FORM 10-K

Annual report pursuant to section 13 and 15(d)

Filing Date: **2023-03-10** | Period of Report: **2022-12-31**
SEC Accession No. 0001437749-23-006150

(HTML Version on secdatabase.com)

FILER

PAM TRANSPORTATION SERVICES INC

CIK:**798287**| IRS No.: **710633135** | State of Incorp.:**DE** | Fiscal Year End: **1231**
Type: **10-K** | Act: **34** | File No.: **000-15057** | Film No.: **23723232**
SIC: **4213** Trucking (no local)

Mailing Address	Business Address
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TONTITOWN AR 72770	*TONTITOWN AR 72770*
	4793619111

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

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

For the Fiscal Year Ended December 31, 2022
or

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

For the transition period from ________to________

P.A.M. TRANSPORTATION SERVICES, INC.
(Exact name of registrant as specified in its charter)

Delaware	0-1507	71-0633135
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. Employer Identification No.)

297 West Henri De Tonti Blvd, Tontitown, Arkansas 72770
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (479) 361-9111

N/A
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $.01 par value	PTSI	NASDAQ Global Market

Securities registered pursuant to section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes ☐ No ☑

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes ☐ No ☑

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 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 ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted 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 such files).

Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☑
Non-accelerated filer ☐	Smaller reporting company ☑
	Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☑

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b) . ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes ☐ No ☑

The aggregate market value of the common stock of the registrant held by non-affiliates of the registrant computed by reference to the average of the closing bid and ask prices of the common stock as of the last business day of the registrant's most recently completed second quarter was $178,799,006. Solely for the purposes of this response, the registrant has assumed, without admitting for any purpose, that all executive officers and directors of the registrant, and no other persons, are the affiliates of the registrant at that date.

The number of shares outstanding of the registrant's common stock, as of February 20, 2023: 22,173,734 shares of $.01 par value common stock.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive Proxy Statement for its Annual Meeting of Stockholders to be held on April 27, 2023, are incorporated by reference in Part III of this report.

FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K (this "Report") contains forward-looking statements, including statements about our operating and growth strategies, our expected financial position and operating results, industry trends, our capital expenditure and financing plans and similar matters. Such forward-looking statements are found throughout this Report, including under Item 1, Business, Item 1A, Risk Factors, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, and Item 7A, Quantitative and Qualitative Disclosures About Market Risk. In those and other portions of this Report, the words "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "expect," "project", "could", "should", "would" and similar expressions, as they relate to us, our management, and our industry are intended to identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends affecting our business. Actual results may differ materially. Some of the risks, uncertainties and assumptions that may cause actual results to differ from these forward-looking statements include, but are not limited to, ongoing and potential future economic, business and operational disruptions and uncertainties due to the COVID-19 pandemic or other public health crises; excess capacity in the trucking industry; surplus inventories; recessionary economic cycles and downturns in customers' business cycles; increases or rapid fluctuations in fuel prices, interest rates, fuel taxes, tolls, and license and registration fees; the resale value of the Company's used equipment and the price of new equipment; increases in compensation for and difficulty in attracting and retaining qualified drivers and owner-operators; increases in insurance premiums and deductible amounts relating to accident, cargo, workers' compensation, health, and other claims; unanticipated increases in the number or amount of claims for which the Company is self-insured; inability of the Company to continue to secure acceptable financing arrangements; seasonal factors such as harsh weather conditions that increase operating costs; competition from trucking, rail, and intermodal competitors including reductions in rates resulting from competitive bidding; the ability to identify acceptable acquisition candidates, consummate acquisitions, and integrate acquired operations; our ability to develop and implement suitable information technology systems and prevent failures in or breaches of such systems; the impact of future or pending litigation; general risks associated with doing business in Mexico, including, without limitation, exchange rate fluctuations, inflation, import duties, tariffs, quotas, political and economic instability and terrorism; the potential impact of new laws, regulations or policy, including, without limitation, tariffs, import/export, trade and immigration regulations or policies; a significant reduction in or termination of the Company's trucking service by a key customer; and other factors described under the headings "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and "Quantitative and Qualitative Disclosures About Market Risk" of this Report.

All forward-looking statements attributable to us, or to persons acting on our behalf, are expressly qualified in their entirety by this cautionary statement.

We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks and uncertainties, the forward-looking events and circumstances discussed in this Report might not transpire.

P.A.M. TRANSPORTATION SERVICES, INC.

FORM 10-K
For the fiscal year ended December 31, 2022
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PART I

Item 1. Business.

Unless the context otherwise requires, all references in this Annual Report on Form 10-K to “P.A.M.,” the “Company,” “we,” “our,” or “us” mean P.A.M. Transportation Services, Inc. and its subsidiaries.

We are a truckload dry van carrier transporting general commodities throughout the continental United States, as well as in certain Canadian provinces. We also provide transportation services in Mexico under agreements with Mexican carriers. Our freight consists primarily of automotive parts, expedited goods, consumer goods, such as general retail store merchandise, and manufactured goods, such as heating and air conditioning units.

P.A.M. Transportation Services, Inc. is a holding company incorporated under the laws of the State of Delaware in June 1986. We conduct operations and hold assets principally through the following wholly owned subsidiaries: P.A.M. Transport, Inc., Met Express, Inc., Costar Real Estate Holding, Inc., Costar Equipment, Inc., Unmoored Realty, LLC, T.T.X., LLC, P.A.M. Cartage Carriers, LLC, Overdrive Leasing, LLC, Choctaw Express, LLC, Choctaw Brokerage, Inc., Transcend Logistics, Inc., Decker Transport Co., LLC, East Coast Transport and Logistics, LLC, S & L Logistics, Inc., P.A.M. International, Inc, and P.A.M. Mexico Holdings LLC. Our operating authorities are held by P.A.M. Transport, Inc., P.A.M. Cartage Carriers, LLC, Choctaw Express, LLC, Choctaw Brokerage, Inc., T.T.X., LLC, Decker Transport Co., LLC, and East Coast Transport and Logistics, LLC. Effective on January 1, 2010, the operations of most of the Company’s operating subsidiaries were consolidated under the P.A.M. Transport, Inc. name in an effort to more clearly reflect the Company’s scope and available service offerings.

We are headquartered and maintain our primary terminal, maintenance facilities, and our corporate and administrative offices in Tontitown, Arkansas, which is located in northwest Arkansas, a major center for the trucking industry and where the support services for most major truck and trailer equipment manufacturers are readily available.

Segment Financial Information

The Company's operations are all in the motor carrier segment and are aggregated into a single reporting segment in accordance with the aggregation criteria under Generally Accepted Accounting Principles (“GAAP”).

Operations

Our operations can generally be classified into truckload services or brokerage and logistics services. This designation is based primarily on the ownership of the asset that performed the freight transportation service. Truckload services are performed by Company divisions that generally utilize Company-owned trucks, long-term contractors, or single-trip contractors to transport loads of freight for customers, while brokerage and logistics services coordinate or facilitate the transport of loads of freight for customers and generally involve the utilization of single-trip contractors. Both our truckload operations and our brokerage and logistics operations have similar economic characteristics and are impacted by virtually the same economic factors as discussed elsewhere in this Report. Truckload services operating revenues, before fuel surcharges, represented 66.1%, 67.0% and 76.9% of total operating revenues for the years ended December 31, 2022, 2021 and 2020, respectively. The remaining operating revenues, before fuel surcharge, for the same periods were generated by brokerage and logistics services, representing 33.9%, 33.0% and 23.1%, respectively.

Approximately 66% of the Company's revenues are derived from domestic shipments while approximately 34% of the Company’s revenues are derived from freight originating from or destined to locations in Mexico or Canada.

Impact of COVID-19

The Company's primary concern during the COVID-19 pandemic has been to do its part to protect its employees, customers, vendors and the general public from the spread of COVID-19 while continuing to serve the vital role of supplying essential goods to the nation. Where feasible, our employees are working remotely from their homes. For essential functions, including our driving professionals, we have distributed cleaning and protective supplies to various terminals so that they are available to those that need them, increased cleaning frequency and coverage, and provided employees direction on precautionary measures, such as sanitizing truck interiors, personal hygiene, and social distancing. We will continue to adapt our operations as required to ensure safety while continuing to provide a high level of service to our customers.

While we and most of our customers have returned to normal operations and economic activity continued to increase during 2021 and 2022, we continue to monitor ongoing developments with the COVID-19 pandemic. Any future waves or outbreaks of alternative strains of the virus, including the current spread of the Delta and Omicron variants, could adversely impact our future operations and financial results.

On September 9, 2021, President Biden announced that he has directed the Occupational Safety and Health Administration (OSHA) to develop an Emergency Temporary Standard (ETS) mandating either the full vaccination or weekly testing of employees for employers with 100 or more employees. On January 13, 2022, the Supreme Court ruled that the mandate could not be enforced. We will continue to monitor new regulations for any potential impacts to our operations.

The ultimate extent of the impact of any future outbreaks or adverse developments with the pandemic on the Company's financial and operating results, which could be material, will be determined by the length of time such outbreak continues, its severity, further government regulations imposed in response to the pandemic and the effect of any such outbreak on the economy and transportation demand.

The Company believes we will be able to continue to finance our near-term needs for working capital over the next twelve months, as well as any planned capital expenditures during such period, with cash balances, cash flows from operations, and borrowings believed to be available from financing sources.

Business and Growth Strategy

Our strategy focuses on the following elements:

Providing a Full Suite of Complimentary Truckload Transportation Solutions. Our objective is to provide our customers with a comprehensive solution to their truckload transportation needs. Our array of asset-based service offerings consists of dedicated, expedited, automotive, local, regional, and long-haul truckload services. Our brokerage and logistics solutions offer similar services but utilize third-party equipment to expand available capacity. Our area of service includes the continental United States, Mexico and to a lesser degree Canada.

Developing Customer Relationships within High Density Traffic Lanes. We strive to maximize utilization and increase revenue per truck while minimizing our time and empty miles between loads. In this regard, we seek to provide equipment to our customers in defined regions and disciplined traffic lanes. This strategy enables us to:

- maintain more consistent equipment capacity;
- provide a high level of service to our customers, including time-sensitive delivery schedules;
- attract and retain drivers; and
- maintain a sound safety record as drivers travel familiar routes.

Providing Superior and Flexible Customer Service. We strive to provide a very high level of service to our customers, thus creating a level of satisfaction, value and loyalty within our customer base. We closely monitor each shipment for compliance regarding scheduled pickup, delivery and transit times, service levels and customer specific expectations. We provide verbal and electronic updates through various forums to customers to allow visibility of their products as they progress through the transport process.

Many of our customers depend on us to deliver shipments on a time-definite basis, meaning that parts or raw materials are scheduled for delivery as they are needed on a manufacturer's production line. The need for this service is a product of modern manufacturing and assembly methods that are designed to decrease inventory levels and handling costs. Such requirements place a premium on our delivery performance and reliability.

Employing Stringent Cost Controls. Throughout our organization, emphasis is placed on gaining efficiency in our processes with the primary goals of decreasing costs and improving customer satisfaction. Maintaining a high level of efficiency and prioritizing our focus on improvements allows us to minimize the number of non-driving personnel we employ and positively influence other overhead costs. Expenses are intensely scrutinized for opportunities for elimination, reduction or to further leverage our purchasing power to achieve more favorable pricing.

Industry

According to the American Trucking Association's "American Trucking Trends 2022" report, the trucking industry generated over $875 billion in revenue during 2021 which represented approximately 80% of the total U.S. freight spend. The truckload industry is highly fragmented and is impacted by several economic and business factors, many of which are beyond the control of individual carriers. The state of the economy, coupled with equipment capacity levels, can impact freight rates. Volatility of various operating expenses, such as fuel and insurance, make the predictability of profit levels uncertain. Availability, attraction, retention and compensation of drivers also affect operating costs, as well as equipment utilization. In addition, the capital requirements for equipment, availability of equipment and potential uncertainty of used equipment values, impact the ability of many carriers to expand their operations.

The current operating environment is characterized by the following:

- competition for drivers;
- competition for freight;
- price increases by truck and trailer equipment manufacturers;
- volatile fuel costs; and
- pressure on less profitable or undercapitalized carriers to consolidate or exit the industry.

Competition

The trucking industry is highly competitive and includes thousands of carriers, none of which dominates the market in which the Company operates. The Company's market share is less than 1%, and we compete primarily with other medium and long-haul truckload carriers, with private carriage conducted by our existing and potential customers, and, to a lesser extent, with the railroads. We compete on the basis of quality of service and delivery performance, as well as price. Many of the carriers we compete with have substantially greater financial resources, own more equipment or carry a larger total volume of freight as compared to the Company.

Marketing and Significant Customers

Our marketing emphasis is directed to that portion of the truckload market which is generally service-sensitive, as opposed to being solely price driven. We seek to become a "core carrier" for our customers in order to maintain high utilization and capitalize on recurring revenue opportunities. Our marketing efforts are diversified and designed to gain access to dedicated, expedited, regional, automotive, and long-haul opportunities (including those in Mexico and Canada) and to expand brokerage and logistics offerings.

Our sales efforts are conducted by a staff of eleven employees who are located in our major markets and supervised from our headquarters. These individuals work to improve profitability by maintaining an even flow of freight traffic (taking into account the balance between originations and destinations in a given geographical area), high utilization, and minimizing movement of empty equipment.

Our five largest customers, for which we provide carrier services covering a number of geographic locations, accounted for approximately 39%, 33% and 35% of our total revenues in 2022, 2021 and 2020, respectively. General Motors Company accounted for approximately 13%, 11% and 15% of our revenues in 2022, 2021 and 2020, respectively. Walmart Inc. accounted for approximately 9%, 9% and 5% of our revenues in 2022, 2021 and 2020, respectively. Fiat Chrysler Automobiles accounted for approximately 6%, 5% and 5% of our revenues in 2022, 2021 and 2020, respectively.

We also provide transportation services to other manufacturers who are suppliers for automobile manufacturers. Approximately 31%, 27% and 30% of our revenues were derived from transportation services provided to the automobile industry during 2022, 2021 and 2020, respectively.

Revenue Equipment

At December 31, 2022, we operated a fleet of 2,451 trucks, which included 407 independent contractor trucks. At December 31, 2022, our trailer fleet consisted of 7,784 trailers. Our company-owned trucks and leased trucks are late model, well-maintained, premium trucks, which we believe help to attract and retain drivers, maximize fuel efficiency, promote safe operations, minimize maintenance and repair costs, and improve customer service by minimizing service interruptions caused by breakdowns. The average age of our trucks and trailers as of December 31, 2022 was 2.1 years and 6.6 years, respectively. We evaluate our equipment purchasing decisions based on factors such as initial cost, useful life, warranty terms, expected maintenance costs, fuel economy, driver comfort, customer needs, manufacturer support, and resale value.

We contract with independent contractors to provide greater flexibility in responding to fluctuations in consumer demand. Independent contractors provide their own trucks and are contractually responsible for all associated expenses, including financing costs, fuel, maintenance, insurance, and taxes, among other things. They are also responsible for maintaining compliance with the Federal Motor Carrier Safety Administration regulations.

Technology

Our trucks are equipped with cellular-based global positioning and communications systems that allow fleet managers to communicate directly with drivers. Drivers provide location, status, and informational updates directly to our computer system which increases productivity, convenience, and customer visibility. This system provides information that allows us to calculate accurate estimated time of arrival information, which helps to optimize planning and customer service levels.

Our information systems manage the data provided by our on-board devices to update system information regarding the location and load status of our trucks, which permits us to better manage customer delivery schedules, respond to customer inquiries, and perform optimized equipment to load matching, among various other planning and support functions. In many instances, our systems also directly provide real-time information electronically to our customers regarding the status of freight shipments and anticipated arrival times, adding flexibility and convenience by extending supply chain visibility.

Maintenance

We have a strictly-enforced, comprehensive preventive maintenance program for our trucks and trailers. Inspections and various levels of preventive maintenance are performed at set intervals on both trucks and trailers. A maintenance and safety inspection is performed on all vehicles each time they return to a terminal.

Our trucks typically carry full warranty coverage for at least three years or 375,000 miles. Extended truck warranties are often negotiated with the truck manufacturers and manufacturers of major components, such as engine, transmission, and differential manufacturers, for up to five years or 625,000 miles. Our trailers carry full warranties by the manufacturer for up to seven years with certain components covered for up to ten years.

Human Capital Resources

Overview. At December 31, 2022, we employed 3,395 persons, of whom 2,575 were drivers, 259 were employed in maintenance, 309 were employed in operations, 74 were employed in marketing, 109 were employed in safety and personnel, and 69 were employed in general administration and accounting. A total of 3,379 of our employees were employed on a full-time basis as of December 31, 2022. None of our employees are represented by a collective bargaining unit, and we believe that our employee relations are good.

At December 31, 2022, we also had 407 drivers for independent contractors under contract who were compensated on a per mile basis. Our drivers are paid for an array of services, including calculated miles driven, loading and unloading, additional stops, detention and layovers, among other things.

We contract with independent contractors to supply one or more trucks and drivers for our use. Independent contractors must pay their own truck expenses, fuel, maintenance, insurance, and driver costs. They must meet and operate within our guidelines with respect to safety. We have a lease-purchase program whereby we offer independent contractors the opportunity to lease a truck, with the option to purchase the truck at the end of the lease term. We believe our lease-purchase program has contributed to our ability to attract and retain independent contractors. At December 31, 2022, approximately 288 independent contractors were leasing 428 trucks in this program.

Diversity and Inclusion. We believe diversity, equity, and inclusion are critical to our ability to win in the marketplace and enable our workforce and communities to succeed. Specifically, having a diverse and inclusive workplace allows us to attract and retain the best employees to deliver results for our shareholders. A qualified, diverse and inclusive workforce also helps us represent the broad cross-section of ideas, values, and beliefs of our employees, customers, and communities. Our commitment to diversity and inclusion means that we will continue to strive to establish and improve an inclusive workplace environment where employees from all backgrounds can succeed and be heard.

Employee Health and Safety. We are committed to being an industry leader in health and safety standards. The physical health, wellbeing, and mental health of our employees is crucial to our success. Most recently, our primary concern during the COVID-19 pandemic has been to do our part to protect our employees, customers, vendors and the general public from the spread of COVID-19 while continuing to serve the vital role of supplying essential goods to the nation. For essential functions, including our driving professionals, we have distributed cleaning and protective supplies to various terminals so that they are available to those that need them, increased cleaning frequency and coverage, and provided employees direction on precautionary measures, such as sanitizing truck interiors, personal hygiene, and social distancing. We will continue to adapt our operations as required to ensure safety while continuing to provide a high level of service to our customers.

In addition to strict application screening and drug testing, before being permitted to operate a vehicle, our drivers must undergo classroom instruction on our policies and procedures, safety techniques as taught by the Smith System of Defensive Driving, and the proper operation of equipment, and must pass both written and road tests. Instruction in defensive driving and safety techniques continues after hiring, with seminars at several of our terminals. At December 31, 2022, we employed 81 persons on a full-time basis in our driver recruiting, training and safety instruction programs.

Talent Acquisition, Retention and Development. We continually strive to hire, develop and retain the top talent in our industry. Critical to attracting and retaining top talent is employee satisfaction, and we regularly implement programs to increase employee satisfaction. We reward our employees by providing competitive compensation, benefits and incentives throughout all levels in our organization, including for our drivers. Drivers can earn bonuses by recruiting other qualified drivers who become employed by us, and both cash and non-cash prizes are awarded for achieving certain safety and fuel efficiency goals.

Intense competition in the trucking industry for qualified drivers has resulted in additional expense to recruit and retain an adequate supply of drivers and has had a negative impact on the industry. Our operations have also been impacted and we have occasionally experienced under-utilization and increased expenses due to a shortage of qualified drivers. We place a high priority on the recruitment and retention of an adequate supply of qualified drivers.

Our truck fleet averages 2.1 years old, keeping our drivers safe, comfortable, and on the road. With many dedicated and over-the-road assignments, we allow our drivers to select routes that fit their lifestyles.

Available Information

The Company maintains a website where additional information concerning its business can be found. The website address is *www.pamtransport.com*. On our website, under the caption "Investors," the Company makes available, free of charge, its Annual Report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act") as soon as reasonably practicable after it electronically files or furnishes such materials to the Securities and Exchange Commission.

Seasonality

Generally, our revenues do not exhibit a significant seasonal pattern; however, revenue is affected by adverse weather conditions, holidays and the number of business days that occur during a given period because revenue is directly related to the available work days of shippers. Operating expenses are typically higher in the winter months primarily due to decreased fuel efficiency and increased maintenance costs associated with inclement weather. In addition, automobile plants for which we transport a large amount of freight typically undergo scheduled shutdowns in July and December, and the volume of automotive freight we ship is reduced during such scheduled plant shutdowns.

Regulation

We are a common and contract motor carrier regulated by various United States federal and state, Canadian provincial, and Mexican federal agencies. These regulatory agencies have broad powers, generally governing matters such as authority to engage in motor carrier operations, motor carrier registration, driver hours-of-service ("HOS"), drug and alcohol testing of drivers, and safety, size, and weight of transportation equipment. The primary regulatory agencies affecting the Company's operations include the Federal Motor Carrier Safety Administration ("FMCSA"), the Pipeline and Hazardous Materials Safety Agency, and the Surface Transportation Board, which are all agencies within the U.S. Department of Transportation ("DOT"). We believe that we are in compliance in all material respects with applicable regulatory requirements relating to our business and operate with a "satisfactory" rating (the highest of three rating categories) from the DOT. In addition, we are subject to compliance with cargo-security and transportation regulations issued by the Transportation Security Administration, a component department within the U.S. Department of Homeland Security. To the extent that we conduct operations outside the United States, we are subject to the Foreign Corrupt Practices Act, which generally prohibits U.S. companies and their intermediaries from offering bribes to foreign officials for the purpose of obtaining or retaining favorable treatment.

In December 2011, the FMCSA released new rules regulating HOS that became effective in July 2013. These rules reduced the maximum hours that could be worked in a consecutive seven-day period from 82 to 70, required that a driver take a mandatory thirty-minute break during each consecutive eight hour driving period, and required that a driver take a 34-hour rest period, or restart, that included two periods between 1:00 a.m. and 5:00 a.m. that could only be used one time every seven calendar days.

In July 2012, Congress passed legislation renewing the mandate for electronic logging devices and designated authority to the FMCSA to propose a new rule. In December 2015, the FMCSA amended the Federal Motor Carrier Safety Regulations to establish minimum performance and design standards for HOS electronic logging devices ("ELDs"), requirements for the mandatory use of these devices by drivers currently required to prepare HOS records of duty status, requirements concerning HOS supporting documents, and measures to address concerns about harassment resulting from the mandatory use of ELDs. In May 2018 the FMCSA released a notice that they would allow a motor carrier that installed and required its drivers to use an Automatic on Board Recording Device ("AOBRD") before December 18, 2017 and who uses registered ELD capable devices that run compliant AOBRD software to continue to do so until December 16, 2019. The Company was an early adopter of ELD capable devices, requiring the devices to be installed on its entire fleet and requiring its drivers to use AOBRD's since 2010. These rulings affect the majority of carriers, including us, and the Company's ELD devices were in compliance with FMCA requirements prior to the December 16, 2019 deadline.

The FMCSA administers carrier safety compliance and enforcement through its Compliance, Safety, Accountability ("CSA") program that became effective in December 2010. CSA is designed to measure and evaluate the safety performance of carriers and drivers through categorization of inspection and crash results into Behavior Analysis and Safety Improvement Categories ("BASICs") including unsafe/fatigued driving, driver fitness, controlled substances and alcohol, maintenance, cargo, and crashes. BASIC scores are evaluated relative to carrier peer groups to determine carriers that exceed certain thresholds, identifying them for intervention. Intervention status might include targeted roadside inspections, onsite investigations and the development of cooperative safety plans, among other things. Ongoing compliance with CSA may result in additional expenses to the Company or a reduction in the pool of drivers eligible for us to hire. In addition to FMCSA action, a BASIC score that exceeds an intervention threshold might have a negative impact on our ability to attract customers and drivers.

The Environmental Protection Agency ("EPA") and the National Highway Traffic Safety Administration ("NHTSA") jointly developed new standards for various vehicles, including heavy duty trucks, that were adopted in August 2011 and cover model years 2014 through 2018. The standard adopted for heavy duty trucks was intended to achieve a reduction in CO_2 and fuel consumption ranging from 7% to 20% by model year 2017. In August 2016, the EPA and NHTSA finalized the second phase of these standards which will further reduce greenhouse gas emissions and fuel consumption for heavy duty trucks through model year 2027. In December of 2022, the EPA finalized an additional phase of standards which is intended to reduce nitrous oxide (NOx) emissions to 0.035 grams per horsepower-hour during normal operation, 0.05 grams at low load and 10.0 grams at idle for vehicles with model years 2027 and above. Compliance with these federal and state requirements has increased the cost of our equipment and may further increase the cost of replacement equipment in the future.

The FMCSA Commercial Driver's License ("CDL") Drug and Alcohol Clearinghouse ("Clearinghouse") became effective January 6, 2020. This new database contains information pertaining to violations of the U.S. Department of Transportation controlled substances and alcohol testing program for holders of CDL's. The Clearinghouse rules requires FMCSA regulated employers, among others, to report to the Clearinghouse information related to violations of the drug and alcohol regulations. Further, the rules require that FMCSA regulated employers query current and prospective employees' drug and alcohol violations before permitting those employees to operate a commercial motor vehicle on public roads, and to recheck each employee annually. The system is intended to remove the ability of prospective employees to fail to disclose past drug and alcohol violations at previous employers to potential employers. We anticipate enforcement of the Clearinghouse will remove certain drivers from the pool of drivers available to the industry and increase competition and related costs to attract and retain the remaining qualified drivers.

Our motor carrier operations are subject to additional. environmental laws and regulations, including laws and regulations dealing with the transportation of hazardous materials and other environmental matters, and our operations involve certain inherent environmental risks. These laws and regulations have the effect of increasing the costs, risks and liabilities associated with our applicable operations. If current regulatory requirements become more stringent or new environmental laws and regulations are introduced, we could be required to make significant expenditures or abandon certain activities. Our operations involve the risks of fuel spillage or seepage, environmental damage, and hazardous waste disposal, among others. We have instituted programs to monitor and control environmental risks and assure compliance with applicable environmental laws. As part of our safety and risk management program, we periodically perform internal environmental reviews so that we can achieve environmental compliance and avoid environmental risk. We transport a minimal amount of environmentally hazardous substances and, to date, have experienced no significant claims for hazardous materials shipments. If we should fail to comply with applicable regulations, we could be subject to substantial fines or penalties and to civil and criminal liability.

As global warming issues become more prevalent, federal, state and local governments, as well as some of our customers, have made efforts to respond to these issues. This increased focus on sustainability may result in new legislation or regulations and customer requirements that could negatively affect us as we may incur additional costs or be required to make changes to our operations in order to comply with any new regulations or customer requirements. Legislation or regulations that potentially impose restrictions, caps, taxes, or other controls on emissions of greenhouse gases such as carbon dioxide, a by-product of burning fossil fuels such as those used in the Company's trucks, could adversely affect our operations and financial results. More specifically, legislative or regulatory actions relating to climate change could adversely impact the Company by increasing our fuel costs and reducing fuel efficiency and could result in the creation of substantial additional capital expenditures and operating costs in the form of taxes, emissions allowances, or required equipment upgrades.

Company operations are often conducted in industrial areas, where truck terminals and other industrial activities are conducted, and where groundwater or other forms of environmental contamination have occurred, which could potentially expose us to claims that we contributed to the environmental contamination.

We believe we are currently in material compliance with applicable laws and regulations and that the cost of compliance has not materially affected results of operations.

Item 1A. Risk Factors.

Set forth below, and elsewhere in this Report and in other documents we file with the SEC, are risks and uncertainties that could cause our actual results to differ materially from the results contemplated by the forward-looking statements contained in this Report.

Risks Related to Our Industry

Our business is subject to general economic and business factors that are largely beyond our control, any of which could have a material adverse effect on our operating results.

Our business is dependent upon a number of general economic and business factors that may adversely affect our results of operations. These factors include significant increases or rapid fluctuations in fuel prices, excess capacity in the trucking industry, surpluses in the market for used equipment, interest rates, fuel taxes, license and registration fees, insurance premiums, self-insurance levels, and difficulty in attracting and retaining qualified drivers, independent contractors, and third-party carriers.

We operate in a highly competitive and fragmented industry, and our business may suffer if we are unable to adequately address any downward pricing pressures or other factors that may adversely affect our ability to compete with other carriers.

Further, we are affected by recessionary economic cycles and downturns in customers' business cycles, particularly in market segments and industries, such as the automotive industry, where we have a significant concentration of customers. Economic conditions may also adversely affect our customers and their ability to pay for our services.

Deterioration in the United States and/or world economies could exacerbate any difficulties experienced by our customers and suppliers in obtaining financing, which, in turn, could materially and adversely impact our business, financial condition, results of operations and cash flows.

We may be adversely impacted by fluctuations in the price and availability of diesel fuel.

Diesel fuel represents a significant operating expense for the Company and we do not currently hedge against the risk of diesel fuel price increases. An increase in diesel fuel prices or diesel fuel taxes, or any change in federal or state regulations that results in such an increase, could have a material adverse effect on our operating results to the extent we are unable to recoup such increases from customers in the form of increased freight rates or through fuel surcharges. Historically, we have been able to offset, to a certain extent, diesel fuel price increases through fuel surcharges to our customers, but we cannot be certain that we will be able to do so in the future. We continuously monitor the components of our pricing, including base freight rates and fuel surcharges, and address individual account profitability issues with our customers when necessary.

Difficulty in attracting drivers and independent contractors could affect our profitability and ability to grow.

The transportation industry often experiences significant difficulty in attracting and retaining qualified drivers and independent contractors. This shortage is exacerbated by several factors, including demand from competing industries, such as manufacturing, construction and farming, demand from other transportation companies, and the impact of regulations, including CSA and hours of service rules and other difficulties attracting and training new drivers. Economic conditions affecting operating costs such as fuel, insurance, equipment and maintenance costs can negatively impact the number of qualified independent contractors available to us. We have occasionally experienced under-utilization and increased expenses due to a shortage of qualified drivers. If we are unable to attract drivers or contract with independent contractors when needed, we could be required to further adjust our driver compensation packages, increase driver recruiting efforts, or let trucks sit idle, any of which could adversely affect our growth and profitability.

Purchase price increases for new revenue equipment, decreases in the value of used revenue equipment and/or disruptions in the availability of new revenue equipment could have an adverse effect on our results of operations, cash flows and financial condition.

Over the past decade, the purchase price of new revenue equipment has increased significantly as equipment manufacturers recover increased materials and engine design costs resulting from compliance with increasingly stringent EPA engine emission standards, government tariffs on raw materials and other factors beyond the Company's control. Additional EPA emission mandates, tariff increases on raw materials, or other factors that increase material or manufacturing costs of new equipment in the future could increase the purchase price paid by the Company for new revenue equipment and could result in higher than anticipated depreciation expenses. If we were unable to offset any such increase in expenses with freight rate increases, our cash flows and results of operations could be adversely affected. If the market price for used revenue equipment declines, we could incur substantial losses upon disposition of our revenue equipment which could adversely affect our results of operations and financial condition.

Additionally, supply chain disruptions resulting from the COVID-19 pandemic and the related global shortage of microprocessors and other computer chips has caused significant production slowdowns at the North American Class 8 truck manufacturers and has substantially limited the availability of new revenue equipment available for delivery. Should such disruptions continue or worsen, it could significantly disrupt our equipment replacement cycle, further increase the prices for new revenue equipment and cause us to incur increased maintenance and operating expenses due to having to utilize existing equipment for longer time periods, and of which could have a material adverse effect on our business and profitability.

We have significant ongoing capital requirements that could affect our liquidity and profitability if we are unable to generate sufficient cash from operations or obtain sufficient financing on favorable terms.

The trucking industry is capital intensive. If we are unable to generate sufficient cash from operations in the future, we may have to limit our growth, enter into unfavorable financing arrangements, or operate our revenue equipment for longer periods, any of which could have a material adverse effect on our profitability.

We operate in a highly regulated industry and increased costs of compliance with, or liability for violation of, existing or future regulations could have a material adverse effect on our business.

Our operations are authorized and regulated by various federal and state agencies in the United States, Mexico and Canada that generally govern such activities as authorization to engage in motor carrier operations, safety, and financial reporting. Specific standards and regulations such as equipment dimensions, engine emissions, maintenance, drivers' hours of service, drug and alcohol testing, and hazardous materials are regulated by the Department of Transportation, Federal Motor Carrier Safety Administration, the Environmental Protection Agency and various other state and federal agencies. We may become subject to new or more restrictive regulations imposed by these authorities which could significantly impair equipment and driver productivity and increase operating expenses.

The FMCSA administers carrier safety compliance and enforcement through its CSA program, which places carriers in peer groups and assigns each carrier a relative ranking compared to their peers in various categories. Carriers that exceed allowable thresholds in a particular category are placed in "intervention" status by the FMCSA until the score improves to a level below the threshold. If future roadside inspections or crashes were to result in the Company being placed in intervention status, we may incur additional operating costs to improve our safety program in deficient categories, experience increased roadside inspections, or have onsite visits by the FMCSA. If the intervention category is not remedied, it could affect our ability to attract and retain drivers and customers as they seek competitive carriers with scores below intervention thresholds. In addition, the CSA program could increase competition and related compensation and recruitment costs for drivers and independent contractors by reducing the pool of qualified drivers if existing drivers exit the profession, become disqualified due to low scores or as carriers focus recruiting efforts on drivers with the best relative safety scores.

The EPA and the NHTSA jointly developed new standards for various vehicles, including heavy duty trucks, that were adopted in August 2011 and cover model years 2014 through 2018. The standard adopted for heavy duty trucks was intended to achieve a reduction in CO_2 and fuel consumption ranging from 7% to 20% by model year 2017. In August 2016, the EPA and NHTSA finalized the second phase of these standards which will further reduce greenhouse gas emissions and fuel consumption for heavy duty trucks through model year 2027. In December of 2022, the EPA finalized an additional phase of standards which is intended to reduce nitrous oxide (NOx) emissions to 0.035 grams per horsepower-hour during normal operation, 0.05 grams at low load and 10.0 grams at idle for vehicles with model years 2027 and above. Compliance with these federal and state requirements has increased the cost of our equipment and may further increase the cost of replacement equipment in the future.

The Regulation section in Item 1 of Part I of this Annual Report on Form 10-K discusses several proposed and final regulations that could materially impact our business and operations.

A determination that independent contractors are employees could expose us to various liabilities and additional costs.

Federal and state legislation as well as tax and other regulatory authorities often seek to assert that independent contractors in the transportation service industry are employees rather than independent contractors. An example of such legislation recently enacted in California is currently under a judicial stay with respect to trucking companies while a legal challenge to the law is pending. There can be no assurance that interpretations that support the independent contractor status will not change, that other federal or state legislation will not be enacted or that various authorities will not successfully assert a position that re-classifies independent contractors to be employees. If our independent contractors are determined to be our employees, that determination could materially increase our exposure under a variety of federal and state tax, workers' compensation, unemployment benefits, labor, employment and tort laws, as well as our potential liability for employee benefits. In addition, such changes may be applied retroactively, and if so, we may be required to pay additional amounts to compensate for prior periods. Any of the above increased costs would adversely affect our business and operating results.

We may incur additional operating expenses or liabilities as a result of potential future requirements to address climate change issues.

As global warming issues become more prevalent, federal, state and local governments, as well as some of our customers, have made efforts to respond to these issues. This increased focus on sustainability may result in new legislation or regulations and customer requirements that could negatively affect us as we may incur additional costs or be required to make changes to our operations in order to comply with any new regulations or customer requirements. Legislation or regulations that potentially impose restrictions, caps, taxes, or other controls on emissions of greenhouse gases such as carbon dioxide, a by-product of burning fossil fuels such as those used in the Company's trucks, could adversely affect our operations and financial results. More specifically, legislative or regulatory actions relating to climate change could adversely impact the Company by increasing our fuel costs and reducing fuel efficiency and could result in the creation of substantial additional capital expenditures and operating costs in the form of taxes, emissions allowances, or required equipment upgrades. Any of these factors could impair our operating efficiency and productivity and result in higher operating costs. In addition, revenues could decrease if we are unable to meet regulatory or customer sustainability requirements. These additional costs, changes in operations, or loss of revenues could have a material adverse effect on our business, financial condition and results of operations.

Risks Related to Our Business

The ongoing impact of the COVID-19 pandemic, or other similar outbreaks in the future, could negatively impact our financial condition, liquidity, results of operations, and cash flows.

The rapid spread of COVID-19 resulted in governmental authorities implementing numerous measures to try to contain the virus, such as travel bans and restrictions, quarantines, shelter in place orders, increased border and port controls and closures, and shutdowns. These measures and the public health concerns resulting from the outbreak severely disrupted economic and commercial activity. The resulting impact on domestic and global supply chains caused slowdowns and reduced freight demand for transportation companies such as ours. Because we have a significant concentration of customers within the automotive industry, our freight volumes and revenues were significantly affected by the closure of North American automotive manufacturing facilities beginning in late March of 2020. Our automotive customers resumed operations during the second quarter of 2020 and have not been materially disrupted during 2021 or 2022. Any future delays or interruptions of automotive production and other consumer activity affecting our customers that could result from any future wave of the virus or other similar outbreaks could further adversely affect our business. In addition, the implementation of measures to protect the health and safety of our employees, customers, vendors and the general public, or any state of federal vaccination mandates, may disrupt our ability to efficiently manage personnel and operations and to recruit and retain driver and non-driver personnel, which could have a material adverse effect on our operating results. Further, negative financial results, an economic downturn or uncertainty, or a tightening of credit markets caused by COVID-19 or other similar outbreaks could have a material adverse effect on our liquidity and our ability to effectively meet our short- and long-term financial obligations.

Numerous competitive factors could impair our ability to operate at an acceptable profit. These factors include, but are not limited to, the following:

- we compete with many other truckload carriers of varying sizes and, to a lesser extent, with less-than-truckload carriers and railroads, some of which have more equipment and greater capital resources than we do;
- some of our competitors periodically reduce their freight rates to gain business, especially during times of reduced growth rates in the economy, which may limit our ability to maintain or increase freight rates, maintain our margins or maintain significant growth in our business;
- many customers reduce the number of carriers they use by selecting so-called “core carriers” as approved service providers, and in some instances we may not be selected;

- many customers periodically accept bids from multiple carriers for their shipping needs, and this process may depress freight rates or result in the loss of some of our business to competitors;
- the trend toward consolidation in the trucking industry may create other large carriers with greater financial resources and other competitive advantages relating to their size and with whom we may have difficulty competing;
- advances in technology require increased investments to remain competitive, and our customers may not be willing to accept higher freight rates to cover the cost of these investments;
- competition from Internet-based and other logistics and freight brokerage companies may adversely affect our customer relationships and freight rates; and
- economies of scale that may be passed on to smaller carriers by procurement aggregation providers may improve their ability to compete with us.

We are highly dependent on our major customers, the loss of one or more of which could have a material adverse effect on our business.

A significant portion of our revenue is generated from our major customers. For 2022, our top five customers, based on revenue, accounted for approximately 39% of our revenue. Our largest customer, General Motors Company, accounted for approximately 13% of our revenue. We also provide transportation services to other manufacturers who are suppliers for automobile manufacturers. As a result, the concentration of our business within the automobile industry is greater than the concentration in a single customer. Approximately 31% of our revenues for 2022 were derived from transportation services provided to the automobile industry.

Generally, we do not have long-term contractual relationships with our major customers, and we cannot assure that our customer relationships will continue as presently in effect. Our business and profitability was materially and adversely affected by the closure of North American automotive manufacturing facilities during the spring of 2020 due to the COVID-19 outbreak and is currently being adversely impacted by similar production slowdowns and closures within the automotive manufacturing industry due to shortages of microprocessors and other computer chips essential for new vehicle production. Any sustained or future reduction in or termination of our services by our major customers could have a further material adverse effect on our business and operating results.

A significant labor dispute involving one or more of our customers could reduce our revenues and harm our profitability.

A substantial number of the employees of our largest customers are members of industrial trade unions and are employed under the terms of collective bargaining agreements. Future labor disputes involving our customers could affect our operations. If the unions and our automotive customers and their suppliers are unable to negotiate new contracts in the future and our customers' plants experience slowdowns or closures as a result, our revenue and profitability could be negatively impacted. A labor dispute involving another supplier to our customers that results in a slowdown or closure of our customers' plants to which we provide services could also have a material adverse effect on our business.

Ongoing insurance and claims expenses could significantly reduce our earnings.

Our future insurance and claims expenses might exceed historical levels, which could reduce our earnings. The Company is self-insured for a material portion of auto liability claims in excess of two million dollars and for health and workers' compensation insurance up to certain limits. The actual cost to settle self-insured claims can differ from amounts reserved due to various uncertainties, including the ultimate severity of the claims and potential amounts required to defend and settle claims. If claims costs increase, or if the severity or number of claims increase, and if we are unable to offset the resulting increases in expenses with higher freight rates, our earnings could be materially and adversely affected. Healthcare legislation and inflationary cost increases could also have a negative effect on our results.

We may be subject to litigation claims that could result in significant expenditures.

By the nature of our operations we are exposed to the potential for a variety of litigation, including personal injury claims, vehicular collisions and accidents, alleged violations of federal and state labor and employment laws, such as class-action lawsuits alleging wage and hour violations and improper pay, commercial and contract disputes, cargo loss and property damage claims. While we purchase insurance coverage at levels we deem adequate, future litigation may exceed our insurance coverage or may not be covered by insurance. We accrue a provision for a litigation matter according to applicable accounting standards based on the ongoing assessment of the strengths and weaknesses of the litigation, its likelihood of success, and an evaluation of the possible range of loss. Our inability to defend ourselves against a significant litigation claim could have a material adverse effect on our financial results.

We have a substantial amount of debt, which could restrict our growth, place us at a competitive disadvantage or otherwise materially adversely affect our financial health. Our substantial debt levels could have important consequences such as the following:

- impair our ability to obtain additional future financing for working capital, capital expenditures, acquisitions or general corporate expenses;
- limit our ability to use operating cash flow in other areas of our business due to the necessity of dedicating a substantial portion of these funds for payments on our indebtedness;
- limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;
- make it more difficult for us to satisfy our obligations;
- increase our vulnerability to general adverse economic and industry conditions; and
- place us at a competitive disadvantage compared to our competitors.

Our ability to make scheduled payments on, or to refinance, our debt and other obligations will depend on our financial and operating performance, which, in turn, is subject to our ability to implement our strategic initiatives, prevailing economic conditions and certain financial, business and other factors beyond our control. If our cash flow and capital resources are insufficient to fund our debt service and other obligations, we may be forced to reduce or delay expansion plans and capital expenditures, sell material assets or operations, obtain additional capital or restructure our debt. We cannot provide any assurance that our operating performance, cash flow and capital resources will be sufficient to pay our debt obligations when they become due. We also cannot provide assurance that we would be able to dispose of material assets or operations or restructure our debt or other obligations if necessary or, even if we were able to take such actions, that we could do so on terms that are acceptable to us.

Disruptions in the credit markets may adversely affect our business, including the availability and cost of short-term funds for liquidity requirements and our ability to meet long-term commitments, which could adversely affect our results of operations, cash flows and financial condition.

If cash from operations is not sufficient, we may be required to rely on the capital and credit markets to meet our financial commitments and short-term liquidity needs. Disruptions in the capital and credit markets could adversely affect our ability to draw on our bank revolving credit facility. Our access to funds under the credit facility is dependent on the ability of banks to meet their funding commitments. A bank may not be able to meet their funding commitments if they experience shortages of capital and liquidity or if they experience excessive volumes of borrowing requests from other borrowers within a short period of time.

Longer term disruptions in the capital and credit markets as a result of uncertainty, changing or increased regulation, reduced alternatives, or failures of significant financial institutions could adversely affect our access to liquidity needed for our business. Any disruption could require us to take measures to conserve cash until the markets stabilize or until alternative credit arrangements or other funding for our business needs can be arranged, which could adversely affect our growth and profitability.

We are subject to certain risks arising from doing business in Mexico.

As we continue to grow our business in Mexico, we are subject to greater risks of doing business internationally, including fluctuations in foreign currencies, changes in the economic strength of Mexico, difficulties in enforcing contractual obligations and intellectual property rights, burdens of complying with a wide variety of international and U.S. export and import laws, and social, political, and economic instability. We also face additional risks associated with our Mexico business, including potential restrictive trade policies and imposition of any import or export taxes, duties, fees, etc. If we are unable to address business concerns related to our international operations in a timely and cost efficient manner, our financial position, results of operations or cash flows could be adversely affected. Additionally, approximately 34% of the freight we haul crosses the border between the United States and Mexico. In past years, we have experienced delays in Mexico border-crossings due to weather events, immigration-related issues and the reallocation of border agents to other border areas. Any future shutdowns or disruptions of Mexico border-crossings, particularly at the Laredo, Texas border, could materially and adversely impact our operations, cash flows and profitability. The agreement permitting cross-border movements for both United States and Mexican-based carriers in the United States and Mexico presents additional risks in the form of potential increased competition and the potential for increased congestion in our lanes that cross the border between countries.

On April 23, 2021, a decree was published that reforms various laws in Mexico regarding labor outsourcing. Under this new decree, operating companies are no longer able to source their labor resources used to carry out core business functions from service entities or third-party providers and could be subject to the loss of tax deductions and value-added tax credits on payments to outsourced personnel and certain penalties for failing to comply with the new requirements. The passage of this decree did not have a material adverse impact on our business and financial results.

Our results of operations may be affected by seasonal factors.

Our productivity may decrease during the winter season when severe winter weather impedes operations. Also, some shippers may reduce their shipments after the winter holiday season. At the same time, operating expenses may increase and fuel efficiency may decline due to engine idling during periods of inclement weather. Harsh weather conditions generally also result in higher accident frequency, increased freight claims, and higher equipment repair expenditures. In addition, automobile plants for which we transport a large amount of freight typically undergo scheduled shutdowns in July and December, which reduces the volume of automotive freight we ship during these plant shutdowns.

Our business may be disrupted by natural disasters and severe weather conditions causing supply chain disruptions.

Natural disasters such as earthquakes, tsunamis, hurricanes, tornadoes, floods or other adverse weather and climate conditions, whether occurring in the United States or abroad, could disrupt our operations or the operations of our customers or could damage or destroy infrastructure necessary to transport products as part of the supply chain. Specifically, these events may damage or destroy our assets, disrupt fuel supplies, increase fuel costs, disrupt freight shipments or routes, and affect regional economies. As a result, these events could make it difficult or impossible for us to provide logistics and transportation services; disrupt or prevent our ability to perform functions at the corporate level; and/or otherwise impede our ability to continue business operations in a continuous manner consistent with the level and extent of business activities prior to the occurrence of the unexpected event, which could adversely affect our business and results of operations or make our results more volatile.

Our operations are subject to various environmental laws and regulations, the violation of which could result in substantial fines or penalties.

We are subject to various environmental laws and regulations dealing with the handling of hazardous materials, underground fuel storage tanks, and discharge and retention of stormwater. We operate in industrial areas, where truck terminals and other industrial activities are located, and where groundwater or other forms of environmental contamination could occur. We also maintain bulk fuel storage and fuel islands at one of our facilities. Our operations may involve the risks of fuel spillage or seepage, environmental damage, and hazardous waste disposal, among others. If we are involved in a spill or other accident involving hazardous substances, or if we are found to be in violation of applicable laws or regulations, it could have a materially adverse effect on our business and operating results. If we should fail to comply with applicable environmental regulations, we could be subject to substantial fines or penalties and to civil and criminal liability.

Our information technology systems are subject to certain cyber security and disaster risks that are beyond our control.

We depend heavily on the proper functioning and availability of our information, communications, and data processing systems, including operating and financial reporting systems, in operating our business. Our operating system is critical in meeting customer expectations, effectively tracking, maintaining and operating our equipment, directing and compensating our employees, and interfacing with our financial reporting system. Our financial reporting system receives, processes, controls and reports information for operating our business and for tabulation into our financial statements.

While we are not aware of a breach that has resulted in significant lost productivity or exposure of sensitive information to date, we are aware that our systems are targeted by various viruses and cyber-attacks and expect these efforts to continue. Our systems and those of our technology and communications providers are vulnerable to interruptions caused by natural disasters, power loss, telecommunication and internet failures, cyber-attack, and other events beyond our control. Accordingly, information security and the continued development and enhancement of the controls and processes designed to protect our systems, computers, software, data and networks from attack, damage or unauthorized access remain a priority for us and we maintain information security processes and policies to protect our systems and data from cyber security events and threats.

Although we have processes, policies and procedures in place and our information systems are protected through physical and software security as well as redundant backup systems, they remain susceptible to cyber security risks. Some of our software systems are utilized by third parties who provide outsourced processing services which may increase the risk of a cyber-security incident.

A successful cyber-attack or catastrophic natural disaster could significantly affect our operating and financial systems and could temporarily disrupt our ability to provide required services to our customers and impact our ability to manage our operations and perform vital financial processes, any of which could have a materially adverse effect on our business. In addition, regulatory and enforcement focus on data protection in the U.S. and failure to comply with applicable U.S. data protection regulations or other data protection standards may expose us to litigation, fines, sanctions or other penalties, which could harm our reputation and adversely impact our business, results of operations and financial condition.

We have substantial fixed costs and, as a result, our operating income fluctuates disproportionately with changes in our net sales.

A significant portion of our expenses are fixed costs that neither increase nor decrease proportionately with sales. There can be no assurance that we would be able to reduce our fixed costs proportionately in response to a decline in our sales, and therefore our competitiveness could be significantly impacted. As a result, a decline in our sales would result in a higher percentage decline in our income from operations and net income.

If our employees were to unionize, our operating costs would increase and our ability to compete would be impaired.

None of our employees are currently represented by a collective bargaining agreement. However, we can offer no assurance that our employees will not unionize in the future, particularly if legislation is passed that facilitates unionization. If our employees were to unionize, our operating costs would increase and our profitability could be adversely affected.

Our business may be harmed by terrorist attacks, future war or anti-terrorism measures.

In order to prevent terrorist attacks, federal, state and municipal authorities have implemented and continue to follow various security measures, including checkpoints and travel restrictions on large trucks. Our international operations in Canada and Mexico may be affected significantly if there are any disruptions or closures of border traffic due to security measures. Such measures may have costs associated with them, which, in connection with the transportation services we provide, we or our independent contractors could be forced to bear. Further, a terrorist attack, war, or risk of such an event, also may have an adverse effect on the economy. A decline in economic activity could adversely affect our revenue or restrict our future growth. Instability in the financial markets as a result of a health pandemic, terrorism or war also could affect our ability to raise capital. In addition, the insurance premiums charged for some or all of the coverage currently maintained by us could increase dramatically or such coverage could be unavailable in the future.

Risks Related to Our Common Stock

The Chairman of our board of directors holds a controlling interest in the Company; therefore, the influence of our public shareholders over significant corporate actions is limited, and we are not subject to certain corporate governance standards that apply to other publicly traded companies.

Matthew T. Moroun, the Chairman of our Board of Directors, and a trust of which Mr. Moroun is a co-trustee together own approximately 70% of our outstanding common stock. As a result, Mr. Moroun has the power to:

- control all matters submitted to our shareholders;
- elect our directors;
- adopt, extend or remove any anti-takeover provisions that are available to us; and
- exercise control over our business, policies and affairs.

This concentration of ownership could limit the price that some investors might be willing to pay for shares of our common stock, and our ability to engage in significant transactions, such as a merger, acquisition or liquidation, will require the consent of Mr. Moroun. Conflicts of interest could arise between us and Mr. Moroun, and any conflict of interest may be resolved in a manner that does not favor us. Accordingly, Mr. Moroun could cause us to enter into transactions or agreements of which our other shareholders would not approve or make decisions with which they may disagree. Because of Mr. Moroun's level of ownership, we have elected to be treated as a controlled company in accordance with the rules of the NASDAQ Stock Market. Accordingly, we are not required to comply with NASDAQ Stock Market rules which would otherwise require a majority of our Board to be comprised of independent directors and require our Board to have a compensation committee and a nominating and corporate governance committee comprised of independent directors.

Mr. Moroun may continue to retain control of the Company for the foreseeable future and may decide not to enter into a transaction in which shareholders would receive consideration for our common stock that is much higher than the then-current market price of our common stock. In addition, Mr. Moroun could elect to sell a controlling interest in us to a third-party and our other shareholders may not be able to participate in such transaction or, if they are able to participate in such a transaction, such shareholders may receive less than the then-current fair market value of their shares. Any decision regarding ownership of us that Mr. Moroun may make at some future time will be in his absolute discretion, subject to applicable laws and fiduciary duties.

Our stock trading volume may not provide adequate liquidity for investors.

Although shares of our common stock are traded on the NASDAQ Global Market, the average daily trading volume in our common stock is less than that of other larger transportation and logistics companies. A public trading market having the desired characteristics of depth, liquidity and orderliness depends on the presence in the marketplace of a sufficient number of willing buyers and sellers of the common stock at any given time. This presence depends on the individual decisions of investors and general economic and market conditions over which we have no control. Given the daily average trading volume of our common stock, significant sales of the common stock in a brief period of time, or the expectation of these sales, could cause a decline in the price of our common stock. Additionally, low trading volumes may limit a stockholder's ability to sell shares of our common stock.

We currently do not intend to pay future dividends on our common stock.

We currently do not anticipate paying future cash dividends on our common stock. Any determination to pay future dividends and other distributions in cash, stock, or property by the Company in the future will be at the discretion of our Board of Directors and will be dependent on then-existing conditions, including our financial condition and results of operations and contractual restrictions. Therefore, stockholders should not rely on future dividend income from shares of our common stock.

Item 1B. Unresolved Staff Comments.

None.

Item 2. Properties.

Our executive offices and primary terminal facilities, which we own, are located in Tontitown, Arkansas. These facilities are located on approximately 54.9 acres and consist of 134,581 square feet of office space and maintenance and storage facilities.

Our subsidiaries lease facilities in Fort Wayne and Indianapolis, Indiana; Bloomsburg, Pennsylvania; Bolingbrook, Illinois; Romulus, Michigan; Memphis, Tennessee; and Monterrey, Mexico. Our terminal facilities in North Little Rock, Arkansas; North Jackson, Ohio; Willard, Ohio; and Irving and Laredo, Texas are owned. The leased facilities are leased primarily on contractual terms typically ranging from one to five years and have provisions for early cancellation if we so choose. As of December 31, 2022, the following table provides a summary of the ownership and types of activities conducted at each location:

Location	Own/ Lease	Dispatch Office	Maintenance Facility	Safety Training
Tontitown, Arkansas	Own	Yes	Yes	Yes
Bloomsburg, Pennsylvania	Lease	Yes	Yes	Yes
Bolingbrook, Illinois	Lease	Yes	No	No
North Little Rock, Arkansas	Own	No	Yes	Yes
Indianapolis, Indiana	Lease	No	Yes	No
Romulus, Michigan	Lease	No	Yes	No
North Jackson, Ohio	Own	Yes	Yes	Yes
Willard, Ohio	Own	Yes	Yes	No
Memphis, Tennessee	Lease	No	Yes	No
Irving, Texas	Own	Yes	Yes	Yes
Laredo, Texas	Own	Yes	Yes	Yes
Monterrey, Mexico	Lease	No	No	No
Fort Wayne, Indiana	Lease	Yes	Yes	No

We also have access to trailer drop and relay stations in various other locations across the country. We lease certain of these facilities on a month-to-month basis from affiliates of our largest stockholder.

We believe that all of the properties that we own or lease are suitable for their purposes and adequate to meet our needs.

Item 3. Legal Proceedings.

We are involved in certain claims and pending litigation arising from the ordinary conduct of business. We also provide accruals for claims within our self-insured retention amounts. On September 1, 2019, we elected to become self-insured for certain layers of auto liability claims in excess of $1.0 million for which we previously maintained auto liability insurance coverage. On September 1, 2020, we elected to become self-insured for certain layers of auto liability claims in excess of $2.0 million. We currently specifically reserve for claims that are expected to exceed $2.0 million when fully developed, based on the facts and circumstances of those claims. Based on our knowledge of the facts, and in certain cases, opinions of outside counsel, we believe the resolution of such claims and pending litigation will not have a material effect on our financial position, results of operations or cash flows. However, if we experience claims that are not covered by our insurance or that exceed our estimated claim reserve, it could increase the volatility of our earnings and have a materially adverse effect on our financial condition, results of operations or cash flows.

We were named a defendant in a putative class action lawsuit filed on August 6, 2021, in the United States District Court for the Western District of Arkansas. The complaint alleged failure to pay over-the-road drivers minimum wage under the Fair Labor Standards Act and the Arkansas Minimum Wage Act, violations of the Electronic Funds Transfer Act (EFTA), violations of the Arkansas Wage Payment Law (discharge pay and unlawful, usurious advance fees), violations of the Arkansas Common Law, and violations of the Racketeer Influenced and Corrupt Organizations Act (RICO). We denied liability on all claims. On August 5, 2022, the parties filed a Joint Motion for Preliminary Approval of a Collective and Class Action Settlement. On October 7, 2022, the parties submitted to the court an executed Settlement Agreement and Release, to resolve and release all claims asserted in the litigation from January 1, 2020 through July 31, 2022 for $4,750,000. We did not admit liability for any claim. The District Court granted preliminary approval of the settlement on November 14, 2022. Notice of the settlement has been sent to class and collective action members. A final fairness hearing on the settlement is scheduled to be held by the District Court on April 5, 2023. Management has determined that any losses under this claim will not be covered by existing insurance policies.

Item 4. [Reserved]

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Our common stock is traded on the NASDAQ Global Market under the symbol PTSI. As of February 20, 2023, there were approximately 62 holders of record of our common stock.

Dividends

No dividends were paid during any year subsequent to 2012. Future dividend policy and the payment of dividends, if any, will be determined by the Board of Directors in light of circumstances then existing, including our earnings, financial condition and other factors deemed relevant by the Board of Directors. Currently, the Company does not intend to pay dividends in the foreseeable future.

Repurchases of Equity Securities by the Issuer

The Company's stock repurchase program has been extended and expanded several times, most recently in November 2021, when the Board of Directors reauthorized 500,000 shares of common stock for repurchase under the initial September 2011 authorization.

The following table summarizes the Company's common stock repurchases during the fourth quarter of 2022. No shares were purchased during the quarter other than through the repurchase program described above, and all purchases were made by or on behalf of the Company and not by any "affiliated purchaser."

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Maximum number of shares that may yet be purchased under the plans or programs(1)
October 1-31, 2022	34,113	$ 32.90	34,113	331,153
November 1-30, 2022	--	--	--	331,153
December 1-31, 2022	--	--	--	331,153
Total	34,113	$ 32.90	34,113	

(1) The Company's stock repurchase program does not have an expiration date.

Securities Authorized for Issuance Under Equity Compensation Plans

See Part III, Item 12, "Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters" of this Annual Report for a presentation of compensation plans under which equity securities of the Company are authorized for issuance.

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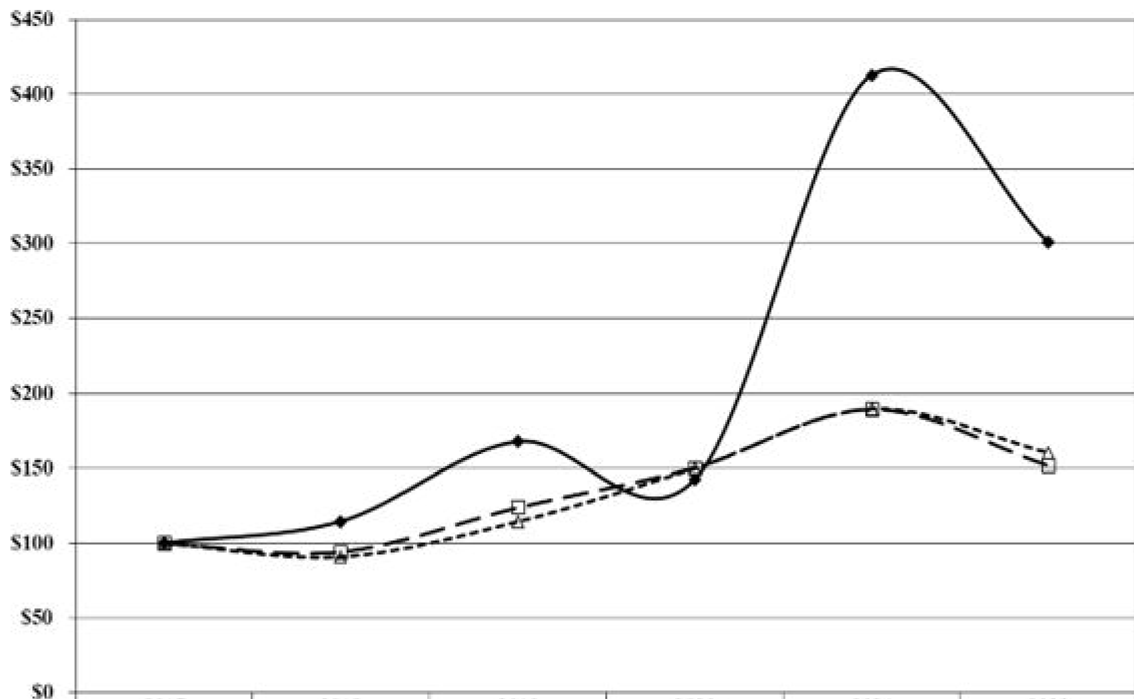
Performance Graph

Set forth below is a line graph comparing the yearly percentage change in the cumulative total stockholder return on our common stock against the cumulative total return of the NASDAQ OMX Index for the NASDAQ Stock Market (U.S. companies) and the NASDAQ OMX Index for the NASDAQ Trucking and Transportation Stocks for the period of five years commencing December 31, 2017 and ending December 31, 2022. The graph assumes that the value of the investment in our common stock and in each index was $100 on December 31, 2017 and that all dividends were reinvested.

COMPARISON OF CUMULATIVE TOTAL RETURN AMONG OUR COMMON STOCK, THE NASDAQ OMX INDEX FOR THE NASDAQ STOCK MARKET (U.S. COMPANIES) AND THE NASDAQ TRUCKING AND TRANSPORTATION STOCKS INDEX THROUGH DECEMBER 31, 2022



	2017	2018	2019	2020	2021	2022
PTSI	$100.00	$114.46	$167.62	$142.32	$412.49	$300.90
Nasdaq Stock Market U.S.	$100.00	$94.56	$124.03	$150.41	$189.36	$152.00
Nasdaq Trucking & Transportation Stocks	$100.00	$90.96	$114.55	$149.90	$189.54	$160.39

PTSI — Nasdaq Stock Market U.S. — Nasdaq Trucking & Transportation Stocks

Item 6. [Reserved]

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Business Overview

The Company's administrative headquarters are in Tontitown, Arkansas. From this location we manage operations conducted through our wholly owned subsidiaries based in various locations around the United States, Mexico, and Canada. The operations of these subsidiaries can generally be classified into either truckload services or brokerage and logistics services. This designation is based primarily on the ownership of the asset that performed the freight transportation service. Truckload services are performed by Company divisions that generally utilize Company- owned trucks, long-term contractors, or single-trip contractors to transport loads of freight for customers, while brokerage and logistics services coordinate or facilitate the transport of loads of freight for customers and generally involve the utilization of single-trip contractors. Both our truckload operations and our brokerage/logistics operations have similar economic characteristics and are impacted by virtually the same economic factors as discussed elsewhere in this Report. All of the Company's operations are in the motor carrier segment.

For both operations, substantially all of our revenue is generated by transporting freight for customers and is predominantly affected by the rates per mile received from our customers, equipment utilization, and our percentage of non-compensated miles. These aspects of our business are carefully managed and efforts are continuously underway to achieve favorable results. Truckload services revenues, excluding fuel surcharges, represented 66.1%, 67.0% and 76.9% of total revenues, excluding fuel surcharges for the twelve months ended December 31, 2022, 2021 and 2020, respectively.

The main factors that impact our profitability on the expense side are costs incurred in transporting freight for our customers. Currently, our most challenging costs include fuel, driver recruitment, training, wage and benefit costs, independent broker costs (which we record as purchased transportation), insurance and claims, and maintenance and capital equipment costs.

In discussing our results of operations we use revenue, before fuel surcharge (and operating supplies and expense, net of fuel surcharge), because management believes that eliminating the impact of this sometimes volatile source of revenue allows a more consistent basis for comparing our results of operations from period to period. During 2022, 2021 and 2020, approximately $128.1 million, $65.9 million and $47.8 million, respectively, of the Company's total revenue was generated from fuel surcharges. We also discuss certain changes in our expenses as a percentage of revenue, before fuel surcharge, rather than absolute dollar changes. We do this because we believe the high variable cost nature of certain expenses makes a comparison of changes in expenses as a percentage of revenue more meaningful than absolute dollar changes.

Results of Operations - Truckload Services

The following table sets forth, for truckload services, the percentage relationship of expense items to operating revenues, before fuel surcharges, for the periods indicated. Operating supplies and expenses are shown net of fuel surcharges.

	Years Ended December 31,		
	2022	2021	2020
Operating revenues, before fuel surcharge	100.0%	100.0%	100.0%
Operating expenses:			
Salaries, wages and benefits	31.3	30.6	35.3
Operating supplies and expenses, net of fuel surcharge	6.8	8.3	10.7
Rent and purchased transportation	26.0	24.3	23.2
Depreciation	11.3	12.5	16.5
Insurance and claims	6.0	4.4	2.6
Other	2.9	2.5	3.6
(Gain) Loss on sale or disposal of property	(0.6)	(0.3)	0.1
Total operating expenses	83.7	82.3	92.0
Operating income	16.3	17.7	8.0
Non-operating income (expense)	0.5	1.9	(0.5)
Interest expense	(1.2)	(1.4)	(2.2)
Income before income taxes	15.6%	18.2%	5.3%

2022 Compared to 2021

For the year ended December 31, 2022, truckload services revenue, before fuel surcharges, increased 25.9% to $540.9 million as compared to $429.6 million for the year ended December 31, 2021. The increase relates primarily to a 13.5% increase in our rate per loaded mile, from $2.58 for the year ended December 31, 2021 to $2.92 for the year ended December 31, 2022 and to a 10.9% increase in loaded miles from 166.8 million for the year ended December 31, 2021 to 185.0 million for the year ended December 31, 2022.

Salaries, wages and benefits increased from 30.6% of revenues, before fuel surcharges, during 2021 to 31.3% of revenues, before fuel surcharges, during 2022. The percentage-based increase relates primarily to the increase in employees combined with a decrease in independent contractors.

Operating supplies and expenses decreased from 8.3% of revenues, before fuel surcharges, during 2021 to 6.8% of revenues, before fuel surcharges, during 2022. The decrease relates primarily to a decrease in the average surcharge-adjusted fuel price paid per gallon of diesel fuel, due to increased fuel surcharge collections from customers for the year ended December 31, 2022 compared to December 31, 2021. The decrease also relates to the interaction of expenses with fixed-cost characteristics, such as rents, driver training schools and operating taxes and licenses.

Rent and purchased transportation increased from 24.3% of revenues, before fuel surcharges, during 2021 to 26.0% of revenues, before fuel surcharges, during 2022. The increase was primarily due to an increase in the rates paid to third-party owner-operators for the year ended December 31, 2022 compared to the year ended December 31, 2021.

Depreciation decreased from 12.5% of revenues, before fuel surcharges, during 2021 to 11.3% of revenues, before fuel surcharges, during 2022. The decrease relates primarily to the interaction of an increase in operating revenues with the fixed-cost nature of depreciation expense.

Insurance and claims increased from 4.4% of revenues, before fuel surcharges, during 2021 to 6.0% of revenues, before fuel surcharges, during 2022. This increase relates primarily to an increase in accident and legal reserves, recognized in 2022 as compared to 2021 and to an increase in the premiums paid for auto liability and cargo insurance.

Non-operating income decreased from 1.9% of revenues, before fuel surcharges, during 2021 to 0.5% of revenues, before fuel surcharges, during 2022. This decrease resulted primarily from a smaller increase in the market value of our marketable equity securities portfolio at December 31, 2022 as compared to December 31, 2021.

The truckload services division operating ratio, which measures the ratio of operating expenses, net of fuel surcharges, to operating revenues, before fuel surcharges, increased to 83.7% for 2022 from 82.3% for 2021.

2021 Compared to 2020

For the year ended December 31, 2021, truckload services revenue, before fuel surcharges, increased 27.3% to $429.6 million as compared to $337.5 million for the year ended December 31, 2020. The increase relates primarily to a 34.6% increase in our rate per loaded mile, from $1.91 for the year ended December 31, 2020 to $2.58 for the year ended December 31, 2021 and to temporary plant shutdowns in early 2020 experienced by some of our major customers due to COVID-19.

Salaries, wages and benefits decreased from 35.3% of revenues, before fuel surcharges, during 2020 to 30.6% of revenues, before fuel surcharges, during 2021. The percentage-based decrease relates primarily to the interaction of expenses with fixed-cost characteristics, such as general and administrative wages, maintenance wages, and operations wages with the increase in revenues for the periods compared.

Operating supplies and expenses decreased from 10.7% of revenues, before fuel surcharges, during 2020 to 8.3% of revenues, before fuel surcharges, during 2021. The decrease relates primarily to a decrease in the average surcharge-adjusted fuel price paid per gallon of diesel fuel, due to increased fuel surcharge collections from customers, and to for the year ended December 31, 2021 compared to December 31, 2020. The decrease also relates to the interaction of expenses with fixed-cost characteristics, such as rents, driver training schools and operating taxes and licenses.

Rent and purchased transportation increased from 23.2% of revenues, before fuel surcharges, during 2020 to 24.3% of revenues, before fuel surcharges, during 2021. The increase was primarily due to an increase in the rates paid to third-party owner-operators for the year ended December 31, 2021 compared to the year ended December 31, 2020.

Depreciation decreased from 16.5% of revenues, before fuel surcharges, during 2020 to 12.5% of revenues, before fuel surcharges, during 2021. The decrease relates primarily to the interaction of an increase in operating revenues with the fixed-cost nature of depreciation expense.

Insurance and claims increased from 2.6% of revenues, before fuel surcharges, during 2020 to 4.4% of revenues, before fuel surcharges, during 2021. This increase relates primarily to an increase in accident and legal reserves, recognized in 2021 as compared to 2020 and to an increase in the premiums paid for auto liability and cargo insurance.

Other expenses decreased from 3.6% of revenues, before fuel surcharges, during 2020 to 2.5% of revenues, before fuel surcharges, during 2021. This decrease relates primarily to a decrease in outside professional services expenses in 2021 as compared to 2020.

Non-operating income increased from a loss of 0.5% of revenues, before fuel surcharges, during 2020 to a gain of 1.9% of revenues, before fuel surcharges, during 2021. This increase resulted primarily from an increase in the market value of our marketable equity securities portfolio at December 31, 2021 as compared to December 31, 2020.

The truckload services division operating ratio, which measures the ratio of operating expenses, net of fuel surcharges, to operating revenues, before fuel surcharges, improved to 82.3% for 2021 from 92.0% for 2020.

Results of Operations - Logistics and Brokerage Services

The following table sets forth, for logistics and brokerage services, the percentage relationship of expense items to operating revenues, before fuel surcharges, for the periods indicated. Brokerage operations occur specifically in certain divisions; however, brokerage operations occur throughout the Company in similar operations having substantially similar economic characteristics. Rent and purchased transportation, which includes costs paid to third-party carriers, are shown net of fuel surcharges.

	Years Ended December 31,		
	2022	2021	2020
Operating revenues, before fuel surcharge	100.0%	100.0%	100.0%
Operating expenses:			
Salaries, wages and benefits	4.6	4.6	5.0
Rent and purchased transportation	80.8	82.5	86.5
Insurance and claims	0.0	0.0	0.1
Other	1.8	1.6	1.7
Total operating expenses	87.2	88.7	93.3
Operating income	12.8	11.3	6.7
Non-operating income	0.2	1.0	0.0
Interest expense	(0.5)	(0.8)	(1.1)
Income before income taxes	12.5%	11.5%	5.6%

2022 Compared to 2021

For the year ended December 31, 2022, logistics and brokerage services revenues, before fuel surcharges, increased 31.3% to $277.8 million as compared to $211.7 million for the year ended December 31, 2021. The increase was primarily related to a 35.8% increase in the number of loads carried for customers during 2022 as compared to 2021, offset by a 3.5% decrease in revenue per load.

Rent and purchased transportation decreased from 82.5% of revenues, before fuel surcharges, in 2021 to 80.8% of revenues, before fuel surcharges, in 2022. The decrease results from paying third-party carriers a smaller percentage of customer revenue.

The logistics and brokerage services division operating ratio, which measures the ratio of operating expenses, net of fuel surcharges, to operating revenues, before fuel surcharges, improved to 87.2% for 2022 from 88.7% for 2021.

2021 Compared to 2020

For the year ended December 31, 2021, logistics and brokerage services revenues, before fuel surcharges, increased 108.6% to $211.7 million as compared to $101.5 million for the year ended December 31, 2020. The increase was primarily related to a 69.5% increase in the number of loads carried for customers during 2021 as compared to 2020, coupled with a 23.1% increase in revenue per load.

Salaries, wages and benefits decreased from 5.0% of revenues, before fuel surcharges, in 2020 to 4.6% of revenues, before fuel surcharges, in 2021. The decrease relates primarily to the effect of higher revenues without a corresponding increase in those wages with fixed cost characteristics, such as general and administrative wages.

Rent and purchased transportation decreased from 86.5% of revenues, before fuel surcharges, in 2020 to 82.5% of revenues, before fuel surcharges, in 2021. The decrease results from paying third-party carriers a smaller percentage of customer revenue.

The logistics and brokerage services division operating ratio, which measures the ratio of operating expenses, net of fuel surcharges, to operating revenues, before fuel surcharges, improved to 88.7% for 2021 from 93.3% for 2020.

Results of Operations - Combined Services

2022 Compared to 2021

Income tax expense was approximately $28.3 million in 2022, resulting in an effective rate of 23.8%, as compared to approximately $26.0 million, or an effective tax rate of 25.4% in 2021. The effective tax rate is impacted by the effect of state taxes and other factors.

In determining whether a tax asset valuation allowance is necessary, management, in accordance with the provisions of Accounting Standards Codification ("ASC") 740-10-30, weighs all available evidence, both positive and negative to determine whether, based on the weight of that evidence, a valuation allowance is necessary. If negative conditions exist which indicate a valuation allowance might be necessary, consideration is then given to what effect the future reversals of existing taxable temporary differences and the availability of tax strategies might have on future taxable income to determine the amount, if any, of the required valuation allowance. As of December 31, 2022, management determined that the future reversals of existing taxable temporary differences and available tax strategies would generate sufficient future taxable income to realize its tax assets and therefore a valuation allowance was not necessary.

The Company recognizes a tax benefit from an uncertain tax position only if it is more likely than not that the position will be sustained on examination by taxing authorities, based on the technical merits of the position. As of December 31, 2022, an adjustment to the Company's consolidated financial statements for uncertain tax positions has not been required as management believes that the Company's tax positions taken in income tax returns filed or to be filed are supported by clear and unambiguous income tax laws. The Company recognizes interest and penalties related to uncertain income tax positions, if any, in income tax expense. During 2022 and 2021, the Company has not recognized or accrued any interest or penalties related to uncertain income tax positions.

The Company and its subsidiaries are subject to U.S. and Canadian federal income tax laws as well as the income tax laws of multiple state jurisdictions. The major tax jurisdictions in which we operate generally provide for a deficiency assessment statute of limitation period of three years and as a result, the Company's tax years 2019 and forward remain open to examination in those jurisdictions.

The combined net income for all divisions was $90.7 million, or 11.1% of revenues, before fuel surcharge, for 2022 as compared to the combined net income for all divisions of $76.5 million or 11.9% of revenues, before fuel surcharge, for 2021. Diluted earnings per share increased to $4.04 for the year ended December 31, 2022 from $3.35 for the year ended December 31, 2021.

2021 Compared to 2020

Income tax expense was approximately $26.0 million in 2021, resulting in an effective rate of 25.4%, as compared to approximately $5.6 million, or an effective tax rate of 23.8% in 2020. The effective tax rate is impacted by the effect of state taxes and other factors.

In determining whether a tax asset valuation allowance is necessary, management, in accordance with the provisions of Accounting Standards Codification ("ASC") 740-10-30, weighs all available evidence, both positive and negative to determine whether, based on the weight of that evidence, a valuation allowance is necessary. If negative conditions exist which indicate a valuation allowance might be necessary, consideration is then given to what effect the future reversals of existing taxable temporary differences and the availability of tax strategies might have on future taxable income to determine the amount, if any, of the required valuation allowance. As of December 31, 2021, management determined that the future reversals of existing taxable temporary differences and available tax strategies would generate sufficient future taxable income to realize its tax assets and therefore a valuation allowance was not necessary.

The Company recognizes a tax benefit from an uncertain tax position only if it is more likely than not that the position will be sustained on examination by taxing authorities, based on the technical merits of the position. As of December 31, 2021, an adjustment to the Company's consolidated financial statements for uncertain tax positions has not been required as management believes that the Company's tax positions taken in income tax returns filed or to be filed are supported by clear and unambiguous income tax laws. The Company recognizes interest and penalties related to uncertain income tax positions, if any, in income tax expense. During 2021 and 2020, the Company has not recognized or accrued any interest or penalties related to uncertain income tax positions.

The combined net income for all divisions was $76.5 million, or 11.9% of revenues, before fuel surcharge, for 2021 as compared to the combined net income for all divisions of $17.8 million or 4.1% of revenues, before fuel surcharge, for 2020. Diluted earnings per share increased to $3.35 for the year ended December 31, 2021 from $0.77 for the year ended December 31, 2020.

Liquidity and Capital Resources

Our business has required, and will continue to require, a significant investment in new revenue equipment. Our primary sources of liquidity have been funds provided by operations, proceeds from the sales of revenue equipment, borrowings under our lines of credit, installment notes and investment margin account, and issuances of equity securities.

During 2022, we generated $168.8 million in cash from operating activities compared to $101.7 million and $67.6 million in 2021 and 2020, respectively. Investing activities used $113.5 million in cash during 2022 compared to generating $9.3 million and using $32.7 million in 2021 and 2020, respectively. The cash used for investing activities relates primarily to the purchase of Metropolitan Trucking, Inc. during the second quarter of 2022, coupled with purchases of revenue equipment such as trucks and trailers. Financing activities generated $0.3 million in cash during 2022 compared to using $92.8 million during 2021 and $34.9 million during 2020. See the Consolidated Statements of Cash Flows in Item 8 of this Report.

Our primary use of funds is for the purchase of revenue equipment. We typically use installment notes, our existing lines of credit on an interim basis, proceeds from the sale or trade of equipment, and cash flows from operations to finance capital expenditures and repay long-term debt. During 2022 and 2021, we utilized cash on hand, installment notes, and our lines of credit to finance revenue equipment purchases of approximately $82.6 million and $51.9 million, respectively. During 2022, we also utilized $64.3 million of cash for the acquisition of the assets of Metropolitan Trucking, Inc. and related subsidiaries.

We often finance the acquisition of revenue equipment through installment notes with fixed interest rates and terms ranging from 36 to 84 months. At December 31, 2022, the Company's subsidiaries had combined outstanding indebtedness under such installment notes of $264.3 million. These installment notes are payable in monthly installments, ranging from 36 monthly installments to 84 monthly installments, at a weighted average interest rate of 3.16%. At December 31, 2021, the Company's subsidiaries had combined outstanding indebtedness under such installment notes of $222.3 million. These installment notes were payable in monthly installments, ranging from 36 to 84 months at a weighted average interest rate of 2.81%.

In order to maintain our truck and trailer fleet count, it is often necessary to purchase replacement units and place them in service before trade units are removed from service. The timing of this process often requires the Company to pay for new units without any reduction in price for trade units. In this situation, the Company later receives payment for the trade units as they are delivered to the equipment vendor and have passed vendor inspection. During the twelve months ended December 31, 2022 and 2021, the Company received approximately $0.0 million and $22.4 million, respectively, for units delivered for trade.

During 2022, we maintained a revolving line of credit with a borrowing limit of $60.0 million. Under this credit facility, amounts outstanding under the line bear interest at Term SOFR plus 1.35% (5.65% at December 31, 2022), are secured by our trade accounts receivable and mature on July 1, 2024. The credit facility also establishes an "unused fee" of 0.25% if average borrowings are less than $18.0 million. At December 31, 2022 outstanding advances on the line of credit were approximately $0.4 million, including approximately $0.3 million in letters of credit, with availability to borrow $59.6 million.

In February 2022, we borrowed $35.5 million under a term loan secured by our real estate. This term loan bears interest at a fixed rate of 3.62%, with principal and interest payable monthly, and matures on March 1, 2032. The loan is secured by mortgages and assignments of rents on the Company's principal office and four terminal locations.

Trade accounts receivable increased from $121.9 million at December 31, 2021 to $134.7 million at December 31, 2022. The increase relates to a general increase in freight revenue and fuel surcharge revenue, which flows through the accounts receivable account, during the fourth quarter of 2022 as compared to the freight revenue and fuel surcharge revenue generated during the fourth quarter of 2021.

Marketable equity securities at December 31, 2022 increased approximately $2.3 million as compared to December 31, 2021. The increase resulted from purchases of marketable equity securities of approximately $1.2 million and an increase in the market value of the portfolio of approximately $1.1 million. At December 31, 2022, the remaining marketable equity securities have a combined cost basis of approximately $30.3 million and a combined fair market value of approximately $41.7 million. The Company has developed a strategy to invest in securities from which it expects to receive dividends that qualify for favorable tax treatment, as well as appreciate in value. During 2022, the Company received dividends of approximately $1.5 million. The holding term of these securities depends largely on the general economic environment, the equity markets, borrowing rates, and the Company's cash requirements.

Revenue equipment at December 31, 2022, which generally consists of trucks, trailers, and revenue equipment accessories such as satellite tracking units and auxiliary power units, increased approximately $116.7 million as compared to December 31, 2021. The increase relates primarily to the purchase of assets from Metropolitan Trucking, Inc. and related subsidiaries, and the purchase of new replacement trucks.

Accounts payable increased from $43.4 million at December 31, 2021 to $48.9 million at December 31, 2022. This increase was primarily attributable to the increase in amounts accrued for commissions and parts at the end of 2022. Accounts payable accruals can vary significantly at the end of each reporting period depending on the timing of the actual date of payment in relation to the last day of the reporting period.

Accrued expenses and other liabilities increased from $14.1 million at December 31, 2021 to $34.2 million at December 31, 2022. The increase was primarily related to claims accruals.

Current maturities of long term-debt and long-term debt fluctuations are reviewed on an aggregate basis as the classification of amounts in each category are typically affected merely by the passage of time. Current maturities of long-term debt and long-term debt, on an aggregate basis, at December 31, 2022, increased approximately $42.0 million as compared to December 31, 2021. The increase relates primarily to the financing of real estate and note financing for the purchase of assets from Metropolitan Trucking, Inc. and of new equipment during 2022.

For 2023, we expect to purchase 680 new trucks and 1,000 trailers while continuing to sell or trade equipment that has reached the end of its life cycle, which we expect to result in net capital expenditures of approximately $124.3 million. Management believes we will be able to finance our existing needs for working capital over the next twelve months, as well as acquisitions of revenue equipment and any other asset acquisitions or capital transactions during such period, with cash balances, cash flows from operations, and borrowings believed to be available from financing sources. We will continue to have significant capital requirements over the long-term, which may require us to incur debt or seek additional equity capital. The availability of additional capital will depend upon prevailing market conditions, the market price of our common stock and several other factors over which we have limited control, as well as our financial condition and results of operations. Nevertheless, based on our anticipated future cash flows and sources of financing that we expect will be available to us, we do not expect that we will experience any significant liquidity constraints in the foreseeable future.

Inflation

Inflation has an impact on most of our operating costs. Over the past three years, the effect of inflation has been significant. If the current rate of inflation persists, inflation, coupled with supply chain issues and international events could continue to result in increased costs for drivers, employee wages, equipment, fuel and other costs.

Adoption of Accounting Policies

See "Item 8. Financial Statements and Supplementary Data, Note 1 to the Consolidated Financial Statements – Accounting Policies, Recent Accounting Pronouncements."

Critical Accounting Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to adopt accounting policies and make significant judgments and estimates that impact the amounts reported in our consolidated financial statements and accompanying notes. Therefore, the reported amounts of assets, liabilities, revenue, expenses, and associated disclosures of contingent assets and liabilities are affected by judgments and estimates. In some cases, there are alternative assumptions, policies, or estimation techniques that could be used. Management evaluates its assumptions, policies, and estimates on an ongoing basis, utilizing historical experience, and other methods considered reasonable in the particular circumstances. Nevertheless, actual results may differ significantly from our estimates and assumptions, and it is possible that materially different amounts would be reported using differing estimates or assumptions. Management considers our critical accounting estimates to be those that require more significant judgments and estimates when we prepare our consolidated financial statements.

Note 1 in Part II, Item 8 of this Annual Report describes the Company's accounting policies. The following discussion of accounting estimates should be read in conjunction with Note 1, as it provides additional insight into critical accounting estimates. Our critical accounting estimates include the following:

Depreciation and Amortization. Depreciation of trucks and trailers is calculated by the straight-line method over the assets' estimated useful lives, which generally range from three to ten years, down to an estimated salvage value at the end of the assets' estimated useful lives. Management must use its judgment in the selection of estimated useful lives and salvage values for purposes of this calculation. In some cases, the Company has agreements in place with certain manufacturers whereby salvage values are guaranteed by the manufacturer. In other cases, where salvage values are not guaranteed, estimates of salvage value are based on the expected market values of equipment at the time of disposal.

The depreciation of trucks and trailers over their estimated useful lives and the determination of any salvage value also require management to make judgments about future events. Therefore, the Company's management periodically evaluates whether changes to estimated useful lives or salvage values are necessary to ensure these estimates accurately reflect the economic reality of the assets. This periodic evaluation may result in changes in the estimated lives and/or salvage values used by the Company to depreciate its assets, which can affect the amount of periodic depreciation expense recognized and, ultimately, the gain or loss on the disposal of an asset. Future changes in our estimated useful life or salvage value estimates, or fluctuations in market value that are not reflected in current estimates, could have a material effect on the Company's consolidated financial statements.

Claims accruals. The Company is self-insured for health and workers' compensation benefits up to certain stop-loss limits. Such costs are accrued based on known claims and an estimate of incurred but not reported (IBNR) claims. IBNR claims are estimated using historical lag information and other data either provided by outside claims administrators or developed internally. Actual claims payments may differ from management's estimates as a result of a number of factors, including evaluation of severity, increases in legal or medical costs, and other case-specific factors. The actual claims payments are charged against the Company's recorded accrued claims liabilities and have been historically reasonable with respect to the estimates of the liabilities made under the Company's methodology. However, the estimation process is generally subjective, and to the extent that future actual results materially differ from original estimates made by management, adjustments to recorded accruals may be necessary which could have a material effect on the Company's consolidated financial statements. Based upon our 2022 health and workers' compensation expenses, a 10% increase in both claims incurred and IBNR claims would increase our annual health and workers' compensation expenses by approximately $0.6 million.

On September 1, 2020, the Company elected to become self-insured for certain layers of auto liability claims in excess of $2.0 million. The Company specifically reserves for claims that are expected to exceed $2.0 million when fully developed, based on the facts and circumstances of those claims.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk.

Our primary market risk exposures include equity price risk, interest rate risk, commodity price risk (the price paid to obtain diesel fuel for our trucks), and foreign currency exchange rate risk. The potential adverse impact of these risks are discussed below. While the Company has used derivative financial instruments in the past to manage its interest rate and commodity price risks, the Company does not currently enter into such instruments for risk management purposes or for speculation or trading.

The following sensitivity analyses do not consider the effects that an adverse change may have on the overall economy nor do they consider additional actions we may take to mitigate our exposure to such changes. Actual results of changes in prices or rates may differ materially from the hypothetical results described below.

Equity Price Risk

We hold certain actively traded marketable equity securities, which subjects the Company to fluctuations in the fair market value of its investment portfolio based on current market price. The recorded value of marketable equity securities increased to $41.7 million at December 31, 2022 from $39.4 million at December 31, 2021. The increase resulted from purchases of marketable equity securities of approximately $1.2 million and an increase in market value of the portfolio of approximately $1.1 million. A 10% decrease in the market price of our marketable equity securities would cause a corresponding 10% decrease in the carrying amounts of these securities, or approximately $4.2 million. For additional information with respect to the marketable equity securities, see “Item 8. Financial Statements and Supplementary Data, Note 4 to the Consolidated Financial Statements – Marketable Equity Securities.”

Interest Rate Risk

Our line of credit bears interest at a floating rate equal to Term SOFR plus a fixed percentage. Accordingly, changes in Term SOFR, which are affected by changes in interest rates, will affect the interest rate on, and therefore our costs under, the line of credit. Assuming $18.0 million of variable rate debt was outstanding under our line of credit for a full fiscal year, a hypothetical 100 basis point increase in LIBOR would result in approximately $180,000 of additional interest expense.

Commodity Price Risk

Prices and availability of all petroleum products are subject to political, economic and market factors that are generally outside of our control. Accordingly, the price and availability of diesel fuel, as well as other petroleum products, can be unpredictable. Because our operations are dependent upon diesel fuel, significant increases in diesel fuel costs could materially and adversely affect our results of operations and financial condition. Based upon our 2022 fuel consumption, a 10% increase in the average annual price per gallon of diesel fuel would increase our annual fuel expenses by approximately $9.7 million.

Foreign Currency Exchange Rate Risk

We are exposed to foreign currency exchange rate risk related to the activities of our branch office located in Mexico. Currently, we do not hedge our exchange rate exposure through any currency forward contracts, currency options, or currency swaps as all of our revenues, and substantially all of our expenses and capital expenditures are transacted in U.S. dollars. However, certain operating expenditures and capital purchases related to our Mexico branch office are incurred within or exposed to fluctuations in the exchange rate between the U.S. dollar and the Mexican peso. Based on 2022 expenditures denominated in pesos, a 10% decrease in the exchange rate would increase our annual operating expenses by approximately $0.6 million. Foreign currency exchange rates did not have a material impact to our financial condition, results of operations or cash flows for the years ended December 31, 2022 or 2021.

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Item 8. Financial Statements and Supplementary Data.

The following statements are filed with this report:

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Stockholders
P.A.M. Transportation Services, Inc.

Opinion on the financial statements
We have audited the accompanying consolidated balance sheets of P.A.M. Transportation Services, Inc. (a Delaware corporation) and subsidiaries (the "Company") as of December 31, 2022 and 2021, the related consolidated statements of operations, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2022, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2022, in conformity with accounting principles generally accepted in the United States of America.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the Company's internal control over financial reporting as of December 31, 2022, based on criteria established in the 2013 Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"), and our report dated March 10, 2023 expressed an unqualified opinion.

Basis for opinion
These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical audit matters

Critical audit matters are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. We determined that there are no critical audit matters.

/S/ GRANT THORNTON LLP

We have served as the Company's auditor since 2005.

Tulsa, Oklahoma
March 10, 2022

P.A.M. TRANSPORTATION SERVICES, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(in thousands, except share and per share data)

	2022	2021
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 74,087	$ 18,509
Accounts receivable—net:		
Trade, less current estimated credit loss of $5,381 and $4,526, respectively	134,739	121,854
Other	6,263	7,092
Inventories	2,570	1,456
Prepaid expenses and deposits	15,729	10,962
Marketable equity securities	41,728	39,424
Income taxes refundable	5,650	277
Total current assets	280,766	199,574
PROPERTY AND EQUIPMENT:		
Land	19,718	19,718
Structures and improvements	35,534	33,534
Revenue equipment	637,510	520,840
Office furniture and equipment	13,157	11,211
Total property and equipment	705,919	585,303
Accumulated depreciation	(242,324)	(201,124)
Net property and equipment	463,595	384,179
OTHER ASSETS	4,801	3,628
TOTAL ASSETS	$ 749,162	$ 587,381

(Continued)

See notes to consolidated financial statements.

CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2022 AND 2021
(in thousands, except share and per share data)

	2022	2021
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 48,917	$ 43,381
Accrued expenses and other liabilities	34,233	14,114
Income taxes payable	-	4,364
Current maturities of long-term debt	58,815	49,544
Total current liabilities	141,965	111,403
Long-term debt—less current portion	205,466	172,733
Deferred income taxes	101,445	86,715
Other long-term liabilities	103	420
Total liabilities	448,979	371,271
COMMITMENTS AND CONTINGENCIES (Note 16)		
STOCKHOLDERS' EQUITY		
Preferred stock, $.01 par value, 10,000,000 shares authorized; none issued	-	-
Common stock, $.01 par value, 50,000,000 shares authorized; 22,293,687 and 34,574,807 shares issued; 22,166,450 and 22,348,022 shares outstanding at December 31, 2022 and 2021, respectively	223	234
Additional paid-in capital	40,472	84,472
Accumulated Other Comprehensive Income	-	-
Treasury stock, at cost; 127,237 and 12,226,785 shares at December 31, 2022 and 2021, respectively	(4,000)	(169,946)
Retained earnings	263,488	301,350
Total stockholders' equity	300,183	216,110
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 749,162	$ 587,381

(Concluded)

See notes to consolidated financial statements.

P.A.M. TRANSPORTATION SERVICES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS
YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020
(in thousands, except per share data)

	2022	2021	2020
OPERATING REVENUES:			
Revenue, before fuel surcharge	$ 818,751	$ 641,253	$ 438,987
Fuel surcharge	128,111	65,867	47,838
Total operating revenues	946,862	707,120	486,825
OPERATING EXPENSES AND COSTS:			
Salaries, wages and benefits	181,918	141,019	124,098
Operating supplies and expenses	166,005	102,228	84,275
Rents and purchased transportation	364,971	279,016	165,984
Depreciation	62,806	55,012	56,168
Insurance and claims	32,516	18,792	8,866
Other	18,128	12,294	13,138
(Gain) loss on disposition of equipment	(3,250)	(1,446)	373
Total operating expenses and costs	823,094	606,915	452,902
OPERATING INCOME	123,768	100,205	33,923
NON-OPERATING INCOME (EXPENSE)	3,168	10,339	(1,699)
INTEREST EXPENSE	(7,929)	(8,039)	(8,815)
INCOME BEFORE INCOME TAXES	119,007	102,505	23,409
FEDERAL & STATE INCOME TAX EXPENSE:			
Current	13,794	8,157	220
Deferred	14,541	17,832	5,362
Total federal & state income tax expense	28,335	25,989	5,582
NET INCOME	$ 90,672	$ 76,516	$ 17,827
EARNINGS PER COMMON SHARE:			
Basic	$ 4.08	$ 3.37	$ 0.77
Diluted	$ 4.04	$ 3.35	$ 0.77
AVERAGE COMMON SHARES OUTSTANDING:			
Basic	22,246	22,715	23,008
Diluted	22,436	22,864	23,072

See notes to consolidated financial statements.

P.A.M. TRANSPORTATION SERVICES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020
(in thousands, except per share data)

	Common Stock Shares		Common Stock Amount		Additional Paid-In Capital		Treasury Stock		Retained Earnings		Total
BALANCE— January 1, 2020	22,996	$	117	$	83,688	$	(156,837)	$	207,007	$	133,975
Net income									17,827		17,827
Restricted stock issued	160										
Treasury stock repurchases	(244)						(2,281)				(2,281)
Share-based compensation					460						460
BALANCE— December 31, 2020	22,912	$	117	$	84,148	$	(159,118)	$	224,834	$	149,981
Net income									76,516		76,516
Stock Split			117		(117)						
Restricted stock issued	18										
Treasury stock repurchases	(582)						(10,828)				(10,828)
Share-based compensation					441						441
BALANCE— December 31, 2021	22,348	$	234	$	84,472	$	(169,946)	$	301,350	$	216,110
Net income									90,672		90,672
Stock Split			112		(111)						1
Restricted stock issued	29										
Treasury stock repurchases	(211)						(7,000)				(7,000)
Treasury stock retired			(123)		(44,289)		172,946		(128,534)		
Restricted stock net settlement					(315)						(315)
Share-based compensation					715						715
BALANCE— December 31, 2022	22,166	$	223	$	40,472	$	(4,000)	$	263,488	$	300,183

See notes to consolidated financial statements.

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P.A.M. TRANSPORTATION SERVICES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020
(in thousands)

	2022	2021	2020
OPERATING ACTIVITIES:			
Net income	$ 90,672	$ 76,516	$ 17,827
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	62,806	55,012	56,168
Bad debt expense	917	1,044	530
Stock compensation—net of excess tax benefits	715	441	460
Provision for deferred income taxes	14,541	17,832	5,362
Recognized (gain) loss on marketable equity securities	(1,129)	(8,197)	3,463
(Gain) loss on sale or disposal of equipment	(3,250)	(1,446)	373
Changes in operating assets and liabilities:			
Accounts receivable	(2,152)	(47,132)	(17,835)
Prepaid expenses, deposits, inventories, and other assets	(7,257)	(865)	(1,780)
Income taxes refundable	(5,373)	591	(60)
Income taxes payable	(4,364)	4,364	-
Trade accounts payable	2,198	5,945	20,880
Accrued expenses and other liabilities	20,491	(2,365)	(17,798)
Net cash provided by operating activities	168,815	101,740	67,590
INVESTING ACTIVITIES:			
Purchases of property and equipment	(65,441)	(19,144)	(48,226)
Purchase of a business, net of cash acquired	(64,317)	-	-
Proceeds from disposition of equipment	17,406	31,680	17,418
Sales of marketable equity securities	-	3,109	2,039
Purchases of marketable equity securities, net of return of capital	(1,175)	(6,395)	(3,923)
Net cash (used in) provided by investing activities	(113,527)	9,250	(32,692)
FINANCING ACTIVITIES:			
Borrowings under line of credit	945,610	654,212	517,668
Repayments under line of credit	(945,610)	(672,458)	(516,468)
Borrowings of long-term debt	74,925	21,408	26,837
Repayments of long-term debt	(67,335)	(75,115)	(64,411)
Borrowings under margin account	1,229	6,510	7,068
Repayments under margin account	(1,529)	(16,547)	(3,292)
Repurchases of treasury stock	(7,000)	(10,828)	(2,281)
Net cash provided by (used in) financing activities	290	(92,818)	(34,879)
NET INCREASE IN CASH AND CASH EQUIVALENTS	55,578	18,172	19
CASH AND CASH EQUIVALENTS—Beginning of year	18,509	337	318
CASH AND CASH EQUIVALENTS—End of year	$ 74,087	$ 18,509	$ 337
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION—			
Cash paid during the period for:			
Interest	$ 7,842	$ 8,144	$ 8,798
Income taxes	$ 23,342	$ 3,870	$ 281

NON-CASH INVESTING AND FINANCING ACTIVITIES—			
Purchases of revenue equipment included in accounts payable	$ 431	$ 383	$ 9,050

See notes to consolidated financial statements.

P.A.M. TRANSPORTATION SERVICES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020

1. ACCOUNTING POLICIES

Description of Business and Principles of Consolidation– P.A.M. Transportation Services, Inc. (the "Company"), through its subsidiaries, operates as a truckload transportation and logistics company.

The consolidated financial statements include the accounts of the Company and its wholly owned operating subsidiaries: P.A.M. Transport, Inc., P.A.M. Cartage Carriers, LLC, Met Express, Inc., Costar Equipment, Inc., Overdrive Leasing, LLC, Choctaw Express, LLC, Decker Transport Co., LLC, T.T.X., LLC, Transcend Logistics, Inc., and East Coast Transport and Logistics, LLC. The following subsidiaries were inactive during all periods presented: P.A.M. International, Inc., Choctaw Brokerage, Inc., S & L Logistics, Inc. and P.A.M. Mexico Holdings, LLC.

Use of Estimates– The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent assets and liabilities at the financial statement date and reported amounts of revenue and expenses during the reporting period. The Company periodically reviews these estimates and assumptions. The most significant estimates that affect our financial statements are accrued liabilities for insurance claims, legal reserves, and useful lives and salvage values for property and equipment. The Company's estimates were based on its historical experience and various other assumptions that management believes to be reasonable under the circumstances. Actual results could differ from those estimates.

Cash and Cash Equivalents– The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. At times cash held at banks may exceed FDIC insured limits.

Accounts Receivable and Current Expected Credit Losses– Accounts receivable are presented in the Company's consolidated financial statements net of current expected credit losses. Management estimates current expected credit losses based upon an evaluation of the aging of our customer receivables and historical write-offs, as well as other trends and factors surrounding the credit risk of specific customers. The Company continually updates the history it uses to make these estimates so as to reflect the most recent trends, factors and other information available. In order to gather information regarding these trends and factors, the Company also performs ongoing credit evaluations of its customers. Customer receivables are considered to be past due when payment has not been received by the invoice due date. Write-offs occur when management determines an account to be uncollectible and could differ from the current expected credit losses estimate as a result of a number of factors, including unanticipated changes in the overall economic environment or factors and risks surrounding a particular customer. Management believes its methodology for estimating current expected credit losses to be reliable and consistent with prior periods. However, additional credit losses may be incurred if the financial condition of our customers were to deteriorate and could have a material effect on the Company's consolidated financial statements in future periods.

Bank Overdrafts– The Company classifies bank overdrafts in current liabilities as accounts payable. Bank overdrafts generally represent checks written in excess of available cash that have not yet cleared the Company's bank accounts. The majority of the Company's bank accounts are zero balance accounts that are funded at the time items clear against the account by drawings against a line of credit; therefore, the outstanding checks represent bank overdrafts. Because the recipients of these checks have generally not yet received payment, the Company continues to classify bank overdrafts as accounts payable. Bank overdrafts are classified as changes in accounts payable in the cash flows from operating activities section of the Company's Consolidated Statement of Cash Flows. There were no bank overdrafts as of December 31, 2022 or 2021.

Accounts Receivable Other– The components of accounts receivable other consist primarily of amounts representing company driver advances, independent contractor advances, and equipment manufacturer warranties. Advances receivable from company drivers as of December 31, 2022 and 2021, were approximately $135,000 and $43,000, respectively. Accounts receivable from independent contractors as of December 31, 2022 and 2021, were approximately $1,379,000 and $1,037,000, respectively. Independent contractors are allowed to purchase items such as fuel, repairs and tolls on Company accounts in order to share in favorable pricing negotiated by the Company. Independent contractors and trip lease carriers are also allowed to receive advances for a portion of the revenue that they expect to receive for loads that they transport for the Company.

Marketable Equity Securities– The Company's investment in marketable equity securities is accounted for in accordance with ASC Topic 321, ("ASC Topic 321"), Investments - Equity Securities. ASC Topic 321 requires companies to measure equity investments at fair value, with changes in fair value recognized in net income. The Company's investments in marketable securities consist of equity securities with readily determinable fair values. The cost of securities sold is based on the specific identification method. Realized and unrealized gains and losses, interest and dividends on marketable equity securities are included in non-operating income (expense) in our consolidated statements of operations.

For additional information with respect to marketable equity securities, see Note 4 – Marketable Equity Securities.

Impairment of Long-Lived Assets– The Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of a long-lived asset may not be recoverable. An impairment loss would be recognized if the carrying amount of the long-lived asset is not recoverable, and it exceeds its fair value. For long-lived assets classified as held and used, if the carrying value of the long-lived asset exceeds the sum of the future net undiscounted cash flows, it is not recoverable. No impairment losses were recorded during 2022 or 2021.

Property and Equipment– Property and equipment is recorded at historical cost, less accumulated depreciation. For financial reporting purposes, the cost of such property is depreciated principally by the straight-line method. For tax reporting purposes, accelerated depreciation or applicable cost recovery methods are used. Depreciation is recognized over the estimated asset life, considering the estimated salvage value of the asset. Such salvage values are based on estimates using expected market values for used equipment and the estimated time of disposal which in many cases include guaranteed residual values by the manufacturers. Gains and losses are reflected in the year of disposal. The following is a table reflecting estimated ranges of asset useful lives by major class of depreciable assets:

Asset Class	**Estimated Asset Life (in years)**
Service vehicles	3 - 5
Office furniture and equipment	3 - 10
Revenue equipment	3 - 10
Structures and improvements	5 - 40

The Company's management periodically evaluates whether changes to estimated useful lives and/or salvage values are necessary to ensure its estimates accurately reflect the economic use of the assets. During 2022, management determined that no material adjustments to the estimated useful lives or salvage values of trucks or trailers were necessary based on such an evaluation.

Inventory– Inventories consist primarily of revenue equipment parts, tires, supplies, and fuel. Inventories are carried at the lower of cost or market with cost determined using the first in, first out method.

Prepaid Tires– Tires purchased with revenue equipment are capitalized as a cost of the related equipment. Replacement tires are included in prepaid expenses and deposits and are amortized over a 24-month period. Amounts paid for the recapping of tires are expensed when incurred.

Advertising Expense– Advertising costs are expensed as incurred and totaled approximately $2,101,000, $1,154,000 and $1,102,000 for the years ended December 31, 2022, 2021 and 2020, respectively.

Repairs and Maintenance– Repairs and maintenance costs are expensed as incurred.

Self-Insurance Liability– A liability is recognized for known health, workers' compensation, cargo damage, property damage, and auto liability damage claims. An estimate of the incurred but not reported claims for each type of liability is made based on historical claims made, estimated frequency of occurrence, and considering changing factors that contribute to the overall cost of insurance. See Note 6 – Claims Liabilities for more information regarding insurance and claims liability.

Income Taxes– The Company applies the asset and liability method of accounting for income taxes, under which deferred taxes are determined based on the temporary differences between the financial statement and tax basis of assets and liabilities using tax rates expected to be in effect during the years in which the basis differences reverse. A valuation allowance is recorded when it is more likely than not that some or all of the deferred tax assets will not be realized. See Note 12 – Federal and State Income Taxes for more information regarding income taxes.

The application of income tax law to multi-jurisdictional operations such as those performed by the Company is inherently complex. Laws and regulations in this area are voluminous and often ambiguous. As such, we may be required to make subjective assumptions and judgments regarding our income tax exposures. Interpretations of and guidance surrounding income tax laws and regulations may change over time which could cause changes in our assumptions and judgments that could materially affect amounts recognized in the consolidated financial statements.

We recognize the impact of tax positions in our financial statements. These tax positions must meet a more-likely-than-not recognition threshold to be recognized and tax positions that previously failed to meet the more-likely-than-not threshold are recognized in the first subsequent financial reporting period in which that threshold is met. Previously recognized tax positions that no longer meet the more-likely-than-not threshold are derecognized in the first subsequent financial reporting period in which that threshold is no longer met. We recognize potential accrued interest and penalties related to unrecognized tax benefits within the consolidated statements of income as income tax expense.

In determining whether a tax asset valuation allowance is necessary, management, in accordance with the provisions of ASC 740-10-30, weighs all available evidence, both positive and negative to determine whether, based on the weight of that evidence, a valuation allowance is necessary. If negative conditions exist which indicate a valuation allowance might be necessary, consideration is then given to what effect the future reversals of existing taxable temporary differences and the availability of tax strategies might have on future taxable income to determine the amount, if any, of the required valuation allowance. As of December 31, 2022 and 2021, management determined that the future reversals of existing taxable temporary differences and available tax strategies would generate sufficient future taxable income to realize its tax assets and therefore a valuation allowance was not necessary.

Revenue Recognition– Revenue is recognized over time as the freight progresses towards its destination and the transportation service obligation is fulfilled. For loads picked up during the reporting period, but delivered in a subsequent reporting period, revenue is allocated to each period based on the transit time in each period as a percentage of total transit time. There are no assets or liabilities recorded in conjunction with revenue recognized, other than accounts receivable and current expected credit losses.

Earnings Per Share– The Company computes basic earnings per share ("EPS") by dividing net income (loss) available to common stockholders by the weighted average number of common shares outstanding during the period. Diluted EPS includes the potential dilution that could occur from stock-based awards and other stock-based commitments using the treasury stock or the as if converted methods, as applicable. The difference between the Company's weighted-average shares outstanding and diluted shares outstanding is due to the dilutive effect of common stock equivalents for all periods presented. See Note 14 – Earnings per Share for more information regarding the computation of diluted EPS.

Fair Value Measurements– Certain financial assets and liabilities are measured at fair value within the financial statements on a recurring basis. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The fair value hierarchy requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. For additional information with respect to fair value measurements, see Note 18 – Fair Value of Financial Instruments.

Reportable Segments– The Company's operations are all in the motor carrier segment and are aggregated into a single reportable segment in accordance with the aggregation criteria under United States generally accepted accounting principles (“GAAP”). The Company provides truckload transportation services as well as brokerage and logistics services to customers throughout the United States and portions of Canada and Mexico. Truckload transportation services revenues, excluding fuel surcharges, represented 66.0%, 67.0% and 76.9% of total revenues, excluding fuel surcharges, for the twelve months ended December 31, 2022, 2021 and 2020, respectively. Remaining revenues, excluding fuel surcharges, for each respective year were generated by brokerage and logistics services.

Concentrations of Credit Risk– The Company performs ongoing credit evaluations and generally does not require collateral from its customers. The Company maintains reserves for potential credit losses. In view of the concentration of the Company’s revenues and accounts receivable among a limited number of customers within the automobile industry, the financial health of this industry is a factor in the Company’s overall evaluation of accounts receivable.

Subsequent Events– We have evaluated subsequent events for recognition and disclosure through the date these financial statements were filed with the United States Securities and Exchange Commission and concluded that no subsequent events or transactions have occurred that require recognition or disclosure in our financial statements.

Risks and Uncertainties (COVID-19)– In March 2020, the World Health Organization declared the novel strain of coronavirus (“COVID-19”) a global pandemic, and the President of the United States declared the COVID-19 outbreak a national emergency. The rapid spread of the pandemic and the continuously evolving responses to combat it have had an increasingly negative impact on the global economy. In view of the rapidly changing business environment, unprecedented market volatility and heightened degree of uncertainty resulting from COVID-19, we are currently unable to fully determine its future impact on our business. We continue to monitor the progression of the pandemic, further government responses and development of treatments and vaccines and the resulting potential effect on our financial position, results of operations, cash flows and liquidity. These events could have an impact in future periods on certain estimates used in the preparation of our financial results, including, but not limited to impairment of long-lived assets, income tax provision and recoverability of certain receivables. Should the pandemic continue for an even further extended period of time, the impact on our operations could have a material adverse effect on our financial condition, results of operations, cash flows and liquidity.

Foreign Currency Transactions– The functional currency of the Company’s foreign branch office in Mexico is the U.S. dollar. The Company remeasures the monetary assets and liabilities of this branch office, which are maintained in the local currency ledgers, at the rates of exchange in effect at the end of the reporting period. Revenues and expenses recorded in the local currency during the period are remeasured using average exchange rates for each period. Non-monetary assets and liabilities are remeasured using historical rates. Any resulting exchange gain or loss from the remeasurement process is included in non-operating income in the Company’s consolidated statements of operations.

Business Combinations– The purchase price of an acquired businesses, or the purchase of substantially all of the assets of a business, is allocated to the estimated fair value of the assets acquired and liabilities assumed at the date of acquisition. The calculation of the fair value of assets acquired, liabilities assumed and the potential value of any intangible assets involves many factors, some of which require estimates and judgement. In certain cases, valuation specialists may be engaged to assist in the determination of the fair value calculations. During 2022, we engaged valuation specialists to assist us in fair value determination for our acquisition of substantially all of the assets of Metropolitan Trucking, Inc. and related entities.

Recent Accounting Pronouncements– In March 2020, the FASB issued Accounting Standards Update No. 2020-04, (“ASU 2020-04”), Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting. ASU 2020-04 was issued to provide optional guidance for a limited period of time to ease the potential burden in accounting for reference rate reform on financial reporting. ASU 2020-04 is effective as of March 12, 2020 through December 31, 2022. The adoption of this guidance on January 1, 2022 did not have a material impact on the Company’s financial condition, results of operations, or cash flows.

2. REVENUE RECOGNITION

The Company has a single performance obligation, to transport our customer's freight from a specified origin to a specified destination. The Company has the discretion to choose to self-transport or to arrange for alternate transportation to fulfill the performance obligation. Where the Company decides to self-transport the freight, the Company classifies the service as truckload services, and where the Company arranges for alternate transportation of the freight, the Company classifies the service as brokerage and logistics services. In either case, the Company is paid a rate to transport freight from its origin location to a specified destination. Because the primary factors influencing revenue recognition, including performance obligation, customer base, and timing of revenue recognition are the same for both of its service categories, the Company utilizes the same revenue recognition method throughout its operations.

Company revenue is generated from freight transportation services performed utilizing heavy truck trailer combinations. While various ownership arrangements may exist for the equipment utilized to perform these services, including Company-owned or leased, owner-operator owned, and third-party carriers, revenue is generated from the same base of customers. Contracts with these customers establish rates for services performed, which are predominantly rates that will be paid to pick up, transport and drop off freight at various locations. In addition to transportation, revenue is also awarded for various accessorial services performed in conjunction with the base transportation service. The Company also has other revenue categories that are not discussed in this note or broken out in our consolidated statements of operations due to their immaterial amounts.

In fulfilling the Company's obligation to transport freight from a specified origin to a specified destination, control of freight is transferred to the Company at the point it has been loaded into the driver's trailer, the doors are sealed and the driver has signed a bill of lading, which is the basic transportation agreement that establishes the nature, quantity and condition of the freight loaded, responsibility for invoice payment, and pickup and delivery locations. The Company's revenue is generated, and our customer receives benefit, as the freight progresses towards delivery locations. In the event the Company's customer cancels the shipment at some point prior to the final delivery location and re-consigns the shipment to an alternate delivery location, the Company is entitled to receive payment for services performed for the partial shipment. Shipments are generally conducted over a relatively short time span, generally one to three days; however, freight is sometimes stored temporarily in our trailer at one of our drop yard locations or at a location designated by a customer. The Company's revenue is categorized as either Freight Revenue or Fuel Surcharge Revenue, and both are earned by performing the same freight transportation services, as discussed further below.

Freight Revenue – revenue generated by the performance of the freight transportation service, including any accessorial service, provided to customers.

Fuel Surcharge Revenue – revenue designed to adjust freight revenue rates to an agreed-upon base cost for diesel fuel. Diesel fuel prices can fluctuate widely during the term of a contract with a customer. At the point that freight revenue rates are negotiated with customers, a sliding scale is agreed upon that approximately adjusts diesel fuel costs to an agreed-upon base amount. In general, as fuel prices increase, revenue from fuel surcharge increases, so that diesel fuel cost is adjusted to the approximate base amount agreed upon.

Revenue is recognized over time as the freight progresses towards its destination and the transportation service obligation is fulfilled. For loads picked up during the reporting period, but delivered in a subsequent reporting period, revenue is allocated to each period based on the transit time in each period as a percentage of total transit time. There are no assets or liabilities recorded in conjunction with revenue recognized, other than accounts receivable and current estimated credit losses.

3. TRADE ACCOUNTS RECEIVABLE

The Company's receivables result primarily from the sale of transportation and logistics services. The Company performs ongoing credit evaluations of its customers and generally does not require collateral for accounts receivable. Accounts receivable, which consist of both billed and unbilled receivables, are presented net of current estimated credit losses. Accounts outstanding longer than contractual payment terms are considered past due and are reviewed individually for collectability. Accounts receivable balances consist of the following components as of December 31, 2022 and 2021:

	2022	2021
	(in thousands)	
Billed	$ 119,552	$ 105,992
Unbilled	20,568	20,388
Current estimated credit losses	(5,381)	(4,526)
Total accounts receivable—net	$ 134,739	$ 121,854

An analysis of changes in current estimated credit losses for the years ended December 31, 2022, 2021, and 2020 follows:

	2022	2021	2020
		(in thousands)	
Balance—beginning of year	$ 4,526	$ 3,482	$ 2,952
Provision for bad debts	917	1,044	530
Charge-offs	(62)	-	-
Recoveries	-	-	-
Balance—end of year	$ 5,381	$ 4,526	$ 3,482

4. MARKETABLE EQUITY SECURITIES

The Company accounts for its marketable securities in accordance with ASC Topic 321, Investments - Equity Securities. ASC Topic 321 requires companies to measure equity investments at fair value, with changes in fair value recognized in net income. The Company's investments in marketable securities consist of equity securities with readily determinable fair values. The cost of securities sold is based on the specific identification method, and interest and dividends on securities are included in non-operating income (expense).

Marketable equity securities are carried at fair value, with changes in fair market value included in the determination of net income. The fair market value of marketable equity securities is determined based on quoted market prices in active markets. See Note 18 – Fair Value of Financial Instruments for additional information regarding the valuation of marketable equity securities.

The following table sets forth cost, market value and unrealized gain on equity securities classified as available-for-sale as of December 31, 2022 and 2021.

	2022	2021
	(in thousands)	
Available-for-sale securities:		
Fair market value	$ 41,728	$ 39,424
Cost	30,350	29,385
Unrealized gain	$ 11,378	$ 10,039

The following table sets forth the gross unrealized gains and losses on the Company's marketable securities as of December 31, 2022 and 2021.

	2022	2021
	(in thousands)	
Available-for-sale securities:		
Gross unrealized gains	$ 13,478	$ 12,458
Gross unrealized losses	2,100	2,419
Net unrealized gains	$ 11,378	$ 10,039

For the years ended December 31, 2022, 2021 and 2020, the Company recognized dividends of approximately $1,539,000, $1,448,000, and $1,266,000 in non-operating income in its consolidated statements of operations, respectively.

The following table shows the Company's net realized (losses) gains during 2022, 2021 and 2020 on certain marketable equity securities.

	2022	2021	2020
		(in thousands)	
Realized (losses) gains:			
Sale proceeds	$ -	$ 3,109	$ 2,039
Cost of securities sold	-	3,199	2,216
Realized (losses) / gains	$ -	$ (90)	$ (177)

At December 31, 2022, the Company's investments' approximate fair value of securities in a loss position and related gross unrealized losses were $7,875,000 and $2,100,000, respectively. At December 31, 2021, the Company's investments' approximate fair value of securities in a loss position and related gross unrealized losses were $7,373,000 and $2,419,000, respectively.

The market value of the Company's equity securities are periodically used as collateral against any outstanding margin account borrowings. As of December 31, 2022 and 2021, the Company had outstanding borrowings of $914,000 and $1,214,000 under its margin account, respectively, which is reflected in accrued expenses. The interest rates on margin account borrowings were 4.92% and 0.68% as of December 31, 2022 and 2021, respectively.

5. ACCRUED EXPENSES AND OTHER LIABILITIES

Accrued expenses and other liabilities at December 31 are summarized as follows:

	2022	2021
	(in thousands)	
Payroll	$ 1,995	$ 1,529
Accrued vacation	983	877
Taxes—other than income	3,369	2,674
Interest	283	196
Driver escrows	1,271	1,643
Margin account borrowings	914	1,214
Self-insurance claims and legal reserves	22,709	5,437
Current portion of Right-of-Use liability	340	544
Other liabilities	2,369	-
Total accrued expenses and other liabilities	$ 34,233	$ 14,114

The Company's accounts payable of $48,917,000 includes $431,000 in payables for purchases of revenue equipment.

6. CLAIMS LIABILITIES

The Company maintains cargo insurance coverage to protect it from certain business risks. This policy has a per occurrence deductible of $10,000.

Since September 1, 2020, the Company has been self-insured for certain layers of auto liability claims in excess of $2.0 million. Between September 1, 2019 and August 31, 2020, the Company was self-insured for certain layers of auto liability claims in excess of $1.0 million. Prior to September 1, 2019, the Company maintained auto liability insurance coverage for these layers. The Company currently specifically reserves for claims that are expected to exceed $2.0 million when fully developed, based on the facts and circumstances of those claims.

The Company maintains workers' compensation coverage in Arkansas, Florida, Ohio, Oklahoma, and Mississippi with a $0.5 million self-insured retention and a $0.5 million per occurrence excess policy. The Company has elected to opt out of workers' compensation coverage in Texas and is providing coverage through the P.A.M. Texas Injury Plan. The Company has accrued for estimated losses to pay such claims as well as claims incurred but not yet reported. The Company has not experienced any adverse trends involving differences in claims experienced versus claims estimates for workers' compensation claims. Letters of credit aggregating approximately $0.3 million and certificates of deposit totaling $0.3 million are held by banks as security for workers' compensation claims. The Company self-insures for employee health claims with a stop loss of $0.4 million per covered employee per year and estimates its liability for claims outstanding and claims incurred but not reported. See Note 5 – Accrued Expenses and Other Liabilities for additional information regarding self-insurance claims liabilities.

7. LONG-TERM DEBT

Long-term debt at December 31, consists of the following:

	2022	2021
	(in thousands)	
Line of credit with a bank—due July 1, 2024, and collateralized by accounts receivable (1)	-	-
Equipment financing (2)	216,875	206,539
Real estate financing (3)	47,406	15,738
Total long-term debt	264,281	222,277
Less current maturities	(58,815)	(49,544)
Long-term debt—net of current maturities	$ 205,466	$ 172,733

(1) Line of credit agreement with a bank provides for maximum borrowings of $60.0 million and contains certain restrictive covenants that must be maintained by the Company on a consolidated basis. Borrowings on the line of credit are at an interest rate of Term SOFR as of the first day of the month plus 1.35%, (5.65% at December 31, 2022) and are secured by our trade accounts receivable. An "unused fee" of 0.25% is charged if average daily borrowings are less than $18.0 million in a given month. Monthly payments of interest are required under this agreement. Also, under the terms of the agreement the Company must maintain a debt to adjusted EBITDA (earnings before interest, taxes, depreciation, and amortization, excluding gains/losses on equity securities and extraordinary items) ratio of less than 4.00:1. The Company was in compliance with all provisions under this agreement throughout 2022. At December 31, 2022, outstanding advances on the line were approximately $0.4 million, including letters of credit totaling $0.3 million, with availability to borrow $59.6 million. At December 31, 2021, outstanding advances on the line were approximately $0.4 million, including letters of credit totaling $0.3 million.

(2) Equipment financings consist of installment obligations for revenue equipment purchases, payable in various monthly installments with various maturity dates through March 2028, at a weighted average interest rate of 3.16% as of December 31, 2022 and collateralized by revenue equipment.

(3) Real estate financing consisting of an installment obligation for the purchase of real estate in Laredo, TX, payable in 120 installments at an interest rate of 3.02% and maturing in August 2030, and an installment obligation for the financing of various company-owned terminals and office buildings payable in 120 installments at an interest rate of 3.62% and maturing in March 2032. These obligations are collateralized by the underlying real estate and any rental income generated by the underlying real estate.

The Company has provided letters of credit to third parties totaling approximately $310,000 at December 31, 2022 and December 31, 2021, respectively. The letters are held by these third parties to assist such parties in collection of any amounts due by the Company should the Company default in its commitments to the parties.

Scheduled annual maturities on long-term debt outstanding at December 31, 2022, are:

2023	$ 58,815
2024	62,490
2025	53,038
2026	34,801
2027	32,491
Thereafter	22,646
Total	$ 264,281

8. NONCASH INVESTING AND FINANCING ACTIVITIES

The Company financed approximately $22.2 million and $36.1 million in equipment purchases during 2022 and 2021, respectively, utilizing noncash financing.

9. CAPITAL STOCK

The Company's authorized capital stock consists of 50,000,000 shares of common stock, par value $.01 per share, and 10,000,000 shares of preferred stock, par value $.01 per share. At December 31, 2022, there were 22,293,687 shares of our common stock issued and 22,166,450 shares outstanding. At December 31, 2021, there were 34,574,807 shares of our common stock issued and 22,348,022 shares outstanding. No shares of our preferred stock were issued or outstanding at December 31, 2022 or 2021.

Common Stock

The holders of our common stock, subject to such rights as may be granted to any preferred stockholders, elect all directors and are entitled to one vote per share. All shares of common stock participate equally in dividends when and as declared by the Board of Directors and in net assets on liquidation. The shares of common stock have no preference, conversion, exchange, preemptive, or cumulative voting rights.

Preferred Stock

Preferred stock may be issued from time to time by our Board of Directors, without stockholder approval, in such series and with such preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends, qualifications or other provisions, as may be fixed by the Board of Directors in the resolution authorizing their issuance. The issuance of preferred stock by the Board of Directors could adversely affect the rights of holders of shares of common stock; for example, the issuance of preferred stock could result in a class of securities outstanding that would have certain preferences with respect to dividends and in liquidation over the common stock, and that could result in a dilution of the voting rights, net income per share and net book value of the common stock. As of December 31, 2022, we have no agreements or understandings for the issuance of any shares of preferred stock.

Treasury Stock

In July 2021, our Board of Directors authorized the repurchase of up to 200,000 shares (as adjusted for the Company’s 2-for-1 forward split of its common stock in the form of a 100% stock dividend paid on August 16, 2021), of our common stock through a Dutch auction tender offer (the “2021 tender offer”). Subject to certain limitations and legal requirements, the Company could repurchase up to an additional 2.0% of its outstanding shares. The 2021 tender offer commenced on July 27, 2021, and expired on August 26, 2021. Through this tender offer, the Company’s shareholders had the opportunity to tender some or all of their shares at a price within the range of $32.00 to $37.00 per share (as adjusted for the 2021 stock split). Upon expiration, 272,405 shares were purchased through this offer at a final purchase price of $37.00 per share for a total of approximately $10.1 million, excluding fees and commission. The repurchase was settled on August 31, 2021. The Company accounted for the repurchase of these shares as treasury stock on the Company’s consolidated balance sheet as of December 31, 2022.

The Company’s stock repurchase program has been extended and expanded several times, most recently in November 2021, when the Board of Directors reauthorized 500,000 shares of common stock for repurchase under the initial September 2011 authorization. The Company repurchased 168,847 shares and 18,732 shares of its common stock under this program during 2022 and 2021, respectively.

The Company accounts for Treasury stock using the cost method, and as of December 31, 2022, 127,237 shares were held in the treasury at an aggregate cost of approximately $4,000,000.

10. SEGMENT INFORMATION, SIGNIFICANT CUSTOMERS, INDUSTRY CONCENTRATION AND GEOGRAPHIC AREAS

The Company's revenues for 2022, 2021 and 2020 were all generated from operations in the motor carrier segment and are aggregated into a single reporting segment in accordance with the aggregation criteria under GAAP.

The table below presents revenue dollars and percentages by geographic area:

	Year Ended December 31,					
	2022		2021		2020	
	(in thousands)					
	Amount	Percent	Amount	Percent	Amount	Percent
United States - domestic shipments	$629,921	66.5	$474,291	67.9	$316,542	66.1
Shipments to or from Mexico	313,885	33.2	223,315	32.0	161,412	33.7
Shipments to or from Canada	3,056	0.3	891	0.1	1,156	0.2
Total	$946,862	100%	$698,497	100%	$479,110	100%

Our five largest customers, for which we provide carrier services covering a number of geographic locations, accounted for approximately 39%, 33% and 35% of our total revenues in 2022, 2021 and 2020, respectively. General Motors Company accounted for approximately 13%, 11% and 15% of our revenues in 2022, 2021 and 2020, respectively.

We also provide transportation services to other manufacturers who are suppliers for automobile manufacturers. Approximately 31%, 27% and 30% of our revenues were derived from transportation services provided to the automobile industry during 2022, 2021 and 2020, respectively.

Accounts receivable from the three largest customers totaled approximately $36,622,000 and $31,049,000 at December 31, 2022 and 2021, respectively.

11. DIVIDENDS

The Company has paid cash dividends in the past; however, the Company currently intends to retain future earnings and does not anticipate paying cash dividends in the foreseeable future. Any future determination to pay dividends will be at the discretion of the Board and will depend on the Company’s financial condition, results of operations, capital requirements, any legal or contractual restrictions on the payment of dividends, and other factors the Board deems relevant.

12. FEDERAL AND STATE INCOME TAXES

Under GAAP, deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and for income tax reporting purposes.

Significant components of the Company's deferred tax liabilities and assets at December 31 are as follows:

	2022	2021
	(in thousands)	
Deferred tax liabilities:		
Property and equipment	$ 102,169	$ 84,081
Unrealized gains on securities	2,894	2,580
Prepaid expenses and other	3,836	2,783
Total deferred tax liabilities	108,899	89,444
Deferred tax assets:		
Current expected credit losses	1,385	1,165
Compensated absences	215	185
Self-insurance allowances	5,746	1,207
Other	108	172
Total deferred tax assets	7,454	2,729
Net deferred tax liability	$ 101,445	$ 86,715

The reconciliation between the effective income tax rate and the statutory Federal income tax rate for the years ended December 31, 2022, 2021 and 2020 is presented in the following table:

	2022		2021		2020	
			(in thousands)			
	Amount	Percent	Amount	Percent	Amount	Percent
Federal income tax at statutory rate	$ 24,991	21.0	$ 21,526	21.0	$ 4,916	21.0
Nondeductible per diem and meals	-	-	-	-	321	1.4
State income taxes/other, net	3,344	2.8	4,463	4.4	345	1.5
Total income tax expense	$ 28,335	23.8	$ 25,989	25.4	$ 5,582	23.9

The provision (benefit) for income taxes consisted of the following:

	2022	2021	2020
		(in thousands)	
Current:			
Federal	$ 10,673	$ 6,314	$ (62)
State	3,121	1,843	282
Total current income tax provision	13,794	8,157	220
Deferred:			
Federal	12,920	13,720	4,860
State	1,621	4,112	502
Total deferred income tax provision	14,541	17,832	5,362

Total income tax provision expense	$ 28,335	$ 25,989	$ 5,582

In determining whether a tax asset valuation allowance is necessary, management, in accordance with the provisions of ASC 740-10-30, weighs all available evidence, both positive and negative to determine whether, based on the weight of that evidence, a valuation allowance is necessary. If negative conditions exist which indicate a valuation allowance might be necessary, consideration is then given to what effect the future reversals of existing taxable temporary differences and the availability of tax strategies might have on future taxable income to determine the amount, if any, of the required valuation allowance. As of December 31, 2022 and 2021, management determined that the future reversals of existing taxable temporary differences and available tax strategies would generate sufficient future taxable income to realize its tax assets and therefore a valuation allowance was not necessary.

The Company recognizes a tax benefit from an uncertain tax position only if it is more likely than not that the position will be sustained on examination by taxing authorities, based on the technical merits of the position. As of December 31, 2022, an adjustment to the Company's consolidated financial statements for uncertain tax positions has not been required as management believes that the Company's tax positions taken in income tax returns filed or to be filed are supported by clear and unambiguous income tax laws. The Company recognizes interest and penalties related to uncertain income tax positions, if any, in income tax expense. During 2022 and 2021, the Company has not recognized or accrued any interest or penalties related to uncertain income tax positions.

The Company and its subsidiaries are subject to U.S. and Canadian federal income tax laws as well as the income tax laws of multiple state jurisdictions. The major tax jurisdictions in which the Company operates generally provide for a deficiency assessment statute of limitation period of three years, and as a result, the Company's tax years 2019 and forward remain open to examination in those jurisdictions.

13. STOCK-BASED COMPENSATION

The Company maintains a stock incentive plan under which incentive and nonqualified stock options and other stock awards may be granted. On March 13, 2014, the Company's Board of Directors adopted, and on May 29, 2014 our shareholders approved, the 2014 Amended and Restated Stock Option and Incentive Plan (the "Plan") which amended and restated the Company's 2006 Stock Option Plan. Under the Plan, 3,000,000 shares (as adjusted for the Company's 2-for-1 forward split of its common stock paid in August 2021 and the Company's 2-for-1 forward split of its common stock paid in March 2022) are reserved for the issuance of stock awards to directors, officers, key employees, and others. The stock option exercise price and the restricted stock purchase price under the 2014 Plan shall not be less than 85% of the fair market value of the Company's common stock on the date the award is granted. The fair market value is determined by the closing price of the Company's common stock, on its primary exchange, on the same date that the option or award is granted.

The Company granted unrestricted shares of its common stock to its non-employee directors and granted restricted shares of common stock to certain key employees during all periods presented. All share and per share amounts set forth below have been adjusted to reflect the impact of the 2-for-1 forward stock split in both August 2021 and March 2022.

During February 2022, the Company granted 29,120 shares of common stock to certain key employees. These stock awards had grant date fair values of $38.80 per share, based on the closing price of the Company's stock on the date of grant, and vest in 25% increments over four years, beginning one year from the anniversary date of the grant.

During May 2022, the Company granted 1,855 shares of common stock to non-employee directors. These stock awards had a grant date fair value of $29.60 per share, based on the closing price of the Company's stock on the date of grant, and vested immediately.

During June 2022, the Company granted 3,500 shares of common stock to a key employee. This stock award had a grant date fair value of $27.68 per share, based on the closing price of the Company's stock on the date of grant, and vests in 25% increments over four years, beginning one year from the anniversary date of the grant.

In March 2021, the Company granted 5,216 shares of common stock to non-employee directors. These restricted stock awards have a grant date fair value of $15.43 per share, based on the closing price of the Company's stock on the date of grant, and vested immediately.

In April 2021, the Company granted 10,000 shares of common stock to a certain key employee. These stock awards have a grant date fair value of $15.09 per share, based on the closing price of the Company's stock on the date of grant, and vests in 25% increments over four years, beginning one year from the anniversary date of the grant.

In January 2020, the Company granted 28,000 shares of common stock to certain key employees. These restricted stock awards have a grant date fair value of $14.11 per share, based on the closing price of the Company's stock on the date of grant, and vest on the four year anniversary date of the award.

In March 2020, the Company granted 10,432 shares of common stock to non-employee directors. These stock awards have a grant date fair value of $7.69 per share, based on the closing price of the Company's stock on the date of grant, and vested immediately.

In April 2020, the Company granted 968 shares of common stock to a non-employee director. This stock award has a grant date fair value of $10.35 per share, based on the closing price of the Company's stock on the date of grant, and vested immediately.

In August 2020, the Company granted 160,000 restricted shares of common stock to the Company's Chief Executive Officer. This restricted stock award has a grant date fair value of $8.84, based on the closing price of the Company's stock on the date of grant, and will vest in increments of 20,000 shares each in 2022, 2023, 2024 and 2027 and 40,000 shares each in 2025 and 2026.

In August 2020, the Company granted 53,328 shares of common stock to certain key employees. These restricted stock awards have a grant date fair value of $7.56 per share, based on the closing price of the Company's stock on the date of grant, and vest on the four year anniversary date of the award.

During 2022 and 2021, there were no grants of stock options and there were no outstanding stock options at December 31, 2022 or December 31, 2021. At December 31, 2022, approximately 716,000 shares were available for granting future options or restricted stock.

The grant date fair value of stock and stock options vested during 2022, 2021 and 2020 was approximately $392,000, $203,000 and $759,000, respectively. Total pre-tax stock-based compensation expense, recognized in salaries, wages and benefits was approximately $715,000 during 2022 and includes approximately $55,000 recognized as a result of the grant of a total of 1,855 shares of stock to four non-employee directors during the second quarter of 2022. The Company recognized a total income tax benefit of approximately $170,000 related to stock-based compensation expense during 2022. The recognition of stock-based compensation expense decreased diluted earnings per common share by $0.03 and basic earnings per common share by approximately $0.02 during 2022. As of December 31, 2022, the Company had stock-based compensation plans with total unvested stock-based compensation expense of approximately $2,414,000 which is being amortized over the remaining vesting period. As a result, the Company expects to recognize the following approximate amounts of additional compensation expense related to unvested restricted stock awards during each of the years indicated:

2023	$	649,000
2024	$	641,000
2025	$	670,000
2026	$	343,000
2027	$	111,000

Total pre-tax stock-based compensation expense, recognized in salaries, wages and benefits was approximately $441,000 during 2021 and includes approximately $80,000 recognized as a result of the grant of 652 shares of stock to eight non-employee directors during the first quarter of 2021. The Company recognized a total income tax benefit of approximately $110,000 related to stock-based compensation expense during 2021. The recognition of stock-based compensation expense decreased diluted earnings per common share by $0.03 and basic earnings per common share by approximately $0.02 during 2021.

Total pre-tax stock-based compensation expense, recognized in salaries, wages and benefits was approximately $461,000 during 2020 and includes approximately $90,000 recognized as a result of the grant of 1,304 shares of stock to eight non-employee directors during the first quarter of 2020 and 968 shares of stock to one non-employee director during the second quarter of 2020. The Company recognized a total income tax benefit of approximately $100,000 related to stock-based compensation expense during 2020. The recognition of stock-based compensation expense decreased both diluted and basic earnings per common share by approximately $0.06 during 2020.

There were no options granted during 2022, 2021, or 2020.

A summary of the status of the Company's non-vested restricted stock as of December 31, 2022 and changes during the year ended December 31, 2022, is presented below:

	Restricted Stock	
	Number of Shares	**Weighted-Average Grant Date Fair Value**
Nonvested—January 1, 2022	239,212	$ 9.25
Granted	34,475	37.18
Canceled/forfeited/expired	-	-
Vested	(37,855)	10.36
Nonvested—December 31, 2022:	235,832	$ 13.15

14. EARNINGS PER SHARE

Basic earnings per common share was computed by dividing net income by the weighted average number of shares outstanding (on a stock split adjusted basis) during the period. Diluted earnings per common share was calculated as follows:

	For the Year Ended December 31,		
	2022	**2021**	**2020**
	(in thousands, except per share data)		
Net income	$ 90,672	$ 76,516	$ 17,827
Basic weighted average common shares outstanding(1)	22,246	22,715	23,008
Dilutive effect of common stock equivalents	190	149	64
Diluted weighted average common shares outstanding(1)	22,436	22,864	23,072
Basic earnings per share	$ 4.08	$ 3.37	$ 0.77
Diluted earnings per share	$ 4.04	$ 3.35	$ 0.77

(1) As adjusted for the Company's 2-for-1 forward stock splits paid in August 2021 and March 2022, respectively.

15. BENEFIT PLAN

The Company sponsors a benefit plan for the benefit of all eligible employees. The plan qualifies under Section 401(k) of the Internal Revenue Code thereby allowing eligible employees to make tax-deductible contributions to the plan. The plan provides for employer matching contributions of 50% of each participant's voluntary contribution up to 3% of the participant's compensation and vests at the rate of 20% each year until fully vested after five years. Total employer matching contributions to the plan were approximately $212,000, $190,000 and $190,000 in 2021, 2021 and 2020, respectively.

16. COMMITMENTS AND CONTINGENCIES

We were named a defendant in a putative class action lawsuit filed on August 6, 2021, in the United States District Court for the Western District of Arkansas. The complaint alleged failure to pay over-the-road drivers minimum wage under the Fair Labor Standards Act and the Arkansas Minimum Wage Act, violations of the Electronic Funds Transfer Act (EFTA), violations of the Arkansas Wage Payment Law (discharge pay and unlawful, usurious advance fees), violations of the Arkansas Common Law, and violations of the Racketeer Influenced and Corrupt Organizations Act (RICO). We denied liability on all claims. On August 5, 2022, the parties filed a Joint Motion for Preliminary Approval of a Collective and Class Action Settlement. On October 7, 2022, the parties submitted to the court an executed Settlement Agreement and Release, to resolve and release all claims asserted in the litigation from January 1, 2020 through July 31, 2022 for $4,750,000. We did not admit liability for any claim. The District Court granted preliminary approval of the settlement on November 14, 2022. Notice of the settlement has been sent to class and collective action members. A final fairness hearing on the settlement is scheduled to be held by the District Court on April 5, 2023. Management has determined that any losses under this claim will not be covered by existing insurance policies. This loss has been accrued and is included in Insurance and Claims in our consolidated statement of operations.

We are involved in certain claims and pending litigation arising from the ordinary conduct of business. We also provide accruals for claims within our self-insured retention amounts. On September 1, 2019, we elected to become self-insured for certain layers of auto liability claims in excess of $1.0 million for which we previously maintained auto liability insurance coverage. Since September 1, 2020, we have been self-insured for certain layers of auto liability claims in excess of $2.0 million. We currently specifically reserve for claims that are expected to exceed $2.0 million when fully developed, based on the facts and circumstances of those claims. Based on our knowledge of the facts, and in certain cases, opinions of outside counsel, we believe the resolution of such claims and pending litigation will not have a material effect on our financial position, results of operations or cash flows. However, if we experience claims that are not covered by our insurance or that exceed our estimated claim reserve, it could increase the volatility of our earnings and have a materially adverse effect on our financial condition, results of operations or cash flows.

17. LEASES

Right-of-Use Leases

During 2019, the Company entered into operating leases which include initial terms of approximately five years and which do not include an option for early cancellation. During 2022 and 2021, the Company did not enter into any new leases with similar provisions. In accordance with the provisions of ASC Topic 842, these leases resulted in the recognition of right-of-use assets and corresponding operating lease liabilities, respectively, valued at approximately $0.4 million as of December 31, 2022. These assets and liabilities are recognized based on the present value of future minimum lease payments over the lease term at commencement date, using the Company’s incremental borrowing rate as of the respective dates of lease inception, as the rate implicit in each lease is not readily determinable. The right-of-use assets are recorded in other assets, and the lease liability is recorded in accrued expenses and other liabilities and in other long-term liabilities on our consolidated balance sheet. Lease expense is recorded on a straight-line basis over the lease term and is recorded in rent and purchased transportation in our consolidated statements of operations. While the lease agreements contain provisions to extend after the initial term for an additional five years, the Company is not reasonably certain these extension options will be exercised. Therefore, potential lease payments that might occur under this extension period are not included in amounts recorded in our consolidated balance sheets as of December 31, 2022.

Scheduled amounts and timing of cash flows arising from operating lease payments at December 31, 2022, are:

		(in thousands)
Maturity of Lease Liabilities		
2023	$	340
2024		114
2025		-
2026		-
2027 and Thereafter		-
Total undiscounted operating lease payments	$	454
Less: Imputed interest		(10)
Present value of operating lease liabilities	$	444
Balance Sheet Classification		
Right-of-use assets (recorded in other non-current assets)	$	444
Current lease liabilities (recorded in other current liabilities)	$	340
Long-term lease liabilities (recorded in other long-term liabilities)		104
Total operating lease liabilities	$	444
Other Information		
Weighted-average remaining lease term for operating leases (in years)		1.33
Weighted-average discount rate for operating leases		3.74%

Cash Flows

No new right-of-use assets were recognized as non-cash asset additions that resulted from new operating lease liabilities during the years ended December 31, 2022 and December 31, 2021, respectively. Cash paid for amounts included in the present value of right-of-use lease liabilities was $0.5 and $0.6 million during the years ended December 31, 2022 and December 31, 2021, respectively, and is included in operating cash flows.

Cash Paid for Operating Leases

	Twelve Months Ended December 31,			
	2022		**2021**	
	(in thousands)			
Right-of-Use leases	$	515	$	583
Short-term leases (1)		2,393		2,173
Total	$	2,908	$	2,756

(1) Short-term lease cost includes leases with a term of twelve months or less and leases with options for early cancellation.

Lease Revenue

The Company has a lease-purchase program whereby we offer independent contractors the opportunity to lease a Company-owned truck. The terms associated with these operating eases require weekly lease payments over the term of the leases which range from 5 to 60 months. The cost and carrying amount of Company-owned trucks in this program at December 31, 2022 were approximately $58,227,000 and $22,960,000, respectively. The cost and carrying amount of the Company-owned trucks in this program at December 31, 2021 were approximately $55,986,000 and $28,951,000, respectively. Payments under this program are classified in the Company’s financial statements under the consolidated statement of operations category Revenue.

Leases in our lease-purchase program expire at various dates through 2026. Future minimum lease receipts related to these operating leases at December 31, 2022 and 2021 were approximately $11,549,000 and $15,907,000, respectively. Depreciation is calculated on a straight-line basis over the estimated useful life of the equipment, down to an estimated salvage value. In most cases, the Company has agreements in place with certain manufacturers whereby salvage values are guaranteed by the manufacturer. In other cases, where salvage values are not guaranteed, estimates of salvage value are based on the expected market values of equipment at the time of disposal. During the year ended December 31, 2022, the Company incurred $7.0 million of depreciation expense for these assets.

The Company leases dock space to a related party at our Laredo, Texas terminal and warehouse and office space to an unrelated lessee at a second Laredo, Texas terminal. At December 31, 2022, the cost and carrying amount of the facilities leased were approximately $13,738,000 and $11,674,000, respectively. Future minimum lease receipts related to this operating lease at December 31, 2022 are approximately $32,100. See Note 19 – Related Party Transactions for additional information regarding the Company's transactions with related persons.

The Company's operating lease revenue is disclosed in the table below.

	Twelve Months Ended December 31, 2022	Twelve Months Ended December 31, 2021
Leased truck revenue (recorded in revenue, before fuel surcharge)	$ 8,705	$ 7,747
Leased building space revenue (recorded in non-operating income)	525	735
Total lease revenue	$ 9,230	$ 8,482

Lease Receivable

Future minimum operating lease payments receivable at December 31, 2022:

2023	$ 7,637
2024	3,683
2025	221
2026	40
2027	-
Thereafter	-
Total future minimum lease payments receivable	$ 11,581

Lease Payments to Related Parties

Payments to related parties of $1,780,813 were made for real estate leases during 2022 which include maintenance facilities in one state and trailer drop yards in eleven states. The leases are generally month to month leases with automatic monthly renewal provisions.

During 2022 the Company leased office, shop and parking spaces from various lessors, including a related party. The initial term for the majority of these leases is one year, with an option for early cancellation and an option to renew for subsequent one-month periods. These leases can be terminated by either party by providing notice to the other party of the intent to cancel or to not extend. Relatively short lease durations for these properties are intended to provide flexibility to the Company as changing operational needs and shifting opportunities often result in cancellation or non-renewal of these leases by the Company or the lessor. The minimum operating lease payable under these arrangements was approximately $232,000 as of December 31, 2022.

The Company leases office and shop facilities to a related party. At December 31, 2022, the cost and carrying amount of the facilities leased were approximately $13,738,000 and $11,674,000, respectively. Future minimum lease receipts related to this lease at December 31, 2022 were approximately $32,100.

18. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and cash equivalents, marketable equity securities, accounts receivable, trade accounts payable, and borrowings.

The Company follows the guidance for financial assets and liabilities measured on a recurring basis. The guidance defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date and also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

The standard describes three levels of inputs that may be used to measure fair value:

Level 1:	Quoted market prices in active markets for identical assets or liabilities.
Level 2:	Inputs other than Level 1 inputs that are either directly or indirectly observable such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable; or other inputs not directly observable, but derived principally from, or corroborated by, observable market data.
Level 3:	Unobservable inputs that are supported by little or no market activity.

The Company utilizes the market approach to measure fair value for its financial assets and liabilities. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.

At December 31, 2022 and 2021, the following items are measured at fair value on a recurring basis:

	2022				2021			
	Total	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**
Marketable equity securities	$ 41,728	$ 41,728	-	-	$ 39,424	$ 39,424	-	-

During 2022 and 2021, there were no transfers of marketable securities between levels of fair value measurement.

The Company's investments in marketable equity securities are recorded at fair value based on quoted market prices. The carrying value of cash and cash equivalents, accounts receivable, trade accounts payable, and accrued liabilities approximate fair value due to their short maturities.

The carrying amount for the line of credit approximates fair value because the line of credit interest rate is adjusted frequently.

For long-term debt other than the lines of credit, the fair values are estimated using discounted cash flow analyses, based on the Company's current incremental borrowing rates for similar types of borrowing arrangements. The carrying values and estimated fair values of this other long-term debt at December 31, 2022 and 2021 are summarized as follows:

	2022		2021	
	Carrying Value	**Estimated Fair Value**	**Carrying Value**	**Estimated Fair Value**
	(in thousands)			
Long-term debt	$ 264,281	$ 253,762	$ 222,277	$ 224,191

The Company has not elected the fair value option for any of our financial instruments.

19. RELATED PARTY TRANSACTIONS

In the normal course of business, transactions for transportation and repair services, equipment, property leases and other services are conducted between the Company and companies affiliated with our Chairman and controlling stockholder. The Company recognized approximately $1,363,000, $8,085,000 and $9,897,000 in operating revenue and approximately $21,438,000, $11,103,000 and $6,791,000 in operating expenses in 2022, 2021, and 2020, respectively from related party transactions.

The Company purchased auto liability and workers' compensation insurance through an insurance company affiliated with our Chairman and controlling stockholder. Premiums for auto liability coverage during 2022, 2021, and 2020 were approximately $11,437,000, $9,851,000, and $8,516,000, respectively. Premiums for workers' compensation coverage during 2022, 2021, and 2020 were approximately $338,000, $300,000 and $299,000, respectively.

Amounts owed to the Company by these affiliates were approximately $723,000 and $636,000 at December 31, 2022 and 2021, respectively. Of the accounts receivable at December 31, 2022 and 2021, approximately $382,000 and $448,000 represent freight transportation and approximately $341,000 and $188,000 represent revenue resulting from other services performed for related parties. Amounts payable to affiliates at December 31, 2022 and 2021 were approximately $1,290,000 and $1,276,000 respectively.

20. Acquisition of Assets from Metropolitan Trucking, Inc.

On June 14, 2022, subsidiaries of the Company, Met Express, Inc. and Costar Equipment, Inc. (collectively, the "Buyer"), entered into an Asset Purchase Agreement with Metropolitan Trucking, Inc., and related subsidiaries. Metropolitan Trucking, Inc. was a truckload carrier headquartered in Saddle Brook, New Jersey, providing asset-based dry van truckload transportation services, including local, regional, and dedicated services. The acquisition has been determined to be a business combination.

Pursuant to the Asset Purchase Agreement, the Buyer acquired substantially all the assets and assumed certain specified liabilities of Metropolitan Trucking, Inc., and its related entities (the "Transaction"). The Buyer paid $79.9 million of total consideration, including cash and certain assumed indebtedness of Metropolitan Trucking, Inc., and its related entities. The Transaction closed on June 14, 2022., subject to working capital adjustments.

Total cash paid of $64.3 million was funded out of the Company's available cash. The Transaction included the assumption of $12.6 million of indebtedness and $2.9 million of other current liabilities. The Asset Purchase Agreement contains customary representations, warranties, covenants, escrow, and indemnification provisions.

The results of the acquired business have been included in the consolidated financial statements since the date of acquisition and represented 14.1% of consolidated total assets as of December 31, 2022 and represented 5.7% of revenues excluding fuel surcharge for the year ended December 31, 2022. Acquisition related expenses of $0.4 million are included in the condensed consolidated statements of operations for the year ended December 31, 2022.

The assets and liabilities associated with the acquisition were recorded at their fair values as of the acquisition date and the amounts are as follows:

	(in thousands)
Trade and other accounts receivable	$ 10,821
Other current assets	316
Property and equipment	68,722
Total assets	79,859
Accounts payable	(2,915)
Long-term debt	(12,627)
Total cash paid	$ 64,317

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our chief executive officer and chief financial officer, evaluated the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Based on management's evaluation, our chief executive officer and chief financial officer concluded that, as of December 31, 2022, our disclosure controls and procedures are designed at a reasonable assurance level and are effective to provide reasonable assurance that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms, and that such information is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

We regularly review our system of internal control over financial reporting and make changes to our processes and systems to improve controls and increase efficiency, while ensuring that we maintain an effective internal control environment. Changes may include such activities as implementing new, more efficient systems, consolidating activities, and migrating processes.

There were no changes in our internal control over financial reporting that occurred during the last quarter of the period covered by this Annual Report on Form 10-K that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Exchange Act Rule 13a-15(f). Management conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in the 2013 Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Based on this evaluation, management concluded that our internal control over financial reporting was effective as of December 31, 2022.

Management's assessment of the effectiveness of the Company's internal control over financial reporting as of December 31, 2022 excluded the subsidiaries created in conjunction with the acquisition of substantially all of the assets of Metropolitan Trucking, Inc. and related entities acquired on June 14, 2022. The results of these subsidiaries have been included in our consolidated financial statements since June 14, 2022. These subsidiaries represented 14.1% of consolidated total assets as of December 31, 2022, and represented 5.7% of operating revenue for the twelve months ended December 31, 2022. The exclusion of these subsidiaries is in accordance with the SEC's general guidance that an assessment of a recently acquired business may be omitted from the scope in the year of acquisition.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Stockholders
P.A.M. Transportation Services, Inc.

Opinion on internal control over financial reporting
We have audited the internal control over financial reporting of P.A.M. Transportation Services, Inc. (a Delaware corporation) and subsidiaries (the "Company") as of December 31, 2022, based on criteria established in the 2013 Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2022, based on criteria established in the 2013 Internal Control—Integrated Framework issued by COSO.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the consolidated financial statements of the Company as of and for the year ended December 31, 2022, and our report dated March 10, 2023 expressed an unqualified opinion on those financial statements.

Basis for opinion
The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting ("Management's Report"). Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Our audit of, and opinion on, the Company's internal control over financial reporting does not include the internal control over financial reporting of the wholly-owned subsidiaries created in conjunction with the acquisition of substantially all of the assets of Metropolitan Trucking, Inc. and related entities acquired on June 14, 2022, whose financial statements reflect total assets and revenues constituting fourteen and six percent, respectively, of the related consolidated financial statement amounts as of and for the year ended December 31, 2022. As indicated in Management's Report, the Company formed wholly owned subsidiaries to acquire substantially all of the assets of Metropolitan Trucking, Inc. and related entities on June 14, 2022. Management's assertion on the effectiveness of the Company's internal control over financial reporting excluded internal control over financial reporting of Met Express, Inc. and Costar Equipment, Inc.

Definition and limitations of internal control over financial reporting
A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Tulsa, Oklahoma
March 10, 2023

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Item 9B. Other Information.

Not Applicable

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

Not Applicable

PART III

Portions of the information required by Part III of Form 10-K are, pursuant to General Instruction G-(3) of Form 10-K, incorporated by reference from our definitive proxy statement to be filed pursuant to Regulation 14A for our Annual Meeting of Stockholders to be held on April 27, 2023. We will, within 120 days of the end of our fiscal year, file with the Securities and Exchange Commission a definitive proxy statement pursuant to Regulation 14A.

Item 10. Directors, Executive Officers and Corporate Governance.

The information presented under the captions “Election of Directors,” “Executive Compensation,” “Delinquent Section 16(a) Reports,” “Corporate Governance – Code of Ethics,” “Corporate Governance – Director Nominating Process” and “Corporate Governance – Board Committees,” in the proxy statement is incorporated herein by reference.

Item 11. Executive Compensation.

The information presented under the captions “Executive Compensation,” “Corporate Governance – Compensation Committee Interlocks and Insider Participation,” and “Compensation Committee Report” in the proxy statement is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The information presented under the caption “Security Ownership of Certain Beneficial Owners and Management” in the proxy statement is incorporated herein by reference.

Equity Compensation Plan Information

The following table summarizes, as of December 31, 2022, information about compensation plans under which equity securities of the Company are authorized for issuance:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights(1)	Weighted-average exercise price of outstanding options, warrants and rights(1)	Number of securities remaining available for future issuance under equity compensation plans
Equity Compensation Plans approved by Security Holders	235,832	-	1,633,633
Equity Compensation Plans not approved by Security Holders	-	-	-
Total	235,832	-	1,633,633

(1) Consists of unvested shares of restricted stock, which do not require the payment of an exercise price.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information presented under the captions “Transactions with Related Persons” and “Corporate Governance – Director Independence” in the proxy statement is incorporated here by reference.

Item 14. Principal Accounting Fees and Services.

The information presented under the caption “Independent Public Accountants – Principal Accountant Fees and Services” in the proxy statement is incorporated here by reference.

PART IV

Item 15. Exhibits, Financial Statement Schedules.

(a) Financial Statements and Schedules.

(1) Financial Statements: See Part II, Item 8 hereof.

Report of Independent Registered Public Accounting Firm - Grant Thornton LLP (PCAOB ID Number 248)
Consolidated Balance Sheets - December 31, 2022 and 2021
Consolidated Statements of Operations - Years ended December 31, 2022, 2021 and 2020
Consolidated Statements of Stockholders’ Equity - Years ended December 31, 2022, 2021 and 2020
Consolidated Statements of Cash Flows - Years ended December 31, 2022, 2021 and 2020
Notes to Consolidated Financial Statements

(2) Financial Statement Schedules.

All schedules for which provision is made in the applicable accounting regulations of the SEC are omitted as the required information is inapplicable, or because the information is presented in the consolidated financial statements or related notes.

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(3) Exhibits.

Exhibit #		Description of Exhibit
2.1		Asset Purchase Agreement by and among Metropolitan Trucking, Inc., Metropolitan Freight Management, Inc., Kiwi Leasing, LLC, Hoya Leasing, LLC, Mangino Holding Corp., Met Express, Inc. and Costar Equipment, Inc., dated June 14, 2022 (incorporated by reference to Exhibit 2.1 of the Company's Current Report on Form 8-K filed on June 17. 2022)*
3.1		Amended and Restated Certificate of Incorporation of the Registrant (incorporated by reference to Exhibit 3.1 of the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2002, filed on May 15, 2002)
3.2		Certificate of Amendment of Amended and Restated Certificate of Incorporation of the Registrant, filed with the Secretary of State of the State of Delaware on April 30, 2020 (incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K filed on May 1, 2020)
3.3		Amended and Restated By-Laws of the Registrant (incorporated by reference to Exhibit 3.2 of the Company's Current Report on Form 8-K filed on December 11, 2007)
3.4		First Amendment to Amended and Restated By-Laws of the Registrant (incorporated by reference to Exhibit 3.2 of the Company's Current Report on Form 8-K filed on January 7, 2020)
3.5		Second Amendment to Amended and Restated By-Laws of the Registrant (incorporated by reference to Exhibit 3.3 of the Company's Current Report on Form 8-K filed on August 5, 2020)
3.6		Third Amendment to the Amended and restated By-Laws of the Registrant (incorporated by reference to Exhibit 3.1 of the Company's Form 8-K filed on March 10, 2021)
4.1		Description of Capital Stock of the Registrant
10.1	(1)	Employment Agreement between the Registrant and Joseph A. Vitiritto, dated August 4, 2020 (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K filed on August 5, 2020)
10.2	(1)	Employment Agreement between the Registrant and Allen W. West, dated March 7, 2019 (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K filed on March 11, 2019)
10.3	(1)	2014 Amended and Restated Stock Option and Incentive Plan (incorporated by reference to Appendix A to the Company's Definitive Proxy Statement on Schedule 14A filed on April 23, 2014)
10.4		Second Amended and Restated Loan Agreement, dated August 12, 2020 by and among P.A.M. Transport, Inc., First Horizon Bank (formerly First Tennessee Bank National Association) and the Company (incorporated by reference to Exhibit 10.2 of the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2020, filed on November 6, 2020)
10.5		Fifth Amended and Restated Consolidated Revolving Credit Note, dated January 25, 2019, by P.A.M. Transport, Inc. in favor of First Tennessee Bank National Association (incorporated by reference to Exhibit 4.4 to the Company's Current Report on Form 8-K filed on January 31, 2019)
10.6		Amended and Restated Security Agreement dated March 28, 2016 by between P.A.M. Transport, Inc. and First Tennessee Bank National Association (incorporate by reference to Exhibit 4.3 of the Company's Current Report on Form 8-K filed on April 1, 2016)
10.7		First Amendment to Amended and Restated Security Agreement, dated January 25, 2019, by and between P.A.M. Transport, Inc. and First Tennessee Bank National Association (incorporated by reference to Exhibit 4.6 to the Company's Current Report on Form 8-K filed on January 31, 2019)

10.8	Fifth Amended and Restated Guaranty Agreement of the Company, dated January 25, 2019, in favor of First Tennessee Bank National Association (incorporated by reference to Exhibit 4.7 to the Company's Current Report on Form 8-K filed on January 31, 2019)

21.1	Subsidiaries of the Registrant
23.1	Consent of Grant Thornton LLP
31.1	Rule 13a-14(a) Certification of Principal Executive Officer
31.2	Rule 13a-14(a) Certification of Principal Financial Officer
32.1	Section 1350 Certifications of Chief Executive Officer and Chief Financial Officer
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* The disclosures schedules and exhibits in the Asset Purchase Agreement have been omitted pursuant to Item 605(a)(5) of Regulation S-K. The Company hereby agrees to furnish supplementally a copy of any omitted disclosure schedule or schedule to the SEC upon request.

(1) Management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

P.A.M. TRANSPORTATION SERVICES, INC.

Dated: March 10, 2023	By:/s/ Joseph. A. Vitiritto JOSEPH A. VITIRITTO President and Chief Executive Officer (principal executive officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Dated: March 10, 2023	By:/s/ Michael D. Bishop MICHAEL D. BISHOP, Director
Dated: March 10, 2023	By:/s/ Frederick P. Calderone FREDERICK P. CALDERONE, Director
Dated: March 10, 2023	By:/s/ W. Scott Davis W. SCOTT DAVIS, Director
Dated: March 10, 2023	By:/s/ Edwin J. Lukas EDWIN J. LUKAS, Director
Dated: March 10, 2023	By:/s/ Franklin H. McLarty FRANKLIN H. MCLARTY, Director
Dated: March 10, 2023	By:/s/ H. Pete Montaño H. PETE MONTAÑO, Director
Dated: March 10, 2023	By:/s/ Matthew J. Moroun MATTHEW J. MOROUN, Director
Dated: March 10, 2023	By:/s/ Matthew T. Moroun MATTHEW T. MOROUN, Director and Chairman of the Board
Dated: March 10, 2023	By:/s/ Joseph. A. Vitiritto JOSEPH A. VITIRITTO President and Chief Executive Officer (principal executive officer)
Dated: March 10, 2023	By:/s/ Allen W. West ALLEN W. WEST Vice President-Finance, Chief Financial Officer, Secretary and Treasurer (principal financial and accounting officer)

EXHIBIT 4.1

DESCRIPTION OF CAPITAL STOCK

The following is a summary of the material terms of the capital stock of P.A.M Transportation Services, Inc. (the "Company") and the provisions of the Company's Amended and Restated Certificate of Incorporation, as amended ("Certificate") and Amended and Restated Bylaws, as amended ("Bylaws"). It also summarizes relevant provisions of the Delaware General Corporation Law, which we refer to as Delaware law, or the "DGCL." Since the terms of our Certificate, Bylaws and Delaware law are more detailed than the general information provided below, we urge you to read the actual provisions of those documents and Delaware law. The following summary of our capital stock is subject in all respects to Delaware law, our Certificate and our Bylaws. If you would like to read our Certificate or Bylaws, these documents are on file with the Securities and Exchange Commission.

General

The authorized capital stock of the Company consists of 50,000,000 shares of common stock, par value $0.01 per share, and 10,000,000 shares of preferred stock, par value $0.01 per share. As of December 31, 2022, there were 22,293,687 shares of our common stock issued, 22,166,450 shares of our common stock outstanding, and no shares of our preferred stock issued or outstanding. Our common stock is listed on the NASDAQ Stock Market.

Common Stock

All of the outstanding shares of our common stock are fully paid and non-assessable.

Voting Rights. Each holder of our common stock is entitled to cast one vote for each share held of record on all matters submitted to a vote of stockholders, including the election of directors. Holders of our common stock have no cumulative voting rights.

Dividends. Holders of our common stock are entitled to receive dividends or other distributions declared by the board of directors. The right of the board of directors to declare dividends is subject to the right of any holders of our preferred stock and the availability under Delaware law of sufficient funds to pay dividends.

Liquidation Rights. If the Company is dissolved, our common stockholders will share ratably in the distribution of all assets that remain after we pay all of our liabilities and satisfy our obligations to the holders of any of our preferred stock.

Preemptive and Other Rights. Holders of our common stock have no preemptive rights to purchase or subscribe for any stock or other securities of the Company, and there are no conversion rights or redemption or sinking fund provisions with respect to our common stock.

Transfer Agent. The transfer agent and registrar for our common stock is Computershare Trust Company, N.A.

Preferred Stock

The board of directors is authorized to issue shares of our preferred stock at any time, without stockholder approval. It has the authority to determine all aspects of those shares, including the following:

- the designation and number of shares;
- the dividend rate and preferences, if any, which dividends on that series of preferred stock will have compared to any other class or series of our capital stock;
- the voting rights, if any;
- the redemption price or prices and the other terms of redemption, if any, applicable to that series; and
- any purchase, retirement or sinking fund provisions applicable to that series.

Any of these terms could have an adverse effect on the availability of earnings for distribution to the holders of our common stock or for other corporate purposes. We have no agreements or understandings for the issuance of any shares of preferred stock.

Provisions That May Discourage Takeovers

Delaware law and our Certificate and Bylaws contain provisions that may have the effect of discouraging transactions involving an actual or threatened change of control. These provisions could protect the continuity of our directors and management and possibly deprive stockholders of an opportunity to sell their shares of common stock at prices higher than the prevailing market prices. The following description is subject in its entirety to applicable Delaware law and our Certificate and Bylaws.

Business Combinations. We are subject to Section 203 of the DGCL. In general, the statute prohibits a publicly held Delaware corporation from engaging in any business combination with any interested stockholder for a period of three years following the date that the stockholder became an interested stockholder unless:

- prior to that date, the board of directors of the corporation approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder;

- upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding those shares owned by persons who are directors and also officers, and employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or

- on or subsequent to that date, the business combination is approved by the board of directors and authorized at an annual or special meeting of stockholders by the affirmative vote of at least two-thirds of the outstanding voting stock not held by the interested stockholder.

Section 203 defines “business combination” to include:

- any merger or consolidation involving the corporation and the interested stockholder;

- any sale, transfer, pledge or other disposition involving the interested stockholder of 10% or more of the assets of the corporation;

- subject to exceptions, any transaction that results in the issuance or transfer by the corporation of any stock of the corporation to the interested stockholder;

- subject to exceptions, any transaction involving the corporation that increases the proportionate share of the stock of the corporation which is owned by the interested stockholder; or

- the receipt by the interested stockholder of the benefit of any loans, advances, guarantees, pledges or other financial benefits provided by or through the corporation.

In general, Section 203 defines an interested stockholder as any person beneficially owning 15% or more of the outstanding voting stock of the corporation and or person affiliated with or controlling or controlled by that person.

Ownership of Controlling Shares by the Moroun Family. As of February 21, 2023, our Chairman, Matthew T. Moroun beneficially owns 15621,522 shares, or 70.47%, of our outstanding common stock. Beneficial ownership of and voting control over this block of shares by Mr. Moroun could render it more difficult or discourage an attempt to obtain control of the Company by means of a merger, tender offer, proxy contest or otherwise and possibly deprive other stockholders of an opportunity to sell their shares at prices higher than the prevailing market prices.

Availability of Authorized but Unissued Shares. All of our preferred stock and a substantial amount of our common stock are authorized but unissued and not reserved for any particular purpose. Our board of directors may issue shares of authorized common or preferred stock without stockholder approval. If our board of directors decides to issue shares to persons friendly to current management, this could render more difficult or discourage an attempt to obtain control of the Company by means of a merger, tender offer, proxy contest or otherwise. Authorized but unissued shares also could be used to dilute the stock ownership of persons seeking to obtain control of the Company, including dilution through a stockholder rights plan of the type commonly known as a “poison pill,” which the board of directors could adopt without a stockholder vote.

Issuance of Preferred Stock. In addition, our board of directors could issue preferred shares having voting rights that adversely affect the voting power of our common stockholders, which could have the effect of delaying, deferring or impeding a change in control of the Company.

No Cumulative Voting. Under Delaware law, stockholders do not have cumulative voting rights for the election of directors unless the Certificate so provides. Our Certificate does not provide for cumulative voting.

Limitation on Calling Special Meetings of Stockholders. Delaware law allows the board of directors or such other persons as authorized by our Certificate or Bylaws to call special meetings of stockholders. Our Bylaws provide that a special meeting may be called by our President, our Chief Executive Officer, or our Chairman of the Board of Directors and must be called by the President or Secretary at the written request of two or more directors or at the written request of stockholders owning at least 75% of the shares of stock entitled to vote at the proposed special meeting. Business to be transacted at a special meeting is limited by our Bylaws to the purpose or purposes stated in the notice of the meeting, unless all of our stockholders are present in person or by proxy.

EXHIBIT 21.1

SUBSIDIARIES OF REGISTRANT

P.A.M. Transport, Inc. (Arkansas Corporation)

P.A.M. Cartage Carriers, LLC (Ohio LLC)

Overdrive Leasing, LLC (Ohio LLC)

T.T.X., LLC (Texas LLC)

Choctaw Express, LLC (Oklahoma LLC)

Choctaw Brokerage, Inc. (Oklahoma Corporation)

Decker Transport Co., LLC (Ohio LLC)

Transcend Logistics, Inc. (Indiana Corporation)

East Coast Transport and Logistics, LLC (Arkansas LLC)

S & L Logistics, Inc. (Texas Corporation)

P.A.M. International, Inc. (Ohio Corporation)

P.A.M. Mexico Holdings, LLC (Arkansas LLC)

Met Express, Inc. (Ohio Corporation)

Costar Equipment, Inc. (Ohio Corporation)

Costar Real Estate Holding, Inc. (Arkansas Corporation)

Unmoored Realty LLC (Arkansas LLC)

EXHIBIT 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have issued our reports dated March 10, 2023 with respect to the consolidated financial statements and internal control over financial reporting included in the Annual Report of P.A.M. Transportation Services, Inc. on Form 10-K for the year ended December 31, 2022. We consent to the incorporation by reference of said reports in this Registration Statement of P.A.M. Transportation Services, Inc. on Form S-3 (File No. 333-257513) and on Form S-8 (File No. 333-198950).

/S/ GRANT THORNTON LLP

Tulsa, Oklahoma
March 10, 2023

EXHIBIT 31.1

RULE 13a-14(a) CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

I, JOSEPH A. VITIRITTO, President and Chief Executive Officer, certify that:

(1) I have reviewed this annual report on Form 10-K of P.A.M. Transportation Services, Inc., a Delaware corporation;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

(5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 10, 2023

/s/ Joseph A. Vitiritto
Joseph A. Vitiritto
President and Chief Executive Officer
(principal executive officer)

EXHIBIT 31.2

RULE 13a-14(a) CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

I, ALLEN W. WEST, Chief Financial Officer, certify that:

(1) I have reviewed this annual report on Form 10-K of P.A.M. Transportation Services, Inc., a Delaware corporation;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

(5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 10, 2023

/s/ Allen W. West
Allen W. West
Vice President-Finance, Chief Financial
Officer, Secretary and Treasurer
(principal accounting and financial officer)

EXHIBIT 32.1

CERTIFICATIONS OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

In connection with the Annual Report of P.A.M. Transportation Services, Inc. (the "Company") on Form 10-K for the period ended December 31, 2022, (the "Report") as filed with the Securities and Exchange Commission, each of the undersigned hereby certifies that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

P.A.M. TRANSPORTATION SERVICES, INC.

Dated: March 10, 2023

By:/s/ Joseph A. Vitiritto
JOSEPH A. VITIRITTO
President and Chief Executive Officer
(principal executive officer)

Dated: March 10, 2023

By:/s/ Allen W. West
ALLEN W. WEST
Vice President-Finance, Chief Financial Officer,
Secretary and Treasurer
(principal accounting and financial officer)

Document And Entity Information - USD ($)	12 Months Ended Dec. 31, 2022	Feb. 20, 2023	Jun. 30, 2022
Document Information [Line Items]			
Entity Central Index Key	0000798287		
Entity Registrant Name	PAM TRANSPORTATION SERVICES INC		
Amendment Flag	false		
Current Fiscal Year End Date	--12-31		
Document Fiscal Period Focus	FY		
Document Fiscal Year Focus	2022		
Document Type	10-K		
Document Annual Report	true		
Document Period End Date	Dec. 31, 2022		
Document Transition Report	false		
Entity Incorporation, State or Country Code	DE		
Entity File Number	0-1507		
Entity Tax Identification Number	71-0633135		
Entity Address, Address Line One	297 West Henri De Tonti Blvd		
Entity Address, City or Town	Tontitown		
Entity Address, State or Province	AR		
Entity Address, Postal Zip Code	72770		
City Area Code	479		
Local Phone Number	361-9111		
Title of 12(b) Security	Common Stock, $.01 par value		
Trading Symbol	PTSI		
Security Exchange Name	NASDAQ		
Entity Well-known Seasoned Issuer	No		
Entity Voluntary Filers	No		
Entity Current Reporting Status	Yes		
Entity Interactive Data Current	Yes		
Entity Filer Category	Accelerated Filer		
Entity Small Business	true		
Entity Emerging Growth Company	false		
ICFR Auditor Attestation Flag	true		
Entity Shell Company	false		
Entity Public Float			$ 178,799,006
Entity Common Stock, Shares Outstanding		22,173,734	
Auditor Firm ID	248		
Auditor Name	GRANT THORNTON LLP		
Auditor Location	Tulsa, Oklahoma		

Condensed Consolidated Balance Sheets - USD ($)	Dec. 31, 2022	Dec. 31, 2021
CURRENT ASSETS:		
Cash and cash equivalents	$ 74,087,000	$ 18,509,000
Accounts receivable—net:		
Trade, less current estimated credit loss of $5,381 and $4,526, respectively	134,739,000	121,854,000
Other	6,263,000	7,092,000
Inventories	2,570,000	1,456,000
Prepaid expenses and deposits	15,729,000	10,962,000
Marketable equity securities	41,728,000	39,424,000
Income taxes refundable	5,650,000	277,000
Total current assets	280,766,000	199,574,000
PROPERTY AND EQUIPMENT:		
Land	19,718,000	19,718,000
Structures and improvements	35,534,000	33,534,000
Revenue equipment	637,510,000	520,840,000
Office furniture and equipment	13,157,000	11,211,000
Total property and equipment	705,919,000	585,303,000
Accumulated depreciation	(242,324,000)	(201,124,000)
Net property and equipment	463,595,000	384,179,000
OTHER ASSETS	4,801,000	3,628,000
TOTAL ASSETS	749,162,000	587,381,000
CURRENT LIABILITIES:		
Accounts payable	48,917,000	43,381,000
Accrued expenses and other liabilities	34,233,000	14,114,000
Income taxes payable	0	4,364,000
Current maturities of long-term debt	58,815,000	49,544,000
Total current liabilities	141,965,000	111,403,000
Long-term debt—less current portion	205,466,000	172,733,000
Deferred income taxes	101,445,000	86,715,000
Other long-term liabilities	103,000	420,000
Total liabilities	448,979,000	371,271,000
COMMITMENTS AND CONTINGENCIES (Note 16)		
STOCKHOLDERS' EQUITY		
Preferred stock, $.01 par value, 10,000,000 shares authorized; none issued	0	0
Common stock, $.01 par value, 50,000,000 shares authorized; 22,293,687 and 34,574,807 shares issued; 22,166,450 and 22,348,022 shares outstanding at December 31, 2022 and 2021, respectively	223,000	234,000
Additional paid-in capital	40,472,000	84,472,000
Accumulated Other Comprehensive Income	0	0
Treasury stock, at cost; 127,237 and 12,226,785 shares at December 31, 2022 and 2021, respectively	(4,000,000)	(169,946,000)
Retained earnings	263,488,000	301,350,000
Total stockholders' equity	300,183,000	216,110,000

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 749,162,000	$ 587,381,000

Condensed Consolidated Balance Sheets (Parentheticals) - USD ($) $ in Thousands	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020	Dec. 31, 2019
Trade, allowance	$ 5,381	$ 4,526	$ 3,482	$ 2,952
Preferred stock, par value (in dollars per share)	$ 0.01	$ 0.01		
Preferred stock, authorized (in shares)	10,000,000	10,000,000		
Preferred stock, issued (in shares)	0	0		
Common stock, par value (in dollars per share)	$ 0.01	$ 0.01		
Common stock, authorized (in shares)	50,000,000	50,000,000		
Common stock, issued (in shares)	22,293,687	34,574,807		
Common stock, outstanding (in shares)	22,166,450	22,348,022		
Treasury stock (in shares)	127,237	12,226,785		

Condensed Consolidated Statements of Operations - USD ($) shares in Thousands, $ in Thousands	12 Months Ended		
	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020
OPERATING REVENUES:			
Operating revenues	$ 946,862	$ 707,120	$ 486,825
OPERATING EXPENSES AND COSTS:			
Salaries, wages and benefits	181,918	141,019	124,098
Operating supplies and expenses	166,005	102,228	84,275
Rents and purchased transportation	364,971	279,016	165,984
Depreciation	62,806	55,012	56,168
Insurance and claims	32,516	18,792	8,866
Other	18,128	12,294	13,138
(Gain) loss on disposition of equipment	(3,250)	(1,446)	373
Total operating expenses and costs	823,094	606,915	452,902
OPERATING INCOME	123,768	100,205	33,923
NON-OPERATING INCOME (EXPENSE)	3,168	10,339	(1,699)
INTEREST EXPENSE	(7,929)	(8,039)	(8,815)
INCOME BEFORE INCOME TAXES	119,007	102,505	23,409
FEDERAL & STATE INCOME TAX EXPENSE:			
Current	13,794	8,157	220
Deferred	14,541	17,832	5,362
Total federal & state income tax expense	28,335	25,989	5,582
Net income	$ 90,672	$ 76,516	$ 17,827
EARNINGS PER COMMON SHARE:			
Basic (in dollars per share)	$ 4.08	$ 3.37	$ 0.77
Diluted (in dollars per share)	$ 4.04	$ 3.35	$ 0.77
AVERAGE COMMON SHARES OUTSTANDING:			
Basic (in shares)	22,246	22,715	23,008
Diluted (in shares)	22,436	22,864	23,072
Freight Transportation Service [Member]			
OPERATING REVENUES:			
Operating revenues	$ 818,751	$ 641,253	$ 438,987
Fuel Surcharge [Member]			
OPERATING REVENUES:			
Operating revenues	$ 128,111	$ 65,867	$ 47,838

Condensed Consolidated Statements of Stockholders' Equity (Unaudited) - USD ($) shares in Thousands, $ in Thousands	Common Stock Outstanding [Member]	Common Stock [Member]	Additional Paid-in Capital [Member]	Treasury Stock [Member]	Retained Earnings [Member]	Total
Balance (in shares) at Dec. 31, 2019	22,996					
Balance at Dec. 31, 2019		$ 117	$ 83,688	$ (156,837)	$ 207,007	$ 133,975
Net income (loss)					17,827	17,827
Restricted stock issued (in shares)	160					
Treasury stock repurchases (in shares)	(244)					
Treasury stock repurchases				(2,281)		(2,281)
Share-based compensation			460			460
Net income (loss)					17,827	17,827
Balance (in shares) at Dec. 31, 2020	22,912					
Balance at Dec. 31, 2020		117	84,148	(159,118)	224,834	149,981
Net income (loss)					76,516	76,516
Restricted stock issued (in shares)	18					
Treasury stock repurchases (in shares)	(582)					
Treasury stock repurchases				(10,828)		(10,828)
Share-based compensation			441			441
Net income (loss)					76,516	76,516
Stock Split		117	(117)			
Restricted stock issued						
Balance (in shares) at Dec. 31, 2021	22,348					
Balance at Dec. 31, 2021		234	84,472		301,350	216,110
Net income (loss)					90,672	90,672
Restricted stock issued (in shares)	29					
Treasury stock repurchases (in shares)	(211)					
Treasury stock repurchases				(7,000)		(7,000)
Share-based compensation			715			715
Net income (loss)					90,672	90,672
Stock Split		112	(111)			1
Restricted stock issued						
Treasury stock retired		(123)	(44,289)	172,946	(128,534)	

Restricted stock net settlement			(315)			(315)
Balance (in shares) at Dec. 31, 2022	22,166					
Balance at Dec. 31, 2022		$ 223	$ 40,472	$ (4,000)	$ 263,488	$ 300,183

Condensed Consolidated Statements of Cash Flows - USD ($) $ in Thousands	12 Months Ended		
	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020
OPERATING ACTIVITIES:			
Net income	$ 90,672	$ 76,516	$ 17,827
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	62,806	55,012	56,168
Bad debt expense	917	1,044	530
Stock compensation—net of excess tax benefits	715	441	460
Provision for deferred income taxes	14,541	17,832	5,362
Recognized (gain) loss on marketable equity securities	(1,129)	(8,197)	3,463
(Gain) loss on sale or disposal of equipment	(3,250)	(1,446)	373
Changes in operating assets and liabilities:			
Accounts receivable	(2,152)	(47,132)	(17,835)
Prepaid expenses, deposits, inventories, and other assets	(7,257)	(865)	(1,780)
Income taxes refundable	(5,373)	591	(60)
Income taxes payable	(4,364)	4,364	0
Trade accounts payable	2,198	5,945	20,880
Accrued expenses and other liabilities	20,491	(2,365)	(17,798)
Net cash provided by operating activities	168,815	101,740	67,590
INVESTING ACTIVITIES:			
Purchases of property and equipment	(65,441)	(19,144)	(48,226)
Purchase of a business, net of cash acquired	(64,317)	0	0
Proceeds from disposition of equipment	17,406	31,680	17,418
Sales of marketable equity securities	0	3,109	2,039
Purchases of marketable equity securities, net of return of capital	(1,175)	(6,395)	(3,923)
Net cash (used in) provided by investing activities	(113,527)	9,250	(32,692)
FINANCING ACTIVITIES:			
Borrowings under line of credit	945,610	654,212	517,668
Repayments under line of credit	(945,610)	(672,458)	(516,468)
Borrowings of long-term debt	74,925	21,408	26,837
Repayments of long-term debt	(67,335)	(75,115)	(64,411)
Borrowings under margin account	1,229	6,510	7,068
Repayments under margin account	(1,529)	(16,547)	(3,292)
Repurchases of treasury stock	(7,000)	(10,828)	(2,281)
Net cash provided by (used in) financing activities	290	(92,818)	(34,879)
NET INCREASE IN CASH AND CASH EQUIVALENTS	55,578	18,172	19
CASH AND CASH EQUIVALENTS—Beginning of year	18,509	337	318
CASH AND CASH EQUIVALENTS—End of year	74,087	18,509	337
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION—			
Interest	7,842	8,144	8,798

Income taxes	23,342	3,870	281
NON-CASH INVESTING AND FINANCING ACTIVITIES—			
Purchases of revenue equipment included in accounts payable	$ 431	$ 383	$ 9,050

Note 1- Accounting Policies	12 Months Ended Dec. 31, 2022

Notes to Financial Statements

Accounting Standards Update and Change in Accounting Principle [Text Block]

P.A.M. TRANSPORTATION SERVICES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020

1. ACCOUNTING POLICIES

Description of Business and Principles of Consolidation– P.A.M. Transportation Services, Inc. (the "Company"), through its subsidiaries, operates as a truckload transportation and logistics company.

The consolidated financial statements include the accounts of the Company and its wholly owned operating subsidiaries: P.A.M. Transport, Inc., P.A.M. Cartage Carriers, LLC, Met Express, Inc., Costar Equipment, Inc., Overdrive Leasing, LLC, Choctaw Express, LLC, Decker Transport Co., LLC, T.T.X., LLC, Transcend Logistics, Inc., and East Coast Transport and Logistics, LLC. The following subsidiaries were inactive during all periods presented: P.A.M. International, Inc., Choctaw Brokerage, Inc., S & L Logistics, Inc. and P.A.M. Mexico Holdings, LLC.

Use of Estimates– The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent assets and liabilities at the financial statement date and reported amounts of revenue and expenses during the reporting period. The Company periodically reviews these estimates and assumptions. The most significant estimates that affect our financial statements are accrued liabilities for insurance claims, legal reserves, and useful lives and salvage values for property and equipment. The Company's estimates were based on its historical experience and various other assumptions that management believes to be reasonable under the circumstances. Actual results could differ from those estimates.

Cash and Cash Equivalents– The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. At times cash held at banks may exceed FDIC insured limits.

Accounts Receivable and Current Expected Credit Losses– Accounts receivable are presented in the Company's consolidated financial statements net of current expected credit losses. Management estimates current expected credit losses based upon an evaluation of the aging of our customer receivables and historical write-offs, as well as other trends and factors surrounding the credit risk of specific customers. The Company continually updates the history it uses to make these estimates so as to reflect the most recent trends, factors and other information available. In order to gather information regarding these trends and factors, the Company also performs ongoing credit evaluations of its customers. Customer receivables are considered to be past due when payment has not been received by the invoice due date. Write-offs occur when management determines an account to be uncollectible and could differ from the current expected credit losses estimate as a result of a number of factors, including unanticipated changes in the overall economic environment or factors and risks surrounding a particular customer. Management believes its methodology for estimating current expected credit losses to be reliable and consistent with prior periods. However, additional credit losses may be incurred if the financial condition of our customers were to deteriorate and could have a material effect on the Company's consolidated financial statements in future periods.

Bank Overdrafts– The Company classifies bank overdrafts in current liabilities as accounts payable. Bank overdrafts generally represent checks written in excess of available cash that have not yet cleared the Company's bank accounts. The majority of the Company's bank accounts are zero balance accounts that are funded at the time items clear against the account by drawings against a line of credit; therefore, the outstanding checks represent bank overdrafts. Because the recipients of these checks have generally not yet received payment, the Company continues to classify bank overdrafts as accounts payable. Bank overdrafts are classified as changes in accounts payable in the cash flows from operating activities section of the Company's Consolidated Statement of Cash Flows. There were no bank overdrafts as of December 31, 2022 or 2021.

Accounts Receivable Other– The components of accounts receivable other consist primarily of amounts representing company driver advances, independent contractor advances, and equipment manufacturer warranties. Advances receivable from company drivers as of December 31, 2022 and 2021, were approximately $135,000 and $43,000, respectively. Accounts receivable from independent contractors as of December 31, 2022 and 2021, were approximately $1,379,000 and $1,037,000, respectively. Independent contractors are allowed to purchase items such as fuel, repairs and tolls on Company accounts in order to share in favorable pricing negotiated by the Company. Independent contractors and trip lease carriers are also allowed to receive advances for a portion of the revenue that they expect to receive for loads that they transport for the Company.

Marketable Equity Securities– The Company's investment in marketable equity securities is accounted for in accordance with ASC Topic 321, ("ASC Topic 321"), Investments - Equity Securities. ASC Topic 321 requires companies to measure equity investments at fair value, with changes in fair value recognized in net income. The Company's investments in marketable securities consist of equity securities with readily determinable fair values. The cost of securities sold is based on the specific identification method. Realized and unrealized gains and losses, interest and dividends on marketable equity securities are included in non-operating income (expense) in our consolidated statements of operations.

For additional information with respect to marketable equity securities, see Note 4 – Marketable Equity Securities.

Impairment of Long-Lived Assets– The Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of a long-lived asset may not be recoverable. An impairment loss would be recognized if the carrying amount of the long-lived asset is not recoverable, and it exceeds its fair value. For long-lived assets classified as held and used, if the carrying value of the long-lived asset exceeds the sum of the future net undiscounted cash flows, it is not recoverable. No impairment losses were recorded during 2022 or 2021.

Property and Equipment– Property and equipment is recorded at historical cost, less accumulated depreciation. For financial reporting purposes, the cost of such property is depreciated principally by the straight-line method. For tax reporting purposes, accelerated depreciation or applicable cost recovery methods are used. Depreciation is recognized over the estimated asset life, considering the estimated salvage value of the asset. Such salvage values are based on estimates using expected market values for used equipment and the estimated time of disposal which in many cases include guaranteed residual values by the manufacturers. Gains and losses are reflected in the year of disposal. The following is a table reflecting estimated ranges of asset useful lives by major class of depreciable assets:

Asset Class	**Estimated Asset Life (in years)**
Service vehicles	3 - 5
Office furniture and equipment	3 - 10

Revenue equipment	3 - 10
Structures and improvements	5 - 40

The Company's management periodically evaluates whether changes to estimated useful lives and/or salvage values are necessary to ensure its estimates accurately reflect the economic use of the assets. During 2022, management determined that no material adjustments to the estimated useful lives or salvage values of trucks or trailers were necessary based on such an evaluation.

Inventory– Inventories consist primarily of revenue equipment parts, tires, supplies, and fuel. Inventories are carried at the lower of cost or market with cost determined using the first in, first out method.

Prepaid Tires– Tires purchased with revenue equipment are capitalized as a cost of the related equipment. Replacement tires are included in prepaid expenses and deposits and are amortized over a 24-month period. Amounts paid for the recapping of tires are expensed when incurred.

Advertising Expense– Advertising costs are expensed as incurred and totaled approximately $2,101,000, $1,154,000 and $1,102,000 for the years ended December 31, 2022, 2021 and 2020, respectively.

Repairs and Maintenance– Repairs and maintenance costs are expensed as incurred.

Self-Insurance Liability– A liability is recognized for known health, workers' compensation, cargo damage, property damage, and auto liability damage claims. An estimate of the incurred but not reported claims for each type of liability is made based on historical claims made, estimated frequency of occurrence, and considering changing factors that contribute to the overall cost of insurance. See Note 6 – Claims Liabilities for more information regarding insurance and claims liability.

Income Taxes– The Company applies the asset and liability method of accounting for income taxes, under which deferred taxes are determined based on the temporary differences between the financial statement and tax basis of assets and liabilities using tax rates expected to be in effect during the years in which the basis differences reverse. A valuation allowance is recorded when it is more likely than not that some or all of the deferred tax assets will not be realized. See Note 12 – Federal and State Income Taxes for more information regarding income taxes.

The application of income tax law to multi-jurisdictional operations such as those performed by the Company is inherently complex. Laws and regulations in this area are voluminous and often ambiguous. As such, we may be required to make subjective assumptions and judgments regarding our income tax exposures. Interpretations of and guidance surrounding income tax laws and regulations may change over time which could cause changes in our assumptions and judgments that could materially affect amounts recognized in the consolidated financial statements.

We recognize the impact of tax positions in our financial statements. These tax positions must meet a more-likely-than-not recognition threshold to be recognized and tax positions that previously failed to meet the more-likely-than-not threshold are recognized in the first subsequent financial reporting period in which that threshold is met. Previously recognized tax positions that no longer meet the more-likely-than-not threshold are derecognized in the first subsequent financial reporting period in which that threshold is no longer met. We recognize potential accrued interest and penalties related to unrecognized tax benefits within the consolidated statements of income as income tax expense.

In determining whether a tax asset valuation allowance is necessary, management, in accordance with the provisions of ASC 740-10-30, weighs all available evidence, both positive and negative to determine whether, based on the weight of that evidence, a valuation allowance is necessary. If negative conditions exist which indicate a valuation allowance might be necessary, consideration is then given to what effect the future reversals of existing taxable temporary differences and the availability of tax strategies might have on future taxable income to determine the amount, if any, of the required valuation allowance. As of December 31, 2022 and 2021, management determined that the future reversals of existing taxable temporary differences and available tax strategies would generate sufficient future taxable income to realize its tax assets and therefore a valuation allowance was not necessary.

Revenue Recognition– Revenue is recognized over time as the freight progresses towards its destination and the transportation service obligation is fulfilled. For loads picked up during the reporting period, but delivered in a subsequent reporting period, revenue is allocated to each period based on the transit time in each period as a percentage of total transit time. There are no assets or liabilities recorded in conjunction with revenue recognized, other than accounts receivable and current expected credit losses.

Earnings Per Share– The Company computes basic earnings per share ("EPS") by dividing net income (loss) available to common stockholders by the weighted average number of common shares outstanding during the period. Diluted EPS includes the potential dilution that could occur from stock-based awards and other stock-based commitments using the treasury stock or the as if converted methods, as applicable. The difference between the Company's weighted-average shares outstanding and diluted shares outstanding is due to the dilutive effect of common stock equivalents for all periods presented. See Note 14 – Earnings per Share for more information regarding the computation of diluted EPS.

Fair Value Measurements– Certain financial assets and liabilities are measured at fair value within the financial statements on a recurring basis. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The fair value hierarchy requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. For additional information with respect to fair value measurements, see Note 18 – Fair Value of Financial Instruments.

Reportable Segments– The Company's operations are all in the motor carrier segment and are aggregated into a single reportable segment in accordance with the aggregation criteria under United States generally accepted accounting principles ("GAAP"). The Company provides truckload transportation services as well as brokerage and logistics services to customers throughout the United States and portions of Canada and Mexico. Truckload transportation services revenues, excluding fuel surcharges, represented 66.0%, 67.0% and 76.9% of total revenues, excluding fuel surcharges, for the twelve months ended December 31, 2022, 2021 and 2020, respectively. Remaining revenues, excluding fuel surcharges, for each respective year were generated by brokerage and logistics services.

Concentrations of Credit Risk– The Company performs ongoing credit evaluations and generally does not require collateral from its customers. The Company maintains reserves for potential credit losses. In view of the concentration of the Company's revenues and accounts receivable among a limited number of customers within the automobile industry, the financial health of this industry is a factor in the Company's overall evaluation of accounts receivable.

Subsequent Events– We have evaluated subsequent events for recognition and disclosure through the date these financial statements were filed with the United States Securities and Exchange Commission and concluded that no subsequent events or transactions have occurred that require recognition or disclosure in our financial statements.

Risks and Uncertainties (COVID-19)– In March 2020, the World Health Organization declared the novel strain of coronavirus ("COVID-19") a global pandemic, and the President of the United States declared the COVID-19 outbreak a national emergency.

The rapid spread of the pandemic and the continuously evolving responses to combat it have had an increasingly negative impact on the global economy. In view of the rapidly changing business environment, unprecedented market volatility and heightened degree of uncertainty resulting from COVID-19, we are currently unable to fully determine its future impact on our business. We continue to monitor the progression of the pandemic, further government responses and development of treatments and vaccines and the resulting potential effect on our financial position, results of operations, cash flows and liquidity. These events could have an impact in future periods on certain estimates used in the preparation of our financial results, including, but not limited to impairment of long-lived assets, income tax provision and recoverability of certain receivables. Should the pandemic continue for an even further extended period of time, the impact on our operations could have a material adverse effect on our financial condition, results of operations, cash flows and liquidity.

Foreign Currency Transactions– The functional currency of the Company's foreign branch office in Mexico is the U.S. dollar. The Company remeasures the monetary assets and liabilities of this branch office, which are maintained in the local currency ledgers, at the rates of exchange in effect at the end of the reporting period. Revenues and expenses recorded in the local currency during the period are remeasured using average exchange rates for each period. Non-monetary assets and liabilities are remeasured using historical rates. Any resulting exchange gain or loss from the remeasurement process is included in non-operating income in the Company's consolidated statements of operations.

Business Combinations– The purchase price of an acquired businesses, or the purchase of substantially all of the assets of a business, is allocated to the estimated fair value of the assets acquired and liabilities assumed at the date of acquisition. The calculation of the fair value of assets acquired, liabilities assumed and the potential value of any intangible assets involves many factors, some of which require estimates and judgement. In certain cases, valuation specialists may be engaged to assist in the determination of the fair value calculations. During 2022, we engaged valuation specialists to assist us in fair value determination for our acquisition of substantially all of the assets of Metropolitan Trucking, Inc. and related entities.

Recent Accounting Pronouncements– In March 2020, the FASB issued Accounting Standards Update No. 2020-04, ("ASU 2020-04"), Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting. ASU 2020-04 was issued to provide optional guidance for a limited period of time to ease the potential burden in accounting for reference rate reform on financial reporting. ASU 2020-04 is effective as of March 12, 2020 through December 31, 2022. The adoption of this guidance on January 1, 2022 did not have a material impact on the Company's financial condition, results of operations, or cash flows.

Note 2 - Revenue Recognition	12 Months Ended Dec. 31, 2022

Notes to Financial Statements

Revenue from Contract with Customer [Text Block]

2. REVENUE RECOGNITION

The Company has a single performance obligation, to transport our customer's freight from a specified origin to a specified destination. The Company has the discretion to choose to self-transport or to arrange for alternate transportation to fulfill the performance obligation. Where the Company decides to self-transport the freight, the Company classifies the service as truckload services, and where the Company arranges for alternate transportation of the freight, the Company classifies the service as brokerage and logistics services. In either case, the Company is paid a rate to transport freight from its origin location to a specified destination. Because the primary factors influencing revenue recognition, including performance obligation, customer base, and timing of revenue recognition are the same for both of its service categories, the Company utilizes the same revenue recognition method throughout its operations.

Company revenue is generated from freight transportation services performed utilizing heavy truck trailer combinations. While various ownership arrangements may exist for the equipment utilized to perform these services, including Company-owned or leased, owner-operator owned, and third-party carriers, revenue is generated from the same base of customers. Contracts with these customers establish rates for services performed, which are predominantly rates that will be paid to pick up, transport and drop off freight at various locations. In addition to transportation, revenue is also awarded for various accessorial services performed in conjunction with the base transportation service. The Company also has other revenue categories that are not discussed in this note or broken out in our consolidated statements of operations due to their immaterial amounts.

In fulfilling the Company's obligation to transport freight from a specified origin to a specified destination, control of freight is transferred to the Company at the point it has been loaded into the driver's trailer, the doors are sealed and the driver has signed a bill of lading, which is the basic transportation agreement that establishes the nature, quantity and condition of the freight loaded, responsibility for invoice payment, and pickup and delivery locations. The Company's revenue is generated, and our customer receives benefit, as the freight progresses towards delivery locations. In the event the Company's customer cancels the shipment at some point prior to the final delivery location and re-consigns the shipment to an alternate delivery location, the Company is entitled to receive payment for services performed for the partial shipment. Shipments are generally conducted over a relatively short time span, generally one to three days; however, freight is sometimes stored temporarily in our trailer at one of our drop yard locations or at a location designated by a customer. The Company's revenue is categorized as either Freight Revenue or Fuel Surcharge Revenue, and both are earned by performing the same freight transportation services, as discussed further below.

Freight Revenue – revenue generated by the performance of the freight transportation service, including any accessorial service, provided to customers.

Fuel Surcharge Revenue – revenue designed to adjust freight revenue rates to an agreed-upon base cost for diesel fuel. Diesel fuel prices can fluctuate widely during the term of a contract with a customer. At the point that freight revenue rates are negotiated with customers, a sliding scale is agreed upon that approximately adjusts diesel fuel costs to an agreed-upon base amount. In general, as fuel prices increase, revenue from fuel surcharge increases, so that diesel fuel cost is adjusted to the approximate base amount agreed upon.

Revenue is recognized over time as the freight progresses towards its destination and the transportation service obligation is fulfilled. For loads picked up during the reporting period, but delivered in a subsequent reporting period, revenue is allocated to each period based on the transit time in each period as a percentage of total transit time. There are no assets or liabilities recorded in conjunction with revenue recognized, other than accounts receivable and current estimated credit losses.

Note 3 - Trade Accounts Receivable

Notes to Financial Statements

Financing Receivables [Text Block]

12 Months Ended Dec. 31, 2022

3. TRADE ACCOUNTS RECEIVABLE

The Company's receivables result primarily from the sale of transportation and logistics services. The Company performs ongoing credit evaluations of its customers and generally does not require collateral for accounts receivable. Accounts receivable, which consist of both billed and unbilled receivables, are presented net of current estimated credit losses. Accounts outstanding longer than contractual payment terms are considered past due and are reviewed individually for collectability. Accounts receivable balances consist of the following components as of December 31, 2022 and 2021:

	2022	2021
	(in thousands)	
Billed	$ 119,552	$ 105,992
Unbilled	20,568	20,388
Current estimated credit losses	(5,381)	(4,526)
Total accounts receivable—net	$ 134,739	$ 121,854

An analysis of changes in current estimated credit losses for the years ended December 31, 2022, 2021, and 2020 follows:

	2022	2021	2020
	(in thousands)		
Balance—beginning of year	$ 4,526	$ 3,482	$ 2,952
Provision for bad debts	917	1,044	530
Charge-offs	(62)	-	-
Recoveries	-	-	-
Balance—end of year	$ 5,381	$ 4,526	$ 3,482

Note 4 - Marketable Equity Securities	12 Months Ended Dec. 31, 2022
Notes to Financial Statements	
Investments in Debt and Marketable Equity Securities (and Certain Trading Assets) Disclosure [Text Block]	

4. MARKETABLE EQUITY SECURITIES

The Company accounts for its marketable securities in accordance with ASC Topic 321, Investments - Equity Securities. ASC Topic 321 requires companies to measure equity investments at fair value, with changes in fair value recognized in net income. The Company's investments in marketable securities consist of equity securities with readily determinable fair values. The cost of securities sold is based on the specific identification method, and interest and dividends on securities are included in non-operating income (expense).

Marketable equity securities are carried at fair value, with changes in fair market value included in the determination of net income. The fair market value of marketable equity securities is determined based on quoted market prices in active markets. See Note 18 – Fair Value of Financial Instruments for additional information regarding the valuation of marketable equity securities.

The following table sets forth cost, market value and unrealized gain on equity securities classified as available-for-sale as of December 31, 2022 and 2021.

	2022	2021
	(in thousands)	
Available-for-sale securities:		
Fair market value	$ 41,728	$ 39,424
Cost	30,350	29,385
Unrealized gain	$ 11,378	$ 10,039

The following table sets forth the gross unrealized gains and losses on the Company's marketable securities as of December 31, 2022 and 2021.

	2022	2021
	(in thousands)	
Available-for-sale securities:		
Gross unrealized gains	$ 13,478	$ 12,458
Gross unrealized losses	2,100	2,419
Net unrealized gains	$ 11,378	$ 10,039

For the years ended December 31, 2022, 2021 and 2020, the Company recognized dividends of approximately $1,539,000, $1,448,000, and $1,266,000 in non-operating income in its consolidated statements of operations, respectively.

The following table shows the Company's net realized (losses) gains during 2022, 2021 and 2020 on certain marketable equity securities.

	2022	2021	2020
		(in thousands)	
Realized (losses) gains:			
Sale proceeds	$ -	$ 3,109	$ 2,039
Cost of securities sold	-	3,199	2,216
Realized (losses) / gains	$ -	$ (90)	$ (177)

At December 31, 2022, the Company's investments' approximate fair value of securities in a loss position and related gross unrealized losses were $7,875,000 and $2,100,000, respectively. At December 31, 2021, the Company's investments' approximate fair value of securities in a loss position and related gross unrealized losses were $7,373,000 and $2,419,000, respectively.

The market value of the Company's equity securities are periodically used as collateral against any outstanding margin account borrowings. As of December 31, 2022 and 2021, the Company had outstanding borrowings of $914,000 and $1,214,000 under its margin account, respectively, which is reflected in accrued expenses. The interest rates on margin account borrowings were 4.92% and 0.68% as of December 31, 2022 and 2021, respectively.

Note 5 - Accrued Expenses and Other Liabilities	12 Months Ended Dec. 31, 2022

Notes to Financial Statements

Accounts Payable and Accrued Liabilities Disclosure [Text Block]

5. ACCRUED EXPENSES AND OTHER LIABILITIES

Accrued expenses and other liabilities at December 31 are summarized as follows:

	2022	2021
	(in thousands)	
Payroll	$ 1,995	$ 1,529
Accrued vacation	983	877
Taxes—other than income	3,369	2,674
Interest	283	196
Driver escrows	1,271	1,643
Margin account borrowings	914	1,214
Self-insurance claims and legal reserves	22,709	5,437
Current portion of Right-of-Use liability	340	544
Other liabilities	2,369	-
Total accrued expenses and other liabilities	$ 34,233	$ 14,114

The Company’s accounts payable of $48,917,000 includes $431,000 in payables for purchases of revenue equipment.

Note 6 - Claims Liabilities	12 Months Ended Dec. 31, 2022
Notes to Financial Statements	
Liability for Future Policy Benefits and Unpaid Claims Disclosure [Text Block]	**6. CLAIMS LIABILITIES** The Company maintains cargo insurance coverage to protect it from certain business risks. This policy has a per occurrence deductible of $10,000. Since September 1, 2020, the Company has been self-insured for certain layers of auto liability claims in excess of $2.0 million. Between September 1, 2019 and August 31, 2020, the Company was self-insured for certain layers of auto liability claims in excess of $1.0 million. Prior to September 1, 2019, the Company maintained auto liability insurance coverage for these layers. The Company currently specifically reserves for claims that are expected to exceed $2.0 million when fully developed, based on the facts and circumstances of those claims. The Company maintains workers' compensation coverage in Arkansas, Florida, Ohio, Oklahoma, and Mississippi with a $0.5 million self-insured retention and a $0.5 million per occurrence excess policy. The Company has elected to opt out of workers' compensation coverage in Texas and is providing coverage through the P.A.M. Texas Injury Plan. The Company has accrued for estimated losses to pay such claims as well as claims incurred but not yet reported. The Company has not experienced any adverse trends involving differences in claims experienced versus claims estimates for workers' compensation claims. Letters of credit aggregating approximately $0.3 million and certificates of deposit totaling $0.3 million are held by banks as security for workers' compensation claims. The Company self-insures for employee health claims with a stop loss of $0.4 million per covered employee per year and estimates its liability for claims outstanding and claims incurred but not reported. See Note 5 – Accrued Expenses and Other Liabilities for additional information regarding self-insurance claims liabilities.

Note 7 - Long-term Debt

12 Months Ended Dec. 31, 2022

Notes to Financial Statements

Long-Term Debt [Text Block]

7. LONG-TERM DEBT

Long-term debt at December 31, consists of the following:

	2022	2021
	(in thousands)	
Line of credit with a bank—due July 1, 2024, and collateralized by accounts receivable (1)	-	-
Equipment financing (2)	216,875	206,539
Real estate financing (3)	47,406	15,738
Total long-term debt	264,281	222,277
Less current maturities	(58,815)	(49,544)
Long-term debt—net of current maturities	$205,466	$172,733

(1) Line of credit agreement with a bank provides for maximum borrowings of $60.0 million and contains certain restrictive covenants that must be maintained by the Company on a consolidated basis. Borrowings on the line of credit are at an interest rate of Term SOFR as of the first day of the month plus 1.35%, (5.65% at December 31, 2022) and are secured by our trade accounts receivable. An "unused fee" of 0.25% is charged if average daily borrowings are less than $18.0 million in a given month. Monthly payments of interest are required under this agreement. Also, under the terms of the agreement the Company must maintain a debt to adjusted EBITDA (earnings before interest, taxes, depreciation, and amortization, excluding gains/losses on equity securities and extraordinary items) ratio of less than 4.00:1. The Company was in compliance with all provisions under this agreement throughout 2022. At December 31, 2022, outstanding advances on the line were approximately $0.4 million, including letters of credit totaling $0.3 million, with availability to borrow $59.6 million. At December 31, 2021, outstanding advances on the line were approximately $0.4 million, including letters of credit totaling $0.3 million.

(2) Equipment financings consist of installment obligations for revenue equipment purchases, payable in various monthly installments with various maturity dates through March 2028, at a weighted average interest rate of 3.16% as of December 31, 2022 and collateralized by revenue equipment.

(3) Real estate financing consisting of an installment obligation for the purchase of real estate in Laredo, TX, payable in 120 installments at an interest rate of 3.02% and maturing in August 2030, and an installment obligation for the financing of various company-owned terminals and office buildings payable in 120 installments at an interest rate of 3.62% and maturing in March 2032. These obligations are collateralized by the underlying real estate and any rental income generated by the underlying real estate.

The Company has provided letters of credit to third parties totaling approximately $310,000 at December 31, 2022 and December 31, 2021, respectively. The letters are held by these third parties to assist such parties in collection of any amounts due by the Company should the Company default in its commitments to the parties.

Scheduled annual maturities on long-term debt outstanding at December 31, 2022, are:

2023	$ 58,815
2024	62,490
2025	53,038
2026	34,801
2027	32,491
Thereafter	22,646
Total	$ 264,281

Note 8 - Noncash Investing and Financing Activities	12 Months Ended Dec. 31, 2022
Notes to Financial Statements	
Noncash Investing and Financing Activities Disclosure [Text Block]	**8. NONCASH INVESTING AND FINANCING ACTIVITIES** The Company financed approximately $22.2 million and $36.1 million in equipment purchases during 2022 and 2021, respectively, utilizing noncash financing.

Note 9 - Capital Stock	12 Months Ended Dec. 31, 2022
Notes to Financial Statements	
Stockholders' Equity Note Disclosure [Text Block]	9. **CAPITAL STOCK**

The Company's authorized capital stock consists of 50,000,000 shares of common stock, par value $.01 per share, and 10,000,000 shares of preferred stock, par value $.01 per share. At December 31, 2022, there were 22,293,687 shares of our common stock issued and 22,166,450 shares outstanding. At December 31, 2021, there were 34,574,807 shares of our common stock issued and 22,348,022 shares outstanding. No shares of our preferred stock were issued or outstanding at December 31, 2022 or 2021.

Common Stock

The holders of our common stock, subject to such rights as may be granted to any preferred stockholders, elect all directors and are entitled to one vote per share. All shares of common stock participate equally in dividends when and as declared by the Board of Directors and in net assets on liquidation. The shares of common stock have no preference, conversion, exchange, preemptive, or cumulative voting rights.

Preferred Stock

Preferred stock may be issued from time to time by our Board of Directors, without stockholder approval, in such series and with such preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends, qualifications or other provisions, as may be fixed by the Board of Directors in the resolution authorizing their issuance. The issuance of preferred stock by the Board of Directors could adversely affect the rights of holders of shares of common stock; for example, the issuance of preferred stock could result in a class of securities outstanding that would have certain preferences with respect to dividends and in liquidation over the common stock, and that could result in a dilution of the voting rights, net income per share and net book value of the common stock. As of December 31, 2022, we have no agreements or understandings for the issuance of any shares of preferred stock.

Treasury Stock

In July 2021, our Board of Directors authorized the repurchase of up to 200,000 shares (as adjusted for the Company’s 2-for-1 forward split of its common stock in the form of a 100% stock dividend paid on August 16, 2021), of our common stock through a Dutch auction tender offer (the “2021 tender offer”). Subject to certain limitations and legal requirements, the Company could repurchase up to an additional 2.0% of its outstanding shares. The 2021 tender offer commenced on July 27, 2021, and expired on August 26, 2021. Through this tender offer, the Company’s shareholders had the opportunity to tender some or all of their shares at a price within the range of $32.00 to $37.00 per share (as adjusted for the 2021 stock split). Upon expiration, 272,405 shares were purchased through this offer at a final purchase price of $37.00 per share for a total of approximately $10.1 million, excluding fees and commission. The repurchase was settled on August 31, 2021. The Company accounted for the repurchase of these shares as treasury stock on the Company’s consolidated balance sheet as of December 31, 2022.

The Company’s stock repurchase program has been extended and expanded several times, most recently in November 2021, when the Board of Directors reauthorized 500,000 shares of common stock for repurchase under the initial September 2011 authorization. The Company repurchased 168,847 shares and 18,732 shares of its common stock under this program during 2022 and 2021, respectively.

The Company accounts for Treasury stock using the cost method, and as of December 31, 2022, 127,237 shares were held in the treasury at an aggregate cost of approximately $4,000,000.

Note 10 - Segment Information, Significant Customers, Industry Concentration and Geographic Areas

Notes to Financial Statements

Segment Reporting and Concentration Risk Disclosure [Text Block]

	12 Months Ended
	Dec. 31, 2022

10. SEGMENT INFORMATION, SIGNIFICANT CUSTOMERS, INDUSTRY CONCENTRATION AND GEOGRAPHIC AREAS

The Company's revenues for 2022, 2021 and 2020 were all generated from operations in the motor carrier segment and are aggregated into a single reporting segment in accordance with the aggregation criteria under GAAP.

The table below presents revenue dollars and percentages by geographic area:

	Year Ended December 31,					
	2022		2021		2020	
	(in thousands)					
	Amount	Percent	Amount	Percent	Amount	Percent
United States - domestic shipments	$629,921	66.5	$474,291	67.9	$316,542	66.1
Shipments to or from Mexico	313,885	33.2	223,315	32.0	161,412	33.7
Shipments to or from Canada	3,056	0.3	891	0.1	1,156	0.2
Total	$946,862	100%	$698,497	100%	$479,110	100%

Our five largest customers, for which we provide carrier services covering a number of geographic locations, accounted for approximately 39%, 33% and 35% of our total revenues in 2022, 2021 and 2020, respectively. General Motors Company accounted for approximately 13%, 11% and 15% of our revenues in 2022, 2021 and 2020, respectively.

We also provide transportation services to other manufacturers who are suppliers for automobile manufacturers. Approximately 31%, 27% and 30% of our revenues were derived from transportation services provided to the automobile industry during 2022, 2021 and 2020, respectively.

Accounts receivable from the three largest customers totaled approximately $36,622,000 and $31,049,000 at December 31, 2022 and 2021, respectively.

Note 11 - Dividends	12 Months Ended Dec. 31, 2022
Notes to Financial Statements	
Dividend Payment Restrictions [Text Block]	**11. DIVIDENDS** The Company has paid cash dividends in the past; however, the Company currently intends to retain future earnings and does not anticipate paying cash dividends in the foreseeable future. Any future determination to pay dividends will be at the discretion of the Board and will depend on the Company's financial condition, results of operations, capital requirements, any legal or contractual restrictions on the payment of dividends, and other factors the Board deems relevant.

Note 12 - Federal and State Income Taxes	12 Months Ended Dec. 31, 2022

[Notes to Financial Statements]

[Income Tax Disclosure [Text Block]]

12. FEDERAL AND STATE INCOME TAXES

Under GAAP, deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and for income tax reporting purposes.

Significant components of the Company's deferred tax liabilities and assets at December 31 are as follows:

	2022	2021
	(in thousands)	
Deferred tax liabilities:		
Property and equipment	$ 102,169	$ 84,081
Unrealized gains on securities	2,894	2,580
Prepaid expenses and other	3,836	2,783
Total deferred tax liabilities	108,899	89,444
Deferred tax assets:		
Current expected credit losses	1,385	1,165
Compensated absences	215	185
Self-insurance allowances	5,746	1,207
Other	108	172
Total deferred tax assets	7,454	2,729
Net deferred tax liability	$ 101,445	$ 86,715

The reconciliation between the effective income tax rate and the statutory Federal income tax rate for the years ended December 31, 2022, 2021 and 2020 is presented in the following table:

	2022		2021		2020	
			(in thousands)			
	Amount	Percent	Amount	Percent	Amount	Percent
Federal income tax at statutory rate	$ 24,991	21.0	$ 21,526	21.0	$ 4,916	21.0
Nondeductible per diem and meals	-	-	-	-	321	1.4
State income taxes/other, net	3,344	2.8	4,463	4.4	345	1.5
Total income tax expense	$ 28,335	23.8	$ 25,989	25.4	$ 5,582	23.9

The provision (benefit) for income taxes consisted of the following:

	2022	2021	2020
		(in thousands)	
Current:			

Federal	$ 10,673	$ 6,314	$ (62)
State	3,121	1,843	282
Total current income tax provision	13,794	8,157	220
Deferred:			
Federal	12,920	13,720	4,860
State	1,621	4,112	502
Total deferred income tax provision	14,541	17,832	5,362
Total income tax provision expense	$ 28,335	$ 25,989	$ 5,582

In determining whether a tax asset valuation allowance is necessary, management, in accordance with the provisions of ASC 740-10-30, weighs all available evidence, both positive and negative to determine whether, based on the weight of that evidence, a valuation allowance is necessary. If negative conditions exist which indicate a valuation allowance might be necessary, consideration is then given to what effect the future reversals of existing taxable temporary differences and the availability of tax strategies might have on future taxable income to determine the amount, if any, of the required valuation allowance. As of December 31, 2022 and 2021, management determined that the future reversals of existing taxable temporary differences and available tax strategies would generate sufficient future taxable income to realize its tax assets and therefore a valuation allowance was not necessary.

The Company recognizes a tax benefit from an uncertain tax position only if it is more likely than not that the position will be sustained on examination by taxing authorities, based on the technical merits of the position. As of December 31, 2022, an adjustment to the Company's consolidated financial statements for uncertain tax positions has not been required as management believes that the Company's tax positions taken in income tax returns filed or to be filed are supported by clear and unambiguous income tax laws. The Company recognizes interest and penalties related to uncertain income tax positions, if any, in income tax expense. During 2022 and 2021, the Company has not recognized or accrued any interest or penalties related to uncertain income tax positions.

The Company and its subsidiaries are subject to U.S. and Canadian federal income tax laws as well as the income tax laws of multiple state jurisdictions. The major tax jurisdictions in which the Company operates generally provide for a deficiency assessment statute of limitation period of three years, and as a result, the Company's tax years 2019 and forward remain open to examination in those jurisdictions.

Note 13 - Stock-based Compensation	12 Months Ended Dec. 31, 2022
Notes to Financial Statements	
Compensation and Employee Benefit Plans [Text Block]	**13. STOCK-BASED COMPENSATION** The Company maintains a stock incentive plan under which incentive and nonqualified stock options and other stock awards may be granted. On March 13, 2014, the Company's Board of Directors adopted, and on May 29, 2014 our shareholders approved, the 2014 Amended and Restated Stock Option and Incentive Plan (the "Plan") which amended and restated the Company's 2006 Stock Option Plan. Under the Plan, 3,000,000 shares (as adjusted for the Company's 2-for-1 forward split of its common stock paid in August 2021 and the Company's 2-for-1 forward split of its common stock paid in March 2022) are reserved for the issuance of stock awards to directors, officers, key employees, and others. The stock option exercise price and the restricted stock purchase price under the 2014 Plan shall not be less than 85% of the fair market value of the Company's common stock on the date the award is granted. The fair market value is determined by the closing price of the Company's common stock, on its primary exchange, on the same date that the option or award is granted. The Company granted unrestricted shares of its common stock to its non-employee directors and granted restricted shares of common stock to certain key employees during all periods presented. All share and per share amounts set forth below have been adjusted to reflect the impact of the 2-for-1 forward stock split in both August 2021 and March 2022. During February 2022, the Company granted 29,120 shares of common stock to certain key employees. These stock awards had grant date fair values of $38.80 per share, based on the closing price of the Company's stock on the date of grant, and vest in 25% increments over four years, beginning one year from the anniversary date of the grant. During May 2022, the Company granted 1,855 shares of common stock to non-employee directors. These stock awards had a grant date fair value of $29.60 per share, based on the closing price of the Company's stock on the date of grant, and vested immediately. During June 2022, the Company granted 3,500 shares of common stock to a key employee. This stock award had a grant date fair value of $27.68 per share, based on the closing price of the Company's stock on the date of grant, and vests in 25% increments over four years, beginning one year from the anniversary date of the grant. In March 2021, the Company granted 5,216 shares of common stock to non-employee directors. These restricted stock awards have a grant date fair value of $15.43 per share, based on the closing price of the Company's stock on the date of grant, and vested immediately. In April 2021, the Company granted 10,000 shares of common stock to a certain key employee. These stock awards have a grant date fair value of $15.09 per share, based on the closing price of the Company's stock on the date of grant, and vests in 25% increments over four years, beginning one year from the anniversary date of the grant. In January 2020, the Company granted 28,000 shares of common stock to certain key employees. These restricted stock awards have a grant date fair value of $14.11 per share, based on the closing price of the Company's stock on the date of grant, and vest on the four year anniversary date of the award.

In March 2020, the Company granted 10,432 shares of common stock to non-employee directors. These stock awards have a grant date fair value of $7.69 per share, based on the closing price of the Company's stock on the date of grant, and vested immediately.

In April 2020, the Company granted 968 shares of common stock to a non-employee director. This stock award has a grant date fair value of $10.35 per share, based on the closing price of the Company's stock on the date of grant, and vested immediately.

In August 2020, the Company granted 160,000 restricted shares of common stock to the Company's Chief Executive Officer. This restricted stock award has a grant date fair value of $8.84, based on the closing price of the Company's stock on the date of grant, and will vest in increments of 20,000 shares each in 2022, 2023, 2024 and 2027 and 40,000 shares each in 2025 and 2026.

In August 2020, the Company granted 53,328 shares of common stock to certain key employees. These restricted stock awards have a grant date fair value of $7.56 per share, based on the closing price of the Company's stock on the date of grant, and vest on the four year anniversary date of the award.

During 2022 and 2021, there were no grants of stock options and there were no outstanding stock options at December 31, 2022 or December 31, 2021. At December 31, 2022, approximately 716,000 shares were available for granting future options or restricted stock.

The grant date fair value of stock and stock options vested during 2022, 2021 and 2020 was approximately $392,000, $203,000 and $759,000, respectively. Total pre-tax stock-based compensation expense, recognized in salaries, wages and benefits was approximately $715,000 during 2022 and includes approximately $55,000 recognized as a result of the grant of a total of 1,855 shares of stock to four non-employee directors during the second quarter of 2022. The Company recognized a total income tax benefit of approximately $170,000 related to stock-based compensation expense during 2022. The recognition of stock-based compensation expense decreased diluted earnings per common share by $0.03 and basic earnings per common share by approximately $0.02 during 2022. As of December 31, 2022, the Company had stock-based compensation plans with total unvested stock-based compensation expense of approximately $2,414,000 which is being amortized over the remaining vesting period. As a result, the Company expects to recognize the following approximate amounts of additional compensation expense related to unvested restricted stock awards during each of the years indicated:

2023	$ 649,000
2024	$ 641,000
2025	$ 670,000
2026	$ 343,000
2027	$ 111,000

Total pre-tax stock-based compensation expense, recognized in salaries, wages and benefits was approximately $441,000 during 2021 and includes approximately $80,000 recognized as a result of the grant of 652 shares of stock to eight non-employee directors during the first quarter of 2021. The Company recognized a total income tax benefit of approximately $110,000 related to stock-based compensation expense during 2021. The recognition of stock-based compensation expense decreased diluted earnings per common share by $0.03 and basic earnings per common share by approximately $0.02 during 2021.

Total pre-tax stock-based compensation expense, recognized in salaries, wages and benefits was approximately $461,000 during 2020 and includes approximately $90,000 recognized as a result of the grant of 1,304 shares of stock to eight non-employee directors during the first quarter of 2020 and 968 shares of stock to one non-employee director during the second quarter of 2020. The Company recognized a total income tax benefit of approximately $100,000 related to stock-based compensation expense during 2020. The recognition of stock-based compensation expense decreased both diluted and basic earnings per common share by approximately $0.06 during 2020.

There were no options granted during 2022, 2021, or 2020.

A summary of the status of the Company's non-vested restricted stock as of December 31, 2022 and changes during the year ended December 31, 2022, is presented below:

	Restricted Stock	
	Number of Shares	**Weighted-Average Grant Date Fair Value**
Nonvested—January 1, 2022	239,212	$ 9.25
Granted	34,475	37.18
Canceled/forfeited/expired	-	-
Vested	(37,855)	10.36
Nonvested—December 31, 2022:	235,832	$ 13.15

Note 14 - Earnings Per Share

Notes to Financial Statements

Earnings Per Share [Text Block]

	12 Months Ended Dec. 31, 2022

14. EARNINGS PER SHARE

Basic earnings per common share was computed by dividing net income by the weighted average number of shares outstanding (on a stock split adjusted basis) during the period. Diluted earnings per common share was calculated as follows:

	For the Year Ended December 31,		
	2022	2021	2020
	(in thousands, except per share data)		
Net income	$ 90,672	$ 76,516	$ 17,827
Basic weighted average common shares outstanding(1)	22,246	22,715	23,008
Dilutive effect of common stock equivalents	190	149	64
Diluted weighted average common shares outstanding(1)	22,436	22,864	23,072
Basic earnings per share	$ 4.08	$ 3.37	$ 0.77
Diluted earnings per share	$ 4.04	$ 3.35	$ 0.77

(1) As adjusted for the Company's 2-for-1 forward stock splits paid in August 2021 and March 2022, respectively.

Note 15 - Benefit Plan	12 Months Ended Dec. 31, 2022
Notes to Financial Statements	
Retirement Benefits [Text Block]	**15. BENEFIT PLAN** The Company sponsors a benefit plan for the benefit of all eligible employees. The plan qualifies under Section 401(k) of the Internal Revenue Code thereby allowing eligible employees to make tax-deductible contributions to the plan. The plan provides for employer matching contributions of 50% of each participant's voluntary contribution up to 3% of the participant's compensation and vests at the rate of 20% each year until fully vested after five years. Total employer matching contributions to the plan were approximately $212,000, $190,000 and $190,000 in 2021, 2021 and 2020, respectively.

Note 16 - Commitments and Contingencies	12 Months Ended Dec. 31, 2022
Notes to Financial Statements	
Commitments and Contingencies Disclosure [Text Block]	**16. COMMITMENTS AND CONTINGENCIES** We were named a defendant in a putative class action lawsuit filed on August 6, 2021, in the United States District Court for the Western District of Arkansas. The complaint alleged failure to pay over-the-road drivers minimum wage under the Fair Labor Standards Act and the Arkansas Minimum Wage Act, violations of the Electronic Funds Transfer Act (EFTA), violations of the Arkansas Wage Payment Law (discharge pay and unlawful, usurious advance fees), violations of the Arkansas Common Law, and violations of the Racketeer Influenced and Corrupt Organizations Act (RICO). We denied liability on all claims. On August 5, 2022, the parties filed a Joint Motion for Preliminary Approval of a Collective and Class Action Settlement. On October 7, 2022, the parties submitted to the court an executed Settlement Agreement and Release, to resolve and release all claims asserted in the litigation from January 1, 2020 through July 31, 2022 for $4,750,000. We did not admit liability for any claim. The District Court granted preliminary approval of the settlement on November 14, 2022. Notice of the settlement has been sent to class and collective action members. A final fairness hearing on the settlement is scheduled to be held by the District Court on April 5, 2023. Management has determined that any losses under this claim will not be covered by existing insurance policies. This loss has been accrued and is included in Insurance and Claims in our consolidated statement of operations. We are involved in certain claims and pending litigation arising from the ordinary conduct of business. We also provide accruals for claims within our self-insured retention amounts. On September 1, 2019, we elected to become self-insured for certain layers of auto liability claims in excess of $1.0 million for which we previously maintained auto liability insurance coverage. Since September 1, 2020, we have been self-insured for certain layers of auto liability claims in excess of $2.0 million. We currently specifically reserve for claims that are expected to exceed $2.0 million when fully developed, based on the facts and circumstances of those claims. Based on our knowledge of the facts, and in certain cases, opinions of outside counsel, we believe the resolution of such claims and pending litigation will not have a material effect on our financial position, results of operations or cash flows. However, if we experience claims that are not covered by our insurance or that exceed our estimated claim reserve, it could increase the volatility of our earnings and have a materially adverse effect on our financial condition, results of operations or cash flows.

Note 17 - Leases	12 Months Ended Dec. 31, 2022

Notes to Financial Statements

Lessor, Operating Leases [Text Block]

17. **LEASES**

Right-of-Use Leases

During 2019, the Company entered into operating leases which include initial terms of approximately five years and which do not include an option for early cancellation. During 2022 and 2021, the Company did not enter into any new leases with similar provisions. In accordance with the provisions of ASC Topic 842, these leases resulted in the recognition of right-of-use assets and corresponding operating lease liabilities, respectively, valued at approximately $0.4 million as of December 31, 2022. These assets and liabilities are recognized based on the present value of future minimum lease payments over the lease term at commencement date, using the Company's incremental borrowing rate as of the respective dates of lease inception, as the rate implicit in each lease is not readily determinable. The right-of-use assets are recorded in other assets, and the lease liability is recorded in accrued expenses and other liabilities and in other long-term liabilities on our consolidated balance sheet. Lease expense is recorded on a straight-line basis over the lease term and is recorded in rent and purchased transportation in our consolidated statements of operations. While the lease agreements contain provisions to extend after the initial term for an additional five years, the Company is not reasonably certain these extension options will be exercised. Therefore, potential lease payments that might occur under this extension period are not included in amounts recorded in our consolidated balance sheets as of December 31, 2022.

Scheduled amounts and timing of cash flows arising from operating lease payments at December 31, 2022, are:

		(in thousands)
Maturity of Lease Liabilities		
2023	$	340
2024		114
2025		-
2026		-
2027 and Thereafter		-
Total undiscounted operating lease payments	$	454
Less: Imputed interest		(10)
Present value of operating lease liabilities	$	444
Balance Sheet Classification		
Right-of-use assets (recorded in other non-current assets)	$	444
Current lease liabilities (recorded in other current liabilities)	$	340

Long-term lease liabilities (recorded in other long-term liabilities)		104
Total operating lease liabilities	$	444
Other Information		
Weighted-average remaining lease term for operating leases (in years)		1.33
Weighted-average discount rate for operating leases		3.74%

Cash Flows

No new right-of-use assets were recognized as non-cash asset additions that resulted from new operating lease liabilities during the years ended December 31, 2022 and December 31, 2021, respectively. Cash paid for amounts included in the present value of right-of-use lease liabilities was $0.5 and $0.6 million during the years ended December 31, 2022 and December 31, 2021, respectively, and is included in operating cash flows.

Cash Paid for Operating Leases

	Twelve Months Ended December 31,			
	2022		2021	
	(in thousands)			
Right-of-Use leases	$	515	$	583
Short-term leases (1)		2,393		2,173
Total	$	2,908	$	2,756

(1) Short-term lease cost includes leases with a term of twelve months or less and leases with options for early cancellation.

Lease Revenue

The Company has a lease-purchase program whereby we offer independent contractors the opportunity to lease a Company-owned truck. The terms associated with these operating eases require weekly lease payments over the term of the leases which range from 5 to 60 months. The cost and carrying amount of Company-owned trucks in this program at December 31, 2022 were approximately $58,227,000 and $22,960,000, respectively. The cost and carrying amount of the Company-owned trucks in this program at December 31, 2021 were approximately $55,986,000 and $28,951,000, respectively. Payments under this program are classified in the Company’s financial statements under the consolidated statement of operations category Revenue.

Leases in our lease-purchase program expire at various dates through 2026. Future minimum lease receipts related to these operating leases at December 31, 2022 and 2021 were approximately $11,549,000 and $15,907,000, respectively. Depreciation is calculated on a straight-line basis over the estimated useful life of the equipment, down to an estimated salvage value. In most cases, the Company has agreements in place with certain manufacturers whereby salvage values are guaranteed by the manufacturer. In other cases, where salvage values are not guaranteed, estimates of salvage value are based on the expected market values of equipment at the time of disposal. During the year ended December 31, 2022, the Company incurred $7.0 million of depreciation expense for these assets.

The Company leases dock space to a related party at our Laredo, Texas terminal and warehouse and office space to an unrelated lessee at a second Laredo, Texas terminal. At December 31, 2022, the cost and carrying amount of the facilities leased were approximately $13,738,000 and $11,674,000, respectively. Future minimum lease receipts related to this operating lease at December 31, 2022 are approximately $32,100. See Note 19 – Related Party Transactions for additional information regarding the Company's transactions with related persons.

The Company's operating lease revenue is disclosed in the table below.

	Twelve Months Ended December 31, 2022	Twelve Months Ended December 31, 2021
Leased truck revenue (recorded in revenue, before fuel surcharge)	$ 8,705	$ 7,747
Leased building space revenue (recorded in non-operating income)	525	735
Total lease revenue	$ 9,230	$ 8,482

Lease Receivable

Future minimum operating lease payments receivable at December 31, 2022:

2023	$ 7,637
2024	3,683
2025	221
2026	40
2027	-
Thereafter	-
Total future minimum lease payments receivable	$ 11,581

Lease Payments to Related Parties

Payments to related parties of $1,780,813 were made for real estate leases during 2022 which include maintenance facilities in one state and trailer drop yards in eleven states. The leases are generally month to month leases with automatic monthly renewal provisions.

During 2022 the Company leased office, shop and parking spaces from various lessors, including a related party. The initial term for the majority of these leases is one year, with an option for early cancellation and an option to renew for subsequent one-month periods. These leases can be terminated by either party by providing notice to the other party of the intent to cancel or to not extend. Relatively short lease durations for these properties are intended to provide flexibility to the Company as changing operational needs and shifting opportunities often result in cancellation or non-renewal of these leases by the Company or the lessor. The minimum operating lease payable under these arrangements was approximately $232,000 as of December 31, 2022.

The Company leases office and shop facilities to a related party. At December 31, 2022, the cost and carrying amount of the facilities leased were approximately $13,738,000 and $11,674,000, respectively. Future minimum lease receipts related to this lease at December 31, 2022 were approximately $32,100.

Note 18 - Fair Value of Financial Instruments	12 Months Ended Dec. 31, 2022
Notes to Financial Statements	
Fair Value Disclosures [Text Block]	**18. FAIR VALUE OF FINANCIAL INSTRUMENTS**

18. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and cash equivalents, marketable equity securities, accounts receivable, trade accounts payable, and borrowings.

The Company follows the guidance for financial assets and liabilities measured on a recurring basis. The guidance defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date and also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

The standard describes three levels of inputs that may be used to measure fair value:

Level 1:	Quoted market prices in active markets for identical assets or liabilities.
Level 2:	Inputs other than Level 1 inputs that are either directly or indirectly observable such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable; or other inputs not directly observable, but derived principally from, or corroborated by, observable market data.
Level 3:	Unobservable inputs that are supported by little or no market activity.

The Company utilizes the market approach to measure fair value for its financial assets and liabilities. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.

At December 31, 2022 and 2021, the following items are measured at fair value on a recurring basis:

	2022				**2021**			
	Total	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**
Marketable equity securities	$41,728	$41,728	-	-	$39,424	$39,424	-	-

During 2022 and 2021, there were no transfers of marketable securities between levels of fair value measurement.

The Company's investments in marketable equity securities are recorded at fair value based on quoted market prices. The carrying value of cash and cash equivalents, accounts receivable, trade accounts payable, and accrued liabilities approximate fair value due to their short maturities.

The carrying amount for the line of credit approximates fair value because the line of credit interest rate is adjusted frequently.

For long-term debt other than the lines of credit, the fair values are estimated using discounted cash flow analyses, based on the Company's current incremental borrowing rates for similar types of borrowing arrangements. The carrying values and estimated fair values of this other long-term debt at December 31, 2022 and 2021 are summarized as follows:

	2022		2021	
	Carrying Value	**Estimated Fair Value**	**Carrying Value**	**Estimated Fair Value**
	(in thousands)			
Long-term debt	$ 264,281	$ 253,762	$ 222,277	$ 224,191

The Company has not elected the fair value option for any of our financial instruments.

Note 19 - Related Party Transactions	12 Months Ended Dec. 31, 2022
Notes to Financial Statements	
Related Party Transactions Disclosure [Text Block]	**19. RELATED PARTY TRANSACTIONS** In the normal course of business, transactions for transportation and repair services, equipment, property leases and other services are conducted between the Company and companies affiliated with our Chairman and controlling stockholder. The Company recognized approximately $1,363,000, $8,085,000 and $9,897,000 in operating revenue and approximately $21,438,000, $11,103,000 and $6,791,000 in operating expenses in 2022, 2021, and 2020, respectively from related party transactions. The Company purchased auto liability and workers' compensation insurance through an insurance company affiliated with our Chairman and controlling stockholder. Premiums for auto liability coverage during 2022, 2021, and 2020 were approximately $11,437,000, $9,851,000, and $8,516,000, respectively. Premiums for workers' compensation coverage during 2022, 2021, and 2020 were approximately $338,000, $300,000 and $299,000, respectively. Amounts owed to the Company by these affiliates were approximately $723,000 and $636,000 at December 31, 2022 and 2021, respectively. Of the accounts receivable at December 31, 2022 and 2021, approximately $382,000 and $448,000 represent freight transportation and approximately $341,000 and $188,000 represent revenue resulting from other services performed for related parties. Amounts payable to affiliates at December 31, 2022 and 2021 were approximately $1,290,000 and $1,276,000 respectively.

Note 20 - Acquisition of Assets from Metropolitan Trucking Inc.	12 Months Ended
	Dec. 31, 2022
Notes to Financial Statements	
Business Combination Disclosure [Text Block]	**20. Acquisition of Assets from Metropolitan Trucking, Inc.**

20. Acquisition of Assets from Metropolitan Trucking, Inc.

On June 14, 2022, subsidiaries of the Company, Met Express, Inc. and Costar Equipment, Inc. (collectively, the "Buyer"), entered into an Asset Purchase Agreement with Metropolitan Trucking, Inc., and related subsidiaries. Metropolitan Trucking, Inc. was a truckload carrier headquartered in Saddle Brook, New Jersey, providing asset-based dry van truckload transportation services, including local, regional, and dedicated services. The acquisition has been determined to be a business combination.

Pursuant to the Asset Purchase Agreement, the Buyer acquired substantially all the assets and assumed certain specified liabilities of Metropolitan Trucking, Inc., and its related entities (the "Transaction"). The Buyer paid $79.9 million of total consideration, including cash and certain assumed indebtedness of Metropolitan Trucking, Inc., and its related entities. The Transaction closed on June 14, 2022., subject to working capital adjustments.

Total cash paid of $64.3 million was funded out of the Company's available cash. The Transaction included the assumption of $12.6 million of indebtedness and $2.9 million of other current liabilities. The Asset Purchase Agreement contains customary representations, warranties, covenants, escrow, and indemnification provisions.

The results of the acquired business have been included in the consolidated financial statements since the date of acquisition and represented 14.1% of consolidated total assets as of December 31, 2022 and represented 5.7% of revenues excluding fuel surcharge for the year ended December 31, 2022. Acquisition related expenses of $0.4 million are included in the condensed consolidated statements of operations for the year ended December 31, 2022.

The assets and liabilities associated with the acquisition were recorded at their fair values as of the acquisition date and the amounts are as follows:

	(in thousands)
Trade and other accounts receivable	$ 10,821
Other current assets	316
Property and equipment	68,722
Total assets	79,859
Accounts payable	(2,915)
Long-term debt	(12,627)
Total cash paid	$ 64,317

Significant Accounting Policies (Policies)	12 Months Ended Dec. 31, 2022
Accounting Policies [Abstract]	
Consolidation, Policy [Policy Text Block]	***Description of Business and Principles of Consolidation***– P.A.M. Transportation Services, Inc. (the "Company"), through its subsidiaries, operates as a truckload transportation and logistics company. The consolidated financial statements include the accounts of the Company and its wholly owned operating subsidiaries: P.A.M. Transport, Inc., P.A.M. Cartage Carriers, LLC, Met Express, Inc., Costar Equipment, Inc., Overdrive Leasing, LLC, Choctaw Express, LLC, Decker Transport Co., LLC, T.T.X., LLC, Transcend Logistics, Inc., and East Coast Transport and Logistics, LLC. The following subsidiaries were inactive during all periods presented: P.A.M. International, Inc., Choctaw Brokerage, Inc., S & L Logistics, Inc. and P.A.M. Mexico Holdings, LLC.
Use of Estimates, Policy [Policy Text Block]	***Use of Estimates***– The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent assets and liabilities at the financial statement date and reported amounts of revenue and expenses during the reporting period. The Company periodically reviews these estimates and assumptions. The most significant estimates that affect our financial statements are accrued liabilities for insurance claims, legal reserves, and useful lives and salvage values for property and equipment. The Company's estimates were based on its historical experience and various other assumptions that management believes to be reasonable under the circumstances. Actual results could differ from those estimates.
Cash and Cash Equivalents, Policy [Policy Text Block]	***Cash and Cash Equivalents***– The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. At times cash held at banks may exceed FDIC insured limits.
Receivable [Policy Text Block]	***Accounts Receivable and Current Expected Credit Losses***– Accounts receivable are presented in the Company's consolidated financial statements net of current expected credit losses. Management estimates current expected credit losses based upon an evaluation of the aging of our customer receivables and historical write-offs, as well as other trends and factors surrounding the credit risk of specific customers. The Company continually updates the history it uses to make these estimates so as to reflect the most recent trends, factors and other information available. In order to gather information regarding these trends and factors, the Company also performs ongoing credit evaluations of its customers. Customer receivables are considered to be past due when payment has not been received by the invoice due date. Write-offs occur when management determines an account to be uncollectible and could differ from the current expected credit losses estimate as a result of a number of factors, including unanticipated changes in the overall economic environment or factors and risks surrounding a particular customer. Management believes its methodology for estimating current expected credit losses to be reliable and consistent with prior periods. However, additional credit losses may be incurred if the financial condition of our customers were to deteriorate and could have a material effect on the Company's consolidated financial statements in future periods.
Bank Overdrafts [Policy Text Block]	***Bank Overdrafts***– The Company classifies bank overdrafts in current liabilities as accounts payable. Bank overdrafts generally represent checks written in excess of available cash that have not yet cleared the Company's bank accounts. The majority of the Company's bank accounts are zero balance accounts that are funded at the time items clear against the account by drawings against a line of credit; therefore, the outstanding checks represent bank overdrafts. Because the recipients of these checks have generally not yet received payment, the Company continues to classify bank overdrafts as accounts payable. Bank

overdrafts are classified as changes in accounts payable in the cash flows from operating activities section of the Company's Consolidated Statement of Cash Flows. There were no bank overdrafts as of December 31, 2022 or 2021.

Accounts Receivable [Policy Text Block]

Accounts Receivable Other– The components of accounts receivable other consist primarily of amounts representing company driver advances, independent contractor advances, and equipment manufacturer warranties. Advances receivable from company drivers as of December 31, 2022 and 2021, were approximately $135,000 and $43,000, respectively. Accounts receivable from independent contractors as of December 31, 2022 and 2021, were approximately $1,379,000 and $1,037,000, respectively. Independent contractors are allowed to purchase items such as fuel, repairs and tolls on Company accounts in order to share in favorable pricing negotiated by the Company. Independent contractors and trip lease carriers are also allowed to receive advances for a portion of the revenue that they expect to receive for loads that they transport for the Company.

Marketable Securities, Policy [Policy Text Block]

Marketable Equity Securities– The Company's investment in marketable equity securities is accounted for in accordance with ASC Topic 321, ("ASC Topic 321"), Investments - Equity Securities. ASC Topic 321 requires companies to measure equity investments at fair value, with changes in fair value recognized in net income. The Company's investments in marketable securities consist of equity securities with readily determinable fair values. The cost of securities sold is based on the specific identification method. Realized and unrealized gains and losses, interest and dividends on marketable equity securities are included in non-operating income (expense) in our consolidated statements of operations.

For additional information with respect to marketable equity securities, see Note 4 – Marketable Equity Securities.

Impairment or Disposal of Long-Lived Assets, Policy [Policy Text Block]

Impairment of Long-Lived Assets– The Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of a long-lived asset may not be recoverable. An impairment loss would be recognized if the carrying amount of the long-lived asset is not recoverable, and it exceeds its fair value. For long-lived assets classified as held and used, if the carrying value of the long-lived asset exceeds the sum of the future net undiscounted cash flows, it is not recoverable. No impairment losses were recorded during 2022 or 2021.

Property, Plant and Equipment, Policy [Policy Text Block]

Property and Equipment– Property and equipment is recorded at historical cost, less accumulated depreciation. For financial reporting purposes, the cost of such property is depreciated principally by the straight-line method. For tax reporting purposes, accelerated depreciation or applicable cost recovery methods are used. Depreciation is recognized over the estimated asset life, considering the estimated salvage value of the asset. Such salvage values are based on estimates using expected market values for used equipment and the estimated time of disposal which in many cases include guaranteed residual values by the manufacturers. Gains and losses are reflected in the year of disposal. The following is a table reflecting estimated ranges of asset useful lives by major class of depreciable assets:

Asset Class	**Estimated Asset Life (in years)**
Service vehicles	3 - 5
Office furniture and equipment	3 - 10
Revenue equipment	3 - 10
Structures and improvements	5 - 40

The Company's management periodically evaluates whether changes to estimated useful lives and/or salvage values are necessary to ensure its estimates accurately reflect the economic use of the assets. During 2022, management determined that no material adjustments to the estimated useful lives or salvage values of trucks or trailers were necessary based on such an evaluation.

Inventory Supplies, Policy [Policy Text Block]

Inventory– Inventories consist primarily of revenue equipment parts, tires, supplies, and fuel. Inventories are carried at the lower of cost or market with cost determined using the first in, first out method.

Prepaid Tires [Policy Text Block]

Prepaid Tires– Tires purchased with revenue equipment are capitalized as a cost of the related equipment. Replacement tires are included in prepaid expenses and deposits and are amortized over a 24-month period. Amounts paid for the recapping of tires are expensed when incurred.

Advertising Cost [Policy Text Block]

Advertising Expense– Advertising costs are expensed as incurred and totaled approximately $2,101,000, $1,154,000 and $1,102,000 for the years ended December 31, 2022, 2021 and 2020, respectively.

Maintenance Cost, Policy [Policy Text Block]

Repairs and Maintenance– Repairs and maintenance costs are expensed as incurred.

Self Insurance Liability [Policy Text Block]

Self-Insurance Liability– A liability is recognized for known health, workers' compensation, cargo damage, property damage, and auto liability damage claims. An estimate of the incurred but not reported claims for each type of liability is made based on historical claims made, estimated frequency of occurrence, and considering changing factors that contribute to the overall cost of insurance. See Note 6 – Claims Liabilities for more information regarding insurance and claims liability.

Income Tax, Policy [Policy Text Block]

Income Taxes– The Company applies the asset and liability method of accounting for income taxes, under which deferred taxes are determined based on the temporary differences between the financial statement and tax basis of assets and liabilities using tax rates expected to be in effect during the years in which the basis differences reverse. A valuation allowance is recorded when it is more likely than not that some or all of the deferred tax assets will not be realized. See Note 12 – Federal and State Income Taxes for more information regarding income taxes.

The application of income tax law to multi-jurisdictional operations such as those performed by the Company is inherently complex. Laws and regulations in this area are voluminous and often ambiguous. As such, we may be required to make subjective assumptions and judgments regarding our income tax exposures. Interpretations of and guidance surrounding income tax laws and regulations may change over time which could cause changes in our assumptions and judgments that could materially affect amounts recognized in the consolidated financial statements.

We recognize the impact of tax positions in our financial statements. These tax positions must meet a more-likely-than-not recognition threshold to be recognized and tax positions that previously failed to meet the more-likely-than-not threshold are recognized in the first subsequent financial reporting period in which that threshold is met. Previously recognized tax positions that no longer meet the more-likely-than-not threshold are derecognized in the first subsequent financial reporting period in which that threshold is no longer met. We recognize potential accrued interest and penalties related to unrecognized tax benefits within the consolidated statements of income as income tax expense.

In determining whether a tax asset valuation allowance is necessary, management, in accordance with the provisions of ASC 740-10-30, weighs all available evidence, both positive and negative to determine whether, based on the weight of that evidence, a valuation allowance is necessary. If negative conditions exist which indicate a valuation allowance might be necessary, consideration is then given to what effect the future reversals of existing taxable temporary differences and the availability of tax strategies might have on future taxable income to determine the amount, if any, of the required valuation allowance.

As of December 31, 2022 and 2021, management determined that the future reversals of existing taxable temporary differences and available tax strategies would generate sufficient future taxable income to realize its tax assets and therefore a valuation allowance was not necessary.

Revenue [Policy Text Block]

Revenue Recognition– Revenue is recognized over time as the freight progresses towards its destination and the transportation service obligation is fulfilled. For loads picked up during the reporting period, but delivered in a subsequent reporting period, revenue is allocated to each period based on the transit time in each period as a percentage of total transit time. There are no assets or liabilities recorded in conjunction with revenue recognized, other than accounts receivable and current expected credit losses.

Earnings Per Share, Policy [Policy Text Block]

Earnings Per Share– The Company computes basic earnings per share ("EPS") by dividing net income (loss) available to common stockholders by the weighted average number of common shares outstanding during the period. Diluted EPS includes the potential dilution that could occur from stock-based awards and other stock-based commitments using the treasury stock or the as if converted methods, as applicable. The difference between the Company's weighted-average shares outstanding and diluted shares outstanding is due to the dilutive effect of common stock equivalents for all periods presented. See Note 14 – Earnings per Share for more information regarding the computation of diluted EPS.

Fair Value Measurement, Policy [Policy Text Block]

Fair Value Measurements– Certain financial assets and liabilities are measured at fair value within the financial statements on a recurring basis. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The fair value hierarchy requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. For additional information with respect to fair value measurements, see Note 18 – Fair Value of Financial Instruments.

Segment Reporting, Policy [Policy Text Block]

Reportable Segments– The Company's operations are all in the motor carrier segment and are aggregated into a single reportable segment in accordance with the aggregation criteria under United States generally accepted accounting principles ("GAAP"). The Company provides truckload transportation services as well as brokerage and logistics services to customers throughout the United States and portions of Canada and Mexico. Truckload transportation services revenues, excluding fuel surcharges, represented 66.0%, 67.0% and 76.9% of total revenues, excluding fuel surcharges, for the twelve months ended December 31, 2022, 2021 and 2020, respectively. Remaining revenues, excluding fuel surcharges, for each respective year were generated by brokerage and logistics services.

Concentration Risk, Credit Risk, Policy [Policy Text Block]

Concentrations of Credit Risk– The Company performs ongoing credit evaluations and generally does not require collateral from its customers. The Company maintains reserves for potential credit losses. In view of the concentration of the Company's revenues and accounts receivable among a limited number of customers within the automobile industry, the financial health of this industry is a factor in the Company's overall evaluation of accounts receivable.

Subsequent Events, Policy [Policy Text Block]

Subsequent Events– We have evaluated subsequent events for recognition and disclosure through the date these financial statements were filed with the United States Securities and Exchange Commission and concluded that no subsequent events or transactions have occurred that require recognition or disclosure in our financial statements.

Risks and Uncertainties (COVID-19) [Policy Text Block]

Risks and Uncertainties (COVID-19)– In March 2020, the World Health Organization declared the novel strain of coronavirus ("COVID-19") a global pandemic, and the President of the United States declared the COVID-19 outbreak a national emergency. The rapid spread of the pandemic and the continuously evolving responses to combat it have had an increasingly negative impact on the global economy. In view of the rapidly changing business environment, unprecedented market volatility and heightened degree of uncertainty resulting from COVID-19, we are currently unable to fully determine its future impact on our business. We continue to monitor the progression of the pandemic, further government responses and development of treatments and vaccines and the resulting potential effect on our financial position, results of operations, cash flows and liquidity. These events could have an impact in future periods on certain estimates used in the preparation of our financial results, including, but not limited to impairment of long-lived assets, income tax provision and recoverability of certain receivables. Should the pandemic continue for an even further extended period of time, the impact on our operations could have a material adverse effect on our financial condition, results of operations, cash flows and liquidity.

Foreign Currency Transactions and Translations Policy [Policy Text Block]

Foreign Currency Transactions– The functional currency of the Company's foreign branch office in Mexico is the U.S. dollar. The Company remeasures the monetary assets and liabilities of this branch office, which are maintained in the local currency ledgers, at the rates of exchange in effect at the end of the reporting period. Revenues and expenses recorded in the local currency during the period are remeasured using average exchange rates for each period. Non-monetary assets and liabilities are remeasured using historical rates. Any resulting exchange gain or loss from the remeasurement process is included in non-operating income in the Company's consolidated statements of operations.

Business Combinations Policy [Policy Text Block]

Business Combinations– The purchase price of an acquired businesses, or the purchase of substantially all of the assets of a business, is allocated to the estimated fair value of the assets acquired and liabilities assumed at the date of acquisition. The calculation of the fair value of assets acquired, liabilities assumed and the potential value of any intangible assets involves many factors, some of which require estimates and judgement. In certain cases, valuation specialists may be engaged to assist in the determination of the fair value calculations. During 2022, we engaged valuation specialists to assist us in fair value determination for our acquisition of substantially all of the assets of Metropolitan Trucking, Inc. and related entities.

New Accounting Pronouncements, Policy [Policy Text Block]

Recent Accounting Pronouncements– In March 2020, the FASB issued Accounting Standards Update No. 2020-04, ("ASU 2020-04"), Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting. ASU 2020-04 was issued to provide optional guidance for a limited period of time to ease the potential burden in accounting for reference rate reform on financial reporting. ASU 2020-04 is effective as of March 12, 2020 through December 31, 2022. The adoption of this guidance on January 1, 2022 did not have a material impact on the Company's financial condition, results of operations, or cash flows.

Note 1- Accounting Policies (Tables)

	12 Months Ended Dec. 31, 2022
Notes Tables	
Property, Plant and Equipment [Table Text Block]	

Asset Class	Estimated Asset Life (in years)
Service vehicles	3 - 5
Office furniture and equipment	3 - 10
Revenue equipment	3 - 10
Structures and improvements	5 - 40

Note 3 - Trade Accounts Receivable (Tables)	12 Months Ended Dec. 31, 2022
Notes Tables	
Schedule of Accounts, Notes, Loans and Financing Receivable [Table Text Block]	(table below)
Financing Receivable, Current, Allowance for Credit Loss [Table Text Block]	(table below)

Schedule of Accounts, Notes, Loans and Financing Receivable

	2022	2021
	(in thousands)	
Billed	$119,552	$105,992
Unbilled	20,568	20,388
Current estimated credit losses	(5,381)	(4,526)
Total accounts receivable—net	$134,739	$121,854

Financing Receivable, Current, Allowance for Credit Loss

	2022	2021	2020
	(in thousands)		
Balance—beginning of year	$4,526	$3,482	$2,952
Provision for bad debts	917	1,044	530
Charge-offs	(62)	-	-
Recoveries	-	-	-
Balance—end of year	$5,381	$4,526	$3,482

Note 4 - Marketable Equity Securities (Tables)

12 Months Ended Dec. 31, 2022

Notes Tables

Marketable Securities [Table Text Block]

	2022	2021
	(in thousands)	
Available-for-sale securities:		
Fair market value	$41,728	$39,424
Cost	30,350	29,385
Unrealized gain	$11,378	$10,039

Unrealized Gain (Loss) on Investments [Table Text Block]

	2022	2021
	(in thousands)	
Available-for-sale securities:		
Gross unrealized gains	$13,478	$12,458
Gross unrealized losses	2,100	2,419
Net unrealized gains	$11,378	$10,039

Schedule of Realized Gain (Loss) [Table Text Block]

	2022	2021	2020
	(in thousands)		
Realized (losses) gains:			
Sale proceeds	$ -	$3,109	$2,039
Cost of securities sold	-	3,199	2,216
Realized (losses) / gains	$ -	$ (90)	$ (177)

Note 5 - Accrued Expenses and Other Liabilities (Tables)	12 Months Ended Dec. 31, 2022
Notes Tables	
Schedule of Accrued Liabilities [Table Text Block]	(table below)

	2022	2021
	(in thousands)	
Payroll	$ 1,995	$ 1,529
Accrued vacation	983	877
Taxes—other than income	3,369	2,674
Interest	283	196
Driver escrows	1,271	1,643
Margin account borrowings	914	1,214
Self-insurance claims and legal reserves	22,709	5,437
Current portion of Right-of-Use liability	340	544
Other liabilities	2,369	-
Total accrued expenses and other liabilities	$34,233	$14,114

Note 7 - Long-term Debt (Tables)	12 Months Ended Dec. 31, 2022

Notes Tables

Schedule of Long-Term Debt Instruments [Table Text Block]

	2022	2021
	(in thousands)	
Line of credit with a bank—due July 1, 2024, and collateralized by accounts receivable (1)	-	-
Equipment financing (2)	216,875	206,539
Real estate financing (3)	47,406	15,738
Total long-term debt	264,281	222,277
Less current maturities	(58,815)	(49,544)
Long-term debt—net of current maturities	$205,466	$172,733

Schedule of Maturities of Long-Term Debt [Table Text Block]

2023	$ 58,815
2024	62,490
2025	53,038
2026	34,801
2027	32,491
Thereafter	22,646
Total	$ 264,281

Note 10 - Segment Information, Significant Customers, Industry Concentration and Geographic Areas (Tables)	12 Months Ended
	Dec. 31, 2022
Notes Tables	
Reconciliation of Revenue from Segments to Consolidated [Table Text Block]	

	Year Ended December 31,					
	2022		2021		2020	
	(in thousands)					
	Amount	Percent	Amount	Percent	Amount	Percent
United States - domestic shipments	$629,921	66.5	$474,291	67.9	$316,542	66.1
Shipments to or from Mexico	313,885	33.2	223,315	32.0	161,412	33.7
Shipments to or from Canada	3,056	0.3	891	0.1	1,156	0.2
Total	$946,862	100%	$698,497	100%	$479,110	100%

Note 12 - Federal and State Income Taxes (Tables)

12 Months Ended Dec. 31, 2022

Notes Tables

Schedule of Deferred Tax Assets and Liabilities [Table Text Block]

	2022	2021
	(in thousands)	
Deferred tax liabilities:		
Property and equipment	$ 102,169	$ 84,081
Unrealized gains on securities	2,894	2,580
Prepaid expenses and other	3,836	2,783
Total deferred tax liabilities	108,899	89,444
Deferred tax assets:		
Current expected credit losses	1,385	1,165
Compensated absences	215	185
Self-insurance allowances	5,746	1,207
Other	108	172
Total deferred tax assets	7,454	2,729
Net deferred tax liability	$ 101,445	$ 86,715

Schedule of Effective Income Tax Rate Reconciliation [Table Text Block]

	2022		2021		2020	
			(in thousands)			
	Amount	Percent	Amount	Percent	Amount	Percent
Federal income tax at statutory rate	$ 24,991	21.0	$ 21,526	21.0	$ 4,916	21.0
Nondeductible per diem and meals	-	-	-	-	321	1.4
State income taxes/other, net	3,344	2.8	4,463	4.4	345	1.5
Total income tax expense	$ 28,335	23.8	$ 25,989	25.4	$ 5,582	23.9

Schedule of Components of Income Tax Expense (Benefit) [Table Text Block]

	2022	2021	2020
		(in thousands)	
Current:			
Federal	$ 10,673	$ 6,314	$ (62)
State	3,121	1,843	282
Total current income tax provision	13,794	8,157	220
Deferred:			
Federal	12,920	13,720	4,860
State	1,621	4,112	502
Total deferred income tax provision	14,541	17,832	5,362
Total income tax provision expense	$ 28,335	$ 25,989	$ 5,582

Note 13 - Stock-based Compensation (Tables)	12 Months Ended Dec. 31, 2022
Notes Tables	
Disclosure of Share-Based Compensation Arrangements by Share-Based Payment Award [Table Text Block]	

2023	$649,000
2024	$641,000
2025	$670,000
2026	$343,000
2027	$111,000

Share-Based Payment Arrangement, Restricted Stock and Restricted Stock Unit, Activity [Table Text Block]

	Restricted Stock		
	Number of Shares		Weighted-Average Grant Date Fair Value
Nonvested—January 1, 2022	239,212	$	9.25
Granted	34,475		37.18
Canceled/forfeited/expired	-		-
Vested	(37,855)		10.36
Nonvested—December 31, 2022:	235,832	$	13.15

Note 14 - Earnings Per Share (Tables)	12 Months Ended Dec. 31, 2022
Notes Tables	
Schedule of Earnings Per Share, Basic and Diluted [Table Text Block]	

	For the Year Ended December 31,		
	2022	2021	2020
	(in thousands, except per share data)		
Net income	$ 90,672	$ 76,516	$ 17,827
Basic weighted average common shares outstanding(1)	22,246	22,715	23,008
Dilutive effect of common stock equivalents	190	149	64
Diluted weighted average common shares outstanding(1)	22,436	22,864	23,072
Basic earnings per share	$ 4.08	$ 3.37	$ 0.77
Diluted earnings per share	$ 4.04	$ 3.35	$ 0.77

Note 17 - Leases (Tables)	12 Months Ended Dec. 31, 2022
Notes Tables	
Lessee, Operating Lease, Liability, Maturity [Table Text Block]	

		(in thousands)
Maturity of Lease Liabilities		
2023	$	340
2024		114
2025		-
2026		-
2027 and Thereafter		-
Total undiscounted operating lease payments	$	454
Less: Imputed interest		(10)
Present value of operating lease liabilities	$	444
Balance Sheet Classification		
Right-of-use assets (recorded in other non-current assets)	$	444
Current lease liabilities (recorded in other current liabilities)	$	340
Long-term lease liabilities (recorded in other long-term liabilities)		104
Total operating lease liabilities	$	444
Other Information		

Weighted-average remaining lease term for operating leases (in years)	1.33
Weighted-average discount rate for operating leases	3.74%

[Lease, Cost [Table Text Block]]

	Twelve Months Ended December 31, 2022	2021
	(in thousands)	
Right-of-Use leases	$ 515	$ 583
Short-term leases (1)	2,393	2,173
Total	$ 2,908	$ 2,756

[Operating Lease, Lease Income [Table Text Block]]

	Twelve Months Ended December 31, 2022	2021
Leased truck revenue (recorded in revenue, before fuel surcharge)	$ 8,705	$ 7,747
Leased building space revenue (recorded in non-operating income)	525	735
Total lease revenue	$ 9,230	$ 8,482

[Lessor, Operating Lease, Payment to be Received, Fiscal Year Maturity [Table Text Block]]

2023	$ 7,637
2024	3,683
2025	221
2026	40
2027	-
Thereafter	-
Total future minimum lease payments receivable	$11,581

Note 18 - Fair Value of Financial Instruments (Tables)	12 Months Ended Dec. 31, 2022

Notes Tables

Fair Value, Assets Measured on Recurring Basis [Table Text Block]

	2022				2021			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Marketable equity securities	$41,728	$41,728	-	-	$39,424	$39,424	-	-

Fair Value, by Balance Sheet Grouping [Table Text Block]

	2022		2021	
	Carrying Value	Estimated Fair Value	Carrying Value	Estimated Fair Value
	(in thousands)			
Long-term debt	$ 264,281	$ 253,762	$ 222,277	$ 224,191

Note 20 - Acquisition of Assets from Metropolitan Trucking Inc. (Tables)	12 Months Ended
	Dec. 31, 2022
Notes Tables	
Schedule of Recognized Identified Assets Acquired and Liabilities Assumed [Table Text Block]	(in thousands)

Trade and other accounts receivable	$	10,821
Other current assets		316
Property and equipment		68,722
Total assets		79,859
Accounts payable		(2,915)
Long-term debt		(12,627)
Total cash paid	$	64,317

Note 1- Accounting Policies (Details Textual) - USD ($)	12 Months Ended		
	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020
Bank Overdrafts	$ 135,000	$ 43,000	
Other Receivables, Net, Current, Total	6,263,000	7,092,000	
Advertising Expense	$ 2,101,000	$ 1,154,000	$ 1,102,000
Truckload Services [Member] | Sales [Member] | Product Concentration Risk [Member]			
Concentration Risk, Percentage	66.00%	67.00%	76.90%
Independent Contractors [Member]			
Other Receivables, Net, Current, Total	$ 1,379,000	$ 1,037,000	

Note 1 - Accounting Policies - Useful Lives of Property and Equipment (Details)	12 Months Ended Dec. 31, 2022
Vehicles [Member] | Minimum [Member]	
Property and equipment (Year)	3 years
Vehicles [Member] | Maximum [Member]	
Property and equipment (Year)	5 years
Furniture and Fixtures [Member] | Minimum [Member]	
Property and equipment (Year)	3 years
Furniture and Fixtures [Member] | Maximum [Member]	
Property and equipment (Year)	10 years
Machinery and Equipment [Member] | Minimum [Member]	
Property and equipment (Year)	3 years
Machinery and Equipment [Member] | Maximum [Member]	
Property and equipment (Year)	10 years
Building and Building Improvements [Member] | Minimum [Member]	
Property and equipment (Year)	5 years
Building and Building Improvements [Member] | Maximum [Member]	
Property and equipment (Year)	40 years

Note 3 - Trade Accounts Receivable - Accounts Receivable Balances (Details) - USD ($) $ in Thousands	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020	Dec. 31, 2019
Billed	$ 119,552	$ 105,992		
Unbilled	20,568	20,388		
Current estimated credit losses	(5,381)	(4,526)	$ (3,482)	$ (2,952)
Total accounts receivable—net	$ 134,739	$ 121,854		

Note 3 - Trade Accounts Receivable - Changes in Allowance for Doubtful Accounts (Details) - USD ($) $ in Thousands	12 Months Ended		
	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020
Balance—beginning of year	$ 4,526	$ 3,482	$ 2,952
Provision for bad debts	917	1,044	530
Charge-offs	(62)	0	0
Recoveries	0	0	0
Balance—end of year	$ 5,381	$ 4,526	$ 3,482

Note 4 - Marketable Equity Securities (Details Textual) - USD ($)	12 Months Ended		
	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020
Investment Income, Dividend	$ 1,539,000	$ 1,448,000	$ 1,266,000
Equity Securities, FV-NI, Total	7,875,000	7,373,000	
Equity Securities, FV-NI, Unrealized Loss	$ 2,100,000	$ 2,419,000	
Margin Account Borrowings [Member]			
Debt, Weighted Average Interest Rate	4.92%	0.68%	
Margin Account Borrowings [Member] | Accrued Expenses And Other Liabilities And Other Long-term Liabilities [Member]			
Short-Term Debt, Total	$ 914,000	$ 1,214,000	

Note 4 - Marketable Equity Securities - Securities Classified As Available-for-sale (Details) - USD ($) $ in Thousands	Dec. 31, 2022	Dec. 31, 2021
Fair market value	$ 41,728	$ 39,424
Cost	30,350	29,385
Unrealized gain	$ 11,378	$ 10,039

Note 4 - Marketable Equity Securities - Unrealized Gains and Losses on Marketable Equity Securities (Details) - USD ($) $ in Thousands	Dec. 31, 2022	Dec. 31, 2021
Gross unrealized gains	$ 13,478	$ 12,458
Gross unrealized losses	2,100	2,419
Unrealized gain	$ 11,378	$ 10,039

Note 4 - Marketable Equity Securities - Realized Gains on Marketable Equity Securities (Details) - USD ($) $ in Thousands	12 Months Ended		
	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020
Sale proceeds	$ 0	$ 3,109	$ 2,039
Cost of securities sold	0	3,199	2,216
Realized (losses) / gains	$ 0	$ (90)	$ (177)

Note 5 - Accrued Expenses and Other Liabilities (Details Textual) - USD ($)	Dec. 31, 2022	Dec. 31, 2021
Accounts Payable, Current, Total	$ 48,917,000	$ 43,381,000
Revenue Equipment [Member]		
Accounts Payable, Current, Total	$ 431,000	

Note 5 - Accrued Expenses and Other Liabilities - Accrued Expenses and Other Liabilities (Details) - USD ($) $ in Thousands	Dec. 31, 2022	Dec. 31, 2021
Payroll	$ 1,995	$ 1,529
Accrued vacation	983	877
Taxes—other than income	3,369	2,674
Interest	283	196
Driver escrows	1,271	1,643
Margin account borrowings	914	1,214
Self-insurance claims and legal reserves	22,709	5,437
Other liabilities	2,369	0
Total accrued expenses and other liabilities	34,233	14,114
Accrued Expenses and Other Liabilities [Member]		
Current lease liabilities (recorded in other current liabilities)	$ 340	$ 544

Note 6 - Claims Liabilities (Details Textual) - USD ($)	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020	Sep. 01, 2020	Sep. 01, 2019
Self Insurance Auto Liability Claims Threshold Amount				$ 2,000,000.0	$ 1,000,000.0
Workers Compensation Self Insured Retention	$ 500,000				
Workers Compensation Per Occurrence Excess Policy	500,000				
Letters of Credit Outstanding, Amount	310,000	$ 310,000			
Stop Loss for Self Insurance for Employee Health Claims Per Covered Employee Per Year	400,000				
Cargo Loss Coverage [Member]					
Per Occurrence Deductibles			$ 10,000		
Auto Liability Coverage [Member]					
Self Insurance Auto Liability Claims Threshold Amount		$ 2,000,000.0	$ 1,000,000.0		
Workers Compensation Coverage [Member]					
Letters of Credit Outstanding, Amount	300,000				
Certificates of Deposit, at Carrying Value	$ 300,000				

Note 7 - Long-term Debt (Details Textual)	12 Months Ended Dec. 31, 2022 USD ($)	Dec. 31, 2021 USD ($)
Letters of Credit Outstanding, Amount	$ 310,000	$ 310,000
Texas Real Estate Agreement [Member]		
Debt Instrument, Number of Installment Payments	120	
Debt Instrument, Interest Rate, Stated Percentage		3.02%
Terminal [Member]		
Debt Instrument, Number of Installment Payments	120	
Debt Instrument, Interest Rate, Stated Percentage	3.62%	
Line of Credit [Member]		
Line of Credit Facility, Maximum Borrowing Capacity		$ 60,000,000.0
Line of Credit Facility, Interest Rate at Period End	5.65%	
Line of Credit Facility, Unused Capacity, Commitment Fee Percentage	0.25%	
Average Daily Borrowings Amount Unused Fee Trigger	$ 18,000,000.0	
Ratio of Indebtedness to Net Capital	4	
Line of Credit Facility, Outstanding Advances	$ 400,000	400,000
Letters of Credit Outstanding, Amount	300,000	$ 300,000
Line of Credit Facility, Remaining Borrowing Capacity	$ 59,600,000	
Line of Credit [Member] | Equipment Financing [Member]		
Long-Term Debt, Weighted Average Interest Rate, at Point in Time	3.16%	
Line of Credit [Member] | Secured Overnight Financing Rate (SOFR) Overnight Index Swap Rate [Member]		
Debt Instrument, Basis Spread on Variable Rate	1.35%	

Note 7 - Long-term Debt - Summary of Long-term Debt (Details) - USD ($) $ in Thousands		Dec. 31, 2022	Dec. 31, 2021
Long-term debt		$ 264,281	$ 222,277
Less current maturities		(58,815)	(49,544)
Long-term debt—net of current maturities		205,466	172,733
Line of Credit [Member]			
Long-term debt	[1]	0	0
Secured Debt [Member]			
Long-term debt	[2]	216,875	206,539
Texas Real Estate Agreement [Member]			
Long-term debt	[3]	$ 47,406	
Real Estate Financing [Member]			
Long-term debt	[3]		$ 15,738

[1] Line of credit agreement with a bank provides for maximum borrowings of $60.0 million and contains certain restrictive covenants that must be maintained by the Company on a consolidated basis. Borrowings on the line of credit are at an interest rate of LIBOR as of the first day of the month (with a floor of 0.5%) plus 1.25%, (1.75% at December 31, 2021) and are secured by our trade accounts receivable. An "unused fee" of 0.25% is charged if average daily borrowings are less than $18.0 million in a given month. Monthly payments of interest are required under this agreement. Also, under the terms of the agreement the Company must maintain a debt to adjusted EBITDA (earnings before interest, taxes, depreciation, and amortization, excluding gains/losses on equity securities and extraordinary items) ratio of less than 4.00:1. The Company was in compliance with all provisions under this agreement throughout 2021. At December 31, 2021, outstanding advances on the line were approximately $0.4 million, including letters of credit totaling $0.3 million, with availability to borrow $59.6 million. At December 31, 2020, outstanding advances on the line were approximately $18.6 million, including letters of credit totaling $0.3 million.

[2] Equipment financings consist of installment obligations for revenue equipment purchases, payable in various monthly installments with various maturity dates through March 2028, at a weighted average interest rate of 2.81% as of December 31, 2021 and collateralized by revenue equipment.

[3] Real estate financing consisting of an installment obligation for the purchase of real estate in Laredo, TX, payable in 120 installments at an interest rate of 3.02% and maturing in August 2030. This obligation is collateralized by the underlying real estate and any rental income generated by the underlying real estate.

Note 7 - Long-term Debt - Annual Maturities on Long-term Debt Outstanding (Details) - USD ($) $ in Thousands	Dec. 31, 2022	Dec. 31, 2021
2023	$ 58,815	
2024	62,490	
2025	53,038	
2026	34,801	
2027	32,491	
Thereafter	22,646	
Total	$ 264,281	$ 222,277

Note 8 - Noncash Investing and Financing Activities (Details Textual) - USD ($) $ in Millions	12 Months Ended	
	Dec. 31, 2022	Dec. 31, 2021
Noncash or Part Noncash Acquisition, Fixed Assets Acquired	$ 22.2	$ 36.1

Note 9 - Capital Stock (Details Textual)				12 Months Ended				
	Aug. 26, 2021 USD ($) $ / shares shares	Aug. 16, 2021	Jul. 27, 2021 $ / shares	Dec. 31, 2022 USD ($) $ / shares shares	Dec. 31, 2021 USD ($) $ / shares shares	Dec. 31, 2020 USD ($)	Nov. 30, 2021 shares	Jul. 31, 2021 shares
Common Stock, Shares Authorized (in shares)				50,000,000	50,000,000			
Common Stock, Par or Stated Value Per Share (in dollars per share) | $ / shares				$ 0.01	$ 0.01			
Preferred Stock, Shares Authorized (in shares)				10,000,000	10,000,000			
Preferred Stock, Par or Stated Value Per Share (in dollars per share) | $ / shares				$ 0.01	$ 0.01			
Common Stock, Shares, Issued (in shares)				22,293,687	34,574,807			
Common Stock, Shares, Outstanding, Ending Balance (in shares)				22,166,450	22,348,022			
Preferred Stock, Shares Issued, Total (in shares)				0	0			
Stock Repurchase Program, Number of Shares Authorized to be Repurchased (in shares)								200,000
Treasury Stock, Value, Acquired, Cost Method | $				$ 7,000,000	$ 10,828,000	$ 2,281,000		
Treasury Stock, Shares, Total (in shares)				127,237	12,226,785			
Treasury Stock, Value, Total | $				$ 4,000,000	$ 169,946,000			
The 2019 Tender Offer [Member]								
Treasury Stock, Shares, Acquired (in shares)	272,405							
Treasury Stock Acquired, Average Cost Per Share (in dollars per share) | $ / shares	$ 37.00							
Treasury Stock, Value, Acquired, Cost Method | $	$ 10,100,000							
The 2019 Tender Offer [Member] | Minimum [Member]								
Stock Repurchase Program Additional Shares Authroized To Be Repurchased Percent Of Outstanding Shares Percent			2.00%					

Treasury Stock Acquired Cost Per Share (in dollars per share) | $ / shares		$ 32.00			
The 2019 Tender Offer [Member] | Maximum [Member]					
Treasury Stock Acquired Cost Per Share (in dollars per share) | $ / shares		$ 37.00			
September 2011 Reauthorization [Member]					
Stock Repurchase Program, Number of Shares Authorized to be Repurchased (in shares)					500,000
Treasury Stock, Shares, Acquired (in shares)			168,847	18,732	
Stock Split To [Member]					
Stockholders' Equity Note, Stock Split, Conversion Ratio	2		2		

Note 10 - Segment Information, Significant Customers, Industry Concentration and Geographic Areas (Details Textual) - Customer Concentration Risk [Member] - USD ($)	12 Months Ended		
	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020
Sales [Member] | Five Largest Customers [Member]			
Concentration Risk, Percentage	39.00%	33.00%	35.00%
Sales [Member] | General Motors Company [Member]			
Concentration Risk, Percentage	13.00%	11.00%	15.00%
Revenue Provided to the Automobile Manufacturing Industry [Member] | Other Manufacturers [Member]			
Concentration Risk, Percentage	31.00%	27.00%	30.00%
Accounts Receivable [Member]			
Accounts Receivable, before Allowance for Credit Loss, Current	$ 36,622,000	$ 31,049,000	

Note 10 - Segment Information, Significant Customers, Industry Concentration, and Geographic Areas - Revenue Dollars and Percentages by Geographic Area (Details) - USD ($) $ in Thousands	12 Months Ended		
	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020
Operating revenues	$ 946,862	$ 707,120	$ 486,825
Motor Carrier [Member]			
Operating revenues	$ 946,862	$ 698,497	$ 479,110
Motor Carrier [Member] | Revenue Benchmark [Member] | Geographic Concentration Risk [Member]			
Operating Revenues, percentage	100.00%	100.00%	100.00%
Motor Carrier [Member] | UNITED STATES			
Operating revenues	$ 629,921	$ 474,291	$ 316,542
Motor Carrier [Member] | UNITED STATES | Revenue Benchmark [Member] | Geographic Concentration Risk [Member]			
Operating Revenues, percentage	66.50%	67.90%	66.10%
Motor Carrier [Member] | MEXICO			
Operating revenues	$ 313,885	$ 223,315	$ 161,412
Motor Carrier [Member] | MEXICO | Revenue Benchmark [Member] | Geographic Concentration Risk [Member]			
Operating Revenues, percentage	33.20%	32.00%	33.70%
Motor Carrier [Member] | CANADA			
Operating revenues	$ 3,056	$ 891	$ 1,156
Motor Carrier [Member] | CANADA | Revenue Benchmark [Member] | Geographic Concentration Risk [Member]			
Operating Revenues, percentage	0.30%	0.10%	0.20%

Note 12 - Federal and State Income Taxes (Details Textual) $ in Thousands	12 Months Ended Dec. 31, 2022 USD ($)
Income Tax Examination, Penalties and Interest Expense, Total	$ 0
Statute of Limitations (Year)	3 years

Note 12 - Federal and State Income Taxes - Significant Components of Deferred Tax Liabilities and Assets (Details) - USD ($) $ in Thousands	Dec. 31, 2022	Dec. 31, 2021
Deferred tax liabilities:		
Property and equipment	$ 102,169	$ 84,081
Unrealized gains on securities	2,894	2,580
Prepaid expenses and other	3,836	2,783
Total deferred tax liabilities	108,899	89,444
Deferred tax assets:		
Current expected credit losses	1,385	1,165
Compensated absences	215	185
Self-insurance allowances	5,746	1,207
Other	108	172
Total deferred tax assets	7,454	2,729
Net deferred tax liability	$ 101,445	$ 86,715

Note 12 - Federal and State Income Taxes - Income Tax Rate Reconciliation (Details) - USD ($) $ in Thousands	12 Months Ended		
	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020
Federal income tax at statutory rate, amount	$ 24,991	$ 21,526	$ 4,916
Federal income tax at statutory rate, percent	21.00%	21.00%	21.00%
Nondeductible per diem and meals, amount	$ 0	$ 0	$ 321
Nondeductible per diem and meals, percent	0.00%	0.00%	1.40%
State income taxes/other, net, amount	$ 3,344	$ 4,463	$ 345
State income taxes/other, net, percent	2.80%	4.40%	1.50%
Total federal & state income tax expense	$ 28,335	$ 25,989	$ 5,582
Total income tax (benefit) expense, percent	23.80%	25.40%	23.90%

Note 12 - Federal and State Income Taxes - Components of Income Tax Expense (Benefit) (Details) - USD ($) $ in Thousands	12 Months Ended		
	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020
Current:			
Federal	$ 10,673	$ 6,314	$ (62)
State	3,121	1,843	282
Total current income tax provision	13,794	8,157	220
Deferred:			
Federal	12,920	13,720	4,860
State	1,621	4,112	502
Total deferred income tax provision	14,541	17,832	5,362
Total income tax provision expense	$ 28,335	$ 25,989	$ 5,582

Note 13 - Stock-based Compensation (Details Textual)	Aug. 16, 2021	May 29, 2014	1 Months Ended									3 Months Ended			9 Months Ended		12 Months Ended		
			Jun. 30, 2022 $ / shares shares	May 31, 2022 $ / shares shares	Feb. 28, 2022 $ / shares shares	Apr. 30, 2021 USD ($) $ / shares	Mar. 31, 2021 $ / shares shares	Aug. 31, 2020 USD ($) $ / shares shares	Apr. 30, 2020 $ / shares shares	Mar. 31, 2020 $ / shares shares	Jan. 31, 2020 $ / shares shares	Mar. 31, 2022 shares	Jun. 30, 2020 shares	Mar. 31, 2020 shares	Sep. 30, 2022 USD ($) shares	Sep. 30, 2021 USD ($)	Dec. 31, 2022 USD ($) $ / shares shares	Dec. 31, 2021 USD ($) $ / shares shares	Dec. 31, 2020 USD ($) $ / shares shares
Share-based Compensation Arrangement by Share-based Payment Award, Options, Grants in Period, Gross (in shares)																			0
Share-Based Compensation Arrangement by Share-Based Payment Award, Options, Vested in Period, Fair Value | $																	$ 392,000	$ 203,000	$ 759,000
Share-Based Payment Arrangement, Expense | $																	715,000	441,000	461,000
Share-Based Payment Arrangement, Expense, Tax Benefit | $																	$ 170,000	$ 110,000	$ 100,000
Allocated Share-based Compensation Expense, Impact on Earnings Per Share, Diluted (in dollars per share) | $ / shares																	$ 0.03	$ 0.03	$ 0.06
Allocated Share-based Compensation Expense, Impact on Earnings Per Share, Basic (in dollars per share) | $ / shares																	$ 0.02	$ 0.02	
Share-Based Payment Arrangement, Nonvested Award, Cost Not yet Recognized, Amount, Total | $																	$ 2,414,000		
Director [Member] | Salaries, Wages and Benefits [Member]																			
Share-Based Payment Arrangement, Expense | $															$ 55,000	$ 80,000			$ 90,000
Share-based Compensation Arrangement by Share-based Payment Award, Options, Additional Grants in Period (in shares)													968	1,304	1,855				
Restricted Stock [Member]																			
Share-Based Compensation Arrangement by Share-Based Payment Award, Equity Instruments Other than Options, Grants in Period (in shares)																	34,475		
Share-Based Compensation Arrangement by Share-Based Payment Award, Equity Instruments Other than Options, Grants in Period, Weighted Average Grant Date Fair Value (in dollars per share) | $ / shares																	$ 37.18		
Stock Award [Member] | Director [Member]																			
Share-Based Compensation Arrangement by Share-Based Payment Award, Equity Instruments Other than Options, Grants in Period (in shares)									968										
Share-Based Compensation Arrangement by Share-Based Payment Award, Equity									$ 10.35										

Instruments Other than Options, Grants in Period, Weighted Average Grant Date Fair Value (in dollars per share) | $ / shares								
Stock Award [Member] | Chief Executive Officer [Member]								
Share-Based Compensation Arrangement by Share-Based Payment Award, Equity Instruments Other than Options, Grants in Period (in shares)				160,000				
Accrual Shares to Each Non-employee Director [Member] | Nine Non-Employee Directors [Member]								
Share-based Compensation Arrangement by Share-based Payment Award, Options, Additional Grants in Period (in shares)						652		
Stock Split To [Member]								
Stockholders' Equity Note, Stock Split, Conversion Ratio	2						2	
The 2014 Stock Option Plan [Member]								
Share-Based Compensation Arrangement by Share-Based Payment Award, Number of Shares Authorized (in shares)							3,000,000	
Share-based Compensation Arrangement by Share-based Payment Award, Options, Grants in Period, Gross (in shares)								0
Share-based Compensation Arrangement by Share-based Payment Award, Options, Outstanding, Number, Ending Balance (in shares)								0
Share-based Compensation Arrangement by Share-based Payment Award, Number of Shares Available for Grant (in shares)								716,000
The 2014 Stock Option Plan [Member] | Stock Award [Member] | Key Employees [Member]								
Share-Based Compensation Arrangement by Share-Based Payment Award, Equity Instruments Other than Options, Grants in Period (in shares)		29,120		53,328	28,000			
Share-Based Compensation Arrangement by Share-Based Payment Award, Equity Instruments Other than Options, Grants in Period, Weighted Average Grant Date Fair Value (in dollars per share) | $ / shares		$ 38.80	$ 15.09	$ 7.56	$ 14.11			
Share-based Compensation Arrangement by Share-based Payment Award, Award Vesting Period (Year)			4 years	4 years	4 years			
The 2014 Stock Option Plan [Member] | Stock Award [Member] | Key Employees [Member] | Share-Based Payment Arrangement, Tranche One [Member]								

Share-Based Compensation Arrangement by Share-Based Payment Award, Award Vesting Rights, Percentage			25.00%		
The 2014 Stock Option Plan [Member] | Stock Award [Member] | Director [Member]					
Share-Based Compensation Arrangement by Share-Based Payment Award, Equity Instruments Other than Options, Grants in Period (in shares)		1,855		5,216	10,432
Share-Based Compensation Arrangement by Share-Based Payment Award, Equity Instruments Other than Options, Grants in Period, Weighted Average Grant Date Fair Value (in dollars per share) | $ / shares		$ 29.60		$ 15.43	$ 7.69
The 2014 Stock Option Plan [Member] | Stock Award [Member] | A Key Employee [Member]					
Share-Based Compensation Arrangement by Share-Based Payment Award, Equity Instruments Other than Options, Grants in Period (in shares)	3,500				
Share-Based Compensation Arrangement by Share-Based Payment Award, Equity Instruments Other than Options, Grants in Period, Weighted Average Grant Date Fair Value (in dollars per share) | $ / shares	$ 27.68				
The 2014 Stock Option Plan [Member] | Stock Award [Member] | A Key Employee [Member] | Share-Based Payment Arrangement, Tranche One [Member]					
Share-Based Compensation Arrangement by Share-Based Payment Award, Award Vesting Rights, Percentage	25.00%				
The 2014 Stock Option Plan [Member] | Stock Award [Member] | Chief Executive Officer [Member]					
Share-Based Compensation Arrangement by Share-Based Payment Award, Equity Instruments Other than Options, Grants in Period, Weighted Average Grant Date Fair Value (in dollars per share) | $ / shares				$ 8.84	
The 2014 Stock Option Plan [Member] | Stock Award [Member] | Chief Executive Officer [Member] | The 2024 [Member]					
Share-based Compensation Arrangement by Share-based Payment Award, Award Vesting Rights, Number of Shares | $			$ 10,000	$ 20,000	
The 2014 Stock Option Plan [Member] | Stock Award [Member] | Chief Executive					

Officer [Member] | The 2025 [Member]		
Share-based Compensation Arrangement by Share-based Payment Award, Award Vesting Rights, Number of Shares | $		$ 40,000
The 2014 Stock Option Plan [Member] | Minimum [Member] | Restricted Stock [Member]		
Share-based Compensation Arrangement by Share-based Payment Award, Purchase Price of Common Stock, Percent	85.00%	

Note 13 - Stock-based Compensation - Share based Compensation (Details) - Restricted Stock [Member]	Dec. 31, 2022 USD ($)
2021	$ 649,000
2022	641,000
2023	670,000
2024	343,000
2025	$ 111,000

Note 13 - Stock Based Compensation - Summary of Nonvested Restricted Stock (Details) - Restricted Stock [Member]	12 Months Ended Dec. 31, 2022 $ / shares shares
Non-vested (in shares) | shares	239,212
Nonvested - weighted average grant date fair value (in dollars per share) | $ / shares	$ 9.25
Granted (in shares) | shares	34,475
Granted - weighted average grant date fair value (in dollars per share) | $ / shares	$ 37.18
Canceled/forfeited/expired (in shares) | shares	0
Canceled/forfeited/expired - weighted average grant date fair value (in dollars per share) | $ / shares	$ 0
Vested (in shares) | shares	(37,855)
Vested - weighted average grant date fair value (in dollars per share) | $ / shares	$ 10.36
Non-vested (in shares) | shares	235,832
Nonvested - weighted average grant date fair value (in dollars per share) | $ / shares	$ 13.15

Note 14 - Earnings Per Share (Details Textual)	12 Months Ended	
	Aug. 16, 2021	Dec. 31, 2022
Stock Split To [Member]		
Stockholders' Equity Note, Stock Split, Conversion Ratio	2	2

Note 14 - Earnings Per Share - Computations of Basic and Diluted Earnings Per Share (Details) - USD ($) $ / shares in Units, shares in Thousands, $ in Thousands	12 Months Ended		
	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020
Net income (loss)	$ 90,672	$ 76,516	$ 17,827
Basic weighted average common shares outstanding(1) (in shares)	22,246	22,715	23,008
Dilutive effect of common stock equivalents (in shares)	190	149	64
Diluted weighted average common shares outstanding(1) (in shares)	22,436	22,864	23,072
Basic earnings per share (in dollars per share)	$ 4.08	$ 3.37	$ 0.77
Diluted earnings per share (in dollars per share)	$ 4.04	$ 3.35	$ 0.77

Note 15 - Benefit Plan (Details Textual) - USD ($)	12 Months Ended		
	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020
Defined Contribution Plan, Employer Matching Contribution, Percent of Match		50.00%	
Defined Contribution Plan, Employer Matching Contribution, Percent of Employees' Gross Pay		3.00%	
Defined Contribution Plan, Employers Matching Contribution, Annual Vesting Percentage		20.00%	
Defined Contribution, Fully Vested Period (Year)		5 years	
Defined Contribution Plan, Cost	$ 212,000	$ 190,000	$ 190,000

Note 16 - Commitments and Contingencies (Details Textual) - USD ($)	12 Months Ended Dec. 31, 2022	Dec. 31, 2021	Sep. 01, 2020	Sep. 01, 2019
Self Insurance Auto Liability Claims Threshold Amount			$ 2,000,000.0	$ 1,000,000.0
Self Insurance Auto Liability Claims Threshold Amount			$ 2,000,000.0	$ 1,000,000.0
Minimum [Member]				
Self Insurance Liability Claims, Exceeding Amount Reserve Threshold		$ 2,000,000.0		
Settlement Of Collective And Class Action Lawsuit [Member]				
Litigation Settlement, Amount Awarded to Other Party	$ 4,750,000			

Note 17 - Leases (Details Textual) - USD ($)	12 Months Ended		
	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020
Right-of-Use Asset Obtained in Exchange for Operating Lease Liability	$ 0		
Operating Lease, Payments	500,000	$ 600,000	
Property, Plant and Equipment, Gross, Ending Balance	705,919,000	585,303,000	
Property, Plant and Equipment, Net, Total	463,595,000	384,179,000	
Lessor, Operating Lease, Payments to be Received, Total	11,581,000		
Depreciation, Total	62,806,000	55,012,000	$ 56,168,000
Majority Shareholder [Member]			
Lessor, Operating Lease, Payments to be Received, Total	32,100		
Trucks under Operating Lease [Member]			
Property, Plant and Equipment, Gross, Ending Balance	58,227,000	55,986,000	
Property, Plant and Equipment, Net, Total	22,960,000	28,951,000	
Lessor, Operating Lease, Payments to be Received, Total	11,549,000	$ 15,907,000	
Depreciation, Total	7,000,000.0		
Shop and Office Space [Member] | Majority Shareholder [Member]			
Operating Lease, Payments	1,780,813		
Property, Plant and Equipment, Gross, Ending Balance	13,738,000		
Property, Plant and Equipment, Net, Total	11,674,000		
Lessor, Operating Lease, Payments to be Received, Total	32,100		
Property, Plant, and Equipment, Lessor Asset under Operating Lease, before Accumulated Depreciation	13,738,000		
Property, Plant, and Equipment, Lessor Asset under Operating Lease, after Accumulated Depreciation, Total	11,674,000		
Shop and Office Space [Member]			
Operating Lease, Liability, Total	232,000		
Trucks under Operating Lease [Member]			
Lessor, Operating Lease, Term of Contract (Year)		5 years	
Maximum [Member] | Trucks [Member]			
Lessor, Operating Lease, Term of Contract (Year)		60 years	
Maximum [Member] | Shop and Office Leases with Early Cancellation Options [Member]			
Lessee, Operating Lease, Term of Contract (Year)		5 years	
Maximum [Member] | Leases without Early Cancellation Options [Member]			
Operating Lease, Right-of-Use Asset	$ 400,000		

Note 17 - Leases - Operating Lease (Details) $ in Thousands	Dec. 31, 2022 USD ($)
2023	$ 340
2024	114
2025	0
2026	0
2027 and Thereafter	0
Total undiscounted operating lease payments	454
Less: Imputed interest	$ (10)
Weighted-average remaining lease term for operating leases (in years) (Year)	1 year 3 months 29 days
Weighted-average discount rate for operating leases	3.74%
Accrued Expenses And Other Liabilities And Other Long-term Liabilities [Member]	
Present value of operating lease liabilities	$ 444
Right-of-use assets (recorded in other non-current assets)	444
Total operating lease liabilities	444
Other Current Liabilities [Member]	
Current lease liabilities (recorded in other current liabilities)	340
Other Noncurrent Liabilities [Member]	
Long-term lease liabilities (recorded in other long-term liabilities)	$ 104

Note 17 - Leases - Lease Cost (Details) - USD ($) $ in Thousands	12 Months Ended	
	Dec. 31, 2022	Dec. 31, 2021
Right-of-Use leases	$ 515	$ 583
Short-term leases (1)	2,393	2,173
Total	$ 2,908	$ 2,756

Note 17 - Leases - Lease Revenue (Details) - USD ($) $ in Thousands	12 Months Ended	
	Dec. 31, 2022	Dec. 31, 2021
Lease revenue	$ 9,230	$ 8,482
Trucks under Operating Lease [Member]		
Lease revenue	8,705	7,747
Dock Space under Operating Lease [Member]		
Lease revenue	$ 525	$ 735

Note 17 - Leases - Lease Receivables (Details) $ in Thousands	Dec. 31, 2022 USD ($)
2023	$ 7,637
2024	3,683
2025	221
2026	40
2027	0
Thereafter	0
Total future minimum lease payments receivable	$ 11,581

Note 18 - Fair Value of Financial Instruments - Securities Measured at Fair Value on a Recurring Basis (Details) - USD ($) $ in Thousands	Dec. 31, 2022	Dec. 31, 2021
Marketable equity securities	$ 41,728	$ 39,424
Fair Value, Inputs, Level 1 [Member]		
Marketable equity securities	$ 41,728	
Fair Value, Inputs, Level 3 [Member]		
Marketable equity securities		$ 39,424

Note 18 - Fair Value of Financial Instruments - Fair Value of Long-term Debt Other Than Lines of Credit (Details) - Equipment Financing [Member] - USD ($) $ in Thousands	Dec. 31, 2022	Dec. 31, 2021
Reported Value Measurement [Member]		
Long-term debt	$ 264,281	$ 222,277
Estimate of Fair Value Measurement [Member]		
Long-term debt	$ 253,762	$ 224,191

Note 19 - Related Party Transactions (Details Textual) - Majority Shareholder [Member] - USD ($)	12 Months Ended		
	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020
Revenue from Related Parties	$ 1,363,000	$ 8,085,000	$ 9,897,000
Related Party Transaction, Expenses from Transactions with Related Party	21,438,000	11,103,000	6,791,000
Due from Related Parties, Total	723,000	636,000	
Due to Related Parties, Total	1,290,000	1,276,000	
Freight Transportation [Member]			
Accounts Receivable, Related Parties	382,000	448,000	
Maintenance Performed and Charges Paid to Third Parties on Behalf of Their Affiliate and Charged Back [Member]			
Accounts Receivable, Related Parties	341,000	188,000	
Auto Liability Coverage [Member]			
Related Party Transaction, Selling, General and Administrative Expenses from Transactions with Related Party	11,437,000	9,851,000	8,516,000
Workers Compensation Coverage [Member]			
Related Party Transaction, Selling, General and Administrative Expenses from Transactions with Related Party	$ 338,000	$ 300,000	$ 299,000

Note 20 - Acquisition of Assets from Metropolitan Trucking Inc. (Details Textual) - Metropolitan Trucking Inc and Related Entities [Member] - USD ($) $ in Thousands		12 Months Ended
	Jun. 14, 2022	Dec. 31, 2022
Business Combination, Consideration Transferred, Total	$ 79,900	
Payments to Acquire Businesses, Gross	64,317	
Business Combination, Recognized Identifiable Assets Acquired and Liabilities Assumed, Noncurrent Liabilities, Long-Term Debt	12,627	
Business Combination, Recognized Identifiable Assets Acquired and Liabilities Assumed, Current Liabilities, Accounts Payable	$ 2,915	
Acquired Business As a Percent of Total Assets		14.10%
Acquired Business As a Percent of Operating Revenue		5.70%
Business Combination, Acquisition Related Costs		$ 400

Note 20 - Acquisition of Assets from Metropolitan Trucking Inc. - Assets Acquired and Liabilities Assumed (Details) - Metropolitan Trucking Inc and Related Entities [Member] $ in Thousands	Jun. 14, 2022 USD ($)
Trade and other accounts receivable	$ 10,821
Other current assets	316
Property and equipment	68,722
Total assets	79,859
Accounts payable	(2,915)
Long-term debt	(12,627)
Payments to Acquire Businesses, Gross	$ 64,317