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RANK  
«12» Cerasis Inc.

## Company carries the burden for others

AMY S. LEWIS CONTRIBUTING WRITER

The word Cerasis means little to Webster. Logistics managers shipping a pallet of widgets, however, define Cerasis as convenient and cost effective.

Founded in 1997 as Logistics Management Services, Cerasis brokers shipments too small for an entire semi truck and

too big for UPS or FedEx. This less-than-truckload (LTL) niche has become the Eagan-based company's sweet spot, fueling 167.85 percent revenue growth since 2002, and garnering \$25 million in sales last year alone.

"Freight brokers have long existed to help those with full truck loads," said CEO Steve Ludvigson. "There are a lot of people who do that well. We know what we do well. We don't try to be all things to all people."

This road less traveled is a \$40 billion to \$50 billion market, he said.

Ludvigson attributes the company's growth to its quality of service, the addition of sales representatives to new territories and the 20 freight-broker partners selling Cerasis services un-

der a private-label agreement.

These resources, rather than expansion into new ventures or segments, will continue to fuel annual revenue growth of 40 percent or better, Ludvigson estimated.

LTL as a whole also is growing, said Robert Voltmann, president and CEO of the Transportation Intermediaries Association. It's a specialized market because LTL deals in packages and pallets of products. Carriers consider size, packability and weight of shipments when determining costs.

"Companies like Cerasis invest in people, technology and knowledge to understand all [the intricacies] of LTL so their clients don't have to," Voltmann said. "Years ago, people spent their whole careers doing logistics. Now, they rely on outside resources to understand these things for them."

Cerasis offers its clients savings that are typically only available to large-volume shippers. Negotiated pricing with national LTL carriers often reduces costs even after Cerasis' variable margins. Clients also appreciate the predictability of Cerasis' guaranteed prices.

The company's proprietary transportation management system, the LTL Rater, is another bonus for clients. The system manages shipments from start to finish.

Customers have free access to the online system. They can enter shipment parameters, review rates and schedules from several carriers, schedule a shipment and print out the necessary shipping documents with LTL Rater. The system's price quotes consider route, size, weight and fluctuating factors, such as fuel prices. Similar tools are typically sold separately by software manufacturers.

"We provide [technology] tools to help people manage their business," Ludvigson said. "[They get] the benefits of a transportation management system that they don't have to pay for upfront or pay to maintain."

With the company's investors active in the business, there's no interest in taking the company public or selling. And why should they with exponentially growing revenues?

Ludvigson said, "Were still having fun and we feel good about what we do."

Amy S. Lewis is based in West St Paul.

"We provide [technology] tools to help people manage their business."

STEVE LUDVIGSON  
CEO



CEO: Steve Ludvigson

YEAR FOUNDED: 1997

HEADQUARTERS: Eagan

EMPLOYEES: 24

2004 REVENUE: \$25,065,949

2003 REVENUE: \$14,163,627

2002 REVENUE: \$9,358,227

DESCRIPTION: Third-party logistics provider specializing in LTL (less-than-truckload) freight

167.85%  
GROWTH RATE