



Universal Logistics Expands to U.S. Via Acquisition



PROJECT OVERVIEW

Universal Logistics is a third generation, family-owned business established in 1949 with 87 employees and five locations across Canada. Over these 70-plus years, Universal have grown and prospered by delivering innovative logistics solutions while still maintaining a family value approach to caring for their clients. Universal's complete package of logistics services includes international freight, North American trucking, U.S. and Canadian customs brokerage and warehousing/distribution.

In 2009, Universal's U.S. sales represented only 3-4% of the company's overall sales, and they worked through a U.S. partner to provide their U.S. brokerage services. However, it was identified that a significant value-added client need would be met by establishing their own U.S. customs brokerage presence. A U.S. office would enable clients with product imports or exports, either to or from the U.S., to receive a single and trusted source for their U.S. customs brokerage, trucking, and distribution requirements. The solution was to take advantage of one of the two options available at the time: a ground level, start-up operation or an acquisition of a U.S. company. In a stroke of good luck and perfect timing, their existing U.S. partner in Buffalo proposed to sell their company and this created the optimum opportunity to make a fast track, strategic acquisition of an established U.S. customs broker.

PROJECT SOLUTION

Universal Logistics reached out to Invest Buffalo Niagara (InBN) for assistance in the fall of 2009. While the company had already identified an acquisition target, InBN was able to connect them with local banking and HR contacts. We also assisted Universal to identify available office space to which the operations would transition, after the acquisition was complete. In 2010, the company completed the acquisition of this local operation and moved forward with their first U.S. office.

The Buffalo office from day one has been a great success story and this instilled the confidence in 2016 for Universal to further their U.S. expansion plans by making a second acquisition. This addition of a Cleveland, Ohio based international freight forwarder increases their U.S. employee base to nine in Buffalo and five in Cleveland. Today, Universal's U.S. operation represents over 15% of total company revenues. Universal Logistics is now ideally positioned with offices on both sides of the U.S./Canada border to deliver logistics solutions in helping their Canadian and U.S. clients reduce freight costs, optimize transit times and achieve air-tight customs compliance.

PROJECT TYPE:

Logistics/Distribution

JOBS: 9

INVESTMENT: \$585,000

“A key factor in this decision-making process was the recognition of Buffalo as a strategic trade gateway linking Canada and the U.S.”

– Lisa Fertita, General Manager, Universal Logistics USA