

INVACARE CORP
Form S-4/A
May 24, 2007

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As filed with the Securities and Exchange Commission on May 24, 2007

Registration No. 333-142306

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

Amendment No. 1

to

Form S-4

**REGISTRATION STATEMENT
UNDER THE SECURITIES ACT OF 1933**

Invacare Corporation

(Exact Name of Registrant as Specified in Its Charter)

SEE TABLE OF CO-REGISTRANTS

Ohio

*(State or Other Jurisdiction of
Incorporation or Organization)*

3842

*(Primary Standard Industrial
Classification Code Number)*

95-2680965

*(I.R.S. Employer
Identification No.)*

One Invacare Way

P.O. Box 4028

Elyria, Ohio 44036

(440) 329-6000

*(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive
Offices)*

Dale C. LaPorte, Esq.

Senior Vice President Business Development and General Counsel

Invacare Corporation

One Invacare Way

P.O. Box 4028

Elyria, Ohio 44036

(440) 329-6000

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent For Service)

Copy To:

Douglas A. Neary, Esq.

Calfee, Halter & Griswold LLP
1400 KeyBank Center
800 Superior Avenue
Cleveland, Ohio 44114-2688
(216) 622-8200

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after the effective date of this registration statement.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Each Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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Exact Name of Co-Registrant as Specified in its Charter	State or Other Jurisdiction of Incorporation or Organization	Primary Standard Industrial Classification Code Number	I.R.S. Employer Identification Number
Adaptive Switch Laboratories, Inc.	Texas	3842	76-0446470
Altimate Medical, Inc.	Minnesota	3842	41-1595309
Champion Manufacturing Inc.	Delaware	3842	20-1700364
Freedom Designs, Inc.	California	3842	95-3674857
Garden City Medical Inc.	Delaware	3842	34-1907951
Healthtech Products, Inc.	Missouri	3842	43-1696816
The Helixx Group, Inc.	Ohio	3842	20-2732748
Invacare Canadian Holdings, Inc.	Delaware	3842	20-2493311
Invacare Credit Corporation	Ohio	3842	34-1386578
Invacare Florida Corporation	Delaware	3842	59-3446753
Invacare Florida Holdings, LLC	Delaware	3842	N/A
Invacare Holdings, LLC	Ohio	3842	N/A
Invacare International Corporation	Ohio	3842	34-1429041
Invacare Supply Group, Inc.	Massachusetts	3842	34-1852891
Kuschall, Inc.	Delaware	3842	20-3001038
Medbloc, Inc.	Delaware	3842	16-1512988
The Aftermarket Group, Inc.	Delaware	3842	31-1632048

The address, including zip code, and telephone number including area code, of each Co-Registrant's principal executive offices is: c/o Invacare Corporation, One Invacare Way, P.O. Box 4028, Elyria, Ohio 44036, Telephone: (440) 329-6000.

The name, address, including zip code, and telephone number, including area code of the agent for service for each of the Co-Registrants is: Dale C. LaPorte, Esq., Senior Vice President Business Development and General Counsel, Invacare Corporation, One Invacare Way, P.O. Box 4028, Elyria, Ohio 44036, Telephone: (440) 329-6000.

Copy To: Douglas A. Neary, Esq., Calfee, Halter & Griswold LLP, 1400 KeyBank Center, 800 Superior Avenue, Cleveland, Ohio 44114-2688, Telephone: (216) 622-8200.

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and we are not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION DATED MAY 24, 2007

PROSPECTUS

\$175,000,000

Invacare Corporation

OFFER TO EXCHANGE

**\$175,000,000 PRINCIPAL AMOUNT OF OUR 93/4% SENIOR NOTES DUE 2015
FOR ANY AND ALL OUTSTANDING 93/4% SENIOR NOTES DUE 2015**

We are offering to exchange all of our outstanding 93/4% Senior Notes due 2015, or the initial notes, for new 93/4% Senior Notes due 2015, or the exchange notes. Except as identified in this prospectus, the terms of the exchange notes are identical in all material respects to the terms of the initial notes, except that the exchange notes have been registered under the Securities Act, and the transfer restrictions and registration rights relating to the initial notes do not apply to the exchange notes.

The exchange notes will mature on February 15, 2015. We will pay interest on the exchange notes at the rate of 93/4% per year, and interest on the exchange notes will be payable on February 15 and August 15 of each year. The exchange notes will be fully and unconditionally guaranteed on a senior unsecured basis by our direct and indirect wholly-owned subsidiaries that currently guarantee our obligations under the initial notes.

The exchange notes and the subsidiary guarantees thereof will be general unsecured senior obligations and will rank equally in right of payment with all of our and the subsidiary guarantors' existing and future senior debt. The exchange notes will be senior in right of payment to any subordinated debt. The exchange notes will be effectively subordinated to all secured obligations to the extent of the value of the collateral securing such obligations and any obligations of non-guarantor subsidiaries, which will include all of our foreign subsidiaries.

We may redeem some or all of the exchange notes at any time on or prior to February 15, 2011 at a redemption price equal to 100% of the principal amount of the exchange notes redeemed plus an applicable premium calculated as set forth in this prospectus. We may redeem some or all of the exchange notes at any time after that date at the redemption prices set forth in this prospectus. We also may redeem up to 35% of the aggregate principal amount of the exchange notes using the proceeds from certain equity offerings on or before February 15, 2010. The redemption prices are described under "Description of the Notes - Optional Redemption."

The exchange offer will expire at 5:00 p.m., New York time, on _____, 2007 (the _____ business day following the date of this prospectus), unless we extend the exchange offer in our sole and absolute discretion. To exchange your initial notes for exchange notes:

You are required to make the representations described on page 31 to us.

The exchange agent, Wells Fargo Bank, N.A., must receive your completed letter of transmittal that accompanies this prospectus by 5:00 p.m., New York time on _____, 2007.

You should read the section titled "The Exchange Offer" for further information on how to exchange your initial notes for exchange notes.

There is no established trading market for the exchange notes, and we do not intend to list the exchange notes on any securities exchange or automated quotation system.

Investing in the exchange notes involves risks similar to those associated with the initial notes. See Risk Factors beginning on page 8 for a discussion of certain risks you should consider before participating in the exchange offer.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Broker-Dealers

Each broker-dealer that receives exchange notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such exchange notes. The letter of transmittal states that by so acknowledging and delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act of 1933.

This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of exchange notes received in exchange for initial notes where such initial notes were acquired by such broker-dealer as a result of market-making activities or other trading activities.

We have agreed that, for a period of up to 180 days after the consummation of the exchange offer, we will make this prospectus available to any broker-dealer for use in connection with any such resale. See Plan of Distribution.

The date of this prospectus is _____, 2007

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we have filed with the Securities and Exchange Commission, or SEC. This prospectus does not contain all of the information included in the registration statement. The registration statement filed with the SEC includes exhibits that provide more details about the matters discussed in this prospectus. You should carefully read this prospectus, the related exhibits filed with the SEC and any prospectus supplement, together with the additional information described below under the headings Where You Can Find More Information and Incorporation by Reference.

This prospectus incorporates important business and financial information about us that is not included in or delivered with this prospectus. We will provide without charge to each person to whom a copy of this prospectus is delivered, upon written or oral request of that person, a copy of any and all of this information. Requests for copies should be directed to Shareholder Relations Department, Invacare Corporation, One Invacare Way, P.O. Box 4028, Elyria, Ohio 44036-2125; (440) 329-6000. You should request this information at least five business days in advance of the date on which you expect to make your decision with respect to the exchange offer. **In any event, in order to obtain timely delivery, you must request this information prior to [redacted], 2007, which is five business days before the expiration date of the exchange offer.**

You should rely only on the information contained or incorporated by reference in this prospectus and in any accompanying prospectus supplement. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. You should assume that the information appearing in this prospectus, any prospectus supplement and any other document incorporated by reference is accurate only as of the date on the front cover of those documents. Our business, financial

condition, results of operations and prospects may have changed since those dates.

Under no circumstances should the delivery to you of this prospectus create any implication that the information contained in this prospectus is correct as of any time after the date of this prospectus.

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Unless otherwise indicated or unless the context otherwise requires, all references in this prospectus to Invacare, we, us, and our mean Invacare Corporation and all of our subsidiaries that are consolidated under GAAP. In this prospectus, we sometimes refer to the notes and guarantees collectively as the securities. References in this prospectus to the notes mean the initial notes and/or the exchange notes, as the context requires. Our fiscal year ends on December 31 of each year. When we refer to a year, such as 2006, we are referring to the fiscal year ended on December 31 of that year.

MARKET, RANKING AND OTHER INDUSTRY DATA

Due to the variety of our products and the markets that we serve, there are few published independent sources for data related to the markets for many of our products. Furthermore, in certain categories we participate in portions of larger markets for which data may be available but we estimate our portion of the market based on internal analysis. To the extent we are able to express our belief on the basis of data derived in part from independent sources, we have done so. To the extent we have been unable to do so, we have expressed our belief solely on the basis of our own internal analyses and estimates of our and our competitors products and capabilities. Industry publications, surveys and forecasts that we have utilized generally state that the information contained therein has been obtained from third-party sources believed to be reliable. Although we believe that the third-party sources are reliable, we have not independently verified any of the data from third-party sources nor have we ascertained the underlying assumptions or basis for any of the information. In general, when we say we are a leader or a leading manufacturer or make similar statements about ourselves, we are expressing our belief that we formulated principally from our estimates and experience in, and knowledge of, the markets in which we compete. Our estimate of the overall size of the worldwide market for medical equipment used in the home is principally based on our internal analysis of our market share and the market sizes of our individual geographic segments and product groups. In some of the cases described above, we possess independent data to support our position, but that data may not be sufficient in isolation for us to reach the conclusions that we have reached without our knowledge of our markets and businesses.

FORWARD-LOOKING STATEMENTS

This prospectus contains and incorporates by reference forward-looking statements. Generally, you can identify these statements because they contain words like anticipates, believes, estimates, expects, forecasts, future, intentions, and similar terms. These statements reflect only our current expectations. Forward-looking statements include the statements concerning our plans, objectives, goals, strategies, future events, capital expenditures, future results, our competitive strengths, our business strategy and the trends in our industry.

We cannot guarantee the accuracy of any forward-looking statements, and actual results may differ materially from those we anticipated due to a number of uncertainties, including, among others, the risks we face as described under the Risk Factors section and elsewhere in this prospectus. You should not place undue reliance on these forward-looking statements. These forward-looking statements are within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act, and are intended to be covered by the safe harbors created thereby. To the extent that these statements are not recitations of historical fact, these statements constitute forward-looking statements that, by definition, involve risks and uncertainties. In any forward-looking statement where we express an expectation or belief as to future results or events, that expectation or belief is expressed in good faith and is believed to have a reasonable basis, but is based on underlying assumptions that may not occur and may be beyond our control and there can be no assurance that the future results or events expressed by the statement of expectation or belief will be achieved or accomplished. Our actual results, performance or achievements could differ materially from those expressed in, or implied by, forward-looking statements. We can give you no assurance that any of the events or performance measures anticipated by forward-looking statements will occur or be achieved or, if any of them do, what impact they will have on our results of operations and financial condition. Important

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factors that could cause actual results to differ materially from the forward-looking statements include, but are not limited to:

possible adverse effects of being substantially leveraged, which could impact our ability to raise capital, limit our ability to react to changes in the economy or our industry or expose us to interest rate risks;

changes in domestic or foreign government and other third-party payor reimbursement levels and practices and regulations and interpretations of regulations;

consolidation of health care customers and our competitors;

ineffective cost reduction and restructuring efforts;

inability to design, manufacture, distribute and achieve market acceptance of new products with higher functionality and lower costs;

extensive government regulation of our products;

environmental regulations which hinder our research and development and manufacturing processes;

lower cost imports;

increased freight costs;

failure to comply with regulatory requirements or receive regulatory clearance or approval for our products or operations in the United States or abroad;

potential product recalls;

increases in uncollectible accounts receivable;

further difficulties in implementing our new enterprise resource planning system;

legal actions or regulatory proceedings and governmental investigations;

product liability claims;

inadequate patents or other intellectual property protection;

incorrect assumptions concerning demographic trends that impact the market for our products;

provisions of our charter documents and our bank credit agreements or other debt instruments that could prevent or delay a change in control;

the loss of the services of our key management and personnel;

decreased availability or increased costs of raw materials could increase our costs of producing our products;

inability to acquire strategic acquisition candidates because of limited financing alternatives;

risks inherent in managing and operating businesses in many different foreign jurisdictions;

exchange rate fluctuations; and

potential impairment charges associated with goodwill, intangibles and/or other assets.

Additional risks, uncertainties and other factors that may cause our actual results, performance or achievements to be different from those expressed or implied in our written or oral forward-looking statements may be found under "Risk Factors" contained in this prospectus and in the annual and quarterly reports that we have filed with the SEC and that are incorporated by reference in this prospectus.

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These factors and other risk factors disclosed in this prospectus and elsewhere are not necessarily all of the important factors that could cause our actual results to differ materially from those expressed in any of our forward-looking statements. Other unknown or unpredictable factors could also harm our results. Consequently, there can be no assurance that the actual results or developments anticipated by us will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, us. Given these uncertainties, you are cautioned not to place undue reliance on these forward-looking statements.

The forward-looking statements contained in this prospectus are made only as of the date of this prospectus. Except to the extent required by law, we do not undertake, and specifically decline any obligation, to update any forward-looking statements or to publicly announce the results of any revisions to any of these statements to reflect future events or developments or otherwise.

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PROSPECTUS SUMMARY

The following summary highlights certain information contained in or incorporated by reference in this prospectus. It does not contain all of the information that may be important to you and to your investment decision. The following summary is qualified in its entirety by the more detailed information and the financial statements and the notes included or incorporated by reference in this prospectus. You should carefully read this entire prospectus and should consider, among other things, the matters described in the Risk Factors section before deciding to invest in the notes.

The Company

We are the world's leading manufacturer and distributor in the \$8.0 billion worldwide market for medical equipment used in the home based upon our distribution channels, breadth of product lines and net sales. We design, manufacture and distribute an extensive line of health care products for the non-acute care environment, including the home health care, retail and extended care markets. We continuously revise and expand our product lines to meet changing market demands and currently offer numerous product lines. We sell our products principally to over 25,000 home health care and medical equipment providers, distributors and government locations in the United States, Australia, Canada, Europe, New Zealand and Asia. Our products are sold through our worldwide distribution network by our sales force, telesales associates and various organizations of independent manufacturers' representatives and distributors. We also distribute medical equipment and disposable medical supplies manufactured by others.

We are committed to design, manufacture and deliver the best value in medical products, which promote recovery and active lifestyles for people requiring home and other non-acute health care. We pursue this vision by:

- designing and developing innovative and technologically superior products;
- ensuring continued focus on our primary market – the non-acute health care market;
- marketing our broad range of products;
- providing the industry's most professional and cost-effective sales, customer service and distribution organization;
- supplying superior and innovative provider support and aggressive product line extensions;
- building a strong referral base among health care professionals;
- building brand preference with consumers;
- continuously advancing and recruiting top management candidates;
- empowering all employees;
- providing a performance-based reward environment; and
- continually striving for total quality throughout the organization.

When Invacare was acquired in December 1979 by a group of investors, including some of our current officers and Directors, we had \$19.5 million in net sales and a limited product line of standard wheelchairs and patient aids. In 2006, Invacare reached approximately \$1.5 billion in net sales, representing a 17% compound average sales growth rate since 1979, and currently is the leading company in each of the following major, non-acute, medical equipment categories: power and manual wheelchairs, home care bed systems and home oxygen systems.

The Recapitalization

On February 12, 2007, we completed certain refinancing transactions which are further described below and which we refer to collectively as the Recapitalization.

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On February 12, 2007, we entered into a Credit Agreement which provides for a \$400 million senior secured credit facility consisting of a \$250 million term loan facility and a \$150 million revolving credit facility. Our obligations under the Credit Agreement are secured by substantially all of the Company's assets, subject to certain exceptions, and are guaranteed by our material domestic subsidiaries, with certain obligations also guaranteed by our material foreign subsidiaries. The Credit Agreement contains a number of customary restrictive covenants, affirmative covenants and events of default, and financial covenants that require the Company to maintain a maximum leverage ratio, a minimum interest coverage ratio, and a minimum fixed charge coverage ratio.

We also consummated the issuance and sale of \$135 million aggregate principal amount of our 4.125% convertible senior subordinated debentures due 2027 (the "debentures") on February 12, 2007. The net proceeds to the Company from the offering, after deducting the initial debenture purchasers' discount and the estimated offering expenses payable by us, were approximately \$132.3 million. The debentures are governed by an Indenture, dated February 12, 2007, by and among the Guarantors named therein and Wells Fargo Bank, N.A. (the "trustee"), and us. The debentures are unsecured senior subordinated obligations of the Company guaranteed by substantially all of our domestic subsidiaries and pay interest at 4.125% per annum on each February 1 and August 1. See "Description of Other Indebtedness."

We also consummated the issuance and sale of the initial notes on February 12, 2007. Our net proceeds from the offering, after deducting the initial note purchasers' discount and the estimated offering expenses payable by us, were approximately \$167 million. The initial notes are governed by an Indenture, dated February 12, 2007, by and among the Guarantors named therein, the trustee and us. The initial notes are unsecured senior obligations of the Company, guaranteed by substantially all of our domestic subsidiaries.

We used the net proceeds from the offerings of the initial notes and the debentures, together with our initial borrowings under the Credit Agreement to repay outstanding indebtedness under our previously existing revolving credit facility, our accounts receivable securitization, our 6.71% senior notes due 2008, 3.97% senior notes due 2007, 4.74% senior notes due 2009, 5.05% senior notes due 2010 and 6.17% senior notes due 2016 and our related expenses and repayment costs aggregating \$570 million, and we refer to these related transactions collectively as the Recapitalization.

Recent Developments

We recently became aware of a potential embezzlement at one of our foreign facilities, which is being investigated by the local authorities. The embezzlement is believed to have occurred from January 2005 through March 2007. Our internal audit function is currently performing both an internal audit and a forensic audit into this situation. We carry insurance on employee dishonesty in the amount of \$5 million and believe we will recover the entire amount of that policy after completion of the necessary paperwork. We do not believe the impact of the embezzlement and the related insurance proceeds will have a significant impact on our financial results, operations or plans and believe that the appropriate internal controls were in place but were circumvented by collusion.

Our principal executive offices are located at One Invacare Way, Elyria, Ohio 44036, and our telephone number at that address is (440) 329-6000. Our website address is <http://www.invacare.com>. The information on our website is not part of this prospectus.

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The Exchange Offer

Notes Offered	We are offering to exchange up to \$175,000,000 of our 93/4% Senior Notes due 2015. The terms of the exchange notes are identical in all material respects to the terms of the initial notes, except that the exchange notes have been registered under the Securities Act, and the transfer restrictions and registration rights relating to the initial notes do not apply to the exchange notes.
The Exchange Offer	We are offering to issue the exchange notes in exchange for a like principal amount of your initial notes. We are offering to issue the exchange notes to satisfy our obligations contained in the registration rights agreement entered into when the initial notes were sold in transactions permitted by Rule 144A under the Securities Act and therefore not registered with the SEC. For procedures for tendering your initial notes, see The Exchange Offer.
Tenders, Expiration Date, Withdrawal	The exchange offer will expire at 5:00 p.m. New York City time on _____, 2007 unless it is extended. If you decide to exchange your initial notes for exchange notes, you must acknowledge that you are not engaging in, and do not intend to engage in, a distribution of the exchange notes. If you decide to tender your initial notes in the exchange offer, you may withdraw them any time prior to _____, 2007. If we decide for any reason not to accept any initial notes for exchange, your initial notes will be returned to you promptly after the exchange offer expires.
Conditions of the Exchange Offer	<p>The exchange offer is subject to the following customary conditions, which we may waive:</p> <p>the exchange offer, or the making of any exchange by a holder of initial notes, will not violate any applicable law or interpretation by the staff of the SEC;</p> <p>no action may be pending or threatened in any court or before any governmental agency with respect to the exchange offer that may impair our ability to proceed with the exchange offer; and</p> <p>no stop order may be threatened or in effect with respect to the exchange offer or the qualification of the indenture under the Trust Indenture Act of 1939, as amended.</p>
Material U.S. Federal Income Tax Considerations	Your exchange of initial notes for exchange notes in the exchange offer will not result in any income, gain or loss to you for federal income tax purposes. See Material United States Federal Income Tax Consequences.
Use of Proceeds	We will not receive any proceeds from the issuance of the exchange notes in the exchange offer.
Exchange Agent	Wells Fargo Bank, N.A. is the exchange agent for the exchange offer.

Failure to Tender Your Initial Notes

If you fail to tender your initial notes in the exchange offer, you will not have any further rights under the registration rights agreement, except under limited circumstances. Because the initial notes are not registered under the Securities Act, the initial notes and exchange notes will not be interchangeable. Consequently, if you fail to tender

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your initial notes in the exchange offer, you will not be able to trade your initial notes with the exchange notes we issue. If most of the initial notes are tendered in the exchange offer, holders of notes that have not been exchanged will likely have little trading liquidity.

Consequences of Exchanging Your Initial Notes

Based on interpretations of the staff of the SEC, we believe that you may offer for resale, resell or otherwise transfer the exchange notes that we issue in the exchange offer without complying with the registration and prospectus delivery requirements of the Securities Act if you:

acquire the exchange notes issued in the exchange offer in the ordinary course of your business;

are not participating, do not intend to participate, and have no arrangement or undertaking with anyone to participate, in the distribution of the exchange notes issued to you in the exchange offer; and

are not an affiliate of Invacare as defined in Rule 405 of the Securities Act.

If any of these conditions is not satisfied and you transfer any exchange notes issued to you in the exchange offer without delivering a proper prospectus or without qualifying for a registration exemption, you may incur liability under the Securities Act. We will not be responsible for or indemnify you against any liability you may incur.

Any broker-dealer that acquires exchange notes in the exchange offer for its own account in exchange for initial notes which it acquired through market-making or other trading activities, must acknowledge that it will deliver a prospectus when it resells or transfers any exchange notes issued in the exchange offer as described in more detail under Plan of Distribution.

Risk Factors

An investment in the notes is subject to certain risks. See Risk Factors beginning on page 8 of this prospectus and the other information in this prospectus for a discussion of factors you should consider carefully before deciding to invest in the notes.

Accounting Treatment

The exchange notes will be recorded in our accounting records at the same carrying value as the initial notes, as reflected in our accounting records on the date of the exchange. Accordingly, no gain or loss for accounting purposes will be recognized by us. The costs of the exchange offer and the expenses related to the issuance of the initial notes will be amortized over the term of the exchange notes.

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The Exchange Notes

The terms of the exchange notes and the initial notes are identical in all material respects, except that the exchange notes have been registered under the Securities Act, and the transfer restrictions and registration rights relating to the initial notes do not apply to the exchange notes. The following summary contains basic information about the exchange notes and is not intended to be complete. It does not contain all the information that may be important to you. For a more complete understanding of the exchange notes, please refer to the section in this prospectus entitled Description of Notes. You should read the entire prospectus, including the financial statements and related notes included or incorporated by reference in this prospectus, before making an investment decision.

Issuer	Invacare Corporation.
Securities	\$175 million in aggregate principal amount of 93/4% Senior Notes due 2015.
Maturity	The notes will mature on February 15, 2015.
Interest	The notes will bear interest at 93/4% per annum. We will pay interest on the notes semiannually on February 15 and August 15 of each year. The first such payment will be made on August 15, 2007.
Guarantees	The notes will be guaranteed on a senior unsecured basis by all of our existing domestic restricted subsidiaries (other than our captive insurance subsidiary and any receivables subsidiaries) and certain future domestic restricted subsidiaries.
Ranking	<p>The notes will be our unsecured senior obligations. Accordingly, they will:</p> <ul style="list-style-type: none"> rank equally in right of payment with all of our existing and future senior debt; rank senior in right of payment to our existing and future subordinated indebtedness, including our 4.125% convertible senior subordinated debentures due 2027; rank senior to any of our existing and future debt that expressly provides that it is subordinated to the notes; be effectively subordinated to any of our existing and future secured debt to the extent of the assets securing such debt, including all borrowings under our senior secured credit facilities; and be structurally subordinated to any existing and future debt or other liabilities of our subsidiaries that do not guarantee the notes, including debt borrowed by our foreign subsidiaries. <p>Similarly, the guarantees will be unsecured senior obligations of the guarantors and will:</p>

rank equally in right of payment with all of the applicable guarantor s existing and future senior debt;

rank senior in right of payment to all of the applicable guarantor s existing and future subordinated debt;

rank senior in right of payment to all of the applicable guarantor s debt that expressly provides that it is subordinated to the guarantees;

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be effectively subordinated in right of payment to all of the applicable guarantor's existing and future secured debt to the extent of the assets securing such debt, including the guarantor's guarantees of our senior secured credit facilities; and

be structurally subordinated to all existing and future debt and other obligations of each of such guarantor's subsidiaries that do not guarantee the notes, including debt borrowed by our foreign subsidiaries.

As of March 31, 2007, we had \$291.9 million of senior secured debt to which the initial notes were subordinated. In addition, we had \$3.3 million of letters of credit under our senior secured credit facilities. As of that date, we had \$119.3 million of availability for additional borrowings under our senior secured credit facilities, subject to borrowing base availability. Certain of our foreign subsidiaries are able to borrow up to \$150 million of our senior secured credit facilities.

Optional Redemption

After February 15, 2011, we may redeem some or all of the notes at any time at the redemption prices listed under "Description of Notes - Optional Redemption," plus accrued and unpaid interest.

Prior to February 15, 2010, we may redeem up to 35% of the notes with the proceeds from certain equity offerings at the redemption price listed under "Description of Notes - Optional Redemption," plus accrued and unpaid interest.

We may redeem the notes, in whole or in part, at any time on or prior to February 15, 2011 at a redemption price equal to 100% of the principal amount of the notes redeemed plus an applicable premium calculated as set forth in this prospectus.

Change of Control

If we experience certain types of change of control transactions, we must offer to repurchase the notes at 101% of the aggregate principal amount of the notes repurchased, plus accrued and unpaid interest.

Basic Covenants of Indenture

The indenture governing the notes, among other things, restricts our and our subsidiaries' ability to:

incur additional debt;

pay dividends on, or redeem or repurchase stock;

create liens;

make specified types of investments;

apply net proceeds from certain asset sales;

engage in transactions with our affiliates;

engage in sale and leaseback transactions;

merge or consolidate;

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restrict dividends or other payments from subsidiaries; and

sell, assign, transfer, lease, convey or dispose of assets.

These covenants are subject to a number of important exceptions, limitations and qualifications that are described under Description of the Notes Certain Covenants.

Absence of Public Market

The exchange notes will be freely transferable, but will be new securities for which there will not initially be a market. We do not intend to list the exchange notes on any securities exchange or to seek their admission to trading on any automated quotation system. Accordingly, there is no assurance that a market for the exchange notes will develop or as to the liquidity of any market.

You should carefully consider all of the information included or incorporated by reference in this prospectus, including the discussion in the section entitled Risk Factors, for an explanation of certain risks of investing in the exchange notes.

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RISK FACTORS

You should carefully consider the risk factors set forth below as well as the other information contained in this prospectus before purchasing any notes. The risks described below are not the only risks facing us and your investment in the notes. Additional risks and uncertainties also may materially and adversely affect our business, financial condition, cash flows or results of operations. The following risks could materially and adversely affect our business, financial condition, cash flows or results of operations. In such a case, you may lose all or part of your original investment.

Risks Relating to the Notes and the Exchange Offer

Our substantial leverage could adversely affect our ability to raise additional capital to fund our operations, limit our ability to react to changes in the economy or our industry, expose us to interest rate risk to the extent of our variable rate debt and prevent us from meeting our obligations under the notes.

We are highly leveraged. As of March 31, 2007, our total indebtedness was \$601.9 million. We also had an additional \$119.3 million available for borrowing under our senior secured credit facilities, without consideration of covenant restrictions.

Our high degree of leverage could have important consequences for you, including:

making it more difficult for us to make payments on the notes and our other debt;

increasing our vulnerability to general economic and industry conditions;

requiring a substantial portion of cash flow from operations to be dedicated to the payment of principal and interest on our indebtedness, therefore reducing our ability to use our cash flow to fund our operations, capital expenditures and future business opportunities;

exposing us to the risk of increased interest rates as some of our borrowings, including borrowings under our senior secured credit facilities, will be at variable rates of interest;

limiting our ability to make strategic acquisitions or causing us to make non-strategic divestitures;

limiting our ability to obtain additional financing for working capital, capital expenditures, product development, debt service requirements, acquisitions and general corporate or other purposes; and

limiting our ability to adjust to changing market conditions and placing us at a competitive disadvantage compared to some of our competitors who may be less highly leveraged.

We and our subsidiaries may be able to incur substantial additional indebtedness in the future, subject to the restrictions contained in our senior secured credit facilities and the indenture governing the notes.

Our debt agreements contain restrictions that limit our flexibility in operating our business.

Our senior secured credit facilities and the indentures governing the notes and our 4.125% convertible senior subordinated debentures due 2027 contain various covenants that limit our ability to engage in specified types of

transactions. These covenants limit our and our restricted subsidiaries' ability to, among other things:

incur additional indebtedness or other contingent obligations;

pay dividends on, repurchase or make distributions in respect of our capital stock or make other restrictive