

Echo Global Logistics, Inc.
Form 10-Q
May 03, 2012
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

Quarterly Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended September 30, 2011

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
(Address (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:

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

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(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 May 1, 2012, the Registrant had 22,750,206 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 March 31,	
	2012	2011
REVENUE	\$ 168,569,105	\$ 129,445,571
COSTS AND EXPENSES:		
Transportation costs	\$ 135,899,327	\$ 103,919,616
Selling, general, and administrative expenses	25,283,944	19,989,273
Depreciation and amortization	2,029,277	1,948,054
INCOME FROM OPERATIONS	5,356,557	3,588,628
Interest income	2,578	32,999
Interest expense	(3,808) (5,696
Other expense	(108,406) (63,641
OTHER EXPENSE, NET	(109,636) (36,338
INCOME BEFORE PROVISION FOR INCOME TAXES	5,246,921	3,552,290
INCOME TAX EXPENSE	(1,935,131) (1,310,891
NET INCOME	\$3,311,790	\$2,241,399
Basic net income per share	\$0.15	\$0.10
Diluted net income per share	\$0.15	\$0.10
See accompanying notes.		

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Consolidated Balance Sheets

	March 31, 2012 (Unaudited)	December 31, 2011
Assets		
Current assets:		
Cash and cash equivalents	\$48,218,176	\$47,007,309
Accounts receivable, net of allowance for doubtful accounts of \$2,751,841 and \$3,017,742 at March 31, 2012 and December 31, 2011, respectively	89,154,373	89,191,456
Income taxes receivable	—	636,362
Prepaid expenses	4,123,870	4,634,612
Other current assets	155,978	164,286
Total current assets	141,652,397	141,634,025
Property and equipment, net	11,466,891	10,834,526
Intangible assets:		
Goodwill	41,456,641	41,476,212
Intangible assets, net of accumulated amortization of \$7,035,689 and \$6,563,870 at March 31, 2012 and December 31, 2011, respectively	5,809,633	6,281,452
Other assets	254,153	271,871
Total assets	\$200,639,715	\$200,498,086
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable-trade	\$56,546,652	\$59,949,927
Current maturities of capital lease obligations	121,961	175,166
Due to seller-short term	3,724,716	5,278,889
Accrued expenses	5,120,590	5,195,545
Income tax payable	699,113	—
Deferred income taxes	614,973	923,208
Total current liabilities	66,828,005	71,522,735
Due to seller-long term	7,642,494	7,573,392
Deferred income taxes	2,539,223	2,056,275
Capital lease obligations, net of current maturities	16,322	24,086
Total liabilities	77,026,044	81,176,488
Stockholders' equity:		
Common stock, par value \$0.0001 per share, 100,000,000 shares authorized, 22,193,319 and 22,155,857 shares were issued and outstanding at March 31, 2012 and December 31, 2011, respectively	2,220	2,216
Additional paid-in capital	94,427,751	