Mity-Lite Corporation: The IPO Process

Introduction

In March of 1994, Mity-Lite Inc. had reached the final stages of the Initial Public Offering (IPO) process. Having started the process over a year ago, Mity-Lite was anxious to realize their corporate goal of becoming a $100 million company. Despite being so near to closing the deal, Brad Nielson, the Chief Financial Officer (CFO), and the Mity-Lite management team wondered if the proposed offering price of $5 per share represented a fair valuation.

They had originally anticipated a higher offering price as the underwriting firm had indicated the stock would sell in the price range of $5.00 to $5.50. Among other concerns, Mity-Lite management was worried about investor reaction to the offering at $5/ share. The prospectus was scheduled for release on April 28, 1994 and the stock underwriters awaited Mity-Lite's decision.

Background

In early 1987, Mity-Lite founding president Greg Wilson was then serving as the president and owner of Church Furnishings, Inc. The business was dedicated to church furnishings, pew and particularly upholstery work. Traveling frequently to fulfill contract responsibilities, Mr. Wilson engaged in what would amount to an initiatory discussion that ultimately yielded the concept of table manufacturing and sale. Mr. Brad Nielson, present Chief Financial Officer (CFO) of Mity-Lite explained.

"As Greg was negotiating a church furnishings contract for the upcoming year, he was having lunch with the Church's [The Church of Jesus Christ of Latter-Day Saints] purchasing agent and he [the purchasing agent] started to mention some of the problems they had been having with the banquet tables...Greg took that as an opportunity to...solve his problem. So, between him and the Vice-President of Sales, Stan Pool, and our Vice-President of Research and Development, Brent Bonham, they spent the next 6 months developing a prototype. They took it up to the Church and the Church said, 'great, we'll take a $1 million worth [of product].'"

Even with a developed prototype, Mr. Wilson and his associates (See Exhibit 1 for Management Team) lacked the financial resources to pursue manufacturing, fund additional research and sales/marketing activities or pay necessary overhead costs. As a result, Mr. Wilson approached Samsonite, Inc., a large manufacturer of commercial and residential furniture, with the intention of selling the Church contract for $1 million. After tentatively arranging an agreement, Samsonite experienced two changes in ownership. As a result, Samsonite's interest in Mity-Lite was dropped.

Having attempted the sale of the contract, Mr. Wilson believed the next best option was to seek financial help to manufacture and sell the table product. He estimated that the initial costs to manufacture and bring the product to market would total $500,000. In the following months, Mr. Wilson secured the funding through financial contacts with whom he had previously worked. In particular, these individuals were 'angel' investors, or "investors who supply seed or start-up moneys typically smaller than amounts offered through venture capital funds or bank financing, but far greater than self-funded ventures." (Business Journal, "Looking for an Angel," p.4-4a) In exchange for the ownership and representation on Mity-Lite's board, Mr. Wilson secured the $500,000. With this funding, Mr. Wilson began to fulfill the Church contract.

Marketing and Sales

Based on the success of the Church contract, Mr. Wilson and his associates believed their product had application to many other clients and industries. As a basis of differentiation and competitive advantage, table-product advantages included durability, lightweight structure and superior quality (See Exhibit 2). Applying 'engineering grade plastic' technology coupled with unique manufacturing techniques, Mity-Lite products were especially designed to exceed the expectations of the average consumer.

In September of 1987, Mity-Lite incorporated and began what Mr. Nielson described as the 'traditional' approach to marketing and sales. They contacted manufacturer's representatives and dealers, attempting execution of sales contracts. Additionally, they marketed the product at trade shows and used those as a basis for establishing contacts and making sales. They experienced little success. Mr. Nielson explained.

"We would attend these trades shows and generate many leads and much interest. We would provide leads to the dealers and their representatives and get no sales. As we started investigating the reasons for that, we found that the role of the dealer had changed. Over the past 30 to 40 years, most had become order takers... Dealers used to service the customers and spend a lot of time with them."

Dealers and their representatives had changed to meet the needs of the changing market. Over the course of the past 30 years, industry consumers preferred to order all their room furnishings from one manufacturer. Dealers and their representatives dealt primarily with suppliers that possessed extensive lines of product. As a new provider with comparatively fewer products, Mity-Lite found itself at a disadvantage. To make matters worse, dealers received written notice from Samsonite that they were requiring exclusive dealership contracts --meaning representatives using other products (such as Mity-Lite tables) would not be able to order any Samsonite products.

Given this situation, Mity-Lite management began selling directly to the end user. Mr. Nielson explains, "We started working them [the end users] directly and we started getting sales... A Mity-Lite table won't sell itself... You have got to sell the benefits of a lightweight, durable, long-lasting, easy-to-handle [product]. It takes some time, but customers will see that." Other advantages of this approach included additional profit (from no dealer or representative expense), enhanced personal relationship with the customer and greater control of the selling process.

Brad Nielson

Through 1993 and into 1994, Mity-Lite had been working on the daunting task of raising additional capital for growth. Mity-Lite management had decided that going public was the best strategy. In March of 1994, Mr. Brad Nielson was hired as the Chief Financial Offer to facilitate the success of the financing process and assist in future acquisitions and growth. Mr. Nielson explained the hiring process.

"I really didn't look around that much. I saw a little ad in the Wall Street Journal for a company up in Utah wanting somebody who had IPO external financial reporting experience... So, I responded by sending a resume. I received a phone call, met with the board, and they made me an offer... The role that I've been able to carve out at Mity-Lite has been the chief financial role which handles the SEC reporting and investor relations. It also has been very focused on a growth strategy of acquisitions, so I've been an integral part of the acquisition efforts..."

Mr. Nielson's experience (see Exhibit 3) included a year of work with Ernst & Young in auditing and consulting, particularly in mergers and acquisitions which included litigation support and bankruptcy. Also significant in Nielson's experience was his consulting efforts with Price Waterhouse in manufacturing and cost management. Most recently, he had served as Vice-President of Finance for Pinnacle Micro, a high tech manufacturer of optical storage equipment. In this capacity, Mr. Nielson assisted in completing Pinnacle's initial public offering.

Corporate Strategy

Put succinctly, Mity-Lite corporate strategy was to become a $100 million company servicing the needs of a greatly-expanded multi-purpose room client base. As determined by management, this would include an acquisition or development of a division which included greater emphasis on other products such as chairs, partitions, staging, etc. Among the alternatives available, Mity-Lite management believed the best way to achieve this goal was through execution of an initial public offering. Concerning this strategy, Nielson recounted,

"From day one, we have mapped out the architecture of the company in anticipation of a public offering. [The] first milestone was getting started. [The] second milestone was surviving that startup [or] getting venture capital. The third milestone was the IPO. The fourth milestone will be acquisitions that get us up to a $100 million company. From day one, we've had the vision of that's where we're headed. We've taken steps as we've gone along the way. We've had audited financial statements from day one... We have the management in place to take us to that level...We are in the process of implementing a new MIS [management information system]... So, we are laying the groundwork to get us there. We are putting in the infrastructure to make sure our growing pains will be minimized as we go along."

As referred to here by Mr. Nielson, Mity-Lite management believed the most substantive portion of their strategy was the initial public offering (IPO).

The IPO Process

According to most experts, there are two principal pieces of information that require careful consideration when considering an IPO. First, should the company in question execute an IPO? Among other reasons, answering this question includes examination of company goals (i.e. growth, liquidity needs, etc.) , financial history/future and investor needs. In the case of Mity-Lite, Inc., management believed an IPO would provide the necessary capital for future growth. Unlike many companies executing an IPO, Mity-Lite management wanted the additional cash for acquisition. The original 'angel' investors were interested in long-term investment and did not desire to 'cash-out', but rather were committed to reaching the goal of becoming a $100 million company.

Second, is the timing right for an IPO? In other words, what are number of IPO deals being secured and what are the IPO market volumes? In 1993 alone, 604 companies went public reaching a total dollar volume of $30.7 billion. (See Exhibit 4) These figures represent over a 300% increase in the number of IPOs and almost an 800% increase in total dollar amount from

1990. The 1993 signs were very encouraging for IPOs. Underwriters were experiencing record business levels and volumes. As a result, Mity-Lite management believed market signs were presently very encouraging.

Choosing an underwriter

Having decided the IPO aligned correctly with corporate objectives and given encouraging market signs, Mity-Lite began to explore a variety of potential underwriters. Mr. Nielson explained the process.

"Really, the first step in the IPO process is deciding that you want to go public and the selection of an underwriter. Typically, a company will call around to businesses in the area that have gone public and try to get references from people in the investment community. Next, investment bankers are brought in to take a look at you. You try to structure a conceptual framework [which includes concerns such as]: ...the people you want to work with, ...the parameters in terms of valuation of the company, ...the size of the deal, ...what we can do and how quickly we can do it [timelines], and really just trying to define who you're going to work with... At Mity-Lite it took us a couple [of months] because we had to go out and actively pursue underwriters."

Mity-Lite's total IPO market cap issue was projected to reach only about $5 million, a comparatively small IPO. As a result, management relied on past contacts in the financial community to secure solid leads with underwriters they believed would render a credible valuation. Usually, underwriters are located and contracted through some kind of personal contact or through reputation and related experience.

Although atypical, another way of selecting an underwriter includes issuing a request for quotation (RFQ). This is a formal way of documenting much of the information and services provided by a potential underwriting firm. (See Exhibit 5) After two months of examination, Mity-Lite contracted with an organization they believed could provide the services their IPO required. (See Exhibit 6 for underwriter IPO winners/losers)

This selection proved erroneous as Mity-Lite, after a series of disagreements with the underwriter, decided to go with a different organization. The most substantial problem centered around the timing of acquiring certain personnel. Mity-Lite management agreed in principle with the need to hire additional personnel (specifically a CFO). However, they resented the requirement of the underwriter to complete the acquisitions before the IPO, as they had previously agreed to an extended time period.

Almost always, a 'syndicate', or group of investment banks will jointly organize the IPO in a way that leverages the strengths of the various underwriting organizations involved. "The Syndicate", an internet publication, explains the idea.

"Because most new issues are too large for one underwriter to effectively manage, the investment banker, also known as the underwriting manager, invites other investment bankers to participate in a joint distribution of the offering. The group of investment bankers is known as the syndicate. Members of the syndicate usually make a firm commitment to distribute a certain percentage of the entire offering and are held financially responsible for any unsold portions. Selling groups of chosen brokerages are often formed to assist the syndicate members meet their obligations to distribute the new securities. Members of the selling group usually act on a 'best efforts' basis and are not financially responsible for any unsold portions."

In the case of Mity-Lite, Pacific Crest Securities served as the managing firm while D.A. Davidson & Co. was contracted as the other joint-distributing firm.

Organizing the prospectus ('red herring')

Prior to organization of the prospectus, the underwriting firm will have completed its own 'due diligence' work on the company. The 'due diligence' process is one in which the company is examined thoroughly to ensure that an IPO will be a mutually beneficial undertaking. This includes 'detailed reviews of the books, the markets, the customers, the manufacturing process, and the R & D process.' Also included is a number of intense 'question and answer' sessions and numerous discussions with the corporate auditors and legal counsel.

Once completed, the 'due diligence' phase serves as the basis of information for creation of the S-1 registration statement and preliminary prospectus (also known as a 'red herring'). Before a company may execute an IPO, preparation and submission of the statement and prospectus to the Securities Exchange Commission (SEC) is required by law. Known as the Securities Act of 1933, Full Disclosure Act, the Truth in Securities Act and the Prospectus Act, the law 'attempts to protect investors by requiring full disclosure of all material information in connection with the offering of new securities.' (See Exhibit 7 for S-1 Registration and Prospectus generic content)

For Mity-Lite, most of this process was completed with the original underwriter. Concerning the process, Mr. Nielson comments, "That's [the S-1 registration statement and prospectus preparation] a very laborious and tedious process...where typically you sit up in your attorney's conference room, ... and you spend 12 hours a day locked in this conference room developing this document and you go through many drafts of it...” Company President and CEO, Mr. Wilson elaborates,

“As you set your sights on becoming a public company, you already begin saying to yourself, ‘things will not be the same as they were.’ Everybody that goes public underestimates the tedium of the experience, the tedium of crafting each sentence, sometimes each word, in the prospectus, so it doesn’t disclose too much, yet it sells adequately, so it conveys the message without assuming liability... And each person that’s helped craft the document from the legal people to the accountants to the underwriter who is going to have to sell the offering to the company owner; each one has a different perspective and so these writing sessions often become contentious. The contention is the biggest source of stress... I never have minded the work, but I do mind fighting with people... You’re competing for resources, for money and it can get to be real heated...”

This process can last from 2 months to as long as one year or more depending on the IPO, the company and the underwriting group. Because of a change in the underwriting group, the process lasted several months for Mity-Lite. When completed, Mity-Lite submitted their filing to the SEC in anticipation of the IPO. (See Exhibit 8 for Prospectus title page and summary)

‘Building the book’

‘Building the book’ refers to the process of developing and establishing the market for sale of the stock. The underwriters along with company management embark on a rigorous travel schedule, usually arranged and coordinated by the underwriters. Usually referred to as the ‘road show’, potential investors are provided with additional information and data on the company. (See Exhibit 9 for Mity-Lite presentation schedule)

After completion of the road show, underwriters have a much better understanding of the type of demand for the stock to be offered. Underwriters will also take advantage of the services of brokers (if necessary) to sell additional shares. "The Syndicate" explains this arrangement.

“Selling groups of chosen brokerages are often formed to assist the syndicate members meet their obligations to distribute the new securities. Members of the selling group usually act on a ‘best efforts’ basis and are not financially responsible for any unsold portions. Under the most common type of underwriting firm commitment, the managing underwriter makes a commitment to the issuing corporation to purchase all shares being offered. If part of the new issue goes unsold, any losses are distributed among the members of the syndicate.”

In the case of Mity-Lite, the original issue was ‘oversubscribed’, meaning demand for the shares was greater than present share availability. As a result, the ‘greenshoe’ option, or option to issue a previously-agreed-upon percentage of additional shares, could be enacted at the underwriter's discretion.

Pricing and sale of stock

Perhaps the greatest challenge faced by the underwriter lies in issuing the public offering price (POP) accurately and correctly. Pricing an initial offering is among the most difficult of specialties. Michael Brush of Money Daily explains why this is so.

"The job is risky. When pricing the stock, the bank has to hit the nail on the head. If the market price of the stock goes too far above what the investment banks predicted, then the company going public will be unhappy. It will think it could have gotten more money for the shares if the bankers had done a better job valuing its stock. The bank is left with an unsatisfied customer, which often leads to lost business in the future. On the other hand, if the market pays less than expected, or doesn't buy up all the shares, the investment bank has to eat the difference. To be sure, plenty of sleepless nights are spent worrying about what price to set for shares when a company is taken public."

There are a variety of approaches to effectively price stock. If available, the underwriter will initially look to 'comparables', or companies of the same industry (and preferably similar size), in order to obtain a range for pricing the stock. (See Exhibit 10 for list of Mity-Lite comparables) Certainly, all company financial material will be analyzed thoroughly. Among other information, cash flow, P/E ratio, growth, earnings, and revenues represent relevant data. (See Exhibit 11 for Mity-Lite financials, numbers rounded to nearest $1,000) To the disappointment of Mity-Lite management, the underwriters initially priced the stock at $5.00/share. However, after negotiations, the underwriters raised the price to $5.25/share.

Total proceeds from the offering are split among the contracted parties. Not surprisingly, the largest block of funds goes to the issuing company, while what is referred to as the 'spread' is divided among the underwriters and brokerage firms (sellers). "The Syndicate" explains the fee structure. It reads, "Whenever new shares are issued, there is a spread between what the underwriters buy the stock from the issuing corporation for and the price at which the shares are offered to the public (POP). The price paid to the issuer is known as the underwriting proceeds. The spread between the POP and the underwriting proceeds is split..." For Mity-Lite, these fees were substantial given the additional risks of the relatively small issue assumed by the underwriters. (See prospectus estimate as expressed in Exhibit 8). Of course, fees were contingent on sale of Mity-Lite stock. (See Exhibit 12 for expenses/proceeds of IPO)

Finally, of significant concern to the company going public is the buyer of the shares. In general, buyers are usually divided into two groups: institutions and retail investors. Institutions represent organizations that purchase large blocks of shares such as mutual funds, investment groups or pension funds. Retail investors are usually individual investors. Most experts believe a combination of these two groups provides for a more stable stock price. Mr. Nielson explains the reasoning for such an approach.

"As much as possible, you want to control who owns your stock. Why? because if it all goes into institution's hands, your price is based on their whims and desires and can fluctuate significantly. If it all goes into retail hands, you don't get any significant institutional following or any sustaining power behind your stock. For a deal our size, typically you'll only get one underwriter. And generally the selected underwriters, especially the size of underwriters for a $5 million deal, focus on retail or institutions. We were very fortunate to put two underwriters together who would work with each other on such a small deal: one with a retail focus [D.A. Davidson & Co.] [and] the other with an institution focus [Pacific Crest Securities]."

Of the estimated 1,000,000 shares to be issued, it was decided that Pacific Crest would sell about 650,000 to their institutions and high net worth individuals while D.A. Davidson would sell the remaining 350,000 shares to retail investors. (See Exhibit 13) As a result, roughly 40% of the shares were distributed to institutions while 60% were offered to retail investors and high net worth individuals.

Final considerations

As the April 28th offering date loomed closer, Mity-Lite management was considering a number of significant issues. Of foremost importance was the desire to realize the corporate goal of becoming a $100 million company. Since the company's inception, great resources had been allocated and significant sacrifices had been made to make an IPO possible. If executed, the IPO would provide the additional funds necessary for an acquisition or merger.

On another matter altogether, Mr. Nielson wondered how long the financial markets would be receptive to new issues. 1993 had proven to be a record year and 1994 showed signs of promise. Also, the 'hot' IPO market appeared to be showing signs of sustained growth. Mr. Nielson was concerned about the potential consequences of delaying the offering. Some experts believed the market was inflated and any significant turn in the economy would leave the market dried up.

Of major concern was the potential of a sustained rise in interest rates and an increase in market instability. From early February to late March, the DJIA had experienced a 7% decline, or loss of over 200 points. Short-term treasury bill yields spiked as did benchmark long-term (30-yr.) treasury bonds (from 6.28% on 2/4/94 to 6.95% on 3/22/94). These losses were attributed to recent Federal Reserve interest rate hikes coupled with political instability abroad. Having held interest rates steady since 1989, the Fed raised rates on February 4th and followed that with another increase on March 22nd. The recent assasination of Mexico's ruling-party presidential candidate, continued unrest on the Korean peninsula and President Clinton's troubles associated with the Whitewater investigation served as additional pillars of concern for investors.

In truth, Mr. Nielson and Mr. Wilson believed the stock was being undervalued. Also a concern was the '40% discount' at which Mr. Nielson had calculated the stock would be issued. Considering the underwriter's initial desire to place the issue at $5.00/share, Mr. Nielson wondered if the stock might take a hit after the IPO. Also issues were the implications of public disclosure and fielding the concerns and demands of stockholders.

EXHIBIT 1

MANAGEMENT

Directors and Executive Officers

The directors and executive officers of the Company are as follows:

Name	Age	Position
Gregory L. Wilson	46	Chairman of the Board, President, Treasurer and Director
Stanley L. Pool	43	Vice President--Marketing and Sales, Corporate Secretary
Kenneth A. Law	44	Vice President--Manufacturing
Brent R. Bonham	37	Director-Product Development
Bradley T. Nielson	32	Chief Financial Officer
Ralph E. Crump(1)	70	Director
Peter Najar(1)	44	Director
C. Lewis Wilson(1)	52	Director

Officers are appointed by and serve at the discretion of the Board of Directors. Each director holds office until the next annual meeting of stockholders or until his successor has been duly elected and qualified. Gregory L. Wilson and C. Lewis Wilson are brothers. Ralph E. Crump is the father-in law of Peter Najar. All executive officers of the Company devote full time to their duties and non-management directors devote such time as is necessary to carry out their responsibilities.

Gregory L. Wilson is the founder of the Company and has been the President and a director since the Company's inception in September 1987. He has served as Chairman of the Board since March 1988. In September 1993, Mr. Wilson was also appointed to serve as the Treasurer. From 1982 until 1987, Mr. Wilson was President of Church Furnishings, Inc., in Provo, Utah. In 1988, Mr. Wilson transferred his ownership interest in Church Furnishings, Inc. to the co-founder of the Company in exchange for the co-£ounder's interest in the Company. He earned a Bachelor of Arts degree in Economics from Brigham Young University in 1971 and a Masters of Business Administration Degree from Indiana University in 1973.

Stanley L. Pool has been Vice President--Marketing and Sales since August, 1988 and Corporate Secretary since September 1993. From September 1987 until August 1988, Mr. Pool served as the Company's Sales and Marketing Manager. From 1985 until 1987, Mr. Pool was employed by Church Furnishings, Inc. in Orere, Utah. He earned a Bachelor of Arts Degree in Marketing from Brigham Young University in 1977.

Kenneth A. Law has been Vice President--Manufacturing since September 1993. From April 1988 until September 1993, Mr. Law served as the Company's Production Manager. From September 1987 to September 1988 he was a production foreman for the Company. Mr. Law holds an Associate Degree in Business Management from Utah Valley Technical College.

Brent R. Bonham became the Director--Product Development in February 1994. From September 1987 until February 1994, he served as a technical consultant to the Company on various research and development projects. Mr. Bonham has been instrumental in developing many of the Company's product and manufacturing innovations.

Bradley T. Nielson became the Company's Chief Financial Officer in March 1'994. Prior to joining the Company, Mr. Nielson was the Vice President--Finance for Pinnacle Micro, Inc. From January 1991 to August 1992, he was a management consultant for Price Waterhouse's National Manufacturing Management Consulting Group. He was employed by Ernst & Young from June 1985 to January 1991. Mr. Nielson graduated summa cum laude from Brigham Young University. He is a Certified Public Accountant and a Certified Management Accountant.

Ralph E. Crump has been a director since March 1988. Mr. Crump is President of Crump Industrial Group, an investment firm located in Trumbull, Connecticut. For a short time in 1988, Mr. Crump served as the Company's Treasurer. Mr. Crump is also a founder and Director of Osmonics, Inc. (NYSE), IMTEC, Inc, (NYSE), and Structural Instrumentation, Inc. (NASDAQ). From 1962 until 1987, Mr. Crump was the President and Chairman of Frigitronics, Inc. (NYSE), Mr. Crump is also a Trustee of the Alumni Foundation of the University of California at Los Angeles and he is a member of the Board of Overseers for the Thayer Engineering School at Dartmouth College. He received a Bachelor of Science Degree in Chemical Engineering in 1950 from the University of California at Los Angeles and a Bachelor of Science Degree in Marine Engineering from the U.S. Merchant Mahne Academy, Mr. Crump is a licensed professional engineer,

Peter Najar has been a director since March 1988, From August 1988 until September 1993 he served as the Assistant Treasurer and Assistant Corporate Secretary. Mr. Najar has been a sales engineer employed by Lange Sales, Inc. in Littleton, Colorado from November 1981 to the present. From 1977 to 1981, Mr. Najar was the National Technical Director for Head Ski Co,

C. Lewis Wilson has been a director since May 1991. From September 1987 to the present, Mr. Wilson, a licensed professional engineer, has been the President of Heath Engineering Company, a consulting engineering firm in Salt Lake City, Utah. He received a Bachelor of Engineering Sciences Degree in Mechanical Engineering from Brigham Young University in 1966 and a Masters of Mechanical Engineering Degree from Purdue University in 1968, Mr. Wilson is a published technical author and has been an Adjunct Professor of Mechanical Engineering at the University of New Mexico, Brigham Young University and the University of Utah.

EXHIBIT 2

EXHIBIT 2 (con't)

Rectangular Tables

STRONG
41 lb. table vs. 1600 lb. load

LIGHTWEIGHT
30-50% lighter than particle board tables

DURABLE
Two foot corner drop

mity-lite

1301 West 400 North
Orem, Utah 84057
1-800-327-1692 • 1-801-224-0589
FAX: 1-801-224-6191

MODEL	SIZE	LBS.	SEATS	MODEL	SIZE	LBS.	SEATS
RT-1896-F	18X96	36	4+	**RT-2438-F	24X38	26	1
RT-1884-F	18X84	33	3+	*RT-3096-F	30X96	50	8+
RT-1872-F	18X72	30	3+	*RT-3084-F	30X84	46	6+
RT-1860-F	18X60	29	2	*RT-3072-F	30X72	41	6+
RT-2496-F	24X96	42	4+	*RT-3060-F	30X60	37	6
RT-2484-F	24X84	39	3+	RT-3048-F	30X48	34	4
RT-2472-F	24X72	35	3+	RT-3696-F	36X96	59	8+
RT-2460-F	24X60	34	3	RT-3672-F	36X72	50	6+
RT-2448-F	24X48	30	1+				

** Available with adjustable legs, 25 1/2" to 38 1/2" or 19 1/4" to 32"*

*** Also available in 27 1/2 inch height*
Carts Available for all Above Rectangular Sizes

- All tables come standard 29" high. 30" height available upon request.
- Specifications available upon request.
- Ultraviolet (UV) protection available at additional cost. (required for outdoor use)
- **5 YEAR WARRANTY**

EXHIBIT 3

Bradley T. Nielson, CPA, CMA

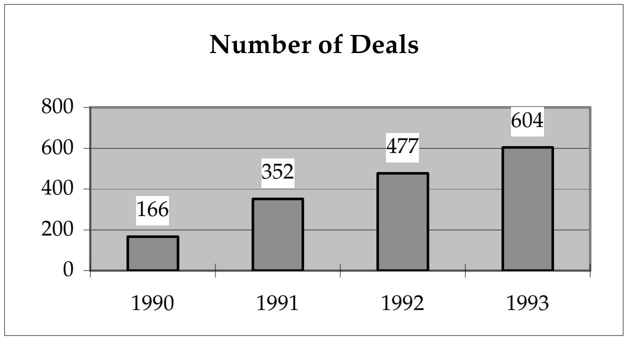
Mr. Nielson is the Chief Financial Officer for Mity-Lite, Inc., a designer, manufacturer, and marketer of lightweight, durable, folding leg tables and related products. Prior to joining Miry-Lite in March of 1994, Mr. Nielson spent almost two years as the Vice President of Finance for Pinnacle Micro, Inc., a high tech manufacturer of optical storage equipment. He has been instrumental in completing initial public offerings for both companies.

Prior to joining the corporate sector, Mr. Nielson was a Manager in the Manufacturing Cost Management Practices of Price Waterhouse and Ernst & Young for over seven years. There he worked with a variety of clients to design and implement activity-based management, performance measurement, and total quality management systems. Representative clients included Pepsico, Mattel, Transamerica, LSI Logic, and Fluor Corporation.

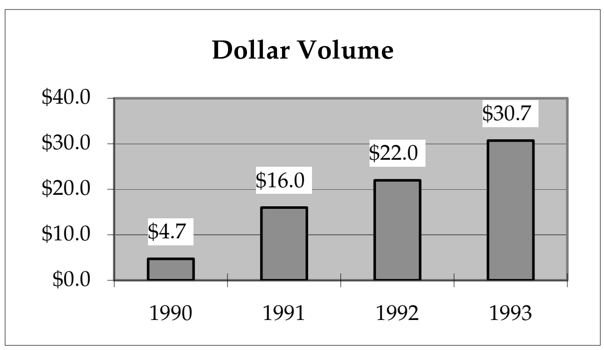
Mr. Nielson graduated from Brigham Young University with a B.S. in accounting. He is both a CPA and a CMA. He is an active member of the IMA and the past president of the Orange Coast California Chapter.

EXHIBIT 4

IPO National and Regional Market Overview



WEST		SOUTH		MID WEST		MID ATLANTIC		NEW ENGLAND	
1990	50	1990	43	1990	25	1990	32	1990	16
1991	101	1991	74	1991	65	1991	70	1991	42
1992	126	1992	108	1992	87	1992	97	1992	59
1993	176	1993	150	1993	103	1993	111	1993	64



WEST		SOUTH		MID WEST		MID ATLANTIC		NEW ENGLAND	
1990	$1.26	1990	$1.51	1990	$0.65	1990	$1.11	1990	$0.22
1991	$2.93	1991	$3.24	1991	$4.01	1991	$3.69	1991	$2.16
1992	$3.52	1992	$5.90	1992	$5.21	1992	$5.40	1992	$2.68
1993	$9.25	1993	$6.56	1993	$7.16	1993	$5.25	1993	$2.52

EXHIBIT 5

Request for Quotation (RFQ) Outline (Condensed)

I. IPO Timing

- When and why would be the best time, given current market conditions?
- What financial performance would need to be achieved in order to feel comfortable with an IPO in the April time frame? Would you require an audit of interim financials in order to go public in 1994?
- How does your 'commitment committee' operate and at what point in the process is the 'commitment' obtained?

II. Pricing

- What offering price range would you select if the IPO were today? Please explain how you determined this price.
- How would you position Mity-Lite among comparable table manufacturing companies?

III. IPO Process

- Please provide the names of the proposed investment banking team and describe specific involvement of each person (drafting sessions, due diligence sessions,...)
- Which law firm would you select and who would be the lead attorney from the firm?
- Would you market the offering outside of the United States? Why or why not?
- What is your recommended mix of institutional versus retail buyers and why?
- Describe your recommended 'road show' process. Please note anything unique or unusual relative to other investment banks.

IV. Research

- Who within your firm will be responsible for researcch? How long have they been with your firm? Is there any information that we shoud be aware of that would provide us comfort that this person will remain with your firm in the future? Please attach some reports developed by this individual in the past year.
- How would the analyst describe Mity-Lite Inc,. (positioning statement)? What is the analyst's opinion of the company's strategy? Will Mity-Lite be included in the 'universe' of table manufacturing companies your firm tracks?
- When would you release the first research report?
- How often would research reports be released?

V. Fees

- Please provide a schedule of fees expected to be incurred.

VI. The Offering

- What percentage of shares wuold you feel comfortable allocating to existing investors? to management? What are your policies on selling stockholder indemnification? What are your policies on company reimbursement of selling stockholder expenses?
- What 'lockup' provisions would you want in place for investors, management and employees?

Management has received proposals from counsel as to the implementation of anti-takeover provisions prior to an IPO including poison pill defense and a staggered board. What is your position on these provisions?

VII. Support

- Describe the scope of your trading operation and how you would support our stock in the market. Will you act as a market maker? Who else would you recommend as additional market makers?
- What type and level of support would we receive after an IPO?

VIII. Other Information

- Please provide examples of the last five low technology/manufacturing company IPOs you have managed or co-managed. Please provide IPO price and 30-day post-IPO price. Please also provide Prospectus copies and CEO and CFO names and telephone numbers.
- Please provide any other information you would like us to consider.

Information Source: Harvard Cases, EASEL Corporation

EXHIBIT 6

Most Valuable Underwriters, IPO Winners and Losers

Most Valuable Underwriters
(1/85 to 4/95)

Underwriter	Number of issues	% that went up	% that beat the market	Cum. performance	Cum. performance	Total offer value (mil)
Goldman Sachs	143	68	51	132%	153%	21425
Merrill Lynch	164	59	41	69%	110%	13500
Morgan Stanley	117	63	50	117%	152%	10144
Salomon Brothers	60	58	42	47%	105%	7034
CS First Boston*	87	59	41	41%	106%	6508
Donaldson Lufkin Jenrette	87	54	38	24%	97%	6298
Lehman Brothers	65	62	51	61%	139%	5329
Alex Brown	181	63	45	129%	154%	5077
Smith Barney**	98	59	45	32%	102%	5033
Shearson Lehman Brothers***	50	58	40	73%	104%	3427

* Formerly First Boston
** Formerly Smith Barney Shearson
*** Merged into Smith Barney, Harris Upham & Co.

IPO WINNERS

Company	Offer price*	Recent price**	Offer value ($mil)	Offer date	Gain actual	Gain rel. to S&P 500***	Underwriter
Microsoft	$1.17	81.75	$59	3/14/86	6899%	3217%	Goldman Sachs
American Power Conversion	0.25	17	6	7/29/88	6700%	3594%	Josephthal
Oracle Systems	0.63	30.5	32	3/14/86	4772%	2239%	Alex Brown
Cisco Systems	1.13	39.88	50	2/16/90	3444%	2291%	Morgan Stanley
Fastenal	0.75	26.5	9	8/21/87	3433%	2306%	Robert W. Baird

IPO LOSERS

Company	Offer price*	Recent price**	Offer value ($mil)	Offer date	Underwriter
Worlds of Wonder****	$18	$0	$108	6/20/86	Smith Barney Shearson*****
Highland Superstores******	18.5	0.03	104	5/10/85	Goldman Sachs
Goldome*******	7	0	98	8/11/87	Merrill Lynch
Leslie Fay Cos********	18	0.31	90	8/8/86	Merrill Lynch
Heritage Bancorp	9.17	0	58	10/3/86	PaineWebber

*Per common share adjusted for splits
**As of 4/28/95
***Ending value of $100 invested in each stock divided by $1 invested in the index
****In bankruptcy
*****Formerly Smith Barney, Harris Upham & Co.
****** Company liquidated
******* Declared insolvent

Information Source: The Syndicate

EXHIBIT 7

The S-1 Registration statement and preliminary prospectus outline

The following information represents a general outline of the information contained in the S-1 Registration and preliminary prospectus (or 'red herring')

Front Section. An S-1 contains a small amount of information not available in a prospectus. In this first section, you can quickly find the issuing company's phone number and get a vague sense of the future offering price.

Cover/Inside Cover. The prospectus cover outlines the general terms of the offering, including names of the underwriters, number of shares offered, and pricing information. The actual share price is absent from a prospectus until the day of the offering.

Prospectus Summary. Here, you will find a brief synopsis of the company's business and history, a modest discussion of the change in capitalization to occur as a result of the offering, and a useful summary of financial information covering the last 5 years, if available. If you are screening prospectuses for investment ideas, start here.

Risk Factors. After you have read a few prospectuses, you will become familiar with the "usual suspects" in this section, including "Possible Volatility of Stock," "Limited History of Operations," "Dilution," and "Dependence on Key Personnel." Nevertheless, this section is a worthwhile read to be sure that you understand the challenges facing the company's management. The discussion of competition can be sobering, but it can also provides a means to compare the value of the issuer against the financial performance and market valuation of its competitors.

Use of Proceeds. Although seldom enlightening ("proceeds will be used for general corporate purposes"), this section will occasionally reveal that most of the money from the offering is earmarked for a specific, do-or-die project or for lightening a crushing debt load rather than for expansion.

Dividend Policy. If you are investing in IPOs, you probably are not concerned with dividends. In any case, no operating company is likely to make a commitment to pay dividends in a prospectus.

Capitalization. This section displays a before-and-after-offering look at the shareholders' equity and long-term debt portions of the company's balance sheet. Unfortunately, since the ultimate offering price of the stock will not be known, you will have to make an estimate and fill in the blanks.

Dilution. This section provides a formula for calculating the impact of the new equity offering on current shareholders, who should expect to see a change in their book value per share and the percentage of the company they own.

Selected Financial Data/Management's Discussion and Analysis. These paired sections are of immense value in helping an investor interpret a company's business from a financial standpoint. These sections offer fairly detailed income statement and balance sheet data for up to 5 years, recent quarterly figures, and an analysis of recent results. Often, the "Overview" portion of the Management's Discussion will provide a worthwhile summary of a company's basic business model.

Business. In this section, the company's management outlines its business plan. This is the part of the prospectus in which management has the opportunity to sell investors on the company, but without the benefit of lofty income projections or hyperbole. Generally, management describes the perceived business opportunity, outlines its strategy to exploit the opportunity, and describes its current products and activities, usually relating them to the company's overall expansion strategy. Management lays out its best case for investing in the company here. If, after reading this section, you do not understand the business or remain unconvinced about the prospects for company, you probably should not buy the stock.

Management. You will probably never get a chance to meet with company management, so you will have to settle for perusing this section. Does management have the expertise required to execute the above business plan? Do some officers have unusual or excessively lucrative employment arrangements with the company?

Certain Transactions. Although questionable self-dealing transactions would be disclosed here, most prospectuses discuss relatively innocuous financing transactions between the company, its backers, and its management.

Principal Shareholders/Description of Capital Stock. This is where to find out who owns the company and who, if anyone, is selling stock in the offering. Generally, it is a bad sign if top management and major shareholders are selling large portions of their holdings in the offering. Usually, most of the unsold shares held by existing shareholders are subject to a "lock-up" period of 180 days. This means that existing shareholders are prohibited by law from selling stock until 6 months after the offering date. Investors should be aware that large blocks of stock could appear on the market after expiration of the lock-up period.

Underwriting. If you are interested in seeing the deal cut by the company with the underwriters, this is your section. But you will have to wait until the final prospectus (Form 424B filing) to get any meaningful data.

Legal Matters/Experts/Additional Information. These sections usually contain standard legal boilerplate. If any one of these sections is more than 1 or 2 paragraphs long, be sure to take a look at it.

Financial Statements. Standard financial statements are presented here. It is a good idea to check the auditors' report for any qualifying language and examine the notes to the financial statements for any accounting oddities and subsequent events.

Other Documents. S-1s often contain several attachments, including articles of incorporation and stock option agreements. These are not usually presented in the printed prospectus; however, they may be of more interest to lawyers than investors.

Information Source: IPO Central, The Reference Press

EXHIBIT 8

PROSPECTUS

900,000 Shares

MITY-LITE, INC.

Common Stock

All of the 900,000 shares of Common Stock offered hereby are being offered by Miry-Lite, Inc. (the "Company"). Prior to this offering, there has been no public market for the Common Stock. See "Underwriting" for factors used in determining the initial public offering price. The Common Stock has been approved for quotation on the NASDAQ National Market System under the symbol "MITY."

See "Risk Factors" for a discussion of certain matters to be carefully considered in making an investment in the Company.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES ADMINISTRATOR OF ANY STATE NOR HAS THE COMMISSION OR ANY SUCH ADMINISTRATOR PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

	Price to Public	**Underwriting Discounts and Commissions**	**Proceeds to Company (2)**
Per Share............	**$5.25**	**$0.47**	**$4.78**
Total (3)..............	**$4,725,000**	**$425,250**	**$4,299,750**

(1) The Company has agreed to indemnify the Underwriters against certain liabilities, including liabilitiesunder the Securities Act of 1933. See "Underwriting."

(2) Before deducting estimated expenses of $406,000 payable by the Company, including the Representatives' non-accountable expense allowance.

(3) The Company has granted to the Representatives a 30-day option to purchase up to 135,000 additional shares on the same terms and conditions solely to cover over-allotments, if any. If all such shares are purchased, the total Price to Public, Underwriting Discounts and Commissions and Proceeds to Company will be $5,433,750, $489,037 and 54,944,713, respectively. See "Underwriting."

The Common Stock is being offered severally by the Underwriters, subject to prior sale, when, as and if delivered to and accepted by them, and subject to certain conditions. It is expected that delivery of the certificates representing the Common Stock will be made at the offices of Pacific Crest Securities Inc. on or about May 6, 1994.

PACIFIC CREST SECURITIES INC. **D.A. DAVIDSON & CO.**

The date of this Prospectus is April 28, 1994

EXHIBIT 8 (con't)

PROSPECTUS SUMMARY

The following summary is qualified in its entirety by the more detailed information and the financial statements and notes thereto appearing elsewhere in this Prospectus. Unless otherwise indicated, the information contained in this Prospectus assumes the Representatives over-allotment option is not exercised and reflects the Company's 1.831159 for stock-split effected December 6, 1993. See "Description of Capital Stock;"

The Company

Miry-Lite, Inc. (the "Company") designs, manufactures and markets a variety of lightweight, durable, folding leg tables and related products used in multi-purpose rooms of educational, recreational, hotel and hospitality, government, office, health care, religious and other public assembly facilities. The Company has successfully applied engineering grade plastics and advanced, high technology manufacturing methods to produce tables that weigh significantly less and are more durable than competing plywood and particle board tables. In addition, unlike its competitors, the Company primarily markets its products directly to end users through its in-house staff of sales and customer service personnel. This marketing strategy has enabled the Company to reduce selling costs while maintaining direct contact with its customers. The Company markets its products throughout the United States and in a number of foreign countries.

The Company estimates the domestic market for multi-purpose room furniture exceeds $1 billion annually. Of this amount, approximately 5200 million relates to folding leg table products, $750 million to folding and stacking chairs and the balance to other multi-purpose room furniture. These statistics have reinforced the Company's decision to begin expansion of its product line to include chairs and other products which complement its current line of' tables. The Company believes that with its reputation in the folding leg table market and by expanding its furniture line, it will be able to offer a number of products to customers who prefer a single source for all their multi-purpose room furniture requirements.

The Company's innovative products, direct marketing strategy and focus on manufacturing efficiency have resulted in significant growth in sales and profitability. The Company's sales have grown 31%, 42% and 23%, respectively for the fiscal years ended March 31, 1992 and 1993 and the nine month period ended December 31, 1993. Pro-forms net income after tax has grown 60%, 36% and 126%, respectively, for the same periods. The Company's primary strategy for continued revenue and earnings growth is to:

Increase Share of Table Market. The Company intends to increase its share of the lightweight, folding leg table market by pursuing repeat orders from a growing base of existing customers (which accounted for 47% of fiscal 1993 sales), entering new market niches and further penetrating the educational and hospitality markets,

Introduce New Product Lines to Existing Customers. The Company intends to develop internally or acquire complementary product lines of multi-purpose room furniture, such as chairs, staging, partitions, podiums, flooring, bench seating and other related products. The Company believes that by introducing complementary product lines, it will effectively expand the use of its manufacturing capabilities and sales force while increasing revenues derived from its existing customer base. A recent independent study conducted for the Company by an unaffiliated research firm revealed that 75% of the Company's customers surveyed expressed an interest in purchasing stacking chairs from the Company.

Market Products Directly To End Users. Management believes that by primarily selling its products directly to end users, the Company enjoys lower selling costs, greater market awareness of its products, and stronger customer relationships. The Company believes this strategy differentiates it from its competitors, who primarily sell through dealers and distributors.

Continue Enhancement of Manufacturing Process. The Company intends to continue efforts to enhance its manufacturing process in order to control costs and increase productivity. This strategy contributed to an increase in the Company's gross profit margin during the nine month period ended December 31, 1993 to 40.4% as compared to 32.5% for the same period a year ago.

The Company was incorporated in Utah in September, 1987. Its principal executive offices are located at 1301 West 400 North, Orem, Utah 84057. The Company's telephone number is (801) 224-0589.

EXHIBIT 9

Mity-Lite Inc.
Overview of IPO
Roadshow

Date	Location	Audience	Attende	Comments
15-Apr	University Athletic Club Portland	Pacific Crest sales force	20	Dry run presentation
18-Apr	Wasatch Advisors Salt Lake City	Analysts and fund managers	12	Took large position in IPO
18-Apr	Piper Jaffray	Brokers and financial consultants	12	Corporate would not approve PJ participation
18-Apr	Hilton Hotel Salt Lake City	Brokers and market makers	30	Most participated in offering
19-Apr	Becker Capital Portland	Research Analyst	1	Participated in offering
19-Apr	Hudson Capital Portland	President	1	Participated in offering
19-Apr	University Athletic Club Portland	Brokers, market makers, institutions	32	
20-Apr	Washington Athletic Club Seattle	Brokers, market makers, institutions	25	
21-Apr	Spokane Athletic Club Portland	Brokers, market makers, institutions	20	
21-Apr	D.A. Davidson Kalispel	Brokers	15	Allocated 92,000 shares, wanted 220,000
21-Apr	D.A. Davidson Missoula	Brokers	8	
22-Apr	D.A. Davidson Great Falls	Brokers and analysts	25	Corporate office for Davidson
22-Apr	D.A. Davidson Helena	Brokers	6	
22-Apr	D.A. Davidson Billings	Brokers	8	
25-Apr	InterContinental Hotel Los Angeles	Brokers and analysts	NA	Cancelled due to strong demand for stock
26-Apr	Conference call	Institutions	13	Teleconference call to East Coast institutions

EXHIBIT 10

Mity-Lite, Inc.

Public Comparables

Name	Symbol	Market Cap	LTM Sales (mil)	LTM EPS	94 est. EPS	Mid Cap./ Sales	P/E	P/est. '94 E	Book Value per Share	P/book	3 year annual Revenue	3 year annual EPS growth	1 year est. EPS growth	Share price	52 week high	52 week low	Shares out.
Falcon Products, Inc.	FLCP	$94,674	$65	$0.69	$0.75	$1.48	18.4	14.5	$6.25	2.07	17.0%	14.8%	27.0%	10 7/8	17 1/2	8 1/2	8,724
Virco Manufacturing	FIR	34,410	208	0.67	NA	0.17	11.6	NA	9.89	0.78	3.2%	5.8%	NA	7 3/4	8 1/8	5 5/8	4,440
Winston Furniture Co.	WFCI	33,800	45	0.66	NA	0.75	15.2	NA	8.38	1.19	2.3%	0.5%	NA	10	16 1/4	8	3,380
Shelby Williams Inds.	SY	110,330	153	0.48	0.75	0.72	25.3	16.2	5.71	2.12	-2.9%	5.8%	65.0%	12 1/8	14 7/8	10 3/4	9,100
Mean						0.77	17.6	15.3		1.54	4.9%	7.5%	46.5%				
Median						0.74	16.8	15.3		1.63	2.8%	7.3%	46.5%				

NM: not meaningful
NA: not available

Name	Symbol	Sales per Employee	S,G, & A as % of sales	Gross Margin	Oper. Margin	Net Margin
Falcon Products, Inc.	FLCP	$65,217	19.9%	31.7%	11.9%	7.2%
Virco Manufacturing	FIR	68321	22.2%	26.9%	4.6%	1.6%
Winston Furniture Co.	WFCI	87695	22.0%	39.4%	16.3%	4.5%
Shelby Williams Inds.	SY	86285	16.7%	21.1%	4.5%	2.7%
Mean		76880	20.2%	29.8%	9.3%	4.0%
Median		77303	21.0%	29.3%	8.3%	3.6%

		92	93
Mity-Lite*	Net Sales	$5,762,000	$8,182,000
	Total expenses	$1,365,000	$1,829,000
	Net Income	$676,000	$922,000
	Pro Forma NI/ share		$0.23
	RE	$749,000	$1,372,000

*Refer to financials (Exhibit 11) for additional data

EXHIBIT 11

MITY-LITE, INC.
BALANCE SHEETS

	March 31, 1992	March 31, 1993	December 31, 1993 (unaudited, note 8)
ASSETS			
Current assets:			
Cash and cash equivalents	$ 279,000	$ 238,000	$1,182,000
Accounts receivable, less allowances of $13,000 and $44,000 at March 31, 1992 and March 31, 1993, and $50,000 at December 31, 1993	592,000	958,000	1,226,000
Inventories	318,000	362,000	327,000
Prepaid expenses	34,000	44,000	117,000
Total current assets	1,223,000	1,602,000	2,852,000
Property and equipment, net	753,000	801,000	812,000
Federal tax deposit	51,000	108,000	182,000
Total assets	$2,027,000	$2,511,000	$3,846,000
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities:			
Accounts payable	$ 359,000	$ 408,000	$ 422,000
Accrued expenses	140,000	124,000	421,000
Accrued distributions to stockholders	180,000	107,000	1,394,000
Current portion of long-term debt	76,000	20,000	—
Total current liabilities	755,000	659,000	2,237,000
Long-term debt, less current portion	20,000	—	
Stockholders' equity:			
Preferred stock, par value $.10 per share; authorized 3,000,000 shares; no shares issued and outstanding	—	—	
Common stock, par value $.01 per share; authorized 10,000,000 shares; issued and outstanding 1,893,409 shares in 1992 and 1,894,873 shares in 1993 and 1,900,000 shares in December 31, 1993	19,000	19,000	19,000
Additional paid-in capital	484,000	485,000	1,625,000
Retained earnings	749,000	1,372,000	—
Cumulative translation adjustment	—	(24,000)	(35,000)
	$1,252,000	$1,852,000	$1,609,000
Total liabilities and stockholders' equity	$2,027,000	$2,511,000	$3,846,000

EXHIBIT 11 (con't)

MITY-LITE, INC.
STATEMENTS OF INCOME

	Year ended March 31, 1992	Year ended March 31, 1993	Nine months ended December 31, (unaudited, note 8) 1992	Nine months ended December 31, (unaudited, note 8) 1993
Net Sales	$5,762,000	$8,182,000	$6,066,000	$7,447,000
Cost of products sold	3,715,000	5,420,000	4,095,000	4,437,000
Gross profit	2,047,000	2,762,000	1,971,000	3,010,000
Expenses:				
Selling	865,000	1,233,000	906,000	1,151,000
General and administrative	313,000	348,000	267,000	329,000
Research and development	187,000	248,000	196,000	210,000
Total Expenses	1,365,000	1,829,000	1,369,000	1,690,000
Income from operations	682,000	933,000	602,000	1,320,000
Other income (expense):				
Interest expense	(17,000)	(14,000)	(13,000)	(2,000)
Interest income	11,000	2,000	1,000	13,000
Gain on sale of equipment		1,000	—	3,000
Total other income (expense)	(6,000)	(11,000)	(12,000)	14,000
Net income	$ 676,000	$ 922,000	$ 590,000	$1,334,000
Pro forma information:				
Historical net income	$ 676,000	$ 922,000	$ 590,000	$1,334,000
Charge in lieu of income taxes for Subchapter S Corporation (Note 6)	270,000	369,000	236,000	534,000
Pro forma net income	$ 406,000	$ 553,000	$ 354,000	$ 800,000
Pro forma net income per share		$ 0.23	$ 0.15	$ 0.33

EXHIBIT 11 (con't)

MITY-LITE, INC.
STATEMENTS OF STOCKHOLDERS' EQUITY

	Common Stock Par Value	Additional Paid-In Capital	Retained Earnings	Cumulative Translation Adjustment	Total Stockholders Equity
Balance at April 1, 1991	$19,000	$484,000	$ 301,000	$ —	$ 804,000
Net income			676,000		676,000
Distributions to stockholders			(228,000)		(228,000)
Balance at March 31, 1992	19,000	484,000	749,000	—	1,252,000
Net income			922,000		922,000
Issuance of 800 shares of common stock		1,000			1,000
Distributions to stockholders			(299,000)		(299,000)
Foreign currency translation adjustment				(24,000)	(24,000)
Balance at March 31, 1993	19,000	485,000	1,372,000	(24,000)	1,852,000
Net income			1,334,000		1,334,000
Issuance of 3,000 shares of common stock		5,000			5,000
Distributions to stockholders			(1,571,000)		(1,571,000)
Foreign currency translation adjustment				(11,000)	(11,000)
Balance at December 31, 1993 (unaudited)	$19,000	$490,000	$1,135,000	$(35,000)	$1,609,000

EXHIBIT 11 (con't)

MITY-LITE, INC.

(a Utah S Corporation)

STATEMENTS OF CASH FLOW

	Year ended March 31,		Nine months ended December 31, (unaudited, note 8)	
	1992	1993	1992	1993
Cash flows from operating activities				
Net income	$ 676,000	$ 922,000	$ 590,000	$1,334,000
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	132,000	217,000	161,000	206,000
Gain on disposal of property and equipment	—	(1,000)	—	(3,000)
Changes in assets and liabilities:				
Accounts receivable	(155,000)	(383,000)	(378,000)	(276,000)
Inventories	(35,000)	(44,000)	(65,000)	35,000
Federal tax deposit	(51,000)	(57,000)	(57,000)	(74,000)
Prepaid expenses	—	(11,000)	(25,000)	(74,000)
Accounts payable	132,000	50,000	17,000	14,000
Accrued expenses	82,000	(17,000)	31,000	297,000
Net cash provided by operating activities	781,000	676,000	274,000	1,459,000
Cash flows from investing activities				
Sale of property and equipment		3,000		3,000
Purchases of property and equipment	(455,000)	(266,000)	(243,000)	(217,000)
Net cash used in investing activities	(455,000)	(263,000)	(243,000)	(214,000)
Cash flows from financing activities				
Net increase in line of credit			140,000	
Payment of distributions to stockholders	(82,000)	(372,000)	(312,000)	(283,000)
Principal payments on long-term debt	(116,000)	(76,000)	(56,000)	(20,000)
Issuance of common stock		1,000	1,000	4,000
Net cash used in financing activities	(198,000)	(447,000)	(227,000)	(299,000)
Effect of foreign exchange rate changes on cash	—	(7,000)	(10,000)	(2,000)
Increase (decrease) in cash and cash equivalents	128,000	(41,000)	(206,000)	944,000
Cash and cash equivalents at beginning of period	151,000	279,000	279,000	238,000
Cash and cash equivalents at end of period	$ 279,000	$ 238,000	$ 73,000	$1,182,000
Supplemental schedule of non-cash investing and financing activities				
Accrual of distribution payable to stockholders	$ 180,000	$ 107,000	$ —	$1,394,000
Addition of property and equipment through trades	$ —	$ 4,000		

EXHIBIT 12

Mity-Lite, Inc.
Overview of IPO
Proceeds from Offering

Gross Proceeds:		5,434,000
Less:		
Underwriters Discount		(489,000)
Underwriters Expense		(136,000)
Proceeds to Company:		4,809,000
Less IPO Expenses:		
Accounting Fees	80,000	
Legal Fees	85,000	
Printing Fees	20,000	
Blue Sky Fees	10,000	
Travel	5,000	
Filing Fees	23,000	
Previous Underwriter	43,000	
Other	5,000	
Estimated IPO Expenses		(271,000)
Estimated Net IPO Proceeds		4,538,000

EXHIBIT 13

Mity-Lite, Inc.
Overview of IPO
Distribution Analysis

	# of Shares	
Pacific Crest Securities:		
Retail	195,000	
Institutional:		
Becker Capital	50,000	
Hudson Capital Management	15,000	
Informed Investors	5,000	
Lee Asset Management	25,000	
Lieber Evergreen Funds	50,000	
Mountain Pacific Advisors	15,000	
Oak Ridge Investments	10,000	
Provident Investment Counsel	30,000	
Shaker Investments	25,000	
Taylor Investments	30,000	
Wasatch Advisors	100,000	
Total Institutions	*355,000*	
Total Pacific Crest		*550,000*
D.A. Davidson & Company:		
Kalispel Office	92,000	
Great Falls & Corp Office	82,000	
Missoula Office	44,000	
Spokane Office	30,000	
Billings Office	13,000	
Helena Office	13,000	
Hamilton Office	11,000	
Total D.A. Davidson & Company		*285,000*
Selling Group:		
Atkinson		
Black		
Charter		
Cruttendon		
Empire		
First Associated		
First Capital		
Grove		
Kemper		
Mitchell		
Paulson		
Prudential		
Ragen Mackenzie		
Wedbush		
Wilson Davis		
Total Selling Group		*150,000*
Directed Shares		50,000
Total Shares Offered		*1,035,000*

Highlights

680,000 retail shares (66%)
355,000 institutional shares (34%)
116,000 shares sold into UT (11%)*
40,000 shares sold into CA (4%)
255,000 shares sold into MT (25%)*
Avg. Trade for Davidson = 800 shares

*Share count includes retail shares only. Percentage amounts computed based on total shares issued.