

CHASE CORP
Form 10-Q
January 11, 2010
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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 November 30, 2009

Commission File Number: 1-9852

CHASE CORPORATION

(Exact name of registrant as specified in its charter)

Massachusetts
(State or other jurisdiction of incorporation
of organization)

11-1797126
(I.R.S. Employer Identification No.)

26 Summer Street, Bridgewater, Massachusetts 02324

(Address of Principal Executive Offices, Including Zip Code)

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(508) 279-1789

(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, and (2) has been subject to such filing requirements for the past 90 days. YES x NO o

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 o NO o

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 o

Accelerated filer x

Non-accelerated filer o

Smaller reporting company o

(Do not check if a smaller reporting company)

Indicate by checkmark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES o NO x

The number of shares of Common Stock outstanding as of December 31, 2009 was 8,776,123.

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CHASE CORPORATION

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CONSOLIDATED BALANCE SHEETS**

(UNAUDITED)

In thousands, except share and per share amounts

	November 30, 2009	August 31, 2009
ASSETS		
Current Assets:		
Cash	\$ 7,149	\$ 11,643
Accounts receivable, less allowance for doubtful accounts of \$357 and \$350	14,188	14,536
Inventories	16,268	13,941
Prepaid expenses and other current assets	996	607
Deferred income taxes	368	471
Total current assets	38,969	41,198
Property, plant and equipment, net	27,337	23,219
Other Assets:		
Goodwill	23,279	14,606
Intangible assets, less accumulated amortization of \$5,331 and \$4,869	12,254	4,497
Cash surrender value of life insurance	5,742	5,684
Restricted investments	603	573
Deferred income taxes		1,264
Other assets	70	25
	\$ 108,254	\$ 91,066
LIABILITIES AND STOCKHOLDERS EQUITY		
Current Liabilities:		
Accounts payable	\$ 6,671	\$ 6,319
Accrued payroll and other compensation	1,217	2,561
Accrued stock based compensation	318	302
Accrued expenses	4,053	2,555
Accrued income taxes	1,936	1,346
Current portion of long-term debt	3,000	
Total current liabilities	17,195	13,083
Long-term debt, less current portion	9,500	
Deferred compensation	1,543	1,525
Accumulated pension obligation	5,938	5,690
Other liabilities	555	555

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Deferred income taxes		2,235	
Commitments and Contingencies (Note 9)			
Stockholders' Equity:			
First Serial Preferred Stock, \$1.00 par value: Authorized 100,000 shares; none issued			
Common stock, \$.10 par value: Authorized 20,000,000 shares; 8,779,061 shares at November 30, 2009 and 8,714,431 shares at August 31, 2009 issued and outstanding			
		878	871
Additional paid-in capital		8,002	7,489
Accumulated other comprehensive loss		(3,372)	(3,563)
Retained earnings		65,780	65,416
Total stockholders' equity		71,288	70,213
Total liabilities and stockholders' equity	\$	108,254	\$ 91,066

See accompanying notes to the consolidated financial statements

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**CHASE CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS**

(UNAUDITED)

In thousands, except share and per share amounts

	Three Months Ended November 30,	
	2009	2008
Revenues		
Sales	\$ 28,328	\$ 30,607
Royalties and commissions	403	462
	28,731	31,069
Costs and Expenses		
Cost of products and services sold	18,754	21,559
Selling, general and administrative expenses	6,657	6,034