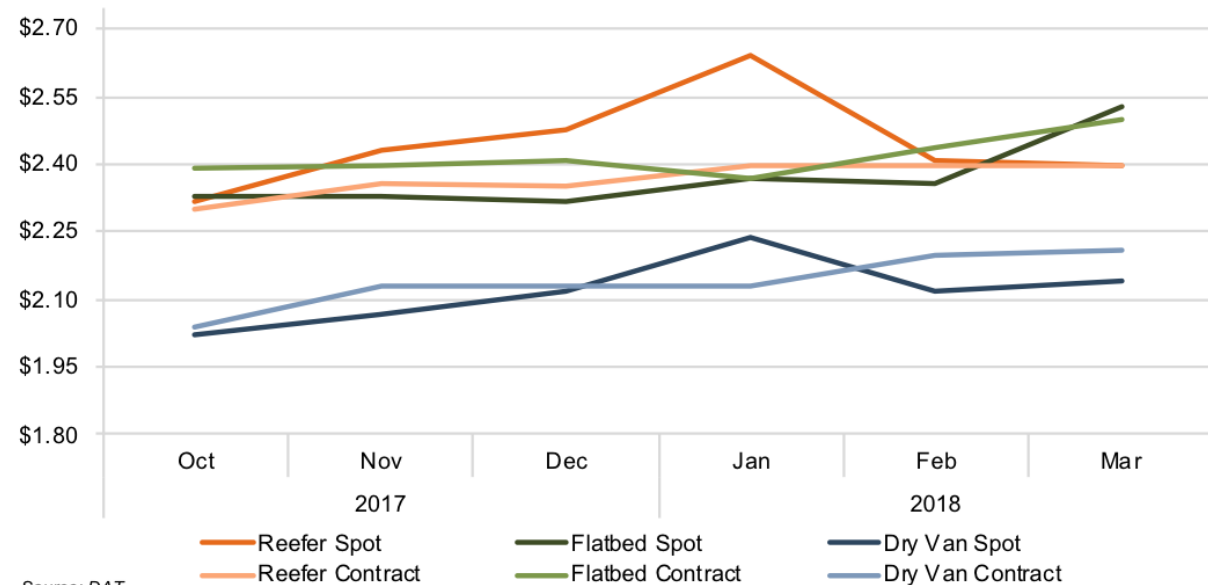
# Trucking

## Spot vs. Contract Rates

The Spot vs. Contract Rates chart depicts monthly national average line haul rates and fuel surcharges from DAT. Shippers 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 of March 2018, spot and contract rates began converging for dry vans, reefers, and flatbeds.

Reefer spot rates declined from December 2017 while both flatbed and dry van spot rates increased. Reefer spot rates fell 8¢ to \$2.40 in March 2018 from \$2.48 in December 2017. Conversely, dry van spot rates increased 2¢ to \$2.14 in March 2018 from \$2.12 in December 2017. Flatbed spot rates posted the largest increase, rising 21¢ to \$2.53 in March 2018 from \$2.33 in December 2017.

Spot vs. Contract Rates



Source: DAT



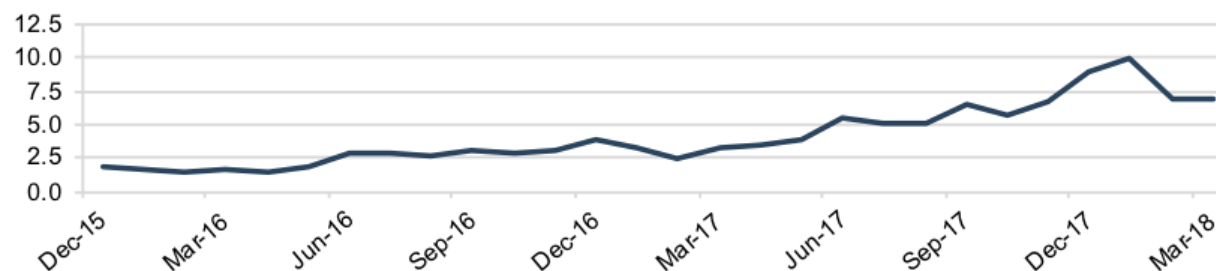
# Trucking

## Load-to-Truck Ratio

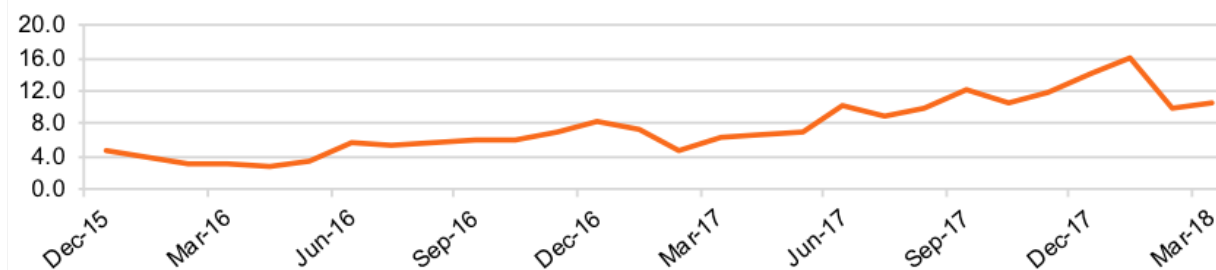
Increases or decreases in freight rates are influenced by trucking capacity, as measured by the load-to-truck ratio. While economic factors typical push supply and demand, compression or expansion that occurs faster in the shipping industry can accelerate movements faster than the overall economy. DAT measures the availability of truck per load posted in its database for a real-time indicator of trucking supply and demand.

Movement in the load-to-truck ratio varied significantly in first quarter 2018. Dry van and reefer ratios fell 23% and 26% over fourth quarter 2017, respectively. The load-to-truck ratio for flatbed rose significantly, experiencing a 155% increase from year-end 2017.

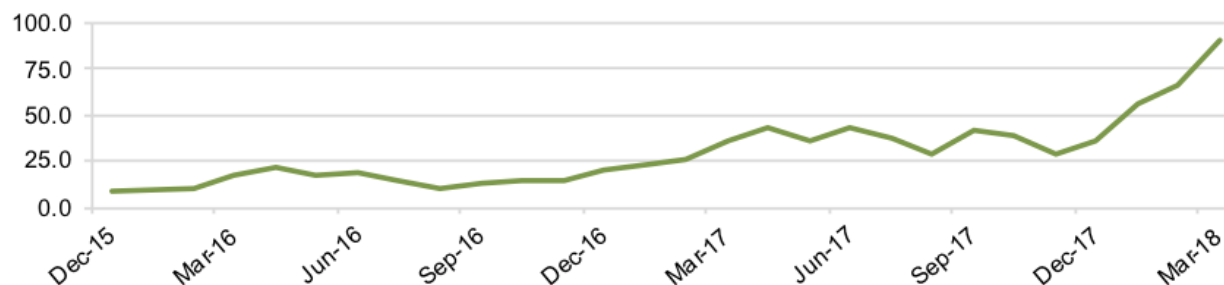
**Dry Van Load-to-Truck**



**Reefer Load-to-Truck**



**Flatbed Load-to-Truck**



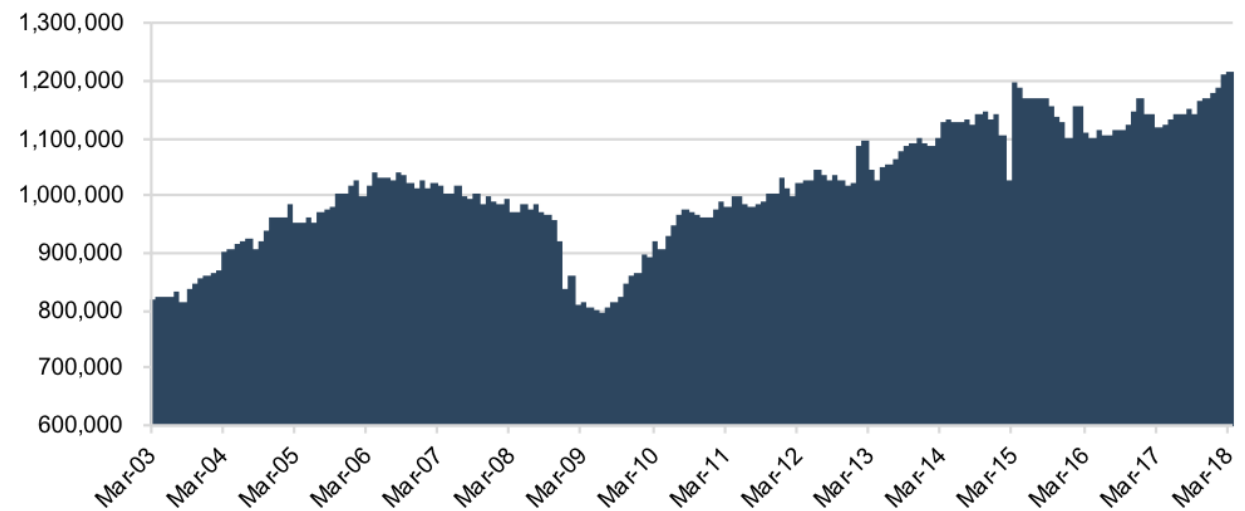
Source: DAT

# Rail & Intermodal

## Rail Freight Intermodal Traffic

Intermodal shipments rose in first quarter of 2018, with intermodal freight volumes up 2.4% through February from 1.18 million carloads in December 2017 to 1.21 million in February 2018. According to FTR's senior transportation analyst Todd Tranausky, increases in retail sales, automobile sales, and new home sales portend volume and revenue **growth** in intermodal freight for 2018, despite some capacity issues.

### Rail Freight Intermodal Traffic



Source: Bureau of Transportation Statistics

Indexed to January 2000

# Rail & Intermodal

## Cass Intermodal Index

The Cass Intermodal Index measures changes in per mile U.S. domestic intermodal costs. The index rose to a new high of 143.2 in March 2018, 5.8% over the prior year. The Cass Report notes that higher diesel prices in the trucking industry are creating demand and pricing power for domestic intermodal.

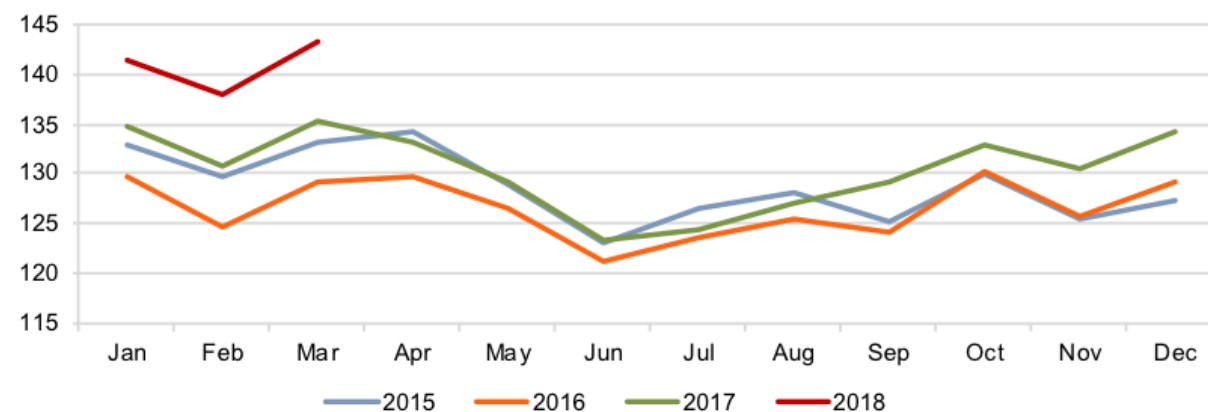
Cass Intermodal Index: Historical Trend



Source: Cass Information Systems, Inc. and Avondale Partners

Indexed to January 2005

Cass Intermodal Index: Annual Comparison



Source: Cass Information Systems, Inc. and Avondale Partners

Indexed to January 2005

# M&A Activity

## Featured Transactions

### Private equity acquisition of PS Logistics

OEP Capital Advisors, a subsidiary of JP Morgan Asset Management, acquired PS Logistics for \$400 million on March 14. PS Logistics provides flatbed transportation and logistics services to oil, natural gas, and steel industries. It is based in Birmingham, Alabama.

One Equity Partners

### Universal Logistics Holdings acquired Fore Transportation

Universal Logistics Holdings acquired Fore Transportation for \$34.9 million in cash on February 2. Fore, which is based in Illinois, provides local, regional, and long-haul transportation services. It primarily provides overweight, refrigerated, and dry transport services. It now operates as a subsidiary of Universal Logistics Holdings.



### Kirby Corporation acquired Higman Marine Services and its affiliated companies

Kirby Corporation acquired Higman Marine Services for approximately \$419 million on February 4. According to Kirby CEO David Grzebinksi, "the timing of the Higman acquisition is ideal as it will further upgrade our fleet and ultimately allow Kirby to emerge from the downturn larger, more efficient, and better able to serve our customers."



### Knight-Swift acquired Abilene Motor Express

Knight-Swift Transportation Holdings purchased Abilene Motor Express for an undisclosed amount on March 16. Phoenix-based Knight will expand its profile on the US East Coast, with Abilene's presence in Richmond, Virginia. The acquisition will bolster Knight's fleet by approximately 450 trucks.



## Select Transactions

Target	Buyer	Date Announced	Deal Status	Total Deal Value	Implied Enterprise Value	Deal Value to	
						Sales	EBITDA
Trucking							
Fore Transportation, Inc.	Universal Logistics Holdings, Inc. (NasdaqGS:ULH)	2/2/18	Closed	\$34.9	1.1x	-	-
Central Arizona Freight, Inc.	Brown Transfer Company	2/23/18	Closed	-	-	-	-
Abilene Motor Express, Inc.	Knight Transportation Inc.	3/16/18	Closed	-	-	-	-
Tibbs Transport Inc.	Contrans Group Inc.	3/20/18	Closed	-	-	-	-
Artex Inc.	Crozier Fine Arts Inc.	3/22/18	Closed	-	-	-	-
Marshall Trucking Inc.	Mullen Trucking Corp.	2/7/18	Closed	\$8.1	-	-	-
P & S Transportation, LLC	OEP Capital Advisors, L.P.	3/17/18	Closed	-	-	-	-
PS Logistics, LLC	OEP Capital Advisors, L.P.	3/14/18	Closed	\$400.0	-	-	-

Source: S&P Global Market Intelligence  
in USD millions

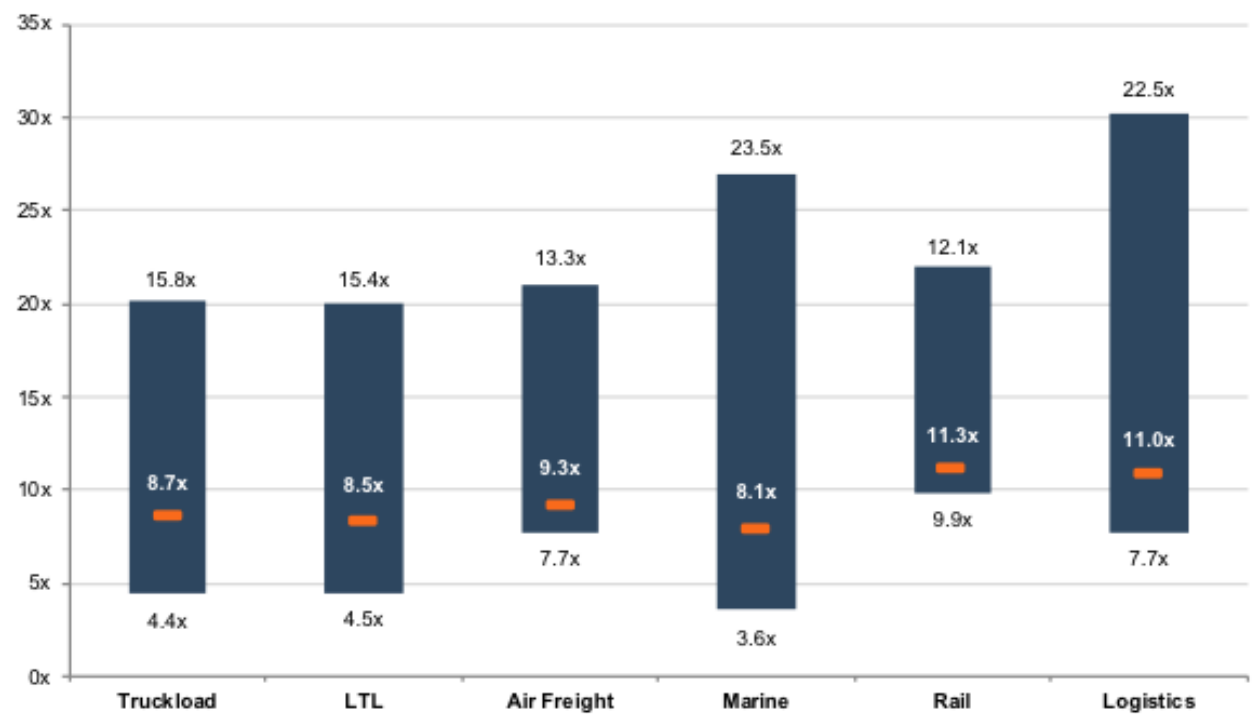
## Select Transactions

Target	Buyer	Date Announced	Deal Status	Total Deal Value	Implied Enterprise Value	Deal Value to	
						Sales	EBITDA
Marine							
Higman Marine Services, Inc.	Kirby Corporation (NYSE:KEX)	2/4/18	Closed	\$419.0	-	-	-
All Assets of Rand Logistics, Inc.	American Industrial Partners	3/1/18	Closed	-	-	-	-
Oceanstar, Inc.	Seldat Distribution Inc.	3/5/18	Closed	-	-	-	-
Volunteer Barge & Transport, Inc.	Heartland Barge Management, LLC	2/3/18	Closed	-	-	-	-
Air Freight & Logistics							
Drayage and depot operations of H & M International Transportation, Inc.	IMC Companies LLC	1/2/18	Closed	-	-	-	-
The Irwin Brown Company	C.H. Powell Company	1/8/18	Closed	-	-	-	-
AJR Transportation LLC	GlobalTranz Enterprises, Inc.	1/10/18	Closed	-	-	-	-
Sequel International Logistics (USA) Inc.	Loomis AB (publ) (OM:LOOM B)	1/19/18	Closed	\$2.0	0.8x	-	-
Ready Machinery & Equipment (Canada) Inc	BaleForce Recycling Equipment Inc.	2/2/18	Closed	-	-	-	-
Innovative Logistics, LLC	Patriot Defense Group, LLC	2/22/18	Closed	-	-	-	11.6x
AIRTRADES Freight Forwarders Inc.	Delmar International Inc.	2/21/18	Closed	-	-	-	-
LBC Mabuhay Saipan, Inc.	LBC Express Holdings, Inc. (PSE:LBC)	3/8/18	Closed	\$0.2	-	-	-
Globegistics Inc.	Asendia Management SAS	2/7/18	Closed	-	-	-	-
Freight Force, Inc.	St. George Trucking & Warehouse Inc.	3/13/18	Closed	-	-	-	-
Aeropost International Services, Inc.	PriceSmart, Inc. (NasdaqGS:PSMT)	3/19/18	Closed	-	-	-	-
IMEX Global Solutions, LLC	Landmark Global Inc.	1/12/18	Closed	-	-	-	-

Source: S&P Global Market Intelligence  
in USD millions

# Public Company Performance

Monthly Median TEV/EBITDA Multiples



## Publicly Traded Companies

Company Name	Ticker	Price at 3/31/18	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	\$117.15	2%	\$13,930	8%	872%	\$7,509	14%	1.9x	13.4x	18.3x	11.1x	21.7x
Ryder System, Inc.	R	\$72.79	5%	\$9,198	58%	338%	\$7,464	25%	1.2x	5.0x	4.9x	4.7x	12.6x
Knight-Swift Transportation Holdings Inc.	KNX	\$46.01	-9%	\$9,095	10%	440%	\$3,425	17%	2.7x	15.7x	15.2x	9.2x	18.0x
Schneider National, Inc.	SNDR	\$26.06	5%	\$4,770	3%	631%	\$4,516	13%	1.1x	8.3x	11.1x	7.1x	17.1x
Landstar System, Inc.	LSTR	\$109.65	-14%	\$4,484	-3%	1575%	\$3,916	8%	1.1x	14.6x	22.8x	12.0x	18.0x
TFI International Inc.	TFII	\$25.66	-6%	\$3,454	34%	668%	\$3,745	11%	0.9x	8.5x	15.4x	7.0x	10.3x
Werner Enterprises, Inc.	WERN	\$36.50	-2%	\$2,706	2%	711%	\$2,178	17%	1.2x	7.5x	12.3x	6.0x	15.7x
Heartland Express, Inc.	HTLD	\$17.99	-23%	\$1,423	-5%	542%	\$634	22%	2.2x	10.1x	20.1x	7.6x	21.5x
Marten Transport, Ltd.	MRTN	\$22.80	12%	\$1,228	-1%	563%	\$712	19%	1.7x	9.0x	13.5x	7.8x	23.1x
Daseke, Inc.	DSKE	\$9.79	-11%	\$1,150	46%	127%	\$1,013	10%	1.1x	11.1x	16.4x	6.6x	nm
Universal Logistics Holdings, Inc.	ULH	\$21.15	-31%	\$831	28%	819%	\$1,267	8%	0.7x	8.4x	17.5x	5.8x	10.9x
Covenant Transportation Group, Inc.	CVTI	\$29.83	4%	\$745	27%	501%	\$720	15%	1.0x	7.0x	9.1x	5.5x	13.4x
P.A.M. Transportation Services, Inc.	PTSI	\$36.35	6%	\$376	40%	664%	\$448	13%	0.8x	6.6x	5.9x	nm	nm
USA Truck, Inc.	USAK	\$25.49	41%	\$313	34%	430%	\$470	7%	0.7x	9.1x	15.3x	6.3x	17.7x
Patriot Transportation Holding, Inc.	PATI	\$16.97	-13%	\$51	-24%	83%	\$111	10%	0.5x	4.4x	13.9x	nm	nm
Median			-2%		10%			12.7%	1.1x	8.5x	15.2x	7.0x	17.4x

Source: S&amp;P Global Market Intelligence

USD millions except per share values | Financial statement data as of Q1



## Publicly Traded Companies

Company Name	Ticker	Price at 3/31/18	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	\$146.97	12%	\$12,074	0%	1544%	\$3,529	23%	3.4x	14.6x	23.9x	11.9x	20.5x
Saia, Inc.	SAIA	\$75.15	6%	\$2,039	6%	786%	\$1,474	13%	1.4x	10.5x	18.9x	8.4x	19.3x
YRC Worldwide Inc.	YRCW	\$8.83	-39%	\$1,114	73%	349%	\$4,935	5%	0.2x	4.5x	nm	3.6x	17.2x
ArcBest Corporation	ARCB	\$32.05	-10%	\$914	10%	520%	\$2,875	6%	0.3x	5.2x	10.7x	3.8x	8.5x
Roadrunner Transportation Systems, Inc.	RRTS	\$63.50	-67%	\$529	82%	-268%	\$2,182	1%	0.2x	36.5x	nm	21.5x	nm
Median			-10%		10%			6%	0.3x	10.5x	18.9x	8.4x	18.2x
Air Freight													
Atlas Air Worldwide Holdings, Inc.	AAWW	\$60.45	3%	\$3,470	56%	344%	\$2,271	21%	1.5x	7.4x	6.6x	6.5x	8.4x
Air Transport Services Group, Inc.	ATSG	\$23.32	1%	\$1,911	28%	415%	\$1,033	26%	1.8x	7.1x	nm	6.4x	18.1x
Forward Air Corporation	FWRD	\$52.86	-8%	\$1,601	2%	967%	\$1,210	12%	1.3x	10.7x	17.3x	9.9x	17.5x
Cargojet Inc.	CJT	\$52.86	13%	\$1,014	30%	461%	\$306	26%	3.3x	12.6x	35.7x	10.9x	39.9x
Median			2%		29%			23%	1.7x	9.0x	17.3x	8.2x	17.8x

Source: S&amp;P Global Market Intelligence

USD millions except per share values | Financial statement data as of Q1

## Publicly Traded Companies

Company Name	Ticker	Price at 3/31/19	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													
Triton International Limited	TRTN	\$30.60	-18%	\$9,382	74%	473%	\$1,260	96%	7.4x	7.8x	6.3x	7.3x	6.9x
Kirby Corporation	KEX	\$76.95	15%	\$5,568	18%	277%	\$2,464	17%	2.3x	13.0x	14.4x	11.4x	nm
Textainer Group Holdings Limited	TGH	\$16.95	-21%	\$3,878	75%	296%	\$630	68%	6.2x	9.0x	21.5x	8.5x	16.3x
Seaspan Corporation	SSW	\$6.68	-1%	\$3,745	74%	386%	\$855	58%	4.4x	7.6x	4.5x	5.3x	6.7x
Matson, Inc.	MATX	\$28.64	-4%	\$2,059	41%	306%	\$2,084	11%	1.0x	9.0x	5.1x	6.9x	11.4x
Costamare Inc.	CMRE	\$6.24	8%	\$1,727	61%	295%	\$400	61%	4.3x	7.0x	9.9x	7.7x	15.9x
Navios Maritime Partners L.P.	NMM	\$27.00	-24%	\$771	60%	280%	\$222	54%	3.5x	6.4x	nm	5.8x	7.7x
Eagle Bulk Shipping Inc.	EGLE	\$4.95	10%	\$619	42%	243%	\$270	14%	2.3x	15.9x	nm	7.8x	nm
Global Ship Lease, Inc.	GSL	\$8.80	-5%	\$386	84%	488%	\$156	64%	2.5x	3.9x	nm	3.7x	5.0x
Pangaea Logistics Solutions, Ltd.	PANL	\$2.65	-28%	\$318	63%	486%	\$380	12%	0.8x	7.0x	10.8x	5.9x	4.9x
Sino-Global Shipping America, Ltd.	SINO	\$1.12	-56%	\$2	nm	-951%	\$15	23%	0.1x	0.6x	3.9x	1.9x	11.2x
Median			-5%		62%				2.5x	7.6x	8.1x	6.9x	7.7x
Railroads													
Union Pacific Corporation	UNP	\$134.43	0%	\$119,840	13%	896%	\$21,583	48%	5.6x	11.5x	9.5x	11.2x	17.1x
Canadian National Railway Company	CNR	\$72.97	-12%	\$62,390	13%	903%	\$10,104	51%	6.2x	12.1x	13.0x	12.5x	18.2x
CSX Corporation	CSX	\$55.71	1%	\$60,834	19%	830%	\$11,415	46%	5.3x	11.5x	8.5x	9.8x	14.6x
Norfolk Southern Corporation	NSC	\$135.78	-6%	\$50,652	19%	709%	\$10,693	44%	4.7x	10.7x	7.5x	10.3x	14.7x
Canadian Pacific Railway Limited	CP	\$176.07	-4%	\$31,471	19%	953%	\$5,128	51%	6.1x	12.0x	14.1x	12.4x	16.9x
Kansas City Southern	KSU	\$109.85	4%	\$14,128	20%	651%	\$2,612	48%	5.4x	11.3x	11.8x	10.7x	18.5x
Genesee & Wyoming Inc.	GWR	\$70.79	-10%	\$7,019	37%	322%	\$2,264	30%	3.1x	10.3x	7.4x	10.1x	18.9x
Median			-4%		19%				5.4x	11.5x	9.5x	10.7x	17.1x

Source: S&amp;P Global Market Intelligence

USD millions except per share values | Financial statement data as of Q1

## Publicly Traded Companies

Company Name	Ticker	Price at 3/31/19	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.
Logistics & Intermodal													
United Parcel Service, Inc.	UPS	\$104.66	-12%	\$110,433	18%	694%	\$68,188	13%	1.6x	12.2x	17.7x	11.4x	14.5x
FedEx Corporation	FDX	\$240.11	-4%	\$78,952	19%	180%	\$60,953	13%	1.3x	10.0x	22.3x	9.0x	15.9x
XPO Logistics, Inc.	XPO	\$101.81	11%	\$16,928	28%	367%	\$16,034	8%	1.1x	12.6x	31.2x	10.8x	31.0x
C.H. Robinson Worldwide, Inc.	CHRW	\$93.71	5%	\$14,227	8%	1312%	\$15,380	6%	0.9x	16.4x	24.9x	14.4x	20.4x
Expeditors International of Washington, Inc.	EXPD	\$63.30	-2%	\$10,126	-10%	1443%	\$7,230	11%	1.4x	12.7x	21.0x	12.0x	19.3x
Air Transport Services Group, Inc.	ATSG	\$23.32	1%	\$1,911	28%	415%	\$1,033	26%	1.8x	7.1x	nm	6.4x	18.1x
Hub Group, Inc.	HUBG	\$41.85	-13%	\$1,713	16%	487%	\$3,068	5%	0.6x	12.1x	10.2x	8.3x	15.0x
Forward Air Corporation	FWRD	\$52.86	-8%	\$1,601	2%	967%	\$1,210	12%	1.3x	10.7x	17.3x	9.9x	17.5x
Echo Global Logistics, Inc.	ECHO	\$27.60	-1%	\$961	20%	376%	\$2,104	3%	0.5x	17.5x	38.2x	9.9x	15.5x
Radiant Logistics, Inc.	RLGT	\$3.87	-16%	\$234	18%	513%	\$780	3%	0.3x	8.7x	nm	8.5x	16.8x
Median			-3%		18%				1.2x	12.1x	21.7x	9.9x	17.2x

Source: S&P Global Market Intelligence

USD millions except per share values | Financial statement data as of Q1

# 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

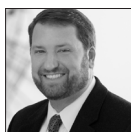
- Valuation of transportation and logistics companies
- Transaction advisory for acquisitions and divestitures
- Valuations for purchase accounting and impairment testing
- Fairness and solvency opinions
- Litigation support for economic damages and valuation and shareholder disputes

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

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