

VALUE FOCUS

Transportation & Logistics

Third Quarter 2021

Article: ATRI's Report on Critical Issues in 2021

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FEATURE ARTICLE

ATRI's Report on Critical Issues in 2021

In October 2021, the American Transportation Research Institute released its **2021 survey of Critical Issues in the Trucking Industry**. The ATRI survey was open from September 8, 2021 through October 15, 2021 and includes responses from over 2,500 stakeholders in the trucking industry in North America. Respondents include motor carrier personnel (52.4% of respondents), commercial drivers (24.1%), and other industry stakeholders (23.5%, including suppliers, trainers, and law enforcement).

Driver-related concerns – including driver shortages, driver retention, and driver compensation – continued to dominate the list of top concerns. The driver shortage claimed the top position for the fifth year in a row. The driver shortage is being exacerbated by increasing demand for freight services, COVID-related training and licensing backlogs, and drivers exiting the industry due to COVID risks. Driver compensation has been a top-ten concern for three years running and is strongly linked to the driver shortage problem.

Lawsuit abuse reform took the fourth slot in the overall ranking. ATRI estimates that the average verdict size increased 967% between 2010 and 2018, due largely to nuclear verdicts that have skewed the dangers of litigation to trucking industry participants (see our previous analysis of **nuclear verdicts** originally published in the second quarter of 2020). Lawsuit abuse, insurance costs and availability are linked – the rising expenses of trucking industry litigation has caused some insurers to drastically raise premiums or to exit the trucking industry altogether.

It is interesting to see the differences in opinions held by drivers versus motor carrier stakeholders. As one might expect, the commercial drivers tend to focus on the day-to-day issues of trucking, including parking, fuel prices, and legal compliance. Motor carriers are more concerned about driver retention, litigation, insurance, and technician shortages, as shown in the table below.

Commercial Drivers vs Motor Carrier Issues			
Rank	Overall Ranking	Commercial Drivers	Motor Carriers
1	Driver Shortage	Driver Compensation / Trucking Parking (Tie)	Driver Shortage
2	Driver Retention	Detention / Delay at Customer Facilities	Driver Retention
3	Driver Compensation	Fuel Prices	Lawsuit Abuse Reform
4	Lawsuit Abuse Reform (previously, Tort Reform)	Driver Training Standards	Compliance, Safety, Accountability
5	Truck Parking	Hours-of-Service Rules	Driver Compensation
6	Compliance, Safety, Accountability	ELD Mandate	Insurance Cost / Availability
7	Detention / Delay at Customer Facilities	Driver Distraction	Diesel Technician Shortage
8	Transportation Infrastructure Congestion / Funding	Transportation Infrastructure Congestion / Funding	Transportation Infrastructure Congestion / Funding
9	Insurance Cost / Availability	Speed Limiters	Driver Distraction
10	Diesel Technician Shortage	Compliance, Safety, Accountability	Detention / Delay at Customer Facilities

FEATURE ARTICLE

ATRI's Report on Critical Issues in 2021

(continued)

ATRI also provided a break down of the top three concerns of company drivers compared to owner-operators or independent contractors. While both groups included compensation and parking in their top three concerns, company drivers rated driver training standards as a critical issue, while owner-operators and contractors were more concerned with fuel prices.

Company Drivers vs Owner-Operator / Contractor Issues			
Rank	All Commercial Drivers	Company Drivers	Owner- Operators / Independent Contractors
1	Driver Compensation / Trucking Parking (Tie)	Driver Compensation	Fuel Prices
2	Detention / Delay at Customer Facilities	Truck Parking	Truck Parking
3	Fuel Prices	Driver Training Standards	Driver Compensation



Samantha L. Albert, ASA

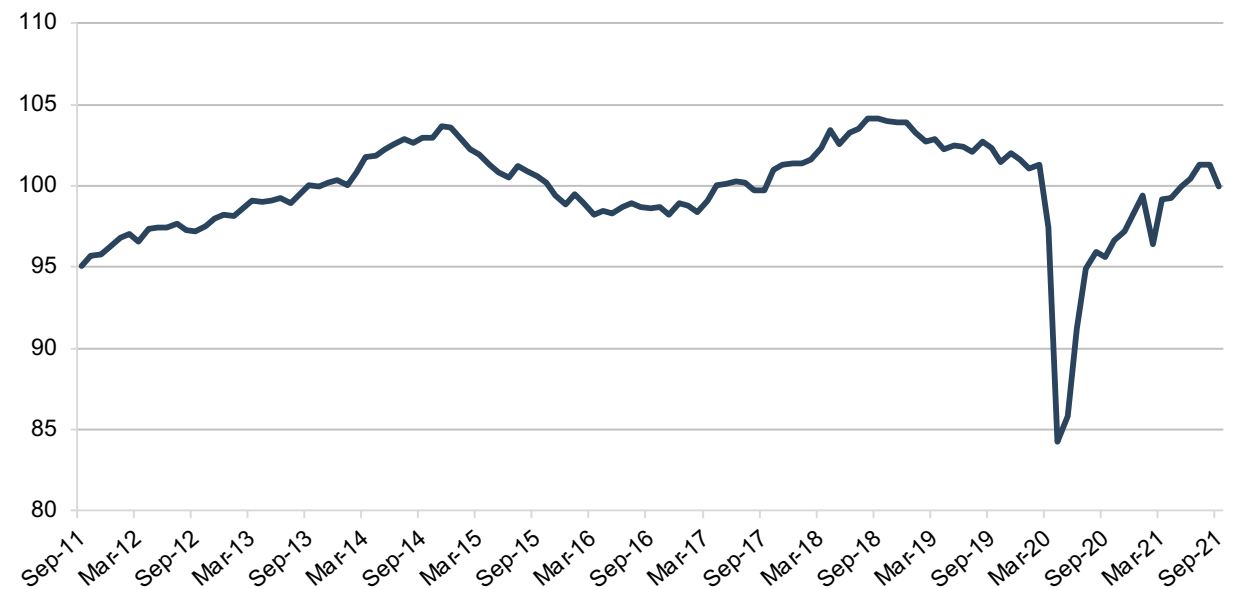
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Industry Macro Trends

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 COVID-19 pandemic resulted in numerous shutdowns and manufacturing disruptions that resulted in productivity falling to lows previously seen during the Great Recession. Production recovered during the summer months of 2020 and generally continued its upward trend through 2021 before falling in September 2021. The index value at the beginning of September 2021 was 99.98, a 1.3% decline from August 2021 but, while also increasing 4.58% on a year-over-year basis. The index has fallen 1.4% from its pre-COVID level in February 2020.

Industrial Production Index (Seasonally Adjusted)



Source: Federal Reserve Bank of St. Louis

Indexed to 2017

Industry Macro Trends

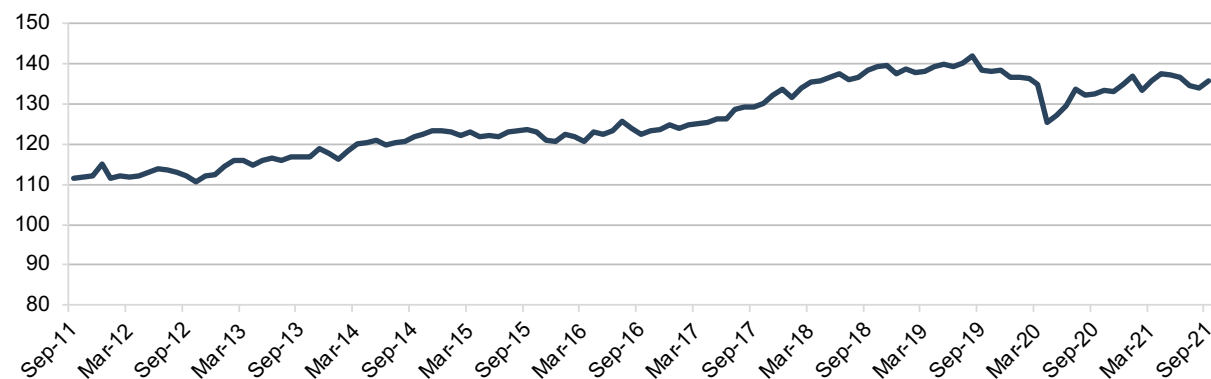
Transportation Services Index

The Transportation Services Index, which measures freight traffic in the United States, decreased from June to September of 2021 while increasing 2.41% on a year-over-year basis. The index in September 2021 was 135.8.

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 January 2010 due to COVID-19 related shutdowns in the U.S. and abroad. Shipments have generally increased since COVID-induced lows, though the index has experienced several periods of decline. Expenditures recovered rapidly through September 2021, experiencing a largely upward trend that was punctuated by periodic declines. Shipments declined 3.8% relative to June 2021, while expenditures increased 2.3% over the same period.

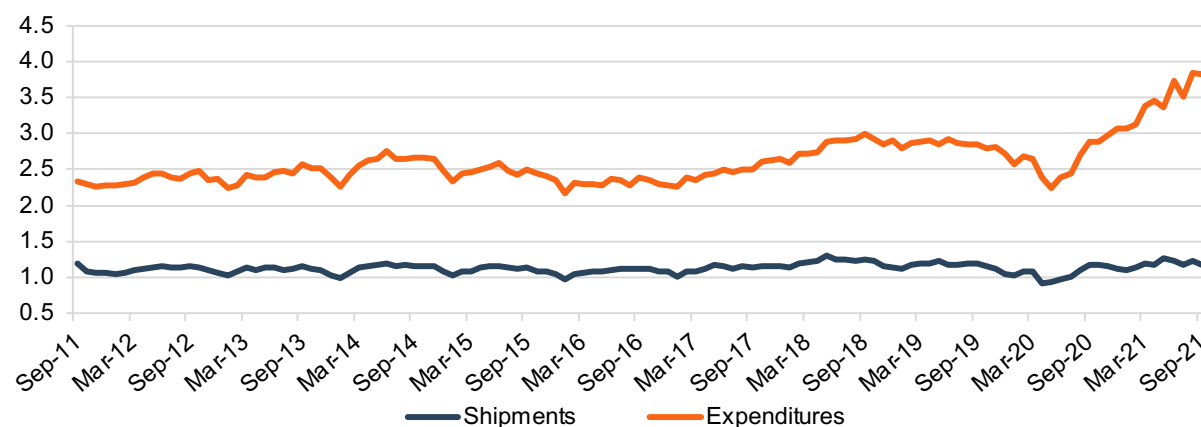
Transportation Services Index (Freight, Seasonally Adjusted)



Source: Bureau of Transportation Statistics

Indexed to January 2000

Cass Freight Index



Source: Cass Information Systems, Inc. and Avondale Partners

Indexed to January 1990

Industry Macro Trends

Shipments

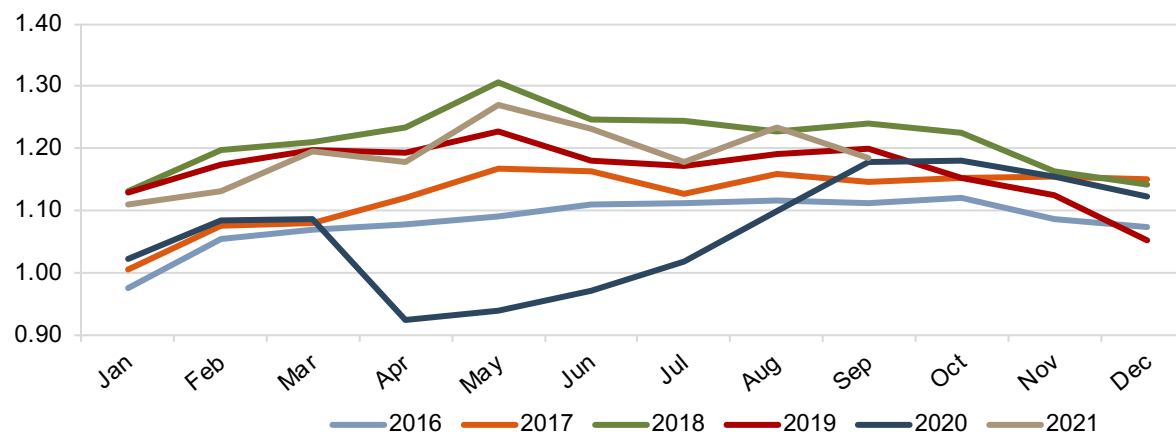
The Shipments Index hit 1.184 in September 2021. Shipments in September 2021 increased 0.6% relative to September 2020 and 0.4% relative to August 2021. The Shipments Index also saw a 3.8% decline on quarter-over-quarter basis.

Expenditures

The Expenditures Index measures the total amount spent on freight. The Expenditures Index hit 3.818 in September 2021, an increase of 2.3% on a quarterly basis and an increase of 32.2% on an annual basis. The index declined 0.4% from June 2021. The Expenditures Index has been steadily rising in 2021 and has reached previously unrecorded levels.

The American Trucking Association (“ATA”) **estimates** trucking accounts for almost 73% of all domestic freight tonnage and over 80% of total freight expenditures.

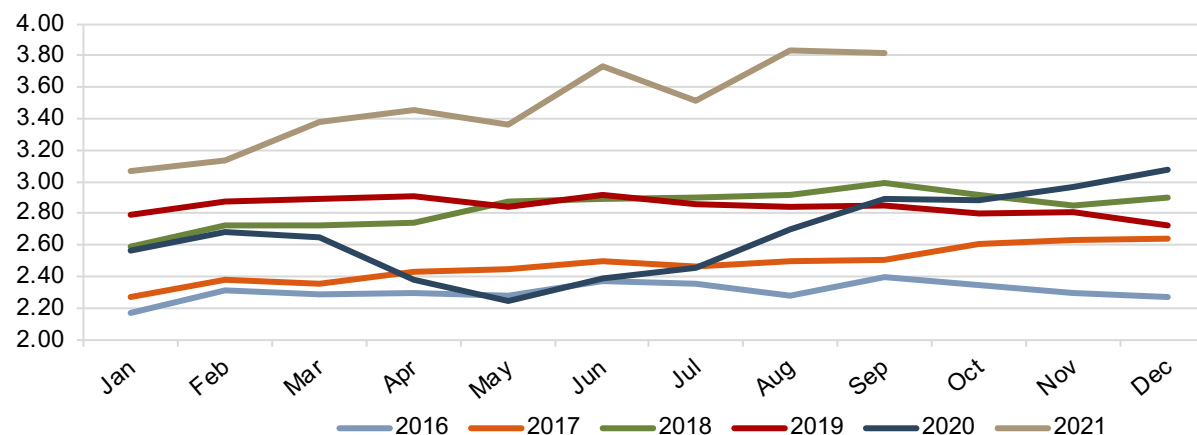
Cass Freight Shipments Index



Source: Cass Information Systems, Inc. and Avondale Partners

Indexed to January 1990

Cass Freight Expenditures Index



Source: Cass Information Systems, Inc. and Broughton Capital

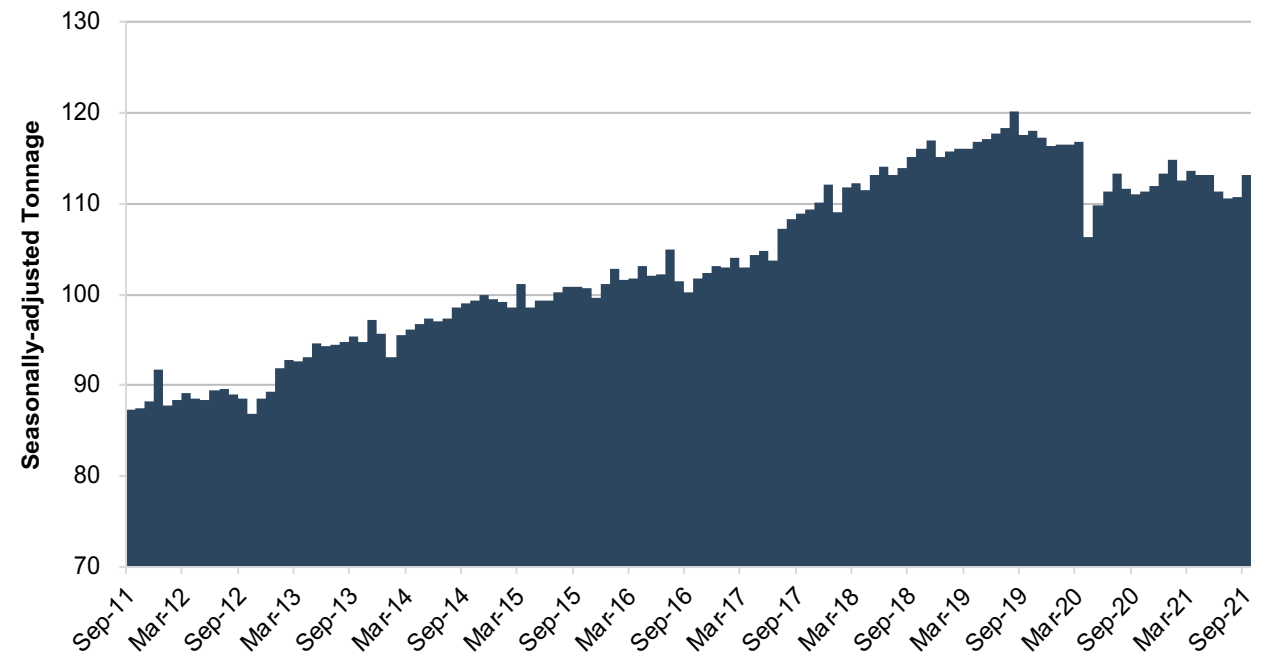
Indexed to January 1990

Trucking

Truck Tonnage

The Truck Tonnage Index has increased significantly since April 2020 but has not yet recovered to pre-COVID levels. The Truck Tonnage Index reached 113.20 in September 2021, compared to March 2020 when the index was at 116.90. The Truck Tonnage Index increased 2.17% relative to August 2021 and 1.71% relative to June 2021.

Truck Tonnage (Seasonally Adjusted)



Source: Bureau of Transportation Statistics

Indexed to 2015

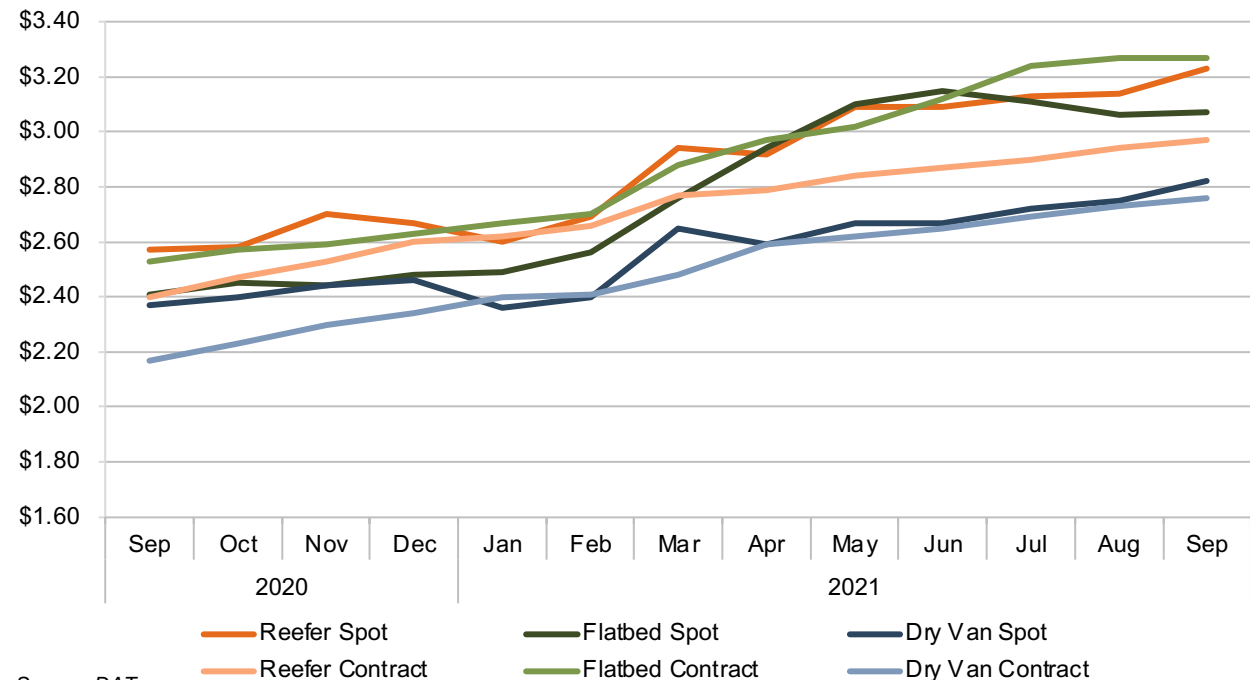
Trucking

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 capacity has tightened during 2021, spot rates have eclipsed contract rates in the reefer and van categories; flatbed spot rates lag behind contract rates.

All classes of rates except for flatbed contract rates increased during the third quarter. Flatbed contract rates were unchanged relative to June 2021. All classes of rate increased on a year over year basis with flatbed contract rates showing the highest growth rate at 29.25%. Overall, spot rates have continued to escalate in the last year with reefer, flatbed, and dry van spot rates showing increases of 25.68%, 27.39%, and 18.99%, respectively, on a year-over-year basis.

Spot vs. Contract Rates



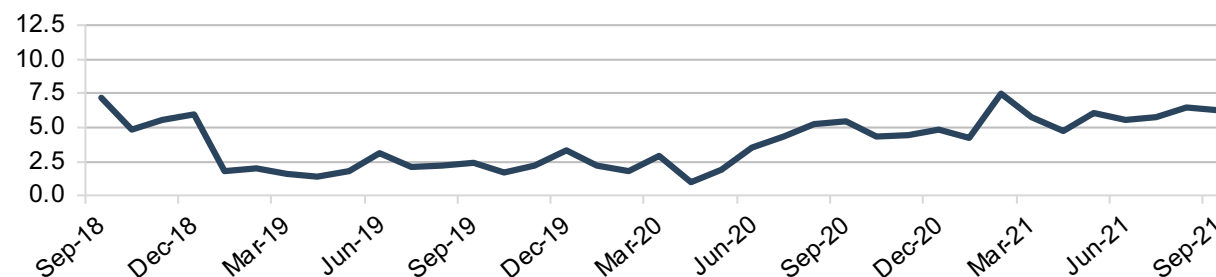
Trucking

Load-to-Truck Ratio

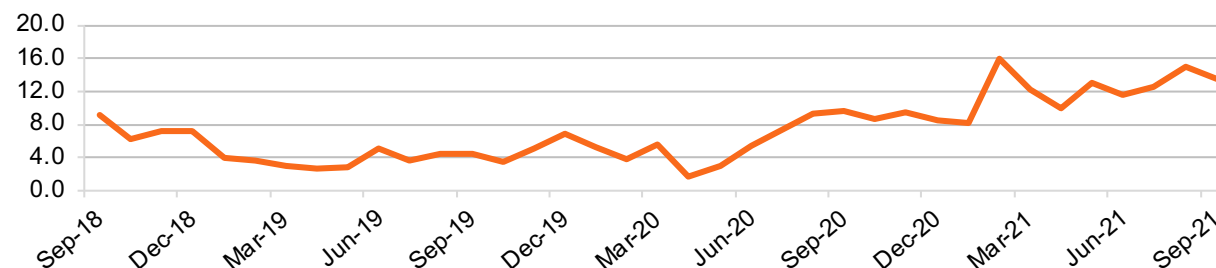
The load-to-truck ratio is calculated by dividing the total number of loads for shipment by the total number of trucks available. As a result, the load-to-truck ratio can signal a shortage or excess of capacity, which in turn influences changes in freight. An increase in the ratio (i.e., a higher number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

Van and reefer classes experienced increases of 13.67% and 16.48%, respectively, in the third quarter of 2021 compared to the previous quarter. The flatbed load-to-truck ratio saw a quarter-over-quarter decline of 28.24%. All three classes posted significant gains on a year-over-year basis. Relative to September 2020, the van, reefer, and flatbed ratios increased 16%, 39%, and 19%, respectively.

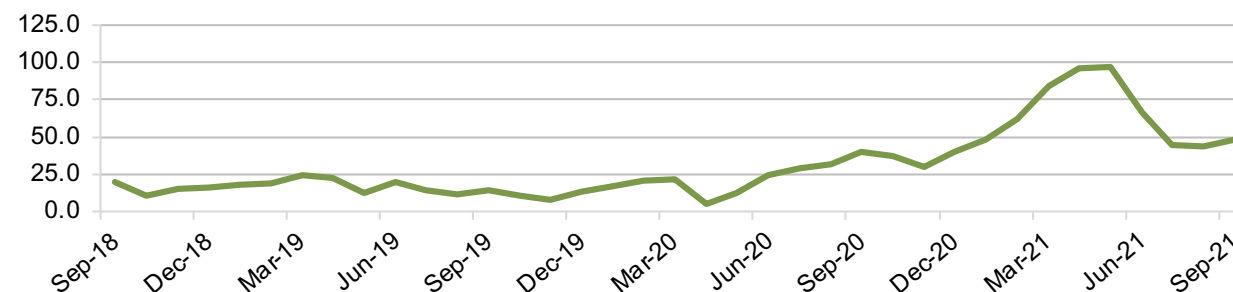
Dry Van Load-to-Truck



Reefer Load-to-Truck



Flatbed Load-to-Truck



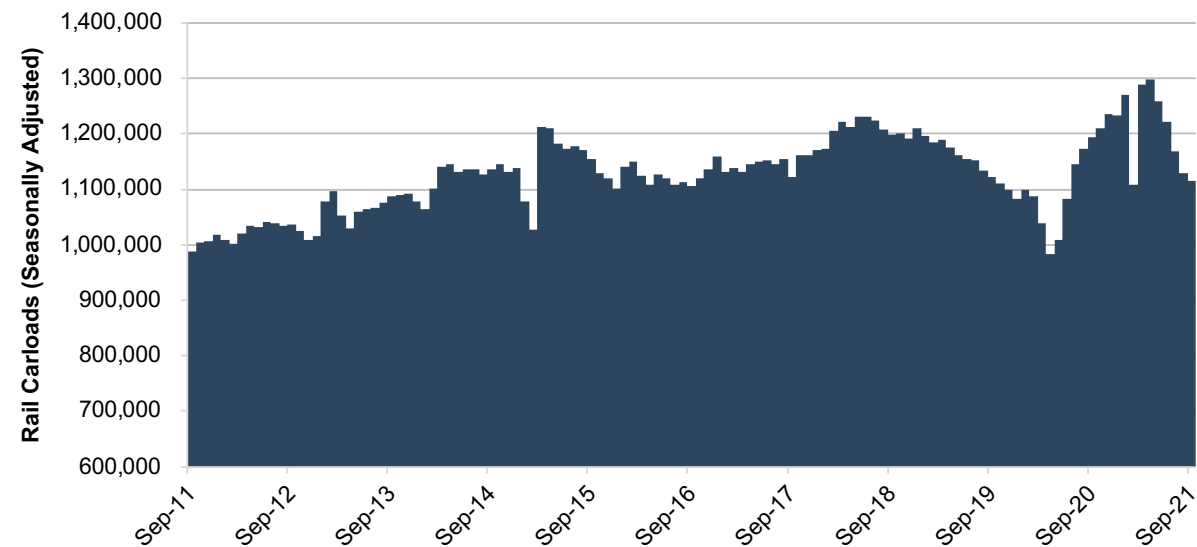
Source: DAT

Rail & Intermodal

Rail Freight Intermodal Traffic

As reported by the Bureau of Transportation **Statistics**, intermodal shipments index increased declined during each month of the third quarter of 2021. Rail freight intermodal traffic also posted a decrease of 6.62% on a year-over-year basis. The intermodal shipments index has posted monthly year-over-year increases in every month dating from August 2020 through July 2021.

Rail Freight Intermodal Traffic



Source: Bureau of Transportation Statistics

M&A Activity

Featured Transactions

Kansas City Southern Re-enters Deal with Canadian Pacific

In the first quarter of 2021, Canadian Pacific (CP) agreed to acquire Kansas City Southern (KSU) in a cash-and-stock deal valued at \$25 billion. In May 2021, KSU announced it was disengaging from the transaction process with CP and instead entering into an agreement with Canadian National Railway (CN). In August 2021, KSU returned to a CP offer. CP's total transaction value of \$31.7 billion would value KSU at 11.16x revenue and 20.77x EBITDA. Deals with either CP or CN and KSU would create a rail network that stretches from Canada to Mexico and both deals would be subject to regulatory approval.



Echo Global Logistics Enters Into Agreement to be Acquired by The Jordan Company

On September 10, 2021, Echo Global Logistics (ECHO) entered into an agreement with private equity firm, The Jordan Company, to be acquired for \$48.25 per share in a cash transaction. The proposed share price reflects a 54% premium to the prior day's share price and values ECHO at \$1.3 billion. The transaction is expected to be completed in the fourth quarter of 2021.



ArcBest Set to Acquire MoLo Solutions, LLC

MoLo Solutions, LLC is a Chicago-based truck brokerage company that has experienced rapid growth in recent years. MoLo's 2020 revenue increased approximately 100% to \$274 million, and MoLo's 2021 revenue is expected to be on the order of \$600 million. ArcBest (ARCB) agreed to purchase MoLo in a deal valued at \$690 million. This deal value reflects 2.52x LTM revenue at MoLo and 1.15x expected 2021 revenue.



Select Transactions

Target	Buyer	Date Announced	Deal Status	Total Deal Value	Deal Value to	
					Sales	EBITDA
Trucking						
R.S. Harris Transport Ltd.	Mullen Group Ltd.	7/2/21	Closed	11.500	0.460	-
AAA Cooper Transportation, Inc.	Knight-Swift Transportation Holdings Inc.	7/6/21	Closed	1,350.000	-	-
Double Eagle Transportation Corp.	Trimac Transportation Services Inc.	7/12/21	Closed	-	-	-
Osborn & Son Trucking Co., Inc.	V & S Midwest Carriers, Corp.	7/20/21	Effective	-	-	-
Transport Distribution Company	Interstate Personnel Services, Inc.	7/23/21	Closed	-	-	-
RJ's Transportation LLC	A&R Logistics, Inc.	7/30/21	Closed	-	-	-
SSBB, LLC	Xpress Global Systems, LLC	8/5/21	Closed	-	-	-
Substantially All transportation assets of Patriot Transit, LLC and Patriot Logistics, LLC	PS Logistics, LLC	7/30/21	Closed	-	-	-
Complete Transport Systems LLC	EFL Global Logistics (Pte.) Ltd	9/9/21	Closed	6.100	-	-
D & L Transport, Llc	Pittsburgh Logistics Systems, Inc.	9/20/21	Closed	-	-	-
MFx, LLC	Brooks Furniture Xpress, Inc.	9/16/21	Closed	-	-	-
Molo Solutions, LLC	ArcBest Corporation	9/29/21	Closed	690.000	2.520	-

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
Rail						
Kansas City Southern	Canadian Pacific Railway Limited	8/10/21	Announced	31,654.800	11.160	20.770
Marine						
U.S. Shipping Corp.	SEACOR Holdings Inc.	8/13/21	Closed	-	-	-
Lady Rose Marine Services Ltd.	Devon Transport Ltd.	8/17/21	Announced	-	-	-
Freightway International Ltd.	Blue Water Shipping A/S	9/15/21	Closed	-	-	-
Air Freight & Logistics						
Quad Logistics Services, LLC	Mullen Group Ltd.	6/30/21	Closed	40.000	0.296	-
Alliance Technical Services Inc.	Valiant Integrated Services LLC	7/1/21	Closed	-	-	-
Syncreon.Us Inc.	DP World Limited	7/1/21	Announced	1,200.000	1.090	-
Carson Air Ltd.	Exchange Income Corporation	7/5/21	Closed	61.000	-	-
Velocity Freight Transport, Inc.	Geodis Logistics LLC	7/6/21	Closed	-	-	-
Ship Art-Terry Dowd, LLC and Ship Art International, Inc.	UOVO ART LLC	7/14/21	Closed	-	-	-
Transplace Inc.	Uber Freight LLC	7/22/21	Closed	2,250.000	-	29.220
Chancellor Holding Co, LLC	MGN Logistics, Inc.	7/23/21	Closed	-	-	-
Trinity Logistics USA Inc.	Omni Logistics, LLC	7/6/21	Closed	-	-	-
Sauceda Industries LLC	Cart.com, Inc.	7/27/21	Closed	-	-	-
Intelligent Logistics, L.L.C.	AIT Worldwide Logistics, Inc.	8/3/21	Closed	-	-	-
Hanson Logistics LLC	Lineage Logistics, LLC	8/4/21	Closed	-	-	-

Source: S&P Global Market Intelligence
in USD millions

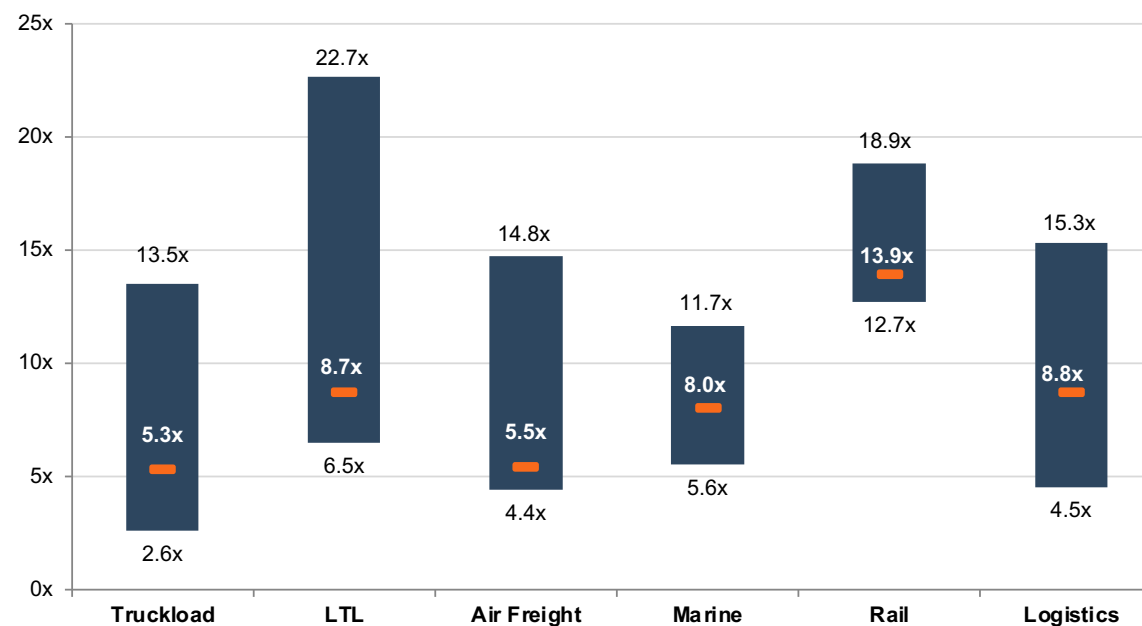
Select Transactions (continued)

Target	Buyer	Date Announced	Deal Status	Total Deal Value	Deal Value to	
					Sales	EBITDA
Air Freight & Logistics (cont.)						
Worldwide Express Operations, LLC	-	8/5/21	Closed	-	-	-
Visible Supply Chain Management, LLC	A.P. Møller - Mærsk A/S	8/6/21	Closed	-	-	-
RR&F Logistics, LLC	MODE Transportation, LLC	8/10/21	Closed	-	-	-
Consumer Delivery Hub	TPCO Holding Corp.	8/16/21	Announced	-	-	-
Xios Global Projects LLC	-	8/16/21	Closed	-	-	-
Scout Logistics Corporation	TA Services, Inc.	8/19/21	Closed	-	-	-
MCG Logistics, Inc.	TransImpact, LLC	8/25/21	Closed	-	-	-
IDEA Logistics LLC	EFL Global Logistics (Pte.) Ltd; EFL Global LLC (USA)	8/27/21	Closed	9.700	-	-
Enlinx, LLC	Whiplash Inc.	9/8/21	Closed	-	-	-
Rapid Delivery, Inc.	Canada Cartage System Limited	9/9/21	Closed	-	-	-
Echo Global Logistics, Inc.	The Jordan Company, L.P.	9/10/21	Announced	1,463.720	0.440	15.840
IAS Logistics DFW, LLC	WFS Global SAS	9/24/21	Closed	-	-	-
Expedited Logistics and Freight Services, LLC	Janel Group, Inc.	9/27/21	Closed	47.000	-	-

Source: S&P Global Market Intelligence
in USD millions

Public Company Performance

Monthly Median TEV/EBITDA Multiples (as of September 30, 2021)



Source: S&P Global Market Intelligence

Data as of September 30, 2021, excludes outliers

Publicly Traded Companies

Company Name	Ticker	Price at 9/30/21	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	\$167.22	81%	\$18,476	5%	946%	\$11,409	13%	1.6x	12.5x	26.2x	11.8x	24.4x
Ryder System, Inc.	R	\$82.71	213%	\$10,668	58%	374%	\$9,276	27%	1.2x	4.2x	12.2x	4.1x	9.7x
Knight-Swift Transportation Holdings Inc.	KNX	\$51.15	56%	\$9,288	9%	516%	\$5,459	24%	1.7x	7.0x	13.5x	6.2x	11.3x
Landstar System, Inc.	LSTR	\$157.82	65%	\$5,956	-1%	1674%	\$5,892	8%	1.0x	12.1x	18.1x	11.1x	16.4x
Schneider National, Inc.	SNDR	\$22.74	18%	\$3,808	-6%	755%	\$5,299	14%	0.7x	5.0x	11.6x	4.8x	10.6x
Werner Enterprises, Inc.	WERN	\$44.27	22%	\$3,126	4%	713%	\$2,589	20%	1.2x	6.1x	12.4x	5.5x	13.4x
Heartland Express, Inc.	HTLD	\$16.02	-14%	\$1,106	-15%	451%	\$615	29%	1.8x	6.3x	16.6x	5.3x	16.0x
Daseke, Inc.	DSKE	\$9.21	558%	\$1,243	49%	461%	\$1,498	12%	0.8x	6.8x	10.1x	5.9x	11.5x
Universal Logistics Holdings, Inc.	ULH	\$20.08	53%	\$1,056	49%	590%	\$1,670	10%	0.6x	6.1x	7.3x	6.0x	7.5x
Marten Transport, Ltd.	MRTN	\$15.69	15%	\$1,221	-7%	652%	\$934	22%	1.3x	6.1x	16.2x	5.8x	15.9x
Covenant Logistics Group, Inc.	CVLG	\$27.65	219%	\$553	16%	474%	\$977	11%	0.6x	5.0x	26.8x	4.5x	7.7x
P.A.M. Transportation Services, Inc.	PTSI	\$44.98	193%	\$711	29%	922%	\$636	22%	1.1x	5.2x	8.0x	nm	nm
USA Truck, Inc.	USAK	\$15.28	382%	\$291	56%	551%	\$668	10%	0.4x	4.2x	6.9x	4.4x	7.1x
U.S. Xpress Enterprises, Inc.	USX	\$8.63	158%	\$1,034	58%	198%	\$1,873	6%	0.6x	9.0x	18.3x	8.3x	24.9x
Patriot Transportation Holding, Inc.	PATI	\$11.40	23%	\$31	-27%	2%	\$82	10%	0.4x	3.6x	34.2x	nm	nm
Median			65%		9%			13.0%	1.0x	6.1x	13.5x	5.8x	11.5x

Source: S&P Global Market Intelligence

USD millions except per share values | Financial statement data as of Q3 2021

Publicly Traded Companies

Company Name	Ticker	Price at 9/30/21	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	\$285.98	118%	\$32,570	-2%	1791%	\$4,919	31%	6.6x	21.3x	35.0x	20.0x	32.8x
Saia, Inc.	SAIA	\$238.03	224%	\$6,362	2%	1056%	\$2,148	20%	3.0x	15.0x	28.4x	13.4x	26.0x
ArcBest Corporation	ARCB	\$81.77	367%	\$2,021	-3%	704%	\$3,611	9%	0.6x	6.1x	12.2x	5.0x	10.6x
Mullen Group Ltd.	MTL	\$10.19	252%	\$1,535	37%	353%	\$1,054	15%	1.5x	9.8x	19.8x	8.4x	18.7x
Yellow Corporation	YELL	\$5.65	236%	\$1,668	83%	180%	\$4,977	4%	0.3x	8.2x	nm	5.5x	nm
Median			236%		2%			15%	1.5x	9.8x	24.1x	8.4x	22.4x
Air Freight													
Atlas Air Worldwide Holdings, Inc.	AAWW	\$81.68	218%	\$4,326	45%	664%	\$3,800	25%	1.1x	4.6x	4.7x	4.1x	4.7x
Air T, Inc.	AIRT	\$28.68	129%	\$183	55%	-179%	\$194	2%	0.9x	62.6x	nm	nm	nm
Forward Air Corporation	FWRD	\$83.02	64%	\$2,512	10%	802%	\$1,553	11%	1.6x	14.7x	36.9x	12.9x	20.0x
Air Transport Services Group, Inc.	ATSG	\$25.81	41%	\$3,289	42%	414%	\$1,651	31%	2.0x	6.4x	9.9x	6.1x	15.4x
Cargojet Inc.	CJT	\$160.09	124%	\$2,946	7%	700%	\$561	31%	5.3x	17.0x	76.9x	13.3x	38.2x
Median			124%		42%			25%	1.6x	14.7x	23.4x	9.5x	17.7x

Source: S&P Global Market Intelligence

USD millions except per share values | Financial statement data as of Q3 2021

Publicly Traded Companies

Company Name	Ticker	Price at 9/30/21	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	\$47.96	10%	\$4,295	33%	86%	\$2,145	14%	2.0x	14.5x	nm	14.4x	88.2x
Atlas Corp.	ATCO	\$15.19	98%	\$9,327	57%	431%	\$1,581	65%	5.9x	9.1x	16.2x	8.5x	9.0x
Matson, Inc.	MATX	\$80.71	164%	\$4,404	20%	1640%	\$3,358	27%	1.3x	4.8x	5.7x	3.8x	4.6x
Eagle Bulk Shipping Inc.	EGLE	\$50.42	289%	\$1,093	38%	1019%	\$485	45%	2.3x	5.0x	7.0x	3.8x	3.2x
Pangaea Logistics Solutions, Ltd.	PANL	\$5.05	153%	\$482	52%	641%	\$596	13%	0.8x	6.3x	3.9x	5.1x	4.2x
Global Ship Lease, Inc.	GSL	\$23.71	541%	\$1,537	44%	689%	\$364	53%	4.2x	7.9x	7.5x	6.2x	6.4x
Genco Shipping & Trading Limited	GNK	\$20.13	214%	\$1,096	23%	616%	\$459	37%	2.4x	6.4x	33.4x	4.4x	4.9x
Algoma Central Corporation	ALC	\$13.33	108%	\$822	39%	408%	\$454	26%	1.8x	7.1x	8.0x	5.5x	8.6x
Sino-Global Shipping America, Ltd.	SINO	\$2.29	25%	-\$14	360%	-1564%	\$5	-304%	-2.7x	0.9x	nm	nm	nm
Median			153%		39%				2.0x	6.4x	7.5x	5.3x	5.7x

Source: S&P Global Market Intelligence

USD millions except per share values | Financial statement data as of Q3 2021

Publicly Traded Companies

Company Name	Ticker	Price at 9/30/21	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	\$196.01	39%	\$157,027	19%	886%	\$21,212	53%	7.4x	14.1x	20.6x	13.5x	19.7x
Canadian National Railway Company	CNR	\$116.09	50%	\$92,879	12%	782%	\$11,373	52%	8.2x	15.8x	22.0x	16.2x	25.3x
CSX Corporation	CSX	\$29.74	56%	\$80,778	17%	804%	\$11,920	55%	6.8x	12.4x	18.6x	11.9x	19.1x
Norfolk Southern Corporation	NSC	\$239.25	64%	\$71,669	18%	716%	\$10,863	51%	6.6x	12.9x	20.3x	12.7x	19.9x
Canadian Pacific Railway Limited	CP	\$65.42	49%	\$50,231	13%	951%	\$6,301	57%	8.0x	13.9x	17.7x	15.1x	21.3x
Kansas City Southern	KSU	\$270.64	113%	\$28,457	13%	682%	\$2,893	52%	9.8x	18.9x	255.4x	18.6x	33.2x
Median			53%		15%				7.7x	14.0x	20.5x	14.3x	20.6x
Logistics & Intermodal													
United Parcel Service, Inc.	UPS	\$182.10	95%	\$174,876	9%	777%	\$94,412	12%	1.9x	16.1x	24.6x	11.3x	15.7x
FedEx Corporation	FDX	\$219.29	81%	\$87,725	34%	614%	\$78,752	11%	1.1x	10.2x	19.2x	8.9x	12.2x
Expeditors International of Washington, Inc.	EXPD	\$119.13	79%	\$19,020	-6%	1714%	\$14,640	11%	1.3x	11.7x	17.4x	10.5x	15.6x
TFI International Inc.	TFII	\$102.49	368%	\$11,488	17%	759%	\$6,202	13%	1.9x	14.1x	17.7x	11.1x	20.9x
XPO Logistics, Inc.	XPO	\$79.58	63%	\$16,329	44%	455%	\$18,436	9%	0.9x	9.9x	26.9x	13.0x	18.2x
GXO Logistics, Inc.	GXO	\$78.44	nm	\$11,078	19%	0%	\$7,444	8%	1.5x	19.0x	71.9x	17.7x	39.0x
C.H. Robinson Worldwide, Inc.	CHRW	\$87.00	31%	\$12,968	12%	1072%	\$21,150	5%	0.6x	12.1x	15.0x	10.9x	13.7x
Forward Air Corporation	FWRD	\$83.02	64%	\$2,512	10%	802%	\$1,553	11%	1.6x	14.7x	36.9x	12.9x	20.0x
Hub Group, Inc.	HUBG	\$68.75	51%	\$2,394	1%	468%	\$3,929	7%	0.6x	8.2x	21.6x	7.6x	17.2x
Air Transport Services Group, Inc.	ATSG	\$25.81	41%	\$3,289	42%	414%	\$1,651	31%	2.0x	6.4x	9.9x	6.1x	15.4x
Echo Global Logistics, Inc.	ECHO	\$47.71	179%	\$1,357	6%	508%	\$3,475	3%	0.4x	13.5x	21.7x	10.1x	16.2x
Radiant Logistics, Inc.	RLGT	\$6.39	65%	\$374	16%	657%	\$907	5%	0.4x	8.0x	19.0x	8.0x	10.1x
Median			65%		14%				1.2x	11.9x	20.4x	10.7x	15.9x

Source: S&P Global Market Intelligence

USD millions except per share values | Financial statement data as of Q3 2021

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.

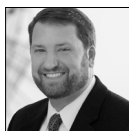
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