



Acme United Corp. (ACU)

Acme United Corporation is an innovative supplier of cutting devices, measuring instruments and safety products for school, home, office, industrial and hardware use. The company has facilities in the United States, Canada, Germany, Hong Kong and China. Acme United's products are organized under four global brands: Westcott, Clauss, Camillus and PhysiciansCare, all of which serve a growing customer base that includes the world's premier retailers and merchandisers.

Update Report – December 4, 2010



Investment Highlights

✓ Acme United's third quarter 2010 revenues reached \$16.1 million, a 5% increase compared with \$15.3 million revenues in the comparable period last year. Excluding extraordinary items, net income for the third quarter of 2010 was \$510,000 compared with \$440,000 for the same period last year. That's a 16% increase, or a 23% diluted earnings per share increase.

✓ Acme United is growing fast internationally. In order to continue that growth, the Company is hiring additional sales people in Asia and Europe. Acme already hired an experienced sales person in Germany to assist in its mass-market sales and it's also recruiting sales and marketing executives in Hong Kong to drive more Asia Pacific sales.

✓ The coming months are very interesting for ACU as a whole new line of Camillus knives and two complete new lines of Clauss garden tools will enter stores.

✓ Acme's Board of Directors recently approved a new stock repurchase program of up to 200,000 common shares. With slightly over 3 million shares outstanding at the moment, this means that over 6.5% of all shares can potentially be retired. Early August 2010, the Board increased the quarterly cash dividend with 1 cent to 6 cents per share. Currently, the Company is paying a 2.5% annual dividend.

✓ Acme United is increasing its distribution worldwide, is expanding sales forces in Europe and Asia and is introducing new products to the market place. Based on this growth potential, we reiterate our buy recommendation and adjust our 12-month price target upwards from \$12.15 to \$13.04, which is attributable to the average P/E increase for the industry.

| | |
|---|-------------------------|
| Symbol: | ACU |
| Industry: | Office Supplies |
| Market: | NYSE Amex |
| Recent Price: | \$9.75 |
| 52-Week Price Range: | \$6.53 - \$13.04 |
| Market Cap: | approx. \$29.93 million |
| Acme United Corp. 60 Round Hill Road Fairfield, CT 06824 Phone: (203) 254-6060 http://www.acmeunited.com | |

The Company

Acme United Corporation is a leading worldwide supplier of innovative branded cutting, measuring and safety products for the school, home, office, hardware & industrial markets. Principal products are scissors, shears, rulers, pencil sharpeners, first aid kits and related products. These goods are primarily sold to office superstores, contract stationers and wholesalers, school distributors, mass market, and industrial, hardware and floral distributors.

The Company has its roots dating back to 1867 and has facilities in the United States, Canada, Europe (located in Germany) and Asia (located in Hong Kong and China). The operations in the United States, Canada and Europe are primarily involved in product development, manufacturing, marketing, sales, administrative and distribution activities. The operations in Asia consist of sourcing, quality control and sales activities.

Product innovation and attention to customer needs is what really separates Acme from its competitors and what makes it grow and prosper. The Company works with new materials or adds new user-friendly features to existing items. Acme has an on-going goal of generating 30% of its sales from products developed in the last 3 years.

The Company's customers include Staples, Office Depot, Office Max, United Stationers, SP Richards, W.B. Mason, Home Depot, Target, Wal-Mart, Walgreen, School Specialty, Grainger, McMaster Carr, Meijer, Fred Meyer, Zellers, Schlecker, WH Smith, and many other major chains.

Brands

Acme United's products are organized under four global brands: Westcott, PhysiciansCare, Clauss and Camillus, all of which serve a growing customer base that includes the world's premier retailers and merchandisers.



The number of products under the four brands continues to expand, providing customers with ever

better solutions to their cutting, measuring and safety needs.

Westcott began as a ruler company almost 140 years ago. Today, Westcott sells between 60 and 80 million scissors, and 15 and 18 million rulers annually, making them the leading scissors brand in the USA and one of the leading ruler brands in North America.

Acme United excels because it constantly re-invents everyday products like scissors, knives and school and office items. The Company applies new materials like titanium carbonitride coatings, making the knives and scissors blades more than 10 times harder than stainless steel. It adds a non-stick coating to scissors, making them useful in difficult environments like the floral area for cutting and trimming flowers and bushes, or in the arts and crafts area, where lots of glue and paste is used. It also opens up new markets by adding Microban, an ingredient that inhibits the growth of bacteria, to school and office products.



Westcott sells 15 and 18 million rulers annually, making it one of the leading ruler brands in North America.

Next to scissors and rulers, Westcott is also known for its iPoint line of electric pencil sharpeners. The original iPoint, and its successor the iPoint Evolution, were extremely well received after being introduced in stores. Part of the reason why the pencil sharpeners are so popular is their trendy design. In fact, both the iPoint and the iPoint Evolution won a GOOD DESIGN* Award from the Chicago Athenaeum, Museum of Architecture and Design.

* GOOD DESIGN is one of the oldest and most important design competitions worldwide. Each year, the Museum receives hundreds of submissions from the biggest and most famous brands like Apple, Hewlett Packard, BMW, Porsche, Microsoft, etc.

Because the iPoint pencil sharpener continues to be a phenomenal success, its product family will be expanded. iPoint revenues for fiscal year 2010 are estimated at \$10 million.

PhysiciansCare offers a wide assortment of first aid kits, over-the-counter medicines, emergency and disaster kits and kit refills. These products are sold at Staples, Office Depot, United Stationers, Office Max, Corporate Express and many more.

In 2008, PhysiciansCare Ready Care Kits and Triage First Aid Stations were introduced. And in 2009 PhysiciansCare Emergency Care Responder Kits, Flu Care Kits and a line of safety products with Microban were added to the PhysiciansCare range.

Clauss has its roots dating back to 1877 as a scissors, razors and kitchen knives manufacturer. Nowadays, Clauss has a substantial line of quality cutting tools for the professional market: True Professional sewing shears, hot forged scissors, utility knives, chef shears, hobby knives, etc.

An important product for Clauss is its SpeedPak Utility Knife, a lightweight, ergonomic and innovative alternative for a regular utility knife. The SpeedPak features an interchangeable color coded cartridge system that allows the user to switch between three different types of blades. The cartridge can be changed in a matter of seconds without the user ever touching a blade.

The SpeedPak sold well in 2009, but is much broader distributed in 2010. For example, since the first quarter, it's sold at Lowe's and Home Depot. It's also available in major industrial catalogues.

A new Clauss item is the Damascus knife set. The Damascus knives have a beautiful design. The blades are made by alternating layers of wrought iron (providing elasticity) and tempered steel (providing strength). And the handles are made from stain-resistant bamboo. The knives were first introduced at Cabela's a few weeks ago. In fact, it was the first Acme United product ever carried by Cabela's. Another indication that ACU is opening up more markets and channels of distribution.

Soon to enter stores are two complete lines of Clauss gardening tools. The Enviro-Line is a new line of lawn & garden products like pruners, snips, floral knives, spring assisted scissors, etc. While the AirShoc line of professional lawn & garden tools includes loppers, hedge shears, branch saws and grass and garden shears as well as their respective

replacement blades. Also see growth drivers on page 6.



The Clauss Damascus knife set is the first Acme United product ever carried by Cabela's.

Camillus was a synonym for the finest knives available for more than a hundred years. In 2007, Camillus filed for bankruptcy and had to close its doors due to fierce overseas competition. A few months later, the product brand names and intellectual property of the Company were acquired by Acme United for \$200,000 in a bankruptcy auction.

In May 2009, Acme re-launched Camillus at the National Hardware Show in Las Vegas. The knives have an eye-catching design and are made out of the finest materials, like bamboo handles or blades with titanium carbonitride coatings. The Camillus knives are for sale at major DIY chains, large retailers and at a number of leading industrial distributors.

The coming weeks, a whole new line of Camillus knives will enter stores, including a host of knives with VG10 steel. And for knife enthusiasts, Camillus is re-launching the Yello-Jaket, the Lev-R-Lok and the Western brand knives. The knives will be carried at about 150 additional stores as of 2011.

Financials

Third Quarter And Nine Months 2010 Results

Acme United released positive third quarter 2010 results. Revenues reached \$16.1 million, a 5% increase compared with \$15.3 million revenues in the comparable period last year.

The Company enjoyed strong back to school sales, especially to mass market retailers like Wal-Mart and Target where double digit sales growth was recorded. iPoint pencil sharpener sales again excelled.

Sales to the office channel on the other hand were slow. Although they were higher compared with the third quarter last year, they were weaker than the Company wanted them to be. Sales to Staples were good, but sales to Office Depot were pretty soft. The reason for this is simple, Companies aren't hiring, so they need less new equipment.

| Amounts in \$000's | 09/30/10 | 09/30/09 |
|---|------------|------------|
| Net Sales | 16,083 | 15,269 |
| Cost of Goods Sold | 10,426 | 9,771 |
| S, G & A Expenses | 5,000 | 4,864 |
| Income From Operations | 657 | 634 |
| Pre-Tax Income | 613 | 1,088 |
| Income Tax Expense | 1 | 360 |
| Net Income | 612 | 728 |
| Shares Outstanding | 3,192 | 3,353 |
| Earnings Per Share | 0,19 | 0,22 |
| Most important income statement data for the quarters ending September 30, 2010 versus September 30, 2009. Source: Company Filings | | |

Net income for the third quarter of 2010 was \$612,000, compared with \$728,000 earnings in the third quarter of 2009. This is a decline of 16%.

This looks pretty bad, but there's a catch to these numbers. Both the third quarter of 2010 and 2009 include an extraordinary item. Stripping out these one-time items, earnings for the third quarter of 2010 are \$510,000 compared with \$440,000 for the same period last year. That's a 16% increase, or a 23% diluted earnings per share increase.

In 2009, third quarter earnings include a one time pre-tax income of \$458,000. This was a bonus

because the remediation of the Company's old Bridgeport property, which was sold in December 2008, went much better than originally projected.

And the third quarter of 2010 includes a one-time \$100,000 tax benefit due to the Company's donation of land to the City of Bridgeport, CT in the fourth quarter of 2009. During the first nine months, about \$300,000 tax benefits have been included in ACU's earnings for this reason and a final \$60,000 tax benefit will be included in its fourth quarter 2010 earnings.

THE BRIDGEPORT PROPERTY



The former Acme Shear Company property along the Pequonnock River in Bridgeport, CT.

On a small side note, that was a pretty neat deal by Acme United in 2008. What happened was, the Company took a 4 acres property with a 48,000 sq feet warehouse on it, where the original Acme United scissor factory used to be, and sold it to B & E Juices, Inc. for \$2.5 million.

Part of the deal was that Acme United would remediate the property, which was estimated at \$1.8 million. A few months later, it turned out that the remediation would cost less than first anticipated. So almost half a million dollars was taken back into earnings in the third quarter of 2009.

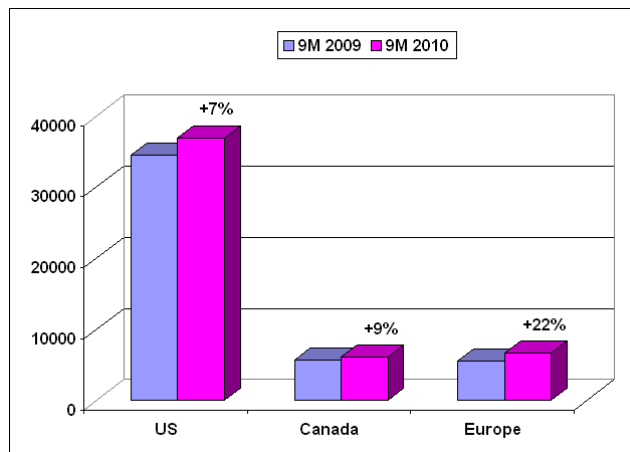
At the same time, Acme United provided B & E Juices with a mortgage of \$2 million bearing six percent interest per year. This mortgage is due one year after the remediation and monitoring of the property have been completed.

So bottom line is that Acme United turned a possible liability (a property with an old warehouse on it that it wasn't going to use anyway) into a very nice amount of money.

Sales for the nine months period ending September 30, 2010 were \$49.8 million, compared to \$45.7 million in the same period in 2009, an increase of 9%. Net income for the nine months ended September 30, 2010 was \$2,391,000, or \$.74 per diluted share compared to \$2,111,000, or \$.63 per diluted share in the comparable period last year, a 13% increase in net income and 17% in diluted earnings per share.

Despite the still sluggish US economy, Acme United succeeds in generating higher revenues and earnings.

In the U.S. segment, net sales for the three and nine months ended September 30, 2010 increased 10% and 7%, respectively, compared to the same periods in 2009. In Canada, net sales for the three months ended September 30, 2010 were constant in U.S. dollars but declined 5% in local currency. Net sales in Canada for the nine months ended September 30, 2010 increased 9% in U.S. dollars but declined 2% in local currency. And net sales in the European segment declined 10% in U.S. dollars and 1% in local currency for the three months ended September 30, 2010. For the nine months ended September 30, 2010, net sales in Europe increased 22% in U.S. dollars and 29% in local currency.



Sales breakdown per segment in thousands of dollars for the first nine months of FY 2010 and FY 2009. All business segments grew during the quarter and contributed to Acme United's performance. Source: Company Filings.

During the third quarter conference call, Mr. Walter Johnsen, the Company's Chairman and CEO, said that Acme is experiencing higher costs. The weak U.S. dollar buys fewer goods. Steel and plastic are becoming more expensive. Transportation and labor costs also continue to increase. To offset these

higher costs, the Company has announced price increases to all its customers effective January 1st, 2011.

Balance Sheet As Of September 30, 2010

| Amounts in \$000's | 09/30/10 | 09/30/09 |
|--|---------------|---------------|
| Cash and Cash Equivalents | 7,232 | 6,599 |
| Accounts Receivable | 14,943 | 11,846 |
| Inventories | 19,972 | 17,85 |
| Total Current Assets | 43,321 | 37,502 |
| Total Assets | 49,769 | 44,071 |
| Accounts Payable | 4,49 | 3,305 |
| Bank Debt | - | 9,324 |
| Total Current Liabilities | 7,414 | 17,308 |
| Bank Debt | 15,42 | - |
| Total Liabilities | 24,555 | 19,299 |
| Total Stockholder Equity | 25,213 | 24,772 |
| Most important balance sheet data for the period ending September 30, 2010 versus September 30, 2009. Source: Company Filings | | |

Two items on the above balance sheet stand out.

The accounts receivables increased by more than \$3 million due to higher sales. This number is expected to drop as the back to school accounts receivables are collected in the fourth quarter.

More important, because it isn't a momentary increase, are the Company's inventories. They are more than \$2 million higher compared with last year and are most likely to increase some more.

The reason is that Acme United, like most other companies, continues to experience labor shortages in its Chinese factories and is therefore increasing its inventories. Although this is a burden on the Company's cash position, it also has three big advantages.

- The Company is able to maintain its high delivery metrics, especially in light of the peak production period after Chinese New Year in February.
- Also, it reduces Acme's expedited shipping costs. Remember that the Company had to pay about \$250,000 in the previous quarter

to airfreight some products that couldn't be shipped in time.

- Third, ACU is capable of fulfilling more unexpected promotional offers from mass market retailers. That wasn't always the case in the past, simply because the products couldn't be manufactured in time.

Growth Drivers

International Expansion

From the sales breakdown per segment chart on page 5, it's obvious Acme United is growing fast internationally. In order to continue that growth, the Company is hiring additional sales people in Asia and Europe. Acme hired an experienced sales person in Germany to assist in its mass-market sales and it's also recruiting sales and marketing executives in Hong Kong to drive more Asia Pacific sales.

Clauss Garden Tools

Clauss recently introduced two complete new lines of gardening tools.

The **Enviro-Line** is a new line of lawn & garden products like pruners, snips, floral knives, spring assisted scissors, etc. The blades are titanium bonded and the packaging and handles of the tools are made from recycled materials.

The new **AirShoc line** of professional lawn & garden tools includes loppers, hedge shears, branch saws and grass and garden shears as well as their respective replacement blades. The Titanium-Bonded Non-Stick blades prevent saps and adhesives from sticking to the blades. The tools also feature Microban antibacterial treated blades and grips to protect the user as well as the plants themselves. The AirShoc grips are engineered to reduce the impact and fatigue of cutting through branches, etc. Like the Enviro-Line, the AirShoc packaging is also environmentally sustainable.

Finally, the AirShoc line features break-through "Tool-Less Blade Change" allowing the user to change from a bypass blade to an anvil blade to a snip in seconds. This eliminates the need to have multiple loppers or pruners just for different blade requirements. The Tool-Less Blade Change technology also makes sharpening and clean up a simple process.

There's strong U.S. and international interest for the garden tools, which are scheduled to enter stores later this year and early 2011.



Thanks to its strong U.S. and international interest, we have high hopes for the new Clauss garden tools. Image: the Clauss hedge shear.

Camillus

In 2010, the Camillus knives have been accepted in several major DIY chains, in one of the largest retailers and at a number of leading industrial distributors and sporting goods chains.

A whole new line of Camillus knives will enter stores in the coming weeks. As of 2011, the knives will be carried at about 150 additional stores.

We continue to believe that Camillus is a tremendous growth prospect for Acme United. Prior to acquiring Camillus, it was an \$18 million business. Judging with how much enthusiasm people still talk and write about their old Camillus knives, it's obvious the brand name and reputation is outstanding.

New Customers

The Clauss Damascus knife set was first for sale at Cabela's, a brand new customer for Acme United. And the Clauss garden tools will be available, amongst many others, at a new chain.

Although these may be small accounts at first, it shows the strength of ACU's products. You see, the only way you can get a foot in the door with these big retailers is by offering them excellent products from which they believe they'll be able to sell a lot.

Recent Developments

New Stock Repurchase Program

In November 2010, the Company's Board of Directors approved a new stock repurchase program of up to 200,000 common shares.

With slightly over 3 million shares outstanding at the moment, this means that over 6.5% of all shares can potentially be retired. Of course, we're not sure they will be bought back, but we do know that Acme has a solid history of buying back shares. For instance, during the 12 month period ended September 30, 2010, Acme purchased 250,000 shares of its common stock for approximately \$2.4 million.

Outlook & Valuation

Although Acme United's domestic sales are increasing, the Company believes that in the coming quarters most of its growth will come from international expansion. This is consistent with what other Companies in the office products industry are saying.

The latest economic data from Germany, the growth engine of the European Union, confirms this trend. Dieter Hundt, head of Germany's employers' association, forecasts a 3.5% growth rate for 2010. Especially, growth in the services sector helps to add jobs and reduce unemployment. Some German states already talk about being close to full employment.

This being the case, we applaud Acme United's decision to expand its international sales force.

Due to ACU's higher than expected revenue growth in the second quarter of 2010, we increased our full year revenue forecast to \$64.64 million in our previous report. In light of third quarter numbers, we're reversing that increase back to our original estimate of \$63.85 million.

We're also revising our FY 2010 earnings forecast to \$2.67 million, or 87 cents per share, slightly down from \$2.86 million, or 87 cents per share. The

earnings per share estimate remains equal thanks to the Company's stock buyback program.

| Amounts in \$000's | FY 2008 | FY 2009 | FY 2010E |
|--------------------|---------|---------|----------|
| Total Revenue | 68,719 | 59,149 | 63,849 |
| Net Income | 4,467 | 2,842 | 2,667 |

Annual sales and earnings FY 2008 – 2010E. Source: Company Filings and Smallcaps.us estimates

Note: Fiscal year 2009 net income includes approximately \$0.60 million one time items.

Peer Comparison

Acme United competes with many other companies in each market and geographic area. For example, the major competitor in the cutting category is Fiskars Corporation, the major competitor in the measuring category is Helix International Ltd and the major competitor in the safety category is Johnson and Johnson.

Nevertheless, it's hard to identify a peer group of companies, because there's no other Company that's in exactly the same line of business as Acme United. Moreover, some of these other companies that engage in the Company's line-of-business do so through divisions or subsidiaries that are not publicly-traded.

For reason of comparison, we have placed the Company in the office supplies industry. The average P/E ratio for a Company in the office supplies industry is 14.99x, up from 13.97x in our previous report.

In our second quarter report, the average P/E ratio had decreased somewhat compared with the first quarter report because Companies in the office supplies industry reported better quarterly results but their stock price didn't move up accordingly. Since that report, stock prices have rebounded.

Valuation

Acme United remains a very sound Company. It has a good balance sheet, is paying a 2.5% annual dividend and continues to buy back shares. The Company is introducing new value-added products in the marketplace, sales forces are being expanded and distribution is increasing worldwide.

Using the \$0.87 EPS projection for FY 2010 and applying the 14.99x P/E multiple for the peer group,

we reach the following calculation: \$0.87 estimated EPS multiplied by 14.99 = \$13.04.

We reiterate our buy recommendation for Acme United Corp. because the Company continues to successfully bring new products to the market. As a matter of fact, in the third quarter of 2010, Acme United again succeeded in generating 30% of its sales from products developed in the last 3 years.

We expect sales of the iPoint pencil sharpener, the Clauss gardening tools and the Camillus knives to continue to grow in the following quarters the Company is expanding sales forces and increasing distribution worldwide.

Ownership

The principal owners of the Company's common stock are Walter Johnsen (13.13%), First Wilshire Securities Management (8.85%), North Star Investment Management Corporation (7.28%), Dimensional Fund Advisors (3.48%), Renaissance Technologies Corp. (2.20%) and Brian Olschan (2.00%).

Management

➤ **Walter Johnsen - Chairman and CEO**

Mr. Johnsen has served as director since 1995 and as Chairman and Chief Executive Officer since November 30, 1995. Before joining the Company he was Vice Chairman and a principal of Marshall Products, Inc., a medical supply distributor.

➤ **Paul Driscoll - Vice President and CFO, Secretary and Treasurer**

Mr. Driscoll has served as Vice President and Chief Financial Officer, Secretary and Treasurer since October 2, 2002. Mr. Driscoll joined Acme as Director International Finance on March 19, 2001. From 1997 to 2001 he was employed by Ernest and Julio Gallo Winery including two years in Japan as Director of Finance and Operations. Prior to Gallo he served in several increasingly responsible positions in Sterling Winthrop Inc. in New York City and Sanofi S.A. in France.

➤ **Brian Olschan - President and COO**

Mr. Olschan served as Senior Vice President of Sales and Marketing from September 10, 1996 until January 22, 1999. Effective January 23, 1999, he was promoted to President and Chief Operating Officer. From 1984 to 1996, he was employed by General Cable Corporation in various executive positions.

Annual Income Statement FY 2007 – 9M 2010

All numbers in thousands

| PERIOD ENDING | FY 2007 | FY 2008 | FY 2009 | 9M 2010 |
|---|----------------|----------------|----------------|----------------|
| Total Revenue | 63,173 | 68,719 | 59,149 | 49,789 |
| Cost of Revenue | 36,680 | 41,062 | 37,075 | 31,468 |
| Gross Profit | 26,493 | 27,657 | 22,073 | 18,321 |
| Operating Expenses | | | | |
| Research Development | - | - | - | - |
| Selling General and Administrative | 19,741 | 20,778 | 19,047 | 15,418 |
| Non Recurring | - | - | - | - |
| Others | - | - | - | - |
| Total Operating Expenses | 19,741 | 20,778 | 19,047 | 15,418 |
| Operating Income or Loss | 6,752 | 6,879 | 3,027 | 2,903 |
| Income from Continuing Operations | | | | |
| Total Other Income/Expenses Net | 206 | 193 | 581 | 76 |
| Earnings Before Interest And Taxes | 6,958 | 7,072 | 3,608 | 2,979 |
| Interest Expense | 655 | 396 | 155 | 217 |
| Income Before Tax | 6,303 | 6,676 | 3,453 | 2,762 |
| Income Tax Expense | 2,280 | 2,209 | 611 | 371 |
| Minority Interest | - | - | - | - |
| Net Income From Continuing Ops | 4,022 | 4,467 | 2,842 | 2,391 |
| Non-recurring Events | | | | |
| Discontinued Operations | - | - | - | - |
| Extraordinary Items | - | - | - | - |
| Effect Of Accounting Changes | - | - | - | - |
| Other Items | - | - | - | - |
| Net Income | 4,022 | 4,467 | 2,842 | 2,391 |
| Preferred Stock And Other Adjustments | - | - | - | - |
| Net Income Applicable To Common Shares | \$4,022 | \$4,467 | \$2,842 | \$2,391 |

Annual Income Statement FY 2007 – 9M 2010. Source: Company Filings



Acme United Corporation

NYSE Amex: ACU

Company Headquarters

60 Round Hill Road
Fairfield, CT 06824
United States

Phone: +1 203-254-6060

Fax: +1 203-254-6019

Company Contact

Paul G. Driscoll, Chief Financial Officer

This Company Report is prepared and distributed by Smallcaps.us
editor@smallcaps.us

About Smallcaps.us

As a small cap Company, it's not easy to gain the interest of investors. Most specialized publications focus on major companies, which doesn't allow innovative newcomers to get the media exposure they deserve.

Smallcaps.us, highlights solid and honest companies with a market cap below \$100 million. We focus on fundamentally undervalued Companies with real revenues and earnings and we have a special interest in stocks with a high potential, innovative product or service.

Disclaimer

This publication has been prepared by Wizard Media Group, which owns and operates the website <http://www.smallcaps.us>. Wizard Media Group is not a registered financial advisor, nor is it a stockbroker or investment advisor.

This publication is provided for information purposes only and is not intended to be an offer, or the solicitation of an offer, to buy or sell the securities referred to herein.

Investors must make their own determination of the appropriateness of an investment in any securities referred to herein based on the merits and risks involved, their own investment strategy and their legal, fiscal and financial position. Past performance is no guarantee for future results. Wizard Media Group nor any of its employees shall be responsible for any investment decision.

The information herein has been obtained from, and any opinions herein are based upon, sources believed reliable. However its accuracy and completeness is not guaranteed. All opinions, forecasts and estimates herein reflect the judgment of Wizard Media Group on the date of this publication.

This Company Report may contain certain "forward-looking statements" within the meaning of applicable securities laws, including without limitation, statements related to the Company's plans, strategies, objectives, expectations, intentions and adequacy of resources. Investors are cautioned that such forward-looking statements involve risks and uncertainties including without limitation the following: (i) the Company's plans, strategies, objectives, expectations and intentions are subject to change at any time at the discretion of the Company; (ii) the Company's plans and results of operations will be affected by the Company's ability to manage its growth, and (iii) other risks and uncertainties indicated from time to time in the Company's public filings.

Wizard Media Group receives \$2,000 USD per month from Acme United Corporation to develop and execute a communication plan to enhance the Company's exposure to the investor community. Any and all compensation received from companies profiled on Smallcaps.us is mentioned in the disclaimer.

Wizard Media Group and/or its employees may hold positions in companies mentioned. However, it is prohibited for Wizard Media Group and/or its employees to trade in financial instruments of companies one week prior to publication of the initial Company Report or a rating change until one week thereafter.

No part of this publication may be reproduced in any manner without the prior written consent of Wizard Media Group. © 2003 - 2010 Wizard Media Group.