

CORE MOLDING TECHNOLOGIES INC

Form 10-Q

November 09, 2007

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

(Mark One)

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

For the quarterly period ended September 30, 2007

OR

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

for the transition period from _____ To _____
**Commission File Number 001-12505
CORE MOLDING TECHNOLOGIES, INC.**

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
incorporation or organization)

31-1481870
(I.R.S. Employer Identification No.)

800 Manor Park Drive, P.O. Box 28183 Columbus,
Ohio

43228-0183

(Address of principal executive office)

(Zip Code)

Registrant's telephone number, including area code (614) 870-5000
N/A

Former name, former address and former fiscal year, if changed since last report.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes NO

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act (check one).

Large accelerated filer Accelerated filer Non-accelerated filer

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

Yes No

As of November 9, 2007 the latest practicable date, 6,727,871 shares of the registrant's common shares were issued and outstanding.

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Part 1 Financial Information
Core Molding Technologies, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets

	September 30, 2007 (Unaudited)	December 31, 2006
Assets		
Current Assets:		
Cash	\$	\$ 16,096,223
Accounts receivable (less allowance for doubtful accounts: September 30, 2007 \$276,000; December 31, 2006 \$262,000)	19,905,696	22,456,177
Inventories:		
Finished and work in process goods	2,951,800	2,793,993
Stores	5,154,665	4,598,983
Total inventories	8,106,465	7,392,976
Deferred tax asset	1,469,756	1,529,592
Foreign sales tax receivable	1,029,531	1,032,058
Income tax receivable		1,432,324
Tooling in progress	544,489	
Prepaid expenses and other current assets	802,642	730,109
Total current assets	31,858,579	50,669,459
Property, plant and equipment	59,504,089	56,927,053
Accumulated depreciation	(28,922,660)	(26,389,062)
Property, plant and equipment net	30,581,429	30,537,991
Deferred tax asset	6,887,064	6,916,348
Goodwill	1,097,433	1,097,433
Customer list / non-compete, net	100,425	138,814
Other assets	95,061	145,668
Total	\$ 70,619,991	\$ 89,505,713
Liabilities and Stockholders Equity		
Liabilities:		
Current liabilities		
Current portion of long-term debt	\$ 1,850,716	\$ 1,815,716
Notes payable line of credit	5,757,035	
Current portion of postretirement benefits liability	247,000	247,000
Accounts payable	12,562,426	10,735,295
Tooling in progress		1,179,684
Accrued liabilities:		

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Compensation and related benefits	4,193,381	7,111,475
Accrued taxes	664,337	
Other	1,150,232	2,005,408
Total current liabilities	26,425,127	23,094,578
Long-term debt	6,384,992	7,779,279
Interest rate swap	111,857	35,848
Graduated lease payments		41,050
Postretirement benefits liability	17,205,578	15,860,558
Commitments and Contingencies		
Stockholders Equity:		
Preferred stock \$0.01 par value, authorized shares 10,000,000; Outstanding shares September 30, 2007 and December 31, 2006-0		
Common stock \$0.01 par value, authorized shares 20,000,000; Outstanding shares: 6,721,871 at September 30, 2007 and 10,204,607 at December 31, 2006	67,218	102,046
Paid-in capital	22,531,765	21,872,723
Retained earnings	27,003,484	23,738,946
Accumulated other comprehensive loss, net of income tax	(2,930,976)	(3,019,315)
Treasury stock	(26,179,054)	
Total stockholders equity	20,492,437	42,694,400
Total	\$ 70,619,991	\$ 89,505,713

See notes to condensed consolidated financial statements.

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Core Molding Technologies, Inc. and Subsidiaries
Condensed Consolidated Statements of Income
(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2007	2006	2007	2006
Net Sales:				
Products	\$ 23,744,611	\$ 38,854,393	\$ 79,080,653	\$ 112,635,012
Tooling	6,175,333	9,223,766	20,363,658	11,456,118
Total Sales	29,919,944	48,078,159	99,444,311	124,091,130
Cost of sales	25,214,124	39,335,068	84,106,093	99,360,624
Postretirement benefits expense	626,753	450,417	1,828,391	1,762,362
Total cost of sales	25,840,877	39,785,485	85,934,484	101,122,986
Gross Margin	4,079,067	8,292,674	13,509,827	22,968,144
Selling, general and administrative expense	2,667,215	3,659,729	8,273,378	10,458,861
Postretirement benefits expense	119,381	85,794	391,963	364,002
Total selling, general and administrative expense	2,786,596	3,745,523	8,665,341	10,822,863
Income before interest and taxes	1,292,471	4,547,151	4,844,486	12,145,281
Interest income	49,103	211,707	542,166	465,885
Interest expense	(228,696)	(176,293)	(491,409)	(496,390)
Income before income taxes	1,112,878	4,582,565	4,895,243	12,114,776
Income tax expense	395,696	1,644,790	1,699,158	4,392,067
Net Income	717,182	\$ 2,937,775	3,196,085	\$ 7,722,709
Net income per common share:				
Basic	\$ 0.10	\$ 0.29	\$ 0.34	\$ 0.77
Diluted	\$ 0.09	\$ 0.28	\$ 0.33	\$ 0.74

Weighted average shares outstanding:

Basic	7,441,871	10,083,320	9,339,984	10,067,409
Diluted	7,727,088	10,428,583	9,658,583	10,422,526

See notes to condensed consolidated financial statements.

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Core Molding Technologies, Inc. and Subsidiaries
Condensed Consolidated Statement of Stockholders' Equity
(Unaudited)

	Common Stock Outstanding		Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Total Stockholders Equity
	Shares	Amount					
Balance at January 1, 2007	10,204,607	\$ 102,046	\$ 21,872,723	\$ 23,738,946	\$ (3,019,315)	\$	\$ 42,694,400
Cumulative impact of change in accounting for uncertainties in income taxes (FIN 48 see Note 7)				68,453			68,453
Net income				3,196,085			3,196,085
Common shares issued from exercise of stock options	109,256	1,092	340,640				341,732
Tax benefit from exercise of options			112,217				112,217
Restricted stock issued	8,008	80	56,697				56,777
Share based compensation			149,488				149,488
Amortization of previously unrecognized postretirement plan loss, net of deferred income tax expense of \$74,630					128,725		128,725

Hedge accounting effect of the interest rate swaps at September 30, 2007 net of deferred income tax benefit of \$25,843						(40,386)		(40,386)
Purchase of treasury stock	(3,600,000)	(36,000)					(26,179,054)	(26,215,054)
Balance at September 30, 2007	6,721,871	\$ 67,218	\$22,531,765	\$27,003,484	(\$2,930,976)		(\$26,179,054)	\$ 20,492,437

See notes to condensed consolidated financial statements.

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Core Molding Technologies, Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows
(Unaudited)

	Nine Months Ended September 30,	
	2007	2006
Cash flows from operating activities:		
Net income	\$ 3,196,085	\$ 7,722,709
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	2,622,594	2,020,871
Deferred income taxes	(19,504)	(5,985)
Share based compensation	206,265	284,263
Interest income related to ineffectiveness of swap	9,780	640
(Gain) loss on disposal of assets	(1,039)	10,363
Amortization of gain on sale/leaseback transactions		(425,536)
Loss on translation of foreign currency financial statements	7,826	56,156
Change in assets and liabilities:		
Accounts receivable	2,550,481	(8,401,342)
Inventories	(713,489)	(478,874)
Prepaid and other assets	(70,005)	35,960
Accounts payable	1,749,603	2,682,513
Accrued and other liabilities	(3,313,544)	3,455,675
Postretirement benefits liability	1,548,375	1,437,750
Net cash provided by operating activities	7,773,428	8,395,163
Cash flows from investing activities:		
Purchase of property, plant and equipment	(2,507,335)	(4,909,705)
Proceeds from sale of property and equipment	1,039	5,200
Net cash used in investing activities	(2,506,296)	(4,904,505)
Cash flows from financing activities:		
Proceeds from issuance of common stock	341,732	101,447
Tax effect from exercise of stock options	112,217	
Purchase of treasury stock	(26,215,054)	
Net borrowing on revolving line of credit	5,757,035	
Payments of principal on secured note payable	(964,285)	(964,287)
Payment of principal on industrial revenue bond	(395,000)	(365,000)

Net cash used in financing activities	(21,363,355)	(1,227,840)
Net (decrease) increase in cash and cash equivalents	(16,096,223)	2,262,818
Cash and cash equivalents at beginning of period	16,096,223	9,413,994
Cash and cash equivalents at end of period	\$	\$ 11,676,812
Cash paid for:		
Interest (net of income and capitalized interest)	\$ (128,812)	\$ 4,975
Income taxes (net of refunds)	\$ (412,264)	\$ 3,224,133

See notes to condensed consolidated financial statements.

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Core Molding Technologies, Inc. and Subsidiaries
Notes to Condensed Consolidated Financial Statements
(Unaudited)

1. Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and include all of the information and disclosures required by accounting principles generally accepted in the United States of America for interim reporting, which are less than those required for annual reporting. In the opinion of management, the accompanying unaudited condensed consolidated financial statements contain all adjustments (all of which are normal and recurring in nature) necessary to present fairly the financial position of Core Molding Technologies, Inc. and its subsidiaries (Core Molding Technologies or the Company) at September 30, 2007, and the results of their operations and cash flows for the three and nine months ended September 30, 2007. The Consolidated Notes to Financial Statements, which are contained in the 2006 Annual Report to Shareholders, should be read in conjunction with these condensed consolidated financial statements.

Core Molding Technologies and its subsidiaries operate in the plastics market in a family of products known as reinforced plastics . Reinforced plastics are combinations of resins and reinforcing fibers (typically glass or carbon) that are molded to shape. Core Molding Technologies operates production facilities in Columbus, Ohio; Batavia, Ohio; Gaffney, South Carolina; and Matamoros, Mexico. The Columbus and Gaffney facilities produce reinforced plastics by compression molding sheet molding compound (SMC) in a closed mold process. The Batavia facility produces reinforced plastic products by a robotic spray-up open mold process and resin transfer molding (RTM) closed mold process utilizing multiple insert tooling (MIT). The Matamoros facility utilizes spray-up and hand lay-up open mold processes and RTM closed mold process to produce reinforced plastic products.

2. Earnings Per Common Share

Basic earnings per common share is computed based on the weighted average number of common shares outstanding during the period. Diluted earnings per common share are computed similarly but include the effect of the assumed exercise of dilutive stock options and restricted stock under the treasury stock method.

The computation of basic and diluted earnings per common share is as follows:

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2007	2006	2007	2006
Net income	\$ 717,182	\$ 2,937,775	\$ 3,196,085	\$ 7,722,709
Weighted average common shares outstanding	7,441,871	10,083,320	9,339,984	10,067,409
Plus: dilutive options assumed exercised	593,700	925,450	593,700	925,450
Less: shares assumed repurchased with proceeds from exercise	(324,299)	(581,281)	(304,545)	(571,395)
Plus: dilutive effect of nonvested restricted stock grants	15,816	1,094	29,444	1,062
Weighted average common and potentially issuable common shares outstanding	7,727,088	10,428,583	9,658,583	10,422,526
Basic earnings per common share	\$ 0.10	\$ 0.29	\$ 0.34	\$ 0.77
Diluted earnings per common share	\$ 0.09	\$ 0.28	\$ 0.33	\$ 0.74

At September 30, 2007 and 2006 there were 33,000 and 55,500 antidilutive options, respectively.

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3. Sales Revenue

Core Molding Technologies currently has two major customers, International Truck & Engine Corporation (International) and PACCAR, Inc. (PACCAR). Major customers are defined as customers whose current year sales individually consist of more than ten percent of total sales. The following table presents sales revenue for the above-mentioned customers for the three and nine months ended September 30, 2007 and 2006:

Three Months Ended September 30, 2007		Nine Months Ended September 30, 2007		2006
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13

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

14.6%

14

TYPE OF REPORTING PERSON

OO

7

CUSIP NO. 452521107

1 NAME OF REPORTING PERSON

C4S & CO., L.L.C.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A (a)
GROUP (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

NUMBER OF	7	SOLE VOTING POWER
SHARES		
BENEFICIALLY		4,090,000
OWNED BY	8	SHARED VOTING POWER
EACH		
REPORTING		- 0 -
PERSON WITH	9	SOLE DISPOSITIVE POWER
	10	4,090,000
		SHARED DISPOSITIVE POWER
		- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,090,000

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

14.6%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 452521107

1 NAME OF REPORTING PERSON

PETER A. COHEN

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A (a)
 GROUP (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS ..
 IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
	8	- 0 - SHARED VOTING POWER
	9	4,090,000 SOLE DISPOSITIVE POWER
	10	- 0 - SHARED DISPOSITIVE POWER
		4,090,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,090,000

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11)
 EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

14.6%

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 452521107

1 NAME OF REPORTING PERSON

MORGAN B. STARK

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A (a)
GROUP (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
	8	- 0 - SHARED VOTING POWER
	9	4,090,000 SOLE DISPOSITIVE POWER
	10	- 0 - SHARED DISPOSITIVE POWER
		4,090,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,090,000

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11)
EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

14.6%

14 TYPE OF REPORTING PERSON

IN

10

CUSIP NO. 452521107

1 NAME OF REPORTING PERSON

JEFFREY M. SOLOMON

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A (a)
 GROUP (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
	8	- 0 - SHARED VOTING POWER
	9	4,090,000 SOLE DISPOSITIVE POWER
	10	- 0 - SHARED DISPOSITIVE POWER
		4,090,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,090,000

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11)
 EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

14.6%

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 452521107

1 NAME OF REPORTING PERSON

THOMAS W. STRAUSS

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A (a)
GROUP (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
	8	- 0 - SHARED VOTING POWER
	9	4,090,000 SOLE DISPOSITIVE POWER
	10	- 0 - SHARED DISPOSITIVE POWER
		4,090,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,090,000

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11)
EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

14.6%

14 TYPE OF REPORTING PERSON

IN

12

CUSIP NO. 452521107

The following constitutes Amendment No. 3 to the Schedule 13D filed by the undersigned ("Amendment No. 3"). This Amendment No. 3 amends the Schedule 13D as specifically set forth.

Item 3. Source and Amount of Funds or Other Consideration.

The Shares purchased by Value and Opportunity Master Fund, RCG PB and Enterprise Master Fund were purchased with working capital (which may, at any given time, include margin loans made by brokerage firms in the ordinary course of business) in open market purchases, except as otherwise noted, as set forth in Schedule A, which is incorporated by reference herein. The aggregate purchase cost of the 4,090,000 Shares beneficially owned in the aggregate by Value and Opportunity Master Fund, RCG PB and Enterprise Master Fund is approximately \$16,587,880, excluding brokerage commissions.

Item 5. Interest in Securities of the Issuer.

The aggregate percentage of Shares reported owned by each person named herein is based upon 27,957,359 Shares outstanding, as of April 30, 2009, which is the total number of Shares outstanding as reported in the Issuer's Quarterly Report on Form 10-Q, filed with the Securities and Exchange Commission on May 6, 2009.

A. Value and Opportunity Master Fund

(a) As of the close of business on October 30, 2009, Value and Opportunity Master Fund beneficially owned 1,899,214 Shares.

Percentage: Approximately 6.8%.

- (b)
1. Sole power to vote or direct vote: 1,899,214
 2. Shared power to vote or direct vote: 0
 3. Sole power to dispose or direct the disposition: 1,899,214
 4. Shared power to dispose or direct the disposition: 0

(c) The transactions in the Shares by Value and Opportunity Master Fund since the filing of the Amendment No. 2 to the Schedule 13D are set forth in Schedule A and are incorporated by reference.

B. RCG PB

(a) As of the close of business on October 30, 2009, RCG PB beneficially owned 1,589,470 Shares.

Percentage: 5.7%.

- (b)
1. Sole power to vote or direct vote: 1,589,470
 2. Shared power to vote or direct vote: 0
 3. Sole power to dispose or direct the disposition: 1,589,470
 4. Shared power to dispose or direct the disposition: 0

(c) The transactions in the Shares by RCG PB since the filing of the Amendment No. 2 to the Schedule 13D are set forth in Schedule A and are incorporated by reference.

CUSIP NO. 452521107

C. Enterprise Master Fund

(a) As of the close of business on October 30, 2009, Enterprise Master Fund beneficially owned 601,316 Shares.

Percentage: 2.2%.

- (b)
1. Sole power to vote or direct vote: 601,316
 2. Shared power to vote or direct vote: 0
 3. Sole power to dispose or direct the disposition: 601,316
 4. Shared power to dispose or direct the disposition: 0

(c) The transactions in the Shares by Enterprise Master Fund since the filing of the Amendment No. 2 to the Schedule 13D are set forth in Schedule A and are incorporated by reference.

D. Ramius Advisors

(a) Ramius Advisors, as the investment advisor of Enterprise Master Fund and RCG PB, may be deemed the beneficial owner of the (i) 601,316 Shares owned by Enterprise Master Fund and (ii) 1,589,470 Shares owned by RCG PB.

Percentage: 7.8%

- (b)
1. Sole power to vote or direct vote: 2,190,786
 2. Shared power to vote or direct vote: 0
 3. Sole power to dispose or direct the disposition: 2,190,786
 4. Shared power to dispose or direct the disposition: 0

(c) Ramius Advisors did not enter into any transactions in the Shares since the filing of the Amendment No. 2 to the Schedule 13D. The transactions in the Shares on behalf of RCG PB and Enterprise Master Fund since the filing of the Amendment No. 2 to the Schedule 13D are set forth in Schedule A and incorporated by reference.

E. RCG Starboard Advisors

(a) RCG Starboard Advisors, as the investment manager of Value and Opportunity Master Fund may be deemed the beneficial owner of the 1,899,214 Shares owned by Value and Opportunity Master Fund.

Percentage: Approximately 6.8%.

- (b)
1. Sole power to vote or direct vote: 1,899,214
 2. Shared power to vote or direct vote: 0
 3. Sole power to dispose or direct the disposition: 1,899,214
 4. Shared power to dispose or direct the disposition: 0

(c) RCG Starboard Advisors did not enter into any transactions in the Shares since the filing of the Amendment No. 2 to the Schedule 13D. The transactions in the Shares since the filing of the Amendment No. 2 to the Schedule 13D on behalf of Value and Opportunity Master Fund are set forth in Schedule A and are incorporated by reference.

CUSIP NO. 452521107

F. Ramius

(a) Ramius, as the sole member of each of RCG Starboard Advisors and Ramius Advisors, may be deemed the beneficial owner of the (i) 1,899,214 Shares owned by Value and Opportunity Master Fund, (ii) 1,589,470 Shares owned by RCG PB and (iii) 601,316 Shares owned by Enterprise Master Fund.

Percentage: Approximately 14.6%.

- (b)
1. Sole power to vote or direct vote: 4,090,000
 2. Shared power to vote or direct vote: 0
 3. Sole power to dispose or direct the disposition: 4,090,000
 4. Shared power to dispose or direct the disposition: 0

(c) Ramius did not enter into any transactions in the Shares since the filing of the Amendment No. 2 to the Schedule 13D. The transactions in the Shares since the filing of the Amendment No. 2 to the Schedule 13D on behalf of Value and Opportunity Master Fund, RCG PB and Enterprise Master Fund are set forth in Schedule A and are incorporated by reference.

G. C4S

(a) C4S, as the managing member of Ramius, may be deemed the beneficial owner of the (i) 1,899,214 Shares owned by Value and Opportunity Master Fund, (ii) 1,589,470 Shares owned by PCG PB and (iii) 601,316 Shares owned by Enterprise Master Fund.

Percentage: Approximately 14.6%.

- (b)
1. Sole power to vote or direct vote: 4,090,000
 2. Shared power to vote or direct vote: 0
 3. Sole power to dispose or direct the disposition: 4,090,000
 4. Shared power to dispose or direct the disposition: 0

(c) C4S did not enter into any transactions in the Shares since the filing of the Amendment No. 2 to the Schedule 13D. The transactions in the Shares since the filing of the Amendment No. 2 to the Schedule 13D on behalf of Value and Opportunity Master Fund, RCG PB and Enterprise Master Fund are set forth in Schedule A and are incorporated by reference.

H. Messrs. Cohen, Stark, Strauss and Solomon

(a) Each of Messrs. Cohen, Stark, Strauss and Solomon, as the managing members of C4S, may be deemed the beneficial owner of the (i) 1,899,214 Shares owned by Value and Opportunity Master Fund, (ii) 1,589,470 Shares owned by RCG PB and (iii) 601,316 Shares owned by Enterprise Master Fund.

Percentage: Approximately 14.6%.

- (b)
1. Sole power to vote or direct vote: 0
 2. Shared power to vote or direct vote: 4,090,000
 3. Sole power to dispose or direct the disposition: 0
 4. Shared power to dispose or direct the disposition: 4,090,000

CUSIP NO. 452521107

(c) None of Messrs. Cohen, Stark, Strauss or Solomon entered into any transactions in the Shares since the filing of the Amendment No. 2 to the Schedule 13D. The transactions in the Shares since the filing of the Amendment No. 2 to the Schedule 13D on behalf of Value and Opportunity Master Fund, RCG PB and Enterprise Master Fund are set forth in Schedule A and are incorporated by reference.

(d) No person other than the Reporting Persons is known to have the right to receive, or the power to direct the receipt of dividends from, or proceeds from the sale of, such shares of the Common Stock.

(e)

Not applicable.

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CUSIP NO. 452521107

SIGNATURES

After reasonable inquiry and to the best of his knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: November 2, 2009

RAMIUS VALUE AND OPPORTUNITY MASTER FUND LTD By: RCG Starboard Advisors, LLC, its investment manager	RCG STARBOARD ADVISORS, LLC By: Ramius LLC, its sole member
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RCG PB, LTD. By: Ramius Advisors, LLC, its investment advisor	RAMIUS ADVISORS, LLC By: Ramius LLC, its sole member
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RAMIUS ENTERPRISE MASTER FUND LTD By: Ramius Advisors, LLC, its investment advisor	RAMIUS LLC By: C4S & Co., L.L.C., as managing member C4S & CO., L.L.C.
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By: /s/ Jeffrey M.
Solomon
Name: Jeffrey M.
Solomon
Title: Authorized
Signatory

/s/ Jeffrey M. Solomon
JEFFREY M. SOLOMON
Individually and as attorney-in-fact
for Peter A. Cohen, Morgan B. Stark
and Thomas W. Strauss

CUSIP NO. 452521107

SCHEDULE A

Transactions by the Reporting Persons in the Shares Since the filing of the Amendment No. 2 to the Schedule 13D

Shares of Common Stock Purchased / (Sold)	Price Per Share(\$)	Date of Purchase / Sale
RAMIUS VALUE AND OPPORTUNITY MASTER FUND LTD		
6,813	4.1948	10/26/09
25,037	4.2131	10/26/09
583,550	3.8750	10/30/09
RAMIUS ENTERPRISE MASTER FUND LTD		
1,807	4.1948	10/26/09
6,643	4.2131	10/26/09
181,350	3.8750	10/30/09
RCG PB, LTD.		
5,283	4.1948	10/26/09
19,417	4.2131	10/26/09
530,100	3.8750	10/30/09