CARPENTER TECHNOLOGY CORP
Form 4
July 31, 2009

FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB Number:	3235-0287
Expires:	January 31, 2005
Estimated average burden hours per response...	0.5

(Print or Type Responses)

1. Name and Address of Reporting Person *
SHOR MICHAEL L

(Last) (First) (Middle)

CARPENTER TECHNOLOGY CORPORATION, PO BOX 14662

(Street)

READING, PA 19612-4662

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
CARPENTER TECHNOLOGY CORP [CRS]

3. Date of Earliest Transaction (Month/Day/Year)
07/29/2009

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
Executive VP AMO & PAO

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	07/29/2009		A		23,500	A	(1)	76,139.44	D	
Common Stock								765.74	I	By 401(k) Plan

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Options	$ 17.29	07/29/2009		A		11,284		07/29/2010	07/29/2019	Common Stock	11,284
Stock Options	$ 17.29	07/29/2009		A		11,283		07/29/2011	07/29/2019	Common Stock	11,283
Stock Options	$ 17.29	07/29/2009		A		11,283		07/29/2012	07/29/2019	Common Stock	11,283

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SHOR MICHAEL L CARPENTER TECHNOLOGY CORPORATION PO BOX 14662 READING, PA 19612-4662			Executive VP AMO & PAO	

Signatures

Oliver C. Mitchell/POA	07/31/2009
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) The reporting person was granted restricted stock under the Carpenter Technology Corporation Stock-Based Compensation Plan for Officers and Key Employees.

(2) The reporting person was granted an option to buy shares of common stock under the Carpenter Technology Corporation Stock-Based Compensation Plan for Officers and Key Employees.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. dth="22%" style="border-bottom: white;">
Identifiable assets

	10,285
	3,495
	7,224
	1,074
	-
	22,078
Depreciation and amortization expense	
	871
	719
	-
	62
	-
	1,652
Impairment charge	
	-
	4,482
	-
	-
	4,482
Capital expenditures	
	357
	144
	-
	78
	-
	579

Year Ended January 31, 2006

Revenues

$
5,958

$
8,322

$
-

$
-

$
(190
)
$
14,090

Operating income (loss)

(54
)

(465
)

738

(664
)

-

(445
)
Identifiable assets

10,819

9,047

7,836

1,145

-

28,847

Depreciation and amortization expense

587

757

-

67

-

1,411

Capital expenditures

222

57

-

6

-

285

69

iDNA, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
Years Ended January 31, 2008, 2007 and 2006

NOTE 14 – SIGNIFICANT CLIENTS

Revenues for Fiscal 2008, Fiscal 2007 and Fiscal 2006 were $14.6 million, $15.4 million and $14.1 million, respectively. Pfizer Inc. and R&D Strategic Solutions, Inc. accounted for 12% and 15%, respectively, of revenues for Fiscal 2008. Pfizer, Inc. accounted for 17% of revenues for Fiscal 2007. Pfizer Inc. and BearingPoint, Inc. accounted for 21% and 13%, respectively of revenues for Fiscal 2006.

iDNA is subject to account receivable credit concentrations from time-to-time as a consequence of the timing, payment pattern and ultimate value of large meeting or event schedules with its clients. These concentrations of client meetings or events may impact iDNA's overall exposure to credit risk, either positively or negatively, in that its clients may be similarly affected by changes in economic, regulatory or other conditions that may impact the timing and collectability of amounts due to iDNA. At January 31, 2008, two clients comprised approximately 12.3% and 11.0%, respectively, of iDNA's accounts receivable. Management believes that the provision for possible losses on uncollectible accounts receivable is adequate for iDNA's credit loss exposure. At January 31, 2008 and 2007, the allowance for doubtful accounts was $75,000 and $82,000, respectively.

NOTE 15 – QUARTERLY FINANCIAL DATA (UNAUDITED)

The following table presents unaudited quarterly financial information for Fiscal 2008 and Fiscal 2007 (in thousands, except per share amounts):

	Quarter			
	First	Second	Third	Fourth
Fiscal 2008				
Revenues	$ 3,600	$ 2,824	$ 5,070	$ 3,123
Gross profit	1,079	779	2,569	859
Income (loss) from continuing operations	$ (1,043)	$ (1,560)	$ 255	$ (9,475)
Discontinued operations, net of tax	5	3	-	2
Net income (loss)	$ (1,038)	$ (1,557)	$ 255	$ (9,473)
Basic and diluted income (loss) earnings per share[1]				
Continuing operations	$ (.11)	$ (.16)	$ .03	$ (.95)
Discontinued operations	-	-	-	-
Net income (loss) per share	$ (.11)	$ (.16)	$ .03	$ (.95)
Fiscal 2007				
Revenues	$ 3,432	$ 3,538	$ 4,758	$ 3,716
Gross profit	1,098	1,497	2,204	1,498
Income (loss) from continuing operations	$ (1,154)	$ (5,137)	$ (280)	$ (1,020)
	1	1	1	8

Discontinued operations, net of tax								
Net income (loss)	$	(1,153)	$	(5,136)	$	(279)	$	(1,012)
Basic and diluted income (loss) earnings per share[1]								
Continuing operations	$	(.13)	$	(.56)	$	(.03)	$	(.11)
Discontinued operations		-		-		-		-
Net income (loss) per share	$	(.13)	$	(.56)	$	(.03)	$	(.11)

[1]The sum of the quarters do not equal year to date.

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iDNA, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
Years Ended January 31, 2008, 2007 and 2006

NOTE 16 – RELATED PARTY TRANSACTIONS

Pursuant to the terms of the OTI Membership Purchase Agreement dated November 18, 2005, iDNA was obligated to repay the former OTI Members for certain loans and advances made by the former OTI Members prior to the OTI acquisition by iDNA. iDNA repaid in full the OTI Members loans and advances in periodic installments, as required, during Fiscal 2007.

The Campus Group leases its corporate headquarters in Tuckahoe, New York and its Bohemia, New York warehouse and distribution center from a former The Campus Group shareholder. The leases expire in April 2010. The annual lease commitment during the term is $175,000 per annum. iDNA charged to operations rent expense of $175,000 for each of Fiscal 2008, Fiscal 2007 and Fiscal 2006, respectively. At January 31, 2008, iDNA charged to operations and included as a component of accrued expenses $172,000 for deferred rent and property tax expenses due under the terms of the leases. The deferred rental charges are expected to be paid by the Campus Group during Fiscal 2009.

NOTE 17 – DISCONTINUED OPERATIONS

Auto Rental and Finance Operations
iDNA, under the names Agency Rent-A-Car, Inc. (“ARAC”), Altra Auto Rental and Automate Auto Rental, previously engaged in the rental of automobiles on a short-term basis, principally to the insurance replacement market. During Fiscal 1996, iDNA disposed of its rental fleet business through the sale of certain assets and through certain leases to a national car rental company. All liabilities related to the discontinued rental business, principally self-insurance claims, were retained by ARAC.

Prior to Fiscal 2002, iDNA was engaged in the sub-prime used automobile finance business. At that time, iDNA, then known as National Auto Credit, Inc. (“NAC”), invested in sub-prime used automobile consumer loans, which took the form of installment loans collateralized by the related vehicle. NAC purchased such loans, or interests in pools of such loans, from member dealerships, and performed the related underwriting and collection functions. NAC formally discontinued its automobile finance business effective December 31, 2001.

The results of both the auto rental and finance operations are included in the results of discontinued operations. For Fiscal 2008, 2007 and 2006, the results of the discontinued operations principally represent the effects of the residual collection of previously charged off loans, and the settlement of, and changes in iDNA’s, provisions for income taxes and reserves for claims against ARAC related to the self-insured claims (see Note 11).

iDNA, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
Years Ended January 31, 2008, 2007 and 2006

NOTE 17 – DISCONTINUED OPERATIONS (CONTINUED)

Summarized results of discontinued operations are as follows (in thousands):

	Discontinued Operations					
	2008		2007		2006	
Revenue	$	10	$	4	$	20
General and administrative expenses						1
		-		-		1
Income before income taxes		10		4		19
Provision (benefit) for income taxes		-		(7)		5
Income from discontinued operations	$	10	$	11	$	14

NOTE 18 – SHAREHOLDER COMPLAINT SETTLEMENT

Shareholder Complaints
In July and August 2001, iDNA received three separate derivative complaints filed with the Court of Chancery of Delaware ("Delaware Court") by each of Academy Capital Management, Inc ("Academy Complaint")., Levy Markovich, ("Markovich Complaint") and Harbor Finance Partners ("Harbor Complaint"), all shareholders of iDNA, against James J. McNamara, John A. Gleason, William S. Marshall, Henry Y.L. Toh, Donald Jasensky, Peter T. Zackaroff, Mallory Factor, and Thomas F. Carney, Jr. (the "Director Defendants") and names iDNA as a nominal defendant. By order of the Delaware Court on November 12, 2001, the Academy, Markovich and Harbor Complaints were consolidated under the title "In re National Auto Credit, Inc. Shareholders Litigation," Civil Action No. 19028 NC (Delaware Court) ("Delaware Action").

The Delaware Action principally sought: (i) a declaration that the Director Defendants breached their fiduciary duties to iDNA, (ii) a judgment voiding an employment agreement with James J. McNamara and rescinding a stock exchange agreement in which iDNA acquired ZoomLot, (iii) a judgment voiding the grant of stock options and the award of director fees allegedly related thereto, (iv) an order directing the Director Defendants to account for alleged damages sustained and profits obtained by the Director Defendants as a result of the alleged various acts complained of, (v) the imposition of a constructive trust over monies or other benefits received by the Director Defendants, (vi) a judgment requiring the Director Defendants to promptly schedule an annual meeting of shareholders and (vii) an award of costs and expenses.

iDNA, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
Years Ended January 31, 2008, 2007 and 2006

NOTE 18 – SHAREHOLDER COMPLAINT SETTLEMENT (CONTINUED)

On October 12, 2001, iDNA received a derivative complaint filed by Robert Zadra, a shareholder of iDNA, that had been filed with the Supreme Court of the State of New York ("New York Court") on or about October 12, 2001 against James J. McNamara, John A. Gleason, William S. Marshall, Henry Y. L. Toh, Donald Jasensky, Peter T. Zackaroff, Mallory Factor, Thomas F. Carney, Jr., and iDNA as Defendants. On or about May 29, 2002 the complaint was amended to include class action allegations (the "New York Action"). The New York Action contained allegations similar to those in the Delaware Action concerning the Board's approval of the employment agreement with James McNamara, option grants and past and future compensation to the Director Defendants, and the ZoomLot transaction. The New York Action sought (i) a declaration that as a result of approving these transactions the Director Defendants breached their fiduciary duties to iDNA, (ii) a judgment enjoining Director Defendants from proceeding with or exercising the option agreements, (iii) rescission of the option grants to Director Defendants, if exercised, (iv) an order directing the Director Defendants to account for alleged profits and losses obtained by the Director Defendants as a result of the alleged various acts complained of, (v) awarding compensatory damages to iDNA and the class, together with prejudgment interest, and (vi) an award of costs and expenses.

iDNA vigorously defended against each of the respective claims made in the Delaware Action and New York Action, as it believed that the claims had no merit.

The parties in the New York Action thereafter engaged in settlement negotiations and, in December 2002, the parties entered into a stipulation of settlement which was thereafter amended in November 2004 (the "New York Settlement Stipulation"). Under the terms of the New York Settlement Stipulation, iDNA agreed (subject to certain terms and conditions) to, among other things, (a) adopt or implement certain corporate governance procedures or policies, (b) issue to a class of iDNA shareholders who had continuously held iDNA's Common Stock from December 14, 2000 through December 24, 2002 (hereinafter, the "Eligible Shareholders") up to one million warrants (one warrant per 8.23 shares of Common Stock), with each warrant having a five year term and being exercisable for shares of iDNA's Common Stock at a price of $1.55 per share, (c) cancel 50% of certain stock options granted on December 15, 2000, and (d) make certain payments for legal fees for counsel to the plaintiffs in the New York Action. The New York Settlement Stipulation created for the benefit of iDNA a settlement fund in the amount of $2.5 million to be funded by an insurance policy (the "Settlement Fund"). The New York Court also subsequently approved $500,000 for legal fees for counsel to the plaintiffs in the New York Action to be paid from the proceeds from the Settlement Fund.

In order to facilitate the settlement and dismissal of the separate Delaware Action as well as the New York Action, on April 22, 2005, iDNA entered into a Stock Purchase Agreement ("Agreement") with Academy Capital Management, Inc., Diamond A. Partners, L.P., Diamond A. Investors, L.P., Ridglea Investor Services, Inc. and William S. Banowsky (hereinafter referred to collectively as the "Selling Stockholders"). The Selling Stockholders had also raised objections to the settlement of the New York Action. The New York Court (a) had rejected the objections raised by the Selling Stockholders and (b) had approved as fair and in the best interests of iDNA and its shareholders the proposed settlement of the New York Action as set forth in the New York Settlement Stipulation. The Selling Stockholders had then filed an appeal (the "Appeal") to such determination by the New York Court.

iDNA, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
Years Ended January 31, 2008, 2007 and 2006

NOTE 18 – SHAREHOLDER COMPLAINT SETTLEMENT (CONTINUED)

Pursuant to the terms of the Agreement, the Selling Stockholders agreed, among other things, to do the following:

- enter into a stipulation (to be filed with the New York Court) pursuant to which they would (a) irrevocably withdraw, with prejudice, any objections they had asserted or might have asserted with respect to the settlement of the New York Action, (b) stipulate to the entry of an order dismissing the New York Action and (c) agree to the dismissal of the Appeal.

- enter into a stipulation (to be filed with the Appellate Division, First Department, of the Supreme Court of the State of New York) providing for the dismissal of the Appeal.

- enter into a stipulation (to be filed in the Delaware Court), pursuant to which they would agree to the dismissal of the Delaware Action with prejudice.

The Selling Stockholders executed and delivered to iDNA and iDNA filed with the applicable New York Court and Delaware Court each of the stipulations referred to above. Effective May 5, 2005, the New York Court entered a Final Order and Judgment in which it approved the Stipulation of Dismissal of Objections, finding the terms set forth therein fair, reasonable and adequate, and dismissed the New York Action and the objections to the New York Settlement with prejudice. Effective May, 13, 2005, the Appellate Division, First Department, of the Supreme Court of the State of New York granted the dismissal of the Appeal. Effective May 18, 2005, the Delaware Court granted an Order and Judgment Dismissing Action with Prejudice with respect to the Delaware Action. As a consequence of each of the above actions by the respective courts, settlement of the New York Action and the Delaware Action, was deemed final in June 2005 and iDNA received net proceeds of $2.0 million from iDNA's insurer from the Settlement Fund for the New York Action.

Pursuant to the Agreement, iDNA agreed (subject to certain terms and conditions set forth in the Agreement) to purchase from the Selling Stockholders their 1,562,500 shares of iDNA Common Stock at a price of $0.6732 per share (or a total purchase price of $1,051,875) and to contribute $100,000 to cover a portion of the legal fees incurred by the Selling Stockholders. Effective June 30, 2005, iDNA purchased 1,562,500 shares of iDNA Common Stock from the Selling Stockholders.

As a consequence of the confirmation of the New York Settlement Stipulation, the Dismissing Action with Prejudice of the Delaware Action and the subsequent purchase by iDNA of Common Stock from the Selling Stockholders, for Fiscal 2006, iDNA recorded (i) a charge to operations of $100,000 for legal fees of the Selling Stockholders, (ii) a charge to operations of $208,000 for the excess cost over the market value of the iDNA Common Stock acquired as of the date of the Agreement, April 22, 2005, (iii) a charge to other income of $25,000 for the expense of the fair value of the warrants to be issued to Eligible Shareholders and (iv) realized other income of $2.0 million for the net proceeds received by iDNA from the Settlement Fund. The Eligible Shareholders had until December 2005 to submit their claim for one warrant for each 8.23 shares of Common Stock owned during the eligibility period, with each warrant having a five year term and being exercisable for shares of Common Stock at a price of $1.55 per share. Based upon the final submission of claims by Eligible Shareholders, in April 2006 iDNA issued 100,282 warrants to the Eligible Shareholders.

iDNA, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
Years Ended January 31, 2008, 2007 and 2006

NOTE 18 – SHAREHOLDER COMPLAINT SETTLEMENT (CONTINUED)

As acknowledged by the Selling Stockholders in the Agreement, iDNA was willing to enter into the Agreement, settle the New York Action and the Delaware Action and consummate the other transactions contemplated by the Agreement in order to terminate prolonged and expensive litigation and iDNA's entry into the Agreement would not constitute or be deemed to constitute or evidence any improper or illegal conduct by or on behalf of iDNA (or any of its directors, officers, employees and other agents or representatives) or any other wrongdoing by iDNA (or any of its directors, officers, employees and other agents or representatives). The Agreement was approved by the disinterested and independent members of iDNA's Board of Directors.

FINANCIAL STATEMENTS AND REPORT OF
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

ANGELIKA FILM CENTERS, LLC

At December 31, 2007 and December 28, 2006

and

For the Years Ended December 31, 2007, December 28, 2006 and
December 29, 2005

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors
Angelika Film Centers, LLC

We have audited the accompanying balance sheets of Angelika Film Centers, LLC (a Delaware limited liability company) as of December 31, 2007 and December 28, 2006, and the related statements of income, members' equity and cash flows for each of the three fiscal years in the period ended December 31, 2007. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States of America). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Angelika Film Centers, LLC as of December 31, 2007 and December 28, 2006, and the results of its operations and its cash flows for each of the three fiscal years in the period ended December 31, 2007, in conformity with accounting principles generally accepted in the United States of America.

/s/ Grant Thornton
Cleveland, Ohio
May 14, 2008

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Angelika Film Centers, LLC
(A Limited Liability Company)
BALANCE SHEETS
(dollar amounts in thousands)

December 28, 2006 and December 29, 2005

		December 31, 2007		**December 28, 2006**
ASSETS				
Current Assets				
Cash and cash equivalents	$	981	$	257
Trade and other receivables		184		120
Concession inventories (Note A)		16		13
Prepaid expenses and other current assets		12		8
Due from affiliates (Note E)		44		825
Total current assets		1,237		1,223
Property, equipment and leasehold improvements, net (Note B)		734		833
Intangible with definitive life (Note A)		5,117		5,707
Deposits		80		80
Total Assets	**$**	**7,168**	**$**	**7,843**
LIABILITIES AND MEMBERS' EQUITY				
Current Liabilities:				
Accounts payable and accrued liabilities	$	515	$	338
Deferred income and other obligations		146		142
Total current liabilities		661		480
Deferred rental obligation (Note C)		2,168		2,083
Total liabilities		2,829		2,563
Commitments and Contingencies (Note D)		-		-
Members' Equity (Note A)		4,339		5,280
Total Liabilities and Members' Equity	**$**	**7,168**	**$**	**7,843**

The accompanying notes to financial statements are an integral part of these statements.

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Angelika Film Centers, LLC
(A Limited Liability Company)
STATEMENTS OF INCOME
(dollar amounts in thousands)

For the fiscal years ended December 31, 2007, December 28, 2006 and December 29, 2005

	December 31, 2007	December 28, 2006	December 29, 2005
Revenue			
Theatre income	$ 5,199	$ 5,015	$ 5,222
Theatre concessions	687	677	666
Café concession sales	425	418	412
Rental and other income	183	218	187
Total operating income	6,494	6,328	6,487
Operating costs and expenses			
Operating costs	4,135	4,037	3,980
General and administrative expenses	229	231	209
Depreciation and amortization	781	775	752
Total operating costs and expenses	5,145	5,043	4,941
Income from operations	1,349	1,285	1,546
State and local income taxes (Note A)	40	67	59