

Echo Global Logistics, Inc.
Form 10-Q
August 13, 2010
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 June 30, 2010

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 001-34470

ECHO GLOBAL LOGISTICS, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

20-5001120
(I.R.S. Employer Identification
No.)

600 West Chicago Avenue
Suite 725
Chicago, Illinois 60654
Phone: (800) 354-7993
(As (including zip code) and telephone number (including area code)
of registrant's principal executive offices)

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 during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes: No:

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Indicate by check mark whether the Registrant is an a large accelerated filer, an accelerated filer, or non-accelerated filer. See 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

(Do not check if a 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:

As of August 13, 2010, the Registrant had 21,842,246 shares of Common Stock, par value \$0.0001 per share, outstanding.

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PART I. FINANCIAL INFORMATION

Item 1. Consolidated Financial Statements

Echo Global Logistics, Inc.
Consolidated Statements of Income
(Unaudited)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2009	2010	2009	2010
REVENUE	\$ 60,290,183	\$ 109,904,864	\$ 109,353,931	\$ 199,008,888
COSTS AND EXPENSES:				
Transportation costs	\$ 47,050,451	\$ 89,856,074	\$ 85,100,397	\$ 161,915,561
Selling, general, and administrative expenses	10,812,372	15,212,579	20,664,317	28,547,696
Depreciation and amortization	1,099,004	1,710,660	2,138,781	3,393,246
INCOME FROM OPERATIONS	1,328,356	3,125,551	1,450,436	5,152,385
Interest income	—	12,744	—	25,207
Interest expense	(82,144)	(10,885)	(144,037)	(33,727)
Other, net	(105,702)	(45,270)	(120,487)	(84,607)
OTHER EXPENSE	(187,846)	(43,411)	(264,524)	(93,127)
INCOME BEFORE PROVISION FOR INCOME TAXES	1,140,510	3,082,140	1,185,912	5,059,258
INCOME TAX EXPENSE	(448,800)	(1,156,107)	(466,666)	(1,897,254)
NET INCOME	691,710	1,926,033	719,246	3,162,004
DIVIDENDS ON PREFERRED SHARES	(262,153)	—	(527,187)	—
NET INCOME APPLICABLE TO COMMON SHAREHOLDERS	\$ 429,557	\$ 1,926,033	\$ 192,059	\$ 3,162,004
Basic net income per share	\$ 0.03	\$ 0.09	\$ 0.02	0.15
Diluted net income per share	\$ 0.03	\$ 0.09	\$ 0.02	0.14
See accompanying notes.				

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Consolidated Balance Sheets

	December 31, 2009	June 30, 2010 (Unaudited)
Assets		
Current assets:		
Cash and cash equivalents	\$ 47,803,704	\$ 39,103,489
Accounts receivable, net of allowance for doubtful accounts of \$1,323,916 and \$1,573,916, respectively	43,689,684	58,726,239
Income taxes receivable	344,117	324,998
Prepaid expenses		