

ABLEST INC  
Form 10-Q  
May 05, 2005

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**SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**Form 10-Q**

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934**  
FOR THE QUARTERLY PERIOD ENDED MARCH 27, 2005

or

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934**  
FOR THE TRANSITION PERIOD FROM \_\_\_\_\_ TO \_\_\_\_\_

**Commission File Number 1-10893**

**Ablest Inc.**

*(Exact name of registrant as specified in its charter)*

**Delaware**  
*(State of Incorporation)*

**65-0978462**  
*(I.R.S. Identification No.)*

**1901 Ulmerton Road, Suite 300  
Clearwater, Florida 33762  
(727) 299-1200**

*(Address, including zip code, and telephone number, including area code, of principal executive offices)*

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 whether the Registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes  No

The number of outstanding shares of the registrant's Common Stock at March 27, 2005 was 2,892,368.

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ABLEST INC.

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PART I  
FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS

## ABLEST INC.

Condensed Balance Sheets  
(amounts in thousands except share and per share data)

	March 27, 2005 (Unaudited)	December 26, 2004
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 2,425	\$ 1,357
Accounts receivable, net	14,703	16,783
Prepaid expenses and other current assets	346	160
Current deferred tax asset	1,235	1,369
Total current assets	18,709	19,669
Property, plant and equipment, net	513	543
Deferred tax asset	3,208	3,208
Goodwill, net	1,283	1,283
Other assets	43	40
Total assets	\$ 23,756	\$ 24,743
<b>LIABILITIES AND STOCKHOLDERS EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 402	\$ 378
Accrued insurance	1,766	3,069
Accrued wages	1,886	1,989
Other current liabilities	527	425
Total current liabilities	4,581	5,861
Other liabilities	29	117
Total liabilities	4,610	5,978

## COMMITMENTS AND CONTINGENCIES

## STOCKHOLDERS EQUITY

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Preferred stock of \$.05 par value; 500,000 shares authorized, none issued or outstanding at March 27, 2005 and December 26, 2004				
Common stock of \$.05 par value; 7,500,000 shares authorized, 3,350,097 and 3,334,344 shares issued and outstanding including shares held in treasury at March 27, 2005 and December 26, 2004, respectively		168		167
Additional paid-in capital		5,288		5,172
Retained earnings		15,800		15,536
Treasury stock at cost; 457,729 shares held at March 27, 2005 and December 26, 2004		(2,110)		(2,110)
Total stockholders equity		19,146		18,765
Total liabilities and stockholders equity	\$	23,756	\$	24,743

See accompanying Notes to Financial Statements

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## ABLEST INC.

Condensed Statements of Operations  
(amounts in thousands except share and per share data)  
(Unaudited)

	For the Thirteen Week Periods Ended	
	March 27, 2005	March 28, 2004
Net service revenues	\$ 30,835	\$ 25,770
Cost of services	25,858	22,141
Gross profit	4,977	3,629
Selling, general and administrative expenses	4,549	4,337
Operating income (loss)	428	(708)
Other:		
Interest income, net		2
Miscellaneous, net	(3)	(5)
Other income (loss)	(3)	(3)
Income (loss) before income taxes	425	(711)
Income tax expense (benefit)	161	(270)
Net income (loss)	\$ 264	\$ (441)
Basic net income (loss) per common share	\$ 0.09	\$ (0.16)
Diluted net income (loss) per common share	\$ 0.09	\$ (0.16)
Weighted average number of common shares used in computing net income (loss) per common share		
Basic	2,854,578	2,835,951
Diluted	2,926,692	2,908,574

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See accompanying Notes to Financial Statements

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## ABLEST INC.

Condensed Statements of Cash Flows  
(amounts in thousands)  
(Unaudited)

	For the Thirteen Week Periods Ended	
	March 27, 2005	March 28, 2004
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net income (loss) from continuing operations	\$ 264	\$ (441)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation	90	125
Loss on disposal of property, plant and equipment		5
Deferred income taxes	134	(295)
Stock compensation	146	182
Changes in assets and liabilities (see below)	494	1,029
Net cash provided by operating activities	1,128	605
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Additions to property, plant and equipment	(60)	(125)
Net increase in cash	1,068	480
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	1,357	1,614
CASH AND CASH EQUIVALENTS END OF PERIOD	\$ 2,425	\$ 2,094
Changes in continuing operations assets and liabilities providing (using) cash:		
Accounts receivable, net	\$ 2,080	\$ 1,628
Prepaid expenses and other current assets	(186)	(105)
Other assets	(3)	2
Accounts payable	24	147
Accrued expenses and other current liabilities	(1,304)	(554)
Other liabilities	(117)	(89)
Total change in assets and liabilities providing (using) cash	\$ 494	\$ 1,029

See accompanying Notes to Financial Statements





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ABLEST INC.

Notes to Condensed Financial Statements  
(Unaudited)

**1. COMPANY BACKGROUND**

Ablest Inc. ( Company ) offers staffing services in the United States. Staffing services are principally provided through 51 service locations in the Eastern United States and selected Southwestern markets with the capability to supply staffing services for the clerical, industrial, information technology, finance and accounting needs of their customers. Positions often filled include, but are not limited to, data entry, office administration, telemarketing, light industrial assembly, order picking and shipping, network administration, database administration, program analyst (both mainframe and client server), web development, project management, technical writing, accountant, financial analyst and internal auditor. The Company does not service any specific industry or field; instead, its services are provided to a broad-based customer list.

**2. BASIS OF PRESENTATION**

These interim financial statements have been prepared in accordance with accounting principles generally accepted ( GAAP ) in the United States for interim financial information, the instructions to Quarterly Report on Form 10-Q, and Rule 10-01 of Regulation S-X and should be read in conjunction with our Annual Report on Form 10-K for the year ended December 26, 2004. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements.

All adjustments, consisting of only normal recurring adjustments, considered necessary for fair presentation have been reflected in these condensed financial statements. The operating results for the thirteen week period ended March 27, 2005 are not necessarily indicative of the results that may be expected for the fiscal year ending December 25, 2005.

In order to maintain consistency and comparability between periods presented, certain amounts may have been reclassified from the previously reported consolidated financial statements to conform with the financial statement presentation of the current period.

**3. SIGNIFICANT ACCOUNTING POLICIES**

***Cash Equivalents***

All highly liquid investments with original maturities of three months or less are considered cash equivalents. There were no cash equivalents at March 27, 2005 and March 28, 2004.

***Revenue Recognition***

The Company s revenues are derived from providing staffing services to its customers. Substantially all revenue is billed on a direct cost plus markup basis. Revenue is recognized at the time the service is performed. In addition, the Company bills revenues under piecework contracts and permanent placement services. Piecework contracts are billed to the customer on a cost per unit basis versus an hourly basis. Revenue from piecework contracts is recognized at the time service is performed. Permanent placement services are fee-based services to recruit and fill regular staff positions for customers. Revenue from permanent placement services is recognized when a candidate begins full-time employment.



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ABLEST INC.  
Notes to Condensed Financial Statements  
(Unaudited)

***Allowance for Doubtful Accounts***

The Company must make estimates of the collectibility of accounts receivables. Management analyzes historical bad debts, customer concentrations, customer credit-worthiness, current economic trends and changes in the customer's payment tendencies when evaluating the adequacy of the allowance for doubtful accounts.

***Self-Insurance Reserves***

The Company is self-insured for the deductible amount of its general liability and workers' compensation coverages. To derive an estimate of the Company's ultimate claims liability, established loss development factors are applied to current claims information. An independent actuary is engaged annually to provide an estimate of ultimate liability and to determine loss development factors going forward. The calculated ultimate liability is then reduced by cumulative claims payments to determine the required reserve. Management evaluates the accrual on a quarterly basis and adjusts as needed to reflect the required reserve calculation. Whereas management believes the recorded liabilities are adequate, there are inherent limitations in the estimation process whereby future actual losses may differ from projected loss rates, which could materially affect the financial condition and results of operations of the Company.

***Goodwill and Other Intangible Assets***

The Company has adopted Financial Accounting Standards No. 142 (SFAS No. 142), Goodwill and Other Intangible Assets. Under SFAS No. 142, goodwill and indefinite lived intangible assets are no longer amortized but are reviewed at least annually for impairment. SFAS No. 142 prescribes a two-phase process for impairment testing of goodwill. The first phase screens for impairment; while the second phase (if necessary), measures the impairment. The Company screened for impairment during the first quarter of 2002, the year of adoption, and fourth fiscal quarters of 2003 and 2004 and found no instances of impairment of its recorded goodwill.

At March 27, 2005, the Company did not have indefinite lived intangible assets other than goodwill and did not have any intangible assets with definite lives.

***Impairment of Long-Lived Assets***

The Company has adopted Financial Accounting Standards No. 144, (SFAS No. 144), Accounting for the Impairment or Disposal of Long-Lived Assets. SFAS No. 144 establishes a single accounting model for long-lived assets to be disposed of by sale and also requires a company to review long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. No impairment losses were recognized by the company at March 27, 2005 or March 28, 2004.

***Income Taxes***

Income taxes are accounted for by the asset and liability method. Under the asset and liability method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to operating loss and credit carryforwards and differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. 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 tax rates is recognized as income or expense in the period that includes the enactment date.

In assessing the realizability of deferred tax assets, management considers, within each taxing jurisdiction, whether it is more likely than not that some portion or all of the deferred tax assets

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ABLEST INC.  
Notes to Condensed Financial Statements  
(Unaudited)

will not be realized. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based upon the level of historical taxable income and projections for future taxable income over the years in which the deferred tax assets are deductible, management provided valuation allowances as needed for those deferred tax assets that were not expected to be realized.

***Income Per Common Share***

Basic income per common share is computed by using the weighted average number of common shares outstanding. Diluted income per share is computed by using the weighted average number of common shares outstanding plus the dilutive effect, if any, of stock options.

***Use of Estimates and Assumptions***

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from those estimates.

***Stock Option Plans***

The Company applies the intrinsic value-based method of accounting prescribed by Accounting Principles Board (APB) Opinion No. 25, Accounting for Stock Issued to Employees, and related interpretations, in accounting for its fixed plan stock options. As such, compensation expense would be recorded on the date of the grant if the current market price of the underlying stock exceeded the exercise price. Statement of Financial Accounting Standards No. 123 ( SFAS No. 123 ) Accounting for Stock Based Compensation, established accounting and disclosure requirements using a fair value-based method of accounting for stock-based employee compensation plans. As allowed by SFAS No. 123, the Company has elected to continue to apply the intrinsic value-based method of accounting described above, and has adopted the disclosure requirements of SFAS No. 123.

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ABLEST INC.  
Notes to Condensed Financial Statements  
(Unaudited)

(amounts in thousands except share and per share data)	Periods Ended	
	March 27, 2005	March 28, 2004
Net income (loss), as reported	\$ 264	\$ (441)
Add: Stock-based employee compensation expense included in reported net income, net of related tax effects.	18	18
Deduct: Total stock-based employee compensation expense determined under fair value methods for all awards, net of related tax effects	7	10
Net income (loss), pro forma	\$ 275	\$ (433)
Net income (loss) per share:		
Basic, as reported	\$ 0.09	\$ (0.16)
Diluted, as reported	\$ 0.09	\$ (0.16)
Basic, pro forma	\$ 0.10	\$ (0.15)
Diluted, pro forma	\$ 0.09	\$ (0.15)
Weighted average number of common shares in computing net income (loss) per common share		
Basic	2,854,578	2,835,951
Diluted	2,926,692	2,908,574

**Recent Accounting Pronouncements**

In December 2004, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 123 (revised 2004) Share-Based Payment (SFAS 123 (R)). SFAS 123 (R) replaces FASB Statement No. 123 Accounting for Stock-Based Compensation, and supersedes APB Opinion No 25 Accounting for Stock Issued to Employees. The statement establishes standards for accounting for share-based payment transactions. Share-based

payment transactions are those in which an entity exchanges its equity instruments for goods or services, or in which an entity incurs liabilities in exchange for goods or services, which are based on the fair value of the entity's equity instruments or that may be settled by the issuance of those equity instruments. SFAS 123(R) covers a wide range of share-based compensation arrangements including share options, restricted share plans, performance-based awards, share appreciation rights and employee share purchase plans. SFAS 123(R) requires a public entity to measure the cost of employee services received in exchange for an award of equity instruments based on the fair value of the award on the grant date (with limited exceptions). That cost will be recognized in the entity's financial statements over the period during which the employee is required to provide services in exchange for the award. The Company is required to adopt SFAS 123(R) in the fourth quarter of fiscal 2005, and has not currently evaluated the impact of adoption on its overall results of operations or financial position.



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ABLEST INC.  
Notes to Condensed Financial Statements  
(Unaudited)

**4. SHORT-TERM BORROWINGS**

On August 13, 2003, the Company signed a two-year \$7,500,000 Committed Revolving Credit Facility ( Facility ) with Manufacturers and Traders Trust Company ( M&T ). The Company elects the interest rate on borrowings under the Facility at the time of borrowing at either the bank s prime rate or the thirty, sixty or ninety day LIBOR (as defined in the agreement) plus 200 basis points. The Facility expires on August 12, 2005 and is renewable for one year with the consent of both parties. The Company believes that the Facility will be renewed and will be sufficient to cover foreseeable operational funding requirements until expiration of the Facility. The Facility requires the Company to maintain certain financial covenants including a tangible net worth ratio among other restrictions. The most restrictive covenant is the limitation of total indebtedness which caps total funded indebtedness to 3.5 times the four most recent quarter s EBITDA, as defined in the agreement. During the first quarter of 2005 the Company had no borrowings against the Facility and was in compliance with all covenants. It is anticipated that existing funds, cash flows from operations and available borrowings will be sufficient to cover working capital requirements, organic growth and capital expenditure requirements.

**5. STOCKHOLDERS EQUITY**

The changes in stockholders equity for the thirteen week period ended March 27, 2005 are summarized as follows:

(amounts in thousands, except share data)	Common stock	Additional paid-in capital	Retained earnings	Treasury Shares	Treasury stock	Total stockholders equity
Balance at December 26, 2004	\$ 167	\$ 5,172	\$ 15,536	457,729	\$ (2,110)	\$ 18,765
Net income (loss)			264			264
Restricted Stock Plan	1	116				117
Balance at March 27, 2005	\$ 168	\$ 5,288	\$ 15,800	457,729	\$ (2,110)	\$ 19,146

**ITEM 2. MANAGEMENT S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION**

Statements made in this Quarterly Report on Form 10-Q, other than those concerning historical information, should be considered forward-looking and are subject to certain risks and uncertainties that could cause actual results to differ materially from those anticipated. This notice is intended to take advantage of the safe harbor provided by the Private Securities Litigation Reform Act of 1995 with respect to such forward-looking statements. These forward-looking statements (such as when we describe what will , may or should occur, what we plan , intend , estimate , believe or anticipate will occur, and other similar statements) include, but are not limited to, statements regarding future revenues and operating results; future prospects; anticipated benefits of proposed (or future) new branches, products or services; growth; the capabilities and capacities of our business operations and information systems; financing needs or plans; any financial or other guidance and all statements that are not based on historical fact, but rather reflect our current expectations concerning future results and events. We make certain assumptions when making forward-looking statements, any of which could prove inaccurate, including, but not limited to, statements about our business plans. The ultimate correctness of these forward-looking statements is dependent upon a number of known and unknown risks and events, and is subject to various uncertainties and other factors that may cause our actual results, performance or achievements to be different from any future results, performance or achievements



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**ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION**

expressed or implied by these statements. The following important factors, among others, could affect future results and events, causing those results and events to differ materially from those expressed or implied in our forward-looking statements: business conditions and competitive factors in our customers' industries, our ability to successfully expand into new markets and offer new service lines, the availability of qualified personnel, the non-exclusive, short-term nature of our customers' commitments, economic and political conditions and unemployment levels in the United States and other countries, increases in payroll related costs, including state unemployment insurance and workers compensation insurance, obsolescence or impairment of our information systems, our ability to successfully invest in and implement information systems, the cost of and our ability to comply with Section 404 of the Sarbanes-Oxley Act of 2002, material liabilities under our self-insurance program, and other factors that we may not have currently identified or quantified.

All forward-looking statements included in this Quarterly Report on Form 10-Q are made only as of the date of this Quarterly Report on Form 10-Q, and we do not undertake any obligation to publicly update or correct any forward-looking statements to reflect events or circumstances that subsequently occur or which we hereafter become aware of. You should read this document and the documents that we incorporate by reference into this Quarterly Report on Form 10-Q completely and with the understanding that our actual future results may be materially different from what we expect. We may not update these forward-looking statements, even if our situation changes in the future. All forward-looking statements attributable to us are expressly qualified by these cautionary statements.

**Results of Operations:**

The following discussion compares the quarter ended March 27, 2005 to the quarter ended March 28, 2004 and should be read in conjunction with the Condensed Financial Statements, including the related notes thereto, appearing elsewhere in this Report.

Revenues for the quarter and year to date period ended March 27, 2005 were \$30.8 million compared to \$25.8 million for the quarter and year to date period ended March 28, 2004, an increase of \$5.0 million or 19.7%. The increase was driven by several factors. Branches opened in 2004 accounted for approximately one-half of the increase. Also contributing to the growth, was the addition of several large industrial clients and greater staffing requirements from existing clients.

Gross profit was \$5.0 million for the first quarter of 2005 compared to \$3.6 million in 2004, an increase of \$1.4 million or 38.9%. Gross profit as a percentage of revenue was 16.1% for the first quarter of 2005 compared to 14.1% for the first quarter of 2004. The 2.0 percentage point increase is primarily attributable to a decrease of \$390,000 in the provision for workers' compensation self-insurance claims.

Selling, general and administrative expenses increased by \$212,000 or 4.9% to \$4.6 million from one year earlier. This increase is due to the increased expense associated with the five new branch openings since the first quarter of 2004.

Other income, net did not change from the previous year.

Income tax increased \$431,000 to an expense of \$161,000 in 2005 from a benefit of \$270,000 for the first quarter of 2004. The effective tax rate remained unchanged at 38%.

**Liquidity and Capital Resources:**

The quick ratio was 3.6 to 1 and 3.1 to 1 at March 27, 2005 and December 26, 2004, respectively, and the current ratio was 4.0 to 1 and 3.4 to 1, for the same respective periods. The primary source of funding is

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**ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION**

generated from results of operations. Net working capital increased by \$320,000 to \$14.1 million for the current year to date period as a result of operations. Contributing to this was a decrease of \$2.1 million in accounts receivable, net, partially offset by an increase in cash of \$1.1 million and a decrease in accrued expenses and other current liabilities of \$1.3 million. Reference should be made to the Statement of Cash Flows, which details the sources and uses of cash. Capital expenditures were \$60,000 during the current year to date period.

On August 13, 2003, the Company signed a two-year \$7,500,000 Committed Revolving Credit Facility ( Facility ) with Manufacturers and Traders Trust Company ( M&T ). The Company elects the interest rate on borrowings under the Facility at the time of borrowing at either the bank's prime rate or the thirty, sixty or ninety day LIBOR plus 200 basis points. The Facility expires on August 12, 2005 and is renewable for one year with the consent of both parties. The Company believes that the Facility will be renewed and will be sufficient to cover foreseeable operational funding requirements until expiration of the Facility . The Facility requires the Company to maintain certain financial covenants including a tangible net worth ratio among other restrictions. The most restrictive covenant is the limitation of total indebtedness which caps total funded indebtedness to 3.5 times the four most recent quarter's EBITDA, as defined in the agreement. The company had no borrowings during the period ended March 27, 2005.

**ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK**

The Company does not believe that its exposure to fluctuations in interest rates is material.

**ITEM 4. CONTROLS AND PROCEDURES**

Based on their evaluation, as of the end of the period covered by this quarterly report of the effectiveness of our disclosure controls and procedures, the Chief Executive Officer and Chief Financial Officer have each concluded that our disclosure controls and procedures are effective and sufficient to ensure that we record, process, summarize, and report information required to be disclosed by us in our periodic reports filed under the Securities Exchange Act within the time periods specified by the Securities and Exchange Commission's rules and forms.

Subsequent to the date of their evaluation, there have not been any significant changes in the Company's internal controls or in other factors to the Company's knowledge that could significantly affect these controls, including any corrective action with regard to significant deficiencies and material weaknesses. The design of any system of controls and procedures is based in part upon certain assumptions about the likelihood of future events.

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PART II  
OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Not applicable.

ITEM 2. CHANGES IN SECURITIES AND USE OF PROCEEDS

Not applicable.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Not applicable.

ITEM 5. OTHER INFORMATION

Not applicable.

ITEM 6. EXHIBITS

Exhibits

- 31.1 Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 31.2 Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 32.1 Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 32.2 Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ABLEST INC.

By: */s/ Vincent J. Lombardo*

Vincent J. Lombardo  
Vice President, Chief Financial  
Officer,  
Secretary and Treasurer  
(On behalf of the Registrant and as  
Principal Financial Officer)

Date: May 4, 2005

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**Exhibit Index**

Exhibit Number	Description of Document
31.1	Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.