



RUSSELL A. FARROW (U.S.) INC.

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Farrow Group Acquires US Customs Broker

*Purchase of Cortez Customhouse Brokerage Company continues
The Farrow Group's growth in North America*

May 1st, 2008

Russell A. Farrow (U.S.) Inc. of Taylor, MI has acquired Cortez Customhouse Brokerage Company and Cortez Global Logistics, of Battle Creek, Michigan.

The acquisition brings together two organizations which have a similar corporate culture which includes a "client service first" focus.

In a statement to employees, President and C.E.O. (The Farrow Group of Companies) Richard Farrow outlined the reasons for the acquisition:

The acquisition of Cortez will increase our U.S. brokerage opportunities and provide an increased market presence in the key trading centre of Chicago, Illinois. A Chicago office will positively enhance our relationships with key existing accounts which have corporate headquarters situated there. Cortez also has nurtured strong relationships with key automotive suppliers which will allow us to leverage this market sector further with our own clients in that industry.

Cortez was founded in 1984, and a Global Logistics Division was added in 1999. Jack Henderson, co founder and President will remain in his current role with Russell A. Farrow (U.S.) Inc. Cortez has 30 staff in Battle Creek, Michigan and Chicago, Illinois. Service offerings include Customs Brokerage, Foreign Trade Zone Services, Warehousing, Freight Deconsolidation, Domestic Trucking and various other related ancillary services. Their client base is a mix of suppliers to Japanese automotive manufacturers, medical equipment manufacturers and food product manufacturers.

This strategic growth purchase will be largely transparent to clients of Cortez. As a subsidiary of Russell A. Farrow (U.S.) Inc., Cortez will continue to provide the same level of service that clients are accustomed to. In fact, the same Cortez personnel that handled accounts prior to the purchase will continue to do so. Jack Henderson, founder of Cortez, will remain with the new company for four (4) years to help ensure a smooth transition and to continue to grow the business.

The acquisition of Cortez will expand the Farrow network to Battle Creek, Michigan and Chicago. Cortez manages a 50,000 + square foot Foreign Trade Zone warehouse on behalf of the City of Battle Creek, which will compliment both a 10,000 square foot Taylor, Michigan warehouse and 30,000 square foot warehouse in Amherst, New York owned by The Farrow Group, by providing regional distribution, consolidation, cross-dock and long term storage for North/South and East/West cross border shipments. In addition, Cortez daily truck service to/from Western Michigan to the Chicago area will be combined with RAF Express and result in additional coverage and service offerings.



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Russell A. Farrow Limited, wholly owned by the Farrow Group of Companies, is the largest privately owned customs broker in Canada, has grown to 600 employees in 33 offices and warehouses throughout Canada and the United States. Founded in 1911, the company has a long and rich history of providing a comprehensive range of integrated solutions to exceed the expectations of North American importers and exporters. It is managed by the third generation of the Farrow family, Richard (President and C.E.O.), and his brother John Farrow (Executive Vice President). This is the 14th acquisition for The Farrow Group since 1984, and the third since 2004.