

Friday, February 8, 2008

Newgistics deal may boost revenue

Acquisition of Illinois firm further entrenches biz in online shipping

Austin Business Journal - by [Laura Hipp](#) ABJ Staff

Related News

[Writers are writing, but many Austin cameras not ready to roll](#) [Austin]

[Software firm Pyxis raises \\$5.25M](#) [Austin]

[Caringo nabs funding](#) [Austin]

Newgistics Inc. has made its second purchase in less than a year with the acquisition of a small Illinois shipping management company.

The Austin company bought Milan, Ill.-based **Cornerstone Shipping Services** for an undisclosed amount. The deal should boost Newgistics' annual revenue by more than \$20 million to top \$100 million, and allows Newgistics to grow from handling returns for

retailers to managing purchases as well.

"Since we were already serving all these customers with their returns, we saw this as a huge growth opportunity," says CEO Bill Razzouk.

Newgistics customers include Neiman Marcus, **Overstock.com**, **Nordstrom** and J.Crew. The company was founded in 1999 and funded by **Austin Ventures** and others. Razzouk declined to discuss funding levels but at least \$34.5 million was raised by 2002.



Brett Buchanan

Newgistics CEO Bill Razzouk says a recent deal will bring in more business.

[View Larger](#)