

FORWARD AIR CORP
Form 10-Q
April 26, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the Quarterly Period Ended March 31, 2012
Commission File No. 000-22490

FORWARD AIR CORPORATION
(Exact name of registrant as specified in its charter)

Tennessee
(State or other jurisdiction of incorporation)
430 Airport Road
Greeneville, Tennessee
(Address of principal executive offices)

62-1120025
(I.R.S. Employer Identification No.)
37745
(Zip Code)

Registrant's telephone number, including area code: (423) 636-7000

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definition of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

The number of shares outstanding of the registrant's common stock, \$0.01 par value, as of April 24, 2012 was 29,084,906.

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Part I. Financial Information

Item 1. Financial Statements (Unaudited).

Forward Air Corporation

Condensed Consolidated Balance Sheets

(Dollars in thousands, except share and per share amounts)

(Unaudited)

	March 31, 2012	December 31, 2011 (a)
Assets		
Current assets:		
Cash	\$69,397	\$58,801
Accounts receivable, less allowance of \$1,567 in 2012 and \$1,503 in 2011	75,376	70,922
Other current assets	10,669	9,994
Total current assets	155,442	139,717
Property and equipment	235,138	223,135
Less accumulated depreciation and amortization	96,531	93,267
Total property and equipment, net	138,607	129,868
Goodwill and other acquired intangibles:		
Goodwill	43,332	43,332
Other acquired intangibles, net of accumulated amortization of \$22,609 in 2012 and \$21,462 in 2011	25,521	26,668
Total net goodwill and other acquired intangibles	68,853	70,000
Other assets	1,858	1,566
Total assets	\$364,760	\$341,151
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	\$16,563	\$12,392
Accrued expenses	23,163	20,986
Current portion of debt and capital lease obligations	521	552
Total current liabilities	40,247	33,930
Long-term debt and capital lease obligations, less current portion	228	333
Other long-term liabilities	9,470	8,860
Deferred income taxes	10,058	11,126
Shareholders' equity:		
Preferred stock	—	—
Common stock, \$0.01 par value: Authorized shares - 50,000,000, Issued and outstanding shares - 28,888,315 in 2012 and 28,553,286 in 2011	289	285
Additional paid-in capital	52,212	42,212
Retained earnings	252,256	244,405
Total shareholders' equity	304,757	286,902
Total liabilities and shareholders' equity	\$364,760	\$341,151

The accompanying notes are an integral part of the financial statements.

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Forward Air Corporation
Condensed Consolidated Statements of Comprehensive Income
(In thousands, except per share data)
(Unaudited)

	Three months ended March 31, 2012	March 31, 2011
Operating revenue:		
Forward Air		
Airport-to-airport	\$90,627	\$82,147
Logistics	21,313	16,494
Other	6,202	6,403
Forward Air Solutions		
Pool distribution	18,939	15,157
Total operating revenue	137,081	120,201
Operating expenses:		
Purchased transportation		
Forward Air		
Airport-to-airport	36,758	32,593
Logistics	15,716	12,799
Other	1,598	1,473
Forward Air Solutions		
Pool distribution	5,126	3,457
Total purchased transportation	59,198	50,322
Salaries, wages and employee benefits	33,174	30,495
Operating leases	7,106	6,706
Depreciation and amortization	5,121	5,082
Insurance and claims	2,798	2,175
Fuel expense	2,541	2,388
Other operating expenses	10,354	