K2 INC
Form S-4/A
November 28, 2003
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As filed with the Securities and Exchange Commission on November 28, 2003

Registration No. 333-110222

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

AMENDMENT NO. 1

TO

FORM S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

K2 INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware	**3949**	**95-2077125**
(State or Other Jurisdiction of Incorporation or Organization)	**(Primary Standard Industrial Classification Code No.)**	**(I.R.S. Employer Identification No.)**

2051 Palomar Airport Road

Carlsbad, California 92009

(760) 494-1000

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant s Principal Executive Offices)

Monte H. Baier

Vice President and General Counsel

K2 Inc.

2051 Palomar Airport Road

Carlsbad, California 92009

(760) 494-1000

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

With copies to:

Bradford P. Weirick	**Craig R. Martahus**
Gibson, Dunn & Crutcher LLP	**Thompson Hine LLP**
333 South Grand Avenue	**3900 Key Center 127 Public Square**
Los Angeles, California 90071-3197	**Cleveland, Ohio 44114-1291**
(213) 229-7000	**(216) 566-5500**

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement and the satisfaction (or waiver) of the conditions to the offer described herein.

If the securities being registered on this form are to be offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. ¨

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨______

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨______

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in

accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to Section 8(a), may determine.

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THE INFORMATION IN THIS PROSPECTUS IS NOT COMPLETE AND MAY BE CHANGED. WE MAY NOT SELL THESE SECURITIES UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE. THIS PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES AND WE ARE NOT SOLICITING OFFERS TO BUY THESE SECURITIES IN ANY JURISDICTION WHERE THE OFFER OR SALE IS NOT PERMITTED.

OFFER BY K2 INC.

to

Exchange 0.6036 of a Share of Common Stock

(Including the Associated Preferred Share Purchase Rights)

of

K2 Inc.

for

Each Outstanding Share of Common Stock

of

Brass Eagle Inc.

THIS OFFER, AND YOUR RIGHT TO WITHDRAW SHARES OF BRASS EAGLE COMMON STOCK YOU TENDER INTO THIS OFFER, WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON MONDAY, DECEMBER 8, 2003, UNLESS WE EXTEND THIS OFFER.

We are offering to exchange 0.6036 of a share, including the associated preferred share purchase rights, of common stock of K2 Inc. (K2) for each outstanding share of common stock of Brass Eagle Inc. (Brass Eagle), on the terms and conditions contained in this prospectus and in the related letter of transmittal.

This offer is being made pursuant to an Agreement and Plan of Merger and Reorganization (as such agreement may from time to time be amended or supplemented, the Merger Agreement), dated as of October 22, 2003, by and among K2, Cabe Acquisition Sub, Inc. (Acquisition Sub) and Brass Eagle. The board of directors of Brass Eagle has (i) adopted the Merger Agreement and approved the transactions contemplated thereby, including this offer, and (ii) recommended that holders of Brass Eagle common stock accept this offer and tender their Brass Eagle common stock to K2 pursuant to this offer. Charter Oak Partners, the largest stockholder of Brass Eagle, holding approximately 49.06% of the outstanding common stock of Brass Eagle, has agreed to tender its Brass Eagle shares in the offer, subject to certain conditions.

This offer is conditioned on (i) there being validly tendered and not properly withdrawn prior to the expiration of the offer at least a majority of the shares of Brass Eagle common stock, calculated as described in this prospectus, and (ii) the other conditions described in this prospectus under The Offer Conditions of the Offer on page 39.

After completion of the offer, K2 will cause Brass Eagle to complete a merger with Acquisition Sub, in which each outstanding share of Brass Eagle common stock (except for shares held by Brass Eagle, K2 or Acquisition Sub) will be converted into the right to receive shares of K2 common stock at the same exchange ratio as used in the offer, subject to appraisal rights to the extent applicable under Delaware law. If after the completion of this offer we beneficially own more than 90% of the outstanding shares of Brass Eagle common stock, we may effect this merger without the approval of Brass Eagle stockholders, as permitted under Delaware law.

K2 is not asking Brass Eagle stockholders for a proxy at this time and Brass Eagle stockholders are requested not to send a proxy. Any solicitation of proxies will be made pursuant to separate proxy solicitation materials complying with the requirements of Section 14(a) of the Securities Exchange Act of 1934, as amended (the Exchange Act).

SEE RISK FACTORS BEGINNING ON PAGE 19 FOR A DISCUSSION OF ISSUES THAT YOU SHOULD CONSIDER IN DETERMINING WHETHER TO TENDER YOUR SHARES IN THIS OFFER.

K2 common stock is traded on the New York Stock Exchange under the symbol KTO. Brass Eagle common stock is traded on the Nasdaq National Market System under the symbol XTRM.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THE SECURITIES TO BE ISSUED IN THIS OFFER AND THE SUBSEQUENT MERGER OR DETERMINED IF THE INFORMATION CONTAINED IN THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this prospectus is November 4, 2003, as amended on November 28, 2003.

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As permitted under the rules of the Securities and Exchange Commission (the SEC), this prospectus incorporates important business and financial information about K2 and Brass Eagle that is contained in documents filed with the SEC, but that is not included in or delivered with this prospectus. You may obtain copies of these documents, without charge, from the website maintained by the SEC at www.sec.gov, as well as other sources. See Additional Information Where You Can Find Additional Information on page 78. You may also obtain copies of these documents, without charge, upon written or oral request to our information agent, Morrow & Co., Inc. (Banks and Brokerage Firms, please call (800) 654-2468; Stockholders, please call (800) 607-0088; all others, please call collect (212) 754-8000; the e-mail address is xtrm.info@morrowco.com). To obtain timely delivery of copies of these documents, you should request them no later than five business days prior to the expiration of this offer. **UNLESS THIS OFFER IS EXTENDED, THE LATEST YOU SHOULD REQUEST COPIES OF THESE DOCUMENTS IS MONDAY, DECEMBER 1, 2003.**

Except as otherwise specifically noted, we, our, us and similar words in this prospectus refer to K2. Acquisition Sub refers to Cabe Acquisition Sub, Inc., a wholly-owned subsidiary of K2. We refer to Brass Eagle Inc. as Brass Eagle.

In Questions and Answers About the Offer below and in the Summary beginning on page 3, we highlight selected information from this prospectus, but we have not included all of the information that may be important to you. To better understand the offer and the subsequent merger, and for a more complete description of their legal terms, you should carefully read this entire prospectus, including the section entitled Risk Factors on page 19 and the annexes hereto, as well as the documents we have incorporated by reference into this prospectus. See Additional Information Where You Can Find Additional Information on page 78.

You should rely only on the information contained or incorporated by reference in this prospectus. We have not authorized anyone to provide you with information different from that contained or incorporated by reference in this prospectus. The information contained in this prospectus and the documents incorporated by reference are accurate only as of their respective dates, regardless of the time of delivery of this prospectus. Our business, financial condition, results of operations and prospects may have changed since those dates.

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QUESTIONS AND ANSWERS ABOUT THE OFFER

Q. Who is Offering to Buy Your Shares?

A. K2 is a premier branded consumer products company with a portfolio of diversified sporting goods products and other recreational products. Our sporting goods include several name brand lines such as K2 and OLIN alpine skis, K2 and Ride snowboards, boots and bindings, Morrow, 5150 and Liquid snowboards, K2 in-line skates, K2 mountain bikes and BMX bikes, Rawlings baseball and sports equipment, Worth softball and sports equipment, Shakespeare fishing rods and reels, Stearns personal flotation devices, outdoor water recreational products, rainwear and hunting accessories and K2 and Dana Design backpacks. Our other recreational products include Planet Earth apparel, Adio and Hawk skateboard shoes, Tubbs and Atlas snowshoes and Hilton corporate casuals. In addition, our portfolio includes industrial products consisting primarily of Shakespeare monofilament line, which is used in weed trimmers, paper mills and as fishing line, and Shakespeare fiberglass marine antennas. We have embarked upon an aggressive strategy to expand our operations and diversify our product offerings within the sporting goods and recreational products industries by seeking to combine with other well-established companies. In pursuing this strategy, we acquired Rawlings Sporting Goods Company, Inc. (Rawlings) on March 26, 2003, Worth, Inc. (Worth) on September 16, 2003 and Winter Quest LLC, Atlas Snowshoes Company, LLC and Little Bear Snowshoe Company, LLC on October 17, 2003 and entered into an agreement on November 25, 2003 to acquire Fotoball USA, Inc.

Q. Why are We Making the Offer?

A. We are making the offer for the purpose of acquiring all of the outstanding shares of Brass Eagle common stock.

Q. What Will You Receive in Exchange for the Shares of Brass Eagle Common Stock that You Tender In the Offer?

A. If we complete the offer, you will receive 0.6036 of a share, including the associated preferred share purchase rights, of K2 common stock in exchange for each share of Brass Eagle common stock that you validly tender in the offer. We will not issue fractional shares of K2 common stock. Instead, any Brass Eagle stockholder entitled to receive a fractional share of K2 common stock will receive a cash payment in lieu of the fractional interest. See The Offer Cash Instead of Fractional Shares of K2 Common Stock on page 39.

Q. What Does the Board of Directors of Brass Eagle Think of the Offer and the Subsequent Merger?

A. On October 22, 2003, the board of directors of Brass Eagle approved the Merger Agreement, this offer and the merger. The board of directors of Brass Eagle also has recommended that Brass Eagle stockholders tender their shares of Brass Eagle common stock in this offer. The board of directors of Brass Eagle has received a written opinion, dated October 22, 2003, from Wachovia Capital Markets, LLC (Wachovia Securities), the financial advisor to Brass Eagle, to the effect that, as of the date of the opinion and based on and subject to the matters described in the opinion, the consideration to be received by Brass Eagle stockholders in the offer and merger is fair, from a financial point of view, to such stockholders. A summary of Wachovia Securities opinion, including the analyses performed, the bases and methods of arriving at the opinion and a description of Wachovia Securities investigation and assumptions, is provided in Brass Eagle s Solicitation/Recommendation Statement on Schedule 14D-9 (the Brass Eagle Recommendation Statement), which is being mailed to you together with this prospectus. The full text of Wachovia Securities written opinion, which describes the assumptions made, procedures followed, matters considered and limitations on the review undertaken, is attached to the Brass Eagle Recommendation Statement. For more information about the position of the board of directors of Brass Eagle on the offer, see the Brass Eagle Recommendation Statement.

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Q. What Has Charter Oak Partners, Brass Eagle s Largest Stockholder, Agreed to Do with Respect to the Offer and the Merger?

A. On October 22, 2003, Charter Oak Partners entered into an Exchange Agreement with K2, pursuant to which it has agreed to tender its Brass Eagle shares in the offer, subject to certain conditions. See Interests of Certain Persons in the Offer and Subsequent Merger Certain Agreements Between Charter Oak Partners and K2 Exchange Agreement on page 53.

Q. What are the Potential Benefits of this Offer to Brass Eagle Stockholders?

A. We believe that this offer should be attractive to Brass Eagle stockholders for the reasons described elsewhere in this prospectus as well as for the following reasons:

- based on the closing prices of shares of K2 common stock and shares of Brass Eagle common stock on October 22, 2003, the last trading day preceding our first announcement of our intention to acquire the outstanding shares of Brass Eagle common stock, the value of shares of Brass Eagle common stock as used in the exchange ratio represented a 22.5% premium over the price of shares of Brass Eagle common stock. On November 3, 2003, the last trading date prior to the printing of this prospectus for which this information was practicably available, the closing prices of a share of K2 common stock and a share of Brass Eagle common stock, as reported in the consolidated transaction reporting system, were $16.30 and $9.90, respectively;

- you will have the opportunity to hold shares in a larger, more diversified combined company which we believe will have greater access to capital to pursue strategic growth opportunities in the sporting goods industry than would Brass Eagle on a stand-alone basis; and

- you will have the opportunity to continue to share in Brass Eagle s future performance through your ownership of shares of K2 common stock, as well as an opportunity to similarly share in the performance of our other product lines.

Q. What are Some of the Other Factors You Should Consider in Deciding Whether to Tender Your Shares of Brass Eagle Common Stock?

A. In addition to the factors described elsewhere in this prospectus, you should consider the following:

- as a K2 stockholder, your interest in the performance and prospects of Brass Eagle would only be indirect and in proportion to your share ownership in K2. You, therefore, will not realize the same financial benefits of future appreciation in the value of Brass Eagle, if any, that you may realize if the offer and the merger were not completed and you remained a Brass Eagle stockholder; and

- an investment in a company of Brass Eagle s size may be associated with greater risk and a greater potential for gain than an investment in a more diversified company like K2. On the other hand, as a stockholder in a diversified company like K2, your investment will be exposed to risks and events that are likely to have little or no effect on Brass Eagle.

We describe various factors Brass Eagle stockholders should consider in deciding whether to tender their shares under Risk Factors on page 19 and Background and Reasons for the Offer and Subsequent Merger Additional Factors for Consideration by Brass Eagle Stockholders on page 31.

Q. How Do You Participate in the Offer?

A. You are urged to read this entire prospectus carefully, and to consider how the offer and the merger affect you. Then, if you wish to tender your shares of Brass Eagle common stock, you should complete and sign the enclosed letter of transmittal and return it with your stock certificates to the exchange agent and depository at its address set forth on the back cover page of this prospectus, or, if you hold your shares in street name through a broker, ask your broker to tender your shares. Please read this prospectus carefully for more information about procedures for tendering your shares, the timing of the offer, extensions of the offer period and your rights to withdraw your shares from the offer prior to the expiration date.

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Q. What are the Most Significant Conditions to the Offer?

A. The offer is conditioned upon, among other things, satisfaction of the condition that there must be validly tendered, and not properly withdrawn, prior to the expiration of the offer, at least a majority of the outstanding shares of Brass Eagle common stock and certain shares subject to Brass Eagle stock options as described in this prospectus. In addition to this minimum condition, the following conditions must also be met as of the expiration of the offer:

- the registration statement on Form S-4 of which this prospectus is a part must have become effective;
- any applicable waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the HSR Act), must have expired or been terminated (early termination of the waiting period was granted on October 30, 2003);
- the shares of K2 common stock issuable in the offer shall have been approved for listing on the New York Stock Exchange;
- Brass Eagle and K2 shall have received certain tax opinions;
- K2 shall have received from Charter Oak Partners, the largest stockholder of Brass Eagle, an executed non-competition agreement;
- Charter Oak Partners shall not have breached any of its obligations under the Exchange Agreement pursuant to which it has agreed to tender its shares in the offer;
- Brass Eagle shall have received certain consents to the transactions contemplated by the Merger Agreement and shall have taken certain actions under its deferred compensation plan;
- there shall have been no event having a material adverse effect on Brass Eagle and no specified breaches by Brass Eagle of the Merger Agreement;
- there shall be no legal impediments to the offer and certain events, such as trading suspensions or the commencement or acceleration of a war involving the United States, shall not have occurred;
- the Merger Agreement shall not have been terminated pursuant to its terms; and
- Brass Eagle s board of directors shall not have withdrawn its recommendation of the offer.

These conditions and other conditions to the offer are discussed in this prospectus under The Offer Conditions of the Offer on page 39.

Q. If You Decide Not to Tender, How Will This Affect the Offer and Your Shares of Brass Eagle Common Stock?

A.

We will not acquire any shares of Brass Eagle common stock in the offer unless the minimum condition is satisfied. Your failure to tender your shares of Brass Eagle common stock will reduce the likelihood that we will receive tenders of a sufficient number of shares of Brass Eagle common stock to be able to complete the offer. However, in light of the agreement of Charter Oak Partners to tender its shares, subject to the terms of the Exchange Agreement, and the intent of the directors and officers of Brass Eagle to tender their shares in the offer, we believe that it is highly unlikely that the minimum condition will not be satisfied in the offer, unless an event occurs that enables Brass Eagle to terminate the Merger Agreement.

The offer is the first step in our acquisition of Brass Eagle and is intended to facilitate our acquisition of all of the outstanding shares of Brass Eagle common stock. After completion of the offer, we will cause Brass Eagle to complete a merger with Acquisition Sub. The purpose of the merger is to acquire all of the outstanding shares of Brass Eagle common stock not exchanged in the offer. In the merger, each outstanding share of Brass Eagle common stock (except for shares held by Brass Eagle, K2 or Acquisition Sub) will be

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converted into the right to receive shares of K2 common stock at the same exchange ratio used in the offer, subject to appraisal rights to the extent applicable under Delaware law. If the merger takes place, unless the merger is accomplished through a short-form merger, which would provide appraisal rights for non-tendering stockholders, the only difference to you between tendering your Brass Eagle common stock in the offer and not tendering your Brass Eagle common stock is that you will receive shares of K2 common stock earlier if you tender your shares in the offer. An earlier tender of your shares of Brass Eagle common stock may, however, help to ensure the satisfaction of the minimum condition and the completion of the offer and merger.

Q. How Long Will It Take to Complete the Offer and the Subsequent Merger?

A. We hope to complete the offer in the fourth quarter of 2003. The offer is currently scheduled to expire on Monday, December 8, 2003. However, we may extend the offer if the conditions to the offer have not been satisfied as of the offer s scheduled expiration or if we are required to extend the offer pursuant to the SEC s tender offer rules or pursuant to agreements we have made with Brass Eagle in the Merger Agreement. After completion of the offer, K2 will cause Brass Eagle to complete a merger with Acquisition Sub, in which each outstanding share of Brass Eagle common stock (except for shares held by Brass Eagle, K2 or Acquisition Sub) will be converted into the right to receive shares of K2 common stock at the same exchange ratio as used in the offer, subject to appraisal rights to the extent applicable under Delaware law. If after the completion of the offer we beneficially own more than 90% of the outstanding shares of Brass Eagle common stock, we may effect this merger without the approval of Brass Eagle stockholders, as permitted under Delaware law, which could occur promptly following the completion of the offer. In order to reach this 90% threshold, we may exercise an irrevocable option Brass Eagle has granted us in the Merger Agreement to purchase directly from Brass Eagle that number of shares of Brass Eagle common stock that will enable us to hold 90% of the outstanding Brass Eagle shares after such exercise, subject to certain limitations. The exercise of this option would allow us to consummate the merger without stockholder approval even if we do not obtain 90% of Brass Eagle s outstanding shares in the offer. If we complete the offer but own less than 90% of the outstanding shares of Brass Eagle common stock after the offer, and we do not exercise our option to purchase shares directly from Brass Eagle, then the merger will require Brass Eagle stockholder approval, and we will complete the merger after a definitive information statement regarding our written consent as the then majority stockholder of Brass Eagle is distributed to Brass Eagle stockholders. In such circumstances, the consummation of the merger could take several weeks following the completion of the offer.

Q. Do You Have to Vote to Approve the Offer or the Merger?

A. Because we are extending the offer directly to Brass Eagle stockholders, Brass Eagle stockholders are not being asked to vote to approve the offer. Approval by Brass Eagle stockholders, however, may be required to approve the merger following the successful completion of the offer. Please note that because the offer can only be completed if we acquire a majority of the outstanding shares of Brass Eagle common stock, once the offer is completed, approval of the merger can be accomplished by the written consent of K2, as the then majority stockholder of Brass Eagle, without the additional votes of any other Brass Eagle stockholder, as permitted by Delaware law. If such written consent for the merger is required under applicable law, Brass Eagle stockholders will receive an information statement at that time. If we own 90% or more of the outstanding common stock of Brass Eagle following completion of the offer, the merger can be accomplished without any vote under applicable law.

Q. What Percentage of the K2 Common Stock Will Current Brass Eagle Stockholders Own After the Completion of the Offer and Subsequent Merger?

A. We anticipate that the completion of the offer and subsequent merger will result in the exchange of the outstanding shares of Brass Eagle common stock into approximately 14% of the K2 common stock outstanding at the conclusion of the transactions, without regard to K2 stock options or warrants to purchase K2 common stock, and 10% on a fully-diluted basis. In general, this assumes that:

- approximately 4,900,000 shares of K2 common stock would be issued in the offer and the subsequent merger;

- approximately 28,500,000 shares of K2 common stock are outstanding before giving effect to the completion of the offer and the subsequent merger; and

- no Brass Eagle stockholders exercise appraisal rights.

Q. Will You be Taxed on the Shares of K2 Common Stock that You Receive?

A. It is a condition to the completion of the offer that K2 and Brass Eagle receive legal opinions from their respective tax counsel to the effect that the offer and the merger together will constitute a reorganization within the meaning of Section 368(a) of the Internal Revenue Code (the Code). A Brass Eagle stockholder who, consistent with such opinions, receives his, her or its shares of K2 common stock pursuant to a transaction constituting a reorganization within the meaning of Section 368(a) of the Code will not recognize any gain or loss in the offer and/or the merger, except for gain or loss attributable to cash received in lieu of a fractional share of K2 common stock. Stockholders should consult their tax advisors for a full understanding of all of the tax consequences of the offer and the merger to them. See The Offer Material U.S. Federal Income Tax Consequences on page 42.

Q. Do the Statements on the Cover Page Regarding this Prospectus Being Subject to Change and the Registration Statement Filed with the SEC Not Yet Being Effective Mean that the Offer May Not Commence?

A. No. As permitted under SEC rules, we may commence the offer without the registration statement, of which this prospectus is a part, having been declared effective by the SEC. We cannot, however, complete the offer and accept for exchange any shares of Brass Eagle common stock tendered in the offer until the registration statement is declared effective by the SEC and the other conditions to our offer have been satisfied or, where permissible, waived. The offer will commence when we first mail this prospectus and the related letter of transmittal to Brass Eagle stockholders.

Q. Are K2 s Business, Results of Operations, Financial Condition and Prospects Relevant to Your Decision to Tender Your Shares in the Offer?

A. Yes. Shares of Brass Eagle common stock accepted in the offer will be exchanged for shares of K2 common stock and therefore you should consider K2 s business, results of operations, financial condition and prospects before you decide whether to tender your shares in the offer. In considering our business, results of operations, financial condition and prospects, you should review the documents incorporated by reference in this prospectus because they contain detailed business, financial and other information about us. See Additional Information Where You Can Find Additional Information on page 78.

Q. Whom Can You Call with Questions About the Offer?

A. You can contact our information agent for the offer:

Morrow & Co., Inc.

445 Park Avenue, 5th Floor

New York, New York 10022

E-mail: xtrm.info@morrowco.com

Banks and Brokerage Firms, please call (800) 654-2468

Stockholders, please call (800) 607-0088

All others, please call collect (212) 754-8000

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This prospectus and the other materials filed or to be filed by K2 with the SEC contain forward-looking statements concerning non-historical facts or matters that are subject to risks and uncertainties. K2 believes that such statements are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act), and Section 21E of the Exchange Act (we acknowledge that the safe harbor for forward-looking statements under Section 27A of the Securities Act and Section 21E of the Exchange Act does not apply to forward-looking statements made in connection with a tender offer). These forward-looking statements represent expectations or beliefs of K2 concerning future events, many of which are outside the control of K2. They include, among other things, statements with respect to:

- pro forma financial statements and projections of future financial performance;
- future sales and earnings;
- marketing efforts and trends regarding:
  - team sports including baseball, softball, basketball and football;
  - fishing tackle markets;
  - active watersports and outdoor products markets;
  - extreme wheel sports including mountain bikes, in-line skates and skateboards and other extreme sports including paintball; and
  - winter sports including skis and snowboards;
- foreign exchange rate fluctuations;
- expected levels of debt reduction;
- retail inventory levels;
- product acceptance and demand;
- growth efforts, including strategic acquisitions;

cost reduction efforts;

cost savings and economies of scale;

dependence on foreign manufacturing;

margin enhancement efforts;

product development efforts;

market positioning;

the combined company after the merger; and

future acquisitions, including the integration of these businesses and dispositions.

CAUTIONARY STATEMENT REGARDING

FORWARD-LOOKING STATEMENTS

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These forward looking statements may be preceded by, followed by or include the words believes, expects, anticipates, intends, plans, esti
may, will, should, could, would or similar expressions.

K2 cautions that these statements are further qualified by important factors, in addition to those under Risk Factors on page 19 below and elsewhere in this prospectus and the documents which are incorporated by reference in this prospectus, that could cause actual results to differ significantly from those in the forward-looking statements, including, among other things:

- economic conditions, including consumer demand;
- product demand;
- competitive pricing and products; and
- other risks described in K2 s and Brass Eagle s filings with the SEC.

Forward-looking statements are not guarantees of performance. By their nature, they involve risks, uncertainties and assumptions. The future results and stockholder values of K2 and Brass Eagle may differ significantly from those expressed in these forward-looking statements. Brass Eagle stockholders are cautioned not to put undue reliance on any forward-looking statement. Any such statement speaks only as of the date of this prospectus, and in the case of documents incorporated by reference, as of the date of those documents. K2 does not undertake any obligation to update or release any revisions to any forward-looking statements, to report any new information, future event or other circumstances after the date of this prospectus or to reflect the occurrence of unanticipated events, except as required by law. However, your attention is directed to any further disclosures made on related subjects in K2 s and Brass Eagle s subsequent reports filed with the SEC on Forms 10-K, 10-Q and 8-K.

CAUTIONARY STATEMENT REGARDING

FORWARD-LOOKING STATEMENTS

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SUMMARY

This brief summary highlights selected information from this document. It does not contain all of the information that is important to Brass Eagle stockholders. Brass Eagle stockholders are urged to read carefully the entire document and the other documents referred to and incorporated by reference in this document to fully understand the offer and the merger. In particular, stockholders of Brass Eagle should read the documents attached to this prospectus, including the Merger Agreement, which is attached as Annex A. For a guide as to where you can obtain more information on K2 and Brass Eagle, see Additional Information Where You Can Find Additional Information on page 78.

The Offer (Page 34)

We are proposing to acquire all of the outstanding shares of Brass Eagle common stock. We are offering to exchange 0.6036 of a share, including the associated preferred share purchase rights, of K2 common stock for each outstanding share of Brass Eagle common stock, upon the terms and subject to the conditions set forth in this prospectus and the related letter of transmittal. We will not acquire any shares of Brass Eagle common stock in the offer unless Brass Eagle stockholders have validly tendered and not properly withdrawn prior to the expiration of the offer a majority of the shares of Brass Eagle common stock, calculated as described in this prospectus. Charter Oak Partners, the largest stockholder of Brass Eagle, holding approximately 49.06% of the outstanding common stock of Brass Eagle, has agreed to tender its Brass Eagle shares in the offer, subject to certain conditions.

After completion of the offer, K2 will cause Brass Eagle to complete a merger with Acquisition Sub, in which each outstanding share of Brass Eagle common stock (except for shares held by Brass Eagle, K2 or Acquisition Sub) will be converted into the right to receive shares of K2 common stock at the same exchange ratio as used in the offer, subject to appraisal rights to the extent applicable under Delaware law. If, after the completion of this offer, we beneficially own more than 90% of the outstanding shares of Brass Eagle common stock, we may effect this merger without the approval of Brass Eagle stockholders, as permitted under Delaware law. In order to reach this 90% threshold, we may exercise an irrevocable option Brass Eagle has granted us in the Merger Agreement to purchase directly from Brass Eagle that number of shares of Brass Eagle common stock that will enable us to hold 90% of the outstanding Brass Eagle shares after such exercise, subject to certain limitations. The exercise of this option would allow us to consummate the merger without stockholder approval even if we do not obtain 90% of Brass Eagle s outstanding shares in the offer.

The number of shares of K2 common stock issued to Brass Eagle stockholders in the offer and the merger will constitute approximately 14% of the outstanding common stock of the combined company after the merger.

Exchange of Shares of Brass Eagle Common Stock (Page 34)

Upon the terms and subject to the conditions of the offer, promptly after the expiration of the offer, we will accept shares of Brass Eagle common stock which are validly tendered and not properly withdrawn in exchange for shares of K2 common stock. We are offering to exchange 0.6036 of a share, including the associated preferred share purchase rights, of K2 common stock for each outstanding share of Brass Eagle common stock.

Timing of the Offer (Page 34)

We are commencing the offer on November 4, 2003, the date of the distribution of this prospectus. The offer is scheduled to expire at 12:00 midnight, New York City time, on Monday, December 8, 2003, unless we extend the period of the offer. All references to the expiration of the offer mean the time of expiration, as extended.

Conditions of the Offer (Page 39)

The offer is subject to a number of conditions, and K2 will not be required to accept any tendered shares for payment if any of these conditions are not satisfied or, where permissible, waived as of the

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expiration of the offer. These conditions provide, among other things, that:

- there must be validly tendered and not properly withdrawn prior to the expiration of the offer a majority of the shares of Brass Eagle common stock, calculated as described in this prospectus;
- the registration statement on Form S-4 of which this prospectus is a part must have become effective;
- any applicable waiting periods under the HSR Act must have expired or been terminated (early termination was granted on October 30, 2003);
- the shares of K2 common stock issuable in the offer shall have been approved for listing on the New York Stock Exchange;
- Brass Eagle and K2 shall have received certain tax opinions;
- K2 shall have received from Charter Oak Partners, the largest stockholder of Brass Eagle, an executed non-competition agreement;
- Charter Oak Partners shall not have breached any of its obligations under the Exchange Agreement pursuant to which it has agreed to tender its shares in the offer;
- Brass Eagle shall have received certain consents to the transactions contemplated by the Merger Agreement and shall have taken certain actions under its deferred compensation plan;
- there shall have been no event having a material adverse effect on Brass Eagle and no specified breaches by Brass Eagle of the Merger Agreement;
- there shall be no legal impediments to the offer and certain events, such as trading suspensions or the commencement or acceleration of a war involving the United States, shall not have occurred;
- the Merger Agreement shall not have been terminated pursuant to its terms; and
- Brass Eagle s board of directors shall not have withdrawn its recommendation of the offer.

Extension, Termination and Amendment (Page 35)

Subject to the right of K2 or Brass Eagle to cause the offer to be extended under certain circumstances, K2 or Brass Eagle can terminate the Merger Agreement at the expiration of the offer period if no shares of Brass Eagle common stock have been purchased by K2. If any condition to the offer is not satisfied or, if permissible, waived, by any scheduled expiration of the offer, then we may extend the expiration of the offer from time to time. Each extension may last for no more than ten business days, unless Brass Eagle and K2 agree in writing to allow for a longer period. We also have the right to extend the offer for any period of time required by the applicable rules and regulations of the SEC. We may elect to provide a subsequent offering period of up to 20 business days after the acceptance of shares of Brass Eagle common stock in the offer if, at the expiration of the offer, all of the conditions to the offer have been satisfied or waived, but the total number of shares of Brass Eagle common stock that have been validly tendered and not withdrawn pursuant to the offer is less than 90% of the total number of shares of Brass Eagle common stock then outstanding and the requirements of Rule 14d-11 under the Exchange Act have been met. Brass Eagle has the right to compel us to extend the offer for an initial period of ten business days and for longer periods through January 15, 2004 if all but certain conditions to the offer have been satisfied. K2 or Brass Eagle can terminate the Merger Agreement if the offer is not consummated by April 22, 2004. We can extend the offer by giving oral or written notice of an extension to Computershare Trust Company, Inc., the exchange agent and depository for the offer. If we decide to extend the offer, we will make a public announcement to that effect no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled expiration. We are not giving any assurance that we will extend the offer. During any extension, all shares of Brass Eagle common stock previously tendered and not validly withdrawn will remain deposited with the exchange agent and depository, subject to your right to withdraw your shares of Brass Eagle common stock. If we exercise our right to use a subsequent offering period, we will first consummate our purchase of shares tendered and not withdrawn in the initial offer period.

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Subject to the SEC s applicable rules and regulations and subject to the limitations contained in the Merger Agreement, we also reserve the right, in our discretion:

- to terminate the offer and not accept for exchange or exchange any shares of Brass Eagle common stock not previously accepted for purchase, or purchased, upon the failure of any of the conditions of the offer to be satisfied prior to the expiration of the offer; and

- to waive any condition (subject to certain conditions being non-waivable by us without Brass Eagle s consent) or otherwise amend the offer in any respect prior to the expiration of the offer,

by giving oral or written notice of such termination, waiver or amendment to the exchange agent and depository and by making a public announcement.

We will follow any extension, termination, waiver or amendment, as promptly as practicable, with a public announcement. Subject to the requirements of the Exchange Act and other applicable law, and without limiting the manner in which we may choose to make any public announcement, we assume no obligation to publish, advertise or otherwise communicate any public announcement other than by making a release to Business Wire.

Procedure for Tendering Shares (Page 36)

For you to validly tender shares of Brass Eagle common stock into the offer, you must do one of the following:

- deliver certificates of your shares, a properly completed and duly executed letter of transmittal or a copy thereof that has been manually signed, along with any other required documents, to the exchange agent and depository at its address set forth on the back cover of this prospectus prior to the expiration of the offer;

- arrange for a book-entry transfer of your shares to be made to the exchange agent and depository s account at The Depository Trust Company, or DTC, and receipt by the exchange agent and depository of a confirmation of this transfer prior to the expiration of the offer, and the delivery of a properly completed and duly executed letter of transmittal or a copy thereof that has been manually signed, and any other required documents, to the exchange agent and depository at its address set forth on the back cover of this prospectus prior to the expiration of the offer; or

- arrange for a book-entry transfer of your shares to the exchange agent and depository s account at DTC and receipt by the exchange agent and depository of confirmation of this transfer, including an agent s message, prior to the expiration of the offer.

These deliveries and arrangements must be made before the expiration of the offer. TENDERS BY NOTICE OF GUARANTEED DELIVERY WILL NOT BE ACCEPTED.

Withdrawal Rights (Page 37)

You may withdraw any shares of Brass Eagle common stock that you previously tendered into the offer at any time before the expiration of the offer by following the procedures described under The Offer Withdrawal Rights on page 37. In addition, if we have not accepted tendered shares for exchange by Monday, January 5, 2004, you may withdraw tendered shares at any time thereafter.

Delivery of Shares of K2 Common Stock (Page 38)

Subject to the satisfaction (or, where permissible, waiver) of the conditions to the offer as of the expiration of the offer, we will accept for exchange shares of Brass Eagle common stock validly tendered and not properly withdrawn promptly after the expiration of the offer and will exchange shares of K2 common stock and cash instead of fractional shares for the tendered shares of Brass Eagle common stock promptly afterwards. In all cases, the exchange of shares of Brass Eagle common stock tendered and accepted for exchange pursuant to the offer will be made only if the exchange agent and depository timely receives:

- certificates for those shares of Brass Eagle common stock, or a timely confirmation of a book-entry transfer of those shares of Brass Eagle common stock in the exchange agent and depository s account at DTC, and a properly completed and duly executed letter of transmittal, or a manually signed copy, and any other required documents; or

- a timely confirmation of a book-entry transfer of those shares of Brass Eagle common stock in the exchange agent and depository s account at DTC, together with an agent s message as described above under Procedure for Tendering Shares.

Cash Instead of Fractional Shares of K2 Common Stock (Page 39)

We will not issue any fraction of a share of K2 common stock pursuant to the offer or the merger. Instead, each tendering stockholder who would otherwise be entitled to a fraction of a share of K2 common stock, after the combination of all fractional shares to which such tendering stockholder would otherwise be entitled, will receive cash (without interest and subject to any withholding for taxes) in lieu of the fractional interests.

The Merger (Page 56)

The Merger Agreement provides that, after completion of the offer, Acquisition Sub will, subject to the certain conditions, be merged into Brass Eagle. Upon completion of the merger, Brass Eagle will continue as the surviving corporation and will be a wholly-owned subsidiary of K2.

Termination of the Merger Agreement (Page 67)

The Merger Agreement provides that it can be terminated by Brass Eagle or K2 under a number of different scenarios, including:

- by the mutual written consent of the parties;

- by either party, subject to various conditions, if:

  - any governmental entity or court issues a nonappealable final order permanently restraining, enjoining or otherwise prohibiting the transactions set forth in the Merger Agreement;

the offer expires pursuant to its terms without the purchase of any shares by K2 and the failure to purchase shares is not due to the breach of the Merger Agreement by the terminating party; or

the offer is not consummated by April 22, 2004 and the failure to consummate by such date is not due to the breach of the Merger Agreement by the terminating party;

by K2, subject to various conditions, if:

Brass Eagle materially breaches any of its representations or warranties set forth in the Merger Agreement;

Brass Eagle materially breaches any of its covenants set forth in the Merger Agreement, and such breach cannot be cured within 20 business days after notice of such breach;

Brass Eagle accepts a superior proposal, withdraws its approval of the offer or merger, fails to reject a third party proposal or otherwise breaches provisions of the Merger Agreement with respect to third party proposals;

Charter Oak Partners is in breach of its Exchange Agreement to tender its Brass Eagle shares in the offer;

K2 has failed to commence the offer based on a failure of conditions to the offer and the failure to commence the offer is not due to a failure on K2 s part; or

a material adverse event has occurred with respect to Brass Eagle;

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by Brass Eagle, subject to various conditions, if:

- K2 materially breaches any of its representations or warranties set forth in the Merger Agreement;
- K2 materially breaches any of its covenants set forth in the Merger Agreement, and such breach cannot be cured within 20 business days after notice of such breach;
- K2 fails to commence the offer and the failure to commence the offer is not due to the breach of the Merger Agreement by Brass Eagle;
- Brass Eagle s board of directors accepts a superior proposal in compliance with the Merger Agreement and pays the termination fee;
- a material adverse event has occurred with respect to K2;
- the average closing price for K2 shares over any ten consecutive trading days ending not later than two trading days before the expiration of the offer is less than $12.64; or
- K2 has consummated a merger or consolidation in which K2 is not the surviving corporation or K2 has consummated a sale of all or substantially all of its assets.

Termination Fees (Page 68)

Termination of the merger by either K2 or Brass Eagle under specified circumstances could result in Brass Eagle being required to pay K2 a termination fee in the amount of $3,700,000.

Material U.S. Federal Income Tax Consequences (Page 42)

It is a condition to the completion of the offer that K2 and Brass Eagle receive legal opinions from their respective tax counsels to the effect that the offer and the merger together will constitute a reorganization within the meaning of the Code. A Brass Eagle stockholder who, consistent with such opinions, receives his or her shares of K2 common stock pursuant to a transaction constituting a reorganization within the meaning of Section 368(a) of the Code will not recognize any gain or loss in the offer and/or the merger, except for gain or loss attributable to cash received in lieu of a fractional share of K2 common stock. Stockholders should consult their tax advisors for a full understanding of all of the tax consequences of the offer and the merger to them.

Regulatory Approvals (Page 47)

We are not aware of any regulatory license or permit material to the business of Brass Eagle and its subsidiaries, on a consolidated basis, that may be materially adversely affected by our acquisition of Brass Eagle common stock, or any regulatory filing or approval that would be required for our acquisition of Brass Eagle common stock, other than the expiration or termination of the waiting period under the HSR Act, which occurred on October 30, 2003. K2 and Brass Eagle have made all required filings to seek such approval, as well as all required filings under the Securities Act and the Exchange Act, in connection with the offer and merger. We are unaware of any requirement for the filing of information with, or the obtaining of the approval of, governmental authorities in any non-U.S. jurisdiction that is applicable to the offer or the merger.

Appraisal Rights (Page 44)

Under Delaware law, you will not have any appraisal rights in connection with the offer. However, appraisal rights may be available in connection with a short-form merger that is not subject to Brass Eagle stockholder approval.

Accounting Treatment (Page 49)

Our acquisition of Brass Eagle common stock pursuant to the offer and the merger will be accounted for under the purchase method of accounting in accordance with accounting principles generally accepted in the United States.

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Interests of Certain Persons in the Offer and the Subsequent Merger (Page 50)

Certain Brass Eagle directors, officers and stockholders have interests in the offer and the merger that are different from, or are in addition to, those of other stockholders. These interests include:

- current and future employment arrangements;
- the conversion of stock options previously issued to certain officers of Brass Eagle;
- payments pursuant to change of control agreements previously entered into between Brass Eagle and certain of its officers;
- the payment of bonuses to certain members of Brass Eagle s management;
- the possible post-merger membership on K2 s board of a director mutually acceptable to K2 and Charter Oak Partners, the largest stockholder of Brass Eagle; and
- the indemnification of directors and officers of Brass Eagle against certain liabilities.

In addition, Charter Oak Partners, Brass Eagle s largest stockholder, has entered into an Exchange Agreement with K2, pursuant to which Charter Oak Partners has agreed to tender its shares in the offer, subject to certain conditions, and will enter into a non-competition agreement with K2 and Brass Eagle. The members of the boards of directors of K2 and Brass Eagle were aware of these interests and considered them, among other matters, when they approved the offer, the merger and the Merger Agreement.

Comparison of Rights of Holders of Brass Eagle Common Stock and Holders of K2 Common Stock (Page 71)

Brass Eagle and K2 are both Delaware corporations. If we complete the offer, holders of Brass Eagle common stock will become K2 stockholders, and their rights as stockholders will be governed by K2 s restated certificate of incorporation and by-laws. There are differences between the restated certificate of incorporation and by-laws of Brass Eagle and the restated certificate of incorporation and by-laws of K2.

The Companies

K2 Inc.

2051 Palomar Airport Road

Carlsbad, California 92009

(760) 494-1000

K2 is a premier branded consumer products company with a portfolio of diversified sporting goods products and other recreational products. Our sporting goods include several name brand lines such as K2 and OLIN alpine skis, K2 and Ride snowboards, boots and bindings, Morrow, 5150 and Liquid snowboards, K2 in-line skates, K2 mountain bikes and BMX bikes, Rawlings baseball and sports equipment, Worth softball and sports equipment, Shakespeare fishing rods and reels, Stearns personal flotation devices, outdoor water recreational products, rainwear and hunting accessories and K2 and Dana Design backpacks. Our other recreational products include Planet Earth apparel, Adio and Hawk skateboard shoes, Tubbs and Atlas snowshoes and Hilton corporate casuals. In addition, our portfolio includes industrial products consisting primarily of Shakespeare monofilament line, which is used in weed trimmers, paper mills and as fishing line, and Shakespeare fiberglass marine antennas.

K2 has embarked upon an aggressive strategy to expand its operations and diversify its product offerings within the sporting goods and recreational products industries by seeking to combine with other well-established companies. In pursuing this strategy K2 acquired Rawlings on March 26, 2003, Worth on September 16, 2003 and Winter Quest LLC, Atlas Snowshoes Company, LLC and Little Bear Snowshoe Company, LLC on October 17, 2003 and entered into an agreement on November 25, 2003 to acquire Fotoball USA, Inc.

K2 s common stock is currently traded on the New York Stock Exchange (symbol: KTO). K2 is headquartered in Carlsbad, California.

Brass Eagle Inc.

1201 SE 30th Street

Bentonville, Arkansas 72712

(479) 464-8700

Brass Eagle is one of the world s leading designers, manufacturers, marketers and distributors

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of paintball markers, paintballs, paintball protective gear, paintball kits and accessories associated with the growing sport of paintball. Based in Bentonville, Arkansas, Brass Eagle has manufacturing and distribution facilities in Neosho, Missouri, Batesville, Mississippi and Chula Vista, California.

Brass Eagle offers a full range of innovative paintball markers and accessory products for the beginner through competition-level participants and is a primary manufacturer that offers paintball products to consumers through easily accessible channels such as mass merchandisers and major sporting goods retailers. These products generally sell at various price levels to offer the consumer the opportunity to move up through the product line. Brass Eagle has gained a competitive advantage through improved efficiency in its product development and manufacturing activities. These efficiencies are realized through its manufacturing processes that are designed to produce high-volume, low-cost-per-unit products. As the market for paintball products has grown, Brass Eagle has planned and implemented strategic changes to expand Brass Eagle s operations, facilities and internal controls consistent with the increased demand for its products.

Brass Eagle s common stock is currently traded on the Nasdaq National Market System (symbol: XTRM). Brass Eagle is headquartered in Bentonville, Arkansas.

Recent Closing Prices (Page 18)

On October 22, 2003, the last trading day before K2 and Brass Eagle announced the offer, K2 common stock closed at $16.75 per share and Brass Eagle common stock closed at $8.30 per share. On November 3, 2003, the last trading day prior to the printing of this prospectus for which this information was practicably available, K2 common stock closed at $16.30 per share and Brass Eagle common stock closed at $9.90 per share.

Questions About the Offer and Subsequent Merger

If you have any questions about the offer or the merger or if you need additional copies of this prospectus, you should contact our information agent:

MORROW & CO., INC.

445 Park Avenue, 5th Floor

New York, New York 10022

E-mail: *xtrm.info@morrowco.com*

Banks and Brokerage Firms, please call

(800) 654-2468

Stockholders, please call

(800) 607-0088

All others, please call collect

(212) 754-8000

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Selected Consolidated Historical Financial Information of K2 and Brass Eagle

The information in the following tables is based on the K2 and Brass Eagle historical financial information that K2 and Brass Eagle have presented in their prior filings with the SEC. Brass Eagle stockholders should read the selected financial information in the following tables in connection with the historical financial information. The K2 historical financial information has been incorporated into this document by reference. See Additional Information Where You Can Find Additional Information on page 78. The Brass Eagle historical financial information is included in Annexes D and E to this prospectus. K2 s selected consolidated historical financial information for the five years ended December 31, 2002 was derived from the consolidated financial statements of K2 which have been audited by Ernst & Young LLP, independent auditors, and Brass Eagle s audited historical financial statements were audited by Crowe Chizek and Company LLC, independent auditors. See Additional Information Experts on page 78.

The accompanying unaudited interim information for K2 and Brass Eagle for the nine months ended September 30, 2003 and 2002 have been derived from financial information included in each of K2 s and Brass Eagle s Form 10-Q for the three and nine months ended September 30, 2003. Such Forms 10-Q were prepared in accordance with accounting principles generally accepted in the United States and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and disclosures required by accounting principles generally accepted in the United States for complete financial statements. These statements have been prepared on the same basis as the audited financial statements and include all adjustments necessary for the fair presentation of the results of the interim periods. The results of operations for the nine months ended September 30, 2003 for K2 and Brass Eagle may not be indicative of their results for the full fiscal year. All amounts are stated in U.S. dollars.

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SELECTED CONSOLIDATED HISTORICAL FINANCIAL INFORMATION

K2 INC.

(in thousands, except per share data)

	As of and for the Nine Months Ended September 30,		As of and for the Year Ended December 31,				
	2003 (a)	**2002**	**2002**	**2001 (b)**	**2000**	**1999 (c)**	**1998 (d)**
Income Statement Data:							
Net sales	$ 524,754	$ 454,463	$ 582,159	$ 589,519	$ 665,562	$ 640,461	$ 579,139
Cost of products sold	362,524	319,569	411,620	429,338	462,242	462,033	418,950
Gross profit	162,230	134,894	170,539	160,181	203,320	178,428	160,189
Selling expenses	83,114	65,166	86,394	103,688	108,274	101,130	92,018
General and administrative expenses	52,513	44,890	56,862	55,212	56,223	52,454	51,421
Operating income	26,603	24,838	27,283	1,281	38,823	24,844	16,750
Interest expense	7,248	7,130	8,966	13,631	14,814	12,741	12,163
Debt extinguishment costs	6,745						
Other (income) expense, net	(1,654)	(59)	(253)	(375)	(191)	(413)	(236)
Income (loss) from continuing operations before provision for income taxes	14,264	17,767	18,570	(11,975)	24,200	12,516	4,823
Provision (credit) for income taxes	4,992	6,218	6,500	(4,271)	7,502	4,005	955
Income (loss) from continuing operations	9,272	11,549	12,070	(7,704)	16,698	8,511	3,868
Discontinued operations, net of taxes (e)					(119)	1,332	975
Net income (loss)	9,272	11,549	12,070	(7,704)	16,579	9,843	4,843
Per Common Share Data:							
Basic earnings (loss) per share:							
Continuing operations	0.39	0.64	0.67	(0.43)	0.93	0.50	0.23
Discontinued operations					(0.01)	0.08	0.06
Net income (loss)	0.39	0.64	0.67	(0.43)	0.92	0.58	0.29
Diluted earnings (loss) per share:							
Continuing operations	0.38	0.64	0.67	(0.43)	0.93	0.50	0.23
Discontinued operations					(0.01)	0.08	0.06
Net income (loss)	0.38	0.64	0.67	(0.43)	0.92	0.58	0.29
Cash dividends per common share						0.11	0.44
Basic shares	23,576	17,941	17,941	17,940	17,949	16,880	16,554
Diluted shares	26,623	17,975	17,994	17,940	18,040	16,883	16,637
Balance Sheet Data:							
Total current assets	443,170	314,840	323,924	304,813	305,132	345,809	335,570
Total assets							