

3PL VALUE CREATION NORTH AMERICA SUMMIT 2018

October 16–18, 2018 | Embassy Suites Downtown Chicago Magnificent Mile

October 16, 2018: FINANCE AND INVESTMENT BRIEFING

- 8:00 – 9:00 *Registration and Networking Breakfast*
- 9:00 – 9:15 *Welcome and Opening Statements*
Richard D. Armstrong, Chairman and CEO, ARMSTRONG & ASSOCIATES, INC.
- 9:20 – 10:25 **Transportation & Logistics Market Opportunity for Consolidation and Roll Ups**
This session will examine the overall strategic and equity investment trends in the market and provide insight into the factors driving the market forward. It will examine the logistics industry landscape which has attracted a high volume of M&A activity for over 10 years which is expected to continue into the foreseeable future.
- Why does the T&L space continue to attract sponsors, and new and existing strategic buyers?
 - How does market fragmentation pose challenges in identifying targets, and what can buyers do to find opportunities?
 - Does the mid-market segment provide a unique opportunity for consolidation to drive economies of scale?
 - What are the current overall strategic and equity investment trends driving the market?
 - What are the market dynamics for 2018 and beyond?
- 10:25 – 10:45 *Networking Break*
- 10:45 – 11:35 **Deal Valuation and Trends – What Drives the Value of 3PL Assets?**
What will shape valuations and pricing in the coming year? This session will assess the key drivers of 3PL company valuation.
- Are the multiples over-emphasized?
 - How will macroeconomics impact prices?
 - Too many buyers and too much money are chasing T&L non-asset/light-asset deals. Who will win?
 - Has the freight brokerage business become over-commoditized? How does it impact valuations?

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October 16, 2018: FINANCE AND INVESTMENT BRIEFING (Continued)

11:40 – 12:30 **Strategic vs. Financial Buyers – Major Differences and Dynamics**

This session compares strategic versus sponsor investments in 3PL assets and their investment dynamic. There is plenty of “dry-powder” out there with sponsors and strategic buyers want to maximize synergies. We will examine the differences in approach of major investors and strategic buyers.

- What are the major differences in investment strategies and the way each values assets?
- How do buyers go about finding deals which fit their Investment Profile?
- Will the competition between various buyers send valuations for worthy “assets” into an upward spiral?
- Is investing in transportation or logistics technology an attractive investment?

12:30 – 1:40 *Group Luncheon*

1:40 – 2:35 **Mid-Market Consolidation, Roll Ups and M&A**

Since the mid-market presents unique challenges and opportunities within both asset-based and non-asset/light-asset T&L segments, this panel examines issues related to the less talked about mid-market segment of our industry. This panel will discuss:

- Why is the mid-market segment significant and important?
- What level of mid-market fragmentation is there in both asset/non-asset space?
- Why mid-market consolidation and roll up strategies can provide unique opportunities.
- What do sponsors think about mid-market investments?
- What are the usual challenges mid-market companies face in terms of scalability and growth?
- What the mid-market signifies about the future industry landscape.

2:35 – 3:00 *Networking Break and Private Meetings*

3:00 – 4:00 **Summarizing the M&A Landscape – New Headwinds and Tailwinds in the Industry**

This session will cover the latest market intelligence and industry dynamics influencing M&A activity into 2019, including:

- Macroeconomic trends that will influence valuations and capital structure.
- Industry dynamics impacting how big strategic and financial investors will approach M&A.
- Trends and trajectory of e-commerce logistics and its impact on M&A.
- Digital brokers, a new reality, how are they impacting the industry?

4:00 *Finance and Investment Briefing Adjourns*