

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

November 3, 2010

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Date of Report (Date of earliest event reported)

Con-way Inc.

-----  
(Exact name of registrant as specified in its charter)

Delaware	1-5046	94-1444798
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(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification Number)

2855 Campus Drive, Suite 300, San Mateo, California 94403

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(Address of principal executive offices)  
(zip code)

Registrant's telephone number, including area code:  
(650) 378-5200

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(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 obligations 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))

ITEM 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On November 3, 2010 Con-way Inc. issued a press release announcing results of operations for the quarter ended September 30, 2010, which is being furnished to the U.S. Securities and Exchange Commission. A copy of the press release is attached hereto as Exhibit 99 and is incorporated herein by reference.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits

Exhibit No. -----	Description -----
EX 99	Press release issued on November 3, 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.

Con-way Inc.  
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(Registrant)

November 3, 2010

/s/ Stephen L. Bruffett  
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Stephen L. Bruffett  
Executive Vice President, Chief Financial Officer

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EXHIBIT 99

CON-WAY INC.  
NEWS RELEASE  
Contacts:  
Investor: Patrick Fossenier 1+650-378-5353  
News Media: Gary Frantz 1+650-378-5335

CON-WAY INC. REPORTS THIRD-QUARTER RESULTS FOR 2010

SAN MATEO, Calif.-November 3, 2010-Con-way Inc. (NYSE:CNW) today reported a net loss to common shareholders for the third quarter of 2010 of \$8.2 million (15 cents per share). The results compared to third-quarter 2009 net income to common shareholders of \$13.5 million (27 cents per diluted share).

On a non-GAAP basis, third-quarter earnings per diluted share were 22 cents in 2010 compared to 38 cents in 2009, excluding the following items:

\* 2010 -- a \$16.4 million goodwill-impairment charge related to the 2007 acquisition of Chic Logistics, and \$5.5 million of expense for recent employee severances and the planned consolidation of Con-way's executive offices;

\* 2009 -- a change in the accounting estimate for revenue adjustments, which reduced revenue and operating income at Con-way Freight by \$5.4 million.

Both years also included discrete tax adjustments. Additional information is provided in the attached reconciliation.

Revenue in the third quarter of 2010 was \$1.27 billion, a 12.1 percent increase from last year's third quarter. Operating income in the 2010 third quarter was \$12.5 million, compared to \$41.1 million in the third quarter a year ago.

The third-quarter tax provision in 2010 was \$6.7 million and in 2009 was \$11.5 million. There was no tax benefit in 2010 from the non-deductible goodwill impairment charge. Excluding the effect of goodwill impairment and discrete items, the third-quarter effective tax rate was 42.6 percent in 2010 compared to 37.0 percent in 2009.

Douglas W. Stotlar, Con-way's president and CEO, noted that while corporate office consolidation and severance costs reduced current-quarter profits, key operating metrics for Con-way Freight improved as the quarter progressed.

"The lingering effects of the LTL tonnage surge from earlier this year left our LTL business with higher variable costs as we entered the quarter," Stotlar noted. "In August, we implemented specific actions to improve performance at Con-way Freight. As a result, we've seen variable costs decline, pricing improve and tonnage levels moderate."

"We came out of the quarter with positive momentum," he added. "We have set a deliberate course for improvement and we are making steady progress which we expect will continue through the fourth quarter."

Menlo Worldwide Logistics posted its third consecutive quarterly improvement over 2009, excluding impairment charges. "Menlo once again delivered solid growth in revenues, net revenues and operating income. Our supply chain and logistics company is executing well across all of its principal business

lines," Stotlar said.

Con-way Truckload's results were affected by external factors which raised operating costs, and shipper demand that moderated toward the end of the quarter. "Revenue per loaded mile improved as pricing remained relatively stable. We expect results to improve as Con-way Truckload continues to focus on higher-margin opportunities and increasing asset utilization," Stotlar concluded.

Operating results in the 2010 third quarter for Con-way's reporting segments were as follows:

#### FREIGHT

For the 2010 third quarter, Con-way Freight, the company's less-than-truckload (LTL) operation, reported:

- \* Revenue of \$797.1 million, a 13.1 percent increase over last year's third-quarter revenue of \$704.5 million.
- \* Yield increased 3.1 percent from the previous-year third quarter. Excluding the fuel surcharge, yield increased 0.9 percent.
- \* Weight per day increased 8.7 percent over the previous-year third quarter.
- \* Operating income of \$13.1 million, compared to \$22.8 million in the year-ago period. Higher purchased transportation, temporary labor and rental equipment expense in the first half of the quarter adversely affected results. Severance and office consolidation costs and the partial reinstatement of 2009's employee wage and benefit reductions also added \$4.4 million and approximately \$19 million, respectively, to operating expense. The 2009 third quarter included the \$5.4 million effect of the change in accounting estimate related to revenue adjustments.
- \* Operating ratio of 98.4 in the 2010 third quarter compared to 96.8 in

the previous-year period.

## LOGISTICS

For the third quarter of 2010, Menlo Worldwide Logistics, the company's global logistics and supply chain management operation, reported:

- \* Revenue of \$370.0 million, up 6.8 percent from the prior-year third-quarter revenue of \$346.4 million.
- \* Net revenue of \$140.7 million, which increased 7.2 percent from \$131.3 million in the same period of last year, due primarily to an increase in revenue from warehouse management services.
- \* Operating loss of \$6.3 million, compared to operating income of \$9.5 million earned in the third quarter of 2009. Excluding the \$16.4 million goodwill-impairment charge, third-quarter operating income in 2010 was \$10.1 million, a 6.3 percent increase from \$9.5 million in 2009, due largely to the growth in net revenue.

## TRUCKLOAD

For the third quarter of 2010, Con-way Truckload, the company's full-truckload transportation operation, reported:

- \* Revenue of \$140.7 million, a 3.8 percent decline from the prior-year third-quarter revenue of \$146.3 million. Lower total miles and a higher proportion of empty miles led to a decline in tractor productivity, reflecting changes in fleet composition that had fewer higher-mileage driver teams and proportionally more single drivers. Partially offsetting the decline were higher fuel surcharges and improved revenue per loaded mile (excluding fuel surcharges).
- \* Operating income of \$5.5 million, compared to \$10.6 million earned in last year's third quarter, which included a \$2.3 million loss from the

sale of tractors.

- \* Operating ratio on revenue, exclusive of fuel surcharges, was 95.3 in the third quarter of 2010, compared to 91.7 in the third quarter of 2009.

Revenue and operating income also were adversely affected, to a lesser extent, by Hurricane Alex, which in July flooded the Mexico border and stranded portions of Con-way Truckload's trailer fleet.

#### CON-WAY OTHER

Con-way Other includes the company's Road Systems, Inc. trailer-manufacturing unit as well as other corporate activities. These activities produced essentially break-even results in the 2010 third quarter compared to a prior-year third-quarter operating loss of \$1.8 million, which relates primarily to corporate reinsurance activities.

#### INVESTOR CONFERENCE CALL

Con-way will host a conference call for the investment community later today, Wednesday, November 3, beginning at 4:00 p.m. Eastern Daylight Time (1:00 p.m. Pacific).

The call can be accessed by dialing (866) 264-3634 or (706) 643-3632 (for international callers) and is expected to last approximately one hour. Callers are requested to dial in at least five minutes before the start of the call. The call will also be available through a live internet webcast at [www.con-way.com](http://www.con-way.com), in the investor relations section.

An audio replay will be available for two weeks following the call dialing (800) 642-1687 or (706) 645-9291 (for international callers) and using access code 16993950. An Internet replay of the presentation will also be available at the Con-way website.

About Con-way -- Con-way Inc. (NYSE:CNW) is a \$4.3 billion freight transportation and logistics services company headquartered in San Mateo, Calif. A diversified transportation company, Con-way delivers industry-leading services through three primary operating companies: Con-way Freight, Con-way Truckload and Menlo Worldwide Logistics. These operating units

provide high-performance, day-definite less-than-truckload and full truckload freight transportation, as well as logistics, warehousing, multimodal and supply chain management services, and trailer manufacturing. Con-way Inc. and its subsidiaries operate from more than 500 locations across North America and in 20 countries. For more information about Con-way, visit us on the Web at [www.con-way.com](http://www.con-way.com).

#### FORWARD-LOOKING STATEMENTS

Certain statements in this press release constitute "forward-looking statements" and are subject to a number of risks and uncertainties and should not be relied upon as predictions of future events. All statements other than statements of historical fact are forward-looking statements, including: any projections of earnings, revenues, weight, yield, volumes, income or other financial or operating items, all statements of the plans, strategies, expectations or objectives of Con-way's management for future operations or other future items, any statements concerning proposed new products or services, any statements regarding Con-way's estimated future contributions to pension plans, any statements as to the adequacy of reserves, any statements regarding the outcome of any legal and other claims and proceedings that may be brought against Con-way, any statements regarding future economic conditions or performance, any statements regarding strategic acquisitions, any statements of estimates or belief, and any statements or assumptions underlying the foregoing. Specific factors that could cause actual results and other matters to differ materially from those discussed in such forward-looking statements include: changes in general business and economic conditions, increasing competition and pricing pressure, the creditworthiness of Con-way's customers and their ability to pay for services rendered, changes in fuel prices or fuel surcharges, the possibility that Con-way may, from time to time, be required to record impairment charges for goodwill, in tangible assets and other long-lived assets, the possibility of defaults under Con-way's \$400 million credit agreement and other debt instruments (including without limitation defaults resulting from unusual charges), uncertainty in the credit markets, including the effect on Con-way's ability to refinance indebtedness as and when it becomes due, labor matters, enforcement of and changes in governmental regulations or legislation which potentially could result in an adverse impact on the company, environmental and tax matters, and matters relating to Con-way's defined benefit pension plans, including the effect on the plans of changes in discount rates and in the value of plan assets. The factors included herein and in Item 7 of Con-way's 2009 Annual Report on Form 10-K as well as other filings with the Securities and Exchange Commission could cause actual results and other matters to differ materially from those in such forward-looking statements. As a result, no assurance can be given as to future financial condition, cash flows, or results of operations.

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Con-way Inc.  
Consolidated Statements of Operating Results  
(Dollars in thousands except per share amounts)

	Three Months Ended September 30		Nine Months Ended September 30,	
	2010	2009	2010	2009
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#### REVENUE

Freight	\$ 797,078	704,459	\$2,339,046	1,927,623
Logistics [a]	370,049	346,352	1,111,007	990,451
Truckload	140,655	146,251	426,725	424,332
Other	10,416	3,858	36,274	14,384
Inter-segment Revenue				
Eliminations	(48,015)	(67,479)	(174,695)	(204,084)

	\$1,270,183	1,133,441	3,738,357	3,152,706
OPERATING INCOME (LOSS)				
Freight [b] [c]	\$ 13,062	22,816	27,135	48,423
Logistics [d] [e]	(6,282)	9,532	19,582	22,305
Truckload [f]	5,475	10,620	13,582	(115,179)
Other	246	(1,834)	2,034	1,239
	12,501	41,134	62,333	(43,212)
Other Expense, net	14,034	16,110	46,469	48,204
Income (Loss) before Income Tax Provision	(1,533)	25,024	15,864	(91,416)
Income Tax Provision	6,695	11,532	14,266	14,402
Net Income (Loss)	(8,228)	13,492	1,598	(105,818)
Preferred Stock Dividends	-	-	-	3,189
NET INCOME (LOSS) APPLICABLE TO COMMON SHAREHOLDERS	\$ (8,228)	13,492	1,598	(109,007)

Weighted-Average Common Shares Outstanding

Basic	54,286,677	48,862,692	51,780,610	47,009,642
Diluted	54,286,677	49,497,740	52,410,846	47,009,642

Income (Loss) Per Common Share

Basic	\$ (0.15)	\$ 0.28	\$ 0.03	\$ (2.32)
Diluted	\$ (0.15)	\$ 0.27	\$ 0.03	\$ (2.32)

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[a] Logistics' net revenue

Revenue	\$ 370,049	346,352	1,111,007	990,451
Purchased transportation expense	(229,320)	(215,048)	(683,232)	(606,544)
Net revenue	\$ 140,729	131,304	427,775	383,907

[b] Includes \$4.4 million of current-year third-quarter expense at Con-way Freight for executive severances and the planned consolidation of



Con-way's executive offices. In connection with these events, \$5.5 million of expenses were recognized by Con-way and allocated across all reporting segments, with the Freight segment incurring the predominant amount of the related expense.

- [c] Includes a prior-year third-quarter change in accounting estimate, which increased the allowance for revenue adjustments and decreased both revenue and operating income by \$5.4 million.
- [d] Includes a \$16.4 million current-year third-quarter goodwill-impairment charge.
- [e] Includes a \$2.8 million current-year first-quarter charge for the write-off of a customer-relationship intangible asset.
- [f] Includes a \$134.8 million prior-year first-quarter goodwill-impairment charge.

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Con-way Inc.  
Reconciliation of GAAP Financial Measure to Non-GAAP Financial Matters  
(Dollars in thousands except per share amounts)

	Three Months Ended September 30		Nine Months Ended September 30,	
	2010	2009	2010	2009
Net Income (Loss) Applicable to Common Shareholders	\$ (8,228)	13,492	\$ 1,598	(109,007)
Before-Tax Reconciling Items				
Goodwill impairment	(16,414)	-	(16,414)	(134,813)
Customer-relationship intangible-asset impairment	-	-	(2,767)	-
Employee-separation costs	(5,490)	-	(5,490)	-
Change in accounting estimate	-	(5,359)	-	(5,359)
	\$ (21,904)	(5,359)	(24,671)	(140,172)
Tax-Related Reconciling Items				
Tax effect of items above	\$ 2,141	2,090	2,833	2,090
Discrete tax adjustments	(356)	(2,265)	663	1,829
	1,785	(175)	3,496	3,919
Adjusted Non-GAAP Financial Measures:				
Net Income Available to Common Shareholders	\$ 11,891	19,026	22,773	27,246
Net Income Per Diluted Common Share	\$ 0.22	0.38	0.43	0.57
Diluted Common Shares Outstanding	54,800,059	49,497,740	52,410,846	47,476,691

Information About Non-GAAP Financial Measures:

Con-way provides adjusted net income and earnings per share as additional information to investors. These measures are not in accordance with generally accepted accounting principles in the United States ("GAAP"). Con-way's non-GAAP financial measures are intended to supplement, but not substitute for, the most directly comparable GAAP measures. Con-way believes that the non-GAAP financial measures provide meaningful information to assist investors and analysts in understanding Con-way's financial results because they exclude items that may not be indicative or are unrelated to Con-way's core operating results. However, because non-GAAP financial measures are not standardized, it may not be possible to compare these financial measures across companies. Investors are strongly encouraged to review Con-way's financial statements and publicly filed reports in their entirety and not rely on any single financial measure.

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Con-way Inc.  
Consolidated Condensed Balance Sheets  
(Dollars in thousands)

	Septmber 30, 2010	December 31, 2009
<b>ASSETS</b>		
Current assets	\$ 1,108,904	\$ 1,076,894
Property, plant and equipment, net	1,394,905	1,375,273
Other assets	419,428	444,050
	-----	-----
Total Assets	\$ 2,923,237	\$ 2,896,217
	-----	-----
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities	\$ 688,476	\$ 791,484
Long-term debt and capital leases	781,711	760,789
Other long-term liabilities and deferred credits	600,929	657,215
Shareholders' equity	852,121	686,729
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Total Liabilities and Shareholders' Equity	\$ 2,923,237	\$ 2,896,217
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