

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of report (Date of earliest event reported): July 30, 2008



P.A.M. TRANSPORTATION SERVICES, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

0-15057

(Commission File Number)

71-0633135

(I.R.S. Employer Identification No.)

297 West Henri De Tonti, Tontitown, Arkansas 72770

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (479) 361-9111

N/A

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02 Results of Operations and Financial Condition.

On July 30, 2008, P.A.M. Transportation Services, Inc. issued a news release announcing its financial results for the second quarter ending June 30, 2008. A copy of the news release is attached hereto as Exhibit 99.1.

The information contained in this report and the exhibit hereto shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

The information herein (including the exhibit hereto) may contain "forward-looking statements" that are made pursuant to the safe-harbor provisions of the Private Securities Litigation Reform Act of 1995 and otherwise may be protected. Such statements are made based on the current beliefs and expectations of the Company's management and are subject to significant risks and uncertainties. Actual results may differ from those anticipated by forward-looking statements.

Please refer to the Company's Annual Report on Form 10-K and other filings with the Securities and Exchange Commission for information concerning risks, uncertainties and other factors that may affect future results.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits. The following exhibits are furnished with this Report:

99.1 News release issued by the Registrant on July 30, 2008

SIGNATURES

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

P.A.M. TRANSPORTATION SERVICES, INC.

(Registrant)

Date: July 31, 2008

By: /s/ Robert W. Weaver

Robert W. Weaver

President and Chief Executive Officer

EXHIBIT INDEX

| Exhibit Number | Exhibit Description |
|---------------------------|--|
| 99.1 | News release issued by the Registrant on July 30, 2008 |

FROM: P.A.M. TRANSPORTATION SERVICES, INC.
P.O. BOX 188
Tontitown, AR 72770
Robert W. Weaver
(479) 361-9111

**P.A.M. TRANSPORTATION SERVICES, INC.
ANNOUNCES RESULTS FOR THE SECOND QUARTER
ENDED JUNE 30, 2008**

Tontitown, Arkansas, July 30, 2008.....P.A.M. Transportation Services, Inc. (NASDAQ: PTSI) today reported net loss of \$1,331,719 or diluted and basic loss per share of \$0.14 for the quarter ended June 30, 2008, and net loss of \$4,160,044 or diluted and basic loss per share of \$0.43 for the six month period then ended. These results compare to net income of \$2,192,294 or diluted and basic earnings per share of \$0.21, and net income of \$3,457,225 or diluted and basic earnings per share of \$0.34, respectively, for the three and six months ended June 30, 2007.

Operating revenues were \$110,929,472 for the second quarter of 2008, a 4.0% increase compared to \$106,699,616 for the second quarter of 2007. Operating revenues were \$216,750,167 for the six months ended June 30, 2008, a 5.5% increase compared to \$205,508,072 for the six months ended June 30, 2007.

Robert W. Weaver, President of the Company, commented, "Although our second quarter 2008 resulted in a loss, we experienced progressive improvement during the quarter in demand for our services, asset utilization and an incremental increase in rates per loaded mile. June posted the most significant progress and resulted in positive net income, although not at a level high enough to overcome the losses incurred in April and May.

The largest negative impact on our expenses during the quarter continued to be the soaring cost of diesel, which represented an approximate \$.06 increase per mile, net of fuel surcharge, for the second quarter 2008 compared to the second quarter 2007. We have maintained our focus on fuel saving strategies, and continue to see benefits from initiatives taken.

One of our objectives in 2008 has been to broaden our customer base. Our non-automotive business increased 13.4% for the quarter ended June 30, 2008 compared to the quarter ended June 30, 2007 through the expansion of both retail and consumer goods business. We are seeing increased bid activity and subsequent awards at higher rate levels in all areas of our business, including automotive. Our percentage of automotive revenue might fluctuate in the near term as we take opportunities to balance lanes quickly with freight offering favorable rates.

We are optimistic that if the trend in industry reductions in available truck capacity continues it will have a positive effect on demand for our services and provide opportunities to negotiate rates that more fairly compensate us for our services."

P.A.M. Transportation Services, Inc. is a leading truckload dry van carrier transporting general commodities throughout the continental United States, as well as in the Canadian provinces of Ontario and Quebec. The Company also provides transportation services in Mexico through its gateways in Laredo and El Paso, Texas under agreements with Mexican carriers.

Certain information included in this document contains or may contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements may relate to expected future financial and operating results or events, and are thus prospective. Such forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. Potential risks and uncertainties include, but are not limited to, excess capacity in the trucking industry; surplus inventories; recessionary economic cycles and downturns in customers' business cycles; increases or rapid fluctuations in fuel prices, interest rates, fuel taxes, tolls, license and registration fees; the resale value of the Company's used equipment and the price of new equipment; increases in compensation for and difficulty in attracting and retaining qualified drivers and owner-operators; increases in insurance premiums and deductible amounts relating to accident, cargo, workers' compensation, health, and other claims; unanticipated increases in the number or amount of claims for which the Company is self insured; inability of the Company to continue to secure acceptable financing arrangements; seasonal factors such as harsh weather conditions that increase operating costs; competition from trucking, rail, and intermodal competitors including reductions in rates resulting from competitive bidding; the ability to identify acceptable acquisition candidates, consummate acquisitions, and integrate acquired operations; a significant reduction in or termination of the Company's trucking service by a key customer; and other factors, including risk factors, included from time to time in filings made by the Company with the Securities and Exchange Commission. The Company undertakes no obligation to update or clarify forward-looking statements, whether as a result of new information, future events or otherwise.

P.A.M. Transportation Services, Inc. and Subsidiaries
Key Financial and Operating Statistics
(unaudited)

| | Quarter ended June 30, | | Six Months Ended June 30, | |
|---|------------------------|---------------------|---------------------------|---------------------|
| | 2008 | 2007 | 2008 | 2007 |
| Revenue, before fuel surcharge | \$ 84,679,919 | \$ 92,546,591 | \$ 171,125,119 | \$ 180,090,194 |
| Fuel surcharge | 26,249,553 | 14,153,025 | 45,625,048 | 25,417,878 |
| | <u>110,929,472</u> | <u>106,699,616</u> | <u>216,750,167</u> | <u>205,508,072</u> |
| Operating expenses: | | | | |
| Salaries, wages and benefits | 31,615,556 | 34,035,718 | 66,113,210 | 67,740,716 |
| Fuel expense | 43,124,281 | 29,017,433 | 80,547,225 | 53,609,075 |
| Operating supplies | 7,451,638 | 7,953,705 | 15,470,989 | 15,435,712 |
| Rent and purchased transportation | 10,841,916 | 9,534,669 | 20,361,938 | 19,568,706 |
| Depreciation and amortization | 9,298,110 | 10,150,047 | 18,285,168 | 19,498,930 |
| Operating taxes and license | 4,164,097 | 4,602,810 | 8,523,124 | 8,954,113 |
| Insurance and claims | 4,103,374 | 4,666,664 | 8,655,250 | 9,202,477 |
| Communications and utilities | 756,411 | 762,153 | 1,568,107 | 1,530,316 |
| Other | 1,118,372 | 1,792,936 | 2,501,963 | 3,433,283 |
| (Gain) loss on disposition of equipment | (14,059) | 10,877 | 219,740 | 28,699 |
| Total operating expenses | <u>112,459,696</u> | <u>102,527,012</u> | <u>222,246,714</u> | <u>199,002,027</u> |
| Operating (loss) income | (1,530,224) | 4,172,604 | (5,496,547) | 6,506,045 |
| Other income (expense): | | | | |
| Interest expense | (532,157) | (675,433) | (1,100,769) | (1,162,783) |
| Other | (13,273) | 166,292 | (219,077) | 408,235 |
| Total other income (expense) | <u>(545,430)</u> | <u>(509,141)</u> | <u>(1,319,846)</u> | <u>(754,548)</u> |
| (Loss) income before income taxes | (2,075,654) | 3,663,463 | (6,816,393) | 5,751,497 |
| Income tax (benefit) expense | (743,935) | 1,471,169 | (2,656,349) | 2,294,272 |
| Net (loss) income | <u>\$ (1,331,719)</u> | <u>\$ 2,192,294</u> | <u>\$ (4,160,044)</u> | <u>\$ 3,457,225</u> |
| Diluted (loss) earnings per share | <u>\$ (0.14)</u> | <u>\$ 0.21</u> | <u>\$ (0.43)</u> | <u>\$ 0.34</u> |
| Average shares outstanding – Diluted | <u>9,708,233</u> | <u>10,307,251</u> | <u>9,751,739</u> | <u>10,307,422</u> |

| | Quarter ended June 30, | | Six Months Ended June 30, | |
|---|------------------------|------------|---------------------------|-------------|
| | 2008 | 2007 | 2008 | 2007 |
| Truckload Operations | | | | |
| Total miles | 57,598,248 | 64,902,926 | 119,673,202 | 125,524,123 |
| Operating ratio* | 102.58% | 95.37% | 104.01% | 96.37% |
| Empty miles factor | 7.20% | 6.19% | 7.23% | 6.30% |
| Revenue per total mile, before fuel surcharge | \$ 1.30 | \$ 1.30 | \$ 1.28 | \$ 1.29 |
| Total loads | 89,375 | 89,827 | 186,318 | 173,077 |
| Revenue per truck per work day | \$ 578 | \$ 632 | \$ 587 | \$ 612 |
| Revenue per truck per week | \$ 2,890 | \$ 3,160 | \$ 2,935 | \$ 3,060 |
| Average company trucks | 1,985 | 2,055 | 1,992 | 2,036 |
| Average owner operator trucks | 46 | 57 | 50 | 54 |

| Logistics Operations | | | | |
|-----------------------------|------------------------|--------------|---------------------------|---------------|
| | Quarter ended June 30, | | Six Months Ended June 30, | |
| | 2008 | 2007 | 2008 | 2007 |
| Total revenue | \$ 9,550,569 | \$ 8,477,977 | \$ 17,639,665 | \$ 17,647,310 |
| Operating ratio | 95.70% | 96.56% | 96.14% | 96.67% |

| | As of June 30, | | |
|---------------------------------------|----------------|----------------|--------|
| | 2008 | 2007 | |
| Long-term debt to book capitalization | | 17.05% | 19.52% |
| Shareholders' equity | \$ 170,735,263 | \$ 188,406,097 | |

* Operating ratio has been calculated based upon total operating expenses, net of fuel surcharge, as a percentage of revenue, before fuel surcharge. We used revenue, before fuel surcharge, and operating expenses, net of fuel surcharge, because we believe that eliminating this sometimes volatile source of revenue affords a more consistent basis for comparing our results of operations from period to period.