

CHROMCRAFT REVINGTON INC
Form 10-Q
August 16, 2011

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended July 2, 2011

or

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

For the transition period from _____ to _____

Commission file number 1-13970

CHROMCRAFT REVINGTON, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

35-1848094
(IRS Employer Identification No.)

1330 Win Hentschel Blvd., Ste. 250, West Lafayette, IN 47906
(Address, including zip code, of registrant's principal executive offices)

(765) 807-2640
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

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

Edgar Filing: CHROMCRAFT REVINGTON INC - Form 10-Q

Large accelerated filer Accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of shares outstanding for each of the registrant's classes of common stock, as of the latest practicable date:

Common Stock, \$.01 par value – 6,424,393 as of August 12, 2011

INDEX

Page
Number

PART I. Financial Information

Item 1. <u>Financial Statements (unaudited)</u>	
<u>Condensed Consolidated Statements of Operations – Three and Six Months Ended July 2, 2011 and July 3, 2010</u>	2
<u>Condensed Consolidated Balance Sheets – July 2, 3 2011 and December 31, 2010</u>	
<u>Condensed Consolidated Statements of Cash Flows – Six Months Ended July 2, 2011 and July 3, 2010</u>	4
<u>Condensed Consolidated Statement of Stockholders' Equity - Six Months Ended July 2, 2011</u>	5
<u>Notes to Condensed Consolidated Financial Statements</u>	6
Item 2. <u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	9
Item 3. <u>Quantitative and Qualitative Disclosures About Market Risk</u>	13
Item 4. <u>Controls and Procedures</u>	13
PART II. Other Information	
Item 6. <u>Exhibits</u>	13
<u>SIGNATURES</u>	15

Index

PART I. Financial Information

Item 1. Financial Statements

Condensed Consolidated Statements of Operations (unaudited)

Chromcraft Revington, Inc.

(In thousands, except per share data)

	Three Months Ended		Six Months Ended	
	July 2, 2011	July 3, 2010	July 2, 2011	July 3, 2010
Sales	\$ 13,822	\$ 14,008	\$ 26,302	\$ 27,915
Cost of sales	11,289	11,339	22,109	22,540
Gross margin	2,533	2,669	4,193	5,375
Selling, general and administrative expenses	3,719	3,937	7,107	7,548
Operating loss	(1,186)	(1,268)	(2,914)	(2,173)
Interest expense, net	(68)	(75)	(144)	(150)
Net loss	\$(1,254)	\$(1,343)	\$(3,058)	\$(2,323)
Basic and diluted loss per share of common stock	\$(.26)	\$(.29)	\$(.64)	\$(.50)
Shares used in computing loss per share	4,765	4,685	4,751	4,676

See accompanying notes to condensed consolidated financial statements.

Index

Condensed Consolidated Balance Sheets (unaudited)
Chromcraft Revington, Inc.
(In thousands)

	July 2, 2011	December 31, 2010
Assets		
Cash	\$1,850	\$ 4,179
Accounts receivable, less allowance of \$225 in 2011 and \$300 in 2010	7,250	7,552
Inventories	13,795	14,191
Prepaid expenses and other	820	711
Current assets	23,715	26,633
Property, plant and equipment, net	6,836	7,235
Other assets	640	579
Total assets	\$31,191	\$ 34,447
Liabilities and Stockholders' Equity		
Accounts payable	\$3,926	\$ 4,144
Accrued liabilities	3,207	3,346
Current liabilities	7,133	7,490
Deferred compensation	396	461
Other long-term liabilities	1,683	1,667
Total liabilities	9,212	9,618
Stockholders' equity	21,979	24,829
Total liabilities and stockholders' equity	\$31,191	\$ 34,447

See accompanying notes to condensed consolidated financial statements.

Index

Condensed Consolidated Statements of Cash Flows (unaudited)
Chromcraft Revington, Inc.
(In thousands)

	Six Months Ended	
	July 2, 2011	July 3, 2010
Operating Activities		
Net loss	\$(3,058)	\$(2,323)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization expense	424	472
Non-cash share based and ESOP compensation expense	208	172
Provision for doubtful accounts	22	43
Non-cash inventory write-downs	134	221
Non-cash accretion expense	17	16
Gain on disposal of assets	(2)	-
Changes in operating assets and liabilities:		
Accounts receivable	280	118
Refundable income taxes	-	6,578
Inventories	262	(190)
Prepaid expenses and other	(109)	(228)
Accounts payable and accrued liabilities	(357)	(1,913)
Long-term liabilities and assets	(127)	22
Cash provided by (used in) operating activities	(2,306)	2,988
Investing Activities		
Capital expenditures	(25)	(135)
Proceeds on disposal of assets	2	-
Cash used in investing activities	(23)	(135)
Change in cash	(2,329)	2,853
Cash at beginning of the period	4,179	3,636
Cash at end of the period	\$1,850	\$6,489

See accompanying notes to condensed consolidated financial statements.

Index

Condensed Consolidated Statement of Stockholders' Equity (unaudited)

Chromcraft Revington, Inc.
Six Months Ended July 2, 2011
(In thousands, except share data)

	Common Shares	Stock Amount	Capital in Excess of Par Value	Unearned ESOP Shares	Retained Earnings	Treasury Shares	Stock Amount	Total Stockholders' Equity
Balance at January 1, 2011	7,968,547	\$80	\$ 16,599	\$(14,002)	\$43,312	(1,819,154)	\$(21,160)	\$ 24,829
ESOP compensation expense	-	-	(279)	338	-	-	-	59
Share based compensation	-	-	149	-	-	-	-	149
Net loss	-	-	-	-	(3,058)	-	-	(3,058)
Balance at July 2, 2011	7,968,547	\$80	\$ 16,469	\$(13,664)	\$40,254	(1,819,154)	\$(21,160)	\$ 21,979

See accompanying notes to condensed consolidated financial statements.

Index

Notes to Condensed Consolidated Financial Statements (unaudited)
Chromcraft Revington, Inc.
(in thousands, except share data)

Note 1. Basis of Presentation

The accompanying unaudited condensed consolidated financial statements include the accounts of Chromcraft Revington, Inc. and its wholly-owned subsidiaries (together, the “Company”) and have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and with the instructions to Form 10-Q and the requirements of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statement presentation.

In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the six month period ended July 2, 2011 are not necessarily indicative of the results that may be expected for the year ending December 31, 2011.

The balance sheet at December 31, 2010 has been derived from the audited financial statements at that date but does not include all information and footnotes required by generally accepted accounting principles for complete financial statements.

The interim financial statements contained in this report should be read in conjunction with the audited consolidated financial statements and footnotes thereto included in the Company’s annual report on Form 10-K for the year ended December 31, 2010.

Note 2. Cash Equivalents

Cash and short-term, highly liquid investments with an original maturity of three months or less are considered cash equivalents.

Note 3. Inventories

Inventories at July 2, 2011 and December 31, 2010 consisted of the following:

	July 2, 2011	December 31, 2010
Raw materials	\$ 5,228	\$ 5,308
Work-in-process	968	1,022
Finished goods	7,599	7,861
	\$ 13,795	\$ 14,191

Inventory reserves increased \$69 and decreased \$424 in the first six months of 2011 and 2010, respectively, on a net basis.

Index

Note 4. Property, Plant and Equipment

Property, plant and equipment at July 2, 2011 and December 31, 2010 consisted of the following:

	July 2, 2011	December 31, 2010
Land	\$ 324	\$ 324
Buildings and improvements	18,438	18,438
Machinery and equipment	23,163	23,136
Leasehold improvements	769	769
Construction in progress	-	20
	42,694	42,687
Less accumulated depreciation and amortization	(35,858)	(35,452)
	\$ 6,836	\$ 7,235

Note 5. Accrued Liabilities

Accrued liabilities at July 2, 2011 and December 31, 2010 consisted of the following:

	July 2, 2011	December 31, 2010
Employee-related benefits	\$ 712	\$ 788
Property tax	199	376
Other accrued liabilities	2,296	2,182
	\$ 3,207	\$ 3,346

Note 6. Bank Debt

The Company has a revolving loan facility with a bank (“Bank Facility”) that allows it to borrow up to \$25,000 based on eligible accounts receivable and inventories. The interest rate under the Bank Facility is determined based, at the Company’s option, on either the bank’s prime rate or the London Interbank Offered Rate (LIBOR). The Bank Facility is secured by substantially all of the assets of the Company and expires in June 2012.

At July 2, 2011, the Company had approximately \$7,284 in unused availability under the Bank Facility, which reflects a \$390 reduction for a letter of credit outstanding in connection with a self-insured workers’ compensation program. Certain covenants and restrictions, including a fixed charge coverage ratio as defined in the loan agreement, will become effective if availability under the Bank Facility is less than \$5,000. The Company did not comply with the fixed charge coverage ratio at July 2, 2011; however, the Company’s availability under the Bank Facility exceeded \$5,000 at July 2, 2011 and, accordingly, the covenant regarding this ratio did not apply at the end of the second quarter of 2011.

Note 7. Employee Stock Ownership Plan

Chromcraft Revington sponsors the Employee Stock Ownership and Savings Plan (the “Plan”) which consists of the following two components: (i) a leveraged employee stock ownership plan qualified under Section 401(a) of the Internal Revenue Code (the “Code”) which is designed to invest primarily in Company stock (the “ESOP”); and (ii) a qualified cash or deferred arrangement under Code Section 401(k) (the “401(k) Plan”). The Plan covers substantially all employees who have completed six months of service with the Company. For the year ended December 31, 2010, the

Company's matching contribution with respect to participants' pre-tax contributions to the 401(k) Plan was made to the ESOP. The 2011 Company matching contribution with respect to participants' pre-tax contributions to the 401(k) Plan is expected to be made to the ESOP.

7

Index

When the ESOP was established, Chromcraft Revington loaned \$20,000 to the ESOP Trust to finance the ESOP's purchase of common stock of the Company. The loan to the ESOP Trust provides for repayment to Chromcraft Revington over a 30-year term at a fixed rate of interest of 5.48% per annum. Chromcraft Revington makes annual contributions to the ESOP Trust equal to the ESOP Trust's repayment obligation under the loan to the ESOP from the Company. The unallocated shares of Company common stock owned by the ESOP Trust are pledged to the Company as collateral for the Company's loan to the ESOP Trust. As the ESOP loan is repaid, shares are released from collateral and allocated to ESOP accounts of active employees based on the proportion of total debt service paid in the year. Unearned ESOP shares are reported as a reduction of stockholders' equity as reflected in the Consolidated Statements of Stockholders' Equity of the Company. As shares are committed to be released, Chromcraft Revington reports compensation expense equal to the current market price of the shares, and the shares become outstanding for earnings per share computations. ESOP compensation expense for the three and six months ended July 2, 2011 was \$44 and \$74, respectively, compared to \$41 and \$83, respectively, for the prior year periods.

ESOP shares at July 2, 2011 and December 31, 2010, respectively, consisted of the following:

	July 2, 2011	December 31, 2010
Allocated ESOP shares	289,172	267,161
Unearned ESOP shares	1,366,379	1,400,213
Total ESOP shares	1,655,551	1,667,374
Unearned ESOP shares, at cost	\$ 13,664	\$ 14,002
Fair value of unearned ESOP shares	\$ 2,050	\$ 2,786

Note 8. Income Taxes

At July 2, 2011 and December 31, 2010, the Company maintained a full valuation allowance against the entire net deferred income tax balance after considering relevant factors, including recent operating results, the likelihood of the utilization of net operating loss tax carry forwards, and the ability to generate future taxable income. The Company expects to maintain a full valuation allowance on its entire net deferred tax assets in 2011, resulting in an effective tax rate of zero for the three and six months ended July 2, 2011.

Note 9. Loss per Share of Common Stock

Due to the net loss in the three and six months ended July 2, 2011 and July 3, 2010, loss per share, basic and diluted, are the same, as the effect of potential issuances of common stock would be antidilutive.

Index

Note 10. Stock-Based Compensation

As previously disclosed, on March 24, 2011, Ronald H. Butler, Chairman and Chief Executive Officer of the Company, was granted an award opportunity of 240,000 shares of restricted common stock under the Company's 2007 Executive Incentive Plan ("Plan") for the 1-year performance period ending December 31, 2011. The award may be earned if certain performance goals are achieved and is subject to the Plan and the related award agreement. The award opportunity is being amortized to expense over the service period from the grant date through the vesting date of March 31, 2012. The Company recorded expense for this award opportunity of \$121 for both the three and six month periods ended July 2, 2011 as compared to \$82 for each of the comparable prior year periods. The unrecognized portion of the expected amortization expense for the award opportunity is \$328 at July 2, 2011.

In addition, certain executives of the Company, including Mr. Butler, were granted an award opportunity of performance shares under the Plan for the 1-year performance period ending December 31, 2011. The awards may be earned if certain performance goals are achieved and are subject to the Plan and the related award agreements. The performance shares would be paid 50% in cash and 50% in restricted stock or cash as determined by the Compensation Committee. The Compensation Committee has not approved any portion of the performance share award opportunity in restricted common stock as of July 2, 2011. One-half of the award opportunity is being amortized over the service period from the grant date through December 31, 2011 and the other half is being amortized over the period from the grant date through the vesting date of January 1, 2013. The expense recorded for these award opportunities was \$103 for both the three and six month periods ended July 2, 2011 as compared to \$0 for each of the comparable prior year periods.

Note 11. Recently Issued Accounting Standards

There have been no recent accounting standards or changes in accounting standards during the six months ended July 2, 2011, that are of significance, or potential significance to the Company, as compared to the recent accounting standards described in the Company's Annual Report on Form 10-K for the year ended December 31, 2010.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Overview

The Company is experiencing reduced demand for residential furniture as a result of weak consumer confidence, lower consumer demand for residential furniture in our product categories and price segment, lower housing activity, continued high levels of unemployment and consumer debt and the continuing effects of the economic downturn. Residential sales in the quarter ended July 2, 2011 were comparable to the first quarter of 2011. We expect that the current economic environment for consumers will continue to be challenging for the remainder of 2011. Conditions in the U.S. office furniture market have recently improved which led to our consolidated 11% increase in sales and 30% reduction in net loss in the second quarter of 2011 as compared to the first quarter of 2011. We expect the positive impact on our business resulting from what may be the start of a rebound in the U.S. office furniture market to continue through the remainder of 2011.

Index

We have repositioned our residential furniture product lines by introducing better value imports, utilizing a product licensing arrangement for marketing support, and replacing unprofitable and slow moving items offered in our line with high velocity items to improve customer service. We continue to review and reduce operating costs to be in line with our current revenue base. The Company's new business model is expected to result in a more variable cost structure and provide greater flexibility in competing in the furniture industry. A prolonged economic downturn could cause outcomes to differ materially from those expected above.

Results of Operations

The following table sets forth the Condensed Consolidated Statements of Operations of Chromcraft Revington for the three and six months ended July 2, 2011 and July 3, 2010 expressed as a percentage of sales.

	Three Months Ended				Six Months Ended			
	July 2, 2011		July 3, 2010		July 2, 2011		July 3, 2010	
Sales	100.0	%	100.0	%	100.0	%	100.0	%
Cost of sales	81.7		81.0		84.1		80.8	
Gross margin	18.3		19.0		15.9		19.2	
Selling, general and administrative expenses	26.9		28.1		27.0		27.0	
Operating loss	(8.6)	(9.1)	(11.1)	(7.8)
Interest expense	(0.5)	(0.5)	(0.5)	(0.5)
Net loss	(9.1)%	(9.6)%	(11.6)%	(8.3)%

Consolidated sales for the three and six months ended July 2, 2011 of \$13.8 million and \$26.3 million, respectively, represented a 1.3% and 5.8% decrease, respectively, from the same periods last year.

Shipments of residential furniture were slightly lower in the three months ended July 2, 2011 as compared to the prior year period. Shipments of residential furniture for the first half of 2011 were also lower than the prior year period. In both cases, the decreases were primarily due to weak consumer demand for residential furniture in our product categories and price segment which we believe is consistent with industry trends; the continuing economic downturn which reflects the ongoing labor and housing market struggles and high levels of consumer debt; and import competition. Commercial furniture shipments were slightly higher in the three months ended July 2, 2011 as compared to the prior year period due to increased shipments of seating products while sales of commercial furniture for the first six months of 2011 were slightly lower than the prior year period due to a decrease in shipments of conference tables. The consolidated sales decrease for the three and six months ended July 2, 2011 was primarily due to lower unit volume.

Gross margin for the three month and six months ended July 2, 2011 was \$2.5 million and \$4.2 million, respectively, as compared to \$2.7 million and \$5.4 million, respectively, for the prior year periods. The lower gross margin for the first six months of 2011 as compared to the prior year period is primarily due to lower shipments, higher unabsorbed fixed overhead costs and manufacturing inefficiencies resulting from the reduced volume, an unfavorable product sales mix, and higher material and freight costs on certain products due to cost increases and delays in receiving parts from overseas suppliers.

Index

Selling, general and administrative expenses decreased by \$0.2 million, or 5.5% and \$0.4 million, or 5.8% in the three and six month periods ended July 2, 2011, respectively, as compared to the same periods in 2010 primarily due to a decrease in marketing related expenses.

Net interest expense, which includes Bank Facility fees, was \$0.1 million for both the three and six months ended July 2, 2011 as well as the comparable prior year periods.

At December 31, 2010 and 2009, the Company maintained a full valuation allowance against the entire net deferred income tax balance. The Company expects to maintain a full valuation allowance on its entire net deferred tax assets at December 31, 2011, resulting in an effective tax rate of zero for the quarter and six months ended July 2, 2011 and the prior year periods.

Financial Condition, Liquidity and Capital Resources

Cash decreased in the first six months of 2011 by \$2.3 million primarily due to the cash loss from operations. Working capital, excluding cash, decreased \$0.2 million primarily due to a decrease in inventories and accounts receivable, partially offset by a reduction in accounts payable and accrued liabilities, primarily due to the lower sales volume in the first half of 2011 as compared to the prior year.

Operating activities of the Company used \$2.3 million of cash in the first six months of 2011 as compared to \$3.0 million of cash provided in the prior year period. The \$3.0 million of cash provided in the 2010 period included the receipt of a tax refund of \$6.6 million. Excluding the tax refund received in the first half of 2010, the Company used \$1.3 million less cash in the first half of 2011 as compared to the prior year period.

Investing activities for capital expenditures were approximately \$0.1 million less in the first six months of 2011 as compared to the prior year period. The Company expects to spend approximately \$0.2 million for capital expenditures in 2011.

At July 2, 2011, the Company had cash of approximately \$1.9 million and approximately \$7.3 million in availability under its Bank Facility based on eligible accounts receivable and inventories. Effective January 1, 2011, the Company reduced its line of credit under the Bank Facility from \$30.0 million to \$25.0 million to reduce bank fees related to unused borrowing capacity under the Bank Facility. There were no borrowings during the first six months of 2011 and no outstanding balance at July 2, 2011 under the Bank Facility. The Bank Facility expires in June 2012 and is secured by substantially all of the assets of the Company. Certain covenants and restrictions, including a fixed charge coverage ratio as defined in the loan agreement, will become effective if availability under the Bank Facility is less than \$5.0 million. The Company did not comply with the fixed charge coverage ratio at July 2, 2011; however, the Company's availability under the Bank Facility exceeded \$5.0 million at July 2, 2011 and, accordingly, the covenant regarding this ratio did not apply at the end of the second quarter of 2011. The Company expects to have availability under the Bank Facility in excess of \$5.0 million during the remainder of 2011.

Our ability to borrow under the Bank Facility is dependent upon a borrowing base calculation consisting of eligible accounts receivable and inventories, as well as compliance with the terms of the Bank Facility. While we expect to comply with the terms of the Bank Facility, in the event that there is a default, the bank could declare all obligations then outstanding to be immediately due, terminate the Bank Facility extended to the Company and take certain other actions as a secured creditor, which could adversely affect the Company's liquidity and business.

Index

Among the provisions of the Bank Facility that the bank may consider in determining if we are in default is whether any change in the Company's condition could reasonably be expected to have a material adverse effect on its business, operations, condition (financial or otherwise) or prospects or the value of any material collateral, or whether any event or circumstance impairs our ability to repay any obligations owed under the Bank Facility. If a default occurs, we could attempt to obtain a waiver from the bank, but there is no assurance that the bank would grant such a waiver.

We believe that our cash and available line of credit under our Bank Facility will be adequate to meet our anticipated cash requirements for working capital purposes and normal capital expenditures for at least the next twelve months. However, there can be no assurance regarding these matters given the current state of the global economy, which has negatively impacted our ability to accurately forecast our results of operations and cash position, and which may result in deterioration of our revenues from what we anticipate. We believe further deterioration in revenues would expose us to declining margins as a result of unabsorbed fixed manufacturing overhead, operating inefficiencies and an imbalance between our inventory levels and customer demand which would likely result in continued losses and reduced liquidity. Additionally, if our trade creditors were to impose unfavorable terms on us, it would negatively impact our ability to obtain products and services on acceptable terms. We have implemented expense controls and limitations on capital expenditures to conserve cash during the current economic downturn. The Company expects to borrow under the Bank Facility on a limited basis in the second half of 2011.

We will need to generate adequate cash flow from operations in future periods in order to meet our long term liquidity needs. In the absence of adequate cash flow from operations in the future, the Company may need to further restrict expenditures, sell assets, seek additional business funding or consider other alternatives. Our ability to obtain additional funding would likely be adversely affected because all of our assets have been secured as collateral for our existing Bank Facility and because our financial results could adversely affect the availability and terms of any such funding.

Recently Issued Accounting Standards

There have been no recent accounting standards or changes in accounting standards during the six months ended July 2, 2011, that are of significance, or potential significance to the Company, as compared to the recent accounting standards described in the Company's Annual Report on Form 10-K for the year ended December 31, 2010.

Forward-Looking Statements

Certain information and statements contained in this report, including, without limitation, in the section captioned "Management's Discussion and Analysis of Financial Condition and Results of Operations," are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements can be generally identified as such because they include future tense or dates, or are not historical or current facts, or include words such as "believe," "may," "expect," "intend," "plan," "anticipate," or words of similar import. Forward-looking statements are not guarantees of performance or outcomes and are subject to certain risks and uncertainties that could cause actual results or outcomes to differ materially from those reported, expected, or anticipated as of the date of this report.

Index

Among the risks and uncertainties that could cause actual results or outcomes to differ materially from those reported, expected or anticipated are general economic conditions, including the impact of the current recession in the United States and elsewhere; import and domestic competition in the furniture industry; our ability to execute our business strategies, implement our new business model and successfully complete our business transition; our ability to grow sales and reduce expenses to eliminate our operating losses; the continuation of the recent improvement in the U.S. office furniture market; our ability to sell the right product mix; supply disruptions with products manufactured in China and other Asian countries; continued credit availability under our Bank Facility; market interest rates; consumer confidence levels; cyclical nature of the furniture industry; consumer and business spending; changes in relationships with customers; customer acceptance of existing and new products; new home and existing home sales; financial viability of our customers and their ability to continue or increase product orders; loss of key management; other factors that generally affect business; and the risks set forth in our annual report on Form 10-K for the year ended December 31, 2010.

We do not undertake any obligation to update or revise publicly any forward-looking statements to reflect information, events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events or circumstances.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Not required for smaller reporting companies.

Item 4. Controls and Procedures

Chromcraft Revington's principal executive officer and principal financial officer have concluded, based upon their evaluation, that the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended), were effective as of the end of the period covered by this Form 10-Q.

There were no changes in Chromcraft Revington's internal control over financial reporting that occurred during the second quarter of 2011 that may have materially affected, or are reasonably likely to materially affect, Chromcraft Revington's internal control over financial reporting.

PART II. Other Information

Item 6. Exhibits

3.1 Certificate of Incorporation of the Registrant, as amended, filed as Exhibit 3.1 to Form S-1, registration number 33-45902, as filed with the Securities and Exchange Commission on February 21, 1992, is incorporated herein by reference.

3.2 By-laws of the Registrant, as amended, filed as Exhibit 3.2 to Form 8-K, as filed with the Securities and Exchange Commission on October 16, 2009, is incorporated herein by reference.

Index

10.95Form of 2011 Performance Share and Restricted Stock Award Agreement under the 2007 Executive Incentive Plan (filed herewith).

10.98Form of Restricted Stock Award Agreement under the Director's Stock Plan (filed herewith).

31.1Certification of Chief Executive Officer required pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).

31.2Certification of Vice President and Chief Financial Officer required pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).

32.1Certifications of Chief Executive Officer and Vice President and Chief Financial Officer required pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002 (filed herewith).

101Interactive Data File.

Index

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, Chromcraft Revington, Inc. has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Chromcraft Revington, Inc.
(Registrant)

Date: August 16, 2011

By: /s/ Ronald H. Butler
Ronald H. Butler,
Chairman and Chief Executive Officer

Date: August 16, 2011

By: /s/ James M. La Neve
James M. La Neve,
Vice President and Chief Financial Officer