

"Martz Group" (trade name - comprised of multiple separate entities)



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1 year PD

60.78% to 95.00%

Headquarters	Wilkes-Barre, PA	U.S.
Type	Private (Non-PE)	
Employees	278	
Year Founded	1908	
Website	https://martzbus.com	
Business	Regional provider of transportation and tours.	
Revenues	\$38.2M	

Company Overview

- Company Overview:** Martz Group is a family-owned passenger transportation company headquartered in Wilkes-Barre,PA. Martz Group is a collective brand encompassing multiple independently operated transportation companies under shared ownership and management.
- Product:** Intercity routes to major urban centers, customized group charters for schools and teams, and organized leisure tours, including city sightseeing.
- Customers:** Commuters, tourists, and group travelers, with revenue diversification across individual and institutional clients.
- Ownership:** Martz Group remains family-owned, with stakes distributed across multiple family members and trusts.
- Debt Structure:** The entity projects \$26mn in debt by 12/24. Per 9/24 their debt was comprised of two Term Loans (\$13mn & 10mn) The balance is an equipment financing line (\$1.9mn), and about \$0.2mn for miscellaneous. No maturities were provided.
- Other (pros/cons):** Weak liquidity (current: 0.67, quick: 0.48) and high leverage (net debt/EBITDA: 3.84) in FY-23 elevate financial risk despite planned FY-24 deleveraging. Diverse services show resilience, but low profitability (EBITDA margin: 17.1%) challenges stability. Positive market outlook (CAGR +7.3% from 2024 - 2034) driven by increasing urbanization, rising fuel costs, congestion taxes, and a growing preference for eco-friendly transportation options.
- Losses in 2024:** Drop in Net Income since FY-2022 due to sharp decline in "Other Income" from \$7.1mn in FY-22 to -\$233mn in FY-24(P) due to one-off COVID support (e.g. CERTS, ETCE) running out.

Financial Snapshot

	Dec-22	Dec-23	DEC-24(P)	Chg
\$ '000s	T12	T12	T12	%
Total Revenue	34,289	38,161	37,674	-1.3%
Gross Profit	3,204	6,771	12,502	84.6%
Adjusted EBITDA	2,433	6,514	5,214	-20.0%
Gross Profit Margin	9.3%	17.7%	33.2%	15.4 ppt
EBITDA Margin	7.1%	17.1%	13.8%	-3.2 ppt
Net Income	5,760	2,358	(2,878)	-222.1%

Financial Ratio Benchmarking

# of Benchmarks:		12	Industry Median	Company Metric	Percentile Rank
			\$178M	\$38M	
Liquidity	Current Ratio	1.30	0.67	<div></div>	13%
	Quick Ratio	1.26	0.48	<div></div>	20%
Leverage	Net Debt / EBITDA	2.75	3.84	<div></div>	13%
	Debt to Assets	32.3%	77.3%		
Profitability	EBITDA Margin	21.3%	17.1%	<div></div>	41%
	ROCE %	10.7%	-3.6%	<div></div>	0%

of Industry Benchmarks12

Company Financials DateDec-23

Industry Benchmarks - Primary: Passenger Ground Transportation

Business Risk

Industry Group Risk Profile		Transportation Cyclical		20%	4.5	to	6.0
Industry Risk Assessment		KPI Rating	Contribution	Industry Group Description			
Cyclicality		High risk	<div></div>	Entities that derive a majority of their revenue from operating airlines (including heavy air freight), shipping companies, trucking companies, and certain miscellaneous other transportation companies, such as bus companies.			
Competitive Risk		Moderately high risk	<div></div>				
Global Industry		High risk	<div></div>				
Market Segment Outlook		Above Average	<div></div>				
Competitive Position Profile		Business And Consumer Services		50%	5.5	to	7.5
Competitive Position KPIs		KPI Rating	Contribution	Rating Guideline			
Cycle-Tested		< 2000	<div></div>	Navigated multiple economic down-cycles.			
Market Position		Above Average	<div></div>	Moderate market position with some barriers to entry.			
Scale and Scope		Above Average	<div></div>	Good operational scale, participation in multiple target markets.			
Brand Equity and Reputation		Above Average	<div></div>	Good brand with some ability to command a price premium.			
Customer & End-Market Diversity		Above Average	<div></div>	Good customer diversity; limited reliance on specific customers.			
Service Diversity		Above Average	<div></div>	Offers a moderate range of services. Some diversity in customer needs met.			
Geographic Diversity		Satisfactory	<div></div>	Limited geographic diversification. Strong dependence on specific regions.			
Expense Structure		Satisfactory	<div></div>	Limited ability to flex staff or inventory. Higher direct labor expense.			
Reinvestment Needs		Satisfactory	<div></div>	High reinvestment needs.			
Management, Governance, Sponsorship				30%	3.5	to	5.0

Anchor Modifiers

Modifiers			
Trend Analysis	Adjustment	<div></div>	Moderate Negative
Fixed Cost Coverage Risk	Risk Flag	<div></div>	FCCR of -0.57x

Rating Range (Rounded)

1.5

to

2.5

Weight	Rating Range		
65%	1.5	to	2.0