

Edgar Filing: ACME UNITED CORP - Form 8-K

ACME UNITED CORP  
Form 8-K  
April 21, 2005

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

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FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report (date of earliest event reported): April 21, 2005

ACME UNITED CORPORATION  
(Exact name of registrant as specified in its charter)

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|  |  |   |
|--|--|---|
| Connecticut<br>(State or other jurisdiction of<br>incorporation or organization) | 001-07698<br>(Commission<br>file number) | 06-0236700<br>(I.R.S. Employer<br>Identification No.) |
|--|--|---|

1931 Black Rock Turnpike, Fairfield, Connecticut  
(Address of principal executive offices)

06825  
(Zip Code)

Registrant's telephone number, including area code: (203) 332-7330

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On April 21, 2005, Acme United Corporation (the "Company") issued a press release announcing its financial results for the three-month period ended March 31, 2005. A copy of the press release is attached as Exhibit 99.1 to this current report.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits

| Exhibit Number | Description |
|----------------|-------------|
|----------------|-------------|

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99.1

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Press release dated April 21, 2005.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ACME UNITED CORPORATION

By /s/ WALTER C. JOHNSEN

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Walter C. Johnsen  
President and  
Chief Executive Officer

Dated: April 21, 2005

By /s/ PAUL G. DRISCOLL

-----  
Paul G. Driscoll  
Vice President and  
Chief Financial Officer

Dated: April 21, 2005

EXHIBIT INDEX

| Exhibit Number | Description                         |
|----------------|-------------------------------------|
| -----          | -----                               |
| 99.1           | Press release dated April 21, 2005. |

ACME UNITED CORPORATION

NEWS RELEASE

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CONTACT: Paul G. Driscoll  
Acme United Corporation  
1931 Black Rock Turnpike Fairfield, CT 06825  
Phone: (203) 332-7330 FAX: (203) 576-1547  
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FOR IMMEDIATE RELEASE April 21, 2005

ACME UNITED CORPORATION REPORTS 24% SALES GROWTH AND 55% EARNINGS INCREASE

FAIRFIELD, CONN. - April 21, 2005 - Acme United Corporation (AMEX:ACU) today announced net income of \$650,000 or \$.17 per diluted share for the first quarter ended March 31, 2005 compared to \$392,000 or \$.11 per diluted share for the comparable period last year.

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Net sales for the quarter ended March 31, 2005 were \$10.6 million compared to \$8.6 million in 2004, an increase of 24% (21% at constant currency). Net sales in the U.S. increased 25% due to the launch of new products, market share gains and the Clauss business acquired on June 1, 2004. International sales increased by 16%, and 10% in local currency.

Gross margins were 45.9% in 2005 versus 43.4% in 2004. The improvement is primarily due to new products and product rationalization efforts in Europe.

Walter C. Johnsen, President and CEO said, "I am pleased with our performance this quarter. Our new products have been well received, and business continues to be strong."

The Company's debt less cash on March 31, 2005 was \$1.0 million compared to \$3.6 million on March 31, 2004. During the first quarter of 2005, the Company repurchased 60,000 shares at a cost of \$954,000. At the end of the first quarter 2005, this left approximately 8,000 shares remaining from the program announced in July of 2003. On March 30, 2005, the Board of Directors approved a new stock repurchase program of 150,000 common shares. The Company also paid dividends of 2 cents per share in the first quarter of 2005 amounting to \$74,000.

(1)

ACME UNITED CORPORATION is a specialized supplier of cutting devices, measuring instruments, and safety products for school, home, office and industrial use.

Forward-looking statements in this report, including without limitation, statements related to the Company's plans, strategies, objectives, expectations, intentions and adequacy of resources, are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that such forward-looking statements involve risks and uncertainties including without limitation the following: (i) the Company's plans, strategies, objectives, expectations and intentions are subject to change at any time at the discretion of the Company; (ii) the Company's plans and results of operations will be affected by the Company's ability to manage its growth, and (iii) other risks and uncertainties indicated from time to time in the Company's filings with the Securities and Exchange Commission.

# # #

(2)

### ACME UNITED CORPORATION CONSOLIDATED STATEMENT OF INCOME FIRST QUARTER REPORT 2005

| Amounts in \$000's except per share data      | Quarter Ended<br>March 31, 2005<br>(Unaudited) | Quarter End<br>March 31, 2004<br>(Unaudited) |
|---|--|--|
| Net Sales                                     | \$ 10,583                                      | \$ 8,567                                     |
| Gross Profit                                  | 4,861  | 3,719  |
| Selling, General, and Administrative Expenses | 3,719  | 2,969  |
| Other (Income) Expense                        | 62   | 40   |
| Pre-Tax Income (loss)                         | 1,080  | 710  |
| Income Tax Expense                            | 430  | 318  |
| Net Income                                    | 650  | 392  |

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|                            |      |      |
|----------------------------|------|------|
| Earnings Per Share Basic   | 0.19 | 0.12 |
| Earnings Per Share Diluted | 0.17 | 0.11 |

(3)

ACME UNITED CORPORATION  
 CONDENSED CONSOLIDATED BALANCE SHEET  
 FIRST QUARTER REPORT 2005  
 (Unaudited)

Amounts in \$000's

|  | March 31, 2005 | March 31, 2004 |
|--|----------------|----------------|
| -----                                      |                |                |
| Assets                                     |                |                |
| -----                                      |                |                |
| Current Assets:                            |                |                |
| Cash                                       | \$ 1,006       | \$ 709         |
| Accounts Receivable, Net                   | 8,013          | 6,687          |
| Inventories                                | 9,207          | 8,336          |
| Prepaid and Other current Assets           | 843            | 873            |
|  | -----          |                |
| Total Current Assets                       | 19,069         | 16,605         |
| Property and Equipment, Net                | 2,068          | 2,361          |
| Other Assets                               | 769            | 456            |
|  | -----          |                |
| Total Assets                               | \$ 21,906      | \$ 19,422      |
|  | =====          |                |
| Liabilities and Stockholders' Equity       |                |                |
| Current Liabilities                        |                |                |
| Accounts Payable                           | \$ 2,150       | \$ 1,721       |
| Other Current Liabilities                  | 2,995          | 1,870          |
| Current Portion of Long Term Debt          | 1,991          | 1,745          |
|  | -----          |                |
| Total Current Liabilities                  | 7,136          | 5,336          |
| Long-Term debt                             | 58             | 2,542          |
| Other Non Current Liabilities              | 550            | 759            |
|  | -----          |                |
| Total Stockholders' Equity                 | 7,744          | 8,637          |
|  | 14,162         | 10,785         |
|  | -----          |                |
| Total Liabilities and Stockholders' Equity | \$ 21,906      | \$ 19,422      |
|  | =====          |                |

(4)