

Edgar Filing: CORRPRO COMPANIES INC /OH/ - Form 10-K

CORRPRO COMPANIES INC /OH/

Form 10-K

July 16, 2002

=====

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

(MARK ONE)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D)
OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE FISCAL YEAR ENDED MARCH 31, 2002

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D)
OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE TRANSITION PERIOD FROM _____ TO _____

COMMISSION FILE NUMBER 1-12282

CORRPRO COMPANIES, INC.
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

OHIO

34-1422570

(STATE OR OTHER JURISDICTION OF
INCORPORATION OR ORGANIZATION)

(I.R.S. EMPLOYER
IDENTIFICATION NO.)

1090 ENTERPRISE DRIVE, MEDINA, OHIO

44256

(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)

(ZIP CODE)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: (330) 723-5082

SECURITIES REGISTERED PURSUANT
TO SECTION 12(b) OF THE ACT:

SECURITIES REGISTERED PURSUANT TO
SECTION 12(g) OF THE ACT:

COMMON SHARES WITHOUT PAR VALUE

NONE

(TITLE OF CLASS)

(TITLE OF CLASS)

AMERICAN STOCK EXCHANGE

(NAME OF EACH EXCHANGE ON WHICH REGISTERED)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES X

NO

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any

Edgar Filing: CORRPRO COMPANIES INC /OH/ - Form 10-K

amendment to this Form 10-K.

The aggregate market value of Common Shares held by nonaffiliates of the Registrant was approximately \$7,785,733 at July 5, 2002. (The aggregate market value has been computed using the closing market price of the stock as reported by the American Stock Exchange on July 5, 2002.) For purposes of this calculation, the Registrant deems the Common Shares held by its Directors, executive officers and holders of 10% or more of its Common Shares to be Common Shares held by affiliates.

8,350,987

(Number of Common Shares outstanding as of July 5, 2002.)

DOCUMENTS INCORPORATED BY REFERENCE

The Company intends to file with the Securities and Exchange Commission a definitive Proxy Statement pursuant to Regulation 14A of the Securities Exchange Act of 1934 within 120 days of the close of its fiscal year ended March 31, 2002, portions of which document shall be deemed to be incorporated by reference in Part III of this Annual Report on Form 10-K from the date such document is filed.

=====

INTRODUCTORY NOTE

As previously reported by the Company, after the discovery of accounting irregularities at the Company's Australian subsidiary, voluntary administration proceedings were filed in Australia on behalf of the subsidiary, which delayed the Company's ability to prepare financial statements for the subsidiary. In addition, also as previously reported, the Australian Securities and Investments Commission ("ASIC") and the Audit Committee of the Company's Board of Directors are investigating the accounting irregularities. As a consequence of the ASIC investigation, the Company and its auditors have only recently been able to access certain records of the subsidiary which were in ASIC's possession, which has further delayed the completion of the Company's financial statements for the fiscal year ended March 31, 2002, and the related audit and other disclosures. The audit of the financial statements remains in process and is yet to be completed. The findings of the Audit Committee's investigation could impact the disclosures to be included in the Company's Annual Report on Form 10-K. See "Item 1 - Business - Recent Developments."

As a consequence of these events, the Company is unable at this time to file Items 6, 7, 7A and 8 of its Annual Report on Form 10-K and certain portions of other Items to the Form 10-K. Upon completing its financial statements, the related audit and other disclosures necessary to comply with these respective Items, the Company will file these Items by amendment.

PART I

ITEM 1. BUSINESS

GENERAL

Corrpro Companies, Inc. was founded in 1984 and organized under the laws of the State of Ohio. As used in this report, the terms "Corrpro" and the "Company" mean Corrpro Companies, Inc. and its consolidated subsidiaries unless the context indicates otherwise.

Edgar Filing: CORRPRO COMPANIES INC /OH/ - Form 10-K

RECENT DEVELOPMENTS

On March 20, 2002, the Company announced that it had discovered accounting irregularities caused by apparent internal misconduct in its Australian subsidiary. The accounting irregularities involved the overstatement of revenues and understatement of expenses by the Australian subsidiary. The irregularities were discovered by Corpro management in connection with an internal review of the subsidiary's working capital management practices and cash flow problems inconsistent with the subsidiary's reported results. Upon discovering the irregularities, the Company immediately began an internal investigation conducted under the direction of the Audit Committee of its Board of Directors. The Audit Committee subsequently retained special counsel in connection with the investigation and retained the forensic investigation unit of the independent accounting firm, Deloitte Touche Tohmatsu.

The Company also announced in March 2002 that its Australian subsidiary was in the process of appointing an administrator and commencing voluntary administration proceedings, a process under Australian law providing relief from creditors of Australian subsidiaries. As a result of the appointment, the Company would be required to take a charge to earnings in the fiscal fourth quarter ended March 31, 2002 for its loss on investment related to the subsidiary, including certain intercompany balances. The Company also stated that, to the extent that the accounting irregularities materially affect previously filed financial statements, the Company expected that it would have to restate its audited financial statements for its fiscal year which ended March 31, 2001 as well as unaudited financial information for the first nine months through December 31, 2001 of its fiscal year ended March 31, 2002, as previously released. Accordingly, the financial statements for affected periods and accompanying auditor's report should no longer be relied upon.

On June 13, 2002, the Company announced that ASIC had commenced an independent investigation of the accounting irregularities. The Company also had voluntarily disclosed this matter to the United States Securities and Exchange Commission ("SEC"), which commenced an informal inquiry. The ASIC investigation and the SEC inquiry,

2

which is now a formal inquiry, both continue to be ongoing and the Company has been and intends to continue cooperating with both commissions. See "Item 3 - Legal Proceedings." The Company also announced that the creditors of the Australian subsidiary effective in May 2002 had approved an arrangement under voluntary administration proceedings.

The Company also has announced that, as a result of the matters discussed above, the Company is not in compliance with the provisions, including certain financial covenants, of its existing senior secured credit agreement and its senior note facility. The remedies available to these lenders upon default by the Company, including acceleration of principal, could have a material adverse impact on the Company's liquidity, its financial position or its ability to operate as a going concern. The Company has continued to make scheduled monthly interest payments on such senior debt; however, it has not made scheduled principal payments that were due since April, 2002 on the senior note facility. The Company is continuing to hold discussions with its bank group and the holder of its senior notes concerning the Company's non-compliance, operational changes and debt reduction.

If the Company is unable to satisfactorily resolve these lender negotiations and/or access other sources of capital on a timely basis, it would have a material adverse effect on the Company's liquidity and financial

Edgar Filing: CORRPRO COMPANIES INC /OH/ - Form 10-K

condition and could result in the Company's inability to operate as a going concern. If the Company is unable to operate as a going concern, it may file, or be forced to file, bankruptcy or insolvency proceedings or pursue a sale or sales of assets to satisfy creditors.

Subsequent to the announcement of the investigation of the accounting irregularities at the Australian subsidiary, one purported class action lawsuit has been filed against the Company and certain of its current and former directors and officers. See "Item 3 - Legal Proceedings."

OPERATIONS OF AUSTRALIAN SUBSIDIARY

As discussed above, in May 2002, the creditors of the Company's Australian subsidiary approved an arrangement under voluntary administration proceedings, a process under Australian law providing relief from creditors of Australian companies. As a result of such proceedings, the Company will be required to take a charge to earnings for its loss on investment related to the subsidiary, including certain intercompany balances. This charge will be taken in the Company's fiscal fourth quarter ended March 31, 2002. Thereafter, results from the subsidiary will not be included in the Company's consolidated financial statements while the subsidiary is subject to voluntary administration.

PRODUCTS AND SERVICES

Corrpro provides corrosion control related services, systems, equipment and materials to the infrastructure, environmental and energy markets. Our products and services include (i) corrosion control engineering services, systems and equipment ("corrosion control"), (ii) coatings services ("coatings") and (iii) pipeline integrity and risk assessment services.

CORROSION CONTROL. Corrpro's specialty in the corrosion control market is cathodic protection. We offer a comprehensive range of services in this area, which include the design, manufacture, installation, maintenance and monitoring of cathodic protection systems. Cathodic protection is an electrochemical process that prevents corrosion for new structures and stops the corrosion process for existing structures. It can provide a cost-effective alternative to the replacement of corroding structures. In order to understand how cathodic protection works, it is helpful to first understand the corrosion process. Steel, the most common metal protected by cathodic protection, is produced from iron ore. To produce steel, the iron ore is subjected to a refining process that adds energy. Once the steel is put back into the environment, it begins to revert back to its original state (i.e., iron ore) by releasing the added energy back into the surrounding environment. This process of dispersing energy is called corrosion. Cathodic protection electrodes, called anodes, are placed near, and connected to, the structure to be protected (i.e., the cathode). Anodes are typically made from cast iron, graphite, aluminum, zinc or magnesium. A cathodic protection system works by passing an electrical current from the anode to the cathode. This process maintains the energy level on the cathode, thus stopping it from corroding. Instead, the anode corrodes, sacrificing itself to maintain the integrity of the structure. In order for the electrical current to pass from the anode to the cathode, they both must be in a common environment. Therefore, cathodic protection can only be used to protect structures that are buried in soil, submerged in water or encased in concrete. Structures commonly protected against corrosion by the cathodic protection process include oil and gas pipelines, offshore platforms, above and underground storage tanks, ships, electric power plants, bridges, parking garages, transit systems and water and wastewater treatment equipment.

In addition to cathodic protection, our corrosion control services include corrosion engineering, material selection, inspection services, advanced corrosion research and testing and corrosion monitoring (including remote monitoring).

Remote monitoring is a technology we acquired in September 1999. In order for cathodic protection to be most effective, the system must run continuously. To ensure that this is happening, the cathodic protection systems need to be monitored on a regular basis. Remote monitoring allows customers to reduce the cost of monitoring and maintaining their cathodic protection systems by eliminating the need to have personnel travel to various sites in order to collect data from the cathodic protection system. Equally significant is the continuous flow (and more frequent updates) of data that remote monitoring can provide. This information allows problems to be identified immediately rather than waiting for the on-site inspection interval. We also sell a variety of materials and equipment including anodes, rectifiers and corrosion monitoring probes used in cathodic protection and corrosion monitoring systems.

COATINGS. Corrpro offers a wide variety of coatings-related services designed to provide our customers with longer coatings life, reduced corrosion, improved aesthetics and lower life-cycle costs for their coated structures. Coatings services include research, testing, evaluation and application of coatings. In addition, we provide project management services for coatings maintenance programs, including condition surveys, failure analysis, selection of site surface preparation methods and selection and application of coatings. We also provide specialized coatings application services for structures with aggressive corrosion conditions such as the inside and outside of storage tanks and pipelines.

PIPELINE INTEGRITY AND RISK ASSESSMENT SERVICES. Corrpro offers a comprehensive line of pipeline integrity, risk assessment and inspection services, including assessment, surveys, inspection, analysis, repairs and ongoing maintenance. By offering a wide range of services, we are able to provide pipeline owners with one-stop shopping for the preservation of their pipeline systems.

ACQUISITIONS AND DISPOSITIONS

We have broadened our business capabilities and expanded our geographic presence through a series of acquisitions. We made twenty strategic acquisitions between fiscal 1987 and fiscal 1999. The following table details acquisitions made subsequent to fiscal 1999.

ACQUISITION	YEAR ACQUIRED	
CSI Coatings Systems, Inc.	FY 2000	Specialty coatings applicati
Acquisition of remote monitoring technology	FY 2000	Production line expansion -
Borza Inspections Ltd.	FY 2000	Inspection services - Western
Corrosion and Technical Services, WWL	FY 2000	Geographic expansion - Bahra

In March 1997, Corrpro adopted a plan to divest its anode foundry operation in Louisiana. This disposition was completed in March 1999. In September 1999, Corrpro divested its remaining anode foundry operations in the United Kingdom and Asia. In fiscal 2001, we ceased certain Mexican foundry operations and disposed of a small, non-core business unit.

The Company is continuing to consider its strategic alternatives with respect to the future operations of the Australian subsidiary, which is currently subject to voluntary administration in Australia, including the

possibility of selling the Australian operations.

SEGMENTS

We have organized our operations into four business segments: Domestic Core Operations, Canadian Operations, International Operations and Other Operations. Our business segments and a description of the products and services they provide are described below:

DOMESTIC CORE OPERATIONS. Our Domestic Core Operations segment consists of operations that service the United States and Central and South America. Products and services include corrosion control, coatings, pipeline integrity, risk assessment and inspection services. This segment provides corrosion control products and services to a wide-range of customers in a number of industries, including energy, utilities, water and wastewater treatment, chemical and petrochemical, pipelines, defense and municipalities. In addition, this segment provides coatings services to customers in the entertainment, aerospace, transportation, petrochemical and electric power industries, as well as the United States military. Finally, the

4

Domestic Core Operations segment includes a production facility in the United States that assembles and distributes cathodic protection products, such as anodes, primarily to the United States market.

CANADIAN OPERATIONS. Our Canadian Operations segment provides corrosion control, pipeline integrity and inspection services to customers in Canada which are primarily in the oil and gas industry. These customers include pipeline operators and petrochemical plants and refineries. The Canadian Operations segment also includes production facilities that assemble products such as anodes and rectifiers.

INTERNATIONAL OPERATIONS. Our International Operations segment consists of operations in Europe, the Middle East and Asia, which provide corrosion control products and services to customers in the petroleum, utility, industrial, marine and offshore markets, as well as to governmental entities in connection with their infrastructure assets. This segment had included our Australian subsidiary until it became subject to voluntary administration.

OTHER OPERATIONS. Our Other Operations segment includes our corrosion monitoring equipment business, which assembles and sells products including corrosion monitoring probes, instrument access fittings and remote monitoring units to customers in the oil and gas and chemical industries. In addition, this segment also includes our risk assessment and analysis software business, which sells or licenses products to customers primarily in the oil and gas industry.

SALES AND MARKETING

We market our products and services in the United States and Canada primarily through our sales personnel. The technical nature of our products and services requires a highly trained, professional sales force, and, as a result, many of our sales personnel have engineering or technical expertise and experience. Due to the problem solving experience of our engineering staff, potential and existing customers regularly seek out advice from our technical personnel, which can result in business opportunities on an ongoing basis.

Our products and services in the Middle East, Asia, Europe and South America are marketed by our sales personnel, as well as by independent, locally-based sales representatives. These independent sales representatives are used to supplement the efforts of our direct sales force and to market our products and services to other regions of the world. The independent sales

Edgar Filing: CORRPRO COMPANIES INC /OH/ - Form 10-K

representatives earn commissions on sales that vary by product and service type. Certain products, including rectifiers and corrosion monitoring equipment, are marketed through networks of both domestic and international distributors.

SOURCES AND AVAILABILITY OF RAW MATERIALS

We assemble certain components of cathodic protection systems, which include aluminum, zinc, magnesium and other metallic anodes. We do not believe that we are dependent upon any single outside vendor as a source of supply and we believe that sufficient alternative sources of supply for the same, similar or alternative products are available.

PATENTS AND LICENSES

We own patents, patent applications and licenses relating to certain of our products and processes. While our rights under the patents and licenses are of importance to individual components of our operations, our business as a whole is not materially dependent on any one patent or license or on the patents and licenses as a group.

SEASONAL TRENDS

Our business is somewhat seasonal as winter weather can adversely impact our operations in the northern United States, Canada and the United Kingdom. Therefore, our revenues during the fourth quarter of our fiscal year (i.e., January through March) are typically lower than revenues during each of the other three fiscal quarters.

FOREIGN OPERATIONS

The Company's foreign operations are subject to the usual risks of operating in foreign jurisdictions. They include, but are not limited to, exchange controls, currency restrictions and fluctuations, changes in local economics and changes in political conditions.

5

CUSTOMERS

Sales are made to a broad range of customers. We do not believe that the loss of any one customer would have a materially adverse effect on our business.

We sell products and services to the U.S. government and agencies and municipalities thereof, including the U.S. Navy. Our contracts with the U.S. government contain standard provisions permitting the government to terminate these contracts without cause. In the event of termination, we are entitled to receive reimbursement on the basis of the work completed (cost plus a reasonable profit). These contracts are also subject to renegotiation of profits. In addition, government procurement programs are subject to budget cutbacks and policy changes that could impact the revenue for, or alter the demand for, our products or services. Accordingly, our future sales to the government are subject to these budgetary and policy changes.

BACKLOG

We estimate that a substantial portion of our backlog of orders at March 31, 2002 will be filled during fiscal 2003.

COMPETITIVE CONDITIONS

Within the corrosion control market, we face competition from a large number of domestic and international companies, all of which we believe are considerably smaller than Corrpro. Only a few of these competitors offer a broad range of corrosion control engineering services, systems and products and we do not believe that any of our competitors offer the comprehensive range of products and services that we provide. In the service area, we compete

Edgar Filing: CORRPRO COMPANIES INC /OH/ - Form 10-K

principally on the basis of quality, technical expertise and capabilities and customer service, although price is a consideration, particularly when we are providing construction and installation services. In the product area, we typically compete on the basis of quality, service and price.

RESEARCH AND DEVELOPMENT

Our engineering and product development activities are primarily directed toward designing new products and services to meet customers' specific requirements.

GOVERNMENT REGULATIONS

We believe that our current operations and our current use of property, plant and equipment conform in all material respects to applicable laws and regulations. Other than as disclosed under "Item 3 - Legal Proceedings", we have not experienced, nor do we anticipate, any material claim or material capital expenditure in connection with environmental laws and other regulations.

EMPLOYEES

As of March 31, 2002, we had 1,283 employees, 513 of whom were located outside the United States and 91 of whom were employed by our Australian Subsidiary.

FACTORS INFLUENCING FUTURE RESULTS AND ACCURACY OF FORWARD LOOKING INFORMATION

This document includes certain statements that may be deemed "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements are based on management's expectations and beliefs concerning future events and discuss, among other things, anticipated future performance and revenues, expected growth and future business plans. Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates" or variations of such words and similar expressions are intended to identify such forward-looking statements. We believe that the following factors, among others, could affect our future performance or the price and liquidity of our Common Shares and cause our actual results to differ materially from those results expressed or implied by forward-looking statements: the ultimate outcome of the Audit Committee's investigation of accounting irregularities; the ultimate outcome of the SEC's inquiry and the Australian Securities and Investment Commission's investigation of accounting irregularities; the results of the financial statement restatement process and the audit of any anticipated restatement of the Company's financial statements as a result of accounting irregularities; the impact of any litigation or regulatory process related to the financial statement restatement process including the class action litigation already filed; the Company's ability to extend, amend or refinance its existing debt, including the availability to the Company of external sources of financing and capital (the failure to receive such financing would have a material adverse effect on the Company's results of operations and financial

6

condition and ability to operate as a going concern) and the terms and timing thereof; the Company's mix of products and services; the timing of jobs; the availability and value of larger jobs; qualification requirements and termination provisions relating to government jobs; the impact of inclement weather on the Company's operations; the impact of energy prices on the Company's and its customers' businesses; adverse developments in pending litigation or regulatory matters; the impact of existing, new or changed regulatory initiatives; the Company's ability to satisfy the listing requirements of the AMEX or any other national exchange on which its shares are or will be listed or otherwise provide a trading venue for its shares; and the impact of changing global, political and economic conditions.

Edgar Filing: CORRPRO COMPANIES INC /OH/ - Form 10-K

In addition, any forward-looking statement speaks only as of the date on which such statement is made and we do not undertake any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

All phases of our operations are subject to a number of uncertainties, risks and other influences, many of which are beyond our control. Any one of such influences, or a combination, could materially affect the accuracy of the forward-looking statements and the assumptions on which the statements are based. Some important factors that could cause actual results to differ materially from the anticipated results or other expectations expressed in our forward-looking statements include the following:

OUR ABILITY TO OBTAIN EXTENSIONS, AMENDMENTS AND WAIVERS UNDER OUR DEBT AGREEMENTS AND AVAILABILITY OF ADDITIONAL SOURCES OF FINANCING AND CAPITAL. We had earlier announced that, as a result of matters related to the accounting irregularities discussed above, we are not in compliance with the provisions, including certain financial covenants, of our existing senior secured credit agreement and senior note facility. The remedies available to these lenders upon default by us, including acceleration of principal, could have a material adverse impact on our liquidity, our financial position or our ability to operate as a going concern. We have continued to make scheduled interest payments on such senior debt; however, we have not made scheduled monthly principal payments that were due since April 2002 on the senior note facility. We are continuing to hold discussions with our bank group and the holder of our senior notes concerning our non-compliance and our plans for operational changes and debt reduction. If we are unable to satisfactorily resolve these lender negotiations and/or access other sources of capital on a timely basis (as to which we can provide no assurance), it would have a material adverse effect on our liquidity and financial condition and could result in our inability to operate as a going concern. If we are unable to operate as a going concern, we may file, or be forced to file, bankruptcy or insolvency proceedings or pursue a sale or sales of assets to satisfy creditors.

OUR REPUTATION AND FINANCIAL CONDITION COULD BE AFFECTED BY THE SECURITIES LITIGATION AND RELATED INVESTIGATIONS AND/OR A RESTATEMENT OF FINANCIAL STATEMENTS. On March 20, 2002, we first announced that we had become aware of accounting irregularities caused by apparent internal misconduct in our Australian subsidiary and that, to the extent that the accounting irregularities materially affect previously filed financial statements, we expected that we would have to restate our audited financial statements for our fiscal year which ended March 31, 2001 as well as unaudited financial information for the first nine months through December 31, 2001 of our fiscal year ended March 31, 2002, as previously released. In addition, we will be required to take a charge to earnings for our loss on investment related to the subsidiary, including certain intercompany balances. This charge will be taken in the Company's fiscal fourth quarter ended March 31, 2002. Subsequent to this announcement, one purported class action lawsuit has been filed against us and certain of our current and former directors and officers, asserting claims under the federal securities laws. In addition to significant expenditures we may have to make to defend ourselves in these actions and the related significant financial penalties that might be imposed on us if the plaintiffs prevail in these actions, the publicity surrounding the litigation and the SEC inquiry of these matters could affect our reputation with our customers and suppliers and have an impact on our financial condition.

ADVERSE DEVELOPMENTS IN PENDING LITIGATION OR REGULATORY MATTERS. From time to time, we are involved in litigation and regulatory proceedings, including those disclosed in "Item 3 - Legal Proceedings" of this annual report and in our other periodic reports filed with the Securities and Exchange Commission. There are always significant uncertainties involved in litigation and regulatory proceedings. As to current matters in litigation, we believe that our positions

and defenses are meritorious. However, the litigation process involves unpredictability and we cannot guarantee the result of any action. Regulatory compliance is often complex and subject to variation and unexpected changes, including changing interpretations and enforcement agendas affecting the regulatory community. We may need to expend significant financial resources in connection with legal and regulatory procedures and our management may be required to divert attention from other portions of our business. If, as a result of any proceeding, a judgment is rendered, decree is entered or administrative action is taken against us or our customers, it may materially and adversely affect our business, financial condition and results of operations.

OUR PROFITABILITY CAN BE IMPACTED BY OUR MIX OF PRODUCTS AND SERVICES. Given that our selling, general and administrative costs are largely fixed in terms of dollars, our profitability is dependent upon the amount of gross profit that we are able to realize. We typically generate higher gross profit margins on pure engineering service jobs than on those jobs that include a material or installation component. In addition, our gross profit margins also can be negatively impacted when we utilize subcontractors. Therefore, a shift in mix from engineering services to more construction and installation type work or an increase in the amount of subcontracting costs could have a negative impact on our operating results. In addition, certain of the products that we sell have gross profit margins that are considerably lower than our overall average gross profit margin. A shift in mix which results in a greater percentage of revenues relating to these lower margin products would also have a negative impact on our operating results.

7

THE TIMING OF JOBS CAN IMPACT OUR PROFITABILITY. There are a number of factors, some of which are beyond our control, that can cause projects to be delayed and thus negatively impact our profitability for the related period. These factors include the availability of labor, equipment or materials, customer scheduling issues, delays in obtaining required permits and weather. In addition, when we are working as a subcontractor on a project, our portion of the project can be delayed as a result of factors relating to other contractors.

THE AVAILABILITY AND VALUE OF LARGER JOBS CAN IMPACT OUR PROFITABILITY. While the majority of our jobs are relatively small, we can have a number of individual contracts in excess of \$1 million in progress at any particular time. These larger contracts typically generate more gross profit dollars than our average size jobs. Therefore, the absence of larger jobs, which can result from a number of factors, including market conditions, can have a negative impact on our operating results.

QUALIFICATION REQUIREMENTS AND TERMINATION PROVISIONS RELATING TO GOVERNMENT JOBS. We derive revenues from contracts with the United States, its agencies and other governmental entities. Government contracting is subject to competitive bidding processes and there can be no assurance that we will be the successful bidder for future contracts. Fluctuations in government spending also could adversely affect our revenues and profitability. In addition, it is the policy of the United States that certain small businesses and other concerns have the maximum practicable opportunity to participate in performing contracts let by any federal agency. To the extent that we do not meet applicable criteria for government jobs, we could be limited in our ability to participate directly in contracts being let by the United States and other governmental entities with similar requirements. Certain contracts with governmental entities contain provisions permitting the governmental entities to terminate the contract for convenience prior to completion of the contract. To the extent that any of our contracts with a government entity are so terminated, our revenues and profitability could be adversely impacted.

Edgar Filing: CORRPRO COMPANIES INC /OH/ - Form 10-K

OUR COMPLIANCE WITH THE LISTING STANDARDS OF THE STOCK EXCHANGE ON WHICH OUR COMMON SHARES TRADE. We are required by the stock exchange on which we list our common shares for trading to maintain certain listing standards in order to remain listed on that exchange. If we fail to meet the required listing standards and cannot within a limited time frame thereafter demonstrate compliance, our Common Shares may not be allowed to trade on the stock exchange, although we would pursue an alternative national trading venue. If this occurs, it may make it more difficult for us to raise funds through the sale of our securities. In addition, it may make it more difficult for an investor to dispose of, or to obtain accurate quotations of, our Common Shares and negatively impact the market price.

OUR OPERATIONS CAN BE IMPACTED BY INCLEMENT WEATHER. A large portion of our service work is performed in the field. Therefore, excessive amounts of rain, snow or cold, as well as other unusual weather conditions, including hurricanes and typhoons, can result in work stoppages. Also, working under inclement weather conditions can reduce our efficiencies, which can have a negative impact on our profitability.

OUR BUSINESS IS IMPACTED BY CHANGES IN ENERGY PRICES. The products and services we provide to our customers in the energy markets are, to some extent, deferrable in the event that these customers reduce their capital and discretionary maintenance expenditures. The level of spending on these types of expenditures can be influenced by oil and gas prices and industry perceptions of future prices. Our experience indicates that our energy customers react to declining oil and gas prices by reducing their capital and discretionary maintenance expenditures. This reaction has in the past, and may in the future, have a negative impact on our business. We are unable to predict future oil and gas prices. However, we believe that a prolonged period of low energy prices could have a negative impact on our business. Typically, there is a delay between the time prices decline and when we start to experience a negative impact on our results of operations. Conversely, there is also a delay between the time energy prices increase and when we start to experience a positive impact on our results of operations.

THE IMPACT OF CHANGING GLOBAL, POLITICAL AND ECONOMIC CONDITIONS. Changing political and economic conditions on a regional or worldwide basis can adversely impact our business. Deteriorating political and general economic conditions may result in customers delaying or canceling contracts and orders for our products and services, difficulties and inefficiencies in the performance of our services including work stoppages, and difficulties in collecting payment from our customers. As a result, such conditions can negatively impact our results of operations and our cash flows.

8

EXISTING, NEW OR CHANGED REGULATORY INITIATIVES CAN IMPACT OUR BUSINESS. Corrpro and its customers are subject to federal, state and local environmental and other laws and regulations. These laws and regulations affect our operations by imposing standards for the protection of health, welfare and the environment. Such laws and regulations, and applicable interpretations thereof, could expose us to liability for acts which are or were in compliance at the time such acts were performed. We cannot predict whether future legislative or regulatory developments may occur which would have an adverse effect on Corrpro.

These risks must be considered by any investor or potential investor in the Company.

ITEM 2. PROPERTIES

As of March 31, 2002, we owned eight of our locations. In addition, over sixty locations were leased from unrelated third parties. Certain property locations may contain multiple operations, such as an office and warehouse facility. Owned and leased facilities with greater than 5,000 square feet are listed below.

Location -----	Segment -----	Description -----
Bakersfield, California	Domestic Core	Office and Warehouse Facility
Belle Chasse, Louisiana	Domestic Core	Office and Warehouse Facility
Brampton, Ontario	Canadian Ops.	Office and Warehouse Facility
Brisbane, Australia	International	Office and Warehouse Facility
Conyers, Georgia	Domestic Core	Office and Warehouse Facility
Dammam, Saudi Arabia	International	Production and Warehouse Facility
Dorval, Quebec	Canadian Ops.	Office and Warehouse Facility
Durley, Southampton, UK	International	Office and Warehouse Facility
Edmonton, Alberta	Canadian Ops.	Office, Production and Warehouse Fa
Nisku, Alberta	Domestic Core	Office and Warehouse Facility
Estevan, Saskatchewan	Canadian Ops.	Office and Warehouse Facility
Glendale, Arizona	Domestic Core	Office and Warehouse Facility
Houston, Texas	Domestic Core	Office and Warehouse Facility
Jakarta, Indonesia	International	Office and Warehouse Facility
Medina, Ohio	Corporate	Corporate Headquarters
Medina, Ohio	Domestic Core	Office and Warehouse Facility
Melbourne, Australia	International	Office and Warehouse Facility
Ocean City, New Jersey	Domestic Core	Office Facility
Perth, Australia	International	Office and Warehouse Facility
San Leandro, California	Domestic Core	Office, Production and Warehouse Fa
Sand Springs, Oklahoma	Domestic Core	Office, Production and Warehouse Fa
Santa Fe Springs, California	Domestic Core and Other	Office, Production and Warehouse Fa
Schaumburg, Illinois	Domestic Core	Office and Warehouse Facility
Sharjah, UAE	International	Office and Production Facility
Singapore	International	Office Facility
Stockton-on-Tees, UK	International	Office, Production and Warehouse Fa
Sydney, Australia	International	Office and Warehouse Facility
West Chester, Pennsylvania	Domestic Core	Office and Warehouse Facility

We consider the properties owned or leased by us to be generally sufficient to meet our requirements for office, production and warehouse space. We do not consider any one of our properties to be significant, since we believe that if it becomes necessary or desirable to relocate any of our office, production and warehouse facilities, other suitable properties could be found. Our owned properties are subject to mortgages or other security interests under our senior secured credit agreement and senior note facility and other bank credit arrangements. OUR AUSTRALIAN OPERATION IS LEASED SUBJECT TO VOLUNTARY ADMINISTRATION PROCEEDINGS.

Edgar Filing: CORRPRO COMPANIES INC /OH/ - Form 10-K

ITEM 3. LEGAL PROCEEDINGS

As previously reported, in January 2000, the Michigan Department of Environmental Quality ("MDEQ") issued an administrative decision which effectively limited the scope of MDEQ's 1995 approval of certain assessment methodologies utilized by Corrpro in determining whether certain underground storage tanks meet Michigan's regulatory requirements for upgrade by means of cathodic protection. The MDEQ decision also would have required us to conduct further assessments and provide certain information. The assessment methodologies at issue have been and remain recognized by the Environmental Protection Agency ("EPA") and the other states in which we utilized such methodologies for virtually identical purposes. We believed that MDEQ's decision was in error and on January 24, 2000, filed a complaint and claim of appeal in the Circuit Court for the County of Ingham, Michigan seeking declaratory relief and appealing the decision on several grounds. In its November 14, 2000 ruling, the Ingham Circuit Court reversed MDEQ's decision that directed we take certain actions and provide certain information, however, the court also found that MDEQ had not approved the full use of the assessment methodologies we utilized in Michigan.

We believed that the circuit court's finding that MDEQ had not approved full use of the methodologies was not supported by the evidence, and was contradicted by evidence contained in the administrative record. On December 5, 2000, we filed, in the Michigan Court of Appeals, an application for leave to appeal the circuit court's finding that MDEQ did not approve the full use of the assessment methodologies we utilized in Michigan. By order dated February 14, 2001, the Michigan Court of Appeals denied our application for leave to appeal the circuit court's finding. On March 7, 2001, we filed an application for leave to appeal with the Supreme Court of the State of Michigan. On August 28, 2001, the Michigan Supreme Court denied our application for leave to appeal.

As a result of these proceedings, the MDEQ's administrative decision finding that certain of our assessment methodologies were not approved in full was upheld, but the MDEQ was found not to have jurisdiction to enforce its decision against us. We have recently been informed by the MDEQ that it plans to send underground storage tank owners or operators who may have relied on our method of assessment a notice informing them that certain of such owners and operators' tanks may not have been eligible to upgrade with cathodic protection alone, that such owners and operators are to provide evidence that they have conducted state required tank tightness testing, and certain of such tanks may have to be internally inspected. Depending on the results of the tests and inspections, MDEQ then may order the owners and operators to cease using the tanks and remove them from the ground. There can be no assurance that the MDEQ will not take further action against underground storage tank owners or operators, nor can there be any assurance that those owners or operators would not take action against us.

During fiscal 2001, the Company discovered that a former employee used an incorrect assessment standard in connection with the evaluation of whether certain underground storage tanks located at as many as 67 sites were eligible for upgrade using cathodic protection. Such evaluations were done using one of the approved assessment methodologies. The tanks at these sites, which are located in five states, were subsequently upgraded using cathodic protection which arrests corrosion. These tanks are also subject to ongoing leak detection requirements. Based on the Company's review of available information and governmental records, the Company believes that there have not been any releases from the affected tanks as a result of the actions of the former employee. The Company has contacted, and in October and November 2000 met with, officials from the EPA and officials from the corresponding environmental protection agencies of the five states involved to discuss this matter. It is the Company's understanding that none of the states or the EPA intend to take

Edgar Filing: CORRPRO COMPANIES INC /OH/ - Form 10-K

any enforcement action as a result of the use of the inaccurate standard by the former employee. The Company is currently working with the states and the EPA to develop and implement field investigation procedures to assess the current status of the affected sites. Based on currently available information, the Company does not believe that the cost of field investigation procedures for this matter will have a material effect on the future operations, financial position or cash flows of the Company.

The Company is a defendant in a purported class action suit filed on June 24, 2002, in the United States District Court, Northern District of Ohio, Eastern Division by Russell J. Stambaugh. The complaint also names certain former and current officers and a director of the Company. The Complaint was purportedly filed on behalf of all persons who purchased Corrpro Common Shares during the period April 1, 2000 through March 20, 2002 and alleges violations of the federal securities laws resulting in artificially inflated prices of the Company's Common Shares during the class period. The

11

complaint relates to the Company's announcement that it had discovered accounting irregularities caused by apparent internal misconduct in its Australian subsidiary. The plaintiff seeks a declaration declaring the action to be a proper class action and certifying plaintiff as class representative. The plaintiff also seeks unspecified compensatory damages, fees and expenses.

Company management discovered accounting irregularities at the Australian subsidiary in early 2002 and upon discovery immediately began an internal investigation, which has been conducted under the direction of the Audit Committee of its Board of Directors. The Australian Securities and Investments Commission has commenced an independent investigation of the accounting irregularities. Corrpro voluntarily disclosed this matter to the SEC, which is also conducting an inquiry. Corrpro is cooperating with both commissions.

The Company is subject to other legal proceedings and claims which arise in the ordinary course of business.

12

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

There were no matters submitted to a vote of security holders during the fourth quarter of fiscal 2002.

ITEM 4A. EXECUTIVE OFFICERS OF THE COMPANY

The following table sets forth the names of all executive officers of the Company as of March 31, 2002 and certain other information relating to their position held with the Company and other business experience.

EXECUTIVE OFFICER -----	AGE ---	RECENT BUSINESS EXPERIENCE -----
Joseph W. Rog	62	Chairman of the Board of Directors since June 1993 and Chief Executive Officer since the Company's formation in 1984.

Edgar Filing: CORRPRO COMPANIES INC /OH/ - Form 10-K

		President of the Company since June 1995 and from January 1984 to June 1993.
Michael K. Baach	47	Executive Vice President since April 1993 and Senior Vice President from 1992 until April 1993. Prior to that, Mr. Baach was Vice President of Sales and Marketing since the Company's formation in 1984.
George A. Gehring, Jr.	58	Executive Vice President since April 1993 and Senior Vice President from 1991 until April 1993. Prior to that, Mr. Gehring served as President of Ocean City Research Corporation, a wholly-owned subsidiary of the Company, since 1987.
David H. Kroon	52	Executive Vice President since April 1993 and Senior Vice President from the Company's formation in 1984 to April 1993.
Barry W. Schadeck	51	Executive Vice President since June 1995 and President of Corrpro Canada, Inc., a wholly-owned subsidiary of the Company, since its formation in May 1994. Prior to that, Mr. Schadeck served as President since April 1993 and Chief Financial Officer since 1979 of Commonwealth Seager Group, a wholly-owned subsidiary of the Company, since 1993.
Michael R. Tighe	51	Executive Vice President since July 1999. Senior Vice President from January 1994 until July 1999. Prior to that, Mr. Tighe was President and General Manager of Elgard Corporation, an anode manufacturer.
Ted Bojanowski	45	Senior Vice President, Marketing and Strategic Planning since December 1999. Prior to that, Mr. Bojanowski spent 18 years with Coltec Industries, an industrial manufacturing firm servicing the oil, gas and energy markets, in sales, marketing and operational roles of increasing responsibility. His most recent position was Senior Vice President of Marketing and Sales for Coltec's Garlock Sealing Technologies, Inc. subsidiary.
Robert M. Sloan	46	Senior Vice President and Chief Financial Officer since March 2002. Prior to that, Mr. Sloan served six years as Vice President for Blue Coral Slick 50, a manufacturer and marketer of automotive appearance and additive and a subsidiary of Pennzoil-Quaker State Corporation. Mr. Sloan also served for three years as Vice President of Finance for a subsidiary of Park Corporation, a manufacturer of machinery and components for the steel and energy-related industries and 11 years with Arthur Andersen.

Edgar Filing: CORRPRO COMPANIES INC /OH/ - Form 10-K

Robert M. Mayer	39	Vice President and Corporate Controller since August 2000 and Assistant Treasurer since January 2002. Assistant Corporate Controller from January 1998 until August 2000. Prior to that, Mr. Mayer was with Premier Farnell PLC, an industrial distributor of electronic components, most recently as Director of Finance. Mr. Mayer had prior experience with Ernst & Young, where he was an Audit Manager.
John D. Moran	44	General Counsel since December 1996, Secretary since January 2002, Senior Vice President since July 2000, Assistant Secretary from December 1996 to January 2002 and Vice President from October 1998 until July 2000. Prior to that, Mr. Moran was in-house counsel for Sealy Corporation, a mattress manufacturer, for 10 years and served as Secretary. Mr. Moran also has prior experience with Grant Thornton.

14

PART II

ITEM 5. MARKET FOR COMPANY'S COMMON EQUITY AND RELATED STOCK HOLDER MATTERS

PRICE RANGE OF COMMON SHARES

Our Common Shares are listed on the American Stock Exchange ("AMEX") under the symbol "CO." Prior to February 13, 2002, our Common Shares were listed on the New York Stock Exchange ("NYSE") under the symbol "CO."

The following table sets forth the high and low sale prices for the Common Shares on the AMEX and NYSE for the fiscal periods indicated.

	FISCAL 2002		FISCAL 2001	
	HIGH	LOW	HIGH	LOW
	-----	---	----	---
First Quarter	\$ 3.95	\$ 1.20	\$ 4.88	\$ 3.06
Second Quarter	2.90	1.80	4.38	3.12
Third Quarter	2.80	1.50	4.12	2.81
Fourth Quarter	3.15	1.01	3.12	1.57

Edgar Filing: CORRPRO COMPANIES INC /OH/ - Form 10-K

HOLDERS OF RECORD

On July 5, 2002, there were 222 holders of record of our Common Shares.

DIVIDENDS

We have not paid any cash dividends on our Common Shares. We currently anticipate that we will retain all future earnings for use in our business and do not anticipate paying any cash dividends in the foreseeable future. Provisions within our senior secured credit agreement and senior notes facility limit our ability to pay cash dividends.

EQUITY COMPENSATION PLAN INFORMATION

The following table provides certain information with respect to all of the Company's equity compensation plans in effect as of March 31, 2002.

EQUITY COMPENSATION PLAN INFORMATION TABLE

PLAN CATEGORY	NUMBER OF SECURITIES TO BE ISSUED UPON EXERCISE OF OUTSTANDING OPTIONS, WARRANTS AND RIGHTS	WEIGHTED-AVERAG EXERCISE PRICE OF OUTSTANDING OPTIO WARRANTS AND RIGH
Equity compensation plans approved by shareholders	1,303,381	\$3.70
Equity compensation plans not approved by shareholders	0	
Total	1,303,381	\$3.07

15

ITEM 6. SELECTED FINANCIAL DATA

To be filed by amendment.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

To be filed by amendment.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

To be filed by amendment.

ITEM 8. CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

To be filed by amendment.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Edgar Filing: CORRPRO COMPANIES INC /OH/ - Form 10-K

None.

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

The information appearing under the captions "Election of Directors" and "Section 16(a) Beneficial Ownership Reporting Compliance" in the registrant's definitive proxy statement to be used in connection with the 2002 Annual Meeting of Shareholders (the "2002 Proxy Statement") is incorporated herein by reference. Information regarding executive officers of the registrant is set forth in Part I, Item 4A of this form 10-K.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this item is incorporated herein by reference to "Election of Directors," "Executive Compensation and Other Information" and "Compensation Committee Interlocks and Insider Participation" in the 2002 Proxy Statement.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Information regarding the Company's equity compensation plans is set forth in Part II, Item 5 of this Form 10-K. The additional information required by this item is incorporated herein by reference to "Corrpro Share Ownership" in the 2002 Proxy Statement.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The information required by this item is incorporated herein by reference to "Compensation Committee Interlocks and Insider Participation" in the 2002 Proxy Statement.

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

(a) (1) The following consolidated financial statements are included in Part II, Item 8:

To be filed by amendment.

(a) (2) Financial Statement Schedules:

To be filed by amendment.

(a) (3) INDEX TO EXHIBITS:

EXHIBIT

NO.	EXHIBIT
----	-----
3.1	Amended and Restated Articles of Incorporation of the Company. (1)
3.2	Amended and Restated Code of Regulations of the Company. (2)
4.1	Specimen certificate for the Common Shares. (3)
4.2	Amended and Restated Credit Agreement dated as of June 9, 2000 among Corrpro Companies, Inc., CSI Coating Systems, Inc. and the Lenders Party thereto. Other long-term debt agreements of the Company, except for Note Purchase Agreement, are not filed pursuant to Item 601(b) (4) (iii) (A) of Regulation S-K. The Company will furnish copies of any such agreements to the Securities and Exchange Commission upon its request. (4)

Edgar Filing: CORRPRO COMPANIES INC /OH/ - Form 10-K

- 4.3 First Amendment to Credit Agreement dated October 19, 2000 relating to the Amended and Restated Credit Agreement dated as of June 9, 2000 among Corrpro Companies, Inc., CSI Coating Systems, Inc. and the Lenders Party thereto. (12)
- 4.4 Letter Agreement dated October 19, 2000 relating to the Amended and Restated Credit Agreement dated as of June 9, 2000 among Corrpro Companies, Inc., CSI Coating Systems, Inc. and the Lenders Party thereto. (12)
- 4.5 Second Amendment to Credit Agreement dated as of June 29, 2001 relating to the Amended and Restated Credit Agreement dated as of June 9, 2000 among Corrpro Companies, Inc., CSI Coating Systems, Inc. and the Lenders Party thereto. (12)
- 4.6 Third Amendment to Credit Agreement dated as of August 10, 2001 relating to the Amended and Restated Credit Agreement dated as of June 9, 2000 among Corrpro Companies, Inc., CSI Coating Systems, Inc. and the Lenders Party thereto. (13)
- 4.7 Fourth Amendment to Credit Agreement dated as of November 12, 2001 relating to the Amended and Restated Credit Agreement dated as of June 9, 2000 among Corrpro Companies, Inc., CSI Coating Systems, Inc. and the Lenders Party thereto. (14)
- 4.8 Fifth Amendment to Credit Agreement dated as of February 11, 2002 relating to the Amended and Restated Credit Agreement dated as of June 9, 2000 among Corrpro Companies, Inc., CSI Coating Systems, Inc. and the Lenders Party thereto. (15)
- 4.9 Corrpro Companies Inc. 2001 Non-Employee Directors' Stock Appreciation Rights Plan and form of Award Agreement.
- 4.10 Note Purchase Agreement dated as of January 21, 1998 by and among the Company and the Purchaser herein. (5)
- 4.11 Rights Agreement dated as of July 23, 1997 between the Company and Fifth Third Bank, successor Rights Agent. (6)
- 4.12 Amendment dated June 9, 2000 to Note Purchase Agreement dated January 21, 1998. (4)
- 4.13 Amendment dated October 18, 2000 to Note Purchase Agreement dated January 21, 1998. (12)
- 4.14 Letter Agreement dated October 18, 2000 by and between The Prudential Insurance Company of America and the Company relating to the Note Purchase Agreement dated as of January 21, 1998. (12)
- 4.15 Amendment dated as of June 29, 2001 by and between The Prudential Insurance Company of America and the Company relating to the Note Purchase Agreement dated as of January 21, 1998. (12)
- *4.16 1997 Long-Term Incentive Plan of Corrpro Companies, Inc. (7)
- *4.17 Amendment to 1997 Long-Term Incentive Plan of Corrpro Companies, Inc. (8)

16

Edgar Filing: CORRPRO COMPANIES INC /OH/ - Form 10-K

- *4.18 1997 Non-Employee Directors' Stock Option Plan. (7)
- 4.19 Corrrpro Companies, Inc. Employee Stock Purchase Plan. (9)
- *4.20 December 2000 Stock Option Agreement Surrender form. (12)
- *10.1 Form of Indemnification Agreement for Officers and Directors of the Company. (10)
- 10.2 Consulting Agreement dated April 1, 1997 by and between Commonwealth Seager Holdings Ltd. and Corrttech Consulting Group. (11)
- *10.3 Employment Agreement effective November 2, 2000 by and between the Company and Joseph W. Rog. (12)
- *10.4 Form of Executive Officer Employment Agreement by and between the Company and certain executive officers and schedule thereto. (10)
- *10.5 Stock Option Agreement dated as of June 15, 1992 and November 15, 1992 by and between the Company and C. Richard Lynham, Michael K. Baach, George A. Gehring, Jr., David H. Kroon, and Joseph W. Rog. (3)
- *10.6 Company Incentive Option Plan as amended. (3)
- *10.7 Company Deferred Compensation Plan. (12)

17

- *10.8 Consulting Agreement dated January 26, 2001 by and between the Company and Neal R. Restivo. (12)
- *10.9 Form of Change in Control Agreement entered into between the Company and certain of its executive officers and schedule thereto. (10)
- 23.1 Consent of KPMG LLP (16)
- 21.1 Subsidiaries of the Company. (4)
- 99.1 Press Release, dated March 20, 2002.
- 99.2 Press Release, dated June 13, 2002.
- 99.3 Press Release, dated July 2, 2002.

* Management contract or compensatory plan or arrangement identified pursuant to Item 14(a)(3) of this Annual Report on Form 10-K.

- (1) A copy of this exhibit filed as Exhibit 3.1 to the Company's Report on Form 10-Q for the quarterly period ended December 31, 1998 is incorporated herein by reference.
- (2) A copy of this exhibit filed as Exhibit 4.2 to the Company's Registration Statement on Form S-8 (Registration No. 33-74814) is incorporated herein by reference.
- (3) Copies of the exhibits to which this footnote applies were filed, respectively, as Exhibits 4.1 (Stock certificate specimen), 10.13,

Edgar Filing: CORRPRO COMPANIES INC /OH/ - Form 10-K

10.19, 10.20, 10.22, and 10.23 (Stock Option Agreements), and 10.25 (Incentive Option Plan) of the Company's Registration Statement on Form S-1 (Registration No. 33-64482) and are hereby incorporated by reference.

- (4) Copies of the exhibits to which this footnote applies were filed, respectively, as Exhibits 4.3 (Amended and Restated Credit Agreement), 4.6 (Note Purchase Agreement Amendment), and 21.1 (Subsidiaries) to the Company's report on Form 10-K for the period ended March 31, 2000 and are hereby incorporated by reference.
- (5) A copy of this exhibit filed as Exhibit 4.2 to the Company's report on Form 10-Q for the quarterly period ended December 31, 1997 is incorporated herein by reference.
- (6) A copy of this exhibit filed as Exhibit 1.1 to the Company's Registration Statement on Form 8-A filed August 7, 1997 is incorporated herein by reference.
- (7) Copies of the exhibits to which this footnote applies were filed, respectively, as Exhibits 4.4 (1997 Long-Term Incentive Plan) and 4.5 (1997 Non-Employee Directors' Stock Option Plan) to the Company's Registration Statement on Form S-8 filed October 24, 1997 (SEC File No. 333-38767), and are hereby incorporated by reference.
- (8) A copy of this exhibit filed as Exhibit 4.5 to the Company's Registration Statement on Form S-8 filed January 19, 2000 (SEC File No. 333-94989) is incorporated herein by reference.
- (9) A copy of this exhibit contained in Corrpro's Definitive Proxy Statement on Schedule 14A filed with the Securities and Exchange Commission on June 16, 1999 is incorporated herein by reference.
- (10) Copies of the exhibits to which this footnote applies were filed, respectively, as Exhibits 10.2 (Change in Control Agreement) and 10.3 (Indemnification Agreement) to the Company's report on Form 10-Q for the quarterly period ended December 31, 2000, and are hereby incorporated by reference.

18

- (11) A copy of this exhibit filed as Exhibit 10.2 to the Company's report on Form 10-K for the period ended March 31, 1998 is hereby incorporated by reference.
- (12) Copies of the exhibits filed to which this footnote applies were filed, respectively, as Exhibits 4.3 (First Amendment to Credit Agreement), 4.4 (Letter Agreement), 4.5 (Second Amendment to Credit Agreement), 4.9 (Amendment to Note Purchase Agreement), 4.10 (Letter Agreement), 10.3 (Employment Agreement), 10.7 (Deferred Compensation Plan) and 10.8 (Consulting Agreement) to the Company's report on Form 10-K for the period ended March 31, 2001 is hereby incorporated by reference.
- (13) A copy of this exhibit was filed as Exhibit 4.3 to the Company's report on Form 10-Q for the quarterly period ended June 30, 2001 and is incorporated herein by reference.
- (14) A copy of this exhibit was filed as Exhibit 4.2 to the Company's report on Form 10-Q for the quarterly period ended September 30, 2001 and is incorporated herein by reference.

Edgar Filing: CORRPRO COMPANIES INC /OH/ - Form 10-K

(15) A copy of this exhibit was filed as Exhibit 4.2 to the Company's report on Form 10-Q for the quarterly period ended December 31, 2001 and is incorporated herein by reference.

(16) To be filed by amendment

(b) REPORTS ON FORM 8-K:

During the quarter ended March 31, 2002, the Company filed one current report on Form 8-K. A current report on Form 8-K, dated March 20, 2002, furnished a press release pursuant to Regulation FD.

(c) EXHIBITS

See "Index to Exhibits" at Item 14(a) above.

19

SIGNATURES

Pursuant to the requirements of Section 13 of 15(d) of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CORRPRO COMPANIES, INC.

July 16, 2002

By: /s/ Joseph W. Rog

Joseph W. Rog
Chairman of the Board of Directors,
President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

July 16, 2002

/s/ Joseph W. Rog

Joseph W. Rog
Chairman of the Board of Directors,
President and Chief Executive Officer
(Principal Executive Officer)

July 16, 2002

/s/ Robert M. Sloan

Robert M. Sloan
Executive Vice President,
Chief Financial Officer,
(Principal Financial and
Accounting Officer)

July 16, 2002

/s/ Michael K. Baach

Michael K. Baach, Director

July 16, 2002

Edgar Filing: CORRPRO COMPANIES INC /OH/ - Form 10-K

David H. Kroon, Director

July 16, 2002 /s/ C. Richard Lynham

C. Richard Lynham, Director

July 16, 2002

Neal R. Restivo, Director

July 16, 2002 /s/ Warren F. Rogers

Warren F. Rogers, Director

July 16, 2002 /s/ Harry W. Millis

Harry W. Millis, Director