

## Memphis-based Dunavant acquires Sea Lane Express

By Wayne Risher

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Dunavant Enterprises is steaming ahead in its push to become a global logistics player with the acquisition of a trucking company that serves key Southeastern ports.

The Memphis-based company's Dunavant Transportation Group subsidiary closed last Monday on the purchase of Sea Lane Express for an undisclosed amount.

The acquisition came two months after the former cotton giant staked out Houston, the world's sixth-largest port, by acquiring majority interest in Trans Gulf Transportation Inc.

Dunavant, a global force in cotton sales and distribution for a half-century, sold its cotton interests to Allenberg Cotton Co. last April and refocused on selling its logistics and distribution expertise and resources. It also maintains substantial real estate and investment divisions.

The logistics strategy is straight-forward. Dunavant seeks to harness its in-house know-how and a global network of more than 3,000 domestic and international supply-chain partners to help customers move products in addition to cotton.

Dunavant sold 4.5 million to 6 million bales of cotton a year and was the first U.S. company to deliver cotton to China in 1972.

"One of the things that we took away from the great years that we had in cotton was the ability to look at the globe and do business and go to places that are difficult to do business, and find solutions," said William B. Dunavant III, president and CEO of Dunavant Enterprises. "A lot of those solutions were related to how you move product. We dealt in faraway places, and we still have those principal relationships and the ability to go solve problems for people in logistics. I think that is a differentiator from other companies."

The Sea Lane Express and Trans Gulf acquisitions add an element that was missing from the company's in-house logistics capabilities: a firm foothold in intermodal drayage, which involves moving containers of freight arriving and departing from ocean, rail and inland ports.

Sea Lane Express brings 175 owner-operators to the Dunavant organization, extending its reach to intermodal centers and port cities that include Atlanta and Savannah, Ga.; Norfolk, Va.; Charleston, S.C.; Charlotte and Wilmington, N.C.; and Nashville.

"As we continue to expand and grow our asset-light trucking operation to major intermodal and seaport locations, we felt it was essential to have a presence in the Southeast and along the East Coast," Dunavant said.

"Sea Lane Express provides us with that opportunity and is well-known for developing strong relationships with ocean carriers and shippers. The Sea Lane and Trans Gulf acquisitions will position us to take advantage of the Panama Canal expansion in 2014, as well as to expand our range of services for our customers," Dunavant added.

The Panama Canal expansion is expected to double the trade lane's capacity and help redirect the flow of container ships headed to and from fast-growing Asian markets. Ports providing access to the eastern U.S., from Houston to the East Coast, are expected to pick up additional traffic.

Dunavant and Richard McDuffie, chief operating officer for Dunavant Global Logistics Group, said Memphis is an ideal backdrop for the business because of the city's logistics and distribution assets: FedEx and the aerotropolis or airport community growing up around Memphis International Airport; major inland port, rail and intermodal hub and trucking center.

Sea Lane Express has more than 30 years of experience in transportation, shipping, container storage and drayage, port operations and logistics throughout the Southeast and along the East Coast. Back-office operations will move from Great Neck, N.Y., to Houston, where Dunavant Transportation is based, while customer-facing personnel will stay in place at Sea Lane Express terminals.

"We are looking forward to joining the Dunavant logistics family," said Guy Mazarin, president of Sea Lane Express. "Strategically, this is a great chance to move ahead and participate in Dunavant's vision for providing a sustainable global logistics platform for our clients. They have been a major player in global logistics for decades, and we are excited about this next chapter of the company."

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