EVANS BANCORP INC
Form 4
June 19, 2008

FORM 4

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

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
Kajtoch Gary A

(Last) (First) (Middle)

ONE GRIMSBY DRIVE

(Street)

HAMBURG, NY 14075

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
EVANS BANCORP INC [EVBN]

3. Date of Earliest Transaction (Month/Day/Year)
06/17/2008

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)
Treasurer and CFO

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			

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	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8 D S

(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)			Date Exercisable	Expiration Date	Title	Amount or Number of Shares	(I
			Code	V	(A)	(D)					
Employee Incentive Stock Option (Right to Buy)	$ 15.35	06/17/2008	A		3,000		(1)	06/17/2018	Common Stock	3,000	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Kajtoch Gary A ONE GRIMSBY DRIVE HAMBURG, NY 14075			Treasurer and CFO	

Signatures

Michelle A. Baumgarden, Attorney In Fact for Gary A. Kajtoch	06/19/2008
**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 Options shall be exercisable according to the following schedule: 25% of the shares of Common Stock subject to the Option - 1-year Anniversary of the Date of Grant; 25% of the shares of Common Stock subject to the Option - 2-year Anniversary of the Date of Grant; 25% of the shares of Common Stock subject to the Option - 3-year Anniversary of the Date of Grant; 25% of the shares of Common Stock subject to the Option - 4-year Anniversary of the Date of Grant.

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.

Exhibit 23.1
Consent of National Economic Research Associates, Inc.

Exhibit 23.2
Consent of Marsh USA, Inc.

Exhibit 23.3
Consent of Independent Registered Public Accounting Firm

Exhibit 31(a)
Certification of President and CEO Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

Exhibit 31(b)
Certification of Vice President, Finance and CFO Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

Exhibit 32(a)
Certification of President and CEO and Vice President, Finance and CFO Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

PART I

Item 1. Business

Industry

Rogers Corporation, founded in 1832, is one of the oldest publicly traded U.S. companies in continuous operation. We have adapted our products over the 177 years of our history to meet the changing needs of the various markets we have served and currently serve. We initially manufactured specialty paperboard for use in early electrical applications, and today we predominantly supply a wide range of specialty materials and components for the portable communications, communications infrastructure, consumer electronics, mass transit, automotive, defense, and sustainable energy markets.

Our current focus is on worldwide markets that have an increasing percentage of materials being used to support growing high technology applications, such as cellular base stations and antennas, handheld wireless devices, satellite television receivers, wind and solar energy applications, and hybrid, including electric, vehicles. We continue to focus on business opportunities around the globe and particularly in the Asian marketplace, as evidenced by the continued investment in and expansion of our manufacturing facilities in Suzhou, China, which function as the manufacturing base to serve our customers in Asia.

As used herein, the “Company”, “Rogers”, “we”, “our”, “us” and similar terms include Rogers Corporation and its subsidiari
unless the context indicates otherwise.

Business Segments & Products

We operate in four reportable segments: Printed Circuit Materials, High Performance Foams, Custom Electrical Components and Other Polymer Products. Financial information by business segment and geographic area appears in Note 16 of the Consolidated Financial Statements on page 80of this Form 10-K. Our products are based on our core technologies in polymers, fillers, and adhesion. Most products are proprietary, or incorporate proprietary technology in their development and processing, and are sold under our valuable trade names.

Printed Circuit Materials

Our Printed Circuit Materials reportable segment includes printed circuit board laminate products for high frequency, high performance applications. Our Printed Circuit Materials have characteristics that offer performance and other functional advantages in many market applications, and serve to differentiate our products from other commonly available materials.

Printed Circuit Materials are sold principally to independent and captive printed circuit board manufacturers who convert our laminates to custom printed circuits.

The polymer-based dielectric layers of our rigid circuit board laminates are proprietary materials that provide highly specialized electrical and mechanical properties. Trade names for our rigid printed circuit board materials include RO3000®, RO4000®, DUROID®, RT/duroid®, ULTRALAM®, RO2800® and TMM® laminates. All of these laminates are used for making circuitry that receive, transmit, and process high frequency communications signals, yet each laminate has varying properties that address specific needs and applications within the communications market. High frequency circuits are used in the equipment and devices that comprise wireless communications systems, including cellular communications, digital cellular communications, paging, direct broadcast television, global positioning, mobile radio communications, and radar.

Our 50% owned joint venture with Mitsui Chemicals, Inc. of Japan, Polyimide Laminate Systems, LLC (PLS), extends and complements our Printed Circuit Materials business. It was established in early 2000 to sell adhesiveless flexible circuit material products to Hutchinson Technology Incorporated (HTI). HTI uses these materials to make trace suspension assemblies in magneto resistive hard disk drives.

High Performance Foams

Our High Performance Foams reportable segment includes polyurethane and silicone foam products. These foams have characteristics that offer functional advantages in many market applications, and serve to differentiate our products from other commonly available materials.

High Performance Foams are sold to fabricators, distributors and original equipment manufacturers for applications in consumer electronics, mass transit, defense and other markets. Trade names for our High Performance Foams include: PORON® urethane foams used for making high performance gaskets and seals in vehicles, portable communications devices, computers and peripherals; PORON® cushion insole materials for footwear and related products; PORON® healthcare and medical materials for body cushioning and orthotic appliances; and R/bak® compressible printing plate backing and mounting products for cushioning flexographic plates for printing on packaging materials. BISCO® silicone foams, solids, sponge and extrusion products for making flame retardant gaskets and seals in communications infrastructure equipment, aircraft, trains, cars and trucks, and for shielding extreme temperature or flame.

In the second quarter of 2009, we acquired certain assets of MTI Global Inc.'s silicones business. MTI Global Inc. had established a solid presence as a solutions provider in several key markets that we are targeting for future growth, including mass transit and other markets requiring high reliability, high performance materials. We believe that the addition of the product lines from MTI Global Inc. will expand the opportunities for both our existing products, as well as the acquired products, through exposure to new markets and applications. We also plan to leverage the acquired technologies to create even more innovative materials solutions.

Two of our 50% owned joint ventures extend and complement our worldwide business in High Performance Foams. Rogers INOAC Corporation (RIC), a joint venture with Japan-based INOAC Corporation, manufactures high performance polyurethane foam materials in Mie and Nagoya, Japan to predominantly serve the Japanese market. In 2004, we further extended our relationship with INOAC Corporation with the formation of another joint venture in Suzhou, China, Rogers INOAC Suzhou Corporation (RIS), which also manufactures polyurethane foam materials primarily for the Chinese market.

Custom Electrical Components

Our Custom Electrical Components reportable segment includes power distribution component products, electroluminescent lamps and inverters. We manufacture power distribution components in Ghent, Belgium and Suzhou, China, under the RO-LINX® trade name. We sell these RO-LINX® products to manufacturers of high power electrical inverter and converter systems for use in mass transit (e.g. high speed trains) and renewable energy generation (e.g. wind turbines). In the industrial applications area, our RO-LINX® products are utilized in a large variety of Variable Frequency Drives for high to mid power applications. We manufacture DUREL® electroluminescent lamps (EL lamps) in Chandler, Arizona and Suzhou, China and we also design and sell inverters that power the EL lamps. EL lamps and inverters are sold primarily to OEMs and fabricators that in turn sell to various other third parties that primarily serve the portable communication and automotive markets.

Other Polymer Products

Our Other Polymer Products reportable segment includes elastomer components, nonwoven composite materials, thermal management products, and distribution activity related to flexible circuit material products.

Elastomer components are sold to OEM's for applications in ground transportation, office equipment, consumer and other markets. Trade names for our elastomer components include: NITROPHYL® floats for level sensing in fuel tanks, motors, and storage tanks and ENDUR® elastomer rollers and belts for document handling in copiers, printers, mail sorting machines and automated teller machines.

Our nonwoven composite materials are manufactured for use in medical padding, industrial pre-filtration applications, and as consumable supplies in the lithographic printing industry.

Our thermal management business was formed in the fourth quarter of 2007 and is targeted at serving markets where thermal heat management is a priority, such as heat dissipation in electronic devices. This venture is still in its

start-up phase as no material sales have been generated to date.

In 2007, we restructured our flexible circuit materials business and outsourced the majority of the manufacturing activities related to this business to our Taiwanese joint venture with Chang Chun Plastics, Co., Ltd., Rogers Chan Chun Technologies, Inc. (RCCT). As part of this restructuring, we agreed to act as a distributor for the certain products now manufactured at RCCT, the sales for which are reported in this segment. RCCT was originally established in late 2001 to manufacture flexible circuit material for customers in Taiwan.

This segment no longer includes our polyolefin foams operating segment, which was divested in the third quarter of 2007, and our Induflex operating segment, which was divested in the fourth quarter of 2008.

Sales and Marketing

Most of our products are sold through direct sales channels positioned near major concentrations of our customers throughout the Americas, Europe and Asia. Our products were sold to over 2,600 customers worldwide in 2009. Although the loss of all the sales made to any one of our larger customers would require a period of adjustment during which the business of a segment would be adversely affected, we believe that such adjustment could be made over a period of time due to the diversity of our customer base. We also believe that our business relationships with the major customers within all of our key markets are generally favorable, and that we are in a good position to respond promptly to variations in customer requirements and technology trends. However, the possibility exists of losing all of the business of any major customer in any product line.

We market our full range of products throughout the United States and in most foreign markets. Almost all of our sales are facilitated through our own worldwide sales force, with a small percentage facilitated through independent agents and distributors.

Competition

Our strategic reportable segments – Printed Circuit Materials, High Performance Foams and Custom Electrical Components – all participate in industries that are characterized by strong competition from around the globe. The competition, which is comprised not only of those companies which make directly competing materials, but also those companies which make comparable and therefore potentially substitutable materials, is typically from substantially larger, multinational manufacturers that often have greater financial resources than we do, as well as smaller regional producers with lower overhead costs and profit requirements, particularly in Asia.

Our overall strategy as a Company, which is implemented at each of our strategic reportable segments, is to offer highly regarded, technologically advanced products that are price competitive and to link our product offerings with superior market knowledge and customer service. Further, we believe that in order to provide outstanding customer support we must be geographically close to our customers in order to provide local service, support and distribution, which we address through our manufacturing facilities in the U.S., Europe and China, and our various sales offices around the globe. We believe this serves to differentiate our products and services, and provides us a competitive advantage. We further believe that our relative position is dependent on our ability to maintain our technological advantage and the highest levels of design and customer service support; however, there is no assurance that we will be technologically competitive in the future, or that we will continue to develop new products that are technologically competitive.

The following discusses the competitive landscape in each of our strategic business segments in greater detail.

Printed Circuit Materials

Our Printed Circuit Materials reportable segment offers products which we believe are leaders in most of the segments it serves, including communication infrastructure, consumer electronics, and mass transit and defense. A key strategy in this segment is to continue to develop and produce laminate products that are technology leaders in the markets where they participate, particularly as the need for more advanced application use is demanded, such as in the wireless infrastructure where demand for data transmission capacities is continuously growing. On a regional basis, this segment participates in North America, Europe and Asia. It faces competition in each of these locations from a wide variety of companies, from very large multinational manufacturers to much smaller, regional companies. As with our other segments, this segment must compete on quality, price and service, and must address the continual threat of commoditization, particularly with respect to products that have matured in their life cycle.

High Performance Foams

Our High Performance Foams reportable segment offers products that we believe are leaders in most of the segments it serves, including portable communications, consumer electronics, mass transit, and defense. We have a strong presence worldwide, particularly in North America, Europe and Asia. Our competition is comprised of companies from around the globe, including large multinational companies, as well as small regional companies, particularly in Asia. In these areas, we typically compete on price, as well as quality and service, and we focus on protecting our intellectual property, particularly in regions where such laws are not as strictly enforced. We also strive to continuously differentiate our product offerings, as commoditization of certain products is always a risk.

Explanation of Responses: 9

Custom Electrical Components

Our Custom Electrical Components reportable segment offers products that we believe are leaders in most segments it operates in, including mass transit. We have a strong presence in both Asia and Europe, which are the two primary geographical areas for traction converter applications. Our competition consists mainly of European companies, with some competition in the U.S., and a growing competitive presence in Asia.

Research and Development

Research and development activities constitute an important and vital part of our overall business strategy. Our overall focus is typically on niche segments where we can differentiate, through technological advantage, our products from our competition's products. The markets we serve are typically characterized by rapid technological changes and advances. Accordingly, the success of our strategy is in part dependent on our ability to develop market-leading products, which is primarily driven by efforts in research and development.

Patents and Other Intellectual Property Rights

We have many domestic and foreign patents and licenses and have additional patent applications on file related to all business segments. These patents and licenses vary in duration and provide some protection from competition. In some cases, the patents result in license royalties. Although we have been awarded, have filed applications for, or have been licensed under numerous patents in the U.S. and other countries, there can be no assurance concerning the degree of protection afforded by these patents or the likelihood that pending patents will be issued.

While our patents provide some advantage and protection, we believe our competitive position and future success is largely determined by such factors as the innovative skills, systems and process knowledge, and technological expertise of our personnel; the range and success of new products we develop; and our customer service and support. It is generally our policy to defend our patents when we determine it is in our best interests and the best interests of our shareholders to do so. We also own a number of registered and unregistered trademarks and have acquired certain technology that we believe to be of importance to our business.

We do believe that our patents provide an important competitive advantage in many of our businesses; however, in general, no single patent or group of patents is in itself essential to the Company as a whole or to any of the Company's business segments.

Environment

The nature and scope of our business brings us in regular contact with the general public and a variety of businesses and government agencies. Such activities inherently subject us to the possibility of litigation, including environmental matters that are defended and handled in the ordinary course of business. We have established accruals for matters for which management considers a loss to be probable and reasonably estimable. We do not believe that the outcome of any of these environmental matters will have a material adverse effect on our results of operations, financial position or cash flows, nor have we had any material recurring costs or capital expenditures relating to environmental matters, except as disclosed in Item 3 ("Legal Proceedings") and Note 14 to the Consolidated Financial Statements of this Form 10-K. However, there can be no assurances that the ultimate liability concerning these matters will not have a material adverse effect on us.

Raw Materials

We are required to purchase a wide variety of raw materials in order to manufacture our various products and materials. Some of these raw materials are only available through limited sources which, if discontinued, could interrupt production. When this has occurred in the past, we have typically purchased sufficient quantities of the

particular raw material to sustain production until alternative materials and production processes could be qualified with customers. We believe that similar responses would mitigate any raw material availability issues in the future.

Seasonality

In our opinion, generally, there is no material concentration of products or markets within the business that are seasonal in nature, except for some minor seasonality for those products used in cellular telephones due to the annual new model launch timetable, which can vary slightly from year to year in terms of timing and impact.

Employees

As of December 31, 2009, we employed approximately 1,735 employees.

Backlog

Our backlog of firm orders was $29.2 million at December 31, 2009, as compared to $24.8 million at December 31, 2008. The increase at the end of 2009 was primarily related to the increase in sales in the High Performance Foams reportable segment, as backlog for the polyurethane and silicone foam business, primarily sold into the mass transit, portable communications and consumer electronics markets, combined with the effect of the acquisition of certain assets of MTI Global Inc., increased by approximately $5.4 million at year-end 2009 as compared to year-end 2008.

Executive Officers

Name	Age	Present Position	Year Elected to Present Position	Other Positions Held During 2005-2009
Robert D. Wachob	62	President and Chief Executive Officer	2004	
Michael D. Bessette	56	Vice President, Advanced Circuit Materials	2008	Vice President, Durel Division from January 2004 to July 2008
Michael L. Cooper	57	Vice President, Logistics	2009	Vice President, Rogers Asia from May 2004 to July 2009
Robert C. Daigle	46	Senior Vice President and Chief Technology Officer	2009	Vice President, Research and Development and Chief Technology Officer from October 2003 to June 2009
Debra J. Granger	50	Vice President, Corporate Compliance and Controls	2007	Director, Corporate Compliance and Controls of the Company from March 2003 to February 2007
Jeffrey M. Grudzien	47	Vice President, Sales and Marketing	2007	Director of Asia Sales from January 2007 to September 2007; Director of Marketing from January 2005 to January 2007
Peter G. Kaczmarek	51	Senior Vice President	2009	Vice President, High Performance Foams and Information Technology from February 2007 to June 2009; Vice President, High Performance Foams Division from August 2001 to February 2007

Explanation of Responses: