



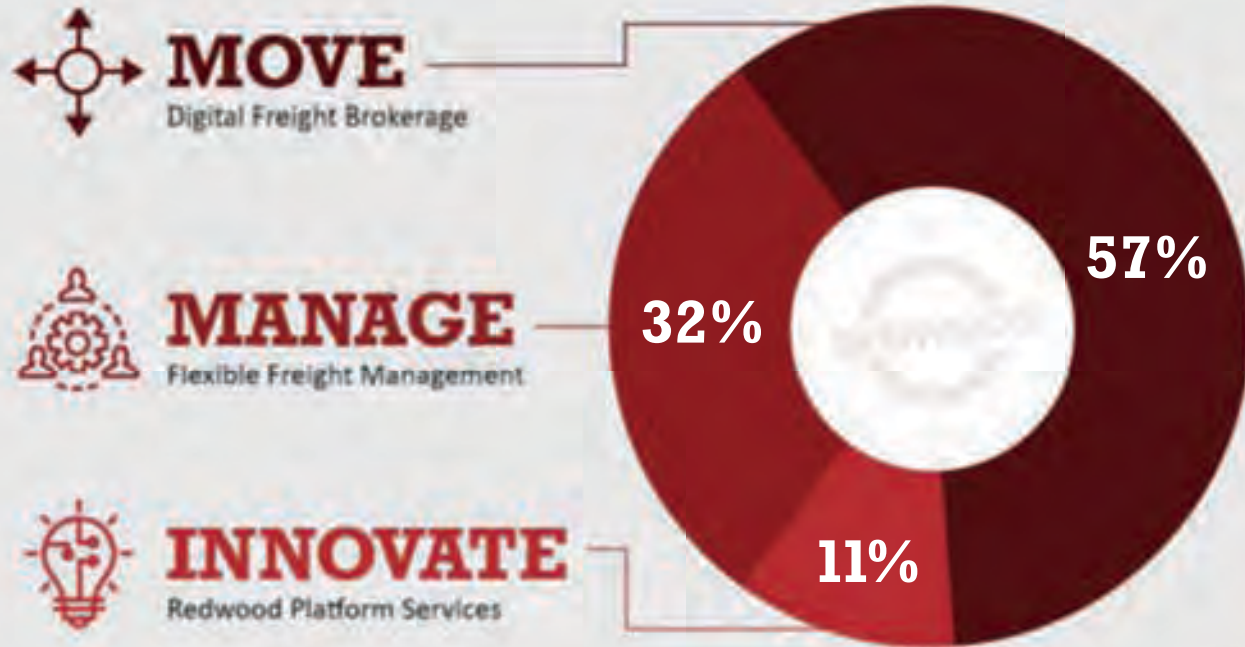
Outlook for 2020: Predictions In an Uncertain Time

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Next Generation Freight Management



\$1B+ Freight under management		1M+ Transactions processed annually	
14 Locations across the U.S.		5K+ Customers	20K+ Active Carriers
ADVANCED ANALYTICS & REPORTING		COMPREHENSIVE LTL NETWORK	
TMS EXPERTISE Oracle Gold Partner MercuryGate Integrator of the Year		AWARD WINNING PROPRIETARY TECHNOLOGY RedwoodConnect 2.0 & LoadRunner®	

Redwood: The Journey to Next Generation Freight Management


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- 2001** • Redwood Founded as Transportation Solutions Group (TSG)
 - 2003** • Simplified Logistics Founded – Launches Proprietary LTL Management Technology
 - 2007** • Redwood Hits \$50 Million in Revenue
 - 2008** • Redwood Launches Managed Services Division
 - 2011** • Redwood Hits \$100 Million in Revenue
 - 2013** • Work begins on RedwoodConnect 1.0
 - 2014** • Redwood Hits \$200 Million in Revenue
 - 2017** • Redwood Hits \$300 Million in Revenue
• Investment by CI Capital & Integration with Simplified Logistics (Cleveland, OH)
 - 2018** • Redwood Hits \$500 Million in Revenue
• Redwood Mexico Founded (Monterrey, MX)
 - 2019** • Redwood Hits \$644 Million in Revenue
• LTX Acquisition (Atlanta, GA)
• Strive Logistics Acquisition (Austin TX/Chicago, IL)
• Eminent Acquisition (Philly, PA)

Key Freight Indicators

Page	Indicator	Most Recent Month Reading	YOY Change	Most Recent Data Available	Prior Year Reading	Five-year Average	Trend
11	ATA Truck Tonnage Index	113.5	-2.1%	November	115.9	107.6	↓
	West Coast Container Volumes						
4	Imports	836,965	-11.2%	November	942,641	887,009	↓
4	Exports	417,619	-2.7%	November	429,263	430,097	↓
	Total West Coast Volumes	1,254,583	-8.6%	November	1,371,904	1,317,106	↓
	Total East Coast Volumes	1,112,691	2.0%	November	1,091,050	1,064,931	↔
5	Container Rates – Hong Kong to L.A.	\$1,446	-30.8%	December	\$2,091	\$1,537	↓
6	Total Business Inventory / Sales	1.40	3.2%	October	1.36	1.38	↔
7	New Housing Starts	1,365	13.6%	November	1,202	1,199	↑
9	Internet Truckstop MDI	33.8	5.7%	December	32.0	25.4	↑
10	Cass Freight Shipment Index	1,124	-3.3%	November	1.162	1.139	↓
12	Contractual Truckload Rates (Dry Van Only)	\$1,816	-3.5%	November	\$1.881	\$1.737	↓
13	U.S. Class 8 Vehicle Production	18,940	-18.3%	November	23,192	19,995	↓
14	U.S. Class 8 Blended Used Vehicle Pricing	\$43,715	-10.9%	November	\$49,077	\$46,273	↓
15	General Freight, Long-Distance Employment	517	0.6%	October	514	508	↔
16	Intermodal Loadings	969,045	-9.4%	October	1,070,023	1,034,505	↓
18	Diesel Fuel (per gallon)	\$3.06	-2.2%	December	\$3.12	\$2.78	↓
6	Retail Inventory / Sales	1.45	0.1%	October	1.45	1.46	↔
8	ISM Purchasing Managers Index (PMI)	47.2	-13.1%	December	54.2	54.1	↓
17	% Chg. International Airfreight Volumes	-3.5%	-3.5%	October	3.1%	3.3%	↓

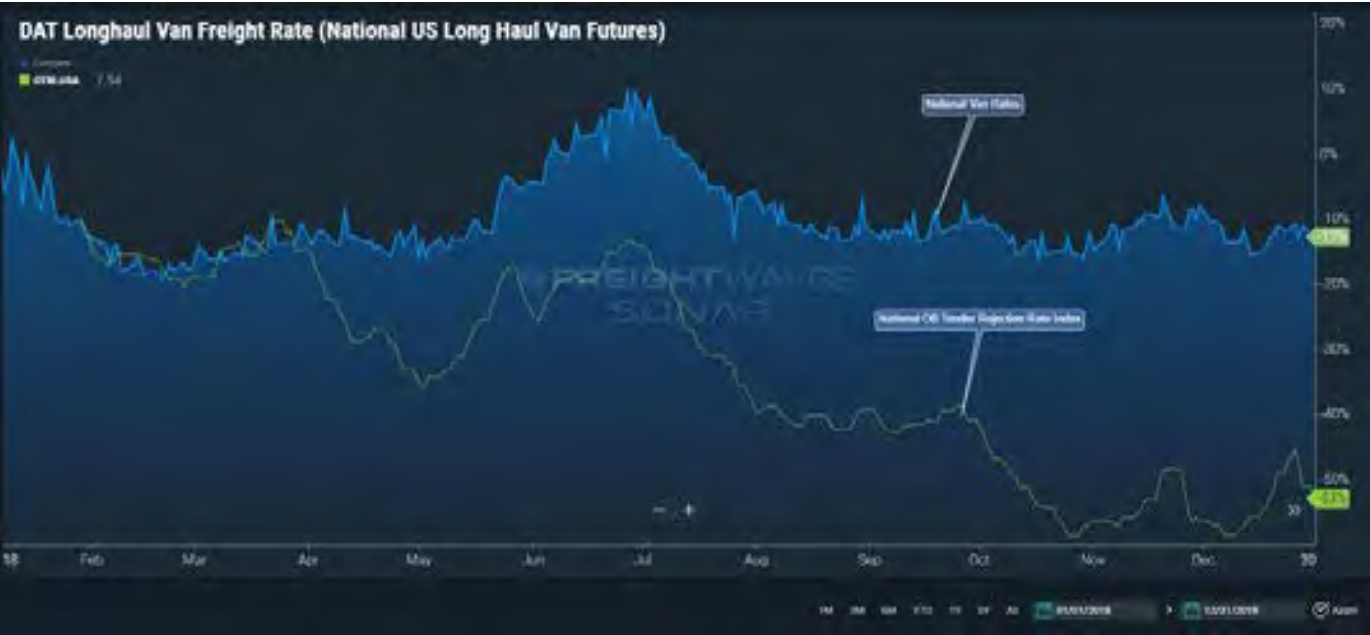
2020 is a Year of Uncertainty

- Global Economy
- Trade
- Sustainability of U.S. Recovery
- Freight Economy Detached from Overall Economy
- Bankruptcies
- Regulatory Changes
- Election Year



**Is 2020 Like
2018 or
2019?**

2018 Tender Rejections



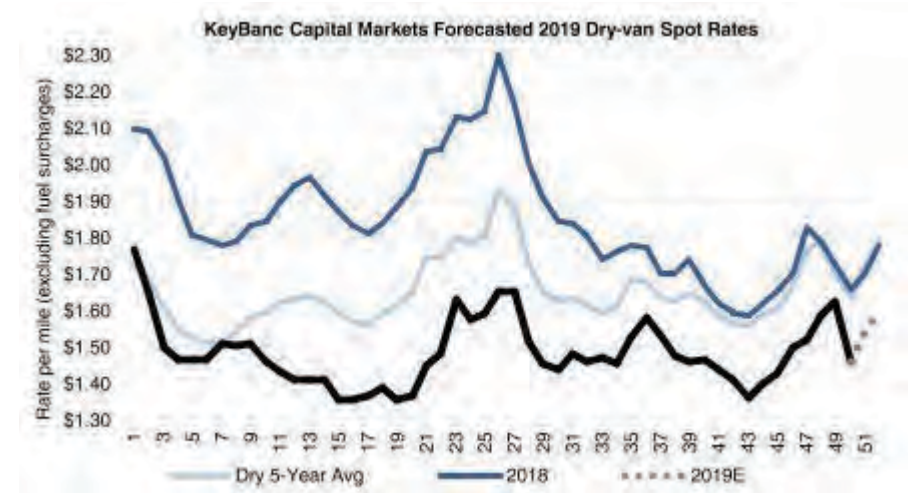
Spot v. Contract 2018 & 2019



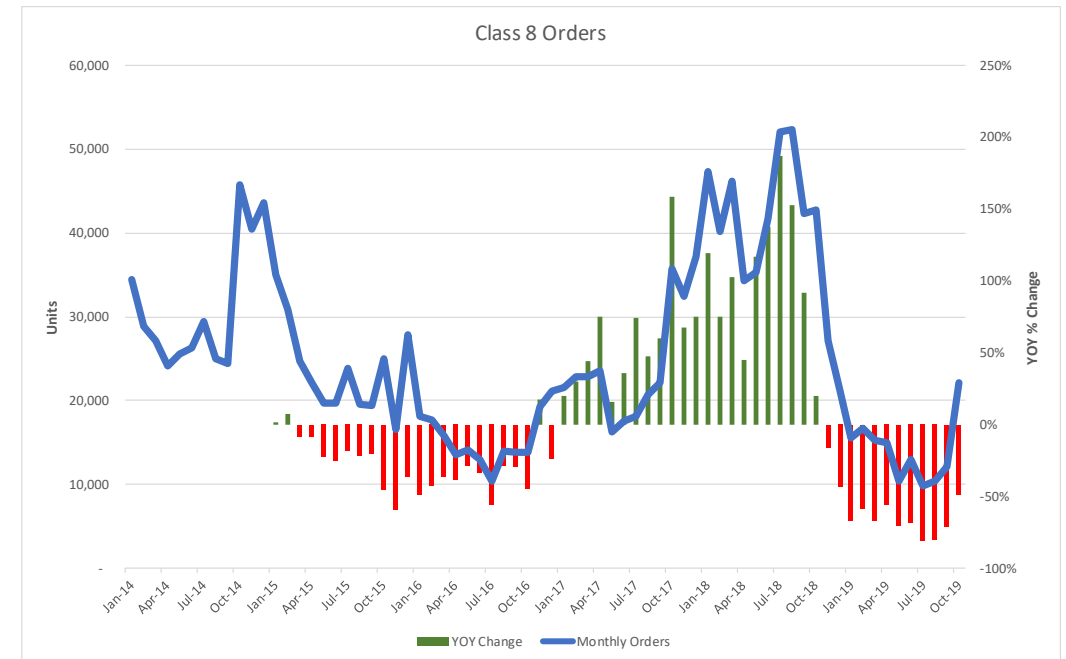
2018 or 2019




- Robust volumes
- A disrupted freight network
- Tight capacity
- Skyrocketing spot costs
- Significant contract price increases
- Significant Cap Ex increases
- Unprecedented investment activity



- Oversupply
- Soft volume
- Collapsing spot market
- Contractual pricing declines
- Decreased truck orders
- Increased bankruptcies





10 Predictions for 2020

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- 1 Phase I China deal but no Phase II
- 2 USMCA ratified but infrastructure funding goes nowhere
- 3 M&A activity continues despite economic uncertainty
- 4 IML volume challenges continue
- 5 Tech makes a splash but it's not all good

10 Predictions for 2020 contd.

- 6 No significant uptick in truckload demand until second half of 2020
- 7 Class 8 decrease correlates to supply tightening
- 8 Trucking bankruptcies surge as costs increase
- 9 AB5 disrupts California truck market
- 10 Spot recovers and contract turns modestly positive in second half

Shipper Response

- 1 Adjust procurement strategy
- 2 Work on inefficiencies
- 3 Anticipate freight recession will end
- 4 Lock down pricing for service sensitive freight
- 5 Mind risk
 - Cyber security
 - Bankruptcies



Thank You