

Clearfield, Inc.
Form 10-Q
July 29, 2011

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

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934

For the quarterly period ended June 30, 2011

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934

Commission File Number 0-16106

Clearfield, Inc.

(Exact name of Registrant as specified in its charter)

Minnesota 41-1347235
(State or other jurisdiction of incorporation or (I.R.S. Employer Identification No.)
organization)

5480 Nathan Lane North, Suite 120, Plymouth, Minnesota 55442
(Address of principal executive offices and zip code)

(763) 476-6866
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES NO

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

YES NO

Indicate by check mark whether the registrant is a "large accelerated filer," an "accelerated filer," a "non-accelerated filer" or a "smaller reporting company" (as defined in Rule 12b-2 of the Exchange Act).

Large accelerated filer Accelerated filer Non-accelerated filer Smaller Reporting Company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

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YES NO

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class:	Outstanding at July 29 2011
Common stock, par value \$.01	12,136,482

CLEARFIELD, INC.
FORM 10-Q
TABLE OF CONTENTS

<u>PART I. FINANCIAL INFORMATION</u>	<u>1</u>
<u>ITEM 1. FINANCIAL STATEMENTS</u>	<u>1</u>
<u>ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</u>	<u>8</u>
<u>ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK</u>	<u>12</u>
<u>ITEM 4. CONTROLS AND PROCEDURES</u>	<u>12</u>
<u>PART II. OTHER INFORMATION</u>	<u>12</u>
<u>ITEM 1. LEGAL PROCEEDINGS</u>	<u>13</u>
<u>ITEM 1A. RISK FACTORS</u>	<u>13</u>
<u>ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS</u>	<u>13</u>
<u>ITEM 3. DEFAULTS UPON SENIOR SECURITIES</u>	<u>13</u>
<u>ITEM 4. [REMOVED AND RESERVED]</u>	<u>13</u>
<u>ITEM 5. OTHER INFORMATION</u>	<u>13</u>
<u>ITEM 6. Exhibits</u>	<u>13</u>
<u>SIGNATURES</u>	<u>13</u>

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CLEARFIELD, INC.
CONDENSED BALANCE SHEETS
UNAUDITED

	June 30, 2011	September 30, 2010
Assets		
Current Assets		
Cash and cash equivalents	\$ 8,229,087	\$ 5,285,719
Short-term investments	3,141,000	1,764,868
Accounts receivable, net	3,681,152	3,244,379
Inventories	2,197,569	1,512,306
Other current assets	254,417	129,079
Total Current Assets	17,503,225	11,936,351
Property, plant and equipment, net	910,422	1,273,107
Other Assets		
Long-term investments	2,216,000	3,236,163
Goodwill	2,570,511	2,570,511
Deferred taxes –long term	2,083,757	2,145,362
Other	176,368	176,368
Patents	23,099	23,099
Total other assets	7,069,735	8,151,503
Total Assets	\$ 25,483,382	\$ 21,360,961
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable	1,301,687	1,188,261
Accrued compensation	2,110,037	765,181
Accrued expenses	91,562	82,867
Total current liabilities	3,503,286	2,036,309
Deferred rent	67,386	78,585
Total Liabilities	3,570,672	2,114,894
Commitment and Contingencies	-	-
Shareholders' Equity		
Undesignated shares, 4,999,500 authorized shares; no shares issued and outstanding	-	-
Preferred stock, \$.01 par value; authorized 500 shares; no shares outstanding	-	-
Common stock, authorized 50,000,000, \$.01 par value; 12,136,482 and 12,015,331, shares issued and outstanding at June 30, 2011 and September 30, 2010	121,365	120,153
Additional paid-in capital	52,942,990	52,589,034
Accumulated deficit	(31,151,645)	(33,463,120)
Total Shareholders' Equity	21,912,710	19,246,067
Total Liabilities and Shareholders' Equity	\$ 25,483,382	\$ 21,360,961

SEE ACCOMPANYING NOTES TO CONDENSED FINANCIAL STATEMENTS

1

CLEARFIELD, INC.
 CONDENSED STATEMENTS OF OPERATIONS
 UNAUDITED

	Three Months Ended June 30		Nine months Ended June 30	
	2011	2010	2011	2010
Revenues	\$ 10,124,665	\$ 6,778,193	\$ 24,490,898	\$ 16,445,626
Cost of sales	5,805,914	4,174,998	14,312,455	10,407,347
Gross profit	4,318,751	2,603,195	10,178,443	6,038,279
Operating expenses				
Selling, general and administrative	3,076,388	1,992,576	7,904,006	5,746,913
Gain on disposal of assets	(44,352)	-	(44,352)	-
	3,032,036	1,992,576	7,859,654	5,746,913
Income from operations	1,286,715	610,619	2,318,789	291,366
Other income (expense)				
Interest income	26,604	36,491	83,065	