

SERVOTRONICS INC /DE/
Form 10-Q
November 12, 2010

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549
Form 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2010

or

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

Commission File No. 1-07109
SERVOTRONICS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

16-0837866
(I. R. S. Employer
Identification No.)

1110 Maple Street
Elma, New York 14059
(Address of principal executive offices)
(716) 655-5990

(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 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 the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

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

Yes No

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

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Class
Common Stock, \$.20 par value

Outstanding at October 31, 2010
2,237,371

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SERVOTRONICS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(\$000's omitted except share and per share data)

	September 30, 2010 (Unaudited)	December 31, 2009
Assets		
Current assets:		
Cash and cash equivalents	\$4,559	\$3,825
Certificates of deposit	253	495
Accounts receivable, net	4,546	4,086
Inventories, net	11,160	11,526
Prepaid income taxes	56	205
Deferred income taxes	540	540
Other assets	505	450
Total current assets	21,619	21,127
Property, plant and equipment, net	6,144	6,307
Other non-current assets	296	200
Total Assets	\$28,059	\$27,634
Liabilities and Shareholders' Equity		
Current liabilities:		
Current portion of long-term debt	\$321	\$321
Current portion of capital lease related party	79	79
Accounts payable	965	1,115
Accrued employee compensation and benefit costs	1,362	1,059
Other accrued liabilities	412	855
Total current liabilities	3,139	3,429
Long-term debt	3,268	3,381
Capital lease related party	436	495
Deferred income taxes	515	515
Shareholders' equity:		
Common stock, par value \$.20; authorized 4,000,000 shares; issued 2,614,506 shares; outstanding 1,961,018 (1,961,018 – 2009) shares	523	523
Capital in excess of par value	13,486	13,296
Retained earnings	10,945	10,248
Accumulated other comprehensive loss	(61)	(61)
	24,893	24,006
Employee stock ownership trust commitment	(1,468)	(1,468)
Treasury stock, at cost 377,135 (377,135 – 2009) shares	(2,724)	(2,724)
Total shareholders' equity	20,701	19,814
Total Liabilities and Shareholders' Equity	\$28,059	\$27,634

See notes to consolidated financial statements

SERVOTRONICS, INC. AND SUBSIDIARIES
 CONSOLIDATED STATEMENTS OF INCOME
 (\$000's omitted except share and per share data)
 (Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009	2010	2009
Revenue	\$7,346	\$8,224	\$23,433	\$24,868
Costs, expenses and other income:				
Cost of goods sold, exclusive of depreciation and amortization	5,643	5,637	16,839	18,393
Selling, general and administrative	1,225			