

VALUE FOCUS

# Transportation & Logistics

First Quarter 2020

Article: Early Impact of Coronavirus on the Trucking Industry  
(Through March 31, 2020)

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## FEATURE ARTICLE

# Early Impact of Coronavirus on the Trucking Industry

(Through March 31, 2020)

The trucking industry has hit several major speed bumps during the last several years. The required implementation of electronic logging devices ("ELDs"), changes to Hours-of-Service, and continuing driver shortages met with falling demand in 2019. The uncertainty introduced by the U.S.-China trade war resulted in lower demand. As of March 2020, COVID-19 is looking to be a significantly larger speed bump than the others.

The trucking and transportation industry was among the first U.S. industries to feel the impact of the COVID-19 pandemic. Only 12% of the U.S.'s economy is manufacturing based, and when the flow of goods from China ceased due to lockdowns and quarantines abroad, the supply of goods entering the U.S. rapidly dried up. *FreightWaves* **estimates** that Chinese imports account for 40% of all shipments entering the U.S. The annual celebration of Chinese New Year usually results in lower rail and truck shipments in the U.S. about three to six weeks later. By the beginning of March 2020, over 50 ship sailing had been canceled into Seattle, and some 60 were canceled into the Long Beach port. **Agencies at both ports** indicated that those cancellation numbers are typical of the whole year, not of just one quarter. Some trucking companies were already reducing capacity by the beginning of March.

**The issues were not just limited** to the availability of cargo. In an effort to prevent people from gathering closely together in enclosed spaces, restaurants and rest areas across the U.S. closed beginning in mid-March, limiting driver access to food while on the road. Companies that are able to run loads frequently have to return with their trailers empty due to uneven and declining demand. Brokers are having to travel longer distances to pick up loads.

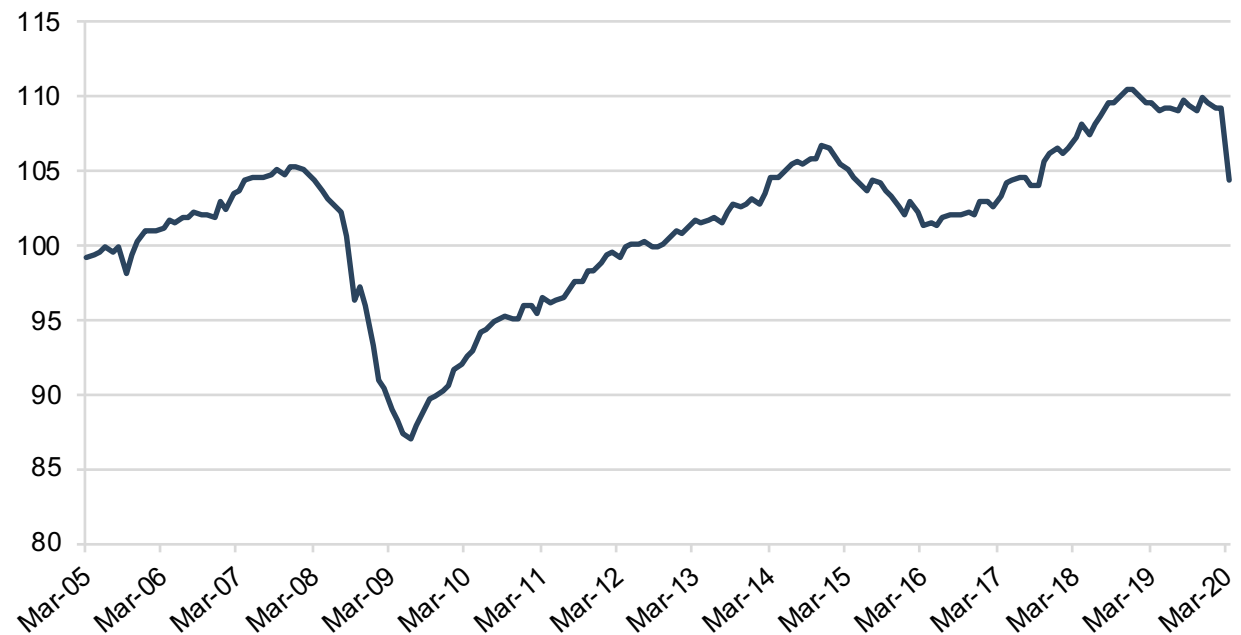
The impacts of COVID-19 on intermodal transportation and trucking are expected to ripple through the economy. National supply chains are expected to be impacted and domestic manufacturing will feel a hit as well if raw materials become more difficult to source. **Fears of a recession** also loom for the trucking industry. The Bank of America Truck Shipper Survey, which was launched in 2012, hit an all-time low in the outlook for short-term demand. In a March 11 Morgan Stanley survey of 350 freight-transportation companies, 80% of respondents indicated that COVID-19 is impacting their business, up from 60% in late February.

# Industry Macro Trends

## Industrial 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 2020 was 104.5, a 5% decline from the December 2019 value of 109.6. The index is down 5% on a year-over-year basis. March 2020 was down 4.5% from February 2020. **The COVID-19 pandemic resulted in many factory shutdowns.** Business equipment, manufacturing, and consumer goods declines 8.6%, 6.3%, and 5.9% between December and March.

Industrial Production Index (Seasonally Adjusted)



Source: Federal Reserve Bank of St. Louis

Indexed to 2012

# Industry Macro Trends

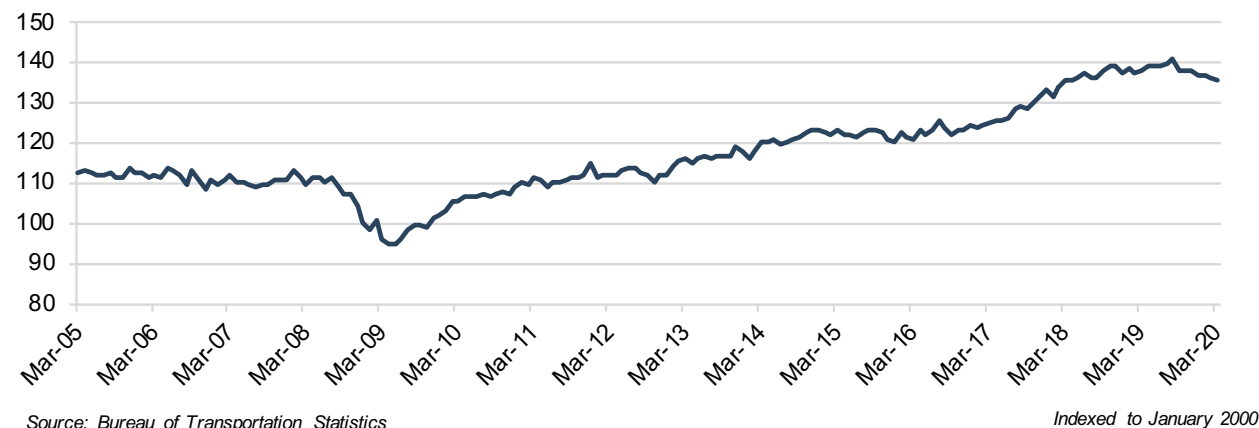
## Transportation Services Index

The Transportation Services Index, which measures freight traffic in the United States, decreased in March 2020 relative to the prior month. The index fell to 135.5, down 0.4% from 136.1 in February 2020, and down 1.95% from 138.2 in March 2019. The use of freight transportation has generally kept pace with industrial output over the last 20 years.

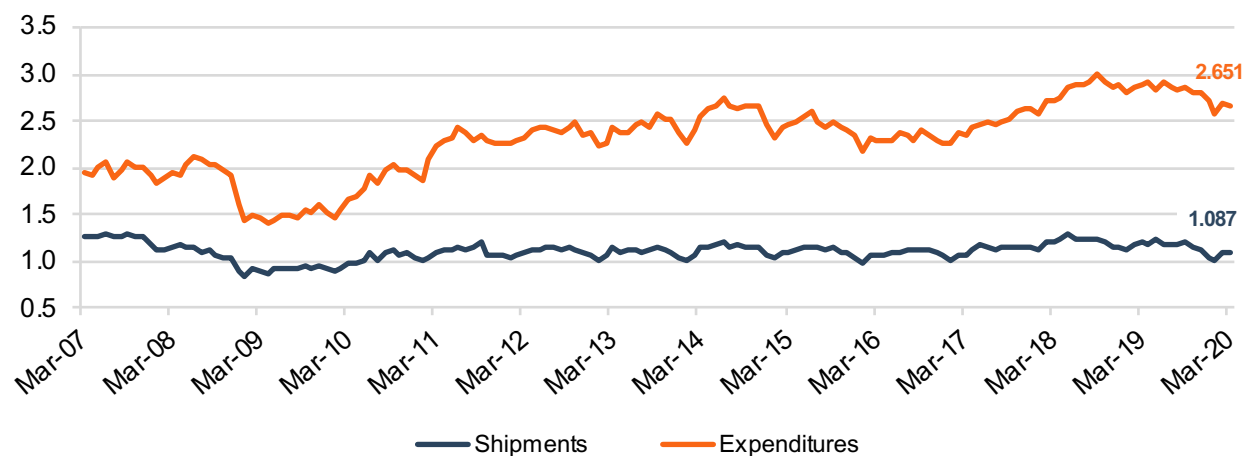
## Cass Freight Index

The **Cass Freight Index** of shipments and expenditures is considered one of the best indicators of overall U.S. freight activity. Shipments fell to their lowest levels since January 2016 due to COVID-19 related shutdowns in the U.S. and abroad. Expenses declined in the first part of the quarter and were generally lower than 2019 levels.

Transportation Services Index (Freight, Seasonally Adjusted)



Cass Freight Index



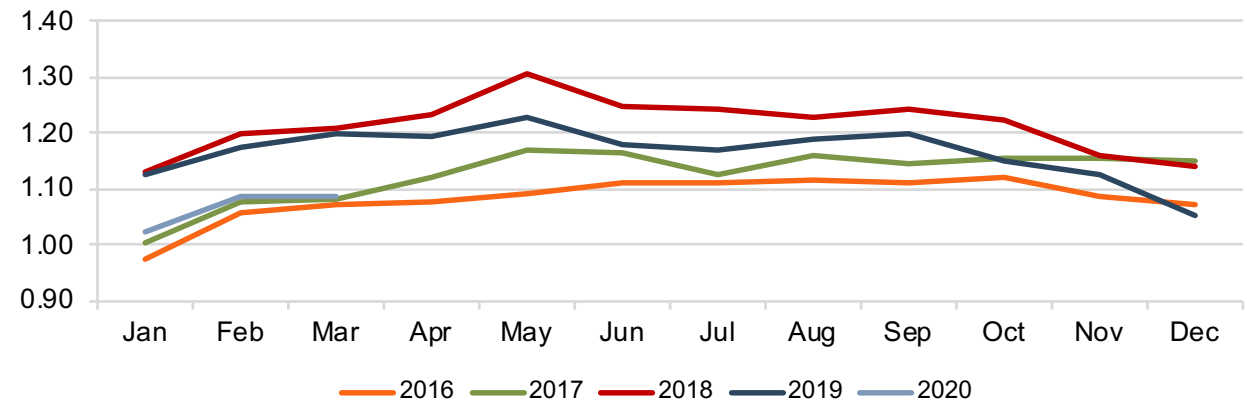
# Industry

## Macro Trends

### Shipments

Shipments in the first quarter of 2020 were 7% to 9% below shipments in the respective months of the first quarter of 2019. After an exceptionally strong year in 2018, the index began declining on a year-over-year basis in December 2018; a trend which continued through March 2020. **The Cass report** notes that COVID-19 pandemic hit an already weak freight market. Early February improvements were reversed as the pandemic spread. The recovery of freight volumes is expected to be tightly linked to the economic response to the pandemic lockdowns – decreases in business, employment, and income will overall result in less freight. On a year-over-year basis, the Cass Freight Shipment Index declined 9.2% from March 2019 to March 2020.

Cass Freight Shipments Index



Source: Cass Information Systems, Inc. and Avondale Partners

Indexed to January 1990

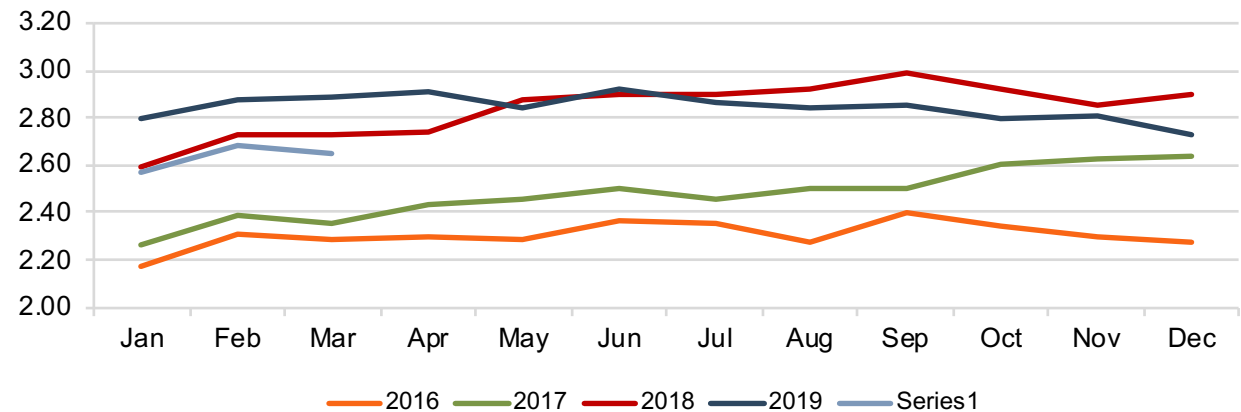
# Industry

## Macro Trends

### Expenditures

The Expenditures Index hit 2.651 in March 2020, decrease on a monthly basis (1.0%), a quarterly basis (2.6%), and an annual basis (8.2%). Expenditures have declined on a year-over-year basis since July 2019, which is the longest downward trend since March 2015 through November 2016. The Cass Report notes that while the expenditures index has continued to decline, a reduction in capacity and delayed demand to restock inventories may result in higher rate by the end of 2020.

Cass Freight Expenditures Index



Source: Cass Information Systems, Inc. and Broughton Capital

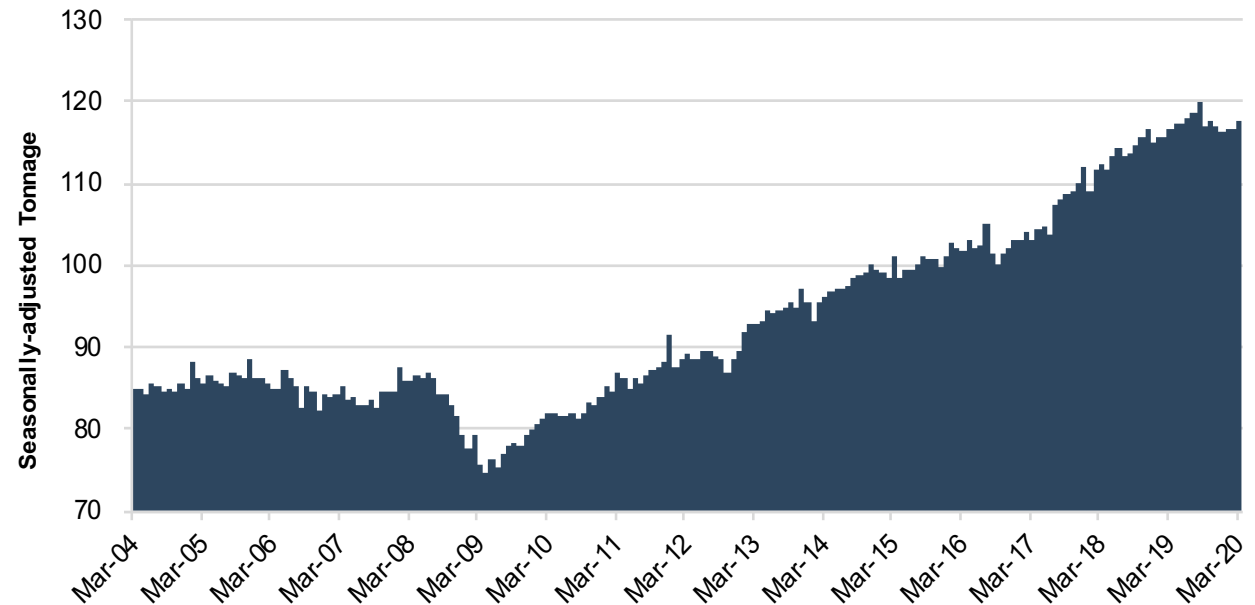
Indexed to January 1990

# Trucking

## Truck Tonnage

The truck tonnage index reached a high level in August 2019 at 120 (the eighth consecutive month of increases), compared to a low of 74.8 in April 2009 during the Great Recession. The index declined slightly in subsequent months and ended December at 116.2. The index increased slightly throughout the first quarter of 2020. March 2020 ended at 117.7, 1.3% higher than December 2019 and 0.77% higher than February 2020. Overall, the index increased 0.86% relative to March 2019. The American Trucking Association (“ATA”) notes that March 2019 experience strong performance in the consumer goods industry due to a surge in purchase by households. However, freight for other parts of the economy suffered, especially in the restaurant and automobile industries. The ATA does not expect a significant trucking recovery in April 2020.

Truck Tonnage (Seasonally Adjusted)



Source: Bureau of Transportation Statistics

Indexed to January 2000

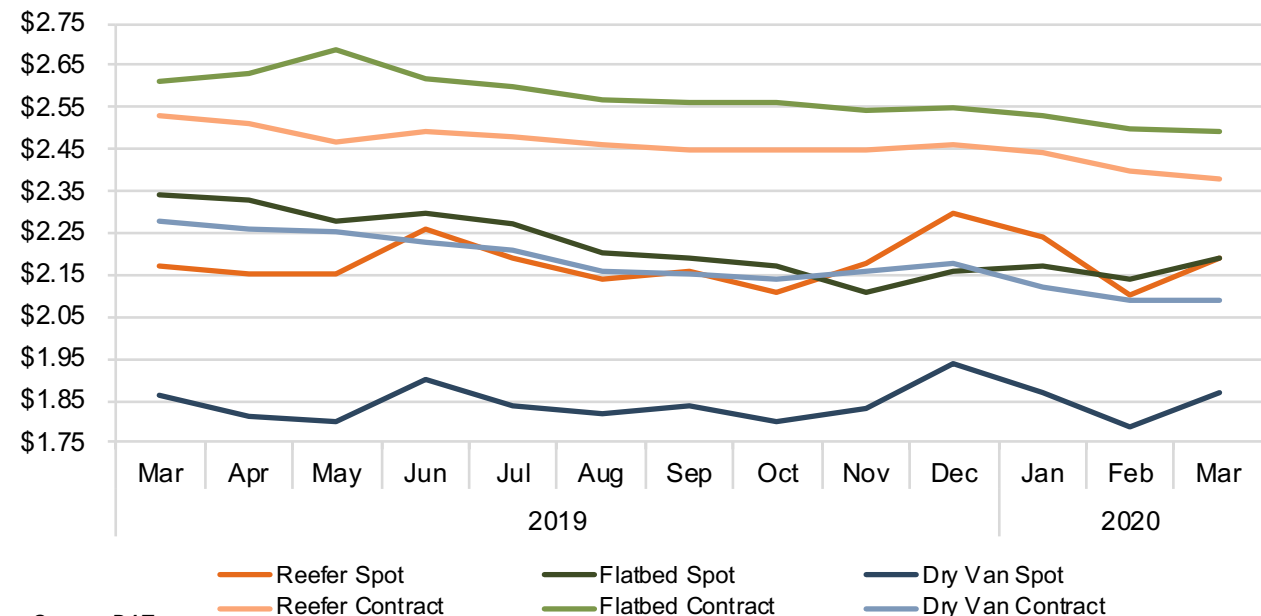
# Trucking

## Spot vs. Contract Rates

The Spot vs. Contract Rates charts 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. Excess capacity has contributed to spot rates below contract rates in recent months and a larger than normal divergence between the two rates.

Spot rates for all three classes increased in March 2020 relative to February 2020. Reefer and dry van spot rates decreased relative to December 2019, while flatbed spot rates increased. Reefer spot rates decreased 11¢ to \$2.19 in March 2020 from \$2.30 in December 2019. Dry van spot rates decreased 9¢ to \$2.09 from \$2.18. Flatbed spot rates increased 3¢ to \$2.19 from \$2.16.

Spot vs. Contract Rates



Source: DAT



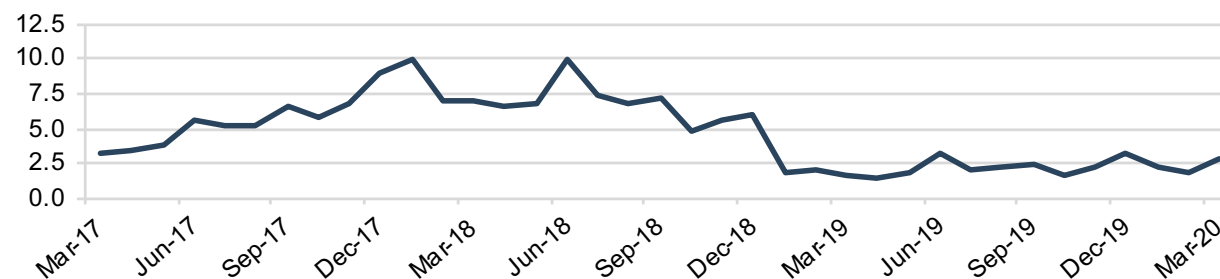
# Trucking

## Load-to-Truck Ratio

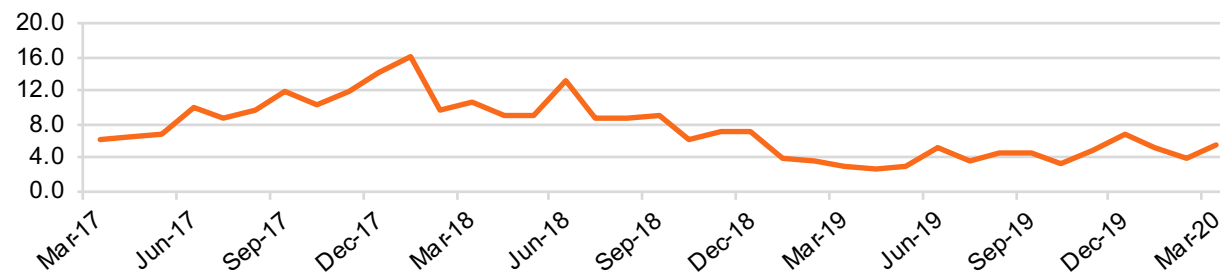
The load-to-truck ratio is calculated by dividing the total number of loads for shipment by the total number of trucks available. As a result, the load-to-truck ratio can signal a shortage or excess of capacity, which in turn influences changes in freight. An increase in the ratio (i.e., a higher number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

For all three categories, the load-to-truck ratio rose in March 2020 relative to the prior month. Despite this increase, dry van and reefer declined 12% and 19% relative to December 2019, respectively, while flat bed increased 65%. On a year-over-year basis, the ratio trends were reversed. The van ratio increased 84%, the reefer ratio increased 91%, while the flatbed ratio fell 10%.

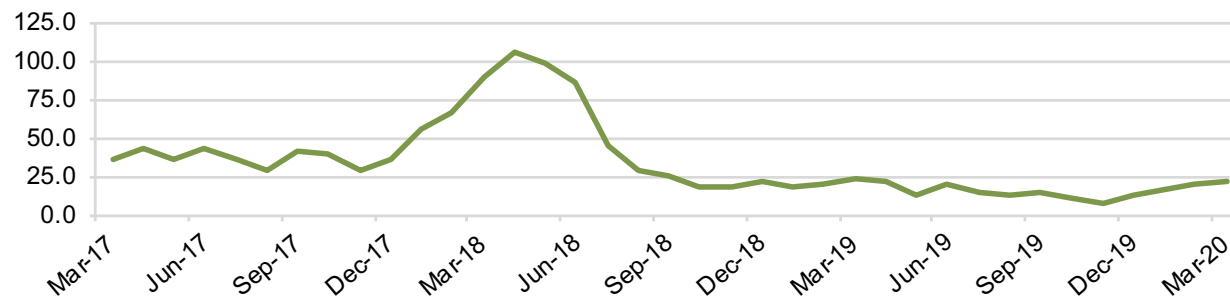
### Dry Van Load-to-Truck



### Reefer Load-to-Truck



### Flatbed Load-to-Truck



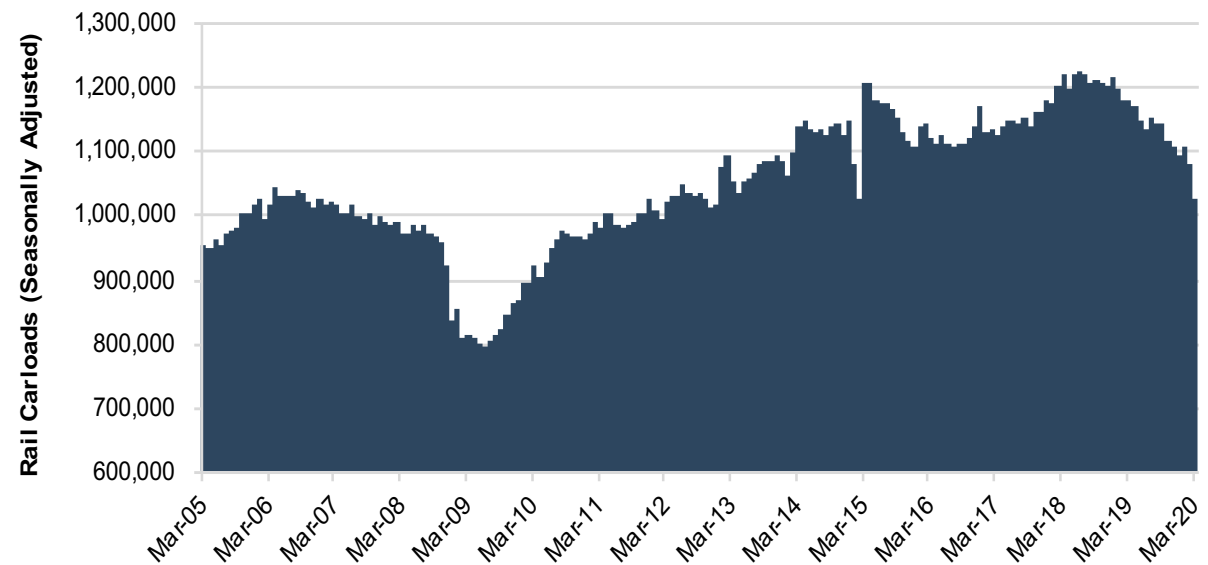
Source: DAT

# Rail & Intermodal

## Rail Freight Intermodal Traffic

Intermodal shipments by volume decreased 6% in March 2020 relative to December 2019. Additionally, on a year-over-year basis, rail carloads declined 13% from March 2019. American Association of Railroads (AAR) Senior Vice President of Policy and Economics John T. Gray **attributed** the first quarter 2019 declines to the coronavirus pandemic, citing auto-related shipment declines over 70%. The AAR estimated the combined railcar and intermodal shipments that originated in the U.S. were down 187,609 carloads from March 2019.

Rail Freight Intermodal Traffic



Source: Bureau of Transportation Statistics

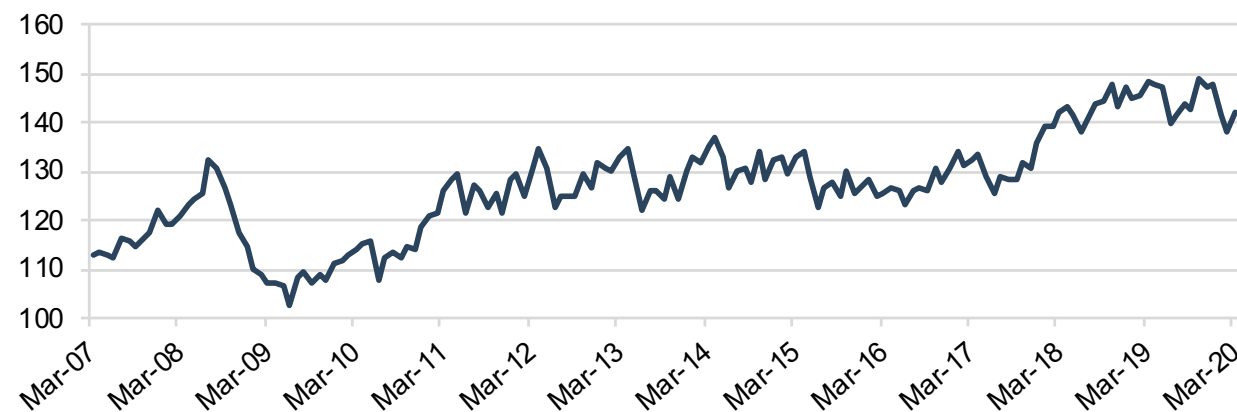
Indexed to January 2000

# Rail & Intermodal

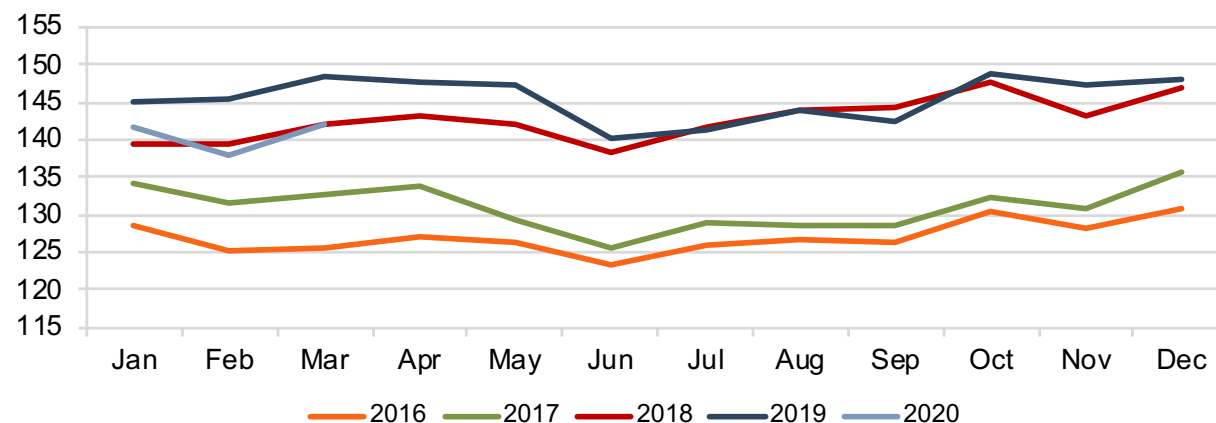
## Cass Intermodal Index

The Cass Intermodal Index measures changes in per mile U.S. domestic intermodal costs. The index in March 2020 was 142, down 4.1% from 148.1 in December 2019, and down 4.4% on a year-to-year basis. The Cass Report indicates the **indices** have not yet hit their bottom, but recovery ultimately depends on the overall economy's response to post-pandemic re-openings.

Cass Intermodal Price Index (Historical Trend)



Cass Intermodal Price Index (Annual Comparison)



Source: Cass Information Systems, Inc. and Broughton Capital

Indexed to January 2005

# M&A Activity

## Featured Transactions

### J.B. Hunt (JBHT) acquires third last mile unit

J.B. Hunt Transportation, Inc. (NASDAQ:JBHT) acquired RDI Last Mile, a last mile trucking firm. Massachusetts-based RDI reported revenue of \$35 million and is J.B. Hunt's third last-mile acquisition since 2017. Terms of the deal were not disclosed.



### Rand Logistics to acquire American Steamship Company

In February 2020, Rand Logistics announced a deal to acquire American Steamship Company (ASC) for \$260 million. ASC operates the largest fleet of U.S. vessels on the Great Lakes. The combination of the two companies will create the largest fleet on the Great Lakes.



### Performance Team LLC purchased by Maersk

Stord, a cloud-based provider of on-demand warehousing purchased Springfield, Missouri-based Cove Logistics for \$10 million. Cove's 15 employees will join the 70 already employed by the start-up Stord.



### Cornerstone Systems entirely owned by ESOP

Memphis-based Cornerstone Systems became entirely ESOP-owned at the end 2019. Founder and Chairman Rick Rodell sold an initial 41% stake in the company to the ESOP in 2013. He sold the remaining amount for an undisclosed amount in a deal that was announced in February 2020..



## Select Transactions

Target	Buyer	Date Announced	Deal Status	Total Deal Value	Deal Value to	
					Sales	EBITDA
Trucking						
Assets of RDI Last Mile Co.	J.B. Hunt Transport, Inc.	1/2/20	Closed	-	-	-
Mme, Inc.	Prudential Capital Group, L.P.; Brightwood Capital Advisors, LLC; Red Arts Capital	1/9/20	Closed	-	-	-
Crown IntermodaLogistics	RoadOne, Inc.	1/15/20	Closed	-	-	-
Dunkel Bros. Machinery Moving, Inc.	MEI Rigging & Crating LLC	1/16/20	Closed	-	-	-
Eagle Transportation LLC	Nolan Transportation Group, LLC	1/17/20	Closed	-	-	-
Operating Assets of Spirit Trucking Company	Mark-it Express Logistics LLC	1/17/20	Closed	-	-	-
Premium Transportation Logistics LLC	Bolt Express, LLC	2/3/20	Closed	-	-	-
Penner International Inc.	C.A.T. Inc.	2/3/20	Closed	-	-	-
Convoy Beverage Alliance	Epic Ventures Inc.	2/4/20	Closed	-	-	-
Substantially all of the assets of Powell Transport Solutions and its affiliates	Alabama Motor Express, Inc.	2/10/20	Closed	-	-	-
First Choice Logistics, Inc.	A&R Logistics, Inc.	2/11/20	Closed	-	-	-
Volume Freight	Jones Logistics, LLC	2/3/20	Closed	-	-	-
IXT Logistics, LLC	Team Drive-Away, Inc.	2/26/20	Closed	-	-	-
Transportation Booking Services LLC	Team Drive-Away, Inc.	2/26/20	Closed	-	-	-
Southeast Logistics, Inc.	PS Logistics, LLC	2/26/20	Closed	-	-	-
KCE, Inc.	Crown Capital Investments LLC	2/21/20	Closed	-	-	-
NAL Group, Inc.	CRST International, Inc.	3/2/20	Closed	-	-	-
PRI Logistics Inc.	Polaris Transport Carriers Inc.	3/2/20	Closed	-	-	-
Volunteer Express, Inc.	Central Freight Lines, Inc.	3/23/20	Announced	-	-	-

Source: S&P Global Market Intelligence  
in USD millions

## Select Transactions (continued)

Target	Buyer	Date Announced	Deal Status	Total Deal Value	Deal Value to	
					Sales	EBITDA
Trucking (cont)						
Innovative Delivery Systems, Inc.	American West Worldwide Express, Inc.	3/23/20	Closed	-	-	-
Assets of S&M Transport	Regency Transportation, Inc.	2/12/20	Closed		-	-
Rail						
Carolina Coastal Railway Inc.	Regional Rail, LLC	2/3/20	Announced	-	-	-
Marine						
RPM Consolidated Services, Inc.	Odyssey Logistics & Technology Corporation	1/30/20	Closed	-	-	-
American Steamship Company	Rand Logistics, Inc.	2/10/20	Announced	\$260.0	-	-
Air Freight & Logistics						
GE Supply Logistics, LLC	Luther King Capital Management Corporation	12/31/19	Closed	-	-	-
Air - City Inc.	SEKO Worldwide, LLC	1/7/20	Closed	-	-	-
JTA Freight LLC	Estes Forwarding Worldwide, LLC	1/14/20	Closed	-		
LeSaint Logistics, LLC	TAGG Logistics, LLC	1/14/20	Closed	-		
Sellers Logistics, LLC	TA Services, Inc.	2/4/20	Closed	-		
Hot Shot Delivery and Prime Delivery Services	Tuya Technologies, LLC	2/4/20	Closed	-		
Friedway Enterprises, Inc./CIC2, Inc.	Radiant Global Logistics, Inc.	2/10/20	Announced	\$0.1		
Two operating locations of Adcom Express, Inc.	Radiant Global Logistics, Inc.	2/10/20	Closed	-		

Source: S&P Global Market Intelligence  
in USD millions

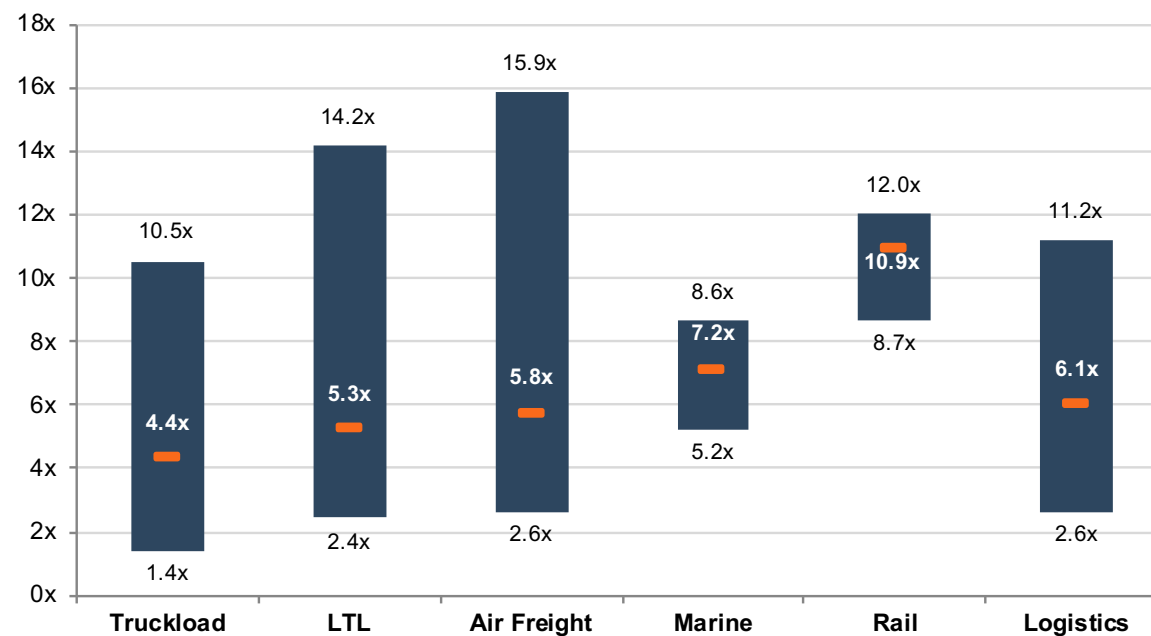
## Select Transactions (continued)

Target	Buyer	Date Announced	Deal Status	Total Deal Value	Deal Value to	
					Sales	EBITDA
Five Distribution Locations of Dedicated Logistics Inc.	Quality Custom Distribution Services, Inc.	2/3/20	Closed	-	-	-
Des Moines Truck Brokers, Inc.	Allen Lund Company, Inc.	2/17/20	Closed	-	-	-
Tophat Logistical Solutions, LLC	Atlas Logistics, Inc.	2/17/20	Closed	-	-	-
Performance Team LLC	A.P. Møller - Mærsk A/S (CPSE:MAERSK B)	2/19/20	Closed	\$545.0		
Assets of GRC Trucking, Inc.	Transportation and Logistics Systems, Inc. (OTCP-K:TLSS)	2/21/20	Announced	-	-	-
Courier Services Business Of R. R. Donnelley & Sons Company	TFI International Inc. (TSX:TFII)	3/2/20		-	-	-
Rotra LLC	Delmar International Inc.	3/5/20	Closed	-	-	-
Anthym Logistics, LLC	Blue-Grace Logistics LLC	2/24/20	Closed	-	-	-
Gateway Distribution, Inc.	Brixey & Meyer Capital	3/11/20	Announced	-	-	-
Oncarriage, LLC	Nuvocargo, Inc.	3/12/20	Closed	-	-	-
Innovel Solutions, Inc.	Costco Wholesale Corporation (NasdaqGS:COST)	3/17/20	Closed	\$1,000.0	-	-
Fulfillment Services of EasyPost	Ruby Has LLC	3/20/20	Closed	-	-	-
Transportation Impact LLC	The Jordan Company, L.P.	3/20/20	Closed	-	-	-
Logistics Made Simple, Inc.	Fitzmark, Inc.	3/31/20	Closed	-	-	-
Assets of Phb, Inc.	Lazer Spot, Inc.	3/2/20	Announced	-	-	-
Cornerstone Systems, Inc.	ESOP	2/3/20	Closed	-	-	-

Source: S&P Global Market Intelligence  
in USD millions

# Public Company Performance

Monthly Median TEV/EBITDA Multiples (as of March 31, 2020)



Source: S&P Global Market Intelligence

Data as of March 31, 2020, excludes outliers



## Publicly Traded Companies

Company Name	Ticker	Price at 3/31/20	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	\$92.23	-21%	\$11,186	12%	827%	\$9,356	14%	1.2x	8.8x	19.5x	8.9x	19.4x
Ryder System, Inc.	R	\$26.44	-51%	\$9,456	85%	182%	\$8,907	25%	1.1x	4.2x	nm	4.3x	nm
Knight-Swift Transportation Holdings Inc.	KNX	\$32.80	-8%	\$6,506	14%	301%	\$4,764	19%	1.4x	7.2x	19.4x	6.7x	15.1x
Landstar System, Inc.	LSTR	\$95.86	-16%	\$3,602	-5%	1073%	\$3,984	8%	0.9x	11.4x	18.4x	13.8x	22.8x
Schneider National, Inc.	SNDR	\$19.34	-11%	\$3,270	-5%	573%	\$4,672	14%	0.7x	5.1x	22.3x	6.1x	18.5x
Werner Enterprises, Inc.	WERN	\$36.26	0%	\$2,800	10%	566%	\$2,460	18%	1.1x	6.2x	16.3x	6.4x	18.8x
Heartland Express, Inc.	HTLD	\$18.57	-12%	\$1,447	-5%	449%	\$624	27%	2.3x	8.6x	22.1x	7.2x	21.6x
Daseke, Inc.	DSKE	\$1.40	-56%	\$858	82%	38%	\$1,695	9%	0.5x	5.9x	nm	6.2x	nm
Universal Logistics Holdings, Inc.	ULH	\$13.10	-31%	\$886	60%	568%	\$1,517	11%	0.6x	5.4x	11.0x	6.0x	nm
Marten Transport, Ltd.	MRTN	\$20.52	-5%	\$1,095	-3%	553%	\$863	19%	1.3x	6.6x	18.4x	5.8x	18.1x
Covenant Logistics Group, Inc.	CVLG	\$8.67	-33%	\$465	65%	81%	\$889	10%	0.5x	5.2x	87.7x	6.0x	28.2x
P.A.M. Transportation Services, Inc.	PTSI	\$30.75	-47%	\$398	56%	0%	\$515	14%	0.8x	5.7x	nm	4.8x	14.4x
USA Truck, Inc.	USAK	\$3.17	-57%	\$216	88%	-57%	\$515	7%	0.4x	6.2x	nm	5.0x	nm
U.S. Xpress Enterprises, Inc.	USX	\$3.34	-34%	\$832	80%	49%	\$1,725	6%	0.5x	8.7x	nm	7.3x	nm
Patriot Transportation Holding, Inc.	PATI	\$9.25	-53%	\$16	-98%	-119%	\$105	8%	0.1x	2.0x	nm	nm	nm
Median			-31%		14%			13.5%	0.8x	6.2x	19.4x	6.2x	18.8x

Source: S&P Global Market Intelligence

USD millions except per share values | Financial statement data as of Q1 2020

## Publicly Traded Companies

Company Name	Ticker	Price at 3/31/20	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	\$131.26	4%	\$15,400	-2%	1347%	\$4,106	26%	3.8x	14.3x	25.5x	15.2x	28.1x
Saia, Inc.	SAIA	\$73.54	-21%	\$2,140	11%	712%	\$1,823	16%	1.2x	7.5x	15.9x	7.5x	18.0x
ArcBest Corporation	ARCB	\$17.52	-37%	\$522	15%	280%	\$2,978	6%	0.2x	2.7x	12.0x	3.5x	16.7x
YRC Worldwide Inc.	YRCW	\$1.68	-34%	\$1,184	95%	66%	\$4,839	3%	0.2x	7.0x	nm	11.2x	nm
Median			-28%		13%			11%	0.7x	7.3x	15.9x	9.3x	18.0x
Air Freight													
Atlas Air Worldwide Holdings, Inc.	AAWW	\$25.67	-7%	\$3,478	81%	211%	\$2,703	18%	1.3x	7.3x	nm	5.5x	3.1x
Air T, Inc.	AIRT	\$12.51	-38%	\$133	73%	341%	\$245	6%	0.5x	9.1x	nm	nm	nm
Forward Air Corporation	FWRD	\$50.65	-28%	\$1,586	10%	681%	\$1,431	10%	1.1x	10.8x	18.5x	15.4x	28.9x
Air Transport Services Group, Inc.	ATSG	\$18.28	-22%	\$2,572	58%	397%	\$1,493	30%	1.7x	5.7x	6.1x	5.5x	13.3x
Cargojet Inc.	CJT	\$71.35	-10%	\$1,549	29%	414%	\$352	27%	4.4x	16.5x	159.6x	11.0x	47.4x
Median			-22%		58%			18%	1.3x	9.1x	18.5x	8.3x	21.1x

Source: S&P Global Market Intelligence

USD millions except per share values | Financial statement data as of Q1 2020

## Publicly Traded Companies

Company Name	Ticker	Price at 3/31/20	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	\$43.47	-51%	\$4,122	37%	226%	\$2,738	16%	1.5x	9.3x	nm	9.7x	20.0x
Triton International Limited	TRTN	\$25.87	-36%	\$8,875	73%	400%	\$1,363	90%	6.5x	7.2x	5.5x	7.8x	6.6x
Matson, Inc.	MATX	\$30.62	-25%	\$2,520	48%	252%	\$2,185	10%	1.2x	11.7x	17.8x	9.2x	16.0x
Textainer Group Holdings Limited	TGH	\$8.22	-23%	\$4,138	89%	260%	\$692	68%	6.0x	8.8x	13.2x	9.4x	16.4x
Costamare Inc.	CMRE	\$4.52	-53%	\$1,947	72%	436%	\$487	66%	4.0x	6.1x	4.1x	5.7x	4.9x
Eagle Bulk Shipping Inc.	EGLE	\$1.85	-60%	\$556	74%	1%	\$289	13%	1.9x	15.1x	nm	8.8x	nm
Navios Maritime Partners L.P.	NMM	\$5.32	-71%	\$518	88%	227%	\$219	45%	2.4x	5.2x	nm	4.9x	3.6x
Pangaea Logistics Solutions, Ltd.	PANL	\$2.00	-32%	\$289	69%	360%	\$429	10%	0.7x	6.5x	77.7x	7.6x	4.0x
Global Ship Lease, Inc.	GSL	\$3.70	-58%	\$825	92%	542%	\$268	57%	3.1x	5.4x	2.1x	5.2x	3.2x
Genco Shipping & Trading Limited	GNK	\$6.42	-40%	\$606	56%	2%	\$394	17%	1.5x	9.0x	nm	8.5x	nm
Algoma Central Corporation	ALC	\$6.40	-36%	\$465	48%	315%	\$410	22%	1.1x	5.1x	14.7x	4.8x	19.1x
Sino-Global Shipping America, Ltd.	SINO	\$1.84	-18%	\$2	-279%	-2181%	\$37	-15%	0.0x	-0.3x	nm	nm	nm
Median			-38%		71%				1.7x	6.9x	13.2x	7.8x	6.6x

Source: S&P Global Market Intelligence

USD millions except per share values | Financial statement data as of Q1 2020

## Publicly Traded Companies

Company Name	Ticker	Price at 3/31/20	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.
Railroads													
Union Pacific Corporation	UNP	\$141.04	-22%	\$123,496	21%	817%	\$21,553	51%	5.7x	11.2x	16.2x	12.2x	18.1x
Canadian National Railway Company	CNR	\$77.63	-14%	\$65,249	15%	803%	\$10,525	51%	6.2x	12.2x	17.6x	12.7x	19.4x
CSX Corporation	CSX	\$57.30	-21%	\$59,011	25%	719%	\$11,779	53%	5.0x	9.4x	13.5x	10.6x	16.5x
Norfolk Southern Corporation	NSC	\$146.00	-25%	\$49,971	25%	679%	\$11,081	47%	4.5x	9.6x	15.5x	11.2x	17.4x
Canadian Pacific Railway Limited	CP	\$219.09	-14%	\$36,295	17%	1022%	\$5,692	56%	6.4x	11.5x	17.6x	11.9x	16.8x
Kansas City Southern	KSU	\$127.18	-17%	\$15,786	22%	661%	\$2,923	50%	5.4x	10.7x	20.8x	11.4x	19.3x
Median			-19%		22%				5.6x	11.0x	16.9x	11.7x	17.8x
Logistics & Intermodal													
United Parcel Service, Inc.	UPS	\$93.42	-20%	\$102,650	22%	583%	\$74,969	10%	1.4x	13.3x	18.7x	12.5x	17.0x
FedEx Corporation	FDX	\$121.26	-20%	\$63,355	50%	267%	\$69,689	7%	0.9x	12.9x	70.4x	10.0x	14.0x
Expeditors International of Washington, Inc.	EXPD	\$66.72	-14%	\$10,372	-8%	1290%	\$8,057	10%	1.3x	13.2x	19.6x	14.2x	21.7x
TFI International Inc.	TFII	\$21.91	-35%	\$3,495	45%	618%	\$3,660	14%	1.0x	6.6x	8.5x	6.4x	10.2x
XPO Logistics, Inc.	XPO	\$48.75	-39%	\$11,854	62%	378%	\$16,392	10%	0.7x	7.4x	11.4x	9.7x	57.1x
C.H. Robinson Worldwide, Inc.	CHRW	\$66.20	-15%	\$9,803	11%	884%	\$15,363	5%	0.6x	12.9x	17.6x	15.3x	23.5x
Forward Air Corporation	FWRD	\$50.65	-28%	\$1,586	10%	681%	\$1,431	10%	1.1x	10.8x	18.5x	15.4x	28.9x
Hub Group, Inc.	HUBG	\$45.47	-11%	\$1,712	9%	424%	\$3,574	7%	0.5x	6.7x	16.1x	8.2x	24.4x
Air Transport Services Group, Inc.	ATSG	\$18.28	-22%	\$2,572	58%	397%	\$1,493	30%	1.7x	5.7x	6.1x	5.5x	13.3x
Echo Global Logistics, Inc.	ECHO	\$17.08	-17%	\$617	26%	142%	\$2,198	2%	0.3x	13.0x	54.4x	9.5x	18.6x
Radiant Logistics, Inc.	RLGT	\$3.87	-31%	\$238	19%	355%	\$872	4%	0.3x	6.1x	11.7x	8.3x	14.7x
Median			-20%		22%				0.9x	10.8x	17.6x	9.7x	18.6x

Source: S&amp;P Global Market Intelligence

USD millions except per share values | Financial statement data as of Q1 2020

# 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.

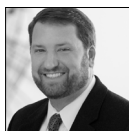
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