

**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 8, 2011**

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))

Items under Sections 1, 3, 4 and 6 through 8 are not applicable and therefore omitted.

Item 2.02. Results of Operations and Financial Condition.

On November 10, 2011, Clearfield, Inc. (the "Company") issued a press release announcing the results of its fourth quarter and fiscal year ended September 30, 2011. 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.

FY 2011 Cash Bonus Program

On November 18, 2010, the Compensation Committee (the "Committee") of the Board of Directors of the Company approved a cash bonus program for fiscal year 2011 (the "2011 Bonus Program"). The current executive officers (the "Executives") that participated in the 2011 Bonus Program are: Cheryl P. Beranek, Chief Executive Officer; John P. Hill, Chief Operating Officer; and Daniel R. Herzog, Chief Financial Officer.

The performance goal under the 2011 Bonus Program for the Executives consisted of the Company's net income for fiscal year 2011 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 ("FY11 ICO").

On November 8, 2011, the Compensation Committee determined the bonus pool amounts available under the 2011 Bonus Program based upon FY2011 ICO, which met the maximum amount set by the Compensation Committee. Amounts from the bonus pool created by the 2011 Bonus Program were allocated by the Company's management among eligible non-executive officer employees. On November 8, 2011, the Compensation Committee approved the following payouts to the Executives from the amounts remaining in the bonus pool: Ms. Beranek, \$388,125; Mr. Hill, \$375,000 and Mr. Herzog \$70,000.

Item 9.01. Financial Statements and Exhibits.

(c) The following exhibit is being furnished herewith:

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 10, 2011

(Date)

Clearfield, Inc.

(Registrant)

/s/ **CHERYL P. BERANEK**

Cheryl P. Beranek
Chief Executive Officer

Clearfield, Inc. Reports Fiscal Year 2011 Year-end and 4th Quarter Results

Company Sets Records for Annual Revenues, Operating Income and Net Income

| | |
|-------------------------------|--|
| FY 2011 Revenues: | \$35,193,000, up 44% from fiscal year 2010 |
| FY 2011 Gross Profit: | \$14,658,000, up 60% from fiscal year 2010 |
| FY 2011 Operating Income: | \$3,716,000, up 231% from fiscal year 2010 |
| FY 2011 Net Income: | \$6,167,000, up 422% from fiscal year 2010 |
| FY 2011 Net Income per Share: | 48 cents per diluted share |

MINNEAPOLIS, Nov. 10, 2011 (GLOBE NEWSWIRE) -- Clearfield, Inc. (Nasdaq:CLFD), the specialist in fiber management and connectivity platforms for communications providers, today announced results for its fiscal year and fourth quarter ended September 30, 2011.

Year -End Performance

Revenue for fiscal year 2011 was \$35,193,000 in comparison to \$24,367,000 for fiscal year 2010, an increase of 44%. Gross profit was \$14,658,000 for fiscal year 2011, in comparison to \$9,138,000 for fiscal year 2010, an increase of 60%. Gross margin for fiscal year 2011 was 41.7%, up from 37.5% in fiscal year 2010. Operating expenses were \$10,942,000 for fiscal year 2011, an increase of 36% from fiscal year 2010. Operating income was \$3,716,000 up 231% from fiscal year 2010 in which \$1,123,000 was recorded. Net income was \$6,167,000 for fiscal year 2011, compared to \$1,181,000 in fiscal year 2010. The reversal of a portion of the valuation allowance associated with the Company's deferred tax assets, consisting primarily of net operating loss carry forwards, added approximately \$2,482,000 in non-cash income tax benefit to net income for the fiscal year 2011.

4th Quarter Performance

Revenue for the fourth quarter of fiscal year 2011 was \$10,702,000 in comparison to \$7,921,000 for the fourth quarter of fiscal year 2010, an increase of 35%. Gross profit was \$4,480,000 for the fourth quarter of fiscal year 2011 in comparison to \$3,099,000 for the fourth quarter of fiscal year 2010, an increase of 44%. Gross margin for the fourth quarter of fiscal year 2011 was 41.9%, up from 39.2% in the fourth quarter of fiscal year 2010. Operating expenses were \$3,082,000 for the fourth quarter of fiscal year 2011, an increase of 36% from \$2,267,000 in the fourth quarter of fiscal year 2010. Operating income increased \$565,000, or 68%, to \$1,397,000 for the fourth quarter of fiscal year 2011, compared to \$832,000 for the fourth quarter of fiscal year 2010.

Reversal of Deferred Tax Valuation Allowance

During fiscal year 2011, Clearfield reversed a portion of its valuation allowance of its deferred tax assets related to future periods in the amount of \$2,482,000, which contributed 19 cents per diluted share. The reduction in the valuation allowance resulted in the recognition of a non-cash income tax benefit that was \$2,432,000 in the fourth quarter of 2011. The reversal of the valuation allowance followed an evaluation of our historical net operating losses and our more recent history of consecutive quarters of profitability. The amount of the valuation allowance reversal was based on management's estimates of taxable income by jurisdiction.

Orders in Backlog/ Select Balance Sheet Highlights

Orders in backlog as of September 30, 2011 totaled \$3,814,000, an increase of 42% or \$1,137,000 over the backlog for the year ending September 30, 2010. Cash and investments at September 30, 2011 totaled \$15,837,000 compared to \$10,287,000 for the year ending September 30, 2010, an increase of \$5,550,000.

Commentary- Cheryl Beranek, President & CEO of Clearfield

"Fiscal year 2011 has been a break-out year for Clearfield. Although the industry was plagued with macro-economic challenges, the Company aggressively grew revenues and converted an increasing amount into net income for the shareholders. Key to this success has been our mobile marketing initiatives in which we bring our product line directly to our customer sites. While we are in a technology business, maintaining a direct conduit to the engineering resources at our customer sites has been instrumental in delivering problem-solving technologies. In addition, the expansion of our sales channels with national distribution partners has extended our reach to an even wider audience for our fiber management and connectivity solutions.

Increases in revenues were experienced throughout our fiber product line. The Company has continued to introduce new product offerings that are being accepted by a wide range of customer market segments. Our increase in gross margin percentage was the result of enhancements in these higher margin product offerings, continual improvements in the manufacturing process, as well as scalability of our manufacturing processes.

As we reported last quarter, the American Recovery and Reinvestment Act's stimulus program for broadband funding is a strategic element of our business planning process. However, it is just one aspect of our market development programming. We have announced a number of

stimulus award winners who are choosing Clearfield for their deployment projects. While revenues from this program were slow to materialize during this fiscal year, we anticipate that these projects will continue throughout fiscal year 2012 and into 2013.

While the availability of fiber has also impacted our industry, we have proactively worked with our supply partners and have taken the inventory positions necessary to enhance the availability of raw materials for our own manufacturing needs. Our customers have told us that our rapid turn-around-time and industry-leading lead-time is an effective tool for them in staging their deployment schedules.

Our controlled SG&A investments are part of Clearfield's long-term growth initiatives within our traditional telco client base as well as expanding our market presence into broadband service providers in the cable television, municipal utility, enterprise and wireless markets. Finally, the Company continues to invest in productivity tools on our manufacturing floor to enhance our ability to scale our production processes.

Our record year has resulted in an even stronger balance sheet. We are pleased with the strength of our cash and investment position as well as our current inventory levels. We believe this position provides the flexibility to respond to current and future customer demand along with the capability to continue to invest in operations and equipment to maintain a competitive position."

About Clearfield, Inc

Clearfield, Inc. (Nasdaq:CLFD) designs, manufactures and distributes fiber optic management products for the communications networks of leading ILECS, CLECs, MSO/cable TV companies and mobile broadband providers. We help service providers solve the Fiber Puzzle, which is how to reduce high costs associated with deploying, managing, protecting and scaling a fiber optic network to deliver the mobile, residential and business services customers want. Based on the patented Clearview™ Cassette, our unique single-architected, modular fiber management platform is designed to lower the cost of broadband deployment and maintenance by consolidating, protecting and distributing incoming and outgoing fiber circuits and enable our customers to scale their operations as their subscriber revenues increase. Headquartered in Plymouth, MN, Clearfield deploys millions of fiber ports each year throughout North America.

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; dependence on third-party manufacturers and the availability of raw materials; 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 Annual Report on Form 10-K for the year ended September 30, 2010 as well as other filings with the Securities and Exchange Commission. The Company undertakes no obligation to update these statements to reflect actual events.

CLEARFIELD, INC.

CONDENSED STATEMENTS OF OPERATIONS

UNAUDITED

| | Three Months Ended | | Fiscal year Ended | |
|-------------------------------------|--------------------|------------------|-------------------|-------------------|
| | September 30 | | September 30 | |
| | 2011 | 2010 | 2011 | 2010 |
| Revenues | \$10,701,634 | \$7,921,129 | \$35,192,532 | \$24,366,755 |
| Cost of sales | <u>6,221,719</u> | <u>4,821,875</u> | <u>20,534,174</u> | <u>15,229,222</u> |
| Gross profit | 4,479,915 | 3,099,254 | 14,658,358 | 9,137,533 |
| Operating expenses | | | | |
| Selling, general and administrative | 3,082,316 | 2,267,208 | 10,986,322 | 8,014,121 |
| Gain on disposal of assets | <u>179</u> | <u>--</u> | <u>(44,173)</u> | <u>--</u> |
| | 3,082,495 | 2,267,208 | 10,942,149 | 8,014,121 |
| Income from operations | 1,397,420 | 832,046 | 3,716,209 | 1,123,412 |
| Other income (expense) | | | | |
| Interest income | 26,530 | 31,344 | 109,595 | 143,469 |
| Interest expense | -- | -- | -- | (820) |
| Other income | <u>--</u> | <u>501</u> | <u>25,500</u> | <u>36,351</u> |

| | | | | |
|--------------------------------------|--------------------|-------------------|--------------------|--------------------|
| | <u>26,530</u> | <u>31,845</u> | <u>135,095</u> | <u>179,000</u> |
| Income before income taxes | 1,423,950 | 863,891 | 3,851,304 | 1,302,412 |
| Income tax expense (benefit) | <u>(2,432,021)</u> | <u>43,899</u> | <u>(2,316,142)</u> | <u>121,458</u> |
| Net income | <u>\$3,855,971</u> | <u>\$819,992</u> | <u>\$6,167,446</u> | <u>\$1,180,954</u> |
| Net income per share: | | | | |
| Basic | <u>\$0.32</u> | <u>\$0.07</u> | <u>\$0.51</u> | <u>\$0.10</u> |
| Diluted | <u>\$0.30</u> | <u>\$0.07</u> | <u>\$0.48</u> | <u>\$0.09</u> |
| Weighted average shares outstanding: | | | | |
| Basic | <u>12,181,093</u> | <u>12,006,266</u> | <u>12,085,491</u> | <u>11,992,449</u> |
| Diluted | <u>12,787,085</u> | <u>12,419,132</u> | <u>12,749,933</u> | <u>12,449,955</u> |

CLEARFIELD, INC.
CONDENSED BALANCE SHEETS
UNAUDITED

| | <u>September 30, 2011</u> | <u>September 30, 2010</u> |
|--|---------------------------|---------------------------|
| Assets | | |
| Current Assets | | |
| Cash and cash equivalents | \$11,281,027 | \$5,285,719 |
| Short-term investments | 1,849,000 | 1,764,868 |
| Accounts receivable, net | 3,228,864 | 3,244,379 |
| Inventories | 2,757,151 | 1,512,306 |
| Other current assets | <u>1,164,243</u> | <u>129,079</u> |
| Total current assets | 20,280,285 | 11,936,354 |
| Property, plant and equipment, net | 986,031 | 1,273,107 |
| Other Assets | | |
| Long-term investments | 2,707,000 | 3,236,163 |
| Goodwill | 2,570,511 | 2,570,511 |
| Deferred taxes –long term | 3,558,797 | 2,145,362 |
| Other | <u>199,467</u> | <u>199,467</u> |
| Total other assets | <u>9,035,775</u> | <u>8,151,503</u> |
| Total Assets | <u>\$30,302,091</u> | <u>\$21,360,961</u> |
| Liabilities and Shareholders' Equity | | |
| Current Liabilities | | |
| Accounts payable | 1,439,611 | 1,188,261 |
| Accrued compensation | 2,465,132 | 765,181 |
| Accrued expenses | <u>106,383</u> | <u>82,867</u> |
| Total current liabilities | 4,011,126 | 2,036,309 |
| Commitment and contingencies | -- | -- |
| Deferred rent | <u>61,794</u> | <u>78,585</u> |
| Total Liabilities | 4,072,920 | 2,114,894 |
| Shareholders' Equity | | |
| Common stock | 122,707 | 120,153 |
| Additional paid-in capital | 53,402,138 | 52,589,034 |
| Accumulated deficit | <u>(27,295,674)</u> | <u>(33,463,120)</u> |
| Total Shareholders' Equity | <u>26,229,171</u> | <u>19,246,067</u> |
| Total Liabilities and Shareholders' Equity | <u>\$30,302,091</u> | <u>\$21,360,961</u> |

Chief Executive Officer and President
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