PILGRIMS PRIDE CORP
Form 424B5
January 16, 2007
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Filed Pursuant to Rule 424(b)(5)
Registration No. 333-130113

This prospectus supplement relates to an effective registration statement under the Securities Act of 1933, but is not complete and may be changed. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject To Completion, dated January 12, 2007

PRELIMINARY PROSPECTUS SUPPLEMENT

(To Prospectus dated December 2, 2005)

$450,000,000

Pilgrim s Pride Corporation

% Senior Notes due 2015

% Senior Subordinated Notes due 2017

We are offering $ of our % Senior Notes due 2015, referred to as the Senior Notes, and $ of our % Senior Subordinated Notes due 2017, referred to as the Subordinated Notes. The Senior Notes and the Subordinated Notes are referred to collectively as the notes. Interest is payable on and of each year, beginning on , 2007. The Senior Notes will mature on , 2015 and the Subordinated Notes will mature on , 2017.

We may redeem all or part of the Senior Notes on or after , 2011. We may redeem all or part of the Subordinated Notes on or after , 2012. Before , 2010, we also may redeem up to 35% of the aggregate principal amount of each of the Senior Notes and the Subordinated Notes from the proceeds of certain equity offerings. Redemption prices are set forth under Description of Notes Description of the Senior Notes Optional Redemption and Description of Notes Description of the Subordinated Notes Optional Redemption, respectively.

If we sell assets or experience a change of control, we may be required to make offers to repurchase the notes at the prices and on the terms described in this prospectus supplement. These notes are our general unsecured obligations. The Senior Notes rank equally with all our other unsubordinated indebtedness, and are effectively subordinated to our secured obligations, including our revolving and term loan facilities, to the extent of that security, and the indebtedness of our subsidiaries. The Subordinated Notes are subordinated to all of our existing and future senior indebtedness, including our revolving and term loan facilities, and are effectively subordinated to the indebtedness of our subsidiaries. The Subordinated Notes rank equally with our 9 1/4% Senior Subordinated Notes due November 15, 2013.

The notes will be held by the book-entry depositary, and book-entry interests representing interests in the notes and transfers of these interests in the notes will be shown on the records maintained by The Depository Trust Company.

Investing in the notes involves risks. See *Risk Factors on page S-19.*

	Per Senior Note	Total	Per Subordinated Note	Total
Public Offering Price	100.00%	$	100.00%	$
Underwriting Discount	%	$	%	$
Proceeds to Pilgrim s Pride Corporation	%	$	%	$

Interest on the notes will accrue from January , 2007 to the date of delivery.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the prospectus to which it relates is truthful or complete. Any representation to the contrary is a criminal offense.

Affiliates of Lehman Brothers Inc. and Credit Suisse Securities (USA) LLC, the joint book-running managers of this offering, are lenders under our bridge loan facility and as such will receive all of the net proceeds of this offering, which will be used to repay outstanding amounts under our bridge loan facility.

Delivery of the notes, in book entry form, will be made on or about January , 2007.

Joint Book-Running Managers

LEHMAN BROTHERS **CREDIT SUISSE**

Senior Co-Managers

BMO CAPITAL MARKETS **DEUTSCHE BANK SECURITIES** **JPMORGAN**

Co-Managers

BANC OF AMERICA SECURITIES LLC **STEPHENS INC.** **STIFEL NICOLAUS**

, 2007

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You should rely only on the information contained in this document or to which we have referred you. We have not authorized anyone to provide you with information that is different. This document may only be used where it is legal to sell these securities. The information in this document may only be accurate on the date of this document.

This document has two parts. The first part consists of this prospectus supplement, which describes the specific terms of this offering and the notes offered. The second part, the accompanying prospectus, provides more general information, some of which may not apply to this offering. If the description of the offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Statements of our plans, hopes, intentions, beliefs, anticipations, expectations or predictions for the future, denoted by the words anticipate, believe, estimate, expect, project, imply, intend, foresee and similar expressions, are forward-looking statements that reflect our curren about future events and are subject to risks, uncertainties and assumptions. Such risks, uncertainties and assumptions include those identified in the Risk Factors section of this prospectus supplement including the following:

- Matters generally affecting the poultry industry, including fluctuations in the commodity prices of feed ingredients, chicken and turkey;
- Additional outbreaks of avian influenza or other diseases, either in our own flocks or elsewhere, affecting our ability to conduct our operations and/or demand for our poultry products;
- Contamination of our products, which has previously and can in the future lead to product liability claims and product recalls;
- Exposure to risks related to product liability, product recalls, property damage and injuries to persons, for which insurance coverage is expensive, limited and potentially inadequate;
- Management of our cash resources, particularly in light of our substantial leverage;
- Restrictions imposed by, and as a result of, our substantial leverage;
- Changes in laws or regulations affecting our operations or the application thereof;
- Competitive factors and pricing pressures or the loss of one or more of our largest customers;
- Inability to consummate, or effectively integrate, any acquisition, including integrating our recent acquisition of Gold Kist Inc., or to realize the associated anticipated cost savings and operating synergies;
- Currency exchange rate fluctuations, trade barriers, exchange controls, expropriation and other risks associated with foreign operations; and
- The impact of uncertainties of litigation as well as other risks described in our filings with the Securities and Exchange Commission (SEC).

Actual results could differ materially from those projected in these forward-looking statements as a result of these factors, among others, many of which are beyond our control.

WHERE YOU CAN FIND MORE INFORMATION; INCORPORATION BY REFERENCE

We file annual, quarterly and special reports, proxy statements and other information with the SEC. You may read and copy any materials we file with the SEC at the following location of the SEC: Public Reference Room, 100 F Street, NE, Room 1580, Washington, D.C. 20549.

You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. Our SEC filings are also available to the public over the Internet at the SEC s Web site at http:\\www.sec.gov. In addition, you may inspect our SEC filings at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

The SEC allows us to incorporate by reference into this prospectus supplement the information we file with the SEC, which means that we can disclose important information to you by referring you to those documents. Any information referenced this way is considered to be part of this prospectus supplement, and any information that we file later with the SEC will automatically update and supersede this information. We incorporate by reference the following documents that we have filed with the SEC:

our annual report on Form 10-K for the fiscal year ended September 30, 2006; and

our current reports on Form 8-K and Form 8-K/A, as applicable, filed on December 5, 2006, December 19, 2006, January 4, 2007, January 9, 2007 and January 11, 2007.

We also incorporate by reference any future filings made with the SEC (other than information furnished pursuant to Item 2.02 or Item 7.01 of Form 8-K or as otherwise permitted by the SEC s rules) under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 (the Exchange Act) before termination of the offering.

You may obtain a copy of these filings, at no cost, by writing or calling us at: Pilgrim s Pride Corporation, 4845 US Highway 271 North, Pittsburg, TX, Telephone: (903) 434-1000.

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SUMMARY

The following is a summary of the more detailed information appearing elsewhere in this prospectus supplement. This summary is not complete and does not contain all the information you should consider. You should carefully read the entire prospectus supplement, the accompanying prospectus and the information incorporated herein by reference, including the Risk Factors section and the financial statements and the related notes. Unless the context otherwise requires or as otherwise indicated, we, us, our and similar terms, as well as references to the Company and Pilgrim s Pride, include all of our consolidated subsidiaries. We obtained the industry data used throughout this prospectus supplement from industry publications that we believe to be reliable, but we have not independently verified this information. Unless the context otherwise requires, the pro forma information contained in this prospectus supplement assumes that we completed the acquisition of Gold Kist Inc. (Gold Kist) and the related financings at the beginning of the fiscal year ended September 30, 2006, in accordance with the assumptions described in the section entitled Unaudited Pro Forma Financial Data. We define the poultry industry as consisting of the chicken and turkey industries.

The Company

We are the largest producer of chicken in the United States, the second largest producer and seller of chicken in Mexico, the largest producer of chicken in Puerto Rico, and have one of the best known brand names in the chicken industry. In the U.S., we produce both prepared and fresh chicken and fresh turkey, while in Mexico and Puerto Rico, we exclusively produce fresh chicken. Through vertical integration, we control the breeding, hatching and growing of chickens. We also control the processing, preparation, packaging and sale of our product lines, which we believe has made us one of the highest quality, lowest-cost producers of chicken in North America. We have consistently applied a long-term business strategy of focusing our growth efforts on higher-value, higher-margin prepared foods products and have become a recognized industry leader in this market segment. Accordingly, our sales efforts have traditionally been targeted to the foodservice industry, principally chain restaurants and food processors. We have continually made investments to ensure our prepared foods capabilities remain state-of-the-art and have complemented these investments with a substantial and successful research and development effort. In fiscal 2006, we sold 5.7 billion pounds of dressed chicken and 149.2 million pounds of dressed turkey and generated net sales of $5.2 billion. In fiscal 2006, our United States (U.S.) operations including Puerto Rico accounted for 91.7% of our net sales, with the remaining 8.3% arising from our Mexico operations. On a pro forma basis, in fiscal 2006, we sold 9.0 billion pounds of dressed chicken and 149.2 million pounds of dressed turkey, generating net sales of $7.4 billion, with our U.S. and Puerto Rico operations accounting for 94.1% of our pro forma net sales.

On January 9, 2007, we completed the acquisition of Gold Kist for an aggregate purchase price of approximately $1.1 billion and the refinancing or assumption of approximately $144.0 million of Gold Kist s debt. Prior to the acquisition, Gold Kist was the third largest chicken company in the U.S., accounting for 8.8% of chicken produced in the U.S. in 2005. Gold Kist operated a fully integrated chicken production business, with production complexes located in Alabama, Florida, Georgia, North Carolina and South Carolina. In fiscal 2006, Gold Kist produced 3.3 billion pounds of dressed chicken and generated net sales of $2.1 billion.

With the addition of Gold Kist, we became the world s leading chicken company in terms of production, with a pro forma market share based on total annual chicken production in the U.S. of 24.8%, and the fourth largest U.S. meat protein company by revenues. The combined company has an expanded geographic reach and customer base, while maintaining a balanced portfolio of fresh chicken and value-added products. Our enhanced geographic diversification will enable us to compete more efficiently both in the U.S. and internationally. We believe that the combined company will have a strong financial position and substantial cash flow, enabling us to consistently reduce debt and return to historical debt levels. See Gold Kist Acquisition.

Our Business

The U.S. chicken industry has grown for the last ten years at a compounded annual growth rate of 3.5%, growing from 24.8 billion pounds of chicken produced in 1995 to 35.0 billion pounds produced in 2005. This growth resulted from increasing domestic and international per capita consumption of chicken and population growth. The U.S. chicken industry is the world s largest producer and second largest exporter of chicken. From 1995 to 2005, annual per capita consumption of chicken in the U.S. increased 25.2%, while annual per capita consumption of beef and pork declined 1.7%, and 2.9%, respectively. Per capita consumption of chicken in the U.S. surpassed that of pork in 1984 and beef in 1992. We believe these favorable trends will continue over the long-term due to consumers continued awareness of the health benefits, convenience, cost advantages and versatility of chicken. The United States Department of Agriculture (USDA) estimates that per capita consumption of chicken in the U.S. will grow from 87.0 pounds in 2005 to 93.8 pounds in 2010.

We expect several on-going industry trends to continue in 2007. These include increasing consumer demand for high-quality chicken products in the U.S. and globally and the consolidation of the U.S. chicken industry. We believe the consolidation in the industry is driven by the desire for enhanced cost efficiencies, the consolidation of the supermarket and foodservice industries and strict environmental, food safety, labor and other regulations governing the chicken industry. We believe these trends will result in favorable demand for our products, more stable chicken prices and generally improved industry conditions.

We believe that the industry has two major customer categories, foodservice and retail. The majority of our U.S. chicken sales are derived from products sold to the foodservice market. Foodservice customers principally include chain restaurants, food processors, foodservice distributors and certain other institutions located throughout the continental U.S. The retail market consists primarily of grocery store chains, wholesale clubs and other retail distributors. While the overall chicken market has grown consistently, we believe the majority of this growth in recent years has been in the foodservice market. According to the National Chicken Council, from 2001 through 2005, sales of chicken products to the foodservice market grew at a compounded annual growth rate of approximately 7.0%, versus 5.5% growth for the chicken industry overall. Foodservice growth is anticipated to continue as food-away-from-home expenditures continue to outpace overall industry growth rates. According to the National Restaurant Association, food-away-from-home expenditures grew at a compounded annual growth rate of approximately 5.2% from 2001 through 2005, and are projected to grow at a 3.5% compounded annual growth rate from 2005 through 2010. As a result, the food-away-from-home category is projected by the National Restaurant Association to account for 53.0% of total food expenditures by 2010, as compared with the amount of 47.5% in 2006. Due to internal growth and our fiscal 2004 acquisition of the chicken division of ConAgra Foods, Inc, which we sometimes refer to as our fiscal 2004 acquisition, our sales to the foodservice market from fiscal 2002 through fiscal 2006 grew at a compounded annual growth rate of 27.8% and represented 72.1% of the net sales of our U.S. chicken operations in fiscal 2006.

We are one of the two largest suppliers of prepared chicken products in the U.S. Our prepared chicken products include portion-controlled breast fillets, tenderloins and strips, delicatessen products, salads, formed nuggets and patties and bone-in chicken parts. These products are sold either refrigerated or frozen and may be fully cooked, partially cooked or raw. In addition, these products are breaded or non-breaded and either pre-marinated or non-marinated. Our prepared chicken products business is an important component of our sales and for fiscal 2006 accounted for 47.3%, or $1,940.1 million, of our U.S. chicken sales. Although Gold Kist s prepared chicken products sales as a percentage of its total U.S. chicken sales is lower than ours, the acquisition of Gold Kist significantly increases our overall sales of prepared chicken products, solidifying our position as one of the two largest suppliers of prepared chicken products in the U.S.

Our prepared chicken products are sold primarily to foodservice customers. We are a major supplier of chicken to Arby s®, Burger King®, Chick-fil-A®, Stouffers®, Wal-Mart® and Wendy s®. Due to increased demand from our customers and our fiscal 2004 acquisition, our prepared chicken products sales to the

foodservice market were $1,567.3 million in fiscal 2006 compared to $659.9 million in fiscal 2002, a compounded annual growth rate of approximately 24.1%. The acquisition of Gold Kist further increases our prepared chicken products sales to the foodservice market.

Our prepared chicken products sales to the retail market were $308.5 million in fiscal 2006 compared to $158.3 million in fiscal 2002, a compounded annual growth rate of approximately 18.2%. We believe that our growth in this market segment will continue as retailers concentrate on satisfying consumer demand for more products that are quick, easy and convenient to prepare at home.

The market for prepared chicken products has experienced, and we believe will continue to experience, greater growth, higher average sales prices and higher margins than fresh chicken products. We believe our above-market growth of prepared chicken products is attributable to our competitive strengths, which include full-line product capabilities, high-volume production capacities, research and development expertise and extensive distribution and marketing experience.

We also sell fresh chicken products to the foodservice and retail markets. Our fresh chicken products consist of refrigerated (non-frozen) whole or cut-up chicken, either pre-marinated or non-marinated and prepackaged case-ready chicken, which includes various combinations of freshly refrigerated, whole chickens and chicken parts in trays, bags or other consumer packs labeled and priced ready for the retail grocer s fresh meat counter. Our fresh chicken business is an important component of our sales and for fiscal 2006 accounted for 46.0%, or $1,885.0 million, of our U.S. chicken sales and as a result of the Gold Kist acquisition, our total U.S. fresh chicken sales will increase further. In addition to maintaining sales of mature, traditional fresh chicken products, our strategy is to shift the mix of our U.S. fresh chicken products by continuing to increase sales of higher margin, faster growing products, such as marinated chicken and chicken parts, and to continually shift portions of this product mix into the higher value and margin prepared foods category. Our retail sales are enhanced by the strong consumer awareness of the Pilgrim s Pride® brand, which is one of the leading chicken brand names in the chicken industry. We believe our brand awareness enhances the distribution of our fresh chicken and enables us to achieve price premiums in certain of our geographic markets. We believe the retail prepackaged fresh chicken business will continue to be a large and relatively stable market, providing opportunities for product differentiation and regional brand loyalty.

We are the second largest producer and seller of chicken in Mexico and are currently present in the Federal District of Mexico and all but three of the 31 Mexican States, which in total represent approximately 94.0% of the Mexican population. In fiscal 2006, the Mexican market represented 8.3% of our net sales and 5.9% of our net sales on a pro forma basis. Additionally, according to the National Chicken Council, between 1995 and 2005, annual per capita consumption of chicken in Mexico increased 62.1% to 59.5 pounds per person, as compared to 87.0 pounds per person in the U.S. According to the National Chicken Council, per capita consumption of chicken in Mexico is anticipated to grow from 59.5 pounds in 2005 to 67.2 pounds in 2010 as a result of the country s improving economy and favorable demographic trends.

Our export and other chicken products, with the exception of our exported prepared foods products, consist of whole chickens and chicken parts sold primarily in bulk, non-branded form either refrigerated to distributors in the U.S. or frozen for distribution to export markets. In the U.S., prices of these products are negotiated daily or weekly and are generally related to market prices quoted by the USDA or other public price reporting services. We also sell U.S.-produced chicken products for export to Eastern Europe, including Russia, the Far East, Mexico and other world markets. We believe that U.S. chicken exports will continue to grow as worldwide demand increases for high-grade, low-cost meat protein sources. We also believe that worldwide demand for higher margin prepared foods products will increase over the next several years. Accordingly, we believe we are well positioned to capitalize on such growth.

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Gold Kist Acquisition

On January 9, 2007, we completed the acquisition of Gold Kist for an aggregate purchase price of approximately $1.1 billion and the refinancing or assumption of approximately $144.0 million of Gold Kist debt.

Prior to the acquisition, Gold Kist was the third largest chicken company in the U.S., accounting for 8.8% of chicken produced in the U.S. in 2005. In fiscal 2006, Gold Kist produced and marketed approximately 3.3 billion pounds of dressed chicken and generated net sales of approximately $2.1 billion.

In fiscal 2006, Gold Kist sold its products to over 3,000 customers in the retail, industrial, foodservice and export markets. Gold Kist was a major supplier to all but one of the top ten U.S. food retailers, and products sold to the retail market accounted for a majority of its sales. Gold Kist s retail sales consisted principally of fresh and frozen whole and cut-up products, deboned products and further-processed products.

Prior to the acquisition, Gold Kist was a major supplier to most major quick serve restaurant chains, providing a full line of fresh, frozen, partially- and fully-cooked products to various foodservice customers. Gold Kist also sold its products to a diversified base of foodservice distributors and end-use customers, including the USDA School Lunch Program. In addition, Gold Kist was a major supplier to industrial companies that further process chicken or use chicken as an ingredient in prepared meals.

Over the last few years Gold Kist focused its growth efforts on value-added products. These growth efforts included expenditures for expansion of further processing capacity, technological advances in its poultry production and processing operations and expanded chill pack capacity. Since October 2004, the percentage of Gold Kist s value-added sales as a percentage of total sales increased from 44.7% to 59.2% as of the end of fiscal 2006. Gold Kist was also the first major chicken processor in the U.S. to offer antibiotic-free, air chilled premium chicken products raised on an all-vegetable diet. The air chilling process reduces the water absorption that occurs during the traditional water cooling process, while retaining the natural flavor, texture and tenderness of the chicken.

The Gold Kist acquisition expands our presence in the Southeastern United States, complementing our existing operations. Prior to the acquisition, Gold Kist operated a fully integrated chicken production business, with production complexes located in Alabama, Florida, Georgia, North Carolina and South Carolina. As a result of this acquisition we became the world s leading chicken company in terms of production, with a pro forma market share based on total annual chicken production in the U.S. of 24.8%, and the fourth largest U.S. meat protein company by revenues. We believe the acquisition will present us opportunities to achieve significant cost savings, resulting primarily from the optimization of purchasing and the uses of production, distribution and shared facilities and the reduction of duplicative selling, general and administrative expenses.

Business Strategy

Our objectives are (1) to increase sales, profit margins and earnings and (2) to outpace the growth of, and maintain our leadership position in, the poultry industry. To achieve these goals, we plan to continue to pursue the following strategies and apply these strategies to maximizing the operating, strategic and financial benefits of the Gold Kist acquisition:

Capitalize on significant scale with leading industry position and brand recognition. We are the world s leading chicken company in terms of production and the fourth largest U.S. meat protein company by revenues. We estimate that our market share based on total annual chicken production in the U.S. is 24.8%, surpassing Tyson Food s market share of 21.4%, and surpassing our next largest competitor s market share of 7.3%. The complementary fit of markets and geographic locations are two of the many benefits we realize from our acquisition of Gold Kist. We believe we are one of only two

U.S. chicken producers that can supply the growing demand for a broad range of price competitive standard and specialized products with well-known brand names on a nationwide basis from a single source supplier.

Realize significant synergies from the combined operations of Pilgrim s Pride and Gold Kist. We expect that the Gold Kist acquisition will result in significant cost saving opportunities and broaden our geographic reach and customer base, while maintaining a balanced portfolio of fresh chicken and value-added products. We intend to integrate the Gold Kist operations into Pilgrim s Pride as rapidly as possible while minimizing disruption to our operations. We expect to realize significant synergies from the Gold Kist acquisition by:

- Determining and implementing a best practices approach across all operations, including optimizing purchasing and the uses of all production, distribution and shared facilities and services;
- Realizing operating efficiencies by reducing duplicative selling, general and administrative expenses;
- Taking advantage of our geographic presence by optimizing our supply chain management and logistics; and
- Achieving further economies of scale.

Capitalize on attractive U.S. prepared foods market. We focus our U.S. growth initiatives on sales of prepared foods to the foodservice market because it continues to be one of the fastest growing and most profitable segments in the poultry industry. Products sold to this market segment require further processing, which enables us to charge a premium for our products, reducing the impact of feed ingredient costs on our profitability and improving and stabilizing our profit margins. Feed ingredient costs typically decrease from approximately 31%-49% of total production cost for fresh chicken products to approximately 16%-25% for prepared chicken products. Due to increased demand from our customers and our fiscal 2004 acquisition, our sales of prepared chicken products grew from $848.7 million in fiscal 2002 to $1,940.1 million in fiscal 2006, a compounded annual growth rate of 23.0%. Prepared foods sales represented 47.3% of our total U.S. chicken revenues in fiscal 2006, which we believe provides us with a significant competitive advantage and reduces our exposure to feed price fluctuations. The addition of well-known brands from our fiscal 2004 acquisition significantly expanded Pilgrim s Pride s already sizeable prepared foods chicken offerings. Similarly, our acquisition of highly customized cooked chicken products for restaurants and specialty foodservice customers from our fiscal 2004 acquisition complemented our existing lines of pre-cooked breast fillets, tenderloins, burgers, nuggets, salads and other prepared products for institutional foodservice, fast-food and retail customers. The acquisition of Gold Kist significantly increases our overall sales of prepared chicken products, solidifying our position as one of the two largest suppliers of prepared chicken products in the U.S.

Emphasize customer-driven research and technology. We have a long-standing reputation for customer-driven research and development in designing new products and implementing advanced processing technology. This enables us to better meet our customers changing needs for product innovation, consistent quality and cost efficiency. In particular, customer-driven research and development is integral to our growth strategy for the prepared foods market in which customers continue to place greater importance on value-added services. Our research and development personnel often work directly with customers in developing products for them, which we believe helps promote long-term relationships.

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Enhance U.S. fresh chicken profitability through value-added, branded products. Our growth strategy has been to continually expand our prepared food operation as a percentage of total sales. For fiscal 2006, our U.S. fresh chicken sales accounted for $1,885.0 million, or 46.0%, of our U.S. chicken sales and as a result of the Gold Kist acquisition, our total U.S. fresh chicken sales will increase further. In addition to maintaining the sales of traditional fresh chicken products, our strategy is to shift the mix of our U.S. fresh chicken products by continuing to increase sales of higher margin, faster growing products, such as fixed-weight packaged products and marinated chicken and chicken parts, and to continually shift portions of this product mix into the higher value and margin prepared chicken products. Much of our fresh chicken products are sold under the Pilgrim s Pride® brand name, which is a well-known brand in the chicken industry. The increased margin earned in value-added products dilutes the impact of feed cost fluctuations and mitigates the impact of changes in commodity chicken prices. Also, branded and value-added products provide us with a much more stable and predictable revenue stream. We plan to build on our growth efforts in the production and distribution of value-added products by utilizing Gold Kist s production facilities and customer base and by achieving economies of scale in the new combined company.

Improve operating efficiencies and increase capacity on a cost-effective basis. We believe the acquisition of Gold Kist will allow us to decrease total cost of production and realize more efficient distribution with greater capacity through increased economies of scale. As production and sales grow, we continue to focus on improving operating efficiencies by investing in state-of-the-art technology and processes, training and our total quality management program. Specific initiatives include:

- Standardizing lowest-cost production processes across our various facilities;
- Centralizing purchasing and other shared services; and
- Standardizing and upgrading technology where appropriate.

In addition, we have a proven history of increasing capacity while improving operating efficiencies at acquired properties in both the U.S. and Mexico. As a result, according to industry data, since 1993 we have consistently been one of the lowest cost producers of chicken in the U.S., and we also believe we are one of the lowest cost producers of chicken in Mexico.

Continue to seek strategic acquisitions. We have pursued opportunities to expand through acquisitions in the past. We expect that once Gold Kist is integrated and absorbed, we will continue to pursue acquisition opportunities in the future that would complement our existing businesses, broaden our production capabilities and improve our operating efficiencies.

Continue to penetrate the growing Mexican market. We seek to leverage our leading market position and reputation for freshness and quality in Mexico by focusing on the following objectives:

- Continuing to be one of the most cost-efficient producers and processors of chicken in Mexico by applying technology and expertise utilized in the U.S.;
- Continuing to increase our distribution of higher margin, more value-added products to national retail stores and restaurants; and
- Continuing to build and emphasize brand awareness and capitalize on Mexican consumers preference for branded products and their insistence on freshness and quality.

Capitalize on export opportunities. We intend to continue to focus on international opportunities to complement our U.S. chicken operations and capitalize on attractive export markets. Although according to the USDA, exports of U.S. chicken products decreased 6.3% from 2001 through 2005, we believe U.S. chicken exports will grow as worldwide demand increases for high-grade, low-cost meat protein sources. According to USDA data, the export market for chicken is expected to grow at a

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compounded annual growth rate of 2.9% from 2005 to 2010 and 5.1% from 2005 to 2006 alone. Historically, we have targeted international markets to generate additional demand for our dark chicken meat, which is a natural by-product of our U.S. operations given our concentration on prepared foods products and the U.S. customers general preference for white chicken meat. As part of this initiative, we have created a significant international distribution network into several markets, including Mexico, which we now utilize not only for dark chicken meat distribution, but also for various higher margin prepared foods and other poultry products. We employ both a direct international sales force and export brokers. Our key international markets include Eastern Europe, including Russia, the Far East and Mexico. We believe that we have substantial opportunities to expand our sales to these markets by capitalizing on direct international distribution channels supplemented by our existing export broker relationships. For fiscal 2006 our export sales accounted for approximately 7.9% and 21.2% of our U.S. chicken sales and pounds, respectively, and approximately 7.0% and 17.6% of our pro forma U.S. chicken sales and pounds, respectively.

Recent Developments

Our unaudited interim consolidated financial statements for the three months ended December 30, 2006 are not yet available as of the date of this prospectus supplement. Although industry chicken prices have risen somewhat in recent weeks, during most of the first quarter of fiscal 2007, industry chicken prices were generally lower than the fourth quarter of fiscal 2006, while the average price of corn during our first quarter of fiscal 2007 was approximately 38% higher than in our fourth quarter of fiscal 2006. As a result, we began experiencing negative operating margins during our first quarter of fiscal 2007 and expect that our results in the first quarter when they become available will reflect those negative margin trends. We would expect that Gold Kist s operations for its first quarter of fiscal 2007 were also affected by these industry-wide negative margin trends.

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Risk Factors

See Risk Factors beginning on page S-19 for a discussion of factors you should consider carefully before deciding to invest in the notes.

The Offering

Issuer	Pilgrim s Pride Corporation, a Delaware corporation.
Notes Offered	$ aggregate principal amount of % Senior Notes due 2015
	$ aggregate principal amount of % Senior Subordinated Notes due 2017
Use of Proceeds	We will use the net proceeds from this offering to repay indebtedness outstanding under our bridge loan facility incurred in connection with the Gold Kist acquisition. Because affiliates of Lehman Brothers Inc. and Credit Suisse Securities (USA) LLC are lenders under the bridge loan facility, such affiliates will receive all of the net proceeds of this offering. See Use of Proceeds and Underwriting Other Relationships/NASD Conduct Rules.
Senior Notes	
Maturity	, 2015.
Interest Rate	Interest on the Senior Notes will accrue at the rate of % per annum, payable semi-annually in cash in arrears.
Interest Payment Dates	and of each year, beginning on , 2007.
Ranking	The Senior Notes will be unsecured senior obligations. Because they are unsecured, the Senior Notes will be effectively subordinated in right of payment to all of our existing and future secured obligations to the extent of the value of the assets securing those obligations and the indebtedness of our subsidiaries.
	The Senior Notes will rank equally with all of our existing and future unsecured obligations that do not expressly provide that they are subordinated to the Senior Notes.
	The Senior Notes will rank senior in right of payment to all of our existing and future subordinated obligations (including the Subordinated Notes).
	Assuming that we had completed this offering and the Gold Kist acquisition and the related financings in accordance with the assumptions described in the section entitled Unaudited Pro Forma Financial Data and applied the proceeds as intended, as of September 30, 2006, the

Senior Notes would have been effectively subordinated to approximately $1,053.5 million of our secured obligations and liabilities of our subsidiaries and we would have had

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obligations that were subordinated to the Senior Notes on that date of approximately $82.6 million excluding the Subordinated Notes offered hereby.

Guarantees	The Senior Notes will be guaranteed on a senior unsecured basis, jointly and severally, by any of our domestic subsidiaries that incur indebtedness. None of our foreign subsidiaries will guarantee the Senior Notes, and none of our existing domestic subsidiaries will initially guarantee the Senior Notes.
Optional Redemption	We will have the right to redeem the Senior Notes in whole or in part on or after , 2011, at the redemption prices described in Description of Notes Description of the Senior Notes Optional Redemption. In addition, prior to , 2010, we have the option to redeem up to 35% of the aggregate principal amount of the Senior Notes with the proceeds of certain equity offerings at the price described in Description of Notes Description of the Senior Notes Optional Redemption.
Mandatory Offer to Repurchase	If we sell certain assets or experience specific kinds of changes in control, we must offer to repurchase the Senior Notes at the redemption prices described in Description of Notes Description of the Senior Notes Repurchase at the Option of Holders.
Main Covenants of the Indenture	We will issue the Senior Notes under an indenture and supplemental indenture (collectively, the Senior Indenture) with Wells Fargo Bank, National Association, as trustee, each dated , 2007. The Senior Indenture contains various covenants that will limit our ability and the ability of our subsidiaries to, among other things:

- borrow money;
- incur liens;
- pay dividends;
- make investments;
- use our assets as security in other transactions;
- sell our assets;
- enter into transactions with affiliates;
- merge or consolidate with other companies;

- issue or sell equity interests in subsidiaries; and

- restrict the ability of our subsidiaries to make payments to us.

For more details, see Description of Notes Description of the Senior Notes Certain Covenants.

If, after the date of this offering, the Senior Notes receive an Investment Grade Rating (as defined in Description of Notes Description of the Senior Notes Certain Definitions), then certain of the covenants will cease to apply as described in Description of Notes Description of the Senior Notes Fall-Away Event.

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Form of Senior Notes	We will initially issue the Senior Notes as one or more global notes in registered, book-entry form without interest coupons. These global notes will be deposited upon issuance with Wells Fargo Bank, National Association, as custodian for The Depository Trust Company. Beneficial interests in the Senior Notes will be shown on the records maintained by The Depository Trust Company and its participants. Except in the limited circumstances described in Description of Notes Book Entry; Delivery; Form, participants or indirect participants in the global notes cannot obtain Senior Notes in definitive form and cannot have Senior Notes issued and registered in their names.
Trustee and Paying Agent	Wells Fargo Bank, National Association
Governing Law	The Senior Indenture and the Senior Notes will be governed by, and construed in accordance with, the laws of the State of New York.
Absence of Trading Market for Senior Notes	We do not intend to apply for a listing of the Senior Notes on any securities exchange. Accordingly, we cannot assure you that a liquid market for the Senior Notes will develop or will be maintained.

Subordinated Notes

Maturity	, 2017.
Interest Rate	Interest on the Subordinated Notes will accrue at the rate of % per annum, payable semi-annually in cash in arrears.
Interest Payment Dates	and of each year, beginning on , 2007.
Ranking	The Subordinated Notes will be unsecured senior subordinated obligations. They will rank subordinated in right of payment to all of our existing and future senior obligations (including the Senior Notes) and are effectively subordinated to the debt of our subsidiaries.
	The Subordinated Notes will rank equally with all of our existing and future senior subordinated obligations.
	The Subordinated Notes will rank senior in right of payment to all of our future subordinated obligations, if any.
	Assuming that we had completed this offering and the Gold Kist acquisition and the related financings in accordance with the assumptions described in the section entitled Unaudited Pro Forma Financial Data and applied the proceeds as intended, as of September 30, 2006, the Subordinated Notes would have been subordinated to approximately $1,254.3 million of our existing senior obligations, excluding the Senior Notes offered hereby.

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Guarantees	The Subordinated Notes will be guaranteed on a senior subordinated unsecured basis, jointly and severally, by any of our domestic subsidiaries that incur indebtedness. None of our foreign subsidiaries will guarantee the Subordinated Notes, and none of our existing domestic subsidiaries will initially guarantee the Subordinated Notes.
Optional Redemption	We will have the right to redeem the Subordinated Notes in whole or in part on or after , 2012, at the redemption prices described in Description of Notes Description of the Subordinated Notes Optional Redemption. In addition, prior to , 2010, we have the option to redeem up to 35% of the aggregate principal amount of the Subordinated Notes with the proceeds of certain equity offerings at the price described in Description of Notes Description of the Subordinated Notes Optional Redemption.
Mandatory Offer to Repurchase	If we sell certain assets or experience specific kinds of changes in control, we must offer to repurchase the Subordinated Notes at the redemption prices described in Description of Notes Description of the Subordinated Notes Repurchase at the Option of Holders.
Main Covenants of the Indenture	We will issue the Subordinated Notes under an indenture and supplemental indenture (collectively, the Subordinated Indenture) with Wells Fargo Bank, National Association, as trustee, each dated , 2007. The Subordinated Indenture contains various covenants that will limit our ability and the ability of our subsidiaries to, among other things:

- borrow money;
- incur liens;
- pay dividends;
- make investments;
- use our assets as security in other transactions;
- sell our assets;
- enter into transactions with affiliates;
- merge or consolidate with other companies;
- issue subordinated debt that is not *pari passu* with or subordinated to the Subordinated Notes;

- issue or sell equity interests in subsidiaries; and

- restrict the ability of our subsidiaries to make payments to us.

For more details, see Description of Notes Description of the Subordinated Notes Certain Covenants.

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	If, after the date of this offering, the Subordinated Notes receive an Investment Grade Rating (as defined in Description of Notes Description of the Subordinated Notes Certain Definitions), then certain of the covenants will cease to apply as described in Description of Notes Description of the Subordinated Notes Fall-Away Event.
Form of Subordinated Notes	We will initially issue the Subordinated Notes as one or more global notes in registered, book-entry form without interest coupons. These global notes will be deposited upon issuance with Wells Fargo Bank, National Association as custodian for The Depository Trust Company. Beneficial interests in the Subordinated Notes will be shown on the records maintained by The Depository Trust Company and its participants. Except in the limited circumstances described in Description of Notes Book Entry; Delivery; Form, participants or indirect participants in the global notes cannot obtain Subordinated Notes in definitive form and cannot have Subordinated Notes issued and registered in their names.
Trustee and Paying Agent	Wells Fargo Bank, National Association
Governing Law	The Subordinated Indenture and the Subordinated Notes will be governed by, and construed in accordance with, the laws of the State of New York.
Absence of Trading Market for Senior Notes	We do not intend to apply for a listing of the Subordinated Notes on any securities exchange. Accordingly, we cannot assure you that a liquid market for the Subordinated Notes will develop or will be maintained.

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Summary Unaudited Pro Forma Financial and Other Data

The following table sets forth certain of our statement of operations and other data on a pro forma basis giving effect to the Gold Kist acquisition, the refinancing of certain Pilgrim s Pride notes payable in December 2006, the completion of this offering and the application of the net proceeds as described under Use of Proceeds as if they had occurred as of the beginning of the fiscal year ended September 30, 2006. The unaudited pro forma balance sheet data gives effect to the Gold Kist acquisition, the refinancing of certain Pilgrim s Pride notes payable in December 2006, the completion of this offering and the application of the net proceeds as described under Use of Proceeds as if they had occurred on September 30, 2006. The pro forma adjustments are based upon available information and certain assumptions that we believe are reasonable. The unaudited pro forma financial data is provided for information purposes only and is not necessarily indicative of our future results or the operating results or financial condition that would have actually been obtained had such transactions been consummated as of the assumed dates. You should read this unaudited pro forma financial data in conjunction with Unaudited Pro Forma Financial Data contained in this prospectus supplement and our consolidated financial statements and the related notes, Management s Discussion and Analysis of Results of Operations and Financial Condition and Selected Financial Data incorporated by reference in this prospectus supplement from our annual report on Form 10-K for the year ended September 30, 2006 (the 2006 Form 10-K) and Gold Kist s consolidated financial statements and the related notes incorporated by reference in this prospectus supplement from our current report on Form 8-K/A filed on January 11, 2007.

Property and equipment includes $.7 million of purchases in trade accounts payable at June 30, 2008 and $.8 million at December 31, 2007.

Comprehensive income

The components of comprehensive income are as follows:

	Three month periods ended June 30,		Six month periods ended June 30,	
	2008	2007	2008	2007
Net income	$ 5,489	$ 3,564	$ 8,439	$ 6,716
Other comprehensive income:				
Foreign currency translation adjustments	3,200	2,322	5,104	3,075
Recognized net actuarial loss	4		8	
Comprehensive income	$ 8,693	$ 5,886	$ 13,551	$ 9,791

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Legal proceedings

From time to time, the Company may be subject to litigation incidental to its business. The Company is not a party to any pending legal proceedings that the Company believes would, individually or in the aggregate, have a material adverse effect on its financial condition, results of operations, or cash flows.

NOTE C PENSION PLANS

PLP-USA hourly employees of the Company who meet specific requirements as to age and service are covered by a defined benefit pension plan. The Company uses a December 31 measurement date for this plan. Net periodic benefit cost for the Company s PLP-USA plan included the following components:

	Three month periods ended June 30,		Six month periods ended June 30,	
	2008	2007	2008	2007
Service cost	$ 167	$ 177	$ 335	$ 354
Interest cost	256	234	512	469
Expected return on plan assets	(261)	(234)	(522)	(469)
Recognized net actuarial loss	6	26	12	52
Net periodic benefit cost	$ 168	$ 203	$ 337	$ 406

During the six month period ended June 30, 2008, $.1 million of contributions have been made to the plan. The Company presently anticipates contributing an additional $.1 million to fund its pension plan in 2008 for a total of $.2 million.

NOTE D COMPUTATION OF EARNINGS PER SHARE

Earnings per share amounts for each period are presented in accordance with Statement of Financial Accounting Standards (SFAS) No. 128, Earnings Per Share, which requires the presentation of basic and diluted earnings per share. Basic earnings per share were computed by dividing net income by the weighted-average number of shares of common stock outstanding for each respective period. Diluted earnings per share were calculated by dividing net income by the weighted-average of all potentially dilutive shares of common stock that were outstanding during the periods presented.

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Actual weighted-average shares of common stock outstanding used in the calculation of basic and diluted earnings per share for the three and six month periods ended June 30, 2008 and 2007 were as follows:

	Three month periods ended June 30,		Six month periods ended June 30,	
	2008	2007	2008	2007
Numerator				
Income from continuing operations	$ 4,869	$ 3,384	$ 7,670	$ 6,669
Income from discontinued operations	620	180	769	47
Net income	$ 5,489	$ 3,564	$ 8,439	$ 6,716
Denominator				
Determination of shares				
Weighted-average common shares outstanding	5,296	5,369	5,339	5,364
Dilutive effect employee stock options	49	52	48	44
Diluted weighted-average common shares outstanding	5,345	5,421	5,387	5,408
Earnings per common share				
Basic				
Income from continuing operations	$ 0.92	$ 0.63	$ 1.44	$ 1.25
Income from discontinued operations	$ 0.12	$ 0.04	$ 0.14	$ 0.01
Total net income	$ 1.04	$ 0.67	$ 1.58	$ 1.26
Diluted				
Income from continuing operations	$ 0.91	$ 0.63	$ 1.43	$ 1.23
Income from discontinued operations	$ 0.12	$ 0.03	$ 0.14	$ 0.01
Total net income	$ 1.03	$ 0.66	$ 1.57	$ 1.24

For the three and six month periods ended June 30, 2008, 13,000 stock options were excluded from the calculation of diluted earnings per share due to the average market price being lower than the exercise price, and as such they are anti-dilutive. For the six month period ended June 30, 2007, 16,000 stock options were excluded from the calculation of diluted earnings per share due to the average market price being lower than the exercise price, and as such they are anti-dilutive. For the three month period ended June 30, 2007, no stock options were anti-dilutive.

NOTE E GOODWILL AND OTHER INTANGIBLES

The Company performed its annual impairment test for goodwill pursuant to SFAS No. 142, Goodwill and Intangible Assets as of January 1, 2008, and determined that no adjustment to the carrying value of goodwill was required. The aggregate amortization expense for other intangibles with finite lives for each of the three and six month periods

ended June 30, 2008 was $.1 million and $.3 million, respectively, and for the three and six month periods ended June 30, 2007 was $.1 million and $.2 million, respectively. Amortization expense is estimated to be $.5 million annually for 2008 through 2012.

The Company s addition of $1 million to goodwill is related to the acquisition of DPW in the amount of $.5 million and the joint venture formed between the Company s Australian subsidiary and BlueSky Energy Pty Ltd in the amount of $.5 million (see Note K Business Combinations for further details). The changes in the carrying amount of goodwill, by segment, for the six month period ended June 30, 2008, are as follows:

	Australia	South Africa	All Other	Total
Balance at January 1, 2008	$ 1,782	$ 57	$ 2,089	$ 3,928
Additions	485		466	951
Curency translation	168	(8)	24	184
Balance at June 30, 2008	$ 2,435	$ 49	$ 2,579	$ 5,063

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The Company s patents and other intangibles consist of:

	June 30, 2008		December 31, 2007	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Finite-lived intangible assets				
Patents	$ 4,813	$ (2,742)	$ 4,812	$ (2,585)
Land use rights	1,418	(21)	1,259	(8)
Customer relationships	991	(266)	985	(154)
	$ 7,222	$ (3,029)	$ 7,056	$ (2,747)
Indefinite-lived intangible assets				
Trademarks	$ 1,529		$ 1,328	
Goodwill	5,063		3,928	
	$ 6,592		$ 5,256	

NOTE F STOCK OPTIONS

The 1999 Stock Option Plan (the Plan) permits the grant of 300,000 options to buy common shares of the Company to certain employees at not less than fair market value of the shares on the date of grant. At June 30, 2008 there were 9,000 options remaining available for issuance under the Plan. Options issued to date under the Plan vest 50% after one year following the date of the grant, 75% after two years, and 100% after three years, and expire ten years from the date of grant. Shares issued as a result of stock option exercises will be funded with the issuance of new shares.

The Company s shareholders approved the Preformed Line Products Company Long Term Incentive Plan of 2008 at the 2008 Annual Meeting of Shareholders. Under the Preformed Line Products Company Long Term Incentive Plan of 2008, certain employees, officers, and directors will be eligible to receive awards of options and restricted shares. The total number of company common shares reserved and available for awards under the Plan is 400,000. As of June 30, 2008, no options or restricted shares have been granted under the plan.

There were 13,000 options granted during the six month period ended June 30, 2008 and 15,000 options granted during the six month period ended June 30, 2007 under the Plan. The fair value for the stock options granted in 2008 and 2007 were estimated at the date of grant using the Black-Scholes option-pricing model with the following weighted-average assumptions:

	2008	2007
Risk-free interest rate	4.2%	4.3%
Dividend yield	2.8%	3.1%
Expected life (years)	6	6
Expected volatility	34.4%	40.7%

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Activity in the Company s stock option plan for the six month period ended June 30, 2008 was as follows:

	Number of Shares	Weighted - Average Exercise Price per Share	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value
Outstanding at January 1, 2008	110,942	$ 25.34		
Granted	13,000	$ 51.62		
Exercised	(6,600)	$ 31.38		
Forfeited				
Outstanding (vested and expected to vest) at June 30, 2008	117,342	$ 27.91	6.5	$ 1,611
Exercisable at June 30, 2008	89,842	$ 23.02	4.8	$ 1,560

The weighted average grant-date fair value of options granted during 2008 and 2007 was $15.52 and $11.51, respectively. The total intrinsic value of stock options exercised during the six month periods ended June 30, 2008 and 2007 was $.1 million and $.7 million, respectively. Cash received for the exercise of stock options during 2008 was $.2 million. The total fair value of stock options vested during the six month periods ended June 30, 2008 and 2007 was $.1 million.

For the six month periods ended June 30, 2008 and 2007, the Company recorded compensation expense related to the stock options of $.1 million for each period. The total compensation cost related to nonvested awards not yet recognized at June 30, 2008 is expected to be $.3 million over principally one year.

The excess tax benefits from stock-based awards for the six month period ended June 30, 2008 was less than $.1 million and represents the reduction in income taxes otherwise payable during the period, attributable to actual gross tax benefits in excess of the expected tax benefits for options exercised in the current period.

NOTE G FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

In September 2006, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 157, Fair Value Measurements (SFAS 157). This standard defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles and expands disclosures about fair value measurements. This standard does not require new fair value measurements; however, the application of this standard may change current practice for an entity. This standard was effective for financial statements issued for fiscal years beginning after November 15, 2007 and interim periods within those fiscal periods. This standard enables the reader of the financial statements to assess the inputs used to develop those measurements by establishing a hierarchy for ranking the quality and reliability of the information used to determine fair values. The standard requires that assets and liabilities carried at fair value to be classified and disclosed in one of the following three categories: Level 1: Quoted market prices in active markets for identical assets or liabilities; Level 2: Observable market based inputs or unobservable inputs that are corroborated by market data; or Level 3: Unobservable inputs that are not corroborated by market data.

In February 2008, the FASB issued FAS No. 157-1, Application of FASB Statement No. 157 to FASB Statement No. 13 and Other Accounting Pronouncements that Address Fair Value Measurements for Purposes of Lease Classification or Measurement under Statement 13 (FSP 157-1). This FSP 157-1 amends SFAS No. 157, Fair Value Measurements, to exclude FASB Statement No. 13, Accounting for Leases, and other accounting pronouncements that address fair value measurements for purposes of lease classification or measurement under Statement 13. This FSP

was effective upon the initial adoption of SFAS No. 157.

In February 2008, the FASB issued FASB Staff Position No. 157-2 , Effective Date of FASB Statement No. 157 (FSP 157-2), which delays the effective date of SFAS 157 for all nonrecurring fair value measurements of nonfinancial assets and nonfinancial liabilities until fiscal years beginning after November 15, 2008. FSP 157-2 states that a measurement is recurring if it happens at least annually and defines nonfinancial assets and nonfinancial liabilities as all assets and liabilities other than those meeting the definition of a financial asset or financial liability in SFAS No. 159, The Fair Value Option for Financial Assets and Financial Liabilities Including an Amendment to FAS No. 115 (SFAS 159). The Company adopted this standard as of January 1, 2008 as it relates to financial assets and financial liabilities and its adoption did not have an impact on its consolidated financial statements. The Company is currently evaluating the impact that the adoption of SFAS 157, as it relates to nonfinancial assets and liabilities, will have on its consolidated financial results.

In February 2007, the FASB issued SFAS 159. This standard permits entities to measure certain financial instruments and certain other items at fair value. The fair value option established by this standard permits all entities to choose to measure eligible items at fair value at specified election dates. A business entity shall report unrealized gains and losses on items for which the fair values option has been elected at each subsequent reporting period. The fair value option election is irrevocable, unless a new election date occurs. SFAS 159 establishes presentation and disclosure requirements to help financial statement users understand the effect of the entity s election on earnings, but does not eliminate disclosure requirements of other accounting standards. This standard is effective as of the beginning of the first fiscal year that begins after November 15, 2007. The Company adopted this standard on January 1, 2008 and did not elect to measure any additional financial instruments or other items at fair value.

NOTE H RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In May 2008, the FASB issued SFAS No. 162, The Hierarchy of Generally Accepted Accounting Principles (SFAS 162). SFAS 162 identifies the sources of accounting principles and the framework for selecting the principles used in the preparation of financial statements. SFAS 162 will be effective 60 days following the Securities and Exchange Commission s approval of the Public Company Accounting Oversight Board amendments to AU Section 411, The Meaning of Present Fairly in Conformity with Generally Accepted Accounting Principles. The Company does not expect the adoption of this standard to have an impact on its financial position, results of operations, or cash flows.

In March 2008, the FASB issued FASB Statement 161, Disclosures about Derivative Instruments and Hedging Activities (SFAS 161). SFAS 161 requires companies with derivative instruments to disclose information on how derivative instruments and related hedged items are accounted for under FASB No. 133, Accounting for Derivative Instruments and Hedging Activities, and how derivative instruments and related hedged items affect a Company s financial position, financial performance and cash flows. SFAS 161 is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008. The Company is currently evaluating the potential impact, if any, of the adoption of SFAS 161 on our consolidated financial statements.

In December 2007, the FASB issued SFAS No. 160, Noncontrolling Interests in Consolidated Financial Statements an amendment of ARB No. 51 (SFAS 160). This standard amends ARB No. 51 to establish accounting and reporting for the noncontrolling interest in a subsidiary and for deconsolidation of a subsidiary. It also amends certain of ARB No. 51 s consolidation procedures for consistency with the requirements of FASB Statement No. 141 (revised 2007), Business Combinations. This standard is effective for financial statements issued for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008.

In December 2007, the FASB issued SFAS No. 141R, Business Combinations (SFAS 141R). SFAS 141R revises the principles and requirements for how the acquirer recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, any noncontrolling interest in the acquiree, and the goodwill acquired in a business combination or gain from a bargain purchase. SFAS 141R also revises the principles and requirements for how the acquirer determines what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the business combination. This pronouncement is effective as of January 1, 2009.

Both standards, SFAS 160 and 141R, will be applied prospectively to future business combinations entered into beginning in 2009.

In April 2008, The FASB issued FASB Staff Position No. FAS 142-3, Determination of the Useful Life of Intangible Assets (FSP 142-3). FSP 142-3 amends the factors that should be considered in developing renewal or extension assumptions used to determine the useful life of a recognized intangible asset under SFAS No. 142, Goodwill and Other Intangible Assets (SFAS 142). The intent of FSP 142-3 is to improve the consistency between the useful life of a recognized intangible asset under SFAS 142 and the period of expected cash flows used to measure the fair value of the asset under SFAS 141R and other U.S. generally accepted accounting principles. This Statement applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning December 15, 2008.

NOTE I SEGMENT INFORMATION

The following table presents a summary of the Company s reportable segments for the three and six month periods ended June 30, 2008 and 2007. During the second quarter of 2008, the Company sold its Superior Modular Products (SMP) segment, therefore the Company has reevaluated its reportable segments. Accordingly, the Company has added Belos, as a reportable segment, which is comprised of the Company s operation in Poland producing and selling the Company s energy products. Current year and prior year amounts have been restated to reflect the seven reportable segments. Financial results for the PLP-USA segment include the elimination of all segments intercompany profit in inventory.

	Three month periods ended June 30,		Six month periods ended June 30,	
	2008	2007	2008	2007
Net sales				
PLP-USA	$ 30,697	$ 26,517	$ 55,704	$ 54,006
Australia	7,783	7,270	14,688	13,765
Brazil	9,884	6,821	15,939	11,342
South Africa	2,536	1,770	4,137	3,270
Canada	2,706	2,648	5,072	4,939
Poland	5,439		9,374	
All Other	16,317	13,046	30,313	22,729
Total net sales	$ 75,362	$ 58,072	$ 135,227	$ 110,051
Intersegment sales				
PLP-USA	$ 2,006	$ 1,403	$ 4,250	$ 3,064
Australia	374	68	629	113
Brazil	217	352	331	927
South Africa	39	294	59	432
Canada	546	21	1,227	39
Poland	43		215	
All Other	1,653	2,963	3,598	4,748
Total intersegment sales	$ 4,878	$ 5,101	$ 10,309	$ 9,323
Income from continuing operations				
PLP-USA	$ 1,471	$ 1,457	$ 2,349	$ 2,885
Australia	145	265	233	598
Brazil	456	361	576	845
South Africa	591	318	914	623
Canada	540	359	841	680
Poland	438		605	
All Other	1,228	624	2,152	1,038
Total income from continuing operations	$ 4,869	$ 3,384	$ 7,670	$ 6,669
Income from discontinued operations, net of tax	620	180	769	47

Net income	$ 5,489	$ 3,564	$ 8,439	$ 6,716

	June 30, 2008	December 31, 2007
Identifiable assets		
PLP-USA	$ 74,269	$ 70,535
Australia	27,474	25,122
Brazil	21,575	18,022
South Africa	5,640	4,901
Canada	9,146	8,672
Poland	16,422	13,238
All Other	57,816	51,188
Discontinued operations		12,188
Total identifiable assets	$ 212,342	$ 203,866

NOTE J INCOME TAXES

The Company s effective tax rate was 33% and 43% for the three month periods ended June 30, 2008 and 2007, respectively, and 33% and 39% for six month periods ended June 30, 2008 and 2007, respectively. The lower effective tax rate for both periods ending June 30, 2008 is primarily due to increased earnings in foreign jurisdictions with lower tax rates.

The Company provides valuation allowances against deferred tax assets when it is more likely than not that some portion, or all of its deferred tax assets will not be realized.

As of January 1, 2008, the Company had gross unrecognized tax positions including the accrual of interest of approximately $1.8 million. Under the provisions of FASB Interpretation No. 48, Accounting for Uncertainty in Income Taxes the Company believes that it is reasonably possible that it may decrease the unrecognized tax benefits by approximately $.6 million within the next twelve months due to the expiration of statues of limitations.

NOTE K BUSINESS COMBINATIONS

On March 22, 2007, the Company acquired all of the issued and outstanding shares of DPW for $3 million, subject to a holdback of $.4 million. DPW is a New Mexico company that designs and installs solar systems and manufactures mounting hardware, battery, and equipment enclosures. The holdback of $.4 million is held as security for the sellers indemnity obligations. Depending on the post-closing performance of DPW, earn outs may be paid to the sellers for each of the three years following the closing date of acquisition. The Company estimates that an earn out payment of $.4 million will be required and has recorded such amount as a liability in the purchase price allocation.

The Company s consolidated balance sheets reflects the acquisition of DPW under the purchase method of accounting. The following table summarizes the estimated fair values of the assets acquired and liabilities assumed at the date of acquisition. The purchase price allocation has been finalized.

Current assets	$ 1,474
Property and equipment	289
Goodwill	1,756
Other intangibles	944
Total assets acquired	4,463
Current liabilities	(1,045)
Deferred income taxes	(418)
Total liabilites assumed	(1,463)

Net assets acquired	$	3,000

On September 6, 2007, the Company acquired approximately 83.74% of the issued and outstanding shares of Belos SA (Belos) for $6 million. Belos is a Polish company that manufactures and supplies fittings for low, medium, and high voltage power networks in its domestic and export markets. Depending on the post-closing performance of Belos, certain contingent consideration may be paid in the year following the closing.
The Company s consolidated balance sheets reflect the acquisition of Belos under the purchase method of accounting. As part of the allocation of the purchase price to the fair value of the assets acquired and liabilities assumed, the Company recorded a current liability of $1 million related to contingent consideration. Since the fair values assigned to assets acquired and liabilities assumed exceeded the cost of the acquired business including the contingent consideration, the Company allocated the excess as a pro rata reduction to the amounts that otherwise would have been assigned to the acquired property and equipment and other intangibles. The following table summarizes the assigned fair values of the assets acquired and liabilities assumed at the date of acquisition. The purchase price allocation is preliminary.

Current assets	$	6,088
Property and equipment		3,939
Other intangibles		1,917
Other assets		437
Total assets acquired		12,381
Current liabilities		(2,744)
Long term debt, less current portion		(112)
Other non-current liabilities and deferred taxes		(1,675)
Minority interest		(850)
Total liabilites assumed		(5,381)
Net assets acquired	$	7,000

Of the $1.9 million of acquired intangibles, $1.1 million was assigned to registered trademarks that are not subject to amortization. The remaining $.8 million of acquired intangibles consists of land use rights of $.7 million with a useful life of 82.25 years.
On May 21, 2008, the Company entered into a Joint Venture Agreement for $.3 million to form a joint venture between the Company s Australian subsidiary, Preformed Line Products Australia Pty Ltd (PLP-AU) and BlueSky Energy Pty Ltd, a solar systems integration and installation business based in Sydney, Australia. PLP-AU holds a 50% ownership interest in the new joint venture company, which will operate under the name BlueSky Energy Australia (BlueSky), with the option to acquire the remaining 50% ownership interest from BlueSky Energy Pty Ltd over the next five years. BlueSky Energy Pty Ltd has transferred technology and assets to the joint venture. The Company s consolidated balance sheet as of June 30, 2008 reflects the investment in the joint venture under the purchase method of accounting. The allocation of the purchase price has not yet been finalized as the valuation of intangibles has not been completed.
NOTE L DISCONTINUED OPERATIONS
On May 30, 2008, the Company sold its SMP subsidiary for $11.8 million and recognized a $.5 million gain, net of tax, which includes expenses incurred related to the disposition of SMP, subject to the finalization of working capital adjustments and a holdback of $1.5 million to be held in escrow for a period of one year. The Company does not provide any significant continuing involvement in the operations of SMP.

The sale of SMP has been accounted for in accordance with SFAS No. 144, Accounting for the Impairment or Disposal of Long- Lived Assets. Accordingly, operating results of SMP are presented in the Company s consolidated statements of operations as discontinued operations, net of tax, and all periods presented have been reclassified. The operation had been reported within the SMP reporting segment, which is comprised of the U.S. operations supporting the Company s data communication products. The operating results of the business unit for the three and six month periods ended June 30, 2008, are as follows:

	Three month periods ended June 30,		Six month periods ended June 30,	
	2008	2007	2008	2007
Net Sales	$ 3,470	$ 5,681	$ 8,308	$ 10,233
Income before income taxes	196	332	456	114
Provision for income taxes	(71)	(152)	(182)	(67)
Gain on sale, net of tax	495		495	
Income from discontinued operations	$ 620	$ 180	$ 769	$ 47

ITEM 2. MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Restatement of second quarter 2007

Subsequent to the issuance of the consolidated financial statements for the three and six month periods ended June 30, 2007, the Company determined that (a) the write-off of goodwill related to its Thailand operations of $.2 million should have been recorded during the first quarter of 2007, (b) the $.2 million charge related to the step-up in inventory valuation in the purchase price allocation for the acquisition of Direct Power and Water Corporation (DPW) on March 22, 2007 should have been recorded during the second quarter of 2007, and (c) intercompany profit of $.8 million in inventory at June 30, 2007 should not have been recognized in earnings until the inventory was sold to a third party. The $.8 million adjustment consisted of $.6 million of profit in inventory remaining at the end of the first quarter and $.2 million of profit in inventory remaining at the end of the second quarter. As a result, the Company has restated the accompanying consolidated financial statements for the three and six month periods ended June 30, 2007.

OVERVIEW

The Company is an international designer and manufacturer of products and systems employed in the construction and maintenance of overhead and underground networks for the energy, telecommunication, cable operators, information (data communication), and other similar industries. Our primary products support, protect, connect, terminate, and secure cables and wires. We also provide solar hardware systems and mounting hardware for a variety of solar power applications. Our goal is to continue to achieve profitable growth as a leader in the innovation, development, manufacture, and marketing of technically advanced products and services related to energy, communications, cable systems, and solar, and to take advantage of this leadership position to sell additional quality products in familiar markets.

The reportable segments are PLP-USA, Australia, Brazil, South Africa, Canada, Belos SA (Belos), and All Other. Our PLP-USA segment is comprised of our U.S. operations primarily supporting our domestic energy and telecommunications products. The Australia segment is comprised of all of our operations in Australia supporting energy, telecommunications and data communications products. Our Brazil, South Africa, and Canada segments are comprised of the manufacturing and sales operations from those locations which meet at least one of the criteria of a reportable segment. The Belos segment is comprised of a manufacturing and sales operation in Poland, and has been included as a segment to comply with reporting segments for 75% of consolidated sales. Our remaining operations are

included in All Other as none of these operations meet the criteria for a reportable segment and individually represent less that 10% for each of our consolidated net sales, net income, and assets.

DISCONTINUED OPERATION

Our consolidated financial statements were impacted by the divestiture of Superior Modular Products subsidiary (SMP) on May 30, 2008. We received from a third party $11.8 million of net proceeds from the sale of SMP and recognized a $.5 million gain, net of tax, on the sale of the business, which includes expenses incurred related to the disposition of SMP, and a holdback of $1.5 million to be held in escrow for a period of one year. We will not provide any significant continuing involvement in the operations of SMP after the closing of the sale. For tax purposes, the sale of SMP generated a capital loss, which was not deductible except for amounts used to offset capital gains in the current year and from a preceding year. A full valuation allowance was provided against the deferred tax asset on the remaining portion of the capital loss.

The operating results of SMP are presented in our consolidated statements of operations as discontinued operations, net of tax, and all periods presented have been reclassified. For the three month period ended June 30, 2008, income from discontinued operations was $.6 million, or $.12 per diluted share, compared to $.2 million, or $.03 per diluted share, for the same period in 2007. Income from discontinued operations for the six month period ended June 30, 2008 was $.8 million, or $.14 per diluted share, compared to income of less than $.1 million, or $.01 per diluted share, for the same period in 2007.

Preface

Our net sales for the three month period ended June 30, 2008 increased $17.3 million, or 30%, and gross profit increased $4 million, or 20%, compared to the same period in 2007. Our net sales in the three month period ended June 30, 2008 increased $5.4 million as the result of the acquisition of Belos in the third quarter of 2007. The favorable impact of the change in the conversion rate of local currencies to U.S. dollars for the three months ended June 30, 2008 compared to the same period in 2007 contributed $3.6 million to the increase in net sales. Additionally, PLP-USA net sales increased $4.2 million for the three months ended June 30, 2008 compared to the same period in 2007. Gross profit for the three months ended June 30, 2008 increased $4 million, or 20%, primarily as a result of increased sales but was partially offset by a $2.5 million, or 18%, increase in costs and expenses when compared to the same period in 2007. As a result, income from continuing operations of $4.9 million, or $.91 per diluted share, increased $1.5 million, or $.29 per diluted share, compared to the three months ended June 30 2007.

Our net sales for the six month period ended June 30, 2008 increased $25.2 million, or 23%, and gross profit increased $5.4 million, or 14%, compared to the same period in 2007. Our net sales increased $12.8 million as a result of our two acquisitions in 2007, Direct Power and Water Corporation (DPW) and Belos, being reflected in 2008 results with only DPW results reported in the second quarter 2007. The favorable impact of the change in the conversion rate of local currencies to U.S. dollars for the six months ended June 30, 2008 compared to the same period in 2007, contributed $6.6 million to the increase in net sales. Additionally, both PLP-USA and South Africa net sales increased $2.9 million for the six months ended June 30, 2008 compared to the same period in 2007. Gross profit for the six months ended June 30, 2008 increased as a result of increased sales but was partially offset by a $4.6 million, or 17% increase in costs and expenses. As a result income from continuing operations of $7.7 million, or $1.43 per diluted share, increased $1 million, or $.20 per diluted share, compared to the six month period ended June 30, 2007.

THREE MONTH PERIODS ENDED JUNE 30, 2008 COMPARED TO THREE MONTH PERIODS ENDED JUNE 30, 2007

Net Sales. For the three month periods ended June 30, 2008, net sales were $75.4 million, an increase of $17.3 million, or 30%, from the same period in 2007 as summarized in the following table:

	Three month periods ended June 30,					
thousands of dollars	2008	2007	Change	Change due to currency conversion rate changes	Net change	% Net change
Net sales						
PLP-USA	$ 30,697	$ 26,517	$ 4,180	$	$ 4,180	16%
Australia	7,783	7,270	513	929	(416)	(6)
Brazil	9,884	6,821	3,063	1,633	1,430	21
South Africa	2,536	1,770	766	(242)	1,008	57
Canada	2,706	2,648	58	212	(154)	(6)
Poland	5,439		5,439		5,439	100
All Other	16,317	13,046	3,271	1,033	2,238	17
Consolidated	$ 75,362	$ 58,072	$ 17,290	$ 3,565	$ 13,725	24%

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The increase in PLP-USA net sales of $4.2 million, or 16%, was due primarily to price/mix increases of $2.4 million and sales volume increases of $1.8 million. We anticipate a slight increase in sales for the remainder of 2008, although we believe PLP-USA sales for the year will continue to be impacted by the slowing economy and housing market. Excluding the effect of currency conversion, Australia net sales decreased $.4 million, or 6%, primarily as a result of lower data communication sales compared to the same period in 2007. Excluding the effect of currency conversion, Brazil net sales increased $1.4 million, or 21%, primarily as a result of increased volume in sales to the energy market. South Africa net sales increased $1 million, excluding the effect of currency conversion, or 57%, due to increased sales volume in the energy market. Canada net sales remained constant as a result of the favorable effect of currency conversion offset by a slight decrease in sales volume. Belos was acquired effectively in the third quarter of 2007. Belos net sales of $5.4 million were included in our consolidated results for the quarter ended June 30, 2008, but not for the same period in 2007. All Other net sales increased $3.3 million, or 25%, compared to 2007 primarily as a result of a $1 million favorable impact of the change in the conversion rate of local currencies to U.S. dollars for the three months ended June 30, 2008 compared to the same periods in 2007 and an increase in energy sales volume. We continue to see competitive pricing pressures globally but believe that our international sales will continue to grow in 2008 but at a slower rate of increase than we experienced in 2007.

Gross profit. Gross profit of $23.7 million for the three month periods ended June 30, 2008 increased $4 million, or 20%, compared to the same period in 2007 as summarized in the following table:

	Three month periods ended June 30,					
thousands of dollars	2008	2007 (restated)	Change	Change due to currency conversion rate changes	Net change	% Net change
Gross profit						
PLP-USA	$ 9,584	$ 9,396	$ 188	$	$ 188	2%
Australia	2,343	2,308	35	281	(246)	(11)
Brazil	2,030	1,679	351	335	16	1
South Africa	1,258	817	441	(120)	561	69
Canada	1,271	1,089	182	97	85	8
Poland	1,497		1,497		1,497	100
All Other	5,694	4,425	1,269	322	947	21
Consolidated	$ 23,677	$ 19,714	$ 3,963	$ 915	$ 3,048	15%

PLP-USA gross profit of $9.6 million for the three month period ended June 30, 2008 increased $.2 million, or 2%, compared to the same period in 2007. PLP-USA gross profit increased $1.5 million due to higher net sales partially offset by $1.3 million in increased product costs primarily as a result of higher material costs and per unit manufacturing costs. Australia gross profit remained relatively unchanged as a result of the favorable impact of converting local currency into U.S. dollars compared to the second quarter 2007 conversion rates offset by a decrease in gross profit due to lower net sales. Brazil gross profit increased $.4 million as a result of a $.3 million favorable impact when local currency was converted to U.S. dollars compared to the second quarter 2007 conversion rates. Excluding the effect of currency conversion, South Africa gross profit of $1.3 million increased $.6 million due to increased sales and improved product margins. Excluding the effect of currency conversion, Canada gross profit of $1.3 million increased $.1 million. Our consolidated gross profit increased $1.5 million as a result of the inclusion of Belos gross profit in the three month period ended June 30, 2008. All Other gross profit of $5.7 million increased

$1.3 million primarily due to increased sales and a favorable impact due to the change in conversion rates compared to the same period in 2007. We have experienced substantial cost increases for most of our raw material commodities and anticipate additional cost increases for the remainder of the year. As a result, we expect that there will continue to be pressure on maintaining our current product margins.

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Costs and expenses. Costs and expenses for the three month period ended June 30, 2008 increased $2.5 million, or 18%, compared to the same period in 2007 as summarized in the following table:

	Three month periods ended June 30,					
thousands of dollars	2008	2007	Change	Change due to currency conversion rate changes	Net change	% Net change
Costs and expenses						
PLP-USA	$ 8,553	$ 7,696	$ 857	$	$ 857	11%
Australia	1,755	1,527	228	210	18	1
Brazil	1,261	1,050	211	206	5	
South Africa	359	309	50	(36)	86	28
Canada	408	416	(8)	32	(40)	(10)
Poland	829		829		829	100
All Other	3,281	2,918	363	192	171	6
Consolidated	$ 16,446	$ 13,916	$ 2,530	$ 604	$ 1,926	14%

The increase in PLP-USA costs and expenses of $.9 million was primarily due to a $.2 million increase in commissions on higher sales, a $.5 million increase in personnel related expenses and a $.3 million increase in auditing fees partially offset by a decrease of $.1 million in advertising and promotional expense. South Africa s increase in costs and expenses was primarily due to increased personnel related costs. Costs and expenses increased by $.8 million due to the inclusion of Belos in our consolidated results for the three month period ended June 30, 2008. All Other costs and expenses increased primarily due to a $.2 million increase in general and administrative expenses.
Operating income. Our operating income of $7.2 million for the three month period ended June 30, 2008 increased $1.5 million, or 25%, compared to the same period in 2007 primarily due to a $4 million increase in gross profit partially offset by $2.5 million increase in costs and expenses. PLP-USA operating income of $2.4 million decreased $.4 million, or 16%, primarily due to the $.9 million increase in costs and expenses exceeding the $.2 million increase in gross profit. Australia operating income of $.2 million decreased $.2 million due primarily to an increase in costs and expenses. Brazil operating income of $.7 million for the three month period ended June 30, 2008 increased $.1 million compared to the same period in 2007 as a result of the $.4 million increase in gross profit being partially offset by a $.2 million increase in costs and expenses. South Africa operating income of $.8 million increased $.4 million primarily as a result of the $.6 million increase in gross profit offset by an increase in costs and expenses. Canada operating income of $.7 million increased $.2 million compared to the same period in 2007 primarily as a result of the $.2 million increase in gross profit. Belos operating income of $.7 million was a result of their $1.5 million in gross profit being offset by $.8 million in costs and expenses. All Other operating income of $1.8 million increased $.8 million compared to the same period in 2007 primarily as a result of the $1.3 million increase in gross profit offset by the $.4 million increase in costs and expenses.
Income taxes. Income tax expenses from continuing operations for the three month period ended June 30, 2008 of $2.4 million were $.1 million lower than the same period in 2007. The effective tax rate for the three month periods ended June 30, 2008 was 33% compared to 43% in 2007. The effective tax rate for three month periods ended June 30, 2008 is lower than the statutory federal rate of 34% and prior periods rate of 43% primarily due to increased foreign earnings in jurisdictions with lower tax rates.
Income from continuing operations. Income from continuing operations for the three month period ended June 30, 2008 was $4.9 million, or $.91 per diluted share, compared to net income of $3.4 million, or $.63 per diluted share, for the same period in 2007. PLP-USA income from continuing operations of $1.5 million remained flat compared to the

same period in 2007 primarily as a result of a $.4 million decrease in operating income and a decrease in other income being offset by a reduction in tax expense. Australia income of $.1 million decreased $.1 million compared to the second quarter 2007 primarily due to a $.2 million decrease in operating income being partially offset by lower income taxes. Brazil income of $.5 million increased $.1 million compared to the same period in 2007 as a result of a $.1 million increase in operating income. South Africa income of $.6 million increased $.3 million as a result of a $.4 million increase in operating profit being partially offset by higher income tax expense. Canada income of $.5 million increased $.2 million as a result of the $.2 million increase in operating income. Belos income of $.4 million is a result of $.7 million in operating income being partially offset by other expense, income taxes, and minority interest of $.3 million. All Other income of $1.2 million increased $.6 million primarily as a result of the $.8 million increase in operating income, a $.1 million increase in other income partially offset by a $.3 million increase in income taxes compared to the same period in 2007.

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SIX MONTH PERIODS ENDED JUNE 30, 2008 COMPARED TO SIX MONTH PERIODS ENDED JUNE 30, 2007

Net Sales. For the six month period ended June 30, 2008, net sales were $135.2 million, an increase of $25.2 million, or 23%, from the same period in 2007 as summarized in the following table:

	Six month periods ended June 30,					
thousands of dollars	2008	2007	Change	Change due to currency conversion rate changes	Net change	% Net change
Net sales						
PLP-USA	$ 55,704	$ 54,006	$ 1,698	$	$ 1,698	3%
Australia	14,688	13,765	923	1,860	(937)	(7)
Brazil	15,939	11,342	4,597	2,699	1,898	17
South Africa	4,137	3,270	867	(352)	1,219	37
Canada	5,072	4,939	133	559	(426)	(9)
Poland	9,374		9,374		9,374	100
All Other	30,313	22,729	7,584	1,857	5,727	25
Consolidated	$ 135,227	$ 110,051	$ 25,176	$ 6,623	$ 18,553	17%

PLP-USA net sales increased $1.7 million, or 3%. The increase in PLP-USA net sales is mostly due to price/mix increases related to energy sales for the six month period ended June 30, 2008. This increase in energy sales was partially offset by a decrease in the underground telecommunications market. Excluding the effect of currency conversion, Australia net sales decreased $.9 million, or 7%, primarily due to lower energy sales volume. Excluding the effect of currency conversion, Brazil net sales increased $1.9 million, or 17%, from the same period in 2007. This increase was primarily due to increased volume in the energy and telecommunication markets. Excluding the effect of currency conversion, South Africa net sales increased $1.2 million, or 37%, from the same period in 2007. This increase was primarily due to increased sales volume in the energy market. Excluding the effect of currency conversion, Canada net sales decreased $.4 million as a result of lower communication sales. Belos, as noted above, was acquired effectively in the third quarter of 2007. Belos net sales of $9.4 million were included in our consolidated results for the six month periods ended June 30, 2008, but not for the comparable six month period ended in 2007. Excluding the effect of currency conversion, All Other net sales increased $5.7 million, or 25%, compared to the same period in 2007. This increase was primarily a result of a $2.6 million increase in energy sales compared to the same period in 2007 and the inclusion of DPW sales in our consolidated results for the entire six month period ended June 30, 2008 versus only three months in the six month period ended June 30 2007.

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Gross profit. Gross profit of $42.7 million for the six month period ended June 30, 2008 increased $5.4 million, or 14%, compared to the same period in 2007 as summarized in the following table:

	Six month periods ended June 30,					
thousands of dollars	2008	2007 (restated)	Change	Change due to currency conversion rate changes	Net change	% Net change
Gross profit						
PLP-USA	$ 17,684	$ 17,907	$ (223)		$ (223)	(1)%
Australia	4,373	4,421	(48)	553	(601)	(14)
Brazil	3,514	3,415	99	596	(497)	(15)
South Africa	1,988	1,541	447	(171)	618	40
Canada	2,281	2,072	209	247	(38)	(2)
Poland	2,431		2,431		2,431	100
All Other	10,411	7,927	2,484	628	1,856	23
Consolidated	$ 42,682	$ 37,283	$ 5,399	$ 1,853	$ 3,546	10%

PLP-USA gross profit of $17.7 million for the six month period ended June 30, 2008 decreased $.2 million, or 1%, compared to the same period in 2007. PLP-USA gross profit decreased due to higher net sales offset by higher material costs and per unit manufacturing costs. Excluding the effect of currency conversion, Australia gross profit decreased $.6 million as a result of lower net sales and increased manufacturing expense. Brazil gross profit increased $.1 million as a result of a $.6 million favorable impact when local currency was converted to U.S. dollars compared to the second quarter 2007 conversion rates and increased gross profit from sales volume of $.6 million. These gross profit increases were offset by a $.2 million decrease in product margins and an excess and obsolescence reserve adjustment made in the three and six month periods ended June 30, 2007, for $.6 and $.2 million, respectively. During 2007, management s comprehensive review of the components of our Brazilian operation s excess and obsolescence reserve calculation revealed that the details of the reserve account included an inappropriate reserve of $.6 million at December 31, 2006. Based on the timing of the completion of certain aspects of this review, we recorded a $.4 million adjustment in the first quarter of 2007 and an additional adjustment of $.2 million in the second quarter of 2007 related to the excess and obsolete reserve at December 31, 2006. Excluding the effect of currency conversion, South Africa gross profit of $2 million increased $.6 million due to increased sales and improved product margins. Excluding the effect of currency conversion, Canada gross profit remained constant. Our consolidated gross profit for the six months ended June 30, 2008 increased $2.4 million as a result of the inclusion of Belos gross profit. Excluding the effect of currency conversion, All Other gross profit increased $1.9 million primarily as a result of increased sales partially offset by increased manufacturing expenses.

Costs and expenses. Cost and expenses for the six month period ended June 30, 2008 increased $4.6 million, or 17%, compared to the same period in 2007 as summarized in the following table:

Six month periods ended June 30,		
Change due to currency conversion	Net	% Net

thousands of dollars	2008	2007 (restated)	Change	rate changes	change	change
Costs and expenses						
PLP-USA	$ 16,286	$ 15,147	$ 1,139	$	$ 1,139	8%
Australia	3,319	2,831	488	418	70	2
Brazil	2,531	2,009	522	430	92	5
South Africa	590	558	32	(48)	80	14
Canada	855	803	52	98	(46)	(6)
Poland	1,472		1,472		1,472	100
All Other	6,213	5,302	911	371	540	10
Consolidated	$ 31,266	$ 26,650	$ 4,616	$ 1,269	$ 3,347	13%

PLP-USA costs and expenses increased $1.1 million primarily due to $.9 million related to an increase in personnel related expenses, a $.5 million increase in auditing fees, and a $.1 million increase in commission expense on higher sales partially offset by a $.4 million decrease in advertising and sales promotional expense. Excluding the effect of currency conversion, Australia costs and expenses increased $.1 million due to increased personnel related expenses and consulting fees. Excluding the effect of currency conversion, Brazil costs and expenses increased $.1 million primarily due to the increase in research and engineering and marketing personnel related expenses. Excluding the effect of currency conversion, South Africa costs and expenses increased primarily due to increased personnel related expenses and travel costs. Canada costs and expenses remained relatively flat compared to the same period in 2007. Our consolidated costs for the six month periods ended June 30, 2008 increased $1.5 million compared to the same period in 2007 as a result of including Belos costs and expenses. Excluding the effect of currency conversion, All Other costs and expenses increased $.5 million compared to the same period in 2007. This increase is primarily due to $.2 million increase in administrative expenses and a $.3 million increase related to the inclusion of DPW s costs and expenses for the six month period ended June 30, 2008 compared to the inclusion of only three months in the six month period ended June 30, 2007.

Operating income. Operating income of $11.4 million for the six month period ended June 30, 2008 increased $.8 million, or 7%, compared to the same period in 2007. This increase was primarily a result of the $ 5.4 million increase in gross profit being partially offset by the $4.6 million increase in costs and expenses. PLP-USA operating income of $3.8 million decreased $1.1 million primarily as a result of the $.2 million decrease in gross profit coupled with the $1.1 million increase in costs and expenses being partially offset by a $.2 million increase in intercompany royalty income. Australia operating income of $.4 million decreased $.6 million compared to the same period in 2007 primarily as a result of the $.5 million increase in costs and expenses. Brazil operating income of $.9 million decreased $.4 million compared to the same period in 2007 primarily as a result of the $.1 million increase in gross profit being offset by $.5 million of higher costs and expenses. South Africa operating income of $1.2 million increased $.4 million primarily as a result of the $.4 million improvement in gross profit compared to the same period in 2007. Canada operating income of $1.2 million increased $.1 million primarily as a result of a $.2 million increase in gross profit partially offset by a $.1 million increase in costs and expenses. Belos operating income of $1 million was primarily a result of $2.4 million in gross profit being partially offset by $1.5 million in costs and expenses. All Other operating income of $3 million increased $1.4 million compared to the same period in 2007 primarily as a result of the $2.5 million increase in gross profit being partially offset by $.9 million in increased costs and expenses and $.2 million.

Income taxes. Income tax expenses from continued operations for the six month period ended June 30, 2008 of $3.8 million was $.4 million lower than the same period in 2007. The effective tax rate for the six month periods ended June 30, 2008 and 2007 was 33% and 39% respectively. The effective tax rate for the six month period ended June 30, 2008 is lower than the statutory federal rate of 34% and the prior period s rate of 39% primarily due to increased earnings in foreign jurisdictions with lower tax rates.

Income from continuing operations. Income from continuing operations for the six month period ended June 30, 2008 was $7.7 million, or $1.43 per diluted share, compared to income from continuing operations of $6.7 million, or $1.23 per diluted share, for the same period in 2007. PLP-USA income from continuing operations of $2.4 million decreased $.5 million compared to the same period in 2007 primarily as a result of the $1.1 million decrease in operating income and a $.2 million decrease in other income being partially offset by a $.8 million reduction in tax expense. Australia net income of $.2 million decreased $.4 million compared to the same period in 2007 primarily due to the $.5 decrease in operating income being partially offset by $.1 million in lower income taxes. Brazil income of $.6 million decreased $.3 million compared to the same period in 2007 as a result of the $.4 million decrease in operating income being partially offset by $.1 million in lower income taxes. South Africa income of $.9 million increased $.3 million as a result of the $.4 million increase in operating profit being partially offset by a $.1 million increase in income taxes. Canada income of $.8 million increased $.2 million as a result of the $.1 million increase in operating income. Belos income of $.6 million is a result of $1 million in operating income being partially offset by other expense, income taxes and minority interest of $.4 million. All Other income of $2.2 million increased $1.1 million primarily as a result of the $1.4 million increase in operating income, a $.1 million increase in other income partially offset by a

$.4 million increase in income taxes compared to the same period in 2007.

APPLICATION OF CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Our critical accounting policies are consistent with the information set forth in Item 7, Management s Discussion and Analysis of Financial Condition and Results of Operations, included in our Form 10-K for the year ended December 31, 2007 and are, therefore, not presented herein.

WORKING CAPITAL, LIQUIDITY AND CAPITAL RESOURCES

Cash increased $.6 million for the six month period ended June 30, 2008. Net cash provided by operating activities was $6.2 million primarily because of net income and depreciation partially offset by the increase in accounts receivable, net of the increase in payables and accrued liabilities compared to year-end. The major investing and financing uses of cash were $6.3 million in capital expenditures, $2.2 million in dividend payments, and $7.5 million for repurchases of common shares, offset by proceeds of $11.8 million from the sale of SMP, net of transaction expenses.

Net cash provided by investing activities of $5.5 million represents an increase of $12.1 million when compared to the cash used for investing activities in 2007. In May 2008, we sold SMP for proceeds of $11.8 million, net of transaction expenses, with an after-tax gain of $.5 million. Also in May 2008, we formed a joint venture with BlueSky Energy Pty Ltd for an initial cash payment of $.3 million. In March 2007, we acquired all the issued and outstanding shares of DPW for an initial cash payment of $2.6 million. Capital expenditures increased $2.1 million in the six month periods ended June 30, 2008 when compared to the same period in 2007 due mostly to a solar installation project at our Spain subsidiary, additional machinery investment at our Brazil subsidiary and PLP-USA locations, and a building expansion at our China subsidiary.

Cash used in financing activities was $11.1 million compared to $2.8 million in the previous year. This increase was primarily a result of $7.3 million cash used to repurchase common shares outstanding when compared to the same period in 2007.

Our current ratio was 2.8 to 1 at June 30, 2008 and December 31, 2007. At June 30, 2008, our unused balance under our main credit facility was $20 million and our bank debt to equity percentage was 5%. Our main revolving credit agreement contains, among other provisions, requirements for maintaining levels of working capital, net worth, and profitability. At June 30, 2008, we were in compliance with these covenants. We believe our future operating cash flows will be more than sufficient to cover debt repayments, other contractual obligations, capital expenditures and dividends. In addition, we believe our existing cash position, together with our available borrowing capacity, provides substantial financial resources. If we were to incur significant indebtedness, we expect to be able to continue to meet liquidity needs under our credit facilities. We would not increase our debt to a level that we believe would have a material adverse impact upon the results of operations or financial condition.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In May 2008, the FASB issued SFAS No. 162, The Hierarchy of Generally Accepted Accounting Principles (SFAS 162). SFAS 162 identifies the sources of accounting principles and the framework for selecting the principles used in the preparation of financial statements. SFAS 162 will be effective 60 days following the Securities and Exchange Commission s approval of the Public Company Accounting Oversight Board amendments to AU Section 411, The Meaning of Present Fairly in Conformity with Generally Accepted Accounting Principles. The Company does not expect the adoption of this standard to have an impact on its financial position, results of operations, or cash flows.

In March 2008, the FASB issued FASB Statement 161, Disclosures about Derivative Instruments and Hedging Activities (SFAS 161). SFAS 161 requires companies with derivative instruments to disclose information on how derivative instruments and related hedged items are accounted for under FASB No. 133, Accounting for Derivative Instruments and Hedging Activities, and how derivative instruments and related hedged items affect a Company s financial position, financial performance and cash flows. SFAS 161 is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008. The Company is currently evaluating the potential impact, if any, of the adoption of SFAS 161 on our consolidated financial statements.

In December 2007, the FASB issued SFAS No. 160, Noncontrolling Interests in Consolidated Financial Statements an amendment of ARB No. 51 (SFAS 160). This standard amends ARB No. 51 to establish accounting and reporting for the noncontrolling interest in a subsidiary and for deconsolidation of a subsidiary. It also amends certain of ARB No. 51 s consolidation procedures for consistency with the requirements of FASB Statement No. 141 (revised 2007),

Business Combinations. This standard is effective for financial statements issued for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008.

In December 2007, the FASB issued SFAS No. 141R, Business Combinations (SFAS 141R). SFAS 141R revises the principles and requirements for how the acquirer recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, any noncontrolling interest in the acquiree, and the goodwill acquired in a business combination or gain from a bargain purchase. SFAS 141R also revises the principles and requirements for how the acquirer determines what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the business combination. This pronouncement is effective as of January 1, 2009.

Both standards, SFAS 160 and 141R, will be applied prospectively to future business combinations entered into beginning in 2009.

In April 2008, The FASB issued FASB Staff Position No. FAS 142-3, Determination of the Useful Life of Intangible Assets (FSP 142-3). FSP 142-3 amends the factors that should be considered in developing renewal or extension assumptions used to determine the useful life of a recognized intangible asset under SFAS No. 142, Goodwill and Other Intangible Assets (SFAS 142) The intent of FSP 142-3 is to improve the consistency between the useful life of a recognized intangible asset under SFAS 142 and the period of expected cash flows used to measure the fair value of the asset under SFAS 141R and other U.S. generally accepted accounting principles. This Statement applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company operates manufacturing facilities and offices around the world and uses fixed and floating rate debt to finance the Company s global operations. As a result, the Company is subject to business risks inherent in non-U.S. activities, including political and economic uncertainty, import and export limitations, and market risk related to changes in interest rates and foreign currency exchange rates. The Company believes the political and economic risks related to the Company s foreign operations are mitigated due to the stability of the countries in which the Company s largest foreign operations are located.

The Company has no foreign currency forward exchange contracts outstanding at June 30, 2008. The Company does not hold derivatives for trading purposes.

The Company is exposed to market risk, including changes in interest rates. The Company is subject to interest rate risk on its variable rate revolving credit facilities and term notes, which consisted of borrowings of $7.6 million at June 30, 2008. A 100 basis point increase in the interest rate would have resulted in an increase in interest expense of less than $.1 million for the six month period ended June 30, 2008.

The Company s primary currency rate exposures are related to foreign denominated debt, intercompany debt, foreign exchange contracts, foreign denominated receivables, and cash and short-term investments. A hypothetical 10% change in currency rates would have a favorable/unfavorable impact on fair values of $2.3 million and on income before income taxes of less than $.1 million.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

An evaluation was performed under the supervision and with the participation of the Company s management, including the Chief Executive Officer and Vice President Finance and Treasurer, of the effectiveness of the Company s disclosure controls and procedures (as defined in Securities and Exchange Act Rules 13a-15(e) and 15-d-15(e)) as of June 30, 2008. Based on that evaluation, the Company s management including the Chief Executive Officer and Vice President Finance and Treasurer, concluded that the Company s disclosure controls and procedures were not effective as of June 30, 2008 solely because of the material weakness in the Company s internal controls over financial reporting identified as of December 31, 2007 relating to not having sufficient resources with the appropriate technical accounting knowledge in the finance organization. In light of the foregoing, the Company performed additional analysis and post-closing procedures as deemed necessary to ensure that the accompanying Unaudited Consolidated Financial Statements were prepared in accordance with U.S. generally accepted accounting principles for interim financial information and the instructions to Form 10-Q. Accordingly, management believes that the Unaudited Consolidated Financial Statements included in this report present fairly, in all material aspects, the Company s financial position as of June 30, 2008, and the results of its operations and cash flows for the six month periods then ended.

Changes in Internal Control over Financial Reporting

The Company has engaged an outside consultant to assist in preparing and reviewing the accounting for income taxes. A Manager of Internal Audit and a Technical Accounting Manager have been hired subsequent to December 31, 2007. Additionally, the Company s management is recruiting a Financial Analyst. These actions are being taken to remedy the material weakness in internal control over financial reporting identified as of December 31, 2007. However, the improvements in controls have not all been implemented or operating effectively for a period of time sufficient for the Company to fully evaluate their operating effectiveness. Other than these actions, there have not been any changes in the Company s internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f)) during the quarter ended June 30, 2008 that materially affected or are reasonably likely to materially affect the Company s internal control over financial reporting.

PART II OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The Company is subject to various legal proceedings and claims that arise in the ordinary course of business. In the opinion of management, the amount of any ultimate liability with respect to these actions will not materially affect our financial condition or results of operations.

ITEM 1A. RISK FACTORS

There were no material changes from the risk factors previously disclosed in the Company s Annual Report on Form 10-K for the year ended December 31, 2007 filed on April 7, 2008.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

On February 15, 2007, the Board of Directors authorized a plan to repurchase up to 200,000 shares of Preformed Line Products Company, superseding any previously authorized plan, including the December 2004 plan. The repurchase plan does not have an expiration date. The following table includes repurchases for the three-month periods ended June 30, 2008.

Period (2008)	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that may yet be Purchased under the Plans or Programs
April		$	16,422	183,578
May	169,326	43.15	169,326	14,252
June			169,326	14,252
Total	169,326			

On May 15, 2008, the Company announced that the Board of Directors authorized the repurchase of 152,726 of Preformed Line Products common shares from Mrs. Barbara Drinko, as personal representative of the Estate of John Deaver Drinko, individually and as beneficiary of the John Deaver Drinko IRA, and as trustee of the John Deaver Drinko Trust Agreement, dated October 27, 1994, and from National City Bank, as trustee of the Elizabeth Gibson Drinko IRA, in a privately negotiated transaction. The negotiated purchase price per share paid by the Company was $42.24.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

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ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

The Company held its annual meeting of shareholders on April 28, 2008 at its principal executive offices in Mayfield Village, Ohio. At the meeting, the shareholders voted to re-elect certain persons to the Board of Directors for a term expiring at the 2010 annual meeting of the shareholders. The individuals listed below were elected to the Company s Board of Directors, each to hold office until the designated annual meeting or until his successor is elected and qualified, or until his earlier resignation. Also at the meeting, the shareholders voted to adopt the Preformed Line Products Long Term Incentive Plan of 2008. The table below indicates the votes for, votes withheld, as well as the abstentions and shares not voted for the election of the four director nominees and the adoption of the Preformed Line Products Long Term Incentive Plan of 2008.

	Term Expiration	Votes For	Votes Withheld	Abstention	Shares not Voted
Glenn E. Corlett	2010	4,490,050	55,341		836,615
Michael E. Gibbons	2010	4,527,550	17,841		836,615
R. Steven Kestner	2010	3,755,620	789,771		836,615
Randall M. Ruhlman	2010	3,732,378	813,013		836,615
Long Term Incentive Plan		4,471,244	57,300	16,847	836,615

The following are the names of each other director whose term of office as a director continued after the 2008 annual meeting of shareholders (in this case, for terms expiring at the 2009 annual meeting of shareholders):

Frank B. Carr

Barbara P. Ruhlman

Robert G. Ruhlman

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

31.1 Certifications of the Principal Executive Officer, Robert G. Ruhlman, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, filed herewith.

31.2 Certifications of the Principal Financial Officer, Eric R. Graef, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, filed herewith.

32.1 Certification of the Principal Executive Officer, Robert G. Ruhlman, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, furnished.

32.2 Certification of the Principal Accounting Officer, Eric R. Graef, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, furnished.

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FORWARD LOOKING STATEMENTS

Cautionary Statement for Safe Harbor Purposes Under The Private Securities Litigation Reform Act of 1995

This Form 10-Q and other documents the Company files with the Securities and Exchange Commission contain forward-looking statements regarding the Company s and management s beliefs and expectations. As a general matter, forward-looking statements are those focused upon future plans, objectives or performance (as opposed to historical items) and include statements of anticipated events or trends and expectations and beliefs relating to matters not historical in nature. Such forward-looking statements are subject to uncertainties and factors relating to the Company s operations and business environment, all of which are difficult to predict and many of which are beyond the Company s control. Such uncertainties and factors could cause the Company s actual results to differ materially from those matters expressed in or implied by such forward-looking statements.

The following factors, among others, could affect the Company s future performance and cause the Company s actual results to differ materially from those expressed or implied by forward-looking statements made in this report:

- The overall demand for cable anchoring and control hardware for electrical transmission and distribution lines on a worldwide basis, which has a slow growth rate in mature markets such as the United States, Canada, and Western Europe;
- Technological developments that affect longer-term trends for communication lines such as wireless communication;
- The decreasing demands for product supporting copper-based infrastructure due to the introduction of products using new technologies or adoption of new industry standards;
- The Company s success at continuing to develop proprietary technology to meet or exceed new industry performance standards and individual customer expectations;
- The Company s success at implementing price increases to offset rising material costs;
- The Company s success in strengthening and retaining relationships with the Company s customers, growing sales at targeted accounts and expanding geographically;
- The extent to which the Company is successful in expanding the Company s product line into new areas;
- The Company s ability to identify, complete and integrate acquisitions for profitable growth;
- The potential impact of consolidation, deregulation and bankruptcy among the Company s suppliers, competitors and customers;
- The relative degree of competitive and customer price pressure on the Company s products;
- The cost, availability and quality of raw materials required for the manufacture of products;
- The effects of fluctuation in currency exchange rates upon the Company s reported results from international operations, together with non-currency risks of investing in and conducting significant operations in foreign countries, including those relating to political, social, economic and regulatory factors;
- Changes in significant government regulations affecting environmental compliances;
- The telecommunication market s continued deployment of Fiber-to-the-Premises;
- Those factors described under the heading Risk Factors on page 12 of the Company s Annual Report on Form 10-K for the year ended December 31, 2007 filed on April 7, 2008.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

August 8, 2008	/s/ Robert G. Ruhlman Robert G. Ruhlman Chairman, President and Chief Executive Officer (Principal Executive Officer)
August 8, 2008	/s/ Eric R. Graef Eric R. Graef Vice President Finance and Treasurer (Principal Accounting Officer)

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