BLACK BOX CORP
Form 10-K
May 27, 2011

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K

(Mark One)

þ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended March 31, 2011

OR

o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _________ to ___________

Commission File Number: 0-18706

Black Box Corporation

(Exact name of registrant as specified in its charter)

Delaware	**95-3086563**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1000 Park Drive, Lawrence, Pennsylvania	**15055**
(Address of principal executive offices)	(Zip Code)

Registrant s telephone number, including area code: **724-746-5500**

Securities registered pursuant to Section 12(b) of the Act:

(Title of each class)	(Name of each exchange on which registered)
Common Stock, $.001 par value	**The NASDAQ Global Market**

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. o Yes þ No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. o Yes þ No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. þ Yes o No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 229.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). o Yes o No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant s knowledge, in definitive proxy or

information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. o
Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. *See* the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check One):

Large accelerated filer o	Accelerated filer þ	Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). o Yes þ No
The aggregate market value of the voting stock held by non-affiliates of the registrant as of October 1, 2011 (based on closing price of such stock as reported by NASDAQ on such date) was $564,375,550. For purposes of this calculation only, directors and executive officers of the registrant and their affiliates are deemed to be affiliates of the registrant.
As of May 20, 2011, there were 17,971,104 shares of common stock, par value $.001 (the common stock), outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Proxy Statement for 2011 Annual Meeting of Stockholders (the Proxy Statement) Part III

BLACK BOX CORPORATION
FOR THE FISCAL YEAR ENDED MARCH 31, 2011
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PART I

Item 1. Business.

Overview. Black Box Corporation (Black Box, we, the Company or our) is a leading dedicated network infrastruc services provider. Black Box offers one-source network infrastructure services for communications systems. The Company s services offerings include design, installation, integration, monitoring and maintenance of voice, data and integrated communications systems. The Company s primary services offering is voice solutions (Voice Services); the Company also offers premise cabling and other data-related services (Data Services) and products. The Company provides 24/7/365 technical support for all of its solutions which encompass all major voice and data product manufacturers as well as 118,000 network infrastructure products (Hotline products) that it sells through its catalog and Internet Web site (such catalog and Internet Web site business, together with technical support for such business, being referred to as Hotline Services) and its Voice Services and Data Services (collectively referred to as On-Site services) offices. As of March 31, 2011, the Company had more than 3,000 professional technical experts in 196 offices serving more than 175,000 clients in 141 countries throughout the world. Founded in 1976, Black Box, a Delaware corporation, operates subsidiaries on five continents and is headquartered near Pittsburgh in Lawrence, Pennsylvania.

Black Box differentiates itself from its competitors by providing exceptional levels of superior technical services for communication solutions, its capability to provide these services globally and its private-labeled BLACK BOX® brand network infrastructure products which feature some of the most comprehensive warranties in the industry.

As a leading and highest quality network infrastructure services company 100% dedicated to this market, Black Box is in a unique position to capitalize on its service advantages, current leadership position, diverse and loyal client base and strong financial performance.

The Company s fiscal year ends on March 31. References to Fiscal Year or Fiscal mean the Company s fiscal yea ended March 31 for the year referenced. All dollar amounts are in thousands except for per share amounts or unless otherwise noted.

Industry Background. Black Box participates in the worldwide network infrastructure market estimated at $100 billion which includes $60 billion and $40 billion for commercial and government markets, respectively.

Products and services are distributed to this market primarily through value-added resellers, manufacturers, direct marketers, large system integrators and other technical services companies. These companies range from very large, international companies, some of which have access to greater resources than those available to Black Box, to small, local or regionally-focused companies. In addition, competition for our Hotline Services business includes direct marketing manufacturers, mass merchandisers, big box retailers, web retailers and others. Black Box believes that it competes on the basis of its solution features offerings, technical capabilities, service levels and price.

Business Strategy. Black Box s business strategy is to provide its clients with one source for services and products to meet all their networking infrastructure needs whether at a single location or multiple locations worldwide. The Company believes that its combination of worldwide Voice Services and Data Services performed at client locations integrated with Hotline Services provides a unique advantage over its competitors in the network infrastructure market. The Company believes its record of consistent operating profitability, positive cash flow and its high rate of repeat clients is evidence of the strength of its strategy. Keys to the Company s success include the following:

Expert Technical Support Deployed Three Ways.

Locally at Client Sites. Black Box provides complete voice, data and integrated solutions including design, installation, remote monitoring and routine and emergency maintenance with consistent high quality and uniformity. The Company maintains certifications from leading voice and data product manufacturers, including Aastra®, Alcatel-Lucent, Aspect®, Avaya®, AVST®, Cisco®, CommScope®, Comview, Convergys®, Microsoft®, Mitel®, NEC®, PathSolutions™, Polycom®, ShoreTel®, Siemens Enterprise Communications and Symetrics, among others. In addition, the Company maintains one of the industry s largest staffs of Registered Communications Distribution Designers (RCDDs) who assure that all designs meet or exceed ANSI, TIA/EIA and National Electric Code® standards.

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24/7/365 Technical Support. Black Box provides around-the-clock, seven days per week technical support, available to clients in 141 countries worldwide. In Fiscal 2011, Fiscal 2010 and Fiscal 2009, the Company s technical experts responded to 0.9 million, 0.9 million and 1.1 million, respectively, client calls. Black Box specialists receive continuous training to stay up-to-date on the latest technologies.

www.blackbox.com Internet Web Site. Black Box offers its 24/7/365 technical support on-line at http://www.blackbox.com. With one click by an existing or a potential client on Talk to a Tech, a technical expert makes contact with that person immediately. Technical information, including Black Box Explains and Technology Overviews, is always available as well as the ability to easily design and configure custom products on-line.

Worldwide Coverage. With 196 offices serving 141 countries, as of March 31, 2011, Black Box has a worldwide footprint in the industry, serving every major industry sector. This worldwide coverage and 35 years of experience makes one-source project management a reality for Black Box clients. Black Box ensures that clients with these needs receive consistent high-quality design, workmanship and technology from a single service provider. The Company is exposed to certain risks because of its global operations discussed under the caption We are subject to the risks of international operations in Part I, Item 1A, Risk Factors, which is incorporated herein by reference.

Strategic Partnerships with Leading Voice and Data Product Manufacturers. Black Box has partnerships and distribution agreements with leading voice and data product manufacturers. Access to these multi-technology platforms provides Black Box clients with the convenience of a one-source provider for its network infrastructure needs.

Quality Networking Solutions and Comprehensive Warranties. Black Box products and services are covered by an umbrella of protection that extends beyond standard warranties. Black Box was the first in the industry to introduce a No Questions Asked product warranty program offering full protection regardless of cause of failure, including accidental, surge or water damage for the life of the warranty and many products are guaranteed for life. Exclusive to Black Box are its Guaranteed-for-Life Structured Cabling System and Certification Plus® guarantees that provide assurance that a client s network will operate within the application it was designed to support for life.

Brand Name. BLACK BOX is a widely-recognized brand name associated with high quality products and services. The Company believes that the BLACK BOX trademark is important to its business.

ISO 9001 Certified. Black Box has received ISO 9001:2000 certification in Japan, Mexico and Puerto Rico and ISO 9001:2008 certification in Australia, Brazil, Canada, Chile, Germany, France, Ireland, Italy, the Netherlands, Singapore, Spain, the United Kingdom and the United States. Rigorous quality control processes must be documented and practiced to earn and maintain ISO 9001 certification.

Proprietary Client List. Over the course of its 35 year history, the Company has built a proprietary mailing list of approximately 1.6 million clients. This database includes information on the past purchases of its clients. The Company routinely analyzes this data in an effort to enhance client purchasing and ensure that targeted marketing programs reach their specified audiences. The Company believes that its proprietary client list is a valuable asset that represents a significant competitive advantage. The Company does not rent its client list.

Rapid Order Fulfillment. Black Box has developed efficient inventory management and order fulfillment systems that allow most standard products to be shipped that same day. Requests for same day counter-to-counter delivery and special labeling, kitting and packaging are also available from Black Box.

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Growth Strategy. The principal components of Black Box s growth strategy include: (i) cross-selling marketing activities capitalizing on its one-source solution of DVH® (Data, Voice and Hotline) Services, (ii) expanded product offerings and (iii) expanded global technical support services primarily through mergers and acquisitions. The Company has completed the following transactions during Fiscal 2011, Fiscal 2010 and Fiscal 2009:

Fiscal 2011:

During the third quarter of Fiscal 2011, the Company acquired LOGOS Communications Systems, Inc. (Logos), a privately-held company headquartered in Westlake, OH. Logos has an active client base which includes commercial, education and various local government agency accounts.

Fiscal 2010:

During the third quarter of Fiscal 2010, the Company acquired Quanta Systems, LLC (Quanta), a privately-held company headquartered in Gaithersburg, MD. Quanta has an active client base which includes various United States Department of Defense and government agency accounts.

Also during the third quarter of Fiscal 2010, the Company acquired CBS Technologies Corp. (CBS), a privately-held company headquartered in Islandia, NY. CBS has an active client base which includes commercial, education and various government agency accounts.

Fiscal 2009:

During the fourth quarter of Fiscal 2009, the Company acquired Scottel Voice & Data, Inc. (Scottel), a privately-held company based out of Culver City, CA. Scottel has an active client base which includes commercial, education and various government agency accounts.

During the third quarter of Fiscal 2009, the Company acquired Network Communications Technologies, Inc. (NCT), a privately-held company based out of Charlotte, NC. NCT has an active client base which includes commercial, education and various government agency accounts.

Also during the third quarter of Fiscal 2009, the Company acquired ACS Communications, Inc. (ACS), a privately-held company based out of Austin, TX. ACS has an active client base which includes commercial, education and various government agency accounts.

During the second quarter of Fiscal 2009, the Company acquired Mutual Telecom Services Inc. (MTS), a privately-held company based out of Needham, MA. MTS is a global telecommunications services and solutions provider primarily servicing clients in the Department of Defense and other federal agencies.

During the first quarter of Fiscal 2009, the Company acquired UCI Communications LLC (UCI), a privately-held company based out of Mobile, AL. UCI has an active client base which includes commercial, education and various government agency accounts.

The results of operations for all acquisitions noted above are included within the Company s Consolidated Statements of Income beginning on their respective acquisition dates.

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These acquired companies, which are focused on servicing the North America Voice Services and North America Data Services markets, have influenced the composition of the Company s service types as profiled below:

	Percent of Consolidated Revenues				
Service Type	**FY11**	**FY10**	**FY09**	**FY08**	**FY07**
Data Services	22%	19%	19%	19%	18%
Voice Services	60%	62%	60%	58%	60%
Hotline Services	18%	19%	21%	23%	22%
Black Box Total	100%	100%	100%	100%	100%

Clients. Black Box clients range from small organizations to many of the world s largest corporations and institutions. Black Box clients participate in many diverse industries, including government, technology, retail, manufacturing, business services, banking, healthcare, distributors, education, real estate development and utilities, among others. Revenues from the Company s clients are segmented as approximately 65% from large companies (i.e., revenues greater than $1 billion, including federal governments), approximately 15% from medium-sized companies (i.e., revenues between $50 million and $1 billion, including state governments) and approximately 20% from small companies (i.e., revenues less than $50 million, including local governments).

Marketing. Black Box s products and services are marketed primarily through direct sales driven by its nearly 300 team members exclusively devoted to these efforts. This sales force is further supported by the Company s direct marketing efforts in printed publications and on-line via the Company s Web site. Black Box was the first company to engage exclusively in the sale of a broad range of networking products through direct marketing techniques. Black Box targets its catalogs, e-mail campaigns, advertisements and other marketing activities directly to its client-users who make systems design and purchasing decisions. Black Box s high quality marketing materials and its Web site promote the Company s products and services by providing in-depth descriptions that include product features and benefits, photographs, diagrams, applications, technical specifications and other helpful information. The Company s printed catalogs have earned numerous awards.

During Fiscal 2011, the 2010 Black Box® Catalog won a Silver award at the 28th Annual Conference for Catalog and Multichannel Merchants (ACCM). This marks the 15th consecutive year that Black Box won honors in the Computer and High-Tech Equipment category. The 620-page catalog showcases the Company s vast line of 118,000 communications, networking and infrastructure products.

Technical Services. Black Box believes that its technical services are the foundation of its success enabling the Company to provide services ranging from quick-turn Hotline Services consultation to site surveys, design and engineering, project management, single-site and multi-site installations, remote monitoring, certification and maintenance of voice, data and integrated communication solutions.

Worldwide Headquarters. The Company s worldwide headquarters and certain U.S. operations are located in Lawrence, Pennsylvania (a suburb 20 miles south of Pittsburgh). This Company-owned 352,000 square foot facility is on an 84-acre site.

Products. Black Box believes that its ability to offer broad, innovative product solutions across multiple technologies, supported by its 24/7/365 technical services capability, has been an important competitive factor. Black Box currently offers more than 118,000 products through its catalogs, On-Site services offices and Internet Web site. New products are regularly introduced.

Manufacturers and Suppliers. Black Box utilizes a network of original equipment manufacturers (OEMs) and suppliers throughout the world. Each supplier is monitored for quality, delivery performance and cost through a well-established certification program. This network has manufacturing and engineering capabilities to customize products for specialized applications.

Black Box operates its own manufacturing and assembly operation at its Lawrence, Pennsylvania location. The Company chooses to manufacture certain products in-house when outside OEMs are not economical. Sourcing decisions of in-house versus third-party suppliers are based upon a balance of quality, performance, delivery and cost.

Information Systems. The Company has committed significant resources to the development of information systems that are used to manage all aspects of its business. The Company s systems support and integrate technical support, client services, inventory management, purchasing, distribution activities, accounting and project cost management. The Company continues to develop and implement exclusive world-wide web applications. These applications allow clients to view order status and product availability, view up-to-date information on their projects that are being managed on a world-wide basis and provide a project management and forecasting tool for the Company s offices. A technical knowledge-based application is also used to access problem resolution information to help solve client issues more quickly. Information systems are focused on delivering high-quality business applications that are geared to improve internal efficiencies as well as client interactions.

The Company s new product introductions, multiple language requirements and design enhancements require efficient modification of product presentations for its various catalogs. Black Box also supports a publishing system that provides the flexibility and speed for both text and graphic layout. This enables the timely, efficient and cost effective creation of marketing materials.

Backlog. Backlog represents expected revenue related to executed client purchase orders or contracts that are estimated to be complete within 180 days of quarter end. The worldwide backlog was $223 million, $203 million and $194 million at March 31, 2011, 2010 and 2009, respectively.

Team Members. As of March 31, 2011, the Company had 4,413 team members worldwide compared to 4,348 and 4,542 as of March 31, 2010 and 2009, respectively. Of the 4,413 current team members, 511 are subject to collective bargaining agreements. The Company believes that its relationship with its team members is good.

Financial Information. Financial information regarding the Company, including segment data, is set forth in Item 8 of this Annual Report on Form 10-K for the fiscal year ended March 31, 2011 (this Form 10-K) and is incorporated herein by reference.

International Revenues. Revenues from countries outside North America were $137 million, or 13% of total revenues, for Fiscal 2011 compared to $132 million, or 14% of total revenues, and $161 million, or 16% of total revenues, for Fiscal 2010 and Fiscal 2009, respectively.

Other Information. The Company maintains an investor relations page on its Internet Web site at http://www.blackbox.com. The Company s annual, quarterly and current reports and amendments to such reports filed with or furnished to the Securities and Exchange Commission (SEC) are made available, as soon as reasonably practical after such filing, and may be viewed or downloaded free of charge in the About Us section of the Web site. The Company s Standards of Business Conduct, Code of Ethics and the charter of each committee of the Company s Board of Directors (the Board) are also available on its Web site, and may be viewed or downloaded free of charge in the About Us section of the Web site.

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Item 1A. Risk Factors.

The following are some of the potential risk factors that could cause our actual results to differ materially from those projected in any forward-looking statements. You should carefully consider these factors, as well as the other information contained in this document, when evaluating your investment in our securities. The below list of important factors is not all-inclusive.

We are dependent upon certain key supply chain and distribution agreements. We have significant arrangements with a small number of technology suppliers. If we experience disruptions in our supply chain with these manufacturers for any reason or lose our distribution rights, we may not be able to fulfill client commitments with an acceptable alternative or we may not be able to obtain alternative solutions at similar costs.

We are dependent upon the demand for our products and services. We and our competitors in the industry are dependent on the demand for the products and services that we deliver. Changes in technology or other unforeseen developments within our industry could result in decreased demand for our products and services. We cannot guarantee that historical levels of demand will continue or increase in the future.

We face intense competition. We operate in a highly competitive industry. Our competitors, who include our technology suppliers and certain clients, may be able to deliver products and services at better prices or more quickly due to factors beyond our control. New competitors may also arise in the future, which threaten our ability to sustain or grow our market share. We cannot guarantee that we can continue to compete effectively in the future and still be able to sustain our historical levels of profit margin.

Our financial results are dependent on our economic environments. We, our clients or our vendors may experience economic hardships due to inflation or recession, changes in laws and regulations, business disruptions due to natural disasters, acts of terrorism or war or other factors that are beyond our control and that could negatively impact our financial condition or our ability to meet our future financial goals.

Our revenue is dependent upon repeat client business and generally is not subject to long-term contracts. A majority of our revenue is generated through individual sales of products and services and less than twenty-five percent (25%) of our revenue is generated from long-term maintenance contracts. We depend on repeat client business as well as our ability to develop new client business to sustain and grow our revenue. Although our focus on delivering high-quality sales and service has proven to be successful in the past, we cannot guarantee that we will be able to grow or even sustain our current level of revenue in the future.

We are dependent upon the successful integration of acquired businesses. We have completed several acquisitions in recent years. Our future financial results are dependent on the successful integration of those acquisitions within the projected timeframes and cost parameters. We also face pressure to adequately conduct our ongoing operations while working toward the integration of these businesses. We cannot guarantee that we will successfully integrate our acquisitions as projected or without disruption to other areas of our business which could have a negative impact on our financial results.

We are dependent upon the retention of our key personnel. The success of our business depends on our ability to attract and retain quality employees, executives and directors. We offer comprehensive salary and benefit packages including long-term incentives as a means of attracting and retaining personnel. We face pressure to maintain our profit margins and remain competitive in our industry while we compete for personnel in our local markets with a variety of different businesses that may be able to offer more attractive incentives due to their individual financial situations. We cannot guarantee that we will continue to attract and retain personnel with our current incentives and at costs that are consistent with our projected profit margins.

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We are dependent upon future mergers and acquisitions for a portion of our growth. A key component of our growth strategy is through strategic mergers and acquisitions. We may not continue to be successful in our search for potential acquisition candidates that are acceptable for our business model, or we may not be successful in our attempts to acquire new businesses that we have identified as attractive acquisition candidates. We cannot guarantee that we will meet our projected growth targets in the future if we are unsuccessful in our efforts to acquire additional businesses.

Our business operations could be disrupted if our information technology systems fail to perform adequately. The efficient operation of our business depends on our information technology systems. We rely on our information technology systems to effectively manage our business data, communications, order entry and fulfillment and other business processes. The failure of our information technology systems to perform as we anticipate could disrupt our business and could result in transaction errors, processing inefficiencies and the loss of sales and customers, causing our business and results of operations to suffer. In addition, our information technology systems may be vulnerable to damage or interruption from circumstances beyond our control, including fire, natural disasters, power outages, systems failures, security breaches and viruses. Any such damage or interruption could have a material adverse effect on our business.

A significant part of our business involves public sector clients which provides unique risks. Our revenues from sales to the public sector, including sales to federal, state and local governments and governmental agencies, has grown in recent years. These sales are made through various direct contracts, through reseller agreements with government contractors and through open market sales. Government contracting is a highly-regulated area. Failure to comply with the technical requirements of regulations or contracts could subject us to fines, penalties, suspension or debarment from doing business with such clients, which could have a material adverse effect on our business.

We can provide no assurance that we will continue to have adequate liquidity. Although we generate positive cash flow and have access to a significant amount of additional credit, we cannot be sure that our current liquidity situation will be adequate in future periods. We cannot guarantee that we will be able to maintain our positive cash flow position or to obtain additional credit or raise additional capital which may restrict our ability to operate or to pursue new business opportunities in the future.

We are subject to the risks of international operations. We operate in countries outside of the United States. Our operations or our financial condition may be negatively affected by events surrounding our international operations such as changes in laws and regulations, political or economic instability, currency fluctuations, supply chain disruptions, acts of terrorism, natural disasters or other political, economic or environmental factors. We cannot rely on the past results of our international operations as an indicator of future results or assure you that we will not be adversely affected by those factors inherent with international operations.

Our stock price fluctuates. Our stock price is affected by a number of factors, including quarterly variations in our financial results. As a result, our stock price is subject to volatility.

We have a significant amount of goodwill that could be subject to impairment. As a result of our acquisition program, we have accumulated goodwill. We conduct an impairment assessment of the carrying value of our goodwill at least annually. No impairment of goodwill has been identified during any of the periods presented. We will continue to monitor market conditions and determine if any additional interim review of goodwill is warranted. Further deterioration in the market or actual results as compared with our projections or any reorganization of our business segments may require us to conduct an interim assessment of our goodwill and could ultimately result in a future impairment. In the event that we determine that our goodwill is impaired in the future, we would need to recognize a non-cash impairment charge, which could have a material adverse effect on our consolidated balance sheet and results of operations. The information set forth under the caption Goodwill in Management s Discussion and Analysis of Financial Condition and Results of Operations in this Form 10-K is incorporated herein by reference in order to supplement this information.

Item 1B. Unresolved Staff Comments.

None.

Item 2. Properties.

The Company s worldwide headquarters and certain U.S. operations are located in Lawrence, Pennsylvania (located 20 miles south of Pittsburgh) in a 352,000 square foot owned facility on 84 acres.

The Company owns or leases additional offices or facilities throughout the world, none of which are material in nature to Black Box.

The Company believes that its properties are adequate for its present and foreseeable needs.

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Item 3. Legal Proceedings.

Regulatory Matters

As previously disclosed, the Company received a subpoena, dated December 8, 2004, from the United States General Services Administration (GSA), Office of Inspector General. The subpoena required production of documents and information. The Company understands that the materials were being sought in connection with an investigation regarding potential violations of the terms of a GSA Multiple Award Schedule contract. On October 2, 2007, the Company was contacted by the United States Department of Justice which informed the Company that it was reviewing allegations by the GSA that certain of the Company s pricing practices under a GSA Multiple Award Schedule contract violated the Civil False Claims Act. During Fiscal 2010, the Company recorded expense of $2,850 in connection with this investigation. During the fourth quarter of Fiscal 2011, the Company entered into a settlement agreement to settle this matter for the amount previously recorded and, subsequent to March 31, 2011, made payment of such amount in accordance with the settlement agreement. This matter is now concluded.

Litigation Matters

The Company is involved in, or has pending, various legal proceedings, claims, suits and complaints arising out of the normal course of business. Based on the facts currently available to the Company, Company management (Management) believes these matters are adequately provided for, covered by insurance, without merit or not probable that an unfavorable material outcome will result.

Item 4. [Removed and Reserved].

Executive Officers of the Registrant

The executive officers of the Company and their respective ages and positions are as follows:

Name	Age	Position with the Company
R. Terry Blakemore	54	President and Chief Executive Officer
Michael McAndrew	51	Executive Vice President, Chief Financial Officer, Treasurer, Secretary and Principal Accounting Officer
Francis W. Wertheimber	58	Senior Vice President Pacific Rim/Far East
Kenneth P. Davis	47	Vice President - Voice Services North, Europe and Latin America

The following is a biographical summary of the experience of the executive officers of the Company:

R. TERRY BLAKEMORE, 54, was named President and Chief Executive Officer and was selected as a member of the Board on October 13, 2007. He was elected as a director by our stockholders on August 12, 2008. He had served in the capacity of Interim President and Chief Executive Officer of the Company from May 21, 2007. Previously, on May 15, 2007, the Board had named Mr. Blakemore a Senior Vice President of the Company. Prior to becoming a Senior Vice President, Mr. Blakemore served as a manager of business development and, prior thereto, as a manager of the Company s Voice Services business unit. Mr. Blakemore has been with the Company for 12 years.

MICHAEL MCANDREW, 51, was promoted to Executive Vice President on May 11, 2010. He had previously been promoted to the position of Vice President and Chief Financial Officer on December 13, 2002. He became Secretary and Treasurer on January 31, 2003. He was Manager of Corporate Planning and Analysis prior to December 13, 2002. Mr. McAndrew has been with the Company for 21 years.

FRANCIS W. WERTHEIMBER, 58, was promoted to Senior Vice President Pacific Rim/Far East in May 2004. He was promoted to Vice President Pacific Rim/Far East on May 9, 1997. He was Managing Director of Black Box Japan prior to May 9, 1997. Mr. Wertheimber has been with Black Box for 18 years.

KENNETH P. DAVIS, 47, was named Vice President - Voice Services North, Europe and Latin America on November 1, 2010. Mr. Davis has served in a number of operating roles within the Company, most recently as Vice President and General Manager of the Northeast Region, Europe and Latin America. Mr. Davis has been with the

Company for 13 years.

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Directors of the Registrant

The following sets forth certain information concerning the members of the Board:

WILLIAM F. ANDREWS, 79, was elected as a director on May 18, 1992. Mr. Andrews currently is Chairman of the Executive Committee of Corrections Corporation of America (private prisons) and Chairman of Katy Industries, Inc. (diversified manufacturing company). He has been a principal with Kohlberg & Co., a private investment company, since 1995. He is also a director of Corrections Corporation of America, Katy Industries, Inc., O Charley s, Inc. and Trex Company, Inc., all publicly-held companies, and SVP Holdings Limited.

R. TERRY BLAKEMORE, 54, was selected as a member of the Board on October 13, 2007 and was named President and Chief Executive Officer on the same date. He was elected as a director by our stockholders on August 12, 2008. He had served in the capacity of Interim President and Chief Executive Officer of the Company from May 21, 2007. Previously, on May 15, 2007, the Board had named Mr. Blakemore a Senior Vice President of the Company. Prior to becoming a Senior Vice President, Mr. Blakemore served as a manager of business development and, prior thereto, as a manager of the Company s Voice Services business unit. Mr. Blakemore has been with the Company for 12 years.

RICHARD L. CROUCH, 64, was elected as a director on August 10, 2004. Mr. Crouch was a General Partner with the firm of PricewaterhouseCoopers LLP from 1979 to 2004, having served as an Audit Partner principally assigned to public companies. He served in various capacities for the firm, including service as a regional accounting, auditing and SEC services consultant. He retired from the firm on July 2, 2004.

THOMAS W. GOLONSKI, 68, was selected to be a director on February 11, 2003 and was elected by our stockholders on August 12, 2003. Mr. Golonski served as Chairman, President and Chief Executive Officer of National City Bank of Pennsylvania and Executive Vice President of National City Corporation from 1996 to 2005. He retired from National City in 2005. Mr. Golonski is a director of several educational and health care organizations and active in other charitable organizations.

THOMAS G. GREIG, 63, was elected as a director on August 10, 1999 and appointed as non-executive Chairman of the Board in May 2004. Mr. Greig has been a Managing Director of Liberty Capital Partners, a private equity partnership, since 1998. He is also a director of publicly-held Rudolph Technologies, Inc., a number of privately-held companies and a public, not-for-profit foundation.

WILLIAM H. HERNANDEZ, 63, was selected to be a director on December 3, 2009 and was elected by our stockholders on August 10, 2010. Mr. Hernandez was the Senior Vice President, Finance and Chief Financial Officer of PPG Industries, Inc. (PPG) from 1995 until October 15, 2009. Prior to assuming those duties in 1995, Mr. Hernandez served as PPG s Controller from 1990 to 1994 and as Vice President and Controller from 1994. From 1974 until 1990, Mr. Hernandez held a number of positions at Borg-Warner Corporation. Mr. Hernandez is a Certified Management Accountant. Mr. Hernandez is a director of USG Corporation, Eastman Kodak Company and Albermarle Corporation, all publicly-held companies.

EDWARD A. NICHOLSON, PH.D., 71, was elected as a director on August 10, 2004. Dr. Nicholson served as President of Robert Morris University from 1989 to 2005 and is presently a Professor of Management at Robert Morris University. He is also a director of Brentwood Bank and several regional economic, charitable and cultural organizations. He has served a number of businesses and government agencies as a consultant in the areas of long-range planning, organization design and labor relations.

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PART II

Item 5. Market for Registrant s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Common Stock Information:

The common stock is traded on NASDAQ under the symbol BBOX and has been assigned to the NASDAQ Global Select tier. As of March 31, 2011, 25,560,861 shares of the common stock were issued, of which 7,642,767 shares were held in treasury.

The following table sets forth the quarterly high and low sale prices of the common stock as reported by the NASDAQ Global Select Market during each of the Company s fiscal quarters indicated below.

	High	Low
Fiscal 2011		
1st Quarter	$ 35.59	$ 27.01
2nd Quarter	33.42	26.40
3rd Quarter	40.17	31.15
4th Quarter	40.78	33.30
Fiscal 2010		
1st Quarter	$ 37.67	$ 23.18
2nd Quarter	34.53	24.03
3rd Quarter	30.07	24.25
4th Quarter	33.31	25.80

On May 20, 2011, the last reported sale price of the common stock was $32.97 per share.

Dividend Policy:

Cash dividends of $0.06 per share of common stock were declared during each quarter during Fiscal 2011 and Fiscal 2010. Dividends declared during Fiscal 2011 were paid on July 19, 2010, October 15, 2010, January 14, 2011 and April 13, 2011. Dividends declared during Fiscal 2010 were paid on July 10, 2009, October 9, 2009, January 8, 2010 and April 13, 2010. While the Company expects to continue to declare quarterly dividends, the payment of future dividends is at the discretion of the Board and the timing and amount of any future dividends will depend upon earnings, cash requirements and financial condition of the Company.

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Under the Company s Third Amended and Restated Credit Agreement dated as of January 30, 2008, as amended on October 8, 2010 (the Credit Agreement), the Company is permitted to make any distribution or dividend or repurchase its common stock as long as no Event of Default or Potential Default (each as defined in the Credit Agreement) occurs or is continuing.

Stockholders:

As of March 31, 2011, there were 1,316 holders of record of the common stock.

Equity Plan Compensation Information:

See the information set forth under the caption Equity Plan Compensation Information in the Proxy Statement which is incorporated by reference into Item 12 of Part III of this Form 10-K.

Issuance of Unregistered Securities:

There were no issuances of unregistered securities during the three month period ended March 31, 2011.

Issuer Purchases of Equity Securities:

Period	**Total Number of Shares Purchased**		**Average Price Paid per Share**	**Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs**	**Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs**
January 2, 2011 to January 30, 2011		$			873,777
January 31, 2011 to February 27, 2011	56		40.44	56	873,721
February 28, 2011 to March 31, 2011					873,721
Total	56		40.44	56	873,721

As of March 31, 2011, 873,721 shares were available under repurchase programs approved by the Board and announced on November 20, 2003, August 12, 2004 and November 7, 2006.

The repurchase programs have no expiration date and no programs were terminated prior to the full repurchase of the authorized amount.

Additional repurchases of common stock may occur from time to time depending upon factors such as the Company s cash flows and general market conditions. While the Company expects to continue to repurchase shares of common stock for the foreseeable future, there can be no assurance as to the timing or amount of such repurchases. Under the Credit Agreement, the Company is permitted to repurchase its common stock as long as no Event of Default or Potential Default (each as defined in the Credit Agreement) occurs or is continuing, the leverage ratio (after taking into consideration the payment made to repurchase such common stock) would not exceed 2.75 to 1.0 and the availability to borrow under the credit facility would not be less than $20 million.

Item 6. Selected Financial Data.

The following tables set forth certain selected historical financial data for the Company for the periods indicated below (in thousands, except for per share amounts). This information should be read in conjunction with the Company s consolidated financial statements, Management s Discussion and Analysis of Financial Condition and Results of Operations and the Notes to the Consolidated Financial Statements included elsewhere in this Form 10-K.

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	Fiscal				
	2011	**2010**	**2009**	**2008**	**2007**
Statements of Income					
Revenues					
Hotline products	$ 188,998	$ 180,296	$ 209,793	$ 235,314	$ 222,903
On-Site services	879,231	781,097	789,755	781,428	793,407
Total	1,068,229	961,393	999,548	1,016,742	1,016,310
Cost of sales					
Hotline products	101,733	93,636	108,561	122,011	113,780
On-Site services	609,386	532,376	533,807	528,111	528,541
Total	711,119	626,012	642,368	650,122	642,321
Gross profit	**357,110**	**335,381**	**357,180**	**366,620**	**373,989**
Selling, general & administrative expenses	253,896	257,136	266,387	275,309	290,355
Intangibles amortization	12,156	15,202	10,790	6,679	10,285
Operating income	**91,058**	**63,043**	**80,003**	**84,632**	**73,349**
Interest expense (income), net	5,430	8,882	10,279	21,298	18,407
Other expenses (income), net	348	(166)	561	(197)	42
Income before provision for income taxes	85,280	54,327	69,163	63,531	54,900
Provision for income taxes	32,418	19,824	23,854	24,298	19,291
Net income	**$ 52,862**	**$ 34,503**	**$ 45,309**	**$ 39,233**	**$ 35,609**
Basic earnings per share	$ 2.99	$ 1.97	$ 2.59	$ 2.23	$ 2.03
Diluted earnings per share	$ 2.97	$ 1.97	$ 2.59	$ 2.22	$ 2.00
Dividends declared per common share	$ 0.24	$ 0.24	$ 0.24	$ 0.24	$ 0.24
Balance Sheet Data (at end of period):					
Working Capital (1)	$ 164,595	$ 126,585	$ 130,209	$ 134,031	$ 117,059
Total assets	1,171,983	1,125,364	1,136,488	1,073,851	1,090,091
Long-term debt	181,127	210,873	249,260	195,904	238,194
Total debt	181,859	211,834	250,657	197,293	238,880
Stockholders equity	766,259	689,994	647,299	640,274	599,696

(1) Working capital is computed as current assets minus current liabilities.

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Item 7. Management s Discussion and Analysis of Financial Condition and Results of Operations.
The discussion and analysis for the fiscal years ended March 31, 2011, 2010 and 2009 as set forth below in this Item 7 should be read in conjunction with the consolidated financial statements of Black Box, including the related notes. The Company s fiscal year ends on March 31. References to Fiscal Year or Fiscal mean the Company s fiscal year ended March 31 for the year referenced. All dollar amounts are presented in thousands except for per share amounts or unless otherwise noted.

The Company

Black Box is a leading dedicated network infrastructure services provider. Black Box offers one-source network infrastructure services for communications systems. The Company s services offerings include design, installation, integration, monitoring and maintenance of voice, data and integrated communications systems. The Company s primary services offering is voice solutions; the Company also offers premise cabling and other data-related services and products. The Company provides 24/7/365 technical support for all of its solutions which encompass all major voice and data product manufacturers as well as 118,000 Hotline products that it sells through its catalog and Internet Web site and its On-Site services offices. As of March 31, 2011, the Company had more than 3,000 professional technical experts in 196 offices serving more than 175,000 clients in 141 countries throughout the world. Founded in 1976, Black Box operates subsidiaries on five continents and is headquartered near Pittsburgh in Lawrence, Pennsylvania.

With respect to Voice Services, the Company s revenues are primarily generated from the sale and/or installation of new voice communication systems, the maintenance of voice communication systems and moves, adds and changes (MAC work) as clients employees change locations or as clients move or remodel their physical space. The Company s diverse portfolio of product offerings allows it to service the needs of its clients which it believes is a unique competitive advantage. With respect to the sale of new voice communication systems, most significant orders are subject to competitive bidding processes and, generally, competition can be significant for such new orders. The Company is continually bidding on new projects to replace projects that have been completed. New voice communication system orders often generate a maintenance agreement to maintain the voice communication system which generally ranges from 1-3 years for commercial clients and 3-5 years for government clients. Sales of new voice communication systems and, to a lesser extent, MAC work, is dependent upon general economic growth and the Company s clients capital spending. On the other hand, revenues from maintenance contracts generally are not dependent on the economy as clients seek to extend the life of their existing equipment and delay capital spending on new voice communication systems. The Company also has government contracts which generate significant revenues and are not as dependent on the overall economic environment as commercial clients. Maintenance and MAC work revenues also are dependent upon the Company s history and relationship with its clients and its long track record of providing high-quality service.

Similarly, the Company s revenues for Data Services are generated from the installation or upgrade of data networks and MAC work. The installation of new data networks is largely dependent upon commercial employment and building occupancy rates. Installed data networks, however, may need to be upgraded in order to provide for larger, faster networks to accommodate the growing use of network technology. Additionally, Data Services projects can include MAC work, similar to Voice Services projects, which is dependent on economic factors that are the same as those factors discussed above in relation to the Voice Services business.

There is and has been a trend toward convergence of voice and data networks, in each of which the Company has technical expertise. Since the Company has technical expertise in both of these areas, the Company believes that this is a competitive advantage. Both the Voice Services and Data Services businesses generate backlog. At March 31, 2011, the Company s backlog, defined as expected revenue related to executed client purchase orders or contracts that are estimated to be complete within 180 days, was approximately $223,000 and relates primarily to Voice Services and Data Services.

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The Company generates Hotline Services revenues from the sale of more than 118,000 products through its catalog, Internet Web site and the Company s On-Site services offices. The sale of these products is a highly fragmented and competitive business. The Company has been in this business for over 30 years and has developed a reputation for providing high quality products, free 24/7/365 technical support, comprehensive warranties and rapid order fulfillment. With an average order size of less than one thousand dollars, the Company s Hotline Services is less impacted by capital spending and more so on general IT spending. The Company s Hotline Services business provides additional distribution and support capabilities along with access to Black Box branded products to both the Data Services and Voice Services businesses which provides cost benefits.

The Company services a variety of clients within most major industries, with the highest concentration in government, business services, technology, retail, healthcare and manufacturing. Factors that impact those verticals, therefore, could have an impact on the Company. While the Company generates most of its revenues in North America, the Company also generates revenues from around the world, primarily Europe, such that factors that impact the European market could impact the Company.

Management strives to develop extensive and long-term relationships with high-quality clients as Management believes that satisfied clients will demand quality services and product offerings even in economic downturns.

Management is presented with and reviews revenues and operating income by geographical segment. In addition, revenues and gross profit information by service type are provided herein for purposes of further analysis.

The Company has completed several acquisitions from April 1, 2008 through March 31, 2011 that have had an impact on the Company s consolidated financial statements and, more specifically, North America Voice Services and North America Data Services for the periods under review. Fiscal 2011 acquisitions include LOGOS Communications Systems, Inc. (Logos). Fiscal 2010 acquisitions include (i) Quanta Systems, LLC (Quanta) and (ii) CBS Technologies Corp. (CBS). Fiscal 2009 acquisitions include (i) UCI Communications LLC (UCI), (ii) Mutual Telecom Services Inc. (MTS), (iii) ACS Communications, Inc. (ACS), (iv) Network Communications Technologies, Inc. (NCT) and (v) Scottel Voice & Data, Inc. (Scottel). The acquisitions noted above are collectively referred to as the Acquired Companies. References to the Acquired Companies within our comparison of Fiscal 2011 and Fiscal 2010 are intended to describe the Acquired Companies from April 1, 2009 through March 31, 2011. References to the Acquired Companies within our comparison of Fiscal 2010 and Fiscal 2009 are intended to describe the Acquired Companies from April 1, 2008 through March 31, 2010. The results of operations of the Acquired Companies are included within the Company s Consolidated Statements of Income beginning on their respective acquisition dates.

The Company incurs certain expenses (*i.e.,* expenses incurred as a result of certain acquisitions) that it excludes when evaluating the continuing operations of the Company. The following table is included to provide a schedule of the past, current and an estimate of these future expenses based on information available to the Company as of March 31, 2011.

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	Fiscal					
	2009	2010	2011	2012	2013	Thereafter
Selling, general & administrative expenses						
Asset write-up depreciation expense on acquisitions	$ 1,888	$ 476	$			
Intangibles amortization						
Amortization of intangible assets on acquisitions	10,671	15,150	12,111	12,090	11,127	69,092
Total	$ 12,559	$ 15,626	$ 12,111	$ 12,090	$ 11,127	$ 69,092

The following table is included to provide a schedule of an estimate of these expenses for Fiscal 2012 (by quarter) based on information available to the Company through March 31, 2011.

	1Q	2Q	3Q	4Q	FY
Selling, general & administrative expenses					
Asset write-up depreciation expense on acquisitions	$	$	$	$	$
Intangibles amortization					
Amortization of intangible assets on acquisitions	3,033	3,019	3,019	3,019	12,090
Total	$ 3,033	$ 3,019	$ 3,019	$ 3,019	$ 12,090

The following table provides information on Revenues and Operating income by reportable geographic segment (North America, Europe and All Other). The table below should be read in conjunction with the following discussions.

	Fiscal					
	2011		2010		2009	
	$	*% of total revenue*	*$*	*% of total revenue*	*$*	*% of total revenue*
Revenues						
North America	$ 931,181	87.2%	$ 829,233	86.3%	$ 838,871	83.9%
Europe	100,221	9.4%	99,502	10.3%	121,839	12.2%
All Other	36,827	3.4%	32,658	3.4%	38,838	3.9%
Total	$ 1,068,229	100%	$ 961,393	100%	$ 999,548	100%
Operating income						
North America	$ 76,789		$ 47,623		$ 61,651	
% of North America revenues	8.2%		5.7%		7.3%	
Europe	$ 8,032		$ 10,148		$ 12,548	

% of Europe revenues		8.0%			10.2%			10.3%	
All Other	$	6,237		$	5,272		$	5,804	
% of All Other revenues		16.9%			16.1%			14.9%	
Total	$	91,058	8.5%	$	63,043	6.6%	$	80,003	8.0%

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The following table provides information on Revenues and Gross profit by service type (Data Services, Voice Services and Hotline Services). The table below should be read in conjunction with the following discussions.

	Fiscal					
	2011		2010		2009	
	$	*% of total revenue*	*$*	*% of total revenue*	*$*	*% of total revenue*
Revenues						
Data Services	$ 230,719	21.6%	$ 187,535	19.5%	$ 191,436	19.2%
Voice Services	648,512	60.7%	593,562	61.7%	598,319	59.8%
Hotline Services	188,998	17.7%	180,296	18.8%	209,793	21.0%
Total	$ 1,068,229	100%	$ 961,393	100%	$ 999,548	100%
Gross profit						
Data Services	$ 59,287		$ 51,048		$ 55,407	
% of Data Services revenues	25.7%		27.2%		28.9%	
Voice Services	$ 210,558		$ 197,673		$ 200,541	
% of Voice Services revenues	32.5%		33.3%		33.5%	
Hotline Services	$ 87,265		$ 86,660		$ 101,232	
% of Hotline Services revenues	46.2%		48.1%		48.3%	
Total	$ 357,110	33.4%	$ 335,381	34.9%	$ 357,180	35.7%

Fiscal 2011 Compared To Fiscal 2010

Total Revenues

Total revenues for Fiscal 2011 were $1,068,229, an increase of 11% compared to total revenues for Fiscal 2010 of $961,393. The Acquired Companies contributed incremental revenue of $36,365 and $11,561 for Fiscal 2011 and Fiscal 2010, respectively. Excluding the effects of the acquisitions and the positive exchange rate impact of $5 in Fiscal 2011 relative to the U.S. dollar, total revenues would have increased 9% from $949,832 in Fiscal 2010 to $1,031,859 in Fiscal 2011 for the reasons discussed below.

Revenues by Geography

North America

Revenues in North America for Fiscal 2011 were $931,181, an increase of 12% compared to revenues for Fiscal 2010 of $829,233. The Acquired Companies contributed incremental revenue of $36,365 and $11,561 for Fiscal 2011 and Fiscal 2010, respectively. Excluding the effects of the acquisitions and the positive exchange rate impact of $1,709 in Fiscal 2011 relative to the U.S. dollar, North American revenues would have increased 9% from $817,672 in Fiscal 2010 to $893,107 in Fiscal 2011. The Company believes that this increase is primarily due to increased activity for both end-user and indirect sales of Voice Services within the government (primarily federal and state) and retail revenue verticals, increased activity for both end-user and indirect sales of Data Services within the business services, financial services and technology revenue verticals and a general increase in activity for Hotline Services.

Europe

Revenues in Europe for Fiscal 2011 were $100,221, an increase of 1% compared to revenues for Fiscal 2010 of $99,502. Excluding the negative exchange rate impact of $3,725 in Fiscal 2011 relative to the U.S. dollar, Europe revenues would have increased 4% from $99,502 in Fiscal 2010 to $103,946 in Fiscal 2011. The Company believes this increase is primarily due to several large orders for Hotline Services within the business services revenue vertical. Revenues in Europe otherwise continue to be impacted by weak general economic conditions that affected client demand for Data Services and Hotline Services.

All Other

Revenues for All Other for Fiscal 2011 were $36,827, an increase of 13% compared to revenues for Fiscal 2010 of $32,658. Excluding the positive exchange rate impact of $2,021 in Fiscal 2011 relative to the U.S. dollar, All Other revenues would have increased 7% from $32,658 in Fiscal 2010 to $34,806 in Fiscal 2011.

Revenue by Service Type

Data Services

Revenues from Data Services for Fiscal 2011 were $230,719, an increase of 23% compared to revenues for Fiscal 2010 of $187,535. Excluding the positive exchange rate impact of $714 in Fiscal 2011 relative to the U.S. dollar for international Data Services, Data Service revenues would have increased 23% from $187,535 in Fiscal 2010 to $230,005 in Fiscal 2011. The Company believes that this increase is primarily due to increased activity for both end-user and indirect sales in North America within the business services, financial services and technology revenue verticals.

Voice Services

Revenues from Voice Services for Fiscal 2011 were $648,512, an increase of 9% compared to revenues for Fiscal 2010 of $593,562. The Acquired Companies contributed incremental revenue of $36,365 and $11,561 for Fiscal 2011 and Fiscal 2010, respectively. Excluding the effects of the acquisitions, Voice Services revenues would have increased 5% from $582,001 in Fiscal 2010 to $612,147 in Fiscal 2011. The Company believes that this increase is primarily due to increased activity in its indirect channel and within the government (primarily federal and state) and retail revenue verticals in its direct channel. There was no exchange rate impact on Voice Services revenues as all of the Company s Voice Services revenues are denominated in U.S. dollars.

Hotline Services

Revenues from Hotline Services for Fiscal 2011 were $188,998, an increase of 5% compared to revenues for Fiscal 2010 of $180,296. Excluding the negative exchange rate impact of $709 in Fiscal 2011 relative to the U.S. dollar for international Hotline Services, Hotline Service revenues would have increased 5% from $180,296 in Fiscal 2010 to $189,707 in Fiscal 2011. The Company believes this increase is primarily due to several large orders in Europe within the business services revenue vertical and a general increase in activity in North America and All Other.

Gross profit

Gross profit dollars for Fiscal 2011 were $357,110, an increase of 6% compared to gross profit dollars for Fiscal 2010 of $335,381. Gross profit as a percent of revenues for Fiscal 2011 was 33.4%, a decrease of 1.5% compared to gross profit as a percentage of revenues for Fiscal 2010 of 34.9%. The Company believes the percent decrease was due primarily to an increase in project-related work, which carries a lower margin than MAC work and maintenance work, for Voice Services, lower margin projects primarily due to several strategic investments and continued pricing pressures for Data Services and product mix for Hotline Services. The dollar increase is primarily due to the increase in revenues partially offset by the decrease in gross profit as a percentage of revenues.

Gross profit dollars for Data Services for Fiscal 2011 were $59,287, or 25.7% of revenues, compared to gross profit dollars for Fiscal 2010 of $51,048, or 27.2% of revenues. Gross profit dollars for Voice Services for Fiscal 2011 were $210,558, or 32.5% of revenues, compared to gross profit dollars for Fiscal 2010 of $197,673, or 33.3% of revenues. Gross profit dollars for Hotline Services for Fiscal 2011 were $87,265, or 46.2% of revenues, compared to gross profit dollars for Fiscal 2010 of $86,660, or 48.1% of revenues. Please see the preceding paragraph for the analysis of gross profit variances by segment.

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Selling, general & administrative expenses

Selling, general & administrative expenses for Fiscal 2011 were $253,896, a decrease of 1% compared to Selling, general & administrative expenses for Fiscal 2010 of $257,136. Selling, general & administrative expenses as a percent of revenue for Fiscal 2011 were 23.8%, a decrease of 2.9% compared to Selling, general & administrative expenses as a percent of revenue for Fiscal 2010 of 26.7%. The Company incurred certain Selling, general & administrative expenses (i.e., non-cash expenditures and other cash expenditures which do not recur on an annual basis) that Management excludes when evaluating the continuing operations of the Company. These items are historical stock option granting practices investigation and related matters costs of $0 and $4,829, the GSA settlement of $0 and $2,860, non-cash stock based compensation expense of $10,270 and $6,775, severance expenses of $1,857 and $4,557 and asset write-up deprecation expense on acquisitions of $0 and $476 for a total of $12,127 and $19,497, or 1.1% and 2.0% of revenues, for Fiscal 2011 and Fiscal 2010, respectively.

The increase in Selling, general & administrative expenses was primarily due to the increase in costs to support the total revenue growth discussed above. The decrease in Selling, general & administrative expenses as a percent of revenue over the prior year was primarily due to certain leveraging of the Company s cost structure as revenues continue to increase and efficiencies resulting from an ongoing evaluation of the Company s cost structure. The preceding provides explanations for the year-over-year change which excludes the items described above.

Intangibles amortization

Intangibles amortization for Fiscal 2011 was $12,156, a decrease of 20% compared to Intangible amortization for Fiscal 2010 of $15,202. The decrease was primarily attributable to the amortization run-out for certain intangible assets partially offset by the addition of intangible assets from acquisitions completed subsequent to the fourth quarter of Fiscal 2010.

Operating income

As a result of the foregoing, Operating income for Fiscal 2011 was $91,058, an increase of 44% compared to Operating income for Fiscal 2010 of $63,043 and Operating income as a percent of revenues for Fiscal 2011 was 8.5%, an increase of 1.9% compared to Operating income as a percent of revenues for Fiscal 2010 of 6.6%.

Interest expense (income), net

Net interest expense for Fiscal 2011 was $5,430, a decrease of 39% compared to net interest expense for Fiscal 2010 of $8,882. Net interest expense as a percent of revenues for Fiscal 2011 was 0.5%, a decrease of 0.4% compared to Net interest expense as a percent of revenues for Fiscal 2010 of 0.9%. The Company s interest-rate swaps (as defined below) contributed gains of $2,968 and $65 for Fiscal 2011 and Fiscal 2010, respectively, due to the change in fair value.

This decrease in net interest expense is due to decreases in the weighted-average interest rate from 1.4% for Fiscal 2010 to 1.2% for Fiscal 2011 and in the weighted-average outstanding debt from $246,545 for Fiscal 2010 to $213,124 for Fiscal 2011. The preceding provides explanations for the year-over-year change which excludes the interest-rate swaps described above. The decrease in the weighted-average interest rate is due primarily to the overall decline in short-term interest rates.

Provision for income taxes

The tax provision for Fiscal 2011 was $32,418, an effective tax rate of 38.0%. This compares to the tax provision for Fiscal 2010 of $19,824, an effective tax rate of 36.5%. The tax rate for Fiscal 2011 was higher than Fiscal 2010 due to an increase in state income taxes and uncertain income tax positions (including interest and penalties) partially offset by foreign currency exchange effects on previously-taxed income.

Net income

As a result of the foregoing, Net income for Fiscal 2011 was $52,862, an increase of 53% compared to Net income for Fiscal 2010 of $34,503 and Net income as a percent of revenues for Fiscal 2011 was 4.9%, an increase of 1.3% compared to Net income as a percent of revenues for Fiscal 2010 of 3.6%.

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Fiscal 2010 Compared To Fiscal 2009

Total Revenues

Total revenues for Fiscal 2010 were $961,393, a decrease of 4% compared to total revenues for Fiscal 2009 of $999,548. The Acquired Companies contributed incremental revenue of $161,707 and $75,862 for Fiscal 2010 and Fiscal 2009, respectively. Excluding the effects of the acquisitions and the negative exchange rate impact of $930 in Fiscal 2010 relative to the U.S. dollar, total revenues would have decreased 13% from $923,686 in Fiscal 2009 to $800,616 in Fiscal 2010 for the reasons discussed below.

Revenues by Geography

North America

Revenues in North America for Fiscal 2010 were $829,233, a decrease of 1% compared to revenues for Fiscal 2009 of $838,871. The Acquired Companies contributed incremental revenue of $161,707 and $75,862 for Fiscal 2010 and Fiscal 2009, respectively. Excluding the effects of the acquisitions and the positive exchange rate impact of $635 in Fiscal 2010 relative to the U.S. dollar, North American revenues would have decreased 13% from $763,009 in Fiscal 2009 to $666,891 in Fiscal 2010. The Company believes that this decrease is primarily due to weaker general economic conditions that affected client demand across all services segments partially offset by an increase in client demand from its federal government clients.

Europe

Revenues in Europe for Fiscal 2010 were $99,502, a decrease of 18% compared to revenues for Fiscal 2009 of $121,839. Excluding the negative exchange rate impact of $2,863 in Fiscal 2010 relative to the U.S. dollar, Europe revenues would have decreased 16% from $121,839 in Fiscal 2009 to $102,365 in Fiscal 2010. The Company believes the decrease is primarily due to weaker general economic conditions that affected client demand for its Data Services and Hotline Services.

All Other

Revenues for All Other for Fiscal 2010 were $32,658, a decrease of 16% compared to revenues for Fiscal 2009 of $38,838. Excluding the positive exchange rate impact of $1,298 in Fiscal 2010 relative to the U.S. dollar, All Other revenues would have decreased 19% from $38,838 in Fiscal 2009 to $31,360 in Fiscal 2010.

Revenue by Service Type

Data Services

Revenues from Data Services for Fiscal 2010 were $187,535, a decrease of 2% compared to revenues for Fiscal 2009 of $191,436. The Acquired Companies contributed incremental revenue of $55,474 and $27,603 for Fiscal 2010 and Fiscal 2009, respectively. Excluding the effects of the acquisitions and the negative exchange rate impact of $1,216 in Fiscal 2010 relative to the U.S. dollar for international Data Services, Data Service revenues would have decreased 19% from $163,833 in Fiscal 2009 to $133,277 in Fiscal 2010. The Company believes this decrease is primarily due to weaker general economic conditions that affected client demand for these services.

Voice Services

Revenues from Voice Services for Fiscal 2010 were $593,562, a decrease of 1% compared to revenues for Fiscal 2009 of $598,319. The Acquired Companies contributed incremental revenue of $106,233 and $48,259 for Fiscal 2010 and Fiscal 2009, respectively. Excluding the effects of the acquisitions, Voice Services revenues would have decreased 11% from $550,060 in Fiscal 2009 to $487,329 in Fiscal 2010 . The Company believes this decrease is primarily due to weaker general economic conditions that affected client demand for its commercial clients partially offset by an increase in client demand from its federal government clients. There was no exchange rate impact on Voice Services revenues as all of the Company s Voice Services revenues are denominated in U.S. dollars.

Hotline Services

Revenues from Hotline Services for Fiscal 2010 were $180,296, a decrease of 14% compared to revenues for Fiscal 2009 of $209,793. Excluding the positive exchange rate impact of $286 in Fiscal 2010 relative to the U.S. dollar for international Hotline Services, Hotline Service revenues would have decreased 14% from $209,793 in Fiscal 2009 to $180,010 in Fiscal 2010. The Company believes this decrease is primarily due to weaker general economic conditions that affected client demand for these products and services.

Gross profit

Gross profit dollars for Fiscal 2010 were $335,381, a decrease of 6% compared to gross profit dollars for Fiscal 2009 of $357,180. Gross profit as a percent of revenues for Fiscal 2010 was 34.9%, a decrease of 0.8% compared to gross profit as a percentage of revenues for Fiscal 2009 of 35.7%. The Company believes the percent decrease was due primarily to the impact of lower margin projects and continued pricing pressures in its Data Services segment and product mix in its Hotline Services segment. The dollar decrease is primarily due to the decrease in revenues which is discussed above.

Gross profit dollars for Data Services for Fiscal 2010 were $51,048, or 27.2% of revenues, compared to gross profit dollars for Fiscal 2009 of $55,407, or 28.9% of revenues. Gross profit dollars for Voice Services for Fiscal 2010 were $197,673, or 33.3% of revenues, compared to gross profit dollars for Fiscal 2009 of $200,541, or 33.5% of revenues. Gross profit dollars for Hotline Services for Fiscal 2010 were $86,660, or 48.1% of revenues, compared to gross profit dollars for Fiscal 2009 of $101,232, or 48.3% of revenues. Please see the preceding paragraph for the analysis of gross profit variances by segment.

Selling, general & administrative expenses

Selling, general & administrative expenses for Fiscal 2010 were $257,136, a decrease of 3% compared to Selling, general & administrative expenses for Fiscal 2009 of $266,387. Selling, general & administrative expenses as a percent of revenue were 26.7% for Fiscal 2010 and Fiscal 2009. The Company incurred certain Selling, general & administrative expenses that Management excludes when evaluating the operations of the Company. These items are historical stock option granting practices investigation and related matters costs of $4,829 and $1,359, the United States General Services Administration settlement of $2,850 and $0, non-cash stock based compensation expense of $6,775 and $3,042, severance expenses of $4,557 and $8,643 and asset write-up deprecation expense on acquisitions of $476 and $1,888 for a total of $19,497 and $14,932, or 2.0% and 1.5% of revenues, for Fiscal 2010 and Fiscal 2009, respectively.

The decrease in Selling, general & administrative expense dollars over the prior year was primarily due to the Company s continued effort to right-size the organization and more properly align the expense structure with anticipated revenues and changing market demand for its solutions and services. The preceding provides explanations for the year-over-year change which excludes the items described above.

Intangibles amortization

Intangibles amortization for Fiscal 2010 was $15,202, an increase of 41% compared to Intangible amortization for Fiscal 2009 of $10,790. The increase was primarily attributable to the addition of intangible assets from acquisitions completed subsequent to the third quarter of Fiscal 2009 partially offset by the amortization run-out for certain intangible assets.

Operating income

As a result of the foregoing, Operating income for Fiscal 2010 was $63,043, a decrease of 21% compared to Operating income for Fiscal 2009 of $80,003 and Operating income as a percent of revenues for Fiscal 2010 was 6.6%, a decrease of 1.4% compared to Operating income as a percent of revenues for Fiscal 2009 of 8.0%.

Interest expense (income), net

Net interest expense for Fiscal 2010 was $8,882, a decrease of 14% compared to net interest expense for Fiscal 2009 of $10,279. Net interest expense as a percent of revenues for Fiscal 2010 was 0.9%, a decrease of 0.1% compared to Net interest expense as a percent of revenues for Fiscal 2009 of 1.0%. The Company s interest-rate swaps contributed gains of $65 and $974 for Fiscal 2010 and Fiscal 2009, respectively, due to the change in fair value.

This decrease in net interest expense is due to a decrease in the weighted-average interest rate to 1.4% for Fiscal 2010 from 3.3% for Fiscal 2009 partially offset by an increase in the weighted-average outstanding debt to $246,545 for Fiscal 2010 from $237,991 for Fiscal 2009. The preceding provides explanations for the year-over-year change which excludes the interest-rate swaps described above. The decrease in the weighted-average interest rate is due primarily to the overall decline in short-term interest rates.

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Provision for income taxes

The tax provision for Fiscal 2010 was $19,824, an effective tax rate of 36.5%. This compares to the tax provision for Fiscal 2009 of $23,854, an effective tax rate of 34.5%. The tax rate for Fiscal 2010 was higher than Fiscal 2009 primarily due to a reversal in the prior year of previously-recorded expense related to a potential disallowed deduction under Section 162(m) of the Internal Revenue Code of 1986, as amended, the current year reversal of valuation allowances for certain foreign net operating losses offset by the current year s increase to uncertain income tax positions and the impact of currency exchange on previously-taxed foreign income. The Company anticipates that its deferred tax asset is realizable in the foreseeable future.

Net income

As a result of the foregoing, Net income for Fiscal 2010 was $34,503, a decrease of 24% compared to Net income for Fiscal 2009 of $45,309 and Net income as a percent of revenues for Fiscal 2010 was 3.6%, a decrease of 0.9% compared to Net income as a percent of revenues for Fiscal 2009 of 4.5%.

Liquidity and Capital Resources

Cash Flows from Operating Activities

Net cash provided by operating activities during Fiscal 2011 was $54,865. Significant factors contributing to the source of cash were: Net income of $52,862 inclusive of non-cash charges of $18,222, $10,270 and $7,806 for amortization / depreciation expense, stock compensation expense and deferred taxes, respectively, as well as increases in billings in excess of costs of $2,146 and accrued taxes of $2,292. Significant factors contributing to a use of cash were: increases in trade accounts receivable and costs in excess of billings of $10,393, and $17,537, respectively, as well as decreases in restructuring reserves of $3,458 and accrued expenses of $6,439. Changes in the above accounts are based on average Fiscal 2011 exchange rates.

Net cash provided by operating activities during Fiscal 2010 was $61,948. Significant factors contributing to the source of cash were: Net income of $34,503 inclusive of non-cash charges of $22,923 and $6,775 for amortization / depreciation expense and stock compensation expense, respectively, as well as decreases in net inventory of $5,709 and net trade accounts receivable of $21,780 and increases in accrued taxes of $2,539 and accrued compensation and benefits of $2,426. Significant factors contributing to a use of cash were: decreases in trade accounts payable, billings in excess of costs and restructuring reserves of $13,902, $4,641 and $5,161, respectively, and an increase in costs in excess of billings of $12,815. Changes in the above accounts are based on average Fiscal 2010 exchange rates.

Net cash provided by operating activities during Fiscal 2009 was $71,566. Significant factors contributing to the source of cash were: Net income of $45,309 inclusive of non-cash charges of $20,722 for amortization / depreciation expense and $3,042 for stock compensation expense, as well as decreases in net inventory of $11,455, net trade accounts receivable of $26,279 and the deferred tax provision of $5,705 and increases in accrued compensation and benefits of $9,024. Significant factors contributing to a use of cash were: decreases in trade accounts payable, accrued expenses, restructuring reserves, billings in excess of costs, accrued taxes and deferred revenue of $8,385, $10,577, $2,264, $5,300, $8,049 and $2,429, respectively. Changes in the above accounts are based on average Fiscal 2009 exchange rates.

As of March 31, 2011, 2010 and 2009, the Company had Cash and cash equivalents of $31,212, $20,885 and $23,720, respectively, working capital of $164,595, $126,585 and $130,209, respectively, and a current ratio of 1.8, 1.6 and 1.6, respectively.

The Company believes that its cash provided by operating activities and availability under its credit facility will be sufficient to fund the Company s working capital requirements, capital expenditures, dividend program, potential stock repurchases, potential future acquisitions or strategic investments and other cash needs for the next 12 months.

Investing Activities

Net cash used by investing activities during Fiscal 2011 was $19,670. Significant factors contributing to a use of cash were: $5,149 for Capital expenditures, $12,811 to acquire Logos and a non-controlling interest in Genesis Networks Integration Services, LLC and $1,829 for holdbacks and contingent fee payments related to prior period acquisitions. *See* Note 10 of the Notes to the Consolidated Financial Statements for additional details regarding these acquisitions.

Net cash used by investing activities during Fiscal 2010 was $21,121. Significant factors contributing to a use of cash were: $2,300 for Capital expenditures, $10,686 to acquire Quanta and CBS and $8,291 for holdbacks and contingent fee payments related to prior period acquisitions. *See* Note 10 of the Notes to the Consolidated Financial Statements for additional details regarding these acquisitions.

Net cash used by investing activities during Fiscal 2009 was $119,495. Significant factors contributing to a use of cash were: $2,178 for Capital expenditures and $117,184 to acquire UCI, MTS, ACS, NCT and Scottel. *See* Note 10 of the Notes to the Consolidated Financial Statements for additional details regarding these acquisitions.

Financing Activities

Net cash used by financing activities during Fiscal 2011 was $26,462. Significant factors contributing to a use of cash were:$30,284 of net payments on long-term debt and $4,232 for the payment of dividends. A significant factor contributing to the source of cash was $9,239 of proceeds from the exercise of stock options.

Net cash used by financing activities during Fiscal 2010 was $43,263. Significant factors contributing to the cash outflow were $39,053 of net payments on long-term debt and $4,210 for the payment of dividends.

Net cash provided by financing activities during Fiscal 2009 was $47,311. Significant factors contributing to the cash inflow were $51,097 of net borrowings on long-term debt partially offset by $4,206 for the payment of dividends.

Total Debt

Revolving Credit Agreement - The Company originally entered into the Credit Agreement with Citizens Bank of Pennsylvania, as agent, and a group of lenders on January 30, 2008 and the Credit Agreement was amended on October 8, 2010. The Credit Agreement expires on January 30, 2013. Borrowings under the Credit Agreement are permitted up to a maximum amount of $350,000, which includes up to $20,000 of swing-line loans and $25,000 of letters of credit. The Credit Agreement may be increased by the Company up to an additional $100,000 with the approval of the lenders and may be unilaterally and permanently reduced by the Company to not less than the then outstanding amount of all borrowings. Interest on outstanding indebtedness under the Credit Agreement accrues, at the Company s option, at a rate based on either: (a) the greater of (i) the prime rate per annum of the agent then in effect and (ii) 0.50% plus the rate per annum announced by the Federal Reserve Bank of New York as being the weighted-average of the rates on overnight Federal funds transactions arranged by Federal funds brokers on the previous trading day or (b) a rate per annum equal to the LIBOR rate plus 0.50% to 1.125% (determined by a leverage ratio based on the Company s consolidated Earnings Before Interest Taxes Depreciation and Amortization (EBITDA)). The Credit Agreement requires the Company to maintain compliance with certain non-financial and financial covenants such as leverage and fixed-charge coverage ratios. As of March 31, 2011, the Company was in compliance with all financial covenants under the Credit Agreement.

As of March 31, 2011, the Company had total debt outstanding of $181,859. Total debt was comprised of $180,646 outstanding under the Credit Agreement and $1,213 of obligations under capital leases and various other third-party, non-employee loans. The maximum amount of debt outstanding under the Credit Agreement, the weighted-average balance outstanding under the Credit Agreement and the weighted-average interest rate on all outstanding debt for Fiscal 2011 was $237,255, $213,124 and 1.2%, respectively, compared to $261,750, $246,545 and 1.4%, and $277,735, $237,991 and 3.3%, for Fiscal 2010 and Fiscal 2009, respectively.

As of March 31, 2011, the Company had $4,478 outstanding in letters of credit and $164,876 in unused commitments under the Credit Agreement.

Dividends

Fiscal 2011 - During Fiscal 2011, the Board declared quarterly cash dividends of $0.06 ($0.24 for Fiscal 2011) per share on all outstanding shares of the common stock at the close of business on July 2, 2010, October 1, 2010, December 31, 2010 and March 31, 2011. The dividends totaled $4,254 (including $1,075 for the fourth quarter of Fiscal 2011) and were paid on July 19, 2010, October 15, 2010, January 14, 2011 and April 13, 2011.

Fiscal 2010 - During Fiscal 2010, the Board declared quarterly cash dividends of $0.06 ($0.24 for Fiscal 2010) per share on all outstanding shares of the common stock at the close of business on June 26, 2009, September 25, 2009, December 24, 2009 and March 31, 2010. The dividends totaled $4,211 (including $1,053 for the fourth quarter of Fiscal 2010) and were paid on July 10, 2009, October 9, 2009, January 8, 2010 and April 13, 2010.

Fiscal 2009 - During Fiscal 2009, the Board declared quarterly cash dividends of $0.06 ($0.24 for Fiscal 2009) per share on all outstanding shares of the common stock at the close of business on June 30, 2008, September 26, 2008, December 26, 2008 and March 31, 2009. The dividends totaled $4,207 (including $1,052 for the fourth quarter of Fiscal 2009) and were paid on July 14, 2008, October 14, 2008, January 9, 2009 and April 15, 2009.

While the Company expects to continue to declare quarterly dividends, the payment of future dividends is at the discretion of the Board and the timing and amount of any future dividends will depend upon earnings, cash requirements and financial condition of the Company. Under the Credit Agreement, the Company is permitted to make any distribution or dividend as long as no Event of Default or Potential Default (each as defined in the Credit Agreement) occurs or is continuing.

Repurchase of Common Stock

Fiscal 2011- During Fiscal 2011, the Company repurchased 16,572 shares of common stock for an aggregate purchase price of $486, or an average purchase price per share of $29.31. These repurchases primarily resulted from the withholding of shares for tax payments upon the vesting in May 2010 of certain restricted stock units granted under the Company s 2008 Long-Term Incentive Plan.

Fiscal 2010 - There were no repurchases during Fiscal 2010.

Fiscal 2009 - There were no repurchases during Fiscal 2009.

Since the inception of the repurchase program in April 1999 through March 31, 2011, the Company has repurchased 7,626,279 shares of common stock for an aggregate purchase price of $323,098, or an average purchase price per share of $42.37. These shares do not include the treasury shares withheld for tax payments resulting from the vesting in May 2010 of certain restricted stock units. As of March 31, 2011, 873,721 shares were available under repurchase programs approved by the Board. Additional repurchases of common stock may occur from time to time depending upon factors such as the Company s cash flows and general market conditions. While the Company expects to continue to repurchase shares of common stock for the foreseeable future, there can be no assurance as to the timing or amount of such repurchases. Under the Credit Agreement, the Company is permitted to repurchase its common stock as long as no Event of Default or Potential Default (each as defined in the Credit Agreement) occurs or is continuing, the leverage ratio (after taking into consideration the payment made to repurchase such common stock) would not exceed 2.75 to 1.0 and the availability to borrow under the credit facility would not be less than $20 million.

Contractual Obligations

The Company has various contractual obligations and commitments to make future payments including debt agreements, operating and capital lease obligations and discounted lease rental commitments.

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The following table summarizes significant contractual obligations and commitments of the Company as of March 31, 2011. Except as set forth in the following table, the Company does not have any material long-term purchase obligations or other long-term liabilities that are reflected on its balance sheet as of March 31, 2011:

	Payments Due by Period [1]				
	Less than 1 year	1-3 years	3-5 years	More than 5 years	Total
Long-term debt obligations	$	$ 180,646	$	$	$ 180,646
Interest expense on long-term debt	1,978	1,647			3,625
Capital lease obligations	732	464	17		1,213
Operating lease obligations	13,963	12,690	5,178	1,588	33,419
Total contractual obligations	$ 16,673	$ 195,447	$ 5,195	$ 1,588	$ 218,903

[1] Not included in the above table are potential cash obligations of $11,914 associated with an unfunded pension liability due to the high degree of uncertainty regarding the timing of future cash outflows associated with such obligation.

The estimated interest expense payments on long-term debt reflected in the table above are based on both the amount outstanding under the credit facility and the weighted-average interest rate in effect as of March 31, 2011.

As of March 31, 2011, the Company had commercial commitments of $4,478, which are generally due within the next twelve (12) months.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on its financial condition, changes in its financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources, other than those disclosed above, that are material to investors.

Inflation

The overall effects of inflation on the Company have been nominal. Although long-term inflation rates are difficult to predict, the Company continues to strive to minimize the effect of inflation through improved productivity and cost reduction programs as well as price adjustments within the constraints of market competition.

Legal Proceedings

Please see the matters discussed in Part I, Item 3, Legal Proceedings of this Form 10-K, which information is incorporated herein by reference.

Critical Accounting Policies

The Company s consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States, which require the Company to make estimates and assumptions that may affect the reported financial condition and results of operations should actual results differ. The Company bases its estimates and assumptions on the best available information and believes them to be reasonable for the circumstances. The Company s significant accounting policies are described in Note 2 of the Notes to the Consolidated Financial Statements. The Company believes that of its significant accounting policies, the following may involve a higher degree of judgment and complexity.

Allowance for doubtful accounts receivable

The Company records an allowance for doubtful accounts receivable as an offset to accounts receivable in order to present a net balance the Company believes will be collected. This allowance is based on both recent trends of certain accounts receivable (specific reserve) estimated to be a greater credit risk as well as general trends of the entire accounts receivable pool (general reserve). The Company computes a specific reserve by identifying specifically at-risk accounts receivable and applying historic reserve factors to the outstanding balance. The Company computes a general reserve by reviewing the accounts receivable aging and applying reserve factors based upon the age of the account receivable. If the estimate of uncollectible accounts receivable should prove inaccurate at some future date, the results of operations for the period could be materially affected by any necessary correction to the allowance for doubtful accounts.

Inventories

The Company s inventory is valued at the lower of cost or market value and has been reduced by an allowance for excess and obsolete inventories. The Company records an estimate for slow moving and obsolete inventory (inventory reserve) based upon product knowledge, physical inventory observation, future demand, market conditions and an aging analysis of the inventory on hand. If actual market conditions are less favorable than those projected by Management at some future date, the results of operations for the period could be materially affected by any necessary correction to the inventory reserve.

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Deferred Income Taxes

The Company records deferred income tax assets and liabilities in its Consolidated Balance Sheets related to events that impact the Company s financial statements and tax returns in different periods. Deferred tax asset and liability balances are computed by identifying differences between the book basis and tax basis of assets and liabilities (temporary differences) which are multiplied by the current tax rate. A valuation allowance is provided on deferred tax assets if it is determined that it is more likely than not that the asset will not be realized. If the Company s estimate of the realizable deferred tax assets should prove inaccurate at some future date, the results of operations for the period could be materially affected by any necessary correction to the deferred tax asset allowance.

Goodwill

The Company conducts its annual goodwill impairment assessment during the third quarter of its fiscal year, using data as of the end of the second quarter of its fiscal year. Goodwill is tested using a two-step process. The first step of the goodwill impairment assessment, used to identify potential impairment, compares the fair value of a reporting unit with its carrying amount, including goodwill (net book value). If the fair value of a reporting unit exceeds its net book value, goodwill of the reporting unit is considered not impaired, thus the second step of the impairment test is unnecessary. If net book value of a reporting unit exceeds its fair value, the second step of the goodwill impairment test will be performed to measure the amount of impairment loss, if any. The second step of the goodwill impairment assessment, used to measure the amount of impairment loss, if any, compares the implied fair value of reporting unit goodwill, which is determined in the same manner as the amount of goodwill recognized in a business combination, with the carrying amount of that goodwill. If the carrying amount of reporting unit goodwill exceeds the implied fair value of that goodwill, an impairment loss shall be recognized in an amount equal to that excess.

In the first step of the goodwill impairment assessment, the Company uses an income approach to derive a present value of the reporting unit s projected future annual cash flows and the present residual value of the reporting unit. The Company uses the income approach because it believes that the discounted future cash flows provide greater detail and opportunity to reflect facts, circumstances and economic conditions for each reporting unit. In addition, the Company believes that this valuation approach is a proven valuation technique and methodology for its industry and is widely accepted by investors. The Company uses a variety of underlying assumptions to estimate these future cash flows, which vary for each of the reporting units and include (i) future revenue growth rates, (ii) future operating profitability, (iii) the weighted-average cost of capital and (iv) a terminal growth rate. If the Company s estimates and assumptions used in the discounted future cash flows should change at some future date, the Company could incur an impairment charge which could have a material adverse effect on the results of operations for the period in which the impairment occurs.

In addition to estimating fair value of the Company s reporting units using the income approach, the Company also estimates fair value using a market-based approach which relies on values based on market multiples derived from comparable public companies. The Company uses the estimated fair value of the reporting units under the market approach to validate the estimated fair value of the reporting units under the income approach.

The Company conducted its annual goodwill impairment assessment during the third quarter of Fiscal 2011 using data as of October 2, 2010. The following table reconciles the carrying value of goodwill, as of October 2, 2010, for the Company s reportable segments as reported in its consolidated financial statements, to the carrying value of goodwill by reporting unit which is used for the annual goodwill impairment assessment:

	North America	Europe	All Other	Total
Goodwill (as reported in financial statements)	$ 571,673	$ 70,515	$ 2,228	$ 644,416
Adjustment [1]	(30,370)	27,333	3,037	
Goodwill (for annual impairment assessment) [2]	$ 541,303	$ 97,848	$ 5,265	$ 644,416

[1] This adjustment represents goodwill associated with foreign acquisitions that remains in North America for financial reporting purposes.

[2] Goodwill (for annual impairment assessment) represents the amount of goodwill that is at risk by reporting unit.

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The results of the Company s annual goodwill impairment assessment conducted during the third quarter of Fiscal 2011 indicate that goodwill is not impaired in any of the Company s reporting units. The following table summarizes the estimated fair value of the reporting unit, the net book value of the reporting unit and the surplus of the estimated fair value of the reporting unit over the net book value of the reporting unit as of October 2, 2010:

	North America	Europe	All Other	Total
Estimated fair value of the reporting unit	$ 716,924	$ 126,140	$ 62,601	$ 905,665
Net book value of the reporting unit	584,718	116,108	24,754	725,580
Surplus	$ 132,206	$ 10,032	$ 37,847	$ 180,085

To illustrate the sensitivity of the discounted future cash flows, an instantaneous 100 basis point increase in the weighted-average cost of capital, which, holding all other assumptions constant, would be material to the estimated fair value of the reporting unit, would produce a decrease in the fair value of the reporting units by $110,030, $13,810 and $5,461 for North America, Europe and All Other, respectively.

Since October 2, 2010, the Company s stock market capitalization has generally been lower than its net book value. Each of the Company s reporting units continues to operate profitably and generate significant cash flow from operations, and the Company expects that each will continue to do so in Fiscal 2012 and beyond. The Company also believes that a reasonable potential buyer would offer a control premium for the business that would adequately cover the difference between the recent stock trading prices and the book value.

Future events that could result in an interim assessment of goodwill impairment and/or an impairment loss include, but are not limited to, (i) significant underperformance relative to historical or projected future operating results, (ii) significant changes in the manner of or use of the assets or the strategy for the Company s overall business, (iii) significant negative industry or economic trends, (iv) a further decline in market capitalization below book value and (v) a modification to the Company s reporting segments. Management is currently considering alternative reporting segments for the purpose of making operational decisions and assessing financial performance. This contemplated change in reporting segments may affect the reporting units currently being used in the Company s annual goodwill impairment assessment. Any such change could result in an impairment charge which could have a material adverse effect on the results of operations for the period in which the impairment occurs.

Long-Lived Assets other than Goodwill

The Company reviews long-lived assets including property, plant and equipment for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If the sum of the estimated future cash flows (undiscounted) expected to result from the use and eventual disposition of an asset is less than the carrying amount of the asset, an impairment loss is recognized. Measurement of an impairment loss is based on the fair value of the asset. No impairments of long-lived assets have been identified during any of the periods presented.

Loss Contingencies

The Company incurs contingencies as a normal part of its business operations, such as future warranty obligations and potential liabilities relating to legal or regulatory matters. The Company accrues for contingent obligations when a loss is probable and the amount can be reasonably estimated.

Revenue Recognition

Within the Company s Hotline Services service segment, revenues are recognized when title to products sold passes to the client, which generally occurs upon shipment from the Company s location.

Within the Company s Data Services and Voice Services service segments, revenues are recognized from maintenance service contracts, MAC work and network integration services when the services are provided. Service contracts are generally pre-billed, recorded in Deferred revenue within the Company s Consolidated Balance Sheets and are generally recognized over the service period on a straight-line basis. Revenues from the sale and installation of products and systems are recognized using the percentage-of-completion method based upon the proportion of actual costs incurred to estimated total costs. At the time a loss on a contract becomes known, the entire amount of the estimated loss is recognized immediately in the financial statements. The Company has historically made reasonably accurate estimates of the extent of progress towards completion, contract revenues and contract costs on its long-term contracts. However, due to uncertainties inherent in the estimation process, actual results could differ materially from those estimates.

Impact of Recently Issued Accounting Pronouncements

There have been no accounting pronouncements adopted during Fiscal 2011, Fiscal 2010 or Fiscal 2009 that had a material impact on the Company s consolidated financial statements. There have been no new accounting pronouncements issued but not yet adopted that are expected to have a material impact on the Company s consolidated financial statements.

Cautionary Forward Looking Statements

When included in this Form 10-K or in documents incorporated herein by reference, the words should, expects, intends, anticipates, believes, estimates, approximates, targets, plans and analogous expressions are identify forward-looking statements. One can also identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. Such statements are inherently subject to a variety of risks and uncertainties that could cause actual results to differ materially from those projected. Although it is not possible to predict or identify all risk factors, such risks and uncertainties may include, among others, levels of business activity and operating expenses, expenses relating to corporate compliance requirements, cash flows, global economic and business conditions, successful integration of acquisitions, the timing and costs of restructuring programs, successful marketing of DVH services, successful implementation of the Company s M&A program including identifying appropriate targets, consummating transactions and successfully integrating the businesses, successful implementation of the Company s government contracting programs, competition, changes in foreign, political and economic conditions, fluctuating foreign currencies compared to the U.S. dollar, rapid changes in technologies, client preferences, the Company s arrangements with suppliers of voice equipment and technology and various other matters, many of which are beyond the Company s control. These forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and speak only as of the date of this Form 10-K. The Company expressly disclaims any obligation or undertaking to release publicly any updates or any changes in the Company s expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based.

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Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

The Company is exposed to market risks in the ordinary course of business that include interest-rate volatility and foreign currency exchange rates volatility. Market risk is measured as the potential negative impact on earnings, cash flows or fair values resulting from a hypothetical change in interest rates or foreign currency exchange rates over the next year. The Company does not hold or issue any other financial derivative instruments (other than those specifically noted below) nor does it engage in speculative trading of financial derivatives.

Interest-rate Risk

The Company s primary interest-rate risk relates to its long-term debt obligations. As of March 31, 2011, the Company had total long-term obligations of $180,646 under the Credit Agreement. Of the outstanding debt, $150,000 was in variable rate debt that was effectively converted to a fixed rate through multiple interest-rate swap agreements (discussed in more detail below) and $30,646 was in variable rate obligations. As of March 31, 2011, an instantaneous 100 basis point increase in the interest rate of the variable rate debt would reduce the Company s net income in the subsequent fiscal year by $302 ($187 net of tax) assuming the Company employed no intervention strategies.

To mitigate the risk of interest-rate fluctuations associated with the Company s variable rate long-term debt, the Company has implemented an interest-rate risk management strategy that incorporates the use of derivative instruments to minimize significant unplanned fluctuations in earnings caused by interest-rate volatility. The Company s goal is to manage interest-rate sensitivity by modifying the re-pricing characteristics of certain balance sheet liabilities so that the net-interest margin is not, on a material basis, adversely affected by the movements in interest rates.

On July 26, 2006, the Company entered into a five-year floating-to-fixed interest-rate swap that is based on a 3-month LIBOR rate versus a 5.44% fixed rate, has a notional value of $100,000 (which reduced to $50,000 as of June 26, 2009) and does not qualify for hedge accounting. On June 15, 2009, the Company entered into a three-year floating-to-fixed interest-rate swap that is based on a 3-month LIBOR rate versus a 2.28% fixed rate, has a notional value of $100,000 reducing to $50,000 after two (2)years and does not qualify for hedge accounting. Changes in the fair market value of the interest-rate swap are recorded as an asset or liability within the Company s Consolidated Balance Sheets and Interest expense (income) within the Company s Consolidated Statements of Income.

Foreign Exchange Rate Risk

The Company has operations, clients and suppliers worldwide, thereby exposing the Company s financial results to foreign currency fluctuations. In an effort to reduce this risk of foreign currency fluctuations, the Company generally sells and purchases inventory based on prices denominated in U.S. dollars. Intercompany sales to subsidiaries are generally denominated in the subsidiaries local currency. The Company has entered and will continue in the future, on a selective basis, to enter into foreign currency contracts to reduce the foreign currency exposure related to certain intercompany transactions, primarily trade receivables and loans. All of the foreign currency contracts have been designated and qualify as cash flow hedges. The effective portion of any changes in the fair value of the derivative instruments is recorded in Accumulated Other Comprehensive Income (AOCI) until the hedged forecasted transaction occurs or the recognized currency transaction affects earnings. Once the forecasted transaction occurs or the recognized currency transaction affects earnings, the effective portion of any related gains or losses on the cash flow hedge is reclassified from AOCI to the Company s Consolidated Statements of Income. In the event it becomes probable that the hedged forecasted transaction will not occur, the ineffective portion of any gain or loss on the related cash flow hedge would be reclassified from AOCI to the Company s Consolidated Statements of Income.

As of March 31, 2011, the Company had open foreign currency contracts in Australian and Canadian dollars, Danish krone, Euros, Mexican pesos, Norwegian kroner, British pounds sterling, Swedish krona, Swiss francs and Japanese yen. The open contracts have contract rates ranging from 1.00 to 1.15 Australian dollar, 0.98 to 1.03 Canadian dollar, 5.48 to 5.78 Danish krone, 0.70 to 0.82 Euro, 12.18 to 12.18 Mexican peso, 5.57 to 6.18 Norwegian kroner, 0.62 to 0.64 British pound sterling, 6.46 to 7.15 Swedish krona, 0.90 to 1.01 Swiss franc and 93.10 to 93.10 Japanese yen, all per U.S. dollar. The total open contracts had a notional amount of $40,589 and will expire within ten (10) months.

Item 8. Financial Statements and Supplementary Data.
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

Board of Directors and Stockholders
Black Box Corporation
Lawrence, Pennsylvania

We have audited the accompanying consolidated balance sheets of Black Box Corporation as of March 31, 2011 and 2010 and the related consolidated statements of income, consolidated statements of changes in stockholders equity and comprehensive income, and consolidated statements of cash flows for each of the three years in the period ended March 31, 2011. In connection with our audits of the financial statements, we have also audited Schedule II - Valuation and Qualifying Accounts. These financial statements and schedule are the responsibility of the Company s management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit 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 presentation of the financial statements and schedule. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Black Box Corporation at March 31, 2011 and 2010, and the results of its operations and its cash flows for each of the three years in the period ended March 31, 2011, in conformity with accounting principles generally accepted in the United States of America.

Also, in our opinion, the financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Black Box Corporation s internal control over financial reporting as of March 31, 2011, based on criteria established in *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and our report dated May 27, 2011 expressed an unqualified opinion thereon.

/s/ BDO USA, LLP
Chicago, Illinois
May 27, 2011

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BLACK BOX CORPORATION
CONSOLIDATED STATEMENTS OF INCOME

	Year Ended March 31,		
In thousands, except per share amounts	**2011**	**2010**	**2009**
Revenues			
Hotline products	$ 188,998	$ 180,296	$ 209,793
On-Site services	879,231	781,097	789,755
Total	1,068,229	961,393	999,548
Cost of sales (1)			
Hotline products	101,733	93,636	108,561
On-Site services	609,386	532,376	533,807
Total	711,119	626,012	642,368
Gross profit	**357,110**	**335,381**	**357,180**
Selling, general & administrative expenses	253,896	257,136	266,387
Intangibles amortization	12,156	15,202	10,790
Operating income	**91,058**	**63,043**	**80,003**
Interest expense (income), net	5,430	8,882	10,279
Other expenses (income), net	348	(166)	561
Income before provision for income taxes	85,280	54,327	69,163
Provision for income taxes	32,418	19,824	23,854
Net income	**$ 52,862**	**$ 34,503**	**$ 45,309**
Earnings per common share			
Basic	$ 2.99	$ 1.97	$ 2.59
Diluted	$ 2.97	$ 1.97	$ 2.59
Weighted-average common shares outstanding			
Basic	17,680	17,546	17,527
Diluted	17,795	17,546	17,527
Dividends per share	$ 0.24	$ 0.24	$ 0.24

(1) Exclusive of depreciation and intangibles amortization.

***See* Notes to the Consolidated Financial Statements**

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BLACK BOX CORPORATION
CONSOLIDATED BALANCE SHEETS

In thousands, except par value	March 31, 2011	2010
Assets		
Cash and cash equivalents	$ 31,212	$ 20,885
Accounts receivable, net of allowance for doubtful accounts of $7,121 and $9,505	156,682	141,211
Inventories, net	52,014	51,507
Costs/estimated earnings in excess of billings on uncompleted contracts	103,853	86,086
Other assets	27,483	28,090
Total current assets	**371,244**	**327,779**
Property, plant and equipment, net	23,427	23,568
Goodwill	650,024	641,965
Intangibles		
Customer relationships, net	91,066	93,619
Other intangibles, net	29,067	30,374
Other assets	7,155	8,059
Total assets	**$ 1,171,983**	**$ 1,125,364**
Liabilities		
Accounts payable	$ 71,463	$ 66,934
Accrued compensation and benefits	35,329	33,260
Deferred revenue	36,043	34,876
Billings in excess of costs/estimated earnings on uncompleted contracts	17,462	14,839
Income taxes	11,957	9,487
Other liabilities	34,395	41,798
Total current liabilities	**206,649**	**201,194**
Long-term debt	181,127	210,873
Other liabilities	17,948	23,303
Total liabilities	**405,724**	**435,370**
Stockholders equity		
Preferred stock authorized 5,000, par value $1.00, none issued		
Common stock authorized 100,000, par value $.001, 17,918 and 17,548 shares outstanding	26	25
Additional paid-in capital	470,367	451,778
Retained earnings	599,923	551,315
Accumulated other comprehensive income	19,523	9,971
Treasury stock, at cost 7,643 and 7,626 shares	(323,580)	(323,095)
Total stockholders equity	**766,259**	**689,994**
Total liabilities and stockholders equity	**$ 1,171,983**	**$ 1,125,364**

***See* Notes to the Consolidated Financial Statements**

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BLACK BOX CORPORATION
CONSOLIDATED STATEMENTS OF CHANGES IN
STOCKHOLDERS EQUITY AND COMPREHENSIVE INCOME

In thousands	Common Stock Shares	Common Stock ($.001 par)	Additional Paid-in Capital	Treasury Stock	Accumulated Other Comprehensive Income: Foreign Currency Trans-lation	Accumulated Other Comprehensive Income: Derivative Instruments	Accumulated Other Comprehensive Income: Defined Benefit Pension	Retained Earnings	Total
Balance at March 31, 2008	**25,142**	**$ 25**	**$ 443,380**	**$ (323,095)**	**$ 40,583**	**$ (66)**	**$ (474)**	**$ 479,921**	**$ 640,274**
Comprehensive income (loss):									
Net income								45,309	45,309
Foreign currency translation adjustment					(34,208)				(34,208)
Pension:									
Unrealized gain (loss)							(2,394)		(2,394)
Amounts reclassified into results of operations									
Derivative Instruments:									
Net change in fair value of cash flow hedging instruments (net of tax)						470			470
Amounts reclassified into results of operations						(339)			(339)
Comprehensive income:									8,838
Stock compensation expense			3,042						3,042
Dividends declared								(4,207)	(4,207)
Issuance of common stock (net of tax)	17		545						545
Tax impact from stock options			(1,193)						(1,193)

Balance at March 31, 2009	**25,159**	**$ 25**	**$ 445,774**	**$ (323,095)**	**$ 6,375**	**$ 65**	**$ (2,868)**	**$ 521,023**	**$ 647,299**
Comprehensive income (loss):									
Net income								34,503	34,503
Foreign currency translation adjustment					6,923				6,923
Pension:									
Unrealized gain (loss)							(284)		(284)
Amounts reclassified into results of operations							145		145
Derivative Instruments:									
Net change in fair value of cash flow hedging instruments (net of tax)						(646)			(646)
Amounts reclassified into results of operations						261			261
Comprehensive income:									40,902
Stock compensation expense			6,775						6,775
Dividends declared								(4,211)	(4,211)
Issuance of common stock (net of tax)	15								
Tax impact from stock options			(771)						(771)
Balance at March 31, 2010	**25,174**	**$ 25**	**$ 451,778**	**$ (323,095)**	**$ 13,298**	**$ (320)**	**$ (3,007)**	**$ 551,315**	**$ 689,994**
Comprehensive income (loss):									
Net income								52,862	52,862
Foreign currency translation adjustment					10,616				10,616
Pension:									
Unrealized gain (loss)							(1,360)		(1,360)
							140		140

Amounts reclassified into results of operations									
Derivative Instruments:									
Net change in fair value of cash flow hedging instruments (net of tax)						(291)			(291)
Amounts reclassified into results of operations						447			447
Comprehensive income:									62,414
Stock compensation expense			10,270						10,270
Dividends declared								(4,254)	(4,254)
Issuance of common stock (net of tax)	387	1	9,239						9,240
Repurchases of common stock				(485)					(485)
Tax impact from equity awards			(920)						(920)
Balance at March 31, 2011	**25,561**	**$ 26**	**$ 470,367**	**$ (323,580)**	**$ 23,914**	**$ (164)**	**$ (4,227)**	**$ 599,923**	**$ 766,259**

See **Notes to the Consolidated Financial Statements**

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BLACK BOX CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS

In thousands	Year Ended March 31, 2011	2010	2009
Operating Activities			
Net income	$ 52,862	$ 34,503	$ 45,309
Adjustments to reconcile net income to net cash provided by (used for) operating activities:			
Intangibles amortization and depreciation	18,222	22,923	20,722
Loss (gain) on sale of property	(71)	13	(65)
Deferred taxes	7,806	(123)	4,512
Tax impact from equity awards	920	771	1,193
Stock compensation expense	10,270	6,775	3,042
Change in fair value of interest-rate swaps	(2,968)	(65)	(974)
Changes in operating assets and liabilities (net of acquisitions):			
Accounts receivable, net	(10,393)	21,780	26,279
Inventories, net	459	5,709	11,455
Costs/estimated earnings in excess of billings on uncompleted contracts	(17,537)	(12,815)	(652)
All other assets	(1,738)	4,024	(11,281)
Billings in excess of costs/estimated earnings on uncompleted contracts	2,146	(4,641)	(5,300)
All other liabilities	(5,113)	(16,906)	(22,674)
Net cash provided by (used for) operating activities	**$ 54,865**	**$ 61,948**	**$ 71,566**
Investing Activities			
Capital expenditures	$ (5,149)	$ (2,300)	$ (2,178)
Capital disposals	119	156	288
Acquisition of businesses (payments)/recoveries	(12,811)	(10,686)	(117,184)
Prior merger-related (payments)/recoveries	(1,829)	(8,291)	(421)
Net cash provided by (used for) investing activities	**$ (19,670)**	**$ (21,121)**	**$ (119,495)**
Financing Activities			
Proceeds from borrowings	$ 238,950	$ 169,335	$ 308,567
Repayment of borrowings	(269,234)	(208,388)	(257,470)
Deferred financing costs	(700)		(125)
Purchase of treasury stock	(485)		
Proceeds from the exercise of stock options	9,239		545
Payment of dividends	(4,232)	(4,210)	(4,206)
Net cash provided by (used for) financing activities	**$ (26,462)**	**$ (43,263)**	**$ 47,311**
Foreign currency exchange impact on cash	$ 1,594	$ (399)	$ (2,314)
Increase / (decrease) in cash and cash equivalents	**$ 10,327**	**$ (2,835)**	**$ (2,932)**
Cash and cash equivalents at beginning of period	$ 20,885	$ 23,720	$ 26,652
Cash and cash equivalents at end of period	$ 31,212	$ 20,885	$ 23,720

Supplemental Cash Flow:

Cash paid for interest	$ 8,557	$ 9,285	$ 11,656
Cash paid for income taxes	21,513	16,703	26,539
Non-cash financing activities:			
Dividends payable	1,075	1,053	1,052
Capital leases	143	132	994

***See* Notes to the Consolidated Financial Statements**

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BLACK BOX CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1: Business and Basis of Presentation

Business

Black Box Corporation (Black Box, we, the Company or our) is a leading dedicated network infrastructure serv provider. Black Box offers one-source network infrastructure services for communications systems. The Company s services offerings include design, installation, integration, monitoring and maintenance of voice, data and integrated communications systems. The Company s primary services offering is voice solutions (Voice Services); the Company also offers premise cabling and other data-related services (Data Services) and products. The Company provides 24/7/365 technical support for all of its solutions which encompass all major voice and data product manufacturers as well as 118,000 network infrastructure products (Hotline products) that it sells through its catalog and Internet Web site (such catalog and Internet Web site business, together with technical support for such business, being referred to as Hotline Services) and its Voice Services and Data Services (collectively referred to as On-Site services) offices. As of March 31, 2011, the Company had more than 3,000 professional technical experts in 196 offices serving more than 175,000 clients in 141 countries throughout the world. Founded in 1976, Black Box, a Delaware corporation, operates subsidiaries on five continents and is headquartered near Pittsburgh in Lawrence, Pennsylvania.

Basis of Presentation

References herein to Fiscal Year or Fiscal mean the Company s fiscal year ended March 31 for the year referenced. All references to dollar amounts herein are presented in thousands, except per share amounts, unless otherwise noted.

The consolidated financial statements include the accounts of the parent company and its subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation. Certain items in the consolidated financial statements of prior years have been reclassified to conform to the current year s presentation.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires Company management (Management) to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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Note 2: Significant Accounting Policies

Cash and cash equivalents

The Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents are stated at cost, which approximates fair value.

Allowance for doubtful accounts receivable

An allowance for doubtful accounts is recorded as an offset to accounts receivable in order to present a net balance the Company believes will be collected. This allowance is based on both recent trends of certain accounts receivable (specific reserve) estimated to be a greater credit risk as well as general trends of the entire accounts receivable pool (general reserve). The Company computes a specific reserve by identifying specifically at-risk accounts receivable and applying historic reserve factors to the outstanding balance. The Company computes a general reserve by reviewing the accounts receivable aging and applying reserve factors based upon the age of the account receivable. Additions to the allowance for doubtful accounts are charged to Selling, general & administrative expense within the Company s Consolidated Statement of Income, and deductions from the allowance are recorded when specific accounts receivable are written off as uncollectible.

Inventories

Inventories are valued at the lower of cost or market. The Company uses the first-in, first-out average cost method to value the majority of its inventory. However, several locations within the Company use other valuation methods, including first-in, first-out (FIFO) and actual current costs. The Company records an estimate for slow moving and obsolete inventory (inventory reserve) based upon product knowledge, physical inventory observation, future demand, market conditions and an aging analysis of the inventory on hand. Upon a subsequent sale or disposal of the impaired inventory, the corresponding reserve is relieved to ensure the cost basis of the inventory reflects any reductions.

Property, Plant and Equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation. Maintenance, repairs and minor renewals are charged to operations as incurred. Major renewals and betterments, which substantially extend the useful life of the property, are capitalized at cost. Upon sale or other disposition of assets, the costs and related accumulated depreciation are removed from the accounts and the resulting gain or loss, if any, is reflected in income.

Depreciation is computed using the straight-line method based on the estimated useful lives of 30 to 40 years for buildings and improvements and 3 to 5 years for equipment and computer hardware and software. Leasehold improvements are depreciated over their lease terms, or useful lives, if shorter. The Company reviews property, plant and equipment for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If the sum of the estimated future cash flows (undiscounted) expected to result from the use and eventual disposition of an asset is less than the carrying amount of the asset, an impairment loss is recognized. Measurement of an impairment loss is based on the fair value of the asset. No impairment of property, plant and equipment has been identified during any of the periods presented.

Goodwill

Goodwill is the excess of purchase price over the value of net assets acquired in acquisitions. The Company conducts its annual goodwill impairment assessment during the third quarter of its fiscal year, using data as of the end of the second quarter of its fiscal year. Goodwill is tested using a two-step process. The first step of the goodwill impairment assessment, used to identify potential impairment, compares the fair value of a reporting unit with its carrying amount, including goodwill (net book value). If the fair value of a reporting unit exceeds its net book value, goodwill of the reporting unit is considered not impaired, thus the second step of the impairment test is unnecessary. If net book value of a reporting unit exceeds its fair value, the second step of the goodwill impairment test will be performed to measure the amount of impairment loss, if any. The second step of the goodwill impairment assessment, used to measure the amount of impairment loss, if any, compares the implied fair value of reporting unit goodwill, which is determined in the same manner as the amount of goodwill recognized in a business combination, with the carrying amount of that goodwill. If the carrying amount of reporting unit goodwill exceeds the implied fair value of that goodwill, an impairment loss shall be recognized in an amount equal to that excess.

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In the first step of the goodwill impairment assessment, the Company uses an income approach to derive a present value of the reporting unit s projected future annual cash flows and the present residual value of the reporting unit. The Company uses the income approach because it believes that the discounted future cash flows provide greater detail and opportunity to reflect facts, circumstances and economic conditions for each reporting unit. In addition, the Company believes that this valuation approach is a proven valuation technique and methodology for its industry and is widely accepted by investors. The Company uses a variety of underlying assumptions to estimate these future cash flows, which vary for each of the reporting units and include (i) future revenue growth rates, (ii) future operating profitability, (iii) the weighted-average cost of capital and (iv) a terminal growth rate. If the Company s estimates and assumptions used in the discounted future cash flows should change at some future date, the Company could incur an impairment charge which could have a material adverse effect on the results of operations for the period in which the impairment occurs.

In addition to estimating fair value of the Company s reporting units using the income approach, the Company also estimates fair value using a market-based approach which relies on values based on market multiples derived from comparable public companies. The Company uses the estimated fair value of the reporting units under the market approach to validate the estimated fair value of the reporting units under the income approach. *See* Note 5 for additional reference.

Intangible Assets

Definite-lived intangible assets are amortized on a straight-line basis over their estimated useful lives of 3 to 5 years for non-compete agreements, one year for backlog and 4 to 20 years for customer relationships. Indefinite-lived intangible assets not subject to amortization consist solely of the Company s trademark portfolio and are reviewed for impairment annually. The Company reviews definite-lived intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If the sum of the estimated future cash flows (undiscounted) expected to result from the use and eventual disposition of an asset is less than the carrying amount of the asset, an impairment loss is recognized. Measurement of an impairment loss is based on the fair value of the asset. No impairments of intangible assets have been identified during any of the periods presented.

Derivative Instruments and Hedging Activities

Foreign Currency Contracts

The Company has operations, clients and suppliers worldwide, thereby exposing the Company s financial results to foreign currency fluctuations. In an effort to reduce this risk of foreign currency fluctuations, the Company generally sells and purchases inventory based on prices denominated in U.S. dollars. Intercompany sales to subsidiaries are generally denominated in the subsidiaries local currency. The Company has entered and will continue in the future, on a selective basis, to enter into foreign currency contracts to reduce the foreign currency exposure related to certain intercompany transactions, primarily trade receivables and loans. All of the foreign currency contracts are recognized on the consolidated balance sheet at fair value and have been designated and qualify as cash flow hedges. The effective portion of any changes in the fair value of the derivative instruments is recorded in Accumulated other comprehensive income (AOCI) until the hedged forecasted transaction occurs or the recognized currency transaction affects earnings. Once the forecasted transaction occurs or the recognized currency transaction affects earnings, the effective portion of any related gains or losses on the cash flow hedge is reclassified from AOCI to the Company s Consolidated Statements of Income. In the event it becomes probable that the hedged forecasted transaction will not occur, the ineffective portion of any gain or loss on the related cash flow hedge would be reclassified from AOCI to the Company s Consolidated Statements of Income.

Interest-rate Swap

To mitigate the risk of interest rate fluctuations associated with the Company s variable rate long-term debt, the Company has implemented an interest rate risk management strategy that incorporates the use of derivative instruments to minimize significant unplanned fluctuations in earnings caused by interest rate volatility. The Company s goal is to manage interest rate sensitivity by modifying the re-pricing characteristics of certain balance sheet liabilities so that the net-interest margin is not, on a material basis, adversely affected by the movements in interest rates. The Company s interest-rate swap is recognized on the consolidated balance sheets at fair value. It does not meet the requirements for hedge accounting and is marked to market through Interest expense (income) within the Company s Consolidated Statement of Income.

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Foreign Currency Translation

The financial statements of the Company s foreign subsidiaries, except those subsidiaries in Brazil and Mexico, are recorded in the local currency, which is the functional currency. Foreign currency assets and liabilities are translated into U.S. dollars at the rate of exchange existing at the year-end date. Revenues and expenses are translated at the average monthly exchange rates. Adjustments resulting from these translations are recorded in AOCI within the Company s Consolidated Balance Sheets and will be included in income upon sale or liquidation of the foreign investment. Gains and losses from foreign currency transactions, denominated in a currency other than the functional currency, are recorded in Other expenses (income) within the Company s Consolidated Statements of Income. The U.S. dollar is the functional currency for those subsidiaries located in Brazil and Mexico.

Revenue

Within the Company s Hotline Services service type, revenues are recognized when title to products sold passes to the client, which generally occurs upon shipment from the Company s location. Within the Company s Data Services and Voice Services segments, revenues are recognized from maintenance service contracts, moves, adds and changes and network integration services when the services are provided. Service contracts are generally pre-billed, recorded in Deferred revenue within the Company s Consolidated Balance Sheets and are generally recognized over the service period on a straight-line basis. Revenues from the sale and installation of products and systems are recognized using the percentage-of-completion method based upon the proportion of actual costs incurred to estimated total costs. At the time a loss on a contract becomes known, the entire amount of the estimated loss is recognized immediately in the financial statements. The Company has historically made reasonably accurate estimates of the extent of progress towards completion, contract revenues and contract costs on its long-term contracts. However, due to uncertainties inherent in the estimation process, actual results could differ materially from those estimates.

Sales returns - At the time of sale, an estimate for sales returns is recorded based on historical experience.

Warranties - Estimated future warranty costs related to certain products are charged to operations in the period the related revenue is recognized based on historical experience.

Shipping and handling fees and costs - All fees billed to clients for shipping and handling are classified as a component of Revenues. All costs associated with shipping and handling are classified as a component of Cost of sales.

Sales tax and other tax presentation - Sales taxes and other taxes are collected from clients on behalf of governmental authorities at the time of sale. These taxes are accounted for on a net basis and are not included in Revenues or Cost of sales.

Stock-Based Compensation

Stock options: The Company records expense for those stock awards, vesting during the period, for which the requisite service period is expected to be rendered. The Company uses historical data in order to project the future employee turnover rates used to estimate the number of stock options for which the requisite service period will not be rendered. The fair value of stock options is determined on the grant date using a Black-Scholes option pricing model which includes several subjective assumptions. The Company recognizes the fair value of these awards into expense ratably over the requisite service periods associated with the award. The assumptions are summarized as follows:

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Expected volatility: The Company estimates the volatility of its common stock, par value $.001 per share (the common stock), at the date of grant based on the historical volatility of its common stock.
Dividend yield: The Company estimates the dividend yield assumption based on the Company s historical and projected dividend payouts.
Risk-free interest rate: The Company derives its risk-free interest rate on the observed interest rates appropriate for the term of the Company s employee stock options.
Expected holding period: The Company estimates the expected holding period based on historical experience.
Restricted stock units: The Company records expense for those stock awards, vesting during the period, for which the requisite service period is expected to be rendered. The Company uses historical data in order to project the future employee turnover rates used to estimate the number of restricted stock units for which the requisite service period will not be rendered. The fair value of restricted stock units is determined based on the number of restricted stock units granted and the closing market price of the common stock on the date of grant. The Company recognizes the fair value of awards into expense ratably over the requisite service periods associated with the award.
Performance share awards: The Company records expense for those stock awards, vesting during the period, for which the requisite service period is expected to be rendered. The Company uses historical data in order to project the future employee turnover rates used to estimate the number of performance shares for which the requisite service period will not be rendered. The fair value of performance share awards subject to a cumulative Adjusted EBITDA target (as defined in the performance share award agreement) is determined based on the number of performance shares granted and the closing market price of the common stock on the date of grant. The Company recognizes the fair value of awards into expense ratably over the requisite service periods associated with the award. The probability of vesting of the award and the applicable number of shares of common stock to be issued are reassessed at each period end. The fair value of performance share awards subject to the Company s total shareholder return ranking relative to the total shareholder return of the common stock (or its equivalent) of the companies in a peer group (the Company s Relative TSR Ranking) is determined on the grant date using a Monte-Carlo simulation valuation method which includes several subjective assumptions. The Company recognizes the fair value of these awards into expense ratably over the requisite service periods associated with the award. The assumptions are summarized as follows:
Expected volatility. The Company estimates the volatility of its common stock at the date of grant based on the historical volatility of its common stock.
Risk-Free rate. The Company derives its risk-free interest rate on the observed interest rates with an equivalent remaining term equal to the expected life of the award.
Dividend yield. The Company estimates the dividend yield assumption based on the Company s historical and projected dividend payouts.

Marketing and Advertising Expenses

Catalogs and other direct marketing pieces are capitalized and amortized over their expected period of future benefit ranging from one to two years, which is recorded in Prepaid and other assets within the Company s Consolidated Balance Sheets. All other advertising costs are expensed as incurred.

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Advertising expense was $5,621, $6,008 and $8,191 for Fiscal 2011, Fiscal 2010 and Fiscal 2009, respectively, and is recorded in Selling, general & administrative expenses within the Company s Consolidated Statements of Income.

Income Taxes

The Company accounts for income taxes using an asset and liability approach, which requires the recognition of deferred income tax assets and liabilities for the expected future tax consequences of events that have been recognized in the Company s financial statements or tax returns. Deferred income tax assets and liabilities are determined based on the temporary differences between the financial statement and tax bases of assets and liabilities using enacted tax rates. A valuation allowance is provided on deferred tax assets if it is determined that it is more likely than not that the asset will not be realized.

The Company requires that the realization of an uncertain income tax position must be more likely than not (*i.e.*, greater than 50% likelihood of receiving a benefit) before it can be recognized in the financial statements. The benefit to be recorded in the financial statements is the amount most likely to be realized assuming a review by tax authorities having all relevant information and applying current conventions. The Company includes interest and penalties related to uncertain tax positions within the Provision for income taxes within the Company s Consolidated Statements of Income.

Per share information

Basic earnings per common share (basic EPS) is computed by dividing income available to common stockholders by the weighted-average number of shares of the common stock outstanding during the period. Diluted earnings per share of the common stock (diluted EPS) is computed similarly to that of basic EPS, except that the weighted-average number of shares of the common stock outstanding during the period is adjusted to include the number of additional shares of the common stock that would have been outstanding if the potential number of dilutive shares of the common stock had been issued.

Fair Value

The Company s assets and liabilities recorded at fair value are categorized based upon a fair value hierarchy that ranks the quality and reliability of the information used to determine fair value. The levels of the fair value hierarchy are described below:

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability (*e.g.*, interest rates); and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3: Inputs that are both significant to the fair value measurement and unobservable.

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Assets and liabilities measured at fair value are based on one or more of the valuation techniques. The valuation techniques are described below.

Market approach: The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.

Cost approach: The cost approach is based on the amount that currently would be required to replace the service capacity of an asset (current replacement cost).

Income approach: The income approach uses valuation techniques to convert future amounts to a single present amount.

The fair value of foreign currency contracts is determined using the market approach and primarily based on observable foreign exchange forward rates. The fair value of the interest-rate swaps (as defined below) is determined using the income approach and is predominately based on observable interest rates and yield curves. The fair value of certain of the Company s financial instruments, including Accounts receivable and Accounts payable, approximates the carrying value due to the relatively short maturity of such instruments. The fair value of the Company s Long-term debt approximates carrying value because the interest rate is subject to change with market interest rates. There have been no changes in the Company s valuation techniques used to measure fair values during Fiscal 2011. *See* Note 9 for further reference.

Recently Issued Accounting Standards

There have been no accounting pronouncements adopted during Fiscal 2011, Fiscal 2010 or Fiscal 2009 that had a material impact on the Company s consolidated financial statements. There have been no new accounting pronouncements issued but not yet adopted that are expected to have a material impact on the Company s consolidated financial statements.

Note 3: Inventories

The Company s inventories consist of the following:

	March 31, 2011	2010
Raw materials	$ 1,294	$ 1,545
Finished goods	70,579	69,952
Subtotal	71,873	71,497
Excess and obsolete inventory reserves	(19,859)	(19,990)
Inventory, net	$ 52,014	$ 51,507

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Note 4: Property, Plant and Equipment

The Company s property, plant and equipment consist of the following:

	March 31, 2011	2010
Land	$ 2,396	$ 2,396
Building and improvements	30,106	29,430
Equipment and computer hardware and software	67,037	64,991
Subtotal	99,539	96,817
Accumulated depreciation	(76,112)	(73,249)
Property, plant and equipment, net	$ 23,427	$ 23,568

Depreciation expense was $6,066, $7,721 and $9,932 for Fiscal 2011, Fiscal 2010 and Fiscal 2009, respectively.

Note 5: Goodwill

The following table summarizes changes to goodwill at the Company s reporting units during Fiscal 2011 and Fiscal 2010.

	North America	Europe	All Other	Total
Balance at March 31, 2009	$ 555,270	$ 64,672	$ 2,006	$ 621,948
Currency translation	(19)	3,241	179	3,401
Current period acquisitions (*see* Note 10)	5,527			5,527
Prior period acquisitions (*see* Note 10)	11,089			11,089
Balance at March 31, 2010	$ 571,867	$ 67,913	$ 2,185	$ 641,965
Currency translation	(5)	4,839	123	4,957
Current period acquisitions (*see* Note 10)	3,183			3,183
Prior period acquisitions (*see* Note 10)	(81)			(81)
Balance at March 31, 2011	$ 574,964	$ 72,752	$ 2,308	$ 650,024

The Company conducted its annual goodwill impairment assessment during the third quarter of Fiscal 2011 using data as of October 2, 2010. The following table reconciles the carrying value of goodwill, as of October 2, 2010, for the Company s reportable segments as reported in its consolidated financial statements, to the carrying value of goodwill by reporting unit which is used for the annual goodwill impairment assessment:

	North America	Europe	All Other	Total
Goodwill (as reported in financial statements)	$ 571,673	$ 70,515	$ 2,228	$ 644,416
Adjustment [1]	(30,370)	27,333	3,037	
Goodwill (for annual impairment assessment) [2]	$ 541,303	$ 97,848	$ 5,265	$ 644,416

[1] This adjustment represents goodwill associated with foreign acquisitions that remains in North America for financial reporting purposes.

[2] Goodwill (for annual impairment assessment) represents the amount of goodwill that is at risk by reporting unit. The results of the Company s annual goodwill impairment assessment conducted during the third quarter of Fiscal 2011 indicate that goodwill is not impaired in any of the Company s reporting units. The following table summarizes the estimated fair value of the reporting unit, the net book value of the reporting unit and the surplus of the estimated fair value of the reporting unit over the net book value of the reporting unit as of October 2, 2010:

	North America	Europe	All Other	Total
Estimated fair value of the reporting unit	$ 716,924	$ 126,140	$ 62,601	$ 905,665
Net book value of the reporting unit	584,718	116,108	24,754	725,580
Surplus	$ 132,206	$ 10,032	$ 37,847	$ 180,085

To illustrate the sensitivity of the discounted future cash flows, an instantaneous 100 basis point increase in the weighted-average cost of capital, which, holding all other assumptions constant, would be material to the estimated fair value of the reporting unit, would produce a decrease in the fair value of the reporting units by $110,030, $13,810 and $5,461 for North America, Europe and All Other, respectively.

Since October 2, 2010, the Company s stock market capitalization has generally been lower than its net book value. Each of the Company s reporting units continues to operate profitably and generate significant cash flow from operations, and the Company expects that each will continue to do so in Fiscal 2012 and beyond. The Company also believes that a reasonable potential buyer would offer a control premium for the business that would adequately cover the difference between the recent stock trading prices and the book value.

Future events that could result in an interim assessment of goodwill impairment and/or an impairment loss include, but are not limited to, (i) significant underperformance relative to historical or projected future operating results, (ii) significant changes in the manner of or use of the assets or the strategy for the Company s overall business, (iii) significant negative industry or economic trends, (iv) a further decline in market capitalization below book value and (v) a modification to the Company s reporting segments. Management is currently considering alternative reporting segments for the purpose of making operational decisions and assessing financial performance. This contemplated change in reporting segments may affect the reporting units currently being used in the Company s annual goodwill impairment assessment. Any such change could result in an impairment charge which could have a material adverse effect on the results of operations for the period in which the impairment occurs.

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Note 6: Intangible Assets

The following table summarizes the gross carrying amount, accumulated amortization and net carrying amount by intangible asset class for the periods presented:

	March 31, 2011			March 31, 2010		
	Gross Carrying Amount	Accum. Amort.	Net Carrying Amount	Gross Carrying Amount	Accum. Amort.	Net Carrying Amount
Definite-lived						
Non-compete agreements	$ 10,660	$ 9,332	$ 1,328	$ 10,391	$ 8,193	$ 2,198
Customer relationships	126,367	35,301	91,066	118,209	24,590	93,619
Acquired backlog	17,349	17,349		17,349	16,912	437
Total	$ 154,376	$ 61,982	$ 92,394	$ 145,949	$ 49,695	$ 96,254
Indefinite-lived						
Trademarks	35,992	8,253	27,739	35,992	8,253	27,739
Total	$ 190,368	$ 70,235	$ 120,133	$ 181,941	$ 57,948	$ 123,993

The Company s indefinite-lived intangible assets consist solely of the Company s trademark portfolio. The Company s definite-lived intangible assets are comprised of employee non-compete agreements, customer relationships and backlog obtained through business acquisitions.

The following table summarizes the changes to the net carrying amounts of intangible assets for the periods presented:

	Trademarks	Non-Competes and Backlog	Customer Relationships	Total
Balance at March 31, 2009	$ 27,739	$ 9,945	$ 105,111	$ 142,795
Amortization expense		(5,578)	(9,624)	(15,202)
Currency translation		22		22
Current period acquisitions (*see* Note 10)		1,318	4,927	6,245
Prior period acquisitions (*see* Note 10)		(3,072)	(6,795)	(9,867)
Balance at March 31, 2010	$ 27,739	$ 2,635	$ 93,619	$ 123,993
Amortization expense		(1,445)	(10,711)	(12,156)
Currency translation		12		12
Current period acquisitions (*see* Note 10)		126	8,158	8,284
Balance at March 31, 2011	$ 27,739	$ 1,328	$ 91,066	$ 120,133

Intangibles amortization was $12,156, $15,202 and $10,790 for Fiscal 2011, Fiscal 2010 and Fiscal 2009, respectively. The Company acquired definite-lived intangibles from the completion of several acquisitions during Fiscal 2011 and Fiscal 2010 (*see* Note 10).

The following table details the estimated intangibles amortization expense for the next five years. These estimates are based on the carrying amounts of intangible assets as of March 31, 2011 that are provisional measurements of fair value and are subject to change pending the outcome of purchase accounting related to certain acquisitions:

Fiscal		
2012	$	12,129
2013		11,150
2014		9,970
2015		8,827
2016		8,556
Thereafter		41,762
Total	$	92,394

Note 7: Indebtedness
The Company s long-term debt consists of the following:

	March 31, 2011		2010
Revolving credit agreement	$ 180,646	$	209,860
Other	1,213		1,974
Total debt	$ 181,859	$	211,834
Less: current portion (included in Other liabilities)	(732)		(961)
Long-term debt	$ 181,127	$	210,873

Revolving Credit Agreement - On January 30, 2008, the Company entered into a Third Amended and Restated Credit Agreement dated as of January 30, 2008 with Citizens Bank of Pennsylvania, as agent, and a group of lenders and, on October 8, 2010, the Company entered into the First Amendment to Credit Agreement primarily to permit the Company to make certain joint venture investments (as amended, the Credit Agreement). The Credit Agreement expires on January 30, 2013. Borrowings under the Credit Agreement are permitted up to a maximum amount of $350,000, which includes up to $20,000 of swing-line loans and $25,000 of letters of credit. The Credit Agreement may be increased by the Company up to an additional $100,000 with the approval of the lenders and may be unilaterally and permanently reduced by the Company to not less than the then outstanding amount of all borrowings. Interest on outstanding indebtedness under the Credit Agreement accrues, at the Company s option, at a rate based on either: (a) the greater of (i) the prime rate per annum of the agent then in effect and (ii) 0.50% plus the rate per annum announced by the Federal Reserve Bank of New York as being the weighted-average of the rates on overnight Federal funds transactions arranged by Federal funds brokers on the previous trading day or (b) a rate per annum equal to the LIBOR rate plus 0.50% to 1.125% (determined by a leverage ratio based on the Company s consolidated Earnings Before Interest Taxes Depreciation and Amortization (EBITDA)). The Credit Agreement requires the Company to maintain compliance with certain non-financial and financial covenants such as leverage and fixed-charge coverage ratios. As of March 31, 2011, the Company was in compliance with all financial covenants under the Credit Agreement.

The maximum amount of debt outstanding under the Credit Agreement, the weighted-average balance outstanding under the Credit Agreement and the weighted-average interest rate on all outstanding debt for Fiscal 2011 was $237,255, $213,124 and 1.2%, respectively, compared to $261,750, $246,545 and 1.4% and $277,735, $237,991 and 3.3%, for Fiscal 2010 and Fiscal 2009, respectively.

For Fiscal 2011 and Fiscal 2010, the Company decreased net borrowings under the Credit Agreement by $29,214 and $37,790, respectively.

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Other

Other debt is comprised of capital lease obligations primarily for equipment and other third-party, non-employee loans.

Unused available borrowings

As of March 31, 2011, the Company had $4,478 outstanding in letters of credit and $164,876 in unused commitments under the Credit Agreement.

At March 31, 2011, scheduled maturities or required payments of long-term debt for each of the five succeeding fiscal years were as follows:

Fiscal		
2012	$	732
2013		181,020
2014		90
2015		17
2016		
Total	$	181,859

Note 8: Derivative Instruments and Hedging Activities

The Company is exposed to certain market risks, including the effect of changes in foreign currency exchange rates and interest rates. The Company uses derivative instruments to manage financial exposures that occur in the normal course of business. It does not hold or issue derivatives for speculative trading purposes. The Company is exposed to non-performance risk from the counterparties in its derivative instruments. This risk would be limited to any unrealized gains on current positions. To help mitigate this risk, the Company transacts only with counterparties that are rated as investment grade or higher and all counterparties are monitored on a continuous basis. The fair value of the Company s derivatives reflects this credit risk.

Foreign Currency Contracts:

The Company enters into foreign currency contracts to hedge exposure to variability in expected fluctuations in foreign currencies. As of March 31, 2011, the Company had open contracts in Australian and Canadian dollars, Danish krone, Euros, Mexican pesos, Norwegian kroner, British pounds sterling, Swedish krona, Swiss francs and Japanese yen which have been designated as cash flow hedges. These contracts had a notional amount of $40,589 and will expire within ten (10) months. There was no hedge ineffectiveness during Fiscal 2011, Fiscal 2010 or Fiscal 2009. *See* Note 2 for additional information.

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Interest-rate Swap:

On July 26, 2006, the Company entered into a five-year floating-to-fixed interest-rate swap that is based on a 3-month LIBOR rate versus a 5.44% fixed rate, has a notional value of $100,000 (which reduced to $50,000 as of June 26, 2009) and does not qualify for hedge accounting. On June 15, 2009, the Company entered into a three-year floating-to-fixed interest-rate swap that is based on a 3-month LIBOR rate versus a 2.28% fixed rate, has a notional value of $100,000 reducing to $50,000 after two years and does not qualify for hedge accounting. Each interest-rate swap discussed above is collectively hereinafter referred to as the interest-rate swaps. *See* Note 2 for additional information.

The following tables detail the effect of derivative instruments on the Company s Consolidated Balance Sheets and Consolidated Statements of Income for the periods presented:

		Asset Derivatives		Liability Derivatives	
	Classification	**Balance at March 31, 2011**	**Balance at March 31, 2010**	**Balance at March 31, 2011**	**Balance at March 31, 2010**
Derivatives designated as hedging instruments					
Foreign currency contracts	Other liabilities (current)			$ 278	$ 3,130
Foreign currency contracts	Other assets (current)	$ 1,919	$ 514		
Derivatives not designated as hedging instruments					
Interest-rate swap	Other liabilities (current)			2,303	5,271

		Year Ended March 31,		
	Classification	**2011**	**2010**	**2009**
Derivatives designated as hedging instruments				
Gain (loss) recognized in Comprehensive income on (effective portion) net of taxes	Other comprehensive income	$ (291)	$ (646)	$ 470
Gain (loss) reclassified from AOCI into income (effective portion) net of taxes	Selling, general & administrative expenses	$ 447	$ 261	$ 339
Derivatives not designated as hedging instruments				
Gain (loss) recognized in income	Interest expense (income), net	$ 2,968	$ 65	$ 974

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Note 9: Fair Value Disclosures

The following table presents information about the Company s assets and liabilities measured at fair value on a recurring basis as of March 31, 2011, and indicate the fair value hierarchy of the valuation techniques utilized by the Company to determine such fair value.

	Assets at Fair Value as of March 31, 2011			
	Level 1	Level 2	Level 3	Total
Foreign currency contracts	$	$ 1,919	$	$ 1,919

	Liabilities at Fair Value as of March 31, 2011			
	Level 1	Level 2	Level 3	Total
Foreign currency contracts		$ 278		$ 278
Interest-rate swap		2,303		2,303
Total		$ 2,581		$ 2,581

Non-recurring fair value measurements: The Company s assets and liabilities that are measured at fair value on a non-recurring basis include non-financial assets and liabilities initially measured at fair value in a business combination. As disclosed in Note 10, the Company completed several acquisitions during Fiscal 2011 and Fiscal 2010 which included operating assets, liabilities and certain intangible assets. The Company utilized level 2 and level 3 inputs to measure the fair value of these items.

Note 10: Acquisitions

Fiscal 2011

During the third quarter of Fiscal 2011, the Company acquired LOGOS Communications Systems, Inc. (Logos), a privately-held company headquartered in Westlake, OH. Logos has an active client base which includes commercial, education and various local government agency accounts.

Also during the third quarter of Fiscal 2011, the Company acquired a non-controlling interest in Genesis Networks Integration Services, LLC, a new joint venture company which was formed in conjunction with Genesis Networks Enterprises, LLC (Genesis). This new joint venture company, based on Genesis existing Networks Integration Services Division, strengthens and enhances Genesis ability to deliver and support voice and data communications solutions to its enterprise clients.

The Company believes that Genesis Networks Integration Services, LLC is a variable interest entity. However, the Company is not the primary beneficiary and thus it will account for its non-controlling interest under the equity method. The non-controlling interest is recorded as a long-term asset in Other assets within the Company s Consolidated Balance Sheets and the net income (loss) attributable to the non-controlling interest is recorded in Other expenses (income), net within the Company s Consolidated Statements of Income.

The fair values of assets acquired and liabilities assumed for Logos are provisional and are based on the information that was available as of the acquisition date to estimate the fair value of assets acquired and liabilities assumed. The Company believes that the information available provides a reasonable basis for estimating the fair values of assets acquired and liabilities assumed but additional information not yet available is necessary to finalize those fair values. Thus, the provisional measurements of fair value are subject to change. The Company expects to finalize the valuation and complete the purchase price allocation as soon as practicable but no later than one-year from the acquisition date.

The acquisition of Logos and the non-controlling interest in Genesis Networks Integration Services, LLC, both individually and in the aggregate, did not have a material impact on the Company s consolidated financial statements.

The results of operations of Logos and the non-controlling interest in Genesis Networks Integration Services, LLC are included within the Company s Consolidated Statements of Income beginning on their respective acquisition dates.

Fiscal 2010

During the third quarter of Fiscal 2010, the Company acquired Quanta Systems, LLC (Quanta), a privately-held company headquartered in Gaithersburg, MD. Quanta has an active client base which includes various United States Department of Defense and government agency accounts.

Also during the third quarter of Fiscal 2010, the Company acquired CBS Technologies Corp. (CBS), a privately-held company headquartered in Islandia, NY. CBS has an active client base which includes commercial, education and various government agency accounts.

The acquisitions of Quanta and CBS, both individually and in the aggregate, did not have a material impact on the Company s consolidated financial statements.

The results of operations of Quanta and CBS are included within the Company s Consolidated Statements of Income beginning on their respective acquisition dates.

Fiscal 2009

During the fourth quarter of Fiscal 2009, the Company acquired Scottel Voice & Data, Inc. (Scottel), a privately-held company headquartered in Culver City, CA. Scottel has an active client base which includes commercial, education and various government agency accounts. In connection with the Scottel acquisition, the Company made allocations to goodwill and definite-lived intangible assets, respectively. The definite-lived intangible assets recorded represent the fair market value of customer relationships and backlog which will be amortized over a period of one to twelve years.

During the third quarter of Fiscal 2009, the Company acquired Network Communications Technologies, Inc. (NCT), a privately-held company headquartered in Charlotte, NC. NCT has an active client base which includes commercial, education and various government agency accounts. In connection with the NCT acquisition, the Company made allocations to goodwill and definite-lived intangible assets, respectively. The definite-lived intangible assets recorded represent the fair market value of customer relationships and non-compete agreements which will be amortized over a period of two to five years.

Also during the third quarter of Fiscal 2009, the Company acquired ACS Communications, Inc. (ACS), a privately-held company headquartered in Austin, TX. ACS has an active client base which includes commercial, education and various government agency accounts. In connection with the ACS acquisition, the Company made allocations to goodwill and definite-lived intangible assets, respectively. The definite-lived intangible assets recorded represent the fair market value of customer relationships and non-compete agreements which will be amortized over a period of five to nine years.

During the second quarter of Fiscal 2009, the Company acquired Mutual Telecom Services Inc. (MTS), a privately-held company headquartered in Needham, MA. MTS is a global telecommunications services and solutions provider primarily servicing clients in the Department of Defense and other federal agencies. In connection with the MTS acquisition, the Company made allocations to goodwill and definite-lived intangible assets, respectively. The definite-lived intangible assets recorded represent the fair market value of customer relationships, non-compete agreements and backlog which will be amortized over a period of one to thirteen years.

During the first quarter of Fiscal 2009, the Company acquired UCI Communications LLC (UCI), a privately-held company headquartered in Mobile, AL. UCI has an active client base which includes commercial, education and various government agency accounts. In connection with the UCI acquisition, the Company made allocations to goodwill and definite-lived intangible assets, respectively. The definite-lived intangible assets recorded represent the fair market value of customer relationships and non-compete agreements which will be amortized over a period of five to nine years.

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The acquisitions of Scottel, NCT, ACS, MTS and UCI, both individually and in the aggregate, did not have a material impact on the Company s consolidated financial statements.

The results of operations of Scottel, NCT, ACS, MTS and UCI are included within the Company s Consolidated Statements of Income beginning on their respective acquisition dates.

In connection with the acquisitions during Fiscal 2011, Fiscal 2010 and Fiscal 2009, the Company acquired approximately $70,614 of goodwill. The Company believes that $19,741 of such amount will be recognized as a tax deduction over the next 15 years.

Note 11: Operating Leases

The Company leases offices, facilities, equipment and vehicles throughout the world. While most of the leases are operating leases that expire over the next 3 years, certain vehicles and equipment are leased under capital leases that also expire over the next 3 years. As leases expire, it can be expected that, in the normal course of business, certain leases will be renewed or replaced.

Certain lease agreements include renewal options and escalating rents over the lease terms. Generally, the Company expenses rent on a straight-line basis over the life of the lease which commences on the date the Company has the right to control the property. The cumulative expense recognized on a straight-line basis in excess of the cumulative payments is included in Accrued expenses and Other liabilities within the Company s Consolidated Balance Sheets.

Rent expense was $19,317, $23,092 and $26,903 for Fiscal 2011, Fiscal 2010 and Fiscal 2009, respectively.

The future minimum lease payments under non-cancelable capital and operating leases with initial or remaining terms of one year or more as of March 31, 2011 are as follows:

Fiscal		
2012	$	13,963
2013		7,636
2014		5,054
2015		3,481
2016		1,697
Thereafter		1,588
Total minimum lease payments	$	33,419

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Note 12: Income Taxes

The domestic and foreign components of Income before provision for income taxes are as follows:

	Fiscal		
	2011	2010	2009
Domestic	$ 65,295	$ 34,750	$ 46,885
Foreign	19,985	19,577	22,278
Consolidated	$ 85,280	$ 54,327	$ 69,163

The provision/(benefit) for income taxes consists of the following:

	Fiscal		
	2011	2010	2009
Current			
Federal	$ 19,780	$ 12,754	$ 10,238
State	4,228	1,827	2,546
Foreign	4,725	3,947	4,298
Total current	28,733	18,528	17,082
Deferred	3,685	1,296	6,772
Total provision for income taxes	$ 32,418	$ 19,824	$ 23,854

Reconciliations between income taxes computed using the federal statutory income tax rate and the Company s effective tax rate are as follows:

	Fiscal		
	2011	2010	2009
Federal statutory tax rate	35.0%	35.0%	35.0%
Foreign taxes, net of foreign tax credits	(1.6)	0.4	(0.9)
Effect of permanent book / tax differences	(0.9)	0.3	(0.1)
State income taxes, net of federal benefit	3.0	2.4	3.2
Valuation allowance	(0.1)	(0.8)	2.5
Reversal of Section 162(m) accrual (see below for definition)			(5.2)
Other, net	2.6	(0.8)	
Effective tax rate	38.0%	36.5%	34.5%

During Fiscal 2009, the Company reversed a previously-recorded expense of $3,587 through Provision for income taxes within the Company s Consolidated Statements of Income which was the primary cause for the 34.5% effective tax rate during Fiscal 2009. This reversal related to an uncertain tax position which arose during a review by the Audit Committee of the Company s Board of Directors (the Board) of the Company s historical stock option granting practices.

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The components of current and long-term deferred tax liabilities/assets are as follows:

	March 31, 2011	2010
Deferred Tax Liabilities		
Tradename and trademarks	$ 10,186	$ 10,135
Amortization of intangibles	27,520	24,381
Unremitted earnings of foreign subsidiaries	2,305	2,467
Basis of fixed assets		366
Other prepaid items	128	156
Gross deferred tax liabilities	40,139	37,505
Deferred Tax Assets		
Net operating losses	20,292	20,450
Restructuring reserves	2,773	4,504
Basis of fixed assets	58	
Outsourced leases	189	185
Basis of finished goods inventory	8,538	9,226
Reserve for bad debts	1,190	4,376
Miscellaneous accrued expenses	2,478	3,459
Foreign tax credit carry-forwards	1,374	1,883
Accrued employee costs	5,482	5,525
Foreign exchange	33	210
Unexercised stock options	11,586	10,289
Other	104	89
Gross deferred tax assets	54,097	60,196
Valuation allowance	(3,518)	(3,623)
Net deferred tax assets	50,579	56,573
Net deferred tax assets/(liabilities)	$ 10,440	$ 19,068

The net deferred tax asset of $10,440 in the table above is primarily classified as current under Other assets within the Company s Consolidated Balance Sheets. At March 31, 2011, the Company had $25,678, $77,758 and $24,499 of federal, state and foreign gross net operating loss carry-forwards, respectively. As a result of the Company s acquisition of ACS, Section 382 of the Internal Revenue Code of 1986, as amended (the Code) limits the amount of net operating losses available to the Company to approximately $3,392 per year. The federal gross net operating loss carry-forwards expire in Fiscal 2026. The state gross net operating loss carry-forwards expire at various times through Fiscal 2031 and the foreign gross net operating loss carry-forwards expire at various times through Fiscal 2021, with the exception of $448 for Austria, $350 for Belgium and $10,663 for Brazil, which have no expirations.

A valuation allowance is provided when it is more likely than not that some portion or all of the deferred tax assets will not be realized. The Company has recorded a valuation allowance of $3,518 for certain state and foreign net operating loss carry-forwards anticipated to produce no tax benefit.

In general, except for certain earnings in Japan and earnings associated with inter-company loan balances, it is the Company s intention to reinvest all undistributed earnings of non-U.S. subsidiaries for an indefinite period of time. Therefore, except for the exceptions noted above, no deferred U.S. income taxes have been provided on undistributed earnings of non-U.S. subsidiaries, which aggregate approximately $6,187 based on exchange rates at March 31, 2011.

However, additional taxes could be necessary if future foreign earnings were loaned to the parent, if the foreign subsidiaries declare dividends to the U.S. parent or the Company should sell its stock in the subsidiaries.

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A reconciliation of the change in the tax liability for unrecognized tax benefits is as follows:

	Fiscal		
	2011	2010	2009
Balance at beginning of year	$ 7,559	$ 7,075	$ 7,340
Additions for tax positions related to the current year	481	542	396
Additions for tax positions related to prior years	2,285	2,755	312
Reductions for tax positions related to prior years	(1,802)	(2,733)	(675)
Settlements	(205)	(80)	(298)
Balance at end of year	$ 8,318	$ 7,559	$ 7,075

Unrecognized tax benefits are classified as current under Other liabilities within the Company s Consolidated Balance Sheets. Of the $8,318 above, the Company expects that $2,143 will reverse in the next twelve months. As of March 31, 2011, 2010 and 2009, the Company recorded $1,895, $2,468 and $1,443, respectively, of interest and penalties related to uncertain tax positions relating to current liabilities within Income taxes.

On December 7, 2010, the Company received formal notice from the Internal Revenue Service (IRS) regarding its intent to begin an audit of the Company s 2009 tax years. In connection with this normal recurring audit, the IRS has requested certain documentation. The Company has produced various documents requested by the IRS and is currently in the process of responding to additional documentation requests.

Fiscal 2008 and Fiscal 2010 remain open to examination by the IRS. Fiscal 2007 through Fiscal 2010 remain open to examination by state and foreign taxing jurisdictions.

Note 13: Incentive Compensation Plans

Performance Bonus

The Company has variable compensation plans covering certain team members. These plans provide a bonus contingent on the attainment of certain annual or quarterly performance targets. The Company recorded expense of $11,670, $8,931 and $9,408 under its variable compensation plans for Fiscal 2011, Fiscal 2010 and Fiscal 2009, respectively.

Profit Sharing and Savings Plans (the savings plans)

The Company has multiple profit sharing and savings plans which qualify as deferred salary arrangements under Section 401(k) of the Code. Participants may elect to contribute a portion of their eligible compensation, subject to limits imposed by the savings plans, which are partially matched by the Company. The Company recorded expense of $3,298, $2,812 and $3,198 for these plans during Fiscal 2011, Fiscal 2010 and Fiscal 2009, respectively.

Defined Benefit Pension Plans (the plans)

The Company has multiple defined benefit pension plans for which a majority of benefits have been frozen (*i.e.,* no new employees will be admitted and those employees currently in the plan will not earn additional benefits based on service). The Company made contributions of $2,065, $1,106 and $147 during Fiscal 2011, Fiscal 2010 and Fiscal 2009, respectively, to the plans. As of March 31, 2011, 2010 and 2009, the unfunded portion of the defined benefit pension plans was $11,914, $10,846 and $10,879, respectively.

Stock-based compensation plans

On August 12, 2008 (the Effective Date), the Company s stockholders approved the 2008 Long-Term Incentive Plan (the Incentive Plan) which is designed to advance the Company s interests and the interests of the Company s stockholders by providing incentives to certain employees, directors, consultants, independent contractors and persons to whom an offer of employment has been extended by the Company (hereinafter referred to as Eligible Persons). The Incentive Plan replaced the 1992 Stock Option Plan, as amended (the Employee Plan), and the 1992 Director Stock Option Plan, as amended (the Director Plan), on the Effective Date. Stock option grants under the Employee Plan and the Director Plan, prior to the effective date of the Incentive Plan, remain outstanding and will continue to be administered in accordance with the terms of their respective plans and plan agreements.

Awards (as defined below) under the Incentive Plan may include, but need not be limited to, one or more of the following types, either alone or in any combination thereof: (i) stock options, (ii) stock appreciation rights, (iii) restricted stock, (iv) restricted stock units, (v) performance grants, (vi) other share-based awards and (vii) any other type of award deemed by the Compensation Committee (the Compensation Committee) of the Board or any successor thereto, or such other committee of the Board as is appointed by the Board to administer the Incentive Plan, in its sole discretion, to be consistent with the purposes of the Incentive Plan (hereinafter referred to as Awards).

The maximum aggregate number of shares of common stock available for issuance under Awards granted under the Incentive Plan shall be 900,000 plus the number of shares that were available for the grant of stock options under the Employee Plan and the Director Plan on the Effective Date, plus the number of shares subject to stock options outstanding under the Employee Plan and the Director Plan on the Effective Date that are forfeited or cancelled prior to exercise. The following table details the shares of common stock available for grant under the Incentive Plan as of March 31, 2011.

	Shares (in thousands)
Shares initially authorized under the Incentive Plan	900
Number of shares that were available for the grant of stock options under the Employee Plan and the Director Plan on August 12, 2008, the Effective Date	888
Number of shares subject to stock options outstanding under the Employee Plan and the Director Plan on August 12, 2008, the Effective Date, that were forfeited or cancelled, prior to exercise, through March 31, 2011	799
Shares authorized for grant under the Incentive Plan as of March 31, 2011	2,587
Shares available for grant under the Incentive Plan as of March 31, 2011 [1]	1,224

1 The aggregate number of shares available for issuance is reduced by 1.87 shares for each issuance of a full value award (*e.g.,* restricted stock units and performance share awards). The shares available for grant assume a 100% payout on outstanding performance share awards. Actual payout could range from 0% - 150% resulting in shares available for grant from 1,557 to 1,057.

The Company recognized stock-based compensation expense of $10,270 ($6,367 net of tax), $6,775 ($4,303 net of tax) and $3,042 ($1,993 net of tax) during Fiscal 2011, Fiscal 2010 and Fiscal 2009, respectively. Stock-based compensation expense is recorded in Selling, general & administrative expense within the Company s Consolidated Statements of Income.

Stock options

Stock option awards are granted with an exercise price equal to the closing market price of the common stock on the date of grant; such stock options generally become exercisable in equal amounts over a three-year period and have a contractual life of ten (10) years from the grant date. The fair value of stock options is estimated on the grant date using the Black-Scholes option pricing model which includes the following weighted-average assumptions.

	Fiscal 2011	Fiscal 2010	Fiscal 2009
Expected life (in years)	4.9	5.0	4.8
Risk free interest rate	2.3%	2.6%	3.4%
Annual Forfeiture Rate	2.1%	2.5%	2.4%
Volatility	41.4%	45.6%	30.5%
Dividend yield	0.8%	0.9%	0.7%

The following table summarizes the Company s stock option activity for the period presented and as of March 31, 2011:

	Shares (in 000 s)	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Life (Years)	Intrinsic Value (000 s)
Outstanding at March 31, 2010	3,187	$ 35.66		
Granted	234	32.21		
Exercised	(318)	29.07		
Forfeited or expired	(202)	42.27		
Outstanding at March 31, 2011	2,901	$ 35.65	5.1	$ 5,983
Exercisable at March 31, 2011	2,211	$ 37.20	4.2	$ 2,903

The weighted-average grant-date fair value of options granted during Fiscal 2011, Fiscal 2010 and Fiscal 2009 was $11.69, $12.54 and $8.68, respectively. The intrinsic value of options exercised during Fiscal 2011, Fiscal 2010 and Fiscal 2009 was $2,669, $0 and $38, respectively. The aggregate intrinsic value in the preceding table is based on the closing stock price of the common stock on March 31, 2011 of $35.15.
The following table summarizes certain information regarding the Company s non-vested stock options for the period presented:

Shares in thousands	Shares (in 000 s)	Weighted-Average Grant-Date Fair Value
Non-vested at March 31, 2010	866	9.42
Granted	234	11.69
Forfeited	(5)	8.56
Vested	(405)	9.21
Non-vested at March 31, 2011	690	10.32

As of March 31, 2011, there was $3,090 of total unrecognized pre-tax stock-based compensation expense related to non-vested stock options which is expected to be recognized over a weighted-average period of 1.0 years.

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Restricted stock units

Restricted stock unit awards are subject to a service condition and typically vest in equal amounts over a three-year period from the grant date. The fair value of restricted stock units is determined based on the number of restricted stock units granted and the closing market price of the common stock on the date of grant.

The following table summarizes the Company s restricted stock unit activity for the period presented:

	Shares (in 000 s)	Weighted-Average Grant-Date Fair Value
Outstanding at March 31, 2010	149	28.75
Granted	175	30.72
Vested	(68)	29.28
Forfeited	(8)	29.50
Outstanding at March 31, 2011	248	29.97

The total fair value of shares that vested during Fiscal 2011 and Fiscal 2010 was $2,003 and $517, respectively.

As of March 31, 2011, there was $4,644 of total unrecognized pre-tax stock-based compensation expense related to non-vested restricted stock units which is expected to be recognized over a weighted-average period of 1.8 years.

Performance share awards

Performance share awards are subject to certain performance goals including the Company s Relative TSR Ranking and cumulative Adjusted EBITDA over a two (2) or three (3) year period. The Company s Relative TSR Ranking metric is based on the two (2) or three (3) year cumulative return to shareholders from the change in stock price and dividends paid between the starting and ending dates. The fair value of performance share awards (subject to cumulative Adjusted EBITDA) is determined based on the number of performance shares granted and the closing market price of the common stock on the date of grant. The fair value of performance share awards (subject to the Company s Relative TSR Ranking) is estimated on the grant date using the Monte-Carlo simulation which includes the following weighted-average assumptions.

	Fiscal 2011	2010
Expected Volatility	52.3%	59.1%
Risk free interest rate	1.4%	1.1%
Dividend yield	0.8%	0.8%

The following table summarizes the Company s performance share award activity for the period presented:

	Shares (in 000 s)	Weighted-Average Grant-Date Fair Value
Outstanding at March 31, 2010	100	33.05
Granted	79	33.24

Vested		
Forfeited		
Outstanding at March 31, 2011	179	33.13

No shares vested during Fiscal 2011 or Fiscal 2010.

As of March 31, 2011, there was $2,265 of total unrecognized pre-tax stock-based compensation expense related to non-vested performance share awards which is expected to be recognized over a weighted-average period of 1.1 years.

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Note 14: Earnings Per Share

The following table details the computation of basic and diluted earnings per common share from continuing operations for the periods presented (share numbers in thousands):

	Fiscal 2011	2010	2009
Net income	$ 52,862	$ 34,503	$ 45,309
Weighted-average common shares outstanding (basic)	17,680	17,546	17,527
Effect of dilutive securities from employee stock options	115		
Weighted-average common shares outstanding (diluted)	17,795	17,546	17,527
Basic earnings per common share	$ 2.99	$ 1.97	$ 2.59
Dilutive earnings per common share	$ 2.97	$ 1.97	$ 2.59

The Weighted-average common shares outstanding (diluted) computation is not impacted during any period where the exercise price of a stock option is greater than the average market price. There were 2,323,094, 3,436,319 and 3,309,300 non-dilutive equity awards outstanding during Fiscal 2011, Fiscal 2010 and Fiscal 2009, respectively, that are not included in the corresponding period Weighted-average common shares outstanding (diluted) computation.

Note 15: Commitments and Contingencies

Regulatory Matters

As previously disclosed, the Company received a subpoena, dated December 8, 2004, from the United States General Services Administration (GSA), Office of Inspector General. The subpoena required production of documents and information. The Company understands that the materials were being sought in connection with an investigation regarding potential violations of the terms of a GSA Multiple Award Schedule contract. On October 2, 2007, the Company was contacted by the United States Department of Justice which informed the Company that it was reviewing allegations by the GSA that certain of the Company s pricing practices under a GSA Multiple Award Schedule contract violated the Civil False Claims Act. During Fiscal 2010, the Company recorded expense of $2,850 in connection with this investigation. During the fourth quarter of Fiscal 2011, the Company entered into a settlement agreement to settle this matter for the amount previously recorded and, subsequent to March 31, 2011, made payment of such amount in accordance with the settlement agreement. This matter is now concluded.

Litigation Matters

The Company is involved in, or has pending, various legal proceedings, claims, suits and complaints arising out of the normal course of business. Based on the facts currently available to the Company, Management believes these matters are adequately provided for, covered by insurance, without merit or not probable that an unfavorable material outcome will result.

<u>Product Warranties</u>

Estimated future warranty costs related to certain products are charged to expense during the period the related revenue is recognized. The product warranty liability reflects the Company s best estimate of probable obligations under those warranties. As of March 31, 2011 and 2010, the Company has recorded a warranty reserve of $3,228 and $3,293, respectively.

There has been no other significant or unusual activity during Fiscal 2011.

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Note 16: Segment Reporting

Management reviews financial information for the consolidated Company accompanied by disaggregated information on revenues, operating income and assets by geographic region for the purpose of making operational decisions and assessing financial performance. Additionally, Management is presented with and reviews revenues and gross profit by service type. The accounting policies of the individual operating segments are the same as those of the Company. The following table presents financial information about the Company s reportable segments by geographic region:

	Fiscal 2011	Fiscal 2010	Fiscal 2009
North America			
Revenues	$ 931,181	$ 829,233	$ 838,871
Operating income	76,789	47,623	61,651
Depreciation	5,569	7,231	9,378
Intangibles amortization	12,111	15,156	10,715
Segment assets (as of March 31)	1,079,622	1,030,575	1,060,491
Europe			
Revenues	$ 100,221	$ 99,502	$ 121,839
Operating income	8,032	10,148	12,548
Depreciation	352	362	420
Intangibles amortization	39	41	59
Segment assets (as of March 31)	127,176	121,731	125,781
All Other			
Revenues	$ 36,827	$ 32,658	$ 38,838
Operating income	6,237	5,272	5,804
Depreciation	145	128	134
Intangibles amortization	6	5	16
Segment assets (as of March 31)	27,539	22,672	18,291

The sum of the segment revenues, operating income, depreciation and intangibles amortization equals the consolidated revenues, operating income, depreciation and intangibles amortization. The following reconciles segment assets to total consolidated assets as of March 31, 2011, 2010 and 2009:

	March 31, 2011	March 31, 2010	March 31, 2009
Segment assets for North America, Europe and All Other	$ 1,234,337	1,174,978	1,204,563
Corporate eliminations	(62,354)	(49,614)	(68,075)
Total consolidated assets	$ 1,171,983	1,125,364	1,136,488

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The following table presents financial information about the Company by service type:

	Fiscal 2011	2010	2009
Data Services			
Revenues	$ 230,719	$ 187,535	$ 191,436
Gross profit	59,287	51,048	55,407
Voice Services			
Revenues	$ 648,512	$ 593,562	$ 598,319
Gross profit	210,558	197,673	200,541
Hotline Services			
Revenues	$ 188,998	$ 180,296	$ 209,793
Gross profit	87,265	86,660	101,232

The sum of service type revenues and gross profit equals consolidated revenues and gross profit.

Note 17: Quarterly Data (Unaudited)

The following tables represent summary Quarterly (Unaudited) Consolidated Statements of Income for Fiscal 2011 and Fiscal 2010. All dollar amounts are in thousands, except per share amounts. Earnings per share data may not compute due to rounding.

			Fiscal 2011		
Unaudited	**1Q**	**2Q**	**3Q**	**4Q**	**FY**
Revenues					
Hotline products	$ 46,049	$ 46,415	$ 49,545	$ 46,989	$ 188,998
On-Site services	217,547	226,509	227,134	208,041	879,231
Total	263,596	272,924	276,679	255,030	1,068,229
Cost of sales					
Hotline products	24,818	25,018	26,987	24,910	101,733
On-Site services	149,164	157,786	159,040	143,396	609,386
Total	173,982	182,804	186,027	168,306	711,119
Gross profit	**89,614**	**90,120**	**90,652**	**86,724**	**357,110**
Selling, general & administrative expenses	63,620	63,534	64,296	62,446	253,896
Intangibles amortization	3,102	3,058	2,901	3,095	12,156
Operating income	**22,892**	**23,528**	**23,455**	**21,183**	**91,058**
Interest expense (income), net	1,690	1,742	1,028	970	5,430
Other expenses (income), net	1	(66)	(11)	424	348
Income before provision for income taxes	21,201	21,852	22,438	19,789	85,280
Provision for income taxes	8,057	8,302	8,528	7,531	32,418
Net income	**$ 13,144**	**$ 13,550**	**$ 13,910**	**$ 12,258**	**$ 52,862**
Earnings per common share					
Basic	$ 0.75	$ 0.77	$ 0.79	$ 0.69	$ 2.99

Diluted	$	0.75	$	0.77	$	0.78	$	0.68	$	2.97

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Unaudited	Fiscal 2010 1Q	2Q	3Q	4Q	FY
Revenues					
Hotline products	$ 42,282	$ 45,511	$ 47,012	$ 45,491	$ 180,296
On-Site services	192,930	186,402	206,373	195,392	781,097
Total	235,212	231,913	253,385	240,883	961,393
Cost of sales					
Hotline products	22,195	23,666	24,406	23,369	93,636
On-Site services	130,604	125,973	142,150	133,649	532,376
Total	152,799	149,639	166,556	157,018	626,012
Gross profit	**82,413**	**82,274**	**86,829**	**83,865**	**335,381**
Selling, general & administrative expenses	63,883	64,515	64,198	64,540	257,136
Intangibles amortization	4,045	2,150	3,108	5,899	15,202
Operating income	**14,485**	**15,609**	**19,523**	**13,426**	**63,043**
Interest expense (income), net	2,144	2,596	1,852	2,290	8,882
Other expenses (income), net	(142)	(85)	40	21	(166)
Income before provision for income taxes	12,483	13,098	17,631	11,115	54,327
Provision for income taxes	4,681	4,912	6,612	3,619	19,824
Net income	**$ 7,802**	**$ 8,186**	**$ 11,019**	**$ 7,496**	**$ 34,503**
Earnings per common share					
Basic	$ 0.45	$ 0.47	$ 0.63	$ 0.43	$ 1.97
Diluted	$ 0.44	$ 0.47	$ 0.63	$ 0.43	$ 1.97

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Conclusions Regarding the Effectiveness of Disclosure Controls and Procedures

Management, including the Company s Chief Executive Officer (CEO) and Chief Financial Officer (CFO), is responsible for establishing and maintaining adequate disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the Exchange Act)) for the Company. Management assessed the effectiveness of the Company s disclosure controls and procedures as of March 31, 2011. Based upon this assessment, Management has concluded that the Company s disclosure controls and procedures were effective as of March 31, 2011 to provide reasonable assurance that information required to be disclosed by the Company in the reports filed or submitted by it under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC s rules and forms, and to provide reasonable assurance that information required to be disclosed by the Company in such reports is accumulated and communicated to Management, including its principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

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Management s Report on Internal Control Over Financial Reporting

Management, including the Company s CEO and CFO, is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act) for the Company. Management assessed the effectiveness of the Company s internal control over financial reporting as of March 31, 2011 based on the framework described in Internal Control Integrated Framework, issued by the Committee of Sponsoring Organizations (COSO) of the Treadway Commission. Based on this assessment, Management has concluded that the Company s internal control over financial reporting was effective, as of March 31, 2011, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with U.S. generally accepted accounting principles. Management of the Company reviewed the results of its assessment with the Audit Committee of the Board.

Excluded Acquired Companies

The SEC s general guidance permits the exclusion of an assessment of the effectiveness of a registrant s disclosure controls and procedures as they relate to its internal control over financial reporting for an acquired business during the first year following such acquisition if, among other circumstances and factors, there is not adequate time between the acquisition date and the date of assessment. As previously noted in this Form 10-K, Black Box completed the acquisition of Logos during Fiscal 2011. Logos represents approximately 1% of the Company s total assets as of March 31, 2011. Management s assessment and conclusion on the effectiveness of the Company s disclosure controls and procedures as of March 31, 2011 excludes an assessment of the internal control over financial reporting of Logos.

BDO USA, LLP, the Company s independent registered public accounting firm, has issued an attestation report on the Company s internal control over financial reporting, which is included in this Form 10-K.

Changes in Internal Control Over Financial Reporting

There have not been any changes in the Company s internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) during the most recent fiscal quarter that have materially affected or are reasonably likely to materially affect the Company s internal control over financial reporting.

Limitations on the Effectiveness of Controls

All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Because of its inherent limitations, the Company s internal control over financial reporting may not prevent or detect misstatements. In addition, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

Report of Independent Registered Public Accounting Firm on Internal Control over Financial Reporting

Board of Directors and Stockholders
Black Box Corporation
Lawrence, Pennsylvania

We have audited Black Box Corporation s internal control over financial reporting as of March 31, 2011, based on criteria established in *Internal Control Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (the COSO criteria). The Company s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Item 9A, Management s Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company s internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

As indicated in the accompanying Item 9A, management s assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of LOGOS Communications Systems, Inc. (Logos) which was acquired within the third quarter of the year ended March 31, 2011 and which is included in the consolidated balance sheets of Black Box Corporation as of March 31, 2011, and the related consolidated statements of income, consolidated statements of changes in stockholders equity and comprehensive income, and consolidated statements of cash flows for the year then ended. Logos constituted 1% of total assets and net assets, respectively, as of March 31, 2011, and 1% of revenues for the year then ended. The impact of Logos on net income was negligible for the year ended March 31, 2011. Management did not assess the effectiveness of internal control over financial reporting of Logos because of the timing of the acquisition which was completed during the third quarter of the year ended March 31, 2011. Our audit of internal control over financial reporting of Black Box Corporation also did not include an evaluation of the internal control over financial reporting of Logos.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of March 31, 2011, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Black Box Corporation as of March 31, 2011 and 2010, and the related consolidated statements of income, consolidated statements of changes in stockholders equity and comprehensive income, and consolidated statements of cash flows for each of the three years in the period ended March 31, 2011 and our report dated May 27, 2011 expressed an unqualified opinion thereon.

/s/ BDO USA, LLP

Chicago, Illinois

May 27, 2011

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Item 9B. Other Information.

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

Certain of the information required by this item is incorporated herein by reference to the information set forth under Part I of this Form 10-K under the caption Business Other Information in Item 1 and under the caption Executive Officers of the Registrant.

The other information required by this item is incorporated herein by reference to the information set forth under the captions Annual Meeting Matters, Board of Directors and Certain Board Committees and Litigation Involving Directors and Officers in the Proxy Statement to be filed pursuant to Regulation 14A of the Exchange Act.

Item 11. Executive Compensation.

The information required by this item is incorporated herein by reference to the information under the captions Compensation of Directors and Executive Compensation and Other Information in the Proxy Statement.

Item 12. Security Ownership of Certain Beneficial Owners And Management And Related Stockholder Matters.

The information required by this item is incorporated herein by reference to the information set forth under the captions Equity Plan Compensation Information, Security Ownership of Certain Beneficial Owners and Security Ownership of Management in the Proxy Statement.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information required by this item is incorporated herein by reference to the information set forth under the captions Annual Meeting Matters, Board of Directors and Certain Board Committees and Policies and Procedures Related to the Approval of Transactions with Related Persons in the Proxy Statement.

Item 14. Principal Accounting Fees and Services.

The information required by this item is incorporated herein by reference to the information set forth under the caption Independent Public Accountants in the Proxy Statement.

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PART IV

Item 15. Exhibits and Financial Statement Schedules.

Financial statements, financial statement schedules and exhibits not listed below have been omitted where the required information is included in the consolidated financial statements or notes thereto, or is not applicable or required.
Documents filed as part of this report include:

(a)(1) Financial Statements - no financial statements have been filed in this Form 10-K other than those in Item 8

(a)(2) Financial Statement Schedule (Schedule II - Valuation and Qualifying Accounts)

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SCHEDULE II
BLACK BOX CORPORATION
Valuation and Qualifying Accounts
(Dollars in thousands)

Description	Balance at Beginning of Period	Additions Charged to Expenses	Additions from Acquisitions	Reductions from Reserves	Other	Balance at End of Period
Balance at March 31, 2011						
Inventory reserves	$ 19,990	$ 1,408	$ 17	$ (1,556)		$ 19,859
Allowance for doubtful accounts/sales returns	9,505	2,674	2	(5,060)		7,121
Balance at March 31, 2010						
Inventory reserves	$ 20,290	$ 2,177	$ 631	$ (3,108)		$ 19,990
Allowance for doubtful accounts/sales returns	9,934	2,408	182	(3,019)		9,505
Balance at March 31, 2009						
Inventory reserves	$ 20,373	$ 2,896	$ 1,199	$ (4,178)		$ 20,290
Allowance for doubtful accounts/sales returns	12,612	4,336	203	(7,217)		9,934

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(a)(3) Exhibits

EXHIBITS

Exhibit Number	Description
3(i)	Second Restated Certificate of Incorporation of the Company, as amended [(1)]
3(ii)	Amended and Restated By-laws of the Company, as amended [(2)]
10.1	Third Amended and Restated Credit Agreement, dated as of January 30, 2008, by and among Black Box Corporation of Pennsylvania and Norstan, Inc., as Borrowers, the Company, the Guarantors parties thereto, the Lenders parties thereto and Citizens Bank of Pennsylvania (the Credit Agreement[(3)])
10.2	Guaranty and Suretyship Agreement, dated as of January 30, 2008, by and among the Company, the Lenders and Citizens Bank of Pennsylvania [(4)]
10.3	Guaranty and Suretyship Agreement, dated as of January 30, 2008, by and among the Guarantors, the Lenders and Citizens Bank of Pennsylvania [(4)]
10.4	Agreement between the Company and Francis W. Wertheimber [(5)]
10.5	Amended and Restated Agreement between the Company and Michael McAndrew [(6)]
10.6	Amended and Restated Agreement between the Company and R. Terry Blakemore [(7)]
10.7	1992 Stock Option Plan, as amended through August 9, 2007 [(8)]
10.8	1992 Director Stock Option Plan, as amended through August 9, 2007 [(8)]
10.9	Form of Black Box Corporation Non-Qualified Stock Option Agreement (pursuant to the 1992 Director Stock Option Plan; form of agreement in effect prior to August 10, 2004) [(5)]
10.1	Form of Black Box Corporation Non-Qualified Stock Option Agreement (pursuant to the 1992 Director Stock Option Plan; form of agreement in effect as of August 10, 2004) [(5)]
10.11	Form of Black Box Corporation Non-Qualified Stock Option Agreement (pursuant to the 1992 Director Stock Option Plan; form of agreement in effect as of October 31, 2005) [(9)]
10.12	Form of Black Box Corporation Non-Qualified Stock Option Agreement (pursuant to the 1992 Stock Option Plan) [(5)]
10.13	Form of Black Box Corporation Non-Qualified Stock Option Agreement (pursuant to the 1992 Stock Option Plan; form of agreement in effect as of October 31, 2005) [(9)]
10.14	Description of Fiscal 2009 Annual Incentive Plan [(10)]
10.15	Form of 2008 Long-Term Incentive Cash Award Agreement for Fiscal 2009 [(10)]

10.16	2008 Long-Term Incentive Plan [11]
10.17	Description of Fiscal 2010 Annual Incentive Plan [12]
10.18	Form of Black Box Corporation Non-Qualified Stock Option Agreement (pursuant to the 2008 Long-Term Incentive Plan) [12]
10.19	Form of Black Box Corporation Restricted Stock Unit Agreement (pursuant to the 2008 Long-Term Incentive Plan) [12]
10.20	Form of Black Box Corporation Restricted Stock Unit Agreement for Non-Employee Directors (pursuant to the 2008 Long-Term Incentive Plan) [12]
10.21	Form of Black Box Corporation Performance Share Award Agreement (pursuant to the 2008 Long-Term Incentive Plan) [12]

10.22	Summary of Director Compensation [13]
10.23	Description of Fiscal 2011 Annual Incentive Plan [14]
10.24	Agreement between the Company and Kenneth P. Davis [15]
10.25	First Amendment to Credit Agreement dated as of October 8, 2010 by and among Black Box Corporation of Pennsylvania and Norstan, Inc., as Borrowers, the Company, the Guarantors parties thereto, the Lenders parties thereto and Citizens Bank of Pennsylvania (First Amendment to the Credit Agreement)[15]
21.1	Subsidiaries of the Registrant [13]
23.1	Consent of Independent Registered Accounting Firm [13]
31.1	Certification of the Chief Executive Officer pursuant to Rule 13a-14(a) of the Securities and Exchange Act of 1934, as amended, and Section 302 of the Sarbanes-Oxley Act of 2002 [13]
31.2	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a) of the Securities and Exchange Act of 1934, as amended, and Section 302 of the Sarbanes-Oxley Act of 2002 [13]
32.1	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to Rule 13a-14(b) of the Securities and Exchange Act of 1934, as amended, and 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 [13]

(1) Filed as Exhibit 3(i) to the Quarterly Report on Form 10-Q of the Company, file number 0-18706, filed with the SEC on November 14, 2000, and incorporated herein by reference.

(2) Filed as Exhibit 3(ii) to the Current Report on Form 8-K of the Company, file number 0-18706, filed with the SEC on May 17, 2010, and incorporated herein by reference.

(3) Filed as Exhibit 10.1 to the Current Report on Form 8-K of the Company, file number 0-18706, filed with the SEC on February 5, 2008, and incorporated herein by reference.

(4) Filed as an exhibit to the Annual Report on Form 10-K of the Company, file number 0-18706, filed with the SEC on May 30, 2008, and incorporated herein by reference.

(5) Filed as an exhibit to the Quarterly Report on Form 10-Q of the Company, file number 0-18706, filed with the SEC on November 12, 2004, and incorporated herein by reference.

(6) Filed as an exhibit to the Quarterly Report on Form 10-Q of the Company, file number 0-18706, filed with the SEC on February 5, 2009, and incorporated herein by reference.

(7) Filed as Exhibit 10.1 to the Current Report on Form 8-K of the Company, file number 0-18706, filed with the SEC on October 18, 2007, and incorporated herein by reference.

(8) Filed as an exhibit to the Quarterly Report on Form 10-Q of the Company, file number 0-18706, filed with the SEC on August 16, 2007, and incorporated herein by reference.

(9) Filed as an exhibit to the Quarterly Report on Form 10-Q of the Company, file number 0-18706, filed with the SEC on November 10, 2005, and incorporated herein by reference.

(10) Filed as an exhibit to the Quarterly Report on Form 10-Q of the Company, file number 0-18706, filed with the SEC on August 7, 2008, and incorporated herein by reference.

(11) Filed as Exhibit I to the Proxy Statement for the 2008 Annual Meeting of Stockholders filed on Schedule 14A, file number 0-18706, filed with the SEC on June 26, 2008.

(12) Filed as an exhibit to the Quarterly Report on Form 10-Q of the Company, file number 0-18706, filed with the SEC on August 6, 2009, and incorporated herein by reference.

(13) Filed herewith.

(14) Filed as an exhibit to the Quarterly Report on Form 10-Q of the Company, file number 0-18706, filed with the SEC on August 12, 2010, and incorporated herein by reference.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BLACK BOX CORPORATION

Dated: May 27, 2011

/s/ MICHAEL MCANDREW

Michael McAndrew
Executive Vice President, Chief Financial Officer,
Treasurer, Secretary and Principal Accounting Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signatures	**Capacity**	**Date**
/s/ WILLIAM F. ANDREWS	Director	May 27, 2011
William F. Andrews		
/s/ RICHARD L. CROUCH	Director	May 27, 2011
Richard L. Crouch		
/s/ THOMAS W. GOLONSKI	Director	May 27, 2011
Thomas W. Golonski		
/s/ THOMAS G. GREIG	Director and Chairman of the Board	May 27, 2011
Thomas G. Greig		
/s/ WILLIAM H. HERNANDEZ	Director	May 27, 2011
William H. Hernandez		
/s/ EDWARD A. NICHOLSON	Director	May 27, 2011
Edward A. Nicholson		
/s/ R. TERRY BLAKEMORE	Director, President and Chief Executive Officer	May 27, 2011
R. Terry Blakemore		

/s/ MICHAEL MCANDREW	Executive Vice President, Chief Financial Officer, Treasurer, Secretary and Principal Accounting Officer	May 27, 2011
Michael McAndrew		

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EXHIBIT INDEX

Exhibit Number	Description
3(i)	Second Restated Certificate of Incorporation of the Company, as amended [1]
3(ii)	Amended and Restated By-laws of the Company, as amended [2]
10.1	Third Amended and Restated Credit Agreement, dated as of January 30, 2008, by and among Black Box Corporation of Pennsylvania and Norstan, Inc., as Borrowers, the Company, the Guarantors parties thereto, the Lenders parties thereto and Citizens Bank of Pennsylvania (the Credit Agreement[3])
10.2	Guaranty and Suretyship Agreement, dated as of January 30, 2008, by and among the Company, the Lenders and Citizens Bank of Pennsylvania [4]
10.3	Guaranty and Suretyship Agreement, dated as of January 30, 2008, by and among the Guarantors, the Lenders and Citizens Bank of Pennsylvania [4]
10.4	Agreement between the Company and Francis W. Wertheimber [5]
10.5	Amended and Restated Agreement between the Company and Michael McAndrew [6]
10.6	Amended and Restated Agreement between the Company and R. Terry Blakemore [7]
10.7	1992 Stock Option Plan, as amended through August 9, 2007 [8]
10.8	1992 Director Stock Option Plan, as amended through August 9, 2007 [8]
10.9	Form of Black Box Corporation Non-Qualified Stock Option Agreement (pursuant to the 1992 Director Stock Option Plan; form of agreement in effect prior to August 10, 2004) [5]
10.1	Form of Black Box Corporation Non-Qualified Stock Option Agreement (pursuant to the 1992 Director Stock Option Plan; form of agreement in effect as of August 10, 2004) [5]
10.11	Form of Black Box Corporation Non-Qualified Stock Option Agreement (pursuant to the 1992 Director Stock Option Plan; form of agreement in effect as of October 31, 2005) [9]
10.12	Form of Black Box Corporation Non-Qualified Stock Option Agreement (pursuant to the 1992 Stock Option Plan)[5]
10.13	Form of Black Box Corporation Non-Qualified Stock Option Agreement (pursuant to the 1992 Stock Option Plan; form of agreement in effect as of October 31, 2005) [9]
10.14	Description of Fiscal 2009 Annual Incentive Plan [10]
10.15	Form of 2008 Long-Term Incentive Cash Award Agreement for Fiscal 2009 [10]
10.16	2008 Long-Term Incentive Plan [11]

10.17	Description of Fiscal 2010 Annual Incentive Plan (12)
10.18	Form of Black Box Corporation Non-Qualified Stock Option Agreement (pursuant to the 2008 Long-Term Incentive Plan) (12)
10.19	Form of Black Box Corporation Restricted Stock Unit Agreement (pursuant to the 2008 Long-Term Incentive Plan) (12)
10.20	Form of Black Box Corporation Restricted Stock Unit Agreement for Non-Employee Directors (pursuant to the 2008 Long-Term Incentive Plan) (12)
10.21	Form of Black Box Corporation Performance Share Award Agreement (pursuant to the 2008 Long-Term Incentive Plan) (12)

10.22	Summary of Director Compensation [13]
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