

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): **March 9, 2015 (March 9, 2015)**

FORWARD AIR CORPORATION

(Exact name of registrant as specified in its charter)

Tennessee

(State or other jurisdiction of
incorporation)

000-22490

(Commission File Number)

62-112025

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

**430 Airport Road
Greeneville, Tennessee**

(Address of principal executive offices)

37745

(Zip Code)

Registrant's telephone number, including area code: **(423) 636-7000**

Not Applicable

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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SECTION 2. FINANCIAL INFORMATION.

Item 2.01. Completion of Acquisition or Disposition of Assets.

On March 9, 2015, Forward Air, Inc., a Tennessee corporation (“Forward Air”), and wholly-owned subsidiary of Forward Air Corporation, completed its previously announced acquisition of CLP Towne Inc. (“Towne”) pursuant to the merger of FAC Subsidiary, Inc., a wholly-owned subsidiary of Forward Air (“Merger Co”), with and into Towne (the “Merger”). Towne is now an indirect, wholly-owned subsidiary of Forward Air Corporation (the “Company”). The Merger was consummated pursuant to the terms of an Agreement and Plan of Merger (the “Merger Agreement”) by and among Towne, Forward Air, Merger Co, ZM Private Equity Fund I, L.P., as the equity holders’ representative, and the Indemnifying Equity Holders party thereto.

Forward Air paid aggregate cash consideration of approximately \$125 million in the Merger, subject to customary closing adjustments, and which included amounts necessary to pay off certain indebtedness of Towne. Of the total aggregate cash consideration paid, \$16.5 million was placed into an escrow account, with \$2.0 million of such amount being available to settle any shortfall in Towne’s net working capital and with \$14.5 million of such amount being available for a period of time to settle certain possible claims against Towne’s common stockholders for indemnification. To the extent the escrow fund is insufficient, certain equity holders have agreed to indemnify Forward Air, subject to certain limitations set forth in the Merger Agreement, as a result of inaccuracies in or breaches of certain of Towne’s representations, warranties, covenants and agreements and other matters. Forward Air financed the Merger with borrowings under its credit facility.

The foregoing is a summary description of certain terms of the Merger Agreement and does not purport to be complete, and it is qualified in its entirety by reference to the full text of the Merger Agreement, which was filed as Exhibit 2.1 to the Company’s Current Report on Form 8-K filed on February 5, 2015.

SECTION 8. OTHER EVENTS.

Item 8.01. Other Events.

A press release announcing the completion of the Merger was issued by the Company on March 9, 2015, a copy of which is included as Exhibit 99.1 hereto and incorporated herein by reference.

SECTION 9. FINANCIAL STATEMENTS AND EXHIBITS.

Item 9.01. Financial Statements and Exhibits.

(a) *Financial Statements of Businesses Acquired.* It is not practical to provide the required financial statements at this time. Such financial statements will be filed as an amendment to this Current Report on Form 8-K no later than 71 calendar days after the deadline for filing this Current Report on Form 8-K.

(b) *Pro Forma Financial Information.* See paragraph (a) above.

(d) *Exhibits.* The following exhibits are being furnished as part of this Current Report.

| No. | Exhibit |
|------------|---|
| 99.1 | Press Release of Forward Air Corporation dated March 9, 2015. |

SIGNATURE

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

Date: March 9, 2015

FORWARD AIR CORPORATION
By: /s/ Rodney L. Bell
Rodney L. Bell
Senior Vice President and Chief Financial Officer

EXHIBIT INDEX

| No. | Exhibit |
|------------|---|
| 99.1 | Press Release of Forward Air Corporation dated March 9, 2015. |



NEWS RELEASE

FORWARD AIR CORPORATION CLOSES ACQUISITION OF CLP TOWNE INC.

GREENEVILLE, Tenn. - (BUSINESS WIRE) - March 9, 2015 - Forward Air Corporation (NASDAQ:FWRD) today announced that its previously announced planned acquisition of CLP Towne Inc. ("Towne") has formally closed. Founded in 1963, Towne is a full-service trucking provider offering time-sensitive less-than-truckload shipping, full truckload service, an extensive cartage network, container freight stations and dedicated trucking.

Forward Air acquired Towne for the aggregate purchase price of \$125 million, subject to an adjustment for working capital. The transaction was funded with proceeds from Forward Air's recently replaced credit facility. Excluding one-time deal-related costs, the transaction is expected to be accretive to 2015 earnings.

Raymond James & Associates, Inc. served as financial advisor to Forward Air, SJ Consulting Group, Inc. provided transportation consulting services and Carlton Fields Jordan Burt, P.A. was legal advisor for the transaction.

About Forward Air Corporation

Forward Air Corporation operates three business segments: Forward Air, Forward Air Solutions and Total Quality.

Through our Forward Air segment, we provide time-definite surface transportation and related logistics services to the North American expedited ground freight market. Our licensed property broker utilizes qualified motor carriers, including our own, and other third-party transportation companies, to offer our customers local pick-up and delivery (Forward Air Complete®) and scheduled surface transportation of cargo as a cost-effective, reliable alternative to air transportation. We transport cargo that must be delivered at a specific time but is less time-sensitive than traditional air freight. This type of cargo is frequently referred to in the transportation industry as deferred air freight. We also offer our customers an array of logistics and other services including: expedited full truckload (TLX); dedicated fleets; warehousing; customs brokerage; and shipment consolidation, deconsolidation and handling. Also included in the Forward Air segment are the services performed by Central States Trucking Co. and Central States Logistics, Inc. ("CST"), which we acquired in 2014. CST provides intermodal drayage, devanning, transloading and warehousing services.

Forward Air Solutions, which we formed in July 2007, provides pool distribution services throughout the Mid-Atlantic, Southeast, Midwest and Southwest continental United States. Pool distribution involves managing high-frequency, last mile handling and distribution of time-sensitive products to numerous destinations in specific geographic regions. Our primary customers for pool distribution are regional and nationwide distributors and specialty retailers, such as mall, strip mall and outlet-based retail chains.

TQI, which we acquired in March 2013, provides maximum security and temperature-controlled logistics services, primarily truckload services, to the life sciences sector (pharmaceutical and biotechnology products). In addition to core pharmaceutical services and other cold chain services, TQI provides truckload and less-than-truckload brokerage transportation services.

Important Information

This press release contains “forward-looking statements,” as defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are statements other than historical information or statements of current condition and relate to future events or our future financial performance, including, without limitation, statements as to Towne or the anticipated benefits of the transaction. Some forward-looking statements may be identified by use of such terms as “believes,” “anticipates,” “intends,” “plans,” “estimates,” “projects” or “expects.” Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The following is a list of factors, among others, that could cause actual results to differ materially from those contemplated by the forward-looking statements: economic factors such as recessions, inflation, higher interest rates and downturns in customer business cycles, our inability to maintain our historical growth rate because of a decreased volume of freight moving through our network or decreased average revenue per pound of freight moving through our network, increasing competition and pricing pressure, surplus inventories, loss of a major customer, the creditworthiness of our customers and their ability to pay for services rendered, our ability to secure terminal facilities in desirable locations at reasonable rates, the inability of our information systems to handle an increased volume of freight moving through our network, changes in fuel prices, claims for property damage, personal injuries or workers' compensation, employment matters including rising health care costs, enforcement of and changes in governmental regulations, environmental and tax matters, the handling of hazardous materials, the availability and compensation of qualified independent owner-operators and freight handlers needed to serve our transportation needs and our inability to successfully integrate Towne. As a result of the foregoing, no assurance can be given as to future financial condition, cash flows or results of operations. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

SOURCE: Forward Air Corporation

Forward Air Corporation
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