

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): May 23, 2006 (May 23, 2006)

FORWARD AIR CORPORATION

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(Exact name of registrant as specified in its charter)

Tennessee                      000-22490                      62-1120025

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(State or other jurisdiction    (Commission File Number)    (I.R.S. Employer  
of incorporation)                      Identification No.)

430 Airport Road  
Greeneville, Tennessee                      37745

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(Address of principal executive offices)                      (Zip Code)

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

Not Applicable

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing 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))

SECTION 1. REGISTRANT'S BUSINESS AND OPERATIONS.

Item 1.01. Entry Into a Material Definitive Agreement.

The Board of Directors of Forward Air Corporation (the "Company") has adopted the schedule of non-employee director compensation set forth on Exhibit 99.1 attached hereto and incorporated herein by reference, effective May 24, 2006.

In addition, on May 23, 2006, the Compensation Committee of the Board of Directors increased the 2006 base salaries of Rodney L. Bell to \$240,000 and Michael P. McLean to \$150,000, effective June 2, 2006. The Compensation Committee also awarded 2,000 shares of time-based restricted stock to Mr. Bell and 2,500 shares of time-based restricted stock to Mr. McLean, effective June 2, 2006, under the Company's 1999 Stock Option and Incentive Plan. The restricted stock shares vest equally in one-third increments over three years commencing on June 2, 2007 and fully vesting on June 2, 2009. Upon vesting, the restricted

stock will be issued to the holder in an equal number of shares of the Company's \$0.01 par value common stock. During the vesting period, the holder of restricted stock is entitled to receive a cash amount equal to any dividend declared and paid on the Company's common stock multiplied by the number of restricted stock then held. The disclosures made in Item 5.02 of this Form 8-K relative to Messrs. Bell and McLean are incorporated herein by reference.

## SECTION 5. CORPORATE GOVERNANCE AND MANAGEMENT.

### Item 5.02. Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.

On May 23, 2006, the Board of Directors of the Company promoted Rodney L. Bell to the positions of Chief Financial Officer, Senior Vice President and Treasurer, effective June 2, 2006. Mr. Bell, who is 44 years old and a Certified Public Accountant, was appointed to the position of Chief Accounting Officer in February 2006 and continued to serve as Vice President and Controller, positions held since October 2000 and February 1995, respectively. Mr. Bell joined the Company in March 1992 as Assistant Controller after serving as a senior manager with the accounting firm of Adams and Plucker in Greeneville, Tennessee.

In addition, the Board appointed Michael P. McLean as Vice President and Controller effective June 2, 2006. Mr. McLean, 33 years of age, is a Certified Public Accountant who joined the Company as Vice President, Accounting in February 2006. From February 2003, Mr. McLean was director of financial reporting at CTI Molecular Imaging, Inc., a publicly-traded medical technology company. From July 2001 until January 2003, Mr. McLean was an audit manager with the accounting firm of Coulter & Justis, PC in Knoxville, Tennessee.

Also on May 23, 2006, Andrew C. Clarke submitted his resignation as Chief Financial Officer, Senior Vice President, Treasurer and a director of the Company effective June 2, 2006, positions he has held since April 2001.

There are no family relationships between Messrs. Bell or McLean and any directors or other executive officers of the Company. In addition, there are no arrangements or understandings between Messrs. Bell or McLean and any other persons pursuant to which either was appointed to the positions effective June 2, 2006.

There have been no transactions since the beginning of the Company's last fiscal year, or any currently proposed transaction, or series of similar transactions, to which the Company was or is to be a party, in which the amount involved exceeds \$60,000 and in which Messrs. Bell or McLean had, or will have, a direct or indirect material interest.

The press release issued May 23, 2006 announcing the foregoing is attached as Exhibit 99.2 to this report and is incorporated herein by reference.

The disclosures set forth in Item 1.01 of this Form 8-K relative to Messrs. Bell and McLean are incorporated herein by reference.

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## SECTION 9. FINANCIAL STATEMENTS AND EXHIBITS.

### Item 9.01. Financial Statements and Exhibits.

#### (d) Exhibits.

Exhibit Number	Description
99.1	Schedule of Non-Employee Director Compensation effective May 24, 2006.
99.2	Press Release of Forward Air Corporation dated May 23, 2006.

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SIGNATURES

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

FORWARD AIR CORPORATION

Date: May 23, 2006

By: /s/ Matthew J. Jewell

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Matthew J. Jewell  
Senior Vice President, General Counsel  
and Secretary

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EXHIBIT INDEX

No.	Exhibit
99.1	Schedule of Non-Employee Director Compensation effective May 24, 2006.
99.2	Press Release of Forward Air Corporation dated May 23, 2006.

Exhibit 99.1

Forward Air Corporation  
 Non-Employee Director Compensation Policy  
 (Effective May 24, 2006)

<TABLE>

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Compensation Component	Non-Employee Chairman Date	Non-Employee Chairman	Audit Director	Corporate Governance and Compensation Committee			Nominating Committee Chair	Audit Committee Member
				Chair	Chair	Chair		
Annual Retainer	May 24, 2006	\$77,500	\$27,500	\$15,000	\$7,500	\$7,500	\$7,500	\$7,500
(to be paid in quarterly installments)	Day after May 2007 Meeting of Shareholders	\$85,000	\$35,000	\$15,000	\$7,500	\$7,500	\$7,500	\$7,500

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- - Per meeting fees of \$1,500 for each non-employee director (other than the Non-Employee Chairman) for attendance in person at each Shareholder, Board or Committee meeting resulting in corporate action recorded in minutes; provided, however, no additional fee will be paid for Committee meetings held on the same day as a Shareholder or Board meeting.
- - Per meeting fees of \$750 for each non-employee director (other than the Non-Employee Chairman) for attendance via teleconference at each Board or Committee meeting resulting in corporate action recorded in minutes; provided, however, no additional fee will be paid for Committee meetings held on the same day as a Shareholder or Board meeting.
- - Automatic annual grant of 2,250 restricted shares of common stock to each non-employee director, including the Non-Employee Chairman, on the first business day after each Annual Meeting of Shareholders pursuant to the 2006 Non-Employee Director Stock Plan.

Forward Air Corporation Appoints New CFO and Controller

GREENEVILLE, Tenn.--(BUSINESS WIRE)--May 23, 2006--Forward Air Corporation (NASDAQ:FWRD) today announced that Rodney L. Bell, Chief Accounting Officer, Vice President and Controller, has been promoted to Chief Financial Officer, Senior Vice President and Treasurer, effective June 2, 2006. The Company also announced that Michael P. McLean, Vice President, Accounting would assume Mr. Bell's positions of Controller and Vice President effective June 2, 2006.

Mr. Bell, who is 44 years old and a Certified Public Accountant, was appointed Chief Accounting Officer in February 2006 and continued to serve as Vice President and Controller, positions held since October 2000 and February 1995, respectively. Mr. Bell joined the Company in March 1992 as Assistant Controller after serving as a senior manager with the accounting firm of Adams and Plucker in Greeneville, Tennessee.

Mr. McLean, 33 years of age, is a Certified Public Accountant who joined the Company as Vice President, Accounting in February 2006. From February 2003, Mr. McLean was director of financial reporting at CTI Molecular Imaging, Inc., a publicly-traded medical technology company. From July 2001 until January 2003, Mr. McLean was an audit manager with the accounting firm of Coulter & Justis, PC in Knoxville, Tennessee.

The Company also announced that Andrew C. Clarke has resigned, effective June 2, 2006, from his positions as Chief Financial Officer, Senior Vice President, Treasurer and director of the Company. Mr. Clarke has accepted the position of president of a privately-held transportation company.

In commenting on these management changes, Bruce A. Campbell, Chief Executive Officer of the Company, stated, "We are pleased to announce Rodney's appointment to Chief Financial Officer of the Company. It is a well-deserved promotion. Rodney has been with us for over 14 years and brings a high level of energy, accounting expertise and financial experience to this position." Commenting further, Mr. Campbell said, "We are pleased to promote Mike to the Controller position. Although Mike has been with us only a short time, he is well qualified for this new position and a worthy successor to Rodney." In closing, Mr. Campbell commented, "Finally, on behalf of all of us at Forward Air, we want to thank Andrew Clarke for his many contributions to our Company during his tenure. Moreover, we extend our hearty congratulations to him on his new position and wish him the best of luck with his new endeavor."

About Forward Air

Forward Air is a high-service-level contractor to the air cargo industry providing time-definite ground transportation services through a network of 81 terminals located on or near major airports in the United States and Canada. The Company provides these services as a cost-effective alternative to air transportation of cargo that must be delivered at a specific time but is relatively less time-sensitive than traditional air freight or when air transportation is not economical.

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. 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 acquisitions. 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.

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