EMPLOYEE STOCK PURCHASE PLAN. Our 1997 Employee Stock Purchase Plan allows our employees to contribute up to $10,000 of their annual cash compensation to purchase company stock. Purchase price is determined using the closing price on the last day of the quarter discounted by 15 percent. Shares are vested immediately. Employees purchased approximately 230,000, 220,000, and 206,000 shares of our Common Stock under this plan at an aggregate cost of $10.5 million, $9.5 million, and $8.3 million in 2008, 2007, and 2006.

SHARE REPURCHASE PROGRAMS. During 1999, the Board of Directors authorized a stock repurchase program that allows management to repurchase 8,000,000 shares for reissuance upon the exercise of employee stock options and other stock plans. We purchased 3,221,300 and 1,926,500 of our common stock for the treasury at an aggregate cost of $163.9 million and $85.3 million in 2007 and 2006 under this stock repurchase plan. There are no shares remaining for repurchase under this authorization.

During 2007, the Board of Directors authorized management to repurchase an additional 10,000,000 shares under the program for reissuance upon the exercise of employee stock options and other stock plans. We purchased 62,700 shares of our common stock for the treasury at an aggregate cost of $3.4 million under this stock repurchase program in 2007. We purchased 3,720,000 shares of our common stock for the treasury at an aggregate cost of $200.8 million in 2008. There are approximately 6.2 million shares remaining for repurchase under this program.

NOTE 9: COMMITMENTS AND CONTINGENCIES

EMPLOYEE BENEFIT PLANS. We offer a defined contribution profit-sharing and savings plan which qualifies under section 401(k) of the Internal Revenue Code and covers all eligible U.S. employees. Annual profit-sharing contributions are determined by our Board of Directors in accordance with the provisions of the plan. We can also elect to make matching contributions to the plan at the discretion of our Board of Directors. Profit-sharing plan expense, including matching contributions, was approximately $30.0 million in 2008, $30.3 million in 2007, and $27.3 million in 2006.

NONQUALIFIED DEFERRED COMPENSATION PLAN. The Robinson Companies Nonqualified Deferred Compensation Plan provides certain employees the opportunity to defer a specified percentage or dollar amount of their cash and stock compensation. Participants may elect to defer up to 100 percent of their cash compensation. The accumulated benefit obligation was $0.9 million and $1.2 million as of December 31, 2008 and December 31, 2007, respectively. We have purchased investments to fund the future liability. The investments had an aggregate market value of $0.9 million as of December 31, 2008 and $1.2 million as of December 31, 2007, and are included in other assets in the consolidated balance sheets. In addition, all restricted shares granted but not yet delivered are also held within this plan.

LEASE COMMITMENTS. We lease certain facilities and equipment under operating leases. Lease expense was $32.1 million for 2008, $26.9 million for 2007, and $22.2 million for 2006.

Minimum future lease commitments under noncancelable lease agreements in excess of one year as of December 31, 2008, are as follows (in thousands):

2009	$ 23,569
2010	20,293
2011	16,195
2012	11,110
2013	7,101
Thereafter	19,908
Total	**$ 98,176**

In addition to minimum lease payments, we are typically responsible under our lease agreements to pay our pro rata share of maintenance expenses, common charges, and real estate taxes of the buildings we lease space in.

LITIGATION. As we previously disclosed, certain gender discrimination class claims were settled in 2006. The settlement was within our insurance coverage limits and was fully funded by insurance.

Although insurance fully funded the gender class settlement, those insurers reserved the right to seek a court ruling that a portion of the settlement was not covered under their policies, and also to dispute payment of certain defense costs incurred in that litigation. Insurance coverage litigation between us and one of our insurance carriers concerning these issues and insurance coverage for individual lawsuits that were not part of the class settlement has been pending in Minnesota State Court. Recent court rulings have determined that the gender class settlement payment was appropriately covered under applicable policies, and that the insurance carrier has a duty to reimburse reasonable defense costs in the gender class action and all but two of the individual lawsuits, and to indemnify us in all but two of the individual lawsuits. This ruling is being appealed by the insurance carrier.

The settlement of the gender discrimination class claims did not include claims of putative class members who subsequently filed individual Equal Employment Opportunity Commission (EEOC) charges after the denial of class status. Fifty-four of those EEOC claimants filed lawsuits. Fifty-two of those suits have been settled or dismissed. The settlement amounts were not material to our financial position or results of operations. We are vigorously defending the remaining two lawsuits.

We are not subject to any other pending or threatened litigation other than routine litigation arising in the ordinary course of our business operations, none of which is expected to have a material adverse effect on our financial condition, results of operations, or cash flows.

NOTE 10: ACQUISITIONS

In August 2008, we acquired certain ongoing operations of Transera, a project forwarding company based in Calgary, Canada. The purchase price was $51.7 million. Goodwill recognized in this transaction amounted to $37.5 million. Other intangible assets related to the acquisition amounted to $6.7 million which consists primarily of customer relationships, which are being amortized over six years. All goodwill and other intangible assets related to this acquisition are tax deductible over 15 years. Our results of operations were not materially impacted by this acquisition.

In July 2007, we acquired certain assets of LXSI Services, Inc. (“LXSI”), a third party domestic air and expedited services provider based in Los Angeles, California. The purchase price was $9.75 million. Goodwill recognized in this transaction amounted to $7.5 million. Other intangible assets related to the acquisition amounted to $1.6 million. All goodwill and other intangible assets related to this acquisition are tax deductible over 15 years. Our results of operations were not materially impacted by this acquisition.

In May 2006, we acquired certain assets of Payne Lynch, and Associates, Inc. “Payne Lynch,” a non-asset based third party logistics company that specializes in flatbed and over dimensional freight brokerage. The purchase price was $30.0 million. In December 2006, we acquired certain assets of Triune Freight Private Ltd. and Triune Logistics Private Ltd., collectively “Triune,” a third party logistics provider based in India. The purchase price for Triune was $4.0 million. Goodwill recognized in the transactions that closed in 2006 amounted to $28.2 million. Other intangible assets related to these transactions amounted to $2.3 million.

The results of operations and financial condition of these acquisitions have been included in our consolidated financial statements since their acquisition dates.