HAIN CELESTIAL GROUP INC
Form S-4/A
November 10, 2005
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As filed with the Securities and Exchange Commission on November 10, 2005

Registration No. 333-128454

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

AMENDMENT NO. 1

TO

FORM S-4

REGISTRATION STATEMENT UNDER

THE SECURITIES ACT OF 1933

THE HAIN CELESTIAL GROUP, INC.

(Exact name of Registrant as specified in its charter)

Delaware	**2099**	**22-3240619**
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

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58 South Service Road

Melville, NY 11747

(631) 730-2200

(Address, including zip code, and telephone number, including area code, of Registrant s principal executive offices)

Irwin D. Simon

Chairman of the Board,

President and Chief Executive Officer

58 South Service Road

Melville, NY 11747

(631) 730-2200

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Geoffrey E. Liebmann, Esq.

Cahill Gordon & Reindel LLP

80 Pine Street

New York, NY 10005

(212) 701-3000

Susan Cooper Philpot, Esq.

Todd A. Hamblet, Esq.

Cooley Godward LLP

One Maritime Plaza, 20th Floor

San Francisco, CA 94111

(415) 693-2000

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effectiveness of this registration statement and the satisfaction or waiver of all other conditions under the merger agreement described herein.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. ¨

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

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5341 Old Redwood Highway, Suite 400

Petaluma, California 94954

To the Shareholders of Spectrum Organic Products, Inc.:

You are cordially invited to attend a special meeting of Spectrum Organic Products, Inc. shareholders, to be held on December 15, 2005 at 9:00 a.m., local time, at the principal executive offices of Spectrum located at 5341 Old Redwood Highway, Suite 400, Petaluma, California 94954.

At the special meeting you will be asked to consider and vote upon a proposal to approve the principal terms of a merger agreement among Spectrum, The Hain Celestial Group, Inc. and Spectrum Organic Products, LLC, a wholly owned subsidiary of Hain. If the principal terms of the merger are approved by the shareholders of Spectrum and the other conditions to the transaction are satisfied or waived, Spectrum will merge with and into Spectrum Organic Products, LLC and each outstanding share of Spectrum common stock will be converted into the right to receive a combination of cash in the amount of $0.355, less the fully-diluted per share portion of any Excess Company Expenses (as defined herein), and shares of Hain common stock (valued as described herein) worth $0.355, with cash in lieu of any fractional shares of Hain common stock. Hain common stock is quoted on The Nasdaq National Market under the symbol HAIN, and closed at $20.59 per share on November 4, 2005.

You may vote at the special meeting if you owned shares of Spectrum common stock as of the close of business on November 4, 2005, the record date for the special meeting.

After careful consideration, Spectrum s board of directors has determined that the proposed transaction with Hain is in the best interest of Spectrum shareholders and that the merger agreement and the merger are advisable and fair to Spectrum and its shareholders. Therefore, Spectrum s board of directors recommends that Spectrum shareholders vote **FOR** approval of the principal terms of the merger.

The proxy statement/prospectus attached to this letter provides you with detailed information about Hain, Spectrum and the proposed merger. In addition, you may obtain other information about Hain and Spectrum from documents filed with the Securities and Exchange Commission. We encourage you to read the entire proxy statement/prospectus carefully. In particular, you should carefully consider the discussion in the section entitled Risk Factors, beginning on page 13.

Your vote is very important. The merger cannot be completed unless shareholders holding a majority of the outstanding shares of Spectrum common stock approve the principal terms of the merger. Whether or not you plan to attend the special meeting, if you are a holder of Spectrum common stock, please take the time to vote by completing and mailing the enclosed proxy card as described in the instructions accompanying the enclosed proxy card.

Jethren P. Phillips

Chairman of the Board

Spectrum Organic Products, Inc.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of this transaction or the Hain common stock to be issued in the merger or determined whether this proxy statement/prospectus is accurate or adequate. Any representation to the contrary is a criminal offense.

This proxy statement/prospectus is dated November 10, 2005, and is first being mailed to Spectrum shareholders on or about November 16, 2005.

This proxy statement/prospectus does not constitute an offer to sell, or a solicitation of an offer to purchase, the securities described in this proxy statement/prospectus, or the solicitation of a proxy, in any jurisdiction to or from any person to whom or from whom it is unlawful to make such offer, solicitation of an offer or proxy solicitation in such jurisdiction.

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5341 Old Redwood Hwy, Suite 400

Petaluma, California 94954

NOTICE OF SPECIAL MEETING OF SPECTRUM SHAREHOLDERS

TO BE HELD ON DECEMBER 15, 2005

To the Shareholders of Spectrum Organic Products, Inc.:

On behalf of the board of directors of Spectrum Organic Products, Inc., a California corporation, we are pleased to deliver this proxy statement/prospectus for a special meeting of Spectrum shareholders to be held on December 15, 2005 at 9:00 a.m., local time, at the principal executive offices of Spectrum located at 5341 Old Redwood Highway, Suite 400, Petaluma, California 94954, for the following purposes:

1. To consider and vote upon the approval of the principal terms of the Agreement and Plan of Merger, dated as of August 23, 2005, by and among The Hain Celestial Group, Inc., a Delaware corporation, Spectrum and Spectrum Organic Products, LLC, a California limited liability company and a wholly owned subsidiary of Hain.

2. To transact such other business as may properly come before the special meeting or any adjournment or postponement thereof.

The board of directors of Spectrum has fixed November 4, 2005 as the record date for the determination of shareholders entitled to notice of, and to vote at, the special meeting and any adjournment or postponement thereof. Only holders of record of shares of Spectrum common stock at the close of business on the record date are entitled to notice of, and to vote at, the special meeting. At the close of business on the record date, Spectrum had outstanding and entitled to vote 46,444,693 shares of common stock.

A complete list of Spectrum shareholders entitled to vote at the special meeting will be available at the principal executive offices of Spectrum during regular business hours for a period of no less than ten days before the special meeting and at the special meeting.

Your vote is important. Whether you plan to attend the special meeting or not, please complete, date and sign the enclosed proxy card as soon as possible and return it in the postage-prepaid envelope provided. Completing a proxy now will not prevent you from being able to vote at the special meeting by attending in person and casting a vote. However, if you do not return or submit the proxy or vote at the special meeting, the effect will be the same as a vote against the proposal to approve the principal terms of the merger.

Please do not send any certificates representing your Spectrum common stock at this time.

By Order of the Board of Directors,

Jethren P. Phillips

Chairman of the Board

Petaluma, California

November 10, 2005

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THIS PROXY STATEMENT/PROSPECTUS INCORPORATES ADDITIONAL INFORMATION

This proxy statement/prospectus incorporates by reference important business and financial information about The Hain Celestial Group, Inc., or *Hain*, from documents that are not included in or delivered with this proxy statement/prospectus. This information is available to you without charge upon request. For a more detailed description of the information incorporated by reference into this proxy statement/prospectus and how you may obtain it, see Where You Can Find More Information on page 118.

You also may obtain any of the documents incorporated by reference into this proxy statement/prospectus from Hain, or from the Securities and Exchange Commission, or the *SEC*, through the SEC s Internet web site at www.sec.gov. Documents of Hain that are incorporated by reference and documents of Spectrum Organic Products, Inc., or *Spectrum*, also are available from Hain and Spectrum, without charge, excluding any exhibits to those documents that are not specifically incorporated by reference as an exhibit to this proxy statement/prospectus. Spectrum shareholders may request a copy of these documents in writing or by telephone by contacting the applicable department at:

The Hain Celestial Group, Inc.

58 South Service Road

Melville, New York 11747

Telephone: (631) 730-2200

Attn: Investor Relations

Spectrum Organic Products, Inc.

5341 Old Redwood Hwy, Suite 400

Petaluma, California 94954

Telephone: (707) 778-8900

Attn: Investor Relations

If you would like to request documents, please do so by December 9, 2005 to receive them before the special meeting.

ABOUT THIS PROXY STATEMENT/PROSPECTUS

This document, which forms a part of a registration statement on Form S-4 filed with the SEC by Hain, constitutes a prospectus of Hain under Section 5 of the Securities Act of 1933, as amended, or the *Securities Act*, with respect to the shares of Hain common stock to be issued to Spectrum shareholders in connection with the merger. This document also constitutes a proxy statement under Section 14(a) of the Securities

Exchange Act of 1934, as amended, or the *Exchange Act*, and the rules thereunder, and a notice of meeting with respect to the special meeting of Spectrum shareholders to consider and vote upon the proposal to approve the principal terms of the merger.

Except as otherwise provided herein, all descriptions of and calculations with respect to the terms of the merger agreement assume that no Spectrum shareholders exercise their right to dissenter s rights.

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QUESTIONS AND ANSWERS ABOUT THE MERGER

Q: What is the merger? (see page 34)

A: Hain and Spectrum have entered into an Agreement and Plan of Merger, dated August 23, 2005, which is referred to in this proxy statement/prospectus as the *merger agreement*, that contains the terms and conditions of the proposed acquisition of Spectrum by Hain. Under the terms of the merger agreement, Spectrum will merge with and into a wholly owned subsidiary of Hain and each outstanding share of Spectrum common stock will be converted into the right to receive a combination of cash and shares of Hain common stock. For a more complete description of the merger, please see the section entitled The Merger on page 34 of this proxy statement/prospectus.

Q: As a Spectrum shareholder, what will I receive in the merger? (see page 34)

A: You will receive a combination of $0.355 in cash, less the fully-diluted per share portion of any Excess Company Expenses (as defined herein), and shares of Hain common stock worth $0.355, the combination of which is collectively referred to in this proxy statement/prospectus as the *merger consideration*, for each share of Spectrum common stock that you own, except that you will receive a cash payment in lieu of any fractional share of Hain common stock you would otherwise be entitled to receive. The Hain common stock will be valued based on the average closing sales price of Hain common stock for the ten consecutive business days during which Hain common stock is quoted on The Nasdaq National Market, or *Nasdaq*, beginning twelve such trading days prior to the date of the closing of the merger, which value is referred to in this proxy statement/prospectus as the *Ten Day Average*. In no event, however, will the Hain common stock be valued at a price higher than $19.80 per share or less than $17.424 per share. For example, if the merger closed on August 22, 2005 (the day prior to the first public announcement of the merger agreement) and you owned 1,000 shares of Spectrum common stock at the time the merger was completed, you would receive in exchange for your Spectrum shares $355 in cash (less the fully-diluted per share portion of any Excess Company Expenses), 18 shares of Hain common stock and a cash payment equal to the value of 0.500 of a share of Hain common stock. The fully-diluted per share portion of Spectrum s estimate of the Excess Company Expenses would result in a reduction in the cash portion of the merger consideration of approximately $0.005 per Spectrum share. In the example above, this would reduce the amount of cash that you would receive from $355 to $350.

The fraction of a share of Hain common stock that you will have the right to receive in the merger in exchange for each of your shares of Spectrum common stock is not a fixed ratio and will be adjusted based upon certain changes in the value of Hain common stock. As a result, the number of Hain shares you will receive in the merger will not be known before the completion of the merger and will go up or down as the market price of Hain common stock goes up or down. Since there is both a ceiling and a floor on the value of Hain common stock in determining the number of Hain shares you will be entitled to receive, the value of the aggregate merger consideration you will receive in the merger may go up or down if the value of Hain common stock rises above the maximum valuation of $19.80 or falls below the minimum valuation of $17.424 per share. You are encouraged to obtain current market quotations of Spectrum and Hain common stock.

Q: Why am I receiving this proxy statement/prospectus?

A: You are receiving this proxy statement/prospectus because you have been identified as a Spectrum shareholder as of November 4, 2005, the record date for the special meeting, and thus you are entitled to vote at the special meeting. This document serves as both a proxy statement of Spectrum, used to solicit proxies for the special meeting, and as a prospectus of Hain, used to offer shares of Hain common stock in exchange for shares of Spectrum common stock pursuant to the terms of the merger agreement. This document contains important information about the merger and the special meeting, and you should read it carefully.

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Q: What is required to consummate the merger?

A: To consummate the merger, Spectrum shareholders must approve the principal terms of the merger, which requires the affirmative vote of the holders of a majority of the voting power of the shares of Spectrum common stock outstanding on the record date for the special meeting. In addition to obtaining Spectrum shareholder approval, each of the other closing conditions set forth in the merger agreement must be satisfied or waived. For a more complete description of the closing conditions under the merger agreement, we urge you to read the section entitled Certain Terms of the Merger Agreement Conditions to the Merger on page 58 of this proxy statement/prospectus.

Q: Will the merger trigger the recognition of gain or loss for federal income tax purposes? (see page 47)

A: The merger has been structured to qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended, or the *Code*, and it is a closing condition to the merger that Spectrum and Hain receive opinions of their respective counsel regarding such qualification. If the merger qualifies as a reorganization, Spectrum shareholders who exchange their Spectrum common stock for Hain common stock and cash will generally recognize gain, but not loss, realized in the merger (if any) but only to the extent such gain does not exceed the amount of cash received. Spectrum shareholders who exercise dissenters rights will generally recognize gain or loss equal to the difference between the amount of cash received and the tax basis of the shares of Spectrum common stock exchanged.

Tax matters are very complicated, and the tax consequences of the merger to a particular shareholder will depend in part on such shareholder s circumstances. Accordingly, we urge you to consult your own tax advisor for a full understanding of the tax consequences of the merger to you, including the applicability and effect of federal, state, local and foreign income and other tax laws.

For more information, please see the section entitled The Merger Material Federal Income Tax Consequences on page 47 of this proxy statement/prospectus.

Q: How does Spectrum s board of directors recommend that I vote?

A: After careful consideration, Spectrum s board of directors unanimously recommends that Spectrum shareholders vote **FOR** the proposal to approve the principal terms of the merger.

Q: What risks should I consider in deciding whether to vote in favor of approval of the principal terms of the merger?

A: You should carefully review the section of this proxy statement/prospectus entitled Risk Factors beginning on page 13, which sets forth certain risks and uncertainties related to the merger, risks and uncertainties to which the combined company s business will be subject and risks and uncertainties to which each of Hain and Spectrum, as an independent company, is subject.

Q: What do I need to do now?

A: You should read this proxy statement/prospectus carefully, including its annexes and the documents incorporated by reference, and consider how the merger will affect you. You should then complete, sign and mail your proxy card in the enclosed return envelope as soon as possible as described in this proxy statement/prospectus, so that your shares can be voted at the special meeting.

Q: What happens if I do not return a proxy card or otherwise provide proxy instructions?

A: The failure to return your proxy card or vote in person will have the same effect as voting **AGAINST** approval of the principal terms of the merger.

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Q: What happens if I return a signed and dated proxy card but do not indicate how to vote my proxy?

A: If you do not include instructions on how to vote your properly signed and dated proxy, your shares will be voted **FOR** approval of the principal terms of the merger.

Q: May I vote in person?

A: If your shares of Spectrum common stock are registered directly in your name with Spectrum s transfer agent, you are considered, with respect to those shares, the shareholder of record, and the proxy materials and proxy card are being sent directly to you by Spectrum. If you are a Spectrum shareholder of record, you may attend the special meeting and vote your shares in person, rather than signing and returning your proxy card or otherwise providing proxy instructions.

If your shares of Spectrum common stock are held in a brokerage account or by another nominee, you are considered the beneficial owner of shares held in street name, and the proxy materials are being forwarded to you together with a voting instruction card. As the beneficial owner, you are also invited to attend the special meeting. Since a beneficial owner is not the shareholder of record, you may not vote these shares in person at the special meeting unless you obtain a legal proxy from the broker, trustee or nominee that holds your shares, giving you the right to vote the shares at the special meeting.

Q: May I change my vote after I have mailed my signed and dated proxy card?

A: Yes. You may change your vote at any time before your proxy is voted at the special meeting. You can do this in one of three ways. First, you can send a written, dated notice stating that you would like to revoke your proxy. Second, you can complete, date and submit a new proxy card. Third, you can attend the special meeting and vote in person. Your attendance alone will not revoke your proxy. If you have instructed a broker to vote your shares, you must follow directions received from your broker to change those instructions.

Q: If my shares are held in street name by my broker, will my broker automatically vote my shares for me?

A: No. Your broker will not be able to vote your shares without instructions from you. You should instruct your broker to vote your shares, following the procedure provided by your broker. The failure to provide such voting instructions to your broker will have the same effect as voting **AGAINST** approval of the principal terms of the merger.

Q: Are there any shareholders already committed to voting in favor of the merger? (see page 62)

A: Yes. Jethren Phillips, the Chairman of the board of directors of Spectrum, has agreed to vote Spectrum shares representing 40% of the shares entitled to vote at the special meeting of Spectrum shareholders in favor of approval of the principal terms of the merger. Mr. Phillips beneficially owns approximately 53% of the outstanding shares of Spectrum common stock.

Q: Should I send in my Spectrum stock certificates now?

A: No. If you are a Spectrum shareholder, after the merger is completed, you will receive written instructions for exchanging the certificates representing your shares of Spectrum common stock for the cash consideration, certificates representing shares of Hain common stock and a cash payment in lieu of any fractional share of Hain common stock you would otherwise be entitled to receive.

Q: When do the parties expect to complete the merger? (see page 58)

A: The parties are working towards completing the merger as quickly as possible and hope to do so promptly after the special meeting, subject to satisfaction or waiver of all conditions to closing. Each of Hain and Spectrum have the ability to delay the closing, or to not close, if specified percentages of shareholders have exercised dissenters rights after the shareholder vote.

Q: Will my rights as a Spectrum shareholder change as a result of the merger? (see page 114)

A: Yes. While your shareholder rights as a former Spectrum shareholder will continue to be governed by California law, you will become a Hain stockholder as a result of the merger and will have rights after the completion of the merger that are governed by Delaware law and Hain s amended and restated certificate of incorporation and amended and restated bylaws.

Q: Am I entitled to dissenters rights to demand a payment in cash for any shares of Spectrum common stock?

A: As a Spectrum shareholder, under applicable California law, you may be entitled to assert dissenters rights and receive a cash payment for the fair value of your shares, but only if you comply with all requirements of California law as set forth in *Annex G* to this proxy statement/prospectus. If you and Spectrum agree upon the fair value of your dissenting shares, you will be entitled to a cash payment with interest thereon from Spectrum within 30 days after such agreement. If you and Spectrum cannot agree upon a price, pursuant to your dissenters rights under California law, you may be entitled to seek a determination by a California court of the fair value of your shares. The fair value determined by the court may be more than, less than or equal to the value of the consideration to be paid in the merger. For a more complete description of your dissenters rights, see the section entitled The Merger Rights of Dissenting Spectrum Shareholders beginning on page 49 of this proxy statement/prospectus.

Q: What will happen to any options or warrants to acquire Spectrum common stock? (see page 53)

A: The merger agreement provides that at the effective time of the merger each Spectrum stock option or warrant that is outstanding and unexercised immediately prior to the effective time will be converted into the right to receive the excess, if any, of the merger consideration over the per share exercise or purchase price of the applicable Spectrum stock option or warrant. Such amounts will be paid in the form of merger consideration, subject to the payment of cash in lieu of fractional Hain shares, and the stock option consideration will be reduced (first from the cash portion, then from the stock portion) by certain amounts required to be withheld under tax or other laws.

Q: Will I be able to immediately transfer the shares of Hain common stock I receive in the merger? (see page 49)

A: Hain stock issued in the merger will not be subject to any restrictions on transfer arising under the Securities Act, except for Hain stock issued to any Spectrum shareholder who may be deemed an affiliate of Spectrum.

Q: Who is paying for this proxy solicitation?

A: Spectrum is conducting this proxy solicitation and will bear the cost of soliciting proxies, including the preparation, assembly, printing and mailing of this proxy statement/prospectus, the proxy card and any additional information furnished to Spectrum shareholders. Spectrum has retained Georgeson Shareholder

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Communications to aid in Spectrum s proxy solicitation process. Spectrum estimates that its proxy solicitor fees will be approximately $17,500 plus reasonable out-of-pocket expenses. Spectrum may reimburse brokerage houses and other custodians, nominees and fiduciaries for their costs of forwarding proxy and solicitation materials to beneficial owners. The original solicitation of proxies by mail may be supplemented by telephone or personal solicitation by directors, officers or other employees of Spectrum. No additional compensation will be paid to Spectrum directors, officers or other employees for such services.

Q: Who can help answer my additional questions?

A: Spectrum shareholders who would like additional copies, without charge, of this proxy statement/prospectus or have additional questions about the merger, including the procedures for voting their shares of Spectrum common stock, should contact:

Spectrum Organic Products, Inc.

5341 Old Redwood Highway, Suite 400

Petaluma, CA 94954

(707) 778-8900

Attention: Investor Relations

or Spectrum s solicitation agent:

Georgeson Shareholder Communications

17 State Street, 10th Floor

New York, NY 10004

(888) 293-6908

If your broker holds your shares, you should also contact your broker for additional information.

SUMMARY

This summary highlights selected information from this proxy statement/prospectus, and you should read carefully this entire proxy statement/prospectus and the documents referred to in this proxy statement/prospectus for a more complete description of the terms of the merger and related transactions. The merger agreement is attached as *Annex A* to this proxy statement/prospectus and additional documents relating to the transaction are also attached, or incorporated by reference, to this proxy statement/prospectus. You are encouraged to read the merger agreement as it is the legal document that governs the merger, as well as these additional documents. In addition, you are encouraged to read the information under Risk Factors, beginning on page 13 of this proxy statement/prospectus, for a discussion of important factors you should consider in connection with the merger. Unless otherwise indicated, the information contained in this proxy statement/prospectus does not assume the exercise of a right to purchase shares of Hain common stock granted by Hain to an affiliate of H.J. Heinz Company, or *Heinz*, as described under The Merger Right to Purchase Shares of Hain Common Stock by an Affiliate of H.J. Heinz Company. In this proxy statement/prospectus, unless the context otherwise requires, *Hain* refers to The Hain Celestial Group, Inc. and its subsidiaries, *Spectrum* refers to Spectrum Organic Products, Inc., and *Merger Sub* refers to Spectrum Organic Products, LLC, a wholly owned subsidiary of Hain. This section includes page references in parentheses to direct you to a more complete description of the topics presented in this summary.

The Companies (see page 30)

The Hain Celestial Group, Inc.

58 South Service Road

Melville, NY 11747

(631) 730-2200

Hain manufactures, markets, distributes and sells natural and organic food products and natural personal care products under brand names which are sold as better-for-you products.

Spectrum Organic Products, Inc.

5341 Old Redwood Highway, Suite 400

Petaluma, CA 94954

(707) 778-8900

Spectrum competes primarily in three business segments: natural and organic foods, essential fatty acid nutritional supplements, and industrial ingredients for use by other manufacturers. The vast majority of Spectrum s products are oil-based and Spectrum has positioned itself as The Good Fats Company.

Spectrum Organic Products, LLC

c/o The Hain Celestial Group, Inc.

58 South Service Road

Melville, NY 11747

(631) 730-2200

Merger Sub is a California limited liability company and a wholly owned subsidiary of Hain that has been formed for the purpose of facilitating the merger. Merger Sub will be the surviving entity after the merger.

The Merger

Merger Structure; Merger Consideration (see page 34)

If the merger is completed, Spectrum will merge with and into Merger Sub. Upon completion of the merger, you will become entitled to receive a combination of $0.355 in cash, less the fully-diluted per share portion of any Excess Company Expenses (as defined herein), and shares of Hain common stock worth $0.355, the combination of which is collectively referred to in this proxy statement/prospectus as the *merger consideration*, in exchange for each share of Spectrum common stock that you own at the time of the completion of the merger, except that you will receive cash in lieu of any fractional share of Hain common stock you would otherwise be entitled to receive. The Hain common stock will be valued based on the average closing sales price of Hain common stock for the ten consecutive business days during which Hain common stock is quoted on Nasdaq, beginning twelve such trading days prior to the date of the closing of the merger. In no event, however, will the Hain common stock be valued at a price higher than $19.80 per share or less than $17.424 per share. The fully-diluted per share portion of Spectrum s estimate of the Excess Company Expenses would result in a reduction in the cash portion of the merger consideration of approximately $0.005 per Spectrum share.

The fraction of a share of Hain common stock that you will have the right to receive in the merger in exchange for each of your shares of Spectrum common stock is not a fixed ratio and will be adjusted based upon changes in the value of Hain common stock. As a result, the number of Hain shares you will receive in the merger will not be known before the completion of the merger and will go up or down as the market price of Hain common stock goes up or down. Since there is both a ceiling and a floor on the value of Hain common stock in determining the number of Hain shares you will be entitled to receive, the value of the aggregate merger consideration you will receive in the merger may go up or down if the value of Hain common stock rises above the maximum valuation of $19.80 or falls below the minimum valuation of $17.424 per share. Neither Spectrum nor Hain has the right to terminate the merger agreement or renegotiate the merger consideration solely as a result of market price fluctuations. You are encouraged to obtain current market quotations of Hain and Spectrum common stock.

Treatment of Stock Options and Warrants (see page 53)

The merger agreement provides that at the effective time of the merger each Spectrum stock option or warrant that is outstanding and unexercised immediately prior to the effective time will be converted in to the right to receive the excess, if any, of the merger consideration over the per share exercise or purchase price of the applicable Spectrum stock option or warrant. Such amounts will be paid in the form of merger consideration, subject to the payment of cash in lieu of fractional Hain shares, and the stock option consideration will be reduced (first from the cash portion, then from the stock portion) by certain amounts required to be withheld under tax or other laws.

Reasons for the Merger (see page 38)

Hain

Hain believes that the merger will, among other things:

- Add a leading manufacturer and marketer in the edible oils and fats category in the natural channel to Hain s existing oils business and brand portfolio.
- Expand distribution potential for Spectrum products by optimizing Hain s strong presence in the grocery and mass retail channels.
- Achieve significant operating synergies, including elimination of certain duplicative costs, including: sales/marketing costs, company-wide operational functions, natural foods and grocery brokerage commissions, public company fees and trade

spending.

- Enable Hain to acquire a product portfolio and well-recognized brand in a category that Hain believes will continue to show strong growth, especially in light of the U.S. Department of Agriculture s recently revised food pyramid recommendations.

However, you should note that achieving these objectives is subject to particular risks which are discussed below in the section Risk Factors.

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Spectrum

Spectrum s board of directors has determined that the terms of the merger and the merger agreement are fair to, and in the best interest of, Spectrum and its shareholders. Spectrum s board of directors consulted with Spectrum s senior management, as well as legal counsel, independent accountants and investment bankers in reaching its decision to approve the merger. Spectrum s board of directors considered a number of factors in its deliberations, including, among others, the following:

- the benefits of becoming part of a larger organization with access to greater financial resources, enhanced research and development capabilities, expanded sales and distribution channels and a larger customer base;
- the opportunity to realize cost savings by consolidating functions and purchasing power and eliminating redundant expenses;
- the financial terms of the proposed merger, including the proposed structure as a reorganization within the meaning of Section 368(a) of the Code; and
- the risks of continuing as a separate entity, including the high cost of equity capital and Spectrum s heavy debt burden.

The foregoing discussion is not intended to be exhaustive. Please see The Merger Spectrum s Reasons for the Merger for a full discussion of the items that Spectrum s board of directors considered in reaching its decision to approve the merger.

Opinion of Spectrum s Financial Advisor (see page 40)

D.F. Hadley & Co., Inc. delivered its written opinion to Spectrum s board of directors that, as of August 23, 2005 and based upon and subject to the assumptions, qualifications and limitations set forth therein, the merger consideration to be paid in exchange for each share of Spectrum common stock pursuant to the merger agreement was fair from a financial point of view to Spectrum s shareholders.

The full text of the written opinion of D.F. Hadley & Co., Inc., dated August 23, 2005, which sets forth the assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached as *Annex C*. D.F. Hadley & Co., Inc. provided its opinion for the information and assistance of Spectrum s board of directors in consideration of the merger and the merger agreement. The D.F. Hadley & Co., Inc. opinion is not a recommendation as to how any holder of Spectrum common stock should vote with respect to the approval of the principal terms of the merger. Spectrum urges you to read the entire opinion carefully.

The Special Meeting of Spectrum Shareholders (see page 32)

Time, Date and Place. A special meeting of Spectrum shareholders will be held on December 15, 2005 at 9:00 a.m., local time, at the principal executive offices of Spectrum located at 5341 Old Redwood Highway, Suite 400, Petaluma, California 94954, to vote on a proposal to approve the principal terms of the merger.

Record Date and Voting Power. You are entitled to vote at the special meeting if you owned shares of Spectrum common stock at the close of business on November 4, 2005, the record date for the special meeting. You will have one vote at the special meeting for each share of Spectrum common stock you owned at the close of business on the record date. At the close of business on the record date, there were 46,444,693 outstanding shares of Spectrum common stock.

Required Vote. The approval of the principal terms of the merger requires the affirmative vote of a majority of the shares of Spectrum common stock outstanding at the close of business on the record date.

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Share Ownership of Management. At the close of business on the record date, the directors and executive officers of Spectrum and their affiliates owned approximately 63% of the shares entitled to vote at the special meeting of Spectrum shareholders. Jethren Phillips, the Chairman of the board of directors of Spectrum, has agreed to vote Spectrum shares representing 40% of the shares entitled to vote at the special meeting in favor of approval of the principal terms of the merger. See Voting Agreement.

Recommendation to Spectrum s Shareholders (see page 40)

Spectrum s board of directors has unanimously approved the merger agreement and the merger and has determined that the merger agreement and the merger are advisable and fair to, and in the best interest of, Spectrum and its shareholders, and recommends that Spectrum shareholders vote **FOR** the approval of the principal terms of the merger.

Interests of Spectrum s Officers and Directors in the Merger (see page 46)

When considering the recommendation by Spectrum s board of directors that Spectrum shareholders vote for the approval of the principal terms of the merger, you should be aware that a number of Spectrum s officers and directors may have interests in the merger that are different from, or in addition to, those of other Spectrum shareholders generally. Among other things, Hain has agreed to continue for a number of years following the completion of the merger certain insurance and indemnification arrangements in favor of the current officers and directors of Spectrum. In addition, Neil Blomquist, Spectrum s president and chief executive officer, entered into a Severance Agreement with Spectrum and a Non-Competition Agreement with Hain pursuant to which he will receive aggregate payments of $150,000 and $200,000, respectively, following the merger. Spectrum also has agreed to assign to Mr. Phillips its whole life insurance policy (including any cash surrender value) on Mr. Phillips life. Other executive officers of Spectrum (excluding Mr. Blomquist) may also receive severance benefits from the surviving entity following the merger in the event that their employment is terminated for certain reasons following the merger.

Voting Agreement (see page 62)

Mr. Phillips has entered into a Voting and Support Agreement with Hain pursuant to which he has agreed to vote Spectrum shares representing 40% of the shares entitled to vote at the special meeting in favor of approval of the principal terms of the merger. Mr. Phillips beneficially owns approximately 53% of the outstanding shares of Spectrum common stock. See Voting Agreement.

Ownership of Hain After the Merger (see page 34)

Hain will issue between 877,583 and 997,253 shares of common stock to Spectrum shareholders in the merger, depending on the market price of Hain s common stock during the period prior to the merger. See Certain Terms of the Merger Agreement Manner and Basis of Converting Shares. Spectrum shareholders will own between 2.32% and 2.63% of the outstanding Hain common stock after the merger. Under an agreement that Hain entered with an affiliate of Heinz in September 1999, the affiliate of Heinz has the right to purchase shares of Hain common stock upon completion of the merger to maintain its approximately 16.4% interest in Hain. If the Heinz affiliate exercises this right in full, Hain will issue between 143,924 and 163,550 additional shares of Hain common stock to the Heinz affiliate at the time of the merger and Spectrum shareholders will then own between 2.31% and 2.62% of the outstanding Hain common stock after the merger. The above calculations are based on the number of shares of Hain common stock and Spectrum common stock outstanding on November 4, 2005, and assumes that all Spectrum stock options and warrants with an exercise price that is less than the merger consideration will be exercised, but does not take into account stock options or warrants of Hain.

Conditions to the Merger (see page 58)

The obligation of each of Hain and Spectrum to complete the merger is subject to the satisfaction of a number of conditions, including, among others, the following:

- the principal terms of the merger will have been duly approved by a vote of Spectrum shareholders;

- each party s representations and warranties in the merger agreement will have been accurate in all respects, without regard to any materiality or material adverse effect (as defined in Certain Terms of the Merger Agreement Conditions to the Merger) qualifications, except where the failure or failures of representations and warranties to be true and correct in all respects would not reasonably be expected to have a material adverse effect;

- each party will have complied with and performed its covenants set forth in the merger agreement in all material respects;

- the shares of Hain common stock to be issued to Spectrum s shareholders will have been approved for quotation on Nasdaq, subject to official notice of issuance;

- since the date of the merger agreement, there will not have been, and there will not reasonably be expected to be, any Company Material Adverse Effect (as defined in the merger agreement) that is continuing;

- the holders of not more than 10% (in the case of Hain s condition to close) or 20% (in the case of Spectrum s condition to close) of the outstanding shares of Spectrum common stock will immediately following the Spectrum shareholder vote to approve principal terms of the merger, or 30 days following such vote, have demanded and maintained the right to require, or have the continuing right to require, purchase of their shares of Spectrum common stock for cash in accordance with Chapter 13 of the California General Corporation Law, or the *CGCL* ;

- there will not be pending or threatened certain material legal proceedings challenging the merger or against the parties to the merger agreement; and

- there will not be in effect any injunction or other court order preventing the completion of the merger.

Either Hain or Spectrum may choose to waive the conditions to its obligation to complete the merger, provided that any such waiver is in compliance with applicable law.

Termination of the Merger Agreement (see page 60)

Each of Hain and Spectrum is entitled to terminate the merger agreement under certain circumstances. If the merger agreement is terminated under certain circumstances, Spectrum is obligated to pay to Hain a fee equal to $900,000.

Limitation on Spectrum s Ability to Consider Other Acquisition Proposals (see page 57)

Spectrum has agreed not to discuss or negotiate any proposal or offer relating to (i) a merger, consolidation, share exchange or business combination involving Spectrum representing 20% or more of the assets of Spectrum, (ii) a sale, lease, exchange, mortgage, transfer or other disposition, in a single transaction or series of related transactions, of 20% or more of the assets of Spectrum, (iii) a purchase or sale of shares of capital stock or other securities, in a single transaction or series of related transactions, representing 20% or more of the voting power of the capital stock of Spectrum, including by way of a tender offer or exchange offer, (iv) a reorganization, recapitalization, liquidation or dissolution of Spectrum or (v) any other transaction having a similar effect to those described in clauses (i) (iv), in each case other than the transactions contemplated by the merger agreement, each of which is referred to in this proxy statement/prospectus as a *takeover proposal* while the merger is pending unless the other party has made a written takeover proposal on terms that Spectrum s board of directors determines is reasonably likely to result in a superior proposal (as defined in Certain Terms of the Merger Agreement Covenants; Conduct of Business Prior to the Merger Affirmative Covenants of Spectrum). A takeover proposal will not be deemed to be a superior proposal if any financing required to complete the transaction is not reasonably capable of being obtained by the other party.

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Expenses and Termination Fee (see page 61)

The merger agreement provides that regardless of whether the merger is completed, all expenses incurred by the parties will be borne by the party incurring such expenses, except that if the merger is consummated Hain will pay certain expenses of Spectrum. If the merger is completed, the surviving entity will assume Spectrum s expenses for third party services and fees to outside directors, in each case incurred after March 31, 2005, and payments to be made by Hain under the Non-Competition Agreement between Hain and Mr. Blomquist, collectively referred to in this proxy statement/prospectus as the *Company Expenses*, to the extent that the Company Expenses do not exceed $725,000 in the aggregate. Any Company Expenses above $725,000 in the aggregate, which are referred to in this proxy statement/prospectus as *Excess Company Expenses*, will reduce the cash portion of the aggregate merger consideration dollar-for-dollar.

The merger agreement requires that Spectrum pay Hain a termination fee of $900,000 if:

- Spectrum terminates the merger agreement and accepts a superior proposal;
- Hain terminates the merger agreement because (i) Spectrum s board of directors withdraws, modifies or amends, in each case in any manner adverse to Hain, its recommendation that Spectrum s shareholders approve the principal terms of the merger or (ii) Spectrum s board of directors takes certain actions to support (or does not oppose) a takeover proposal; or
- (i) a takeover proposal is made or proposed to Spectrum or otherwise publicly announced, (ii) the merger agreement is terminated by either Spectrum or Hain and (iii) Spectrum consummates any takeover proposal (whether or not the same as the takeover proposal referred to in clause (i) above) within 18 months following the date of termination of the merger agreement.

Tax Matters (see page 47)

Cooley Godward LLP, outside counsel to Spectrum, and Cahill Gordon & Reindel LLP, outside counsel to Hain, are expected to each issue a tax opinion to the effect that the merger will constitute a reorganization under Section 368(a) of the Code. If the merger qualifies as a reorganization, Spectrum shareholders who exchange their Spectrum common stock for Hain common stock and cash will generally recognize gain, but not loss, realized in the merger (if any) but only to the extent such gain does not exceed the amount of cash received. Spectrum shareholders who exercise dissenters rights will generally recognize gain or loss equal to the difference between the amount of cash received and the tax basis of the shares of Spectrum common stock exchanged.

Tax matters can be complicated, and the tax consequences of the merger to you will depend on the facts of your own situation. You should consult your own tax advisors to fully understand the tax consequences of the merger to you, including the applicability and effect of federal, state, local and foreign income and other tax laws.

Accounting Treatment (see page 49)

The merger will be accounted for as a purchase for financial reporting purposes.

Regulatory Approvals (see page 49)

Hain and Spectrum believe that the merger is not subject to the reporting obligations, statutory waiting periods or other approvals of any governmental agency.

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Risk Factors (see page 13)

In evaluating the principal terms of the merger, you should carefully read this proxy statement/prospectus and consider the factors discussed in the section entitled Risk Factors.

Material Differences in Rights of Spectrum Shareholders and Hain Stockholders (see page 114)

Spectrum shareholders receiving merger consideration in the form of Hain common stock will have different rights once they become Hain stockholders due to differences between the governing law and governing documents of Spectrum and Hain. See Comparative Rights of Hain Stockholders and Spectrum Shareholders.

Dissenters Rights (see page 49)

Holders of Spectrum common stock are entitled to dissenters rights under California law. See The Merger Rights of Dissenting Spectrum Shareholders.

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COMPARATIVE PER SHARE MARKET PRICE AND DIVIDEND DATA

Hain common stock is quoted on The Nasdaq National Market, or *Nasdaq*, under the symbol HAIN. Spectrum common stock is listed on the OTC Bulletin Board System under the symbol SPOP.OB

The table below sets forth, for the periods indicated, the high and low closing sale prices per share of Hain common stock as quoted on Nasdaq and the high and low closing sale prices per share of Spectrum common stock as reported on the OTC Bulletin Board System. The prices shown do not include retail markups, markdowns or commissions.

	Hain common stock Market Price			Spectrum common stock Market Price	
	High	Low		High	Low
Hain fiscal year ended June 30, 2004			Spectrum fiscal year ended December 31, 2003		
First Quarter	$ 20.29	$ 15.85	First Quarter	$ 0.40	$ 0.30
Second Quarter	$ 24.02	$ 18.10	Second Quarter	$ 0.45	$ 0.20
Third Quarter	$ 24.09	$ 20.90	Third Quarter	$ 0.72	$ 0.41
Fourth Quarter	$ 22.14	$ 17.13	Fourth Quarter	$ 0.89	$ 0.58
Hain fiscal year ended June 30, 2005			Spectrum fiscal year ended December 31, 2004		
First Quarter	$ 18.24	$ 15.24	First Quarter	$ 1.11	$ 0.78
Second Quarter	$ 20.69	$ 16.18	Second Quarter	$ 0.91	$ 0.50
Third Quarter	$ 20.73	$ 18.20	Third Quarter	$ 0.68	$ 0.45
Fourth Quarter	$ 20.17	$ 17.20	Fourth Quarter	$ 0.69	$ 0.51
Hain fiscal year ending June 30, 2006			Spectrum fiscal year ending December 31, 2005		
First Quarter	$ 20.45	$ 18.30	First Quarter	$ 0.58	$ 0.48
Second Quarter (through November 4, 2005)	$ 20.96	$ 18.37	Second Quarter	$ 0.65	$ 0.45
			Third Quarter	$ 0.76	$ 0.56
			Fourth Quarter (through November 4, 2005)	$ 0.69	$ 0.65

As of the record date, there were 102 record holders of Spectrum common stock. Neither Hain nor Spectrum has ever paid cash dividends on its common stock. Following the merger, Hain intends to retain future earnings to support the development of its business and does not anticipate declaring or paying any dividends for the foreseeable future. Following completion of the merger, Hain common stock will continue to be quoted on Nasdaq, and there will be no further market for Spectrum common stock.

The following table sets forth the per share closing sale price of Hain common stock as quoted on Nasdaq, the per share closing sale price of Spectrum common stock as reported on the OTC Bulletin Board System, and the estimated equivalent per share price, as explained below, of Spectrum common stock if the merger occurred on August 22, 2005, the last full trading day before the public announcement of the proposed merger, and if the merger occurred on November 4, 2005, the latest practicable date before the date of this proxy statement/prospectus:

	Hain	Spectrum	Estimated equivalent Spectrum per share price

	common stock	common stock	
August 22, 2005	$ 18.93	$ 0.68	$ 0.705 (a)
November 4, 2005	$ 20.59	$ 0.69	$ 0.742 (b)

(a) Equal to (i) $0.355, the cash component of the merger consideration plus (ii) the value of the stock component of the merger consideration, which is equal to the product of (1) the exchange ratio ($0.355 divided by $19.189, the value of a share of Hain common stock as provided in the merger agreement if the merger occurred on August 22, 2005) times (2) $18.93, the closing price of Hain common stock on August 22, 2005. This assumes that Spectrum does not incur any Excess Company Expenses.

(b) Equal to (i) $0.355, the cash component of the merger consideration plus (ii) the value of the stock component of the merger consideration, which is equal to the product of (1) the exchange ratio ($0.355 divided by $18.88, the value of a share of Hain common stock as provided in the merger agreement if the merger occurred on November 4, 2005) times (2) $20.59, the closing price of Hain common stock on November 4, 2005. This assumes that Spectrum does not incur any Excess Company Expenses.

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THE HAIN CELESTIAL GROUP, INC.

SELECTED HISTORICAL CONSOLIDATED FINANCIAL INFORMATION

The following selected historical consolidated financial information should be read in conjunction with Hain s financial statements and the related notes thereto and the sections entitled Management s Discussion and Analysis of Financial Condition and Results of Operations from Hain s Annual Report on Form 10-K for the fiscal year ended June 30, 2005, and Quarterly Report on Form 10-Q for the quarter ended September 30, 2005, which are incorporated by reference in this proxy statement/prospectus. The information as of June 30, 2004 and 2005, and the related consolidated statements of income, stockholders equity, and cash flows for each of the three years in the period ended June 30, 2005, has been derived from Hain s audited consolidated financial statements, incorporated by reference in this proxy statement/prospectus, and have been audited by Ernst & Young LLP, independent registered public accounting firm, whose report is also incorporated by reference in this proxy statement/prospectus. The information as of June 30, 2001, 2002 and 2003, and the related consolidated statements of income, stockholders equity, and cash flows for each of the two years in the period ended June 30, 2002, has been derived from Hain s audited consolidated financial statements not included or incorporated by reference in this proxy statement/prospectus. The information as of September 30, 2004 and 2005 and for the three months then ended has been derived from Hain s unaudited condensed consolidated financial statements, which are incorporated by reference in this proxy statement/prospectus.

Historical results are not necessarily indicative of the results to be obtained in the future.

	Year Ended June 30,					Three Months Ended September 30,	
	2005	**2004**	**2003**	**2002**	**2001**	**2005**	**2004**
Operating results:							
Net sales	$ 619,967	$ 544,058	$ 466,459	$ 395,954	$ 345,661	$ 161,097	$ 137,604
Net income (a)	$ 21,870	$ 27,008	$ 27,492	$ 2,971	$ 23,589	$ 7,363	$ 6,182
Basic earnings per common share	$ .60	$ .77	$ .81	$ .09	$ .71	$ .20	$ .17
Diluted earnings per common share	$ .59	$ .74	$ .79	$ .09	$ .68	$ .20	$ .17
Financial Position:							
Working Capital	$ 124,342	$ 129,949	$ 83,324	$ 70,942	$ 92,312	$ 131,294	$ 128,551
Total assets	707,136	684,231	581,548	481,183	461,693	728,841	685,295
Long-term debt	92,271	104,294	59,455	10,293	10,718	90,785	99,906
Stockholders equity	528,290	496,765	440,797	403,848	396,653	543,905	507,767

(a) Amounts for 2001 include amortization of goodwill and indefinite-life intangible assets, net of tax, amounting to $4 million, or $0.12 per share. In subsequent years, no amortization expense has been incurred in accordance with SFAS No. 142, which was adopted by Hain effective at the beginning of 2002.

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SPECTRUM ORGANIC PRODUCTS, INC.

SELECTED HISTORICAL FINANCIAL INFORMATION

(in thousands, except per share data)

The following selected historical financial information as of and for (i) each of the fiscal years in the five-year period ended December 31, 2004 is derived from Spectrum s audited financial statements and (ii) each of the nine months ended September 30, 2005 and 2004 is derived from Spectrum s unaudited financial statements.

The following selected historical financial information should be read in conjunction with Spectrum s financial statements and the related notes thereto contained elsewhere in this proxy statement/prospectus and the section entitled Spectrum s Management s Discussion and Analysis of Financial Condition and Results of Operations.

Historical results are not necessarily indicative of the results to be obtained in the future.

	Years Ended December 31,					Nine Months Ended September 30,	
	2004	2003	2002	2001	2000	2005	2004
Operating Statement Data:							
Net sales	$ 49,915	$ 45,677	$ 40,579	$ 41,019	$ 41,442	$ 42,454	$ 37,734
Gross profit	11,535	11,870	10,756	11,009	9,418	10,567	8,640
Income (loss) from operations (a)	(1,056)	1,526	1,776	(4,251)	(688)	1,333	402
Income (loss) before taxes (a)	(1,388)	1,097	1,310	(5,206)	(1,998)	916	169
Net income (loss) (a)	(833)	2,664	1,120	(5,206)	(2,002)	550	102
Net income (loss) per share:							
Basic (a)	(0.02)	0.06	0.02	(0.12)	(0.05)	0.01	0.00
Fully diluted (a)	(0.02)	0.06	0.02	(0.12)	(0.05)	0.01	0.00
Shares used in basic per share calculations	46,345	45,845	45,700	45,279	44,234	46,438	46,328
Shares used in fully diluted per share calculations	46,345	47,840	46,306	45,279	44,234	48,314	48,629
EBITDA as adjusted (b)	1,192	2,436	2,289	2,400	1,212	1,830	880

	As of December 31,					As of September 30,	
	2004	2003	2002	2001	2000	2005	2004
Balance Sheet Data:							
Working capital (deficit)	$ 689	$ 1,560	$ 597	$ (1,030)	$ (4,257)	$ 1,388	$ 1,531
Total tangible assets	19,918	18,634	12,156	12,776	13,057	22,773	21,407
Total assets .	20,503	19,221	12,198	14,300	22,841	23,357	21,993
Total long-term debt	1,701	1,653	1,084	1,708	2,001	1,345	1,709
Total stockholders equity	5,306	6,087	3,274	2,098	6,850	5,869	6,235

(a) Amounts for 2001 and 2000 include amortization of goodwill amounting to $521,000 and $910,000, respectively, or $0.01 and $0.02 per share, respectively. In subsequent years no goodwill amortization expense was incurred in accordance with SFAS No. 142, which was adopted by Spectrum effective January 1, 2002.

(b) EBITDA as adjusted is earnings before interest, taxes, depreciation, amortization, losses on asset writedowns and plant closures, the gain or loss from the sales of product line and the industrial accident. Spectrum s management believes this is an important measure of Spectrum s operating performance because it eliminates the effect of some unusual items in Spectrum s past that do not qualify for treatment as extraordinary under generally accepted account principles. The majority of management incentives are earned based upon the achievement of EBITDA as adjusted targets that are established prior to the beginning of each year.

The calculations to arrive at EBITDA as adjusted are detailed in the following table:

	Year Ended December 31,					Nine Months Ended September 30,	
	2004	2003	2002	2001	2000	2005	2004
Net income (loss) as reported	$ (833)	$ 2,664	$ 1,120	$ (5,206)	$ (2,002)	$ 550	$ 102
Provision (benefit) for income taxes	(555)	(1,567)	190		4	366	68
Interest expense	362	404	481	913	1,382	436	250
Depreciation and amortization	653	525	454	419	531	479	461
Amortization of goodwill				521	910		
(Gain) loss on sales of product lines			(210)	4,803	(50)		
Industrial accident expenses		410	254				
Plant relocation and asset impairment writedowns	1,565			950	437		