TELEFLEX INC
Form 424B2
June 01, 2011

Table of Contents

The information in this prospectus supplement is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Filed Pursuant to Rule 424B2
Registration No. 333-168464

Subject to Completion
Preliminary Prospectus Supplement dated June 1, 2011

PROSPECTUS SUPPLEMENT
(To prospectus dated June 1, 2011)

$250,000,000

Teleflex Incorporated

% Senior Subordinated Notes due 2021

We are offering $250 million aggregate principal amount of % Senior Subordinated Notes due 2021. We will pay interest on the notes on June 1 and December 1 of each year, beginning December 1, 2011. The notes will mature on June 1, 2021. We may redeem some or all of the notes at any time on or after June 1, 2016 at redemption prices described in this prospectus supplement and prior to such date at a make-whole redemption price. At any time prior to June 1, 2014, we may also redeem up to 35% of the notes with the net cash proceeds we receive from certain equity offerings. If a change of control occurs as described in this prospectus supplement under the heading Description of the Notes Repurchase at the Option of Holders Change of Control, we may be required to offer to purchase the notes from the holders.

The notes will be our general unsecured senior subordinated obligations and will be subordinated in right of payment to all of our existing and future senior indebtedness, including our indebtedness under our credit facilities, and will be equal in right of payment with all of our existing and future senior subordinated indebtedness, including our 3.875% convertible senior subordinated notes due 2017. The obligations under the notes will be fully and unconditionally guaranteed, jointly and severally, by each of our existing and future domestic subsidiaries that is a guarantor or other obligor under our credit facility and by certain of our other domestic subsidiaries. The guarantees will be subordinated in right of payment to all of the existing and future senior indebtedness of such subsidiary guarantors and will be equal in right of payment with all of the future senior subordinated indebtedness of such subsidiary guarantors. The notes and the guarantees will be junior to the existing and future secured indebtedness of ours and our subsidiary guarantors to the extent of the value of the assets securing such indebtedness and will be structurally subordinated to all of the existing and future indebtedness and other liabilities of our non-guarantor subsidiaries.

Investing in the notes involves risks that are described in the Risk Factors section beginning on page S-17 of this prospectus supplement.

	Per Note	Total
Public offering price (1)	%	$
Underwriting discount	%	$
Proceeds, before expenses, to us (1)	%	$

(1) Plus accrued interest from , 2011, if settlement occurs after that date

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The notes will be ready for delivery in book-entry form only through the facilities of The Depository Trust Company for the accounts of its participants, including Euroclear Bank S.A./N.V., as operator of the Euroclear System, and Clearstream Banking, *société anonyme*, on or about , 2011.

Joint Book-Running Managers

BofA Merrill Lynch **Goldman, Sachs & Co.** **J.P. Morgan**

The date of this prospectus supplement is , 2011.

TABLE OF CONTENTS

Table of Contents

You should rely only on the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus or in any free writing prospectus filed by us with the Securities and Exchange Commission (the SEC). Neither we nor the underwriters have authorized anyone else to provide you with different or additional information or make any representation other than what is contained or incorporated by reference in this prospectus supplement, the accompanying prospectus or in any free writing prospectuses we have prepared. If anyone provides you with different or inconsistent information, you should not rely on it. Neither we nor the underwriters are making an offer to sell these securities in any jurisdiction where the offer and sale is not permitted. You should assume that the information in this prospectus supplement, the accompanying prospectus, any such free writing prospectus or any document incorporated by reference is accurate only as of the date of the applicable document. Our business, financial condition, results of operations and prospects may have changed since that date.

ABOUT THIS PROSPECTUS SUPPLEMENT

As used in this prospectus supplement, unless otherwise specified or unless the context indicates otherwise, the terms the Company , we , us , our and Teleflex refer to Teleflex Incorporated and its consolidated subsidiaries.

This document is in two parts. The first part is this prospectus supplement which contains specific information about the terms of this offering. This prospectus supplement also adds and updates information contained in the accompanying prospectus. The second part, the accompanying prospectus, provides more general information about us and securities we may offer from time to time, some of which may not apply to this offering of securities. If there is any inconsistency between the information in this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

TRADEMARKS AND TRADE NAMES

We own or have rights to trademarks or trade names that we use in conjunction with the operation of our business. Each trademark, trade name or service mark of any other company appearing in this prospectus supplement or the accompanying prospectus belongs to its holder. Use or display by us of other parties trademarks, trade names or service marks is not intended to and does not imply a relationship with, or endorsement or sponsorship by us of, the trademark, trade name or service mark owner.

INDUSTRY AND MARKET DATA

The industry and market data contained or incorporated by reference in this prospectus supplement are based either on our management s own estimates or on independent industry publications, reports by market research firms or other published independent sources. Although we believe these sources are reliable, we have not independently verified the information and cannot guarantee its accuracy and completeness, as industry and market data are subject to change and cannot always be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey of market shares. Accordingly, you should be aware that the industry and market data contained or incorporated by reference in this prospectus supplement, and estimates and beliefs based on such data, may not be reliable. Unless otherwise indicated, all information contained or incorporated by reference in this prospectus supplement concerning our industry in general or any segment thereof, including information regarding our general expectations and market opportunity, is based on management s estimates using internal data, data from industry related publications, consumer research and marketing studies and other externally obtained data.

Table of Contents

WHERE YOU CAN FIND MORE INFORMATION

We are currently subject to the information requirements of the Securities Exchange Act of 1934, as amended (the Exchange Act) and in accordance therewith file periodic reports, proxy statements and other information with the SEC. You may read and copy (at prescribed rates) any such reports, proxy statements and other information at the SEC s Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference room. Our SEC filings will also be available to you on the SEC s website at http://www.sec.gov.

We have filed with the SEC a registration statement under the Securities Act of 1933, as amended (the Securities Act) on Form S-3 with respect to the notes offered hereby. This prospectus supplement and the accompanying prospectus do not contain all the information set forth in the registration statement, parts of which are omitted in accordance with the rules and regulations of the SEC. For further information with respect to us and the notes offered hereby, reference is made to the registration statement.

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

The SEC allows us to incorporate by reference information into this prospectus supplement and the accompanying prospectus, which means that we can disclose important information about us by referring you to another document filed separately with the SEC. The information incorporated by reference is considered to be a part of this prospectus supplement. This prospectus supplement incorporates by reference the documents and reports listed below:

- our Annual Report on Form 10-K for the year ended December 31, 2010 (including the portions of our Proxy Statement on Schedule 14A for our 2011 annual meeting of stockholders filed with the SEC on March 25, 2011 that are incorporated by reference therein), except with respect to Items 1, 2, 6, 7 and 8 which have been superseded by our Current Report on Form 8-K filed on June 1, 2011 that reports our marine business and our cargo container business as discontinued operations and adds certain financial information with respect to the guarantors;

- our Quarterly Report on Form 10-Q for the quarter ended March 27, 2011, as updated by our Current Report on Form 8-K filed on June 1, 2011 to add certain financial information with respect to the guarantors; and

- our Current Reports on Form 8-K filed on January 31, 2011 (with respect to Item 5.02), February 22, 2011, February 25, 2011, March 10, 2011, March 28, 2011, April 28, 2011, May 2, 2011 and June 1, 2011.

We also incorporate by reference the information contained in all other documents we file with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus supplement and prior to the termination of this offering. The information contained in any such document will be considered part of this prospectus supplement from the date the document is filed with the SEC.

Any statement contained in a document incorporated or deemed to be incorporated by reference in this prospectus supplement and the accompanying prospectus will be deemed to be modified or superseded to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference in this prospectus supplement modifies or supersedes that statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement

and the accompanying prospectus.

Table of Contents

If you make a request for such information in writing or by telephone, we will provide you, without charge, a copy of any or all of the information incorporated by reference into this prospectus supplement and the accompanying prospectus. Any such request should be directed to:

Teleflex Incorporated
Attn: Jake Elguicze, Vice President Investor Relations
155 South Limerick Road
Limerick, PA 19468
(610) 948-2836

FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus and the documents incorporated by reference may contain forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. All statements made in this prospectus supplement and the accompanying prospectus, other than statements of historical fact, are forward-looking statements. The words anticipate , believe , estimate , expect , intend , may , would , should , guidance , potential , continue , project , forecast , confident , prospects and similar expr are used to identify forward-looking statements. Forward-looking statements are based on the then-current expectations, beliefs, assumptions, estimates and forecasts about our business and the industry and markets in which we operate. These statements are not guarantees of future performance and are subject to risks, uncertainties and assumptions which are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or implied by these forward-looking statements due to a number of factors, including:

- our ability to comply with government regulation to which we are subject;
- changes in business relationships with and purchases by or from major customers or suppliers, including delays or cancellations in shipments;
- demand for and market acceptance of new and existing products;
- our ability to resolve, to the satisfaction of the U.S. Food and Drug Administration (FDA), the issues identified in the corporate warning letter issued to our subsidiary Arrow International, Inc. (Arrow);
- our ability to integrate acquired businesses into our operations, realize planned synergies and operate such businesses profitably in accordance with expectations;
- our ability to effectively execute our restructuring programs;
- the impact of recently passed healthcare reform legislation and changes in Medicare, Medicaid and third-party coverage and reimbursements;
- competitive market conditions and resulting effects on revenues and pricing;
- increases in raw material costs that cannot be recovered in product pricing;
- global economic factors, including currency exchange rates and interest rates;
- difficulties entering new markets; and

general economic conditions.

Table of Contents

There may be other factors that may cause our actual results to differ materially from the forward-looking statements. Our actual results, performance or achievements could differ materially from those expressed in, or implied by, the forward-looking statements. We can give no assurances that any of the events anticipated by the forward-looking statements will occur or, if any of them does, what impact they will have on our results of operations and financial condition. You should carefully read the factors described in the Risk Factors section of this prospectus supplement and the accompanying prospectus and the documents incorporated by reference into this prospectus supplement for a description of certain risks that could, among other things, cause our actual results to differ from these forward-looking statements.

All future written and verbal forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. New risks and uncertainties arise from time to time, and it is impossible for us to predict these events or how they may affect us. You should not place undue reliance on forward-looking statements. Such statements speak only as to the date on which they are made, and we undertake no obligation to update or revise any forward-looking statement, regardless of future developments or availability of new information.

Table of Contents

SUMMARY

This summary highlights the information contained elsewhere in this prospectus supplement and accompanying prospectus or incorporated by reference herein. Because this is only a summary, it does not contain all the information that may be important to you. For a more complete understanding of this offering, we encourage you to read this entire prospectus supplement and accompanying prospectus and the documents incorporated by reference herein.

Unless otherwise specifically indicated, all indebtedness amounts specified in this prospectus supplement and accompanying prospectus reflect the face amounts payable at maturity (which in certain cases differs from the amounts at which this indebtedness is recorded in our financial statements due to discounts required under GAAP, including, for example, under Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 470-20, Debt-Debt with Conversion and Other Options (formerly FASB Staff Position No. APB 14-1, Accounting for Convertible Debt Instruments That May Be Settled in Cash Upon Conversion (including Partial Cash Settlement)) (ASC 470-20)).

Our Company

We are principally a global provider of medical technology products that enable healthcare providers to improve patient outcomes, reduce infections and enhance patient and provider safety. We primarily develop, manufacture and supply single-use medical devices used by hospitals and healthcare providers for common diagnostic and therapeutic procedures in critical care and surgical applications. We serve hospitals and healthcare providers in more than 130 countries and are not dependent upon any one end-market or procedure. For the twelve months ended March 27, 2011, we generated net revenues of $1,582.6 million, net income of $242.7 million and Adjusted EBITDA of $367.7 million. See Summary Historical Financial Data for a reconciliation of net income to Adjusted EBITDA, as well as the calculation of data for the twelve months ended March 27, 2011. Our common stock is traded on the NYSE under the symbol TFX and as of May 26, 2011, we had an equity market capitalization of $2,495.6 million on a basic basis.

We are focused on achieving consistent, sustainable and profitable growth through:

- the development of new products;
- the expansion of the use of existing products in existing markets;
- the introduction of existing products into new geographic markets; and
- selected acquisitions, licensing agreements and partnerships which enhance or expedite our development initiatives and our ability to increase our market share.

Furthermore, we believe our research and development capabilities and our commitment to engineering excellence and lean, low-cost manufacturing allow us to consistently bring cost effective, innovative products to market that improve the safety, efficacy and quality of healthcare. We provide a broad-based platform of medical products, which we currently categorize into four end-user product groups: Critical Care, Surgical Care, Cardiac Care and Original Equipment Manufacturer (OEM) and Development Services.

While we are committed to becoming exclusively a medical technology company, we continue to serve a niche segment of the aerospace market with specialty engineered products. We expect to strategically divest the remaining businesses in our Aerospace Segment from time to time. In recent years, we have completed a number of divestitures of our non-medical businesses in order to focus our resources on the development of our Medical Segment. For example, on December 31, 2010, we completed the sale of our actuation business, a part of our Aerospace Segment. In addition, we previously operated a third business segment, our Commercial Segment, which included our marine business. We completed the sale of our marine business on March 22, 2011. See Recent Developments below. Furthermore, in the first quarter of 2011,

Table of Contents

management approved a plan to sell our cargo container business, a reporting unit within our Aerospace Segment. Our actuation, cargo container and marine businesses are classified as discontinued operations in our consolidated financial statements incorporated by reference herein.

Our Medical Segment brands include:

Product Group	Brands
Critical Care	Arrow, Gibeck, HudsonRCI, Rüsch, Sheridan and VasoNova
Surgical Care	Deknatel, Pleur-evac, Pilling, Taut and Weck
Cardiac Care	Arrow
OEM and Development Services	Beere Medical, KMedic, Specialized Medical Devices, Deknatel and TFXOEM

Our Business Segments

Our company currently consists of two business segments:

Medical (91% of net revenues and 91% of segment operating profit for the twelve months ended March 27, 2011). Our principal business segment, the Medical Segment, designs, develops, manufactures and supplies medical devices for critical care and surgical applications. Over 90% of our Medical Segment net revenues are generated by single-use, disposable products, such as catheters, sutures and endotracheal tubes. Approximately 48% of our Medical Segment net revenues for the twelve months ended March 27, 2011 were derived from customers outside North America, providing us with geographic diversity. Our Medical Segment operates 30 manufacturing sites, with major manufacturing operations located in Czech Republic, Malaysia, Mexico and the United States.

We categorize our medical products into four product groups: Critical Care, Surgical Care, Cardiac Care and OEM and Development Services:

> *Critical Care.* We are a leading provider of specialty products for critical care, which is predominantly comprised of single-use products. Critical care constitutes the largest product category within our Medical Segment, representing 66% of Medical Segment net revenues for the twelve months ended March 27, 2011. The large majority of sales for single-use medical products are made to the hospital/healthcare provider market, with a smaller percentage sold to alternate sites. Our medical products are used in a wide range of critical care procedures for vascular access, respiratory care, anesthesia and airway management, treatment of urologic conditions and other specialty procedures.

Our vascular access products are generally catheter-based products used in a variety of clinical procedures to facilitate multiple critical care therapies including the administration of intravenous medications, other therapies and the measurement of blood pressure and taking of blood samples through a single puncture site. Our respiratory care products principally consist of devices used in aerosol and medication delivery, oxygen therapy and ventilation management. Our anesthesia and airway management products include endotracheal tubes, laryngeal masks, airways and face masks to deliver anesthetic agents and oxygen. Our line of urology products provides bladder management for patients in the hospital and home care markets.

> *Surgical Care.* Surgical care, which is predominantly comprised of single-use products, represented 18% of Medical Segment net revenues for the twelve months ended March 27, 2011. Our surgical products include ligation and closure products, including appliers, clips and sutures used in a variety of

surgical procedures; access ports used in minimally invasive surgical procedures, including robotic surgery; and fluid management products used for chest drainage.

Table of Contents

Our surgical products also include hand-held instruments for general and specialty surgical procedures.

Cardiac Care. Cardiac care products accounted for 5% of Medical Segment net revenues for the twelve months ended March 27, 2011. Products in this category include diagnostic catheters and capital equipment, specialized angiographic catheters, therapeutic delivery catheters and intra-aortic balloon catheters and capital equipment.

OEM and Development Services. Customized medical instruments, implants and components sold to OEMs represented 11% of Medical Segment net revenues for the twelve months ended March 27, 2011. We provide specialized product development services, which include design engineering, prototyping and testing, manufacturing, assembly and packaging. Our OEM product development and manufacturing facilities are located globally in close proximity to major medical device manufacturers in Germany, Ireland, Mexico and the United States.

Aerospace (9% of net revenues and 9% of segment operating profit for the twelve months ended March 27, 2011). Our Aerospace Segment businesses provide cargo handling systems and equipment for wide body and narrow body aircraft. Our products are well known and respected on a global basis. Major locations for manufacturing and service are located in Germany, Sweden and Singapore. On December 31, 2010, we completed the sale of our actuation business, a part of our Aerospace Segment. In the first quarter of 2011, management approved a plan to sell our cargo container business, a reporting unit within our Aerospace Segment, which was then classified as discontinued operations. See Recent Developments below.

Competitive Strengths

We believe the following competitive strengths differentiate us from our competitors and contribute to our continued success:

Well-positioned to take advantage of favorable industry dynamics. We believe the medical markets in which we currently participate represent an aggregate addressable market of approximately $10 billion. Growth drivers for our medical markets include favorable market demographics such as the aging population, improving standard of living in emerging markets and increasing overall demand for medical products, technology advancements, increasing awareness of infection prevention and a general demand for a better quality of life. We believe we are well positioned to take advantage of the favorable dynamics in our markets due to the breadth and quality of our portfolio, established global brands, global manufacturing and distribution network, broad customer base and focus on single-use products used in non-elective procedures.

Diversified, global medical technology company. We are primarily a global medical technology company that designs, develops, manufactures and supplies medical devices for critical care and surgical applications, with an emphasis on single-use medical devices used by hospitals and healthcare providers for common diagnostic and therapeutic procedures. Our medical products are used in a wide variety of markets that are categorized into four groups: Critical Care, Surgical Care, Cardiac Care and OEM and Development Services. As a result, our revenues are not dependent on any one product or procedure. We sell our medical device products to hospitals and healthcare providers in more than 130 countries through a combination of our direct sales force and distributors. For the twelve months ended March 27, 2011, approximately 48% of our Medical Segment net revenues were derived from customers outside North America.

Leading market positions with established global brands. We believe each of our end-user medical product groups has a leading market position with well established, global brands that are recognized for their consistently high quality and reliability:

Our Critical Care product group generated net revenues of $954.6 million for the twelve months ended March 27, 2011 and is a leading provider of central venous catheters and airway

management, regional anesthesia, respiratory and urology products that are marketed under established brands such as Arrow, Rusch, Hudson RCI and Gibeck.

Our Surgical Care product group generated net revenues of $264.6 million for the twelve months ended March 27, 2011 and is a leading provider of chest drainage and ligation products that are marketed under established brands such as Deknatel, Taut, Weck, Pilling and Pleur-evac.

Our Cardiac Care product group generated net revenues of $70.0 million for the twelve months ended March 27, 2011 and is a leading provider of intra-aortic balloons and intra-aortic balloon pumps that are marketed under the Arrow brand.

Broad portfolio of non-elective, single-use medical products. Over 90% of our Medical Segment net revenues are derived from single-use, disposable products. The majority of our single-use medical devices are used in non-elective procedures which we believe provides us with a portfolio of recurring revenue items with minimal exposure to cyclical activity. In addition, our focus on single-use medical products reduces our overall capital expenditures, improving our cash-flow generation. Our capital expenditures in our Medical Segment for the twelve months ended March 27, 2011 were approximately $28 million, or approximately 2% of our Medical Segment net revenues for such period.

Diversified customer and supplier base. Our Medical Segment has a diversified customer base and is not dependent on any single customer for a substantial amount of its revenues. For the year ended December 31, 2010, only seven customers individually accounted for more than 1% of our Medical Segment net revenues, the largest of which accounted for approximately 9%, and our top ten customers in aggregate accounted for less than 25% of our Medical Segment net revenues. Similarly, materials used in the manufacture of our medical products are purchased from a large number of suppliers in diverse geographic locations. For the year ended December 31, 2010, no supplier accounted for greater than 4% of our Medical Segment raw materials, and our top ten suppliers in aggregate accounted for less than 20% of our Medical Segment raw materials.

Strong cash flow generation and proven history of deleveraging. We have demonstrated strong free cash flow generation underpinned by the diversity of our revenue sources and our acute focus on cost management. We generated net cash provided by operating activities from continuing operations of $164.8 million and free cash flow of $133.5 million, respectively, during the twelve months ended March 27, 2011. Our capital expenditures were $31.3 million during the twelve months ended March 27, 2011, or approximately 2% of our net revenues for the same period. A combination of our strong free cash flow generation from continuing operations and divestitures of our non-core businesses has allowed us to repay over $1.3 billion in debt since our acquisition of Arrow International, Inc. in October 2007. See Summary Historical Financial Data for a reconciliation of net cash provided by operating activities from continuing operations to free cash flow.

Experienced management team. We have a senior management team with extensive experience in the medical industry. Benson F. Smith was appointed as our CEO on January 30, 2011 after having served on our board of directors since 2005. Mr. Smith has approximately 25 years of experience in the medical device industry with C.R. Bard, Inc. Our CFO, Richard A. Meier, has over 25 years of professional experience, with significant experience in the healthcare industry having spent a combined 12 years at Advanced Medical Optics and Valeant Pharmaceuticals, Inc. prior to joining Teleflex in January 2010. Our senior management team has a proven track record of employing a disciplined portfolio management strategy, including several acquisitions and divestitures, that has transformed Teleflex into a global medical device company from an industrial company traditionally focused on the automotive, commercial and aerospace sectors.

Table of Contents

Our Strategy

We plan to continue to grow our business and improve our financial performance by implementing our business strategy, the key elements of which are:

Commitment to becoming a pure-play global medical technology company. We have employed a disciplined portfolio management strategy to transform Teleflex into a pure-play medical technology company. For the twelve month period ending March 27, 2011, our Medical Segment accounted for 91% of our consolidated net revenues and 91% of our segment operating profit as compared to 33% of our consolidated net revenues and 56% of our segment operating profit based on the business portfolio in place on December 31, 2006.

We expect to continue to increase the relative composition of our Medical Segment through a combination of portfolio management and organic growth initiatives. From time to time, we explore and engage in discussions regarding acquisitions that would augment our existing medical technology platform and disposition opportunities for our Aerospace Segment that enable us to further our transformation into a pure-play medical technology company. Furthermore, our commitment to becoming a pure-play global medical technology company involves investing in our medical research and development and sales and marketing initiatives to further expand and strengthen our portfolio of products as well as our ability to penetrate existing and new geographic and therapeutic markets.

Maintain acute focus on medical research and development. Our medical research and development initiatives are focused on developing new, innovative products for existing and new therapeutic applications as well as enhancements to, and line extensions of, existing products. We introduced over 30 new products and line extensions in our Medical Segment during 2010. Our portfolio of existing products and pipeline of potential new products consist primarily of Class I and Class II devices, which require 510(k) clearance by the FDA for sale in the United States. We believe the 510(k) clearance expedites the process of introducing new products and reduces our medical research and development costs and risks as compared to the process that would be required for Class III devices.

Continue to enhance market leadership positions. In addition to focusing on research and development and technology, we expect to also enhance our market leadership positions by leveraging our global established brands and distribution network and selectively pursuing licensing and partnership agreements that may provide us with access to new markets for all of our products. We have well-established, global brands across all of our Medical product groups, which we are able to leverage in our efforts to commercialize new products and expand the use of existing products into new geographic markets and therapeutic applications. Our existing global sales force and distribution network allow us to rapidly commercialize new products globally upon obtaining regulatory approvals.

Continue to achieve consistent, sustainable and profitable growth. We intend to continue to achieve consistent, sustainable and profitable growth by increasing our market share and improving our operating efficiencies. We expect to increase our market share through the development of new products, the expansion of the use of existing products, the introduction of existing products into new geographic markets and the potential broadening of our product portfolio through selected acquisitions, licensing agreements and partnerships. Our efforts to improve our operating efficiencies include leveraging our direct sales force and distribution network with new products, manufacturing and distribution facility rationalization and achieving economies of scale as we continue to expand our Medical Segment.

Table of Contents

Recent Developments

From December 2010 to March 2011, we prepaid the entire outstanding $331.6 million principal amount of our senior notes issued in 2004 using borrowings under our revolving credit facility (which we subsequently repaid), the proceeds from the sale of our actuation business and available cash.

On January 10, 2011, we acquired VasoNova, Inc., a developer of central venous catheter navigation technology that allows for real-time confirmation of the placement of peripherally inserted central catheters and central venous catheters. In connection with the acquisition, we made an initial payment of $25 million and agreed to make additional payments of between $15 million and $30 million contingent in part upon the achievement of certain regulatory and sales targets within three years after closing. On March 11, 2011, we made a $6 million payment following certain regulatory approvals.

On January 30, 2011, we appointed Benson F. Smith to serve as our Chairman, President and Chief Executive Officer. Mr. Smith has been a member of our board of directors since 2005. Mr. Smith has approximately 25 years of experience in the medical device industry with C.R. Bard, Inc.

On March 22, 2011, we sold our marine business to an affiliate of H.I.G. Capital, LLC for $123.1 million, consisting of $101.6 million in cash proceeds, net of $1.5 million of cash included in the marine business as part of the net assets sold, the buyer s assumption of approximately $15.5 million in liabilities related to the business and a $4.5 million subordinated note from the buyer. Our marine business is reflected as a discontinued operation in our consolidated financial statement incorporated by reference herein.

Teleflex Incorporated is a corporation organized under the laws of the State of Delaware. Our principal executive offices are located at 155 South Limerick Road, Limerick, Pennsylvania 19468, and our telephone number at this location is (610) 948-5100. Our website is *www.teleflex.com*. Information on our website is not part of this prospectus supplement or the accompanying prospectus.

Table of Contents

The Offering

The following summary is provided solely for your convenience and is not intended to be complete. You should read the full text and more specific details contained elsewhere in this prospectus supplement and the accompanying prospectus. For a more detailed description of the notes, see Description of Notes in this prospectus supplement and Description of Debt Securities and Description of Guarantees of Certain Debt Securities in the accompanying prospectus.

Issuer	Teleflex Incorporated, a Delaware corporation.
Notes Offered	$250.0 million in aggregate principal amount of % Senior Subordinated Notes due 2021.
Maturity Date	June 1, 2021.
Interest Rate	The notes will bear interest at a rate of % per annum. Interest will be computed on the basis of a 360-day year composed of twelve 30-day months.
Interest Payment Dates	June 1 and December 1 of each year, commencing on December 1, 2011.
Guarantees	The obligations under the notes will be fully and unconditionally guaranteed, jointly and severally, by each of our existing and future domestic subsidiaries that is a guarantor or other obligor under our credit facility and by certain of our other domestic subsidiaries. Not all of our subsidiaries will guarantee the notes. Our non-guarantor subsidiaries generated approximately 50% of our consolidated revenues in the twelve-month period ended March 27, 2011 and held approximately 42% of our consolidated assets as of March 27, 2011. The guarantees will be automatically released if the notes are rated investment grade by both Moody s and S&P and in certain other circumstances. See Description of Notes Certain Covenants Changes in Covenants When Notes Are Rated Investment Grade and Description of Notes Note Guarantees.
Ranking	The notes will be our general unsecured senior subordinated obligations and will be subordinated in right of payment to all of our existing and future senior indebtedness, including our indebtedness under our credit facilities, and will be equal in right of payment with all of our existing and future senior subordinated indebtedness, including our 3.875% convertible senior subordinated notes due 2017 (the Convertible Notes). The guarantees will be the general unsecured senior subordinated obligations of our subsidiary guarantors, and will be subordinated in right of payment to all of the existing and future senior indebtedness of such subsidiary guarantors, including the indebtedness of certain of the subsidiary guarantors under our credit facilities, and will be equal in right

of payment with all of

Table of Contents

	the future senior subordinated indebtedness of such subsidiary guarantors. Our subsidiaries do not guarantee the Convertible Notes. As of March 27, 2011, on an as adjusted basis after giving effect to this offering and the use of net proceeds thereof to prepay $125 million of borrowings under our credit facilities, we and the subsidiary guarantors would have had outstanding $428.8 million of Senior Debt (as defined under Description of Notes Certain Definitions) to which the notes would be subordinated. The notes and the guarantees will be junior to the existing and future secured indebtedness of ours and our subsidiary guarantors to the extent of the value of the assets securing such indebtedness and will be structurally subordinated to all of the existing and future indebtedness and other liabilities of our non-guarantor subsidiaries.
Optional Redemption	At any time on or after June 1, 2016, we may redeem some or all of the notes at the redemption prices set forth under Description of Notes Optional Redemption, plus accrued and unpaid interest, if any, to, but not including, the applicable redemption date. In addition, at any time prior to June 1, 2016, we may, on one or more occasions, redeem some or all of the notes at a redemption price equal to 100% of the principal amount of the notes redeemed plus a make-whole premium plus accrued and unpaid interest, if any, to, but not including, the applicable redemption date. At any time prior to June 1, 2014, we may also redeem up to 35% of the aggregate principal amount of the notes, using the proceeds of certain qualified equity offerings, at a redemption price equal to % of the principal amount of the notes redeemed, plus accrued and unpaid interest, if any, to, but not including, the applicable redemption date. See Description of Notes Optional Redemption.
Change of Control Offer	If we experience certain change of control events, we must offer to repurchase the notes at a repurchase price equal to 101% of the principal amount of the notes repurchased, plus accrued and unpaid interest, if any, to, but not including, the applicable repurchase date. See Description of Notes Repurchase at the Option of Holders Change of Control.
Asset Sale Offer	If we sell assets, under certain circumstances we must offer to repurchase the notes at a repurchase price equal to 100% of the principal amount of the notes repurchased plus accrued and unpaid interest, if any, to, but not including, the applicable repurchase date. See Description of Notes Repurchase at the Option of Holders Asset Sales.

Table of Contents

Restrictive Covenants	The indenture governing the notes will contain covenants that, among other things, will impose significant restrictions on our business. The restrictions that these covenants place on us and our restricted subsidiaries include limitations on our ability and the ability of our restricted subsidiaries to: incur additional indebtedness or issue disqualified stock or preferred stock; create liens; pay dividends, make investments or make other restricted payments; sell assets; merge, consolidate, sell or otherwise dispose of all or substantially all of our assets; enter into transactions with our affiliates; permit layering of debt; and designate subsidiaries as unrestricted. These covenants are subject to important exceptions and limitations, which are described under Description of Notes. Certain of these covenants will permanently cease to be in effect if the notes are rated investment grade by both Moody s and S&P. See Description of Notes Certain Covenants Changes in Covenants when Notes Are Rated Investment Grade.
Absence of a Public Market for the Notes	The notes will be new securities for which there is currently no market. If no active trading market develops, you may not be able to resell your notes at their fair market value or at all. Future trading prices of the notes will depend on many factors, including, among other things, prevailing interest rates, our operating results and the market for similar securities. We have been informed by the underwriters that they currently intend to make a market in the notes after this offering is completed. However, the underwriters are not obligated to do so, and they may cease their market-making at any time and without notice.
Events of Default	Except as described under Description of Notes Events of Default, if an event of default with respect to the notes occurs, holders may, upon satisfaction of certain conditions, accelerate the principal amount of the notes plus accrued and unpaid interest. In addition, the principal amount of the notes plus accrued and unpaid interest will automatically become due and payable in the case of certain types of bankruptcy or insolvency

events of default involving us.

Table of Contents

Listing	We do not intend to apply for listing of the notes on any securities exchange.
United States Federal Income and Estate Tax Consequences	For certain United States federal income and estate tax consequences of the holding and disposition of the notes, see Certain United States Federal Income and Estate Tax Consequences.
DTC Eligibility	The notes will be issued in fully registered book-entry form and will be represented by permanent global notes without coupons. Global notes will be deposited with a custodian for and registered in the name of a nominee of DTC, in New York, New York. Investors may elect to hold interests in the global notes through DTC and its direct or indirect participants as described under Description of Notes Book-Entry, Delivery and Form.
Form and Denominations	The notes will be issued in minimum denominations of $2,000 and integral multiples of $1,000 in excess thereof.
Use of Proceeds	We estimate that the net proceeds from this offering will be approximately $245.8 million, after deducting the underwriters discounts and commissions and our estimated offering expenses. We intend to use the net proceeds of this offering to prepay $125 million of borrowings under our credit facilities, and the remainder for general corporate purposes, which may include, among other things, capital expenditures, acquisitions and additional repayment of debt.
Conflicts of Interest	Certain affiliates of Merrill Lynch, Pierce, Fenner & Smith Incorporated and J.P. Morgan Securities LLC, underwriters in this offering, are agents or lenders under our credit facilities and each of these lenders may receive more than 5% of the net proceeds of this offering. See Use of Proceeds. Accordingly, this offering is being made in compliance with the requirements of FINRA Rule 5121 of the Financial Industry Regulatory Authority. In accordance with this rule, Goldman, Sachs & Co. has assumed the responsibilities of acting as a qualified independent underwriter. In its role as a qualified independent underwriter, Goldman, Sachs & Co. has participated in due diligence and the preparation of this prospectus supplement and the registration statement of which this prospectus supplement is a part. Goldman, Sachs & Co. will not receive any additional fees for serving as a qualified independent underwriter in connection with this offering. Merrill Lynch, Pierce, Fenner & Smith Incorporated and J.P. Morgan Securities LLC will not confirm sales of the debt securities to any account over which they exercise discretionary authority without the prior written approval of the customer.
Risk Factors	See Risk Factors beginning on page S-18 of this prospectus supplement for important information regarding us and an investment in the notes.

Table of Contents

SUMMARY HISTORICAL FINANCIAL DATA

The following table presents our summary historical financial data as of and for the periods presented and has been derived from our financial statements and the accompanying notes to those statements. The audited financial statements included in our previously filed Exchange Act reports have been revised in our Current Report on Form 8-K filed on June 1, 2011 to report the reclassification of our marine and cargo container businesses as discontinued operations and add certain financial information with respect to the guarantors. Certain financial information is presented on a rounded basis, which may cause minor differences.

The summary historical financial data presented for the years ended December 31, 2008, 2009 and 2010 and as of December 31, 2009 and 2010 has been derived from our audited financial statements incorporated by reference herein. The summary historical financial data presented as of December 31, 2008 has been derived from our audited balance sheet not incorporated by reference herein.

The summary historical financial data presented for the three months ended March 28, 2010 and March 27, 2011 and as of March 27, 2011 has been derived from our unaudited financial statements incorporated by reference herein and has been prepared on the same basis as our audited financial statements and, in management s opinion, includes all adjustments, consisting of normal recurring adjustments, which we consider necessary for a fair presentation of our financial position and results of operations for such periods.

The summary historical financial data presented for the twelve months ended March 27, 2011 has been derived from our audited and unaudited consolidated financial statements incorporated by reference herein for each line item presented by subtracting the line item for the three months ended March 28, 2010 from the line item for the year ended December 31, 2010, and adding the amount of the line item for the three months ended March 27, 2011. The results of the three months and twelve months ended March 27, 2011 are not necessarily indicative of the results to be expected for the year ended December 31, 2011 or any future period.

This summary should be read together with our financial statements and the accompanying notes to those statements incorporated by reference herein and Management s Discussion and Analysis of Financial Condition and Results of Operations included in this prospectus supplement.

Table of Contents

	Years Ended December 31,			Three Months Ended		Twelve Months Ended
	2008	2009	2010	March 28, 2010	March 27, 2011	March 27, 2011
				Unaudited		Unaudited
	(Dollars in thousands)					
Statement of Income Data (1):						
Net revenues:						
Medical (2)	$1,475,621	$1,434,885	$1,433,282	$343,537	$354,004	$1,443,749
Aerospace	149,452	124,463	128,037	23,795	34,654	138,896
Total net revenues	1,625,073	1,559,348	1,561,319	367,332	388,658	1,582,645
Cost of goods sold	886,076	838,135	828,897	190,435	212,620	851,082
Gross profit	738,997	721,213	732,422	176,897	176,038	731,563
Selling, general and administrative expenses	455,412	410,140	431,104	100,568	109,831	440,367
Research and development expenses	32,598	36,685	42,621	9,311	11,038	44,348
Net gain on sales of businesses and assets	(296)		(341)			(341)
Restructuring and other impairment charges	24,946	10,347	2,875	463	595	3,007
Income from continuing operations before interest, loss on extinguishments of debt and taxes	226,337 (3)	264,041	256,163	66,555	54,574	244,182
Interest expense	121,244	89,250	79,875	18,994	16,157	77,038
Interest income	(2,029)	(2,484)	(725)	(206)	(106)	(625)
Loss on extinguishments of debt			46,630		14,597	61,227
Income from continuing operations before taxes	107,122 (3)	177,275	130,383	47,767	23,926	106,542
Taxes on income from continuing operations	33,745	40,683	25,225	14,247	6,426	17,404
Income from continuing operations	73,377 (3)	136,592	105,158	33,520	17,500	89,138

Operating income from discontinued operations (4)	105,617	274,793	143,036	13,280	58,857	188,613
Taxes (benefit) on income from discontinued operations	24,392	97,374	45,739	8,842	(1,837)	35,060
Income from discontinued operations	81,225	177,419	97,297	4,438	60,694	153,553
Net income	$154,602 (3)	$314,011	$202,455	$37,958	$78,194	$242,691
Less: Net income attributable to noncontrolling interest	747	1,157	1,361	286	382	1,457
Income from discontinued operations attributable to noncontrolling interest	34,081	9,860				
Net income attributable to Teleflex Incorporated common shareholders	$119,774 (3)	$302,994	$201,094	$37,672	$77,812	$241,234
Net income attributable to Teleflex Incorporated common shareholders from continuing operations	$72,630 (3)	$135,435	$103,797	$33,234	$17,118	$87,681
Balance Sheet Data (end of period):						
Cash and cash equivalents	$107,275	$188,305	$208,452		$202,298	
Goodwill	1,474,123	1,459,441	1,442,411		1,468,990	
Intangibles and other assets, net	1,090,852	1,045,706	986,549		1,004,474	
Total assets	3,926,744	3,839,005	3,643,155		3,678,803	
Total debt (5)	1,546,391	1,196,499	917,120		852,173	
Total equity	1,285,883	1,585,074	1,787,278		1,888,988	
Other Financial Data (1):						
Net cash provided by (used in):						
Operating activities from continuing operations (6)	$59,193	$137,291	$185,119	$34,377	$14,062	$164,804
	(19,335)	285,734	149,852	17,932	64,586	196,506

Investing activities from continuing operations						
Financing activities from continuing operations	(180,769)	(402,213)	(336,325)	(21,256)	(87,488)	(402,557)
Capital expenditures	27,069	27,942	31,616	6,737	6,444	31,323
Adjusted EBITDA (7)	365,668	386,745	373,668	92,578	86,651	367,741
Free cash flow (8)	32,124	109,349	153,503	27,640	7,618	133,481

Table of Contents

	As of and for the Twelve Months Ended March 27, 2011 (Dollars in thousands)
As Adjusted Data(9):	
Total indebtedness (10)	$ 1,056,227
Net indebtedness (11)	733,879
Ratio of total indebtedness to Adjusted EBITDA	2.87x
Ratio of net indebtedness to Adjusted EBITDA	2.00x

(1) Amounts have been revised to exclude the impact of businesses that have been presented in our consolidated financial results as discontinued operations through March 27, 2011.

(2) Information regarding net revenues by product group within the Medical Segment is provided in the following table:

	Year Ended December 31,			Three Months Ended		Twelve Months Ended
	2008	2009	2010	March 28, 2010	March 27, 2011	March 27, 2011
				Unaudited		Unaudited
	(Dollars in thousands)					
Critical Care	$957,129	$939,390	$943,367	$225,929	$237,138	$954,576
Surgical Care	272,504	260,666	262,683	63,120	65,018	264,581
Cardiac Care	72,871	70,770	70,559	18,328	17,669	69,900
OEM and Development Services	158,343	149,829	154,214	35,333	33,867	152,748
Other	14,774	14,230	2,459	827	312	1,944
Total net revenues	$1,475,621	$1,434,885	$1,433,282	$343,537	$354,004	$1,443,749

(3) In the year ended December 31, 2008, a non-cash charge associated with a fair market value inventory adjustment in connection with the Arrow acquisition decreased income from continuing operations before interest, loss on extinguishments of debt and taxes by $6.9 million and decreased income from continuing operations by $4.4 million.

(4) Net gain (loss) on disposal of discontinued operations included in operating income from discontinued operations is as follows:

	Twelve Months Ended

	Years Ended December 31,			Three Months Ended		March 27,
	2008	2009	2010	March 28, 2010	March 27, 2011	2011
				Unaudited		Unaudited
			(Dollars in thousands)			
Net gain (loss) on disposal of discontinued operations	$ (8,238)	$ 272,307	$ 114,702	$ 9,737	$ 56,773	$ 161,738

(5) Reflects amount of current borrowings and long-term debt outstanding as reflected on our balance sheet, which, in accordance with GAAP, does not include the total outstanding principal amounts of our Convertible Notes. In accordance with ASC 470-20, the fair value of the feature to convert the Convertible Notes into common stock is reported as a component of stockholders equity. The Convertible Notes are reported at a discount to the face amount on our balance sheet resulting in a decrease in the amount of debt with an increase in equity reported in our financial statements. Under GAAP, the amount of debt reported will accrete up to the face amount over the expected term of the Convertible Notes. ASC 470-20 does not affect the actual amount that we are required to repay.

Table of Contents

(6) Both 2008 and 2009 cash flow from continuing operations reflect the impact of estimated tax payments made in connection with businesses divested of $90.2 million and $97.5 million, respectively, and 2010 reflects the impact of a refund received of $59.5 million of such 2009 tax payments made.

(7) Adjusted EBITDA represents net income before interest expense, net, provision for income taxes, depreciation and amortization, as further adjusted to exclude unusual items and other adjustments that will be required or permitted in determining our ability to engage in certain activities, such as incurring additional debt and making certain payments under the indenture that will govern the notes offered hereby. The amounts presented in this prospectus supplement for Adjusted EBITDA are calculated under the definition of Consolidated EBITDA set forth under Description of Notes Certain Definitions. The amounts presented in this prospectus supplement for Adjusted EBITDA differ from the amounts calculated under the definition of Consolidated EBITDA used in our credit facilities as a result of differences in certain adjustments.

We believe that the presentation of Adjusted EBITDA is appropriate to provide additional information to investors about certain non-cash items, unusual items that we do not expect to continue at the same level in the future, or other items that we do not believe to be reflective of our ongoing operating performance.

Adjusted EBITDA is not a measurement of operating performance computed in accordance with GAAP and should not be considered a substitute for income from continuing operations, net income or cash flows from operating activities of continuing operations computed in accordance with GAAP. Adjusted EBITDA has limitations as an analytical tool. Some of the limitations are:

Adjusted EBITDA does not reflect our cash expenditures, or future requirements for capital expenditures or contractual commitments;

Adjusted EBITDA does not reflect changes in, or cash requirements for, our working capital needs;

Adjusted EBITDA does not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on our debt;

although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and Adjusted EBITDA does not reflect any cash requirements for such replacements; and

other companies in our industry may calculate Adjusted EBITDA differently than we do, limiting its usefulness as a comparative measure.

Because of these limitations, Adjusted EBITDA should not be considered a measure of discretionary cash available to us to invest in the growth of our business. We compensate for these limitations by relying primarily on our GAAP results and using Adjusted EBITDA only supplementally. We further believe that our presentation of these GAAP and non-GAAP financial measurements provide information that is useful to investors because they are important indicators of the strength of our operations and the performance of our core business.

Table of Contents

A reconciliation of net income to Adjusted EBITDA is provided below:

	Years Ended December 31,			Three Months Ended		Twelve Months Ended
	2008	2009	2010	March 28, 2010	March 27, 2011	March 27, 2011
				Unaudited		Unaudited
	(Dollars in thousands)					
Net income	$154,602	$314,011	$202,455	$37,958	$78,194	$242,691
Income from discontinued operations, net of tax	(81,225)	(177,419)	(97,297)	(4,438)	(60,694)	(153,553)
Income from continuing operations	73,377	136,592	105,158	33,520	17,500	89,138
Taxes on income from continuing operations	33,745	40,683	25,225	14,247	6,426	17,404
Interest expense, net	119,215	86,766	79,150	18,788	16,051	76,413
Depreciation and amortization	99,253	98,077	95,394	22,950	25,369	97,813
Write-off of inventory fair value adjustments in connection with the Arrow acquisition	6,936					
Restructuring, restructuring-related charges and asset impairments (a)	31,917	12,802	8,757	463	6,095	14,389
Non-cash stock based compensation	7,483	8,040	8,816	1,695	(1,055)	6,066
Gain on disposals of businesses and assets	(296)		(341)			(341)
Income and dividends from entities accounted for under the equity method	366					
Foreign currency (gains) losses	(6,328)	3,785	2,443	915	1,668	3,196
Other non-recurring items (b)			49,066		14,597	63,663
Adjusted EBITDA	$365,668	$386,745	$373,668	$92,578	$86,651	$367,741

(a) Includes severance and termination benefits, facility closure costs, contract termination costs and asset impairments.

(b) Includes loss on extinguishments of debt and other recapitalization costs.

(8) Free cash flow is calculated by reducing cash provided by operating activities from continuing operations by capital expenditures. Free cash flow is considered a non-GAAP financial measure. We use this financial measure

for internal managerial purposes, when publicly providing guidance on possible future results, and to evaluate period-to-period comparisons. This financial measure is used in addition to and in conjunction with results presented in accordance with GAAP and should not be relied upon to the exclusion of GAAP financial measures. Management believes that free cash flow is a useful measure to investors because it facilitates an assessment of funds available to satisfy current and future obligations, pay dividends and fund acquisitions. Free cash flow is not a measure of cash available for discretionary expenditures since we have certain non-discretionary obligations, such as debt service, that are not deducted from the measure. Management strongly encourages investors to review our financial statements and publicly filed reports in their entirety and to not rely on any single financial measure.

Table of Contents

	Years Ended December 31,			Unaudited Three Months Ended		Twelve Months Ended
	2008	2009	2010	March 28, 2010	March 27, 2011	March 27, 2011
				Unaudited		Unaudited
	(Dollars in thousands)					
Net cash provided by operating activities from continuing operations (see note 6)	$ 59,193	$ 137,291	$ 185,119	$ 34,377	$ 14,062	$ 164,804
Capital expenditures	27,069	27,942	31,616	6,737	6,444	31,323
Free cash flow (see note 6)	$ 32,124	$ 109,349	$ 153,503	$ 27,640	$ 7,618	$ 133,481

(9) Total indebtedness and net indebtedness are as adjusted to give effect to this offering and the use of proceeds thereof, including the prepayment of $125 million of borrowings under our credit facilities, assuming an offering price of the notes of 100% of their principal amount. Neither the ratio of total debt to Adjusted EBITDA nor the ratio of net debt to Adjusted EBITDA is calculated in accordance with the definition of Consolidated Leverage Ratio set forth under Description of Notes Certain Definitions.

(10) Total indebtedness reflects the face amount of the Convertible Notes payable at maturity.

(11) Net indebtedness refers to total indebtedness less cash and cash equivalents.

Table of Contents

RISK FACTORS

An investment in our securities may involve various risks. Prior to making a decision about investing in our securities, and in consultation with your own financial and legal advisors, you should carefully consider, among other matters, the risks described below as well as other information and data included in, or incorporated by reference into, this prospectus supplement and accompanying prospectus. If any of the events described in the risk factors below occur, our business, financial condition, operating results and prospects could be materially adversely affected, which in turn could adversely affect our ability to repay the notes or the trading price of the notes.

Risks Related to Our Business

Our Medical Segment is subject to extensive government regulation, which may require us to incur significant expenses to ensure compliance. Our failure to comply with those regulations could have a material adverse effect on our results of operations and financial condition.

The products within our Medical Segment are classified as medical devices and are subject to extensive regulation in the United States by the FDA and by comparable government agencies in other countries. The regulations govern the development, design, approval, manufacturing, labeling, importing and exporting and sale and marketing of many of our medical products. These regulations are also subject to future change. Failure to comply with applicable regulations and quality assurance guidelines could lead to manufacturing shutdowns, product shortages, delays in product manufacturing, product seizures, recalls, operating restrictions, withdrawal or suspension of required licenses, and prohibitions against exporting of products to, or importing products from, countries outside the United States. We could be required to expend significant financial and human resources to remediate failures to comply with applicable regulations and quality assurance guidelines. See, for example If we are unable to resolve issues raised in our FDA corporate warning letter, it could have a material adverse effect on our business, financial condition and results of operations, our relationship with the FDA and the perception of our products by hospitals, clinics and physicians . In addition, civil and criminal penalties, including exclusion under Medicaid or Medicare, could result from regulatory violations. Any one or more of these events could have a material adverse effect on our business, financial condition and results of operations.

In the United States, before we can market a new medical device, or a new use of, or claim for, or significant modification to, an existing product, we must first receive either 510(k) clearance or approval of a premarket approval, or PMA, application from the FDA, unless an exemption applies. In the 510(k) clearance process, the FDA must determine that our proposed product is substantially equivalent to a device legally on the market, known as a predicate device, with respect to intended use, technology and safety and effectiveness, in order to clear the proposed device for marketing. The PMA pathway requires us to demonstrate the safety and effectiveness of the device based, in part, on data obtained in human clinical trials. Similarly, most major markets for medical devices outside the United States also require clearance, approval or compliance with certain standards before a product can be commercially marketed. The process of obtaining regulatory clearances and approvals to market a medical device, particularly from the FDA and certain foreign governmental authorities, can be costly and time consuming, and clearances and approvals might not be granted for new products on a timely basis, if at all. In addition, once a device has been cleared or approved, a new clearance or approval may be required before the device may be modified or its labeling changed. Furthermore, the FDA is currently reviewing its 510(k) clearance process, and may make the process more rigorous, which could require us to generate additional clinical or other data, and expend more time and effort, in obtaining future 510(k) product clearance. The regulatory clearance and approval process may result in, among other things, delayed realization of product revenues, in substantial additional costs or in limitations on indicated uses of products, any one of which could have a material adverse effect on our financial condition and results of operations.

Table of Contents

Even after a product has received marketing approval or clearance, such product approval or clearance by the FDA can be withdrawn or limited due to unforeseen problems with the device or integrity issues relating to the marketing application. Later discovery of violations of FDA requirements for medical devices could result in FDA enforcement actions, including warning letters, fines, delays or suspensions of regulatory clearances, product seizures or recalls, injunctions, advisories or other field actions and/or operating restrictions. Medical devices are cleared or approved for one or more specific intended uses. Promoting a device for an off-label use could result in an FDA enforcement action or a penalty under a state or federal false claims law.

Furthermore, our Medical Segment facilities are subject to periodic inspection by the FDA and other federal, state and foreign governmental authorities, which require manufacturers of medical devices to adhere to certain regulations, including the Quality System Regulation which requires testing, complaint handling, periodic audits, design controls, quality control testing and documentation procedures. FDA may also inspect for compliance with Medical Device Reporting Regulation, which requires manufacturers to submit reports to FDA of certain adverse events or malfunctions, and whether the facilities have submitted notifications of product recalls or other corrective actions in accordance with FDA regulations. Issues identified during such periodic inspections may result in warning letters, manufacturing shutdowns, product shortages, product seizures or recalls, fines and delays in product manufacturing, and may require significant resources to resolve.

Customers in our Medical Segment depend on third party coverage and reimbursement and the failure of healthcare programs to provide coverage and reimbursement, or the reduction in levels of reimbursement, for our medical products could adversely affect our Medical Segment.

The ability of our customers to obtain coverage and reimbursements for our medical products is important to our Medical Segment. Demand for many of our existing and new medical products is, and will continue to be, affected by the extent to which government healthcare programs and private health insurers reimburse our customers for patients medical expenses in the countries where we do business. Even when we develop or acquire a promising new product, we may find limited demand for the product unless reimbursement approval is obtained from private and governmental third party payors. Internationally, healthcare reimbursement systems vary significantly, with medical centers in some countries having fixed budgets, regardless of the level of patient treatment. Other countries require application for, and approval of, government or third party reimbursement. Without both favorable coverage determinations by, and the financial support of, government and third party insurers, the market for many of our medical products could be adversely affected.

We cannot be sure that third party payors will maintain the current level of coverage and reimbursement to our customers for use of our existing products. Adverse coverage determinations or any reduction in the amount of reimbursement could harm our business by altering the extent to which potential customers select our products and the prices they are willing to pay or otherwise. In addition, as a result of their purchasing power and continually rising healthcare costs, third party payors are implementing cost cutting measures such as discounts, price reductions, limitations on coverage and reimbursement for new medical technologies and procedures, or other incentives from medical products suppliers. These trends could lead to pressure to reduce prices for our existing products and potential new products and could cause a decrease in the size of the market or a potential increase in competition that could negatively affect our business, financial condition and results of operations.

Table of Contents

We may incur material losses and costs as a result of product liability and warranty claims that may be brought against us and recalls, which may adversely affect our results of operations and financial condition. Furthermore, as a medical device company, we face an inherent risk of damage to our reputation if one or more of our products are, or are alleged to be, defective.

Our businesses expose us to potential product liability risks that are inherent in the design, manufacture and marketing of our products. In particular, our medical device products are often used in surgical and intensive care settings with seriously ill patients. Many of these products are designed to be implanted in the human body for varying periods of time, and component failures, manufacturing flaws, design defects or inadequate disclosure of product-related risks with respect to these or other products we manufacture or sell could result in an unsafe condition or injury to, or death of, the patient. As a result, we face an inherent risk of damage to our reputation if one or more of our products are, or are alleged to be, defective. In addition, our products for the aerospace industry are used in potentially hazardous environments. Although we carry product liability insurance, we may be exposed to product liability and warranty claims in the event that our products actually or allegedly fail to perform as expected or the use of our products results, or is alleged to result, in bodily injury and/or property damage. The outcome of litigation, particularly any class-action lawsuits, is difficult to quantify. Plaintiffs often seek recovery of very large or indeterminate amounts, including punitive damages. The magnitude of the potential losses relating to these lawsuits may remain unknown for substantial periods of time and the cost to defend against any such litigation may be significant. Accordingly, we could experience material warranty or product liability losses in the future and incur significant costs to defend these claims.

In addition, if any of our products are, or are alleged to be, defective, we may voluntarily participate, or be required by applicable regulators, to participate in a recall of that product if the defect or the alleged defect relates to safety. In the event of a recall, we may experience lost sales and be exposed to individual or class-action litigation claims and reputational risk. Product liability, warranty and recall costs may have a material adverse effect on our business, financial condition and results of operations.

We are subject to healthcare fraud and abuse laws, regulation and enforcement; our failure to comply with those laws could have a material adverse effect on our results of operations and financial conditions.

We are also subject to healthcare fraud and abuse regulation and enforcement by the federal government and the states and foreign governments in which we conduct our business. The laws that may affect our ability to operate include:

- the federal healthcare programs Anti-Kickback Law, which prohibits, among other things, persons from knowingly and willfully soliciting, receiving, offering or paying remuneration, directly or indirectly, in exchange for or to induce either the referral of an individual for, or the purchase, order or recommendation of, any good or service for which payment may be made under federal healthcare programs such as the Medicare and Medicaid programs;

- federal false claims laws which prohibit, among other things, individuals or entities from knowingly presenting, or causing to be presented, claims for payment from Medicare, Medicaid, or other third-party payors that are false or fraudulent;

- the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA), which created federal criminal laws that prohibit executing a scheme to defraud any healthcare benefit program or making false statements relating to healthcare matters; and

state law equivalents of each of the above federal laws, such as anti-kickback and false claims laws which may apply to items or services reimbursed by any third-party payor, including commercial insurers.

Table of Contents

If our operations are found to be in violation of any of the laws described above or any other governmental regulations that apply to us, we may be subject to penalties, including civil and criminal penalties, damages, fines, the curtailment or restructuring of our operations, the exclusion from participation in federal and state healthcare programs and imprisonment, any of which could adversely affect our ability to operate our business and our financial results. The risk of our being found in violation of these laws is increased by the fact that many of them have not been fully interpreted by the regulatory authorities or the courts, and their provisions are open to a variety of interpretations.

Further, the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Affordability Reconciliation Act (collectively, the Healthcare Reform Act), among other things, amends the intent requirement of the federal anti-kickback and criminal health care fraud statutes. A person or entity no longer needs to have actual knowledge of this statute or specific intent to violate it. In addition, the Healthcare Reform Act provides that the government may assert that a claim including items or services resulting from a violation of the federal anti-kickback statute constitutes a false or fraudulent claim for purposes of the false claims statutes. Any action against us for violation of these laws, even if we successfully defend against it, could cause us to incur significant legal expenses and divert our management s attention from the operation of our business.

The Healthcare Reform Act also imposes new reporting and disclosure requirements on device manufacturers for any transfer of value made or distributed to prescribers and other healthcare providers, effective March 30, 2013. Such information will be made publicly available in a searchable format beginning September 30, 2013. In addition, device manufacturers will also be required to report and disclose any investment interests held by physicians and their immediate family members during the preceding calendar year. Failure to submit required information may result in civil monetary penalties of up to an aggregate of $150,000 per year (and up to an aggregate of $1 million per year for knowing failures), for all payments, transfers of value or ownership or investment interests not reported in an annual submission.

In addition, there has been a recent trend of increased federal and state regulation of payments made to physicians for marketing. Some states, such as California, Massachusetts and Vermont, mandate implementation of commercial compliance programs, along with the tracking and reporting of gifts, compensation and other remuneration to physicians. The shifting commercial compliance environment and the need to build and maintain robust and expandable systems to comply with multiple jurisdictions with different compliance and/or reporting requirements increases the possibility that a healthcare company may run afoul of one or more of the requirements.

If we are unable to resolve issues raised in our FDA corporate warning letter, it could have a material adverse effect on our business, financial condition and results of operations, our relationship with the FDA and the perception of our products by hospitals, clinics and physicians.

On October 11, 2007, our subsidiary Arrow received a corporate warning letter from the FDA. The letter expressed concerns with Arrow s quality systems, including complaint handling, corrective and preventive action, process and design validation, inspection and training procedures. It also advised that Arrow s corporate-wide program to evaluate, correct and prevent quality system issues had been deficient.

Our efforts to address the issues raised in the corporate warning letter have required the dedication of significant internal and external resources. We developed and implemented a comprehensive plan to correct these previously-identified regulatory issues and further improve overall quality systems. From the end of 2009 to the beginning of 2010, the FDA reinspected the Arrow facilities covered by the corporate warning letter and we have responded to the observations issued by the FDA as a result of those inspections. Communications received from the FDA indicate that the FDA has classified its inspection observations as voluntary action indicated, or VAI. This classification signifies that the FDA has concluded that no further regulatory action is required and that any

observations made during the inspections can be addressed voluntarily by us. In addition, in the third quarter of 2010, we submitted and received FDA approval of all currently eligible requests for

certificates to foreign governments, or CFGs. We believe that the FDA s approval of these CFG requests is a clear indication that we have substantially corrected the quality system issues identified in the corporate warning letter. We are continuing to work with the FDA to resolve all remaining issues and obtain formal closure of the corporate warning letter.

While we continue to believe we have substantially remediated the issues raised in the corporate warning letter through the corrective actions taken to date, the corporate warning letter remains in place pending final resolution of all outstanding issues. If our remedial actions are not satisfactory to the FDA, we may have to devote additional financial and human resources to our efforts, and the FDA may take further regulatory actions against us. These actions may include seizing our product inventory, assessing civil monetary penalties or seeking an injunction against us, which could in turn have a material adverse effect on our business, financial condition and results of operations.

Health care reform, including the recently enacted legislation, may have a material adverse effect on our industry and our results of operations.

Political, economic and regulatory influences are subjecting the health care industry to fundamental changes. In March 2010, the Healthcare Reform Act was enacted. It substantially changes the way health care is financed by both governmental and private insurers, encourages improvements in the quality of health care items and services and significantly impacts the U.S. pharmaceutical and medical device industries. Among other things, the Healthcare Reform Act:

- establishes a 2.3% deductible excise tax on any entity that manufactures or imports certain medical devices offered for sale in the United States, beginning 2013;
- establishes a new Patient-Centered Outcomes Research Institute to oversee, identify priorities in and conduct comparative clinical effectiveness research;
- implements payment system reforms including a national pilot program on payment bundling to encourage hospitals, physicians and other providers to improve the coordination, quality and efficiency of certain health care services through bundled payment models, beginning on or before January 1, 2013; and
- creates an independent payment advisory board that will submit recommendations to reduce Medicare spending if projected Medicare spending exceeds a specified growth rate.

We currently estimate the impact of the 2.3% deductible excise tax to be approximately $15.0 million annually, beginning 2013. However, we cannot predict at this time the full impact of the Healthcare Reform Act and/or other healthcare reform measures that may be adopted in the future on our financial condition, results of operations and cash flow.

An interruption in our manufacturing operations and/or our supply of raw materials may adversely affect our business.

Many of our key products across both of our business segments are manufactured at single locations, with limited alternate facilities. If an event occurs that results in damage to one or more of our facilities, it may not be possible to timely manufacture the relevant products at previous levels or at all. In addition, in the event of delays or cancellations in shipments of raw materials by our suppliers, it may not be possible to timely manufacture the affected products at previous levels or at all. Furthermore, with respect to our Medical Segment, in the event of a disruption in our supply of certain components or materials, due to the stringent regulations and requirements of the FDA and other regulatory

authorities regarding the manufacture of our products, we may not be able to quickly establish additional or replacement sources for such components or materials. A reduction or interruption in manufacturing, or an inability to secure alternative sources of raw

materials or components that are acceptable to us, could have an adverse effect on our business, results of operations and financial condition.

We depend upon relationships with physicians and other health care professionals.

The research and development of some of our medical products is dependent on our maintaining strong working relationships with physicians and other health care professionals. We rely on these professionals to provide us with considerable knowledge and experience regarding our medical products and the development of our medical products. Physicians assist us as researchers, product consultants, inventors and as public speakers. If we fail to maintain our working relationships with physicians and receive the benefits of their knowledge, advice and input, our medical products may not be developed and marketed in line with the needs and expectations of the professionals who use and support our products, which could have a material adverse effect on our business, financial condition and results of operations.

We face strong competition. Our failure to successfully develop and market new products could adversely affect our results.

The medical device industry across all of our different product lines, as well as in each geographic market in which our products are sold, is highly competitive. We compete with many medical device companies ranging from small start-up enterprises which might only sell a single or limited number of competitive products or which may participate only in a specific market segment, to companies that are larger and more established than us with access to significant financial and marketing resources.

In addition, the medical device industry is characterized by extensive product research and development and rapid technological advances. Also, while our products for the aerospace industry generally have longer life cycles, many of those products require changes in design or other enhancements to meet the evolving needs of our customers. The future success of our business will depend, in part, on our ability to design and manufacture new competitive products and to enhance existing products. Our product development efforts may require substantial investment by us. There can be no assurance that unforeseen problems will not occur with respect to the development, performance or market acceptance of new technologies or products, such as the inability to:

identify viable new products;

obtain adequate intellectual property protection;

gain market acceptance of new products; or

successfully obtain regulatory approvals.

Moreover, we may not otherwise be able to successfully develop and market new products or enhance existing products. In addition, our competitors may currently be developing, or may develop and market in the future, technologies that are more effective than those that we develop or which may render our products obsolete. Our failure to successfully develop and market new products or enhance existing products could reduce our revenues and margins, which would have an adverse effect on our business, financial condition and results of operations.

We are subject to risks associated with our non-U.S. operations.

We have significant manufacturing and distribution facilities, research and development facilities, sales personnel and customer support operations outside the United States in countries such as Canada, Belgium, the Czech Republic,

France, Germany, Ireland, Malaysia, Mexico and Singapore. As of December 31, 2010, approximately 43% of our net property, plant and equipment was located outside the

Table of Contents

United States. In addition, as of December 31, 2010, approximately 50% of our net revenues (based on business unit location) were derived from operations outside the United States. Approximately 71% of our full-time and temporary employees as of December 31, 2010 were employed in countries outside of the United States.

Our international operations are subject to varying degrees of risk inherent in doing business outside the United States, including:

- exchange controls, currency restrictions and fluctuations in currency values;
- trade protection measures;
- potentially costly and burdensome import or export requirements;
- laws and business practices that favor local companies;
- changes in non-U.S. medical reimbursement policies and procedures;
- subsidies or increased access to capital for firms who are currently or may emerge as competitors in countries in which we have operations;
- scrutiny of foreign tax authorities which could result in significant fines, penalties and additional taxes being imposed on us;
- potentially negative consequences from changes in tax laws;
- restrictions and taxes related to the repatriation of foreign earnings;
- differing labor regulations;
- additional U.S. and foreign government controls or regulations;
- difficulties in the protection of intellectual property; and
- unsettled political and economic conditions and possible terrorist attacks against American interests.

In addition, the U.S. Foreign Corrupt Practices Act (the FCPA) and similar worldwide anti-bribery laws in non-U.S. jurisdictions generally prohibit companies and their intermediaries from making improper payments to non-U.S. officials for the purpose of obtaining or retaining business. The FCPA also imposes accounting standards and requirements on publicly traded U.S. corporations and their foreign affiliates, which are intended to prevent the diversion of corporate funds to the payment of bribes and other improper payments, and to prevent the establishment of off books slush funds from which such improper payments can be made. Because of the predominance of government-sponsored health care systems around the world, many of our customer relationships outside of the United States are with governmental entities and are therefore subject to such anti-bribery laws. Our policies mandate compliance with these anti-bribery laws. Despite our training and compliance programs, our internal control policies and procedures may not always protect us from reckless or criminal acts committed by our employees or agents. Violations of these laws, or allegations of such violations, could disrupt our operations, involve significant management distraction and result in a material adverse effect on our business, financial condition and results of operations. We also could suffer severe penalties, including criminal and civil penalties, disgorgement and other remedial measures, including further changes or enhancements to our procedures, policies and controls, as well as

potential personnel changes and disciplinary actions.

Table of Contents

Furthermore, we are subject to the export controls and economic embargo rules and regulations of the United States, including, but not limited to, the Export Administration Regulations and trade sanctions against embargoed countries, which are administered by the Office of Foreign Assets Control within the Department of the Treasury as well as the laws and regulations administered by the Department of Commerce. These regulations limit our ability to market, sell, distribute or otherwise transfer our products or technology to prohibited countries or persons. While we train our employees and contractually obligate our distributors to comply with these regulations, a determination that we have failed to comply, whether knowingly or inadvertently, may result in substantial penalties, including fines and enforcement actions and civil and/or criminal sanctions, the disgorgement of profits and the imposition of a court-appointed monitor, as well as the denial of export privileges, and debarment from participation in U.S. government contracts, and may have an adverse effect on our reputation.

These and other factors may have a material adverse effect on our international operations or on our business, results of operations and financial condition generally.

Further weakness in general domestic and global economic growth combined with a continuation of constrained global credit markets could adversely impact our operating results, financial condition and liquidity.

We are subject to risks arising from adverse changes in general domestic and global economic conditions, including recession or economic slowdown and disruption of credit markets. The credit and capital markets experienced extreme volatility and disruption in recent periods, leading to recessionary conditions and depressed levels of consumer and commercial spending. These recessionary conditions have caused customers to reduce, modify, delay or cancel plans to purchase our products and services. While recent indicators suggest modest improvement in the United States and global economy, we cannot predict the duration or extent of any economic recovery or the extent to which our customers will return to more normalized spending behaviors. If the recessionary conditions return, our customers may terminate existing purchase orders or reduce the volume of products or services they purchase from us in the future.

Adverse economic and financial market conditions may also cause our suppliers to be unable to meet their commitments to us or may cause suppliers to make changes in the credit terms they extend to us, such as shortening the required payment period for outstanding accounts receivable or reducing the maximum amount of trade credit available to us. These types of actions by our suppliers could significantly affect our liquidity and could have a material adverse effect on our results of operations and financial condition. If we are unable to successfully anticipate changing economic and financial market conditions, we may be unable to effectively plan for and respond to those changes, and our business could be negatively affected.

In addition, the amount of goodwill and other intangible assets on our consolidated balance sheet have increased significantly in recent years, primarily as a result of the acquisition of Arrow International in 2007. Adverse economic and financial market conditions may result in future charges to recognize impairment in the carrying value of our goodwill and other intangible assets, which could have a material adverse effect on our financial results.

Foreign currency exchange rate, commodity price and interest rate fluctuations may adversely affect our results.

We are exposed to a variety of market risks, including the effects of changes in foreign currency exchange rates, commodity prices and interest rates. We expect revenue from products manufactured in, and sold into, non-U.S. markets to continue to represent a significant portion of our net revenue. Our consolidated financial statements reflect translation of financial statements denominated in non-U.S. currencies to U.S. dollars, our reporting currency. When the U.S. dollar strengthens or weakens in relation to the foreign currencies of the countries where we sell or manufacture our products, such as the euro, our U.S. dollar-reported revenue and income will fluctuate.

Although we have entered into forward contracts with several

Table of Contents

major financial institutions to hedge a portion of projected cash flows denominated in non-functional currency in order to reduce the effects of currency rate fluctuations, changes in the relative values of currencies may, in some instances, have a significant effect on our results of operations.

Many of our products have significant plastic resin content. We also use quantities of other commodities, such as aluminum. Increases in the prices of these commodities could increase the costs of our products and services. We may not be able to pass on these costs to our customers, particularly with respect to those products we sell pursuant to group purchase agreements, and this could have a material adverse effect on our results of operations and cash flows.

Increases in interest rates may adversely affect the financial health of our customers and suppliers and thus adversely affect their ability to buy our products and supply the components or raw materials we need, which could have a material adverse effect on our results of operations and cash flows.

Our strategic initiatives may not produce the intended growth in revenue and operating income.

Our strategies include making significant investments to achieve revenue growth and margin improvement targets. If we do not achieve the expected benefits from these investments or otherwise fail to execute on our strategic initiatives, we may not achieve the growth improvement we are targeting and our results of operations may be adversely affected.

In addition, as part of our strategy for growth, we have made, and may continue to make, acquisitions and divestitures and enter into strategic alliances such as joint ventures and joint development agreements. However, we may not be able to identify suitable acquisition candidates, complete acquisitions or integrate acquisitions successfully, and our strategic alliances may not prove to be successful. In this regard, acquisitions involve numerous risks, including difficulties in the integration of the operations, technologies, services and products of the acquired companies and the diversion of management s attention from other business concerns. Although our management will endeavor to evaluate the risks inherent in any particular transaction, there can be no assurance that we will properly ascertain all such risks. In addition, prior acquisitions have resulted, and future acquisitions could result, in the incurrence of substantial additional indebtedness and other expenses. There can be no assurance that difficulties encountered with acquisitions will not have a material adverse effect on our business, financial condition and results of operations.

We may not be successful in achieving expected operating efficiencies and sustaining or improving operating expense reductions, and may experience business disruptions associated with announced restructuring, realignment and cost reduction activities.

Over the past few years we have announced several restructuring, realignment and cost reduction initiatives, including significant realignments of our businesses, employee terminations and product rationalizations. While we have started to realize the efficiencies of these actions, these activities may not produce the full efficiency and cost reduction benefits we expect. Further, such benefits may be realized later than expected, and the ongoing costs of implementing these measures may be greater than anticipated. If these measures are not successful or sustainable, we may undertake additional realignment and cost reduction efforts, which could result in future charges. Moreover, our ability to achieve our other strategic goals and business plans may be adversely affected and we could experience business disruptions with customers and elsewhere if our restructuring and realignment efforts prove ineffective.

Fluctuations in our effective tax rate and changes to tax laws may adversely affect our results.

As a company with significant operations outside of the United States, we are subject to taxation in numerous countries, states and other jurisdictions. As a result, our effective tax rate is derived from a combination of applicable tax rates in the various countries, states and other jurisdictions in which we operate. In preparing our financial statements, we estimate the amount of tax that will become payable in each of the

countries, states and other jurisdictions in which we operate. Our effective tax rate may, however, be lower or higher than experienced in the past due to numerous factors, including a change in the mix of our profitability from country to country, changes in accounting for income taxes and changes in tax laws. Any of these factors could cause us to experience an effective tax rate significantly different from previous periods or our current expectations, which could have an adverse effect on our business and results of operations.

In addition, unfavorable results of tax audits and changes in tax laws in jurisdictions in which we operate, among other things, could adversely affect our results of operations and cash flows.

Our technology is important to our success, and our failure to protect our intellectual property rights could put us at a competitive disadvantage.

We rely on the patent, trademark, copyright and trade secret laws of the United States and other countries to protect our proprietary rights. Although we own numerous U.S. and foreign patents and have applied for numerous patent applications, we cannot assure you that any pending patent applications will issue, or that any patents, issued or pending, will provide us with any competitive advantage or will not be challenged, invalidated or circumvented by third parties. In addition, we rely on confidentiality and non- disclosure agreements with employees and take other measures to protect our know-how and trade secrets. The steps we have taken may not prevent unauthorized use of our technology by unauthorized parties or competitors who may copy or otherwise obtain and use these products or technology, particularly in foreign countries where the laws may not protect our proprietary rights as fully as in the United States. There is no guarantee that current and former employees, contractors and other parties will not breach their confidentiality agreements with us, misappropriate proprietary information or copy or otherwise obtain and use our information and proprietary technology without authorization or otherwise infringe on our intellectual property rights. Moreover, there can be no assurance that others will not independently develop the know-how and trade secrets or develop better technology than our own, which could reduce or eliminate any competitive advantage we have developed. Our inability to protect our proprietary technology could result in competitive harm that could adversely affect our business.

Our products or processes may infringe the intellectual property rights of others, which may cause us to pay unexpected litigation costs or damages or prevent us from selling our products.

We cannot be certain that our products do not and will not infringe issued patents or other intellectual property rights of third parties. We may be subject to legal proceedings and claims in the ordinary course of our business, including claims of alleged infringement of the intellectual property rights of third parties. Any such claims, whether or not meritorious, could result in litigation and divert the efforts of our personnel. If we are found liable for infringement, we may be required to enter into licensing agreements (which may not be available on acceptable terms or at all) or to pay damages and to cease making or selling certain products. We may need to redesign some of our products or processes to avoid future infringement liability. Any of the foregoing could be detrimental to our business.

Other pending and future litigation may lead us to incur significant costs and have an adverse effect on our business.

We also are party to various lawsuits and claims arising in the normal course of business involving contracts, intellectual property, import and export regulations, employment and environmental matters. The defense of these lawsuits may divert our management s attention, and we may incur significant expenses in defending these lawsuits. In addition, we may be required to pay damage awards or settlements, or become subject to injunctions or other equitable remedies, that could have a material adverse effect on our financial condition and results of operations. While we do not believe that any litigation in which we are currently engaged would have such an adverse effect, the outcome of litigation, including regulatory matters, is often difficult to predict, and we cannot assure that the outcome of pending

or future litigation will not have a material adverse effect on our business, financial condition or results of operations.

Table of Contents

Our operations expose us to the risk of material environmental liabilities, litigation and violations.

We are subject to numerous foreign, federal, state and local environmental protection and health and safety laws governing, among other things:

the generation, storage, use and transportation of hazardous materials;

emissions or discharges of substances into the environment; and

the health and safety of our employees.

These laws and government regulations are complex, change frequently and have tended to become more stringent over time. We cannot provide assurance that our costs of complying with current or future environmental protection and health and safety laws, or our liabilities arising from past or future releases of, or exposures to, hazardous substances will not exceed our estimates or will not adversely affect our financial condition and results of operations. Moreover, we may become subject to additional environmental claims, which may include claims for personal injury or cleanup, based on our past, present or future business activities, which could also adversely affect our financial condition and results of operations.

Our Aerospace Segment is subject to government regulation, which may require us to incur expenses to ensure compliance. Our failure to comply with those regulations could have adverse effect on our results of operations.

The U.S. Federal Aviation Administration (the FAA) regulates the manufacture and sale of some of our aerospace products and licenses for the operation of our repair stations. Comparable agencies, such as the European Aviation Safety Agency in Europe (the EASA), regulate these matters in other countries. If we fail to qualify for or obtain a required license for one of our products or services or lose a qualification or license previously granted, the sale of the subject product or service would be prohibited by law until such license is obtained or renewed and our business, financial condition and results of operations could be materially adversely affected. In addition, designing new products to meet existing regulatory requirements and retrofitting installed products to comply with new regulatory requirements can be expensive and time consuming.

From time to time, the FAA, the EASA or comparable agencies propose new regulations or changes to existing regulations. These changes or new regulations generally increase the costs of compliance. To the extent the FAA, the EASA or comparable agencies implement regulatory changes, we may incur significant additional costs to achieve compliance.

If we fail to establish and maintain proper and effective internal controls, our ability to produce accurate financial statements on a timely basis could be impaired, which would adversely affect our consolidated results, and our ability to operate our business and our stock price.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles in the United States.

Any failure on our part to remedy any identified control deficiencies, or any delays or errors in our financial reporting, would have a material adverse effect on our business, results of operations, or financial condition.

Table of Contents

Our workforce covered by collective bargaining and similar agreements could cause interruptions in our provision of products and services.

For the fiscal year ended December 31, 2010, approximately 11% of our net revenues were generated by operations for which a significant part of our workforce is covered by collective bargaining agreements and similar agreements in foreign jurisdictions. It is likely that a portion of our workforce will remain covered by collective bargaining and similar agreements for the foreseeable future. Strikes or work stoppages could occur that would adversely impact our relationships with our customers and our ability to conduct our business.

Risks Related to Our Indebtedness and This Offering

Our substantial indebtedness could adversely affect our business, financial condition or results of operations and prevent us from fulfilling our obligations under the notes.

We have and, after this offering, will continue to have a significant amount of indebtedness. As of March 27, 2011, we had total indebtedness of $931.2 million on an actual basis and would have had $1,056.2 million on an as adjusted basis after giving effect to this offering and the use of proceeds thereof, including the prepayment of $125 million of borrowings under our credit facilities.

Our substantial level of indebtedness increases the risk that we may be unable to generate cash sufficient to pay amounts due in respect of our indebtedness, including the notes. It could also have significant effects on our business. For example, it could:

- make it more difficult for us to satisfy our obligations with respect to the notes;
- increase our vulnerability to general adverse economic and industry conditions;
- require us to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures, research and development efforts and other general corporate purposes;
- limit our flexibility in planning for, or reacting to, changes in our business and the industries in which we operate;
- restrict us from exploiting business opportunities;
- place us at a competitive disadvantage compared to our competitors that have less indebtedness; and
- limit our ability to borrow additional funds for working capital, capital expenditures, acquisitions, debt service requirements, execution of our business strategy or other general corporate purposes.

Despite current substantial indebtedness levels, we and our subsidiaries may still be able to incur substantially more indebtedness. This could further exacerbate the risks associated with our substantial leverage.

We and our subsidiaries may be able to incur substantial additional indebtedness in the future, including secured indebtedness. For example, as of March 27, 2011, on an as adjusted basis after giving effect to this offering and the use of proceeds thereof, including the prepayment of $125 million of borrowings under our credit facilities, after taking into account the limitations under the covenants under our credit facilities, we would have had $417.0 million

of borrowing capacity, including $394.9 million of borrowing capacity under our revolving credit facility and $22.1 million of borrowing capacity under our accounts receivable

securitization facility. Adding new indebtedness to current debt levels could make it more difficult for us to satisfy our obligations with respect to the notes.

Our debt agreements impose restrictions on our business, which could prevent us from capitalizing on business opportunities and taking some corporate actions and may adversely affect our ability to respond to changes in our business and manage our operations.

The credit agreement governing our credit facilities and the indenture governing the notes contain covenants that, among other things, impose significant restrictions on our business. The restrictions that these covenants place on us and our restricted subsidiaries include limitations on our ability and the ability of our restricted subsidiaries to:

incur additional indebtedness or issue disqualified stock or preferred stock;

create liens;

pay dividends, make investments or make other restricted payments;

sell assets;

merge, consolidate, sell or otherwise dispose of all or substantially of our assets;

enter into transactions with our affiliates;

permit layering of debt;

designate subsidiaries as unrestricted; and

use the proceeds of permitted sales of our assets.

In addition, the credit agreement governing our credit facilities also contains financial covenants. A breach of any of the foregoing covenants under any or all of these debt agreements could result in a default, which if not cured or waived, could result in the acceleration of all our debts. In addition, any debt agreements we enter into in the future may further limit our ability to enter into certain types of transactions.

The covenants described above are subject to important exceptions and qualifications and, with respect to the notes, are described under Description of Notes and, with respect to our credit facilities, are described under the heading Description of Other Indebtedness Credit Facilities in this prospectus supplement. With respect to the notes, certain of the covenants described above permanently cease to be in effect if the notes are rated investment grade by both Moody s and S&P. See Description of Notes Certain Covenants Changes in Covenants when Notes Are Rated Investment Grade.

If the notes are rated investment grade by both Moody s and S&P, certain covenants contained in the indenture will permanently cease to be in effect, and the holders of the notes will lose the protection of these covenants.

The indenture contains certain covenants that will permanently cease to be in effect if the notes are rated investment grade by both Moody s and S&P and no default or event of default has occurred. See Description of Notes Certain Covenants Changes in Covenants when Notes Are Rated Investment Grade. These covenants restrict, among other things, our ability to pay dividends, incur additional debt and enter into certain types of transactions.

Because these restrictions will permanently cease to be in effect if the notes are rated investment grade by both Moody s and S&P, we will be able to make dividends and distributions, incur substantial

additional debt and enter into certain types of transactions. If the notes lose the protection of these covenants, the covenants will never be reinstated thereafter, even if the credit ratings assigned to the notes later fall below investment grade.

If we default on our obligations to pay our other indebtedness, we may not be able to make payments on the notes.

If there were an event of default under any of the agreements relating to our outstanding indebtedness, the holders of the defaulted debt could cause all amounts outstanding with respect to that debt to be due and payable immediately. Upon acceleration of our other material indebtedness, holders of the notes could declare all amounts outstanding under the notes immediately due and payable. We cannot assure you that our assets or cash flow would be sufficient to fully repay borrowings under our outstanding debt instruments if accelerated upon an event of default. Further, if we are unable to repay, refinance or restructure our indebtedness under our secured indebtedness, the holders of such debt could proceed against the collateral securing that indebtedness. In addition, any event of default or declaration of acceleration under one debt instrument could also result in an event of default under one or more of our other debt instruments. In addition, counterparties to some of our long-term customer contracts may have the right to amend or terminate those contracts if we have an event of default or a declaration of acceleration under certain of our indebtedness, which could adversely affect our business, financial condition or results of operations.

We may not be able to generate sufficient cash to service all of our indebtedness, including the notes. Our ability to generate cash depends on many factors beyond our control. We may be forced to take other actions to satisfy our obligations under our indebtedness, which may not be successful.

Our ability to make payments on, and to refinance, our indebtedness, including the notes, and to fund planned capital expenditures, research and development efforts, working capital, acquisitions and other general corporate purposes depends on our ability to generate cash in the future. This, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors, some of which are beyond our control. If we do not generate sufficient cash flow from operations or if future borrowings are not available to us in an amount sufficient to pay our indebtedness, including the notes, or to fund our liquidity needs, we may be forced to:

- refinance all or a portion of our indebtedness, including the notes, on or before the maturity thereof;
- sell assets;
- reduce or delay capital expenditures; or