CRITICARE SYSTEMS INC /DE/
Form DEFA14A
October 19, 2006

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant
Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement
Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
Definitive Proxy Statement
Definitive Additional Materials
Soliciting Material Pursuant to § 240.14a-12

CRITICARE SYSTEMS, INC.
(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):
No fee required.
Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

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(2) Aggregate number of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(4) Proposed maximum aggregate value of transaction:

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(5) Total fee paid:

Fee paid previously with preliminary materials.
Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

(1) Amount previously paid:

(2) Form, schedule or registration statement no.:

(3) Filing party:

(4) Date filed:

FOR IMMEDIATE RELEASE

Contact: Emil Soika, President and CEO Criticare (262) 798-8282

Criticare Systems, Inc. Reports Strong Revenue Growth for First Quarter of Fiscal 2007

MILWAUKEE--(BUSINESS WIRE) October 19, 2006--CRITICARE SYSTEMS, INC. (AMEX:CMD News). Criticare Systems Inc. today announced its unaudited first quarter revenue for fiscal 2007.

The company recorded revenue of approximately $8.1 million compared to $7.6 million for the comparable period in fiscal 2006. Revenue for the fourth quarter of fiscal 2006 was $7.1 million. Sales were particularly strong in Criticare s domestic initiatives as well as efforts in Latin America. A major success was seen with the company s new Acute Care monitoring line and the nGenuity, which was introduced this past May. This product line offers many innovative features, at a very attractive acquisition cost, raising the bar for an economic solution.

Thanks in part to the introductory relationship with Kodak Dental, Criticare experienced record sales during the annual Oral and Maxillofacial Surgery convention, held on October 5, 6 and 7 at the San Diego convention center. Traditionally, this has been Criticares most productive convention, both in terms of orders taken during the convention

and in later residual sales.

Strong revenue growth in our first quarter of fiscal 2007, on the heels of our double digit revenue growth for fiscal 2006, validates the continued successful implementation of our business strategy, said Emil Soika, the company s President and Chief Executive Officer.

CSI (www.csiusa.com) designs, manufactures, and markets cost-effective patient monitoring systems and noninvasive sensors for a wide range of hospitals and alternate health care environments throughout the world.

This press release contains forward-looking statements. Such statements refer to the Company's beliefs and expectations. Forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those described. Such uncertainties include, but are not limited to, the timely completion of new products, regulatory approvals for new products, the risk of new and better technologies, risks relating to international markets, as well as general conditions and competition in the company's markets. Other risks are set forth in CSI s reports and documents filed from time to time with the Securities and Exchange Commission.

The Company filed a definitive consent revocation statement with the SEC on October 11, 2006, in connection with the consent solicitation begun by BlueLine Partners L.L.C. and its affiliates. INVESTORS ARE URGED TO READ THE DEFINITIVE CONSENT REVOCATION STATEMENT AND ANY OTHER RELEVANT DOCUMENTS THAT THE COMPANY WILL FILE WITH THE SEC

BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. Security holders will be able to obtain a free copy of the definitive consent revocation statement and other related documents filed by the Company at the SEC s website at www.sec.gov. The Company s definitive consent revocation statement and other related documents may also be obtained from the Company free of charge by contacting Joel Knudson, Criticare Systems, Inc., 20925 Crossroads Circle, Suite 100, Waukesha, WI 53186, Tel. (262) 798-5335.

Information regarding the identity of the persons who under SEC rules may be deemed to be participants in the solicitation by the Company s of its stockholders in connection with this consent solicitation, and the participants interests in the solicitation, are set forth in the Company s definitive consent revocation statement.

If you have any questions or need any information concerning this solicitation and our consent revocation, please contact: The Altman Group, toll free at (800) 283-3192.