

# Transcend Carriers

Organizing to Capture Value  
Created by the Owners

**Charlene & Mark Mitchell**

Owners, Transcend Carriers

Gill, MA



# CASE STUDY

## Organizing to Capture Value Created by the Owners



This CoreValue client was a specialty trucking company focusing on over dimensional freight, with the flexibility to handle both van and flatbed transport. They had a well-earned reputation for performance and customer service and a premium ability to move product on time and on schedule. They controlled their tractors through ownership and a specialized lease program with its owner-operators. They also owned their own trailers. The combination allowed the Company flexibility to haul many different load types.

The owners had been trying to sell the company due to fatigue and the illness of one of the partners. The asking price was \$1.5 million, but no offers had been received within a year prior to CoreValue's involvement.

CoreValue was initially used to understand what operational inadequacies existed and what processes needed documentation. After the initial assessment, the CoreValue advisor was retained to help buttress up the operations through projects, document the corporation's delivery system, and ultimately compile an offering document, while assisting with the transfer process.

This company's small size lent itself to an informal management structure, which combined with experienced personnel, has been a significant part of the success. However, *the informality that promotes such a strong team ethic was extremely hard to communicate to potential acquirers.* Thus, the company required internal documentation on all of its personnel and processes.

### Company & Owner Goals

- Organize the company so it could be presented in a format that captured its value.
- Layout a high level growth plan that could be presented as part of the value presentation.
- Layout possible transition plans based on personal goals and planning.

Through the expedited engagement, the CoreValue advisor documented all elements of this company's business. An M&A firm was enlisted to help compile findings into an offering memorandum. The advisor was then retained to help transfer the company. The owners had been seeking \$1.5 million for their company, roughly the cost of their productive capital, and a small goodwill addition. Shortly after the CoreValue engagement, they received an all cash offer of just under \$3 million, nearly twice the owner's initial goal.