

## Key Information from Meeting with Buckeye Charter Owners

### Ownership & Leadership

- Buckeye Charter is co-owned 50/50 by Bill and Jerry, who founded the company in 2005.
- Jerry manages day-to-day operations; Bill is minimally involved and primarily handles gas taxes. Bill lives over an hour away and is eager to retire; Jerry also seeks retirement to improve his quality of life.

### Sale History & Seller Sentiment

- Buckeye previously engaged with Queen City Transportation in a sale process that ended due to Queen City's repeated, burdensome documentation requests, including a 70+ page diligence packet. This experience left Jerry particularly frustrated and wary of inefficient or repetitive sale processes.
- Jerry is also put off by Roy's previous "on again, off again" approach to potential acquisition talks, while Bill is more willing to move past those experiences.
- Both owners are open to moving forward with a sale if the process is respectful, efficient, and well-communicated.

### Transition & Client Relationships

- Jerry and Bill are willing and want to personally introduce Cardinal to their top clients, including local school district athletic directors, the Dayton Dragons minor league baseball team operations management, and other key accounts. They see these introductions as essential for a smooth transition and continued business success.
- Jerry is willing to stay on in a transitional role to assist with operational, client, and cultural handoffs, emphasizing the importance of a structured transition for staff and customers.

### Business Operations & Staff

- 35 total employees: 25 drivers (12 W2, 13 contractors), 2 mechanics, 1.5 full-time cleaners, and 2 office staff (Charlotte, Security Director, and Riley, who handles contracts, bookings, and phones and is considered the "glue" of operations).
- No employee benefits are offered. The company only services its own fleet.
- Jim (Charlotte's husband) provides body work as needed, but is not a regular employee.

## Fleet & Business Model

- 20 buses: 10 motor coaches (56 passengers each), 6 mini-buses (25 passengers each), 4 school buses (school buses are about 10% of business and the most profitable).
- Buckeye is highly selective, routinely turning away trips to DC, NYC, FL, alcohol-related trips, line runs, and late-night drives. They focus on repeat, preferred business and turn away a significant amount of potential work.

## Clients & Revenue

- Primary clients are local school systems (90-95% of revenue), with additional relationships with collegiate athletic departments and the Dayton Dragons.
- Most business is repeat, with about 75% booked months in advance.
- 2024 revenue was approximately \$3.5 million.
- A formal business valuation and recent asset appraisal are available and will be shared once an NDA is in place.

## Real Estate & Facilities

- The business operates from a 4.3-acre property at 8240 Expansion Way, Dayton, OH, with a 12,000 sq ft metal building (office and four-bay garage with in-ground pit, constructed in 2005).
- The facility includes an underground fuel storage tank.
- The real estate is owned by a separate entity controlled by Bill and Jerry, leased to Buckeye for \$15,000/month NNN, and is owned free and clear with no known encumbrances.
- Owners are open to selling or leasing the real estate as part of the deal.

## Deal Structure, Confidentiality & Next Steps

- Owners are flexible on deal structure (asset or stock sale) and want to keep the process confidential to avoid employee panic.
- They initially resisted, but now understand and accept the need for key employee interviews as diligence progresses.
- Next steps: Buckeye's attorney will send an NDA and set up a virtual data room for document sharing. Upon receipt, a document request list will be provided and diligence will proceed as outlined.
- **Planned Site Visit:** I will be returning onsite next week after hours to meet with Jerry for further discussion and discovery, and to take pictures of the facility and equipment. This visit will allow for more detailed operational and asset diligence, as the NDA will have been executed and will permit this level of access.