

HOME PRODUCTS INTERNATIONAL INC
Form 10-K
March 26, 2003

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 December 28, 2002

Or

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

Commission File Number 0-17237

HOME PRODUCTS INTERNATIONAL, INC.

(Exact name of registrant as specified in its Charter)

Delaware

36-4147027

Edgar Filing: HOME PRODUCTS INTERNATIONAL INC - Form 10-K

(State or other jurisdiction of
incorporation or organization)
4501 West 47th Street, Chicago, Illinois
(Address of principal executive offices)

(I.R.S. Employer
Identification No.)
60632
(Zip Code)

(773) 890-1010

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act: None

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

Title of Class

Common Stock, Par Value \$0.01 Per Share

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 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 an accelerated filer (as defined in Exchange Act Rule 12b-2). Yes No

Shares of common stock, par value \$0.01, outstanding at March 1, 2003 7,855,302. Aggregate market value of common stock held by non-affiliates (assuming solely for the purpose of this calculation that all directors, officers and 10% beneficial owners of the registrant are affiliates) as of June 28, 2002 \$22,654,255.

DOCUMENTS INCORPORATED BY REFERENCE

Home Products International, Inc. definitive proxy statement dated April 9, 2003 for the 2003 Annual Meeting (Proxy Statement) Part III

PART I
Item 1. Business*(a) General Development of Business*

Home Products International, Inc. (the Company or HPI) through its wholly owned subsidiary designs, manufactures and markets a broad range of quality consumer housewares products. The Company is a leading supplier to large national retailers of value-priced laundry management products, general storage products, closet storage products, bathware products, kitchen storage products and juvenile products. The Company holds a significant market share in the United States in each of its key product categories. The Company's products are sold in the United States through most of the large national retailers, including Wal-Mart, Target, Kmart, Home Depot, Toys 'R Us, Walgreen's and Bed Bath & Beyond. The Company generated \$249.2 million in net sales for 2002, which makes HPI one of the largest companies in the fragmented U.S. consumer housewares industry.

The Company was originally founded as Selfix, Inc. (Selfix) in 1952. In February 1997, the Company became the holding company for, and successor registrant under the Securities Exchange Act of 1934 to, Selfix and Selfix became a wholly owned subsidiary of the Company through a holding company reorganization under the laws of the State of Delaware.

Currently, the Company is the parent to one operating subsidiary Home Products International North America, Inc. (HPNA). Effective December 26, 1999, all of the Company's operating subsidiaries were merged into HPNA.

The Company's Internet address is www.homz.biz. On its Investor Relations web site, located at www.homz.biz, the Company posts the following filings as soon as reasonably practicable after they are electronically filed with or furnished to the Securities and Exchange Commission: its annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934. All such filings on the Company's Investor Relations web site are available free of charge.

The following table presents significant acquisitions that occurred during the past five years:

<u>Entity</u>	<u>Date Acquired</u>
Tamor Plastics Corporation and its affiliated product distribution company Houseware Sales, Inc.	January 1, 1997
Seymour Sales Corporation and its wholly owned subsidiary Seymour Housewares Corporation	December 30, 1997
Tenex Corporation's consumer product storage line	August 14, 1998
Prestige Plastics, Inc. (AHP and PI)	September 8, 1998
Epic product lines	May 12, 1999

Tamor Acquisition

Edgar Filing: HOME PRODUCTS INTERNATIONAL INC - Form 10-K

Effective January 1, 1997, the Company acquired Tamor Plastics Corporation, a privately held company founded in 1947, and its affiliated product distribution company, Houseware Sales, Inc. (collectively Tamor). Tamor designs, manufactures and markets quality plastic housewares products within the general storage, closet storage and juvenile product categories. Tamor was merged into HPNA effective December 26, 1999.

Seymour Acquisition

Effective December 30, 1997, the Company acquired Seymour Sales Corporation and its wholly owned subsidiary, Seymour Housewares Corporation (collectively, Seymour), a privately held company originally

founded in 1942. Seymour is a leading designer, manufacturer, and marketer of consumer laundry care products. Seymour produces a full line of ironing boards, ironing board covers and pads and numerous laundry related accessories. Seymour was merged into HPNA effective December 26, 1999.

Tenex Asset Acquisition

Effective August 14, 1998, the Company acquired certain assets (inventory and molds) which comprised Tenex Corporation's consumer product storage line. This product line consisted of plastic storage bins and containers, rolling carts and stacking drawer systems.

Newell Asset Acquisition

Effective September 8, 1998 the Company acquired the assets and assumed certain liabilities comprising the businesses of Anchor Hocking Plastics (AHP) and Plastics, Inc. (PI). AHP is a leading supplier of food storage containers and PI is a leading supplier of disposable plastic servingware. Prestige Plastics, Inc. (a subsidiary of the Company created to facilitate the acquisition of AHP and PI) was merged into HPNA effective December 26, 1999.

1999 Acquisition

Effective May 12, 1999, the Company acquired certain assets (primarily inventory and molds) from Austin Products, Inc. which were sold under the Epic brand name. The product lines obtained included the following plastic housewares products: laundry baskets, tote caddys, crates, bins and utility buckets.

Divestiture of the Plastics, Inc. Product Line

On July 6, 2001, the Company completed the sale of its servingware product line, Plastics, Inc. (PI), to A & E Products Group LP, an affiliate of Tyco International.

(b) Financial information about segments.

Based upon the requirements of Statement of Financial Accounting Standards (SFAS) No. 131, management of the Company has determined that HPI operates within a single segment Housewares. As such, the required information for this section is contained in the Consolidated Financial Statements as included in Part II, Item 8 of this Form 10-K.

(c) Narrative description of business.

Historical Gross Sales by Product Category

The following table sets forth the amounts and percentages of the Company's historical gross sales by product categories within the housewares segment for the periods indicated. During 2001, a realignment of the Company's product categories resulted in certain prior year amounts being reclassified (in thousands, except percentages).

	2002		2001		2000	
	Sales	%	Sales	%	Sales	%
General storage	\$ 112,138	41%	\$ 82,649	30%	\$ 97,074	29%
Laundry management	94,672	35%	100,705	36%	97,776	30%
Closet storage	31,973	12%	32,759	12%	38,901	12%
Bathware	20,284	7%	25,555	9%	28,080	8%
Kitchen storage	13,079	5%	14,701	5%	25,417	8%
Servingware		%	21,755	8%	43,222	13%
Total gross sales	\$ 272,146	100%	\$ 278,124	100%	\$ 330,470	100%
Allowances	(22,954)		(28,403)		(33,422)	
Total net sales	\$ 249,192		\$ 249,721		\$ 297,048	

General storage products. The Company offers a variety of plastic storage containers, rolling carts and stacking drawer systems. The storage containers range in size from shoe boxes to jumbo (50 gallon) totes, and include specialty containers sold during the winter holiday season. Storage containers contain a variety of product attributes, including removable wheels and dome-top lids, which increase storage capacity. The rolling carts and stacking drawer systems come in a wide range of sizes and number of shelving drawers.

Laundry management products. The Company offers a variety of ironing boards (approximately 185 individual SKU s) and management believes that the Company commands a majority of the U.S. market share. Key products in this category include the EasyBoard (perforated board), SureFoot (vented, four-leg board), ReadyPress (over-the-door), IP2000 (vented, four-leg with hanger rack), Ultimate Ironing Table and the Professional Series, which was introduced in 2001. The Company is also the leading manufacturer of ironing board covers and pads, and holds a majority of the U.S. market share. The Company offers a variety of different types of covers and pads in a multitude of different designs that fit not only its own ironing boards, but all regular size boards. The Company s covers are known for their scorch resistance and HPI is the only seller of form fitting ironing board covers, Elasticord drawstrings and Cordlock fasteners. The Company markets proprietary Martha Stewart laundry products at Kmart and Michael Graves branded products at Target. Additionally, the Company is a leading U.S. producer of laundry accessories. Key products within this category include: wood and metal drying racks, laundry bags, hampers and sorters, clotheslines and clothes pins.

Closet storage products. This category is comprised primarily of plastic clothes hangers. Due to the commodity nature of the hanger segment, margins in this category are inherently lower, while unit volumes are substantially higher than in the Company s other product lines. Management believes that the Company has a leading U.S. market share in plastic clothes hangers, and that its broad product offering gives it a competitive advantage over other hanger manufacturers. Also included in this category are other plastic organizers, closet and clothing organization products.

Bathware products. The Company markets a broad line of value-priced plastic bath accessories and organizers. These include shower organizers, plastic towel bars, shelves, soap dishes, portable shower sprays and fog-free shower mirrors. The Company believes it is a leading producer of opening price-point plastic bath accessories. The Company introduced its Spaceworks® for Bath line of etageres and bath organizers in 2000.

Kitchen storage products. With the 1998 acquisition of AHP, the Company established a position in the food storage arena. Food storage products are the backbone of the kitchen storage product line. The primary food storage products sold within this group are StowAways®, Pop-Top Storables®, Klear Stor® and Klear Por®. All products are approved for use in contact with food by the United States Food & Drug Administration. The StowAway® line includes 34 individual food storage products each consisting of a clear base and a colored lid. StowAways® are primarily sold in value packs ranging in size from two to thirty-six piece sets. Pop-Top-Storables® products consist of a clear rigid base and a color lid with a patented pop top button to the side. The unique look of the base and the patented lid differentiate the line from the competition. Pop-Top-Storables® are sold in value packs ranging from two to sixty-four piece sets. Also included in this product line are sinkware and wire organization products.

Serveware products. Products in this category include a wide range of upscale, plastic disposable beverage and food serveware products lines. This product line was sold during July 2001.

Dependence upon a single customer or few customers

Edgar Filing: HOME PRODUCTS INTERNATIONAL INC - Form 10-K

The Company is dependent upon a few customers for a large portion of its sales. In 2002, three customers each accounted for more than 10% of consolidated gross sales. The Company's top three customers, Kmart, Wal-Mart and Target accounted for 29.6%, 27.5% and 16.6% of gross sales, respectively, in 2002. In 2001, these same three customers accounted for 20.4%, 25.4% and 12.4%, respectively. These same three customers accounted for 13.4%, 19.9% and 11.9%, respectively, in 2000. The loss of any one of these customers could have

a material effect on the Company. No other customer accounted for more than 10% of consolidated gross sales in 2002, 2001, or 2000. Excluding servingware product sales, the top three customers accounted for approximately 74%, 63% and 52% of gross sales in 2002, 2001 and 2000, respectively.

In January 2002, Kmart announced that it had filed for bankruptcy protection. Kmart is the Company's largest customer with gross sales of approximately \$80 million and \$56 million in 2002 and 2001, respectively. As part of Kmart's recovery plan, they have announced store closings of 326 and 284 in January 2003 and January 2002, respectively. The total store closings are approximately 29% of Kmart's January 2002 store base. Such store closings are likely to have a negative impact on the Company's future sales.

Marketing and Distribution

The Company's products are sold through national and regional discounters, hardware/home centers, food/drug stores, juvenile stores and specialty stores. The Company sells directly to major retail customers through its sales management personnel and through manufacturers representatives. Management believes that one of its greatest opportunities is to fully leverage the Company's long-standing relationships with these customers to gain additional market share in its core product lines and to successfully introduce new and enhanced product lines.

The Company's primary marketing strategy is to design innovative products with features and benefits attractive to consumers, and focus on marketing the products to its retail selling partners. Management believes that one of its competitive advantages is prompt and reliable product delivery of value-priced, high-volume products, allowing its retail partners to maintain minimal inventories. The Company provides its customers with a variety of retail support services, including customized merchandise planogramming, small shipping packs, point-of-purchase displays, Electronic-Data-Interchange (EDI) order transmission, and just-in-time (JIT) product delivery.

The Company's marketing efforts also include advertising, promotional and differentiated packaging programs. Promotions include cooperative advertising, customer rebates targeted at the Company's value added feature products and point-of-purchase displays.

Product Research and Development

The Company's Product Research and Development department uses computer-aided design (CAD) systems to enhance its product development efforts. Although the Company's historical accounting records do not separately present research and development expenses, the Company estimates that for 2002, 2001 and 2000, expenses associated with research and development (which are classified as selling and marketing in the Company's consolidated statements of operations) were \$0.9 million, \$0.6 million and \$0.6 million, respectively.

Foreign and Export Sales Information

The Company's fiscal year 2002, 2001 and 2000 sales outside the United States accounted for approximately 4.4%, 5.6% and 5.5% of its total net sales, respectively. The Company's foreign assets were not material as of fiscal year end 2002, 2001 and 2000.

Seasonality

Sales of the Company's houseware products are generally higher in the second and third quarter of the calendar year. This seasonality is primarily attributable to the spring and summer wedding season, increased home buying during the spring and summer months, and the back to school season. Laundry management products and general and kitchen storage products are gifts typically given at bridal showers that are held during the spring-fall wedding season. The surge in home buying during the spring and summer months increases the demand for new housewares products. The back-to-school season, including college students moving out of the

house for the first time, also contributes to an increase in demand for the Company's housewares products. In 2002, the Company's fourth quarter sales were significantly higher than the fourth quarter 2001 due to increased new Christmas storage promotional events. This trend is not necessarily indicative of future performance.

Competition

The housewares industry is highly fragmented and management believes that no single supplier accounts for more than 10% of total market sales. The Company competes with a significant number of companies. The Company's key competitors include Newell Rubbermaid and Sterilite. There are no regulatory or other barriers, other than significant capital costs, to entry of new competitors into the Company's markets.

The Company believes that large national retailers are continuing to reduce the number of suppliers of housewares products with which they do business to improve margins and operating efficiencies. These retailers are forming key relationships with suppliers that can provide complete product lines within product categories, profitable fast-turning products, timely delivery and merchandising support. With its numerous product lines and strong relationships with these retailers, the Company believes that it is well positioned to continue to meet their needs.

The Company currently manufactures the majority of its laundry products in the U.S. and Mexico. Management believes that its current manufacturing structure provides increased flexibility to meet customer needs. All of the Company's laundry competitors rely heavily on foreign sourced products. Such products are sourced from several countries, including a significant portion from China. These foreign sourced competitive products have been introduced at selling prices below ours. This has caused our profit margins and market share to decline. We have initiated many cost cutting and other steps to protect our market share and profit margins and have begun to aggressively explore increasing our importation of certain laundry products. We will continue to analyze our North American based laundry manufacturing operations.

Patents, Trademarks and Licenses

The Company's subsidiary owns a number of trademarks and patents relating to various products and manufacturing processes. The Company believes that in the aggregate its patents enhance its business, in part by discouraging competitors from adopting patented features of its products. The Company believes, however, that there are no individual patents, trademarks or licenses material to its business.

Raw Materials and Production

The Company manufactures the majority of its products at its various manufacturing facilities in the United States and one facility in Mexico. In certain instances the Company has contracted with outside custom molders to produce various plastic products.

The primary raw material used in the Company's plastic injection molding products is plastic resin, primarily polypropylene. Resin is a spot commodity with pricing parameters tied to supply and demand characteristics beyond the Company's control. The Company purchases the majority of its resin through supply contracts that guarantee discount pricing from industry market indexes. Some resin is purchased through brokers in a secondary market. Plastic resin is utilized by a number of different industries, many of which are quite different from the Company's housewares business. For example, the automobile and housing industries are very large users of plastic resin. As such, demand changes in the automobile industry or the number of new housing starts can have an impact on plastic resin pricing. Changes in market rates for crude oil and natural gas can also impact resin prices.

The Company has entered into commitments to purchase certain minimum annual volumes of plastic resin at formula-based prices. The agreements expire in December 2003 and December 2004. Future related minimum

commitments to purchase plastic resin, assuming current price levels, are \$45.9 million in 2003 and \$30.8 million in 2004. The purchase commitment pricing is not tied to fixed rates; therefore, the Company's results of operations or financial position could be affected by significant changes in the market cost of plastic resin. In the event there is a major change in economic conditions affecting the Company's overall annual plastic resin volume requirements the Company and the vendor will mutually agree on how to mitigate the effects on both parties. Mitigating actions include deferral of product delivery within the agreement term, agreement term extension and/or elimination of excess quantities without liability.

The primary raw materials used in the Company's laundry management products are cold rolled steel and grieger fabric. The Company purchases approximately 22,000 tons of cold rolled steel annually, typically at spot prices. Grieger fabric, purchased from brokers, is a cotton based product with pricing tied to the world cotton markets. The Company's purchases of grieger fabric approximate 7 million yards annually.

The Company's production processes utilize automated machinery and systems where appropriate. Certain laundry management facilities employ the use of an automated manufacturing production line to produce ironing boards. Additionally, automated cutting and layout machines are used to maximize the usage of grieger fabric. The Company also performs all printing and coating of the ironing board covers and pads in-house.

Environment

An environmental report obtained in connection with the Company's 1998 acquisition of PI from Newell Co., indicated that certain remedial work might be required for ground contamination of PI's Coon Rapids, Minnesota facility. Accordingly, the Company obtained an indemnification from Newell Co. (the Newell Indemnification) for the remediation of any ground contamination. In July 2001, the Company sold PI, together with the Coon Rapids facility, to A & E Products Group LP, an affiliate of Tyco International (A & E). In connection with the sale, the Company provided an environmental indemnification to A & E. The Company has not yet been informed that any remediation is required or do we have any reason to believe that the Newell Indemnification is insufficient.

Except as described above, the Company believes that compliance with federal, state or local provisions relating to protection of the environment is not expected to have a material effect on the Company's capital expenditures, earnings or competitive position.

Employees

As of December 28, 2002, the Company employed approximately 1,255 persons in the United States and Mexico. Approximately 130 are hourly employees at its Chicago, Illinois facilities, covered by a collective bargaining agreement which expires in January, 2004; 174 are hourly employees at its Eagan, Minnesota facility covered by a collective bargaining agreement which expires in October, 2003; and 282 are hourly employees at its Reynosa, Mexico facility covered by a collective bargaining agreement which expires in December, 2003. Although we believe that our relations with our employees are satisfactory, there can be no assurance that we will not face labor disputes in the future or that such disputes will not be material to us.

As of December 28, 2002 the Company utilized the services of approximately 327 temporary workers in its injection molding operations and in certain warehouses.

Item 2. Properties

The Company maintains facilities with an aggregate of 2,279,127 square feet of space. The Company considers all of its facilities to be in good operating condition.

The following table summarizes the principal physical properties (both owned and leased) used by the Company in its operations:

Facility	Use	Size (Square Feet)	Owned/Leased
Thomasville, GA	Manufacturing	45,000	Owned
Thomasville, GA	Distribution/Storage	31,000	Leased
Chicago, IL	Manufacturing/Storage	286,000	Leased
Chicago, IL	Distribution/Storage	157,000	Leased
Seymour, IN:			
East Plant	Manufacturing	70,000	Owned
West Plant	Manufacturing	150,000	Owned
Logistics Center	Distribution/Storage	115,000	Owned
Logistics Center	Distribution/Storage	100,000	Leased
Seymour, IN	Storage	59,227	Leased
Eagan, MN	Manufacturing/Distribution	312,000	Leased
Louisiana, MO	Manufacturing/Distribution	340,000	Owned
Mooreville, NC	Manufacturing	72,500	Leased
El Paso, TX	Manufacturing/Distribution	401,400	Leased
McAllen, TX	Storage	10,000	Leased
Reynosa, Mexico	Manufacturing	130,000	Owned

Item 3. Legal Proceedings

The Company is not aware of any pending or threatened legal proceedings to which it or any of its subsidiaries is a party or of which any of their property is the subject that reasonable could be expected to have a material adverse effect on its business or financial condition.

Item 4. Submission of Matters to a Vote of Security Holders

Not applicable.

Executive Officers of the Registrant

Edgar Filing: HOME PRODUCTS INTERNATIONAL INC - Form 10-K

The executive officers of the Company, and their respective ages and principal positions as of March 1, 2003, are as follows:

<u>Name</u>	<u>Age</u>	<u>Position</u>
James R. Tennant	49	Chairman of the Board of Directors and Chief Executive Officer
James E. Winslow	48	Executive Vice President, Chief Financial Officer and Secretary
Peter Graves	46	Senior Vice President, Sales and Marketing
Joseph Lacambra	62	Senior Vice President, Operations
Charles F. Avery, Jr.	38	Senior Vice President, Finance

James R. Tennant joined the Company as Chairman of the Board and Chief Executive Officer in April, 1994. Mr. Tennant was elected a Director of the Company in December, 1992 and was a member of the Company's Compensation Committee until April, 1994. From 1982 to 1994, Mr. Tennant was Division President of True North Communications, an international marketing services company.

James E. Winslow was named Executive Vice President in October, 1996. Mr. Winslow joined the Company as Chief Financial Officer and Senior Vice President in November, 1994. In 1994, Mr. Winslow was Executive Vice President and Chief Financial Officer of Stella Foods, Inc. From 1983 to 1994, Mr. Winslow was employed by Wilson Sporting Goods Co. in various capacities, his final position being Vice President and Chief Financial Officer.

Peter Graves (1) has served as the Company's Senior Vice President, Sales and Marketing since April 2001. From June 1999 until April 2001, Mr. Graves was the Company's Senior Vice President, Marketing. Mr. Graves has served in various capacities since joining the Company in 1981, including Vice President, Sales and Marketing from 1997 to June 1999.

Joseph Lacambra (1) has served as the Company's Senior Vice President, Operations since June 1999. Mr. Lacambra joined the Company as Vice President, Operations in November, 1997.

Charles F. Avery, Jr. (1) has served as the Company's Senior Vice President, Finance since January, 2000. Mr. Avery joined the Company as Vice President, Finance in August, 1998. From 1987 to 1998, Mr. Avery worked in the audit and business advisory practice at Arthur Andersen LLP.

Officers serve at the discretion of the Board of Directors, except as provided in the employment agreement of Mr. Tennant.

(1) Messrs. Graves, Lacambra and Avery were designated as executive officers by the Board of Directors in January 2003.

PART II

Item 5. Market for Registrant's Common Equity and Related Stockholder Matters

The Company's common stock is traded on The NASDAQ SmallCap MarketSM under the symbol *HOMZ*. The Company believes that as of March 1, 2003 there were approximately 220 holders of record and in excess of 1,250 beneficial holders of the Company's common stock.

The Company has never paid a cash dividend on its common stock and currently anticipates that all of its earnings will be retained for use in the operation and expansion of its business. The Company's 9.625% Senior Subordinated Notes due 2008 issued in a public offering in May 1998 contain certain restrictions on the Company's ability to pay dividends.

The following table sets forth for the periods indicated the high and low bid prices for the Common Stock as reported on The NASDAQ SmallCap MarketSM. Such quotations reflect inter-dealer prices, without retail mark-up, mark-down or commission and may not necessarily represent actual transactions.

Edgar Filing: HOME PRODUCTS INTERNATIONAL INC - Form 10-K

	<u>High</u>	<u>Low</u>
Fifty-two weeks ended December 29, 2001:		
First Quarter	\$ 1.88	\$ 1.00
Second Quarter	\$ 3.37	\$ 1.19
Third Quarter	\$ 3.05	\$ 0.96
Fourth Quarter	\$ 3.99	\$ 1.85
Fifty-two weeks ended December 28, 2002:		
First Quarter	\$ 4.19	\$ 1.90
Second Quarter	\$ 5.45	\$ 3.31
Third Quarter	\$ 4.75	\$ 2.98
Fourth Quarter	\$ 4.75	\$ 2.52

All equity compensation plans under which our common stock is reserved for issuance have previously been approved by our stockholders. The following table provides summary information as of December 28, 2002 for all of our stock option plans (in thousands, except per share data). See Note 16 to our consolidated financial statements for additional information.

	Number of Shares of Common Stock to be Issued upon Exercise of Outstanding Options and Warrants (a) (1)	Weighted Average Exercise Price of Outstanding Stock Options and Warrants (b)	Number of Shares of Common Stock Available for Future Issuance under Equity Compensation Plans (excluding shares reflected in column (a)) (c) (2)
Equity Compensation Plans Approved by Securityholders	1,030,720	\$ 3.12	1,048,574
Equity Compensation Plans Not Approved by Securityholders			
Total			