

**McCormick**



Northwestern Engineering

**Northwestern University Transportation Center**



**PRIVATE EQUITY IN  
TRANSPORTATION & LOGISTICS  
BUSINESS ADVISORY COUNCIL**

Spring, 2013 meeting

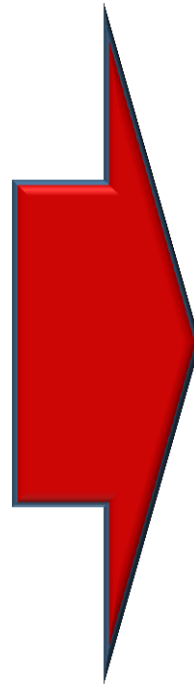
April 25, 2013

Evanston, Illinois

# Today's topic: private equity in our business

## The Background

- Since mid-2000's private equity played major role
- Transportation and logistics a growing interest
- Much of recent activity in middle market ...
- ... with the buy and build a leading strategy favored
- Several transportation and logistics focused private equity firms have emerged

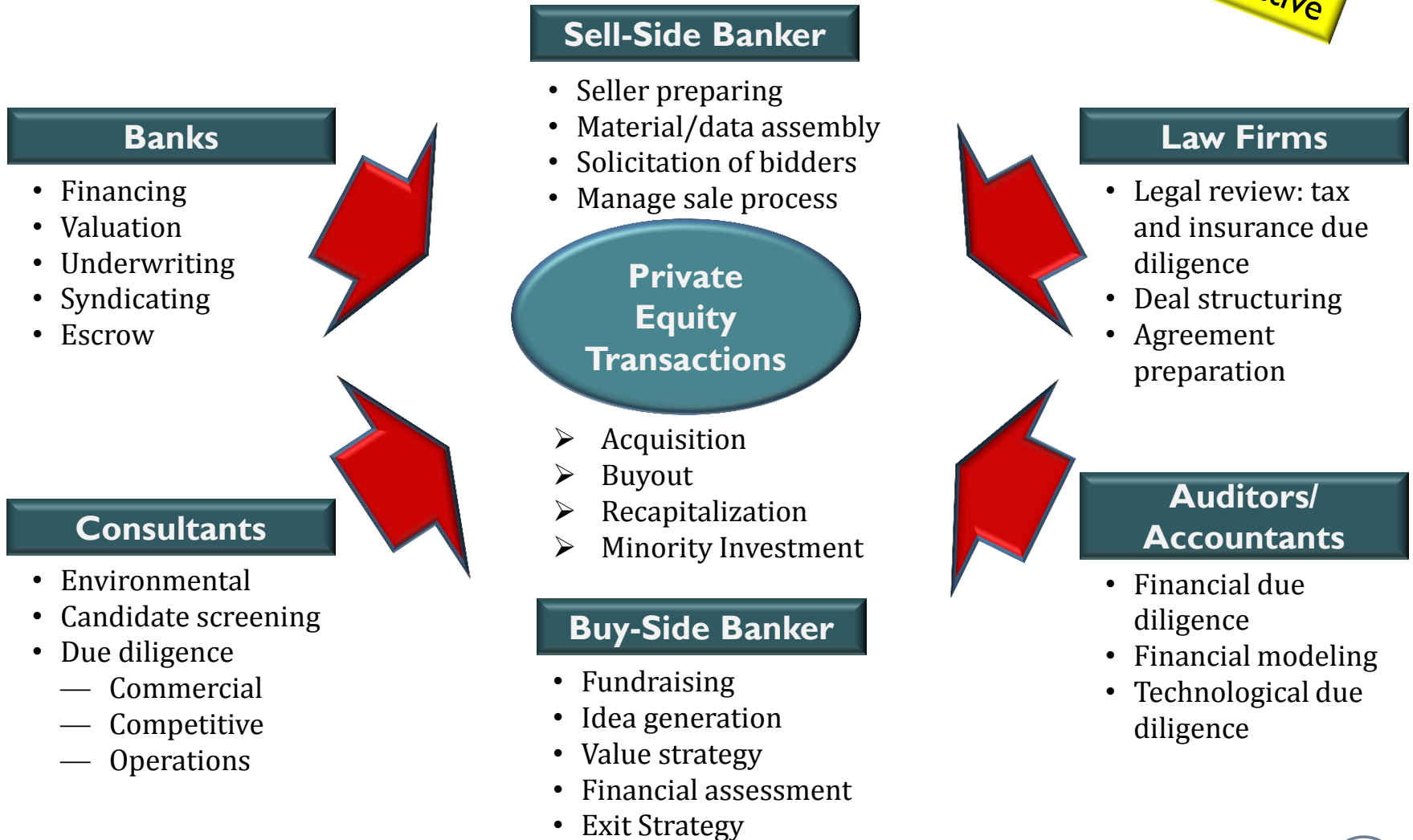


## Some Issues to Discuss

- Why are transportation and logistics attractive?
- Opportunity peaked? Growing?
- Who's up? Who's down?
- Deal challenges — all parties?
- Strategic versus financial buyer advantages?
- Regulation — at home or abroad?
- Life in private equity portfolio?

# Private equity players: variety of roles

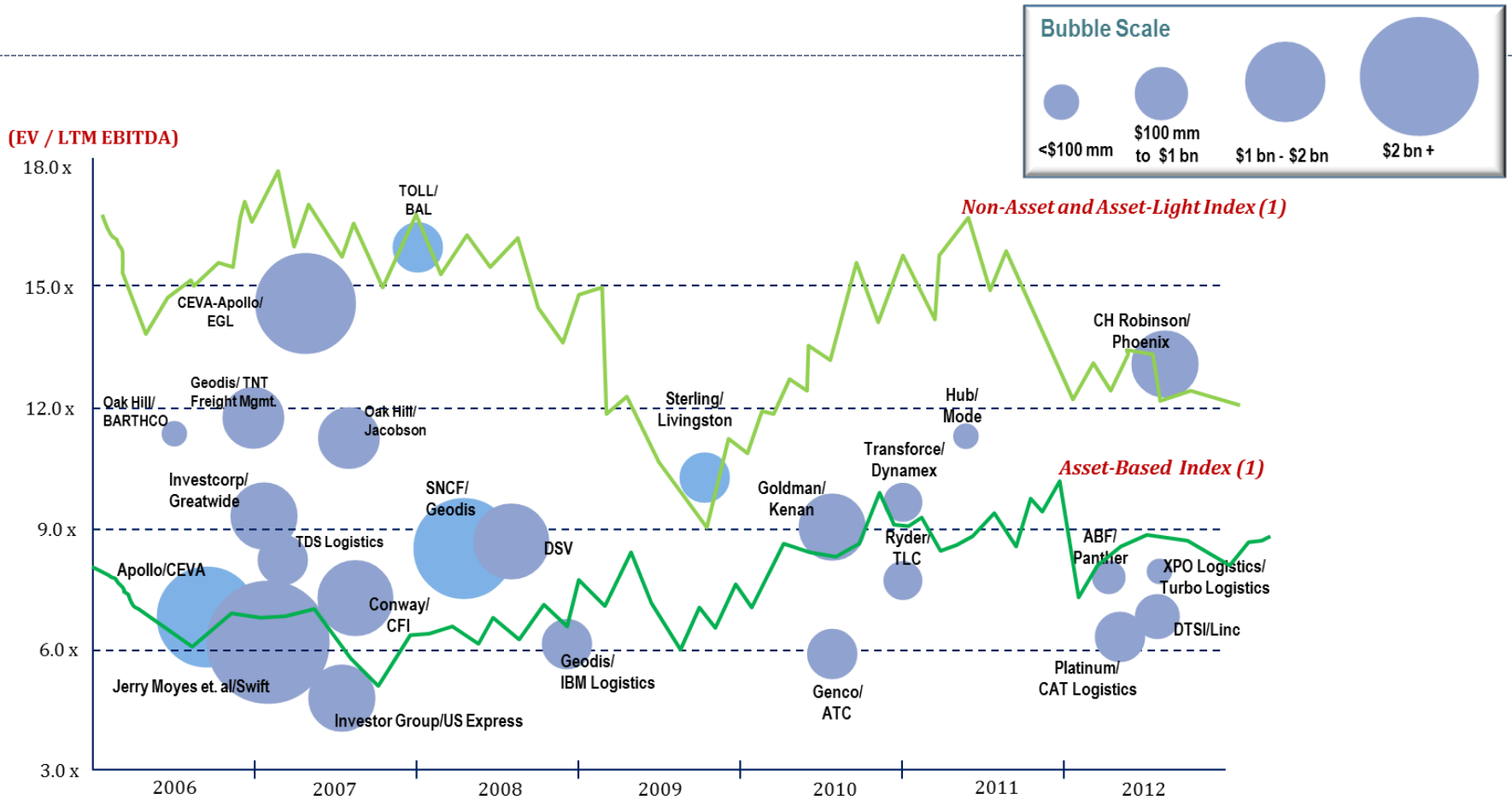
Illustrative



## Our panel today

Panelist	Firm	Notable Deals
<ul style="list-style-type: none"><li>L. Price Blackford</li></ul>	<ul style="list-style-type: none"><li>Sagent Advisors</li></ul>	<ul style="list-style-type: none"><li>DCLI, American Freightways, Roadway ...</li></ul>
<ul style="list-style-type: none"><li>John Anderson</li></ul>	<ul style="list-style-type: none"><li>Greenbriar Equity Group</li></ul>	<ul style="list-style-type: none"><li>Electromotive, Genco, Amsafe, Align</li></ul>
<ul style="list-style-type: none"><li>Ed Feeley</li></ul>	<ul style="list-style-type: none"><li>Littlejohn &amp; Co.</li></ul>	<ul style="list-style-type: none"><li>Kenan Advantage DCLI, Jerr-Dan, General Trailers, Soundview Marine ...</li></ul>
<ul style="list-style-type: none"><li>Heidi Hornung-Scherr</li></ul>	<ul style="list-style-type: none"><li>Scudder Law Firm</li></ul>	<ul style="list-style-type: none"><li>XPO, Panther, RoadLink ...</li></ul>
<ul style="list-style-type: none"><li>Kathleen Ross</li></ul>	<ul style="list-style-type: none"><li>Bank of America /Merrill Lynch</li></ul>	<ul style="list-style-type: none"><li>Numerous</li></ul>

# M&A and public market trends since 2006



• Source: Capital IQ, Armstrong & Associates, proprietary internal database, Thomson Reuters, Republic Partners

• (1) EV/LTM EBITDA for public companies is weighted by market capitalization

## Non-Asset and Asset-Light Index

- CH Robinson
- Expeditors
- Echo
- UTC
- Panalpina
- DSV
- Forward Air
- Hub Group
- Kuehne & Nagel
- Landstar
- Pacer
- Roadrunner
- UTSI

## Asset-Based Index

- Celadon
- Marten
- Werner
- ODFL
- Heartland Express
- Swift
- ABF
- SAIA
- JB Hunt
- USA Truck
- Conway
- YRC