

Salute_to_industry

Forward Air Sees Landmark Year With Expansion, Rebranding

✍ By Kristen Early Associate Editor

🕒 05.20.17

An acquisition, rebranding, a new location and plans for a significant expansion to the employee base: It's been a hallmark year for Greeneville-based Forward Air Corporation.

In summer 2016, the state of Tennessee awarded the company a \$1.16 million grant for building improvements in exchange for Forward Air maintaining a presence in Greene County, expending \$4.3 million in capital investments to remodel a portion of a former Magnavox location, and add 105 jobs.

The corporation, a logistics company based at 1915 Snapps Ferry Road — the Chasan Industrial Complex and former Magnavox Plant 3 location — celebrated the completion of building improvements in November.

The additional employees are expected following the final paperwork on the corporation's acquisition of Atlantic Trucking Company Inc., Heavy Duty Equipment Leasing LLC, Atlantic Logistics LLC and Transportation Holdings Inc., together known as "Atlantic," of Charleston, North Carolina.

That acquisition should be complete this spring, Forward Air Vice President of Procurement Jeff Taylor said in a recent interview.

THE EXPANSION

Officials lauded the trucking and logistics company's decision to expand in Greeneville.

"Forward Air has been part of Tennessee's robust logistics and distribution industry for nearly three decades, and the company's continued investment speaks volumes about our great business climate," Gov. Bill Haslam said in August 2016. "Thank you to Forward Air for continuing to grow in Greeneville and Greene County."

Founded originally as Landair Transport in 1981, Forward Air has expanded to include an array of logistics services.

"It is always exciting news when a company chooses to expand in our state," Boyd said. "There are over 263,000 Tennesseans employed in the transportation, logistics and distribution industry with 12 percent growth expected over the next 10 years. I want to thank ForwardAir for adding these jobs to this steadily growing sector."

Forward Air operates through four principle business segments: Expedited LTL, Expedited Truckload (TLX), Intermodal and Pool Distribution. The company is the 35th largest for-hire carrier in the U.S., according to information released by the state in 2016.

“This is an incredibly passionate and supportive community, and we are excited to have the opportunity to expand and grow with it,” Forward Air CEO Bruce Campbell said at that time. “We look forward to being in this area for years to come. Our employees are extremely dedicated, and we would like to thank them for their hard work and support over the years.”

THE NEW LOCATION

With this expansion, Forward Air has built-out new data center space at the Chasan Industrial Complex, located in a former Magnavox building.

Prior to that, it was at the Greeneville-Greene County Municipal Airport.

“It’s a very different type of space,” Taylor said. “We were over at that location for 20-plus years. Twenty years ago, it was right. As we have grown and acquired companies, the way in which we do business really changed. The building just was not structured to accommodate our change in business and growth.”

Relocating 170 employees had its challenges. The change was intimidating at first to some employees, he said.

Features of the new location include modular offices well-suited to frequent restructuring and growth and break rooms designed with board game themes, vibrant colors and comfortable chairs for relaxing and texting.

Throughout the offices, regional and vintage art is juxtaposed to the occasional “word wall” featuring words that are key descriptors of what employees see as important in the job, such as: motivation, tenacious, action, success, commitment and thank you.

And then there are the empty expanses waiting for more modular cubicles and office spaces, enabling “significant growth,” he noted.

“Even though our senior management resides mostly in Atlanta, there’s a huge commitment to this building,” Taylor said. “To bring this building back to life and see this parking lot full, it’s really a great thing, on many levels. Our employees enjoy walking the parking lot. They can be more active in the community, because you can get to things quicker. It was growth, and it’s good.”

THE WORKFORCE

Part of the corporation’s decision to maintain its Greeneville location came down to the available workforce, Taylor said.

“I do think we have such a great workforce in this area. Great schools (and a) great workforce, which is one of the reasons we’re still here,” he said. “Our school systems have been able to support the change and needs.”

The main skills the company looks for are “really great communications and math and technology,”

he added. "Our schools have done a great job with that. We like competitive people. We have a really great mix of people."

The modern facility's design has the millennial generation in mind, but proved impressive and comfortable to Forward's entire, multi-generational workforce, he said.

"We've got a multi-generational workforce, so on the design side of it, there was a lot of thought that went into it," Taylor said. "We have a lot of folks who have been here 15-20 years. We've got some second generations. At the same time, we've got a lot of younger people, too, as we've grown."

REBRANDING

With that growth has also come change and expansion to the corporation's services.

"As the company has changed, our service offerings have as well," Taylor said. "We did a rebranding to better align to the services. It's basically a better representation of our service offerings, because we have changed over the course of 20-plus years."

The rebranding changed the company logo and broke down a mission statement for each division. Each seeks "to deliver safe, time-definite, damage-free transportation solutions" to their varying industries:

- Forward Air Expedited Less-Than-Truckload, the original, core business unit for the company, delivers to the expedited industry.
- Forward Air Truck Load Services, which includes the TQI division and handles expedited team services, delivers to the health care industry.
- CST provides deliveries to the intermodal industry.
- Forward Air Solutions, a national distribution and logistics services provider, specializes in deliveries to retailers, health care distributors, publishers, the hospitality industry and others.

"We're truly a logistics company," Taylor said. "We participate in all facets, whether we're taking one pallet of refrigerated pharmaceutical, whether we're pulling a container from the port to a distribution center, to our core airport to airport — our airline business — we cover it all. We don't own airplanes and we don't own ships, but in between, we do it."

THE ACQUISITION

The acquisition that is underway will add to the company's Intermodal segment.

Forward Air Corporation announced in April that its wholly owned subsidiary, Central States Trucking Co., entered into an agreement to acquire essentially all of Atlantic's assets.

"The closing of the transaction is subject to various customary conditions, including but not limited to, compliance with the covenants and agreements in the definitive agreement in all material

respects,” according to the announcement. “It is anticipated that the transaction will close prior to the conclusion of the second quarter of 2017.”

Atlantic is a privately held provider of intermodal, drayage and related services. In addition to its Charleston headquarters, it also has terminal operations in Atlanta, Charlotte, Houston, Jacksonville, Memphis, Nashville, Norfolk and Savannah.

During calendar year 2016, Atlantic generated approximately \$62.3 million in revenue, the announcement says. Atlantic is expected to be accretive to Forward Air’s earnings starting in the fourth quarter of 2017.

“We are pleased to add Atlantic to our Intermodal segment,” said Matthew J. Jewell, president of Logistics Services at Forward Air. “Atlantic has the management talent, fleet size, customer base, geographic footprint and quality of operations that we have been looking for to serve as our Southeast beachhead, and to complement our Midwest legacy locations. There is very little overlap between CST and Atlantic’s service locations. Accordingly, this acquisition will enable CST to provide a greatly expanded geographic breadth of service to our customers. We are excited to welcome the entire Atlantic team on board with us.”

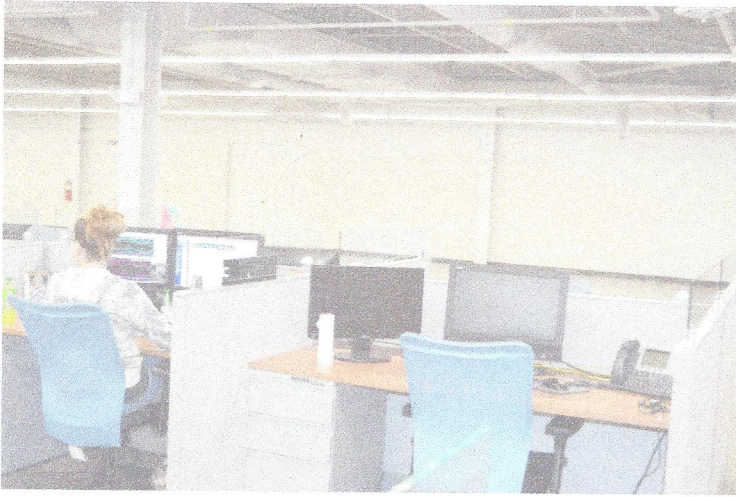
Atlantic President Kevin O’Donnel added, “This is an exciting opportunity for our team to become a part of one of the fastest growing and financially secure companies in our industry. CST has an impeccable reputation and we are very much looking forward to contributing to their continued success.”

The projected 105 jobs that the acquisition will bring will come in phases to each department, Taylor said. There is not yet a timeline in place for when that will occur, he added.

Despite the busy year filled with changes, Taylor praised employees for pushing forward and continuing to achieve.

“Forward Air has always been a high achieving, progressive company, and so it’s really kind of business as normal,” he said.

“Election years make things interesting, because the economy is always like, ‘I don’t know if we’re going to stay or go.’ World economy and politics has an influence, because a lot of what we do is imports. So it keeps you on your toes; it’s never a dull moment.”



Sun Photo By Kristen Early

Forward Air's new modular offices and cubicles allow for restructuring and growth. The company left considerable open space for additional employees in anticipation of significant growth.