

Cougar buy raises Menlo's Asia reach

Keith Wallis

Hong Kong

MENLO Worldwide, the US logistics outfit, is expanding its reach in southeast Asia with an agreement to buy Cougar Holdings and its Cougar Express Logistics subsidiary for \$33.9m from Singapore-listed parent Cougar Logistics Corporation.

The deal, which was confirmed yesterday and is subject to regulatory approval, is expected to be concluded by mid-September.

The purchase, likely to be financed from cash reserves, comprises a \$28.2m cash payment and the assumption of \$5.7m of debt.

Cougar Express reported revenues of \$23m in the latest fiscal year from its operations which cover freight forwarding, warehousing, logistics and distribution management in 12 locations in Singapore, Malaysia and Thailand.

The company has nearly 200 clients.

Speaking of the takeover by Menlo,

Cougar Express chief executive Heinz-Peter Faust said: "The synergies between the domestic distribution business and the contract logistics business across a greater geographical sphere offer significant opportunities for development."

Menlo Worldwide president Robert Bianco Jr added that Cougar would complement Menlo's existing business in Singapore and the surrounding region.

He said: "This acquisition is an excellent fit for Menlo, expanding our footprint in this important region with a successful logistics company that is complementary in every respect."

The deal will provide Menlo Worldwide with Cougar's ocean freight consolidation-deconsolidation businesses, freight forwarding, cross-border customs brokerage, a wine and spirits distribution network and also inland trucking capabilities in Singapore.

Cougar is also the market leader in Singapore in finished vehicle logistics and car freighting services, allowing Menlo to expand its automotive business in the region.