

SERVOTRONICS INC /DE/
Form 10-Q
May 14, 2009

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549
Form 10-Q

(Mark One)

- ☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934
For the quarterly period ended March 31, 2009
or
☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

Commission File No. 1-07109

SERVOTRONICS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

16-0837866
(I. R. S. Employer
Identification No.)

1110 Maple Street
Elma, New York 14059
(Address of principal executive
offices)
(716) 655-5990
(Registrant's telephone number,
including area code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" 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: 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 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 shell company (as defined in Rule 12b-2 of the Exchange Act). 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
Common Stock, \$.20 par
value

Outstanding at April 30, 2009
2,238,314

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SERVOTRONICS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(\$000's omitted except share and per share data)

	March 31, 2009 (Unaudited)	December 31, 2008
Assets		
Current assets:		
Cash and cash equivalents	\$ 3,986	\$ 4,709
Accounts receivable	4,522	5,006
Inventories	11,445	10,160
Prepaid income taxes	20	84
Deferred income taxes	494	494
Other assets	560	387
Total current assets	21,027	20,840
Property, plant and equipment, net	5,833	5,838
Other non-current assets	205	207
Total Assets	\$ 27,065	\$ 26,885
Liabilities and Shareholders' Equity		
Current liabilities:		
Current portion of long-term debt	\$ 522	\$ 539
Accounts payable	2,073	2,393
Accrued employee compensation and benefit costs	1,388	1,335
Other accrued liabilities	722	346
Total current liabilities	4,705	4,613
Long-term debt	3,665	3,702
Deferred income taxes	501	501
Shareholders' equity:		
Common stock, par value \$.20; authorized 4,000,000 shares; issued 2,614,506 shares; outstanding 1,933,253 shares	523	523
Capital in excess of par value	13,296	13,296
Retained earnings	8,805	8,680
Accumulated other comprehensive loss	(98)	(98)
	22,526	22,401
Employee stock ownership trust commitment	(1,614)	(1,614)
Treasury stock, at cost 376,192 shares	(2,718)	(2,718)
Total shareholders' equity	18,194	18,069
Total Liabilities and Shareholders' Equity	\$ 27,065	\$ 26,885

See notes to consolidated financial statements

SERVOTRONICS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(\$000's omitted except share and per share data)
(Unaudited)

	Three Months Ended March 31,	
	2009	2008
Revenue	\$ 7,538	\$ 8,985
Costs, expenses and other income:		
Cost of goods sold, exclusive of depreciation	6,139	6,468
Selling, general and administrative	1,079	1,023
Interest expense	24	47
Depreciation and amortization	139	140
Other income, net	(29)	(38)
	7,352	7,640
Income before income tax provision	186	1,345
Income tax provision	61	492
Net income	\$ 125	\$ 853
Income per share:		
Basic		