TRANSPRO INC
Form 10-K
March 30, 2001

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UNITED STATES

DRAFT #4 - MARCH 26, 2001

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-K

(Mark One)
[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2000

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 1-13894
TRANSPRO, INC.
(Exact name of Registrant as specified in its charter)

DELAWARE	34-1807383
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

100 Gando Drive, New Haven, Connecticut 06513
(Address of principal executive offices, including zip code)

(203) 401-6450
(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 RE
Common Stock, $.01 Par Value (together with associated Preferred Stock purchase rights)	New York Stock Exchange

Securities registered pursuant to Section 12 (g) of the Act:

NONE

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 [X] 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. [X]

The aggregate market value of voting and non-voting common stock held by non-affiliates of the Registrant at March 1, 2001 was $18,321,131. On that date, there were 6,590,335 outstanding shares of the Registrant's common stock.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Annual Report to stockholders for the fiscal year ended December 31, 2000 are incorporated by reference into Part II hereof.

Portions of the Proxy Statement for the 2001 Annual Meeting of Stockholders are incorporated by reference into Part III of this report.

Exhibit Index is on pages 14 through 17 of this report.

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TRANSPRO, INC.

INDEX TO ANNUAL REPORT
ON FORM 10-K
YEAR ENDED DECEMBER 31, 2000

PART I

PART II

PART III

PART I

ITEM 1. BUSINESS

TransPro, Inc. (the "Company") designs, manufactures and markets radiators, heater cores, air conditioning parts (including condensers, compressors, accumulators and evaporators) and other heat transfer products for the automotive aftermarket. In addition, the Company manufactures and distributes radiators, charge air coolers, oil coolers and other specialty heat exchangers for OEMs of heavy trucks and industrial and off-highway equipment and the heavy truck aftermarket. A description of the particular products manufactured and the services performed by the Company in each of its market segments is set forth below.

GENERAL DEVELOPMENT OF BUSINESS

The Company currently operates in two business segments, Aftermarket Heating and Cooling Systems and Original Equipment Manufacturer ("OEM") Heat Transfer Systems. The Company is comprised of three operating divisions that supply products and services to the automotive and truck aftermarkets and original equipment manufacturers of trucks and other industrial products. The Aftermarket Heating and Cooling Systems segment includes the Company's GO/DAN Industries, Inc. division ("GDI") and the air conditioning parts division. GDI is a producer of replacement radiators and other heat transfer products for the automotive and truck aftermarkets. The air conditioning parts division ("Evap") is a manufacturer and distributor of replacement automotive air conditioning parts for the automotive aftermarket and a re-manufacturer of air conditioning compressors primarily for import applications in the automotive aftermarket. The OEM Heat Transfer Systems segment consists of the Company's G&O Manufacturing Company division ("G&O") which produces and supplies radiators, charge air coolers, and engine cooling system components for OEMs of heavy trucks and industrial and off-highway equipment.

The Company's origins date back to 1915 when G&O commenced operations in New Haven, Connecticut as a manufacturer of radiators for custom built automobiles, fire engines and original equipment radiators for Ford Motor Company ("Ford"). Allen Telecom Inc. ("Allen," formerly The Allen Group Inc.) acquired G&O in 1970 as part of its strategy to become a broad-based automotive supplier. The specialty metal fabrication business commenced operations in 1947 to install specialized interiors in utility trucks and vans for commercial fleets and design, manufacture and assemble fabricated metal parts for light truck telecommunications and other industrial customers and was acquired by Allen in 1967 as part of the same strategy to become a broad-based automotive supplier. GDI was formed in 1990 when Allen contributed a portion of its G&O division and other assets, which together represented all of Allen's aftermarket radiator business, and Handy & Harman contributed substantially all of the assets of its then wholly owned subsidiaries, Daniel Radiator Corporation, Jackson Industries, Inc., Lexington Tube Co., Inc. and US Auto Radiator Manufacturing Corporation, to form a 50/50 joint venture partnership. In 1995, Allen contributed all of the assets and liabilities of G&O and the specialty fabricated metal products business and Allen's interest in GDI to the Company. Immediately thereafter, Allen caused GDI to redeem Handy and Harman's ownership interest in GDI. On September 29, 1995, Allen spun off the Company to Allen's stockholders. The Company added replacement automotive air conditioning condensers to its Aftermarket product line with the acquisition of substantially all of the assets, and the assumption of certain liabilities, of Rahn Industries effective August 1996. In December 1997, the Company acquired substantially all of the assets and assumed certain liabilities of Vehicle Management Systems Inc. ("VMS"), a small Canadian van upfitter, to extend its geographic coverage for vehicle conversions into Canada. The Company added replacement automotive air conditioning parts to its aftermarket product line with the acquisition of the outstanding stock of Evap in a purchase transaction effective August 1, 1998. The Company added re-manufactured automotive air conditioning compressors to its aftermarket product line with the acquisition of the outstanding stock of A/C Plus, Inc. ("A/C Plus") in a purchase transaction effective February 1, 1999. Effective April 1, 1999, GDI changed its organizational structure from a partnership to a corporation. Effective December 31, 2000, A/C Plus was merged into Evap.

In 1999, the Company decided to concentrate its efforts on its heating and cooling systems businesses. Effective May 5, 2000, the Company sold substantially all of the assets, including the stock of Crown VMS Canada, Ltd., and liabilities of its specialty metal fabrication business to Leggett & Platt, Incorporated in a transaction valued at $37.5 million, comprised of $28.7 million in cash and the assumption of $8.0 million of Industrial Revenue Bonds due in 2010 and an unfunded pension liability of $0.9 million. The Company recorded a gain of $6.0 million, net of $3.9 million of tax.

DESCRIPTION OF BUSINESS

MARKETS

The automotive and heavy truck parts industries target two distinct markets, the aftermarket and the OEM market. The products and services used to maintain and repair automobiles, vans, light trucks and heavy trucks, as well as accessories not supplied with such vehicles when manufactured, form the respective automotive and heavy truck aftermarkets. The manufacture of individual component parts for use in the original equipment manufacturing process of automobiles, vans and light trucks forms the automotive OEM market and the manufacture of individual components for use in the original equipment manufacturing process of heavy trucks forms the heavy truck OEM market. The Company believes that in recent years demand for replacement parts and supplies in both the automotive and heavy truck aftermarkets has increased as both individuals and commercial fleet operators are driving more and keeping their vehicles longer. The Company sells its products and services principally to the automotive and heavy truck aftermarkets, as well as the heavy truck OEM market. The Company also sells its automotive products to OEM's of off-highway and transportation equipment and other industrial customers.

PRINCIPAL PRODUCTS AND SERVICES

The Company designs, manufactures and markets radiators, heater cores, air conditioning parts (including condensers, compressors, accumulators and evaporators) and other heat transfer products for the automotive aftermarket. In addition, the Company manufactures and distributes radiators, charge air coolers, oil coolers and other specialty heat exchangers for OEMs of heavy trucks and industrial and off-highway equipment and the heavy truck aftermarket. A description of the particular products manufactured and the services performed by the Company in each of its market segments is set forth below.

AFTERMARKET HEATING AND COOLING SYSTEMS

GDI

Through GDI, the Company provides one of the most extensive product ranges of high-quality radiators, radiator cores, heater cores and air conditioning condensers to the automotive and heavy truck aftermarkets. The Company's primary radiator and heater manufacturing facility in Nuevo Laredo, Mexico is ISO-9002 certified, which is an internationally recognized verification system for quality management. In addition to its standard models, the Company can produce and deliver special orders of such products typically within 24 hours.

The purpose of a radiator is to cool the engine. A radiator acts as a heat exchanger, removing heat from engine coolant as it passes through the radiator. The construction of a radiator usually consists of: the radiator core, which consists of coolant-carrying tubes and a large cooling area; a receiving (inlet) tank; a dispensing (outlet) tank; and side columns. In operation, coolant is pumped from the engine to the inlet tank where it spreads over the tops of the tubes. As the engine coolant passes through the tubes, it loses its heat to the air stream through the fins connected to the tubes. After passing through the tubes, the reduced temperature coolant enters the outlet tank and is then re-circulated through the engine.

Complete Radiators. The Company's lines of complete radiators are produced for automobile and light and heavy truck applications and consist of more than 700 models, which are able to service approximately 90% of the automobiles in the United States. The Company has established itself as an industry leader with its well-recognized line of Ready-Rad(R) radiators. The Ready-Rad(R) Plus line with adaptable fittings has become popular because of its ability to fit the requirements of a broad line of vehicles, enabling distributors to service a larger number of vehicles with lower inventory levels.

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The Company introduced its Ready Rad(R) Heatbuster ("Heatbuster") line of complete radiators in 1994. This line of replacement radiators is specially designed to provide approximately 20% more cooling capability than a standard radiator. The Heatbuster line is an ideal replacement radiator for vehicles, which are used for towing, hauling, plowing, or off-highway purposes, and as a result, it has been particularly popular in the growing light truck market of the automotive fleet.

Radiator Cores. A radiator core is the largest and most expensive component of a complete radiator. The Company's Ready-Core(R) line consists of 2,500 models of radiator cores for automobiles and light trucks. Given the wide range of cores required by today's automobile and truck fleet, there are many times when a specific core is not readily available. In these cases, the Company can produce a new core, on demand, within several hours. The Company is able to provide same day service to virtually the entire United States using its 11 strategically positioned regional manufacturing plants.

Industrial cores are heavy-duty units, which are constructed of extremely durable components in order to meet the demands of the commercial marketplace. The Company produces approximately 13,000 models of industrial cores, and these products serve many different needs in a variety of markets. In general, an industrial core is much larger than an automotive core and typically sells for three to four times the price of an automotive core.

Heater Cores. The Company produces more than 350 different heater core models for domestic and foreign cars and trucks, which cover the requirements for more than 95% of today's automotive fleet. A heater core is part of a vehicle's heater system through which heated coolant from the engine cooling system flows. The warm air generated as the liquid flows through the heater core is then propelled into the vehicle's passenger compartment by a fan.

The Company's Ready-Aire(R) line of heater cores is recognized as an industry leader and its models utilize both cellular and tubular technology. Traditional heater cores utilize folded metal cellular construction to transport coolant through the unit, while the more modern models transport coolant through tubes. The Company introduced its tubular CT Ready-Aire(R) line of heater cores in 1988, and its CT heater cores now account for approximately 30% of the Company's total heater core sales.

Radiator Parts and Supplies. The Company sells radiator shop supplies and consumable products used by its customers in the process of radiator repairs. The Company's extensive line includes radiator parts, small hand tools and equipment, solders and fluxes. The Company is one of the largest domestic suppliers of stamped metal radiator parts, supplying these parts to regional core manufacturers throughout the United States.

Air Conditioning Condensers. Automotive air conditioning condensers were added to the GDI product line in 1996 through the acquisition of Rahn Industries, Inc., an aftermarket manufacturer and supplier of automotive air conditioning condensers. Air conditioning condensers are a component of a vehicle's air conditioning system designed to convert the air conditioner refrigerant from a high-pressure gas to a high-pressure liquid by passing it through the air-cooled condenser. GDI distributes this product under the Ready-Aire(R) brand and has fully integrated this product into its distribution network. GDI catalogs more than 750 condenser part numbers.

Air Conditioning Parts

Through its air conditioning parts division, the Company provides one of the most extensive catalogs of replacement automotive air conditioning parts and compressors to the automotive and truck aftermarkets.

Compressors. The Company re-manufactures more than 1,500 models of replacement air conditioning compressors for import applications in the automotive and truck aftermarkets. The Company also sells approximately 2,000 air conditioning compressor models for replacement in both the domestic and import automotive and truck aftermarkets. The compressor is designed to compress low-pressure vapor refrigerant, which it draws from the evaporator into a high-pressure gas. This gas is then pumped to the condenser.

Accumulators. The Company offers over 500 accumulator models. Accumulators act as a reservoir that prevents liquid refrigerant from reaching the compressor. The accumulator uses a drying agent to remove moisture from the system and a filter screen to trap any solid contaminants.

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Evaporators. The Company offers over 400 evaporator models. Automotive air conditioning evaporators are designed to remove heat from the passenger compartment. The core is generally located under the dash or adjacent to the fire wall and functions as a heat exchanger by passing low pressure liquid refrigerant through its passageways and forcing warm air from the passenger compartment over the core. The refrigerant becomes a low-pressure vapor and is then re-compressed by the compressor and re-circulated.

Air Conditioning Parts and Supplies. The Company sells an extensive line of other air conditioning parts and supplies. These other component parts include driers, hose and tube assemblies, blowers and fan clutches.

OEM HEAT TRANSFER SYSTEMS

Through its G&O Division, the Company designs, manufactures and markets radiators and charge air coolers to OEMs of heavy duty trucks, buses, as well as industrial and off-highway equipment such as generator sets, construction vehicles, railroad locomotives and military equipment. The Company's Jackson, Mississippi production facility is ISO 9002 certified and is currently employing QS-9000 principles in anticipation of obtaining QS-9000 certification in the future.

Radiators. The Company custom designs, manufactures and sells approximately 350 different models of radiators, which are specifically designed and engineered to meet customer specifications. The Company's radiators are specifically engineered to withstand a variety of demanding customer applications. The Company's radiators are sold under the widely-recognized Ultra-Fused(R) brand name utilizing welded tube-to-header core construction and are specifically engineered to meet customer specifications to withstand a variety of demanding customer applications.

Charge Air Coolers. The Company offers its OEM customers approximately 150 different models of aluminum charge air coolers. A charge air cooler is a device that is used to decrease the temperature of the turbo that is used by the engine in its combustion process, which in turn improves the operating efficiency of the engine and lowers its emission levels. The Company believes that the demand for charge air coolers will continue to increase as the Company's customers face increasing pressure to produce vehicles and equipment that are more fuel efficient and less polluting. In 1999, the Company obtained a U.S. Patent relating to its proprietary Ultra-Seal grommetted charge air cooler. This product offers significant improvements in performance and reliability and exceeds current industry guidelines for durability.

G&O's traditional heavy-duty on-highway (class 8) truck market has become increasingly competitive and its share of this market has been reduced. The Company believes there are opportunities to expand into the specialty vehicle marketplace, which is not as well served as the traditional class 8 truck market.

FINANCIAL INFORMATION ABOUT INDUSTRY SEGMENTS, EXPORT SALES AND DOMESTIC AND FOREIGN OPERATIONS

The Company operates in two business segments, Aftermarket Heating and Cooling Systems and OEM Heat Transfer Systems. Applicable segment information appears in Note 3 of the Notes to Consolidated Financial Statements contained in the Registrant's 2000 Annual Report to Stockholders, certain portions of which are included in Item 8 of this Report. All such information is incorporated herein by reference. Export sales from North America were below 10% in each of the years reported. The Company has a manufacturing facility in Mexico. The net assets of the Company's Mexico operation were $9.3 million and $7.7 million as of December 31, 2000 and 1999, respectively. During 2000, 1999 and 1998, the Company had $5.8 million, $5.1 million and $4.8 million of sales in Mexico, respectively. Sales in Canada aggregated $1.0 million, $4.3 million and $1.4 million in 2000, 1999 and 1998, respectively.

CUSTOMERS

The Company sells its products and services to a wide variety and large number of industrial and other commercial customers. The Company sells its Aftermarket replacement radiators, air conditioning replacement parts and supplies, and other heat transfer products to national retailers of aftermarket automotive products, such as AutoZone, Pep Boys, warehouse distributors, radiator shops, parts jobbers and, to a lesser extent, OEMs. The Company supplies OEM heat transfer systems, including radiators, charge air coolers and cooling modules, to OEMs of heavy duty trucks, such as PACCAR and Mack, and OEMs of industrial and off-highway equipment, such as Cummins Power Generation, AM General and Oshkosh Truck Corporation.

The Company's largest customer during 2000, 1999 and 1998 was AutoZone. AutoZone accounted for approximately 20%, 12% and 11% of net sales for 2000, 1999 and 1998, respectively. In 2000, 1999 and 1998, the Company had no other customers who individually accounted for greater than 10% of the Company's net sales.

SALES AND MARKETING

The Company maintains a separate sales and marketing department at each of its principal operating units. By focusing its sales effort at the operating unit level, the Company enables its sales staff to develop a thorough understanding of such unit's technical and production capabilities and of the overall market in which such unit operates. The Company has approximately 150 individuals involved in sales and marketing efforts.

GDI's sales and marketing efforts are under the direction of GDI's Executive Vice President who oversees the Vice President of Marketing, the Vice President of National Account Sales and the National Sales Manager. The National Sales Manager is responsible for sales to radiator shops and traditional wholesale distributors through the Company's branches and agencies. GDI also employs several marketing specialists who report to the Vice President of Marketing and develop, implement and monitor GDI's various marketing and advertising programs. As part of its current marketing efforts, GDI is focusing on increasing its sales to the fastest growing segments of the automotive aftermarket. The Vice President of National Account Sales is responsible for sales to retailers and auto parts warehouses. GDI also uses independent sales representatives to aid in its outside sales efforts in these channels.

The air conditioning parts division has an internal sales and marketing staff consisting of a Vice President of Sales and Marketing with staff that serves its existing customer base and seeks new customers. The air conditioning division also utilizes the GDI sales staff to identify and seek new customers. The air conditioning parts division also utilizes independent sales representatives to aid in its outside sales efforts.

At G&O, the Company has an in-house sales management staff that is responsible for growing the business, servicing existing customers and identifying new marketing opportunities. These individuals and in-house engineering specialists, work in close consultation with the engineering staff of G&O's customers in order to provide the technical expertise and advice needed in the development stage of new customer products. In addition, G&O's engineers work closely with truck engine OEMs, such as Cummins Engine and Detroit Diesel, during the early stages of new product development and design. G&O has historically focused on sales of its products to domestic OEMs of heavy-duty trucks and industrial equipment. In recent years, G&O has expanded its focus to include all highway and specialty vehicle applications.

COMPETITION

The Company faces significant competition within each of the markets in which it operates. In its Aftermarket Heating and Cooling Systems product lines, the Company believes that it is among the major manufacturers and that competition is widely distributed. The Company competes with the national producers of heat transfer products, such as Modine Manufacturing ("Modine"), the internal operations of OEMs and, to a lesser extent, local and regional manufacturers. The Company's primary competition in the air conditioning replacement parts business includes Four Seasons, a division of Standard Motor Products, as well as numerous regional operators. The Company believes it can

utilize its established distribution system to expand its air conditioning parts business nationally. The Company's principal methods of competition include product design, performance, price, service, warranty, product availability and timely delivery.

With respect to its OEM Heat Transfer Systems segment, the Company competes with national producers of heat transfer products, such as Modine, Valeo Engine Cooling Systems and Behr GmbH & Co. The Company principally competes for new business both at the beginning of the development phase or offering of a new model and upon the redesign of existing models used by its major customers. New model development generally begins two to three years prior to the marketing of the vehicle to the public. Once a producer has been designated to supply components to a new program, an OEM will generally continue to purchase those components from the designated producer for the life of the program.

INTELLECTUAL PROPERTY

The Company owns a number of foreign and US patents and trademarks. The patents expire on various dates from 2009 to 2019. In general, the Company's patents cover certain of its radiator, charge air cooler and air conditioning accumulator manufacturing processes. The Company has entered into licensing and other agreements with respect to certain patents, trademarks and manufacturing processes it uses in the operation of its business. The Company believes that it owns or has rights to all patents and other technology necessary for the operation of its business. The Company does not consider any single patent or trademark or group of patents or trademarks to be material to its business as a whole.

RAW MATERIALS AND SUPPLIERS

The principal raw materials used by the Company in its Aftermarket Heating and Cooling Systems and OEM Heat Transfer Systems product lines are copper and brass. The Company also uses aluminum in its radiator, condenser, charge air cooler, and heater product lines. Although copper, brass, aluminum and other primary materials are available from a number of vendors, the Company has chosen to concentrate its sources with a limited number of long-term suppliers. The Company believes this strategy results in purchasing and operating economies. Outokumpu, a Swedish corporation, supplied the Company with approximately 95% of its copper and brass requirements in 2000, 1999, and 1998. The Company has not experienced any significant supply problems in its operations and does not anticipate any significant supply problems in the foreseeable future.

The Company typically executes purchase orders for its anticipated copper and brass requirements approximately three to six months prior to the actual delivery date. The purchase price for such copper and brass is established at the time orders are placed by the Company and not at the time of delivery. Copper prices had been trending downward through the end of 1998. Prices began to rise during the middle of 1999 and have leveled off during 2000. See "Management's Discussion and Analysis of Financial Condition and Results of

Operations" - Item 7.

BACKLOG

The Company's backlog was approximately $4.9 million at December 31, 2000 compared with approximately $7.8 million at December 31, 1999. Backlog consists of product orders for which a customer purchase order has been received and is scheduled for shipment within 12 months. Since orders may be rescheduled or canceled, backlog does not necessarily reflect future sales levels.

SEASONALITY

The Company expects the second and third quarters to be positively impacted, and the first and fourth quarters to be negatively impacted, by the operating results of the Aftermarket Heating and Cooling Systems segment, which typically experiences higher sales during the summer months, as the demand for replacement radiators and air conditioning parts and supplies increases, and lower sales during the winter months. Historically, the OEM Heat

Transfer Systems segment has experienced a slight decrease in revenues and operating income during the fourth quarter as results are affected by scheduled plant shut-downs for the holiday season.

RESEARCH AND DEVELOPMENT

Research and development expenses were approximately $0.2 million for each of the years ended December 31, 2000, 1999 and 1998.

EMPLOYEES

At December 31, 2000, the Company had approximately 1,644 employees. Of these employees, approximately 689 were covered by collective bargaining agreements. The Company's collective bargaining agreements are independently negotiated at each manufacturing facility and expire on a staggered basis. Locals affiliated with the International Union of Electronic, Electrical, Technical, Salaried and Machine Workers (AFL-CIO) and the United Paperworkers International Union represent approximately 20% each of the Company's unionized employees. Approximately 59% of the Company's unionized employees are employed at the Company's Mexico plant and are represented by a local Mexican labor union. The Company has successfully re-negotiated five collective bargaining agreements over the last several years and feels labor relations are good, although there can be no assurance that the Company will not experience work stoppages in the future.

ITEM 2. PROPERTIES

The Company maintains its corporate headquarters in New Haven, Connecticut and conducts its operations through 17 principal manufacturing and assembly facilities. The Company believes its property and equipment are in good condition and suitable for its needs. The Company estimates that its plants operate at between 40% and 95% of capacity on a six-day basis. The Company has sufficient capacity to increase production with respect to its replacement radiator and original equipment product lines and its air conditioning replacement parts business. The Company's principal manufacturing and assembly facilities are as follows:

	APPROXIMATE	OWNED/

LOCATION	SQUARE FOOTAGE	LEASED	P
New Haven, Connecticut	158,800	Owned(1)	Corporate headqu headquarters, tu equipment radiat
Jackson, Mississippi	135,885	Owned	Original equipme
Dallas, Texas	50,050	Leased	Replacement radi
Nuevo Laredo, Mexico	109,055	Leased	Replacement radi
Maquoketa, Iowa	38,000	Leased	Parts and toolin
Los Angeles, California	32,900	Leased	Replacement air
Arlington, Texas	125,000	Leased	Air Conditioning remanufactured a air conditioning

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(1) Subject to IRB financing arrangements.

In its Aftermarket Heating and Cooling Systems segment, the Company maintains a nationwide network of manufacturing and distribution facilities which enables the Company to provide its customers, generally, with same day delivery service. In addition to the three manufacturing facilities for replacement radiators described above, the Company also operates 10 fully equipped, regional manufacturing facilities. These 10 facilities are all leased, average approximately 11,000 square feet in size and are strategically located to generally provide same-day service to virtually the entire United States. The Company has sales branch locations at each of its regional manufacturing facilities, has 47 additional local branch offices, 18 independent agencies and one distribution center in Memphis, Tennessee that comprise its nationwide local distribution network. All of the Company's local branch distribution facilities are leased and are approximately 6,000 square feet in size.

ENVIRONMENTAL MATTERS

As is the case with manufacturers of similar products, the Company uses certain hazardous substances in its operations, including certain solvents, lubricants, acids, paints and lead, and is subject to a variety of environmental laws and regulations governing discharges to air and water, the handling, storage and disposal of hazardous or solid waste materials and the remediation of contamination associated with releases of hazardous substances. These laws include the Resource Conservation and Recovery Act (as amended), the Clean Air Act (as amended), the Clean Water Act of 1990 (as amended) and the Comprehensive Environmental Response, Compensation and Liability Act (as amended). The Company believes that, as a general matter, its policies, practices and procedures are properly designed to reasonably prevent risk of environmental damage and financial liability to the Company. During 1998, the Company was fined approximately $0.1 million in connection with certain pre-treatment water containment violations at its Jackson, Mississippi facility. These issues were satisfactorily resolved. The Company believes it is reasonably possible that environmental related liabilities might exist with respect to an industrial site formerly occupied by the Company. Based upon environmental site assessments, the

Company believes that the cost of any potential remediation for which the Company may ultimately be responsible will not have a material adverse effect on the consolidated financial position, results of operation or liquidity of the Company.

The Company currently does not anticipate any material adverse effect on its consolidated results of operations, financial condition or competitive position as a result of compliance with federal, state, local or foreign environmental laws or regulations. However, risk of environmental liability and charges associated with maintaining compliance with environmental laws is inherent in the nature of the Company's business and there is no assurance that material environmental liabilities and compliance charges will not arise. The Company has assumed all environmental liabilities, if any, associated with the former Allen Automotive and Truck Products Business and GDI.

ITEM 3. LEGAL PROCEEDINGS

Various legal actions are pending against or involve the Company with respect to such matters as product liability, casualty and employment-related claims. In the opinion of management, the aggregate liability, if any, that ultimately may be incurred in excess of amounts already provided should not have a material adverse effect on the consolidated financial position, results of operations, or liquidity of the Company.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matters were submitted to a vote of security holders during the fourth quarter of the year ended December 31, 2000.

EXECUTIVE OFFICERS OF THE REGISTRANT*

NAME	AGE	SERVED AS OFFICER SINCE	POSITION OR OFFICE WITH THE COMPANY & FIVE (5) YEAR
Charles E. Johnson	55	March 2001	President, Chief Executive Officer and since 2001; Chief Executive Officer of through 2001 and, since 1996, Presiden and Chief Operating Officer of Equion
Jeffrey L. Jackson	53	August 1995	Vice President Human Resources, since Resources of GDI, 1992 through 1995.
Timothy E. Coyne	46	October 1996	Vice President Finance, Treasurer, Sec since 1998 and Corporate Controller, s Finance and Administration and Treasur through 1996.
John F. Della Ventura	52	February 1998	President of G&O, since 1998; Group Co Echlin, Inc. (which was acquired by Da
Kevin J. O'Connor	55	February 2001	President - Air Conditioning Parts Div Executive Vice President of GDI, 1993

* All officers are elected by the Board of Directors.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

The Company's Common Stock is traded on the New York Stock Exchange. The number of stockholders of record of the Company's Common Stock as of the close of business on March 1, 2001, was 1,012. Information regarding market prices and dividends declared for the Company's Common Stock is shown below for 2000 and 1999. Market prices are closing prices quoted on the New York Stock Exchange, the principal exchange market for the Company's Common Stock. The Company discontinued the quarterly common stock cash dividend in September 2000. Under the provisions of the loan agreement entered into on January 4, 2001, the Company is prohibited from paying common stock dividends.

	YEAR ENDED DECEMBER 31, 2000			
	1ST QTR	2ND QTR	3RD QTR	4TH QTR
Market price of common stock				
---High	$ 6-1/2	$ 6	$ 5-3/16	$ 3-11/16
---Low	4-3/16	4-1/4	3-1/16	2-1/8
Dividends per common share	$ .05	$ .05	$ --	$ --

	YEAR ENDED DECEMBER 31, 1999			
	1ST QTR	2ND QTR	3RD QTR	4TH QTR
Market price of common stock				
---High	$ 6-1/4	$ 6-3/8	$ 7-15/16	$ 6-7/8
---Low	4-5/16	4-3/8	4-15/16	5
Dividends per common share	$ .05	$ .05	$ .05	$ .05

ITEM 6. SELECTED FINANCIAL DATA

The information required by this Item is incorporated herein by reference to "Financial Highlights" contained in the Registrant's 2000 Annual Report to Stockholders, portions of which are filed as Exhibit 13 to this Report.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The information required by this Item is incorporated herein by reference to "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained in the Registrant's 2000 Annual Report to Stockholders, portions of which are filed as Exhibit 13 to this Report.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company has certain exposures to market risk related to changes in interest rates, foreign currency exchange rates and commodities.

The Company's interest rate risk is most sensitive to changes in the U.S. interest rates. At December 31, 2000, the Company had a revolving credit agreement, under which approximately $40.0 million was outstanding. The revolving credit agreement bore interest at variable rates based on current indices. The weighted average interest rate on the revolving credit agreement during 2000 was 8.85%. Interest on the revolving credit agreement is based on, at the Company's option, changes in either the Eurodollar loan rate or the Federal Funds effective rate, plus an applicable margin based on certain Company ratios. The Company also has an Industrial Revenue Bond ("IRB") of $5.0 million outstanding at December 31, 2000, which matures in October 2013. The IRB had a weighted average interest rate of 4.40% during 2000. Interest on the IRB is based on the short-term tax exempt bonds index.

On January 4, 2001, the Company entered into a loan agreement to replace the revolving credit agreement. At February 28, 2001, approximately $39.2 million was outstanding under the loan agreement. The loan agreement bears interest at variable rates based upon current indices. The weighted average interest rate from the inception of the loan agreement to February 28, 2001 was 9.24%.

The Company has sales and a manufacturing facility in Mexico. The functional currency of the Company's operations in Mexico is the U.S. dollar. As a result, changes in the foreign currency exchange rates and changes in the economic conditions in Mexico could affect financial results. The Company has accounted for transactions associated with this foreign operation in accordance with the guidance established under Financial Accounting Standards No. 52, "Foreign Currency Translation." Generally, assets and liabilities are translated into U.S. dollars at the current rate of exchange, while revenues and expenses are translated at the average rate for the year. Property, plant and equipment and its associated depreciation and stockholders' equity are translated at the historical rate. Operating income or loss for the Mexico operation is included in the periodic results of operations of the Company. The Company believes it has mitigated the risk associated with its foreign operations through its management of inventory and other significant operating assets.

Certain risks may arise in the various commodity markets in which the Company participates. Commodity prices in the copper, brass and aluminum markets may be subject to changes based on availability. The Company conducts its purchasing of such commodities generally through three to six month purchase order commitments. See "Raw Materials and Suppliers" in Part I of this Report for additional information on commodity pricing.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The information required by this Item is incorporated herein by reference to the Consolidated Statements of Operations, Consolidated Statements of Comprehensive (Loss) Income, Consolidated Balance Sheets, Consolidated Statements of Cash Flows and Consolidated Statements of Changes in Stockholders' Equity, the Notes to Consolidated Financial Statements and the "Report of Independent Accountants" contained in the Registrant's 2000 Annual Report to Stockholders, portions of which are filed as Exhibit 13 to this Report.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

There have been no disagreements between Registrant and its independent accountants on accounting and financial disclosure during the year ended

December 31, 2000.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

Portions of the information required by this item are included in Part I hereof, on page 11 of this Report. Other information required by this item is contained in the Company's 2001 Proxy Statement under the heading, "PROPOSAL NO. 1 - ELECTION OF DIRECTORS" and is incorporated herein by reference.

ITEM 11. EXECUTIVE COMPENSATION

The information contained in the Company's 2001 Proxy Statement under the heading "EXECUTIVE COMPENSATION" is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The information contained in the Company's 2001 Proxy Statement under the headings "STOCK OWNERSHIP-Principal Stockholders and Directors and Officers" is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The information contained in the Company's 2001 Proxy Statement, under the heading "CERTAIN TRANSACTIONS" is incorporated herein by reference.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

(a) (1) Financial Statements of the Registrant

The Consolidated Financial Statements of the Registrant listed below, together with the Report of Independent Accountants, dated February 27, 2001, are incorporated herein by reference to the Registrant's 2000 Annual Report to Stockholders, portions of which are filed as Exhibit 13 to this Report.

Consolidated Statements of Operations for the Years Ended December 31, 2000, 1999 and 1998

Consolidated Statements of Comprehensive (Loss) Income for the Years Ended December 31, 2000, 1999 and 1998

Consolidated Balance Sheets at December 31, 2000 and 1999

Consolidated Statements of Cash Flows for the Years Ended December 31, 2000, 1999 and 1998

Consolidated Statements of Changes in Stockholders' Equity for the Years Ended December 31, 2000, 1999 and 1998

Notes to Consolidated Financial Statements

Report of Independent Accountants

(a) (2) Financial Statement Schedules

The following additional information should be read in conjunction with the

Consolidated Financial Statements of the Registrant included in Item 8 of this Report:

Schedule II - Valuation and Qualifying Accounts together with Report of Independent Accountants on Financial Statement Schedule, on pages 19 and 20 of this Report

Schedules other than the schedule listed above are omitted because they are not applicable, or because the information is furnished elsewhere in the Consolidated Financial Statements or the Notes thereto.

(a) (3) Exhibits

The information required by this Item relating to Exhibits to this Report is included in the Exhibit Index in (c) below.

(b) Reports on Form 8-K

No reports on Form 8-K were filed during the fourth quarter of the year ended December 31, 2000.

(c) Exhibits -The following exhibits are filed as part of this report:

2.1	Agreement, dated June 15, 1995, between Allen Heat Transfer Products, Inc., AHTP II, Inc., GO/DAN Industries and Handy & Harman Radiator Corporation. (1)
2.2	Asset Purchase Agreement dated as of April 17, 2000 by and among TransPro, Inc. and Leggett & Platt, Incorporated. (7)
3.1 (i)	Restated Certificate of Incorporation of TransPro, Inc. (3)
3.1 (ii)	By-laws of TransPro, Inc. (1)
4.1	Form of Rights Agreement between the Company and American Stock Transfer & Trust Company, as assignee of the First National Bank of Boston, as Rights Agent (including form of Certificate of Designations of Series A Junior Participating Preferred Stock and form of Rights Certificate). (1)
4.2	Form of Revolving Credit Agreement between the Company and Certain lending Institutions or Banks, BankBoston, N.A., as Agent. (1)
	The Company is a party to certain other long-term debt agreements each of which does not exceed 10 percent of the total assets of the Company and its subsidiaries on a consolidated basis. The Company agrees to file such agreements upon request from the Securities and Exchange Commission.
4.3	First Amendment to Revolving Credit Agreement between the Company and Certain Lending Institutions or Banks, BankBoston N.A. as Agent. (5)
4.4	Waiver and Second Amendment to Revolving Credit Agreement between the Company and Certain Lending Institutions or Banks, BankBoston, N.A., as Agent. (5)

4.5	Third Amendment to Revolving Credit Agreement between the Company and Certain Lending Institutions or Banks, BankBoston N.A. as Agent.(6)
4.6	Limited Waiver and Fourth Amendment to Revolving Credit Agreement between the Company and Certain Lending Institutions or Banks, BankBoston, N.A., as Agent. (8)
4.7	Forbearance Agreement dated as of August 18, 2000. (9)
4.8	Forbearance Agreement dated as of September 29, 2000. (9)
4.9	Forbearance Agreement dated as of November 15, 2000.
4.10	Forbearance Agreement dated as of December 20, 2000.
4.11	Loan and Security Agreement dated as of January 4, 2001, by and between Congress Financial Corporation (New England) as Lender and TransPro, Inc., Evap, Inc., and GO/DAN Industries, Inc. as Borrowers.
10.1	TransPro, Inc. 1995 Stock Plan. (1)

10.2	Form of Stock Option Agreement under the 1995 Stock Option Plan (1)
10.3	Form of TransPro, Inc. 1995 Non-employee Directors Stock Option Plan. (1)
10.4	Form of Stock Option Agreement under the 1995 Non-employee Directors Stock Option Plan. (1)
10.5	Form of Contribution Agreement between Allen and the Company. (1)
10.6	Form of Instrument of Assumption of the Company. (1)
10.7	Form of Indemnification Agreement. (1)
10.8	Form of Employment Agreement between the Company and Henry P. McHale. (1)
10.9	Amendment No. 1 to Employment Agreement between the Company and Henry P. McHale. (4)
10.10	Separation and Release Agreement dated December 18, 2000 between the Company and Henry P. McHale.
10.11	Form of Key Employee Severance Policy. (1)
10.12	Letter Agreement, dated December 15, 1992 between Jeffrey J. Jackson and GO/DAN Industries. (1)
10.13	Letter Agreement dated September 24, 1996 between Timothy E. Coyne and TransPro, Inc. (2)

10.14	Employment Agreement between the Company and Charles E. Johnson
13	Portions of the 2000 Annual Report to Stockholders incorporated by reference herein.
21.1	Subsidiaries of the Company.

23	Consent of PricewaterhouseCoopers LLP.
24	Powers of Attorney (included on signature page).

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(1) Incorporated by reference to the Company's Registration Statement on Form S-1 (File No. 33-96770).

(2) Incorporated by reference to the Company's 1996 Form 10-K (File No. 1-13894).

(3) Incorporated by reference to the Company's Form 10-Q for the quarter ended September 30, 1998 (File No. 1-13894).

(4) Incorporated by reference to the Company's 1998 Form 10-K (File No. 1-13894).

(5) Incorporated by reference to the Company's Form 10-Q/A for the quarter ended March 31, 1999 (File No. 1-13894).

(6) Incorporated by reference to the Company's 1999 Form 10-K (File No. 1-13894).

(7) Incorporated by reference to the Company's Form 8-K filed May 2, 2000 (File No. 1-13894).

(8) Incorporated by reference to the Company's Form 10-Q for the quarter ended March 31, 2000 (File No. 1-13894).

(9) Incorporated by reference to the Company's Form 10-Q for the quarter ended September 30, 2000 (File No. 1-13894).

SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

TransPro, Inc.

By /s/ CHARLES E. JOHNSON

Charles E. Johnson
President and Chief Executive Officer

Date: March 30, 2001

POWER OF ATTORNEY

Each of the undersigned hereby appoints Barry R. Banducci and Charles E. Johnson and each of them severally, his or her true and lawful attorneys to execute on behalf of the undersigned any and all amendments to this annual report on Form 10-K and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission. Each such attorney will have the power to act hereunder with or without the others. Each of the undersigned hereby ratifies and confirms all such attorneys, or any of them may lawfully do or cause to be done by virtue thereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

/s/ WILLIAM J. ABRAHAM, JR. William J. Abraham, Jr., Director	March 30, 2001
/s/ BARRY R. BANDUCCI Barry R. Banducci, Director	March 30, 2001
/s/ PHILIP WM. COLBURN Philip Wm. Colburn, Director	March 30, 2001
/s/ CHARLES E. JOHNSON Charles E. Johnson, President, Chief Executive Officer and Director	March 30, 2001
/s/ PAUL R. LEDERER Paul R. Lederer, Director	March 30, 2001
/s/ SHARON M. OSTER Sharon M. Oster, Director	March 30, 2001
/s/ F. ALAN SMITH F. Alan Smith, Director	March 30, 2001
/s/ TIMOTHY E. COYNE Timothy E. Coyne Vice President, Treasurer, Secretary, Corporate Controller and Chief Financial Officer (Chief Financial and Accounting Officer)	March 30, 2001

REPORT OF INDEPENDENT ACCOUNTANTS ON FINANCIAL STATEMENT SCHEDULE

To the Board of Directors and Stockholders of TransPro, Inc.

Our audits of the consolidated financial statements referred to in our report dated February 27, 2001 appearing in the 2000 Annual Report to Stockholders of TransPro, Inc. (which report and consolidated financial statements are incorporated by reference in this Annual Report on Form 10-K) also included an audit of the financial statement schedule listed in Item 14 (a)(2) of this Form 10-K. In our opinion, this financial statement schedule presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements.

/s/ PRICEWATERHOUSECOOPERS LLP
PricewaterhouseCoopers LLP

Hartford, Connecticut
February 27, 2001

SCHEDULE II

TRANSPRO, INC.

VALUATION AND QUALIFYING ACCOUNTS

PERIOD (DOLLARS IN THOUSANDS)	BALANCE AT BEGINNING OF PERIOD	CHARGED TO COSTS AND EXPENSES	CHARGED TO OTHE ACCOUNTS (1)
Year Ended December 31, 2000			
Allowance for doubtful accounts	$ 1,943	$ 739	$ 26
Allowance for excess/slow moving inventory	4,550	3,047	0
Allowance for tax loss valuation	189	--	(189)
Year Ended December 31, 1999			
Allowance for doubtful accounts	$ 2,205	$ 268	$ (238)
Allowance for excess/slow moving inventory	5,405	668	(232)
Allowance for tax loss valuation	--	--	189
Year Ended December 31, 1998			
Allowance for doubtful accounts	$ 3,074	$ 1,323	$ 250
Allowance for excess/slow moving inventory	4,596	1,539	800

(1) Amounts charged to other accounts in doubtful accounts and inventory in 1999 and 1998 were related to acquisition reserves recorded to goodwill. Amounts for tax valuation allowance were charged to deferred taxes.