

# Online Haul of Fame: Builder's Transport

Post deregulation, Builder's became the second largest truckload carrier, but ended up filing bankruptcy in 1998.



Craig Fuller, CEO at FreightWaves • Friday, December 27, 2019



Builder's Transport on



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Key Takeaways:





Located in Camden, South Carolina, Builders Transport Inc. was founded by Charles Gay, Sr. in 1962. No stranger to the trucking business, Gay had founded an earlier endeavor, the Gay Trucking Company, in 1945. That first company started much smaller, with just one tractor and two trailers, primarily hauling cottonseed.

Builders Transport, however, grew much larger. At one point in its history, it was the second-largest truckload carrier in the nation, with approximately 3,500 tractors and 9,000 van and flatbed trailers.

While deregulation had eviscerated other trucking companies, Builders Transport flourished in the climate they left behind. The company made its reputation hauling textiles, paper products, tires, metal, chemicals and building products. In 1984, Builders Transport turned a \$7.6 million profit on revenue of \$102.4 million. The following year, the company was named one of the top 100 "Little Growth Companies in America" by *BusinessWeek* magazine after a 356% leap in profits and a 22% gain in sales. The 1980s

continued to be profitable for the company, with the company reporting net income of \$5.4 million in 1986 and \$6.4 million in 1987. The company operated 2,500 trucks in 35 terminals at this time. In 1989, it employed 3,800 people.

However, Builders Transport began reporting substantial financial losses in the late 1980s and early 1990s. In 1993 the company reported its first profit in over five years. The company let go of its unprofitable business and terminals and reported revenues of \$250 million in 1994. Just three years later (1997), however, the company reported a \$50.5 million loss on \$288.1 million in revenue. At this time, the company was nearing \$116.5 million in debt. Despite further attempts at reorganization, Builders Transport filed for bankruptcy in May 1998. In July, Schneider National (NYSE: SNDR) announced its intent to purchase the company. The acquisition allowed 1,950 of Builder Transport's drivers to keep their positions, but the company name was lost, absorbed in the larger trucking giant.

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Builder's Transport cabover

### **Quick summary of Builders Transport post-deregulation:**

Named to Top 100 "little growth" companies in America" in 1985 after a 356% leap in profits, 22% gain in sales. In 1984, turned a \$7.6 million profit on sales of \$102.4 million. (*The Greenville News* – May 28, 1985)

1986 – reported 3rd quarter income of \$652,000 compared to \$2.5 million in 1985.  
Acquired Jay Lines Inc, of Dallas

Net income in 1987 totaled \$6.4 million; totaled \$5.4 million in 1986

ted a net loss in 1988 of \$611,500

3,800 employees in 1989; as well as 35 terminals and 2,500 trucks

1989 – rejected merger offer from Two Trees, Inc. of \$54 million, established a company stock program to offset its \$15 million in debt

1991 – attempted to recover from financial distress by dropping unprofitable lines such as its refrigerated business and closed several terminals. Company profits were damaged by the Persian Gulf War

1993 – turned its first profit in over five years

1994 – revenues exceeded \$250 million

Filed for Chapter 11 in May 1998 and merger with Schneider National (NYSE: SNDR) was announced in July.

*Each Friday, we will post another article from our Haul of Fame series. Check FreightWaves each week as we feature other legendary companies from our industry, past and present.*



**Craig Fuller, CEO at FreightWaves**

Craig Fuller is CEO and Founder of FreightWaves, the only freight-focused organization that delivers a complete and comprehensive view of the freight and logistics market. FreightWaves' news, content, market data, insights, analytics, innovative engagement and risk management tools are unprecedented and unmatched in the industry. Prior to founding

FreightWaves, Fuller was the founder and CEO of TransCard, a fleet payment processor that was sold to US Bank. He also is a trucking industry veteran, having founded and managed the Xpress Direct division of US Xpress Enterprises, the largest provider of on-demand trucking services in North America.

