

FRANKLIN ELECTRIC CO INC
Form 10-Q
November 06, 2008

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 September 27, 2008

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission file number 0-362

FRANKLIN ELECTRIC CO., INC.
(Exact name of registrant as specified in its charter)

Indiana
(State or other jurisdiction of incorporation or
organization)

35-0827455
(I.R.S. Employer Identification No.)

400 East Spring Street
Bluffton, Indiana
(Address of principal executive offices)

46714
(Zip Code)

(260) 824-2900
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

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 whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

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Large Accelerated Filer Accelerated Filer Non-Accelerated Filer Smaller Reporting
Company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

YES

NO

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class of Common Stock	Outstanding at September 27, 2008
\$.10 par value	23,004,059 shares

FRANKLIN ELECTRIC CO., INC.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

FRANKLIN ELECTRIC CO., INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	Third Quarter Ended		Nine Months Ended	
	September	September	September	September
	27,	29,	27,	29,
	2008	2007	2008	2007

(In thousands, except per share amounts)

Net sales	\$ 215,815	\$ 165,264	\$ 593,521	\$ 448,289
Cost of sales	149,347	117,307	410,877	318,090
Gross profit	66,468	47,957	182,644	130,199
Selling, general and administrative expenses	38,875	28,185	113,460	89,446
Restructuring expenses	0	342	82	1,949
Operating income	27,593	19,430	69,102	38,804
Interest expense	(2,684)	(2,286)	(8,088)	(5,694)
Other income	626	699	783	1,918
Foreign exchange gain/(loss)	436	(203)	45	443
Income before income taxes	25,971	17,640	61,842	35,471
Income taxes	8,711	5,956	21,153	12,250
Net income	\$ 17,260	\$ 11,684	\$ 40,689	\$ 23,221
Per share data:				
Basic earnings	\$ 0.75	\$ 0.51	\$ 1.77	\$ 1.01
Diluted earnings	\$ 0.74	\$ 0.50	\$ 1.75	\$ 0.99
Dividends per common share	\$ 0.13	\$ 0.12	\$ 0.38	\$ 0.35

See Notes to Condensed Consolidated Financial Statements.

FRANKLIN ELECTRIC CO., INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In thousands, except per share amounts)

September 27,
2008

December 29,
2007

ASSETS

Current assets: