

OIL DRI CORP OF AMERICA  
Form 10-Q  
June 05, 2009

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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 April 30, 2009

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 001-12622

OIL-DRI CORPORATION OF AMERICA  
(Exact name of the registrant as specified in its charter)

Delaware  
(State or other jurisdiction of incorporation or  
organization)

36-2048898  
(I.R.S. Employer  
Identification No.)

410 North Michigan Avenue, Suite 400  
Chicago, Illinois  
(Address of principal executive offices)

60611-4213  
(Zip Code)

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The Registrant's telephone number, including area code: (312) 321-1515

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 and (2) has been subject to such filing requirements for at least the past 90 days.

Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes  No

Indicate by check mark 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. (Check one):

Large accelerated filer	Accelerated filer <input checked="" type="checkbox"/>	Non-accelerated filer	Smaller Reporting Company
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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 April 30, 2009.

Common Stock – 5,152,780 Shares and Class B Stock – 1,914,797 Shares

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## FORWARD-LOOKING STATEMENTS

Certain statements in this report, including, but not limited to, those under the heading “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and those statements elsewhere in this report and other documents we file with the Commission contain forward-looking statements that are based on current expectations, estimates, forecasts and projections about our future performance, our business, our beliefs, and our management’s assumptions. In addition, we, or others on our behalf, may make forward-looking statements in press releases or written statements, or in our communications and discussions with investors and analysts in the normal course of business through meetings, webcasts, phone calls, and conference calls. Words such as “expect,” “outlook,” “forecast,” “would,” “could,” “should,” “project,” “intend,” “plan,” “continue,” “believe,” “seek,” “estimate,” “anticipate,” “believe,” variations of such words and similar expressions are intended to identify such forward-looking statements, which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

Such statements are subject to certain risks, uncertainties and assumptions that could cause actual results to differ materially, including those described in Item 1A, Risk Factors, of our Annual Report on Form 10-K for the fiscal year ended July 31, 2008, which risk factors are incorporated herein by reference. Should one or more of these or other risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, intended, expected, believed, estimated, projected or planned. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Except to the extent required by law, we do not have any intention or obligation to update publicly any forward-looking statements after the distribution of this report, whether as a result of new information, future events, changes in assumptions, or otherwise.

TRADEMARK NOTICE

Oil-Dri, Agsorb, Cat's Pride, Jonny Cat, KatKit, ConditionAde, Pelunite, Perform, Select, Pure-Flo, UltraClear, Poultry Guard, Flo-Fre and Terra Green are all registered trademarks of Oil-Dri Corporation of America or of its subsidiaries. Pro's Choice and Saular are trademarks of Oil-Dri Corporation of America. Fresh Step is a registered trademark of The Clorox Company.

## PART I - FINANCIAL INFORMATION

## ITEM 1. Financial Statements

## OIL-DRI CORPORATION OF AMERICA &amp; SUBSIDIARIES

## Condensed Consolidated Balance Sheets

(in thousands of dollars)

(unaudited)

ASSETS	April 30, 2009	July 31, 2008
Current Assets		
Cash and cash equivalents	\$ 11,680	\$ 6,848
Investment in securities	3,996	20,916
Accounts receivable, less allowance of \$671 and \$614 at April 30, 2009 and July 31, 2008, respectively	28,711	31,383
Inventories	20,136	17,744
Deferred income taxes	890	890
Prepaid expenses and other assets	5,888	4,870
Total Current Assets	71,301	82,651
Property, Plant and Equipment		
Cost	166,223	155,934
Less accumulated depreciation and amortization	(107,681)	(104,494)
Total Property, Plant and Equipment, Net	58,542	51,440
Other Assets		
Goodwill	5,162	5,162
Trademarks and patents, net of accumulated amortization of \$371 and \$349 at April 30, 2009 and July 31, 2008, respectively	666	733
Debt issuance costs, net of accumulated amortization of \$460 and \$525 at April 30, 2009 and July 31, 2008, respectively	319	338
Licensing agreements and non-compete agreements, net of accumulated amortization of \$3,276 and \$2,987 at April 30, 2009 and July 31, 2008, respectively	1,463	1,752
Deferred income taxes	2,052	2,048
Other	4,599	4,864
Total Other Assets	14,261	14,897
Total Assets	\$ 144,104	\$ 148,988

The accompanying notes are an integral part of the condensed consolidated financial statements.



OIL-DRI CORPORATION OF AMERICA & SUBSIDIARIES  
Condensed Consolidated Balance Sheets  
(in thousands of dollars)  
(unaudited)

LIABILITIES & STOCKHOLDERS' EQUITY	April 30, 2009	July 31, 2008
<b>Current Liabilities</b>		
Current maturities of notes payable	\$ 3,200	\$ 5,580
Accounts payable	5,887	7,491
Dividends payable	922	919
Accrued expenses:		
Salaries, wages and commissions	4,725	5,578
Trade promotions and advertising	2,167	2,126
Freight	1,564	2,345
Other	5,979	6,062
<b>Total Current Liabilities</b>	<b>24,444</b>	<b>30,101</b>
<b>Noncurrent Liabilities</b>		
Notes payable	18,300	21,500
Deferred compensation	5,750	5,498
Other	4,208	