

Con-way Inc.  
Form 11-K  
June 26, 2012

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 11-K

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

For the fiscal year end December 31, 2011

OR

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

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

Commission File Number 1-5046

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

Con-way 401(k) Plan

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Con-way Inc.

2211 Old Earhart Road, Suite 100

Ann Arbor, MI 48105

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CON-WAY 401(k) PLAN

Financial Statements and Supplemental Schedule

December 31, 2011 and 2010

(With Report of Independent Registered Public Accounting Firm)

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CON-WAY 401(k) PLAN

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Report of Independent Registered Public Accounting Firm

To the Con-way Inc. Administrative Committee

Con-way 401(k) Plan

We have audited the accompanying statements of net assets available for benefits of the Con-way 401(k) Plan (the "Plan") as of December 31, 2011 and 2010, and the related statement of changes in net assets available for benefits for the year ended December 31, 2011. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2011 and 2010, and the changes in net assets available for benefits for the year ended December 31, 2011, in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental schedule, Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2011, is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ Perkins & Company, P.C.

Portland, Oregon

June 25, 2012

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CON-WAY 401(k) PLAN  
 Statements of Net Assets Available for Benefits  
 December 31, 2011 and 2010

|   | 2011         | 2010         |
|---|--------------|--------------|
| Assets:                                   |              |              |
| Investments, at fair value:               |              |              |
| Shares in registered investment companies | \$29,052,586 | \$31,141,847 |
| Common trust funds                        | 4,618,384    | 5,494,995    |
| Con-way Common Stock                      | 1,482,889    | 1,883,015    |
| Total investments                         | 35,153,859   | 38,519,857   |
| Receivables:                              |              |              |
| Participant contributions                 | 48,749       | 40,369       |
| Con-way contributions                     | 99,770       | —            |
| Notes receivable from participants        | 1,713,119    | 1,695,802    |
| Total receivables                         | 1,861,638    | 1,736,171    |
| Cash                                      | —            | 9,845        |
| Net assets available for benefits         | \$37,015,497 | \$40,265,873 |

See accompanying notes to financial statements.

CON-WAY 401(k) PLAN  
Statement of Changes in Net Assets Available for Benefits  
Year ended December 31, 2011

|  |    |              |
|--|----|--------------|
| Additions:   |    |              |
| Participant contributions                            | \$ | 2,064,431    |
| Con-way contributions                                |    | 99,770       |
| Rollover contributions                               |    | 120,783      |
| Dividend and interest income                         |    | 663,778      |
| Total additions                                      |    | 2,948,762    |
| Deductions:  |    |              |
| Distributions to participants                        |    | (4,928,612 ) |
| Net depreciation in fair value of investments        |    | (1,269,776 ) |
| Administrative expenses                              |    | (750 )       |
| Total deductions                                     |    | (6,199,138 ) |
| Net decrease   |    | (3,250,376 ) |
| Net assets available for benefits, beginning of year |    | 40,265,873   |
| Net assets available for benefits, end of year       | \$ | 37,015,497   |

See accompanying notes to financial statements.



(1) Description of Plan

The following description of the Con-way 401(k) Plan (the Plan), is provided for general information purposes only. Participants should refer to the Con-way Employee Benefits Plan Description or the Plan document for more complete information. The term “Con-way” or “Company” refers to Con-way Inc. and subsidiaries.

(a) General

The Con-way sponsored Plan is a defined contribution plan with profit-sharing, salary deferral and employee stock ownership plan features and is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended. The Plan is intended to qualify under Section 401(a) of the Internal Revenue Code (the Code).

Overall responsibility for administering the Plan rests with the Con-way Inc. Administrative Committee (the Committee), which is appointed by the Chief Executive Officer of Con-way. The Plan’s trustee, T. Rowe Price (the Trustee), is responsible for the management and control of the Plan’s assets, which are held in individual participant investment accounts (collectively known as the Trust).

(b) Eligibility

Prior to January 1, 2012, eligibility was restricted to employees of Con-way Truckload who were not sales managers, directors, vice presidents or the president. Effective January 1, 2012, this restriction was changed to permit Con-way employees who are classified as sales managers, directors, vice presidents, or president to participate in the Plan so long as they are not considered a Qualified Employee under the Con-way Retirement Savings Plan and so long as they otherwise meet the Plan’s definition of a Qualified Employee. Employees are eligible to participate in the Plan if they are not covered by a collective bargaining agreement, are not a leased employee, are not a nonresident alien or are not a resident of Puerto Rico. There are no age requirements for eligibility. One year of service is required for participation. A supplemental employee must complete one year of service during which the employee works 1,000 hours.

(c) Contributions

Participants may contribute up to 50% of their eligible compensation subject to certain limitations.

The plan provides for Matching contributions equal to 50% of the first seven percent of eligible compensation that participants contribute to the plan. Effective in April 2009, Matching contributions were suspended. Con-way prospectively reinstated the Matching contributions to their prior levels in the fourth quarter of 2011.

(d) Participant Accounts

A separate account is maintained for each participant of the Plan. Allocations of net Plan earnings are based upon participant account balances. The benefits to which participants are entitled are the benefits that can be provided from participants' vested accounts.

(e) Vesting

Participants are fully vested at all times in all employee contributions made to the Plan plus net earnings thereon. Matching contributions for current employees vest as follows:

|                     |     |
|---------------------|-----|
| Less than two years | —%  |
| Two years           | 20  |
| Three years         | 40  |
| Four years          | 60  |
| Five years          | 80  |
| Six or more years   | 100 |

Employees of Con-way's pre-acquisition truckload business with three or more years of service as of December 31, 2007 vest in Matching contributions as follows:

|                     |     |
|---------------------|-----|
| Less than two years | —%  |
| Two years           | 40  |
| Three years         | 60  |
| Four years          | 80  |
| Five or more years  | 100 |

Forfeited balances are used to reduce future Con-way contributions or are redistributed to plan participants. At December 31, 2011 and 2010, forfeitures totaling \$166,000 and \$224,000, respectively, were available to reduce future contributions. In 2011, Con-way contributions were reduced by \$111,000 from forfeited nonvested accounts and \$113,000 was redistributed to plan participants from forfeited nonvested accounts.

(f) Notes Receivable from Participants

The Plan has a loan provision allowing participants access to funds. Loans can be no less than \$1,000 and cannot exceed the lesser of \$50,000 or 50% of a participant's vested account balance (subject to administrative adjustment to assure compliance with the 50% limit). Loans can be made for a term not to exceed 4-1/2 years. Loans outstanding at December 31, 2011 bear interest at rates ranging from 4.25% to 10.00%. Principal and interest are paid ratably through payroll deductions. Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest.

(g) Payments and Benefits

Participants can receive a total distribution from their accounts upon death or termination of employment. Disabled participants can receive a partial distribution of their accounts, provided they qualify for benefits under Con-way's long-term disability coverage. Other types of withdrawals are permitted by the Plan in limited situations. Participants can elect to have their accounts distributed in a single lump sum or in a series of substantially equal annual installments, as defined by the Plan. Distributions will be made in cash except that participant accounts invested in Con-way Common Stock can, at the direction of the participant, be paid in shares.

(h) Plan Termination

Although Con-way has no current intention to terminate the Plan, it may do so at any time by resolution of the Board of Directors. In the event that the Plan is terminated, the net assets of the Plan shall be distributed to participants in the amount credited to their accounts.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The accompanying financial statements have been prepared using the accrual method of accounting.

(b) Investments

The Plan offers various investments in securities that are generally exposed to various risks, such as interest-rate, credit and overall market-volatility risks. Investments are reported at fair value. Due to the risk associated with certain investment securities, it is reasonably possible that the value of investment securities will change and that such changes could materially affect amounts reported in the statements of net assets available for benefits.

(c) Income Recognition

The annual change in market value, including realized gains and losses, is reported in net appreciation in fair value of investments in the accompanying statement of changes in net assets available for benefits.

Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Purchases and sales of securities are recorded on the trade-date basis.

(d) Operating Expenses

During 2011, administrative expenses of the Plan were paid by Con-way and by Plan participants. Participant payments of administrative expenses were collected in administrative fees through a reduction in certain funds' net asset value and paid directly to the Trustee. Certain funds also charge investment management fees in accordance with each fund's prospectus, through a reduction in the funds' net asset value.

(e) Payment of Benefits

Benefits paid to participants are recorded upon distribution.

(f)

Estimates

Con-way makes estimates and assumptions when preparing the financial statements in conformity with U.S. generally accepted accounting principles (GAAP). These estimates and assumptions affect the amounts reported in the accompanying financial statements and notes. Actual results could differ from those estimates.

(g)

New Accounting Standards

In May 2011, the FASB issued an amendment to the accounting standards related to fair value measurements and disclosure requirements that result in a consistent definition of fair value and common requirements for the measurement and disclosure of fair value between GAAP and International Financial Reporting Standards. This standard provides certain amendments to the existing guidance on the use and application of fair value measurements and maintains a definition of fair value that is based on the notion of exit price. This standard will become effective for the Plan on January 1, 2012 and is not expected to have a material impact on the Plan's financial statements and disclosures.

In January 2010, the FASB issued an amendment to the accounting standards related to the disclosure about an entity's use of fair value measurements. The amended standards require entities to provide enhanced disclosures about transfers into and out of the Level 1 (fair value determined based on significant other observable inputs) classifications; provide separate disclosures about purchases, sales, issuances and settlements relating to the tabular reconciliation of beginning and ending balances of the Level 3 (fair value determined based on significant unobservable inputs) classifications; and provide greater disaggregation for each class of assets and liabilities that use fair value measurement. Except for the detailed Level 3 roll-forward disclosures, the amendment was effective for the Plan as of January 1, 2010. The adoption of these provisions of the amendment did not have a material effect on the Plan's disclosures.

(3)

Fair-Value Measurements

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

Level 1 – Quoted market prices in active markets for identical assets or liabilities

Level 2 – Observable market-based inputs or unobservable inputs that are corroborated by market data

Level 3 – Unobservable inputs that are not corroborated by market data

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The following table summarizes the valuation of Plan assets within the fair-value hierarchy:

|   | December 31, 2011 |             |         | Total        |
|---|-------------------|-------------|---------|--------------|
|   | Level 1           | Level 2     | Level 3 |              |
| Shares in registered investment companies |                   |             |         |              |
| U.S. large company growth                 | \$3,338,072       | \$—         | \$—     | \$3,338,072  |
| U.S. large company value                  | 1,042,114         | —           | —       | 1,042,114    |
| U.S. small company growth                 | 368,918           | —           | —       | 368,918      |
| International equity                      | 913,882           | —           | —       | 913,882      |
| Targeted retirement date                  | 21,786,986        | —           | —       | 21,786,986   |
| Fixed income                              | 1,602,614         | —           | —       | 1,602,614    |
| Total registered investment companies     | 29,052,586        | —           | —       | 29,052,586   |
| Common trust funds                        |                   |             |         |              |
| U.S. equity index                         | —                 | 395,568     | —       | 395,568      |
| Balanced                                  | —                 | 339,662     | —       | 339,662      |
| Fixed income                              | —                 | 406,410     | —       | 406,410      |
| Money market                              | —                 | 3,476,744   | —       | 3,476,744    |
| Total common trust funds                  | —                 | 4,618,384   | —       | 4,618,384    |
| Con-way Common Stock                      | 1,482,889         | —           | —       | 1,482,889    |
| Total assets at fair value                | \$30,535,475      | \$4,618,384 | \$—     | \$35,153,859 |

|   | December 31, 2010 |           |         | Total       |
|---|-------------------|-----------|---------|-------------|
|   | Level 1           | Level 2   | Level 3 |             |
| Shares in registered investment companies |                   |           |         |             |
| U.S. large company growth                 | \$3,705,090       | \$—       | \$—     | \$3,705,090 |
| U.S. large company value                  | 1,150,222         | —         | —       | 1,150,222   |
| U.S. small company growth                 | 409,616           | —         | —       | 409,616     |
| International equity                      | 1,157,026         | —         | —       | 1,157,026   |
| Targeted retirement date                  | 23,063,094        | —         | —       | 23,063,094  |
| Fixed income                              | 1,656,799         | —         | —       | 1,656,799   |
| Total registered investment companies     | 31,141,847        | —         | —       | 31,141,847  |
| Common trust funds                        |                   |           |         |             |
| U.S. equity index                         | —                 | 474,056   | —       | 474,056     |
| Balanced                                  | —                 | 386,353   | —       | 386,353     |
| Fixed income                              | —                 | 606,602   | —       | 606,602     |
| Money market                              | —                 | 4,027,984 | —       | 4,027,984   |
| Total common trust funds                  | —                 | 5,494,995 | —       | 5,494,995   |

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|                            |              |             |     |              |
|----------------------------|--------------|-------------|-----|--------------|
| Con-way Common Stock       | 1,883,015    | —           | —   | 1,883,015    |
| Total assets at fair value | \$33,024,862 | \$5,494,995 | \$— | \$38,519,857 |

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Registered investment companies are stated at fair value, based on their published net asset value. These registered investment companies are publicly traded and are considered to have readily determinable fair values. Common and collective trusts are not publicly traded and do not have readily determinable fair values. Accordingly, common and collective trusts are valued at their net asset value per unit based on the value of the underlying investments. Investments in common and collective trusts can generally be redeemed without restriction; however, in certain cases, redemption or purchase may be limited to prevent excess and/or short-term trading. Con-way Common Stock is stated at fair value based on the quoted market price.

(4) Investments

The following investments represent 5% or more of the Plan's net assets.

|   | December 31 |             |
|---|-------------|-------------|
|   | 2011        | 2010        |
| Shares in registered investment companies:  |             |             |
| T. Rowe Price Growth Stock Fund, 63,540<br>and 67,839 shares, respectively                      | \$2,022,484 | \$2,181,024 |
| T. Rowe Price Retirement 2015 Fund, 372,102<br>and 406,331 shares, respectively                 | \$4,308,937 | \$4,831,273 |
| T. Rowe Price Retirement 2020 Fund, 325,847<br>and 329,221 shares, respectively                 | \$5,184,231 | \$5,412,394 |
| T. Rowe Price Retirement 2025 Fund, 304,775<br>and 300,353 shares, respectively                 | \$3,529,291 | \$3,616,244 |
| T. Rowe Price Retirement 2030 Fund, 200,247<br>and 201,760 shares, respectively                 | \$3,312,088 | \$3,486,415 |
| Common trust funds:   |             |             |
| T. Rowe Price U.S. Treasury Money Market Trust,<br>3,476,744 and 4,412,591 shares, respectively | \$3,476,744 | \$4,027,984 |

During 2011, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated or depreciated in value as follows:

|   |               |
|---|---------------|
| Shares in registered investment companies | \$(1,028,428) |
| Common trust funds                        | 48,197        |
| Con-way Common Stock                      | (289,545 )    |
|   | \$(1,269,776) |



(5) Income Tax Status

The Internal Revenue Service (IRS) has determined and informed Con-way by a letter dated October 3, 2001, that the Plan and related trust are designed in accordance with applicable sections of the Code. The Plan has been amended since receiving the determination letter. However, Con-way believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Code. Therefore, Con-way believes that the Plan was qualified and the related trust was tax exempt as of the financial statement date. In 2009, the Plan applied for a new determination letter in accordance with IRS requirements. The IRS has acknowledged receipt of the Plan's application. To date, the Plan has not received any comments from the IRS on its application.

(6) Related-Party Transactions

Certain Plan investments are shares in registered investment companies and common trust funds managed by T. Rowe Price, the Plan trustee, as defined. Therefore, these investments and investment transactions qualify as party-in-interest transactions.

## CON-WAY 401(k) PLAN

EIN 94-1444798

Plan No. 012

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

December 31, 2011

| Identity of<br>issue borrower,<br><br>lessor, or<br><br>similar party | Description of investment<br>including maturity date, rate<br>of<br>interest, collateral, par, or<br>maturity value | Cost         | Current<br>value |
|---|---|--------------|------------------|
|   | Shares in registered<br>investment companies:   |              |                  |
| *   | T. Rowe Price<br>Growth Stock Fund (63,540<br>shares)   | \$ 1,736,754 | \$ 2,022,484     |
| *   | T. Rowe Price<br>Equity Income Fund (45,191<br>shares)  | 1,070,402    | 1,042,114        |
| *   | T. Rowe Price<br>Science and Technology<br>Fund (51,370 shares)   | 1,285,108    | 1,315,588        |
| *   | T. Rowe Price<br>Small-Cap Stock Fund<br>(11,805 shares)  | 338,187      | 368,918          |
| *   | T. Rowe Price<br>Retirement 2005 Fund<br>(64,747 shares)  | 721,699      | 723,870          |
| *   | T. Rowe Price<br>Retirement 2010 Fund<br>(97,001 shares)  | 1,395,198    | 1,456,950        |
| *   | T. Rowe Price<br>Retirement 2015 Fund<br>(372,102 shares)   | 4,320,667    | 4,308,937        |
| *   | T. Rowe Price<br>Retirement 2020 Fund<br>(325,847 shares)   | 5,207,304    | 5,184,231        |
| *   | T. Rowe Price<br>Retirement 2025 Fund<br>(304,775 shares)   | 3,568,046    | 3,529,291        |
| *   | T. Rowe Price<br>Retirement 2030 Fund<br>(200,247 shares)   | 3,326,082    | 3,312,088        |
| *   | T. Rowe Price<br>Retirement 2035 Fund<br>(88,981 shares)  | 1,033,128    | 1,037,520        |
| *   | T. Rowe Price<br>Retirement 2040 Fund<br>(85,406 shares)  | 1,424,700    | 1,415,184        |
| *   | T. Rowe Price<br>Retirement 2045 Fund<br>(35,774 shares)  | 389,728      | 394,588          |
| *   | T. Rowe Price<br>Retirement 2050 Fund (8,956<br>shares)   | 76,374       | 82,847           |
| *   | T. Rowe Price<br>Retirement 2055 Fund (4,230<br>shares)   | 36,834       | 38,660           |
| *   | T. Rowe Price<br>Retirement Income Fund<br>(23,384 shares)  | 293,518      | 302,820          |

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|   |                   |  |           |               |
|---|-------------------|--|-----------|---------------|
|   | PIMCO             | PIMCO Total Return Institutional Fund (147,435 shares)                               | 1,578,713 | 1,602,614     |
|   | Dodge & Cox       | Dodge & Cox International Stock Fund (31,255 shares)                                 | 1,125,490 | 913,882       |
|   |                   | Common trust funds:  |           |               |
| * | T. Rowe Price     | Equity Index Trust Class C (29,323 shares)   | 280,809   | 395,568       |
| * | T. Rowe Price     | Bond Index Trust (12,590 shares)   | 374,816   | 406,410       |
| * | T. Rowe Price     | U.S. Treasury Money Market Trust (3,476,744 shares)                                  | 3,476,744 | 3,476,744     |
| * | T. Rowe Price     | Retirement Strategy Trust - Balanced (10,432 shares)                                 | 257,948   | 339,662       |
|   |                   | Common stock:  |           |               |
| * | Con-way Inc.      | Con-way Common Stock (50,853 shares)   | 1,746,730 | 1,482,889     |
|   |                   | Participant loans:   |           |               |
| * | Plan participants | Participant loans with interest from 4.25% to 10.00% and maturity dates through 2016 | —         | 1,713,119     |
|   |                   | Total investments  |           | \$ 36,866,978 |

\* Represents a party-in-interest as of December 31, 2011.

Note: Cost is calculated using the current value rolling-average cost method.

See accompanying report of independent registered public accounting firm.

SIGNATURES

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

Con-way 401(k) Plan  
(Name of Plan)

June 25, 2012

/s/ Michael J. Morris  
Michael J. Morris  
Chairman, Con-way Inc. Administrative  
Committee

EXHIBIT INDEX

| Exhibit Number | Exhibit  |
|----------------|--|
| 23<br>Firm     | Consent of Independent Registered Public Accounting Firm |
| 13             |  |

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