Con-way Inc.
Form 10-Q
November 07, 2011

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

FORM 10-Q

X QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2011

OR

___ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from N/A to N/A

COMMISSION FILE NUMBER 1-5046

Con-way Inc.

Incorporated in the State of Delaware
I.R.S. Employer Identification No. 94-1444798

2211 Old Earhart Road, Suite 100, Ann Arbor, Michigan 48105
Telephone Number (734) 994-6600

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Sections 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 x 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).
Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company.
Large accelerated filer x Accelerated filer o Non-accelerated filer o Smaller reporting company o

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

Number of shares of Common Stock, $0.625 par value,
outstanding as of October 31, 2011: 55,588,740

CON-WAY INC.
FORM 10-Q
Quarter Ended September 30, 2011

Table of Contents

- 2 -

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CON-WAY INC.
CONSOLIDATED BALANCE SHEETS
(Dollars in thousands)

| ASSETS | September 30, 2011 (Unaudited) | December 31, 2010 |
|---|---|---|
| Current Assets | | |
| Cash and cash equivalents | $439,084 | $421,420 |
| Marketable securities | 11,230 | - |
| Trade accounts receivable, net | 635,972 | 539,849 |
| Other accounts receivable | 51,356 | 79,065 |
| Operating supplies, at lower of average cost or market | 24,397 | 23,868 |
| Prepaid expenses | 30,995 | 47,345 |
| Deferred income taxes | 50,174 | 8,530 |
| Total Current Assets | 1,243,208 | 1,120,077 |
| | | |
| Property, Plant and Equipment | | |
| Land | 194,818 | 194,818 |
| Buildings and leasehold improvements | 822,398 | 817,599 |
| Revenue equipment | 1,543,321 | 1,480,561 |
| Other equipment | 312,158 | 306,215 |
| | 2,872,695 | 2,799,193 |
| Accumulated depreciation | (1,437,167) | (1,394,608) |
| Net Property, Plant and Equipment | 1,435,528 | 1,404,585 |
| | | |
| Other Assets | | |
| Deferred charges and other assets | 37,993 | 39,107 |
| Capitalized software, net | 20,329 | 19,083 |
| Marketable securities | 5,568 | 6,039 |
| Intangible assets, net | 14,818 | 17,191 |
| Goodwill | 338,188 | 337,650 |
| | 416,896 | 419,070 |
| | | |
| Total Assets | $3,095,632 | $2,943,732 |

The accompanying notes are an integral part of these statements.

CON-WAY INC.
CONSOLIDATED BALANCE SHEETS
(Dollars in thousands except per share amounts)

| LIABILITIES AND SHAREHOLDERS' EQUITY | September 30, 2011 (Unaudited) | December 31, 2010 |
|---|---|---|
| Current Liabilities | | |
| Accounts payable | $ 363,525 | $ 304,176 |
| Accrued liabilities | 232,500 | 203,231 |
| Self-insurance accruals | 100,726 | 105,857 |
| Short-term borrowings | 15,439 | 18,552 |
| Current maturities of long-term debt and capital leases | 19,623 | 20,074 |
| Total Current Liabilities | 731,813 | 651,890 |
| | | |
| Long-Term Liabilities | | |
| Long-term debt | 718,305 | 718,215 |
| Long-term obligations under capital leases | 61,232 | 75,735 |
| Self-insurance accruals | 162,472 | 169,311 |
| Employee benefits | 348,773 | 418,731 |
| Other liabilities and deferred credits | 39,594 | 41,789 |
| Deferred income taxes | 135,171 | 48,529 |
| Total Liabilities | 2,197,360 | 2,124,200 |
| | | |
| Commitments and Contingencies (Note 10) | | |
| | | |
| Shareholders' Equity | | |
| Common stock, $0.625 par value; authorized 100,000,000 shares; | | |
| issued 63,057,046 and 62,750,994 shares, respectively | 39,389 | 39,143 |
| Additional paid-in capital, common stock | 594,346 | 580,008 |
| Retained earnings | 861,794 | 821,187 |
| Cost of repurchased common stock | | |
| (7,468,659 and 7,884,597 shares, respectively) | (322,454) | (340,912) |
| Total Common Shareholders' Equity | 1,173,075 | 1,099,426 |
| Accumulated Other Comprehensive Loss | (274,803) | (279,894) |
| Total Shareholders' Equity | 898,272 | 819,532 |
| Total Liabilities and Shareholders' Equity | $ 3,095,632 | $ 2,943,732 |

The accompanying notes are an integral part of these statements.

- 4 -

CON-WAY INC.
STATEMENTS OF CONSOLIDATED OPERATIONS
(Unaudited)
(Dollars in thousands except per share amounts)

| | Three Months Ended September 30, 2011 | Three Months Ended September 30, 2010 | Nine Months Ended September 30, 2011 | Nine Months Ended September 30, 2010 |
|---|---|---|---|---|
| Revenues | $ 1,377,079 | $ 1,270,183 | $ 3,971,255 | $ 3,738,357 |
| Costs and Expenses | | | | |
| Salaries, wages and employee benefits | 516,083 | 517,221 | 1,516,597 | 1,530,630 |
| Purchased transportation | 365,306 | 331,137 | 1,030,822 | 952,817 |
| Fuel and fuel-related taxes | 142,185 | 112,863 | 428,322 | 349,547 |
| Other operating expenses | 145,298 | 137,563 | 417,998 | 411,505 |
| Depreciation and amortization | 50,814 | 50,568 | 151,668 | 143,532 |
| Maintenance | 35,711 | 30,640 | 97,692 | 94,141 |
| Rents and leases | 30,423 | 29,622 | 86,944 | 88,673 |
| Purchased labor | 30,134 | 31,654 | 83,226 | 85,998 |
| Loss from impairment of goodwill and other intangible assets | - | 16,414 | - | 19,181 |
| | 1,315,954 | 1,257,682 | 3,813,269 | 3,676,024 |
| Operating Income | 61,125 | 12,501 | 157,986 | 62,333 |
| Other Income (Expense) | | | | |
| Investment income | 163 | 352 | 712 | 1,059 |
| Interest expense | (13,909) | (13,818) | (41,751) | (44,906) |
| Miscellaneous, net | 227 | (568) | (2,536) | (2,622) |
| | (13,519) | (14,034) | (43,575) | (46,469) |
| Income (Loss) before Income Tax Provision | 47,606 | (1,533) | 114,411 | 15,864 |
| Income Tax Provision | 18,478 | 6,695 | 48,939 | 14,266 |
| Net Income (Loss) Applicable to Common Shareholders | $ 29,128 | $ (8,228) | $ 65,472 | $ 1,598 |
| Weighted-Average Common Shares Outstanding | | | | |
| Basic | 55,535,074 | 54,286,677 | 55,331,170 | 51,780,610 |
| Diluted | 56,117,334 | 54,286,677 | 56,054,059 | 52,410,846 |

| | | | | |
|---|---|---|---|---|
| Earnings (Loss) per Common Share | | | | |
| Basic | | | | |
| Net Income (Loss) Applicable to Common Shareholders | $ 0.52 | $ (0.15 ) | $ 1.18 | $ 0.03 |
| Diluted | | | | |
| Net Income (Loss) Applicable to Common Shareholders | $ 0.52 | $ (0.15 ) | $ 1.17 | $ 0.03 |

The accompanying notes are an integral part of these statements.

CON-WAY INC.
STATEMENTS OF CONSOLIDATED CASH FLOWS
(Unaudited)
(Dollars in thousands)

| | Nine Months Ended September 30, 2011 | Nine Months Ended September 30, 2010 |
|---|---|---|
| Cash and Cash Equivalents, Beginning of Period | $421,420 | $476,575 |
| | | |
| Operating Activities | | |
| Net income | 65,472 | 1,598 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation and amortization, net of accretion | 150,905 | 140,619 |
| Non-cash compensation and employee benefits | 17,668 | 15,746 |
| Increase in deferred income taxes | 42,049 | 33,163 |
| Provision for uncollectible accounts | 4,973 | 5,519 |
| Loss from impairment of goodwill and other intangible assets | - | 19,181 |
| Loss (Gain) from sales of property and equipment, net | (1,923) | 972 |
| Changes in assets and liabilities: | | |
| Receivables | (104,658) | (108,590) |
| Prepaid expenses | 16,350 | 4,628 |
| Accounts payable | 53,788 | 57,052 |
| Accrued variable compensation | 12,806 | 7,873 |
| Accrued liabilities, excluding accrued variable compensation and employee benefits | 15,172 | (5,347) |
| Self-insurance accruals | (11,970) | 29,596 |
| Accrued income taxes | 31,218 | (31,021) |
| Employee benefits | (51,430) | (70,701) |
| Deferred charges and credits | 1,508 | (1,075) |
| Other | (5,878) | (3,940) |
| Net Cash Provided by Operating Activities | 236,050 | 95,273 |
| | | |
| Investing Activities | | |
| Capital expenditures | (176,677) | (119,989) |
| Software expenditures | (7,280) | (7,015) |
| Proceeds from sales of property and equipment | 6,083 | 3,258 |
| Purchases of marketable securities | (11,230) | (54,260) |
| Proceeds from sales of marketable securities | 525 | 28,460 |
| Net Cash Used in Investing Activities | (188,579) | (149,546) |
| | | |
| Financing Activities | | |
| Repayment of long-term debt and capital leases | (14,884) | (207,704) |
| Net proceeds from (repayments of) short-term borrowings | (3,732) | 8,154 |
| Payment of debt issuance costs | (661) | - |
| Proceeds from issuance of common stock | - | 143,325 |

| | | |
|---|---|---|
| Proceeds from exercise of stock options | 5,374 | 1,148 |
| Excess tax benefit from stock-option exercises | 713 | 150 |
| Payments of common dividends | (16,617) | (15,367) |
| Net Cash Used in Financing Activities | (29,807) | (70,294) |
| | | |
| Increase (Decrease) in Cash and Cash Equivalents | 17,664 | (124,567) |
| Cash and Cash Equivalents, End of Period | $439,084 | $352,008 |
| | | |
| Supplemental Disclosures | | |
| Cash paid (refunded) for income taxes, net | $(28,005) | $16,988 |
| Cash paid for interest, net of amounts capitalized | $43,765 | $51,878 |
| | | |
| Non-cash Investing and Financing Activities | | |
| Capital lease incurred to acquire revenue equipment | $- | $35,104 |
| Revenue equipment acquired through partial non-monetary exchanges | $25,708 | $- |
| Repurchased common stock issued under defined contribution plan | $17,307 | $27,383 |

The accompanying notes are an integral part of these statements.

CON-WAY INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Principal Accounting Policies

Organization

Con-way Inc. and its consolidated subsidiaries ("Con-way") provide transportation, logistics and supply-chain management services for a wide range of manufacturing, industrial and retail customers. Con-way's business units operate in regional and transcontinental less-than-truckload and full-truckload freight transportation, contract logistics and supply-chain management, multimodal freight brokerage, and trailer manufacturing. As more fully discussed in Note 4, "Segment Reporting," for financial reporting purposes, Con-way is divided into four reporting segments: Freight, Logistics, Truckload and Other.

Basis of Presentation

These interim financial statements have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information and Rule 10-01 of Regulation S-X, and should be read in conjunction with Con-way's 2010 Annual Report on Form 10-K. Accordingly, significant accounting policies and other disclosures normally provided have been omitted.

In the opinion of management, the accompanying unaudited condensed consolidated financial statements reflect all adjustments, including normal recurring adjustments, necessary to present fairly Con-way's financial position, results of operations and cash flows for the periods presented. Results for the interim periods presented are not necessarily indicative of annual results.

Earnings (Loss) per Share ("EPS")

Basic EPS is computed by dividing reported earnings by the weighted-average common shares outstanding. Diluted EPS is calculated as follows:

| (Dollars in thousands except per share data) | Three Months Ended September 30, 2011 | Three Months Ended September 30, 2010 | Nine Months Ended September 30, 2011 | Nine Months Ended September 30, 2010 |
|---|---|---|---|---|
| Numerator: | | | | |
| Net income (loss) applicable to common shareholders, as reported | $29,128 | $(8,228) | $65,472 | $1,598 |
| Denominator: | | | | |
| Weighted-average common shares outstanding | 55,535,074 | 54,286,677 | 55,331,170 | 51,780,610 |
| Stock options and nonvested stock | 582,260 | -- | 722,889 | 630,236 |
| | 56,117,334 | 54,286,677 | 56,054,059 | 52,410,846 |
| Diluted earnings (loss) per share | $0.52 | $(0.15) | $1.17 | $0.03 |
| Antidilutive securities excluded from the computation of diluted EPS | 2,070,672 | 3,582,653 | 1,838,289 | 1,707,718 |

New Accounting Standards

In June 2011, the FASB issued Accounting Standards Update (“ASU”) 2011-05, “Presentation of Comprehensive Income.” This ASU, codified in the “Comprehensive Income” topic of the FASB Accounting Standards Codification, eliminates the option to present the components of other comprehensive income as part of the statement of shareholders’ equity. Instead, entities are required to present net income and other comprehensive income in either a single continuous statement or in two separate, but consecutive statements. In addition, items that are reclassified from other comprehensive income to net income must be presented on the face of the financial statements. The accounting guidance in ASU 2011-05 is effective for fiscal years, and interim periods within those years, beginning after December 15, 2011 and requires full retrospective application. Con-way currently reports other comprehensive income in the statement of shareholders’ equity. Upon adoption, Con-way will be required to reclassify prior-period reported amounts and present net income, other comprehensive income and comprehensive income in accordance with the amended standards.

In September 2011, the FASB issued ASU 2011-08, “Testing Goodwill for Impairment.” This ASU, codified in the “Intangibles – Goodwill and Other” topic of the FASB Accounting Standards Codification, allows an entity to first perform a qualitative assessment to determine whether it is necessary to perform the two-step goodwill impairment test required by the previous standard. An entity no longer will be required to calculate the fair value of a reporting unit unless the entity determines, based on a qualitative assessment, that it is more likely than not that its fair value is less than its carrying amount. The amendments are to be applied prospectively and will be effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011. Early adoption for fiscal year 2011 annual tests is permitted. Con-way does not believe that the standard will have a material effect on its financial statements.

Reclassifications

Certain amounts in the prior-period financial statements have been reclassified to conform to the current-period presentation.

2. Goodwill and Intangible Assets

Goodwill

The following table shows the changes in the gross carrying amounts of goodwill attributable to each applicable segment:

| (Dollars in thousands) | Logistics | Truckload | Other | Total |
|---|---|---|---|---|
| Balances at December 31, 2009 | | | | |
| Goodwill | $54,968 | $464,598 | $727 | $520,293 |
| Accumulated impairment losses | (31,822) | (134,813) | -- | (166,635) |
| | 23,146 | 329,785 | 727 | 353,658 |
| | | | | |
| Impairment charge | (16,414) | -- | -- | (16,414) |
| Change in foreign currency exchange rates | 406 | -- | -- | 406 |
| Balances at December 31, 2010 | | | | |
| Goodwill | 55,374 | 464,598 | 727 | 520,699 |
| Accumulated impairment losses | (48,236) | (134,813) | -- | (183,049) |
| | 7,138 | 329,785 | 727 | 337,650 |
| | | | | |
| Change in foreign currency exchange rates | 538 | -- | -- | 538 |
| Balances at September 30, 2011 | | | | |
| Goodwill | 55,912 | 464,598 | 727 | 521,237 |
| Accumulated impairment losses | (48,236) | (134,813) | -- | (183,049) |
| | $7,676 | $329,785 | $727 | $338,188 |

In the third quarter of 2010, Con-way evaluated the goodwill associated with Chic Logistics due primarily to continued operating losses and lower-than-forecasted operating results at the Chic Logistics reporting unit. Con-way determined that the goodwill related to Chic Logistics was impaired and, as a result, Menlo Worldwide Logistics recognized a $16.4 million impairment charge to reduce the carrying amount of the goodwill to zero. The impairment was primarily due to a decrease in projected operating income in future years. For the valuation of Chic Logistics, Con-way utilized a discounted cash flow model.

Intangible Assets

The fair value of intangible assets is amortized on a straight-line basis over their estimated useful lives. In the third quarter and first nine months of 2011, amortization expense related to intangible assets was $0.9 million and $2.5 million, respectively, compared to $0.8 million and $2.5 million in the same respective periods of 2010. Intangible assets consisted of the following:

| | September 30, 2011 | | December 31, 2010 | |
|---|---|---|---|---|
| (Dollars in thousands) | Gross Carrying Amount | Accumulated Amortization | Gross Carrying Amount | Accumulated Amortization |
| Customer relationships | $27,863 | $ 13,045 | $27,530 | $ 10,339 |

In the first quarter of 2010, Con-way evaluated the fair value of Chic Logistics' customer-relationship intangible asset due to lower projected revenues from customers comprising the customer relationship intangible asset. As a result, Menlo Worldwide Logistics recognized a $2.8 million impairment loss to reduce the carrying amount of the intangible asset to zero.

Estimated amortization expense for the next five years is presented in the following table:

(Dollars in thousands)

| | |
|---|---|
| Year ending December 31: | |
| Remaining three months of 2011 | $ 800 |
| 2012 | 2,600 |
| 2013 | 2,400 |
| 2014 | 2,400 |
| 2015 | 2,400 |
| 2016 | 2,400 |

3. Restructuring Activities

As more fully discussed below, Con-way recognized restructuring charges of $0.1 million and $1.8 million in the third quarter and first nine months of 2011, respectively, and expects to recognize $0.3 million of additional expense in the last three months of 2011. In the third quarter and first nine months of 2010, Con-way recognized restructuring charges of $2.4 million and $3.8 million, respectively. Con-way reported the employee-separation costs in salaries, wages and employee benefits and all other costs in other operating expenses. Con-way's remaining liability for amounts expensed but not yet paid was $0.1 million at September 30, 2011. The remaining liability relates to employee-separation costs that are expected to be paid through 2011.

Outsourcing Initiative

In 2009, as part of an ongoing effort to reduce costs and improve efficiencies, Con-way initiated a project to outsource a significant portion of its information-technology infrastructure function and a small portion of its administrative and accounting functions. Con-way does not expect to incur additional restructuring charges for the outsourcing initiative. There was not a remaining liability at September 30, 2011.

Consolidation of Executive Offices

In the third quarter of 2010, in an effort to more closely align corporate functions and better support the business, Con-way initiated a project to consolidate its executive offices located in San Mateo, California and Ann Arbor, Michigan. The consolidation was substantially completed in the second quarter of 2011 when the executive office in San Mateo closed. The remaining liability and expenses are expected to be settled in 2011.

The following table summarizes the effect of the initiative:

| (Dollars in thousands) | Employee-Separation Costs | Relocation and Other Costs | Total |
|---|---|---|---|
| Balance at December 31, 2010 | $ 2,496 | $ -- | $ 2,496 |
| 2011 charges | 1,054 | 774 | 1,828 |
| Cash payments | (3,493) | (774) | (4,267) |
| Balance at September 30, 2011 | $ 57 | $ -- | $ 57 |
| | | | |
| Total expense recognized to date | $ 3,550 | $ 774 | $ 4,324 |
| Expected remaining expenses | $ -- | $ 276 | $ 276 |

4. Segment Reporting

Con-way discloses segment information in the manner in which the business units are organized for making operating decisions, assessing performance and allocating resources. For the periods presented, Con-way is divided into the following four reporting segments:

- Freight. The Freight segment consists of the operating results of the Con-way Freight business unit, which provides regional, inter-regional and transcontinental less-than-truckload freight services throughout North America.

- Logistics. The Logistics segment consists of the operating results of the Menlo Worldwide Logistics business unit, which develops contract-logistics solutions, including the management of complex distribution networks and supply-chain engineering and consulting, and also provides multimodal freight brokerage services.

- Truckload. The Truckload segment consists of the operating results of the Con-way Truckload business unit, which provides asset-based full-truckload freight services throughout North America.

- Other. The Other reporting segment consists of the operating results of Road Systems, a trailer manufacturer, and certain corporate activities for which the related income or expense has not been allocated to other reporting segments.

Financial Data

Management evaluates segment performance primarily based on revenue and operating income (loss). Accordingly, investment income, interest expense, and other non-operating items are not reported in segment results. Corporate expenses are generally allocated based on measurable services provided to each segment, or for general corporate expenses, based on segment revenue. Inter-segment revenue and related operating income (loss) have been eliminated to reconcile to consolidated revenue and operating income (loss). Transactions between segments are generally based on negotiated prices.

| (Dollars in thousands) | Three Months Ended September 30, 2011 | Three Months Ended September 30, 2010 | Nine Months Ended September 30, 2011 | Nine Months Ended September 30, 2010 |
|---|---|---|---|---|
| Revenues before Inter-segment Eliminations | | | | |
| Freight | $ 843,300 | $ 797,078 | $ 2,450,870 | $ 2,339,046 |
| Logistics | 417,142 | 370,049 | 1,181,129 | 1,111,007 |
| Truckload | 158,705 | 140,655 | 459,371 | 426,725 |
| Other | 12,160 | 10,416 | 36,454 | 36,274 |
| Inter-segment Revenue Eliminations | (54,228) | (48,015) | (156,569) | (174,695) |
| | $ 1,377,079 | $ 1,270,183 | $ 3,971,255 | $ 3,738,357 |
| | | | | |
| Inter-segment Revenue Eliminations | | | | |
| Freight | $ 13,205 | $ 12,741 | $ 36,931 | $ 38,123 |
| Logistics | 9,411 | 5,447 | 24,216 | 13,977 |
| Truckload | 20,921 | 20,854 | 63,291 | 90,640 |
| Other | 10,691 | 8,973 | 32,131 | 31,955 |
| | $ 54,228 | $ 48,015 | $ 156,569 | $ 174,695 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Revenues from External Customers | | | | | | | | |
| Freight | $ | 830,095 | $ | 784,337 | $ | 2,413,939 | $ | 2,300,923 |
| Logistics | | 407,731 | | 364,602 | | 1,156,913 | | 1,097,030 |
| Truckload | | 137,784 | | 119,801 | | 396,080 | | 336,085 |
| Other | | 1,469 | | 1,443 | | 4,323 | | 4,319 |
| | $ | 1,377,079 | $ | 1,270,183 | $ | 3,971,255 | $ | 3,738,357 |
| Operating Income (Loss) | | | | | | | | |
| Freight | $ | 40,721 | $ | 13,062 | $ | 100,220 | $ | 27,135 |
| Logistics | | 12,679 | | (6,282) | | 33,420 | | 19,582 |
| Truckload | | 7,867 | | 5,475 | | 25,273 | | 13,582 |
| Other | | (142) | | 246 | | (927) | | 2,034 |
| | $ | 61,125 | $ | 12,501 | $ | 157,986 | $ | 62,333 |

5. Fair-Value Measurements

Assets and liabilities reported at fair value are classified in one of the following three levels within the fair-value hierarchy:

Level 1: Quoted market prices in active markets for identical assets or liabilities
Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data
Level 3: Unobservable inputs that are not corroborated by market data

The following table summarizes the valuation of financial instruments within the fair-value hierarchy:

| | September 30, 2011 | | | |
|---|---|---|---|---|
| (Dollars in thousands) | Total | Level 1 | Level 2 | Level 3 |
| Cash equivalents | $402,306 | $89,532 | $312,774 | $-- |
| Current marketable securities | 11,230 | -- | 11,230 | -- |
| Other marketable securities | 5,568 | -- | -- | 5,568 |

| | December 31, 2010 | | | |
|---|---|---|---|---|
| (Dollars in thousands) | Total | Level 1 | Level 2 | Level 3 |
| Cash equivalents | $388,053 | $118,763 | $269,290 | $-- |
| Other marketable securities | | | | |