

SECURITIES AND EXCHANGE COMMISSION

FORM 10-K/A

Annual report pursuant to section 13 and 15(d) [amend]

Filing Date: **1996-05-16** | Period of Report: **1995-12-31**
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FILER

DANNINGER MEDICAL TECHNOLOGY INC

CIK: **731241** | IRS No.: **310992628** | State of Incorpor.: **DE** | Fiscal Year End: **1231**
Type: **10-K/A** | Act: **34** | File No.: **000-16893** | Film No.: **96568555**
SIC: **3842** Orthopedic, prosthetic & surgical appliances & supplies

Business Address
4140 FISHER RD
COLUMBUS OH 43228
6142768267

FORM 10-K/A

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

AMENDMENT NO. 2

to

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
For the Fiscal Year Ended December 31, 1995

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
For The Transition Period From _____ To _____

Commission File Number: 000-16893
DANNINGER MEDICAL TECHNOLOGY, INC.

(Exact name of Registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of
incorporation or organization)

31-0992628
(I.R.S. Employer
Identification No.)

4140 FISHER ROAD
COLUMBUS, OHIO 43228
(Address of principal executive offices,
including zip code)

(614) 276-8267
(Registrant's telephone number,
including area code)

Securities registered pursuant to Section 12(b) of the Act: None.
Securities registered pursuant to Section 12(g) of the Act:

COMMON STOCK, \$.01 PAR VALUE
(Title of Class)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for at least the past 90 days. Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (Section 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrants knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ()

Based upon the closing price reported on NASDAQ on March 25, 1996, the aggregate market value of the registrant's voting stock held by non-affiliates on that date was \$20,923,068. As of March 25, 1996, 4,718,990 shares of Common Stock, \$.01 par value, were outstanding.

Documents incorporated by reference:

Portions of the registrant's Definitive Proxy Statement for its Annual Meeting of Stockholders to be held on May 22, 1996 are incorporated by reference into Part III of this report.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused the Annual Report on Form 10-K to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: May 15, 1996

DANNINGER MEDICAL TECHNOLOGY, INC.

By: /S/ Joseph A. Mussey

Joseph A. Mussey
Chief Executive Officer,
President and Treasurer

Pursuant to the requirements of the Securities Exchange Act of 1934, this Annual Report on Form 10-K has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<TABLE> <CAPTION>	SIGNATURE -----	TITLE -----	DATE ----
<S>	/s/ Joseph A. Mussey ----- Joseph A. Mussey	<C> President, Chief Executive Officer, Treasurer and Director (Principal Executive Officer)	<C>)))) May 15, 1996
	/s/ Paul A. Miller ----- Paul A. Miller	Vice President and Chief Financial Officer (Principal Financial and Accounting Officer))))) May 15, 1996
	/s/ Edward R. Funk ----- Edward R. Funk	Chairman of the Board of Directors)))) May 15, 1996
	/s/ Daniel A. Funk ----- Daniel A. Funk, M.D.	Director)))) May 15, 1996
	/s/ Daniel A. Gregorie ----- Daniel A. Gregorie, M.D.	Director)))) May 15, 1996
	/s/ Herbert J. Kahn ----- Herbert J. Kahn	Director)))) May 15, 1996
	/s/ Curtis A. Loveland ----- Curtis A. Loveland	Director)))) May 15, 1996
	/s/ C. Craig Waldbillig ----- C. Craig Waldbillig	Director)))) May 15, 1996

</TABLE>

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<TABLE> <S>	SIGNATURE -----	TITLE -----	DATE ----
	/s/ Peter H. Williams ----- Peter H. Williams	<C> Director	<C>)))) May 15, 1996
	/s/ Robert J. Williams ----- Robert J. Williams	Director)))) May 15, 1996

*By: /s/ Joseph A. Mussey

Joseph A. Mussey, attorney-in-fact
for each of the persons indicated

</TABLE>

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DANNINGER MEDICAL TECHNOLOGY, INC. AND SUBSIDIARY

SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS

<TABLE>
<CAPTION>

	Balance at Beginning of Year ----- <C>	Charged to Costs and Expenses (Recoveries) (1) ----- <C>	(Deductions) Additions (2) ----- <C>	Balance at End of Year ----- <C>
 <S> For the year ended December 31, 1995:				
Allowance for doubtful accounts	\$130,782	\$ 117,890	\$ (44,844)	\$203,828
Inventory valuation reserve	329,439	148,535 (3)	0	477,974
	-----	-----	-----	-----
	\$460,221	\$ 266,425	\$ (44,844)	\$681,802
	=====	=====	=====	=====
 For the year ended December 31, 1994:				
Allowance for doubtful accounts	\$253,836	\$ (36,227) (4)	\$ (86,827)	\$130,782
Inventory valuation reserve	408,998	(47,397) (5)	(32,162)	329,439
Investment valuation allowance	17,128	(17,128)	0	0
	-----	-----	-----	-----
	\$679,962	\$ (100,752)	\$ (118,989)	\$460,221
	=====	=====	=====	=====
 For the year ended December 31, 1993:				
Allowance for doubtful accounts	\$ 85,000	\$ 171,086 (6)	\$ (2,250)	\$253,836
Inventory valuation reserve	78,009	622,026 (7)	(291,037) (8)	408,998
Investment valuation allowance	0	17,128	0	17,128
	-----	-----	-----	-----
	\$163,009	\$ 810,240	\$ (293,287)	\$679,962
	=====	=====	=====	=====

<FN>

- (1) Amounts charged to or recovered from cost of goods sold or expenses relating to changes in reserve balance.
- (2) Amounts deducted from the reserve balance which have been previously reserved and are being written off.
- (3) Reflects \$312,000 valuation allowance established in the third quarter for P/W/B inventory and a reversal of \$120,000 of the valuation allowance in the fourth quarter for higher than anticipated sales of the P/W/B spinal system. In addition, the valuation allowance also reflects a reversal of \$218,000 from the valuation allowance established in 1993 for excess inventory which was incorporated into current products as well as a standard increase in the valuation allowance.
- (4) Reflects \$177,000 reversal in the fourth quarter of the valuation allowance established in the prior year relating to amounts owed to the Company by a customer in financial difficulty. The Company repossessed, under a security agreement, equipment and trade receivables in satisfaction of the amounts owed by the customer.
- (5) Reflects \$60,000 reversal of prior year valuation allowance due to the

redesign of the Company's continuous passive motion devices to incorporate excess inventory.

- (6) Reflects \$214,000 valuation allowance established for accounts receivable, sale-type leases and notes receivable owed by a major customer who was in financial difficulty.
- (7) Reflects \$600,000 valuation allowance established for obsolete and excess inventory for the hand/wrist/toe continuous passive motion device.
- (8) Reflects \$290,000 of previously reserved inventory which was written-off.

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