

STARRETT L S CO  
Form 8-K  
July 20, 2007

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): July 17, 2007

THE L.S. STARRETT COMPANY  
(Exact name of registrant as specified in its charter)

Massachusetts (State or Other Jurisdiction of Incorporation)	1-367 (Commission File Number)	04-1866480 (IRS Employer Identification No.)
--	-----------------------------------	--

121 CRESCENT STREET, ATHOL, MASSACHUSETTS (Address of principal executive offices)	01331 (Zip Code)
---	---------------------

Registrant's telephone number: 978-249-3551

(Former name or former address, if changed since last report)

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

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

**Item 2.01 Completion of Acquisition or Disposition of Assets**



On July 17, 2007 a wholly owned subsidiary of the Company, entered into an asset purchase agreement with Kinemetric Engineering, LLC. (Kinemetric Engineering), pursuant to which the Company purchased all of the assets of Kinemetric Engineering for \$2.3 million in cash. The asset purchase was financed through existing cash and a draw on the Company's existing line of credit. In connection with the asset purchase agreement, \$.3 million of the purchase price was placed into escrow to support the indemnification obligations of Kinemetric Engineering and its shareholders. Kinemetric Engineering specializes in precision video-based metrology, specialty motion devices, and custom engineered systems for measurement and inspection. A long time technical partner of the Company, Kinemetric Engineering brings a wealth of experience, engineering and manufacturing capability. This business unit will also oversee the sales and support of the Company's high quality line of Starrett Optical Projectors, combining to make a very comprehensive product offering. The Company is in the process of completing the purchase price allocation based on the fair value of the tangible and intangible assets and liabilities acquired.

SIGNATURE

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

THE L.S. STARRETT COMPANY

Date: July 20, 2007

By:/s/ Randall J. Hylek  
Name:Randall J. Hylek  
Title:Treasurer and Chief Financial Officer

