

DAKTRONICS INC /SD/  
Form 10-Q  
September 03, 2010

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934  
For the Quarterly Period Ended July 31, 2010

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934  
For the Transition Period From \_ to \_ .

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Commission File Number: 0-23246

DAKTRONICS, INC.  
(Exact name of Registrant as specified in its charter)

South Dakota 46-0306862  
(State or other (I.R.S.  
jurisdiction of Employer  
incorporation Identification  
or Number)  
organization)

201 Daktronics Drive  
Brookings, SD 57006  
(Address of principal (Zip Code)  
executive offices)

(605) 692-0200  
(Registrant's telephone number, including area  
code)

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

Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer  S

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

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

Yes  No  S

The number of shares of the registrant’s common stock outstanding as of August 30, 2010 was 41,264,211.

DAKTRONICS, INC. AND SUBSIDIARIES

FORM 10-Q

For the Quarter Ended July 31, 2010

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<u>Ex.</u>	<u>31.1</u>		
			<u>Certification of the Chief Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u>
<u>Ex.</u>	<u>31.2</u>		
			<u>Certification of the Chief Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
<u>Ex.</u>	<u>32.1</u>		
			<u>Certification of the Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350).</u>
<u>Ex.</u>	<u>32.2</u>		
			<u>Certification of the Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350).</u>

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PART I. FINANCIAL INFORMATION

## Item 1. FINANCIAL STATEMENTS

DAKTRONICS, INC. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
(in thousands, except share data)

	July 31, 2010 (unaudited)	May 1, 2010 (note 1)
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$70,235	\$63,603
Restricted cash	1,592	1,264
Accounts receivable, less allowance for doubtful accounts	49,917	45,018
Inventories	43,957	35,673
Costs and estimated earnings in excess of billings	25,479	25,233
Current maturities of long-term receivables	7,787	6,232
Prepaid expenses and other	5,033	5,838

Deferred income taxes	12,580	12,578
Income tax receivables	588	7,444
Property and equipment available for sale	182	182
Total current assets	217,350	203,065
Advertising rights, net	1,139	1,348
Long-term receivables, less current maturities	14,440	13,458
Goodwill	3,295	3,323
Intangible and other assets	3,400	3,710
Deferred income taxes	62	62
	22,336	21,901
<b>PROPERTY AND EQUIPMENT:</b>		
Land	1,471	1,471
Buildings	55,210	55,353
Machinery and equipment	54,789	54,058
Office furniture and equipment	53,403	53,831
Equipment held for rental	1,369	1,630
Demonstration equipment	8,639	8,969
Transportation equipment	3,748	4,256
	178,629	179,568
Less accumulated depreciation	101,506	98,683
	77,123	80,885
<b>TOTAL ASSETS</b>	<b>\$316,809</b>	<b>\$305,851</b>

See notes to consolidated financial statements.

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DAKTRONICS, INC. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
(continued)  
(in thousands, except share data)

	July 31, 2010 (unaudited)	May 1, 2010 (note 1)
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$30,468	\$23,149
Accrued expenses and warranty obligations	30,551	33,443
Current maturities of long-term debt and marketing obligations	249	322
Billings in excess of costs and estimated earnings	15,136	13,105
Customer deposits	14,198	9,348
Deferred revenue (billed or collected)	7,023	7,766
Income taxes payable	640	361

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Total current liabilities	98,265	87,494
Long-term marketing obligations, less current maturities	705	600
Long-term warranty obligations and other payables	4,015	4,229
Deferred income taxes	2,167	2,167
Long-term deferred revenue (billed or collected)	4,428	4,308