YRC WORLDWIDE INC

FORM SC TO-I/A

(Amended tender offer statement by Issuer)

Filed 12/03/08

Address	ATTN: FINANCIAL REPORTING MANAGER - A415 10990 ROE AVENUE OVERLAND PARK, KS 66211
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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE TO
(Amendment No. 2)

TENDER OFFER STATEMENT UNDER SECTION 14(d)(1) OR 13(e)(1)
OF THE SECURITIES EXCHANGE ACT OF 1934

YRC WORLDWIDE INC.
(Name of Subject Company (Issuer))

YRC Worldwide Inc., as Issuer
(Name of Filing Persons (Identifying Status as Offeror, Issuer or Other Person))

5.0% Contingent Convertible Senior Notes due 2023
5.0% Net Share Settled Contingent Convertible Senior Notes due 2023
3.375% Contingent Convertible Senior Notes due 2023
3.375% Net Share Settled Contingent Convertible Senior Notes due 2023
(Title of Class of Securities)

985509 AN 8
985577 AA3
985509 AQ 1
985577 AB 1
(CUSIP Number of Class of Securities)

Daniel J. Churay
YRC Worldwide Inc.
Executive Vice President, General Counsel and Secretary
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CALCULATION OF FILING FEE

Transaction valuation*	Amount of filing fee**
$100,000,000	$3,930

* Calculated solely for purpose of determining the amount of the filing fee.

** The amount of the filing fee was calculated at a rate of $39.30 per $1,000,000 of transaction value.

☒ Check box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: $3,930
Form or Registration No.: Schedule TO-I
Filing Party: YRC Worldwide Inc.
Date Filed: November 25, 2008

☐ Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

☐ third party tender offer subject to Rule 14d-1.

☒ issuer tender offer subject to Rule 13e-4.

☐ going-private transaction subject to Rule 13e-3.

☐ amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer. ☐

This Amendment No. 2 to the Tender Offer Statement on Schedule TO amends and supplements the Tender Offer Statement on Schedule TO filed by YRC Worldwide Inc., a Delaware corporation (the "Company"), with the Securities and Exchange Commission on November 25, 2008, as amended and supplemented by Amendment No. 1 to Schedule TO filed on November 28, 2008 (as amended and supplemented, the "Schedule TO"), and relates to the offer to purchase ("Tender Offer") for cash, upon the terms and subject to the conditions set forth in the Offer to Purchase dated November 25, 2008 (as it may be amended or supplemented from time to time, the "Offer to Purchase") and the related Letter of Transmittal (as it may be amended or supplemented from time to time, the "Letter of Transmittal"), the notes listed in the table on the front cover of the Offer to Purchase (collectively, the "Notes") such that the aggregate purchase price, plus accrued and unpaid stated interest up to, but not including, the Payment Date ("Accrued Interest"), for such Notes shall not exceed $100,000,000 (the "Maximum Aggregate Purchase Amount"). The Notes include the Company's outstanding 5.0% Contingent Convertible Senior Notes due 2023 (the "Old 5% Notes"), 5.0% Net Share Settled Contingent Convertible Senior Notes due 2023 ("5% Net Share Settled Notes"), 3.375% Contingent Convertible Senior Notes due 2023 (the "Old 3.375% Notes"), and 3.375% Net Share Settled Contingent Convertible Senior Notes due 2023 ("3.375% Net Share Settled Notes" and, together with the Old 5% Notes, the 5% Net Share Settled Notes and the Old 3.375% Notes, the "Convertible Notes").

Item 6. Purposes of the Transaction and Plans or Proposals

Item 6(c) of the Schedule TO is hereby amended and restated in its entirety to read as follows:

(c) *Plans.* Except for the Tender Offer and as set forth in the Company's Current Report on Form 8-K filed December 3, 2008, the Company is not aware of any plans, proposals or negotiations that relate to or would result in any of the events listed in Regulation M-A Item 1006(c)(1) through (10).

Item 11. Additional Information.

Item 11 of the Schedule TO is hereby amended and supplemented by adding the following:

On December 3, 2008, the Company issued a press release announcing the details of a proposed modification to the National Master Freight Agreement, effective April 1, 2008 through March 31, 2013, between each of YRC Inc., USF Holland Inc. and New Penn Motor Express Inc. and certain classes of their respective employees (including drivers, dockworkers and others) represented by the International Brotherhood of Teamsters. The effectiveness of the modification is subject to the ratification by the affected union employees. The Company expects the ratification of the modification to occur prior to January 1, 2009.

Item 12. Exhibits.

Item 12 of the Schedule TO is hereby amended and supplemented by adding the following exhibit:

(a)(5)(iv) Press Release, dated December 3, 2008.

SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this Schedule TO is true, complete and correct.

YRC Worldwide Inc.

By: /s/ Daniel J. Churay

Daniel J. Churay
Executive Vice President, General Counsel and Secretary

December 3, 2008

Index to Exhibits

Exhibit No.		Description
(a)(1)(i)	—	Offer to Purchase, dated November 25, 2008.*
(a)(1)(ii)	—	Letter of Transmittal.*
(a)(5)(i)	—	Press Release, dated November 24, 2008 (filed as Exhibit 99.1 to Current Report on Form 8-K, filed on November 25, 2008, and incorporated herein by reference).
(a)(5)(ii)	—	Press Release, dated November 25, 2008.*
(a)(5)(iii)	—	Press Release, dated November 28, 2008.**
(a)(5)(iv)	—	Press Release, dated December 3, 2008.***
(b)(1)	—	Credit Agreement, dated as of August 17, 2007, among the Company; the Canadian Borrowers and UK Borrowers party thereto; the Lenders party thereto; Bank of America, N.A. and SunTrust Bank, as Syndication Agents; U.S. Bank National Association, Wachovia Bank, N.A. and The Bank of Tokyo-Mitsubishi UFJ, Ltd., Chicago Branch, as Documentation Agents; JP Morgan Chase Bank, National Association, Toronto Branch, as Canadian Agent; J.P. Morgan Europe Limited, as UK Agent; and JPMorgan Chase Bank, National Association, as Administrative Agent. (filed as Exhibit 10.1 to Current Report on Form 8-K, filed on August 22, 2007, and incorporated herein by reference).
(b)(2)	—	Description of Credit Agreement (filed as Item 1.01 to Current Report on Form 8-K, filed on August 22, 2007, and incorporated herein by reference).
(b)(3)	—	Amendment No. 1, dated as of April 18, 2008, to the Credit Agreement, dated as of August 17, 2007, among the Company, the Canadian Borrower, the UK Borrower, the financial institutions party thereto and JPMorgan Chase Bank, National Association, as Administrative Agent (filed as Exhibit 10.1 to Current Report on Form 8-K, filed on April 21, 2008, and incorporated herein by reference).
(b)(4)	—	Description of Amendment No. 1 to the Credit Agreement (filed as Item 1.01 to Current Report on Form 8-K, filed on April 21, 2008, and incorporated herein by reference).
(d)(1)	—	Indenture (including form of note) dated August 8, 2003 among Yellow Roadway Corporation, certain subsidiary guarantors and Deutsche Bank Trust Company Americas, as trustee, relating to Yellow Roadway Corporation's 5.0% Contingent Convertible Senior Notes due 2023 (filed as Exhibit 4.5 to Registration Statement on Form S-4, filed on August 19, 2003, File No. 333-108081, and incorporated herein by reference).
(d)(2)	—	Description of Notes (filed as pages 19 through 30 of the Company's Amendment No. 2 on Form S-3/A, File No. 333-109896, filed on March 5, 2004 and incorporated herein by reference).
(d)(3)	—	Indenture (including form of note) dated December 31, 2004, among Yellow Roadway Corporation, certain subsidiary guarantors and Deutsche Bank Trust Company Americas, as trustee, relating to Yellow Roadway Corporation's 5.0% Net Share Settled Contingent Convertible Senior Notes due 2023 (filed as Exhibit 4.7 to Amendment No. 1 to Registration Statement on Form S-4/A, filed on November 30, 2004, File No. 333-119990, and incorporated herein by reference).

(d)(4)	—	Description of Notes (filed as pages 27 through 43 of the Company's Amendment No. 3 on Form S-4/A, File No. 333-119990, filed on December 17, 2004 and incorporated herein by reference).
(d)(5)	—	Indenture (including form of note) dated November 25, 2003 among Yellow Roadway Corporation, certain subsidiary guarantors and Deutsche Bank Trust Company Americas, as trustee, relating to Yellow Roadway Corporation's 3.375% Contingent Convertible Senior Notes due 2023 (filed as Exhibit 4.7 to Registration Statement on Form S-8, filed on December 23, 2003, File No. 333-111499 and incorporated herein by reference).
(d)(6)	—	Description of Notes (filed as pages 16 through 27 of the Company's Amendment No. 1 on Form S-3/A, File No. 333-113021, filed on March 5, 2004 and incorporated herein by reference).
(d)(7)	—	Indenture (including form of note) dated December 31, 2004 among Yellow Roadway Corporation, certain subsidiary guarantors and Deutsche Bank Trust Company Americas, as trustee, relating to Yellow Roadway Corporation's 3.375% Net Share Settled Contingent Convertible Senior Notes due 2023 (filed as Exhibit 4.8 to Amendment No. 1 to Registration Statement on Form S-4/A, filed on November 30, 2004, File No. 333-119990 and incorporated herein by reference).
(d)(8)	—	Description of Notes (filed as pages 44 through 59 of the Company's Amendment No. 3 on Form S-4/A, File No. 333-119990, filed on December 17, 2004 and incorporated herein by reference).
(g)	—	Not applicable.
(h)	—	Not applicable.

* Previously filed on Schedule TO on November 25, 2008.
** Previously filed on Amendment No. 1 to Schedule TO on November 28, 2008.
*** Filed herewith.

Exhibit (a)(5)(iv)

YRC Worldwide Teamsters Employees to Vote on Contract Modifications

- **Proposal includes 10% wage reduction, ownership stake in YRC Worldwide**
- **Modifications improve the company's financial and competitive position**

Overland Park, Kan., December 3, 2008 - YRC Worldwide Inc. (Nasdaq: YRCW) announced today that its Yellow Transportation, Roadway, Holland and New Penn business units have asked their union employees represented by the International Brotherhood of Teamsters to modify the company's current labor agreements.

Bill Zollars, Chairman, President and CEO of YRC Worldwide, commented, "During this economic recession, we have already taken a number of steps to improve our financial and competitive position, as we continue aggressive short-term actions to meet the current environment as we plan for our long-term success. We are in the process of working with our union partners to modify the terms of our labor contract in a way that allows us to be more competitive with non-union carriers in the short-term and, at the same time, protect and sustain the financial health of our dedicated employees and our company going forward."

Zollars continued, "This modification would address our operating cost structure, which is higher than a number of companies in our industry, due primarily to pension plan funding obligations. Funding pensions for our own Teamsters employees is affordable; however, paying for all the retirees and former employees of failed companies as required under our current plans makes us less competitive."

While working on a longer-term solution to this issue, YRC Worldwide is seeking immediate cost savings through proposed changes for the remainder of the contract including:

- A 10 percent reduction in all wages paid, inclusive of scheduled increases
- Suspension of Cost of Living Adjustments (COLA)

In exchange, Teamsters employees would receive a 15 percent ownership stake in YRC Worldwide allowing them to share in future company performance through stock price appreciation. The details of this plan are still being finalized. Contributions to the health, welfare and pension plans would continue as previously negotiated.

The estimated cost savings from these modifications is approximately $220-$250 million annually. The company expects that a ratification vote on the proposed modification will occur prior to the end of the year with an expected effective date of January 1, 2009.

Non-union employees of YRC Worldwide will receive the same or greater percent reduction in total compensation as their represented counterparts. This includes modifications made earlier this year to the non-union pension, retirement and other benefit programs.

YRC Worldwide took an important step earlier this year with the decision to integrate its Yellow Transportation and Roadway networks, an initiative that is already producing results that are better than anticipated in terms of serving customers and improving performance. In addition, the company has moved to strengthen its financial position by commencing a tender offer to purchase outstanding notes, selling excess assets, entering into sale/leaseback transactions for core real estate and executing various cost reduction activities.

Mike Smid, President and CEO of YRC North American Transportation, said, “Even as we take steps to improve our balance sheet, liquidity and net income, it is clear that we need to address our current cost structure to remain competitive in this environment. After outlining our position with the Teamsters leadership, they are strongly aware of the need to provide our company with economic relief to protect union jobs and retirement benefits. The Teamsters have been supportive in reaching a tentative agreement to modify the current contract, and we believe that the union leadership and our employees will agree with our analysis and vote for these necessary modifications to the current agreement.”

* * * * *

Certain statements in this news release include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (each a “forward-looking statement”). Forward-looking statements include those preceded by, followed by or include the words “expect,” “will,” “allow” or similar expressions. The company’s actual future results could differ materially from those projected in such forward-looking statements because of a number of factors, including (among others) the success of the company’s tender offer for outstanding notes, whether the employees covered by the National Master Freight Agreement ratify the modification to that agreement, inflation, inclement weather, price and availability of fuel, sudden changes in the cost of fuel or the index upon which the company bases its fuel surcharge, competitor pricing activity, expense volatility, including (without limitation) expense volatility due to changes in rail service or pricing for rail service, ability to capture cost reductions, including (without limitation) those cost reduction opportunities arising from the combination of the sales, operations and networks of Yellow Transportation and Roadway, changes in equity and debt markets, a downturn in general or regional economic activity, effects of a terrorist attack, labor relations, including (without limitation), the impact of work rules, work stoppages, strikes or other disruptions, any obligations to multi-employer health, welfare and pension plans, wage requirements and employee satisfaction, and the risk factors that are from time to time included in the company’s reports filed with the Securities and Exchange Commission, including the company’s Annual Report on Form 10-K for the year ended December 31, 2007.

About YRC Worldwide

YRC Worldwide Inc., a Fortune 500 company and one of the largest transportation service providers in the world, is the holding company for a portfolio of successful brands including Yellow Transportation, Roadway, Reimer Express, YRC Logistics, New Penn, Holland, Reddaway and Glen Moore. The enterprise provides global transportation services, transportation management solutions and logistics management. The portfolio of brands represents a comprehensive array of services for the shipment of industrial, commercial and retail goods domestically and internationally. Headquartered in Overland Park, Kan., YRC Worldwide employs approximately 58,000 people.

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