

TRANSCAT INC
Form 10-K
June 20, 2012
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark one)

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

For the fiscal year ended March 31, 2012

For the fiscal year ended: March 31, 2012

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: 000-03905

TRANSCAT, INC.

(Exact name of registrant as specified in its charter)

Ohio
(State or other jurisdiction of

incorporation or organization)

35 Vantage Point Drive, Rochester, New York 14624

16-0874418
(I.R.S. Employer

Identification No.)

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(Address of principal executive offices) (Zip Code)

(585) 352-7777

(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, \$0.50 par value	NASDAQ Global Market

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 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 (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

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 during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). 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.

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 Accelerated filer Non-accelerated filer Smaller reporting company

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant on September 23, 2011 (the last business day of the registrant's most recently completed second fiscal quarter) was approximately \$74 million. The market value calculation was determined using the closing sale price of the registrant's common stock on September 23, 2011, as reported on the NASDAQ Global Market.

The number of shares of common stock of the registrant outstanding as of June 15, 2012 was 7,406,679.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive proxy statement relating to the Annual Meeting of Shareholders to be held on September 11, 2012 have been incorporated by reference into Part III, Items 10, 11, 12, 13 and 14 of this report.

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PART I

**ITEM 1. BUSINESS
FORWARD-LOOKING STATEMENTS**

This report and, in particular, the Management's Discussion and Analysis of Financial Condition and Results of Operations section of this report, contains forward-looking statements as defined by the Private Securities Litigation Reform Act of 1995. These include statements concerning expectations, estimates, and projections about the industry, management beliefs and assumptions of Transcat, Inc. (Transcat , we , us , or our). Words such as anticipates , expects , intends , plans , believes , seeks , estimates , and variations of such words and similar expressions are intended to identify such forward-looking statements. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to forecast, including, among other things, the risks and uncertainties identified by us below under Risk Factors in Item IA of Part I of this report. Therefore, our actual results and outcomes may materially differ from those expressed or forecast in any such forward-looking statements. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

BUSINESS OVERVIEW

Transcat is a leading distributor of professional grade handheld test and measurement instruments and accredited provider of calibration, repair and other measurement services. We are primarily focused on providing our products and services to the following:

The pharmaceutical industry and FDA-regulated (such as biotechnology and medical device manufacturing) businesses;

Industrial manufacturing companies;

The energy industry and power, natural gas and water utility companies;

The chemical process industry; and

Other industries which require accuracy in their processes and confirmation of the capabilities of their equipment. We conduct our business through two segments: distribution products (Product) and calibration services (Service).

Through our Product segment, we market and distribute national and proprietary brand instruments to approximately 15,000 customers. Our product catalog (Master Catalog) offers access to more than 35,000 test and measurement instruments, including calibrators, insulation testers, multimeters, pressure and temperature devices, oscilloscopes, recorders and related accessories. The catalog provides availability to these products from over 120 of the industry's leading manufacturers including Fluke, GE, Emerson, Agilent, FLIR and Rosemount. In addition, we are the exclusive worldwide distributor for Transmation and Altek products. The majority of the instrumentation we sell requires expert calibration service to ensure that it maintains the most precise measurements.

Through our accredited Service segment, we deliver precise, reliable, fast calibration and repair services. As of our fiscal year ended March 31, 2012 (fiscal year 2012), we operated seventeen calibration centers (Calibration Centers of Excellence) strategically located across the United States, Puerto Rico, and Canada servicing over 12,000 customers. Fifteen of our Calibration Centers of Excellence are covered by ISO/IEC 17025 scopes of accreditation which are believed to be among the best in the industry, while the other two Centers of Excellence are in the process of acquiring such accreditation. Our accreditation meets many international levels of quality, consistency and reliability. See Service Segment Quality below in this Item 1 for more information.

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CalTrak® is our proprietary web-based documentation and asset management system which is used to manage both the workflow at our Calibration Centers of Excellence and our clients' assets. With CalTrak®, we are able to provide our customers with timely calibration service while optimizing our own efficiencies. Additionally,

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CalTrak-Online provides our customers direct access to certificates, data, and other key documents required in the calibration process. CalTrak® has been validated to U.S federal regulation 21CFR 820.75, which is important to the pharmaceutical and FDA-regulated industries, where federal regulations can be particularly stringent. See Service Segment CalTrak® below in this Item 1 for more information.

Our commitment to quality goes beyond the products and services we deliver. Our sales, customer service and support teams stand ready to provide expert advice, application assistance and technical support wherever and whenever our customers need it. Since calibration is an intangible service, our customers rely on us to uphold high standards and trust in the integrity of our people and processes.

Among our customers, and representing 26% of our consolidated revenue, are Fortune 500/Global 500 companies. Transcat has focused on the pharmaceutical and FDA-regulated industries, industrial manufacturing, energy and utility, chemical process and other industries since its founding in 1964. We are a leading supplier of calibrators in the markets we serve. We believe our customers do business with us because of our integrity, commitment to quality service, our CalTrak® asset management system, and our broad range of product offerings and services.

Transcat was incorporated in Ohio in 1964. We are headquartered in Rochester, New York and employ more than 300 people. Our executive offices are located at 35 Vantage Point Drive, Rochester, New York 14624. Our telephone number is 585-352-7777.

OUR STRATEGY

Our objective is to continue to grow our Service and Product segments through organic revenue growth and acquisitions.

Our organic product growth strategy is to be the premier distributor of leading hand-held test and measurement equipment. In support of this strategy, we continuously add new vendors and products consistent with our targeted channels and product segments to ensure a market leadership position. We have access to over 35,000 products through our vendor relationships with the goal to service all of our customers' test and measurement equipment needs.

Within the Service segment, our strategy is to focus on customers that rely on accredited calibration services and value superior quality to maintain the integrity of their processes and/or meet the demands of regulated business environments. We focus on customers that require precise measurement capability for their manufacturing and testing processes to minimize risk, waste and defects. We leverage these strategies based on our multiple locations, highly qualified technicians and breadth of capabilities.

As part of our growth strategy, we have engaged in a number of business acquisitions. During fiscal year 2012 and the fiscal years ended March 26, 2011 (fiscal year 2011) and March 27, 2010 (fiscal year 2010), we completed the following acquisitions:

On September 8, 2011, we acquired the calibration services division of Newark Corporation (Newark), a provider of calibration and repair services to customers located primarily in Arizona, Colorado and Tennessee.

On April 5, 2011, we acquired substantially all of the assets of CMC Instrument Services, Inc. (CMC), a Rochester, New York-based provider of dimensional calibration and repair services.

On January 11, 2011, we acquired substantially all of the assets of Wind Turbine Tools, Inc. and affiliated entities (WTT). WTT, located in Lincoln, Montana, is a premier provider of wind energy industry product tool kit solutions, technical assistance, torque calibration and hydraulic services.

On November, 1, 2010, we acquired certain assets of the service division of ACA Tmetrix Inc. (Tmetrix). Tmetrix provides calibration and repair services throughout Canada and is located in Mississauga, Ontario.

On January 27, 2010, we acquired United Scale & Engineering Corporation, a supplier and servicer of industrial scales and weighing systems to customers located primarily in Wisconsin, Northern Illinois and Upper Michigan.

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Our acquisition strategy primarily targets calibration service businesses that expand our geographic reach and leverage our infrastructure while also increasing the depth and/or breadth of our calibration capabilities. Because our acquisition strategy is focused on service businesses, we expect that the growth rate of our Service segment should exceed that of our Product segment over the long term.

We believe our combined product and service offerings, experience, technical expertise and integrity create a unique and compelling value proposition for our customers. We strive to differentiate ourselves and build barriers to competitive entry by offering the best products and services, and integrating those products and services to benefit our customers' operations and lower their costs.

SEGMENTS

We service our customers through two business segments: Product and Service. Note 7 of our Consolidated Financial Statements in this report presents financial information for these segments. We serve approximately 15,000 customers through our Product segment and over 12,000 customers through our Service segment, with no customer or controlled group of customers accounting for 10% or more of our consolidated net revenue for any of the fiscal years 2010 through 2012. We are not dependent on any single customer, the loss of which would have a material adverse effect on our business, cash flows, balance sheet, or results of operations.

We concentrate on attracting new customers and also on cross-selling to existing customers to increase our Product sales and Service revenue. Our revenue from customers in the following geographic areas during the periods indicated, expressed as a percentage of total revenue, is as follows:

	FY 2012	FY 2011	FY 2010
United States	91%	90%	90%
Canada	7%	7%	7%
Other International	2%	3%	3%
Total	100%	100%	100%

PRODUCT SEGMENT

Summary. Our customers use test and measurement instruments to ensure that their processes, and ultimately their end products, are within specification. Utilization of such diagnostic instrumentation also allows for continuous improvement processes to be in place, increasing the accuracies of their measurements. The industrial distribution products industry for test and measurement instrumentation, in those geographic markets where we predominately operate, is serviced by broad-based national distributors and niche or specialty-focused organizations such as Transcat.

Most industrial customers find that maintaining an in-house inventory of back-up test and measurement instruments is cost prohibitive. As a result, the distribution of test and measurement instrumentation has traditionally been characterized by frequent, small quantity orders combined with a need for rapid, reliable, and complete order fulfillment. The decision to buy is generally made by plant engineers, quality managers, or their purchasing personnel. Products are typically obtained from more than one distributor.

The majority of our products are not consumables, but are purchased as replacements, upgrades, or for expansion of manufacturing and research and development facilities. Our catalog, website and sales activities are designed to maintain a constant presence in front of the customer to ensure we receive the order when they are ready to purchase. As a result, we evaluate revenue trends over a twelve-month rolling period as any individual month's or quarter's revenue can be impacted by numerous factors, many of which are unpredictable and potentially non-recurring.

We believe that a product customer chooses a distributor based on a number of different criteria including the timely delivery and accuracy of orders, consistent product quality, the technical competence of the representative serving them, value added services, as well as price. Value added services include providing technical support to insure our customer receives the right product for their specific need through application knowledge and product compatibility. We also provide calibration of product purchases, on-line procurement, same day shipment of

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in-stock items, a variety of custom product offerings and training programs. Because of the breadth of products we offer and the services we provide, we are often a one-stop shop for our customers who gain the operational efficiency of dealing with just one distributor for most or all of their test and measurement equipment needs.

Our Product segment accounted for 67% of our consolidated revenue in fiscal year 2012. Within the Product segment, our routine business is comprised of customers who place orders to acquire or to replace specific instruments, which average approximately \$1,800 per order. Items are regularly added to and deleted from our product lines on the basis of customer demand, market research, recommendations of suppliers, sales volumes and other factors.

Marketing and Sales. We market and sell to our customers through multiple sales channels consisting of direct catalog marketing, our website, a field sales organization, proactive outbound sales, and an inbound call center. Our field, outbound and inbound sales teams are each staffed with technically trained personnel. Our calibration and repair services are offered only in North America and Puerto Rico.

Through our comprehensive Master Catalog, supplemental catalogs, website, e-newsletters, and other direct sales and marketing programs, we offer our customers a broad selection of highly recognized branded products at competitive prices. The instruments typically range in price from \$100 to over \$25,000.

During fiscal year 2012, we distributed over 1.2 million pieces of direct marketing materials including catalogs, brochures, supplements and other promotional materials, of which approximately 558,000 were distributed to customer contacts and approximately 700,000 were distributed to potential customer contacts. We also distributed approximately 1.6 million e-newsletters to our list of customers and prospective customers. Some of the key factors that determine the number of catalogs and other direct marketing materials received by each customer include new product introductions, their market segments and the timing, frequency and monetary value of past purchases.

The majority of our product sales are derived from direct mail and on-line marketing. Our Master Catalog offers access to more than 35,000 test and measurement products and is used by customers, sales representatives and branch personnel to assist with customer product selection. During fiscal year 2012, approximately 63,000 copies of our Master Catalog were produced and distributed to existing and prospective customers in North America and Puerto Rico. The Master Catalog provides standard make/model and related product information and is also available in an electronic format upon request and on our website, transcat.com.

We use smaller catalog supplements that feature new products, promotions, or specific product categories to target prospective customers and acquire new customers. The catalog supplements are launched at varying periods throughout the year.

Customers can also purchase products through our website, transcat.com. Our website serves as a growing market channel for our products and services and provides product availability, detailed product information, advanced features such as product search and compare capabilities, as well as downloadable product specification sheets. We have optimized the website's search engine, streamlined order entry and have the unique ability to supplement an order with an accredited calibration. Product sales via our website have grown approximately 25% over the prior fiscal year and represented 9% of our Product segment sales in fiscal year 2012.

Competition. The distribution products markets we serve are highly competitive. Competition for sales in distribution products is quite fragmented and ranges from large national distributors and manufacturers that sell directly to customers to small local distributors. In addition, web-based distributors have become more prevalent in recent years and are increasing their market share. Key competitive factors typically include customer service and support, quality, turnaround time, inventory availability, brand recognition and price. To address our customers needs for technical support and product application assistance, and to differentiate ourselves from competitors, we employ a staff of highly-trained technical sales specialists. In order to maintain this competitive advantage, technical training is an integral part of developing our sales staff.

Suppliers and Purchasing. We believe that effective purchasing is a key element to maintaining and enhancing our position as a provider of high quality test and measurement instruments. We frequently evaluate our purchase requirements and suppliers' offerings to obtain products at the best possible cost. We obtain our products from

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over 550 suppliers of brand name and private-labeled equipment. In fiscal year 2012, our top 10 vendors accounted for approximately 64% of our aggregate business. Approximately 29% of our product purchases on an annual basis are from Fluke Electronics Corporation (Fluke), which we believe to be consistent with Fluke 's share of the markets we service.

We plan our product mix and inventory stock to best serve the anticipated needs of our customers whose individual purchases vary in size. We can usually ship to our customers our top selling products the same day they are ordered. During fiscal year 2012, approximately 95% of orders for our top selling products were filled with inventory items already in stock.

Operations. Our distribution operations primarily take place within an approximate 37,250 square-foot facility located in Rochester, New York and a 12,600 square-foot facility in Portland, Oregon. The Rochester location also serves as our corporate headquarters; houses our customer service, sales and administrative functions; and has a calibration laboratory. The Portland location also serves as a calibration laboratory. In fiscal year 2012, we shipped over 38,000 product orders in the aggregate from both locations. In addition, we have two warehouse facilities in Wisconsin that fulfill orders for scales.

Distribution. We distribute our products throughout North America and internationally from our distribution centers. We maintain appropriate inventory levels in order to satisfy anticipated customer demand for prompt delivery and complete order fulfillment of their product needs. These inventory levels are managed on a daily basis with the aid of our sophisticated purchasing and stock management information system. Our automated laser bar code scanning facilitates prompt and accurate order fulfillment and freight manifesting.

In addition to our direct end-user customers, we also sell products to resellers who then sell to end-users. Our sales to resellers are typically at a lower gross margin than sales to direct customers and therefore the percentage of reseller sales to total revenue in any given period can have an impact on our overall gross profit margin. During fiscal year 2012, 27% of our product sales were to resellers, compared with 24% for the fiscal years 2011 and 2010. We believe that these resellers have access, through their existing relationships, to end-user customers to whom we do not market directly.

Backlog. Customer product orders include orders for instruments that we routinely stock in our inventory, customized products, and other products ordered less frequently, which we do not stock. Pending product shipments are primarily backorders, but also include products that are requested to be calibrated in our laboratories prior to shipment, orders required to be shipped complete or at a future date, and other orders awaiting final credit or management review prior to shipment.

The following graph shows the quarter-end trend of pending product shipments and backorders for fiscal years 2011 and 2012:

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SERVICE SEGMENT

Summary. Calibration is the act of comparing a unit or instrument of unknown value to a standard of known value and reporting the result in some rigorously defined form. After the calibration has been completed, a decision is made, again based on rigorously defined parameters, on what, if anything, is to be done to the unit to conform to the required standards or specifications. The decision may be to adjust, optimize or repair a unit; limit the use, range or rating of a unit; scrap the unit; or leave the unit as is. The purpose of calibration is to significantly reduce the risk of product or process failures caused by inaccurate measurements.

Calibration improves an operation's maximum productivity and efficiency by assuring accurate, reliable instruments and processes. Through our Service segment, we perform periodic calibrations (typically ranging from three month to twenty-four month intervals) on new and used instruments as well as repair services for our customers.

Within the calibration industry, there is a broad array of measurement disciplines making it costly and inefficient for any one provider to invest the needed capital for facilities, equipment and uniquely trained personnel necessary to address all measurement disciplines with in-house calibration capabilities. Our strategy, within our Service segment, has been to focus our investments in the core electrical, temperature, pressure and dimensional disciplines. We can address approximately 90% to 95% of the items requested to be calibrated with our in-house capabilities. For customers' calibration needs in less common and highly technical disciplines, we have historically subcontracted to third party vendors that have unique or proprietary capabilities. While representing a small portion of our revenue, the management of these vendors is highly valued by our customers and our relationships have enabled us to continue our pursuit of having the broadest calibration offerings to these targeted markets.

Strategy. Our Service segment provides periodic calibration and repair services for our customers' test and measurement instruments. We specifically target industries where quality calibrations are a critical operational component and believe calibration sourcing decisions are based on accreditation, reliability, trust, customer service, turn-around time, location, documentation, price and a one-source solution. Our success with customers is based on the trust they have in the integrity of our people and processes.

Transcat's calibration services strategy encompasses two methods to manage a customer's calibration and repair needs:

- 1) If a company wishes to outsource its calibration needs, we offer an Integrated Calibration Services Solution that provides a complete wrap-around service which includes:
 - program management;
 - calibration;
 - logistics; and
 - consultation services.

- 2) If a company has an in-house calibration operation, we can provide:
 - calibration of primary standards;
 - overflow capability either on-site or at one of our Calibration Centers of Excellence during periods of high demand; and
 - consultation and training services.

In both cases we strive to have the broadest accredited calibration offering to our targeted markets which includes certification of our technicians pursuant to the American Society for Quality standards, complete calibration management encompassing the entire metrology function, and access to our service offerings. We believe our calibration services are of the highest technical and quality levels, with broad ranges of accreditation and registration. Our quality systems are further detailed in the section entitled Quality below.

CalTrak®. CalTrak® and CalTrak-Online are our proprietary metrology management systems that provide a comprehensive calibration quality program. Many of our customers have unique calibration service requirements to which we have tailored specific services. CalTrak-Online allows our customers to track calibration cycles via the Internet and provides the customer with a safe and secure off-site archive of calibration records that can be accessed 24 hours a day. Access to records data is managed through our secure password-protected website. Calibration assets are tracked with records that are automatically cross-referenced to the equipment that was used to calibrate. CalTrak® has also been validated to meet the most stringent requirements within the industry.

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We perform approximately 200,000 calibrations annually. These are performed at our seventeen Calibration Centers of Excellence or at the customer's location. During fiscal year 2012, services completed by our Calibration Centers of Excellence represented 79% of our Service segment revenue while approximately 19% of the revenue was derived from calibration services that were subcontracted to third party vendors. Our Service segment accounted for 33% of our total consolidated revenue in fiscal year 2012.

Marketing and Sales. We have sales teams that seek to acquire new customers in our targeted markets and account management teams to ensure continued relationships with existing customers. In addition, we employ our Master Catalog, supplements, mailings, journal advertising, trade shows, and the Internet to market our calibration services to customers and prospective customers with a strategic focus in the highly regulated industries including pharmaceutical, FDA-regulated, energy and utilities, and chemical processing. We also target industrial manufacturing and other industries that appreciate the value of quality calibrations. Our quality process and standards are designed to meet the needs of companies that must address regulatory requirements and/or have a strong commitment to quality and a comprehensive calibration program.

The approximate percentage of our calibration services business by industry segment for the periods indicated are as follows:

	FY 2012	FY 2011	FY 2010
Pharmaceutical/FDA-Regulated	34%	35%	37%
Industrial Manufacturing	21%	23%	22%
Energy/Utilities	16%	18%	20%
Chemical Manufacturing	8%	9%	8%
Other	21%	15%	13%
Total	100%	100%	100%

Competition. The calibration outsource industry is highly fragmented and is composed of companies ranging from internationally recognized and accredited corporations, such as Transcat, to non-accredited, sole proprietors as well as companies that perform their own calibrations in-house, resulting in a tremendous range of service levels and capabilities. A large percentage of calibration companies are small businesses that may not have a range of capabilities as broad as ours. There are also several companies with whom we compete who have national or regional operations. Certain of these competitors may have greater resources than us and some of them have accreditations that are similar to ours. We differentiate ourselves from our competitors by demonstrating our commitment to quality and by having a wide range of capabilities that are tailored to the markets we serve. Customers see the value in using our unique CalTrak-Online asset & data management program to monitor their instrument's status, history and performance data. We are fundamentally different from most of our competitors because we have the ability to bundle product, calibration, consulting and repair as a single source for our customers.

Quality. The accreditation process is the only system currently in existence that assures measurement competence. Each of our laboratories is audited and reviewed by external accreditation bodies proficient in the technical aspects of the chemistry and physics that underlie metrology, ensuring that measurements are properly made. Accreditation also requires that all standards used for accredited measurements have a fully documented path, known as Metrological Traceability, either directly or through other accredited laboratories, back to the national or international standard for that measurement parameter, including measurement uncertainties. This ensures that our measurement process is consistent with the global metrology network that is designed to standardize measurements worldwide. Other than our operations in Wisconsin, our calibration labs are either accredited or pending accreditation by the National Voluntary Laboratory Accreditation Program.

To ensure the quality and consistency of our calibrations for our customers, we have sought and achieved international levels of quality and accreditation. We believe our scope of accreditation to ISO/IEC 17025 to be the broadest for the industries we serve. The accreditation process also ensures that our calibrations are traceable to SI units through the National Institute of Standards and Technology or the National Research Council (these are the National Measurement Institutes for the United States and Canada, respectively), or to other national or

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international standards bodies, or to measurable conditions created in our laboratory, or accepted fundamental and/or natural physical constants, ratio type of calibration, or by comparison to consensus standards. Our laboratories are accredited to ISO/IEC 17025:2005 and ANSI/NCSL Z540-1-1994 using accrediting bodies in the United States that are signatories to the International Laboratory Accreditation Cooperation (ILAC). These accrediting bodies provide an objective, third party, internationally accepted evaluation of the quality, consistency, and competency of our calibration processes.

The importance of this international oversight to our customers is the assurance that our documents will be accepted worldwide, removing one of the barriers to trade that they may experience if using a non-ILAC traceable calibration service provider.

To provide the widest range of service to our customers in our target markets, our ISO/IEC 17025:2005 accreditations extend across many technical disciplines. The following table represents our capabilities for each of our Calibration Centers of Excellence as of March 31, 2012 (A=Accredited; N=Non-accredited; P=Pending accreditation):

WORKING-LEVEL CAPABILITIES:

	<i>Electrical Metrology Disciplines</i>				<i>Dimensional Metrology Disciplines</i>		
	Direct Current/ Alternating Current - Low Frequency	High Frequency/ Ultra - High Frequency	Radio Frequency/ Microwave	Luminance/ Illuminance	Length	Optics	Parts Inspection (Geometric Dimensioning & Tolerancing/ 3-D Metrology)
Anaheim	A	A	A		A	N	
Boston	A	A			A		
Cherry Hill	A	A		A	A	A	
Charlotte	A	A			A		
Dayton	A	A			A	A	
Denver	A	A	A		A		
Houston	A	A	A		A	N	A
Lincoln	A				A		
Nashville	P				P		
Ottawa/Toronto	A	A	A		A		
Phoenix	A	A	A		A		
Portland	A	A			A		A
Rochester	A	A			A	A	A
San Juan	A	A			A		
St. Louis	A	A			A		

	<i>Physical Metrology Disciplines</i>						
	Flow	Particle Counters	Force	Gas Analysis	Relative Humidity	Mass Weight	Pressure, Vacuum
Anaheim			A		A	A	A
Boston			A		A	A	A
Charlotte			A	N	A	A	A
Cherry Hill	A		A	N	A	A	A
Dayton			A		A	A	A
Denver							