

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-Q

(Mark One)
 QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 27, 2009

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____.

Commission File Number: 0-120510

UNIVERSAL TRUCKLOAD SERVICES, INC.

(Exact Name of Registrant as Specified in Its Charter)

Michigan
(State or other jurisdiction of
incorporation or organization)

38-3640097
(I.R.S. Employer
Identification No.)

12755 E. Nine Mile Road
Warren, Michigan 48089
(Address, including Zip Code of Principal Executive Offices)

(586) 920-0100
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

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 the definitions 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

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 of the registrant's common stock, no par value, outstanding as of July 27, 2009 was 15,980,483.

PART I – FINANCIAL INFORMATION

ITEM 1: FINANCIAL STATEMENTS

UNIVERSAL TRUCKLOAD SERVICES, INC.

Unaudited Consolidated Balance Sheets

June 27, 2009 and December 31, 2008

(In thousands, except share data)

	June 27, 2009	December 31, 2008
Assets		
Current assets:		
Cash and cash equivalents	\$ 6,209	\$ 28,767
Marketable securities	12,043	8,808
Accounts receivable – net of allowance for doubtful accounts of \$4,923 and \$4,486, respectively	58,200	70,590
Prepaid income taxes	29	—
Prepaid expenses and other	3,263	4,189
Deferred income taxes	5,284	5,759
Total current assets	<u>85,028</u>	<u>118,113</u>
Property and equipment	105,819	87,305
Less accumulated depreciation	(29,232)	(25,971)
Property and equipment – net	<u>76,587</u>	<u>61,334</u>
Goodwill	11,945	11,891
Intangible assets – net of accumulated amortization of \$10,813 and \$9,260, respectively	15,129	16,682
Other assets	4,154	3,527
Total assets	<u>\$ 192,843</u>	<u>\$ 211,547</u>
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	\$ 20,130	\$ 20,219
Accrued expenses and other current liabilities	19,936	19,421
Income taxes payable	—	365
Due to CenTra and affiliates	76	35
Total current liabilities	<u>40,142</u>	<u>40,040</u>
Long-term liabilities:		
Long-term debt	730	820
Deferred income taxes	4,029	5,351
Other long-term liabilities	468	859
Total long-term liabilities	<u>5,227</u>	<u>7,030</u>
Shareholders' equity:		
Common stock, no par value. Authorized 40,000,000 shares; 16,122,483 shares issued; 15,980,483 and 16,007,383 shares outstanding at June 27, 2009 and December 31, 2008, respectively	16,122	16,122
Paid-in capital	79,914	79,914
Treasury Stock, at cost; 142,000 and 115,100 shares at June 27, 2009 and December 31, 2008, respectively	(2,058)	(1,703)
Retained earnings	56,359	70,898
Accumulated other comprehensive loss, net of income tax	(2,863)	(754)
Total shareholders' equity	<u>147,474</u>	<u>164,477</u>
Total liabilities and shareholders' equity	<u>\$ 192,843</u>	<u>\$ 211,547</u>

See accompanying notes to unaudited consolidated financial statements.

UNIVERSAL TRUCKLOAD SERVICES, INC.

Unaudited Consolidated Statements of Income

June 27, 2009 and June 28, 2008

(In thousands, except per share data)

	<u>Thirteen Weeks Ended</u>		<u>Twenty-Six Weeks Ended</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Operating revenues:				
Truckload	\$ 75,066	\$ 118,991	\$ 143,781	\$ 218,235
Brokerage	26,120	49,830	53,877	93,923
Intermodal	18,711	30,599	37,265	57,397
Total operating revenues	119,897	199,420	234,923	369,555
Operating expenses:				
Purchased transportation	88,947	155,777	175,032	287,377
Commissions expense	8,060	12,177	15,662	22,743
Other operating expense	2,117	2,587	4,502	4,877
Selling, general, and administrative	10,602	12,841	22,443	25,532
Insurance and claims	5,241	5,918	9,023	11,463
Depreciation and amortization	2,576	2,359	5,138	4,591
Total operating expenses	117,543	191,659	231,800	356,583
Income from operations	2,354	7,761	3,123	12,972
Interest income	32	25	43	66
Interest expense	(9)	(26)	(40)	(47)
Other non-operating expense	(294)	(2,014)	(820)	(1,781)
Income before provision for income taxes	2,083	5,746	2,306	11,210
Provision for income taxes	778	2,243	862	4,363
Net income	\$ 1,305	\$ 3,503	\$ 1,444	\$ 6,847
Earnings per common share:				
Basic	\$ 0.08	\$ 0.22	\$ 0.09	\$ 0.43
Diluted	\$ 0.08	\$ 0.22	\$ 0.09	\$ 0.43
Weighted average number of common shares outstanding:				
Basic	15,980	16,088	15,985	16,088
Diluted	15,980	16,088	15,985	16,088
Dividends paid per common share	\$ —	\$ —	\$ 1.00	\$ —
Other-than-temporary impairment losses:				
Total other-than-temporary impairment losses	\$ 400	\$ 2,222	\$ 1,132	\$ 2,222
Portion of loss recognized in other comprehensive income (loss) (before taxes)	—	—	—	—
Net impairment loss recognized in earnings	\$ 400	\$ 2,222	\$ 1,132	\$ 2,222

See accompanying notes to unaudited consolidated financial statements.

UNIVERSAL TRUCKLOAD SERVICES, INC.
Unaudited Consolidated Statements of Cash Flows
Twenty-six Weeks ended June 27, 2009 and June 28, 2008
(In thousands)

	<u>2009</u>	<u>2008</u>
Cash flows from operating activities:		
Net income	\$ 1,444	\$ 6,847
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	5,138	4,591
Other-than-temporary impairment of marketable securities	1,132	2,222
(Gain) loss on disposal of property and equipment	96	(144)
Bad debt expense	1,048	676
Deferred income taxes	(1,322)	(520)
Change in assets and liabilities:		
Accounts receivable and Due from CenTra and affiliates	11,342	(13,913)
Prepaid income taxes, expenses and other assets	270	(2,298)
Total current and other long-term liabilities	(11)	6,152
Net cash provided by operating activities	<u>19,137</u>	<u>3,613</u>
Cash flows from investing activities:		
Capital expenditures	(19,345)	(4,294)
Proceeds from the sale of property and equipment	316	336
Purchases of marketable securities	(6,001)	(12,063)
Proceeds from sale of marketable securities	—	14,240
Payment of earnout obligations related to acquisitions	(327)	(378)
Acquisition of businesses	—	(4,253)
Net cash used in investing activities	<u>(25,357)</u>	<u>(6,412)</u>
Cash flows from financing activities:		
Dividends paid	(15,983)	—
Purchases of treasury stock	(355)	(85)
Net cash used in financing activities	<u>(16,338)</u>	<u>(85)</u>
Net decrease in cash and cash equivalents	(22,558)	(2,884)
Cash and cash equivalents – beginning of period	28,767	5,416
Cash and cash equivalents – end of period	<u>\$ 6,209</u>	<u>\$ 2,532</u>
Supplemental cash flow information:		
Cash paid for interest	<u>\$ 40</u>	<u>\$ 47</u>
Cash paid for income taxes	<u>\$ 2,608</u>	<u>\$ 4,555</u>
Acquisition of businesses		
Fair value of assets acquired, including goodwill	\$ —	\$ 4,433
Payment of acquisition obligations	—	500
Remaining acquisition obligations	—	(680)
Acquisition of businesses	<u>\$ —</u>	<u>\$ 4,253</u>

See accompanying notes to unaudited consolidated financial statements.

UNIVERSAL TRUCKLOAD SERVICES, INC.
Unaudited Consolidated Statements of Cash Flows - Continued
Twenty-six Weeks ended June 27, 2009 and June 28, 2008

Non-cash financing transactions (Note 3):

During the twenty-six weeks ended June 27, 2009 and June 28, 2008, the Company recorded the forgiveness of the loan from the County of Cuyahoga of \$90,000 per annum as a reduction of the loan and as a reduction of the underlying land improvements.

See accompanying notes to unaudited consolidated financial statements.

(1) Basis of Presentation

Pursuant to the rules and regulations of the Securities and Exchange Commission, the accompanying unaudited consolidated financial statements of Universal Truckload Services, Inc. and its wholly owned subsidiaries, or the Company or UTSI, have been prepared by UTSI. In the opinion of management, the unaudited consolidated financial statements include all normal recurring adjustments necessary to present fairly the information required to be set forth therein. All intercompany transactions and balances have been eliminated in consolidation. Certain information and note disclosures normally included in financial statements prepared in accordance with U.S. generally accepted accounting principles have been condensed or omitted from these statements pursuant to such rules and regulations and, accordingly, should be read in conjunction with the consolidated financial statements as of December 31, 2008 and 2007 and for each of the years in the three-year period ended December 31, 2008 in the Company's Form 10-K filed with the Securities and Exchange Commission. The preparation of the consolidated financial statements requires the use of management's estimates. Actual results could differ from those estimates.

The Company's fiscal year ends on December 31. The Company's fiscal year consists of four quarters, each with thirteen weeks.

(2) Transactions with CenTra and Affiliates

Through December 31, 2004, UTSI was a wholly owned subsidiary of CenTra, Inc, or CenTra. On December 31, 2004, CenTra distributed all of UTSI's common stock to the sole shareholders of CenTra, Matthew T. Moroun and a trust controlled by Manuel J. Moroun, collectively the Morouns. Subsequent to the initial public offering in 2005, the Morouns retained and continue to hold a controlling interest in UTSI.

CenTra provides management services to UTSI, including legal, human resources, and tax services. The cost of these services is based on the utilization of the specific services. Management believes the allocation methods are reasonable. However, the costs of these services charged to UTSI are not necessarily indicative of the costs that would have been incurred if UTSI had internally performed or acquired these services as a separate unaffiliated entity. The amounts charged to UTSI for the thirteen and twenty-six weeks ended June 27, 2009 and June 28, 2008 are presented in the table below.

In addition to the management services described above, UTSI purchases other services from CenTra. Following is a schedule of services provided by CenTra (in thousands):

	<u>Thirteen weeks ended</u>		<u>Twenty-six weeks ended</u>	
	<u>June 27, 2009</u>	<u>June 28, 2008</u>	<u>June 27, 2009</u>	<u>June 28, 2008</u>
Management services	\$ 241	\$ 78	\$ 474	\$ 157
Building and terminal rents	153	226	340	432
Maintenance services	8	—	14	—
Trailer rents	—	7	—	16
Health insurance	747	488	1,544	1,001
Total	<u>\$ 1,149</u>	<u>\$ 799</u>	<u>\$ 2,372</u>	<u>\$ 1,606</u>

(2) Transactions with CenTra and Affiliates – continued

An affiliate of CenTra charged UTSI \$2,907,000 and \$4,121,000 for personal liability and property damage insurance for the thirteen weeks ended June 27, 2009 and June 28, 2008, respectively. Charges for the twenty-six weeks ended June 27, 2009 and June 28, 2008 were \$5,566,000 and \$7,698,000, respectively.

No freight services were provided to CenTra for the thirteen or twenty-six weeks ended June 27, 2009. Operating revenues from such services for the thirteen and twenty-six weeks ended June 28, 2008 were approximately \$3,000 and \$138,000, respectively.

Purchased transportation for the thirteen weeks ended June 27, 2009 and June 28, 2008 includes \$1,000 and \$1,786,000, respectively, of transportation services provided by CenTra to CrossRoad Carriers, Inc., a wholly owned subsidiary of the Company. Charges for such services included in purchased transportation for the twenty-six weeks ended June 27, 2009 and June 28, 2008 were \$2,000 and \$3,513,000, respectively.

As of June 27, 2009 and December 31, 2008, amounts due to CenTra and affiliates were \$76,000 and \$35,000, respectively. Additionally, as of December 31, 2008, included in accounts payable were amounts due to CenTra of \$156,000. There were no amounts included in accounts payable due to CenTra as of June 27, 2009.

In June 2009, the Company finalized the closing with Crown Enterprises, Inc., a related party, for the purchase of a facility and property located in South Kearny, NJ. The purchase price was \$15.2 million. The Company will use this facility to consolidate local operations of two of its operating subsidiaries, and expand its operations in the Port of New Jersey area.

(3) Debt

The Company and KeyBank National Association, or KeyBank, entered into a First Amendment to Loan Agreement and First Amendment to Promissory Note, or the Agreement, dated October 28, 2008 for the period October 28, 2008 to October 27, 2009, amending the previous loan agreement dated October 29, 2007 for the period October 29, 2007 to October 28, 2008, which terminated due to the expiration of its term. Under the amended Agreement with KeyBank, the Company's maximum permitted borrowings and letters of credit in the aggregate may not exceed \$20 million. The line of credit is unsecured, and bears interest at a rate equal to the lesser of the Prime Rate minus 1.75% or LIBOR plus 1.05% (effective rate of 1.50% at June 27, 2009). The Agreement governing the Company's unsecured line of credit contains various financial and restrictive covenants to be maintained by the Company including requiring it to maintain a tangible net worth of at least \$100 million, a debt to tangible net worth ratio not to exceed 1 to 1, and quarterly net profits of at least one dollar. For purposes of this Agreement, tangible net worth is defined as total assets, excluding all intangible assets, less total debt. The Agreement also may, in certain circumstances, limit the Company's ability to pay dividends or distributions. The Agreement also contains customary representations and warranties, affirmative and negative covenants and events of default. As of June 27, 2009, the Company was in compliance with its debt covenants. The Company did not have any amounts outstanding under its line of credit at June 27, 2009 or December 31, 2008, and there were \$736,000 and \$839,000 letters of credit issued against the line, respectively.

(3) Debt – continued

On May 1, 2006, UTS Realty, LLC, or Realty, a wholly owned subsidiary of the Company, received a \$1,000,000 loan from the County of Cuyahoga, Ohio, or the County, to be used for improvements to its Cleveland, Ohio container storage facility. The loan agreement requires quarterly interest payments at an annual rate of 5.0%. Through January 31, 2011, subject to certain conditions, the County will forgive \$450,000 of the principal amount owed. On January 31, 2007, the Company began recording the forgiveness as a reduction in the cost of the underlying improvements at a rate of \$90,000 per annum. The remaining principal of \$550,000 is due at maturity. As of June 27, 2009 and December 31, 2008, the outstanding balance under the loan was \$730,000 and \$820,000, respectively. The loan matures on January 31, 2011; however, at Realty’s option, the maturity date may be extended until January 31, 2021. In connection with this loan, Realty and the Company entered into an environmental indemnity agreement with the County and the Company issued a \$730,000 standby letter of credit that expires February 14, 2010. Under the terms of the environmental indemnity agreement, Realty and the Company have agreed to indemnify the County, without limitation, against any loss attributable to the generation, storage, release or presence of Regulated Materials, as defined in the environmental indemnity agreement, at the container storage facility. In connection with the acquisition of the Cleveland, Ohio property in August 2005, Realty received indemnity from the seller from any and all claims, which Realty may incur as a direct consequence of any environmental condition of which the seller had actual knowledge as of the date of the acquisition of the property. The Company believes the fair value of this debt approximates the carrying value based on current rates available for similar issues.

(4) Earnings Per Share

Basic earnings per common share amounts are based on the weighted average number of common shares outstanding, and diluted earnings per share amounts are based on the weighted average number of common shares outstanding plus the incremental shares that would have been outstanding upon the assumed exercise of all dilutive stock options.

The following table provides a reconciliation of the number of average common shares outstanding used to calculate basic earnings per share to the weighted average number of common shares and common share equivalents outstanding used in calculating diluted earnings per share (in thousands):

	Thirteen Weeks Ended		Twenty-six Weeks Ended	
	June 27, 2009	June 28, 2008	June 27, 2009	June 28, 2008
Weighted average number of common shares	15,980	16,088	15,985	16,088
Incremental shares from assumed exercise of stock options	—	—	—	—
Weighted average number of common shares and common share equivalents	15,980	16,088	15,985	16,088

For both the thirteen and twenty-six weeks ended June 27, 2009 and June 28, 2008, 190,000 options to purchase shares of common stock were excluded from the calculation of diluted earnings per share because such options were anti-dilutive.

(5) Stock Based Compensation

In December 2004, UTSI's board of directors adopted the 2004 Stock Incentive Plan, or the Plan, which became effective upon completion of the Company's initial public offering. The Plan allows for the issuance of a total of 500,000 shares. The grants may be made in the form of restricted stock bonuses, restricted stock purchase rights, stock options, phantom stock units, restricted stock units, performance share bonuses, performance share units or stock appreciation rights. On February 11, 2005, UTSI granted 260,000 options to certain of its employees. The stock options granted vested immediately, have a life of seven years and have an exercise price of \$22.50 per share. Prior to January 1, 2006, the Company accounted for stock options issued under the Plan pursuant to the recognition and measurement principles of APB Opinion No. 25, "Accounting for Stock Issued to Employees," and related interpretations. No stock-based employee compensation was reflected in net income prior to fiscal year 2006, as all options granted under the Plan had an exercise price equal to the fair market value of the underlying common stock on the date of grant. The intrinsic value of all outstanding options as of June 27, 2009 and June 28, 2008 was \$0.

The following table summarizes the stock option activity and related information for the period indicated:

	<u>Options</u>	<u>Weighted Average Exercise Price</u>
Balance at January 1, 2009	190,000	\$ 22.50
Granted	—	—
Exercised	—	—
Expired	—	—
Forfeited	—	—
Balance at June 27, 2009	<u>190,000</u>	<u>\$ 22.50</u>
Exercisable	<u>190,000</u>	<u>\$ 22.50</u>

(6) Comprehensive Income (Loss)

Comprehensive income (loss) includes the following (in thousands):

	<u>Thirteen Weeks Ended</u>		<u>Twenty-six Weeks Ended</u>	
	<u>June 27, 2009</u>	<u>June 28, 2008</u>	<u>June 27, 2009</u>	<u>June 28, 2008</u>
Net income	\$ 1,305	\$ 3,503	\$ 1,444	\$ 6,847
Other comprehensive income (loss):				
Unrealized holding losses on available-for-sale investments arising during the period, net of income tax	(2,104)	(973)	(2,817)	(1,321)
Reclassification adjustment for losses on available-for-sale investments reclassified into income, net of tax	251	1,355	708	1,355
Net gain (loss) recognized in other comprehensive income	<u>(1,853)</u>	<u>382</u>	<u>(2,109)</u>	<u>34</u>
Total Comprehensive income (loss)	<u>\$ (548)</u>	<u>\$ 3,885</u>	<u>\$ (665)</u>	<u>\$ 6,881</u>

(6) Comprehensive Income (Loss) – (continued)

Accumulated other comprehensive loss at June 27, 2009 of \$2,863,000 represents the unrealized holding losses on available-for-sale investments of \$2,863,000, net of related income taxes of \$0. Upon the initial recognition of deferred tax assets resulting from unrealized holding losses on available-for-sale investments arising during the thirteen weeks ended June 27, 2009, the Company recorded a valuation allowance of \$1,070,000 directly to shareholders equity. At June 27, 2009, the gross unrealized holding gains and gross unrealized holding losses on available-for-sale investments were \$1,010,000 and \$3,873,000, respectively.

Accumulated other comprehensive loss at December 31, 2008 of \$754,000 represents the unrealized holding losses on available-for-sale investments of \$1,229,000, net of related income tax benefit of \$475,000. At December 31, 2008, the gross unrealized holding gains and gross unrealized holding losses on available-for-sale investments were \$327,000 and \$1,556,000, respectively.

(7) Recent Accounting Pronouncements

In December 2007, the FASB issued SFAS No. 141 (revised 2007), “*Business Combinations*”, or SFAS 141R, which replaces SFAS No. 141. This Statement established principles and requirements for how an acquirer recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, any non-controlling interest in the acquiree and the goodwill acquired. SFAS 141R also established disclosure requirements which will enable users to evaluate the nature and financial effects of the business combination, measures contingent consideration at the acquisition-date fair value and requires transaction costs to be recognized as expense in the period in which they are incurred. SFAS 141R was effective for the Company on January 1, 2009, and will be applicable prospectively for any business combinations in 2009 or after.

In April 2009, the FASB issued FASB Staff Position (FSP) FAS 141R-1, “*Accounting for Assets Acquired and Liabilities Assumed in a Business Combination That Arise from Contingencies*”. The Statement amends the guidance in SFAS 141R to require that assets acquired and liabilities assumed in a business combination arising from contingencies be recognized at fair value, if fair value can be reasonably estimated. If fair value of such an asset or liability cannot be reasonably estimated, the asset or liability would generally be recognized in accordance with FASB Statement No. 5, “*Accounting for Contingencies*”. This Statement also eliminated the requirement to disclose an estimate of the range of outcomes of recognized contingencies and require that contingent consideration arrangements of an acquiree assumed by the acquirer in a business combination be treated as contingent consideration of the acquirer and should be initially and subsequently measured at fair value in accordance with Statement 141R. FSP FAS 141R-1 was effective for the Company on January 1, 2009, and will be applicable prospectively for any business combinations in 2009 or after.

In February 2008, the FASB issued FSP FAS 157-2, “*Effective Date of FASB Statement No. 157*,” which delayed the effective date of Statement 157 until fiscal years beginning after November 15, 2008 for all nonfinancial assets and liabilities that are recognized or disclosed at fair value in the financial statements on a nonrecurring basis.

(7) Recent Accounting Pronouncements – continued

In April 2009, the FASB issued (i) FSP FAS 157-4, “*Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly*”, or FSP FAS 157-4, (ii) FSP FAS 115-2 and FAS 124-2, “*Recognition and Presentation of Other-Than-Temporary Impairments*”, or FSP FAS 115-2 and FAS 124-2, and (iii) FSP FAS 107-1 and APB 28-1, “*Interim Disclosures about Fair Value of Financial Instruments*”, or FSP FAS 107-1 and APB 28-1, collectively the FSPs. FSP FAS 157-4 provides additional guidance on determining fair value when volumes and levels of activity for an asset or liability have significantly decreased and on determining when a transaction is not orderly. FSP FAS 115-2 and FAS 124-2, provides additional guidance on determining when a debt security is other-than-temporarily impaired and provides for additional financial statement disclosures related to debt and equity securities. FSP FAS 107-1 and APB 28-1 requires, on an interim basis, the disclosures about the fair value of financial instruments required by FASB Statement No. 107, “*Disclosures about Fair Value of Financial Instruments*”. The Company adopted all three FSPs in the quarterly period beginning on March 29, 2009. The adoption did not have an effect on the Company’s financial position, results of operations, or cash flows, but does provide for additional disclosures beginning with this quarterly report on Form 10-Q for the period ended June 27, 2009.

In May 2009, the FASB issued SFAS No. 165, “*Subsequent Events*”, or SFAS 165, which establishes authoritative accounting and disclosure guidance for recognized and non-recognized subsequent events that occur after the balance sheet date, but before financial statements are issued. SFAS 165 also requires disclosure of the date through which an entity has evaluated subsequent events and the basis for that date. SFAS 165 was effective for the Company beginning with our Quarterly Report on Form 10-Q for the thirteen and twenty-six weeks ended June 27, 2009, and will be applied prospectively. The adoption of SFAS 165 had no impact on the Company’s financial position, results of operations, or cash flows, but provide for additional disclosures beginning with this quarterly report on Form 10-Q for the period ended June 27, 2009.

In June 2009, the FASB issued SFAS No. 168, “*The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles*”, or SFAS 168, which replaces SFAS No. 162, “*The Hierarchy of Generally Accepted Accounting Principles*”, or SFAS 162. SFAS 162 provided a consistent framework for determining which accounting principles should be used when preparing financial statements presented in conformity with generally accepted accounting principles the United States, or GAAP. SFAS 168 identifies the FASB Accounting Standards Codification, or the Codification, as the source of accounting principles and the framework to be used for selecting principles as the authoritative source recognized by the FASB. SFAS 168 will be effective for the Company for financial statements issued for interim and annual periods ending after September 15, 2009. The Company does not expect the adoption of the SFAS 168 to have any impact on its financial position, results of operations, or cash flows.

(8) Fair Value Measurements

In September 2006, the FASB issued SFAS No. 157, “*Fair Value Measurements*”, which defines fair value as the exchange price that would be received for an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date and expanded disclosures with respect to fair value measurements. In February 2008, the FASB issued FSP FAS 157-2 which allowed companies to elect a one year deferral of adoption of SFAS No. 157 for nonfinancial assets and liabilities that are recognized or disclosed at fair value in the financial statements on a non-recurring basis. The Company adopted the provisions of SFAS No. 157 for financial assets and liabilities on January 1, 2008, and for nonfinancial assets and liabilities on January 1, 2009.

(8) Fair Value Measurements – continued

SFAS No. 157 also establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

- Level 1 — Quoted prices in active markets for identical assets or liabilities.
- Level 2 — Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3 — Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

The Company's adoption of SFAS No. 157 did not have a material impact on its financial position, results of operations, or cash flows. The Company has segregated all financial assets that are measured at fair value on a recurring basis into the most appropriate level within the fair value hierarchy based on the inputs used to determine the fair value at the measurement date in the table below.

The following tables summarize the Company's assets measured at fair value on a recurring basis (in thousands):

	June 27, 2009			Fair Value Measurement
	Level 1	Level 2	Level 3	
Assets				
Cash Equivalents	\$ 2,246	\$ —	\$ —	\$ 2,246
Available-for-sale securities	12,043	—	—	12,043
Total Assets	<u>\$14,289</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 14,289</u>
	December 31, 2008			Fair Value Measurement
	Level 1	Level 2	Level 3	
Assets				
Cash Equivalents	\$26,353	\$ —	\$ —	\$ 26,353
Available-for-sale securities	8,808	—	—	8,808
Total Assets	<u>\$35,161</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 35,161</u>

(8) Fair Value Measurements – continued

The valuation techniques used to measure fair value for the items in the tables above are as follows:

- Cash equivalents – This category consists of money market and mutual funds which are listed as Level 1 assets and measured at fair value based on quoted prices for identical instruments in active markets.
- Available-for-sale securities – Included within this asset category are equity securities. Equity securities consisting of stocks which are actively traded on public exchanges are listed as Level 1 assets. Fair value was measured based on quoted prices for identical securities in active markets.

(9) Marketable Securities

At June 27, 2009, marketable securities, all of which are available-for-sale, consist of common and preferred stocks. Marketable securities are carried at fair value, with unrealized gains and losses, net of related income taxes, reported as accumulated other comprehensive income (loss), except for losses from impairments which are determined to be other-than-temporary. Realized gains and losses, and declines in value judged to be other-than-temporary on available-for-sale securities are included in the determination of net income and are included in other non-operating income (expense), at which time the average cost basis of these securities are adjusted to fair value. Fair values are based on quoted market prices at the reporting date. Interest and dividends on available-for-sale securities are included in other non-operating income (expense).

The cost, gross unrealized holding gains, gross unrealized holding losses, and fair value of available-for-sale securities by type was as follows (in thousands):

		June 27, 2009			
		Cost	Gross unrealized holding gains	Gross unrealized holding (losses)	Fair Value
Equity Securities		\$14,906	\$ 1,010	\$ (3,873)	\$12,043
Total		\$14,906	\$ 1,010	\$ (3,873)	\$12,043
		December 31, 2008			
		Cost	Gross unrealized holding gains	Gross unrealized holding (losses)	Fair Value
Equity Securities		\$10,037	\$ 327	\$ (1,556)	\$8,808
Total		\$10,037	\$ 327	\$ (1,556)	\$8,808

Included in equity securities at June 27, 2009 are \$11.2 million of securities with a cumulative loss position of \$3.9 million, the impairment of which the Company considers to be temporary. The Company considers several factors in its determination as to whether declines in value are judged to be temporary or other-than-temporary, including the severity and duration of the decline, the financial condition and near-term prospects of the specific issuers and the industries in which they operate, and the Company's intent and ability to hold these securities. The Company may incur future impairment charges if declines in market values continue and/or worsen and impairments are no longer considered temporary.

(9) Marketable Securities – continued

The following table shows the gross unrealized holding losses and fair value of the Company's marketable securities that are not deemed to be other-than-temporarily impaired aggregated by type and length of time they have been in a continuous unrealized loss position at June 27, 2009 (in thousands):

	<u>Less than 12 Months</u>		<u>12 Months or Greater</u>		<u>Total</u>	
	<u>Fair Value</u>	<u>Unrealized Losses</u>	<u>Fair Value</u>	<u>Unrealized Losses</u>	<u>Fair Value</u>	<u>Unrealized Losses</u>
Equity Securities	\$7,340	\$ 3,873	\$ —	\$ —	\$7,340	\$ 3,873
Total	<u>\$7,340</u>	<u>\$ 3,873</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$7,340</u>	<u>\$ 3,873</u>

The Company's portfolio of equity securities in a continuous loss position, the impairment of which the Company considers to be temporary, consists primarily of common stocks in the transportation, energy, and banking and finance industries. The transportation industry accounts for approximately \$3.5 million, or 48%, of the total fair value and \$3.0 million, or 79%, of the total unrealized losses of equity securities in a continuous loss position, the energy industry accounts for approximately \$1.3 million, or 18%, of the total fair value and \$0.3 million, or 7%, of the total unrealized losses of equity securities in a continuous loss position, and the banking and finance industry accounts for approximately \$1.0 million, or 14%, of the total fair value and \$0.2 million, or 6%, of the total unrealized losses of equity securities in a continuous loss position.

The fair value and unrealized losses are distributed in over 25 publicly traded companies, with a concentration of losses in the transportation industry. The Company has evaluated the near-term prospects of certain issuers within this industry, as well as the other issuers in the remainder of its portfolio, in relation to the severity and duration of the impairments, and based on that evaluation, and the Company's ability and intent to hold these investments for a reasonable period of time to allow for a recovery of fair value, the Company does not consider these investments to be other-than-temporarily impaired at June 27, 2009.

The Company from time to time invests cash in excess of its current needs in marketable securities, much of which is held in equity securities, which are actively traded on public exchanges. It is the philosophy of the Company to minimize the risk of capital loss without foregoing the potential for capital appreciation through investing in value-and-income oriented investments. However, holding equity securities subjects the Company to fluctuations in the market value of its investment portfolio based on current market prices, and a drop in market prices or other unstable market conditions could cause a loss in the value of the Company's marketable securities classified as available-for-sale.

There were no equity securities in a cumulative loss position for a period of 12 months or greater as of June 27, 2009; however, during the thirteen and twenty-six weeks ended June 27, 2009, the Company recorded other-than-temporary impairment charges of \$400 thousand and \$1.1 million, respectively, for marketable equity securities classified as available-for-sale. These charges resulted from the Company's equity holdings in various industries including the automotive, transportation, energy, tobacco and the banking and finance sectors, which have experienced severe declines in their respective stock prices. The Company also recorded impairment charges of \$2.2 million during the thirteen and twenty-six weeks ended June 28, 2008 for marketable equity securities classified as available-for-sale. As such, the average cost basis of these securities have been adjusted to fair value as of the reporting date, and the losses have been reclassified from accumulated other comprehensive income and included in other non-operating expense in the unaudited consolidated statements of income for the thirteen and twenty-six weeks ended June 27, 2009 and June 28, 2008.

(10) Contingencies

The Company is involved in claims and litigation arising in the ordinary course of business. These matters primarily involve claims for personal injury and property damage incurred in the transportation of freight. Based on knowledge of the facts and, in certain cases, opinions of outside counsel, the Company believes all such litigation is adequately covered by insurance or otherwise provided for and that adverse results in one or more of those cases would not have a materially adverse effect on its financial condition, operating results and cash flows. However, if the ultimate outcome of these matters, after provisions thereof, is materially different from the Company's estimates, they could have a material effect on the Company's operating results and cash flows in any given quarter or year.

(11) Subsequent Events

The Company evaluated subsequent events through the time of filing this Quarterly Report on Form 10-Q on August 4, 2009. Except for the following matter, we are not aware of any significant events that occurred subsequent to the balance sheet date but prior to the filing of this report that would have a material impact on the Unaudited Consolidated Financial Statements.

In July 2009, the Company entered into a Limited Asset Purchase Agreement, or the Agreement, to acquire certain assets utilized in the operations of Pacer Transport, Inc., or Pacer Transport, and two of its subsidiaries, S&H Transport, Inc. and S&H Leasing, Inc., based in Desoto, Texas for approximately \$2.0 million. Pacer Transport is a wholly-owned subsidiary of Pacer International, Inc. Under the terms of the Agreement, the Company will acquire certain assets including customer, owner-operator, and agent lists and files, as well as owned trailers, used in operations consisting primarily of flatbed, van, and specialized heavy-haul equipment services throughout United States. Subject to receipt of the appropriate consents, the Company will also assume two real property leases and certain equipment leases for tractors and trailers used in Pacer Transport's operations. Pacer Transport will retain all receivables and payables generated through the closing date. The closing is expected to occur in August 2009. The Company and Pacer Transport have also agreed to a 30-month noncompetition covenant with respect to conducting business as an independent contractor-agency based transportation company for flat bed trucks or specialized heavy haul equipment in the United States, Mexico or Canada. The purchased assets will be integrated into the operations of Universal Am-Can, Ltd., a wholly-owned subsidiary of the Company.

ITEM 2: MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Some of the statements and assumptions in this Form 10-Q are forward-looking statements. These statements identify prospective information. Important factors could cause actual results to differ, possibly materially, from those in the forward-looking statements. In some cases you can identify forward-looking statements by words such as "anticipate," "believe," "could," "estimate," "plan," "intend," "may," "should," "will" and "would" or other similar words. You should read statements that contain these words carefully because they discuss our future expectations, contain projections of our future results of operations or of our financial position or state other "forward-looking" information. Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times at, or by which, such performance or results will be achieved. Forward-looking information is based on information available at the time and/or management's good faith belief with respect to future events, and is subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in the statements. The factors listed in the section captioned "Risk Factors" in Item 1A in our Form 10-K for the year ended December 31, 2008, as well as any other cautionary language in that Form 10-K, provide examples of risks, uncertainties and events that may cause our actual results to differ materially from the expectations we describe in our forward-looking statements.

Forward-looking statements speak only as of the date the statements are made. We assume no obligation to update forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting forward-looking information except to the extent required by applicable securities laws. If we do update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect thereto or with respect to other forward-looking statements.

Overview

We are primarily an asset-light provider of transportation services to shippers throughout the United States and in the Canadian provinces of Ontario and Quebec. We offer flatbed and dry van trucking services, as well as rail-truck and steamship-truck intermodal and truck brokerage services. We primarily operate through a contractor network of independent sales agents and owner-operators of tractors and trailers. In return for their services, we pay our agents and owner-operators a percentage of the revenue they generate for us.

Our use of agents and owner-operators reduces our need to provide non-driver facilities and tractor and trailer fleets. The primary physical assets we provide to our agents and owner-operators include a portion of our trailer fleet, our headquarters facility, our management information systems and our intermodal depot facilities. Our business model provides us with a highly variable cost structure, allows us to grow organically using relatively small amounts of cash, gives us a higher return on assets compared to many of our asset-based competitors and preserves an entrepreneurial spirit among our agents and owner-operators that we believe leads to improved operating performance. For the thirteen and twenty-six weeks ended June 27, 2009, approximately 82.5% and 82.3%, respectively, of our total operating expenses were variable in nature and our capital expenditures were \$4.7 million and \$19.3 million, respectively.

Results of Operations

The following table sets forth items derived from our consolidated statements of income for the thirteen and twenty-six weeks ended June 27, 2009 and June 28, 2008, as a percentage of operating revenues:

	Thirteen Weeks Ended		Twenty-six Weeks Ended	
	June 27, 2009	June 28, 2008	June 27, 2009	June 28, 2008
Operating revenues	100%	100%	100%	100%
Operating expenses:				
Purchased transportation	74.2	78.1	74.5	77.8
Commissions expense	6.7	6.1	6.7	6.2
Other operating expenses	1.8	1.3	1.9	1.3
Selling, general and administrative	8.8	6.4	9.6	6.9
Insurance and claims	4.4	3.0	3.8	3.1
Depreciation and amortization	2.1	1.2	2.2	1.2
Total operating expenses	98.0	96.1	98.7	96.5
Operating income	2.0	3.9	1.3	3.5
Interest income, net	—	—	—	—
Other non-operating income (expense)	(0.2)	(1.0)	(0.3)	(0.5)
Income before provision for income taxes	1.7	2.9	1.0	3.0
Provision for income taxes	0.6	1.1	0.4	1.2
Net income	1.1%	1.8%	0.6%	1.9%

Twenty-six Weeks Ended June 27, 2009 Compared to Twenty-six Weeks Ended June 28, 2008

Operating revenues. Operating revenues for the twenty-six weeks ended June 27, 2009 decreased by \$134.6 million, or 36.4%, to \$234.9 million from \$369.6 million for the twenty-six weeks ended June 28, 2008. The decrease in operating revenues is primarily attributable to a decrease in the number of loads in our truckload, brokerage and intermodal operations attributable to the current economic recession, a decrease in fuel surcharges, and a decrease in operating revenues per loaded mile. The number of loads from our combined truckload, brokerage, and intermodal operations was 314,000 for the twenty-six weeks ended June 27, 2009 compared to 435,000 for the twenty-six weeks ended June 28, 2008. Included in operating revenues are fuel surcharges of \$15.3 million for the twenty-six weeks ended June 27, 2009 compared to \$48.9 million for the twenty-six weeks ended June 28, 2008. For the twenty-six weeks ended June 27, 2009, our operating revenue per loaded mile, excluding fuel surcharges, from our combined truckload and brokerage operations decreased to \$2.06 from \$2.29 for the twenty-six weeks ended June 28, 2008. These decreases in our operating revenues were partially offset by increases in revenue attributable to acquisitions made in the first half of 2008. Included in operating revenues is approximately \$4.1 million attributable to these acquisitions, consisting of \$2.7 million in truckload operations, \$0.6 million in brokerage operations, and \$0.8 million in intermodal operations. Excluding the effects of acquisitions made in the second quarter of 2008, revenue from our truckload operations decreased by \$77.1 million, or 35.4%, to \$141.1 million for the twenty-six weeks ended June 27, 2009 from \$218.2 million for the twenty-six weeks ended June 28, 2008. Excluding the effects of acquisitions made in the first half of 2008, revenue from our brokerage operations decreased by \$40.7 million, or 43.3%, to \$53.2 million for the twenty-six weeks ended June 27, 2009 compared to \$93.9 million for the twenty-six weeks ended June 28, 2008. Excluding the effects of acquisitions made in the first half of 2008, revenue from our intermodal support services decreased by \$20.9 million, or 36.4%, to \$36.5 million for the twenty-six weeks ended June 27, 2009 from \$57.4 million for the twenty-six weeks ended June 28, 2008.

Purchased transportation. Purchased transportation expense for the twenty-six weeks ended June 27, 2009 decreased by \$112.3 million, or 39.1%, to \$175.1 million from \$287.4 million for the twenty-six weeks ended June 28, 2008. As a percentage of operating revenues, purchased transportation expense decreased to 74.5% for the twenty-six weeks ended June 27, 2009 from 77.8% for the twenty-six weeks ended June 28, 2008. The absolute decrease was primarily due to the decrease in our operating revenues. Purchased transportation expense generally increases or decreases in proportion to the revenues generated through owner-operators and other third party providers. The decrease in purchased transportation as a percent of operating revenues is primarily due to a decrease in

fuel surcharges, which are passed through to owner-operators and a change in the mix of operating revenues attributable to lower brokerage revenues, which typically payout higher purchased transportation rates than truckload and intermodal revenues. Fuel surcharges for the twenty-six weeks ended June 27, 2009 were \$15.3 million compared to \$48.9 million for the twenty-six weeks ended June 28, 2008.

Commissions expense. Commissions expense for the twenty-six weeks ended June 27, 2009 decreased by \$7.0 million, or 31.1%, to \$15.7 million from \$22.7 million for the twenty-six weeks ended June 28, 2008. As a percentage of operating revenues, commissions expense increased to 6.7% for the twenty-six weeks ended June 27, 2009 compared to 6.2% for twenty-six weeks ended June 28, 2008. As a percentage of revenues, commissions expense increased primarily due to \$33.6 million of the decrease in operating revenues being attributable to a decrease in fuel surcharges, which are passed on through to our owner operators, and as such, no commission is paid.

Other operating expense. Other operating expense for the twenty-six weeks ended June 27, 2009 decreased by \$0.4 million, or 8.0%, to \$4.5 million from \$4.9 million for the twenty-six weeks ended June 28, 2008. As a percentage of operating revenues, other operating expense increased to 1.9% for the twenty-six weeks ended June 27, 2009 compared to 1.3% for twenty-six weeks ended June 28, 2008. The absolute decrease was primarily attributable to a decrease in licensing and permit costs, associated with the decrease in operating revenues, and a decrease in other operating costs due to several cost saving initiatives and terminal consolidations. These decreases were partially offset by an increase in repairs and maintenance costs and an increase in highway use and fuel taxes.

Selling, general and administrative. Selling, general and administrative expense for the twenty-six weeks ended June 27, 2009 decreased by \$3.1 million, or 12.1%, to \$22.4 million from \$25.5 million for the twenty-six weeks ended June 28, 2008. As a percentage of operating revenues, selling, general and administrative expense increased to 9.6% for the twenty-six weeks ended June 27, 2009 compared to 6.9% for twenty-six weeks ended June 28, 2008. The absolute decrease in selling, general and administrative expense was primarily the result of a \$2.0 million decrease in compensation expense due to reductions in employee headcounts and several cost savings that include company wide pay decreases and the implementation of unpaid time-off in the second quarter of 2009. Other cost saving initiatives resulted in decreases in travel and entertainment expenditures of \$650 thousand, a decrease in legal and professional fees and other selling, general, and administrative costs of \$1.0 million, and decreases in building rents of \$250 thousand. These decreases were partially offset by an increase in our allowance for doubtful accounts and uncollectible agent loans of \$625 thousand.

Insurance and claims. Insurance and claims expense for the twenty-six weeks ended June 27, 2009 decreased by \$2.5 million, or 21.3%, to \$9.0 million from \$11.5 million for the twenty-six weeks ended June 28, 2008. As a percentage of operating revenues, insurance and claims increased to 3.8% for the twenty-six weeks ended June 27, 2009 from 3.1% for the twenty-six weeks ended June 28, 2008. The absolute decrease is the result of a \$2.7 million decrease in auto liability insurance premiums and claims expense for the twenty-six weeks ended June 27, 2009 compared to the twenty-six weeks ended June 28, 2008. This decrease was partially offset by a \$0.2 million increase in other contractor insurance and safety costs.

Depreciation and amortization. Depreciation and amortization for the twenty-six weeks ended June 27, 2009 increased by \$0.5 million, or 11.9%, to \$5.1 million from \$4.6 million for the twenty-six weeks ended June 28, 2008. Depreciation for the twenty-six weeks ended June 27, 2009 increased by \$0.5 million, or 16.2%, to \$3.6 million from \$3.1 million for the twenty-six weeks ended June 28, 2008. Amortization for the twenty-six weeks ended June 27, 2009 increased by \$0.1 million, or 3%, to \$1.6 million from \$1.5 million for the twenty-six weeks ended June 28, 2008. As a percent of operating revenues, depreciation and amortization increased to 2.2% for the twenty-six weeks ended June 27, 2009 compared to 1.2% for the twenty-six weeks ended June 28, 2008. The absolute increases are primarily the results of additional depreciation on our \$10.1 million of capital expenditures made throughout 2008 and a \$0.1 million increase in amortization expense relating to acquisitions made in the first half of 2008.

Interest expense (income), net. Net interest income for the twenty-six weeks ended June 27, 2009 was \$3 thousand compared to net interest income of \$19 thousand for the twenty-six weeks ended June 28, 2008.

Other non-operating income (expense). Other non-operating expense for the twenty-six weeks ended June 27, 2009 was \$0.8 million compared to \$1.8 million for the twenty-six weeks ended June 28, 2008. Included in other non-operating expense for the twenty-six weeks ended June 27, 2009 and June 28, 2008 were \$1.1 million and \$2.2 million, respectively, of pre-tax charges for other-than-temporary impairments of marketable equity securities classified as available for sale. Excluding these charges, there was a decrease of other non-operating income of \$129 thousand or 29.3% which was primarily the result of decreased dividends on our available-for-sale investments.

Provision for income taxes. Provision for income taxes for the twenty-six weeks ended June 27, 2009 decreased by \$3.5 million, or 80.2%, to \$0.9 million from \$4.4 million for the twenty-six weeks ended June 28, 2008. The decrease was primarily attributable to the decrease in our taxable income and a lower effective tax rate. For the twenty-six weeks ended June 27, 2009 and June 28, 2008, we had an effective income tax rate of 37.4% and 38.9%, respectively, based upon our income before provision for income taxes.

Thirteen Weeks Ended June 27, 2009 Compared to Thirteen Weeks Ended June 28, 2008

Operating revenues. Operating revenues for the thirteen weeks ended June 27, 2009 decreased by \$79.5 million, or 39.9%, to \$119.9 million from \$199.4 million for the thirteen weeks ended June 28, 2008. The decrease in operating revenues is primarily attributable to a decrease in the number of loads in our truckload, brokerage and intermodal operations attributable to the current economic recession, a decrease in fuel surcharges, and a decrease in operating revenues per loaded mile. The number of loads from our combined truckload, brokerage and intermodal operations was 162,000 for the thirteen weeks ended June 27, 2009 compared to 224,000 for the thirteen weeks ended June 28, 2008. Included in operating revenues are fuel surcharges of \$7.4 million for the thirteen weeks ended June 27, 2009 compared to \$29.6 million for the thirteen weeks ended June 28, 2008. For the thirteen weeks ended June 27, 2009, our operating revenue per loaded mile, excluding fuel surcharges, from our combined truckload and brokerage operations decreased to \$2.04 from \$2.37 for the thirteen weeks ended June 28, 2008. These decreases were partially offset by increases in revenue attributable to acquisitions made in the first half of 2008. Included in operating revenues is approximately \$1.7 million attributable to these acquisitions, consisting of \$1.2 million in truckload operations, \$0.3 million in brokerage operations, and \$0.2 million in intermodal operations. Excluding the effects of acquisitions made in the second quarter of 2008, revenue from our truckload operations decreased by \$45.2 million, or 38.0%, to \$73.8 million for the thirteen weeks ended June 27, 2009 from \$119.0 million for the thirteen weeks ended June 28, 2008. Excluding the effects of acquisitions made in the first half of 2008, revenue from our brokerage operations decreased by \$24.0 million, or 48.1%, to \$25.8 million for the thirteen weeks ended June 27, 2009 compared to \$49.8 million for the thirteen weeks ended June 28, 2008. Excluding the effects of acquisitions made in the first half of 2008, revenue from our intermodal support services decreased by \$12.1 million, or 39.5%, to \$18.5 million for the thirteen weeks ended June 27, 2009 from \$30.6 million for the thirteen weeks ended June 28, 2008.

Purchased transportation. Purchased transportation expense for the thirteen weeks ended June 27, 2009 decreased by \$66.8 million, or 42.9%, to \$88.9 million from \$155.8 million for the thirteen weeks ended June 27, 2009. As a percentage of operating revenues, purchased transportation expense decreased to 74.2% for the thirteen weeks ended June 27, 2009 from 78.1% for the thirteen weeks ended June 28, 2008. The absolute decrease was primarily due to a decrease in our operating revenues. Purchased transportation expense generally increases or decreases in proportion to the revenues generated through owner-operators and other third-party providers. The decrease in purchased transportation as a percent of operating revenues is primarily due to a decrease in fuel surcharges, which are passed through to owner-operators and a change in the mix of operating revenues attributable to lower brokerage revenues, which typically payout higher purchased transportation rates than truckload and intermodal revenues. Fuel surcharges for the thirteen weeks ended June 27, 2009 were \$7.4 million compared to \$29.6 million for the thirteen weeks ended June 28, 2008.

Commissions expense. Commissions expense for the thirteen weeks ended June 27, 2009 decreased by \$4.1 million, or 33.8%, to \$8.1 million from \$12.2 million for the thirteen weeks ended June 28, 2008. As a percentage of operating revenues, commissions expense increased to 6.7% for the thirteen weeks ended June 27, 2009 compared to 6.1% for thirteen weeks ended June 28, 2008. The absolute decrease was primarily due to the decline in our operating revenues. As a percentage of revenues, commissions expense increased primarily due to \$22.2 million of the decrease in operating revenues being attributable to a decrease in fuel surcharges, which are passed on through to our owner operators, and as such, no commissions are paid.

Other operating expense. Other operating expense for the thirteen weeks ended June 27, 2009 decreased by \$0.5 million, or 18.2%, to \$2.1 million from \$2.6 million for the thirteen weeks ended June 28, 2008. As a percentage of operating revenues, other operating expense increased to 1.8% for the thirteen weeks ended June 27, 2009 compared to 1.3% for the thirteen weeks ended June 28, 2008. The absolute decrease was primarily attributable to a decrease in licensing and permit costs, associated with the decrease in operating revenues, and a decrease in other operating costs due to several cost saving initiatives and terminal consolidations. These decreases were partially offset by an increase in repairs and maintenance costs and an increase in highway use and fuel taxes.

Selling, general and administrative. Selling, general and administrative expense for the thirteen weeks ended June 27, 2009 decreased by \$2.2 million, or 17.4%, to \$10.6 million from \$12.8 million for the thirteen weeks ended June 28, 2008. As a percentage of operating revenues, selling, general and administrative expense increased to 8.8% for the thirteen weeks ended June 27, 2009 from 6.4% for the thirteen weeks ended June 28, 2008. The absolute decrease in selling, general and administrative expense was primarily the result of a \$1.5 million decrease in compensation expense due to reductions in employee headcounts and several cost savings that include company wide pay decreases and the implementation of unpaid time-off in the second quarter of 2009. Other cost saving initiatives resulted in decreases in travel and entertainment expenditures of \$320 thousand, a decrease in legal and professional fees and other selling, general, and administrative costs of \$475 thousand, and decreases in building rents of \$255 thousand. These decreases were partially offset by an increase in our allowance for doubtful accounts and uncollectible agent loans of \$300 thousand.

Insurance and claims. Insurance and claims expense for the thirteen weeks ended June 27, 2009 decreased by \$0.7 million, or 11.4%, to \$5.2 million from \$5.9 million for the thirteen weeks ended June 28, 2008. As a percentage of operating revenues, insurance and claims increased to 4.4% for the thirteen weeks ended June 27, 2009 from 3.0% for the thirteen weeks ended June 28, 2008. The absolute decrease is the result of a \$1.2 million decrease in auto liability insurance premiums and claims expense for the thirteen weeks ended June 27, 2009 compared to the thirteen weeks ended June 28, 2008. This decrease was partially offset by a \$0.4 million increase in cargo claims expense in thirteen weeks ended June 27, 2009 compared to June 28, 2008.

Depreciation and amortization. Depreciation and amortization for the thirteen weeks ended June 27, 2009 increased by \$0.2 million, or 9.2%, to \$2.5 million from \$2.3 million for the thirteen weeks ended June 28, 2008. As a percent of operating revenues, depreciation and amortization increased to 2.1% for the thirteen weeks ended June 27, 2009 compared to 1.2% for the thirteen weeks ended June 28, 2008. Depreciation for the thirteen weeks ended June 27, 2009 increased by \$215 thousand, or 13.6%, to \$1.8 million from \$1.6 million for the thirteen weeks ended June 28, 2008. Amortization remained consistent for the thirteen weeks ended June 27, 2009 compared to the thirteen weeks ended June 28, 2008 at \$0.8 million. The absolute increase in depreciation expense is primarily the results of additional depreciation on our \$10.1 million of capital expenditures made throughout 2008.

Interest expense (income), net. Net interest income for the thirteen weeks ended June 27, 2009 was \$22 thousand compared to net interest expense of \$1 thousand for the thirteen weeks ended June 28, 2008.

Other non-operating income (expense). Other non-operating expense for the thirteen weeks ended June 27, 2009 was \$0.3 million compared to \$2.0 million for the thirteen weeks ended June 28, 2008. Included in other non-operating expense for the thirteen weeks ended June 27, 2009 and June 28, 2008 were \$0.4 million and \$2.2 million, respectively, of pre-tax charges for other-than-temporary impairments of marketable equity securities classified as available for sale. Excluding these charges, there was a decrease of other non-operating income of \$100 thousand or 48.6%.

Provision for income taxes. Provision for income taxes for the thirteen weeks ended June 27, 2009 decreased by \$1.4 million, or 65.3%, to \$0.8 million from \$2.2 million for the thirteen weeks ended June 28, 2008. The decrease was primarily attributable to the decrease in our taxable income and a lower effective tax rate. For the thirteen weeks ended June 27, 2009 and June 28, 2008, we had an effective income tax rate of 37.3% and 39.0%, respectively, based upon our income before provision for income taxes.

Liquidity and Capital Resources

Our primary sources of liquidity are funds generated by operations and our revolving unsecured line of credit with KeyBank.

We employ a primarily asset-light operating strategy. Substantially all of the tractors and more than 50% of the trailers utilized in our business are provided by our owner-operators and we have no capital expenditure requirements relating to this equipment. As a result, our capital expenditure requirements are limited in comparison to most large trucking companies which maintain sizable fleets of owned tractors and trailers, requiring significant capital expenditures.

During the thirteen and twenty-six weeks ended June 27, 2009, we made capital expenditures totaling \$4.7 million and \$19.3 million, respectively. These expenditures consisted primarily of a \$15.2 million purchase of land, land improvements, and a facility located in South Kearny, NJ. We will use this facility to consolidate local operations of two of our subsidiaries, and expand operations in the Port of New Jersey area. The remaining expenditures consisted primarily of land and building improvements and trailers.

Through the end of 2009, exclusive of acquisitions, we expect to incur capital expenditures of \$1.0 million to \$2.2 million relating to real property acquisitions, and improvements to our existing facilities and the acquisition of additional terminal yards or container facilities. We also expect to incur capital expenditures of \$1.0 million to \$1.5 million for tractors, trailers and other equipment.

We expect that our working capital and available borrowings will be sufficient to meet our capital commitments and fund our operational needs for at least the next twelve months. Based on the availability under our unsecured line of credit and assuming the continuation of our current operating cash flows, we do not expect that we will experience any liquidity constraints in the foreseeable future.

We continue to evaluate business development opportunities, including potential acquisitions that fit our strategic plans. There can be no assurance that we will identify any opportunities that fit our strategic plans or will be able to execute any such opportunities on terms acceptable to us. Any such opportunities will be financed from available cash on hand and our unsecured line of credit.

We currently intend to retain our future earnings to finance our growth and do not anticipate paying cash dividends in the foreseeable future.

Unsecured Line of Credit

The Company and KeyBank National Association, or KeyBank, entered into a First Amendment to Loan Agreement and First Amendment to Promissory Note, or the Agreement, dated October 28, 2008 for the period October 28, 2008 to October 27, 2009, amending the previous loan agreement dated October 29, 2007 for the period October 29, 2007 to October 28, 2008, which terminated due to the expiration of its term. Under the amended Agreement with KeyBank, our maximum permitted borrowings and letters of credit in the aggregate may not exceed \$20 million. The line of credit is unsecured, and bears interest at a rate equal to the lesser of the Prime Rate minus 1.75% or LIBOR plus 1.05% (effective rate of 1.50% at June 27, 2009). The Agreement governing our unsecured line of credit contains various financial and restrictive covenants to be maintained by us including requiring us to maintain a tangible net worth of at least \$100 million, a debt to tangible net worth ratio not to exceed 1 to 1, and quarterly net profits of at least one dollar. For purposes of this Agreement, tangible net worth is defined as total assets, excluding all intangible assets, less total debt. The Agreement also may, in certain circumstances, limit our ability to pay dividends or distributions. The Agreement also contains customary representations and warranties, affirmative and negative covenants and events of default. As of June 27, 2009, the Company was in compliance with its debt covenants. The Company did not have any amounts outstanding under its line of credit at June 27, 2009, and there were \$736,000 letters of credit issued against the line.

Discussion of Cash Flows

At June 27, 2009, we had cash and cash equivalents of \$6.2 million compared to \$28.8 million at December 31, 2008. The decrease in cash and cash equivalents of \$22.6 million for the twenty-six weeks ended June 27, 2009 resulted from \$25.4 million in cash used in investing activities and an additional \$16.3 million used in financing activities, offset by \$19.1 million in cash generated from operations.

The \$19.1 million in cash provided by operations was primarily attributed to \$1.4 million of net income adjusted for \$5.1 million of non-cash charges for depreciation and amortization, \$1.1 million of other-than-temporary impairment charges on marketable securities classified as available-for-sale, \$1.0 million of non-cash charges for bad debt expense, and a decrease in the working capital position of the Company of \$11.6 million. The decrease in the working capital position is primarily the result of a decrease in accounts receivable due to decreased revenue. Additionally, accounts payable remained consistent compared to December 31, 2008, despite the decline in operating revenues, due to a change in payment terms with brokerage vendors, yielding an additional \$3.2 million in operating cash flows.

The \$25.4 million in net cash used in investing activities for the twenty-six weeks ended June 27, 2009 consisted of capital expenditures of \$19.4 million, including \$15.2 million for the purchase of facility and property located in South Kearny, NJ, and \$6.0 million for purchases of marketable securities.

The \$16.3 million in cash used in financing activities consisted of a \$16.0 million special one-time cash dividend declared on February 25, 2009, paid to stockholders of record on March 7, 2009, and \$355 thousand for the repurchase of treasury stock under our stock repurchase plan.

Off Balance Sheet Arrangements

In connection with the 2006 acquisition of TriStar Express N.C., Inc., or TriStar, we are required to pay cash consideration to the former owners of TriStar based on a percentage of revenues generated through July 2009.

In connection with the 2007 acquisition of Glenn National Carriers, Inc., or Glenn, we are required to pay cash consideration to the former owners of Glenn based on a percentage of revenues generated through November 2010.

In connection with the 2008 acquisition of Overnite Express, Inc., or Overnite, we are required to pay cash consideration to the former owners of Overnite based on a percentage of revenues generated through June 2010.

Critical Accounting Policies

A summary of critical accounting policies is presented in Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies" of our Form 10-K for the year ended December 31, 2008. There have been no changes in the accounting policies followed by us during the twenty-six weeks ended June 27, 2009.

Effect of Recent Accounting Pronouncements

In December 2007, the FASB issued SFAS No. 141 (revised 2007), "*Business Combinations*", or SFAS 141R, which replaces SFAS No. 141. For information on this Statement, see Part I, Item 1, Note (7) to the Notes to Unaudited Consolidated Financial Statements in this report.

In April 2009, the FASB issued FSP FAS 141R-1, "*Accounting for Assets Acquired and Liabilities Assumed in a Business Combination That Arise from Contingencies*". For information on this Statement, see Part I, Item 1, Note (7) to the Notes to Unaudited Consolidated Financial Statements in this report.

In February 2008, the FASB issued FASB Staff Position (FSP) FAS 157-2, "*Effective Date of FASB Statement No. 157*," which delayed the effective date of Statement 157 until fiscal years beginning after November 15, 2008 for all nonfinancial assets and nonfinancial liabilities that are recognized or disclosed at fair value in the financial statements on a nonrecurring basis. For information on this Statement, see Part I, Item 1, Notes (7) and (8) to the Notes to Unaudited Consolidated Financial Statements in this report.

In April 2009, the FASB issued FSP FAS 157-4, "*Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly*", or FSP FAS 157-4, FSP FAS 115-2 and

FAS 124-2, "Recognition and Presentation of Other-Than-Temporary Impairments", or FSP FAS 115-2 and FAS 124-2, and FSP FAS 107-1 and APB 28-1, "Interim Disclosures about Fair Value of Financial Instruments", or FSP FAS 107-1 and APB 28-1. For information on these Statements, see Part I, Item 1, Note (7) to the Notes to Unaudited Consolidated Financial Statements in this report.

In May 2009, the FASB issued SFAS No. 165, "Subsequent Events", or SFAS 165, which establishes authoritative accounting and disclosure guidance for recognized and non-recognized subsequent events that occur after the balance sheet date, but before financial statements are issued. For information on this Statement, see Part I, Item 1, Note (7) to the Notes to Unaudited Consolidated Financial Statements in this report.

In June 2009, the FASB issued SFAS No. 168, "The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles", or SFAS 168, which replaces SFAS No. 162, "The Hierarchy of Generally Accepted Accounting Principles", or SFAS 162. For information on this Statement, see Part I, Item 1, Note (7) to the Notes to Unaudited Consolidated Financial Statements in this report.

Seasonality

Our operations are subject to seasonal trends common to the trucking industry. Results of operations in the first quarter are typically lower than the second, third and fourth quarters.

ITEM 3: QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

Our market risk is affected by changes in interest rates. Our unsecured line of credit bears interest at a floating rate equal to the lesser of the Prime Rate minus 1.75% or LIBOR plus 1.05%. Accordingly, changes in the Prime Rate or LIBOR would affect the interest rate on and therefore our cost under the line of credit. We currently do not have a balance outstanding under the line of credit.

Included in cash and cash equivalents is \$2.2 million in short-term investment grade instruments with original maturities of three months or less. The interest rates on these instruments are adjusted to market rates at least monthly. In addition, we have the ability to put these instruments back to the issuer at any time. Accordingly, any future interest rate risk on these short-term investments would not be material.

We did not have any interest rate swap agreements as of June 27, 2009.

Commodity Price Risk

Fluctuations in fuel prices can affect our profitability by affecting our ability to retain or recruit owner-operators. Our owner-operators bear the costs of operating their tractors, including the cost of fuel. The tractors operated by our owner-operators consume large amounts of diesel fuel. Diesel fuel prices fluctuate greatly due to economic, political and other factors beyond our control. To address fluctuations in fuel prices, we seek to impose fuel surcharges on our customers and pass these surcharges on to our owner-operators. Historically, these arrangements have not fully protected our owner-operators from fuel price increases. If costs for fuel escalate significantly it could make it more difficult to attract additional qualified owner-operators and retain our current owner-operators. If we lose the services of a significant number of owner-operators or are unable to attract additional owner-operators, it could have a materially adverse effect on our financial condition and results of operations.

Marketable Securities

The Company from time to time invests cash in excess of its current needs in marketable securities, much of which is held in equity securities, which are actively traded on public exchanges. It is the philosophy of the Company to minimize the risk of capital loss without foregoing the potential for capital appreciation through investing in value-and-income oriented investments. However, holding equity securities subjects the Company to fluctuations in the market value of its investment portfolio based on current market prices. A drop in market prices or other unstable market conditions could cause a loss in the value of the Company's marketable securities classified as available-for-sale.

Marketable securities are carried at fair value and are marked to market at the end of each quarter, with the unrealized gains and losses, net of tax, included as a component of accumulated other comprehensive income, unless the declines in value are judged to be other-than-temporary, in which case an impairment charge would be included in the determination of net income. Gross unrealized holding losses of \$3.9 million as of June 27, 2009 have not been recognized in earnings as these impairments in value were judged to be temporary. We may incur future impairment charges if declines in market values continue or worsen and impairments are no longer considered temporary. See Part I, Item 1, Note (9) to the Notes to Unaudited Consolidated Financial Statements in this report.

As of June 27, 2009 the fair value of equity securities was \$12.1 million compared to \$8.8 million at December 31, 2008. The increase during the twenty-six weeks ended June 27, 2009 represents additional purchases of \$6.0 million, partially offset by other-than-temporary charges of \$1.1 million on our remaining holdings, and other net unrealized holding losses of \$1.6 million. A 10% decrease in the market price of our marketable equity securities would cause a corresponding 10% decrease in the carrying amounts of these securities, or approximately \$1.2 million.

ITEM 4: CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

We carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to paragraph (b) of Rule 13a-15 or 15d-15 of the Securities Exchange Act of 1934, as amended (or the Exchange Act). Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of June 27, 2009, our disclosure controls and procedures were effective in causing the material information required to be disclosed in the reports that it files or submits under the Exchange Act to be recorded, processed, summarized and reported, to the extent applicable, within the time periods required for us to meet the Securities and Exchange Commission's (or SEC) filing deadlines for these reports specified in the SEC's rules and forms.

Internal Controls

There have been no changes in our internal controls over financial reporting during the twenty-six weeks ended June 27, 2009 identified in connection with our evaluation that has materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

PART II – OTHER INFORMATION

ITEM 1: LEGAL PROCEEDINGS

Information with respect to legal proceedings and other exposures appears in Part I, Item 1, Note (10) of the “Notes to Unaudited Consolidated Financial Statements,” and in the Company’s Annual Report on Form 10-K for the year ended December 31, 2008.

ITEM 1A: RISK FACTORS

There have been no material changes to our risk factors as previously disclosed in Item 1A to Part 1 of our Form 10-K for the fiscal year ended December 31, 2008.

ITEM 2: UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3: DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4: SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

We held our Annual Meeting of Shareholders on June 12, 2009 at which the following actions were taken:

1. Our shareholders ratified the appointment of KPMG LLP as our independent registered public accountants for the year ending December 31, 2009. 15,822,769 shares were voted for, 31,777 shares were voted against and 700 shares were voted to abstain.
2. The shareholders elected the following persons to our Board of Directors, and the results of the vote on this matter were as follows:

<u>Name</u>	<u>Voted For</u>	<u>Withheld</u>	<u>Abstained</u>	<u>Broker Non-Votes</u>
Donald B. Cochran	15,031,184	824,061	—	—
Matthew T. Moroun	14,555,858	1,299,387	—	—
Manuel J. Moroun	14,556,967	1,298,278	—	—
Joseph J. Casaroll	15,820,417	34,829	—	—
Daniel C. Sullivan	15,820,417	34,829	—	—
Richard P. Urban	15,819,308	35,937	—	—
Ted B. Wahby	15,820,357	34,889	—	—

There were no other directors whose term of office continued after the meeting.

ITEM 5: OTHER INFORMATION

None.

ITEM 6: EXHIBITS

The exhibits listed on the Exhibit Index are furnished as part of this quarterly report on Form 10-Q.

<u>Exhibit No.</u>	<u>Description</u>
3.1	Amended and Restated Articles of Incorporation (Incorporated by reference to Exhibit 3.1 to the Registrant's Registration Statement on Form S-1 filed on November 15, 2004 (Commission File No. 333-120510))
3.2	Amended and Restated Bylaws, as amended effective April 22, 2009 (Incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed on April 24, 2009 (Commission File No. 000-51142))
4.1	Registration Rights Agreement, dated as of December 31, 2004, among the Registrant, Matthew T. Moroun and The Manuel J. Moroun Trust (Incorporated by reference to Exhibit 4.1 to the Registrant's Registration Statement on Form S-1 filed on January 7, 2005 (Commission File No. 333-120510))
31.1*	Chief Executive Officer certification, as adopted pursuant to section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Chief Financial Officer certification, as adopted pursuant to section 302 of the Sarbanes-Oxley Act of 2002
32.1**	Chief Executive Officer and Chief Financial Officer certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002

* Filed herewith.

** Furnished herewith

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report on Form 10-Q to be signed on its behalf by the undersigned, thereunto duly authorized.

Universal Truckload Services, Inc.

(Registrant)

Date: August 4, 2009

By: /s/ Robert E. Sigler

Robert E. Sigler, Vice President, Chief Financial Officer, Secretary and Treasurer

Date: August 4, 2009

By: /s/ Donald B. Cochran

Donald B. Cochran, President and Chief Executive Officer

**CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT**

I, Donald B. Cochran, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Universal Truckload Services, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 4, 2009

/s/ Donald B. Cochran

Donald B. Cochran
President and Chief Executive Officer

**CERTIFICATION OF THE CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT**

I, Robert E. Sigler, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Universal Truckload Services, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 4, 2009

/s/ Robert E. Sigler

Robert E. Sigler

Vice President, Chief Financial Officer, Secretary and Treasurer

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND
CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report, or the Report, of Universal Truckload Services, Inc., or the Company, on Form 10-Q for the period ended June 27, 2009, as filed with the Securities and Exchange Commission on the date hereof, I, Donald B. Cochran, as Chief Executive Officer of the Company, and I, Robert E. Sigler, as Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of his knowledge, respectively, that (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 4, 2009

/s/ Donald B. Cochran

Donald B. Cochran
President and Chief Executive Officer

/s/ Robert E. Sigler

Robert E. Sigler
Vice President, Chief Financial Officer, Secretary and Treasurer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.