LEASEWAY TRANSPORTATION CORP. - The Encyclopedia of Cleveland History

The LEASEWAY TRANSPORTATION CORP. was a holding company with over 110 subsidiaries in specialized highway freight, vehicle leasing, and distribution. Formed in 1960, the company was heir to a local cartage firm begun in 1899 by Hugh O’Neill and managed in subsequent years by his family. Hugh O’Neill oversee the company transition from a horse-drawn fleet he set up to a motorized one in 1912, and O’Neill’s sons, Hugh Jr., William, and Francis transformed the business into a complex of rental, leasing, and trucking companies.

In the 1960s William O’Neill arranged stock exchanges which loosely united the ownership of 79 companies primarily controlled by him and his brothers. The decentralized organization of the new Leaseway Transportation Corp., reflected O’Neill’s belief that a variety of small local companies would better serve custom needs than a larger, more impersonal one. In 1960, as president, O’Neill felt it vital that the company be organized to grow. To achieve this, he created the concept of the “company in a company”, with 79 companies by 1967, the first larger public holding company of its kind in the world with about 750,000 stockholders. The organization included a number of small and medium-sized companies. This strategy allowed for better management of each division and prevented the creation of a large bureaucracy. By 1962, Leaseway had over 1,600 employees.

In the 1960s Leaseway transportation and leasing services emerged as a major force in the industry. By 1965, O’Neill had built a $24 million company into a $475 million operation with annual growth of 23% in revenue and 21% in earnings. Leaseway, with 150 companies by 1975, was the third largest publicly held transit company in the United States, with about 75% of its business focused on leasing services. The company was the leader in specialized vehicle leasing in the United States, and its acquisition of Full Service Leasing in 1984 marked its entry into the international market.

By the end of the 1980s, Leaseway was one of the largest transportation companies in the world. In 1991, Leaseway was acquired by Hertz-Penske Truck Leasing, Inc., a subsidiary of Hertz Corp., to become the second largest truck leasing company in the United States. By the end of 2003, Leaseway Motorcar Transport, Co. had just over 1,600 employees.