



ACT
CAPITAL
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Refrigerated Freight Brokerage & Trucking Company

ACT Client #221805

Available for Acquisition

Company Overview

ACT Capital Advisors is pleased to offer an “asset-right” Refrigerated Freight Brokerage & Trucking Company for acquisition. In addition to a high-growth freight brokerage division, the Company operates a fleet of 99 trucks and 154 trailers. The Company is headquartered in the Western United States and has offices in the Southeast. The Company’s customers are large-volume shippers of Food, Beverage, and Grocery freight.

Transaction Overview

The Company is owned 50.0% each by two brothers (the “Sellers”) who founded the Company together in 1999. They have built the Company together over the past two decades and are in being part of a larger organization that would enable them to grow the business to the next level. The Sellers are open to selling up to 100.0% of the Company’s equity or assets but would prefer to retain mutually agreeable roles and economic participation.

Investment Highlights

Refrigerated Freight Transportation Specialists: The Company is a multi-generational provider of freight brokerage and transportation services, primarily for shippers of Food, Beverage, and Grocery product. In business for almost 25 years, the Company was founded by two brothers with deep family roots in agriculture and transportation.

Scalable Freight Brokerage: The Company leverages a hybrid-asset model to support its freight brokerage using a combination of third-party carriers and its own fleet equipment. From 1999 to 2010 the Company worked solely through its carrier network. Management launched the Company’s Trucking division in 2011 to secure reliable, in-house carrier capacity – a capability that differentiates the Company when seeking new business. The Company then leverages its carrier network to scale capacity according to customer requirements.

Premium Refrigerated Fleet: The Company currently operates a premium fleet of 99 trucks and 154 trailers. Most trucks are either Peterbilt 389s or International Lonestars, which are prized by drivers for their comfort and drivability. All trailers but one are Utility 3000Rs, the best-selling refrigerated van in America. The Company’s fleet is in superb condition – 85/99 trucks and 121/154 trailers are model year 2019 or newer – and all fleet assets are serviced on a consistent maintenance schedule. The quality of fleet assets contributes to driver satisfaction and retention, and reduced maintenance downtime.

Long-Term, Blue Chip Customer Relationships: The Company has long-standing direct customer relationships with leaders in their respective categories – such as Sysco, US Foodservice, Whole Foods, and Sanderson Farms. Of the Company’s top 25 customers by lifetime revenue, 9 have been doing business with the Company for greater than 10 years, and 15 for greater than 5 years.

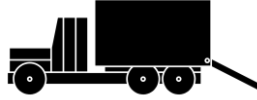
Highly Efficient Fleet Utilization: The Company methodically tracks and manages asset utilization, leveraging its network of customers, freight brokers, and load boards to keep trucks loaded. In FY2022 the Company’s Empty Mile Percentage (unbilled miles divided by total miles) was ~9.9% - which is half of Convoy’s estimated Industry Average of 20.0%. FY2022 Rate per Mile was \$3.14.

Robust Technology Implementation: The Company uses a sophisticated suite of technology and software tools to maximize operational efficiency and performance. From driver training and safety to capacity and route optimization, the Company has developed a truly end-to-end, technology-enabled operation.

Fleet Overview



99
Tractors



154
Trailers



47
Drivers

Client Sample



C.H. ROBINSON

Financial Information (Historical & Pro-Forma)

FYE 12/31	2020	2021	2022	2023E
Revenue	\$48,159,497	\$126,071,399	\$87,643,827	\$92,483,939
Gross Profit <i>Margin</i>	\$7,366,095 15.3%	\$10,307,829 8.2%	\$12,301,500 14.0%	\$11,560,492 12.5%
Adj. EBITDA <i>Margin</i>	\$1,060,992 2.2%	\$2,945,067 2.3%	\$4,956,110 5.7%	\$5,271,585 5.7%

Contact Information & Next Steps

Interested parties should execute the attached Non-Disclosure Agreement (“NDA”) and return to ACT Capital Advisors with a written request to receive the Confidential Information Memorandum (“CIM”).

NDA’s and CIM requests should be submitted to Michael Seeley, ACT Vice President.

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