



3PL Transplace Merges With Celtic Intl. [Transport Topics]

(Transport Topics Via Acquire Media NewsEdge) Transplace Inc. has merged with intermodal marketing company Celtic International Inc. to create a \$1 billion North American logistics provider.

The Dallas-based 3PL did not divulge any terms for the buyout of Celtic, which closed Oct. 12.

But Joost Thesseling, managing director of CI Capital Partners, which owns Transplace, told Transport Topics the management of Transplace and Celtic contributed significant proceeds and own measurable portions of the merged company. Thesseling added that CI Capital remains majority owner and Chicago-based Celtic operates as a division of Transplace.

Before this deal, the investment firm said Transplace generated about \$800 million a year.

Meeting increasing shipper demand for trucking services was one reason for the merger, according to Transplace president Tom Sanderson.

“We see enormous growth opportunities in intermodal transportation as truckload capacity tightens and fuel prices remain high. We also expect to find opportunities for the current Transplace customers with Celtic offerings as well as offering Transplace’s logistics solutions to certain Celtic customers,” Sanderson said.

Thesseling said his New York private equity firm remains on the hunt for more non-asset logistics companies to buy.

“We will continue to look at contract logistics businesses that can add to our existing customer base or customer end markets,” Thesseling said. “We are extremely selective in what we look at. There’s lots of business models out there, and we have plenty of equity capital to support Transplace.” CI Capital bought Transplace in 2009 and has steadily expanded the logistics platform.

In April, Transplace scooped up SCO Logistics, a Philadelphia third-party logistics company specializing in chemical shipments, for an undisclosed sum. At the

time, Transplace said it did not have any expertise in the chemical industry.

With the merger of Celtic, CI Capital is now looking beyond logistics and will explore acquisitions for truck brokerage firms and other intermodal marketing companies, Thesseling said.

“We did intermodal in a small way. By adding Celtic, we’re adding scale,” he said. “For a variety of reasons, we think intermodal as well as truckload and logistics management will continue to grow.” Celtic International was founded by its president, Richard Hyland, in 2004. Hyland and his management team have stayed on, and Hyland now sits on Transplace’s board.

“The combination with Transplace is a great result for Celtic customers and employees,” Hyland said in a statement. “Opportunities for growth and expansion are abundant, given Transplace’s extensive customer following.”

By Greg Johnson Staff Reporter © 2011 Transport Topics Publishing Group (TTPG)