

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
**Form 10-K/A**  
Amendment No. 1

(Mark One)

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

For the fiscal year ended December 31, 2007

**OR**

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

**0-19858**

(Commission file number)

# USA Truck, Inc.

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of incorporation)

**71-0556971**

(I.R.S. Employer Identification No.)

**3200 Industrial Park Road**

**Van Buren, Arkansas**

(Address of principal executive offices)

**72956**

(Zip Code)

**(479) 471-2500**

(Registrant's telephone number, including area code)

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

Title of each class

Name of each exchange on which registered

Common Stock, \$.01 Par Value

The NASDAQ Stock Market LLC  
(NASDAQ Global Select Market)

Securities registered pursuant to Section 12(g) of the Act

**None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

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 definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer \_\_\_\_\_ Accelerated Filer  Non-Accelerated Filer \_\_\_\_\_ Smaller Reporting Company \_\_\_\_\_  
(Do not check if a 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  No

The aggregate market value of the voting stock held by nonaffiliates of the registrant computed by reference to the price at which the common equity was last sold as of the last business day of the registrant's most recently completed second quarter was \$128,399,954 (the characterization of officers and directors of the registrant as affiliates for purposes of this computation should not be construed as an admission for any other purpose that any such person is in fact an affiliate of the registrant).

The number of shares outstanding of the registrant's Common Stock, par value \$ .01, as of February 25, 2008 is 10,236,560.

DOCUMENTS INCORPORATED BY REFERENCE

Document

Part of Form 10-K into which the Document is Incorporated

Portions of the Proxy Statement to be sent to stockholders  
in connection with 2008 Annual Meeting

Part III

**USA TRUCK, INC.  
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## **EXPLANATORY NOTE**

This Amendment No. 1 on Form 10-K/A (the “Amendment”) amends the Annual Report on Form 10-K of USA Truck, Inc. (the “Company”) for the year ended December 31, 2007, which was filed with the Securities and Exchange Commission on March 3, 2008 (the “Original Filing”). This Amendment is being filed solely for the limited purpose of amending “Item 1. Business” of the Original Filing to properly identify the size of the market in which the Company currently competes as set forth in the “Industry and Competition” section.

As a result of this Amendment, the certifications pursuant to Sections 302 and 906 of the Sarbanes-Oxley Act of 2002, as filed as exhibits to the Original Filing, have been re-executed and re-filed as of the date of this Amendment.

This Amendment does not modify or update other disclosures in, or exhibits to, the Original Filing, and, accordingly, this Amendment should be read in conjunction with the Original Filing.

## **PART I**

### **Item 1. BUSINESS**

We are a dry van truckload carrier transporting general commodities throughout the continental United States and into and out of Mexico and portions of Canada. For shipments into Mexico, we transfer our trailers to tractors operated by Mexican trucking companies, with which we have contracts, at our facility in Laredo, Texas. We transport many types of freight and provide complementary third party logistics and freight brokerage services for a diverse customer base. We provide our services for such industries as industrial machinery and equipment, rubber and plastics, retail stores, paper products, durable consumer goods, metals, electronics and chemicals.

Our truckload freight services, which we conduct through three divisions that comprise the Trucking segment of our operations, consist of transportation services in which we use equipment that we own or owner-operator equipment for the pick-up and delivery of freight. Our General Freight division transports freight over irregular routes, with a medium length of haul, generally defined as between 800 and 1,200 miles per trip. Our Dedicated Freight division provides similar transportation services, but pursuant to agreements whereby we make our equipment available to a specific customer for shipments over particular routes at specified times. In the early 2000’s, a combination of customer demand for additional services, changes in freight distribution patterns and a desire to reduce the impact on our business of the more cyclical medium-haul markets caused us to begin providing regional freight services. Our Regional Freight division, which we established in 2004, provides truckload transportation services with a length of haul of approximately 500 miles in areas surrounding three of our facilities. Our Regional Freight division allows us access to the large market for regional freight services and provides lifestyle advantages to our drivers. At December 31, 2007, our Trucking fleet consisted of 2,499 tractors and 7,024 trailers.

Through our Strategic Capacity Solutions and Third Party Logistics divisions, which comprise our USA Logistics operating segment, we provide services such as transportation scheduling, routing and mode selection, which typically do not involve the use of our equipment or owner-operator equipment. We have traditionally provided these services primarily as supplemental services to customers who have also engaged us to provide truckload freight services. In 2006, we started strategically redeploying our resources and attention away from the more complicated third party logistics services and toward our Trucking and Strategic Capacity Solutions operations.

For reporting purposes, we aggregate the financial data for our Trucking operating segment and our USA Logistics operating segment. The discussion of our business in this Item 1 focuses primarily on Trucking, which is our dominant segment, producing 97.7% of our total base revenue in 2007.

In November 2004, we received certification by TÜV America, an independent auditor, of conformance to the International Organization for Standardization’s 9001:2000 Quality Management Systems standard. ISO 9001:2000 is currently the most rigorous international standard for Quality Management and Assurance. The International Organization for Standardization is the source of the ISO 9000 and 14000 families of quality and environmental management standards, as well as multiple international standards for business, government and society. In achieving and maintaining this certification, we have successfully identified and demonstrated our ability to meet customer requirements and enhance customer satisfaction.

We were incorporated in Delaware in September 1986 as a wholly owned subsidiary of ABF Freight System, Inc. and the Company was purchased by management in December 1988. The initial public offering of our common stock was completed in March 1992.

Our principal offices are located at 3200 Industrial Park Road, Van Buren, Arkansas 72956, and our telephone number is (479) 471-2500.

Our Internet address is <http://www.usa-truck.com>. You can review the filings we have made with the United States Securities and Exchange Commission ("SEC") free of charge by linking directly from the Investor Relations section of our website to EDGAR, a database maintained by the SEC. EDGAR is the Electronic Data Gathering, Analysis and Retrieval system where you can find our annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K, as well as amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934.

### **Strategic Objectives**

We have studied our business carefully over the past year to determine the best path to narrowing the current and historic disparity between our stock's valuation and those of our peers. Going forward, we will pursue three primary strategic objectives.

- *More closely manage our financial returns.* Our goal is to produce a return on capital that meets or exceeds 10% while simultaneously managing our cost of capital below that 10% threshold, thus adding economic value for our shareholders. Over the years, we have consistently injected capital into our business but have not generally been satisfied with the return on that capital. We are now utilizing our own internal cost of capital as the basis for establishing internal rates of return objectives on various business activities.
- *Improve earnings consistency relative to the Standard & Poor's 500.* Since our initial public stock offering, our earnings per share results have been inconsistent, which we believe has contributed to a disparity in valuations between our common stock and that of our peers. The inconsistency is caused by many factors including unpredictable insurance and claims costs and our relatively low outstanding share count. However, the most fundamental factor is the volatility inherent in our traditional business model.

Our model, which is primarily medium length of haul, has produced industry-leading operating margins when freight demand is plentiful, but it has conversely struggled when freight demand is scarce. Our basic model is unchanged. A significant majority of our revenue is still derived from medium length of haul trucking, thus we cannot expect to meet our objective unless we make some changes to our business model. We have begun to make significant changes to our business model as described in Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations - Results of Operations - Executive Overview."

While our revenue production has been volatile throughout the economic cycles, our cost discipline has not. We are consistently one of the lowest cost operators in the truckload industry. We are committed to controlling costs and we are one of the very best in the industry at utilizing our equipment. Maintaining our cost discipline will be crucial if we are to achieve our objective of improved earnings consistency.

- *Position USA Truck for long-term revenue growth.* Historically, we have grown base revenue at a 13% compounded annual growth rate. Our objective is to create enough operating margin to consistently produce a 10% return on capital. Once that occurs, profitable top-line revenue growth will again be our primary vehicle to grow shareholder value. We are laying the foundations to position ourselves for future growth opportunities.

### **Operating Objectives**

Our operating strategy includes the following important elements:

- *Provide superior service to shippers.* Our principal competitive strength is our ability and commitment to consistently provide superior service. Although price is a primary concern to all shippers, many of our customers are high-volume shippers that require a flexible and dependable source of motor carrier service. These customers often have specific requirements, including pick-up or delivery within narrow time windows or real-time information about shipment status. Our strategy is to provide a premium service to meet these needs and to charge competitive rates for that service. Key elements of our premium service include the following:
  - We are committed to consistent on-time performance.

- We provide dispatching and maintenance services twenty-four hours a day, seven days a week.
- We maintain trailer pools at strategic locations to minimize the time it takes to respond to a customer order. We also provide extra trailers to high-volume shippers for loading and unloading at their convenience.
- We have strict hiring and performance standards for our drivers and emphasize safety, customer satisfaction and on-time service in our training.
- *Control costs through benchmarking.* Our goal is to achieve an operating ratio that will allow us to earn sufficient returns on investment. To attain that goal, we are committed to a thorough cost-control system using benchmarks. We compare our current performance in more than 300 statistical areas with our performance in prior years.
- *Earn premium rates.* We are committed to earning premium rates that are commensurate with our superior service. To achieve the rates we desire, we utilize technology, leverage customer relationships and our premium service reputation and continually upgrade our freight mix by eliminating or repricing the least profitable trips.
- *Adhere to disciplined equipment replacement cycles and maintenance schedules.* We believe that late model, well-maintained revenue equipment is essential to profitability, customer service, driver satisfaction and a positive public image. Our policy is to operate our tractors for 36 to 42 months and our trailers for 84 to 120 months before replacement, subject to temporary changes in response to market conditions. We believe that replacing equipment at those intervals generally yields the most economically feasible balance of maintenance costs and sale or trade-in values. We also perform preventive maintenance on our tractor and trailer fleets at regular intervals to improve their sale or trade-in values, to maintain driver satisfaction and to reduce long-term maintenance costs and customer service failures.
- *Continue investing in new technology.* We continually invest in new and upgraded technology to provide the most efficient service possible to our customers. We provide electronic data interchange arrangements with larger customers, real-time shipment status information, two-way satellite-based messaging and position-locating equipment in all of our tractors, operational software packages designed to enhance service and economic efficiencies and an interactive website providing load tendering and tracing to customers. We use a number of computing platforms to operate software packages such as satellite communications, load matching and optical document storage. Historically, we have developed many of our software applications internally. We have recently begun to implement new software systems purchased from third-party vendors for a number of our key processes. We believe the new systems should both increase the efficiency of our operations and require less time from internal technical personnel.
- *Develop our management team.* We are committed to developing a management team capable of leading our Company well into the future. We have invested time and resources to cultivate talent within our organization and believe that we have a management team in place to guide our business for the long term. Our management personnel are partially compensated with performance-based incentives and equity awards designed to provide managers with a long-term equity interest in the company.

## **Industry and Competition**

The trucking industry includes both private fleets and for-hire carriers. Private fleets consist of trucks owned and operated by shippers that move their own goods. For-hire carriers include both truckload and less-than-truckload operations. Truckload carriers dedicate an entire trailer to one customer from origin to destination. Less-than-truckload carriers pick up multiple shipments from multiple shippers on a single truck and then route the goods through terminals or service centers, where freight may be transferred to other trucks with similar destinations for delivery. Truckload carriers typically transport shipments weighing more than 10,000 pounds, while less-than-truckload carriers typically transport shipments weighing less than 10,000 pounds.

We operate primarily in the highly fragmented for-hire truckload segment of the market. The for-hire segment is highly competitive and includes thousands of carriers, none of which dominates the market. This segment is characterized by many small carriers having revenues of less than \$1 million per year and relatively few carriers with revenues exceeding \$100 million per year. Measured by annual revenue, the 47 largest truckload carriers accounted for approximately \$31.2 billion, or approximately 10%, of the truckload market in 2006. We were ranked number 20 of the largest truckload carriers based on total revenue for 2006, according to Transport Topics. The industry continues to undergo consolidation. In addition, the recent challenging economic times have contributed to the failure of many trucking companies and made entry into the industry more difficult.

We compete primarily with other truckload carriers, shipper-owned fleets and, to a lesser extent, railroads and less-than-truckload carriers. A number of truckload carriers have greater financial resources, own more revenue equipment and carry a larger volume of freight than we do. We also compete with truckload and less-than-truckload carriers for qualified drivers.

The principal means of competition in the truckload segment of the industry are service and price, with rate discounting being particularly intense during economic downturns. Although we compete more on the basis of service rather than rates, rate discounting continues to be a factor in obtaining and retaining business. Furthermore, a depressed economy tends to increase both price and service competition from alternative modes such as less-than-truckload carriers and railroads, as well as intermodal carriers. We believe that successful truckload carriers are likely to grow primarily by offering additional services to their customers and acquiring greater market share and, to a lesser extent, through an increase in the size of the market.

## Marketing and Sales

We focus our marketing efforts on customers with premium service requirements and heavy shipping needs within our primary operating areas. This permits us to concentrate available equipment strategically so that we can be more responsive to customer needs. It also helps us achieve premium rates and develop long-term, service-oriented relationships. Our employees have a thorough understanding of the needs of shippers in many industries. These factors allow us to provide reliable, timely service to our customers. For 2007, approximately 96.6% of our total revenue was derived from customers that were customers before 2007, and we have provided services to our top 10 customers for an average of more than 15 years. We provided service to approximately 860 customers in 2007, and approximately 38.9% of our total revenue for 2007 was derived from Standard & Poor's 500 companies.

The table below shows the percentage of our total revenue attributable to our top ten and top five customers and largest customer for the periods indicated.

	Year Ended December 31,		
	2007	2006	2005
Top 10 customers .....	34%	36%	37%
Top 5 customers.....	22%	23%	23%
Largest customer .....	6%	8%	6%

Our Marketing department solicits and responds to customer orders and maintains close customer contact regarding service requirements and rates. We typically establish rates through individual negotiations with customers. For our Dedicated Freight services, rates are fixed under contracts tailored to the specific needs of shippers.

While we prefer direct relationships with our customers, we recognize that obtaining shipments through other providers of transportation or logistics services is a significant marketing opportunity. Securing freight through a third party enables us to provide services for high-volume shippers to which we might not otherwise have access because many of them require their carriers to conduct business with their designated third party logistics provider.

We require customers to have credit approval before dispatch. We bill customers at or shortly after delivery and, during 2007, receivables collection averaged approximately 30 days from the billing date.

## Operations

While we provide our services throughout the continental United States, we conduct most of our freight transport operations east of the Rocky Mountains. The following table shows our total company average length of haul and the average length of haul for the three operating divisions in our Trucking segment, in miles, for the periods indicated.

	Year Ended December 31,		
	2007	2006	2005
Total company.....	784	837	837
Trucking divisions:			
General Freight.....	904	941	942
Regional Freight .....	501	537	518
Dedicated Freight .....	493	562	567

The empty mile factor is also a standard measurement in the truckload industry. The empty mile factor generally decreases as average length of haul and density of trucks in an area increase. Therefore, our efforts to decrease our empty mile factor are offset somewhat by the growth of our regional operations. Additionally, our commitment to on-time pickup often requires a tractor to travel farther to complete a pickup than it would have to travel if we delayed the pickup until a tractor became available in the area. For 2007, our empty mile factor was 11.1% and in 2006 it was 10.3%.

Our Operations department consists primarily of our fleet managers and load planners. Each fleet manager supervises approximately 20 to 50 drivers in our various divisions and is the primary contact with our drivers. They monitor the location of equipment and direct its movement in the safest and most efficient manner practicable. Load planners assign all available units and loads in a manner that maximizes profit and minimizes costs. The Operations department focuses on achieving continual improvement in the areas of customer service, equipment utilization, driver retention and safety.

## **Safety**

We are committed to continually improving our safety performance. In October 2006, we formed a new operating department that combined safety, risk management and certain elements of our driver training program. The Safety department's mission is to more sharply focus our efforts to create the safest possible environment for our drivers and the motoring public, provide the safest possible service to our customers, reduce insurance and claims costs and foster a top-to-bottom culture of safety throughout the company.

We emphasize safe work habits as a core value throughout our organization, and we engage in continual, proactive training and education relating to safety concepts, processes and procedures for all employees. The evaluation of an applicant's safety record is one of several essential criteria we use to hire drivers. We conduct pre-employment, random, reasonable suspicion and post-accident alcohol and substance abuse testing in accordance with the U.S. Department of Transportation regulations.

Safety training for new drivers begins in orientation, when newly hired employees are taught safe driving and work techniques that emphasize the importance of our commitment to safety. Upon completion of orientation, new student drivers are required to undergo on-the-road training for four to six weeks with experienced commercial motor vehicle drivers who have been selected for their professionalism and commitment to safety and who are trained to communicate safe driving techniques to our new drivers. New drivers must successfully complete the training period and pass a road test before being assigned to their own truck. We also offer a Driver Skills Development Course, with one-on-one training tailored to assist drivers in developing a specific skill.

In addition to our ongoing efforts to promote safety concepts company wide, all drivers attend safety training classes each quarter and receive other training designed to keep them up-to-date on safety topics and to reinforce and advance professional driving skills. Additionally, the Safety department conducts safety meetings with dispatch personnel to address specific safety-related issues and concerns.

The Safety department also conducts "safety blitzes" at our high-traffic terminals, in addition to the regular quarterly safety meetings. These periodic blitzes are designed to keep safety at the forefront for our drivers and other employees, and supplement our regular quarterly meetings by targeting specific safety issues such as proper backing techniques, DOT inspections or mirror check stations and require active participation from the drivers.

We also have in place a corrective action program designed to evaluate each driver's safety record to help determine whether a driver needs additional training and whether the driver is eligible for continued employment. We have a company-wide communication network designed to facilitate rapid response to safety issues and a driver counseling and retraining system to assist drivers who need additional assistance or training.

We have established an awards program to recognize those drivers who have met specified safety milestones. Drivers are recognized at the President's Million Mile Banquet and outstanding drivers are also recognized in Company-wide publications and media releases announcing the driver's achievements. Driver safety achievements are noted with special uniform patches, caps and door decals for their tractors that identify the driver as having reached a safety milestone.

We maintain a modern fleet of tractors and trailers. This factor, in conjunction with the regular safety inspections that our drivers and our Maintenance department conduct on our equipment, helps to ensure that the equipment is well-maintained and safe. Our tractors are equipped with anti-lock braking systems and electronic governing equipment that limits the maximum speed of our tractors to 63 miles per hour. In addition, the tractors

we added in 2007 are equipped with automatic transmissions and stability control systems, which will assist in further reducing the potential for accidents.

## **Insurance and Claims**

The primary risks for which we obtain insurance are cargo loss and damage, personal injury, property damage, workers' compensation and employee medical claims. We self-insure for a portion of claims exposure in each of these areas.

Our self-insurance retention levels are \$0.5 million for workers' compensation claims per occurrence, \$0.05 million for cargo loss and damage claims per occurrence and \$1.0 million for bodily injury and property damage claims per occurrence. We are completely self-insured for physical damage to our tractors and trailers, except that we carry catastrophic physical damage coverage to protect against natural disasters. For medical benefits, we self-insure up to \$0.25 million per plan participant per year with an aggregate claim exposure limit determined by our year-to-date claims experience and our number of covered lives. We maintain insurance above the amounts for which we self-insure, to certain limits, with licensed insurance carriers. We have excess general, auto and employer's liability coverage in amounts substantially exceeding minimum legal requirements, and we believe this coverage is sufficient to protect us against catastrophic loss. Depending on the volatility of the insurance market, our insurance and claims expense could increase or we could raise our self-insured retention levels when our policies are renewed. We believe that our policy of self-insuring up to set limits, together with our safety and loss prevention programs, are effective means of managing insurance costs. We reevaluate all our coverage decisions on an annual basis.

## **Drivers and Other Personnel**

Driver recruitment and retention are vital to success in our industry. Recruiting drivers is challenging because our standards are high and enrollment in driving schools has been declining. Retention is difficult because of wage and job fulfillment considerations. Driver turnover, especially in the early months of employment, is a significant problem in our industry, and the competition for qualified drivers is intense. Although we have had significant driver turnover during certain periods in the past, we have been able to attract and retain a sufficient number of qualified drivers to support our operations. To attract and retain drivers we must continue to provide safe, attractive and comfortable equipment, direct access to management and competitive wages and benefits designed to encourage longer-term employment.

Drivers' pay is calculated primarily on the basis of miles driven, and it increases with tenure. We believe our current pay scale is competitive with industry peers.

One of the steps we have taken to control compensation expense is the implementation in 2002 of a per diem driver pay program. Per diem pay, which is not taxable to the driver, is designed to approximately reimburse drivers for meals and other incidental expenses incurred while away from home overnight on business, and is typically paid in lieu of a taxable portion of salary. Although our ability to deduct per diem payments is limited, there are certain tax benefits to drivers that allow us to decrease overall wages per mile for those drivers who elect to receive the per diem payments. Since per diem payments are slightly lower than the foregone portion of salary, this difference, in addition to certain tax benefits, results in savings to us. As of December 31, 2007, drivers who drove approximately 67.2% of our total miles had elected to receive per diem payments.

On February 25, 2008, we had approximately 3,560 employees, including approximately 2,745 drivers. We do not have any employees represented by a collective bargaining unit. In the opinion of management, our relationship with our employees is good.

## **Revenue Equipment and Maintenance**

Our policy is to replace most tractors within 36 to 42 months and most trailers within 84 to 120 months from the date of purchase. Because maintenance costs increase as equipment ages, we believe these trade intervals allow us to control our maintenance costs and to economically balance them with the equipment's expected sale or trade values. Such trade intervals also permit us to maintain substantial warranty coverage throughout our period of ownership.

We make equipment purchasing and replacement decisions on the basis of various factors, including new equipment prices, the used equipment market, demand for our freight services, prevailing interest rates, technological improvements, regulatory changes, fuel efficiency, durability of the equipment, equipment specifications and the availability of drivers. Therefore, depending on the circumstances, we may accelerate or delay the acquisition and disposition of our tractors or trailers from time to time.

The following table shows the number of units and average age of revenue equipment that we owned or operated under capital leases as of the indicated dates.

	<u>Year Ended December 31,</u>		
	<u>2007</u>	<u>2006</u>	<u>2005</u>
Tractors:			
Acquired .....	442	818	803
Disposed .....	495	668	587
End of period total.....	2,499	2,552	2,402
Average age at end of period (in months) .....	25	21	19
Trailers:			
Acquired .....	583	1,642	679
Disposed .....	329	414	819
End of period total.....	7,024	6,770	5,542
Average age at end of period (in months) .....	42	36	38

Late in 2006, we decided to address pressures on our utilization rate by adjusting our equipment replacement schedule. As a result, we purchased fewer tractors and trailers in 2007 than in recent periods. We will add equipment as the freight market and driver availability dictate.

To simplify driver and mechanic training, control the cost of spare parts and tire inventory and provide for a more efficient vehicle maintenance program, we buy tractors and trailers manufactured to our specifications. In deciding which equipment to buy, we consider a number of factors, including safety, fuel economy, expected resale value and driver comfort. We have a strict preventive maintenance program designed to minimize equipment downtime and enhance sale or trade-in values.

We finance revenue equipment purchases through our Senior Credit Facility, capital lease-purchase arrangements, the proceeds from sales or trades of used equipment and cash flows from operations. Substantially all of our tractors and trailers are pledged to secure our obligations under financing arrangements.

In addition to tractors that we own, we contract with owner-operators for the use of their tractors and drivers in our operations. At December 31, 2007, 66 owner-operator tractors were under contract with us. During the third quarter of 2007, we introduced a lease-purchase program to drivers interested in owning their own equipment and becoming independent owner-operators. The program offers qualified drivers the opportunity to purchase their own tractors through a third party financing program. The drivers may purchase tractors directly from us or from outside sources. During 2007, 8 drivers became independent owner-operators through this program.

Beginning January 1, 2007, all newly manufactured truck engines had to comply with a new set of more stringent engine emission standards mandated by the Environmental Protection Agency. To address the risk of buying new engines without adequate testing and to delay the cost impact of these new emission standards, we accelerated our revenue equipment acquisition program and trade intervals before January 1, 2007. In addition, approximately 87% of the tractors we purchased in 2007 were equipped with engines produced prior to January 2007. This strategic decision has allowed us additional time to analyze the industry-wide evaluations concerning the longevity and reliability of the emission-compliant engines.

## Technology

We maintain a data center using several different computing platforms ranging from personal computers to an IBM mainframe system. We have developed the majority of our software applications internally, including payroll, billing, dispatch, accounting and maintenance programs. In order to enhance the service we provide our customers, after an extensive review, we determined that our mainframe software applications need to be replaced. Accordingly, over the next three years we will replace those applications with off-the-shelf, server-based products. Our computer systems are monitored 24 hours a day by experienced information services professionals. While we employ many preventive measures, including daily back-up of our information system processes, we do not currently have a comprehensive catastrophic disaster recovery plan for our information systems.

The technology we use in our business enhances the efficiency of all aspects of our operations and enables us to consistently deliver superior service to our customers. This technology includes a Qualcomm satellite-based equipment tracking and driver communication system, which allows us to closely monitor the location of all our tractors and to communicate with our drivers in real time. This enables us to efficiently dispatch drivers in response

to customers' requests, to provide real-time information to our customers about the status of their shipments and to provide documentation supporting our assessorial charges, which are charges to customers for things such as loading, unloading or delays. We have also implemented load optimization software, which is designed to match available equipment with shipments in a way that best satisfies a number of criteria including empty miles, the driver's available hours of service and home-time needs. This licensed software assists us in planning for transfers of loaded trailers between our tractors, allowing us to further enhance efficient allocation of our equipment, improve customer service and take full advantage of our drivers' available hours of service.

## **Regulation**

We are a motor carrier regulated by the U.S. Department of Transportation and other federal and state agencies. Our business activities in the United States are subject to broad federal, state and local laws and regulations beyond those applicable to most business activities. Our regulated business activities include, but are not limited to, service area, routes traveled, equipment specifications, commodities transported, rates and charges, accounting systems, financial reporting and insurance coverages. Our Canadian business activities are subject to similar requirements imposed by the laws and regulations of the Dominion of Canada and provincial laws and regulations.

Motor carrier operations are subject to safety requirements prescribed by the U.S. Department of Transportation, governing interstate operation, and by Canadian provincial authorities. Matters such as weight and equipment dimensions are also subject to federal, state and provincial regulations.

In 2003, the Federal Motor Carrier Safety Administration of the U.S. Department of Transportation issued the first significant revisions to the industry hours-of-service regulations in more than 60 years. The Administration implemented additional, but less significant, revisions in 2005. In general, the new regulations are intended to increase safety by giving drivers more opportunity to rest and obtain restorative sleep during each work cycle by, for example, increasing the minimum off-duty time during each work cycle. The maximum on-duty period after which a driver may no longer drive was shortened and can no longer be extended by time spent off duty (such as meal stops and other rest breaks) once the on-duty period has begun. Therefore, delays during a driver's on-duty time (such as those caused by loading/unloading problems) may limit drivers' available hours behind the wheel, particularly if such delays occur late in an on-duty period.

On July 24, 2007, the U.S. Court of Appeals for the District of Columbia Circuit ordered that two provisions of the hours-of-service regulations be set aside. Those provisions govern the maximum allowable number of daily driving hours and the number of hours that drivers must be off duty before they can begin a new weekly driving cycle. The court's order requires the Administration to re-examine the impact of the affected provisions on safety. The Administration has issued an Interim Final Rule that will allow the current hours-of-service provisions to remain in effect until it completes the re-examination and rulemaking, which the Administration has said it expects to do in 2008. The prior revisions of the hours-of-service rules created operational issues for us and increased our operating costs, and any further revisions that may result from the re-examination and rulemaking process may cause us to incur additional costs and could have an adverse effect on our operations or financial condition.

The Environmental Protection Agency adopted emissions control regulations that require progressive reductions in exhaust emissions from diesel engines manufactured on or after October 1, 2002. More stringent reductions became effective on January 1, 2007 for engines manufactured on or after that date, and further reductions are scheduled to become effective in 2010. Compliance with the regulations has increased the cost of our new tractors and operating expenses while reducing fuel economy, and it is anticipated that the 2007 and 2010 changes will further adversely impact those areas.

We believe that we are in substantial compliance with applicable federal, state, provincial and local environmental laws and regulations and that costs of such compliance will not have a material adverse effect on our competitive position, operations or financial condition or require a material increase in currently anticipated capital expenditures.

## **Seasonality**

See "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations—Seasonality."

## **Forward-Looking Statements**

This report contains forward-looking statements and information that are based on our current beliefs and expectations and assumptions we have made based upon information currently available. Forward-looking statements include statements relating to our plans, strategies, objectives, expectations, intentions and adequacy of resources, and may be identified by words such as "will," "could," "should," "may," "believe," "expect," "intend,"

“plan,” “schedule,” “estimate,” “project” and similar expressions. These statements are based on current expectations and are subject to uncertainty and change. Although we believe that the expectations reflected in such forward-looking statements are reasonable, we cannot assure you that such expectations will be realized. If one or more of the risks or uncertainties underlying such expectations materialize, or if underlying assumptions prove incorrect, actual results may vary materially from those expected. Among other things, we cannot assure you that we will be able to continue the recent positive trends identified in this annual report under the heading “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” such as increased miles per tractor per week and reduced driver recruiting costs. Among the key factors that are not within our control and that have a direct bearing on operating results are increases in fuel prices, adverse weather conditions, increased regulatory burdens and the impact of increased rate competition. Our results have also been, and will continue to be, significantly affected by fluctuations in general economic conditions, as our tractor utilization rates are directly related to business levels of shippers in a variety of industries. In addition, shortages of qualified drivers and intense or increased competition for drivers have adversely impacted our operating results and our ability to grow and will continue to do so. Results for any specific period could also be affected by various unforeseen events, such as unusual levels of equipment failure or vehicle accident claims. Some of the risks, uncertainties and assumptions that could cause actual results to differ materially from these forward-looking statements are described in “Item 1A. Risk Factors” of this report.

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

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

## SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, the registrant has duly caused this Amendment to be signed on its behalf by the undersigned, thereunto duly authorized.

USA TRUCK, INC.

(Registrant)

By: /s/ Clifton R. Beckham  
Clifton R. Beckham  
*President and Chief Executive Officer*

By: /s/ Darron R. Ming  
Darron R. Ming  
*Vice President, Finance, Chief Financial Officer and Treasurer*

Date: March 25, 2008

Date: March 25, 2008

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

Signature	Title	Date
<u>/s/ Robert M. Powell</u> Robert M. Powell	<i>Chairman of the Board and Director</i>	March 25, 2008
<u>/s/ Clifton R. Beckham</u> Clifton R. Beckham	<i>President, Chief Executive Officer and Director</i>	March 25, 2008
<u>/s/ Darron R. Ming</u> Darron R. Ming	<i>Vice President, Finance, Chief Financial Officer and Treasurer (principal financial and accounting officer)</i>	March 25, 2008
<u>/s/ James B. Speed</u> James B. Speed	<i>Director</i>	March 25, 2008
<u>/s/ Terry A. Elliott</u> Terry A. Elliott	<i>Director</i>	March 25, 2008
<u>/s/ William H. Hanna</u> William H. Hanna	<i>Director</i>	March 25, 2008
<u>/s/ Joe D. Powers</u> Joe D. Powers	<i>Director</i>	March 25, 2008
<u>/s/ Richard B. Beauchamp</u> Richard B. Beauchamp	<i>Director</i>	March 25, 2008

## EXHIBIT INDEX

The following is a list of Exhibits filed as a part of this Amendment.

<b>Exhibit Number</b>	<b>Exhibit</b>
31.1**	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2**	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

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\*\* Filed herewith

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002  
USA TRUCK, INC.**

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I, Clifton R. Beckham, certify that:

1. I have reviewed this Amendment No. 1 to the annual report on Form 10-K of USA Truck, 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 control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures, and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 25, 2008

/s/ Clifton R. Beckham  
Clifton R. Beckham  
*President and Chief Executive Officer*

A signed original of this written statement required by Section 302 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002  
USA TRUCK, INC.**

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I, Darron R. Ming, certify that:

1. I have reviewed this Amendment No. 1 to the annual report on Form 10-K of USA Truck, 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 control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures, and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: March 25, 2008

/s/ Darron R. Ming

Darron R. Ming  
Vice President, Finance, Chief  
Financial Officer and Treasurer

A signed original of this written statement required by Section 302 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002  
(18 U.S.C. SECTION 1350)**

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In connection with this Amendment No. 1 to the Annual Report of USA Truck, Inc. (the "Company") on Form 10-K for the annual period ended December 31, 2007 (the "Report"), I, Clifton R. Beckham, President and Chief Executive Officer of the Company, certify pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 25, 2008

/s/ Clifton R. Beckham  
Clifton R. Beckham  
*President and Chief Executive Officer*

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002  
(18 U.S.C. SECTION 1350)**

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In connection with this Amendment No. 1 to the Annual Report of USA Truck, Inc. (the “Company”) on Form 10-K for the annual period ended December 31, 2007 (the “Report”), I, Darron R. Ming, Vice President, Finance, Chief Financial Officer and Treasurer of the Company, certify pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 25, 2008

/s/ Darron R. Ming  
Darron R. Ming  
*Vice President, Finance, Chief  
Financial Officer and Treasurer*

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.