

SYNALLOY CORP
Form 10-Q
August 05, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

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

For the Quarterly Period Ended June 28, 2008

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

For the Transition Period From _____ to _____
Commission file number 0-19687

SYNALLOY CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

57-0426694
(IRS Employer
Identification Number)

2155 West Croft Circle
Spartanburg, South Carolina
(Address of principal executive
offices)

29302
(Zip code)

(864) 585-3605
(Registrant's telephone number, including area code)

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

Larger accelerated filer ()

Accelerated filer (X)

Non-accelerated filer () (Do not check if a smaller reporting company)

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 (X)

The number of shares outstanding of the registrant's common stock as of August 8, 2008 was 6,247,534.

Synalloy Corporation

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PART I

Item 1. FINANCIAL STATEMENTS

Synalloy Corporation

Condensed Consolidated Balance Sheets

	Jun 28, 2008 (Unaudited)	Dec 29, 2007 (Note)
Assets		
Current assets		
Cash and cash equivalents	\$ 23,668	\$ 28,269
Accounts receivable, less allowance for doubtful accounts	26,524,677	19,887,556
Inventories		
Raw materials	17,126,456	9,218,395
Work-in-process	18,497,406	28,824,639
Finished goods	11,722,072	10,758,064
Total inventories	47,345,934	48,801,098
Deferred income taxes	2,897,949	2,284,000
Prepaid expenses and other current assets	287,153	433,250
Total current assets	77,079,381	71,434,173
Cash value of life insurance	2,833,022	2,805,500
Property, plant & equipment, net of accumulated depreciation of \$41,890,000 and \$40,374,000	21,423,271	20,858,606
Deferred charges and other assets	1,497,893	1,523,021
Total assets	\$ 102,833,567	\$ 96,621,300
Liabilities and Shareholders' Equity		
Current liabilities		
Current portion of long-term debt	\$ 466,667	\$ 466,667
Accounts payable	19,530,059	13,029,172
Accrued expenses	8,881,967	10,772,331
Current portion of environmental reserves	495,635	467,371
Income taxes payable	763,037	-
Total current liabilities	30,137,365	24,735,541
Long-term debt	6,724,155	10,246,015
Environmental reserves	580,000	580,000
Deferred compensation	389,487	409,462
Deferred income taxes	2,974,000	2,510,000
Shareholders' equity		
Common stock, par value \$1 per share - authorized 12,000,000 shares; issued 8,000,000 shares	8,000,000	8,000,000
Capital in excess of par value	643,643	532,860
Retained earnings	68,801,109	65,113,597
Less cost of Common Stock in treasury: 1,752,466 and 1,762,695 shares	(15,416,192)	(15,506,175)
Total shareholders' equity	62,028,560	58,140,282

Total liabilities and shareholders' equity	\$ 102,833,567	\$ 96,621,300
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Note: The balance sheet at December 29, 2007 has been derived from the audited consolidated financial statements at that date.

See accompanying notes to condensed consolidated financial statements.

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Synalloy Corporation
Condensed Consolidated Statements of Income

(Unaudited)	Three Months Ended		Six Months Ended	
	Jun 28, 2008	Jun 30, 2007	Jun 28, 2008	Jun 30, 2007
Net sales	\$ 52,921,660	\$ 43,940,977	\$ 103,895,683	\$ 88,339,265
Cost of goods sold	44,490,027	35,630,017	89,164,853	71,206,135
Gross profit	8,431,633	8,310,960	14,730,830	17,133,130
Selling, general and administrative expense	3,265,088	3,138,415	6,420,049	6,486,017
Operating income	5,166,545	5,172,545	8,310,781	10,647,113
Other (income) and expense				
Interest expense	21,277	262,369	353,556	471,172
Other, net	(2,153)	(545)	(4,582)	(1,574)
Income before income taxes	5,147,421	4,910,721	7,961,807	10,177,515
Provision for income taxes	1,756,000	1,715,000	2,708,000	3,457,000
Net income	\$ 3,391,421	\$ 3,195,721	\$ 5,253,807	\$ 6,720,515
Net income per common share:				
Basic	\$.54	\$.51	\$.84	\$ 1.09
Diluted	\$.54	\$.50	\$.84	\$ 1.06
Weighted average shares outstanding:				
Basic	6,246,165	6,210,877	6,243,070	6,186,493
Dilutive effect from stock options and grants	48,962	134,221	44,853	125,005
Diluted	6,295,127	6,345,098	6,287,923	6,311,498

See accompanying notes to condensed consolidated financial statements.

Synalloy Corporation
 Condensed Consolidated Statements of Cash Flows
 (Unaudited)

	Six Months Ended	
	Jun 28, 2008	Jun 30, 2007
Operating activities		
Net income	\$ 5,253,807	\$ 6,720,515
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation expense	1,564,723	1,539,267
Amortization of deferred charges	25,128	27,462
Deferred income taxes	(149,949)	(838,000)
Provision for losses on accounts receivable	453,066	245,922
Gain on sale of property, plant and equipment	(1,200)	-
Cash value of life insurance	(27,522)	(24,000)
Environmental reserves	28,264	9,443
Issuance of treasury stock for director fees	74,970	74,989
Employee stock option and grant compensation	107,458	80,681
Changes in operating assets and liabilities:		
Accounts receivable	(7,090,187)	(191,729)
Inventories	1,455,164	(4,011,250)
Other assets and liabilities	(72,266)	(105,165)
Accounts payable	6,500,886	2,562,745
Accrued expenses	(1,890,364)	(294,157)
Income taxes payable	961,425	(1,106,637)

The stock warrants, may be issued under the stock warrant agreement independently or together with any securities offered by any prospectus supplement and may be attached to or separate from such securities. If stock warrants are offered, the prospectus supplement will describe the terms of the stock warrants, including the following:

- the offering price, if any;
- the number of shares of preferred stock or common stock or depositary shares purchasable upon exercise of each stock warrant and the initial price at which such shares may be purchased upon exercise;
- if applicable, the designation and terms of the securities with which the stock warrants are issued and the number of stock warrants issued with each such security;
- if applicable, the date on and after which the stock warrants and the related preferred stock or common stock or depositary shares will be separately transferable;
- the date on which the right to exercise the stock warrants shall commence and the date on which such right shall expire;
 - federal income tax consequences;
 - call provisions of such stock warrants, if any;
 - anti-dilution provisions of the stock warrants, if any;
- whether the stock warrants represented by the stock warrant certificates will be issued in registered or bearer form; and
- any additional or other rights, preferences, privileges, limitations and restrictions relating to the stock warrants, including terms, procedures and limitations relating to the exchange and exercise of the stock warrants.

The shares of preferred stock or common stock issuable upon the exercise of the stock warrants will, when issued in accordance with the stock warrant agreement, be fully paid and non-assessable.

DESCRIPTION OF STOCK PURCHASE CONTRACTS AND STOCK PURCHASE UNITS

We may issue stock purchase contracts, representing contracts obligating holders to purchase from us, and we may sell to the holders, a specified number of shares of common stock at a future date or dates. The price per share

of common stock may be fixed at the time the stock purchase contracts are issued or may be determined by reference to a specific formula set forth in the stock purchase contracts. Stock purchase contracts may be issued separately or as a part of units (“stock purchase units”) consisting of a stock purchase contract and either (i) senior debt securities or subordinated debt securities or (ii) debt obligations of third parties, including U.S. Treasury securities, securing the holder's obligations to purchase the common stock under the stock purchase contracts. The stock purchase contracts may require us to make periodic payments to the holders of the stock purchase units or vice versa, and such payments may be unsecured or prefunded on some basis. The stock purchase contracts may require holders to secure their obligations thereunder in a specified manner and in certain circumstances we may deliver newly issued prepaid stock purchase contracts (“prepaid securities”) upon release to a holder of any collateral securing such holder's obligations under the original stock purchase contract.

The applicable prospectus supplement will describe the terms of any stock purchase contracts or stock purchase units and, if applicable, prepaid securities. Certain material federal income tax considerations applicable to the stock purchase units and stock purchase contracts will be set forth in the prospectus supplement relating thereto.

DESCRIPTION OF THE RIGHTS

General

We may issue rights to purchase our debt securities, preferred stock, depositary shares, common stock or warrants to purchase preferred stock, depositary shares or common stock. We may issue rights independently or together with any other offered security. The rights may or may not be transferable by the recipient of the rights. In connection with any rights offering to our stockholders, we may enter into a standby underwriting arrangement with one or more underwriters or stockholders providing for the underwriters to purchase any offered securities remaining unsubscribed for after the rights offering. In connection with a rights offering to our stockholders, a prospectus supplement will be distributed to our stockholders on the record date for receiving rights in the rights offering set by us.

The applicable prospectus supplement will describe the following terms of rights in respect of which this prospectus is being delivered:

- the title of the rights;
- the securities for which the rights are exercisable;
 - the exercise price for the rights;
 - the number of rights issued;
- the extent to which the rights are transferable;
- if applicable, a discussion of the federal income tax considerations applicable to the issuance or exercise of the rights;
- any other terms of the rights, including terms, and limitations relating to the exchange and exercise the rights;
- the date on which the right to exercise the rights will commence, and the date on which the right will expire;
- the extent to which the rights include an over-subscription privilege with respect to unsubscribed securities; and

- if applicable, the material terms of any standby underwriting arrangement entered into by us in connection with the rights offering.

Exercise of Rights

Each right will entitle the holder thereof of rights to purchase for cash the principal amount of debt securities, shares of preferred stock, depositary shares, common stock, warrants or any combination of those securities at the exercise price as will be set forth in, or be determinable as set forth in, the applicable prospectus supplement. Rights may be exercised at any time up to the close of business on the expiration date for such rights set forth in the applicable prospectus supplement. After the close of business on the expiration date, all unexercised rights will become void.

Rights may be exercised as set forth in the applicable prospectus supplement. Upon receipt of payment and proper exercise of the rights, we will, as soon as practicable, forward the securities purchasable upon such exercise. In the event that not all of the rights issued in any offering are exercised, we may determine to offer any unsubscribed offered securities directly to persons other than stockholders, to or through agents, underwriters or dealers or through a combination of such methods, including pursuant to standby underwriting arrangements, as set forth in the applicable prospectus supplement.

BOOK-ENTRY ISSUANCE

Unless otherwise indicated in a prospectus supplement, the debt securities of a series offered by us will be issued in the form of one or more fully registered global securities. We anticipate that these global securities will be deposited with, or on behalf of, the Depository Trust Company and registered in the name of its nominee. Except as described below, the global securities may be transferred, in whole and not in part, only to DTC or to another nominee of DTC.

Based on information furnished by DTC, DTC is:

- a limited-purpose trust company organized under the New York Banking Law;
- a “banking organization” within the meaning of the New York Banking Law;
 - a member of the Federal Reserve System;
- a “clearing corporation” within the meaning of the New York Uniform Commercial Code; and
- a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934.

DTC was created to hold securities for institutions that have accounts with DTC (“participants”) and to facilitate the clearance and settlement of securities transactions among its participants through electronic book-entry changes in participants' accounts. Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations, some of whom (and/or their representatives) own DTC. Access to DTC's book-entry system is also available to others that clear through or maintain a custodial relationship with a participant, either directly or indirectly. DTC administers its book-entry system in accordance with its rules and bylaws and legal requirements.

Upon issuance of a global security representing offered securities, DTC will credit on its book-entry registration and transfer system the principal amount to participants' accounts. Ownership of beneficial interests in the global security will be limited to participants or to persons that hold interests through participants. Ownership of interests in the global security will be shown on, and the transfer of those ownership interests will be effected only through, records maintained by DTC (with respect to participants' interests) and the participants (with respect to the owners of beneficial interests in the global security). The laws of some jurisdictions may require that certain purchasers of securities take physical delivery of those securities in definitive form. These limits and laws may impair the ability to transfer beneficial interests in a global security.

So long as DTC (or its nominee) is the registered holder and owner of a global security, DTC (or its nominee) will be considered, for all purposes under the applicable indenture, the sole owner and holder of the related offered

securities. Except as described below, owners of beneficial interests in a global security will not:

- be entitled to have the securities registered in their names; or
- receive or be entitled to receive physical delivery of certificated securities in definitive form.

Purchases of securities under the DTC system must be made by or through direct participants, which will receive a credit for the securities on DTC's records. The ownership interest of each actual purchaser of each debt security ("beneficial owner") is in turn recorded on the direct and indirect participants' records. A beneficial owner does not receive written confirmation from DTC of its purchase, but is expected to receive a written confirmation providing details of the transaction, as well as periodic statements of its holdings, from the direct or indirect participants through which such beneficial owner entered into the action. Transfers of ownership interests in securities are accomplished by entries made on the books of participants acting on behalf of beneficial owners. Beneficial owners do not receive certificates representing their ownership interests in securities, except in the event that use of the book-entry system for the securities is discontinued.

To facilitate subsequent transfers, the securities are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of the securities with DTC and their registration in the name of Cede & Co. will effect no change in beneficial ownership. DTC has no knowledge of the actual beneficial owners of the securities; DTC records reflect only the identity of the direct participants to whose accounts securities are credited, which may or may not be the beneficial owners. The participants remain responsible for keeping account of their holdings on behalf of their customers.

Delivery of notice and other communications by DTC to direct participants, by direct participants to indirect participants, and by direct participants and indirect participants to beneficial owners are governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. consents or votes with respect to the securities. Under its usual procedures, DTC mails a proxy (an "Omnibus Proxy") to the issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those direct participants to whose accounts the securities are credited on the record date (identified on a list attached to the Omnibus Proxy).

Redemption proceeds, distributions and dividend payments, if any, on the securities will be made to DTC. DTC's practice is to credit direct participants' accounts on the payment date in accordance with their respective holdings as shown on DTC's records, unless DTC has reason to believe that it will not receive payment on the payment date. Payments by participants to beneficial owners are governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and are the responsibility of such participant and not of DTC, the trustee or us, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest, if any, to DTC is our or the trustee's responsibility, disbursement of such payments to direct participants is DTC's responsibility, and disbursement of such payments to the beneficial owners is the responsibility of direct and indirect participants.

DTC may discontinue providing its services as securities depository with respect to the securities at any time by giving reasonable notice to us or the trustee. Under such circumstances, in the event that a successor securities depository is not appointed, debt security certificates are required to be printed and delivered.

We may decide to discontinue use of the system of book-entry transfers through DTC or a successor securities depository. In that event, debt security certificates will be printed and delivered.

We have obtained the information in this section concerning DTC and DTC's book-entry system from sources that we believe to be reliable, but we take no responsibility for the accuracy of this information.

None of us, any underwriter or agent, the trustee or any applicable paying agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial interests in a global security, or for maintaining, supervising or reviewing any records relating to such beneficial interest.

PLAN OF DISTRIBUTION

We may sell the securities through underwriters or dealers, directly to one or more purchasers or through agents. Each prospectus supplement, to the extent applicable, will describe the number and terms of the securities to which such prospectus supplement relates, the name or names of any underwriters or agents with whom we have entered into arrangements with respect to the sale of such securities, the public offering or purchase price of such securities and our net proceeds. The prospectus supplement also will include any underwriting discounts or commissions and other items constituting underwriters' compensation and will identify any securities exchanges on which the securities may be listed.

In some cases, we may also repurchase the securities and reoffer them to the public by one or more of the methods described above. This prospectus may be used in connection with any offering of securities through any of these methods or other methods described in the applicable prospectus supplement.

The securities we distribute by any of these methods may be sold to the public, in one or more transactions, either:

- at a fixed price or prices, which may be changed;
- at market prices prevailing at the time of sale;
- at prices related to prevailing market prices; or
 - at negotiated prices.

We also may, from time to time, authorize dealers or agents to offer and sell these securities upon such terms and conditions as may be set forth in the applicable prospectus supplement.

We may solicit offers to purchase securities directly from the public from time to time. We may also designate agents from time to time to solicit offers to purchase securities from the public on our behalf. The prospectus supplement relating to any particular offering of securities will name any agents designated to solicit offers, and will include information about any commissions we may pay the agents, in that offering. Agents may be deemed to be “underwriters” as that term is defined in the Securities Act of 1933 (the “Securities Act”).

In connection with the sale of securities, underwriters may receive compensation from us or from purchasers of the securities, for whom they may act as agents, in the form of discounts, concessions or commissions. Underwriters may sell the securities to or through dealers, and such dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters and/or commissions from the purchasers for whom they may act as agents. Underwriters, dealers and agents that participate in the distribution of the securities may be deemed to be underwriters, and any discounts or commissions they receive from us, and any profit on the resale of the securities they realize may be deemed to be underwriting discounts and commissions under the Securities Act. Any such underwriter, dealer or agent will be identified, and any such compensation received will be described, in the applicable prospectus supplement. Broker-dealers may also receive compensation from purchasers of the shares which is not expected to exceed that customary in the type of transactions involved.

Securities may also be sold in one or more of the following transactions:

- block transactions in which a broker-dealer may sell all or a portion of the securities as agent but may position and resell all or a portion of the block as principal to facilitate the transaction;
 - purchases by a broker-dealer as principal and resale by the broker-dealer for its own account;
- a special offering, an exchange distribution or a secondary distribution in accordance with the rules of any exchange on which the securities are listed;
 - ordinary brokerage transactions and transactions in which a broker-dealer solicits purchasers;
- sales “at the market” to or through a market maker or into an existing trading market, on an exchange or otherwise; and
- sales in other ways not involving market makers or established trading markets, including direct sales to purchasers.

Unless otherwise specified in the related prospectus supplement, each series of the securities will be a new issue with no established trading market, other than the common stock. Any shares of common stock sold pursuant to a prospectus supplement will be listed on the NASDAQ Stock Market or a stock exchange on which the common stock offered is then listed, subject (if applicable) to an official notice of issuance. We may elect to list any of the other securities on an exchange, but are not obligated to do so. It is possible that one or more underwriters may make a market in a series of the securities, but will not be obligated to do so and may discontinue any market making at any time without notice. Therefore, no assurance can be given as to the liquidity of the trading market for the securities.

If dealers are utilized in the sale of the securities, we will sell the securities to the dealers as principals. The dealers may then resell the securities to the public at varying prices to be determined by such dealers at the time of resale.

We may enter into agreements with underwriters, dealers and agents who participate in the distribution of the securities, which may entitle these persons to indemnification by us against certain liabilities, including liabilities under the Securities Act, or to contribution with respect to payments which such underwriters, dealers or agents may be required to make in respect thereof.

We have not authorized any dealer, salesperson or other person to give any information or represent anything not contained in this prospectus. You must not rely on any unauthorized information. This prospectus does not constitute an offer to sell or buy any securities in any jurisdiction where it is unlawful.

Underwriters, dealers and agents may engage and may in the past have engaged in transactions with or perform or have performed services for us or our affiliates, or be or have been customers of ours or our affiliates, or otherwise engage or have engaged in commercial activities with us or our affiliates, in the ordinary course of business.

LEGAL OPINIONS

The validity of the securities offered by this prospectus will be passed upon by McDermott Will & Emery LLP. Legal counsel to any underwriters may pass upon legal matters for such underwriters.

EXPERTS

The consolidated balance sheets of Presstek, Inc. and subsidiaries as of January 2, 2010 and January 3, 2009, and the related consolidated statements of operations, changes in stockholders' equity and comprehensive income (loss), and cash flows for each of the fiscal years in the three-year period ended January 2, 2010, and the related consolidated financial statement schedule II and the effectiveness of internal control over financial reporting as of January 2, 2010, have been incorporated by reference herein in reliance upon the reports of KPMG LLP, independent registered public accounting firm, dated March 24, 2010, which reports appear in our annual report on Form 10-K for the fiscal year ended January 2, 2010 which is incorporated by reference herein, and upon the authority of said firm as experts in accounting and auditing.

PART II

INFORMATION NOT REQUIRED IN THE PROSPECTUS

ITEM 14. Other Expenses of Issuance and Distribution.

The following table sets forth the estimated fees and expenses payable by the Company in connection with the issuance and distribution of the Securities being registered:

SEC registration fee	\$ 2,139
Printing expenses	50,000*
Fees and expenses of counsel	100,000*
Fees and expenses of accountants	50,000*
Miscellaneous	15,000*
Total	\$217,139*

* Estimated.

ITEM 15. Indemnification of Directors and Officers.

The Delaware General Corporation Law (Section 102) allows a corporation to eliminate the personal liability of directors of a corporation to the corporation or to any of its stockholders for monetary damage for a breach of his/her fiduciary duty as a director, except in the case where the director breached his/her duty of loyalty, failed to act in good faith, engaged in intentional misconduct or knowingly violated a law, authorized the payment of a dividend or approved a stock repurchase in violation of Delaware corporate law or obtained an improper personal benefit. The Company's Restated Certificate of Incorporation contains a provision which eliminates directors' personal liability as set forth above.

The Delaware General Corporation Law (Section 145) gives Delaware corporations broad powers to indemnify their present and former directors and officers and those of affiliated corporations against expenses incurred in the defense of any lawsuit to which they are made parties by reason of being or having been such directors or officers, subject to specified conditions and exclusions; gives a director or officer who successfully defends an action the right to be so indemnified; and authorizes a corporation to buy directors' and officers' liability insurance. Such indemnification is not exclusive of any other right to which those indemnified may be entitled under any bylaw, agreement, vote of stockholders or otherwise.

The Company's Amended and Restated Certificate of Incorporation, as amended, provides for indemnification to the fullest extent authorized by Section 145 of the Delaware General Corporation Law for directors, officers and employees of the Company and also to persons who are serving at the request of the Company as directors, officers or employees of other corporations (including subsidiaries); provided that, with respect to proceedings initiated by such indemnitee, indemnification shall be provided only if such proceedings were authorized by the Board of Directors. This right of indemnification is not exclusive of any other right which any person may acquire under any statute, bylaw, agreement, contract, vote of stockholders or otherwise.

The Company maintains a directors' and officers' liability insurance and corporate reimbursement policy insuring directors and officers against loss arising from claims made arising out of the performance of their duties.

II-1

ITEM 16. Exhibits

Exhibit Number	Description of Exhibit
1.1*	Form of Underwriting Agreement for Debt Securities
1.2*	Form of Underwriting Agreement for Equity Securities
1.3*	Form of Underwriting Agreement for Depositary Shares, Rights, Stock Purchase Contracts or Stock Purchase Units
3.1	Amended and Restated Certificate of Incorporation of Presstek, Inc., as amended (Incorporated by reference to Exhibit 3(i) to the Company's Quarterly Report on Form 10-Q for the quarter ended June 29, 1996.)
3.2	By-laws of Presstek, Inc. (Incorporated by reference to Exhibit 3(ii) to the Company's Annual Report on Form 10-K for the fiscal year ended December 30, 1995.)
4.1**	Form of Indenture for Debt Securities
4.2*	Form of Debt Security
4.3*	Form of Deposit Agreement
4.4*	Form of Depositary Receipt
4.5*	Form of Stock Warrant Agreement
4.6*	Form of Rights Agreement
5**	Opinion of McDermott Will & Emery LLP
12**	Statement of Computation of Ratio of Earnings to Fixed Charges
23.1**	Consent of McDermott Will & Emery LLP (included as part of Exhibit 5)
23.2**	Consent of KPMG LLP
24.1**	Powers of Attorney (included on signature pages of this registration statement)
25***	Statement of Eligibility of Trustee on Form T-1 for the Indenture for Debt Securities

*To be subsequently filed by amendment or as an exhibit to a Current Report on Form 8-K.

**Filed herewith.

***To be subsequently filed by amendment, as an exhibit to a Current Report on Form 8-K, or requisite filing under the Trust Indenture Act.

ITEM 17. Undertakings.

(a) The undersigned Registrant hereby undertake:

(1) to file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) to include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) to reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in

the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and

(iii) to include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

provided, however, that paragraphs (a)(1)(i), (a)(1)(ii) and (a)(1)(iii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the Registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the Registration Statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement;

(2) that, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof;

(3) to remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering;

(4) that, for the purpose of determining liability under the Securities Act of 1933 to any purchaser:

(A) Each prospectus filed by the Registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

(B) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5) or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii) or (x) for the purpose of providing the information required by Section 10(a) of the Securities Act of 1933 shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which the prospectus relates, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date; and

(5) that, for the purpose of determining liability of the Registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities, the undersigned Registrant undertake that in a primary offering of securities of the undersigned Registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned Registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned Registrant relating to the offering required to be filed pursuant to Rule 424;

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(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned Registrant or used or referred to by the undersigned Registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned Registrant or their securities provided by or on behalf of the undersigned Registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned Registrant to the purchaser.

(b) The undersigned Registrant hereby undertake that, for purposes of determining any liability under the Securities Act, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act) that is incorporated by reference in this Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 (the "Act") may be permitted to directors, officers and controlling persons of the Registrant pursuant to the provisions described under Item 15 above, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

(d) The undersigned Registrant hereby undertake to file an application for the purpose of determining the eligibility of the trustee to act under subsection (a) of Section 310 of the Trust Indenture Act (the "TI Act") in accordance with the rules and regulations prescribed by the Commission under Section 305(b)(2) of the TI Act.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the Greenwich, State of Connecticut on October 29, 2010.

Presstek, Inc.

By: /s/ Jeffrey Jacobsen

Name: Jeffrey Jacobsen

Title: Chairman, President and Chief Executive Officer

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POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Jeffrey A. Cook and James R. Van Horn and each of them, his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his or her name, place and stead, in any and all capacities (including his or her capacity as a director and/or officer of Presstek, Inc.) to sign any or all amendments (including post-effective amendments) to this Registration Statement, and to sign any Registration Statement for the same offering covered by this Registration Statement that is to be effective upon filing pursuant to Rule 462(b) promulgated under the Securities Act of 1933, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

SIGNATURE	TITLE(S)	DATE
/s/ Jeffrey Jacobson Jeffrey Jacobson	Chairman, President and Chief Executive Officer (Principal Executive Officer)	October 29, 2010
/s/ Jeffrey A. Cook Jeffrey A. Cook	Executive Vice President, Chief Financial Officer, and Treasurer (Principal Financial Officer) and Director	October 29, 2010
/s/ Wayne Parker Wayne Parker	Vice President - Corporate Controller and Chief Accounting Officer (Principal Accounting Officer)	October 29, 2010
/s/ Edward E. Barr Edward E. Barr	Director	October 29, 2010
/s/ Daniel S. Ebenstein Daniel S. Ebenstein	Director	October 29, 2010
/s/ Stanley E. Freimuth Stanley E. Freimuth	Director	October 29, 2010
/s/ Steven N. Rappaport Steven N. Rappaport	Director	October 29, 2010

/s/ Donald C. Waite, III
Donald C. Waite, III

Director

October 29, 2010

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EXHIBIT INDEX

Exhibit Number	Description of Exhibit
1.1*	Form of Underwriting Agreement for Debt Securities
1.2*	Form of Underwriting Agreement for Equity Securities
1.3*	Form of Underwriting Agreement for Depository Shares, Stock Purchase Contracts or Stock Purchase Units
3.1	Amended and Restated Certificate of Incorporation of Presstek, Inc., as amended (Incorporated by reference to Exhibit 3(i) to the Company's Quarterly Report on Form 10-Q for the quarter ended June 29, 1996.)
3.2	By-laws of Presstek, Inc. (Incorporated by reference to Exhibit 3(ii) to the Company's Annual Report on Form 10-K for the fiscal year ended December 30, 1995.)
4.1**	Form of Indenture for Debt Securities
4.2*	Form of Debt Security
4.3*	Form of Deposit Agreement
4.4*	Form of Depository Receipt
4.5*	Form of Stock Warrant Agreement
4.6*	Form of Rights Agreement
5**	Opinion of McDermott Will & Emery LLP
12**	Statement of Computation of Ratio of Earnings to Fixed Charges
23.1**	Consent of McDermott Will & Emery LLP (included as part of Exhibit 5)
23.2**	Consent of KPMG LLP
24.1**	Powers of Attorney (included on signature pages of this registration statement)
25***	Statement of Eligibility of Trustee on Form T-1 for the Indenture for Debt Securities

*To be subsequently filed by amendment or as an exhibit to a Current Report on Form 8-K.

**Filed herewith.

***To be subsequently filed by amendment, as an exhibit to a Current Report on Form 8-K, or requisite filing under the Trust Indenture Act.

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