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Arkansas Best Corp. Q3 2009 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions) Your first question comes from the line of Justin Yagerman – Deutsche Bank Securities.

Justin Yagerman – Deutsche Bank Securities

Well deserved promotions, so it's nice to see both things happening as you guys would like them to, so congrats. Guess I want to dig in a little bit on the industry dynamic and figure out what's going on here. Do you guys have a sense of what tonnage would have looked like ex market share gains in a quarter? You're pricing didn't move all that much sequentially. I think that is a testament to you guy's pricing standards. So I'd be curious to hear about what kind of pricing that new tonnage is coming on at as well.

Robert Davidson

Well, you never know in the abstract and the hypothetical, but I think the tonnage that moves on the margin on price is certainly not as compensatory. It's much worse than the average business you have. I don't know if that's responsive to your question.

Justin Yagerman – Deutsche Bank Securities

So you're saying the market share gains are probably what would have attributed to any kind of sequential core pricing decline?

Robert Davidson

Perhaps.

Justin Yagerman – Deutsche Bank Securities

Yes, so –

Robert Davidson

I will make the point that it is our intention for every account that comes on board to make a contribution to the company, and we don't let an account get away until it's at the point where it's no longer making a contribution.

Justin Yagerman – Deutsche Bank Securities

So if I'm reading you right then you guys probably aren't being pricing – I guess what I'm trying to find out is are you aggressively cording any market share in the market place and seeing some of that come? Or are you kind of just letting the more service sensitive freight that may be diverting away from other carriers come your way, and that's what you're willing to pick up in the market?

Robert Davidson

Well, you know that we've always been successful in tracking business on non-price grounds and the things that we do in terms of shipment visibility, the cargo claims record that we have, and the personal relationships we have out there attracts some business. We will defend our turf with price but it's usually a losing strategy to try to bring it on in price.

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