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Midland Enterprises sold for \$230M

By Roy Wood, Post staff reporter

Cincinnati's Midland Enterprises Inc., a river transportation company that includes the Ohio River Co., is being acquired by Nashville-based Ingram Industries Inc.

Midland's history in Cincinnati dates to 1925 with the founding of the Ohio River Co. Today, its fleet includes about 2,300 barges and 80 towboats.

In addition to the Ohio River Co., Midland's river transportation subsidiaries include Orgulf Transport Co., Orsouth Transport Co., and R&W Marine.

Together, the companies deliver more than 50 million tons of coal, grain, iron, steel, ores and other dry goods each year on waterways including the Ohio and Mississippi Rivers and their tributaries.

Ingram, through its new subsidiary, Landgrove Corp., will acquire Midland from its owner, Eastern Enterprises, a subsidiary of KeySpan Corp. of New York City.

Midland is being purchased for about \$230 million, subject to adjustment, Keyspan said. Ingram will also assume debt of about \$135 million from Midland. The transaction is expected to close in the second quarter, pending regulatory approvals.

Keyspan is selling Midland after acquiring it in November 2000. The Securities and Exchange Commission ordered Keyspan to divest its interest in the Midland barge business because it was not related to the company's core utility operations, Keyspan officials said.

Ingram Industries is one of the country's largest privately held companies. Ingram owns businesses in distribution, insurance, marine transportation, aggregate supply, and digital fulfillment services. As a result of the acquisition, Landgrove Corp. will become a new Ingram Industries Inc. marine operating unit.

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NOTE THAT INGRAM, THE SMALLER COMPANY TOOK OVER THE LARGER MIDLAND.

This adapted story was featured in the Rabbit Hash Bugle; as are most of the Bugle's stories. It was probably ripped-off a more reputable rag:

"The Ohio River Co., part of Midland Enterprises Inc., will get a new parent as Nashville-based Ingram Industries Inc. acquires Midland.

It was April 17, 1925, when company founder Albert Converse Ingersoll chartered a small steam paddlewheeler and four wooden barges to float West Virginia coal to Cincinnati. River transportation began its rise during World War I when railroads could not meet demand due to wartime needs and strikes, and the barge business in Cincinnati began growing then.

With its purchase announced Wednesday by Ingram, Ohio River Co. and Midland will join the Tennessee firm in what will be one of the largest barge lines in the nation. The Cincinnati firm was sold for \$230 million in cash plus \$135 million in debt.

Midland - which also owns Orgulf Transport Co., Orsouth Transport Co. and R&W Marine as well as the Ohio River Co. - has about 2,300 barges and 80 towboats.

Ingram's barge unit, Ingram Barge Co., operates more than 1,800 barges powered by 62 vessels. The Midland purchase will put more than 4,100 barges under the control of a new Ingram subsidiary, Landgrove Corp.

Midland employs about 1,250 people nationwide. About 130 people work at Midland's headquarters in Cincinnati, which handles dispatching and scheduling.

Midland's current parent company, natural gas giant KeySpan Corp. of New York City, acquired Midland as part of the purchase of Eastern Enterprises, which owns several utilities companies in the Northeast. As part of the deal for Eastern, the Securities and Exchange Commission mandated that KeySpan sell Midland because it was not related to the company's core utility operation.

Midland Enterprises Inc. was formed as the Ohio Coal Co.'s parent company in 1956. Nine years later Midland created Orgulf Transport Co. and Red Circle Transport Co. Between 1971 and 1991 Midland acquired six companies. It was acquired by KeySpan in November 2000.

While many things have changed over the decades, some haven't. Cinergy (nee Cincy Gas & Electric) is still Midland's largest customer. The utility still uses Ohio River Co. barges to transport coal to its electricity generating plants."
