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

Form 10-Q

(Mark One)

☑ **QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Quarterly period ended June 30, 2010

o **TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT**

For the transition period from to

Commission file number 001-32172

Express-1 Expedited Solutions, Inc.

(Exact name of small business issuer as specified in its charter)

Delaware	**03-0450326**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*

3399 South Lakeshore Drive, Suite 225
Saint Joseph, MI 49085
(Address of Principal Executive Offices)(Zip Code)

(269) 429-9761
(Issuer's Telephone Number, Including Area Code)

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 o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). o Yes o No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer o	Accelerated filer o	Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company ☑

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

The Registrant has 32,382,522 shares of its common stock outstanding as of August 13, 2010.

Express-1 Expedited Solutions, Inc.
Form 10-Q
Three and Six Months Ended June 30, 2010 and 2009
(Unaudited)

Part I — Financial Information	3
Item 1. Financial Statements:	
Consolidated Balance Sheets	3
Consolidated Statements of Operations	4
Consolidated Statements of Cash Flows	5
Consolidated Statement of Changes in Stockholders' Equity	6
Notes to Consolidated Financial Statements	7
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	16
Item 3. Quantitative and Qualitative Disclosures About Market Risk	26
Item 4T. Controls and Procedures	26
Part II — Other Information	26
Item 1. Legal Proceedings	26
Item 1A. Risk Factors	26
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	26
Item 3. Defaults upon Senior Securities	26
Item 4. Removed and Reserved	26
Item 5. Other Information	26
Item 6. Exhibits	27

EX-10.1
EX-10.2
EX-31.1
EX-31.2
EX-32.1
EX-32.2

Part I — Financial Information

Item 1 — Financial Statements

Express-1 Expedited Solutions, Inc.
Consolidated Balance Sheets

	(Unaudited) June 30, 2010	December 31, 2009
ASSETS		
Current assets:		
Cash	$ 280,000	$ 495,000
Accounts receivable, net of allowances of $225,000 and $225,000, respectively	23,314,000	17,569,000
Prepaid expenses	472,000	158,000
Deferred tax asset, current	129,000	353,000
Other current assets	459,000	459,000
Total current assets	24,654,000	19,034,000
Property and equipment, net of $2,956,000 and $2,651,000 in accumulated depreciation, respectively	2,642,000	2,797,000
Goodwill	16,959,000	16,959,000
Identifiable intangible assets, net of $2,512,000 and $2,198,000 in accumulated amortization, respectively	8,861,000	9,175,000
Loans and advances	173,000	30,000
Other long-term assets	820,000	1,044,000
Total long term assets	29,455,000	30,005,000
Total assets	$54,109,000	$ 49,039,000
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 8,874,000	$ 6,769,000
Accrued salaries and wages	869,000	310,000
Accrued expenses, other	3,590,000	2,272,000
Line of credit	—	6,530,000
Current maturities of notes payable and capital leases	1,674,000	1,215,000
Other current liabilities	473,000	968,000
Total current liabilities	15,480,000	18,064,000
Line of credit	2,089,000	—
Notes payable and capital leases, net of current maturities	2,929,000	213,000
Deferred tax liability, long-term	1,559,000	1,156,000
Other long-term liabilities	808,000	1,202,000
Total long-term liabilities	7,385,000	2,571,000
Stockholders' equity:		
Preferred stock, $.001 par value; 10,000,000 shares; no shares issued or outstanding	—	—
Common stock, $.001 par value; 100,000,000 shares authorized; 32,541,884 and 32,215,218 shares issued, respectively; and 32,361,884 and 32,035,218 shares outstanding, respectively	33,000	32,000
Additional paid-in capital	26,989,000	26,488,000
Treasury stock, at cost, 180,000 shares held	(107,000)	(107,000)
Accumulated earnings	4,329,000	1,991,000
Total stockholders' equity	31,244,000	28,404,000
Total liabilities and stockholders' equity	$54,109,000	$ 49,039,000

The accompanying notes are an integral part of the consolidated financial statements.

Express-1 Expedited Solutions, Inc.
Consolidated Statements of Operations
(Unaudited)

	Three Months Ended		Six Months Ended	
	June 30, 2010	June 30, 2009	June 30, 2010	June 30, 2009
Revenues				
Operating revenue	$40,340,000	$22,243,000	$71,982,000	$42,315,000
Expenses				
Direct expense	33,101,000	18,606,000	59,144,000	35,462,000
Gross margin	7,239,000	3,637,000	12,838,000	6,853,000
Sales general and administrative expense	4,598,000	3,006,000	8,673,000	6,249,000
Operating income from continuing operations	2,641,000	631,000	4,165,000	604,000
Other expense	34,000	19,000	54,000	9,000
Interest expense	88,000	26,000	108,000	48,000
Income from continuing operations before income tax	2,519,000	586,000	4,003,000	547,000
Income tax provision	1,015,000	273,000	1,665,000	259,000
Income from continuing operations	1,504,000	313,000	2,338,000	288,000
Income (loss) from discontinued operations, net of tax	—	(25,000)	—	5,000
Net income	$ 1,504,000	$ 288,000	$ 2,338,000	$ 293,000
Basic income per share				
Income from continuing operations	$ 0.05	$ 0.01	$ 0.07	$ 0.01
Income from discontinued operations	—	—	—	—
Net income	0.05	0.01	0.07	0.01
Diluted income per share				
Income from continuing operations	0.05	0.01	0.07	0.01
Income from discontinued operations	—	—	—	—
Net income	$ 0.05	$ 0.01	$ 0.07	$ 0.01
Weighted average common shares outstanding				
Basic weighted average common shares outstanding	32,044,116	32,035,218	32,039,706	32,035,218
Diluted weighted average common shares outstanding	32,645,399	32,147,648	32,602,367	32,139,842

The accompanying notes are an integral part of the consolidated financial statements.

Express-1 Expedited Solutions, Inc.
Consolidated Statements of Cash Flows
(Unaudited)

	Six Months Ended June 30,	
	2010	2009
Operating activities		
Net income	$ 2,338,000	$ 293,000
Adjustments to reconcile net income to net cash from operating activities		
Provisions for allowance for doubtful accounts	—	62,000
Depreciation & amortization expense	701,000	557,000
Stock compensation expense	93,000	92,000
Gain on disposal of equipment	(1,000)	(29,000)
Changes in assets and liabilities, net of effects of acquisition		
Account receivable	(5,745,000)	(200,000)
Deferred tax expense	627,000	(165,000)
Other current assets	(1,000)	91,000
Prepaid expenses	(314,000)	148,000
Other Long-term assets and advances	1,000	(80,000)
Accounts payable	2,105,000	(1,095,000)
Accrued expenses	1,877,000	496,000
Other liabilities	(889,000)	(170,000)
Cash provided by operating activities	792,000	—
Investing activities		
Acquisition of businesses, net of cash acquired	—	(250,000)
Payment of acquisition earn-out	—	(1,100,000)
Payment for purchases of property and equipment	(151,000)	(47,000)
Proceeds from sale of property and equipment	1,000	63,000
Cash flows used by investing activities	(150,000)	(1,334,000)
Financing activities		
Credit line, net activity	(4,441,000)	2,395,000
Proceeds from credit facility renewal	5,000,000	—
Payments of term debt	(1,825,000)	(642,000)
Proceeds from exercise of options	409,000	—
Cash flows (used) provided by financing activities	(857,000)	1,753,000
Net (decrease) increase in cash	(215,000)	419,000
Cash, beginning of period	495,000	1,107,000
Cash, end of period	$ 280,000	$ 1,526,000
Supplemental disclosure of noncash activities:		
Cash paid during the period for interest	$ 120,000	$ 40,600
Cash paid during the period for income taxes	1,488,000	236,000
Acquisition of assets and liabilities (First Class 2009)		
Property and equipment		$ 82,000
Goodwill and other intangible assets		210,000
Liabilities assumed		(42,000)
Total purchase price paid in cash		$ 250,000

The accompanying notes are an integral part of the consolidated financial statements.

Express-1 Expedited Solutions, Inc.
Consolidated Statement of Changes in Stockholders' Equity
Six Months Ended June 30, 2010
(Unaudited)

	Common Stock		Treasury Stock		Additional Paid In Capital	Accumulated Earnings	Total
	Shares	Amount	Shares	Amount			
Balance, December 31, 2009	32,215,218	$32,000	(180,000)	$(107,000)	$26,488,000	$1,991,000	$28,404,000
Stock option expense					93,000		93,000
Issuance of common stock	326,666	1,000			408,000		409,000
Net income						2,338,000	2,338,000
Balance, June 30, 2010	32,541,884	$33,000	(180,000)	$(107,000)	$26,989,000	$4,329,000	$31,244,000

The accompanying notes are an integral part of the consolidated financial statements.

Express-1 Expedited Solutions, Inc.
Notes to Consolidated Financial Statements
Three and Six Months Ended June 30, 2010 and 2009
(Unaudited)

1. Significant Accounting Principles

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements of Express-1 Expedited Solutions, Inc. ("we", "us", "our" or the "Company") have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC") and in accordance with the instructions to Form 10-Q. Certain information and footnote disclosures normally included in annual financial statements have been condensed or omitted pursuant to those rules and regulations. However, we believe that the disclosures contained herein are adequate to make the information presented not misleading.

The financial statements reflect, in our opinion, all material adjustments (which include only normal recurring adjustments) necessary to fairly present our financial position at June 30, 2010 and December 31, 2009 and results of operations for the three and six month periods ended June 30, 2010 and 2009. The preparation of the financial statements requires management to make estimates and judgments that affect the reported amounts of assets and liabilities and the disclosure of contingencies at the date of the financial statements as well as the reported amounts of revenues and expenses during the reporting period. Estimates have been prepared on the basis of the most current and best available information and actual results could differ materially from those estimates.

These unaudited condensed consolidated financial statements and notes thereto should be read in conjunction with the audited financial statements and notes thereto for the fiscal year ended December 31, 2009 included in our Annual Report on Form 10-K as filed with the SEC and available on the SEC's website (www.sec.gov). Results of operations in interim periods are not necessarily indicative of results to be expected for a full year.

Revenue Recognition

Within the Company's Express-1 and Bounce Logistics business units, revenue is recognized at the time of freight delivery; with related costs of delivery being accrued as incurred and expensed within the same period in which the associated revenue is recognized. For these business units, the Company uses the following supporting criteria to determine revenue has been earned and should be recognized:

- Persuasive evidence that an arrangement exists,
- Services have been rendered,
- The sales price is fixed and determinable, and
- Collectability is reasonably assured.

Within its Concert Group Logistics business unit, the Company utilizes an alternative point in time to recognize revenue. Concert Group Logistics revenue and associated operating expenses are recognized on the date the freight is picked up from the shipper. This method of revenue recognition is not the preferred method of revenue recognition as prescribed within generally accepted accounting principles in the United States of America (US GAAP). This method recognizes revenue and associated expenses prior to the point in time that all services are completed; however, the use of this method does not result in a material difference. The Company has evaluated the impact of this alternative method on its consolidated financial statements and concluded that the impact is not material to the financial statements.

The Company reports revenue on a gross basis in accordance with US GAAP principles. The following facts justify our position of reporting revenue on a gross basis:

- The Company is the primary obligor and is responsible for providing the service desired by the customer.

- The customer holds the Company responsible for fulfillment including the acceptability of the service.
- The Company has discretion in setting sales prices and as a result, its earnings vary.
- The Company has discretion to select its drivers, contractors, or other transportation providers (collectively, "service providers") from among thousands of alternatives, and
- The Company bears credit risk on its receivables.

Stock-Based Compensation

The Company has in place a stock option plan approved by the shareholders for 5,600,000 shares of its common stock. Through the plan, the Company offers stock options to employees and directors which assist in recruiting and retaining these individuals. Under the plan, the Company may also grant restricted stock awards, subject to the satisfaction by the recipient of certain conditions specified in the restricted stock grant.

Options generally become fully vested three to five years from the date of grant and expire five to ten years from the grant date. During the six-month period ended June 30, 2010, the Company granted 450,000 options to purchase shares of its common stock while cancelling or retiring 152,000 options in the same period. As of June 30, 2010 the Company has 3,114,000 options outstanding and an additional 2,486,000 options available for future grants under the existing plan.

The weighted-average fair value of each stock option recorded in expense for the six-month period ended June 30, 2010 was estimated on the date of grant using the Black-Scholes option pricing model and amortized over the requisite service period of the underlying options. The Company has used one grouping for the assumptions, as its option grants are primarily basic with similar characteristics. The expected term of options granted has been derived based upon the Company's history of actual exercise behavior and represents the period of time that options granted are expected to be outstanding. Historical data was also used to estimate option exercises and employee terminations. Estimated volatility is based upon the Company's historical market price at consistent points in a period equal to the expected life of the options. The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the time of grant and the dividend yield is zero. The weighted average assumptions outlined in the table below were utilized in the calculations of compensation expense from option grants in the reporting period reflected.

	Six Months Ended June 30,	
	2010	2009
Risk-free interest rate	2.7%	3.0%
Expected life	5.8 Years	5.8 Years
Expected volatility	35%	35%
Expected dividend yield	none	none
Grant date fair value	$0.58	$0.30

The following table summarizes the option activity for the six-month period ended June 30, 2010:

	Options	Weighted Average Exercise Price	Weighted Average Remaining Life
Outstanding at December 31, 2009	3,143,000	$1.14	5.0
Granted	450,000	1.47	
Expired	(152,000)	2.00	
Exercised	(327,000)	3.00	
Outstanding at June 30, 2010	3,114,000	1.17	6.0
Outstanding exercisable at June 30, 2010	2,381,000	$1.14	5.2

For the six months ended June 30, 2010 and 2009, the Company recognized $93,000 and $92,000, respectively, in stock based compensation.

As of June 30, 2010, the Company had approximately $305,000 of unrecognized compensation cost related to non-vested share-based compensation that is anticipated to be recognized over a weighted average period of approximately 1.2 years. Estimated remaining compensation expense related to existing share-based plans is $79,000, $121,000, $82,000 and $23,000 for the years ended December 31, 2010, 2011, 2012, and 2013, respectively.

At June 30, 2010, the aggregate intrinsic value of options outstanding was $525,000 and the aggregate intrinsic value of options exercisable was $441,000. The total fair value of options vested during the six months ended June 30, 2010 and 2009 was $68,000 and $51,000, respectively.

327,000 options were exercised during the six-month period ended June 30, 2010 and zero options were exercised during the six-month period ended June 30, 2009. Cash proceeds received from the exercise of options for the six months ended June 30, 2010 and 2009 were $409,000 and $0, respectively.

Use of Estimates

The Company prepares its consolidated financial statements in conformity with accounting principles generally accepted in the United States of America. These principles require management to make estimates and assumptions that impact the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. The Company reviews its estimates, including but not limited to: unbilled revenue, purchased transportation, recoverability of long-lived assets, accrual of acquisition earn-outs, recoverability of prepaid expenses, estimated legal accruals, valuation allowances for deferred taxes, valuation of investments and allowance for doubtful accounts, on a regular basis and makes adjustments based on historical experiences and existing and expected future conditions. These evaluations are performed and adjustments are made as information is available. Management believes that these estimates are reasonable and have been discussed with the audit committee; however, actual results could differ from these estimates.

Reclassifications

Certain prior year amounts shown in the accompanying consolidated financial statements have been reclassified to conform to the 2010 presentation. These reclassifications did not have any effect on total assets, total liabilities, total stockholders' equity or net income.

Income Taxes

Taxes on income are provided in accordance with US GAAP. Deferred income tax assets and liabilities are recognized for the expected future tax consequences of events that have been reflected in the consolidated financial statements. Deferred tax assets and liabilities are determined based on the differences between the book values and the tax basis of particular assets and liabilities, and the tax effects of net operating loss and capital loss carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in the tax rate is recognized as income or expense in the period that included the enactment date. A valuation allowance is provided to offset the net deferred tax assets if, based upon the available evidence, it is more likely than not that some or all of the deferred tax assets will not be realized.

The Company has evaluated its tax position and concluded no valuation allowance on its deferred tax assets is required, as of June 30, 2010. The Company had previously generated a significant federal net operating loss (NOL) deduction which had been utilized over the past several years. During 2009 the carryforward deduction was fully utilized and no further NOL carryforward will be available for federal tax purposes during 2010. For state tax purposes an NOL still exists and as of June 30, 2010 the NOL carryfoward equals approximately $1,900,000.

Goodwill

Goodwill consists of the excess of cost over the fair value of net assets acquired in business combinations. The Company follows the provisions of US GAAP in its accounting of goodwill, which requires an annual impairment test for goodwill and intangible assets with indefinite lives. The first step of the impairment test requires that the Company determine the fair value of each reporting unit, and compare the fair value to the reporting unit's carrying amount. To the extent a reporting unit's carrying amount exceeds its fair value, an indication exists that the reporting unit's goodwill may be impaired and the Company must perform a second more detailed impairment assessment. The second impairment assessment involves allocating the reporting unit's fair value to all of its recognized and unrecognized assets and liabilities in order to determine the implied fair value of the reporting unit's goodwill as of the assessment date. The implied fair value of the reporting unit's goodwill is then compared to the carrying amount of goodwill to quantify an impairment charge as of the assessment date. The Company performs the annual impairment testing during the third quarter unless events or circumstances indicate impairment of the goodwill may have occurred before that time.

The Company added $687,000 of goodwill in the first quarter of 2009, as a result of the final earnout settlement related to the acquisition of certain assets and liabilities of Concert Group Logistics, LLC. For a more complete analysis of this item refer to **Footnote 7 — Related Party Transactions.**

Identified Intangible Assets

The Company follows the provisions of US GAAP in its accounting of identified intangible assets, which establishes accounting standards for the impairment of long-lived assets such as property, plant and equipment and intangible assets subject to amortization. The Company reviews long-lived assets to be held-and-used for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. If the sum of the undiscounted expected future cash flows over the remaining useful life of a long-lived asset is less than its carrying amount, the asset is considered to be impaired. Impairment losses are measured as the amount by which the carrying amount of the asset exceeds the fair value of the asset. When fair values are not available, the Company estimates fair value using the expected future cash flows discounted at a rate commensurate with the risks associated with the recovery of the asset. During the six-month periods ended June 30, 2010, and 2009, there was no impairment of intangible assets.

The Company added $210,000 of identified intangible assets in the first quarter of 2009, based upon the acquisition of certain assets and liabilities from First Class Expediting Service, Inc (FCES). FCES was a Rochester Hills, Michigan based company providing regional expedited transportation in the Midwest. For financial reporting purposes, First Class is included in the operating results of Express-1. The Company has amortized the intangible assets over a range of 2-5 years. For each of the six-month periods ended June 30, 2010 and 2009, the Company recorded $32,000 of amortization expense related to these assets.

Other Long-Term Assets

Other long-term assets primarily consist of balances representing various deposits, and the long-term portion of the Company's non-qualified deferred compensation plan. Also included within this account classification are incentive payments to independent station owners within the Concert Group Logistics network. These payments are made by Concert Group Logistics to certain station owners as an incentive to join the network. These amounts are amortized over the life of each independent station contract and the unamortized portion is recoverable in the event of default under the terms of the agreements.

Estimated Fair Value of Financial Instruments

The aggregated net fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management. The respective carrying value of certain on-balance-sheet financial instruments approximated their fair values. These financial instruments include cash, receivables, payables, accrued expenses and short-term borrowings. Fair values were assumed to approximate carrying values for these financial instruments since they are short-term in nature and their carrying amounts approximate fair values or they are receivable or payable on demand. The fair value of the Company's debt is estimated based upon the quoted market prices for the same or similar issues or on the current rates offered to the Company for debt of similar maturities.

Earnings per Share

Earnings per common share are computed in accordance with US GAAP which requires companies to present basic earnings per share and diluted earnings per share.

Basic earnings per share are computed by dividing net income by the weighted average number of shares of common stock outstanding during the period.

Diluted earnings per share are computed by dividing net income by the combined weighted average number of shares of common stock outstanding and dilutive options outstanding during the period.

	Three Months Ended		Six Months Ended	
	June 30, 2010	June 30, 2009	June 30, 2010	June 30, 2009
Income from continuing operations	$ 1,504,000	$ 313,000	$ 2,338,000	$ 288,000
(Loss) income from discontinued operations	—	(25,000)	—	5,000
Net income	$ 1,504,000	$ 288,000	$ 2,338,000	$ 293,000
Basic weighted shares outstanding	32,044,116	32,035,218	32,039,706	32,035,218
Diluted weighted shares outstanding	32,645,399	32,147,648	32,602,367	32,139,842
Basic earnings per share				
Income from continuing operations	$ 0.05	$ 0.01	$ 0.07	$ 0.01
Income from discontinued operations	—	—	—	—
Net income	0.05	0.01	0.07	0.01
Diluted earnings per share				
Income from continuing operations	0.05	0.01	0.07	0.01
Income from discontinued operations	—	—	—	—
Net income	$ 0.05	$ 0.01	$ 0.07	$ 0.01

2. Recent Accounting Pronouncements

The Company's management does not believe that recent codified pronouncements by the FASB will have a material impact on the Company's current or future financial statements.

3. Acquisitions

First Class (Express-1, Metro Detroit) (Metro Detroit)

In January of 2009, the Company purchased certain assets and liabilities from First Class Expediting Services Inc. (FCES). FCES was a Rochester Hills, Michigan based company providing regional expedited transportation in the Midwest. The Company paid the former owners of FCES $250,000 in cash and received approximately $40,000 of net assets consisting primarily of fixed assets net of related debt. The Company funded the transaction through cash available from working capital.

For financial reporting purposes, Metro Detroit is included within the operating results of Express-1. The Company has recognized identifiable intangible assets of $210,000 amortizable over a 2-5 year period.

LRG (CGL International)

On October 1, 2009, CGL purchased certain assets and liabilities of Tampa, Florida based LRG International, Inc., an international freight forwarder. The purchase complements and expands CGL's ability to move international freight competitively. The transaction has an effective date of October 1, 2009. For financial reporting purposes, CGL International is included within the operating results of CGL.

At closing, the Company paid the former owners of LRG International, Inc. $2 million in cash. The Company used its existing line of credit to finance the transaction. On the one year anniversary of the purchase, the Company will pay the former owners $500,000. The transaction also provides for two potential annual earn-out payments totaling $900,000 provided certain performance criteria are met over a two year period. The Company recorded a liability of $737,000 based on the estimated fair value for these earn-outs. The Company has the discretion of paying the additional consideration in the form of cash, stock or any combination thereof.

The following table sets forth the components of identifiable intangible assets associated with the acquisition of LRG International, Inc.:

	Fair Value	Useful Lives
Trademark/name	$ 220,000	5 years
Association memberships	160,000	5 years
Customer list	1,410,000	12 years
Non-compete agreements	60,000	5 years
Total identifiable intangible assets	$ 1,850,000	

4. Commitments and Contingencies

Litigation

In the ordinary course of business, the Company may be a party to a variety of legal actions. The Company does not currently anticipate any of these matters or any matters in the aggregate to have a materially adverse effect on the Company's business or its financial position or results of operations.

5. Debt

Notes Payable and Capital Leases

The Company enters into notes payable and capital leases with various third parties from time to time to finance certain operational equipment and other assets used in its business operations. Generally, these loans and capital leases bear interest at market rates, and are collateralized with equipment and certain assets of the Company.

The following table outlines the Company's debt obligations as of June 30, 2010 and December 31, 2009.

	Interest rates	Term (months)	As of June 30, 2010	As of December 31, 2009
Term notes payable	2.5%	36	$ 4,583,000	$ 1,400,000
Capital leases payable	5% - 18%	12 - 36	20,000	28,000
Total notes payable and capital leases			4,603,000	1,428,000
Less: current maturities of notes payable and capital leases			1,674,000	1,215,000
Non-current maturities of notes payable and capital leases			$ 2,929,000	$ 213,000

The Company entered into a new $5.0 million dollar term note March 31, 2010. Commencing April 30, 2010, the term note is payable in 36 consecutive monthly installments consisting of $139,000 in monthly principal payments plus the unpaid interest accrued on the note. Interest is payable at the one-month LIBOR plus 2.25% (2.60% at June 30, 2010).

6. Revolving Credit Facilities

Line of Credit

On March 31, 2010, the Company entered a credit facility which provides for a receivables based line of credit of up to $10.0 million. The Company may draw upon the receivables based line of credit the lesser of $10.0 million or 80% of eligible accounts receivable, less amounts outstanding under letters of credit and 50% of the above term loan balance. The proceeds of the line of credit will be used exclusively for working capital purposes.

Substantially all the assets of the Company and wholly owned subsidiaries (Express-1, Inc., Concert Group Logistics, Inc., and Bounce Logistics, Inc.) are pledged as collateral securing the Company's performance under the credit facility and in Note 5 above. The line of credit bears interest based upon one-month LIBOR with an initial increment of 225 basis points.

The line of credit and the term note referenced in Note 5 above carry certain covenants related to the Company's financial performance. Included among the covenants are a fixed charge coverage ratio and a total funded debt to earnings before interest, taxes, depreciation and amortization ratio. As of June 30, 2010, the Company was in compliance with all terms under the line of credit and the above term note and no events of default existed under the terms of the agreements.

The Company had outstanding standby letters of credit at June 30, 2010 of $410,000 related to insurance policies either continuing in force or recently canceled. Amounts outstanding for letters of credit reduce the amount available under the line of credit, dollar-for-dollar.

Available capacity in excess of outstanding borrowings under the line was approximately $7.5 million as limited by 80% of the Company's eligible receivables as of June 30, 2010. The line of credit carries a maturity date of March 31, 2012.

7. Related Party Transactions

In January 2008, in conjunction with the Company's purchase of substantially all assets of Concert Group Logistics, LLC ("Concert Transaction"), Daniel Para, was appointed to the Board of Directors of the Company. Prior to the completion of the Concert Transaction, Mr. Para served as the Chief Executive Officer of Concert Group Logistics, LLC, and was its largest stockholder. The Company purchased substantially all the assets of Concert Group Logistics, LLC for $9.0 million in cash, 4,800,000 shares of the Company's common stock and the assumption of certain liabilities. The transaction contained performance targets, whereby the former owners of Concert Group Logistics, LLC could earn up to $2.0 Million of additional consideration. During March of 2009, the final earnout settlement with CGL was completed for consideration totaling $1.2 million that included a $1.1 million cash payment in addition to the forgiveness of an $87,000 debt. The settlement included a general release between the Company and the former owners of Concert Group Logistics, LLC. Subsequent to the release, the Company has no future obligations related to the earnout provisions of the Concert Transaction. As the largest shareholder of Concert Group Logistics, LLC, Mr. Para received, either directly or through his family trusts and partnerships, approximately 85% of the proceeds transferred in the transaction. Immediately after the transaction, Mr. Para became the largest shareholder of the Company, through holdings attributable to himself and Dan Para Investments, LLC.

In April 2009, the Company contracted the services of Daniel Para to serve as the Director of Business Development. Mr. Para will manage all Company activity related to mergers and acquisitions. His remuneration for these services was $10,000 per month in 2009. For the six months ended June 30, 2010, his remuneration was $53,000. Effective June 1, 2010 Dan Para, was appointed the CEO of CGL and is no longer serving as the Director of Business Development.

In January 2008, in conjunction with the Concert Group Logistics acquisition, the Company entered into a lease for approximately 6,000 square feet of office space located within an office complex at 1430 Branding Avenue, Downers Grove, Illinois 60515. The lease calls for, among other general provisions, rent payments in the amount of $101,000, $104,000 and $107,000 to be paid for 2010 and the two subsequent years thereafter. The building is owned by an Illinois Limited Liability Company, which has within its ownership group, Daniel Para, the former CEO of Concert Group Logistics, LLC.

The above transactions are not necessarily indicative of amounts, terms and conditions that the Company may have received in transactions with unrelated third parties.

8. Operating Segments

The Company has three reportable segments based on the type of service provided, to its customers:

Express-1, Inc. (Express-1) — provides time critical expedited transportation to its customers. This typically involves dedicating one truck and driver to a load which has a specified time delivery requirement. Most of the services provided are completed through a fleet of exclusive use vehicles that are owned and operated by independent contract drivers. The use of non-owned resources to provide transportation services minimizes the amount of capital investment required and is often described with the terms “non-asset” or “asset-light.” In January of 2009, certain assets and liabilities of First Class Expediting (Metro Detroit) were purchased to complement the operations of Express-1. The financial reporting of this operation has been included with Express-1.

Concert Group Logistics, Inc. (CGL) — provides freight forwarding services through a chain of independently owned stations located throughout the United States. These stations are responsible for selling and operating freight forwarding transportation services within their geographic area under the authority of CGL. In October of 2009, certain assets and liabilities of LRG International (CGL International) were purchased to complement the operations of CGL. The financial reporting of this operation has been included with CGL.

Bounce Logistics, Inc. (Bounce) — provides premium truckload brokerage transportation services to its customers throughout the Unites States.

Corporate — The costs of the Company’s Board of Directors, executive team and certain corporate costs associated with operating as a public company are referred to as “corporate” charges. In addition to the aforementioned items, the Company also commonly records items such as its income tax provision and other charges that are reported on a consolidated basis within the corporate classification item.

The accounting policies of the reportable segments are the same as those described in the summary of significant accounting policies. Substantially all intercompany sales prices are market based. The Company evaluates performance based on operating income of the respective business segments.

Table of Contents

The following schedule identifies select financial data for each of the business segments.

Express-1 Expedited Solutions, Inc
Segment Data
Three and Six Months Ended June 30, 2010 and 2009

	Express-1	Concert Group Logistics	Bounce	Corporate	Eliminations	Total Continuing Operations	Discontinued Operations E-1 Dedicated
Three Months Ended June 30, 2010							
Revenues	$20,557,000	$16,074,000	$4,675,000	$ —	$ (966,000)	$40,340,000	$ —
Operating income (loss) from continuing operations	2,482,000	555,000	141,000	(537,000)		2,641,000	
Depreciation and amortization	167,000	137,000	8,000	5,000		317,000	
Interest expense	—	79,000	8,000	1,000		88,000	
Tax provision	1,073,000	215,000	56,000	(329,000)		1,015,000	
Goodwill	7,737,000	9,222,000	—	—		16,959,000	
Total assets	24,828,000	24,984,000	3,372,000	22,614,000	(21,689,000)	54,109,000	
Three Months Ended June 30, 2009							
Revenues	10,090,000	10,155,000	2,232,000	—	(234,000)	22,243,000	
Operating income (loss) from continuing operations	697,000	351,000	86,000	(503,000)		631,000	(32,000)
Depreciation and amortization	181,000	94,000	6,000	—		281,000	
Interest expense	—	18,000	6,000	2,000		26,000	
Tax provision	—	—	—	273,000		273,000	(7,000)
Goodwill	7,737,000	7,865,000	—	—		15,602,000	
Total assets	21,939,000	18,855,000	1,545,000	14,453,000	(14,339,000)	42,453,000	
Six Months Ended June 30, 2010							
Revenues	36,769,000	29,012,000	7,798,000	—	(1,597,000)	71,982,000	
Operating income (loss) from continuing operations	4,131,000	811,000	238,000	(1,015,000)		4,165,000	
Depreciation and amortization	333,000	344,000	15,000	9,000		701,000	
Interest expense	—	93,000	14,000	1,000		108,000	
Tax provision	1,761,000	317,000	95,000	(508,000)		1,665,000	
Goodwill	7,737,000	9,222,000	—	—		16,959,000	
Total assets	24,828,000	24,984,000	3,372,000	22,614,000	(21,689,000)	54,109,000	
Six Months Ended June 30, 2009							
Revenues	18,978,000	19,794,000	4,012,000	—	(469,000)	42,315,000	666,000
Operating income (loss) from continuing operations	857,000	551,000	127,000	(931,000)		604,000	9,000
Depreciation and amortization	361,000	182,000	13,000	—		556,000	1,000
Interest expense	—	33,000	12,000	3,000		48,000	
Tax provision	—	—	—	259,000		259,000	4,000
Goodwill	7,737,000	7,865,000	—	—		15,602,000	
Total assets	$21,939,000	$18,855,000	$1,545,000	$14,453,000	$(14,339,000)	$42,453,000	$ —

9. Discontinued Operations

During the fourth quarter of 2008, the Company discontinued it Express-1 Dedicated business unit. The Company had operated this unit under the terms of a dedicated contract to supply transportation services to a domestic automotive manufacturer.

Substantially all of the assets of Express-1 Dedicated have been redeployed in other operating units of the Company, and therefore, no impairment charges were recorded on the Company's financial statements during 2009. Management does not anticipate recording any additional material activity on its discontinued operations in future periods.

The following table reflects the revenue, operating expenses, gross margins, and net income of the Company's discontinued Express-1 Dedicated business unit for the three and six-month period ending June 30, 2009.

	Three Months Ended June 30, 2009	Six Months Ended June 30, 2009
Operating revenue	$ —	$ 666,000
Operating expense	9,000	551,000
Gross (deficit) margin	(9,000)	115,000
Sales, general, and administrative expenses	23,000	106,000
(Loss) income from continuing operations before tax provision	(32,000)	9,000
Tax provision	(7,000)	4,000

Net (loss) income	$ (25,000)	$ 5,000

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

Forward-Looking Statements. This Form 10-Q includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, included or incorporated by reference in this Form 10-Q which address activities, events or developments that the Company expects or anticipates will or may occur in the future, including such things as future capital expenditures (including the amount and nature thereof), finding suitable merger or acquisition candidates, expansion and growth of the Company's business and operations, and other such matters are forward-looking statements. These statements are based on certain assumptions and analyses made by the Company in light of its experience and its perception of historical trends, current conditions and expected future developments as well as other factors it believes are appropriate in the circumstances.

Investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve significant risks and uncertainties, and that actual results may differ materially from those projected in the forward-looking statements. Factors that could adversely affect actual results and performance include, among others, potential fluctuations in quarterly operating results and expenses, government regulation, technology change and competition. Consequently, all of the forward-looking statements made in this Form 10-Q are qualified by these cautionary statements and there can be no assurance that the actual results or developments anticipated by the Company will be realized or, even if substantially realized, that they will have the expected consequence to or effects on the Company or its business or operations. The Company assumes no obligations to update any such forward-looking statements.

Critical Accounting Policies

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions. In certain circumstances, those estimates and assumptions can affect amounts reported in the accompanying consolidated financial statements. We have made our best estimates and judgments of certain amounts included in the financial statements, giving due consideration to materiality. We do not believe there is a great likelihood that materially different amounts will be reported related to the accounting policies described below. However, application of these accounting policies involves the exercise of judgment and use of assumptions as to future uncertainties and, as a result, actual results could differ from these estimates. Note 1 of the "Notes to Consolidated Financial Statements" in our Annual Report on Form 10-K for the year ended December 31, 2009, includes a summary of the significant accounting policies and methods used in the preparation of our consolidated financial statements. For the period ended June 30, 2010, there were no significant changes to our critical accounting policies.

New Pronouncements

The Company's management does not believe that recent codified pronouncements by the FASB will have a material impact on the Company's current or future financial statements.

Executive Summary

Express-1 Expedited Solutions, Inc. (the "Company," "we," "our" and "us"), a Delaware corporation, is a transportation services organization focused upon premium logistics solutions provided through its non-asset based or asset-light operating units. The Company's operations are provided through three distinct but complementary reporting units, each with its own President. Our wholly owned subsidiaries include; Express-1, Inc. ("Express-1"), Concert Group Logistics, Inc. ("Concert Group Logistics" or "CGL") and Bounce Logistics, Inc. ("Bounce Logistics", or "Bounce"). These operating units are more fully outlined in the following table.

Business Unit	Primary Office Location	Premium Industry Niche	Initial Date
Express-1	Buchanan, Michigan	Expedited Transportation	August 2004
Concert Group Logistics	Downers Grove, Illinois	Freight Forwarding	January 2008
Bounce Logistics	South Bend, Indiana	Premium Truckload Brokerage	March 2008

Express-1 and CGL were both existing companies acquired as part of two separate acquisitions. Express-1, Inc. was formed in 1989, while CGL was formed in 2001. Bounce Logistics was a start-up operation formed in March 2008.

Express-1, Inc. (Express-1) — provides time critical expedited transportation to its customers. This typically involves dedicating one truck and driver to a load which has a specified time delivery requirement. Most of the services provided are completed through a fleet of exclusive use vehicles that are owned and operated by independent contract drivers. The use of non-owned resources to provide transportation services minimizes the amount of capital investment required and is often described with the terms “non-asset” or “asset-light.” In January of 2009, certain assets and liabilities of First Class Expediting (Metro Detroit) were purchased to complement the operations of Express-1. The financial reporting of this operation has been included with Express-1.

Concert Group Logistics, Inc. (CGL) — provides freight forwarding services through a chain of independently owned stations located throughout the United States. These stations are responsible for selling and operating freight forwarding transportation services within their geographic area under the authority of CGL. In October of 2009, certain assets and liabilities of LRG International (CGL International) were purchased to complement the operations of CGL. The financial reporting of this operation has been included with CGL.

Bounce Logistics, Inc. (Bounce) — provides premium truckload brokerage transportation services to its customers throughout the Unites States.

Other Reporting Disclosures

During the fourth quarter of 2008, the Company discontinued its Express-1 Dedicated business unit. The Company had operated this unit under the terms of a dedicated contract to supply transportation services to a domestic automotive manufacturer. The automotive manufacturer did not renew the contract and Express-1 Dedicated ceased operations in February of 2009. The financial results of this discontinued business unit for all reported periods are included as discontinued operations for reporting purposes.

Throughout our reports, we refer to the impact of fuel on our business. For purposes of these references, we have considered the impact of fuel surcharge revenues, and the related fuel surcharge expenses only as they relate to our Express-1 business unit. The expediting transportation industry commonly negotiates both fuel surcharges charged to its customers as well as fuel surcharges paid to its carriers. Therefore, we feel that this approach, most readily conveys the impact of fuel revenues, costs, and the resulting gross margin within this business unit.

Alternatively, within our other two units, Concert Group Logistics and Bounce Logistics, fuel charges to our customers are not commonly negotiated and identified separately from total revenue and the associated cost of transportation. We therefore, have not included an analysis of fuel surcharges for these two operating units. We believe this is a common practice within the freight forwarding and freight brokerage business sectors.

We often refer to the costs of our Board of Directors, our executive team and certain operating costs associated with operating as a public company as “corporate” charges. In addition to the aforementioned items, we also record items such as our income tax provision and other charges that are reported on a consolidated basis within the corporate line items of the following tables.

For the three months ended June 30, 2010 compared to the three months ended June 30, 2009

The following table is provided to allow users to visualize quarterly results within our major reporting classifications. The table does not replace the financial statements, notes thereto, or management discussion contained within this report on Form 10-Q. We encourage users to review these items for a more complete understanding of our financial position and results of operations.

Table of Contents

Express-1 Expedited Solutions, Inc.
Summary Financial Table
For the Three Months Ended June 30,
(Unaudited)

	Quarter to Date		Quarter to Quarter Change		Percent of Business Unit Revenue	
	2010	2009	In Dollars	In Percentage	2010	2009
Revenues						
Express-1	$20,557,000	$10,090,000	$10,467,000	103.7%	51.0%	45.4%
Concert Group Logistics	16,074,000	10,155,000	5,919,000	58.3%	39.8%	45.7%
Bounce Logistics	4,675,000	2,232,000	2,443,000	109.5%	11.6%	10.0%
Intercompany eliminations	(966,000)	(234,000)	(732,000)	-312.8%	-2.4%	-1.1%
Total revenues	40,340,000	22,243,000	18,097,000	81.4%	100.0%	100.0%
Direct expenses						
Express-1	15,720,000	7,793,000	7,927,000	101.7%	76.5%	77.2%
Concert Group Logistics	14,426,000	9,174,000	5,252,000	57.2%	89.7%	90.3%
Bounce Logistics	3,921,000	1,873,000	2,048,000	109.3%	83.9%	83.9%
Intercompany eliminations	(966,000)	(234,000)	(732,000)	-312.8%	100.0%	100.0%
Total direct expenses	33,101,000	18,606,000	14,495,000	77.9%	82.1%	83.6%
Gross margin						
Express-1	4,837,000	2,297,000	2,540,000	110.6%	23.5%	22.8%
Concert Group Logistics	1,648,000	981,000	667,000	68.0%	10.3%	9.7%
Bounce Logistics	754,000	359,000	395,000	110.0%	16.1%	16.1%
Total gross margin	7,239,000	3,637,000	3,602,000	99.0%	17.9%	16.4%
Selling, general & administrative						
Express-1	2,355,000	1,600,000	755,000	47.2%	11.5%	15.9%
Concert Group Logistics	1,093,000	630,000	463,000	73.5%	6.8%	6.2%
Bounce Logistics	613,000	273,000	340,000	124.5%	13.1%	12.2%
Corporate	537,000	503,000	34,000	6.8%	1.3%	2.3%
Total selling, general & administrative	4,598,000	3,006,000	1,592,000	53.0%	11.4%	13.5%
Operating income from continuing operations						
Express-1	2,482,000	697,000	1,785,000	256.1%	12.1%	6.9%
Concert Group Logistics	555,000	351,000	204,000	58.1%	3.5%	3.5%
Bounce Logistics	141,000	86,000	55,000	64.0%	3.0%	3.9%
Corporate	(537,000)	(503,000)	(34,000)	-6.8%	-1.3%	-2.3%
Operating income from continuing operations	2,641,000	631,000	2,010,000	318.5%	6.5%	2.8%
Interest expense	88,000	26,000	62,000	238.5%	0.2%	0.1%
Other expense	34,000	19,000	15,000	78.9%	0.1%	0.1%
Income from continuing operations before tax	2,519,000	586,000	1,933,000	329.9%	6.2%	2.6%
Tax provision	1,015,000	273,000	742,000	271.8%	2.5%	1.2%
Income from continuing operations	1,504,000	313,000	1,191,000	380.5%	3.7%	1.4%
Loss from discontinued operations, net of tax	—	(25,000)	25,000	-100.0%	0.0%	-0.1%
Net income	$ 1,504,000	$ 288,000	$ 1,216,000	422.2%	3.7%	1.3%

Consolidated Results

These outstanding quarterly results were accomplished through our recent strategic initiatives. Our 2009 commitment and investment in our sales organization have paid big dividends thus far in 2010. The sales team has produced an increasingly diverse customer base, and our successful 2009 acquisitions of First Class and LRG International have been integrated and continued to grow and prosper. Express-1 has experienced a solid overall revenue growth with its international department becoming a major factor in Express-1's service offerings. Additionally, CGL and Bounce are seeing strong organic growth as the freight environment continues to improve. Based on the above, gross revenues increased to $40.3 million in the second quarter as compared to $22.2 million in the same period in 2009, representing an 81% increase.

Direct expenses represent expenses attributable to freight transportation. During the second quarter of 2010, these expenses continued to maintain a direct relationship to our operating revenues. Our "asset light" operating model provides transportation capacity through variable cost transportation alternatives, and therefore enables us to control our operating costs as our volumes fluctuate. Our primary means of providing capacity are through our fleet of independent contractors and brokerage relationships. We continue to view this operating model as a strategic advantage. Our overall gross margin increased to 18% for the second quarter of 2010 as compared to 16% for the second quarter of 2009 due in large part to improved margins at Express-1 and Concert Group Logistics. We believe that this is also a positive sign for the economy as overall industry capacity shortages coupled with economic improvements continue to put upward pressure on margins.

We are encouraged that as a percentage to total revenue our SG&A costs have dropped during the second quarter of 2010 to 11% as compared to 14% in the comparable period in 2009. Overall, selling, general, and administrative (SG&A) expenses increased by $1.64 million for the three months ended June 30, 2010 compared to the same period in 2009. The current percentage of 11% is consistent with historical trends and we believe this percentage is sustainable throughout the remainder of the year as additional volumes have contributed to our efficiencies.

Net income for the quarter ended June 30, 2010 totaled $1.5 million compared to $288,000 for the same quarter in 2009 representing an increase of 422%. This positive trend reflects the overall improvement in the economy in addition to efficiencies garnered during the economic downturn. This positive trend also reflects positive impacts due to acquisition activity over the past two years.

Express-1

For the third consecutive quarter, Express-1 generated record quarterly revenues of $20.6 million in the second quarter as revenue grew by 104% compared to the same period in 2009. Express-1's continued investment in sales and sales diversification has paid off handsomely as it has expanded its presence into other markets. Also, the Company's investment in its Mexico freight two years ago has exceeded management's expectations by providing approximately 15% of Express-1's revenue for the quarter. During the quarter, home appliance, and retail business sectors have also contributed to the company surpassing previous year's levels and have contributed to our overall improvement in diversifying our customer base which historically has been more dependent on the automotive sector. Additionally, our Detroit Metro office (formerly First Class Expedite Service) continued to provide a boost to our business by serving as the key contact for certain large customer relationships. In the quarter, the Detroit office tendered about 600 shipments with our main office, and handled approximately 6000 shipments with their Detroit based fleet. Express-1 has historically rebounded quickly from recessions as the expediting industry in general is typically one of the first benefactors of a recovering economy.

Fuel prices have increased resulting in a corresponding increase in fuel surcharge as a percentage of revenue in the second quarter of 2010. For the three month period ended June 30, 2010, fuel surcharge revenues represented 13% of our revenue as compared to 8% in the same period in 2009. Rising fuel prices tend to have a negative impact on our gross margin since these revenues are substantially passed through to our owner operators. We believe that any negative margin impact from fuel will be offset by pricing adjustments allowed by the market due to tightening truck capacity.

Express-1's gross margin percentage increased to 24% for the second quarter of 2010 compared to 23% in the same quarter in 2009. We believe that margins will remain somewhat consistent moving forward in 2010 as direct transportation cost pressures due to fuel increases and an overall lack of capacity will offset any upside gains that the market might allow on the revenue side.

We are encouraged that as a percentage to total revenue our SG&A costs have dropped during the second quarter to 12% as compared to 16% in the second quarter of 2009. Overall, selling, general and administrative (SG&A) expenses increased by $755,000 in the second quarter of 2010 compared to the same period in 2009. The current percentage of 12% is consistent with historical trends and we believe this percentage is sustainable throughout the remainder of the year.

For the quarter ended June 30, 2010, Express-1 generated income from operations before tax of $2,482,000 compared to $697,000 in the same quarter in 2009 representing an increase of 256%. Management remains optimistic about the remainder of the year as the overall economy improves and trucking capacity tightens.

Concert Group Logistics (CGL)

CGL's second quarter revenues in 2010 reflected a healthy rebound from 2009. Revenues of $16.1 million compared favorably to revenues of $10.2 in 2009 representing an increase of 58%. The purchase of certain assets and liabilities of LRG International (CGL International) in October of 2009 contributed to the revenue increases during the second quarter as compared to the same period in 2009.

Direct expenses consist primarily of payments for purchased transportation in addition to payments to CGL's independent offices that control the overall operation of customer shipments. As a percentage of CGL revenue, direct expenses represented 90% for the second quarter of 2010 as compared to 90% for the same quarter in 2009. We believe that this margin will be sustainable for the remainder of the year.

Selling, general and administrative expenses increased in the second quarter of 2010 by $463,000 as compared to the same period in 2009. These cost increases relate primarily to administrative costs associated with running CGL International as company owned branches. As a percentage to revenue SG&A costs increased to 7% in the second quarter of 2010 from 6% in the second quarter of 2009. We anticipate the current SG&A percentage of revenue being sustained for the remainder of the year based on this slight change in our operating model.

For the quarter ended June 30, 2010, Concert Group Logistics generated income from operations before tax of $555,000 representing an increase of 58% from the comparable period in 2009. Again, this is due primarily to an improving freight environment and we continue to anticipate favorable results for the remainder of the year as compared to 2009.

Management continues to focus on the expansion of its independent office network, and is actively pursuing strategic opportunities. As of June 30, 2010 the Company maintained a network of 23 independent offices and 2 company owned branches as compared to 25 offices as of June 30, 2009.

Bounce Logistics

Bounce continues to see significant growth as its second quarter of 2010 revenues of $4.7 million represented a 110% increase over 2009 revenues in the comparable period. We believe this is reflective of an improving economy and Bounce's aggressive growth strategy. We continue to be very optimistic about growth potential as economic conditions improve in 2010.

In the second quarter of 2010 Bounces' direct transportation expenses remained at 84% as a percentage of revenue as compared to 84% in the second quarter of 2009. We believe this margin is sustainable for the remainder of 2010 as the economy continues to improve. We believe that price increases associated with tightened capacity will be somewhat offset by higher costs also associated with tightening brokerage capacity. These two factors will combine to hold our current margin in place for the remainder of the year. We continue to have confidence in Bounce's ability to grow and access truck capacity in 2010.

Selling, general and administrative expenses increased by $340,000 in the second quarter of 2010 compared to the same period in 2009. The increase on a quarter to quarter basis has resulted from costs associated with aggressive sales growth during the quarter. We anticipate that as a percentage to revenue, SG&A costs will decrease from 13% in the second quarter of 2010 to 12% by the end of the year.

The above items have resulted in Bounce generating operating income of $141,000 in the second quarter of 2010 compared to $86,000 in the same period in 2009. Management continues to be optimistic regarding the future growth and profitability potential of Bounce moving forward in 2010.

Corporate

Corporate costs for the second quarter of 2010 increased by $34,000 as compared to the same quarter in 2009. As a percentage of revenue, corporate costs decreased from 2% in the second quarter of 2009 to 1% in the same period in 2010. We anticipate holding these costs below 2009 levels as increased revenues have produced favorable efficiencies in scale.

For the six months ended June 30, 2010 compared to the six months ended June 30, 2009

The following table is provided to allow users to visualize quarterly results within our major reporting classifications. The table does not replace the financial statements, notes thereto, or management discussion contained within this report on Form 10-Q. We encourage users to review these items for a more complete understanding of our financial position and results of operations.

Table of Contents

Express-1 Expedited Solutions, Inc.
Summary Financial Table
For the Six Months Ended June 30,
(Unaudited)

	Year to Date		Year to Year Change		Percent of Business Unit Revenue	
	2010	2009	In Dollars	In Percentage	2010	2009
Revenues						
Express-1	$36,769,000	$18,978,000	$17,791,000	93.7%	51.1%	44.8%
Concert Group Logistics	29,012,000	19,794,000	9,218,000	46.6%	40.3%	46.8%
Bounce Logistics	7,798,000	4,012,000	3,786,000	94.4%	10.8%	9.5%
Intercompany eliminations	(1,597,000)	(469,000)	(1,128,000)	-240.5%	-2.2%	-1.1%
Total revenues	71,982,000	42,315,000	29,667,000	70.1%	100.0%	100.0%
Direct expenses						
Express-1	28,262,000	14,669,000	13,593,000	92.7%	76.9%	77.3%
Concert Group Logistics	25,954,000	17,926,000	8,028,000	44.8%	89.5%	90.6%
Bounce Logistics	6,525,000	3,336,000	3,189,000	95.6%	83.7%	83.2%
Intercompany eliminations	(1,597,000)	(469,000)	(1,128,000)	-240.5%	100.0%	100.0%
Total direct expenses	59,144,000	35,462,000	23,682,000	66.8%	82.2%	83.8%
Gross margin						
Express-1	8,507,000	4,309,000	4,198,000	97.4%	23.1%	22.7%
Concert Group Logistics	3,058,000	1,868,000	1,190,000	63.7%	10.5%	9.4%
Bounce Logistics	1,273,000	676,000	597,000	88.3%	16.3%	16.8%
Total gross margin	12,838,000	6,853,000	5,985,000	87.3%	17.8%	16.2%
Selling, general & administrative						
Express-1	4,376,000	3,452,000	924,000	26.8%	11.9%	18.2%
Concert Group Logistics	2,247,000	1,317,000	930,000	70.6%	7.7%	6.7%
Bounce Logistics	1,035,000	549,000	486,000	88.5%	13.3%	13.7%
Corporate	1,015,000	931,000	84,000	9.0%	1.4%	2.2%
Total selling, general & administrative	8,673,000	6,249,000	2,424,000	38.8%	12.0%	14.8%
Operating income from continuing operations						
Express-1	4,131,000	857,000	3,274,000	382.0%	11.2%	4.5%
Concert Group Logistics	811,000	551,000	260,000	47.2%	2.8%	2.8%
Bounce Logistics	238,000	127,000	111,000	87.4%	3.1%	3.2%
Corporate	(1,015,000)	(931,000)	(84,000)	-9.0%	-1.4%	-2.2%
Operating income from continuing operations	4,165,000	604,000	3,561,000	589.6%	5.8%	1.4%
Interest expense	108,000	48,000	60,000	125.0%	0.2%	0.1%
Other expense	54,000	9,000	45,000	500.0%	0.1%	0.0%
Income from continuing operations before tax	4,003,000	547,000	3,456,000	631.8%	5.6%	1.3%
Tax provision	1,665,000	259,000	1,406,000	542.9%	2.3%	0.6%
Income from continuing operations	2,338,000	288,000	2,050,000	711.8%	3.2%	0.7%
Income from discontinued operations, net of tax	—	5,000	(5,000)	-100.0%	0.0%	0.0%
Net income	$ 2,338,000	$ 293,000	$ 2,045,000	698.0%	3.2%	0.7%

Consolidated Results

The six months ended June 30, 2010 represented a significant rebound from the same period in 2009 due to our recent sales initiatives and an improving freight environment. Revenues for each of the business units saw significant increases as compared to 2009. In total, revenues of $72.0 for the first six months of 2010 represented a 70% increase as compared to the same period in 2009. We believe that our focus on business diversity and investing resources in sales during 2009 has positioned the Company well as the economy emerges from the recession. We continue to see improved revenues as compared to 2009 for the remainder of 2010.

Direct expenses represent expenses attributable to freight transportation. During the initial six months of 2010, these expenses continued to maintain a direct relationship to our operating revenues. Our “asset light” operating model provides transportation capacity through variable cost transportation alternatives, and therefore enables us to control our operating costs as our volumes fluctuate. Our primary means of providing capacity are through our fleet of independent contractors and brokerage relationships. We continue to view this operating model as a strategic advantage. Our overall gross margin increased to 18% for the initial six months of 2010 as compared to 16% in the comparable period in 2009 due in large part to improved margins at Express-1 and Concert Group Logistics. We believe that this is also a positive sign for the economy as overall industry capacity shortages coupled with an improving freight environment continue to put upward pressure on margins.

We are encouraged that as a percentage to total revenue our SG&A costs have dropped during the first six months of 2010 to 12% as compared to 15% in the comparable period in 2009. Overall, selling, general, and administrative (SG&A) expenses increased by $2.4 million for the initial six months of 2010 compared to the same period in 2009. The current percentage of 12% is consistent with historical trends and we believe this percentage is sustainable throughout the remainder of the year as additional volumes have contributed to our efficiencies.

Net income for the six month period ended June 30, 2010 totaled $2.3 million compared to $293,000 for the same period in 2009 representing an increase of 698%. This positive trend reflects the overall improvement in the freight environment in addition to efficiencies garnered during the economic downturn. This positive trend also reflects positive impacts due to acquisition activity over the past two years.

Express-1

Express-1 generated record revenues of $36.8 million in the six month period ended June 30, 2010 as revenue grew by 94% compared to the same period in 2009. Express-1’s continued investment in sales and sales diversification has paid off handsomely as it has expanded its presence into other markets. Also, the company’s investment in its Mexico operations two years ago has exceeded management’s expectations. During the period, home appliance, and retail business sectors have also contributed to the company surpassing previous year’s levels and have contributed to our overall improvement in diversifying our customer base which historically has been more dependent on the automotive sector. Express-1 has historically rebounded quickly from recessions as the expediting industry in general is typically one of the first benefactors of a recovering economy. We continue to be optimistic for the remainder of the year as capacity tightens and the economy improves.

Fuel prices have increased resulting in a corresponding increase in fuel surcharge as a percentage of revenue during the first six months of 2010. For the six month period ended June 30, 2010 fuel surcharge revenues represented 12% of our revenue as compared to 8% in the same period in 2009. Rising fuel prices tend to have a negative impact on our gross margin since these revenues are substantially passed through to our owner operators; however, we believe that any negative margin impact from fuel will be offset by pricing adjustments allowed by the market due to tightening truck capacity.

Express-1’s gross margin percentage remained at 23% for the first six months of 2010 compared to the same period in 2009. We believe that margins will remain somewhat consistent moving forward as direct transportation cost pressures due to fuel increases and an overall lack of capacity will offset any upside gains that the market might allow on the revenue side.

We are encouraged that as a percentage to total revenue our SG&A costs have dropped during the first six months to 12% as compared to 18% in the second quarter of 2009. Overall, selling, general, and administrative (SG&A) expenses increased by $924,000 in the period compared to the same period in 2009. The current percentage of 12% is consistent with historical trends and we believe this percentage is sustainable throughout the remainder of the year.

For the six month period ended June 30, 2010, Express-1 generated income from operations before tax of $4,131,000 compared to $857,000 in the same period in 2009 representing an increase of 382%. Management remains optimistic about the remainder of the year as the economy continues to improve.

Concert Group Logistics (CGL)

CGL's initial six months of revenue in 2010 reflected a healthy rebound from 2009. Revenues of $29 million compared favorably to revenues of $19.8 million in 2009 and are due in large part to the purchase of certain assets and liabilities of LRG International (CGL International) in October of 2009.

Direct expenses consist primarily of payments for purchased transportation in addition to payments to CGL's independent offices that control the overall operation of our customer's shipments. As a percentage of CGL revenue, direct expenses represented 90% for the first two quarters of 2010 compared to 91% for the same period in 2009. This overall gain in efficiency resulted in CGL's gross margin percentage improving to 10% in the first two quarters of 2010 from 9% in the same period in 2009. We believe that the improved margin will be sustainable for the remainder of the year and is partly due to running CGL International as a company owned station.

Selling, general and administrative expenses increased in the six month period ended June 30, 2010 by $930,000 as compared to the same period in 2009. These cost increases relate primarily to write-offs associated with the transition of the Minneapolis office in addition to the administrative costs associated with running CGL International as company owned branches. These increased costs with CGL International are directly offset by decreases in direct expenses resulting in a higher gross margin percentage. As a percentage of revenue, SG&A costs increased to 8% in the first two quarters of 2010 from 7% during the first two quarters of 2009. We anticipate the current SG&A percentage of revenue being sustained for the remainder of the year based on this change in our operating model.

For the six month period ended June 30, 2010, Concert Group Logistics generated income from operations before tax of $811,000 representing an increase of 47% from the comparable period in 2009. Again, this is due primarily to the improved freight environment. We continue to anticipate favorable results for the remainder of the year with an improved economy and increased revenues.

Management continues to focus on the expansion of its independent office network, and is actively pursuing strategic opportunities. As of June 30, 2010 the Company maintained a network of 23 independent offices and 2 company owned branches as compared to 25 independent offices as of June 30, 2009.

Bounce Logistics

Bounce continues to see significant growth as its revenue for the first six months of 2010 increased by 94% to $7.8 million compared to 2009 revenues of $4.0 million in the comparable period. We believe this is reflective of an improving economy and an aggressive growth strategy. We continue to be very optimistic about growth potential as Bounce progresses through 2010.

In the first six month period of 2010, Bounces' direct transportation expenses increased to 84% as a percentage of revenue as compared to 83% in the comparable period in 2009. We believe this cost increase reflects a tightening of truck capacity in the marketplace. This slight decrease in margin has been more than offset by additional business that has generated an additional $597,000 in gross margin through the first six months of 2010 as compared to the same period in 2009. We continue to have confidence in Bounce's ability to grow and access truck capacity in 2010.

Selling, general and administrative expenses increased by $486,000 in the six month period ended June 30, 2010 compared to the same period in 2009. The increase on a quarter to quarter basis has resulted from costs associated with aggressive sales growth during the quarter. Overall efficiencies of scale have improved based on revenue growth as the percentage of S&A costs to revenue has decreased from 14% in 2009 to 13% in 2010. We are anticipating that additional growth will continue to reduce Bounce's SG&A percentage to revenue to 12% by year end.

The above items have resulted in Bounce generating operating income of $238,000 in the six month period ended June 30, 2010 compared to $127,000 in the same period in 2009. Management continues to be optimistic regarding the future growth and profitability potential of Bounce moving forward in 2010.

Corporate

Corporate costs for the first six months of 2010 increased by $84,000 as compared to the same two quarters in 2009. As a percentage of revenue, corporate costs decreased from 2% in the second quarter of 2009 to 1% in the same period in 2010. We anticipate holding these costs below 2009 levels as increased revenues have produced favorable efficiencies in scale.

Liquidity and Capital Resources

General

As of June 30, 2010, we had $9.2 million of working capital with associated cash of $280,000 compared with working capital of $970,000 and cash of $495,000 as of December 31, 2009. This represents an increase of $8.2 million or 846% in working capital during the six-month period. The Company renewed its credit facility with PNC Bank formerly National City Bank on March 31, 2010. The renewal of the Company's credit facility had a positive impact of approximately $4.9 million on its working capital by converting the classification of both its term debt and line of credit to long term obligations based on the terms of the new agreement. The Company also had an increase of its account receivable of $5.7 million during the six-month period ended June 30, 2010.

Cash Flow

During the six months ended June 30, 2010, $792,000 in cash was generated from operations. The primary source of cash for the six month period was net income of $2.3 million and an increase of $2.1 million in accounts payable and $1.9 million in accrued expenses. The primary use of cash for the quarter was an increase of $5.7 million of accounts receivable associated with our revenue increase during the year. Additional uses of cash included $314,000 in prepaid expenses and a decrease in other liabilities of $889,000. During the same period in 2009, cash generated and used in operations netted to $0. The primary use of cash was a decrease in accounts payable of $1.1 million and a decrease in other liabilities of $170,000. The primary source of cash for the six month period was an increase of $500,000 in accrued expenses.

Investing activities required cash usage of approximately $150,000 during the six months ended June 30, 2010. During this period, cash was used to purchase $151,000 in fixed assets. During the same period in 2009 we required cash usage of $1.3 million. During 2009 the cash was used to: 1) satisfy earn-out payments of $1.1 million to the former owners of Concert Group Logistics, LLC and, 2) purchase $250,000 in net assets related to the purchase of First Class Expediting Service, LLC in January of 2009.

Financing activities used approximately $857,000 for the six months ended June 30, 2010. Net payments on the line of credit and term debt of $1.3 million resulted in the primary use of cash. Proceeds from the exercise of stock options totaling $409,000 provided a source of funds due to financing activities. During the same period in 2009, financing activities generated approximately $1.8 million, which were derived primarily from net draws on the company's line of credit. Additionally, $642,000 in payments on the company's debt was made during the period.

During 2009, the Company fully utilized its federal net operating loss which has resulted in an additional use of funds in 2010 as compared to 2009. Through the first six months of 2010, cash payments related to tax liabilities equaled $1.5 million as compared to tax related payments of $236,000 in the same period of 2009.

Line of Credit and Term Note

To ensure adequate near-term liquidity, we renewed our credit facility with PNC Bank, on March 31, 2010. This $15.0 million facility provides for a receivables based line of credit of up to $10.0 million and a term loan of $5.0 million. The Company may draw upon the receivables based line of credit the lesser of $10.0 million or 80% of eligible accounts receivable, less amounts outstanding under letters of credit and 50% of the term loan balance. The proceeds of the line of credit will be used exclusively for working capital purposes. The proceeds of the term loan were used to:

- Pay off the $1.1million balance of the previous term loan which was entered into on January 31, 2008,
- Refinance $2.0 million utilized to acquire the assets of LRG International, in October of 2009; and
- Reduce the balance on the previous line of credit initially established on January 31, 2008 by $1.9 million.

Substantially all the assets of our Company and wholly owned subsidiaries (Express-1, Inc., Concert Group Logistics, Inc., Bounce Logistics, Inc., and CGL International, Inc.) are pledged as collateral securing our performance under the credit facilities. The credit facility bears interest based upon LIBOR with an initial increment of 200 basis points for the line of credit and 225 basis points for the term loan. The term loan is payable over a thirty-six month period and requires monthly principal payments of $139,000 plus accrued interest.

The credit facilities carry certain covenants related to the Company's financial performance. Included among the covenants are a fixed charge coverage ratio and a total funded debt to earnings before interest, taxes, depreciation and amortization ratio. As of June 30, 2010, the Company was in compliance with all terms under the credit facility and no events of default existed under the terms of this agreement.

We had outstanding standby letters of credit at June 30, 2010 of $410,000 related to insurance policies either continuing in force or recently canceled. Amounts outstanding for letters of credit reduce the amount available under our line of credit, dollar-for-dollar.

Available capacity in excess of outstanding borrowings under the line was approximately $7.5 million as limited by 80% of the Company's eligible receivables as of June 30, 2010. The credit facility carries a maturity date of March 31, 2012.

Options

The following schedule represents those options that the Company has outstanding as of June 30, 2010. The schedule also segregates the options by expiration date and exercise price to better identify their potential for exercise. Additionally, the total approximate potential proceeds by year have been identified.

	Options grouped by exercise price					*Total Outstanding Options*	*Approximate Potential Proceeds*
	.50-.75	.76-1.00	1.01-1.25	1.26-1.50	1.51 >		
Option Expiration Dates							
2010			125,000			125,000	$ 156,000
2011			125,000			125,000	130,000
2014		50,000		500,000		550,000	769,000
2015	500,000		200,000			700,000	603,000
2016		50,000	125,000	100,000		275,000	314,000
2017			50,000	323,000		373,000	518,000
2018		290,000	101,000			391,000	386,000
2019	25,000	75,000	25,000			125,000	112,000
2020			75,000	50,000	325,000	450,000	664,000
Totals	525,000	465,000	826,000	973,000	325,000	3,114,000	$3,652,000

Contractual Obligations

The following table reflects all contractual obligations of our Company as of June 30, 2010.

	Payments Due by Period				
Contractual Obligations	**Total**	**Less than 1 Year**	**1 to 3 Years**	**3 to 5 Years**	**More than 5 Years**
Term notes payable	$ 4,583,000	$ 1,667,000	$ 2,916,000	$ —	$ —
Capital leases payable	20,000	7,000	13,000	—	—
Total note payable and capital leases	4,603,000	1,674,000	2,929,000	—	—
Line of credit	2,089,000	—	2,089,000	—	—
Operating/real estate leases	900,000	450,000	432,000	18,000	—
Earnout obligation — LRG*	1,400,000	950,000	450,000	—	—
Employment contracts	2,327,000	1,184,000	1,143,000	—	—
Total contractual cash obligations	$ 11,319,000	$ 4,258,000	$ 7,043,000	$ 18,000	$ —

* For additional information see **Footnote 3-Acquisitions**

Item 3. ***Quantitative and Qualitative Disclosures about Market Risk.***

Not Required.

Item 4T. ***Controls and Procedures.***

Evaluation of disclosure controls and procedures. Under the supervision and with the participation of the Company's management, including the Company's principal executive officer and principal financial officer, the Company conducted an evaluation of the effectiveness of the design and operations of its disclosure controls and procedures, as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as of the end of the period covered by this report. Based on their evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective such that the material information required to be included in our Securities and Exchange Commission ("SEC") reports is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms relating to Express-1 Expedited Solutions, Inc., including our consolidated subsidiaries, and was made known to them by others within those entities, particularly during the period when this report was being prepared.

Changes in internal controls. There were no changes in our internal controls over financial reporting during the last fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

PART II — OTHER INFORMATION

Item 1. ***Legal Proceedings.***

From time-to-time, the Company is involved in various civil actions as part of its normal course of business. The Company is not a party to any litigation that is material to ongoing operations as defined in Item 103 of Regulation S-K as of the period ended June 30, 2010.

Item 1A. ***Risk Factors.***

Not required

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

No unregistered equity securities were sold in the current reporting period.

Item 3. ***Defaults upon Senior Securities.***

The Company's line of credit and a term note contain various covenants pertaining to the maintenance of certain financial ratios. As of June 30, 2010, the Company was in compliance with the ratios required under these agreements. No events of default exist on these agreements as of the filing date.

Item 4. ***Removed and Reserved.***

Item 5. ***Other Information.***

Effective June 1, 2010 Dan Para, was appointed the CEO of CGL.

Table of Contents

Item 6. Exhibits

Exhibit No.	Description
10.1	Second amendment to the Employment agreement between the Company and Michael R. Welch, the Company's Chief Executive Officer, dated June 14, 2010.
10.2	Employment agreement between the Company and Daniel Para, the Company's Chief Executive Officer of Concert Group Logistics, Inc., effective June 1, 2010.
10.3	Amendment to revolving and term loan agreement dated March 31, 2010, filed on Form 8-K on April 5, 2010 and incorporated herein by reference.
10.4	Commercial term note obligation dated March 31, 2010 filed on Form 8-K on April 5, 2010 and incorporated herein by reference.
31.1	Certification of the Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of the Interim Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of the Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. (This exhibit shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section. Further, this exhibit shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.)
32.2	Certification of the Interim Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. (This exhibit shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section. Further, this exhibit shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.)

[Table of Contents](#)

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Express-1 Expedited Solutions, Inc.

/s/ Michael R. Welch
Michael R. Welch
Chief Executive Officer

/s/ John D. Welch
John D. Welch
Interim Chief Financial Officer

Date: August 13, 2010

Exhibit Index

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AMENDMENT #2
TO
EXECUTIVE EMPLOYMENT AGREEMENT

Reference is made to the Executive Employment Agreement, as amended (the "Agreement") dated July 1, 2005, by and among Segmentz, Inc., a Delaware corporation (currently known as Express-1 Expedited Solutions, Inc., the "Company"), and Mike Welch (the "Executive"). The Company and the Executive are referred to collectively herein as the "Parties." All capitalized terms not otherwise defined herein shall have the meaning set forth in the Agreement.

1. Deferred Compensation. The Parties hereby agree that Section 5(d) of the Agreement is hereby deleted in its entirety and replaced with the following:

> "d. In lieu of the deferred compensation originally provided for in this Agreement, the Executive shall receive the following: (i) for the year ending December 31, 2010, the Executive shall receive a lump sum payment in the amount of $30,000, less applicable withholdings, as additional compensation; and (ii) commencing on January 1, 2011, the Executive's Base Salary shall be increased from $200,000 per year to $230,000 per year."

2. Sole Amendments. The Parties hereby agree that except as modified herein, the Agreement shall remain in full force and effect.

3. Counterparts. This Amendment #2 to Executive Employment Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument.

4. Governing Law. This Amendment #2 to Executive Employment Agreement shall be deemed made and entered into in the State of Michigan and shall be governed and construed under and in accordance with the laws of the State of Michigan.

IN WITNESS WHEREOF, each of the parties hereto has caused this Amendment #2 to Executive Employment Agreement to be executed as of June 14, 2010.

Express-1 Expedited Solutions, Inc.

By: /s/ Pete Whitehead
Name: Pete Whitehead
Title: Compensation Committee Chair

/s/ Mike Welch
Mike Welch

EXECUTIVE EMPLOYMENT AGREEMENT

THIS EXECUTIVE EMPLOYMENT AGREEMENT (the "Agreement") is effective as of June 1, 2010 (the "Effective Date"), between Concert Group Logistics, Inc., a Delaware corporation (the "Company") and Daniel Para (the "Executive").

RECITALS

The Company is principally engaged in the time critical, time sensitive, and cost sensitive domestic and international surface, air and ocean freight forwarding business (the "Business").

The Executive has extensive experience in logistics operations and transportation management.

The Company desires to employ the Executive and the Executive desires to be employed by the Company.

The parties agree that a covenant not to compete is essential to the growth and stability of the Business of the Company.

NOW, THEREFORE, in consideration of the mutual agreements herein made, the Company and the Executive do hereby agree as follows:

1. Recitals. The above recitals are true, correct, and are herein incorporated by reference.

2. Employment. The Company hereby employs the Executive, and the Executive hereby accepts employment, upon the terms and conditions hereinafter set forth.

3. Authority and Power During Employment Period.

a. Duties and Responsibilities. During the term of this Agreement, the Executive shall serve as the Chief Executive Officer of the Company. The Executive shall have general management authority over the business operations of the Company, subject to the guidelines and direction of the Chief Executive Officer and Board of Directors of Express-1 Expedited Solutions, Inc. (the "Parent"), to whom he shall directly report.

b. Time Devoted. Throughout the term of the Agreement, the Executive shall devote all of the Executive's business time and attention exclusively to the business and affairs of the Company, consistent with the Executive's position with the Company.

4. Term. The employment hereunder will commence on the Effective Date and will continue for an initial term of three years thereafter, subject to an automatic two year renewal unless either party provides the other party with written notice of non-renewal at least 60 days prior to the end of the initial three year period (the "Term").

5. Compensation and Benefits.

a. Salary. The Executive shall be paid a base salary (the "Base Salary") at an annual rate of $180,000. The Base Salary shall be reviewed annually throughout the Term by the Parent's Compensation Committee and may be raised in its sole discretion. At the first annual review the Executive shall have the right to propose amendments to the terms of this Agreement, but shall have no vested right any such proposed amendments unless and until such amendments are approved and adopted by the Company's Compensation Committee.

b. Performance Based Bonus. As additional compensation, the Executive shall be entitled to receive a bonus ("Bonus") for each year during the Term of the Executive's employment by the Company based upon the Parent's executive bonus plan as adopted and amended from time-to-time by the Parent's Board of Directors. The amount of any Bonus shall be determined based upon performance targets set annually by the Parent's Compensation Committee.

c. Signing Bonus. In connection with the execution of this Agreement Parent shall issue the Executive nonqualified Options under the Parent's stock option plan entitling the Executive to purchase 100,000 shares of Common Stock, on such terms as such Options are typically issued by the Parent.

d. Executive Benefits. The Executive shall be entitled to participate in benefit programs of the Company currently existing or hereafter including, but not limited to, group life insurance, health insurance, dental, and 401 K.

e. Vacation. The Executive shall be entitled to four (4) weeks of paid time off each year during the Term.

f. Business Expense Reimbursement. During the Term of employment, the Executive shall be entitled to receive proper reimbursement for all reasonable, out-of-pocket expenses incurred by the Executive (in accordance with the policies and procedures established by the Company for its senior executive officers) in performing services hereunder, provided the Executive properly accounts therefore.

6. Consequences of Termination of Employment.

a. Death. In the event of the death of the Executive during the Term, Base Salary and any earned Bonus shall be paid to the Executive's designated beneficiary, or, in the absence of such designation, to the estate or other legal representative of the Executive until the date of death. Other death benefits will be determined in accordance with the terms of the Company's benefit programs and plans.

b. Disability.

(1) In the event of the Executive's Disability, as hereinafter defined, the Executive shall be entitled to compensation in accordance with the Company's disability compensation practice for senior executives, including any separate arrangement or policy covering the Executive, but in all events the Executive shall continue to receive the Executive's Base Salary for ninety (90) days from the date on which the Disability has been deemed to occur. Any amounts provided for in this Section 6(b) shall be offset by other long-term disability benefits provided to the Executive by the Company.

(2) "Disability," for the purposes of this Agreement, shall be deemed to have occurred in the event (A) the Executive is unable by reason of sickness or accident to perform the Executive's duties under this Agreement for an aggregate of 30 days in any twelve-month period or (B) the Executive has a guardian of the person or estate appointed by a court of competent jurisdiction. Termination due to Disability shall be deemed to have occurred upon the first day of the month following the determination of Disability as defined in the preceding sentence.

Anything herein to the contrary notwithstanding, if, following a termination of employment hereunder due to Disability as provided in the preceding paragraph, the Executive becomes reemployed, whether as an Executive or a consultant to the Company, any salary, annual incentive payments or other benefits earned by the Executive from such reemployment shall offset any salary continuation due to the Executive hereunder commencing with the date of re-employment.

c. Termination by the Company for Cause.

(1) Nothing herein shall prevent the Company from terminating the Executive's employment hereunder for "Cause," as hereinafter defined. In the event of a termination for Cause, the Executive shall receive Base Salary and benefits through the date of termination only, together with any Bonus that has been earned as of that date.

(2) "Cause" shall mean:

(A) Executive's material violation of any of the provisions of this Agreement, or the rules, policies, and/or procedures of the Company, or commission of any material act of fraud, misappropriation, breach of fiduciary duty or theft against or from the Company, if such violation is not cured as soon as is reasonably practical, and in any event within thirty (30) days after written notice from the Company, or if Executive commits the same violation within twelve (12) months of receiving any such notice.

(B) Executive's violation of any law, rule or regulation of a governmental authority or regulatory body with jurisdiction over the

Company or Executive relative to the conduct of Executive in connection with the Company's business or its securities, if such violation is not cured as soon as is reasonably practical, and in any event within thirty (30) days after written notice from the Company, or if Executive commits the same violation within twelve (12) months of receiving any such notice.

(C) The conviction of Executive of a felony under the laws of the United States of America or any state therein.

d. Termination by the Company Other than for Cause. The Company may terminate the Executive's employment in the Company's sole discretion at any time; provided, however, that in the event such termination is not pursuant to Section 6(a), Section 6(b), or Section 6(c) hereof, the Company may terminate this Agreement upon three (3) months' prior written notice. During such three (3) month period the Executive shall continue to perform the Executive's duties pursuant to this Agreement and the Company shall continue to compensate the Executive pursuant to this Agreement. In the event of a termination under this Section 6(d), the Executive shall receive any Bonus that has been earned as of the date of termination, plus Base Salary only (i.e. no fringe benefits, additional Bonus, or other compensation) for the one year period following termination.

e. Voluntary Termination. In the event the Executive terminates the Executive's employment on the Executive's own volition (except as provided in Section 6(f)), the Executive shall receive Base Salary and benefits through the date of termination only, together with any Bonus that has been earned as of that date.

f. Change of Control. If, within one year after a Change in Control, the Company terminates Executive's employment with the Company under Section 6(d), OR Executive voluntarily terminates such employment with Good Reason, the following provisions will apply:

(1) An amount equal to the sum of (A) Executive's aggregate Base Salary (at the rate most recently determined) for a period equal to one year (the "Severance Period"), and (B) an amount equal to the greater of (i) Executive's Bonus payments for the year preceding the date of termination, and (ii) the annual average of Executive's Bonus payments during the two (2) years immediately preceding the date of termination, shall be paid to, or in trust for, Executive pursuant to Section 6(f)(7) in a lump sum within 30 days after the date of termination.

(2) Executive shall receive any and all benefits accrued under any Incentive Plans and Benefit Plans to the date of his termination. The amount, form and time of payment of such benefits shall be determined by the terms of such Incentive Plans and Benefit Plans, and for purposes of such plans, Executive's employment shall be deemed to have terminated by reason of retirement.

(3) The Company agrees that for purposes of all Incentive Plans and Benefit Plans Executive shall be given service credit for all purposes for, and shall be deemed to be an employee of the Company during, the Severance Period, notwithstanding his inability to render services by reason of death or disability during the Severance Period or the fact that he is not an employee of the Company during the Severance Period; provided that, if the terms of any of such Incentive Plan or Benefit Plan do not permit such credit or deemed employee treatment, the Company will make identical payments and distributions outside of the Plans.

(4) During the Severance Period Executive and his dependents will continue to be covered by all health, dental, disability, accident and life insurance plans or arrangements made available by the Company in which he or his dependents were participating immediately prior to the date of his termination as if he continued to be an employee of the Company, provided that, if participation in any one or more of such plans and arrangements is not possible under the terms thereof, the Company will provide substantially identical benefits. Executive's right to continuation of coverage under the health insurance plan of employer pursuant to Section 4980B (or any successor section) shall commence at the end of the Severance Period.

(5) No payments or benefits payable to or with respect to Executive during the Severance Period pursuant to this Section 6(f) shall be reduced by any amount Executive or his dependents, spouse or beneficiary may earn or receive from employment with another employer or from any other source.

(6) Except as otherwise provided in Section 6(f)(7), upon the death of Executive all amounts payable hereunder to Executive pursuant to this Section 6(f) shall be paid to his devisee, legates or other designee, or in the absence of a designee, to his estate.

(7) Amounts payable pursuant to Section 6(f)(1) shall be, at the election of Executive set forth in a written instrument delivered to the Company within 15 days after his termination of employment, be either paid to him in a lump sum or paid to the trustee of a trust to be established by the Company for the benefit of Executive, with a bank or trust company selected by Executive as trustee. If Executive elects to have payments made to the trustee of such trust, the trust agreement shall conform to the provisions of any applicable model trust set forth in any Internal Revenue Service authority and shall contain terms and conditions mutually satisfactory to Executive and the Company and that are not inconsistent with the provisions of any such model trust.

(8) Treatment of Options.

(A) If upon termination of his employment pursuant to Section 6(f)(1) Executive holds any options (the "Options") with respect

to the common stock (the "Common Stock") of the Company, which are not then exercisable, said Options shall immediately vest upon termination. All such Options shall remain outstanding and exercisable for the remainder of the full term thereof (i.e. the term of said Option shall not be shortened as a result of any change in control provisions or other adjustment provisions contained in the Option agreement or the plan under which the Options were issued).

(B) If Executive holds Options and (i) the Company effects any merger or consolidation of the Company with or into another person, (ii) the Company effects any sale of all or substantially all of its assets in one or a series of related transactions, (iii) any tender offer or exchange offer (whether by the Company or another person) is completed pursuant to which holders of Common Stock are permitted to tender or exchange their shares for other securities, cash or property or (iv) the Company effects any reclassification of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property (each a "Fundamental Transaction"), then, upon any subsequent exercise of the Options, Executive shall have the right to receive, for each share of Common Stock underlying the Option that would have been issuable upon such exercise immediately prior to the occurrence of such Fundamental Transaction, the number of shares of Common Stock of the successor or acquiring corporation or of the Company, if it is the surviving corporation, and any additional consideration (the "Alternate Consideration") receivable as a result of such merger, consolidation or disposition of assets by a holder of the number of shares of Common Stock for which the Option is exercisable immediately prior to such event. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then Executive shall be given the same choice as to the Alternate Consideration it receives upon any exercise of the Option following such Fundamental Transaction. To the extent necessary to effectuate the foregoing provisions, any successor to Company or surviving entity in such Fundamental Transaction shall issue to Executive a new option consistent with the foregoing provisions and evidencing Executive's right to exercise such Option into Alternate Consideration. The terms of any agreement pursuant to which a Fundamental Transaction is effected shall include terms requiring any such successor or surviving entity to comply with the provisions of this Section 6(f)(8) and insuring that the Options (or any such replacement security) will be similarly adjusted upon any subsequent transaction analogous to a Fundamental Transaction.

(9) Expenses. The Company shall pay to Executive all out-of-pocket expenses, including attorneys' fees, incurred by Executive in connection with the successful enforcement of this Section 6(f) by Executive.

(10) Definitions. For purposes of this Agreement:

(A) “Benefit Plans” shall mean any qualified or supplemental defined benefit retirement plan or defined contribution retirement plan, currently or hereafter made available by the Company to Executive in which Executive is eligible to participate, or any private arrangement maintained by the Company solely for executive.

(B) “Change in Control” shall be deemed to occur on the earliest of any of the following events:

(i) The ownership by any entity, person, or group of beneficial ownership, as that term is defined in Rule 13d-3 under the Securities Exchange Act of 1934, as amended, of more than 50% of the outstanding capital stock of the Company entitled to vote for the election of directors (“Voting Stock”);

(ii) The effective time of (a) a merger or consolidation of the Company with one or more other corporations as a result of which the holders of the outstanding Voting Stock of the Company immediately prior to such merger hold less than 80% of the Voting Stock of the surviving or resulting corporation, or (b) a transfer of all or substantially all of the property of the Company other than to an entity of which the Company owns at least 80% of the Voting Stock; or

(iii) The election to the Board of Directors of the Company, without the recommendation or approval of the incumbent Board of Directors of the Company, of the lesser of (a) three independent directors or (b) directors constituting a majority of the number of directors of the Company then in office.

(C) “Good Reason” shall exist if, without Executive’s express written consent:

(i) The Company shall assign to Executive duties of a non-executive nature or for which Executive is not reasonably equipped by his skills and experience;

(ii) The Company shall reduce the salary of Executive, or materially reduce the amount of paid vacations to which he is entitled, or his fringe benefits and perquisites;

(iii) With respect to an Executive employed at the Company’s Downers Grove, IL office, the Company shall require

Executive to relocate his principal business office or his principal place of residence outside of the greater Chicago metropolitan area (the "Area"), or assign to Executive duties that would reasonably require such relocation;

(iv) The Company shall require Executive, or assign duties to Executive, which would reasonably require him to spend more than sixty normal working days away from the Area during any consecutive twelve month period;

(v) The Company shall fail to provide office facilities, secretarial services, and other administrative services to Executive which are substantially equivalent to the facilities and services provided to Executive on the date hereof; or

(vi) The Company shall terminate Incentive Plans and Benefit Plans or arrangements, or reduce or limit Executive's participation therein relative to the level of participation of other executives of similar rank, to such an extent as to materially reduce the aggregate value of Executive's incentive compensation and benefits below their aggregate value as of the date hereof.

(D) "Incentive Plans" shall mean any incentive, bonus, deferred compensation or similar plan or arrangement currently or hereafter made available by the Company in which Executive is eligible to participate.

7. Covenant Not to Compete.

a. Covenant Not to Compete. The Executive acknowledges and recognizes the highly competitive nature of the Company's business and the goodwill, continued patronage, and specifically the names and addresses of the Company's Clients (as hereinafter defined) constitute a substantial asset of the Company having been acquired through considerable time, money and effort. Accordingly, in consideration of the execution of this Agreement the Executive agrees to the following:

(1) That during the Restricted Period (as hereinafter defined) and within the Restricted Area (as hereinafter defined), the Executive will not, individually or in conjunction with others, directly or indirectly, engage in any Business Activities (as hereinafter defined), whether as an officer, director, proprietor, employer, partner, independent contractor, investor (other than as a holder solely as an investment of less than 1% of the outstanding capital stock of a publicly traded corporation), consultant, advisor or agent.

(2) That during the Restricted Period and within the Restricted Area, the Executive will not, directly or indirectly, solicit, induce or influence any of the Company's Clients which have a business relationship with the Company at the

time during the Restricted Period to discontinue or reduce the extent of such relationship with the Company.

b. Non-Disclosure of Information. Executive agrees that Executive will not use or disclose any Proprietary Information of the Company for the Executive's own purposes or for the benefit of any entity engaged in Business Activities. As used herein, the term "Proprietary Information" shall mean trade secrets or confidential proprietary information of the Company which are material to the conduct of the business of the Company. No information can be considered Proprietary Information unless the same is a unique process or method material to the conduct of Company's Business, or is a customer list or similar list of persons engaged in business activities with Company, or if the same is otherwise in the public domain or is required to be disclosed by order of any court or by reason of any statute, law, rule, regulation, ordinance or other governmental requirement. Executive further agrees that in the event his employment is terminated for any reason all Documents in his possession at the time of his termination shall be returned to the Company at the Company's principal place of business. As used herein, the term "Documents" shall mean all original written, recorded, or graphic matters whatsoever, and any and all copies thereof, including, but not limited to: papers; books; records; tangible things; correspondence; communications; telex messages; memoranda; work-papers; reports; affidavits; statements; summaries; analyses; evaluations; client records and information; agreements; agendas; advertisements; instructions; charges; manuals; brochures; publications; directories; industry lists; schedules; price lists; client lists; statistical records; training manuals; computer printouts; books of account, records and invoices reflecting business operations; all things similar to any of the foregoing however denominated. In all cases where originals are not available, the term "Documents" shall also mean identical copies of original documents or non-identical copies thereof.

c. Company's Clients. The "Company's Clients" shall be deemed to be any individuals, partnerships, corporations, professional associations or other business organizations for whom the Company or its subsidiaries have performed Business Activities.

d. Restrictive Period. The "Restrictive Period" shall be deemed to commence on the date of this Agreement, and end on the earliest to occur of the following:

(1) twelve (12) months after the termination of this Agreement under Section 6(b), Section 6(c), Section 6(e), or Section 6(f); or

(2) the date of the termination of this Agreement under Section 6(d); or

(3) the end of the Term (provided the Agreement wasn't earlier terminated under one of the provisions of Section 6).

e. Competitive Business Activities. The term "Business Activities" as used herein shall be deemed to mean the Business, as well as the business of expedited transportation and third party logistics.

f. Restrictive Area. The term "Restrictive Area" shall be deemed to mean any State in which the Company does business.

g. Covenants as Essential Elements of this Agreement. It is understood by and between the parties hereto that the foregoing covenants contained in Section 7 are essential elements of this Agreement, and that but for the agreement by the Executive to comply with such covenants, the Company would not have agreed to enter into this Agreement. Such covenants by the Executive shall be construed to be agreements independent of any other provisions of this Agreement. The existence of any other claim or cause of action, whether predicated on any other provision in this Agreement, or otherwise, as a result of the relationship between the parties shall not constitute a defense to the enforcement of such covenants against the Executive.

h. Survival After Termination of Agreement. Notwithstanding anything to the contrary contained in this Agreement, the covenants in Section 7 shall survive the termination of this Agreement and the Executive's employment with the Company.

i. Revisions. The parties hereto acknowledge that (A) the restrictions contained in Section 7 are fair and reasonable and are not the result of overreaching, duress, or coercion of any kind, and (B) Executive's full, uninhibited, and faithful observance of each of the covenants contained in this Agreement will not cause Executive any undue hardship, financial or otherwise. It is the intention of all parties to make the covenants of Section 7 binding only to the extent that it may be lawfully done under existing applicable laws. In the event that any part of any covenant of Section 7 is determined by a court of law to be overly broad thereby making the covenant unenforceable, the parties hereto agree, and it is their desire, that such court shall substitute a reasonable, judicially enforceable limitation in place of the offensive part of the covenant and as so modified the covenant shall be as fully enforceable as set forth herein by the parties themselves in the modified form.

j. Remedies. The Executive acknowledges and agrees that the Company's remedy at law for a breach or threatened breach of any of the provisions of Section 7 herein would be inadequate and a breach thereof will cause irreparable harm to the Company. In recognition of this fact, in the event of a breach by the Executive of any of the provisions of Section 7, the Executive agrees that, in addition to any remedy at law available to the Company, including, but not limited to, monetary damages and all rights of the Executive to payment or otherwise under this Agreement may be terminated, and the Company, without posting any bond, shall be entitled to obtain, and the Executive agrees not to oppose the Company's request for, equitable relief in the form of specific performance, temporary restraining order, temporary or permanent injunction or any other equitable remedy which may then be available to the Company.

8. Indemnification. The Executive shall continue to be covered by the Certificate of Incorporation and/or the Bylaws of the Company with respect to matters occurring on or prior to the date of termination of the Executive's employment with the Company, subject to all the provisions of Delaware corporate law, Federal law and the Certificate of Incorporation and Bylaws of the Company then in effect. Such reasonable expenses, including attorneys' fees that may be covered by the Certificate of Incorporation and/or Bylaws of the Company shall be paid by the Company on a current basis in accordance with such provision, the Company's Certificate of Incorporation and Delaware corporate law. To the extent that any such payments by the Company pursuant to the Company's Certificate of Incorporation and/or Bylaws may be subject to repayment by the Executive pursuant to the provisions of the Company's Certificate of Incorporation or Bylaws, or pursuant to Delaware corporate law or Federal law, such repayment shall be due and payable by the Executive to the Company within twelve (12) months after the termination of all proceedings, if any, which relate to such repayment and to the Company's affairs for the period prior to the date of termination of the Executive's employment with the Company and as to which Executive has been covered by such applicable provisions.

9. Withholding. Anything to the contrary notwithstanding, all payments required to be made by the Company hereunder to the Executive or the Executive's estate or beneficiaries shall be subject to the withholding of such amounts, if any, relating to tax and other payroll deductions as the Company may reasonably determine it should withhold pursuant to any applicable law or regulation. In lieu of withholding such amounts, the Company may accept other arrangements pursuant to which it is satisfied that such tax and other payroll obligations will be satisfied in a manner complying with applicable law or regulation.

10. Notices. Any notice required or permitted to be given under the terms of this Agreement shall be sufficient if in writing and if sent postage prepaid by registered or certified mail, return receipt requested; by overnight delivery; by courier; or by confirmed telecopy, in the case of the Executive to the Executive's last place of business or residence as shown on the records of the Company, or in the case of the Company to its principal office as set forth in the first paragraph of this Agreement, or at such other place as it may designate.

11. Waiver. Unless agreed in writing, the failure of either party, at any time, to require performance by the other of any provisions hereunder shall not affect its right thereafter to enforce the same, nor shall a waiver by either party of any breach of any provision hereof be taken or held to be a waiver of any other preceding or succeeding breach of any term or provision of this Agreement. No extension of time for the performance of any obligation or act shall be deemed to be an extension of time for the performance of any other obligation or act hereunder.

12. Completeness and Modification. This Agreement constitutes the entire understanding between the parties hereto superseding all prior and contemporaneous agreements or understandings among the parties hereto concerning the employment of the Executive and the matters set forth herein. This Agreement may be amended, modified, superseded or canceled, and any of the terms, covenants, representations, warranties or conditions hereof may be waived, only by a written instrument executed by the parties or, in the case of a waiver, by the party to be charged.

13. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which shall constitute but one agreement.

14. Binding Effect/Assignment. This Agreement shall be binding upon the parties hereto, their heirs, legal representatives, successors and assigns. This Agreement shall not be assignable by the Executive but shall be assignable by the Company in connection with the sale, transfer or other disposition of its business or to any of the Company's affiliates controlled by or under common control with the Company.

15. Governing Law. This Agreement shall become valid when executed and accepted by Company. The parties agree that it shall be deemed made and entered into in the State of Michigan and shall be governed and construed under and in accordance with the laws of the State of Michigan. Anything in this Agreement to the contrary notwithstanding, the Executive shall conduct the Executive's business in a lawful manner and faithfully comply with applicable laws or regulations of the state, city or other political subdivision in which the Executive is located.

16. Further Assurances. All parties hereto shall execute and deliver such other instruments and do such other acts as may be necessary to carry out the intent and purposes of this Agreement.

17. Headings. The headings of the sections are for convenience only and shall not control or affect the meaning or construction or limit the scope or intent of any of the provisions of this Agreement.

18. Survival. Any termination of this Agreement shall not, however, affect the ongoing provisions of this Agreement which shall survive such termination in accordance with their terms.

19. Severability. The invalidity or unenforceability, in whole or in part, of any covenant, promise or undertaking, or any section, subsection, paragraph, sentence, clause, phrase or word or of any provision of this Agreement shall not affect the validity or enforceability of the remaining portions thereof.

20. Enforcement. Should it become necessary for any party to institute legal action to enforce the terms and conditions of this Agreement, the successful party will be awarded reasonable attorneys' fees at all trial and appellate levels, expenses and costs.

21. Venue. Company and Employee acknowledge and agree that Berrien County, Michigan, shall be the venue and exclusive proper forum in which to adjudicate any case or controversy arising either, directly or indirectly, under or in connection with this Agreement and the parties further agree that, in the event of litigation arising out of or in connection with this Agreement in these courts, they will not contest or challenge the jurisdiction or venue of these courts.

22. Construction. This Agreement shall be construed within the fair meaning of each of its terms and not against the party drafting the document.

23. Parent Company. Notwithstanding anything herein to the contrary, for purposes of Sections 5, 6, 7, and 8 of this Agreement the term Company shall be deemed to mean Parent and its subsidiaries.

THE EXECUTIVE ACKNOWLEDGES THAT HE HAS READ THIS ENTIRE AGREEMENT, HAS HAD THE OPPORTUNITY TO DISCUSS THIS WITH HIS COUNSEL AND FURTHER ACKNOWLEDGES THAT HE UNDERSTANDS THE RESTRICTIONS, TERMS AND CONDITIONS IMPOSED UPON THE EXECUTIVE BY THIS AGREEMENT AND UNDERSTANDS THAT THESE RESTRICTIONS, TERMS AND CONDITIONS MAY BE BINDING UPON THE EXECUTIVE DURING AND AFTER TERMINATION OF THE EMPLOYMENT OF THE EXECUTIVE.

IN WITNESS WHEREOF, the parties have executed this Agreement as of date set forth below.

Concert Group Logistics, Inc.

Signature: /s/ Daniel Para
Printed Name: Daniel Para
Title: Chief Executive Officer

For purposes of Section 23 hereof:

Express-1 Expedited Solutions, Inc.

Signature: /s/ Michael Welch
Printed Name: Michael Welch
Title: Chief Executive Officer

EXHIBIT 31.1

I, Michael R. Welch, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Express-1 Expedited Solutions, Inc.;

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 controls 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 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.

/s/ Michael R. Welch

Chief Executive Officer

Date: August 13, 2010

EXHIBIT 31.2

I, John D. Welch, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Express-1 Expedited Solutions, Inc.;

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 controls 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 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.

/s/ John D. Welch
Interim Chief Financial Officer

Date: August 13, 2010

EXHIBIT 32.1

WRITTEN STATEMENT OF THE CHIEF EXECUTIVE OFFICER

Pursuant to 18 U.S.C. Section 1350
As adopted pursuant to section 906 of the Sarbanes-Oxley act of 2002

Solely for the purposes of complying with 18 U.S.C. s.1350 as adopted pursuant to section 906 of the Sarbanes-Oxley act of 2002, I, the undersigned Chief Executive Officer of Express-1 Expedited Solutions, Inc. (the “Company”), hereby certify, based on my knowledge, that the Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2010, (the “Report”) fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Michael R. Welch
Chief Executive Officer

Date: August 13, 2010

EXHIBIT 32.2

WRITTEN STATEMENT OF THE CHIEF FINANCIAL OFFICER

Pursuant to 18 U.S.C. Section 1350
As adopted pursuant to section 906 of the Sarbanes-Oxley act of 2002

Solely for the purposes of complying with 18 U.S.C. s.1350 as adopted pursuant to section 906 of the Sarbanes-Oxley act of 2002, I, the undersigned Chief Financial Officer of Express-1 Expedited Solutions, Inc. (the “Company”), hereby certify, based on my knowledge, that the Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2010, (the “Report”) fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ John D. Welch
Interim Chief Financial Officer

Date: August 13, 2010