C H ROBINSON WORLDWIDE INC

FORM 10-K
(Annual Report)

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Industry	Misc. Transportation
Sector	Transportation
Fiscal Year	12/31

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(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, 2001

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: 000-23189

C.H. ROBINSON WORLDWIDE, INC.
(Exact name of registrant as specified in its charter)

Delaware	**41-1883630**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
8100 Mitchell Road, Eden Prairie, Minnesota	**55344-2248**
(Address of principal executive offices)	**(Zip Code)**

(952) 937-8500
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act: Common Stock, par value $.10 per share
Preferred Share Purchase Rights

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 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. ☐

The aggregate market value of Common Stock held by non-affiliates of the registrant as of March 8, 2002 was approximately $2,230,052,336 (based on the last sale price of such stock as quoted on The Nasdaq National Market ($31.16) on such date).

As of March 8, 2002, the number of shares outstanding of the registrant's Common Stock, par value $.10 per share, was 84,504,469 **.**

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Registrant's Annual Report to Stockholders for the year ended December 31, 2001 (the "Annual Report"), are incorporated by reference in Part II.

Portions of the Registrant's Proxy Statement relating to its Annual Meeting of Stockholders to be held May 7, 2002 (the "Proxy Statement"), are incorporated by reference in Part III.

PART I

ITEM 1. BUSINESS

Overview

Founded in 1905, C.H. Robinson Worldwide, Inc. (the “Company” or “Robinson”) is one of the largest third-party logistics companies in North America with 2001 gross revenues of $3.09 billion. The Company is a global provider of multimodal transportation services and logistics solutions through a network of 139 offices in the United States, Canada, Mexico, Europe and South America. Through contracts with approximately 20,000 motor carriers, Robinson maintains the single largest network of motor carrier capacity in North America and is one of the largest third-party providers of intermodal services in the United States. In addition, Robinson regularly provides air, ocean and customs services. As an integral part of its transportation services, Robinson provides a wide range of value-added logistics services, such as fresh produce sourcing, freight consolidation, information reporting and cross-docking. During 2001, Robinson handled approximately 2.5 million shipments for more than 15,000 customers ranging from Fortune 100 companies to small businesses in a wide variety of industries.

Robinson has developed global multimodal transportation and distribution networks to provide seamless logistics services worldwide. As a result, the Company has the capability of managing all aspects of the supply chain on behalf of its customers. As a non-asset based transportation provider, Robinson can focus on optimizing the transportation solution for its customer rather than on its own asset utilization, using established relationships with motor carriers, railroads (primarily intermodal service providers), air freight and ocean carriers.

Throughout its 96-year history, the Company has been in the business of sourcing fresh produce. Much of Robinson’s logistics expertise can be traced to its significant experience in handling perishable commodities. Due to the time-sensitive nature and quality requirements of the shipments, fresh produce represents a unique logistics challenge, and the distribution and transportation costs are significant. Robinson has developed a network of produce sources and maintains access to specialized equipment and transportation modes designed to ensure timely delivery of uniform quality produce. In response to demand from large grocery retailers and food service distributors, the Company has developed its own brand of produce, The Fresh 1 ®, and entered into licensing agreements for national brand names. The produce for these brands is sourced through various relationships and packed to order through contract packing agreements.

Robinson’s business philosophy has accounted for its strong historical results and has positioned the Company for continued growth. The Company’s principal competitive advantage is its large decentralized branch network, staffed by approximately 2,670 salespersons who are in close proximity to both customers and carriers. This facilitates quick responses to customers’ changing needs. Branch employees act as a team in both marketing Robinson’s services and providing these services to individual customers. Robinson compensates its branch employees principally on the basis of individual performance and their branch’s profitability, which in the Company’s opinion produces a more service-oriented, focused and creative sales force. The Company believes its employees continue to hold substantial amounts of the Company’s Common Stock.

The Company was reincorporated in Delaware in 1997 as the successor to a business existing, in various legal forms, since 1905. Robinson’s Common Stock began trading on The Nasdaq National Market under the symbol “CHRW” on October 15, 1997. Certain stockholders of the Company sold 24,330,310 shares of the Company’s Common Stock to the public pursuant to a registered public offering, the proceeds of which were paid entirely to the selling stockholders. Prior to such date, there was no established public trading market for the Company’s Common Stock.

In October 2000, the Company’s Board of Directors declared a two-for-one stock split, effected in the form of a 100% stock dividend, paid on December 1, 2000 to stockholders of record on November 10, 2000. This was the first Robinson stock split since the Company’s initial public offering.

In January 2002, the Company acquired the ongoing operations and certain assets of Smith Terminal Transportation Services, Inc., which does business as FTS, a privately held, non-asset based third-party provider of transportation and logistics services, located in Miami, Florida. FTS had annual gross revenues of approximately $27 million in 2001.

Robinson’s corporate office is located at 8100 Mitchell Road, Eden Prairie, Minnesota 55344-2248, and its telephone number is (952) 937-8500. Its web site address is www.chrobinson.com.

Logistics Services

As a global, third-party logistics company, Robinson provides multimodal transportation and related logistics services, sourcing and fee-based information services.

The Company seeks to establish long-term relationships with its customers in order to provide logistics solutions that reduce or eliminate inefficiencies in customers’ supply chains. Whenever appropriate, Robinson analyzes the customer’s current transportation rate structures, modes of shipping and carrier selection. Robinson may also examine the customer’s warehousing, picking procedures, loading, unloading and dock scheduling procedures, as well as packaging and pallet configuration procedures. The Company then evaluates how these procedures interact with shipping, manufacturing and customer service. Upon completion of an initial analysis, Robinson proposes solutions that allow the customer to streamline operating procedures and contain costs, while improving the management of its supply chain. Robinson branch employees remain involved with the customer throughout the analysis and implementation of the proposed solution. In the course of providing day-to-day transportation services, branch employees offer further logistics analysis and solutions as the employees become more familiar with the customer’s daily operations and the nuances of its supply chain. The Company’s ultimate goal is to assist the customer in managing its entire supply chain while being the customer’s key provider of individual transportation services.

Multimodal Transportation Services

On a day-to-day basis, customers communicate their freight needs, typically on a load-by-load basis, to Robinson by means of a telephone call, fax transmission, Internet, e-mail or EDI message to the branch office salesperson responsible for the particular customer. All appropriate information about each load is entered into the Company’s computer based operating system. With the help of the operating system, a salesperson then determines the appropriate mode of transportation for the load and selects a carrier or carriers, based upon the salesperson’s knowledge of the carrier’s service capability, equipment availability, freight rates and other relevant factors. A salesperson then communicates with the carrier’s dispatch office to confirm a price for the transportation and the carrier’s commitment to provide the transportation. At this point, the salesperson provides the carrier information to the customer, together with the Company’s sales price, which is intended to provide a profit to Robinson for the totality of services performed for the customer. By accepting the customer’s order, Robinson becomes legally responsible for transportation of the load from origin to destination. The carrier’s contract is with Robinson, not the customer, and Robinson is responsible for prompt payment of carrier charges. Robinson is also responsible to its customer for any claims for damage to freight while in transit or performance. In most cases, Robinson receives reimbursement from the carrier for these claims.

As a result of its logistics capabilities, many customers now look to Robinson to handle all, or a substantial portion, of their freight transportation requirements to or from a particular manufacturing facility or distribution center. In a number of instances, Robinson has contracts with the customer whereby Robinson agrees to handle a specified number of loads usually to specified destinations, such as from the customer’s plant to a distribution center, at specific rates, but subject to seasonal variation. Most of the Company’s rate commitments are for periods of one year or less.

As part of its customer focus, Robinson offers a wide range of logistics services on a worldwide basis to assure timely, efficient and cost effective delivery through the use of one or more transportation modes. These logistics services include: transportation management (price and modal comparisons and selection; shipment consolidation and optimization; improvement of operating and shipping procedures and claims management); minimization of storage (through cross-docking and other flow-through operations); logistics network and nodal location analysis to optimize the entire supply chain; tracking and tracing; reverse logistics and other special needs; management information; and analysis of a customer’s risk and claims management practices. Robinson will evaluate a customer’s core carrier program by reviewing such factors as carriers’ insurance certificates, safety ratings and financial stability as well as establishing a program to measure and monitor key quality standards for those core carriers. These services are bundled with underlying transportation services and are not typically separately priced, but instead are reflected as a part of the cost of transportation services provided by the Company on a transactional basis pursuant to continuing customer relationships. In addition to these transportation services, Robinson may supply sourcing, contract warehousing, consulting and other services, for which it is separately compensated.

The Company is capable of arranging several modes of transportation services on a worldwide basis:

- Truck — Through its contracts with approximately 20,000 motor carriers, Robinson maintains access to dry vans, temperature-controlled units and flatbeds. It offers both time-definite and expedited truck transportation. In many instances, particularly in connection with its sourcing business, the Company will consolidate partial loads for several customers into full truckloads.

- Less Than Truckload ("LTL") — LTL transportation involves the shipment of small package, single or multiple pallet, up to and including full trailer-load freight. Robinson focuses on pallet to partial load freight, although it handles any size shipment. Through contracts with motor carriers and its proprietary Internet-based software system, Robinson consolidates both freight and freight information to provide shippers with single source tracking and tracing capability, and the economic benefits of consolidating partial loads into full truckloads.

- Intermodal — Intermodal transportation involves the shipment of trailers or containers by a combination of truck, rail and/or ship in a coordinated manner. Robinson provides intermodal service by both rail and ship, arranges local pickup and delivery (known as drayage) through local motor carriers and provides temperature-controlled double and triple-stacked intermodal containers. The Company currently owns or leases approximately 180 intermodal containers. Robinson also has intermodal marketing contracts with railroads, which give the Company access to additional trailers and containers.

- Ocean — As an indirect ocean carrier and freight forwarder, Robinson consolidates shipments, determines routing, selects ocean carriers, contracts for ocean shipments, provides for local pickup and delivery of shipments and arranges for customs clearance of shipments, including the payment of duties.

- Air — The Company provides door-to-door service as a full-service air freight forwarder, both domestically and internationally.

The table below shows the Company's gross profits by transportation mode for the periods indicated:

Transportation Gross Profits
(in thousands)

	Year Ended December 31,				
	1997	**1998**	**1999**	**2000**	**2001**
Truck(1)	$ 133,110	$ 164,186	$ 202,877	$ 313,650	$ 347,991
Intermodal	9,680	6,671	10,738	14,422	16,119
Ocean	9,226	10,215	11,476	16,337	16,345
Air	1,954	3,427	2,858	3,555	2,699
Miscellaneous(2)	5,290	5,298	5,899	7,177	7,286
Total	$ 159,260	$ 189,797	$ 233,848	$ 355,141	$ 390,440

(1) Includes LTL gross profits.

(2) Consists of customs clearance (Automated Brokerage Interface (ABI) and Automated Clearing House (ACH) capabilities with the U.S. Customs Service), warehousing, and other miscellaneous services.

Transportation accounted for approximately 79%, 85% and 86% of the Company's gross profits in 1999, 2000 and 2001, respectively.

As Robinson has emphasized integrated logistics solutions, its relationships with many customers have become broader, with the Company becoming a business partner responsible for a greater portion of supply chain management. Customers may be served by specially created Robinson teams and through several branches. Robinson's multimodal transportation services are provided to numerous international customers through its domestic branch offices as well as through branch offices in Canada, Mexico, Belgium, England, France, Germany, Italy, Poland, Spain, Argentina, Brazil, Chile and Venezuela. The Notes to the Company's Consolidated Financial Statements present Robinson's gross revenues from international customers for the years ended December 31, 1999, 2000 and 2001 and the Company's long-lived assets as of December 31, 2000 and 2001, in the United States and in foreign locations.

Sourcing

Throughout its 96-year history, Robinson has been in the business of sourcing fresh produce. Much of the Company's logistics expertise can be traced to Robinson's significant experience in handling perishable commodities. Because of its perishable nature, produce must be quickly packaged, transported within tight timetables in temperature controlled equipment and distributed quickly to replenish high turnover inventories maintained by wholesalers, food service companies and retailers. In most instances, Robinson consolidates individual customers' produce orders into truckload quantities at the point of origin and arranges for transportation of the truckloads, often to multiple destinations. The Company's sourcing business is with produce wholesalers, who purchase produce in relatively large quantities through Robinson and resell the produce to grocery retailers, restaurants and other resellers of food, food service companies and with grocery store chains and other multistore retailers.

During the past six years, the Company has actively sought to expand its food sourcing customer base by focusing on the larger multistore retailers. As these retailers have expanded through store openings and industry consolidation, their traditional methods of produce sourcing and store-level distribution, which relied principally on regional or even local purchases from wholesalers, have become inefficient. Robinson's logistics and perishable commodities sourcing expertise can greatly improve the retailers' produce purchasing as well as assure uniform quality from region to region and store to store. The Company provides just-in-time replenishment services to retailers. The Company introduced its proprietary The Fresh 1 ® brand of produce in 1989, which includes a wide range of uniform quality, top grade fruits and vegetables purchased from various domestic and international growers. Since 1998, Robinson has entered into new sourcing programs, including licensing agreements for major national brands, that have expanded the Company's market presence and sourcing capabilities with respect to both product lines and nationally recognized brand names.

Sourcing accounted for approximately 15%, 10% and 10% of the Company's gross profits in 1999, 2000 and 2001, respectively.

Information Services

A subsidiary of the Company, T-Chek Systems, Inc. provides motor carrier customers with funds transfer and driver payroll services, fuel management services, fuel and use tax reporting as well as on-line access to custom-tailored information management reports, all through the use of its proprietary automated system. This system enables motor carriers to track equipment, manage fleets and dictate where and when their drivers purchase fuel. For several companies and truck stop chains, T-Chek captures sales and fuel cost data, applies the margin agreed between seller and purchaser, reprices the sale, invoices the carrier and provides management information to the seller.

Through the first half of 2001, a Robinson subsidiary, Payment & Logistics Services, Inc., provided freight payment services to shippers. Robinson closed this business on June 30, 2001.

The Company's carrier information services accounted for approximately 6%, 5% and 5% of the Company's gross profits in 1999, 2000 and 2001, respectively.

Organization

To allow the Company to stay close to customers and markets, Robinson has created and continues to expand a network of 139 offices supported by executives and services in a central office.

Branch Network

Branch salespersons are responsible for developing new business, receiving and processing orders from specific customers and customers located in the area served by the branch and contracting with carriers to provide the transportation requested. In addition to routine transportation, salespersons are often called upon to handle customers’ unusual, seasonal and emergency needs. Shipments to be transported by truck are almost always contracted at the branch level, and branches cooperate with each other to cover loads. Some branches may rely on expertise in other branches when contracting LTL, intermodal, international and air shipments.

Salespersons in the branches both sell and service their customers rather than rely exclusively on a central office or dedicated sales staff. Sales opportunities are identified through the Company’s database, industry directories, referrals by existing customers and leads generated by branch office personnel through knowledge of their local and regional markets. Each branch is also responsible for locating and contracting with carriers.

As of December 31, 2001, Robinson’s branch salespersons represented approximately 71% of the Company’s total work force and all branch employees, including support staff, represented over 82% of the Company’s work force. At December 31, 2001, the number of salespersons per branch ranged from two to approximately 475.

Branch Expansion. Robinson expects to continue to add branch offices as management determines that a new branch may contribute to continued growth and as branch salespersons develop the capability to manage a new branch. Robinson intends to continue to open overseas branches as opportunities arise to serve the local needs of multinational customers. Additional branches are often opened within a territory previously served by another branch, such as within major cities, as the volume of business in a particular area warrants opening a separate branch. Capital required to open a new branch is modest, involving a lease for a small amount of office space, communication links and often employee compensation guaranties for a short time.

Branch Employees. For almost two decades, new branch salespersons have been hired through a sophisticated profiling system using standardized tests to measure an applicant against the traits determined by the Company to be those of successful Robinson employees. These common traits facilitate cooperative efforts necessary for the success of each office. Applicants are recruited from across the United States, Canada, Mexico, South America and Europe, typically have college degrees and some have business experience, not necessarily within the transportation industry. The Company is highly selective in determining to whom it offers employment.

Newly hired branch employees receive extensive on-the-job training at the branch level, which ranges from six months to a year and emphasizes development of the necessary skills and attitude to become productive members of a branch team. The Company believes most salespersons become productive employees in a matter of weeks. After gaining approximately a year of experience, each salesperson attends a Company-sponsored national meeting to receive additional training and foster relationships between branches.

Employees at the branch level form a team, which is enhanced by Robinson’s incentive compensation system. Under this system, part of the cash compensation of most branch managers and salespersons is dependent on the profitability of the particular branch or business unit. For any calendar year, branch managers and salespersons who have been employed for at least one complete year are paid a portion of the branch's earnings for that calendar year, based on a system of "points" awarded to the employees on the basis of their productivity and contribution. Most of a branch manager's cash compensation is provided by this compensation program. For 2001, incentive-based cash compensation averaged approximately 30% of branch salespersons' total cash compensation, 68% of branch managers' total cash compensation and 63% of officers' total cash compensation. Branch employees can earn significant individual incentive compensation based on achieving individual growth goals, and in the Company's Profit Sharing Plan, contributions that depend on overall Company profitability and other factors. In connection with establishing new branches and other special circumstances, Robinson may guarantee a level of compensation to the branch manager and key salespersons.

All managers and other employees throughout the Company who have significant responsibilities are eligible to participate in the Company's 1997 Omnibus Stock Plan. Employees at all levels, after a qualifying period of employment, are eligible to participate in the Company's Employee Stock Purchase Plan.

Individual salespersons benefit both through the growth and profitability of individual branches and by achieving individual goals, and are motivated by the opportunity to become branch managers, assistant managers or department managers. All branch salespersons are full time employees.

Executive Officers

Under the Company's decentralized operating system, branch managers report directly to, and receive guidance and support from, a small group of executive officers at the Company's central office. Customers, carriers, managers and employees have direct access to D.R. Verdoorn, the Company's Chief Executive Officer, John Wiehoff, the Company's President, and all other executive officers. These executives provide training and education concerning logistics, develop new services and applications to be offered to customers and provide broad market analysis.

The executive officers of the Company serve at the discretion of the Board of Directors and are chosen annually by the Board of Directors. Set forth below are the names, ages and positions of the executive officers of the Company.

Name	Age	Position
D.R. Verdoorn	63	Chairman of the Board and Chief Executive Officer
John P. Wiehoff	40	President and Director
Barry W. Butzow	55	Senior Vice President and Director
Gregory D. Goven	50	Senior Vice President and Director
Owen P. Gleason	50	Vice President, General Counsel and Secretary
James V. Larsen	48	Vice President
Chad M. Lindbloom	37	Vice President and Chief Financial Officer
Timothy P. Manning	37	Vice President
Joseph J. Mulvehill	48	Vice President, International
Michael T. Rempe	48	Vice President, Produce
Paul A. Radunz	45	Vice President and Chief Information Officer
Scott A. Satterlee	33	Vice President
Mark A. Walker	44	Vice President
Troy A. Renner	37	Treasurer
Thomas K. Mahlke	30	Corporate Controller

D.R. Verdoorn has been Chief Executive Officer of the Company and its predecessor since 1977, and a director since 1975. In 1998, Mr. Verdoorn was also named Chairman of the Board. He has been with the Company since 1963. He has served on the Boards of Directors for United Fresh Fruit and Vegetable Association and the Produce Marketing Association. Since October 2000, he has served as a director of G&K Services, Inc., a provider of corporate identity apparel programs and facility services. Mr. Verdoorn attended Central College in Pella, Iowa. On February 22, 2002, the Company announced John P. Wiehoff would be named Chief Executive

Officer as of May 7, 2002, the date of the Company's Annual Meeting of Stockholders. Following the transition, Mr. Verdoorn will continue to serve as Chairman of the Board of Directors.

John P. Wiehoff has been President of the Company since December 1999 and a director of the Company since December 2001. Previous positions with the Company include Senior Vice President and Chief Financial Officer from July 1998 to December 1999, Treasurer from August 1997 to July 1998 and Corporate Controller from 1992 to July 1998. Prior to that, he was employed by Arthur Andersen LLP. He holds a Bachelor of Science degree from St. John's University. On February 22, 2002, the Company announced Mr. Wiehoff would be named Chief Executive Officer as of May 7, 2002, the date of the Company's Annual Meeting of Stockholders.

Barry W. Butzow has been a Vice President of the Company since 1984 and a director since 1986. In October 1998, he was named a Senior Vice President. He began employment with the Company in 1969. He holds a Bachelor of Arts degree from Moorhead State University.

Gregory D. Goven has been a Vice President of the Company since 1988, and was named a Senior Vice President in October 1998. Mr. Goven has been a director since 2000. Mr. Goven joined the Company in 1973. Mr. Goven holds a Bachelor of Science degree from North Dakota State University. Mr. Goven's wife is the first cousin of Mr. Verdoorn.

Owen P. Gleason has been Vice President, General Counsel and Secretary of the Company since 1990 and served as corporate counsel since 1978. Mr. Gleason was also a director of the Company from 1986 until 2001. Mr. Gleason holds a law degree from Oklahoma City University and a Bachelor's Degree from Ripon College.

James V. Larsen has been a Vice President since July 1999. Prior to that, he served as Vice President of Sales, and later as President, of Preferred Translocation Systems, which he founded in 1986 and which was acquired by the Company in July 1998.

Chad M. Lindbloom has been Vice President and Chief Financial Officer of the Company since December 1999. From June 1998 until December 1999, he served as the Company's Corporate Controller. Mr. Lindbloom joined the Company in 1990 as a staff accountant. Mr. Lindbloom holds a Bachelor of Science degree and a Masters of Business Administration from the Carlson School of Management at the University of Minnesota.

Timothy P. Manning has been a Vice President since December 1999. Previous positions with the Company include Transportation Manager in the St. Louis branch office, and in October 1998, Mr. Manning was named Director of Operations. Mr. Manning joined the Company in 1989. Mr. Manning holds a Bachelor of Science degree from the University of Minnesota.

Joseph J. Mulvehill has been Vice President, International since 1998. Prior to this, he was Manager of the Miami branch office from 1982 to 1998. Mr. Mulvehill joined the Company in 1975. Mr. Mulvehill holds a Bachelor of Arts degree from the University of St. Thomas.

Michael T. Rempe has been Vice President, Produce since 1994, after starting with the Company in 1989 as Director of Produce Merchandising. Prior to that, he held several senior positions in the retail grocery industry. Mr. Rempe has served on the board of directors of the Produce Marketing Association and is currently on the board of directors of the United Fresh Fruit and Vegetable Association. Mr. Rempe attended Indiana University Purdue University at Indianapolis.

Paul A. Radunz has been Vice President and Chief Information Officer of the Company since October 2001. Prior to joining the Company, he served as Senior Vice President and Chief Information Officer of GE Card Services and GE Capital Fleet Services. Mr. Radunz has a Bachelor of Arts from St. Olaf College.

Scott A. Satterlee has been a Vice President since February 2002. Additional positions with the Company include Director of Operations and Manager of the Salt Lake City branch office. Mr. Satterlee joined the Company in 1991. Mr. Satterlee holds a Bachelor of Arts from the University of St. Thomas.

Mark A. Walker has been a Vice President since December 1999. Additional positions with the Company include Chief Information Office from December 1999 to October 2001, President of T–Chek Systems, Inc. and President of Payment & Logistics Services LLC. Mr. Walker joined the Company in 1980. Mr. Walker holds a

Bachelor of Sciences degree from Iowa State University and a Masters of Business Administration from the University of St. Thomas.

Troy A. Renner has been Treasurer of the Company since June 1998, and Tax Director since 1995. Prior to that, he was employed as a tax manager by Arthur Andersen LLP. Mr. Renner holds a Bachelor of Science and a law degree from the University of Minnesota.

Thomas K. Mahlke has been Corporate Controller of the Company since December 1999. Mr. Mahlke joined the Company in November of 1997 as Accounting Manager. Prior to that, he was employed as a supervisory senior accountant by Arthur Andersen LLP since 1992. Mr. Mahlke holds a Bachelor of Accountancy degree from the University of North Dakota.

Employees

As of December 31, 2001, the Company had a total of 3,770 employees, substantially all of whom are full-time employees and approximately 3,100 of whom were located in the Company’s branch offices. Corporate services such as accounting, information systems, legal, credit support and claims support are provided centrally. Robinson believes that its compensation and benefit plans are among the most competitive in the industry and that its relationship with employees is excellent.

Customers and Marketing

Robinson seeks to establish long-term relationships with its customers and to increase the amount of business done with each customer by seeking to provide the customer with a full range of logistics services. The Company serves over 15,000 customers worldwide ranging from Fortune 100 companies to small businesses in a wide variety of industries. During 2001, no customer accounted for more than 7% of gross revenues or 3% of gross profits. In recent years, revenue growth has been achieved through the growth and consolidation of customers, expansion of the services provided by the Company and an increase in the number of customers served.

Robinson believes that decentralization allows salespersons to better serve its customers by fostering the development of a broad knowledge of logistics and local and regional market conditions as well as the specific logistics issues facing individual customers. With the guidance of experienced branch managers (who have an average tenure of 11 years with the Company), branches are given significant latitude in pursuing opportunities and committing the Company’s resources to serve customers.

Branches seek additional business from existing customers and pursue new customers, based on their knowledge of local markets and the range and value of logistics services that the Company is capable of providing. Robinson has begun placing increased emphasis on national sales and marketing support to enhance branch capabilities. Increasingly, branches call on central office executives, a national sales staff and a central logistics group to support them in the pursuit of multinational corporations and other companies with more complex logistics requirements.

Relationships with Carriers

Robinson seeks to establish long-term relationships with carriers in order to assure dependable services, favorable pricing and carrier availability during peak shipping periods and periods of undercapacity. To strengthen and maintain these relationships, Company salespersons regularly communicate with carriers serving their region and seek to assist carriers with equipment utilization, reduction of empty miles and equipment repositioning. The Company has a policy of prompt payment and provides centralized claims management on behalf of various shippers. Many smaller carriers effectively consider Robinson as their sales and marketing department.

As of December 31, 2001, Robinson had contracts with approximately 20,000 motor carriers (providing access to temperature controlled vans, dry vans and flatbeds). Those carriers include owner-operators of a single truck, small and mid-size fleets, private fleets and the largest national trucking companies. Consequently, the Company is not dependent on any one carrier Robinson qualifies each motor carrier to assure that it is properly licensed and insured and has the resources to provide the necessary level of service on a dependable basis.

As of December 31, 2001, Robinson also had intermodal marketing contracts with railroads, including all of the major North American railroads, giving the Company access to additional trailers and containers. The Company's contracts with railroads govern the transportation services and payment terms by which Robinson's intermodal shipments are transported by rail. Intermodal transportation rates are typically negotiated between the Company and the railroad on a customer-specific basis.

Competition

The transportation services industry is highly competitive and fragmented. The Company competes primarily against a large number of other non-asset based logistics companies, as well as asset-based logistics companies, third-party freight brokers, carriers offering logistics services and freight forwarders. Robinson also competes against carriers' internal sales forces and shippers' own transportation departments. It also buys and sells transportation services from and to companies with which it competes.

The Company often competes with respect to price, scope of services or a combination thereof, but believes that its most significant competitive advantages are:

- its large decentralized branch network which enables the Company's salespersons to gain significant knowledge about individual customers, carriers and the local and regional markets they serve,
- its technology, including Internet communications capabilities,
- its ability to provide a broad range of logistics services and
- its ability to provide door-to-door services on a worldwide basis.

Communications and Information Systems

To handle the large number of daily transactions and to accommodate its decentralized branch system, the Company has designed an extensive communications and information system. Employees are linked with each other and with customers and carriers by telephone, facsimile, Internet, e-mail and/or EDI to communicate requirements and availability, to confirm and bill orders and, through the Company's Internet sites CHRWonline and CHRWtrucks.com, to contract loads or equipment and track and trace shipments. Customers and carriers also have access to Robinson's systems through the Internet. The Company has developed its own proprietary computer based systems that help salespersons service customer orders, select the optimal modes of transportation, build and consolidate loads and select routes, all based on customer-specific service parameters. These systems also make load data visible to the entire sales team as well as customers and carriers, enabling the salespersons to select carriers and track loads in progress, and automatically provide visible alerts to any arising problems. Robinson's internally developed proprietary decision support system uses data captured from daily transactions to generate various management reports which are available to the Company's logistics customers to provide information on traffic patterns, product mix and production schedules, and enables customers to analyze their own customer base, transportation expenditure trends and the impact on out-of-route and out-of-stock costs.

Government Regulation

The transportation industry has been subject to legislative and regulatory changes that have affected the economics of the industry by requiring changes in operating practices or influencing the demand for, and cost of providing, transportation services. The Company cannot predict the effect, if any, that future legislative and regulatory changes may have on the transportation industry.

Robinson is subject to licensing and regulation as a transportation provider. The Company is licensed by the Department of Transportation ("DOT") as a broker in arranging for the transportation of property by motor vehicle. The DOT prescribes qualifications for acting in this capacity, including certain surety bonding requirements. The Company provides motor carrier transportation services that require registration with the DOT and compliance with certain economic regulations administered by the DOT, including a requirement to maintain insurance coverage in minimum prescribed amounts. The Company is subject to regulation by the Federal Maritime Commission as an ocean freight forwarder and maintains a non-vessel operating common carrier bond. The Company operates as an indirect air cargo carrier subject to economic regulation by the DOT. The Company provides customs brokerage services as a customs broker under a license issued by the United States Customs Service of the Department of Treasury. The Company sources fresh produce under a license issued by the United States Department of Agriculture. Other sourcing and distribution activities may be subject to various federal and state food and drug statutes and regulations. The Company's T-Chek operations have recently become subject to federal and state money transfer regulations. Although Congress enacted legislation in 1994 that substantially preempts the authority of states to exercise economic regulation of motor carriers and brokers of freight, the Company and several of its subsidiaries continue to be subject to a variety of licensing requirements. The Company and the carriers that the Company relies on in arranging transportation services for its customers are also subject to a variety of federal and state safety and environmental regulations. Although compliance with the regulations governing licensees in these areas has not had a materially adverse effect on the Company's operations or financial condition in the past, there can be no assurance that such regulations or changes thereto will not adversely impact the Company's operations in the future. Violation of these regulations could also subject the Company to fines or, in the event of serious violation, suspension or revocation of operating authority as well as increased claims liability.

Risk Management and Insurance

In its truck and intermodal operations, Robinson assumes cargo risk to its customers. The Company subrogates its losses against the motor or rail carrier with the transportation responsibilities. Robinson requires all motor carriers participating in its contract program to carry at least $750,000 in general auto insurance and $25,000 in cargo insurance. Many carriers carry insurance limits exceeding these minimums. Railroads, which are generally self-insured, provide limited common carrier liability protection, generally up to $250,000 per shipment. For both truck and rail transportation, higher coverage is available to the customer on a load-by-load basis at an additional price.

In its international freight forwarding, ocean transportation and air freight businesses, the Company does not assume cargo liability to its customers above minimum industry standards. Robinson offers its customers the option to purchase ocean marine cargo coverage to insure goods in transit. When the Company agrees to store goods for its customers for longer terms, it provides limited warehouseman's coverage to its customers and contracts for warehousing services from companies that provide Robinson the same degree of coverage.

The Company maintains a broad cargo liability policy to protect it against catastrophic losses that may not be recovered from the responsible carrier. Robinson also carries various liability policies, including auto and general liability, with a $100 million umbrella.

Agricultural chemicals used on agricultural commodities intended for human consumption are subject to various approvals, and the commodities themselves are subject to regulations on cleanliness and contamination. Concern about particular chemicals and alleged contamination has led to recalls of products, and tort claims have been brought by consumers of allegedly affected produce. Because the Company is a seller of produce, it may have legal responsibility arising from sales of produce. While the Company carries product liability coverage of $75 million, settlement of class action claims is often costly, and Robinson cannot assure that its liability coverage will be adequate and will continue to be available. In addition, in connection with any recall, Robinson may be required to bear the cost of repurchasing, transporting and destroying any allegedly contaminated product, for which it is not insured. Any recall or allegation of contamination could affect the Company's reputation, particularly of its the Fresh 1 ® brand. Loss due to spoilage (including the need for disposal) is also a routine part of the sourcing business.

Forward-Looking Statements

This Form 10-K Annual Report and the Company's financial statements, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Item 7 and other documents incorporated by reference contain "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. These forward-looking statements represent our expectations or beliefs, including, but not limited to, our current assumptions about future financial performance, anticipated problems, and our plans for future operations, which are subject to various risks and uncertainties. When used in this Form 10–K and in future filings by the Company with the Securities and Exchange

Commission, in our press releases, presentations to securities analysts or investors, in oral statements made by or with the approval of an executive officer of the Company, the words or phrases “believes,” “may,” “will,” “expects,” “should,” continue,” “anticipates,” “intends,” “will likely result,” “estimates,” “projects,” or similar expressions and variations thereof are intended to identify such forward-looking statements. However, any statements contained in this Form 10–K that are not statements of historical fact may be deemed to be forward-looking statements. We caution that these statements by their nature involve risks and uncertainties, certain of which are beyond our control, and actual results may differ materially depending upon a variety of important factors, including those described in Exhibit 99 to this Form 10–K.

ITEM 2. PROPERTIES

All of the Company’s 139 offices are leased from third parties under leases with initial terms ranging from three to ten years. The Company leases approximately 65,000 square feet of office space in Eden Prairie, Minnesota as its corporate headquarters, and an additional approximately 40,000 square feet of office space in Eden Prairie for branch sales and operating activities. Robinson’s corporate headquarters and Eden Prairie sales office leases expire in 2005. The following table sets forth certain information with respect to the Company’s largest branch offices:

City/State	Approximate Square Feet
Chicago, IL	90,000
Southfield, MI	15,206
Des Plaines, IL	14,725
Coralville, IA	10,071
Oak Brook, IL	9,861
Tampa, FL	8,721
College Park, GA	8,668
Burr Ridge, IL	7,328
Cordova, TN	7,276
Grand Rapids, MI	7,074
Montvale, NJ	6,952
Brooklyn Center, MN	6,603
Paulsboro, NJ	5,910
Woburn, MA	5,871
Overland Park, KS	5,821
Sugarland, TX	5,700
Charlotte, NC	5,697
Indianapolis, IN	5,686

The Company also leases approximately 500,000 square feet of warehouse space throughout the country. Of this total, 130,000 square feet is in Omaha, Nebraska, 70,000 square feet is in La Vergne, Tennessee, 70,000 square feet is in Bolingbrook, Illinois, 55,665 square feet is in Aurora, Colorado, 53,300 square feet is in Medley, Florida, 40,800 square feet is in Rochester, NY and 38,400 square feet is in Jacksonville, Florida. The Company considers its current offices adequate for its current level of operations. Robinson has not had difficulty in obtaining sufficient office space and believes it can renew existing leases or relocate branches to new offices as leases expire.

ITEM 3. LEGAL PROCEEDINGS

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

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

No matters were submitted to a vote of security holders during the fourth quarter of the year ended December 31, 2001.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

The Company's Common Stock began trading on The Nasdaq National Market under the symbol "CHRW" on October 15, 1997. Certain stockholders of the Company sold 24,330,310 shares of the Company's Common Stock to the public pursuant to a registered public offering, the proceeds of which were paid entirely to the selling stockholders. Prior to such date, there was no established public trading market for the Company's Common Stock. On October 24, 2000, the Company's Board of Directors declared a two-for-one stock split, effected in the form of a 100% stock dividend. The new shares were distributed on December 1, 2000 to shareholders of record as of the close of business on November 10, 2000. All share and per share amounts in this Form 10-K have been restated to reflect the Company's stock split.

The following table sets forth, for the periods indicated, the high and low sales prices of the Company's Common Stock, as quoted on The Nasdaq National Market.

2001	Low	High
Fourth Quarter	$25.781	$30.297
Third Quarter	25.188	31.594
Second Quarter	22.813	31.281
First Quarter	22.938	32.250

2000	Low	High
Fourth Quarter	$23.969	$32.500
Third Quarter	23.500	31.883
Second Quarter	17.500	25.398
First Quarter	18.625	25.500

On March 8, 2002, the closing sales price per share of the Company's Common Stock as quoted on The Nasdaq National Market was $31.16 per share. On March 8, 2002, there were approximately 1,800 holders of record of the Company's Common Stock. In conjunction with the initial public offering, the Company's Board of Directors authorized a stock repurchase program under which up to 2,000,000 shares of the Company's Common Stock may be repurchased from time to time through open market transactions, block purchases, tender offers, private transactions, accelerated share repurchase programs or otherwise. During 1999, the Board of Directors also authorized a second stock repurchase plan, allowing for the repurchase of 4,000,000 shares. The Company intends to fund such repurchases with internally generated funds.

The Company declared quarterly dividends during 2000 for an aggregate of $0.17 per share, and quarterly dividends during 2001 for an aggregate of $0.21 per share. The Company has declared a quarterly dividend of $0.06 per share payable to shareholders of record as of March 8, 2002 payable on April 1, 2002. The declaration of dividends by the Company is subject to the discretion of the Board of Directors. Any determination as to the payment of dividends will depend upon the results of operations, capital requirements and financial condition of the Company, and such other factors as the Board of Directors may deem relevant. Accordingly, there can be no assurance that the Board of Directors will declare or continue to pay dividends on the shares of Common Stock in the future.

ITEM 6. SELECTED FINANCIAL DATA

Selected consolidated financial and operating data on page 5 of the Annual Report is incorporated in this Form 10-K by reference. This information is also included in Exhibit 13 to this Form 10-K, as filed with the SEC.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Management's Discussion and Analysis on pages 6 through 9 of the Annual Report is incorporated in this Form 10-K by reference. This section is also included in Exhibit 13 to this Form 10-K, as filed with the SEC.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Disclosure about Market Risk on page 9 of the Annual Report is incorporated in this Form 10-K by reference. This section is also included in Exhibit 13 to this Form 10-K, as filed with the SEC.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The Company's consolidated financial statements and notes thereto on pages 10 through 20 of the Annual Report are incorporated in this Form 10-K by reference. These financial statements are also included in Exhibit 13 to this Form 10-K, as filed with the SEC.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

Information with respect to the Company's Board of Directors contained under the heading "Election of Directors", and information contained under the heading "Section 16(a) Beneficial Ownership Reporting Compliance" in the Proxy Statement are incorporated in this Form 10-K by reference. Information with respect to the Company's executive officers is provided in Part I, Item 1.

ITEM 11. EXECUTIVE COMPENSATION

The information contained under the heading "Executive Compensation" in the Proxy Statement (except for the information set forth under the subcaption "Compensation Committee Report on Executive Compensation") is incorporated in this Form 10-K by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The information contained under the heading "Security Ownership of Certain Beneficial Owners and Management" in the Proxy Statement is incorporated in this Form 10-K by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The information contained under the heading "Certain Transactions" in the Proxy Statement is incorporated in this Form 10-K by reference.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

(a) (1) Financial Statements.

The Company's consolidated financial statements listed in the accompanying Index to Consolidated Financial Statements at page F-1, on pages 10 through 20 of the Annual Report are incorporated in this Form 10-K by reference. These financial statements are included in Exhibit 13 to this Form 10-K, as filed with the SEC.

(2) Financial Statement Schedules.

Schedule II. Valuation and Qualifying Accounts, is included at the end of this Form 10-K.

(3) Index to Exhibits

Number	Description
3.1	Certificate of Incorporation of the Company (Incorporated by reference to Exhibit 3.1 to the Registrant’s Registration Statement on Form S-1, Registration No. 333-33731)
3.2	Bylaws of the Company (Incorporated by reference to Exhibit 3.2 to the Registrant’s Registration Statement on Form S-1, Registration No. 333-33731)
3.3	Certificate of Designations of Series A Junior Participating Preferred Stock of the Company (Incorporated by reference to Exhibit 3.3 to the Registrant’s Registration Statement on Form S-1, Registration No. 333-33731)
4.1	Form of Certificate for Common Stock (Incorporated by reference to Exhibit 4.1 to the Registrant’s Registration Statement on Form S-1, Registration No. 333-33731)
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†10.1	Operational Executive Compensation Program for 1999 (Incorporated by reference to Exhibit 10.1 to the Registrant’s Annual Report on Form 10-K for the year ended December 31, 1999)
†10.2	1997 Omnibus Stock Plan (as amended May 1, 2001) (Incorporated by reference to Exhibit 10.1 to the Registrant’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2001)
†10.3	Form of Stock Option Agreement (Incorporated by reference to Exhibit 10.22 to the Registrant’s Registration Statement on Form S-1, Registration No. 333-33731)
†10.4	C.H. Robinson Worldwide, Inc. Directors’ Stock Plan (Incorporated by reference to Exhibit 10.21 to the Registrant’s Annual Report on Form 10–K for the year ended December 31, 1998)
†10.5	Form of Management—Employee Agreement between the Company and each of D.R. Verdoorn and Barry Butzow (Incorporated by reference to Exhibit 10.5 to the Registrant’s Registration Statement on Form S-1, Registration No. 333-33731)
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10.9	Keep-Well Agreement, dated August 19, 1994, between C.H. Robinson, Inc., Wagonmaster Transportation Company and AT&T Commercial Finance Corporation (Incorporated by reference to Exhibit 10.11 to the Registrant's Registration Statement on Form S-1, Registration No. 333-33731)
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10.11	Asset Purchase Agreement dated November 18, 1999, by and among the Company, C.H. Robinson Company, American Backhaulers, Inc., Paul L. Loeb, the Paul L. Loeb Family Trust and the Jodi Sue Loeb Family Trust (Incorporated by reference to Exhibit 2 to the Registrant's Current Report on Form 8–K dated December 28, 1999)
†10.12	Robinson Companies Nonqualified Deferred Compensation Plan (Incorporated by reference to Exhibit 4 to the Registrant's Registration Statement on Form S-8, Registration No. 333-47080)
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*21	Subsidiaries of the Company
*23	Consent of Arthur Andersen LLP
24	Powers of Attorney (included on signature page of this Report)
*99	Cautionary Statement for Purposes of the "Safe Harbor" Provisions of the Private Securities Litigation Reform Act of 1995

† Management contract or compensatory plan or arrangement required to be filed as an exhibit to Form 10–K pursuant to Item 14(c) of the Form 10–K Report.

* Filed herewith

(b) Reports on Form 8–K

No reports on Form 8-K were filed during the quarter ended December 31, 2001.

(c) See Item 14(a)(3) above.

(d) See Item 14(a)(2) above.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

The following financial statements of the Company and its subsidiaries required to be included in Item 14(a)(1) are listed below:

C.H. ROBINSON WORLDWIDE, INC. AND SUBSIDIARIES

Consolidated Financial Statements (incorporated by reference under Item 8 of Part II from pages 10 through 20 of the Company's Annual Report to Stockholders for the year ended December 31, 2001):

SIGNATURES

Pursuant to the requirements of the Section 13 or 15(d) 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, in the City of Eden Prairie, State of Minnesota, on March 15, 2002.

C.H. ROBINSON WORLDWIDE, INC.

By: /s/ Owen P. Gleason

Owen P. Gleason
Vice President, General Counsel and Secretary

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 indicated on March 15, 2002.

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints John P. Wiehoff and Owen P. Gleason (with full power to act alone), as his or her true and lawful attorneys-in-fact and agents, with full powers of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to the Annual Report on Form 10-K of C.H. Robinson Worldwide, Inc., and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite or necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their substitute or substitutes, lawfully do or cause to be done by virtue hereof.

Signature	Title
/s/ D. R. Verdoorn **D.R. Verdoorn**	Chairman of the Board and Chief Executive Officer (Principal Executive Officer)
/s/ Chad M. Lindbloom **Chad M. Lindbloom**	Vice President and Chief Financial Officer (Principal Financial Officer)
/s/ Thomas K. Mahlke **Thomas K. Mahlke**	Corporate Controller (Principal Accounting Officer)
/s/ Looe Baker III **Looe Baker III**	Director
/s/ Barry W. Butzow **Barry W. Butzow**	Senior Vice President and Director
/s/ Robert Ezrilov **Robert Ezrilov**	Director
/s/ Gerald A. Schwalbach **Gerald A. Schwalbach**	Director
/s/ Gregory D. Goven **Gregory D. Goven**	Senior Vice President and Director
/s/ Wayne M. Fortun **Wayne M. Fortun**	Director
/s/ John P. Wiehoff **John P. Wiehoff**	President and Director

Report of independent public accountants

To C.H. Robinson Worldwide, Inc.:

We have audited in accordance with auditing standards generally accepted in the United States, the consolidated financial statements included in C.H. Robinson Worldwide, Inc.'s annual report to shareholders incorporated by reference in this Form 10-K, and have issued our report thereon dated February 4, 2002. Our audit was made for the purpose of forming an opinion on those statements taken as a whole. The accompanying schedule is the responsibility of the company's management and is presented for purposes of complying with the Securities and Exchange Commission's rules and is not part of the basic financial statements. The schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly states in all material respects the financial data required to be set forth therein in relation to the basic financial statements taken as a whole.

Arthur Andersen

Minneapolis, Minnesota
February 4, 2002

C.H. Robinson Worldwide, Inc.

Schedule II. Valuation and Qualifying Accounts

Allowance for Doubtful Accounts

The transactions in the allowance for doubtful accounts for the years ended December 31, 2001, 2000 and 1999 were as follows (in thousands):

	December 31, 2001	December 31, 2000	December 31, 1999
Balance, beginning of year	$ 22,712	$ 18,280	$ 12,412
Provision	9,043	7,940	10,393
Write-offs	(8,744)	(3,508)	(4,525)
Balance, end of year	$ 23,011	$ 22,712	$ 18,280

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† Management contract or compensatory plan or arrangement required to be filed as an exhibit to Form 10–K pursuant to Item 14(c) of the Form 10–K Report

* Filed herewith

SELECTED CONSOLIDATED FINANCIAL AND OPERATING DATA
C.H. Robinson Worldwide, Inc. and Subsidiaries

(Dollars in thousands, except per share data)	2001	2000	1999	1998	1997	1997 as adjusted/(2)/ (unaudited)
STATEMENT OF OPERATIONS DATA (For the years ended December 31)						
Gross revenues	$3,090,072	$2,882,175	$2,261,027	$2,038,139	$1,790,785	$1,790,785
Gross profits/(1)/	456,572	419,343	293,283	245,666	206,020	206,020
Income from operations	134,274	117,008	83,828	68,443	32,079	56,735
Net income	83,992	71,242	53,349	43,015	11,492	36,148
Net income per share/(3)/						
Basic	$ 1.00	$ .84	$ .65	$ .52	$ .14	$ .44
Diluted	$ .98	$ .83	$ .64	$ .52	$ .14	$ .44
Weighted average number of shares outstanding/(3)/ (in thousands)						
Basic	84,374	84,529	82,456	82,432	82,570	82,570
Diluted	85,774	85,717	83,006	82,618	82,604	82,604
Dividends and distributions per share/(3)/	$ .210	$ .170	$ .145	$ .125	$ 1.265	$ .105
BALANCE SHEET DATA (as of December 31)						
Working capital	$ 179,687	$ 113,988	$ 67,158	$ 135,245	$ 109,042	$ 109,042
Total assets	683,490	644,207	522,661	409,116	340,628	340,628
Total long-term debt	-	-	-	-	-	-
Stockholders' investment	355,815	297,016	246,767	169,518	138,981	138,981
OPERATING DATA (as of December 31)						
Branches	139	137	131	120	119	119
Employees	3,770	3,677	3,125	2,205	1,925	1,925
Average gross profits per employee	$ 123	$ 122	$ 120	$ 119	$ 115	$ 115

/(1)/ Gross profits are determined by deducting the direct costs of transportation, products, and handling from gross revenues. See "Management's Discussion and Analysis of Financial Condition and Results of Operations." Previously, gross profits were referred to as net revenues in our consolidated financial statements, our company materials, and reports filed with the Securities and Exchange Commission.

/(2)/ Excludes unusual charges and expenses of $24,656 related to our initial public offering and special dividends and distributions related to our initial public offering in October 1997.

/(3)/ On October 24, 2000, the Company's Board of Directors declared a two-for-one stock split effected in the form of a 100% stock dividend distributed on December 1, 2000, to shareholders of record as of November 10, 2000. All share and per share amounts have been restated to reflect the retroactive effect of the stock split.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

GENERAL

Gross revenues represent the total dollar value of services and goods we sell to our customers. Our costs of transportation and products include the contracted direct costs of transportation, including motor carrier, rail, ocean, air, and other costs, and the purchase price of the products we source. We act principally as a service provider to add value and expertise in the execution and procurement of these services for our customers. Our gross profits (gross revenues less the direct costs of transportation, products, and handling) are the primary indicator of our ability to source, add value, and resell services and products that are provided by third parties, and are considered by management to be our primary performance measurement. Accordingly, the discussion of results of operations below focuses on the changes in our gross profits. Previously, gross profits were referred to as net revenues in the Company's consolidated financial statements, our company materials, and reports filed with the Securities and Exchange Commission.

In the transportation industry, results of operations generally show a seasonal pattern as customers reduce shipments during and after the winter holiday season. In recent years, our income from operations has been lower in the first quarter than in the other three quarters. Seasonality in the transportation industry has not had a significant impact on our results of operations or our cash flows in recent years. Also, inflation has not materially affected our operations due to the short-term, transactional basis of our business. However, we cannot fully predict the impact seasonality and inflation may have in the future.

2001 COMPARED TO 2000

REVENUES. Gross revenues for 2001 were $3.09 billion, an increase of 7.2% over $2.88 billion for 2000. Gross profits for 2001 were $456.6 million, an increase of 8.9% over $419.3 million for 2000, resulting from an increase in transportation services gross profits of 9.9% to $390.4 million, an increase in sourcing gross profits of 3.1% to $45.2 million, and an increase in information services gross profits of 2.8% to $21.0 million. Our gross profits increased at a faster rate than our gross revenues due to the mix of business. The gross profit margin, or gross profits as a percentage of gross revenues, varies by service line. Information services has the highest gross profit margin, followed by transportation, and finally sourcing.

Transportation gross profits were 85.5% of our total gross profits for the year. Our transportation gross profits grew at 9.9%.

Truck gross profits, including less-than-truckload (LTL), grew 10.9% due to transaction volume increases. Our gross profit per transaction, however, was flat for the year. Gross profit margin on the truck business increased slightly for the year, primarily due to the mix of services provided. Our less-than-truckload business and short-haul business typically has a higher gross profit margin than our truckload business.

Intermodal gross profits grew 11.8%. Our intermodal gross profit growth was driven by shippers' focus on cost savings and their increased trust in railroad service levels.

RESULTS OF OPERATIONS

The following table summarizes our gross profits by service line:

For the years ended December 31, (Dollars in thousands)	2001	2000	Change	1999	Change
Gross profits					
Transportation	$ 390,440	$ 355,141	9.9%	$ 233,848	51.9%
Sourcing	45,154	43,793	3.1	42,759	2.4
Information services	20,978	20,409	2.8	16,676	22.4
Total	$ 456,572	$ 419,343	8.9%	$ 293,283	43.0%

The following table represents certain statement of operations data shown as percentages of our gross profits:

For the years ended December 31,	2001	2000	1999
Gross profits	100.0%	100.0%	100.0%
Selling, general, and administrative expenses:			
Personnel expenses	49.3	48.9	46.4
Other selling, general, and administrative expenses	21.3	23.2	25.0
Total selling, general, and administrative expenses	70.6	72.1	71.4
Income from operations	29.4	27.9	28.6
Investment and other income	0.9	0.2	1.6
Income before provision for income taxes	30.3	28.1	30.2
Provision for income taxes	11.9	11.1	12.0

Net income	18.4%	17.0%	18.2%

Gross profits in air, ocean, and miscellaneous (primarily customs brokerage) decreased a total of 2.7% for the year. Our business with many of our large international clients was down due to their decreased volumes in the lanes we handled for them.

Sourcing gross profits increased 3.1%. We continue to see the trend of reduced volumes with our traditional business with produce wholesalers, which is offset by increases in volumes and gross profits with large retailers.

Information services gross profits increased 2.8%. By the end of 2001, T-Chek Systems-related revenues made up 100% of our information services gross profits. T-Chek gross profits increased 12.1% for the year. T-Chek's growth has been negatively impacted by the slowdown in the U.S. truckload market because it generates fees when its customers buy fuel, and many carriers are having difficult times financially. Through the first half of 2001, our subsidiary Payment & Logistics Services, Inc. provided freight payment services to shippers. We completed a one-year phase-out of this business in June 2001.

SELLING, GENERAL, AND ADMINISTRATIVE EXPENSES. Many of our selling, general, and administrative expenses vary with the amount of business we do, and therefore we analyze them in relation to gross profits. Personnel expenses accounted for 69.8% of total selling, general, and administrative expenses in 2001, so we report and analyze them separately.

Personnel expenses were $225.0 million for 2001, an increase of 9.7% over $205.1 million for 2000. Personnel expenses as a percentage of gross profits increased to 49.3% for 2001 compared to 48.9% for 2000. The bulk of our variable compensation is bonuses that are based on pre-tax, pre-bonus profit, not gross profits. This year's bonus expense as a percentage of pre-tax, pre-bonus profit remained relatively consistent with 2000; however, our pre-tax, pre-bonus profit increased as a percentage of gross profit, which contributed to the increase of personnel expenses as a percentage of gross profit.

Other selling, general, and administrative expenses for 2001 were $97.3 million, an increase of 0.1% over $97.2 million for 2000. As a percentage of gross profits, other selling, general, and administrative expenses decreased to 21.3% for 2001 compared to 23.2% for 2000. In 2001, we had notable declines as a percentage of gross profit in communications costs, travel expenses, and contractor costs. Our communications costs decreased partially due to usage levels and partially due to lower rates. The events of September 11 and our emphasis on expense control contributed to a reduction in travel spending. Additionally, contractor costs for IT development related to the integration of systems from acquisitions continued to decline.

INCOME FROM OPERATIONS. Income from operations was $134.3 million for 2001, an increase of 14.8% over $117.0 million for 2000. Income from operations as a percentage of gross profits was 29.4% and 27.9% for 2001 and 2000.

INVESTMENT AND OTHER INCOME. Investment and other income was $4.1 million for 2001, an increase of 446.5% from $0.8 million for 2000. This increase partially was the result of higher cash and investment balances in 2001 compared to 2000. In addition, we realized $1.9 million from unusual items comprised of $1.5 million from a gain on sale of a corporate aircraft to a related party (see Note 7 to the consolidated financial statements) and approximately $400,000 from interest income related to settlement of IRS matters.

PROVISION FOR INCOME TAXES. The effective income tax rate was 39.3% for 2001 and 39.5% for 2000. The effective income tax rate for both periods is greater than the statutory federal income tax rate primarily due to state income taxes, net of federal benefit.

NET INCOME. Net income was $84.0 million for 2001, an increase of 17.9% over $71.2 million for 2000. Basic net income per share increased by 19.0% to $1.00 for 2001 compared to $0.84 for 2000. Diluted net income per share increased by 18.1% to $0.98 compared to $0.83 for 2000.

2000 COMPARED TO 1999

REVENUES. Gross revenues for 2000 were $2.88 billion, an increase of 27.5% over $2.26 billion for 1999. Gross profits for 2000 were $419.3 million, an increase of 43.0% over $293.3 million for 1999, resulting from an increase in transportation services gross profits of 51.9% to $355.1 million, an increase in sourcing gross profits of 2.4% to $43.8 million, and an increase in information services gross profits of 22.4% to $20.4 million. Our gross profits increased at a faster rate than our gross revenues due to the mix of business. The gross profit margin, or gross profits as a percentage of gross revenues, varies by service line. Information services has the highest gross profit margin, followed by transportation, and finally sourcing.

The increase in transportation services gross profits of 51.9% resulted from internal growth of approximately 22%, and growth from acquisitions which added approximately 30%. Gross profit margin on the truck business increased slightly during the year, primarily due to the mix of services provided. Our international air and ocean business grew from both adding new customers and expanding business with existing customers.

Sourcing gross profits increased 2.4%. We continue to see the trend of less volume with our traditional business with produce wholesalers, which is offset by increases in volumes and gross profits with large retailers.

Information services gross profits increased 22.4%. T-Chek related revenues, which represented approximately 90% of the information services business, had year-to-date growth of approximately 29%. Other non-T-Chek information services business had declining gross profits for the year 2000.

SELLING, GENERAL, AND ADMINISTRATIVE EXPENSES. Many of our selling, general, and administrative expenses vary with the amount of business we do and therefore, we analyze them in relation to gross profits. Personnel expenses accounted for 67.8% of total selling, general, and administrative expenses in 2000, so we report and analyze them separately.

Personnel expenses were $205.1 million for 2000, an increase of 50.7% over $136.1 million for 1999. Personnel expenses as a percentage of gross profits increased to 48.9% for 2000 compared to 46.4% for 1999. This was primarily due to the acquisition of American Backhaulers, Inc., as well as headcount growth in our information technology department. The cost structure of American Backhaulers, Inc. has a higher percentage of personnel to gross profits than the remainder of our business. As the acquisition has been integrated, this impact has been decreasing. The growth in our information technology department in 2000 was a result of the integration of acquisitions, as well as additional investments to improve our existing operating systems.

Other selling, general, and administrative expenses for 2000 were $97.2 million, an increase of 32.5% over $73.4 million for 1999. As a percentage of gross profits, other selling, general, and administrative expenses decreased to 23.2% for 2000 compared to 25.0% for 1999. The majority of this decrease was due to the acquisition of American Backhaulers, Inc. and our internal gross profits growth of 20%. The cost structure of American Backhaulers, Inc. has a lower percentage of other selling, general, and administrative expenses to gross profits than the remainder of our business due primarily to the fact that it is centralized in one location. Some of our other selling, general, and administrative expenses, such as occupancy and travel, grew at a slower rate than gross profits.

INCOME FROM OPERATIONS. Income from operations was $117.0 million for 2000, an increase of 39.6% over $83.8 million for 1999. Income from operations as a percentage of gross profits was 27.9% and 28.6% for 2000 and 1999.

INVESTMENT AND OTHER INCOME. Investment and other income was $0.8 million for 2000, a decrease of 83.9% from $4.6 million for 1999. This decrease was the result of lower cash and investment balances in 2000 compared to 1999. In December 1999, we used $100 million in cash and investments for the purchase of American Backhaulers, Inc.

PROVISION FOR INCOME TAXES. The effective income tax rate was 39.5% for 2000 and 39.7% for 1999. The effective income tax rate for both periods is greater than the statutory federal income tax rate primarily due to state income taxes, net of federal benefit.

NET INCOME. Net income was $71.2 million for 2000, an increase of 33.5% over $53.3 million for 1999. Basic net income per share increased by 29.2% to $0.84 for 2000 compared to $0.65 for 1999. Diluted net income per share increased by 29.7% to $0.83 for 2000 compared to $0.64 for 1999.

LIQUIDITY AND CAPITAL RESOURCES

We have historically generated substantial cash from operations, which has enabled us to fund our growth while paying cash dividends and repurchasing stock. Cash and cash equivalents totaled $115.7 million and $79.9 million as of December 31, 2001 and 2000. Working capital at December 31, 2001 and 2000 was $179.7 million and $114.0 million. We have had no long-term debt for the last five years and have no material commitments for future capital expenditures. We have not experienced a material business or financial impact with the conversion to the Euro.

We generated $74.5 million, $74.5 million, and $51.9 million of cash flow from operations in 2001, 2000, and 1999. This was due to net income generated, adjusted primarily for depreciation and amortization and the net change in accounts receivable and accounts payable. We completed a one-year phase-out of our freight payment services subsidiary in June 2001, which had a negative $23.2 million impact on our operating cash flow during 2001. At December 31, 2000, this business had $25.4 million in payables and $2.2 million in receivables.

We used $13.2 million, $24.1 million, and $88.8 million of cash flow for investing activities in 2001, 2000, and 1999. In 2001, we had $17.1 million of capital expenditures. In August 2001, we acquired a new corporate aircraft for $9.0 million and sold our existing aircraft to our Chairman and CEO D.R. Verdoorn and another party for $5.0 million. We believe the terms were no less favorable than what we could have received from an unaffiliated third party, as measured by comparable sales transactions around the date of the sale. Our gain on the sale was $1.5 million. At December 31, 2001, we had no ongoing contractual or other outstanding commitments related to this transaction. In 2000, we had $15.5 million of capital expenditures. The cash used in 1999 was primarily due to $112.2 million spent for acquisitions and $9.4 million of capital expenditures necessary for continued growth, offset by $30.5 million generated by sales and maturities of available-for-sale securities (net of purchases).

We also used $25.4 million, $20.1 million, and $12.7 million of cash flow for financing activities in 2001, 2000, and 1999. This was primarily quarterly cash dividends and share repurchases for our employee stock plans. We declared a $0.06 per share dividend payable on April 1, 2002, to shareholders of record as of March 8, 2002.

We had a $40.0 million line of credit at an interest rate of LIBOR plus 60 basis points, which we terminated during the third quarter of 2001. In April, 2001, we borrowed $9.0 million, all of which was repaid the following business day. During 2000, we had gross borrowings on this facility of $210.5 million, all of which was repaid by June 2000. The maximum outstanding balance during 2001 was $9.0 million and during 2000 was $14.0 million. We believe we could obtain a similar line of credit on short notice if needed.

We also have 20 million French francs available under a line of credit at an interest rate of Euribor plus 45 basis points (3.78% at December 31, 2001). This discretionary line of credit has no expiration date. As of December 31, 2001, the outstanding balance was 6.8 million French francs or $923,000, which is included in income taxes and other accrued expenses. As of December 31, 2000, the outstanding balance was 13.0 million French francs or $1.8 million. Our credit agreement contains certain financial covenants, but does not restrict the payment of dividends. We were in compliance with all covenants of this agreement as of December 31, 2001.

We have certain facilities, equipment, and automobiles under operating leases. Lease expense was $17.5 million for 2001, $18.2 million for 2000, and $16.1 million for 1999. Minimum future lease commitments under noncancelable lease agreements in excess of one year as of December 31, 2001 were as follows: $11.5 million in 2002, $8.2 million in 2003, $5.9 million in 2004, $3.0 million in 2005, $1.1 million in 2006, and $746,000 thereafter.

Assuming no change in our current business plan, management believes that our available cash, together with expected future cash generated from operations and the amount available under our line of credit, will be sufficient to satisfy our anticipated needs for working capital, capital expenditures, and cash dividends for all future periods.

CRITICAL ACCOUNTING POLICIES

Our consolidated financial statements include accounts of the company and all majority-owned subsidiaries. The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions in certain circumstances that affect amounts reported in the accompanying consolidated financial statements and related footnotes. In preparing our financial statements, management has made its best estimates and judgments of certain amounts included in the financial statements, giving due consideration to materiality. We do not believe there is a great likelihood that materially different amounts would be reported related to the accounting policies described below. However, application of these accounting policies involves the exercise of judgment and use of assumptions as to future uncertainties and, as a result, actual results could differ from these estimates. Note 1 of the notes to the consolidated financial statements includes a summary of the significant accounting policies and methods used in the preparation of our consolidated financial statements. The following is a brief discussion of the more significant accounting policies and methods we use.

REVENUE RECOGNITION. Gross revenues consist of the total dollar value of goods and services purchased by customers. We act principally as the service provider for these transactions and recognize revenue as services are rendered and goods are delivered. Upon delivery, our obligations are completed and collection of receivables is reasonably assured.

The Securities and Exchange Commission's Staff Accounting Bulletin (SAB) No. 101, "Revenue Recognition" provides guidance on the application of generally accepted accounting principles to selected revenue recognition issues. The Company has concluded that its revenue recognition policy is appropriate and in accordance with generally accepted accounting principles and SAB No. 101.

ALLOWANCE FOR DOUBTFUL ACCOUNTS. Accounts receivable are reduced by an allowance for amounts that may become uncollectible in the future. We continuously monitor payments from our customers and maintain a provision for uncollectible accounts based upon our historical experience and any specific customer collection issues that we have identified.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In June 2001, the Financial Accounting Standards Board (FASB) issued Statements of Financial Accounting Standards (SFAS) No. 141, "Business Combinations," and No. 142, "Goodwill and Other Intangible Assets," effective for fiscal years beginning after December 15, 2001. Under the new rules, goodwill (and intangible assets deemed to have indefinite lives) will no longer be amortized but will be subject to annual impairment tests in accordance with SFAS No. 142. Other intangible assets will continue to be amortized over their useful lives.

We will apply the new rules on accounting for goodwill and other intangible assets beginning in the first quarter of 2002. As of December 31, 2001, we had unamortized goodwill and other intangible assets of $143.6 million that will be subject to the provisions of SFAS No. 142. We are in the process of completing an impairment test to determine the impact of adopting SFAS No. 142 on our earnings and financial position, and believe that the results of the initial impairment test of goodwill will not result in any transitional impairment losses as a cumulative effect of a change in accounting principle. We had $5.3 million of amortization expense in 2001 that will no longer be recognized with the application of the non-amortization provisions of SFAS No. 142. Application of these provisions is expected to result in an increase in pre-tax income of approximately $5.3 million in 2002.

MARKET RISK

We had $115.7 million of cash and investments on December 31, 2001, all of which were cash and cash equivalents. Substantially all of the cash equivalents are money market securities from domestic issuers. Because of the credit risk criteria of our investment policies, the primary market risk associated with these investments is interest rate risk. We do not use derivative financial instruments to manage interest rate risk or to speculate on future changes in interest rates. A rise in interest rates could negatively affect the fair value of our investments. We believe a reasonable near-term change in interest rates would not have a material impact on our future investment earnings due to the short-term nature of our investing practices.

Our discussion and analysis of our financial condition and results of operations, including our market risk discussions, contain forward-looking statements. Those forward-looking statements, including our current assumptions about future operations, are subject to various risks and uncertainties. Our actual results may differ significantly. Further discussion of factors that may cause a difference may be found in an exhibit to the Company's Form 10-K filed with the Securities and Exchange Commission.

CONSOLIDATED BALANCE SHEETS
C.H.Robinson Worldwide,Inc. and Subsidiaries

(In thousands, except per share data) As of December 31,	2001	2000
ASSETS		
Current assets:		
Cash and cash equivalents	$ 115,741	$ 79,912
Receivables, net of allowance for doubtful accounts of $23,011 and $22,712	370,378	354,953
Deferred tax asset	12,164	21,219
Prepaid expenses and other	2,272	2,296
Inventories	2,660	1,859
Total current assets	503,215	460,239
Property and equipment	66,387	58,827
Accumulated depreciation and amortization	(35,467)	(29,425)
Net property and equipment	30,920	29,402
Goodwill, net of accumulated amortization of $10,703 and $7,701	140,751	145,604
Other intangible assets, net of accumulated amortization of $7,818 and $ 5,084	7,395	8,570
Other assets	1,209	392
Total assets	$ 683,490	$ 644,20
LIABILITIES AND STOCKHOLDERS' INVESTMENT		
Current liabilities:		
Accounts payable	$ 267,708	$ 285,932
Accrued expenses -		
Compensation and profit-sharing contribution	32,098	33,456
Income taxes and other	23,722	26,863
Total current liabilities	323,528	346,251
Deferred tax liability	3,241	940
Non-qualified deferred compensation obligation	906	-
Total liabilities	327,675	347,191
Commitments and contingencies (Notes 4 and 8)		
Stockholders' investment:		
Preferred stock, $.10 par value, 20,000 shares authorized; no shares issued or outstanding	-	-
Common stock, $.10 par value, 130,000 shares authorized; 85,008 and 85,008 shares issued, 84,457 and 84,621 outstanding	8,446	8,462
Additional paid-in-capital	99,551	101,571
Retained earnings	270,711	204,463
Deferred compensation	(6,247)	(6,980)
Cumulative other comprehensive loss	(1,592)	(1,049)
Treasury stock at cost (551 and 387 shares)	(15,054)	(9,451)
Total stockholders' investment	355,815	297,016
Total liabilities and stockholders' investment	$ 683,490	$ 644,207

The accompanying notes are an integral part of these consolidated balance sheets.

CONSOLIDATED STATEMENTS OF OPERATIONS
C.H. Robinson Worldwide, Inc. and Subsidiaries

(In thousands, except per share data) For the years ended December 31,	2001	2000	1999
Gross revenues	$3,090,072	$2,882,175	$2,261,027
Cost of transportation and products	2,633,500	2,462,832	1,967,744
Gross profits	456,572	419,343	293,283
Selling, general, and administrative expenses:			
Personnel expenses	224,997	205,111	136,091
Other selling, general, and administrative expenses	97,301	97,224	73,364
Total selling, general, and administrative expenses	322,298	302,335	209,455
Income from operations	134,274	117,008	83,828
Investment and other income	4,099	750	4,649
Income before provision for income taxes	138,373	117,758	88,477
Provision for income taxes	54,381	46,516	35,128
Net income	$ 83,992	$ 71,242	$ 53,349
Basic net income per share	$ 1.00	$ .84	$ .65
Diluted net income per share	$ .98	$ .83	$ .64
Basic weighted average shares outstanding	84,374	84,529	82,456
Dilutive effect of outstanding stock awards	1,400	1,188	550
Diluted weighted average shares outstanding	85,774	85,717	83,006

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' INVESTMENT AND COMPREHENSIVE INCOME
C.H. Robinson Worldwide, Inc. and Subsidiaries

(In thousands, except per share data)
For the years ended December 31, 2001, 2000, and 1999

	Common Shares Outstanding	Amount	Additional Paid-in Capital	Retained Earnings	Deferred Compen-sation	Cumulative Other Com-prehensive Loss	Treasury Stock	Total Stockholders' Investment
Balance, December 31, 1998	41,190	$ 4,119	$ 62,054	$ 106,178	$ -	$(1,145)	$ (1,688)	$ 169,518
Net income	-	-	-	53,349	-	-	-	53,349
Other comprehensive income:								
Foreign currency translation adjustment	-	-	-	-	-	92	-	92
Comprehensive income	-	-	-	-	-	-	-	53,441
Cash dividends, $.145 per share	-	-	-	(11,941)	-	-	-	(11,941)
Stock issued for employee benefit plans	58	6	51	-	-	-	1,472	1,529
Stock issued in acquisition (Note 2)	1,121	112	36,813	-	-	-	-	36,925
Tax benefit on deferred compensation and employee stock plans	-	-	40	-	-	-	-	40
Repurchase of common stock	(85)	(9)	-	-	-	-	(2,736)	(2,745)
Balance, December 31, 1999	42,284	4,228	98,958	147,586	-	(1,053)	(2,952)	246,767
Net income	-	-	-	71,242	-	-	-	71,242
Other comprehensive income:								
Foreign currency translation adjustment	-	-	-	-	-	4	-	4
Comprehensive income	-	-	-	-	-	-	-	71,246
Cash dividends, $.170 per share	-	-	-	(14,365)	-	-	-	(14,365)
Stock dividend (Note 6)	42,284	4,228	(4,228)	-	-	-	-	-
Stock issued for employee benefit plans	181	18	(168)	-	-	-	3,400	3,250
Issuance of restricted stock (Note 6)	237	24	6,976	-	(7,000)	-	-	-
Reduction of deferred compensation (Note 6)	-	-	-	-	20	-	-	20
Tax benefit on deferred compensation and employee stock plans	-	-	33	-	-	-	-	33
Repurchase of common stock	(365)	(36)	-	-	-	-	(9,899)	(9,935)
Balance, December 31, 2000	84,621	8,462	101,571	204,463	(6,980)	(1,049)	(9,451)	297,016
Net income	-	-	-	83,992	-	-	-	83,992
Other comprehensive income:								
Foreign currency translation adjustment	-	-	-	-	-	(543)	-	(543)
Comprehensive income	-	-	-	-	-	-	-	83,449
Cash dividends, $.210 per share	-	-	-	(17,744)	-	-	-	(17,744)
Stock issued for employee benefit plans	310	31	(2,887)	-	-	-	8,059	5,203
Reduction of deferred compensation (Note 6)	-	-	-	-	733	-	-	733
Tax benefit on deferred compensation and employee stock plans	-	-	867	-	-	-	-	867
Repurchase of common stock	(474)	(47)	-	-	-	-	(13,662)	(13,709)
Balance, December 31, 2001	84,457	$ 8,446	$ 99,551	$ 270,711	$ (6,247)	$(1,592)	$(15,054)	$ 355,815

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS
C.H. Robinson Worldwide, Inc. and Subsidiaries

(In thousands) For the years ended December 31,	2001	2000	1999
OPERATING ACTIVITIES			
Net income	$ 83,992	$ 71,242	$ 53,349
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	19,136	17,318	10,133
Deferred compensation expense	733	20	-
Deferred income taxes	11,356	(513)	(4,822)
(Gain) loss on sale of assets	(997)	298	(178)
Changes in operating elements, net of effects of acquisitions -			
Receivables	(15,425)	(82,196)	(35,196)
Prepaid expenses and other	24	570	3,907
Inventories	(801)	(74)	1,703
Accounts payable	(19,067)	52,875	25,748
Accrued compensation and profit-sharing contribution	(1,358)	5,286	339
Accrued income taxes and other	(3,141)	9,664	(3,105)
Net cash provided by operating activities	74,452	74,490	51,878
INVESTING ACTIVITIES			
Purchases of property and equipment	(17,101)	(15,491)	(9,433)
Sales of property and equipment	5,000	360	430
Cash paid for acquisitions, net of cash acquired	-	(5,898)	(112,216)
Sales of long-term investments	-	-	1,300
Sales/maturities of available-for-sale securities	-	-	44,172
Purchases of available-for-sale securities	-	-	(13,643)
Change in other assets/liabilities, net	(1,116)	(3,063)	553
Net cash used for investing activities	(13,217)	(24,092)	(88,837)
FINANCING ACTIVITIES			
Stock issued for employee benefit plans	5,203	3,250	1,529
Repurchase of common stock	(13,709)	(9,935)	(2,745)
Cash dividends and distributions	(16,900)	(13,438)	(11,529)
Net cash used for financing activities	(25,406)	(20,123)	(12,745)
Net increase (decrease) in cash and cash equivalents	35,829	30,275	(49,704)
Cash and cash equivalents, beginning of year	79,912	49,637	99,341
Cash and cash equivalents, end of year	$ 115,741	$ 79,912	$ 49,637
Cash paid for income taxes	$ 45,653	$ 39,096	$ 42,348
Cash paid for interest	$ 160	$ 151	$ -
Supplemental disclosure of noncash activities:			
Stock issued in acquisition (Note 2)	$ -	$ -	$ 36,925
Restricted stock awarded (Note 6)	$ -	$ 7,000	$ -
Accrued and unpaid dividends	$ 5,064	$ 4,220	$ 3,293

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
C.H. Robinson Worldwide, Inc. and Subsidiaries

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION - C.H. Robinson Worldwide, Inc. and its Subsidiaries ("the Company," "we," "us," or "our") is a global provider of multimodal transportation services and logistics solutions through a network of 139 branch offices in 40 states throughout North America, South America, and Europe. The consolidated financial statements include the accounts of C.H. Robinson Worldwide, Inc. and its majority owned and controlled subsidiaries. Minority interests in subsidiaries are not significant. All significant intercompany transactions and balances have been eliminated in the consolidated financial statements.

USE OF ESTIMATES - The preparation of financial statements in conformity with accounting principles generally accepted in the United States 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 revenues and expenses during the reporting period. Ultimate results could differ from those estimates.

REVENUE RECOGNITION - Gross revenues consist of the total dollar value of goods and services purchased by customers. Gross profits are gross revenues less the direct costs of transportation, products, and handling costs. We act principally as the service provider for these transactions and recognize revenue as these services are rendered and goods are delivered. At that time, our obligations to the transactions are completed and collection of receivables is reasonably assured. Our gross profits are considered by management to be our primary performance measurement. Previously, gross profits were referred to as net revenues in our consolidated financial statements, our company materials, and reports filed with the Securities and Exchange Commission.

ALLOWANCE FOR DOUBTFUL ACCOUNTS - Accounts receivable are reduced by an allowance for amounts that may become uncollectible in the future. We continuously monitor payments from our customers and maintain a provision for uncollectible accounts based upon our historical experience and any specific customer collection issues that we have identified.

IMPAIRMENT OF LONG-LIVED ASSETS - We periodically evaluate whether events and circumstances have occurred that indicate the remaining balance of long-lived assets may not be recoverable. This assessment includes performing an undiscounted cash flow analysis to measure for potential asset impairment of each long-lived asset. We evaluate the fair value and record any impairment when appropriate.

FOREIGN CURRENCY - All balance sheet accounts of foreign subsidiaries are translated at the current exchange rate as of the end of the year. Statement of operations items are translated at average exchange rates during the year. The resulting translation adjustment is recorded as a separate component of comprehensive income in our statement of stockholders' investment and comprehensive income.

SEGMENT REPORTING AND GEOGRAPHIC INFORMATION - We have adopted the provisions of Statement of Financial Accounting Standards No. 131, "Disclosure About Segments of an Enterprise and Related Information" (SFAS No. 131). SFAS No. 131 establishes accounting standards for segment reporting.

We operate in the third party logistics industry. We provide a wide range of products and services to our customers and carriers including transportation services, product sourcing, freight consolidation, contract warehousing, and information services. Each of these is a significant component to optimizing the logistics solution for our customers.

These services are performed throughout our branch offices by the same people, as an integrated offering for which our customers are provided a single invoice. As a result, discrete selling, general, and administrative expenses associated with the gross profits of each service line are not available. Accordingly, our chief operating decision makers analyze our business as a single segment relying on gross profits and operating income for each of our branch offices as the primary performance measures.

The following table presents our gross revenues (based on location of the customer) for the years ended December 31 and our long-lived assets as of December 31 by geographic regions (in thousands):

	2001	2000	1999
Gross revenues			
United States	$2,960,241	$2,754,292	$2,144,386
Other locations	129,831	127,883	116,641
	$3,090,072	$2,882,175	$2,261,027

	2001	2000
Long-lived assets		
United States	$ 38,136	$ 37,204
Other locations	1,388	1,160
	$ 39,524	$ 38,364

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CASH AND CASH EQUIVALENTS - Cash and cash equivalents consist primarily of highly liquid investments with an original maturity of three months or less. The carrying amount approximates fair value due to the short maturity of the instruments.

INVENTORIES - Inventories consist primarily of produce, fruit concentrates, and related products held for resale and are stated at the lower of cost or market.

PROPERTY AND EQUIPMENT - Property and equipment additions are recorded at cost. Maintenance and repair expenditures are charged to expense as incurred. Depreciation is computed using straight-line methods over the estimated lives of the assets of three to 15 years. Amortization of leasehold improvements is computed over the shorter of the lease term or the estimated useful lives of the improvements. We recognized depreciation expense of $11,578,000 in 2001, $9,864,000 in 2000, and $7,140,000 in 1999.

INTANGIBLE ASSETS - Goodwill represents the excess of the cost over the fair value of net assets of acquired businesses, while other intangible assets consist primarily of purchased and internally developed software and other assets purchased through acquisitions. Goodwill is being amortized using the straight-line method over its estimated economic lives ranging from five to 40 years. Intangible assets are being amortized using the straight-line method over their estimated useful lives, ranging from three to five years. We recognized amortization expense of $7,558,000 in 2001, $7,454,000 in 2000, and $2,993,000 in 1999.

INCOME PER SHARE - Basic net income per common share is computed by dividing net income by the weighted average number of shares of common stock outstanding during the period. Diluted net income per common share is computed under the treasury stock method and is calculated to compute the dilutive effect of outstanding options and other securities. At December 31, 2001, 23,000 stock options were not included as common stock equivalents because the exercise prices exceeded the average market value.

COMPREHENSIVE INCOME - Comprehensive income includes any changes in the equity of an enterprise from transactions and other events and circumstances from nonowner sources. Our foreign currency translation adjustment is currently our only component of other comprehensive income and is presented on our consolidated statements of stockholders' investment and comprehensive income.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS - Effective January 1, 2001, we have adopted the provisions of Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities (SFAS No. 133)" and Statement of Financial Accounting Standards No. 137, "Accounting for Derivative Instruments and Hedging Activities - Deferral of the Effective Date of FASB Statement No. 133 (SFAS No. 137)." SFAS No. 133 establishes accounting and reporting standards requiring that every derivative instrument (including certain derivative instruments imbedded in other contracts) be recorded in the balance sheet as either an asset or liability measured at its fair value. SFAS No. 133 requires changes in the derivatives' fair value be recognized currently in earnings, unless specific hedge accounting criteria are met. SFAS No. 133 did not have any impact on our consolidated statements of operations or balance sheets.

In June 2001, the Financial Accounting Standards Board (FASB) issued Statements of Financial Accounting Standards (SFAS) No. 141, "Business Combinations", and SFAS No. 142, "Goodwill and Other Intangible Assets", effective for fiscal years beginning after December 15, 2001. Under the new rules, goodwill (and intangible assets deemed to have indefinite lives) will no longer be amortized but will be subject to annual impairment tests in accordance with SFAS No. 142. Other intangible assets will continue to be amortized over their useful lives.

We will apply the new rules on accounting for goodwill and other intangible assets beginning in the first quarter of 2002. As of December 31, 2001, we had unamortized goodwill and other intangible assets of $143.6 million that will be subject to the provisions of SFAS No. 142. We are in the process of completing an impairment test to determine the impact of adopting SFAS No. 142 on our earnings and financial position, and believe that the results of the initial impairment test of goodwill will not result in any transitional impairment losses as a cumulative effect of a change in accounting principle. We had $5.3 million of amortization expense in 2001 that will no longer be recognized with the application of the non-amortization provisions of SFAS No. 142. Application of these provisions is expected to result in an increase in pre-tax income of approximately $5.3 million in 2002.

In 2001, the FASB also issued SFAS No. 143, "Accounting for Asset Retirement Obligations," which requires legal obligations associated with the retirement of long-lived assets to be recorded as increases in costs of the related assets. In 2001, the FASB also issued SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets." This statement retains the previous cash flow test for impairment and broadens the presentation of discontinued operations.

Except for the discontinuance of the amortization goodwill and certain intangible assets, we do not expect the adoption of these statements to have a material effect on our financial position or net income.

2. ACQUISITION OF AMERICAN BACKHAULERS, INC.

On December 16, 1999, we acquired all of the operations and certain assets and liabilities of American Backhaulers, Inc. (ABH). ABH was a privately held, non-asset-based third party transportation provider, located primarily in Chicago, Illinois. The purchase price of the assets was $136,925,000, including $100,000,000 in cash and 2,241,430 newly issued shares of our common stock. We accounted for the acquisition using the purchase method of accounting, with assets acquired including primarily goodwill and other identifiable intangible assets. We are amortizing the goodwill associated with the acquisition over 40 years, and all other intangible assets over periods ranging from three to seven years. Our results of operations include the operations of ABH from the closing date through December 31, 2001. Pro forma operating results of the combined enterprise assuming this transaction had occurred on January 1, 1999, are as follows for the year ended December 31, 1999 (unaudited, in thousands, except per share data):

Pro forma gross profits	$ 345,706
Pro forma income before income taxes	$ 91,264
Pro forma net income	$ 55,032
Pro forma basic net income per share	$ .65
Pro forma diluted net income per share	$ .64

3. MARKETABLE SECURITIES

In December 1999, we liquidated our portfolio of marketable securities to help fund the acquisition of ABH. We have historically classified all of our marketable securities as available-for-sale. Available-for-sale securities are carried at amortized cost, which approximates market value. The unrealized gains and losses were not material as the fair value approximates amortized cost. The gross realized gains and losses on sales of available-for-sale securities were not material for the year ended December 31, 1999.

4. LINES OF CREDIT

We had a $40.0 million line of credit at an interest rate of LIBOR plus 60 basis points, which we terminated during the third quarter of 2001. In April 2001, we borrowed $9.0 million, all of which was repaid the following business day. During 2000, we had gross borrowings on this facility of $210.5 million, all of which was repaid by June 2000. The maximum outstanding balance was $9.0 million during 2001 and $14.0 million during 2000. We believe we could obtain a similar line of credit on short notice if needed.

We also have 20 million French francs available under a line of credit at an interest rate of Euribor plus 45 basis points (3.78% at December 31, 2001). This discretionary line of credit has no expiration date. As of December 31, 2001, the outstanding balance was 6.8 million French francs or $923,000, which is included in income taxes and other accrued expenses. As of December 31, 2000, the outstanding balance was 13.0 million French francs or $1.8 million. Our credit agreement contains certain financial covenants, but does not restrict the payment of dividends. We were in compliance with all covenants of this agreement as of December 31, 2001.

5. INCOME TAXES

C.H. Robinson Worldwide, Inc. and its 80% (or more) owned U.S. subsidiaries file a consolidated federal income tax return. We file unitary or separate state returns based on state filing requirements.

The components of the provision for income taxes consist of the following at December 31 (in thousands):

	2001	2000	1999
Tax provision:			
Federal	$ 35,029	$ 38,744	$ 33,207
State	6,471	7,114	5,649
Foreign	1,525	1,171	1,094
	43,025	47,029	39,950
Deferred provision (benefit)	11,356	(513)	(4,822)
Total provision	$ 54,381	$ 46,516	$ 35,128

A reconciliation of the provision for income taxes using the statutory federal income tax rate to our effective income tax rate for the years ended December 31 is as follows:

	2001	2000	1999
Federal statutory rate	35.0%	35.0%	35.0%
State income taxes, net of federal benefit	3.7	3.1	2.7

Foreign and other	0.6	1.4	2.0
	39.3%	39.5%	39.7%

Deferred tax assets (liabilities) are comprised of the following at December 31 (in thousands):

	2001	2000
Deferred tax assets:		
Receivables	$ 8,119	$ 6,929
Accrued expenses	2,328	7,291
Accrued compensation	2,594	3,995
Other	67	4,264
Deferred tax liabilities:		
Long-lived assets	(1,718)	(1,577)
Amortization	(2,467)	(623)
Net deferred taxes	$ 8,923	$ 20,279

6. CAPITAL STOCK AND STOCK AWARD PLANS

PREFERRED STOCK - Our Certificate of Incorporation authorizes the issuance of 20,000,000 shares of Preferred Stock, par value $.10 per share, none of which is outstanding. The Preferred Stock may be issued by resolution of our Board of Directors from time to time without any action of the stockholders. The Preferred Stock may be issued in one or more series and the Board of Directors may fix the designation and relative powers, including voting powers, preferences, rights, qualifications, limitations, and restrictions of each series, so authorized. The issuance of any such series may have an adverse effect on the rights of holders of Common Stock or impede the completion of a merger, tender offer, or other takeover attempt.

COMMON STOCK - Our Certificate of Incorporation authorizes 130,000,000 shares of Common Stock, par value $.10 per share. Subject to the rights of Preferred Stock which may from time to time be outstanding, holders of Common Stock are entitled to receive dividends out of funds legally available, when and if declared by the Board of Directors, and to receive their share of the net assets of the Company legally available for distribution upon liquidation or dissolution.

Holders of Common Stock are entitled to one vote for each share of Common Stock held on each matter to be voted on by the shareholders, including the election of directors. Holders of Common Stock are not entitled to cumulative voting, which means that the holders of more than 50% of the outstanding Common Stock can elect all of any class of directors if they choose to do so. The stockholders do not have preemptive rights. All outstanding shares of Common Stock are fully paid and nonassessable.

COMMON STOCK SPLIT - On October 24, 2000, the Company's Board of Directors declared a two-for-one stock split effected in the form of a 100% stock dividend distributed on December 1, 2000 to shareholders of record as of November 10, 2000. As a result of the stock split, the accompanying consolidated financial statements reflect an increase in the number of outstanding shares of common stock. All share and per share amounts have been restated to reflect the retroactive effect of the stock split.

SHARE REPURCHASE PROGRAM - In conjunction with our initial public offering, our Board of Directors authorized a stock repurchase plan which allows management to repurchase 2,000,000 common shares for reissuance upon the exercise of employee stock options and other stock plans. During 1999, the Board of Directors also authorized a second stock repurchase plan, allowing for the repurchase of 4,000,000 shares. We purchased approximately 474,000, 364,600, and 170,000 shares of our common stock for the treasury at an aggregate cost of $13,709,000, $9,935,000, and $2,745,000 in 2001, 2000, and 1999 under the initial stock repurchase plan. No shares have been repurchased under the 1999 stock repurchase plan. We reissued shares totaling 310,000, 181,000, and 116,000 in 2001, 2000, and 1999 for employee benefit plans.

STOCK AWARD PLANS - We have a 1997 Omnibus Stock Plan to grant certain stock awards, including stock options at fair market value and restricted shares, to our key employees and outside directors. A maximum of 9,000,000 shares can be granted under this plan; 5,146,033 shares were available for stock awards as of December 31, 2001. The contractual lives of all options granted are 10 years.

The following schedule summarizes activity in the plans:

	Shares	Stock Options Weighted Average Exercise Price
Outstanding at December 31, 1998	864,092	$ 9.00
Granted	977,090	12.59
Exercised	(2,500)	9.00
Terminated	(77,620)	11.27
Outstanding at December 31, 1999	1,761,062	10.90
Granted	1,166,400	20.35
Exercised	(37,260)	9.00
Terminated	(59,934)	14.12
Outstanding at December 31, 2000	2,830,268	14.75
Granted	819,000	28.08
Exercised	(160,395)	9.87
Terminated	(52,396)	19.47
Outstanding at December 31, 2001	3,436,477	$18.03
Exercisable at December 31, 1999	225,698	$ 9.00
Exercisable at		

December 31, 2000	396,993	$ 9.00
Exercisable at		
December 31, 2001	757,620	$11.97

We follow the provisions of Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation" (SFAS No. 123), which encourages, but does not require, a fair value based method of accounting for employee stock options or similar equity instruments. As permitted under SFAS No. 123, we have continued to account for employee stock options using the intrinsic value method outlined in Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees."

Accordingly, we have not recognized any compensation expense for our stock options. Had compensation expense for our stock-based compensation plans been determined based on the fair value at the grant dates, consistent with the method of SFAS No. 123, our net income and net income per share would have been as follows (in thousands, except per share amounts):

		2001	2000
Net income	As reported	$ 83,992	$ 71,242
	Adjusted	$ 81,002	$ 69,448
Basic income per share	As reported	$ 1.00	$ .84
	Adjusted	$ .96	$ .82
Diluted income per share	As reported	98	$ .83
	Adjusted	$ .94	$ .81

The adjusted effects to net income presented reflect compensation costs for all outstanding options, which were granted during 1997, 1999, 2000, and 2001. The compensation cost is being reflected over the options' vesting period of five years. Therefore, the full impact of calculating compensation costs of options under SFAS No. 123 is not reflected.

The fair value per option was estimated using the Black-Scholes option pricing model with the following weighted average assumptions:

	2001 Grants	2000 Grant	1999 Grant
Risk-free interest rate	4.8-5.1%	6.8%	5.1%
Expected dividend yield	1.0%	1.0%	1.0%
Expected volatility factor	39.8%-42.4%	30.2%	30.0%
Expected option term	7 years	7 years	7 years
Fair value per option	$13.31-$14.01	$7.94	$4.66

RESTRICTED SHARE AWARD - During 2000, the Company awarded to certain key employees 237,292 restricted shares which were granted under the 1997 Omnibus Stock Plan. The shares are subject to certain vesting requirements. The value of such stock was established by the market price on the date of grant, and was recorded as deferred compensation within stockholders' investment in the accompanying financial statements and is being amortized ratably over the applicable restricted stock vesting period. Expense related to the restricted shares was $733,000 and $20,000 in 2001 and 2000.

7. RELATED PARTY TRANSACTIONS

In August 2001, we acquired a new corporate aircraft and sold our existing aircraft to our Chairman and CEO D.R. Verdoorn and another party for $5.0 million. We believe the terms were no less favorable than what we could have received from an unaffiliated third party, as measured by comparable sales transactions around the date of the sale. Our gain on the sale was $1.5 million. At December 31, 2001, we had no ongoing contractual or other outstanding commitments related to this transaction.

8. COMMITMENTS AND CONTINGENCIES

EMPLOYEE BENEFIT PLANS - We participate in a defined contribution profit-sharing and savings plan which qualifies under section 401(k) of the Internal Revenue Code and covers all full-time employees with one or more years of continuous service. Annual profit-sharing contributions are determined by each company's 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. We contributed a 4% match in 2001, a 4% match in 2000, and a 3% match in 1999. Profit-sharing plan expense, including matching contributions, was approximately $8,530,000 in 2001, $8,838,000 in 2000, and $5,928,000 in 1999.

NON-QUALIFIED DEFERRED COMPENSATION PLAN - The Robinson Companies Nonqualified Deferred Compensation Plan provides management and 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% of their cash and gains on stock option exercises. The accumulated benefit obligation of $906,000 as of December 31, 2001 is included in long-term liabilities. We have purchased investments to fund the future liability. The investments had an aggregate market value of $906,000 as of December 31, 2001 and are included in other assets in the accompanying consolidated balance sheets.

LEASE COMMITMENTS - We lease certain facilities, equipment, and automobiles under operating leases. Lease expense was $17,468,000 for 2001, $18,191,000 for 2000, and $16,072,000 for 1999.

Minimum future lease commitments under noncancelable lease agreements in excess of one year as of December 31, 2001, are as follows (in thousands):

2002	$ 11,478

2003	8,174
2004	5,934
2005	3,023
2006	1,060
Thereafter	746
	$ 30,415

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

9. SUPPLEMENTARY DATA (UNAUDITED)

Our results of operations for each of the quarters in the years ended December 31, 2001 and 2000 are summarized below (in thousands, except per share data).

	Quarters Ended			
2001	March 31	June 30	September 30	December 31
Gross revenues	$ 732,484	$ 796,694	$ 784,517	$ 776,377
Cost of transportation and products	619,175	678,691	671,325	664,309
Gross profits	113,309	118,003	113,192	112,068
Income from operations	29,374	36,557	34,770	33,573
Net income	$ 18,134	$ 22,642	$ 22,628	$ 20,588
Basic net income per share	$ .21	$ .27	$ .27	$ .24
Diluted net income per share	$ .21	$ .26	$ .26	$ .24
Basic weighted average shares outstanding	84,372	84,353	84,294	84,478
Dilutive effect of outstanding stock awards	1,383	1,529	1,400	1,289
Diluted weighted average shares outstanding	85,755	85,882	85,694	85,767

	Quarters Ended			
2000	March 31	June 30	September 30	December 31
Gross revenues	$ 650,091	$ 750,994	$ 747,615	$ 733,475
Cost of transportation and products	551,716	644,596	640,461	626,059
Gross profits	98,375	106,398	107,154	107,416
Income from operations	25,089	31,436	30,150	30,333
Net income	$ 15,209	$ 18,944	$ 18,460	$ 18,629
Basic net income per share	$ .18	$ .22	$ .22	$ .22
Diluted net income per share	$ .18	$ .22	$ .21	$ .22
Basic weighted average shares outstanding	84,562	84,582	84,518	84,457
Dilutive effect of outstanding stock awards	912	1,044	1,404	1,387
Diluted weighted average shares outstanding	85,474	85,626	85,922	85,844

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS
C.H. Robinson Worldwide,Inc. and Subsidiaries

TO C.H. ROBINSON WORLDWIDE, INC.:

We have audited the accompanying consolidated balance sheets of C.H. Robinson Worldwide, Inc. (a Delaware corporation) as of December 31, 2001 and 2000, and the related consolidated statements of operations, stockholders' investment and comprehensive income and cash flows for each of the three years in the period ended December 31, 2001. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the 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. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of C.H. Robinson Worldwide, Inc. as of December 31, 2001 and 2000, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2001, in conformity with accounting principles generally accepted in the United States.

/s/ Arthur Andersen LLP

Minneapolis, Minnesota
February 4, 2002

REPORT OF MANAGEMENT
C.H. Robinson Worldwide, Inc. and Subsidiaries

The management of C.H. Robinson Worldwide, Inc., is responsible for the integrity and objectivity of the consolidated financial statements and other financial information contained in this annual report. The consolidated financial statements and related information were prepared in accordance with accounting principles generally accepted in the United States and include some amounts that are based on management's best estimates and judgments.

To meet its responsibility, management depends on its accounting systems and related internal accounting controls. These systems are designed to provide reasonable assurance, at an appropriate cost, that financial records are reliable for use in preparing financial statements and that assets are safe guarded. Qualified personnel throughout the organization maintain and monitor these internal accounting controls on an ongoing basis.

The Audit Committee of the Board of Directors, composed entirely of directors who are not employees of the Company, meets periodically and privately with the Company's independent public accountants, as well as management, to review accounting, auditing, internal control, financial reporting, and other matters.

/s/ John Wiehoff

John P. Wiehoff
President

/s/ Chad Lindbloom

Chad M. Lindbloom
Vice President and Chief Financial Officer

EXHIBIT 21

SUBSIDIARIES OF C.H. ROBINSON WORLDWIDE, INC.

The Company's consolidated subsidiaries are shown below together with the percentage of voting securities owned and the state or jurisdiction of organization of each subsidiary. The names have been omitted for subsidiaries which, if considered in the aggregate as a single subsidiary, do not constitute a significant subsidiary. Subsidiaries of subsidiaries are indented in the following table:

Subsidiaries	Percentage of Outstanding Voting Securities Owned
C.H. Robinson International, Inc. (Minnesota)	100%
C.H. Robinson (UK) Limited (United Kingdom)	100%
C.H. Robinson Iberica, S.L. (Spain)	99.99%
C.H. Robinson Venezuela, C.A. (Venezuela)	100%
C.H. Robinson de Mexico, S.A. de C.V. (Mexico)	100%
C.H. Robinson Company (Canada) Ltd. (Ontario, Canada)	100%
C.H. Robinson Company (Delaware)	100%
C.H. Robinson Company LP (Minnesota)	1%
C.H. Robinson Company, Inc. (Minnesota)	100%
CHR Aviation LLC (Minnesota)	100%
Fresh 1 Marketing, Inc. (Minnesota)	100%
C.H. Robinson Worldwide-LTL, Inc. (Minnesota)	100%
Robinson Holding Company (Minnesota)	100%
C.H. Robinson Company LP (Minnesota)	99%
Wagonmaster Transportation Co. (Minnesota)	100%
Robinson Europe, S.A. (France)	100%
Robinson Italia S.r.L. (Italy)	95%
C.H. Robinson Poland Sp. Zo.o (Poland)	100%

Comexter Robinson S.A. (Argentina)	100%
Comexter Trading Company (Florida)	100%
Comexter Cargo, Inc. (Florida)	100%
Robinson Europe (France)	100%
Robinson France SARL (France)	100%
E.G.C. SARL (France)	100%
T.E.A.	100%
Payment & Logistics Services, Inc. (Minnesota)	100%
T-Chek Systems, Inc. (Minnesota)	100%
Robinson Logistica Do Brasil Ltda. (Brazil)	100%

Consent of independent public accountants

As independent public accountants, we hereby consent to the incorporation of our report incorporated by reference in this Form 10-K, into the Company's previously filed Registration Statement Nos. 333-53047, 333-41027, 333-41899, 333-47080 and 333-67718.

ARTHUR ANDERSEN LLP

Minneapolis, Minnesota
March 11, 2002

CAUTIONARY STATEMENT

Forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (the “PSLRA”) are included in our Form 10–K. The words or phrases “believes,” “may,” “will,” “expects,” “should,” “continue,” “anticipates,” “intends,” “will likely result,” “estimates,” “projects” or similar expressions identify forward-looking statements in our Form 10-K and in our future filings with the Securities and Exchange Commission, in our press releases, in our presentations to securities analysts or investors, and in oral statements made by or approved by an executive officer of Robinson. Forward-looking statements involve risks and uncertainties that may materially and adversely affect our business, results of operation, financial condition or prospects, and may cause our actual results to differ materially from historical results or the results discussed in the forward-looking statements.

You should consider carefully the following cautionary statements if you own our common stock or are planning to buy our common stock. We intend to take advantage of the “safe harbor” provisions of the PSLRA by providing this discussion. We are not undertaking to address or update each factor in future filings or communications regarding our business or results except to the extent required by law.

Demand for our services may decrease during an economic recession. The transportation industry historically has experienced cyclical financial results as a result of economic recession, the business cycles of customers, price hikes by carriers, interest rate fluctuations, and other economic factors beyond our control. Carriers can be expected to charge higher prices to cover higher operating expenses, and our net revenues and income from operations may decrease if we are unable to pass through to our customers the full amount of higher transportation costs. If economic recession or a downturn in our customers’ business cycles causes a reduction in the volume of freight shipped by those customers, particularly among certain national retailers or in the food, beverage or printing industries, our operating results could also be adversely affected.

We depend upon available equipment and services. We do not own trucks or other transportation equipment, and we depend in part on independent third parties to provide truck, rail, ocean and air services. Equipment shortages in the transportation industry have occasionally occurred, particularly among truckload carriers. If we are unable to secure sufficient equipment or other transportation services to meet our customers’ needs, our operating results could be materially and adversely affected, and our customers could switch to our competitors temporarily or permanently.

Our international business raises additional difficulties. We provide services within and between continents on an increasing basis. Our business outside of the United States is subject to various risks, including:

- changing local economic and market conditions,
- political and economic instability,

- fluctuations in currency exchange rates,
- armed conflicts, and
- unexpected changes in United States and foreign laws relating to tariffs, trade restrictions, transportation regulations, foreign investments and taxation.

As we expand our business in foreign countries we will expose the Company to increased risk of loss from foreign currency fluctuations and exchange controls as well as longer accounts receivable payment cycles. We have no control over these risks, and if we do not correctly anticipate changes in international economic and political conditions, we may not alter our business practices in time to avoid adverse effects.

Our management and internal systems may be inadequate to handle continued growth of our business. Our continued success depends upon our ability to attract and retain a large group of motivated salespersons and other logistics professionals. If we cannot recruit and retain a sufficient number of personnel, we may be forced to limit our growth. We cannot assure you that we will be able to continue to hire and retain a sufficient number of qualified personnel. Our rapid expansion of operations has placed added demands on our management and operating systems. Continued expansion depends in large part on our ability to develop successful salespersons into managers and to implement enhancements to our information systems that are adaptable to the changes in our business and the requirements of our customers.

We face substantial industry competition. Competition in the transportation services industry is intense and broad based. We compete against other non-asset based logistics companies as well as logistics companies that own their own equipment, third-party freight brokers, Internet matching services and Internet freight brokers, and carriers offering logistics services. We also compete against carriers' internal sales forces and shippers' transportation departments. We often buy and sell transportation services from and to many of our competitors. Historically, competition has created downward pressure on freight rates, and continued rate pressure may adversely affect our net revenues and income from operations.

Our earnings may be affected by seasonal changes in the transportation industry. Results of operations for our industry generally show a seasonal pattern as customers reduce shipments during and after the winter holiday season. In recent years, our operating income and earnings have been lower in the first quarter than in the other three quarters. Although seasonal changes in the transportation industry have not had a significant impact on our cash flow or results of operations, we expect this trend to continue and we cannot assure you that it will not adversely impact us in the future.

Our sourcing business is dependent upon the supply and price of fresh produce. The supply and price of fresh produce is affected by government food safety regulation, growing conditions (such as drought, insects and disease), and other conditions over which we have no control. Shortages or overproduction of fresh produce affect commodity prices, which are often highly volatile.

Sourcing and reselling fresh produce exposes us to possible product liability. Agricultural chemicals used on fresh produce are subject to various approvals, and the commodities themselves are subject to regulations on cleanliness and contamination. Product recalls in the produce industry have been caused by concern about particular chemicals and alleged contamination, often leading to lawsuits brought by consumers of allegedly affected produce. Because we sell produce, we may have legal responsibility arising from the sale. While we are insured for up to $75 million for product liability claims, settlement of class action claims is often costly, and we cannot assure you that our liability coverage will be adequate and will continue to be available. If we have to recall produce, we may be required to bear the cost of repurchasing, transporting and destroying any allegedly contaminated product, which our insurance does not cover. Any recall or allegation of contamination could affect our reputation, particularly of our produce brand: The Fresh 1 ®. Loss due to spoilage (including the need for disposal) is also a routine part of the sourcing business.

Our business depends upon compliance with numerous government regulations. We are licensed by the Department of Transportation as a broker authorized to arrange for the transportation of general commodities by motor vehicle. We must comply with certain insurance and surety bond requirements to act in this capacity. We are also licensed by the Federal Maritime Commission as an ocean freight forwarder, which requires us to maintain a non-vessel operating common carrier bond. We are also licensed by the United States Customs Service of the Department of the Treasury. We source fresh produce under a license issued by the Department of Agriculture. Our failure to comply with the laws and regulations applicable to entities holding these licenses could materially and adversely affect our results of operations or financial condition. Legislative or regulatory changes can affect the economics of the transportation industry by requiring changes in operating practices or influencing the demand for, and the cost of providing, transportation services.

We increasingly derive a significant portion of our gross revenues from our largest clients. The sudden loss of a number of our major clients could materially and adversely affect our operating results.

We may be unable to identify or complete suitable acquisitions and investments. We may acquire or make investments in complementary businesses, products, services or technologies. We cannot assure you that we will be able to identify suitable acquisitions or investment candidates. Even if we identify suitable candidates, we cannot assure you that we will be able to make acquisitions or investments on commercially acceptable terms, if at all. If we acquire a company, we may have difficulty assimilating its businesses, products, services, technologies and personnel into our operations. These difficulties could disrupt our ongoing business, distract our management and workforce, increase our expenses and adversely affect our results of operations. In addition, we may incur debt or be required to issue equity securities to pay for future acquisitions or investments. The issuance of any equity securities could be dilutive to our stockholders.