

CHASE CORP
Form 10-Q
January 09, 2012
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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, 2011

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)

(508) 819-4200

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(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 x 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
(Do not check if a smaller reporting company)

Smaller reporting company o

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, 2011 was 9,040,266.

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CHASE CORPORATION

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CONSOLIDATED BALANCE SHEETS**

(UNAUDITED)

In thousands, except share and per share amounts

	November 30, 2011	August 31, 2011
ASSETS		
Current Assets:		
Cash & cash equivalents	\$ 12,773	\$ 14,982
Accounts receivable, less allowance for doubtful accounts of \$460 and \$473	18,111	19,103
Inventories	21,660	20,841
Prepaid expenses and other current assets	2,283	1,502
Assets held for sale (Note 12)	994	1,004
Deferred income taxes	559	559
Total current assets	56,380	57,991
Property, plant and equipment, net	29,343	28,594
Other Assets:		
Goodwill	17,834	18,060
Intangible assets, less accumulated amortization of \$10,639 and \$10,374	15,163	16,185
Cash surrender value of life insurance	6,979	6,915
Restricted investments	759	740
Deferred income taxes	330	332
Other assets	107	92
	\$ 126,895	\$ 128,909
LIABILITIES AND STOCKHOLDERS EQUITY		
Current Liabilities:		
Accounts payable	\$ 8,504	\$ 7,276
Accrued payroll and other compensation	1,343	2,624
Accrued expenses	3,749	4,237
Accrued income taxes	897	1,387
Dividends payable	3,165	
Current portion of long-term debt	4,400	4,400
Total current liabilities	22,058	19,924
Long-term debt, less current portion	6,417	8,267
Deferred compensation	1,603	1,597
Accumulated pension obligation	6,456	6,713

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Other liabilities	103	528
Commitments and Contingencies (Note 8)		
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; 9,042,153 shares at November 30, 2011 and 8,952,910 shares at August 31, 2011 issued and outstanding		
	904	895
Additional paid-in capital	11,167	10,678
Accumulated other comprehensive loss	(4,948)	(3,666)
Retained earnings	83,135	83,973
Total stockholders' equity	90,258	91,880
Total liabilities and stockholders' equity	\$ 126,895	\$ 128,909

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,	
	2011	2010
Revenues		
Sales	\$ 31,654	\$ 30,838
Royalties and commissions	476	429
	32,130	31,267
Costs and Expenses		
Cost of products and services sold	21,999	20,060
Selling, general and administrative expenses	6,992	6,588
Operating income	3,139	4,619
Interest expense	(36)	(93)