

Colfax CORP  
Form S-1/A  
April 16, 2008  
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As filed with the Securities and Exchange Commission on April 16, 2008

Registration No. 333-148486

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

**Amendment No. 3**

**to**

**Form S-1**

**REGISTRATION STATEMENT UNDER**  
**THE SECURITIES ACT OF 1933**

**Colfax Corporation**

(Exact name of registrant as specified in its charter)

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<b>Delaware</b> (State or other jurisdiction of incorporation or organization)	<b>3561</b> (Primary Standard Industrial Classification Code Number) <b>8730 Stony Point Parkway, Suite 150</b> <b>Richmond, VA 23235</b> <b>(804) 560-4070</b>	<b>54-1887631</b> (I.R.S. Employer Identification Number)
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(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

**John A. Young**  
**President and Chief Executive Officer**  
**8730 Stony Point Parkway, Suite 150**  
**Richmond, VA 23235**  
**(804) 560-4070**

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

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**Approximate date of commencement of proposed sale to the public:** As soon as practicable after the effective date hereof.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act, check the following box. "

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration number of the earlier effective registration statement for the same offering. "

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 definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act (Check one):

Large accelerated filer "   
Non-accelerated filer

Accelerated filer "   
Smaller reporting company "

(Do not check if a smaller reporting company)

**The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.**

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

**Subject To Completion**

**Preliminary Prospectus dated April 16, 2008**

**PROSPECTUS**

**Shares**

**Common Stock**

This is Colfax Corporation's initial public offering. Colfax Corporation is selling \_\_\_\_\_ shares of common stock and the selling stockholders identified in this prospectus are selling an additional \_\_\_\_\_ shares. The number of shares sold by the selling stockholders is based upon an assumed offering price of \$ \_\_\_\_\_ per share, the midpoint of the price range set forth below. We will not receive any proceeds from the sale of shares by the selling stockholders.

We expect the public offering price to be between \$ \_\_\_\_\_ and \$ \_\_\_\_\_ per share. Currently, no public market exists for the shares. After pricing of the offering, we expect that the shares will trade on the New York Stock Exchange under the symbol CFX.

**Investing in the common stock involves risks that are described in the Risk Factors section beginning on page 11 of this prospectus.**

	<b>Per Share</b>	<b>Total</b>
Public offering price	\$	\$
Underwriting discount	\$	\$
Proceeds, before expenses, to Colfax Corporation	\$	\$
Proceeds, before expenses, to the selling stockholders <sup>(1)</sup>		

(1) We have agreed to reimburse the selling stockholders for the underwriting discount on the shares sold by them. The underwriters may also purchase up to an additional \_\_\_\_\_ shares from us at the public offering price, less the underwriting discount, within 30 days from the date of this prospectus to cover overallotments.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The shares will be ready for delivery on or about \_\_\_\_\_, 2008.

**Merrill Lynch & Co.**

**Lehman Brothers**

**UBS Investment Bank**

**Robert W.  
Baird & Co.**

**Banc of America  
Securities LLC**

**Deutsche Bank Securities**

**KeyBanc  
Capital Markets**

The date of this prospectus is \_\_\_\_\_, 2008

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You should rely only on the information contained in this prospectus or any free writing prospectus prepared by or on behalf of us. We, the selling stockholders and the underwriters have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus is accurate only as of the date on the front cover of this prospectus. Our business, financial condition, results of operations and prospects may have changed since that date.

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**PROSPECTUS SUMMARY**

*This summary is qualified in its entirety by the more detailed information and the consolidated financial statements and related notes appearing elsewhere in this prospectus. This summary may not contain all of the information that you should consider before investing in our common stock. You should read the entire prospectus carefully, including the section entitled Risk Factors, our consolidated financial statements and the related notes, before making an investment decision. Unless otherwise indicated, references in this prospectus to Colfax, the company, we, our and us refer to Colfax Corporation and its subsidiaries.*

*Our Business*

We are a global supplier of a broad range of fluid handling products, including pumps, fluid handling systems and specialty valves. We believe that we are a leading manufacturer of rotary positive displacement pumps, which include screw pumps, gear pumps and progressive cavity pumps. We have a global manufacturing footprint, with production facilities in Europe, North America and Asia, as well as worldwide sales and distribution channels. Our products serve a variety of applications in five strategic markets: commercial marine, oil and gas, power generation, global navy and general industrial. We design and engineer our products to high quality and reliability standards for use in critical fluid handling applications where performance is paramount. We also offer customized fluid handling solutions to meet individual customer needs based on our in-depth technical knowledge of the applications in which our products are used. Our products are marketed principally under the Allweiler, Fairmount, Houttuin, Imo, LSC, Portland Valve, Tushaco, Warren and Zenith brand names. We believe that our brands are widely known and have a premium position in our industry. Allweiler, Houttuin, Imo and Warren are among the oldest and most recognized brands in the markets in which we participate, with Allweiler dating back to 1860.

We serve a global customer base across multiple markets through a combination of direct sales and marketing associates and third-party distribution channels. Our customer base is highly diversified and includes commercial, industrial, marine and governmental customers such as Alfa Laval, Cummins, General Dynamics, Hyundai Heavy Industries, Siemens, Solar Turbines, Thyssenkrupp, the U.S. Navy and various sovereign navies around the world. We have a large installed base, which, combined with the critical nature of the applications in which our products are used, leads to a tendency for our customers to replace like for like products. This tendency leads to significant aftermarket demand for replacement products as well as for spare parts and maintenance service.

We employ a comprehensive set of tools and processes known as the Colfax Business System, or CBS. CBS is a disciplined strategic planning and execution methodology designed to achieve excellence and world-class financial performance in all aspects of our business by focusing on the *Voice of the Customer* and continuously improving quality, delivery and cost.

We have an experienced management team that has established a focused industrial manufacturing business with strong market positions within the fluid handling industry. We believe we are well positioned to continue to grow by enhancing our product offerings and expanding our customer base in each of our strategic markets. We also have successfully completed and integrated several acquisitions and expect to continue to pursue acquisitions of complementary businesses that will broaden our product portfolio, expand our geographic footprint or enhance our position in our strategic markets.

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### *Our Market Opportunity*

The global fluid handling industry is highly fragmented, with over 10,000 companies competing across numerous markets and sectors of the economy. Because fluid handling products often are used in critical applications, we believe the most successful industry participants are those that have the technical capabilities to meet customer specifications, offer products with reputations for quality and reliability and can provide timely delivery and strong aftermarket support.

We believe there is strong growth potential for our products and services in our strategic markets, which are global in nature and have a need for highly engineered, critical fluid handling solutions. We believe that our global presence positions us to compete successfully in all of our markets throughout the world.

### *Our Competitive Strengths*

We believe that the following competitive strengths position us as a premium provider of fluid handling products and will contribute to our future growth:

*Strong Market Positions, Broad Product Portfolio and Leading Brands.* We believe that we are a leading manufacturer of rotary positive displacement pumps, which include screw pumps, gear pumps and progressive cavity pumps. We offer a broad portfolio of fluid handling products that fulfill critical needs of customers across numerous industries. Our brands are among the oldest and most recognized in the markets in which we participate.

*Strong Application Expertise.* We believe that our reputation for quality and technical expertise positions us as a premium supplier of fluid handling products. With over 140 years of experience, we have significant expertise in designing and manufacturing fluid handling products that are used in critical applications, such as lubricating power generation turbines, transporting crude oil through pipelines and transferring heavy fuel oil in commercial marine vessels.

*Extensive Global Sales, Distribution and Manufacturing Network.* We sell our products through over 300 direct sales and marketing associates and more than 450 authorized distributors in 79 countries. We believe that our global reach within the highly fragmented, worldwide fluid handling industry provides us with an ability to better serve our customers. Our European, North American and Asian manufacturing capabilities provide us with the ability to optimize material sourcing, transportation and production costs and lower foreign currency risk.

*We Use CBS to Continuously Improve Our Business.* CBS is our business system designed to encourage a culture of continuous improvement in all aspects of our operations and strategic planning. Modeled on the Danaher Business System, CBS focuses on conducting root-cause analysis, developing process improvements and implementing sustainable systems. Our approach addresses the entire business, not just manufacturing operations.

*Large Installed Base Generating Aftermarket Sales and Service.* With a product history dating back to 1860, we have a significant installed base across numerous industries. Because of the critical applications in which our products are used and the high quality and reliability of our products, we believe there is a tendency for our customers to replace like for like products. This tendency leads to significant aftermarket demand for replacement products as well as spare parts and for repair and maintenance service. In the year ended December 31, 2007, we estimate that approximately 25% of our revenues were derived from aftermarket sales and services.

*Broad and Diverse Customer Base.* Our customer base spans numerous industries and is geographically diverse. Approximately 66% of our sales in 2007 were derived from operations outside of the U.S. In addition, no single customer represented more than 3% of our sales during that period.



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*Management Team with Extensive Industry Experience and Focus on Strategic Development.* We are led by a senior management team with an average of over 20 years of experience in industrial manufacturing. John A. Young, our President and Chief Executive Officer, is one of our founders and played a key role in developing the acquisition strategy that formed our company. Since 1995, as part of this strategy, we have acquired 12 companies and divested businesses that do not fit within our long-term growth strategy.

### *Our Growth Strategy*

We intend to continue to increase our sales, expand our geographic reach, broaden our product offerings and improve our profitability through the following strategies:

*Apply CBS to Drive Profitable Sales Growth and Increase Shareholder Value.* The core element of our management philosophy is CBS, which we implement in each of our businesses. CBS is a strategic planning and execution methodology designed to achieve world-class excellence in all aspects of our business. CBS focuses our organization on continuous improvement and performance goals by empowering our associates to develop innovative strategies to meet customer needs. Rather than a static process, CBS continues to evolve as we benchmark ourselves against best-in-class industrial companies.

*Execute Market Focused Strategies.* We believe that our five strategic markets are attractive due to their ongoing capital expenditure requirements, growth rates and global nature.

**Commercial Marine** We intend to continue to increase our installed base of products and grow our aftermarket sales and service revenues. We also intend to expand our capabilities in the Asia Pacific region by utilizing our Chinese and Indian facilities to offer locally manufactured products, reduce production costs and provide local customer service and support.

**Oil and Gas** We intend to continue our strategy of offering oil and gas customers increased efficiency and lower total cost of ownership by replacing legacy products currently in use with our more efficient products. We also intend to capture the growing need for complex turnkey systems through the development of solutions that can undertake the difficult task of handling varying mixtures of heavy crude oil, natural gas and water at the same time. We intend to continue to target the fast growing oil and gas markets around the world, including Asia and developing nations.

**Power Generation** We intend to use our extensive expertise in power generation applications to continue our growth as a provider of turnkey systems in this market. We also intend to use our global presence to strengthen relationships with large original equipment manufacturers.

**Global Navy** We intend to continue to design, develop and manufacture high value fluid handling systems to meet the needs of evolving naval requirements worldwide. For example, we are currently working with the U.S. Navy to incorporate advanced electronics and controls into our products, and we are also focused on expanding our repair and service capabilities for naval customers.

**General Industrial** We intend to continue to apply our application expertise to supply our customers in diverse industries such as chemicals, pulp and paper processing and commercial construction with a portfolio of products that can solve their most critical fluid handling needs. We also intend to grow our presence in the general industrial market by targeting new applications for our existing products, deploying regionally focused strategies and utilizing our global presence and sales channels to sell our solutions worldwide.



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*Target Fast Growing Regions by Leveraging Our Global Manufacturing, Sales and Distribution Network.* We intend to continue to utilize our strong global presence and worldwide network of distributors to capitalize on growth opportunities by selling regionally developed and marketed products and solutions throughout the world. As our customers have become increasingly global in scope, we have increased our global reach to serve our customers by maintaining a local presence in numerous markets and investing in sales and marketing capabilities worldwide. For example, we have recently expanded our manufacturing capabilities by establishing a plant in China and acquiring an Indian manufacturer of fluid handling products.

*Develop New Products, Applications and Technologies.* We will continue to engineer our key products to meet the needs of new and existing customers and also to improve our existing product offerings to strengthen our market position. We intend to develop technological, or SMART, solutions, which incorporate advanced electronics, sensors and controls, through the use of our *Voice of the Customer* process to solve specific customer needs. We believe our SMART solutions will reduce our customers total cost of ownership by providing real-time diagnostic capabilities to minimize downtime, increase operational efficiency and avoid unnecessary costs.

*Grow Our Offerings of Systems and Solutions.* We will continue to provide high value added fluid handling solutions by utilizing our engineering and application expertise and our brand recognition and sales channels to drive incremental revenue. We intend to establish regional system manufacturing capabilities to address our customers desire to purchase turnkey modules and their preference for outsourced assembly. Part of our strategy is to continue to seek a greater share of overall project value by providing complete systems and solutions, particularly where we control project design.

*Continue to Pursue Strategic Acquisitions that Complement our Platform.* We believe that the fragmented nature of the fluid handling industry presents substantial consolidation and growth opportunities for companies with access to capital and the management expertise to execute a disciplined acquisition and integration program. We believe that we can identify a number of attractive acquisition candidates in the future and that strategic acquisition growth will give us a competitive advantage over small competitors through greater purchasing power, a larger global sales and distribution network and a broader portfolio of products and services.

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**Other Information**

*Company Information*

We were organized as a Delaware corporation in 1998. Our principal executive offices are located at 8730 Stony Point Parkway, Suite 150, Richmond, Virginia 23235, and our main telephone number at that address is (804) 560-4070. Our corporate website address is [www.colfaxcorp.com](http://www.colfaxcorp.com). **The contents of our website are not a part of this prospectus.**

*Trademarks*

We have rights to a variety of trade names, service marks and trademarks for use in our business, including Colfax, Allweiler, Fairmount, Houttuin, Imo, LSC, Portland Valve, Tushaco, Warren and Zenith in the U.S. and, where appropriate, in other countries. This prospectus also includes product names and other trade names and service marks owned by us and other companies. The trade names and service marks of other companies are the property of those other companies.





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The following table sets forth our summary consolidated financial and other information as of the dates for the periods indicated. The financial data for each of the three years in the period ended December 31, 2007 are derived from our consolidated financial statements, which have been audited by Ernst & Young LLP.

You should read this information in conjunction with the consolidated financial statements and the notes to those consolidated financial statements and Management's Discussion and Analysis of Financial Condition and Results of Operations appearing elsewhere in this prospectus.

Dollars in thousands, except per share amounts	Year ended December 31,		
	2007	2006	2005
<b>Statement of Operations Data:</b>			
Net sales	\$ 506,305	\$ 393,604	\$ 345,478
Cost of sales	330,714	256,806	222,353
Gross profit	175,591	136,798	123,125
Selling, general and administrative expenses	98,500	80,103	74,594
Research and development expenses	4,162	3,336	2,855
Legacy asbestos (income) expense	(50,346)	33,816	18,112
Operating income	123,275	19,543	27,564
Interest expense	19,246	14,186	9,026
Provision for income taxes	39,147	3,866	6,907
Income from continuing operations	64,882	1,491	11,631
Net income	64,882	94	12,247
Earnings (loss) per share from continuing operations - basic and diluted <sup>(1)</sup>	23,983	915	(1,209)

Dollars in thousands	As of December 31, 2007 <sup>(2)</sup>	
	Actual	As Adjusted
<b>Balance Sheet Data:</b>		
Goodwill and intangibles, net	\$ 185,353	
Asbestos insurance asset, including current portion	305,228	
Total assets	896,540	
Asbestos liability, including current portion	376,233	
Total debt, including current portion	206,493	

Dollars in thousands	Year ended December 31,		
	2007	2006	2005
<b>Other Data:</b>			
EBITDA <sup>(3) (4)</sup>	\$ 138,514	\$ 29,627	\$ 39,610

- (1) Computed based on income from continuing operations available to holders of common stock.
- (2) As adjusted to give effect to our sale of common stock in this offering at an assumed offering price of \$ \_\_\_\_\_ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and the receipt and application of the net proceeds thereof as described under "Use of Proceeds."
- (3) EBITDA includes legacy asbestos (income) expense of \$(50,346), \$33,816 and \$18,112 for the years ended December 31, 2007, 2006 and 2005, respectively, and discontinued operations expense (income) of \$1,397 and \$(616) for the years ended December 31, 2006 and 2005, respectively.



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- (4) We are presenting EBITDA because we believe that it provides useful information to investors about us, our business and our financial condition. We define EBITDA as net income before the effects of interest expense, taxes, depreciation and amortization. We believe EBITDA is useful to investors because it is one of the measures used by our board of directors and management to evaluate our business, including in our internal management reporting, budgeting and forecasting processes, in comparing our operating results across our business as well as to those of our competitors and other companies in our industry, as an internal profitability measure, as a component in evaluating our ability and the desirability of making capital expenditures and significant acquisitions, and as an element in determining executive compensation. Further, EBITDA and similar measures are widely used by investors, rating agencies and securities analysts as a key measure to compare companies in our industry and debt-service capabilities.

EBITDA is not a measurement of financial performance or liquidity under GAAP and should not be considered as an alternative to net income or any other indicator of operating performance or as an alternative to cash flow from operating activities or any other measure of liquidity derived in accordance with GAAP. Because EBITDA is calculated before recurring cash charges including interest expense and taxes, and is not adjusted for capital expenditures or other recurring cash requirements of the business, it should not be considered as a measure of discretionary cash available to invest in the growth of the business. There are a number of material limitations to the use of EBITDA as an analytical tool, including the following:

EBITDA does not reflect our interest expense;

EBITDA does not reflect our tax expense or the cash requirements to pay our taxes; and

although depreciation and amortization are non-cash expenses in the period recorded, the assets being depreciated and amortized may have to be replaced in the future, and EBITDA does not reflect the cash requirements for such replacement.

We compensate for these limitations by relying primarily on our GAAP financial measures and by using EBITDA only supplementally. We believe that consideration of EBITDA, together with a careful review of our GAAP financial measures, is the most informed method of analyzing our company.

The following table reconciles net income to EBITDA:

Dollars in thousands	Year ended December 31,		
	2007	2006	2005
Net income	\$ 64,882	\$ 94	\$ 12,247
Interest expense	19,246	14,186	9,026
Provision for income taxes	39,147	3,866	6,907
Depreciation and amortization	15,239	11,481	11,430
EBITDA	\$ 138,514	\$ 29,627	\$ 39,610

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**Recent Developments**

We estimate that our net sales for the three months ended March 31, 2008 were between \$            million and \$            million. We estimate that operating income for the three months ended March 31, 2008 was between \$            million and \$            million. Our net sales and operating income estimates are based upon our preliminary analysis of anticipated results and actual results may be significantly different. See Special Note Regarding Forward-Looking Statements below for a discussion cautioning against reliance on forward-looking information.

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**RISK FACTORS**

*Investing in our common stock involves a high degree of risk. You should carefully consider the risks described below, together with the other information in this prospectus, before making an investment decision. If any of the following risks actually occur, our business, financial condition or operating results could suffer. As a result, the trading price of our common stock could decline and you could lose all or part of your investment in our common stock.*

**Risks Related to Our Business**

*The majority of our sales are derived from international operations. We are subject to specific risks associated with international operations.*

In the year ended December 31, 2007, we derived approximately 66% of our sales from operations outside of the U.S. with manufacturing facilities in seven countries. Sales from international operations, export sales and the use of manufacturing facilities outside of the U.S. are subject to risks inherent in doing business outside the U.S. These risks include:

economic instability;

partial or total expropriation of our international assets;

trade protection measures, including tariffs or import-export restrictions;

currency exchange rate fluctuations and restrictions on currency repatriation;

significant adverse changes in taxation policies or other laws or regulations; and

the disruption of operations from political disturbances, terrorist activities, insurrection or war.

*Significant movements in foreign currency exchange rates may harm our financial results.*

We are exposed to fluctuations in currency exchange rates. In the year ended December 31, 2007, approximately 66% of our sales were denominated in currencies other than the U.S. dollar. We do not engage to a material extent in hedging activities intended to offset the risk of exchange rate fluctuations. Any significant change in the value of the currencies of the countries in which we do business against the U.S. dollar could affect our ability to sell products competitively and control our cost structure, which, in turn, could adversely affect our results of operations and financial condition.

A significant portion of our revenues and income are denominated in Euros and Swedish Kronor. Consequently, depreciation of the Euro or Krona against the U.S. dollar has a negative impact on the income from operations of our European operations. Large fluctuations in the rate of exchange between the Euro, the Krona and the U.S. dollar could have a material adverse effect on our results of operations and financial condition.

*We are dependent on the availability of raw materials, as well as parts and components used in our products.*

While we manufacture many of the parts and components used in our products, we require substantial amounts of raw materials and purchase some parts and components from suppliers. The availability and prices for raw materials, parts and components may be subject to curtailment or change due to, among other things, suppliers' allocations to other purchasers, interruptions in production by suppliers, changes in exchange rates and prevailing price levels. Any change in the supply of, or price for, these raw materials or parts and components could materially affect our business, financial condition, results of operations and cash flow. In addition, delays in delivery of components or raw materials by our suppliers could cause delays in our delivery of products to our customers.



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*The markets we serve are highly competitive and some of our competitors may have resources superior to ours. Responding to this competition*