

DGT HOLDINGS CORP.

FORM 8-K (Current report filing)

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Address	100 PINE AIRE DRIVE BAY SHORE, NY 11706
Telephone	631 231-6400
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Industry	Medical Equipment & Supplies
Sector	Healthcare
Fiscal Year	07/31

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

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

Date of Report (Date of earliest event reported) April 27, 2005

DEL GLOBAL TECHNOLOGIES CORP.

(Exact name of registrant as specified in charter)

New York ----- (State or other jurisdiction of incorporation)	0-3319 ----- (Commission File Number)	13-1784308 ----- (IRS Employer Identification No.)
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One Commerce Park, Valhalla, NY 10595

(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code (914) 686-3650

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 1.01. ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT.

On April 27, 2005, the Board of Directors approved an increase to the salary of Walter F. Schneider, the Company's Chief Executive Officer and President, to \$300,000 per year. The Board of Directors also approved the issuance to Mr. Schneider of options to purchase 100,000 shares of the Company's common stock, par value \$.10, at an exercise price of \$2.70 per share.

Additionally, on April 27, 2005, the Board of Directors approved a Senior Management Incentive Plan, setting forth bonuses to be paid to members of management for reaching certain incentive targets (the "Senior Management Incentive Plan"). Under the Senior Management Incentive Plan, the Board approved bonuses to Mr. Schneider and Mark A. Koch, the Principal Accounting Officer of the registrant, of \$116,000 and \$33,000, respectively, in the event they reach certain incentive targets. For additional information, reference is made to the summary plan description of the Senior Management Incentive Plan attached hereto as EXHIBIT 99.01.

ITEM 5.02. DEPARTURE OF DIRECTORS OR PRINCIPAL OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF PRINCIPAL OFFICERS.

On April 27, 2005, the registrant received notice from Wallace Barnes and Michael Cheshire tending their voluntary resignations as members of the registrant's board of directors, effective April 27, 2005.

The Board has appointed General Merrill A. McPeak and James Risher to the Board, effective April 27, 2005, to serve until the next annual meeting of stockholders and until their successors are duly elected and shall be qualified.

General McPeak was appointed to the compensation committee of the registrant's board of directors. Mr. Risher was appointed to the board's audit committee. Neither General McPeak nor Mr. Risher have entered into any transactions with the Company since the beginning of the Company's last fiscal year which would be reportable under Item 404(a) of Regulation S-K. Neither General McPeak nor Mr. Risher are currently employed by the Company.

There are no arrangements or understandings under which either General McPeak nor Mr. Risher were appointed to the Board.

For additional information, reference is made to the press release attached hereto as EXHIBIT 99.02.

ITEM 8.01 OTHER EVENTS.

On April 28, 2005, the registrant issued a press release announcing that (i) the registrant's 2005 annual meeting of shareholders is scheduled to be held on Thursday, June 30, 2005, and that the Company fixed May 25, 2005 as the record date for the determination of shareholders entitled to notice of and to vote at the annual meeting, and (ii) in addition to nominating General McPeak and Mr. Risher, the board of directors of the registrant has nominated James R. Henderson, Gerald M. Czarnecki, Walter F. Schneider and Edgar J. Smith, Jr. for re-election to the board at the 2005 Annual Meeting.

For additional information, reference is made to the press release attached hereto as EXHIBIT 99.02.

- ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.
- (a) Financial Statements of Businesses Acquired.
Not Applicable
 - (b) Pro Forma Financial Information.
Not Applicable
 - (c) Exhibits.
 - 99.01 Senior Management Incentive Plan
 - 99.02 Press release dated April 28, 2005.

SIGNATURES

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

DEL GLOBAL TECHNOLOGIES CORP.

(Registrant)

Date: May 2, 2005

By: /s/ Mark A. Koch

Mark A. Koch
Principal Accounting Officer

EXHIBIT 99.01

DEL GLOBAL TECHNOLOGIES CORP.

SENIOR MANAGEMENT INCENTIVE PLAN

SUMMARY PLAN DESCRIPTION

FISCAL 2005

[NAME]

PURPOSE

The purpose of the Del Global Senior Management Incentive Plan is to incent Senior Managers to lead the attainment of Company business goals and to reward

them for such performance achievement.

DEFINITIONS

The terms used in the description of the Senior Manager Incentive Plan are as follows:

INCENTIVE PLAN YEAR. August 1, 2004 through July 30, 2005.

THE INCENTIVE PLAN GOALS. These are based upon Company Operating Income as displayed in the Fiscal 2005 Business Plan, minus interest expense. No adjustment to Operating Income can be made (for extraordinary or other items) without the prior written approval of the Stock Option and Compensation Committee of the Board of Directors.

COMPANY OPERATING INCOME is defined as Company Revenue received, minus cost of goods sold (COGS), R&D expenses and sales, general and administration expenses including corporate allocations as displayed in the Fiscal 2005 Business Plan, less interest expense.

PLAN SALARY. The actual Incentive Plan Year base salary earnings (gross) for the senior manager, excluding other bonus payments, Company contributions to employee benefit plans, and other compensations not designated as base salary.

ANNUAL INCENTIVE TARGET. The percentage of a senior manager's Plan Salary awarded if the specified business goals are met.

PERFORMANCE FACTOR. An adjustment (percentage) applied to the Annual Incentive Target to reflect the actual performance compared with goals.

ANNUAL INCENTIVE PAY AWARDS. Annual Incentive Pay Awards will be calculated by applying the Performance Factor to the product of the Annual Incentive Target multiplied by the senior manager's Plan Salary.

ACTIVE EMPLOYMENT STATUS. Presently working, or available for work senior managers on vacation, sick leave, jury duty, bereavement leave, military leave, or excused absence. Does not include those who are on short-term disability due to ill-health or those on unpaid leaves of absence (unless such leave commenced on or after May 1 of the Plan Year and the senior manager is expected to return to work within 12 weeks of the commencement of the leave).

PARTICIPATION

Participation in this plan will include regular full-time Del Global corporate officers who are on Active Employment Status with the Company as of the last day of the Plan Year.

Plan Participation is approved by the Stock Option and Compensation Committee of the Board of Directors. Participation eligibility is re-evaluated each Plan Year and eligibility in one Plan Year provides no entitlement to eligibility in a subsequent Plan Year. Similarly, should position scope and/or responsibilities change during the Plan Year, Plan Participation eligibility may change accordingly. This will be accompanied by written notification.

Senior managers who terminate employment during the Plan Year due to death, disability or retirement will be eligible for an Annual Incentive Pay award. Senior managers who terminate during the Plan Year for any other reason will not receive an Incentive Pay Award.

Participants must be Officers of Del Global Technologies Corp by May 1 of the Plan Year to participate in this plan.

Expected individual performance standards must be met to qualify for Annual Incentive Pay Award, and the Company reserves the right to deny payment to any individual determined by the Company as having failed to meet such standards.

PERFORMANCE FACTOR CALCULATION FOR ANNUAL INCENTIVE PAY AWARD

When calculating the Incentive Pay against the OPERATING INCOME goal, the Performance Factor will equal 1.0 when actual performance for the Plan Year is equal to the Plan Goal. For each % by which performance exceeds the Plan Goal, the Performance Factor will increase by 2 x that %. For each % by which the performance is below the Plan Goal, the Performance Factor will decrease by 2 x that %.

No incentive will be paid if Operating Income is less than 90% of the Plan Goal. The maximum Factor is 150% at 125% of Plan Goal.

FISCAL 2005 PROGRAM

Your ANNUAL INCENTIVE TARGET for Fiscal 2005 is ___ of your Plan Salary.

OPERATING INCOME: 100% of Annual Incentive Target. For Fiscal 2005 the planned COMPANY OPERATING INCOME is \$7,579,263.

PLAN ADMINISTRATION

The Stock Option and Compensation Committee of the Board of Directors will approve all Senior Management Incentive Plan Awards. Incentive payments will be paid approximately 120 days after the closing of the Company's financial year. Payments will be subject to all applicable withholding taxes.

The establishment of this Plan or the granting of Incentive Pay Award payments shall not constitute any contract with or convey any legal right on any senior manager against the Company or any representative of the Company. This Plan, or any element of it, may be changed at any time, with or without notice, on the instruction of the Stock Option and Compensation Committee of the Board of Directors.

The Plan and any action taken hereunder are subject to amendment or elimination at any time and to all US Federal, State or National laws and regulations now in effect or which may be enacted.

EXHIBIT 99.02

VALHALLA, NY - April 28, 2005-- DEL GLOBAL TECHNOLOGIES CORP. (DGTC) ("Del Global" or "the Company") today announced the appointment of General Merrill A. McPeak and Mr. James Risher to the Board of Directors effective April 27, 2005.

As the Company announced on March 30, 2005, the Board has concluded its review of strategic alternatives, and determined that the shareholders' interests would be best served by the Company continuing to operate as a stand-alone entity. The Board's appointment of General McPeak and Mr. Risher is in keeping with the Board's efforts to focus on improving operations and the expansion of the Company's business.

General Merrill A. McPeak, age 69, has served as President of McPeak & Associates, a management consulting firm, since 1995. General McPeak entered the U.S. Air Force in 1957 and served in various positions throughout his tenure. From October 1990 until October 1994, he was Chief of Staff of the U.S. Air Force. He also served as Commander-in-Chief, Pacific Air Forces, from 1988 until 1990, Commander, Twelfth Air Force, from 1987 until 1988 and Deputy Chief of Staff, Programs and Resources, from 1985 until 1987. He serves as a director of Tektronix, Inc. (NYSE: TEK), a manufacturer and marketer of test, measurement and monitoring solutions, GigaBeam Corporation (OTCBB: GGBM), a designer and developer of wireless point-to-point communications equipment, and several private companies. He received a bachelor of arts degree in economics from San Diego State College and a master of science degree in international relations from George Washington University.

Mr. Risher, age 62, has been the Managing Partner of Lumina Group, LLC, a private company engaged in the business of consulting and investing in small and mid-size companies, since 1998. From February 2001 to May 2002, Mr. Risher served as Chairman and Chief Executive Officer of BlueStar Battery Systems International, Inc. ("BlueStar"), a Canadian public company that is an e-commerce distributor of electrical and electronic products to selected automotive aftermarket segments and targeted industrial markets. From 1986 to 1998, Mr. Risher served as a director, Chief Executive Officer and President of Exide Electronics Group, Inc. ("Exide"), a global leader in the uninterruptible power supply industry. He also served as Chairman of Exide from December 1997 to July 1998. Mr. Risher has also been a director of SL Industries, Inc., a designer and producer of proprietary advanced systems and equipment for the power and data quality industry, since May 2003.

The Company also announced the voluntary resignation, effective April 27, 2005, of Wallace Barnes and Michael Cheshire from the Board of Directors of the Company.

Suzanne Hopgood, the Chairman of the Board, commented, "The Board thanks Messrs. Barnes and Cheshire for their service with the Board, including their work to enhance shareholder value and help move the Company forward. The Board's recent accomplishments, all of which had been previously announced, have included: the conclusion of the investigation by the United States Securities and Exchange Commission; the completion of the United States Department of Defense's investigation of the Company; corporate governance reforms, including the elimination of the Company's poison pill and the changes to the Company's bylaws allowing shareholders to call a meeting; the return of the Company to profitability; and the sale of the High Voltage division. Additionally, during the tenure of Messrs. Barnes and Cheshire, the Board of Directors of the Company aligned compensation and performance incentives, put a new management team in place, the Company's financial structure has been stabilized and strong corporate initiatives have been implemented."

The Company also announced that its 2005 Annual Meeting is scheduled for Thursday, June 30, 2005. The record date was set for May 25, 2005. A slate of six directors will be nominated for election at the 2005 Annual Meeting. In addition to nominating General McPeak and Mr. Risher, the Company has nominated James Henderson, Gerald M. Czarnecki, Walter Schneider and Edgar J. Smith, Jr. for re-election to the Board at the 2005 Annual Meeting. Ms. Hopgood has chosen not to stand for reelection, but she stated that, in her opinion, "the Company has selected a slate of nominees whose qualifications are consistent with the Company's plans to grow the business and increase profitability."

Del Global Technologies Corp. is primarily engaged in the design, manufacture and marketing of cost-effective medical imaging and diagnostic systems consisting of stationary and portable x-ray systems, radiographic/fluoroscopic systems, dental imaging systems and proprietary high-voltage power conversion subsystems for medical and other critical industrial applications. Through its RFI subsidiary, Del Global manufactures electronic filters, high voltage capacitors, pulse modulators, transformers and reactors, and a variety of other products designed for industrial, medical, military and other commercial applications.

Statements about future results made in this release may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on current expectations and the current economic environment. Del Global cautions that these statements are not guarantees of future performance. These statements involve a number of risks and uncertainties that are difficult to predict, including, but not limited to: the ability of Del Global to implement its business plan; retention of management; changing industry and competitive conditions; obtaining anticipated operating efficiencies; securing necessary capital facilities; favorable determinations in various legal and regulatory matters; the ability of Del Global to avoid a debarment from doing business with

the U.S. Government; market and operating risks from foreign currency exchange exposures; and favorable general economic conditions. Actual results could differ materially from those expressed or implied in the forward-looking statements. Important assumptions and other important factors that could cause actual results to differ materially from those in the forward-looking statements are specified in the Company's filings with the Securities and Exchange Commission.

CONTACT:

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