

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): February 08, 2010



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 February 8, 2010, P.A.M. Transportation Services, Inc. issued a news release announcing its financial results for the fourth quarter and year ending December 31, 2009. 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 February 8, 2010

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: February 8, 2010

By: /s/ Larry J. Goddard

Larry J. Goddard

Vice President of Finance, Chief Financial Officer, Secretary and Treasurer

EXHIBIT INDEX

| Exhibit Number | Exhibit Description |
|---------------------------|---|
| 99.1 | News release issued by the Registrant on February 8, 2010 |

Exhibit 99.1

FROM: P.A.M. TRANSPORTATION SERVICES, INC.
P.O. BOX 188
Tontitown, AR 72770
Larry J. Goddard
(479) 361-9111

**P.A.M. TRANSPORTATION SERVICES, INC.
ANNOUNCES RESULTS FOR THE FOURTH QUARTER
AND YEAR ENDED DECEMBER 31, 2009**

Tontitown, Arkansas, February 8, 2010.....P.A.M. Transportation Services, Inc. (NASDAQ: PTSI) today reported net loss of \$3,915,329 or diluted and basic loss per share of \$0.42 for the quarter ended December 31, 2009, and net loss of \$10,847,325 or diluted and basic loss per share of \$1.15 for the year ended December 31, 2009. These results compare to net loss of \$11,423,986 or diluted and basic loss per share of \$1.19, and net loss of \$18,764,885 or diluted and basic loss per share of \$1.94, respectively, for the quarter and year ended December 31, 2008.

Operating revenues were \$80,871,818 for the fourth quarter of 2009, a 3.7% decrease compared to \$84,014,264 for the fourth quarter of 2008. Operating revenues were \$291,909,653 for the year ended December 31, 2009, a 28.2% decrease compared to \$406,722,502 for the year ended December 31, 2008.

Daniel H. Cushman, President of the Company, commented, "Despite progress made in several areas, there is no getting around the fact that we suffered a loss in the fourth quarter and for the year. An approximate \$4.2M write down on a group of tractors, and a single Worker's Compensation claim for \$750K, coupled with continued rate depression caused by industry overcapacity, and year over year increases in fuel costs, net of fuel surcharges, account for the majority of our fourth quarter loss. While revenue before fuel surcharges was down 19.3% compared to 2008, revenue for the fourth quarter 2009 was flat compared to the fourth quarter of 2008.

Encouraging progress has been made on several initiatives mentioned in the second and third quarter press releases, including: diversification with specific focus on retail, manufacturing and consumer product industries, while at the same time continuing to nurture our relationships within the automotive sector; targeting Mexico and expedited services as areas of strategic growth; securing a team of experienced sales professionals with proven track records; identification of opportunities to operate more efficiently and cut costs. I am pleased with the progress we have made during the year towards the accomplishment of these items.

Benefits yielded by our progress in these areas can be seen in equipment utilization, measured in miles per tractor per day, which has seen year over year improvement for each month since August 2009, while empty miles have been reduced year over year each month for the same period. December 2009 utilization improved 15.1% over December 2008, predominantly as a result of our ability to generate new business in non-automotive sectors to better supplement what has traditionally been a weak month due to automotive plant down time. We have seen marginal improvement in our rate per total mile since the second quarter of 2009, while significantly reducing the amount of freight accepted from freight brokers (brokerage freight typically includes fuel surcharge in the rate, while non-brokerage freight separates revenue and fuel surcharge). As equipment utilization has improved we have also benefited from reduced operating costs associated with poor utilization, such as driver layovers and idle fuel consumption.

Another accomplishment completed in the fourth quarter 2009 was the rebranding of P.A.M. Transport, which effectively combines the operations of several companies acquired over the last several years under the P.A.M. Transport, Inc. operating name. The benefits of communicating the services we provide in terms that customers, both existing and potential, understand outweigh any residual benefit of continued operations in the original names of the companies acquired such as Choctaw Express, Inc., Decker Transport Co., Inc., Allen Freight Services, Inc., and P.A.M. Dedicated Services, Inc.

We appreciate our customers' and employees' support through this transition, as it will provide us greater market visibility, operating efficiencies, and market position for 2010."

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 December 31, | | Year Ended December 31, | |
|--------------------------------------|----------------------------|------------------------|-------------------------|------------------------|
| | 2009 | 2008 | 2009 | 2008 |
| Revenue, before fuel surcharge | \$ 70,469,053 | \$ 70,455,192 | \$ 260,773,726 | \$ 323,271,851 |
| Fuel surcharge | 10,402,765 | 13,559,072 | 31,135,927 | 83,450,651 |
| | <u>80,871,818</u> | <u>84,014,264</u> | <u>291,909,653</u> | <u>406,722,502</u> |
| Operating expenses and costs: | | | | |
| Salaries, wages and benefits | 27,657,323 | 26,932,623 | 101,833,307 | 123,960,969 |
| Fuel expense | 19,594,151 | 21,209,776 | 65,526,668 | 140,530,995 |
| Operating supplies and expenses | 6,732,345 | 7,519,725 | 26,572,338 | 30,514,463 |
| Rent and purchased transportation | 11,921,965 | 9,177,812 | 40,713,302 | 39,887,166 |
| Depreciation | 12,025,829 | 9,903,446 | 37,742,162 | 37,477,351 |
| Goodwill impairment charge | - | 15,413,137 | - | 15,413,137 |
| Operating taxes and licenses | 3,318,844 | 3,460,491 | 13,055,414 | 15,936,574 |
| Insurance and claims | 3,231,034 | 3,520,445 | 12,578,587 | 16,018,199 |
| Communications and utilities | 659,420 | 643,434 | 2,644,305 | 2,868,371 |
| Other | 1,221,452 | 1,384,224 | 4,966,649 | 5,118,888 |
| Loss on disposition of equipment | 636,273 | 25,276 | 931,090 | 951,427 |
| Total operating expenses and costs | <u>86,998,636</u> | <u>99,190,389</u> | <u>306,563,822</u> | <u>428,677,540</u> |
| Operating loss | (6,126,818) | (15,176,125) | (14,654,169) | (21,955,038) |
| Interest expense | (517,327) | (714,271) | (2,373,004) | (2,428,563) |
| Non-operating income (expense) | 81,967 | (1,399,619) | (744,573) | (4,996,170) |
| Loss before income taxes | (6,562,178) | (17,290,015) | (17,771,746) | (29,379,771) |
| Income tax benefit | (2,646,849) | (5,866,029) | (6,924,421) | (10,614,886) |
| Net loss | <u>\$ (3,915,329)</u> | <u>\$ (11,423,986)</u> | <u>\$ (10,847,325)</u> | <u>\$ (18,764,885)</u> |
| Diluted loss per share | <u>\$ (0.42)</u> | <u>\$ (1.19)</u> | <u>\$ (1.15)</u> | <u>\$ (1.94)</u> |
| Average shares outstanding – Diluted | <u>9,417,532</u> | <u>9,563,803</u> | <u>9,415,794</u> | <u>9,682,727</u> |

| Truckload Operations | Quarter Ended December 31, | | Year Ended December 31, | |
|---|----------------------------|--------------|-------------------------|---------------|
| | 2009 | 2008 | 2009 | 2008 |
| Total miles | 47,371,279 | 47,430,688 | 177,872,227 | 221,449,962 |
| Operating ratio* | 111.00% | 113.52% | 107.09% | 105.53% |
| Empty miles factor | 6.83% | 7.26% | 7.73% | 7.28% |
| Revenue per total mile, before fuel surcharge | \$ 1.25 | \$ 1.32 | \$ 1.25 | \$ 1.31 |
| Total loads | 81,700 | 75,961 | 293,266 | 345,128 |
| Revenue per truck per work day | \$ 538 | \$ 516 | \$ 504 | \$ 577 |
| Revenue per truck per week | \$ 2,690 | \$ 2,580 | \$ 2,520 | \$ 2,885 |
| Average company trucks | 1,685 | 1,871 | 1,697 | 1,949 |
| Average owner operator trucks | 33 | 35 | 33 | 44 |
| Logistics Operations | | | | |
| Total revenue | \$ 11,292,356 | \$ 7,654,959 | \$ 38,308,121 | \$ 33,706,321 |
| Operating ratio | 96.62% | 187.32% | 97.06% | 117.65% |

* 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.