

CHASE CORP
Form 10-K
November 14, 2008

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 10-K

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended August 31, 2008

Commission File Number: 1-9852

CHASE CORPORATION

(Exact name of registrant as specified in its charter)

Massachusetts

11-1797126

(State or other jurisdiction of incorporation of
organization)

(I.R.S. Employer Identification No.)

26 Summer Street, Bridgewater, Massachusetts 02324

(Address of Principal Executive Offices, Including Zip Code)

(508) 279-1789

(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to section 12(b) of the Act:

Title of Each Class:

Name of Each Exchange on Which Registered

Common Stock
(\$0.10 Par Value)

NYSE Alternext US

Securities registered pursuant to section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer (as defined in Rule 405 of the Securities Act). YES NO

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. YES NO

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 NO

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

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Indicate by checkmark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer <input type="checkbox"/>	Accelerated filer <input type="checkbox"/>	Non-accelerated filer <input type="checkbox"/>	Smaller reporting company <input type="checkbox"/>
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(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 NO

The aggregate market value of the common stock held by non-affiliates of the registrant, as of February 29, 2008 (the last business day of the registrant's second quarter of fiscal 2008), was approximately \$141,703,000.

As of October 31, 2008, the Company had outstanding 8,532,033 shares of common stock, \$.10 par value, which is its only class of common stock.

Documents Incorporated By Reference:

Portions of the registrant's definitive proxy statement for the Annual Meeting of Shareholders, which is expected to be filed within 120 days after the registrant's fiscal year ended August 31, 2008, are incorporated by reference into Part III hereof.

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Chase Corporation (the "Company" or "Chase") is a global manufacturer of tapes, laminates, sealants, coatings for high reliability applications, and provider of contract assembly services for the electronics industry. The Company's strategy is to maximize its core businesses and brands while seeking future opportunities through strategic acquisitions. The Company is organized into two operating segments with multiple facilities. All plant locations are part of the Company's Specialized Manufacturing segment with the exception of Chase EMS, which is part of the Company's Electronic Manufacturing Services segment. A summary of the Company's operating structure as of August 31, 2008 is as follows:

Primary Manufacturing Location	Background/History	Key Products & Services
	<i>SPECIALIZED MANUFACTURING SEGMENT</i>	
Randolph, MA	This was one of the Company's first operating facilities and has been producing products for the wire and cable industry for more than fifty years.	Electrical cable insulation tapes using the brand name Chase & Sons® and related products such as Chase BLH ₂ OCK®, a water blocking compound sold to the wire and cable industry. Insulating and conducting materials for the manufacture of electrical and telephone wire and cable, electrical splicing, and terminating and repair tapes, which are marketed to wire and cable manufacturers and public utilities.
Webster, MA	The Company began operating this facility, which manufactures tape and related products, in 1992. In December 2003, the Company acquired the assets of PaperTyger, LLC ("PaperTyger"). The PaperTyger product lines are also manufactured at this facility.	Specialty tapes and related products for the electronic and telecommunications industries using the brand name Chase & Sons®. PaperTyger® is a trademark for laminated durable papers sold to the envelope converting and commercial printing industries. The Company's PaperTyger products are marketed under the names PaperTyger, NaturalWhite and SuperWhite. PaperTyger DEFENDER is an innovative laminated paper with an inner security barrier used in personal and mail-stream privacy protection. PaperTyger Green offers a fully biodegradable, tear-resistant envelope paper a first in the global market for durable papers.
Paterson, NJ	In February 2003, Chase Facile, Inc., a wholly-owned subsidiary of the Company, acquired certain assets of Facile, Inc., located in Paterson, New Jersey.	Flexible composites and laminates for the wire & cable, aerospace and industrial laminate markets including Insulfab®, an insulation material used in the aerospace industry.

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Primary Manufacturing Location	Background/History	Key Products & Services
Taylorsville, NC	In January 2004, the Company purchased certain manufacturing equipment and began operations at this facility.	Flexible packaging for industrial and retail use. Slit film for the building wire market and for telecommunication cable.
Pittsburgh, PA	<p>The HumiSeal business and product lines were acquired in the early 1970's.</p> <p>The Royston business was acquired in the early 1970's.</p> <p>In April 2005, the Company acquired certain assets of E-Poxy Engineered Materials. Additionally, in September 2006, the Company acquired all of the capital stock of Capital Services Joint Systems. Both of these acquisitions were combined to form the Expansion Joints product line which is now manufactured in Pittsburgh.</p>	<p>Protective conformal coatings under the brand name HumiSeal®, moisture protective electronic coatings sold to the electronics industry.</p> <p>Protective pipe coating tapes and other protectants for valves, regulators, casings, joints, metals, concrete, and wood which are sold under the brand name Royston®, to oil companies, gas utilities, and pipeline companies.</p> <p>Rospalt50®, is a polymer additive that provides long term cost effective solutions in many applications such as waterproofing of approaches and bridges, ramps, race tracks, airports and specialty road applications.</p> <p>Waterproofing sealants, expansion joints and accessories for the transportation, industrial and architectural markets.</p>
Evanston, IL	In November 2001, the Company acquired substantially all of the assets of Tapecoat, a division of T.C. Manufacturing Inc.	Manufacturer of technologically advanced products, including the brand Tapecoat®, for demanding anti-corrosion applications in the gas, oil and marine pipeline market segments, as well as tapes and membranes for roofing and other construction related applications.

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Primary Manufacturing Location	Background/History	Key Products & Services
Camberley, Surrey, England	<p>In October 2005, the Company acquired all of the capital stock of Concoat Holdings Ltd. and its subsidiaries. In 2006 Concoat was renamed HumiSeal Europe.</p> <p>In March 2007, the Company expanded its international presence with the formation of HumiSeal Europe SARL in France. In conjunction with establishing the new company, certain assets were acquired from Metronelec SARL, a former distributor of HumiSeal products.</p>	<p>Protective conformal coatings under the brand name HumiSeal®, moisture protective electronic coatings sold to the electronics industry.</p> <p>HumiSeal Europe SARL operates a sales/technical service office and warehouse near Paris. This business works closely with the HumiSeal operation in Camberley, Surrey, England allowing direct sales and service to the French market.</p>
Rye, East Sussex, England	<p>On September 1, 2007, the Company purchased certain product lines and a related manufacturing facility in Rye, East Sussex, England through its wholly owned subsidiary, Chase Protective Coatings Ltd.</p>	<p>Manufacturer of waterproofing and corrosion protection systems for oil, gas and water pipelines and a supplier to Europe, the Middle East and Southeast Asia. This facility joins Chase's North American based Tapecoat® and Royston® brands to broaden the protective coatings product line and better address increasing global demand.</p>
Newburyport, MA	<p>In July 1999, the Company acquired Northeast Quality Products, Co. Inc., ("NEQP").</p>	<p>Specialty printer producing custom pressure sensitive labels.</p>

ELECTRONIC MANUFACTURING SERVICES SEGMENT

Winchester, MA	<p>In May 1999, the Company acquired RWA, Inc. ("RWA"). In fiscal 2005, this division moved to Winchester, MA from Melrose, MA and is doing business as Chase EMS.</p>	<p>Assembly and turnkey contract manufacturing services including printed circuit board and electromechanical assembly services to the electronics industry operating principally in the United States.</p>
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Other Business Developments

Chase Protective Coatings Ltd.

On September 1, 2007, Chase Corporation purchased certain product lines and a related manufacturing facility in Rye, East Sussex, England through its wholly owned subsidiary, Chase Protective Coatings Ltd. For over 35 years, this business has been a leading manufacturer of waterproofing and corrosion protection systems for oil, gas and water pipelines and has been a major supplier to Europe, the Middle East and Southeast Asia. This new acquisition joins Chase's North American based Tapecoat® and Royston® brands to broaden the protective coatings product line and better address increasing global demand.

The purchase price for this acquisition was £738,936 (US \$1,489,769 at the time of the acquisition) and was financed out of cash flow from the Company's operations. The effective date for this acquisition was September 1, 2007 and the results of this acquisition have been included in the Company's financial statements since then.

Products and Markets

The Company's principal products are specialty tapes, laminates, sealants and coatings that are sold by Company salespeople, manufacturers' representatives and distributors. In the Company's Specialized Manufacturing segment, these products consist of:

- (i) insulating and conducting materials for the manufacture of electrical and telephone wire and cable, electrical splicing, and terminating and repair tapes, which are marketed to wire and cable manufacturers;
- (ii) protective pipe coating tapes and other protectants for valves, regulators, casings, joints, metals, concrete and wood, which are sold to oil companies, gas utilities and pipeline companies;
- (iii) protectants for highway bridge deck metal supported surfaces, which are sold to municipal transportation authorities;
- (iv) moisture protective coatings, which are sold to the electronics industry;
- (v) laminated durable papers, including laminated paper with an inner security barrier used in personal and mail-stream privacy protection, which are sold primarily to the envelope converting and commercial printing industries;
- (vi) flexible composites and laminates for the wire & cable, aerospace, packaging and industrial laminate markets, and
- (vii) expansion and control joint systems designed for roads, bridges, stadiums and airport runways.

In addition, the Company's Electronic Manufacturing Services segment provides circuit board assembly and contract manufacturing services to electronic goods manufacturers.

There is some seasonality with the Company's product offerings sold into the construction market as increased demand is often experienced when temperatures are warmer (April through October) with less demand occurring when temperatures are colder (typically the second fiscal quarter). The Company has introduced no new products or segments requiring an investment of a material amount of the Company's assets during fiscal year 2008.

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Employees

As of October 31, 2008, the Company employed approximately 381 people (including union employees). The Company believes that its relationship with its employees is good.

Backlog, Customers and Competition

As of October 31, 2008, the backlog of orders believed to be firm was approximately \$16,369,000 of which \$7,476,000 was related to the Company's Electronic Manufacturing Services segment. This compared with a total of \$16,647,000 as of October 31, 2007 of which \$7,468,000 was associated with the Company's Electronic Manufacturing Services segment. The backlog of orders in the Specialized Manufacturing segment has some seasonality due to the construction season. During fiscal 2008, 2007 and 2006, no customer accounted for more than 10% of sales. No material portion of the Company's business is subject to renegotiation or termination of profits or contracts at the election of the United States Federal Government.

There are other companies that manufacture or sell products and services similar to those made and sold by the Company. Many of those companies are larger and have greater financial resources than the Company. The Company competes principally on the basis of technical performance, service reliability, quality and price.

Raw Materials

The Company obtains raw materials from a wide variety of suppliers with alternative sources of most essential materials available within reasonable lead times.

Patents, Trademarks, Licenses, Franchises and Concessions

The Company owns the following trademarks: HumiSeal®, a trademark for moisture protective coatings sold to the electronics industry; Chase & Sons® and Chase Facile®, trademarks for barrier and insulating tapes sold to the wire and cable industry; Chase BLH₂O₂CK®, a trademark for a water blocking compound sold to the wire and cable industry; Rosphalt 50®, a trademark for an asphalt additive used predominantly on bridge decks for waterproofing protection; Insulfab®, a trademark for insulation material used in the aerospace industry; PaperTyger®, a trademark for laminated durable papers sold to the envelope converting and commercial printing industries, Tapecoat®, a trademark for corrosion preventative surface coatings and primers; Royston®, a trademark for corrosion inhibiting coating composition for use on pipes; and Eva-Pox® and Ceva®, trademarks for epoxy pastes/gels/mortars and elastomeric concrete used in the construction industry. The Company has no other material trademarks, licenses, franchises, or concessions. The Company holds various patents but believes that, at this time, they are not material to the success of the business.

Working Capital and Research and Development

There are no special practices followed by the Company relating to working capital. Approximately \$1,698,000, \$1,965,000, and \$1,860,000 was spent for Company-sponsored research and development during fiscal 2008, 2007 and 2006, respectively. Research and development decreased by approximately \$267,000 in fiscal 2008 compared to 2007 primarily due to diligent cost management practices and efficiency improvements.

Available Information

The Company maintains a website at www.chasecorp.com. The Company makes available, free of charge, on its website its Annual Report on Form 10-K, as soon as reasonably practicable after

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such report is electronically filed with the SEC. Additionally, the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to those reports, filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, are available *free of charge* at the SEC's website at *www.sec.gov*. Information contained on the Company's website is not part of, or incorporated by reference into, this Annual Report on Form 10-K.

Financial Information About Segments and Geographic Areas

Please see Notes 11 and 12 to the Company's Consolidated Financial Statements for financial information about the Company's industry segments and domestic and foreign operations for each of the last three fiscal years.

ITEM 1A RISK FACTORS

The following risk factors should be read carefully in connection with evaluating the Company's business and the forward-looking information contained in this Annual Report on Form 10-K. Any of the following risks could materially adversely affect the Company's business, operations, industry or financial position or its future financial performance. While the Company believes it has identified and discussed below the key risk factors affecting its business, there may be additional risks and uncertainties that are not presently known or that are not currently believed to be significant that may adversely affect its business, operations, industry, financial position and financial performance in the future.

The Company currently operates in a mature market where increases or decreases in market share could be significant.

The Company's sales and net income are largely dependent on recurring sales from a consistent and established customer base. Organic growth opportunities are minimal; however, the Company has and will continue to use strategic acquisitions as a means to build and grow the business. In this business environment, increases or decreases in market share could have a material effect on the Company's business condition or results of operation. The Company faces intense competition from a diverse range of competitors, including operating divisions of companies much larger and with far greater resources than the Company. If the Company is unable to maintain its market share, its business could suffer.

The Company's business strategy includes the pursuit of strategic acquisitions, which may not be successful if they happen at all.

From time to time, the Company engages in discussions with potential target companies concerning potential acquisitions. In executing its acquisition strategy, the Company may be unable to identify suitable acquisition candidates. In addition, the Company may face competition from other companies for acquisition candidates, making it more difficult to acquire suitable companies on favorable terms.

Even if the Company does identify a suitable acquisition target and is able to negotiate and close a transaction, the integration of an acquired business into the Company's operations involves numerous risks, including potential difficulties in integrating an acquired company's product line with the Company's own; the diversion of the Company's resources and management's attention from other business concerns; the potential loss of key employees; risks associated with entering a new geographical or product market; and the day-to-day management of a larger and more diverse combined company.

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The Company may not realize the synergies, operating efficiencies, market position or revenue growth it anticipates from acquisitions and its failure to effectively manage the above risks and other problems associated with acquisitions could have a material adverse effect on its business, growth prospects and financial performance.

General economic factors, domestically and internationally, may adversely affect the Company's financial performance through increased raw material costs or other expenses and by making access to capital more difficult.

The cumulative effect of higher interest rates, energy costs, inflation, levels of unemployment, healthcare costs, unsettled financial markets, and other economic factors could adversely affect the Company's financial condition by increasing its manufacturing costs and other expenses at the same time that its customers may be scaling back demand for the Company's products. Prices of certain commodity products, including oil and petroleum-based products, are historically volatile and are subject to fluctuations arising from changes in domestic and international supply and demand, labor costs, competition, market speculation, government regulations and periodic delays in delivery. Rapid and significant changes in commodity prices may affect the Company's sales and profit margins. These factors can also increase the Company's merchandise costs and/or selling, general and administrative expenses, and otherwise adversely affect the Company's operations and results. Recent turmoil in the credit markets may limit the Company's ability to access debt capital for use in acquisitions or other purposes on advantageous terms or at all. If the Company is unable to manage its expenses in response to general economic conditions and margin pressures, or if it is unable to obtain capital for strategic acquisitions or other needs, then its results of operations would be negatively affected.

Fluctuations in the supply and prices of raw materials may negatively impact the Company's financial results.

The Company obtains the raw materials needed to manufacture its products from a number of suppliers. Many of these raw materials are petroleum-based derivatives. Under normal market conditions, these materials are generally available on the open market and from a variety of producers. From time to time, however, the prices and availability of these raw materials fluctuate, which could impair the Company's ability to procure necessary materials, or increase the cost of manufacturing its products. If the prices of raw materials increase, and the Company is unable to pass these increases on to its customers, the Company could experience reduced profit margins.

The Company is dependent on key personnel.

The Company depends significantly on its executive officers including Chairman and Chief Executive Officer, Peter R. Chase, and on other key employees. The loss of the services of any of these key employees could have a material impact on the Company's business and results of operations. In addition, the Company's acquisition strategy will require that it attract, motivate and retain additional skilled and experienced personnel. The inability to satisfy such requirements could have a negative impact on the Company's ability to remain competitive in the future.

If the Company cannot successfully manage the unique challenges presented by international markets, it may not be successful in expanding its international operations.

The Company's strategy includes expansion of its operations in existing and new international markets by selective acquisitions and strategic alliances. The Company's ability to successfully execute its strategy in international markets is affected by many of the same operational risks it faces in expanding its U.S. operations. In addition, the Company's international expansion may be adversely affected by its ability to identify and gain access to local suppliers as well as by local

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laws and customs, legal and regulatory constraints, political and economic conditions and currency regulations of the countries or regions in which it currently operates or intends to operate in the future. Risks inherent in its international operations also include, among others, the costs and difficulties of managing international operations, adverse tax consequences and greater difficulty in enforcing intellectual property rights. Additionally, foreign currency exchange rates and fluctuations may have an impact on the Company's future costs or on future cash flows from its international operations.

The Company's results of operations could be adversely affected by uncertain economic and political conditions and the effects of these conditions on its customers' businesses and levels of business activity.

Global economic and political conditions can affect the businesses of the Company's customers and the markets they serve. A severe or prolonged economic downturn or a negative or uncertain political climate could adversely affect the levels of business activity of the Company's customers and the industries they serve, including the housing, construction, transportation infrastructure and electronics manufacturing industries. This may reduce demand for the Company's products or depress pricing of those products, either of which may have a material adverse effect on the Company's results of operations. Changes in global economic conditions could also shift demand to products for which the Company does not have competitive advantages, and this could negatively affect the amount of business that the Company is able to obtain. In addition, if the Company is unable to successfully anticipate changing economic and political conditions, it may be unable to effectively plan for and respond to those changes, and the Company's business could be negatively affected.

Changes in accounting standards and subjective assumptions, estimates and judgments by management related to complex accounting matters could significantly affect the Company's financial results.

Generally accepted accounting principles and related accounting pronouncements, implementation guidelines and interpretations with regard to a wide range of matters that are relevant to the Company's business, such as revenue recognition, asset impairment, inventories, pensions valuation and tax matters, are highly complex and involve many subjective assumptions, estimates and judgments. Changes in these rules or their interpretation or changes in underlying assumptions, estimates or judgments could significantly change the Company's reported or expected financial performance or financial condition. In addition, the Financial Accounting Standards Board issued SFAS No. 141R which will have an impact on the Company's accounting for future business combinations. The effect will be dependent upon acquisitions completed by the Company after August 31, 2009.

Failure of the Company's internal control over financial reporting could limit its ability to report financial results accurately and timely.

The Company's management team is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting for external purposes in accordance with U.S. generally accepted accounting principles. Internal control over financial reporting includes: maintaining records that in reasonable detail accurately and fairly reflect the Company's transactions; providing reasonable assurance that transactions are recorded as necessary for preparation of the financial statements; providing reasonable assurance that the Company's receipts and expenditures of its assets are made in accordance with management authorization; and providing reasonable assurance that unauthorized acquisition, use or disposition

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of the Company's assets that could have a material effect on the financial statements would be prevented or detected on a timely basis. Because of its inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a misstatement of the Company's financial statements would be prevented or detected. Any failure to maintain an effective system of internal control over financial reporting could limit the Company's ability to report its financial results accurately and timely or to detect and prevent fraud.

ITEM 1B UNRESOLVED STAFF COMMENTS

None

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The Company owns office and manufacturing properties and leases office and manufacturing space as outlined in the table below. All properties are used by the Company's Specialized Manufacturing segment except for Corporate and the Chase EMS division. The Chase EMS property is used by the Company's Electronic Manufacturing Services segment.

Location	Square Feet	Operating Segment	Owned/Leased	Principal Use
Bridgewater, MA	5,200	Corporate	Owned	Corporate headquarters and executive office
West Bridgewater, MA	35,700	Corporate	Owned	Space leased to Sunburst under a 36-month lease agreement currently expiring in November 2009
Randolph, MA	77,500	Specialized Manufacturing	Owned	Manufacture of electrical protective coatings and tape products
Webster, MA	25,000	Specialized Manufacturing	Owned	Manufacture of tape and related products for the electronic and telecommunications industries, as well as laminated durable papers
Paterson, NJ	40,000	Specialized Manufacturing	Leased	Manufacture of tape and related products for the electronic and telecommunications industries
Taylorsville, NC	50,000	Specialized Manufacturing	Leased	Manufacture of flexible packaging for industrial and retail use
Taylorsville, NC	2,500	Specialized Manufacturing	Leased	Storage warehouse
Cranston, RI	500	Specialized Manufacturing	Leased	Sales office
Taunton, MA	5,200	Specialized Manufacturing	Leased	Research and development, and technical center
Pittsburgh, PA	44,000	Specialized Manufacturing	Owned	Manufacture and sale of protective coatings and tape products
O'Hara Township, PA	109,000	Specialized Manufacturing	Owned	Manufacture and sale of expansion joints and accessories*
Evanston, IL	100,000	Specialized Manufacturing	Owned	Manufacture and sale of protective coatings and tape products
Albany, NY	2,250	Specialized Manufacturing	Leased	Sales office
Newburyport, MA	15,000		Leased	

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		Specialized Manufacturing		Manufacture and sale of custom pressure-sensitive labels
Camberley, Surrey, England	6,700	Specialized Manufacturing	Leased	Manufacture and sales of protective electronic coatings
Rye, East Sussex, England	36,600	Specialized Manufacturing	Owned	Manufacture and sales of protective coatings and tape products
Paris, France	1,350	Specialized Manufacturing	Leased	Sales/technical service office and warehouse allowing direct sales and service to the French market.
Winchester, MA	25,000	Electronic Manufacturing	Leased	Manufacturing and sales for the Electronic Manufacturing Services segment

*

The Company is currently renovating its facility in O'Hara Township in order to increase production capacity and improve efficiencies for existing product lines as well as provide space to integrate future acquisitions. It is expected that renovations will continue through fiscal 2009.

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The above facilities range in age from new to about 100 years, are generally in good condition and, in the opinion of management, adequate and suitable for present operations. The Company also owns equipment and machinery that is in good repair and, in the opinion of management, adequate and suitable for present operations. The Company could significantly add to its capacity by increasing shift operations. Availability of machine hours through additional shifts would provide expansion of current product volume without significant additional capital investment.

ITEM 3 LEGAL PROCEEDINGS

From time to time, the Company is involved in litigation incidental to the conduct of its business. The Company is not party to any lawsuit or proceeding that, in management's opinion, is likely to seriously harm the Company's business, results of operations, financial conditions or cash flows.

The Company is one of over 100 defendants in a personal injury lawsuit, pending in Ohio, which alleges personal injury from exposure to asbestos contained in certain Chase products. The plaintiff in the case issued discovery requests to Chase in August 2005, to which Chase timely responded in September 2005. The trial had initially been scheduled to begin on April 30, 2007. However, that date was postponed and no new trial date has been set. As of October 2008, there have been no new developments as this Ohio lawsuit has been inactive with respect to Chase.

ITEM 4 SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

There were no matters submitted to a vote of the Company's security holders during the fourth quarter of the Company's fiscal year ended August 31, 2008.

ITEM 4A EXECUTIVE OFFICERS OF THE REGISTRANT

The following table sets forth information concerning the Company's Executive Officers as of August 31, 2008. Each officer of the Company is selected by the Company's Board of Directors and holds office until his successor is elected and qualified.

Name	Age	Offices Held and Business Experience during the Past Five Years
Peter R. Chase	60	Chairman of the Board of the Company since February 2007, and Chief Executive Officer of the Company since September 1993.
Adam P. Chase	36	President of the Company since January 2008, Chief Operating Officer of the Company since February 2007, Vice President Operations February 2006 through February 2007, and Vice President Chase Coating & Laminating Division March 2003 through February 2007.
Kenneth L. Dumas	37	Chief Financial Officer and Treasurer of the Company since February 2007, Director of Finance February 2006 through January 2007, Corporate Controller January 2004 through January 2007, Assistant Corporate Controller April 2003 through January 2004.
Terry M. Jones	47	Vice President Business Development and Chief Marketing Officer since February 2007, Vice President Marketing and Business Development February 2006 through February 2007, and Vice President Specialty Coatings Division August 2002 through February 2007.

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Effective September 1, 2008, Chase Corporation promoted Gregory A. Pelagio to the position of Vice President Engineering. Mr. Pelagio, age 64, has been with the company since 1990 and has most recently served as Vice President and General Manager of Pittsburgh operations since 1993. In his new position, Mr. Pelagio will lead the Engineering effort for the entire Company, as well as continue to oversee all Pittsburgh operations. He will report directly to the President and Chief Operating Officer, Adam P. Chase.

Table of Contents**PART II****ITEM 5 MARKET FOR THE REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES**

The Company's common stock is traded on the NYSE Alternext US (formerly the American Stock Exchange) under the symbol CCF. As of October 31, 2008, there were 457 shareholders of record of the Company's Common Stock and approximately 3,199 beneficial shareholders who held shares in nominee name and the closing price of Chase Corporation's common stock was \$14.58 per share as reported by the NYSE Alternext US.

The following table sets forth the high and low daily sales prices for the Company's common stock as reported by the NYSE Alternext US for each quarter in the fiscal years ended August 31, 2008 and 2007:

	Fiscal 2008		Fiscal 2007	
	High	Low	High	Low
First Quarter	\$22.00	\$16.75	\$11.50	\$ 8.40
Second Quarter	29.04	19.00	17.00	11.35
Third Quarter	24.95	16.05	17.52	12.12
Fourth Quarter	19.77	14.79	20.85	14.40

The Company paid a cash dividend per common share of \$0.35, \$0.25, and \$0.20 for the years ended August 31, 2008, 2007 and 2006, respectively. The cash dividend for each fiscal year is paid subsequent to year end. Certain of the Company's borrowing facilities contain financial covenants which may have the effect of limiting the amount of dividends that the Company can pay.

Comparative Stock Performance

The following line graph compares the yearly percentage change in the Company's cumulative total shareholder return on the Common Stock for the last five fiscal years with the cumulative total return on the Standard & Poor's 500 Stock Index ("the S&P 500 Index"), and a composite peer index that is weighted by market equity capitalization (the "Peer Group Index"). The companies included in the Peer Group Index are American Biltrite Inc., Material Sciences Corporation, Intertape Polymer Group Inc., Quaker Chemical Corporation and Flamemaster Corp. Cumulative total returns are calculated assuming that \$100 was invested on August 31, 2003 in each of the Common Stock, the S&P 500 Index and the Peer Group Index, and that all dividends were reinvested.

**Comparison of 5 Year Cumulative Total Return
Assumes Initial Investment of \$100**

	2003	2004	2005	2006	2007	2008
Chase Corp	\$100	\$138	\$122	\$145	\$305	\$310
S&P 500	\$					