

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 OR 15(d) of
The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) **November 11, 2010**

Clearfield, Inc.

(Exact name of registrant as specified in its charter)

Minnesota
(State or other jurisdiction
of incorporation)

0-16106
(Commission File Number)

41-1347235
(IRS Employer Identification No.)

5480 Nathan Lane North, Suite 120, Plymouth, MN
(Address of principal executive offices)

55442
(Zip Code)

Registrant's telephone number, including area code: **(763) 476-6866**

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition.

On November 11, 2010, Clearfield, Inc. issued a press release announcing the results of its fourth quarter and fiscal year ended September 30, 2010. A copy of that press release is furnished hereto as Exhibit 99.1 and is hereby incorporated by reference.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On October 22, 2009, the Compensation Committee of the Board of Directors of the Company approved a cash bonus program for fiscal year 2010 (the "2010 Bonus Program"). Among the employees that participated in the 2010 Bonus Program are the Company's executive officers: Cheryl P. Beranek, Chief Executive Officer; John P. Hill, Chief Operating Officer; and Bruce G. Blackey, Chief Financial Officer.

The performance goal under the 2010 Bonus Program for the executive officers consisted of the Company's net income from continuing operations, excluding taxes, interest income or expense, income, gain or loss from the rental of the Company's Aberdeen, South Dakota property and any bonus amounts ("ICO") fiscal year 2010.

On November 9, 2010, the Compensation Committee determined the bonus pool amounts available under the 2010 Bonus Program based upon ICO for fiscal year 2010, which met the minimum amount set by the Compensation Committee, but was less than the target amount. Amounts from the bonus pool created by the 2010 Bonus Program were allocated by the Company's management among eligible non-executive officer employees. On November 9, 2010, the Compensation Committee approved the following payouts to the Company's executive officers from the amounts remaining in the bonus pool: Ms. Beranek, \$48,500; Mr. Hill, \$30,000 and Mr. Blackey, \$14,560.

Item 9.01. Financial Statements and Exhibits.

(c) The following exhibit is being furnished herewith:

99.1 Press release dated November 11, 2010

SIGNATURE

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

November 11, 2010

(Date)

Clearfield, Inc.

(Registrant)

/s/ CHERYL P. BERANEK

Cheryl P. Beranek
Chief Executive Officer

Clearfield, Inc. Reports Fiscal 2010 4th Quarter and Year-End Results

Company Reports Record Quarterly Revenue and Operating Income

- FY 2010 Net Revenues: \$24.4 million
- FY 2010 Gross Profit: \$ 9.1 million
- FY 2010 Income from Operations: \$ 1.1 million
- FY 2010 Net Income: \$ 1.2 million, or 9 cents per share diluted

MINNEAPOLIS, Nov. 11, 2010 (GLOBE NEWSWIRE) -- Clearfield, Inc. (Nasdaq:CLFD) today announced results for the fourth quarter and fiscal year ended September 30, 2010.

Revenue for the fourth quarter of fiscal 2010 was \$7,921,000 in comparison to \$6,619,000 for the fourth quarter of fiscal 2009, an increase of 20%. Gross profit was \$3,099,000 for the fourth quarter of fiscal 2010 in comparison to \$2,354,000 for the prior year fourth quarter, an increase of 32%. Gross profit as a percentage of revenue for quarter ended September 30, 2010 was 39.0%, up 3.6% from the quarter ended September 30, 2009. Income from operations was \$832,000 in the quarter ended September 30, 2010, versus \$332,000 in the year ago period, an increase of \$500,000, or 151%. Net income was \$820,000 in the quarter ended September 30, 2010, compared to \$2,849,000 in the fourth quarter of fiscal 2009. The fiscal 2009 fourth quarter net income included an income tax benefit of \$2,464,000 as a result of a reduction of the valuation allowance against the Company's net deferred tax assets. Income before this income tax benefit for the fourth quarter of 2009 was \$378,000. Income before income tax-expense in the fourth quarter of 2010 was 864,000.

Revenue for fiscal year 2010 was \$24,367,000 in comparison to \$24,945,000 for fiscal year 2009, a decrease of 2%. Gross profit was \$9,138,000 for fiscal year 2010 in comparison to \$8,871,000 for the prior year, an increase of 3%. Gross profit as a percentage of revenue for the year ended September 30, 2010 was 37.5%, up 1.9% from the year ended September 30, 2009. Income from operations for fiscal 2010 was \$1,123,000, versus \$1,211,000 in the year ago period, a decrease of 7%. Net income was \$1,181,000 in the year ended September 30, 2010, compared to \$3,785,000 in fiscal year 2009. Fiscal 2009 net income included the recording of an income tax benefit of \$2,464,000 as a result of a reduction of the valuation allowance against the Company's net deferred tax assets. Income before this tax benefit for the fiscal year 2009 was \$1,412,000. Income before income tax expense in 2010 was \$1,302,000.

Orders in backlog as of September 30, 2010 totaled \$2,677,000 in comparison to \$1,228,000 as of September 30, 2009, an increase of \$1,449,000, or 118%. Cash and investments at September 30, 2010 total \$10,287,000 compared to \$9,680,000 at September 30, 2009, an increase of \$607,000.

"While the weak economy dragged down our efforts during the first half of the year, the Company demonstrated a strong re-bounce with record revenue and net income in fourth quarter. Combining our fourth quarter success and our year-end backlog establishes a very positive trend line for the year ahead," commented Cheri Beranek, president and CEO of Clearfield. "As stated in quarterly earnings reports during the past year, the American Recovery and Reinvestment Act slowed business in the first half of our fiscal year but now represents a significant growth opportunity for Clearfield. Over the summer months, moneys have begun to flow, and Clearfield customers are beginning to deploy their networks. Among some of the early "Stimulus Award" winners are Rural Telephone, one of the largest FTTP deployments funded under the federal program and a long-standing Clearfield customer."

"The introduction of new and innovative product technologies, such as the Clearview xPAK, has launched Clearfield into new application environments, including meeting the fiber connectivity needs of cellular back-haul and business-class services among municipal/utility, wireless and cable TV providers. Technology partnerships, such as the launch of pushable fiber from Miniflex into the U.S. marketplace, expands the product suite we can provide to our current and prospective customers," continued Beranek. "Looking ahead, you can expect to see a continued focus from Clearfield to deliver next generation products that continue to reduce our customers' operating costs of delivering fiber connectivity."

About Clearfield, Inc.

Clearfield, Inc. designs and manufactures the FieldSmart Fiber Management Platform, which includes its latest generation FieldSmart Fiber Crossover Distribution System (FxDS), FieldSmart Fiber Scalability Center (FSC) and FieldSmart Fiber Delivery Point (FDP) series. The FxDS, FSC and FDP product lines support a wide range of panel configurations, densities, connectors and adapter options, and are offered alongside an assortment of passive optical components. Clearfield provides a complete line of fiber and copper assemblies for inside plant, outside plant and access networks. Clearfield is a public company, traded on Nasdaq:CLFD. www.ClearfieldConnection.com

Forward-Looking Statements

Forward-looking statements contained herein are made pursuant to the safe harbor provisions of the Private Litigation Reform Act of 1995. These statements are based upon the Company's current expectations and judgments about future developments in the Company's business. Certain important factors could have a material impact on the Company's performance, including, without limitation the effect of the significant downturn in the U.S. economy on Clearfield's customers; the impact of the American Recovery and Reinvestment Act or any other legislation on customer demand and purchasing patterns; cyclical selling cycles; need to introduce new products and effectively compete against competitive products; the Company's ability to successfully market and distribute the Miniflex product; dependence on third-party manufacturers; limited experience in manufacturing; reliance on key customers; rapid changes in technology; the negative effect of product defects; the need to protect its intellectual property; the impact on its financial results or stock price of its ability to use its deferred tax asset,

consisting primarily of net operating loss carryforwards, to offset future taxable income; the valuation of its goodwill and the effect of its stock price, among other factors, on the evaluation of goodwill; and other factors set forth in Clearfield's Form 10-K for the year ended September 30, 2009 and other filings with the Securities and Exchange Commission. The Company undertakes no obligation to update such statements to reflect actual events.

Clearfield, Inc.

CONDENSED STATEMENT OF OPERATIONS (unaudited)

	Three Months Ended		Year Ended	
	September 30,		September 30,	
	2010	2009	2010	2009
Revenues	\$ 7,921,129	\$ 6,618,907	\$ 24,366,755	\$ 24,944,837
Cost of sales	<u>4,821,875</u>	<u>4,264,713</u>	<u>15,229,222</u>	<u>16,073,817</u>
Gross profit	3,099,254	2,354,194	9,137,533	8,871,020
Operating expenses				
Selling, general and administrative	2,267,208	1,991,843	8,014,121	7,628,495
Gain on disposal of assets	<u>--</u>	<u>30,794</u>	<u>--</u>	<u>31,144</u>
	<u>2,267,208</u>	<u>2,022,637</u>	<u>8,014,121</u>	<u>7,659,639</u>
Income from operations	832,046	331,557	1,123,412	1,211,381
Interest income	31,344	41,164	143,469	124,922
Interest expense	<u>--</u>	<u>(925)</u>	<u>(820)</u>	<u>(5,676)</u>
Other income	<u>501</u>	<u>5,992</u>	<u>36,351</u>	<u>81,810</u>
	<u>31,845</u>	<u>46,231</u>	<u>179,000</u>	<u>201,056</u>
Income before income taxes	863,891	377,788	1,302,412	1,412,437
Income tax (expense) benefit	<u>(43,899)</u>	<u>2,471,565</u>	<u>(121,458)</u>	<u>2,372,472</u>
Net income	<u>\$ 819,992</u>	<u>\$ 2,849,353</u>	<u>\$ 1,180,954</u>	<u>\$ 3,784,909</u>
Net income per share Basic	<u>\$0.07</u>	<u>\$0.24</u>	<u>\$0.10</u>	<u>\$0.32</u>
Net income per share Diluted	<u>\$0.07</u>	<u>\$0.23</u>	<u>\$0.09</u>	<u>\$0.31</u>
Weighted average shares outstanding				
Basic	<u>12,006,266</u>	<u>11,950,071</u>	<u>11,992,449</u>	<u>11,941,116</u>
Weighted average shares outstanding				
Diluted	<u>12,419,132</u>	<u>12,362,555</u>	<u>12,449,955</u>	<u>12,046,059</u>

Clearfield, Inc.

CONDENSED BALANCE SHEET (unaudited -continued)

	September 30,	September 30,
	2010	2009
Assets		
Cash and cash equivalents	\$ 5,285,719	\$ 4,731,735
Short-term investments	1,764,868	2,108,566
Accounts receivable, net	3,244,379	2,723,414
Inventories	1,512,306	1,153,862
Other current assets	129,079	180,635
Property, plant and equipment, net	1,273,107	1,319,492
Long-term Investments	3,236,163	2,840,000
Deferred taxes-long term	2,145,362	2,231,990
Other assets	<u>2,769,978</u>	<u>3,139,065</u>
Total assets	<u>\$ 21,360,961</u>	<u>\$ 20,428,759</u>
Liabilities		
Current liabilities	\$ 2,036,309	\$ 2,493,006
Long-term liabilities	78,585	87,942
Shareholders' equity		
Common stock	120,153	119,746
Additional paid-in capital	52,589,034	52,372,139
Accumulated deficit	<u>(33,463,120)</u>	<u>(34,644,074)</u>

Total shareholders' equity	<u>19,246,067</u>	<u>17,847,811</u>
Total liabilities and shareholders' equity	<u>\$ 21,360,961</u>	<u>\$ 20,428,759</u>

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