

McCormick



Northwestern Engineering

Northwestern University Transportation Center



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

Spring, 2013 meeting

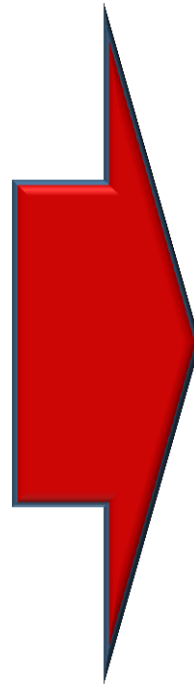
April 25, 2013

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

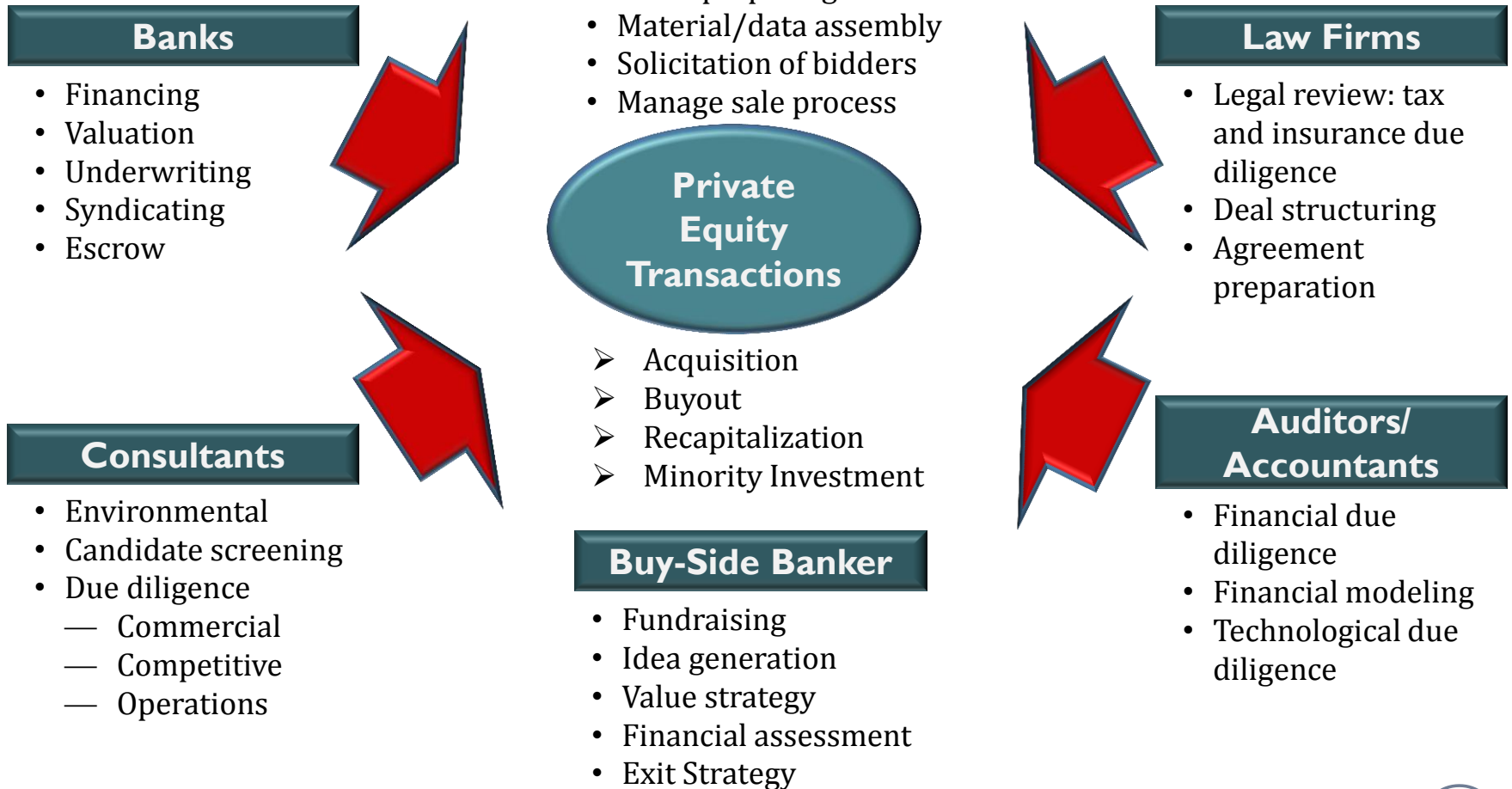


Some Issues to Discuss

- 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

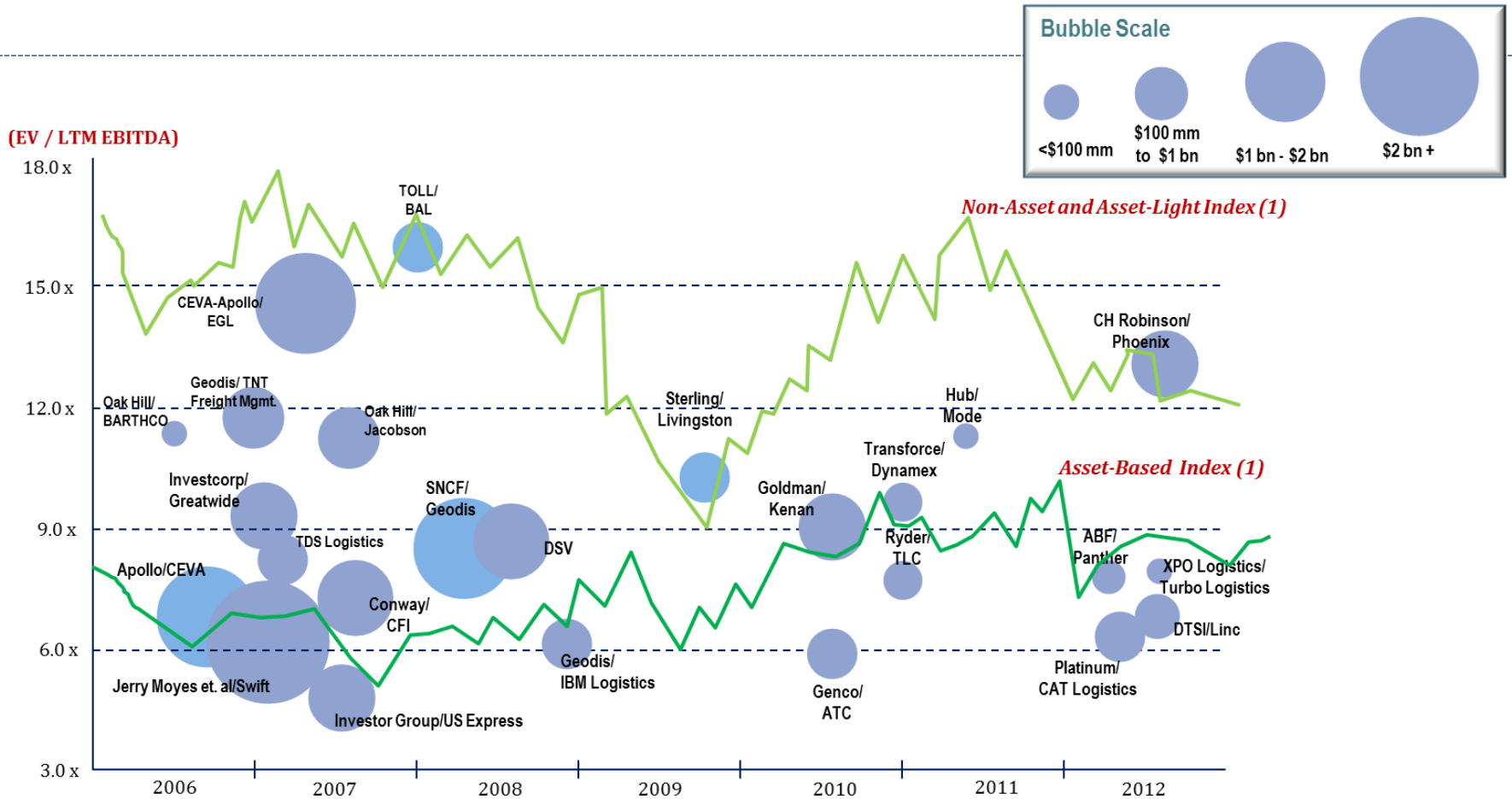
Illustrative



Our panel today

Panelist	Firm	Notable Deals
• L. Price Blackford	• Sagent Advisors	• DCLI, American Freightways, Roadway ...
• John Anderson	• Greenbriar Equity Group	• Electromotive, Genco, Amsafe, Align
• Ed Feeley	• Littlejohn & Co.	• Kenan Advantage DCLI, Jerr-Dan, General Trailers, Soundview Marine ...
• Heidi Hornung-Scherr	• Scudder Law Firm	• XPO, Panther, RoadLink ...
• Kathleen Ross	• Bank of America /Merrill Lynch	• Numerous

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