RADIANT LOGISTICS, INC
Form 10-Q
May 17, 2010

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

x QUARTERLY REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: March 31, 2010

o TRANSITION REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ___________ to _____________

Commission File Number: 000-50283

RADIANT LOGISTICS, INC.
(Exact Name of Registrant as Specified in Its Charter)

Delaware	04-3625550
(State or Other Jurisdiction of Incorporation or Organization)	(IRS Employer Identification No.)

1227 120th Avenue N.E., Bellevue, WA 98005

(Address of Principal Executive Offices)

(425) 943-4599

(Issuer's Telephone Number, including Area Code)

N/A

(Former Name, Former Address, and Former Fiscal Year, if Changed Since Last Report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 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 x No o

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 (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes o No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of large accelerated filer, accelerated filer and smaller reporting

company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer o	Accelerated filer o
Non-accelerated filer o	Smaller reporting company x
(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 o No x

There were 31,967,811 issued and outstanding shares of the registrant's common stock, par value $.001 per share, as of May 14, 2010.

RADIANT LOGISTICS, INC.
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RADIANT LOGISTICS, INC.
Condensed Consolidated Balance Sheets

(unaudited)

	March 31, 2010	June 30, 2009
ASSETS		
Current assets:		
Cash and cash equivalents	$ -	$ 890,572
Accounts receivable, net of allowance of $669,759 and $754,578, respectively	18,471,694	17,275,387
Current portion of employee loan receivable	12,600	53,700
Current portion of station and other receivables	802,129	522,088
Income tax deposit	-	535,074
Prepaid expenses and other current assets	451,273	305,643
Deferred tax asset	504,430	427,713
Total current assets	20,242,126	20,010,177
Furniture and equipment, net	500,379	760,507
Acquired intangibles, net	2,303,411	3,179,043
Goodwill	494,291	337,000
Employee loan receivable, net of current portion	38,000	40,000
Station and other receivables, net of current portion	162,636	37,500
Investment in real estate	40,000	40,000
Deposits and other assets	211,693	359,606
Total long term assets	3,250,031	3,993,149
Total assets	$ 23,992,536	$ 24,763,833
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current liabilities:		
Checks issued in excess of funds	$ 44,148	$ -
Accounts payable and accrued transportation costs	13,058,103	13,249,628
Commissions payable	1,422,517	1,323,004
Other accrued costs	603,278	472,202
Income taxes payable	276,612	-
Due to former Adcom shareholder	947,466	2,153,721
Total current liabilities	16,352,124	17,198,555
Long term debt	7,448,662	7,869,110
Other long term liabilities	23,544	-
Deferred tax liability	-	352,387
Total long term liabilities	7,472,206	8,221,497
Total liabilities	23,824,330	25,420,052
Stockholders' equity (deficit):		
Radiant Logistics, Inc. stockholders' equity (deficit):		
Preferred stock, $0.001 par value, 5,000,000 shares authorized; no shares issued or outstanding	-	-
Common stock, $0.001 par value, 50,000,000 shares authorized, 32,334,811 and 34,106,960 shares issued and outstanding, respectively	16,157	16,157
Additional paid-in capital	8,053,300	7,889,458
Treasury stock, at cost, 2,367,149 and 595,000 shares, respectively	(645,163)	(138,250)
Retained deficit	(7,311,224)	(8,425,491)

Total Radiant Logistics, Inc. stockholders' equity (deficit)	113,070	(658,126)
Non-controlling interest	55,136	1,907
Total stockholders' equity (deficit)	168,206	(656,219)
Total liabilities and stockholders' equity (deficit)	$ 23,992,536	$ 24,763,833

The accompanying notes form an integral part of these condensed consolidated financial statements.

RADIANT LOGISTICS, INC.
Condensed Consolidated Statements of Operations
(unaudited)

	THREE MONTHS ENDED MARCH 31,		NINE MONTHS ENDED MARCH 31,	
	2010	2009	2010	2009
Revenue	$ 32,863,624	$ 29,718,852	$ 106,007,803	$ 104,626,813
Cost of transportation	22,522,506	18,971,855	73,613,523	69,207,198
Net revenues	10,341,118	10,746,997	32,394,280	35,419,615
Agent commissions	7,104,883	6,981,916	22,398,448	23,535,316
Personnel costs	1,448,374	1,825,106	4,402,236	5,548,465
Selling, general and administrative expenses	551,139	1,188,977	2,800,572	3,309,679
Depreciation and amortization	386,145	479,061	1,181,862	1,267,124
Goodwill impairment	-	-	-	11,403,342
Restructuring charges	-	-	-	220,000
Total operating expenses	9,490,541	10,475,060	30,783,118	45,283,926
Income (loss) from operations	850,577	271,937	1,611,162	(9,864,311)
Other income (expense):				
Interest income	35,130	2,482	38,403	8,900
Interest expense	(56,404)	(68,392)	(142,195)	(166,471)
Other	155,406	(18,089)	254,171	12,126
Gain on extinguishment of debt	-	190,000	-	190,000
Gain on litigation settlement	-	-	354,670	-
Total other income	134,132	106,001	505,049	44,555
Income (loss) before income tax (expense) benefit	984,709	377,938	2,116,211	(9,819,756)
Income tax (expense) benefit	(511,050)	(63,150)	(918,715)	166,881
Net income (loss)	473,659	314,788	1,197,496	(9,652,875)
Less: Net income attributable to non-controlling interest	(24,551)	(21,750)	(83,229)	(19,604)
Net income (loss) attributable to Radiant Logistics, Inc.	$ 449,108	$ 293,038	$ 1,114,267	$ (9,672,479)
Net income (loss) per common share – basic	$ .01	$ .01	$ .03	$ (.28)
Net income (loss) per common share – diluted	$ .01	$ .01	$ .03	$ (.28)
Weighted average shares outstanding:				
Basic shares	32,391,859	34,701,960	32,767,213	34,699,679
Diluted shares	32,533,794	34,701,960	32,937,774	34,699,679

The accompanying notes form an integral part of these condensed consolidated financial statements.

RADIANT LOGISTICS, INC.
Condensed Consolidated Statement of Stockholders' Equity (Deficit)
(unaudited)

	RADIANT LOGISTICS, INC. STOCKHOLDERS						
	COMMON STOCK						
	SHARES	AMOUNT	ADDITIONAL PAID-IN CAPITAL	TREASURY STOCK	RETAINED EARNINGS (DEFICIT)	NONCONTROLLING INTEREST	TOTAL STOCKHOLDERS' EQUITY (DEFICIT)
Balance at June 30, 2009	34,106,960	$ 16,157	$ 7,889,458	$ (138,250)	$ (8,425,491)	$ 1,907	$ (656,219)
Repurchase of common stock	(1,772,149)	-	-	(506,913)	-	-	(506,913)
Share-based compensation	-	-	163,842	-	-	-	163,842
Distribution to non-controlling interest	-	-	-	-	-	(30,000)	(30,000)
Net income for the nine months ended March 31, 2010	-	-	-	-	1,114,267	83,229	1,197,496
Balance at March 31, 2010	32,334,811	$ 16,157	$ 8,053,300	$ (645,163)	$ (7,311,224)	$ 55,136	$ 168,206

The accompanying notes form an integral part of these condensed consolidated financial statements.

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RADIANT LOGISTICS, INC.
Condensed Consolidated Statements of Cash Flows
(unaudited)

	NINE MONTHS ENDED MARCH 31, 2010	NINE MONTHS ENDED MARCH 31, 2009
CASH FLOWS PROVIDED BY OPERATING ACTIVITIES:		
Net income (loss)	$ 1,197,496	$ (9,652,875)
ADJUSTMENTS TO RECONCILE NET INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
non-cash compensation expense (stock options)	163,842	123,714
non-cash issuance of common stock (services)	-	12,084
amortization of intangibles	875,632	914,215
deferred income tax benefit	(429,104)	(1,268,034)
depreciation and leasehold amortization	306,230	352,908
gain on litigation settlement	(354,670)	-
goodwill impairment	-	11,403,342
gain on extinguishment of debt	-	(190,000)
amortization of bank fees	37,262	12,257
provision for doubtful accounts	(11,630)	134,101
CHANGE IN OPERATING ASSETS AND LIABILITIES:		
accounts receivable	(1,111,488)	8,354,248
employee loan receivable	43,100	(10,033)
station and other receivables	(393,945)	(99,260)
prepaid expenses and other assets	(137,317)	171,684
checks issued in excess of funds	44,148	-
accounts payable and accrued transportation costs	(195,800)	(6,914,471)
commissions payable	99,513	232,188
other accrued costs	(148,412)	32,009
other long-term liabilities	23,544	-
income taxes payable	276,612	-
income tax deposit	535,074	(1,288,396)
due to former Adcom shareholder	(20,834)	-
Net cash provided by operating activities	799,253	2,319,681
CASH FLOWS USED FOR INVESTING ACTIVITIES:		
Acquisition of Adcom Express, Inc., net of acquired cash, including an additional $62,246 of costs incurred post-closing	-	(4,839,042)
Purchase of furniture and equipment	(46,102)	(215,785)
Payments to former shareholders of Airgroup	-	(556,639)
Payments made to former Adcom shareholder	(686,362)	-
Net cash used for investing activities	(732,464)	(5,611,466)
CASH FLOWS PROVIDED BY (USED FOR) FINANCING ACTIVITIES:		
Proceeds from (payments on) credit facility, net of credit fees	(420,448)	3,413,899
Distribution to non-controlling interest	(30,000)	-
Purchases of treasury stock	(506,913)	-
Net cash provided by (used for) financing activities	(957,361)	3,413,899

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(890,572)		122,114
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD		890,572		392,223
CASH AND CASH EQUIVALENTS, END OF PERIOD	$	-	$	514,337
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:				
Income taxes paid	$	588,393	$	2,430,840
Interest paid	$	117,349	$	166,471

The accompanying notes form an integral part of these condensed consolidated financial statements.

RADIANT LOGISTICS, INC.
Condensed Consolidated Statements of Cash Flows
(unaudited)

Supplemental disclosure of non-cash investing and financing activities:

In November 2008, the Company recorded $633,333 as an accrued payable and an increase to goodwill for the final annual earn-out payment due to the former Airgroup shareholders for the Company's acquisition of Airgroup.

In November 2008, the Company finalized its purchase price allocation resulting in a decrease of net assets acquired by $62,694 due to unutilized transaction costs. The effect of this transaction was a decrease to goodwill and a decrease to accrued payables.

In December 2008, the Company completed its quarterly analysis of allowance for doubtful accounts. Included in the analysis of doubtful accounts was $205,462 relating to receivables acquired in the Adcom transaction. Pursuant to the purchase agreement for the acquisition of Adcom, the $205,462 was offset against amounts otherwise due to the former Adcom shareholder.

In December 2008, the Company paid $333,277 to the former Airgroup shareholders for the earn-out payment recorded on the books for the year ended June 30, 2008. The earn-out payment was recorded at June 30, 2008 in the amount of $416,596, and payable in shares of Company common stock. The payment was discounted by $83,319 as the former Airgroup shareholders agreed to receive cash rather than Company shares. The effect of this transaction was a decrease to goodwill and the amount owed to the former Airgroup shareholders.

In September 2009, the Company finalized its purchase price allocation relating to the acquisition of Adcom, resulting in an increase of net assets acquired by $151,550 due to increased transaction costs and other adjustments to the fair value of the acquired assets. The effect of this transaction was an increase to goodwill of $157,291 with offsetting changes to other balance sheet amounts as follows: a decrease to the allowance for doubtful accounts of $72,280, an increase in other receivables of $11,831, an increase in accounts payable of $4,275, an increase of other accrued costs of $279,488, and a decrease in the amount due to the former Adcom shareholder of $42,361.

RADIANT LOGISTICS, INC.
Notes to Condensed Consolidated Financial Statements
(unaudited)

NOTE 1 – THE COMPANY AND BASIS OF PRESENTATION

The Company

Radiant Logistics, Inc. (the "Company") was incorporated in the State of Delaware on March 15, 2001. Currently, the Company is executing a strategy to build a global transportation and supply chain management company through organic growth and the strategic acquisition of best-of-breed non-asset based transportation and logistics providers to offer its customers domestic and international freight forwarding and an expanding array of value added supply chain management services, including order fulfillment, inventory management and warehousing.

The Company completed the first step in its business strategy through the acquisition of Airgroup Corporation ("Airgroup") effective as of January 1, 2006. Airgroup is a Bellevue, Washington based non-asset based logistics company providing domestic and international freight forwarding services through a network which includes a combination of company-owned and exclusive agent offices across North America.

The Company continues to identify a number of additional companies as suitable acquisition candidates and has completed two material acquisitions over the past twenty four months. In November 2007, the Company acquired Automotive Services Group in Detroit, Michigan to service the automotive industry. In September 2008, the Company acquired Adcom Express, Inc. d/b/a Adcom Worldwide ("Adcom") adding an additional 30 locations across North America and augmenting the Company's overall domestic and international freight forwarding capabilities.

In connection with the acquisition of Adcom, the Company changed the name of Airgroup Corporation to Radiant Global Logistics, Inc. ("RGL") in order to better position its centralized back-office operations to service both the Airgroup and Adcom network brands.

RGL, through the Airgroup and Adcom network brands, has a diversified account base including manufacturers, distributors and retailers using a network of independent carriers and international agents positioned strategically around the world.

By implementing a growth strategy supported by the RGL platform, the Company is building a leading global transportation and supply-chain management company offering a full range of domestic and international freight forwarding and other value added supply chain management services, including order fulfillment, inventory management and warehousing.

The Company's growth strategy will continue to focus on both organic growth and acquisitions. From an organic perspective the Company will focus on strengthening existing and expanding new customer relationships. One of the drivers of the Company's organic growth will be retaining existing, and securing new exclusive agency locations. Since the Company's acquisition of Airgroup in January 2006, the Company has focused its efforts on the build-out of its network of exclusive agency offices, as well as enhancing its back-office infrastructure and transportation and accounting systems.

As the Company continues to build out its network of exclusive agent locations to achieve a level of critical mass and scale, it is executing an acquisition strategy to develop additional growth opportunities. The Company's acquisition strategy relies upon two primary factors: first, the Company's ability to identify and acquire target businesses that fit within its general acquisition criteria; and second, the continued availability of capital and financing resources

sufficient to complete these acquisitions.

Successful implementation of the Company’s growth strategy depends upon a number of factors, including its ability to: (i) continue developing new agency locations; (ii) locate acquisition opportunities; (iii) secure adequate funding to finance identified acquisition opportunities; (iv) efficiently integrate the businesses of the companies acquired; (v) generate the anticipated economies of scale from the integration; and (vi) maintain the historic sales growth of the acquired businesses in order to generate continued organic growth. There are a variety of risks associated with the Company’s ability to achieve its strategic objectives, including the ability to acquire and profitably manage additional businesses and the intense competition in the industry for customers and for acquisition candidates.

The Company will continue to search for targets that fit within its acquisition criteria. The Company's ability to secure additional financing depends in part upon the sale of debt or equity securities, and the development of an active trading market for its securities.

Interim Disclosure

The condensed consolidated financial statements included herein have been prepared, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States have been condensed or omitted pursuant to such rules and regulations. The Company's management believes that the disclosures are adequate to make the information presented not misleading. These condensed financial statements should be read in conjunction with the financial statements and the notes thereto included in the Company's Annual Report on Form 10-K for the year ended June 30, 2009.

The interim period information included in this Quarterly Report on Form 10-Q reflects all adjustments, consisting of normal recurring adjustments, that are, in the opinion of the Company's management, necessary for a fair statement of the results of the respective interim periods. Results of operations for interim periods are not necessarily indicative of results to be expected for an entire year.

Basis of Presentation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries as well as a single variable interest entity, Radiant Logistics Partners LLC ("RLP"), which is 40% owned by Radiant Global Logistics (f/k/a Airgroup Corporation), a wholly-owned subsidiary of the Company, and whose accounts are included in the consolidated financial statements. All significant intercompany balances and transactions have been eliminated.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Use of Estimates

The preparation of financial statements and related disclosures in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Such estimates include revenue recognition, accruals for the cost of purchased transportation, the fair value of acquired assets and liabilities, accounting for the issuance of shares and share based compensation, the assessment of the recoverability of long-lived assets (specifically goodwill and acquired intangibles), the establishment of an allowance for doubtful accounts and the valuation allowance for deferred tax assets. Estimates and assumptions are reviewed periodically and the effects of revisions are reflected in the period that they are determined to be necessary. Actual results could differ from those estimates.

b) Fair Value Measurements

In general, fair values determined by Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets or liabilities. Fair values determined by Level 2 inputs utilize observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the related assets or liabilities. Fair values determined by Level 3 inputs are unobservable data points for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability.

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c) Fair Value of Financial Instruments

The fair values of the Company's receivables, income tax deposit, accounts payable and accrued transportation costs, commissions' payable, other accrued costs and amounts due to former Adcom shareholder approximate the carrying values dues to the relatively short maturities of these instruments. The fair value of the Company's long-term debt, if recalculated based on current interest rates, would not differ significantly from the recorded amount.

d) Cash and Cash Equivalents

For purposes of the statements of cash flows, cash equivalents include all highly liquid investments with original maturities of three months or less which are not securing any corporate obligations.

e) Concentrations

The Company maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts.

f) Accounts Receivable

The Company's receivables are recorded when billed and represent claims against third parties that will be settled in cash. The carrying value of the Company's receivables, net of the allowance for doubtful accounts, represents their estimated net realizable value. The Company evaluates the collectability of accounts receivable on a customer-by-customer basis. The Company records a reserve for bad debts against amounts due to reduce the net recognized receivable to an amount the Company believes will be reasonably collected. The reserve is a discretionary amount determined from the analysis of the aging of the accounts receivable, historical experience and knowledge of specific customers.

g) Station and Other Receivables

On occasion the Company extends credit to agent-based stations.

In March 2010, it was determined the Company had overpaid business and occupancy ("B&O") taxes to the State of Washington Department of Revenue during an audit of the 2006 – 2009 calendar year B&O tax returns. The audit resulted in a $394,795 receivable due from the State of Washington which is included with station and other receivables on the condensed consolidated balance sheet as of March 31, 2010. The results of the audit also reduced selling, general and administrative expenses on the condensed consolidated statements of operations by the same amount for the three and nine months ended March 31, 2010.

h) Furniture & Equipment

Technology (computer software, hardware, and communications), furniture, and equipment are stated at cost, less accumulated depreciation over the estimated useful lives of the respective assets. Depreciation is computed using five to seven year lives for vehicles, communication, office, furniture, and computer equipment and the double declining balance method. Computer software is depreciated over a three year life using the straight line method of depreciation. For leasehold improvements, the cost is depreciated over the shorter of the lease term or useful life on a straight line basis. Upon retirement or other disposition of these assets, the cost and related accumulated depreciation are removed from the accounts and the resulting gain or loss, if any, is reflected in other income or expense. Expenditures for maintenance, repairs and renewals of minor items are charged to expense as incurred. Major renewals and improvements are capitalized.

i) Goodwill

The Company performs an annual impairment test for goodwill. The first step of the impairment test requires that the Company determine the fair value of its reporting unit, and compare the fair value to the reporting unit's carrying amount. The Company has only one reporting unit. To the extent the reporting unit's carrying amount exceeds its fair value, an indication exists that the reporting unit's goodwill may be impaired and the Company must perform a second more detailed impairment assessment. The second impairment assessment involves allocating the reporting unit’s fair value to all of its recognized and unrecognized assets and liabilities in order to determine the implied fair value of the reporting unit’s goodwill as of the assessment date. The implied fair value of the reporting unit’s goodwill is then compared to the carrying amount of goodwill to quantify an impairment charge as of the assessment date. The Company performs its annual impairment test effective as of April 1 of each year, unless events or circumstances indicate impairment may have occurred before that time.

During the second quarter of fiscal 2009, in connection with the preparation of the condensed consolidated financial statements included herein, the Company concluded that indicators of potential impairment were present due to the sustained decline in the Company's share price which resulted in the market capitalization of the Company being less than its book value. The Company conducted an impairment test during the second quarter of fiscal 2009 based on the facts and circumstances at that time and its business strategy in light of existing industry and economic conditions, as well as taking into consideration future expectations. As the Company had significantly grown the business since its initial acquisition of Airgroup, it had also grown its customer relationship intangibles as the Company added additional stations. Through its impairment testing and review, the Company concluded that its discounted cashflow analysis supported a valuation of its identifiable intangible assets well in excess of their carrying value. Factoring this with management's assessment of the fair value of other assets and liabilities resulted in no residual implied fair value remaining to be allocated to goodwill. However, generally accepted accounting principles ("GAAP") do not allow the Company to recognize the previously unrecognized intangible assets in connection with these new stations. As a result, at December 31, 2008, the Company recorded a non-cash goodwill impairment charge of $11.4 million. The Company does not expect this non-cash charge to have any impact on the Company's compliance with the financial covenants in its credit agreement.

j) Long-Lived Assets

Acquired intangibles consist of customer related intangibles and non-compete agreements arising from the Company's acquisitions. Customer related intangibles are amortized using accelerated methods over approximately 5 years and non-compete agreements are amortized using the straight line method over the term of the underlying agreements. See Notes 4 and 5.

The Company reviews long-lived assets to be held-and-used for impairment whenever events or changes in circumstances indicate the carrying amount of the assets may not be recoverable. If the sum of the undiscounted expected future cash flows over the remaining useful life of a long-lived asset is less than its carrying amount, the asset is considered to be impaired. Impairment losses are measured as the amount by which the carrying amount of the asset exceeds the fair value of the asset. When fair values are not available, the Company estimates fair value using the expected future cash flows discounted at a rate commensurate with the risks associated with the recovery of the asset. Assets to be disposed of are reported at the lower of carrying amount or fair value less costs to sell. Management has performed a review of all long-lived assets and has determined no impairment of the respective carrying value has occurred as of March 31, 2010.

k) Commitments

The Company has operating lease commitments for equipment rentals, office space, and warehouse space under non-cancelable operating leases expiring at various dates through May 2021. As of March 31, 2010 minimum future lease payments under these non-cancelable operating leases for the next five fiscal years and thereafter are as follows:

Fiscal Year Ending June 30	Amount
2010 (remaining portion)	$ 113,483
2011	280,682
2012	229,567
2013	221,158
2014	230,921
Thereafter	1,879,677
Total minimum lease payments	$ 2,955,488

Included in these future commitments are upcoming rental lease payments pertaining to the Company's new corporate office location. The initial term of this lease commences on June 1, 2010, and is set to expire on May 31, 2021. Rent

for the first 12-month period has been abated by the landlord and lease payments will begin on June 1, 2011.

l) Income Taxes

Deferred income tax assets and liabilities are recognized for the expected future tax consequences of events that have been reflected in the consolidated financial statements. Deferred tax assets and liabilities are determined based on the differences between the book values and the tax bases of particular assets and liabilities. Deferred tax assets and liabilities are measured using tax rates in effect for the years in which the differences are expected to reverse. A valuation allowance is provided to offset the net deferred tax assets if, based upon the available evidence, it is more likely than not that some or all of the deferred tax assets will not be realized.

The Company reports a liability for unrecognized tax benefits resulting from uncertain income tax positions taken or expected to be taken in an income tax return. Estimated interest and penalties are recorded as a component of interest expense or other expense, respectively.

m) Revenue Recognition and Purchased Transportation Costs

The Company is the primary obligor responsible for providing the service desired by the customer and is responsible for fulfillment, including the acceptability of the service(s) ordered or purchased by the customer. At the Company’s sole discretion, it sets the prices charged to its customers, and is not required to obtain approval or consent from any other party in establishing its prices. The Company has multiple suppliers for the services it sells to its customers, and has the absolute and complete discretion and right to select the supplier that will provide the product(s) or service(s) ordered by a customer, including changing the supplier on a shipment-by-shipment basis. In most cases, the Company determines the nature, type, characteristics, and specifications of the service(s) ordered by the customer. The Company also assumes credit risk for the amount billed to the customer.

As a non-asset based carrier, the Company does not own transportation assets. The Company generates the major portion of its air and ocean freight revenues by purchasing transportation services from direct (asset-based) carriers and reselling those services to its customers. Based upon the terms in the contract of carriage, revenues related to shipments where the Company issues a House Airway Bill ("HAWB") or a House Ocean Bill of Lading ("HOBL") are recognized at the time the freight is tendered to the direct carrier at origin. Costs related to the shipments are also recognized at this same time based upon anticipated margins, contractual arrangements with direct carriers, and other known factors. The estimates are routinely monitored and compared to actual invoiced costs. The estimates are adjusted as deemed necessary by the Company to reflect differences between the original accruals and actual costs of purchased transportation.

This method generally results in recognition of revenues and purchased transportation costs earlier than the preferred methods under GAAP which do not recognize revenue until a proof of delivery is received or which recognize revenue as progress on the transit is made. The Company’s method of revenue and cost recognition does not result in a material difference from amounts that would be reported under such other methods.

n) Share-Based Compensation

The Company accounts for share-based compensation under the fair value recognition provisions such that compensation cost is measured at the grant date based on the value of the award and is expensed ratably over the vesting period. Determining the fair value of share-based awards at the grant date requires judgment, including estimating the percentage of awards which will be forfeited, stock volatility, the expected life of the award, and other inputs. If actual forfeitures differ significantly from the estimates, share-based compensation expense and the Company's results of operations could be materially impacted.

For the three months ended March 31, 2010, the Company recorded share based compensation expense of $54,939, which, net of income taxes, resulted in a $34,062 reduction of net income. For the three months ended March 31, 2009, the Company recorded share based compensation expense of $43,022, which, net of income taxes, resulted in a $26,674 reduction of net income.

For the nine months ended March 31, 2010, the Company recorded share based compensation expense of $163,842 which, net of income taxes, resulted in a $101,582 reduction of net income. For the nine months ended March 31, 2009, the Company recorded share based compensation expense of $123,714, which, net of income taxes, resulted in a $76,703 reduction of net income.

o) Basic and Diluted Income per Share

Basic income per share is computed by dividing net income (loss) attributable to common stockholders by the weighted average number of common shares outstanding. Diluted income per share is computed similar to basic income per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares, such as stock options, had been issued and if the additional common shares were dilutive.

For the three months ended March 31, 2010, the weighted average outstanding number of potentially dilutive common shares totaled 32,533,794 shares of common stock, including options to purchase 3,620,000 shares of common stock at March 31, 2010, of which 3,060,000 were excluded as their effect would have been anti-dilutive. For the three months ended March 31, 2009, the weighted average outstanding number of potentially dilutive common shares totaled 34,701,960 shares of common stock. Options to purchase 3,285,000 shares of common stock were not included in the diluted EPS computation for the three months ended March 31, 2009 as the exercise prices of those options were greater than the market price of common shares and were thus anti-dilutive.

For the nine months ended March 31, 2010, the weighted average outstanding number of potentially dilutive common shares totaled 32,937,774 shares of common stock, including options to purchase 3,620,000 shares of common stock at March 31, 2010, of which 3,060,000 were excluded as their effect would have been antidilutive. For the nine months ended March 31, 2009, the weighted average outstanding number of potentially dilutive common shares totaled 34,699,679 shares of common stock. Options to purchase 3,285,000 shares of common stock were not included in the diluted EPS computation for the nine months ended March 31, 2009 as there was a loss for the period so the shares are anti-dilutive.

The following table reconciles the numerator and denominator of the basic and diluted per share computations for earnings per share as follows:

	Three months ended March 31, 2010	Three months ended March 31, 2009	Nine months ended March 31, 2010	Nine months ended March 31, 2009
Weighted average basic shares outstanding	32,391,859	34,701,960	32,767,213	34,699,679
Options	141,935	-	170,561	-
Weighted average dilutive shares outstanding	32,533,794	34,701,960	32,937,774	34,699,679

p) Comprehensive Income

The Company has no components of Comprehensive Income and, accordingly, no Statement of Comprehensive Income has been included in the accompanying consolidated financial statements.

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q) Reclassifications

Certain amounts for prior periods have been reclassified in the consolidated financial statements to conform to the classification used in fiscal 2010.

NOTE 3 – RECENT ACCOUNTING PRONOUNCEMENTS

In June 2009, the Financial Accounting Standards Board ("FASB") issued guidance now codified in FASB Accounting Standards Codification ("ASC") Topic 105, Generally Accepted Accounting Principles, as the single source of authoritative nongovernmental GAAP. FASB ASC Topic 105 does not change current GAAP, but is intended to simplify user access to all authoritative GAAP by providing all authoritative literature related to a particular topic in one place. All existing accounting standard documents have been superseded and all other accounting literature not included in the FASB Codification is now considered non-authoritative. These provisions of FASB ASC Topic 105 are effective for interim and annual periods ending after September 15, 2009 and, accordingly, are effective for the Company for the current fiscal reporting period. The adoption of this guidance did not have an impact on the Company's financial condition or results of operations, but will impact its financial reporting process by eliminating all references to pre-codification standards. On the effective date of this guidance, the Codification superseded all then-existing non-SEC accounting and reporting standards, and all other non-grandfathered, non-SEC accounting literature not included in the Codification became non-authoritative.

In August 2009, the FASB issued Accounting Standards Update ("ASU") No. 2009-05, Fair Value Measurements and Disclosures. The guidance in ASU 2009-05 provides clarification that in circumstances in which a quoted price in an active market for the identical liability is not available, an entity is required to measure fair value using certain prescribed valuation techniques. The amendments in ASU 2009-05 were effective for the Company's first quarter of fiscal 2010. The adoption of this guidance did not have a material impact on the Company's financial position or results of operations.

In August 2009, the FASB issued ASU No. 2009-06, Implementation Guidance on Accounting for Uncertainty in Income Taxes and Disclosure Amendment for Nonpublic Entities. The guidance in ASU 2009-06 improves current accounting by helping achieve consistent application of accounting for uncertainty in income taxes and is not intended to change existing practice. ASU 2009-06 also eliminates disclosures previously required for nonpublic entities. ASU 2009-06 is effective for interim and annual periods ending after September 15, 2009. The adoption of this guidance did not have a material impact on the Company's financial position or results of operations.

In January 2010, the FASB issued ASU No. 2010-06, Improving Disclosures about Fair Value Measurements. The guidance in ASU 2010-06 provides amendments to literature on fair value measurements and disclosures currently within the ASC by clarifying certain existing disclosures and requiring new disclosures for the various classes of fair value measurements. ASU 2010-06 is effective for interim and annual periods beginning after December 15, 2009, except for the disclosures about purchases, sales, issuances, and settlements in the roll forward of activity in Level 3 fair value measurements, which are effective for fiscal years beginning after December 15, 2010, and for interim periods within those fiscal years. The adoption of this guidance is not expected to have a material impact on the Company's financial position or results of operations.

In February 2010, the FASB issued ASU No. 2010-09, Subsequent Events (Topic 855): Amendments to Certain Recognition and Disclosure Requirements. The guidance in ASU 2010-09 addresses both the interaction of the requirements of Topic 855, Subsequent Events, with the SEC's reporting requirements and the intended breadth of the reissuance disclosures provision related to subsequent events, potentially changing reporting by both private and public entities depending on the facts and circumstances surrounding the nature of the change. All of the amendments in ASU 2010-09 are effective upon issuance of the final update, except for the use of the issued date for conduit debt obligors which is effective for interim and annual periods ending after June 15, 2010. The adoption of this guidance is

not expected to have a material impact on the Company’s financial position or results of operations.

NOTE 4 – ACQUISITION OF ADCOM EXPRESS, INC.

On September 5, 2008, the Company entered into and closed a Stock Purchase Agreement (the "Agreement") pursuant to which it acquired 100% of the issued and outstanding stock of Adcom Express, Inc., d/b/a Adcom Worldwide ("Adcom"), a privately-held Minnesota corporation. For financial accounting purposes, the transaction was deemed to be effective as of September 1, 2008. The stock was acquired from Robert F. Friedman, the sole shareholder of Adcom. The total value of the transaction was $11,050,000, consisting of: (i) $4,750,000 in cash paid at the closing; (ii) $250,000 in cash payable shortly after the closing, subject to adjustment, based upon the working capital of Adcom as of August 31, 2008; (iii) up to $2,800,000 in four "Tier-1 Earn-Out Payments" of up to $700,000 each, covering the four year earn-out period through June 30, 2012, based upon Adcom achieving certain levels of "Gross Profit Contribution" (as defined in the Agreement), payable 50% in cash and 50% in shares of Company common stock (valued at delivery date); (iv) a "Tier-2 Earn-Out Payment" of up to $2,000,000, equal to 20% of the amount by which the Adcom cumulative Gross Profit Contribution exceeds $16,560,000 during the four year earn-out period; and (v) an "Integration Payment" of $1,250,000 payable on the earlier of the date certain integration targets are achieved or 18 months after the closing, payable 50% in cash and 50% in shares of Company common stock (valued at delivery date). The Integration Payment, the Tier-1 Earn-Out Payments and certain amounts of the Tier-2 Payments may be subject to acceleration upon occurrence of a "Corporate Transaction" (as defined in the Agreement), which includes a sale of Adcom or the Company, or certain changes in corporate control. The cash component of the transaction was financed through a combination of existing funds and the proceeds from the Company’s revolving credit facility.

Founded in 1978, Adcom provides a full range of domestic and international freight forwarding solutions to a diversified account base including manufacturers, distributors and retailers through a combination of three company-owned and twenty-seven independent agency locations across North America.

The total purchase price consisted of an initial payment of $4,750,000, acquisition expenses of $288,346, and $220,000 in restructuring charges. Also included in the acquisition is $1,250,000 in future integration payments and $319,845 in working capital and other adjustments. The total net assets acquired were $6.61 million. The following table summarizes the final allocation of the purchase price based on the estimated fair value of the acquired assets at September 5, 2008.

Current assets	$ 11,948,619
Furniture & equipment	291,862
Notes receivable	343,602
Intangibles	3,200,000
Goodwill	3,248,660
Other assets	325,296
Total assets acquired	19,358,039
Current liabilities assumed	11,533,848
Long-term deferred tax liability	1,216,000
Total liabilities acquired	12,749,848
Net assets acquired	$ 6,608,191

None of the goodwill is expected to be deductible for income tax purposes.

The results of operations related to this acquisition are included in the Company's statement of income from the date of acquisition in September 2008.

NOTE 5 – ACQUIRED INTANGIBLE ASSETS

The table below reflects acquired intangible assets related to the acquisitions of Airgroup, Automotive Services Group and Adcom:

	As of March 31, 2010		As of June 30, 2009	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Amortizable intangible assets:				
Customer related	$ 5,752,000	$ 3,523,309	$ 5,752,000	$ 2,679,547
Covenants not to compete	190,000	115,280	190,000	83,410
Total	$ 5,942,000	$ 3,638,589	$ 5,942,000	$ 2,762,957
Aggregate amortization expense:				
For nine months ended March 31, 2010		$ 875,632		
For nine months ended March 31, 2009		$ 914,215		
Aggregate amortization expense for the years ending June 30:				
2010 – For the remainder of the year		$ 283,653		
2011		827,762		
2012		769,772		
2013		374,344		
2014		47,880		
Total		$ 2,303,411		

NOTE 6 – VARIABLE INTEREST ENTITY

Certain entities in which equity investors do not have the characteristics of a controlling financial interest or do not have the sufficient equity at risk for the entity to finance its activities without additional subordinated financial support from other parties are considered "variable interest entities". RLP is 40% owned by Radiant Global Logistics ("RGL"), qualifies as a variable interest entity and is included in the Company's consolidated financial statements (see Note 7). RLP commenced operations in February 2007. Non-controlling interest recorded on the income statement was an expense of $24,551 and $21,750 for the three months ended March 31, 2010 and 2009, respectively. Non-controlling interest recorded on the income statement was an expense of $83,229 and $19,604 for the nine months ended March 31, 2010 and 2009, respectively.

The following table summarizes the balance sheets of RLP:

	March 31, 2010	June 30, 2009
ASSETS		
Accounts receivable – Radiant Logistics	$ 102,537	$ 6,656
Prepaid expenses and other current assets	1,297	2,165
Total assets	$ 103,834	$ 8,821
LIABILITIES AND PARTNERS' CAPITAL		
Checks issued in excess of bank balance	$ 633	$ 212
Other accrued costs	11,308	5,431
Total liabilities	11,941	5,643
Partners' capital	91,893	3,178
Total liabilities and partners' capital	$ 103,834	$ 8,821

NOTE 7 – RELATED PARTY

RLP is owned 40% by RGL and 60% by Radiant Capital Partners, LLC ("RCP"), a company for which the Chief Executive Officer of the Company is the sole member. RLP is a certified minority business enterprise which was formed for the purpose of providing the Company with a national accounts strategy to pursue corporate and government accounts with diversity initiatives. As currently structured, RCP’s ownership interest entitles it to a majority of the profits and distributable cash, if any, generated by RLP. The operations of RLP are intended to provide certain benefits to the Company, including expanding the scope of services offered by the Company and participating in supplier diversity programs not otherwise available to the Company. RGL currently provides administrative services necessary to operate RLP while RLP continues to develop. As the RLP operations mature, the Company will evaluate and approve all related service agreements between the Company and RLP, including the scope of the services to be provided by the Company to RLP and the fees payable to the Company by RLP, in accordance with the Company’s corporate governance principles and applicable Delaware corporation law. This process may include seeking the opinion of a qualified third party concerning the fairness of any such agreement or the approval of the Company’s shareholders. RLP is consolidated in the financial statements of the Company (see Note 6).

NOTE 8 – FURNITURE AND EQUIPMENT

Furniture and equipment consists of the following:

	March 31, 2010	June 30, 2009
Vehicles	$ 33,788	$ 33,788
Communication equipment	4,043	1,353
Office equipment	311,191	309,156
Furniture and fixtures	91,727	66,036
Computer equipment	374,155	554,337
Computer software	1,070,355	884,384
Leasehold improvements	56,821	44,002
	1,942,080	1,893,056
Less: Accumulated depreciation and amortization	(1,441,701)	(1,132,549)
Furniture and equipment – net	$ 500,379	$ 760,507

Depreciation and amortization expense related to furniture and equipment was $306,230 and $352,908 for the nine months ended March 31, 2010 and 2009, respectively.

NOTE 9 – LONG TERM DEBT

In March 2010, the Company’s $15.0 million revolving credit facility, including a $0.5 million sublimit to support letters of credit (collectively, the "Facility"), was increased to $20.0 million with a maturity date of March 31, 2012. The Facility is collateralized by accounts receivable and other assets of the Company and its subsidiaries. Advances under the Facility are available to fund future acquisitions, capital expenditures or for other corporate purposes, including the repurchase of the Company’s stock. Borrowings under the facility bear interest, at the Company’s option, at the bank’s prime rate minus 0.75% to plus 0.50% or LIBOR plus 1.75% to 3.00%, and can be adjusted up or down during the term of the Facility based on the Company’s performance relative to certain financial covenants. The Facility is collateralized by accounts receivable and other assets of the Company and its subsidiaries and provides for advances of up to 80% of eligible domestic accounts receivable and for advances of up to 60% of eligible foreign accounts receivable.

The terms of the Facility are subject to certain financial and operational covenants which may limit the amount otherwise available under the Facility. The first covenant limits funded debt to a multiple of 4.00 times the Company's consolidated EBITDA (as adjusted) measured on a rolling four quarter basis. The second financial covenant requires the Company to maintain a basic fixed charge coverage ratio of at least 1.1 to 1.0. The third financial covenant is a minimum profitability standard that requires the Company not to incur a net loss before taxes, amortization of acquired intangibles and extraordinary items in any two consecutive quarterly accounting periods.

Under the terms of the Facility, the Company is permitted to make additional acquisitions without the lender's consent only if certain conditions are satisfied. The conditions imposed by the Facility include the following: (i) the absence of an event of default under the Facility; (ii) the company to be acquired must be in the transportation and logistics industry; (iii) the purchase price to be paid must be consistent with the Company's historical business and acquisition model; (iv) after giving effect for the funding of the acquisition, the Company must have undrawn availability of at least $1.0 million under the Facility; (v) the lender must be reasonably satisfied with projected financial statements the Company provides covering a 12 month period following the acquisition; (vi) the acquisition documents must be provided to the lender and must be consistent with the description of the transaction provided to the lender; and (vii) the number of permitted acquisitions is limited to three per calendar year and shall not exceed $7.5 million in aggregate purchase price financed by funded debt. In the event that the Company is not able to satisfy the conditions of the Facility in connection with a proposed acquisition, it must either forego the acquisition, obtain the lender's consent, or retire the Facility. This may limit or slow the Company's ability to achieve the critical mass it may need to achieve its strategic objectives.

The co-borrowers of the Facility include Radiant Logistics, Inc., RGL (f/k/a Airgroup Corporation), Radiant Logistics Global Services, Inc. ("RLGS"), RLP, and Adcom Express, Inc. (d/b/a Adcom Worldwide). RLP is owned 40% by RGL and 60% by RCP, an affiliate of the Company's Chief Executive Officer. RLP has been certified as a minority business enterprise, and focuses on corporate and government accounts with diversity initiatives. As a co-borrower under the Facility, the accounts receivable of RLP are eligible for inclusion within the overall borrowing base of the Company and all borrowers will be responsible for repayment of the debt associated with advances under the Facility, including those advanced to RLP. At March 31, 2010, the Company was in compliance with all of its covenants.

As of March 31, 2010, the Company had $5,964,398 advances under the Facility and $1,484,264 in outstanding checks, which had not yet been presented to the bank for payment. The outstanding checks have been reclassified from our cash accounts, as they will be advanced from, or against, our Facility when presented for payment to the bank. The forgoing results in total long term debt of $7,448,662.

At March 31, 2010, based on available collateral and $205,000 in outstanding letter of credit commitments, there was $4,863,811 available for borrowing under the Facility based on advances outstanding.

NOTE 10 – PROVISION FOR INCOME TAXES

Deferred income taxes are reported using the liability method. Deferred tax assets are recognized for deductible temporary differences and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

The acquisitions of Airgroup and Adcom resulted in $2,148,280 of long term deferred tax liability resulting from certain amortizable intangibles identified during the Company's purchase price allocation which are not deductible for tax purposes. The long term deferred tax liability will be reduced as the non-deductible amortization of the intangibles is recognized. See Note 5.

For the three months ended March 31, 2010, the Company recognized net income tax expense of $511,050 consisting of current income tax expense of $678,622, and deferred income tax benefit of $167,572.

For the nine months ended March 31, 2010, the Company recognized net income tax expense of $918,715 consisting of current income tax expense of $1,347,819, and deferred income tax benefit of $429,104.

The Company was subjected to an IRS audit for the tax year ended June 30, 2007. The audit resulted in additional federal income tax expense of $146,175 which was expensed in the three months ended March 31, 2010.

Tax years which remain subject to examination by state authorities are the years ended June 30, 2007, 2008 and 2009. Tax years which remain subject to examination by Federal authorities are the years ended June 30, 2007, 2008 and 2009.

NOTE 11 – STOCKHOLDERS' EQUITY

Preferred Stock

The Company is authorized to issue 5,000,000 shares of preferred stock, par value at $.001 per share. As of March 31, 2010 and 2009, none of the shares were issued or outstanding.

Common Stock Repurchase Program

During 2009, the Company's Board of Directors approved a stock repurchase program, pursuant to which up to 5,000,000 shares of its common stock could be repurchased under the program through December 31, 2010. During the nine months ended March 31, 2010, the Company purchased 1,772,149 shares of its common stock under this repurchase program at a cost of $506,913.

NOTE 12 – SHARE-BASED COMPENSATION

During the nine months ended March 31, 2010, the Company issued employee options to purchase 250,000 stock options at $0.28 per share. The options vest 20% per year over a five year period.

Share based compensation costs recognized during the nine months ended March 31, 2010, include compensation costs based on the fair value estimated on the grant-date for all share based payments granted to date. No options have been exercised as of March 31, 2010.

During the nine months ended March 31, 2010, the weighted average fair value per share of employee options granted in August 2009 was $0.15. The fair value of options granted were estimated on the date of grant using the Black-Scholes option pricing model, with the following assumptions for each issuance of options:

Risk-Free Interest Rate	1.57%
Expected Term	6.5 years
Expected Volatility	64.3%
Expected Dividend Yield	0.00%
Forfeiture Rate	0.00%

During the nine months ended March 31, 2010 and 2009, the Company recognized stock option compensation expense of $163,842 and $123,714, respectively. The following table summarizes activity under the plan for the nine months ended March 31, 2010.

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life - Years	Aggregate Intrinsic Value
Outstanding at June 30, 2009	3,370,000	$ 0.520	7.08 years	$ 67,200
Granted	250,000	0.280	-	-
Exercised	-	-	-	-

Forfeited	-	-	-	-
Expired	-	-	-	-
Outstanding at March 31, 2010	3,620,000	$ 0.504	6.53 years	$ 28,000
Exercisable at March 31, 2010	2,150,000	$ 0.578	5.84 years	$ 4,200

NOTE 13 – OPERATING AND GEOGRAPHIC SEGMENT INFORMATION

Operating segments are identified as components of an enterprise about which separate discrete financial information is available for evaluation by the chief operating decision-maker, or decision-making group, in making decisions regarding allocation of resources and assessing performance. The Company's chief decision-maker is the Chief Executive Officer. The Company continues to operate in a single operating segment.

The Company's geographic operations outside the United States include shipments to and from Canada, Central America, Europe, Africa, Asia and Australia. The following data presents the Company's revenue generated from shipments to and from these locations for the United States and all other countries, which is determined based upon the geographic location of a shipment's initiation and destination points (in thousands):

	United States		Other Countries		Total	
	2010	2009	2010	2009	2010	2009
Three months ended March 31,						
Revenue	$ 17,401	$ 16,971	$ 15,463	$ 12,748	$ 32,864	$ 29,719
Cost of transportation	10,359	9,309	12,164	9,663	22,523	18,972
Net revenue	$ 7,142	$ 7,662	$ 3,299	$ 3,085	$ 10,341	$ 10,747

	United States		Other Countries		Total	
	2010	2009	2010	2009	2010	2009
Nine months ended March 31,						
Revenue	$ 54,897	$ 56,714	$ 51,111	$ 47,913	$ 106,008	$ 104,627
Cost of transportation	32,802	32,342	40,812	36,865	73,614	69,207
Net revenue	$ 22,095	$ 24,372	$ 10,299	$ 11,048	$ 32,394	$ 35,420

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This report includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, regarding future operating performance, events, trends and plans. All statements other than statements of historical fact contained herein, including, without limitation, statements regarding our future financial position, business strategy, budgets, projected revenues and costs, and plans and objectives of management for future operations, are forward-looking statements. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "will," "expects," "intends," "plans," "projects," "estimates," "anticipates," or "believes" or the negative thereof or any variation thereon or similar terminology or expressions. We have based these forward-looking statements on our current expectations and projections about future events. These forward-looking statements are not guarantees and are subject to known and unknown risks, uncertainties and assumptions about us that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. While it is impossible to identify all of the factors that may cause our actual operating performance, events, trends or plans to differ materially from those set forth in such forward-looking statements, such factors include the inherent risks associated with our ability to: (i) to use Airgroup as a "platform" upon which we can build a profitable global transportation and supply

chain management company; (ii) retain and build upon the relationships we have with our exclusive agency offices; (iii) continue the development of our back office infrastructure and transportation and accounting systems in a manner sufficient to service our expanding revenues and base of exclusive agency locations; (iv) maintain the future operations of Adcom in a manner consistent with its past practices; (v) integrate the operations of Adcom with our existing operations, (vi) continue growing our business and maintain historical or increased gross profit margins; (vii) locate suitable acquisition opportunities; (viii) secure the financing necessary to complete any acquisition opportunities we locate; (ix) assess and respond to competitive practices in the industries in which we compete; (x) mitigate, to the best extent possible, our dependence on current management and certain of our larger exclusive agency locations; (xi) assess and respond to the impact of current and future laws and governmental regulations affecting the transportation industry in general and our operations in particular; and (xii) assess and respond to such other factors which may be identified from time to time in our Securities and Exchange Commission ("SEC") filings and other public announcements including those set forth in Part 1 Item 1A of our Annual Report on Form 10-K for the fiscal year ended June 30, 2009. All subsequent written and oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by the foregoing. Readers are cautioned not to place undue reliance on our forward-looking statements, as they speak only as of the date made. Except as required by law, we assume no duty to update or revise our forward-looking statements.

The following discussion and analysis of our financial condition and result of operations should be read in conjunction with the financial statements and the related notes and other information included elsewhere in this report.

Overview

We are a Bellevue, Washington based non-asset based logistics company providing domestic and international freight forwarding services through a network of exclusive agent offices across North America. Operating under the Airgroup, Adcom and RLP brands, we service a diversified account base including manufacturers, distributors and retailers using a network of independent carriers and international agents positioned strategically around the world.

By implementing a growth strategy, we intend to build a leading global transportation and supply-chain management company offering a full range of domestic and international freight forwarding and other value added supply chain management services, including order fulfillment, inventory management and warehousing.

As a non-asset based provider of third-party logistics services, we seek to limit our investment in equipment, facilities and working capital through contracts and preferred provider arrangements with various transportation providers who generally provide us with favorable rates, minimum service levels, capacity assurances and priority handling status. Our non-asset based approach allows us to maintain a high level of operating flexibility and leverage a cost structure that is highly variable in nature while the volume of our flow of freight enables us to negotiate attractive pricing with our transportation providers.

Our growth strategy continues to focus on both organic growth and acquisitions. From an organic perspective, we are focused on strengthening existing and expanding new customer relationships. One of the drivers of our organic growth will be retaining existing, and securing new exclusive agency locations as well as enhancing our back-office infrastructure and transportation and accounting systems.

As we continue to build out our network of exclusive agent locations to achieve a level of critical mass and scale, we are executing an acquisition strategy to develop additional growth opportunities. We continue to identify a number of additional companies as suitable acquisition candidates and completed our second material acquisition in September 2008, when we acquired Adcom Express, Inc. d/b/a Adcom Worldwide ("Adcom") which contributed an additional 30 locations across North America and augmented our overall domestic and international freight forwarding capabilities.

We will continue to search for targets that fit within our acquisition criteria. Successful implementation of our growth strategy depends upon a number of factors, including our ability to: (i) continue developing new agency locations; (ii) locate acquisition opportunities; (iii) secure adequate funding to finance identified acquisition opportunities; (iv) efficiently integrate the businesses of the companies acquired; (v) generate the anticipated economies of scale from the integration; and (vi) maintain the historic sales growth of the acquired businesses in order to generate continued organic growth. There are a variety of risks associated with our ability to achieve our strategic objectives, including the ability to acquire and profitably manage additional businesses and the intense competition in the industry for customers and for acquisition candidates.

Performance Metrics

Our principal source of income is derived from freight forwarding services. As a freight forwarder, we arrange for the shipment of our customers' freight from point of origin to point of destination. Generally, we quote our customers a turn-key cost for the movement of their freight. Our price quote will often depend upon the customer's time-definite needs (first day through fifth day delivery), special handling needs (heavy equipment, delicate items, environmentally sensitive goods, electronic components, etc.) and the means of transport (truck, air, ocean or rail). In turn, we assume the responsibility for arranging and paying for the underlying means of transportation.

Our transportation revenue represents the total dollar value of services we sell to our customers. Our cost of transportation includes direct costs of transportation, including motor carrier, air, ocean and rail services. We act principally as the service provider to add value in the execution and procurement of these services to our customers. Our net transportation revenue (gross transportation revenue less the direct cost of transportation) is the primary indicator of our ability to source, add value to, and resell services provided by third parties, and is considered by management to be a key performance measure. In addition, management believes that measuring its operating costs as a function of net transportation revenue provides a useful metric, as our ability to control costs as a function of net transportation revenue directly impacts operating earnings.

Our operating results will be affected as acquisitions occur. Since all acquisitions are made using the purchase method of accounting for business combinations, our financial statements will only include the results of operations and cash flows of acquired companies for periods subsequent to the date of acquisition.

Our GAAP-based net income will be affected by non-cash charges relating to the amortization of customer related intangible assets and other intangible assets arising from completed acquisitions. Under applicable accounting standards, purchasers are required to allocate the total consideration in a business combination to the identified assets acquired and liabilities assumed based on their fair values at the time of acquisition. The excess of the consideration paid over the fair value of the identifiable net assets acquired is to be allocated to goodwill, which is tested at least annually for impairment. Applicable accounting standards require that we separately account for and value certain identifiable intangible assets based on the unique facts and circumstances of each acquisition. As a result of our acquisition strategy, our net income will include material non-cash charges relating to the amortization of customer related intangible assets and other intangible assets acquired in our acquisitions. Although these charges may increase as we complete more acquisitions, we believe we will actually be growing the value of our intangible assets (e.g., customer relationships). Thus, we believe that earnings before interest, taxes, depreciation and amortization ("EBITDA") is a useful financial measure for investors because it eliminates the effect of these non-cash costs and provides an important metric for our business. Further, the financial covenants of our credit facility adjust EBITDA to exclude costs related to share based compensation expense and other non-cash charges.

Our compliance with the financial covenants of our credit facility is particularly important given the materiality of the credit facility to our day-to-day operations and overall acquisition strategy. Our debt capacity, subject to the requisite collateral at an advance rate of 80% of eligible domestic accounts receivable and up to 60% of eligible foreign receivables, is limited to a multiple of 4.00 times our consolidated EBITDA (as adjusted) as measured on a rolling

four quarter basis. If we fail to comply with the covenants in our credit facility and are unable to secure a waiver or other relief, our financial condition would be materially weakened and our ability to fund day-to-day operations would be materially and adversely affected. Accordingly, we intend to employ EBITDA and adjusted EBITDA as management tools to measure our historical financial performance and as a benchmark for future financial flexibility.

Our operating results are also subject to seasonal trends when measured on a quarterly basis. The impact of seasonality on our business will depend on numerous factors, including the markets in which we operate, holiday seasons, consumer demand and economic conditions.

Since our revenue is largely derived from customers whose shipments are dependent upon consumer demand and just-in-time production schedules, the timing of our revenue is often beyond our control. Factors such as shifting demand for retail goods and/or manufacturing production delays could unexpectedly affect the timing of our revenue. As we increase the scale of our operations, seasonal trends in one area of our business may be offset to an extent by opposite trends in another area. We cannot accurately predict the timing of these factors, nor can we accurately estimate the impact of any particular factor, and thus we can give no assurance any historical seasonal patterns will continue in future periods.

Results of Operations

Basis of Presentation

The results of operations discussion that appears below has been presented utilizing a combination of historical and, where relevant, pro forma information to include the effects on our consolidated financial statements of our acquisition of Adcom. The pro forma results are developed to reflect a consolidation of the historical results of operations of the Company and adjusted to include the historical results of Adcom as if we had acquired Adcom as of July 1, 2008.

The pro forma financial data is not necessarily indicative of results of operations which would have occurred had this acquisition been consummated at the beginning of the periods presented or which might be attained in the future.

Three months ended March 31, 2010 (actual and unaudited) and March 31, 2009 (actual and unaudited)

We generated transportation revenue of $32.9 million and $29.7 million and net transportation revenue of $10.3 million and $10.7 million for the three months ended March 31, 2010 and 2009, respectively. Net income was $0.4 million for the three months ended March 31, 2010, compared to net income of $0.3 million for the three months ended March 31, 2009.

We had adjusted EBITDA of $1.1 million and $0.8 million for three months ended March 31, 2010 and 2009, respectively. EBITDA is a non-GAAP measure of income and does not include the effects of interest and taxes and excludes the "non-cash" effects of depreciation and amortization on current assets. Companies have some discretion as to which elements of depreciation and amortization are excluded in the EBITDA calculation. We exclude all depreciation charges related to property, plant and equipment, and all amortization charges, including amortization of leasehold improvements and other intangible assets. We then further adjust EBITDA to exclude extraordinary items and costs related to share based compensation expense, goodwill impairment charges and other non-cash charges consistent with the financial covenants of our credit facility. As explained above, we believe that EBITDA is useful to us and to our investors in evaluating and measuring our financial performance. While management considers EBITDA and adjusted EBITDA useful in analyzing our results, it is not intended to replace any presentation included in our consolidated financial statements. Set forth below is a reconciliation of EBITDA and adjusted EBITDA to net income, the most directly comparable GAAP measure for the three months ended March 31, 2010 and 2009.

The following table provides a reconciliation of adjusted EBITDA to net income, the most directly comparable GAAP measure in accordance with SEC Regulation G (in thousands), for the three months ended March 31, 2010 and 2009:

	Three months ended March 31, 2010	Three months ended March 31, 2009	Change Amount	Change Percent
Net income	$ 449	$ 293	$ 156	53.2%
Income tax expense	511	63	448	711.1%
Net interest expense	21	66	(45)	(68.2%)
Depreciation and amortization	386	479	(93)	(19.4%)
EBITDA	$ 1,367	$ 901	$ 466	51.7%
Share based compensation and other non-cash costs	93	47	46	97.9%
Gain on extinguishment of debt	-	(190)	190	100.0%
Business & Occupancy tax refund (including interest)	(395)	-	(395)	N/A
Adjusted EBITDA	$ 1,065	$ 758	$ 307	40.5%

The following table summarizes transportation revenue, cost of transportation and net transportation revenue (in thousands) for the three months ended March 31, 2010 and 2009 (actual and unaudited):

	Three months ended March 31, 2010	Three months ended March 31, 2009	Change Amount	Change Percent
Transportation revenue	$ 32,864	$ 29,719	$ 3,145	10.6%
Cost of transportation	22,523	18,972	3,551	15.8%
Net transportation revenue	$ 10,341	$ 10,747	$ (406)	(3.8%)
Net transportation margins	31.5%	36.2%		

Transportation revenue was $32.9 million for the three months ended March 31, 2010, an increase of 10.6% over transportation revenue of $29.7 million for the three months ended March 31, 2009. Domestic transportation revenue increased by 2.6% to $17.4 million for the three months ended March 31, 2010, from $17.0 million for the three months ended March 31, 2009. International transportation revenue increased by 21.3% to $15.5 million for the three months ended March 31, 2010, from $12.7 million for the comparable prior year period. These increases in revenue were primarily attributed to new stations joining the network.

Cost of transportation increased to $22.5 million for the three months ended March 31, 2010, compared to $19.0 million for the three months ended March 31, 2009 as a result of increased transportation revenues.

Net transportation margins decreased to 31.5% of transportation revenue for the three months ended March 31, 2010, as compared to 36.2% of transportation revenue for the three months ended March 31, 2009. The margin regression was attributed to proportionately higher international sales, which typically yield lower margins, coupled with pricing pressures from competitors.

The following table compares certain condensed consolidated statement of operations data as a percentage of our net transportation revenue (in thousands) for the three months ended March 31, 2010 and 2009 (actual and unaudited):

	2010 Amount	2010 Percent	2009 Amount	2009 Percent	Change Amount	Change Percent
Net transportation revenue	$ 10,341	100.0%	$ 10,747	100.0%	$ (406)	(3.8%)

Agent commissions	7,104	68.7%	6,982	65.0%	122	1.7%
Personnel costs	1,449	14.0%	1,825	17.0%	(376)	(20.6%)
Selling, general and administrative	551	5.3%	1,189	11.1%	(638)	(53.7%)
Depreciation and amortization	386	3.8%	479	4.5%	(93)	(19.4%)
Total operating expenses	9,490	91.8%	10,475	97.5%	(985)	(9.4%)
Income from operations	851	8.2%	272	2.5%	579	212.9%
Gain on extinguishment of debt	-	0.0%	190	1.8%	(190)	(100.0%)
Other income (expense)	134	1.3%	(84)	(0.8%)	218	259.5%
Income before income taxes and noncontrolling interest	985	9.5%	378	3.5%	607	160.6%
Income tax expense	(511)	(4.9%)	(63)	(0.6) %	(448)	711.1%
Income before noncontrolling interest	474	4.6%	315	2.9%	159	(50.5) %
Noncontrolling interest	(25)	(0.2%)	(22)	(0.2%)	(3)	13.6%
Net income	$ 449	4.4%	$ 293	2.7%	156	53.2%

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Agent commissions were $7.1 million for the three months ended March 31, 2010, an increase of 1.7% from $7.0 million for the three months ended March 31, 2009. Agent commissions as a percentage of net transportation revenue increased to 68.7% for the three months ended March 31, 2010, from 65.0% for the comparable prior year period as a result of the proportional increase in international revenues which typically yield lower margins than our domestic revenues.

Personnel costs were $1.4 million for the three months ended March 31, 2010, a decrease of 20.6% from $1.8 million for the three months ended March 31, 2009. Personnel costs as a percentage of net transportation revenue decreased to 14.0% for the three months ended March 31, 2010, from 17.0% for the comparable prior year period primarily as a result of reduced personnel costs associated with the integration of the back-office operations of Adcom into the operations of RGL.

Selling, general and administrative costs were $0.6 million for the three months ended March 31, 2010, a decrease of 53.7% from $1.2 million for the three months ended March 31, 2009. The decrease resulted primarily from decreases in bad debt and lease expenses and the business and occupancy tax refund of $395,000 issued to the Company by the State of Washington Department of Revenue. As a percentage of net transportation revenue, other selling, general and administrative costs decreased to 5.3% for the three months ended March 31, 2010, from 11.1% for the comparable prior year period.

Depreciation and amortization costs were approximately $0.4 million and $0.5 million for the three months ended March 31, 2010 and 2009, respectively. Depreciation and amortization as a percentage of net transportation revenue decreased to 3.8% for the three months ended March 31, 2010, from 4.5% for the comparable prior year period, primarily due to lower amortization costs associated with the Airgroup & Adcom acquisitions.

Income from operations was $0.9 million for the three months ended March 31, 2010, compared to income from operations of $0.3 million for the three months ended March 31, 2009.

In the three months ended March 31, 2009, the Company recorded a gain on early extinguishment of debt in the amount of $0.2 million. There was no similar gain for the comparable current period.

Other income was $0.1 million for the three months ended March 31, 2010, compared to other expense of less than $0.1 million for the three months ended March 31, 2009. The change was primarily attributable to foreign exchange gains from a stronger US dollar relative to historical transactions in foreign currencies.

Net income was $0.4 million for the three months ended March 31, 2010, compared to net income of $0.3 million for the three months ended March 31, 2009.

Nine months ended March 31, 2010 (actual and unaudited) and March 31, 2009 (actual and unaudited)

We generated transportation revenue of $106.0 million and $104.6 million, and net transportation revenue of $32.4 million and $35.4 million for the nine months ended March 31, 2010 and 2009, respectively. Net income was $1.1 million for the nine months ended March 31, 2010, compared to net loss of $9.7 million for the nine months ended March 31, 2009.

We had adjusted EBITDA of $2.8 million and $2.9 million for the nine months ended March 31, 2010 and 2009, respectively. EBITDA is a non-GAAP measure of income and does not include the effects of interest and taxes and excludes the "non-cash" effects of depreciation and amortization on current assets. Companies have some discretion as to which elements of depreciation and amortization are excluded in the EBITDA calculation. We exclude all depreciation charges related to property, plant and equipment, and all amortization charges, including amortization of leasehold improvements and other intangible assets. We then further adjust EBITDA to exclude extraordinary items and costs related to share based compensation expense, goodwill impairment charges and other non-cash charges consistent with the financial covenants of our credit facility. As explained above, we believe that EBITDA is useful to us and to our investors in evaluating and measuring our financial performance. While management considers EBITDA and adjusted EBITDA useful in analyzing our results, it is not intended to replace any presentation included in our consolidated financial statements. Set forth below is a reconciliation of EBITDA and adjusted EBITDA to net income (loss), the most directly comparable GAAP measure for the nine months ended March 31, 2010 and 2009.

The following table provides a reconciliation of adjusted EBITDA to net income (loss), the most directly comparable GAAP measure in accordance with SEC Regulation G (in thousands), for the nine months ended March 31, 2010 and 2009:

	Nine months ended March 31,		Change	
	2010	2009	Amount	Percent
Net income (loss)	$ 1,114	$ (9,672)	$ 10,786	111.5%
Income tax expense (benefit)	919	(167)	1,086	650.3%
Net interest expense	104	157	(53)	(33.8%)
Depreciation and amortization	1,182	1,267	(85)	(6.7%)
EBITDA	$ 3,319	$ (8,415)	11,734	139.4%
Share based compensation and other non-cash costs	246	136	110	80.9%
Gain on litigation settlement	(355)	-	(355)	N/A
Goodwill impairment	-	11,403	(11,403)	(100.0%)
Gain on extinguishment of debt	-	(190)	190	100.0%
Business & Occupancy tax refund (including interest)	(395)	-	(395)	N/A
Adjusted EBITDA	$ 2,815	$ 2,934	$ 119	4.1%

The following table summarizes transportation revenue, cost of transportation and net transportation revenue (in thousands) for the nine months ended March 31, 2010 and 2009 (actual and unaudited):

	Nine months ended March 31,		Change	
	2010	2009	Amount	Percent
Transportation revenue	$ 106,008	$ 104,627	$ 1,381	1.3%
Cost of transportation	73,614	69,207	4,407	6.4%
Net transportation revenue	$ 32,394	$ 35,420	$ (3,026)	(8.5%)
Net transportation margins	30.6%	33.9%		

Transportation revenue was $106.0 million for the nine months ended March 31, 2010, an increase of 1.3% over transportation revenue of $104.6 million for the nine months ended March 31, 2009. Domestic transportation revenue decreased by 3.2% to $54.9 million for the nine months ended March 31, 2010, from $56.7 million for the nine months ended March 31, 2009. The decrease was primarily attributed to the effects from the slowing global economy. International transportation revenue increased by 6.7% to $51.1 million for the nine months ended March 31, 2010, from $47.9 million for the comparable prior year period, mainly attributable to the inclusion of international revenues associated with the Adcom acquisition for the full nine months ended March 31, 2010.

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Cost of transportation increased 6.4% to $73.6 million for the nine months ended March 31, 2010, compared to $69.2 million for the nine months ended March 31, 2009. Cost of transportation as a percentage of transportation revenues increased as a result of a higher ratio of international sales which typically yield lower margins.

Net transportation margins decreased to 30.6% of transportation revenue for the nine months ended March 31, 2010, as compared to 33.9% of transportation revenue for the nine months ended March 31, 2009. The margin regression was attributed to proportionately higher international sales, which typically yield lower margins, coupled with pricing pressures from competitors.

The following table compares certain condensed consolidated statement of operations data as a percentage of our net transportation revenue (in thousands) for the nine months ended March 31, 2010 and 2009 (actual and unaudited):

	Nine months ended March 31,					
	2010		2009		Change	
	Amount	Percent	Amount	Percent	Amount	Percent
Net transportation revenue	$ 32,394	100.0%	$ 35,420	100.0%	$ (3,026)	(8.5%)
Agent commissions	22,398	69.1%	23,535	66.4%	(1,137)	(4.8%)
Personnel costs	4,402	13.6%	5,548	15.7%	(1,146)	(20.7%)
Selling, general and administrative	2,801	8.6%	3,310	9.3%	(509)	(15.4%)
Depreciation and amortization	1,182	3.7%	1,267	3.6%	(85)	(6.7%)
Restructuring charges	-	0.0%	220	0.6%	(220)	(100.0%)
Goodwill impairment	-	0.0%	11,403	32.2%	(11,403)	(100.0%)
Total operating expenses	30,783	95.0%	45,283	127.8%	(14,500)	(32.0%)
Income (loss) from operations	1,611	5.0%	(9,863)	(27.8%)	11,474	116.3%
Gain on extinguishment of debt	-	0.0%	190	0.5%	(190)	(100.0%)
Gain on litigation settlement	355	1.1%	-	0.0%	355	N/A
Other income (expense)	150	0.4%	(146)	(0.4%)	296	202.7%
Income (loss) before income taxes and noncontrolling interest	2,116	6.5%	(9,819)	(27.7%)	11,935	121.6%
Income tax (expense) benefit	(919)	(2.8%)	167	0.5%	(1,086)	(650.3%)
Income (loss) before noncontrolling interest	1,197	3.7%	(9,652)	(27.2%)	10,849	112.4%
Noncontrolling interest	(83)	(0.3%)	(20)	(0.1%)	(63)	(315.0%)
Net income (loss)	$ 1,114	3.4%	$ (9,672)	(27.3%)	$ 10,786	111.5%

Agent commissions were $22.4 million for the nine months ended March 31, 2010, a decrease of 4.8% from $23.5 million for the nine months ended March 31, 2009. Agent commissions as a percentage of net transportation revenue increased to 69.1% for the nine months ended March 31, 2010, from 66.4% for the comparable prior year period as a result of the proportional increase in international revenues which typically yield lower margins than our domestic revenues and a corresponding reduction in commission expense.

Personnel costs were $4.4 million for the nine months ended March 31, 2010, a decrease of 20.7% from $5.5 million for the nine months ended March 31, 2009. Personnel costs as a percentage of net transportation revenue decreased to 13.6% for the nine months ended March 31, 2010, from 15.7% for the comparable prior year period primarily as a result reduced personnel costs associated with the integration of the back-office operations of Adcom into the operations of RGL.

Selling, general and administrative costs were $2.8 million for the nine months ended March 31, 2010, a decrease of 15.4% from $3.3 million for the nine months ended March 31, 2009. As a percentage of net transportation revenue, selling, general and administrative costs decreased to 8.6% for the nine months ended March 31, 2010, from 9.3% for the comparable prior year period. The decrease was primarily attributable to the business and occupancy tax refund of $395,000 issued to the Company by the State of Washington Department of Revenue.

Depreciation and amortization costs were approximately $1.2 million for the nine months ended March 31, 2010 and $1.3 million for the nine months ended March 31, 2009. Depreciation and amortization as a percentage of net transportation revenue increased to 3.7% for the nine months ended March 31, 2010, from 3.6% for the comparable prior year period, primarily due to the decrease in net transportation revenue being greater than the decrease in depreciation and amortization which are unaffected by changes in operations.

Restructuring costs incurred in the nine months ended March 31, 2009, were $0.2 million as a result of the Adcom acquisition and relate to the elimination of redundant international personnel and facilities costs. There were no similar costs for the current period.

In the nine months ended March 31, 2009, the Company recorded an impairment charge to goodwill in the amount of $11.4 million. There was no similar charge for the comparable current period.

Income from operations was $1.6 million for the nine months ended March 31, 2010, compared to a loss from operations of $9.9 million for the nine months ended March 31, 2009. The difference was primarily due to the $11.4 million impairment charge to goodwill.

Other income was $0.5 million for the nine months ended March 31, 2010, compared to less than $0.1 million for the nine months ended March 31, 2009. The change was primarily attributable to foreign exchange gains from a stronger US dollar relative to historical transactions in foreign currencies.

Net income was $1.1 million for the nine months ended March 31, 2010, compared to net loss of $9.7 million for the nine months ended March 31, 2009. The difference was primarily due to the $11.4 million impairment charge to goodwill.

Supplemental Pro forma Information

The following table provides a reconciliation of adjusted EBITDA to net income (loss), the most directly comparable GAAP measure in accordance with SEC Regulation G (in thousands, for the nine months ended March 31, 2010 (actual and unaudited) and March 31, 2009 (pro forma and unaudited)):

	Nine months ended March 31,		Change	
	2010	2009	Amount	Percent
Net income (loss)	$ 1,114	$ (9,791)	$ 10,905	111.4%
Income tax expense (benefit)	919	(159)	1,078	678.0%
Net interest expense	104	230	(126)	(54.8%)
Depreciation and amortization	1,182	1,300	(118)	(9.1%)
EBITDA	$ 3,319	$ (8,420)	$ 11,739	139.4%
Share based compensation and other non-cash costs	246	136	110	80.9%
Gain on litigation settlement	(355)	-	(355)	N/A
Gain on extinguishment of debt	-	(190)	190	100.0%
Goodwill impairment	-	11,403	(11,403)	(100.0%)
Business & Occupancy tax refund (including interest)	(395)	-	(395)	N/A
Adjusted EBITDA	$ 2,815	$ 2,929	$ (114)	3.9%

The following table summarizes March 31, 2010 (actual and unaudited) and March 31, 2009 (pro forma and unaudited) transportation revenue, cost of transportation and net transportation revenue (in thousands):

	Nine months ended March 31,		Change	
	2010	2009	Amount	Percent
Transportation revenue	$ 106,008	$ 116,771	$ (10,763)	(9.2%)
Cost of transportation	73,614	77,547	(3,933)	(5.1%)
Net transportation revenue	$ 32,394	$ 39,244	$ (6,850)	(17.5%)
Net transportation margins	30.6%	33.6%		

Transportation revenue was $106.0 million for the nine months ended March 31, 2010, a decrease of 9.2% over pro forma transportation revenue of $116.8 million for the nine months ended March 31, 2009.

Cost of transportation was $73.6 million for the nine months ended March 31, 2010, a decrease of 5.1% over pro forma costs of transportation of $77.6 million for the nine months ended March 31, 2009.

Net transportation margins decreased to 30.6% for the nine months ended March 31, 2010, compared to pro forma transportation margins of 33.6% for the nine months ended March 31, 2009.

The following table compares certain condensed consolidated statement of operations data as a percentage of our net transportation revenue (in thousands) for the nine months ended March 31, 2010 (actual and unaudited) and March 31, 2009 (pro forma and unaudited):

	Nine months ended March 31,					
	2010		2009		Change	
	Amount	Percent	Amount	Percent	Amount	Percent
Net transportation revenue	$ 32,394	100.0%	$ 39,224	100.0%	$ (6,830)	(17.4%)
Agent commissions	22,398	69.1%	26,507	67.6%	(4,109)	(15.5%)
Personnel costs	4,402	13.6%	5,995	15.3%	(1,593)	(26.6%)
Selling, general and administrative	2,801	8.6%	3,670	9.4%	(869)	(23.7%)
Depreciation and amortization	1,182	3.7%	1,300	3.3%	(118)	(9.1%)
Restructuring charges	-	0.0%	220	0.6%	(220)	(100.0%)
Goodwill impairment	-	0.0%	11,403	29.1%	(11,403)	(100.0%)
Total operating expenses	30,783	95.0%	49,095	125.2%	(18,312)	(37.3%)
Income (loss) from operations	1,611	5.0%	(9,871)	(25.2%)	11,482	116.3%
Gain on extinguishment of debt	-	0.0	190	(0.5%)	(190)	100.0%)
Gain on litigation settlement	355	1.1	-	0.0%	355	N/A
Other income (expense)	150	0.4%	(249)	(0.6%)	399	160.2%
Income (loss) before income taxes and noncontrolling interest	2,116	6.5%	(9,930)	(25.3%)	12,046	121.3%
Income tax (expense) benefit	(919)	(2.8%)	159	(0.4%)	(1,078)	(678.0%)
Income (loss) before noncontrolling interest	1,197	3.7%	(9,771)	(24.9%)	10,968	112.3%
Noncontrolling interest	(83)	(0.3%)	(20)	(0.1%)	(63)	(315.0%)
Net income (loss)	$ 1,114	3.4%	$ (9,791)	(25.0%)	$ 10,905	111.4%

Agent commissions were $22.4 million for the nine months ended March 31, 2010, a decrease of 15.5% from $26.5 million for the pro forma nine months ended March 31, 2009. Agent commissions as a percentage of net transportation revenue increased to 69.1% of net transportation revenue for the nine months ended March 31, 2010, compared to 67.6% for pro forma nine months ended March 31, 2009.

Personnel costs were $4.4 million for the nine months ended March 31, 2010, a decrease of 26.6% from $6.0 million for the pro forma nine months ended March 31, 2009. Personnel costs as a percentage of net transportation revenue decreased to 13.6% of net transportation revenue for the nine months ended March 31, 2010, compared to 15.3% for the pro forma nine months ended March 31, 2009.

Selling, general and administrative costs were $2.8 million for the nine months ended March 31, 2010, a decrease of 23.7% from $3.7 million for the pro forma nine months ended March 31, 2009. As a percentage of net transportation revenue, other selling, general and administrative costs decreased to 8.6% for nine months ended March 31, 2010 from 9.4% for the pro forma nine months ended March 31, 2009.

Depreciation and amortization costs were $1.2 million for the nine months ended March 31, 2010, and $1.3 million for the pro forma nine months ended March 31, 2009. As a percentage of net transportation revenue, depreciation and amortization costs increased to 3.7% for nine months ended March 31, 2010, from 3.3% for the pro forma nine months ended March 31, 2009.

Restructuring costs of $0.2 million were incurred in the pro forma nine months ended March 31, 2009. There were no similar costs for the current period.

For the pro forma nine months ended March 31, 2009, the Company recorded an impairment charge to goodwill in the amount of $11.4 million. There were no similar costs for the current period.

Income from operations was $1.6 million for the nine months ended March 31, 2010, compared to a loss from operations of $9.9 million for the pro forma nine months ended March 31, 2009.

Other income was $0.5 million for the nine months ended March 31, 2010, compared to other expense of $0.1 million for the pro forma nine months ended March 31, 2009.

Net income was $1.1 million for the nine months ended March 31, 2010, compared to a net loss of $9.8 million for the pro forma nine months ended March 31, 2009.

Liquidity and Capital Resources

Net cash provided by operating activities was $0.8 million for the nine months ended March 31, 2010, compared to $2.3 million for the nine months ended March 31, 2009. The change was principally driven by a decrease in net collections on outstanding receivables and an increase in amounts loaned to stations, partially offset by a decrease in net payments on outstanding payables and positive cash flows from income taxes attributable to current year net income.

Net cash used for investing activities was $0.7 million for the nine months ended March 31, 2010, compared to net cash used of $5.6 million for the nine months ended March 31, 2009. Use of cash for the nine months ended March 31, 2010, related primarily to payments made to the former Adcom shareholder. Use of cash for the nine months ended March 31, 2009 consisted primarily of approximately $4.8 million for the acquisition of Adcom, $0.2 million spent for furniture and equipment, and $0.6 million in payments to former shareholders of Airgroup.

Net cash used for financing activities was $1.0 million for the nine months ended March 31, 2010, compared to net cash provided of $3.4 million for the nine months ended March 31, 2009. The cash provided by financing activities for the nine months ended March 31, 2010, consisted primarily of net payments on our credit facility of $0.4 million, $0.5 million of treasury stock purchases and a distribution to the non-controlling interest of a subsidiary of less than $0.1 million. The cash provided by financing activities for the nine months ended March 31, 2009, consisted of borrowings from our credit facility for the acquisition of Adcom and to support working capital requirements driven by the growth of our business.

Acquisitions

Below are descriptions of material acquisitions made since 2006 including a breakdown of consideration paid at closing and future potential earn-out payments. We define "material acquisitions" as those with aggregate potential consideration of $1.0 million or more.

Effective January 1, 2006, we acquired all of the outstanding stock of Airgroup. The transaction was valued at up to $14.0 million. This consisted of: (i) $9.5 million payable in cash at closing; (ii) a subsequent cash payment of $0.5

million, which was paid on December 31, 2007; (iii) as amended, an additional base payment of $0.6 million payable in cash, $0.3 million of which was paid on June 30, 2008 and $0.3 million was paid on January 1, 2009; (iv) a base earn-out payment of $1.9 million payable in Company common stock over a three year earn-out period based upon Airgroup achieving income from continuing operations of not less than $2.5 million per year; and (v) as additional incentive to achieve future earnings growth, an opportunity to earn up to an additional $1.5 million payable in Company common stock at the end of a five-year earn-out period (the "Tier-2 Earn-Out"). For the years ended June 30, 2009 and 2008, the former shareholders of Airgroup earned $633,000 and $417,000 in base earn-out payments, respectively.

During the quarter ended December 31, 2007, we adjusted the estimate of accrued transportation costs assumed in the acquisition of Airgroup which resulted in the recognition of approximately $1.4 million in non-recurring income. Pursuant to the acquisition agreement, the former shareholders of Airgroup have indemnified us for taxes of $0.5 million associated with the income recognized in connection with this change in estimate, which has been reflected as a reduction of the additional base payment otherwise payable to the former shareholders of Airgroup.

In November 2008, we amended the Airgroup Stock Purchase Agreement and agreed to unconditionally pay the former Airgroup shareholders an earn-out payment of $633,333 for the earn-out period ending June 30, 2009, to be paid on or about October 1, 2009 by delivery of shares of common stock of the Company. In consideration for the certainty of the earn-out payment, the former Airgroup shareholders agreed (i) to waive and release us from any and all further obligations to pay any earn-outs payments on account of shortfall amounts, if any, which may have accumulated prior to June 30, 2009; (ii) to waive and release us from any and all further obligation to account for and pay the Tier-2 Earn-Out payment; and (iii) that the earn-out payment to be paid for the earn-out period ended June 30, 2009 would constitute a full and final payment to the former Airgroup shareholders of any and all amounts due to the former Airgroup shareholders under the Airgroup Stock Purchase Agreement. In March 2009, Airgroup shareholders agreed to receive $0.4 million in cash on an accelerated basis rather than the $0.6 million in Company shares due in October of 2009. No further payments of purchase price are due in connection with this acquisition.

In May 2007, we launched a new logistics service offering focused on the automotive industry through our wholly owned subsidiary, Radiant Logistics Global Services, Inc. ("RLGS"). We entered into an Asset Purchase Agreement (the “APA”) with Mass Financial Corporation ("Mass") to acquire certain assets formerly used in the operations of the automotive division of Stonepath Group, Inc. The original agreement provided for a purchase price of up to $2.75 million, and was later reduced due to indemnity claims asserted against Mass.

In November 2007, the purchase price was reduced to $1.6 million, consisting of cash of $0.6 million and a $1.0 million credit in satisfaction of indemnity claims asserted by us arising from our interim operation of the Purchased Assets since May 22, 2007. Of the cash component, $0.1 million was paid in May of 2007, $0.3 million was paid at closing, and a final payment of $0.2 million was to be paid in November of 2008, subject to off-set of up to $0.1 million for certain qualifying expenses incurred by us. Net of qualifying expenses and a discount for accelerated payment, the final payment was reduced to $0.1 million and paid in June of 2008. No further payments of purchase price are due in connection with this acquisition.

Effective September 5, 2008, we acquired all of the outstanding stock of Adcom Express, Inc. The transaction was valued at up to $11.05 million, consisting of: (i) $4.75 million in cash paid at the closing; (ii) $250,000 in cash payable shortly after the closing, subject to adjustment, based upon the working capital of Adcom as of August 31, 2008; (iii) up to $2.8 million in four "Tier-1 Earn-Out Payments" of up to $700,000 each, covering the four year earn-out period through 2012, based upon Adcom achieving certain levels of "Gross Profit Contribution" (as defined in the stock purchase agreement), payable 50% in cash and 50% in shares of our common stock (valued at delivery date); (iv) a "Tier-2 Earn-Out Payment" of up to a maximum of $2.0 million, equal to 20% of the amount by which the Adcom cumulative Gross Profit Contribution exceeds $16.56 million during the four year earn-out period; and (v) an "Integration Payment" of $1.25 million, payable (a) on the earlier of the date certain integration targets are achieved or 18 months after the closing, and (b) payable 50% in cash and 50% in our shares of our common stock (valued at delivery date).

As previously reported, Robert Friedman, the former shareholder of Adcom, filed an arbitration claim against us regarding, among other things, the final purchase price based upon the closing date working capital, as adjusted, of Adcom (the “2009 Arbitration”). On January 22, 2010, the arbitrator issued his ruling which reduced Mr. Friedman’s closing date working capital calculation from positive $1,086,626 to negative $357,255. After giving effect for other ancillary issues addressed in the 2009 Arbitration and the reserves otherwise maintained in connection with the Friedman liability, the Company reported a gain of approximately $355,000.

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For the year ended June 30, 2009, the former Adcom shareholder earned approximately $337,000. On or about January 22, 2010, Mr. Friedman filed a second arbitration claim against us alleging that we breached the purchase agreement in connection with the calculation and payment of post closing integration and earn-out payments. We have asserted our rights of set-off against such payments, including those amounts awarded to us in the 2009 Arbitration described above, and approximately $200,000 in settlement of a claim incurred as result of Mr. Friedman's breach of certain representations and warranties contained in the securities purchase agreement.

As of March 31, 2010, the Company owes Mr. Friedman $162,453 in cash and $785,013 in Company stock.

Assuming minimum targeted earnings levels are achieved, the following table summarizes our contingent base earn-out payments related to the acquisition of Adcom, for the fiscal years indicated based on results of the prior year (in thousands):

Estimated payment anticipated for fiscal year(1):	2011	2012	2013
Earn-out period:	7/1/2009 – 6/30/2010	7/1/2010 –6/30/2011	7/1/2011 – 6/30/2012
Earn-out payments:			
Cash	$ 350	$ 350	$ 350
Equity	350	350	350
Total potential earn-out payments	$ 700	$ 700	$ 700
Total gross margin targets	$ 4,320	$ 4,320	$ 4,320

(1) Earn-out payments are paid October 1 following each fiscal year end in a combination of cash and Company common stock.

Credit Facility

In March 2010, the Company’s $15.0 million revolving credit facility, including a $0.5 million sublimit to support letters of credit (collectively, the "Facility"), was increased to $20.0 million with a maturity date of March 31, 2012. The Facility is collateralized by accounts receivable and other assets of the Company and its subsidiaries. Advances under the Facility are available to fund future acquisitions, capital expenditures or for other corporate purposes, including the repurchase of the Company’s stock. Borrowings under the facility bear interest, at the Company’s option, at the bank’s prime rate minus 0.75% to plus 0.50% or LIBOR plus 1.75% to 3.00%, and can be adjusted up or down during the term of the Facility based on the Company’s performance relative to certain financial covenants. The Facility is collateralized by accounts receivable and other assets of the Company and its subsidiaries and provides for advances of up to 80% of eligible domestic accounts receivable and for advances of up to 60% of eligible foreign accounts receivable.

The terms of the Facility are subject to certain financial and operational covenants which may limit the amount otherwise available under the Facility. The first covenant limits funded debt to a multiple of 4.00 times the Company’s consolidated EBITDA (as adjusted) measured on a rolling four quarter basis. The second financial covenant requires the Company to maintain a basic fixed charge coverage ratio of at least 1.1 to 1.0. The third financial covenant is a minimum profitability standard that requires the Company not to incur a net loss before taxes, amortization of acquired intangibles and extraordinary items in any two consecutive quarterly accounting periods.

Under the terms of the Facility, the Company is permitted to make additional acquisitions without the lender's consent only if certain conditions are satisfied. The conditions imposed by the Facility include the following: (i) the absence of an event of default under the Facility; (ii) the company to be acquired must be in the transportation and logistics industry; (iii) the purchase price to be paid must be consistent with the Company’s historical business and acquisition

model; (iv) after giving effect for the funding of the acquisition, the Company must have undrawn availability of at least $1.0 million under the Facility; (v) the lender must be reasonably satisfied with projected financial statements the Company provides covering a 12 month period following the acquisition; (vi) the acquisition documents must be provided to the lender and must be consistent with the description of the transaction provided to the lender; and (vii) the number of permitted acquisitions is limited to three per calendar year and shall not exceed $7.5 million in aggregate purchase price financed by funded debt. In the event that the Company is not able to satisfy the conditions of the Facility in connection with a proposed acquisition, it must either forego the acquisition, obtain the lender's consent, or retire the Facility. This may limit or slow the Company’s ability to achieve the critical mass it may need to achieve its strategic objectives.

Given our continued focus on the build-out of our network of exclusive agency locations, we believe that our current working capital and anticipated cash flow from operations are adequate to fund existing operations. However, continued growth through strategic acquisitions, will require additional sources of financing as our existing working capital is not sufficient to finance our operations and an acquisition program. Thus, our ability to finance future acquisitions will be limited by the availability of additional capital. We may, however, finance acquisitions using our common stock in payment of all or some portion of the consideration. In the event that our common stock does not attain or maintain a sufficient market value or potential acquisition candidates are otherwise unwilling to accept our securities as part of the purchase price for the sale of their businesses, we may be required to utilize more of our cash resources, if available, in order to continue our acquisition program. If we do not have sufficient cash resources through either operations or from debt facilities, our growth could be limited unless we are able to obtain such additional capital.

Advances made under our $20.0 million facility are limited to the eligible accounts receivable available to support our borrowings. As of March 31, 2010, we have approximately $11.0 in eligible accounts receivable and, net of advances outstanding, approximately $4.9 million in remaining availability under the Facility to support future acquisitions and our on-going working capital requirements. We expect to structure acquisitions with certain amounts paid at closing, and the balance paid over a number of years in the form of earn-out installments which are payable based upon the future earnings of the acquired businesses payable in cash, stock or some combination thereof. Except for the acquisition of our agent based stations, we would generally expect our acquisitions to contribute additional eligible accounts receivable to our borrowing base and create capacity for additional borrowings under our Facility. As we continue to execute our acquisition strategy, we will be required to make significant payments in the future if the earn-out installments under our various acquisitions become due. While we believe that a portion of any required cash payments will be generated by the acquired businesses, we may have to secure additional sources of capital to fund the remainder of any cash-based earn-out payments as they become due. This presents us with certain business risks relative to the availability of capacity under our Facility, the availability and pricing of future fund raising, as well as the potential dilution to our stockholders to the extent the earn-outs are satisfied directly, or indirectly, from the sale or issuance of equity.

Off Balance Sheet Arrangements

As of March 31, 2010, we did not have any relationships with unconsolidated entities or financial partners, such as entities often referred to as structured finance or special purpose entities, which had been established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes. As such, we are not materially exposed to any financing, liquidity, market or credit risk that could arise if we had engaged in such relationships.

Critical Accounting Policies

Accounting policies, methods and estimates are an integral part of the consolidated financial statements prepared by management and are based upon management’s current judgments. Those judgments are normally based on knowledge and experience with regard to past and current events and assumptions about future events. Certain accounting policies, methods and estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ from management’s current judgments. While there are a number of accounting policies, methods and estimates that affect our financial statements, the areas that are particularly significant include the assessment of the recoverability of long-lived assets, specifically goodwill, acquired intangibles, and revenue recognition.

We perform an annual impairment test for goodwill. The first step of the impairment test requires that we determine the fair value of each reporting unit, and compare the fair value to the reporting unit's carrying amount. To the extent a reporting unit's carrying amount exceeds its fair value, an indication exists that the reporting unit's goodwill may be impaired and we must perform a second more detailed impairment assessment. The second impairment assessment involves allocating the reporting unit's fair value to all of its recognized and unrecognized assets and liabilities in order to determine the implied fair value of the reporting unit's goodwill as of the assessment date. The implied fair value of the reporting unit's goodwill is then compared to the carrying amount of goodwill to quantify an impairment charge as of the assessment date. We typically perform our annual impairment test effective as of April 1 of each year, unless events or circumstances indicate, an impairment may have occurred before that time.

Acquired intangibles consist of customer related intangibles and non-compete agreements arising from our acquisition. Customer related intangibles will be amortized using accelerated methods over approximately 5 years and non-compete agreements will be amortized using the straight line method over the term of the underlying agreement.

We review long-lived assets to be held-and-used for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. If the sum of the undiscounted expected future cash flows over the remaining useful life of a long-lived asset is less than its carrying amount, the asset is considered to be impaired. Impairment losses are measured as the amount by which the carrying amount of the asset exceeds the fair value of the asset. When fair values are not available, we estimate fair value using the expected future cash flows discounted at a rate commensurate with the risks associated with the recovery of the asset. Assets to be disposed of are reported at the lower of carrying amount or fair value less costs to sell.

As a non-asset based carrier, we do not own transportation assets. We generate the major portion of our air and ocean freight revenues by purchasing transportation services from direct (asset-based) carriers and reselling those services to its customers. Based upon the terms in the contract of carriage, revenues related to shipments where we issue a House Airway Bill ("HAWB") or a House Ocean Bill of Lading ("HOBL") are recognized at the time the freight is tendered to the direct carrier at origin. Costs related to the shipments are also recognized at this same time based upon anticipated margins, contractual arrangements with direct carriers, and other known factors. The estimates are routinely monitored and compared to actual invoiced costs. The estimates are adjusted as deemed necessary by us to reflect differences between the original accruals and actual costs of purchased transportation.

This method generally results in recognition of revenues and purchased transportation costs earlier than the preferred methods under generally accepted accounting principles ("GAAP") which do not recognize revenues until a proof of delivery is received or which recognize revenues as progress on the transit is made. Our method of revenue and cost recognition does not result in a material difference from amounts that would be reported under such other methods.

Item 4T. Controls and Procedures.

An evaluation of the effectiveness of our "disclosure controls and procedures" (as such term is defined in Rules 13a-15(e) or 15d-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") as of March 31, 2010, was carried out by our management under the supervision and with the participation of our Chief Executive Officer ("CEO") who also serves as our Chief Financial Officer ("CFO"). Based upon that evaluation, our CEO/CFO concluded that, as of March 31, 2010, our disclosure controls and procedures were effective to provide reasonable assurance that information we are required to disclose in reports that we file or submit under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission rules and forms and (ii) accumulated and communicated to our management, including our CEO/CFO, as appropriate to allow timely decisions regarding disclosure.

There have not been any changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the fiscal quarter ended March 31, 2010, which have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings.

2010 Friedman Arbitration Claim

On or about January 22, 2010, Robert Friedman, the former shareholder of Adcom, filed an arbitration claim against us with the American Arbitration Association in Minneapolis, MN alleging breach of the securities purchase between the Company and Mr. Friedman. Mr. Friedman alleges that we breached the agreement in connection with the calculation and payment of post closing integration and earn-out payments and by asserting rights of set-off against such payments. Mr. Friedman is seeking payment in an unspecified amount. We filed an answer denying liability and counterclaim in the amount of $0.2 million, representing amounts paid by us in settlement of a claim incurred as result of Mr. Friedman's breach of certain representations and warranties contained in the securities purchase agreement.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

We have a share repurchase program that authorizes us to purchase up to 5,000,000 shares of common stock through December 31, 2010. The share repurchases may occur from time-to-time through open market purchases at prevailing market prices or through privately negotiated transactions as permitted by securities laws and other legal requirements. The following table sets forth information regarding our repurchases or acquisitions of common stock during the three month period ended March 31, 2010:

Period	Total Number of Shares (or Units) Purchased	Average Price Paid per Share (or Unit)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs (1)
Repurchases from March 1, 2010 through March 31, 2010	62,399	$ 0.24	1,772,149	2,633,451
Total	62,399	$ 0.24	1,772,149	2,633,451

(1) In May 2009, our Board of Directors authorized the repurchase of up to 5,000,000 shares of our common stock through December 31, 2010.

Item 6. Exhibits

Exhibit No.	Exhibit	Method of Filing
31.1	Certification by Principal Executive Officer and Principal Financial Officer pursuant to Rules 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith
32.1	Certification by the Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	Filed herewith
99.1	Press Release dated May 17, 2010	Filed Herewith

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, thereunto duly authorized.

RADIANT LOGISTICS, INC.

Date: May 17, 2010	/s/ Bohn H. Crain Bohn H. Crain Chief Executive Officer and Chief Financial Officer
Date: May 17, 2010	/s/ Todd E. Macomber Todd E. Macomber Senior Vice President and Chief Accounting Officer

EXHIBIT INDEX

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32.1	Certification by Principal Executive Officer/Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99.1	Press Release dated May 17, 2010