LOGISTICS REPORT

Cold-Storage Leader Lineage Targets Up to $3.85 Billion in IPO

The offering at $70 to $82 per share would make it one of the biggest of this year

Mayor & Council,
FYI - Some great news from a rockstar company in our community.

By Liz Young Follow

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Lineage claims more than 480 warehouses counting about 84.1 million square feet in North America, Europe and the Asia-Pacific region. PHOTO: LINEAGE LOGISTICS HOLDING

Lineage, the largest refrigerated-storage company in the world by capacity, plans to raise up to $3.85 billion in a blockbuster initial public offering that would be one of the biggest listings of the year.

The Novi, Mich.-based company said Tuesday it plans to offer 47 million shares for $70 to $82 each, which would raise between $3.29 billion and $3.85 billion.

Lineage, which didn't set a date for the offering, said it plans the public listing on the Nasdaq exchange under the stock symbol "LINE."

Lineage claims more than 480 warehouses counting about 84.1 million square feet in North America, Europe and the Asia-Pacific region, and far outpaces its main U.S. rival, Americold Realty Trust, in cold-storage capacity.

The listing, first reported by Bloomberg, would extend a string of public offerings this year and break a logjam in the logistics market, which has seen investor backing for the sector waver under weak freight demand.

Lineage, which is controlled by San Francisco-based investment firm Bay Grove, raised $1.9 billion in a funding round in 2021 that valued the business at around $18 billion. Its backers included real-estate investor BentallGreenOak, hedge fund D1 Capital Partners and Oxford Properties Group, which helped develop the Hudson Yards complex in Manhattan.

The company raised another $1.7 billion in January 2022 and $700 million in December 2022, but didn't disclose its valuation.

The company has expanded through a series of big-money acquisitions. It bought U.S. rival Preferred Freezer Services for $1 billion and moved into the Asia-Pacific region with the $900 million purchase of Emergent Cold, both deals struck in 2019.

The market for cold-storage space has heated up over the past four years as consumers coping with high inflation have purchased more fresh and frozen food to prepare at home since the pandemic.

"There's more inventory in more places. That's one of the tailwinds for cold chain," Lineage Chief Executive Greg Lehmkuhl said after the 2021 fundraising.

Morgan Stanley, Goldman Sachs, BofA Securities, J.P. Morgan and Wells Fargo Securities are leading the Lineage offering.

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