

2025

TENNEY GROUP

MID-YEAR M&A REPORT



NOTE FROM THE CEO:

Friends,

*We hope our 2025 Mid-Year Report offers helpful insights as you navigate an increasingly complex M&A environment. We especially hope you will enjoy our All-Star Buyer Video Panel, our new Masterclass: The Art of Timing a Business Sale, and an inspiring clip from our Inaugural Legacy Summit. As you consider all your strategic options in the back half of 2025, remember to always **stay agile and educated**.*

All my best,

S. Tenney

Spencer Tenney
CEO, Tenney Group





Notable Deals in 2025



Acquired



Acquired



Acquired



*Tenney Group Advised



Stonepeak

Acquired



DESCARTES

Acquired



RADIANT

Acquired



PRORCIENT AUTO LOGISTICS, INC.

Acquired



Acquired



Acquired



DSV

Global Transport and Logistics

Acquired

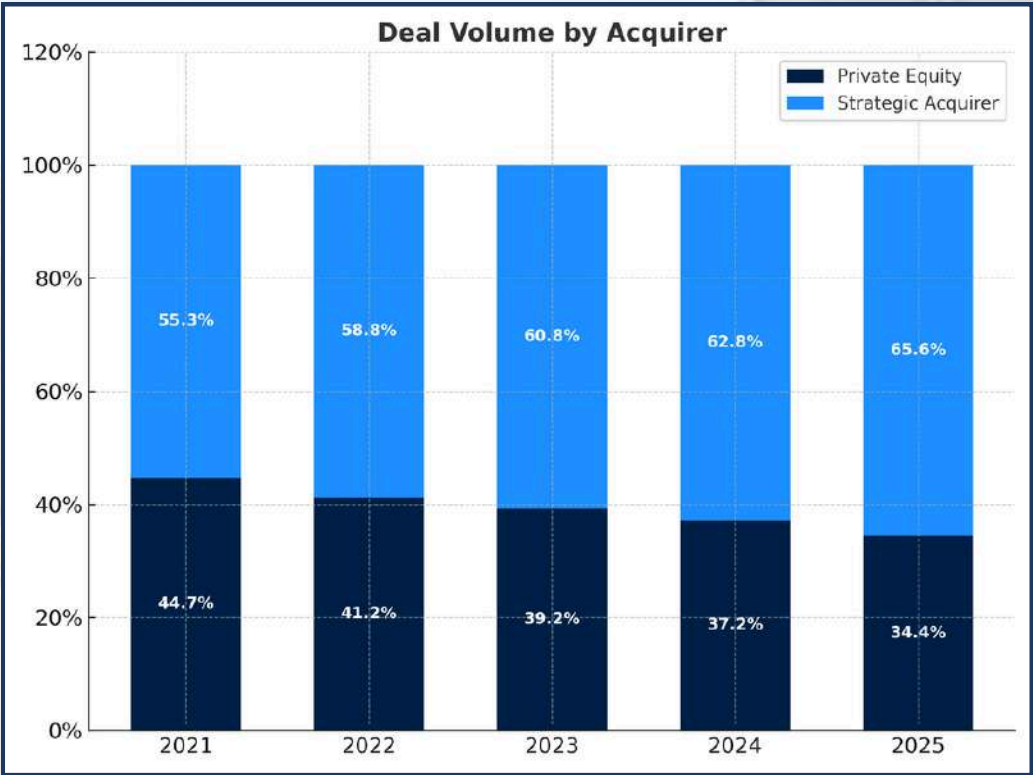


CURRENT STATE OF M&A

As capacity in the logistics industry contracts, solid companies with strong fundamentals have taken advantage of acquisition opportunities to enter new geographic markets, expand service capabilities and position themselves to serve new industry sectors. At the same time, target companies were able to solidify the job status of their employees, put their assets to work for stronger organizations and facilitate the exits of their long-time leaders.

The volume of deals in the first quarter of 2025 showed the continuation of a yearlong upward trend. More on that below.

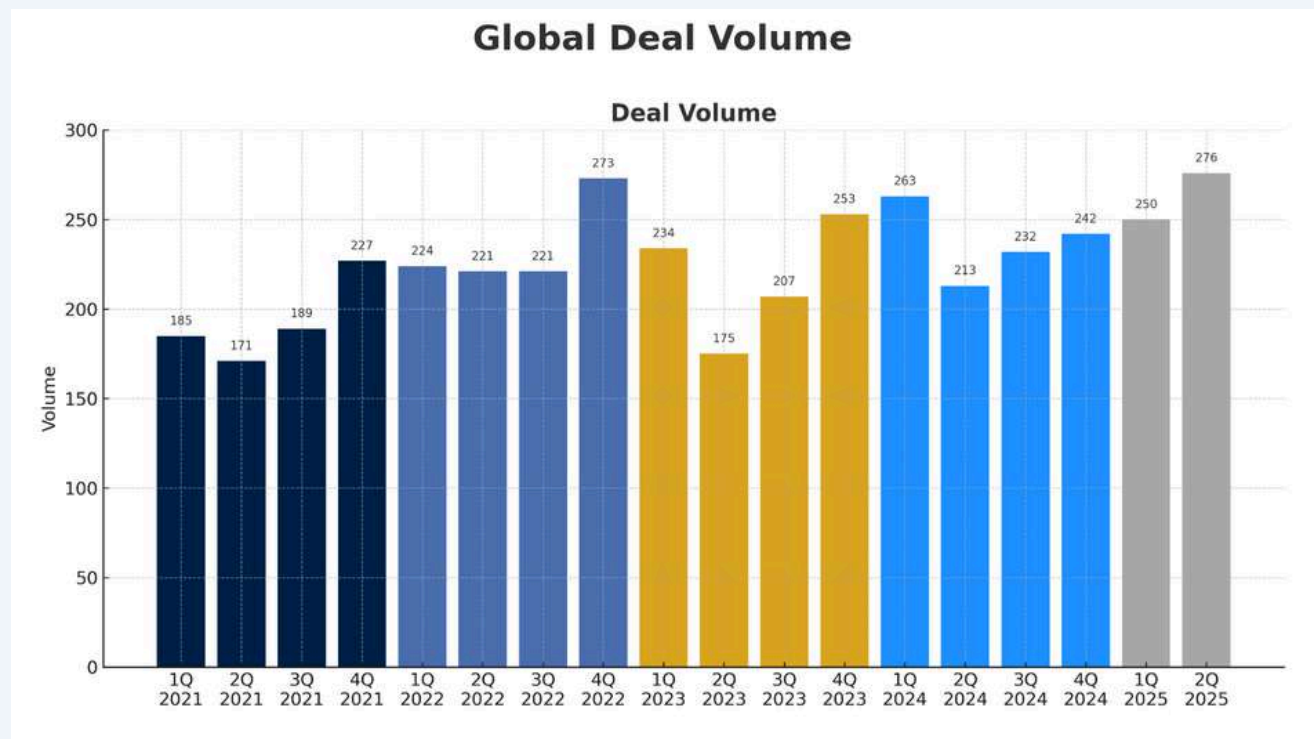
The industry’s notable deals during the first half of 2025 highlight an industry in the midst of technological progress and public policy uncertainty. But as always, those with strong fundamentals and the ability to expand their service capacity emerge in the best position.



Source: Pitchbook

CURRENT STATE OF M&A

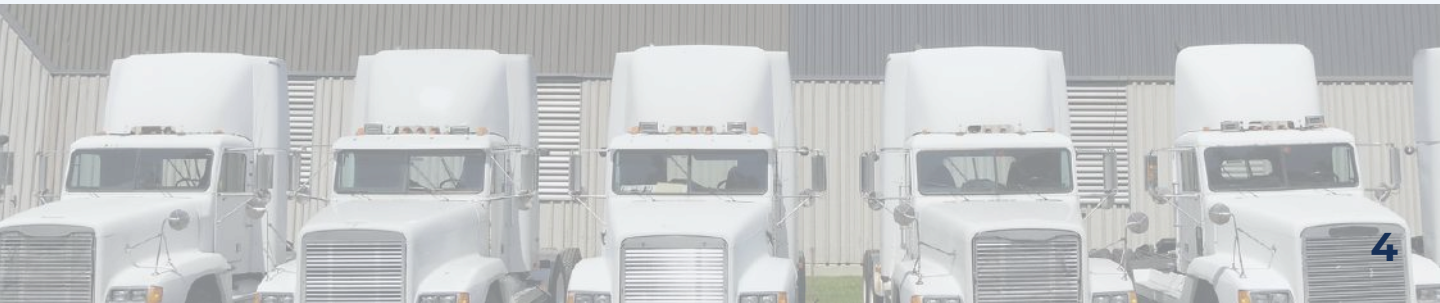
The M&A market in transportation/logistics has now seen five consecutive quarters of increased deal volume, which indicates that the overall market is getting healthier and, we believe, setting the stage for explosive growth to come.



Source: Pitchbook

DEAL VOLUME BY QUARTER

The second quarter of 2025 saw 276 deals in transportation/logistics, an increase of more than 10 percent over the 250 deals in the first quarter of 2025. It is the highest deal volume by quarter since before COVID.



CURRENT STATE OF M&A

Trump tariffs - what you need to know.

The Trump tariffs have introduced uncertainty into the M&A market. While many exceptions apply, the general policy has been to impose a 10 percent tariff on imports from all countries except Canada, Mexico, Cuba, North Korea, Russia and Belarus. Chinese imports are subject to a 45 percent tariff, while the other countries mentioned are subject to 25 percent tariffs with notable exceptions.

Sector tariffs have also been imposed, with a 25 percent levy on passenger vehicles and light trucks, 25 percent on auto parts and 50 percent on steel and aluminum (except from the UK, in which case the levy is 25 percent).



*Various exemptions apply; Per Federal Government Data

In such a tariff environment, companies who can provide unique solutions to the problems arising from tariffs have seen their value increase.

Many of these tariffs are set to expire in July or August, although some will likely be extended. In such an uncertain tariff environment, many potential deal participants may wait and see how trade policy ultimately settles in.

CURRENT STATE OF M&A

Indicators of post-transaction success.

One of the most surprising and encouraging trends in today's M&A environment is the collaborative mindset between buyers and sellers – working together to offset rising costs, navigate AI implementation and adapt to macroeconomic pressures.

But anyone conducting due-diligence on a prospective deal – or just scanning the market for opportunities – needs to consider these emerging issues every bit as prominently as the usual financial indicators and operational analyses.

Indeed, in the current economic environment, these issues could make or break the pursuit of any deal. And if a deal is to take place, the information gleaned from discovery in this area will prove to be an important indicator of post-transaction success.

Given the range of present and emerging risks across both the industry and broader economy, expanded due diligence is no longer optional – it's essential. Buyers need to be focusing on target companies with strong financial reporting. That is the best way to withstand the likely scrutiny any deal will receive.



CURRENT STATE OF M&A

Best in class.

The transportation/logistics industry has undergone a turbulent post-COVID era that has included turbo-charged demand followed by the painful freight recession that has begun chipping away at the industry's capacity – especially on the carrier side but also among 3PLs and brokers.

But some players have clearly demonstrated their strength and their staying power during this period. Chief among these best-in-class companies are those who have:

- Created leverage by optimizing the use of AI in their operations.
- Complemented the rapid advance of technology by augmenting their approaches to team-building and process management – thus creating the strongest combination of human and technological assets.
- Of course, maintained a disciplined growth/M&A strategy.



CURRENT STATE OF M&A

Those at risk.

While the state of the market presents a range of familiar and emerging risks, the greatest threat is inaction – especially for owners feeling fatigued or nearing retirement. While mergers and acquisitions are not always the answer, it behooves any business owner to proactively and discreetly explore all available strategic options.

To be sure, we expect capacity will continue to leave the market. While the decrease in supply will help to boost freight rates, the rise in rates will likely take longer to transpire than many would prefer. That will help position certain companies as attractive targets in the M&A market, particularly those who are large and profitable – and not exposed to tariffs and their impacts. Companies like these will likely be the subject of aggressive valuations and considerable buyer attention.



ALL STAR BUYER PANEL



What the experts are saying...



Tenney Group CEO, Spencer Tenney, sat down with industry insiders Rebecca White, EVP of Kenan Advantage Group & Bohn Crain, Founder of Radiant Logistics.

These exceptional acquirers share their insights - showcasing a unique vantage point on the current M&A landscape.



PREDICTIONS FOR Q3 AND Q4

Rolling into 2026.

These trends and others should produce significant consolidation activity in certain logistics industry segments – particularly freight brokerage, drayage and freight technology. These are the factors we see leading to a steady stream of M&A activity in the second half of 2025.

But that will only set the stage for an explosive uptick early in 2026. A large number of company owners in transportation/logistics have wanted to exit ever since 2022 – due to a variety of factors including age, burnout, lack of a natural successor and so forth. But the condition of the market has not been ripe for them to sell – between the longest freight recession on record and now the volatility of the Trump tariffs.

Those with “good” companies to sell have stayed on the sidelines waiting for the environment to improve, which has limited the inventory for would-be acquiring companies. We envision freight conditions improving over the balance of 2025, and the tariff situation stabilizing and becoming less disruptive. That will position these owners to finally pursue the opportunity to sell and exit, while buyers who have capital to invest in the right deal will finally find a sufficient supply of companies that align with their strategic goals.

That’s when they will pounce, resulting in an explosive increase in deal volume as we roll into 2026.

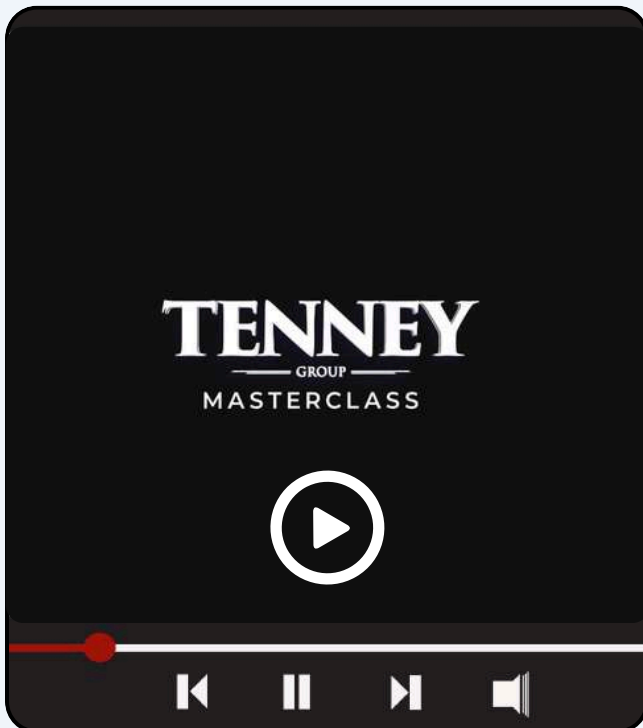
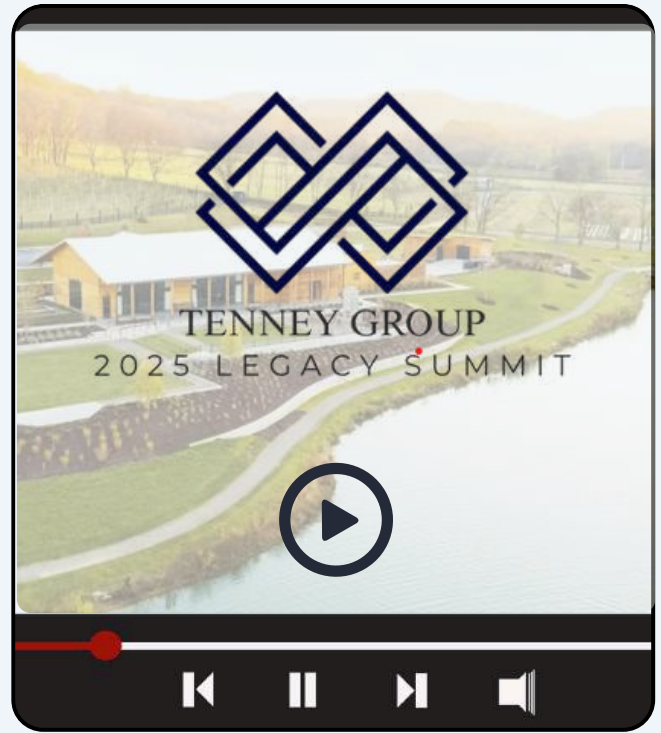
2025 LEGACY SUMMIT RECAP

At Tenney Group, one of our core values is creating lasting value and connection for our clients beyond the transaction. The 1st Annual Legacy Summit was a powerful reflection of that purpose - bringing together former clients to celebrate impact, relationships, and legacy. The inaugural event was filled with rich conversations, fresh ideas, and unforgettable moments.



C. Tenney

Charles Tenney
Founder, Tenney Group



MASTERCLASS: MASTERING THE TIMING OF YOUR BUSINESS SALE

Enjoy this 5 part series that demonstrates how business owners have exited on top during every type of environment over the last 50 years.

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